



Anacortes City Council
Municipal Building Council Chambers
904 Sixth Street

March 20, 2017
6:00 p.m.

PRELIMINARY AGENDA

1. **Call to Order**
2. **Pledge of Allegiance**
3. **Announcements and Committee Reports**
 - a. Public Safety Committee
 - b. Public Works Committee
4. **Public Comment**
5. **Consent Agenda (Action)**
 - a. Minutes of March 13, 2017
 - b. Approval of Claims in the amount of: \$633,437.17
 - c. Contract Modification: Waterline Replacement Project (17-001-WTR-001)
6. **Public Hearings**
7. **Other Business**
 - a. * Puget Sound Energy Home Energy Assessment Presentation (Discussion)
 - b. * Final Plat & PUD Approval, PUD-2015-0003, 48 North Plat & PUD (Action)
 - c. Contract Award: Craley Group Limited (Action)
 - d. Contract Award: Sound Law Center (Action)
8. **Adjournment**

Per Resolution 1949, citizens wishing to comment on items not on the agenda may do so under the Public Comment portion of the agenda. Citizens wishing to comment on agenda items indicated with an asterisk () may do so as those items are considered by Council during the course of the meeting. Citizens wishing to speak will please sign in at the back of the Council Chambers prior to the start of the meeting. The Mayor may limit comments to those who have signed in, and may limit the time allotted to each speaker to facilitate the orderly progress of the meeting.*

The City of Anacortes encourages people with disabilities to participate in public meetings.
For assistance with special needs, please contact Cherri Kahns at 360-299-1950 at least 48 hours prior to this meeting.



Anacortes City Council

Proposed Agenda Items for the Next Eight Weeks Beginning March 27, 2017

Subjects listed below have been tentatively suggested for consideration by the Anacortes City Council on the dates indicated. Items may be added to, removed from or rearranged on this list. Routine business such as approval of minutes, vouchers and consent agenda items is not included. The complete Preliminary Agenda for each meeting is published at 3:00 on the Wednesday prior to the meeting. Published Agendas are subject to change and may be updated following the posting period. For additional information on agenda topics, please contact the City Clerk's office at 360-299-1960 to be directed to the sponsoring staff member.

March 27, 2017

- Closed Record Public Hearing: CUP-2016-1005, Conditional Use Permit/Essential Public Facility (EPF) to permit an outpatient substance use and primary care medical service type of land use within an existing office building (Discussion/Possible Action)

April 3, 2017

April 10, 2017

April 17, 2017

April 24, 2017

- CDBG - Review draft 2017/2018 Action Plan, Housing Needs & Community Input

May 1, 2017

May 8, 2017

May 15, 2017

Upcoming City Council Committee Meetings

The public is welcome to attend City Council Committee Meetings.

- Public Works, Monday, Mar 20, 2017, 5:00 PM, Public Works Director's Office, City Hall
- Finance, Wednesday, Mar 22, 2017, 5:00 PM, Johnny Picasso's, 501 Commercial Avenue
- Planning, Monday, Mar 27, 2017, 5:00 PM, Main Conference Room, City Hall
- Public Works, Monday, Apr 3, 2017, 5:00 PM, Public Works Director's Office, City Hall
- Housing Affordability & Community Services, Thursday, Apr 6, 2017, 1:30 PM, City Hall
- Planning, Monday, Apr 10, 2017, 5:00 PM, Main Conference Room, City Hall



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City Council Minutes – March 13, 2017

Mayor Laurie Gere called to order the regular Anacortes City Council meeting of March 13, 2017 at 6:00 p.m. Councilmembers Eric Johnson, Ryan Walters, Erica Pickett, Brad Adams and Matt Miller were present. Councilmembers Liz Lovelett and John Archibald were absent.

Ms. Pickett moved, seconded by Mr. Miller, to excuse the absence of Ms. Lovelett who was ill. The motion passed unanimously by voice vote.

The assembly joined in the Pledge of Allegiance.

Announcements and Committee Reports

Planning Committee: Mr. Walters reported that the committee met the prior week to interview Hearing Examiner candidates and so did not meet at its regular time earlier in the evening.

Mayor Gere announced a special meeting for the residential development regulations and design standards open house sponsored by the City of Anacortes Department of Community and Economic Development on Thursday, March 16, 2017 from 6 p.m. to 8 p.m. in the City Council chambers. She encouraged the public to attend.

Public Comment

Linda McNamar, 509 5th Street, asked Council to revisit the issue of banning plastic bags. She said other cities such as Seattle, Bellingham and Chehalis have banned plastic bags and Anacortes can and should, too. Ms. McNamar said the plastic bag problem has gone on too long. She asked what would be required to move the issue forward. Mayor Gere responded that the topic would be referred to committee.

Mr. Walters moved, seconded by Mr. Johnson, to excuse the absence of Mr. Archibald who was ill. No one objected.

Consent Agenda

Mr. Adams removed Items 5c, 5d and 5f from the Consent Agenda. Mr. Johnson moved, seconded by Mr. Adams, to approve the following Consent Agenda items. The motion passed unanimously by voice vote.

- a. Minutes of March 6, 2017
- b. Approval of Claims in the amount of: \$621,966.85
- e. Contract Modification: WWTP Outfall Repair (13-020-SEW-004)

The following vouchers/checks were approved for payment:
EFT numbers: 84049 through 84107, total \$205,243.09
Check numbers: 84108 through 84166, total \$328,885.67
Wire transfer numbers: 213466 through 214058, total \$5,414.36

- c. Contract Award: Blue Heron Circle Reservoir Project Construction Management Services (16-039-WTR-003)
- d. Contract Modification: Blue Heron Circle Reservoir Engineering Services (16-039-WTR-001)

Mr. Adams requested a staff update on this large project and why there had been no bid process for the proposed contracts. Project Manager Jeff Marrs, Water Treatment Plant Manager, explained that HDR had been selected during the design review process and that the current matter was a modification to that contract to continue HDR's engineering services during construction. Mr. Marrs reported that MWH was selected for construction management services in order to establish the same very successful team that had managed the Water Treatment Plant expansion. He assured Council that Anacortes would be getting the best value for its professional service expenditures. Mr. Adams moved, seconded by Ms. Pickett, to approve Consent Agenda Items C and D. The motion passed unanimously by voice vote.

f. Resolution 1985: Special Market Condition for Purchase of Directional Drilling Equipment

Mr. Adams noted that Council had approved a similar resolution the prior month and asked the relationship between the two. Public Works Director Fred Buckenmeyer explained that following Council adoption of Resolution 1984 on February 13, 2017, the approved equipment had been professionally inspected and found to need significant repairs. He said staff had since investigated other available used machines and recommended the proposed machine, which was ready for use at a price below comparable machines. Mr. Adams moved, seconded by Mr. Walters, to approve Consent Agenda Item F. The motion passed unanimously by voice vote.

OTHER BUSINESS

Arts Commission Update

Parks and Recreation Director Gary Robinson introduced an update to Council on the work of the Anacortes Arts Commission during the prior year. Mr. Robinson introduced the commission members who were present including Lanny Bergner, Terry MacDonald, Ron Smith, Brian Strickland, Lisa Rhoades and Karla Locke and also recognized Rita James and Mary Snyder for their contributions to the commission.

Commissioner Karla Locke described a number of the commission's recent initiatives including increasing public awareness with a new website (anacortesartscommission.com), First Friday art walks at the Depot Arts Center, the 98221 Gallery at City Hall, alternating art exhibits with sister city Sydney, B.C., the Arts for All program, and the Art, Therapy, Wellness series at Anacortes Public Library.

Commissioner Lisa Rhoades presented the 98221 Studio Tour guide. She said the program was hugely successful in 2016 and that the commission expected that to continue with the second annual event scheduled for October 21-22, 2017. Ms. Rhoades said the group planned to increase promotion to Victoria and Vancouver, B.C. as many visitors from that area attended the 2016 event.

Mr. Robinson updated Council on the proposed outdoor sculpture exhibit in the madrone grove immediately east of the Depot Arts and Community Center. He said the plan had been adapted to address concerns expressed following discussions with the Parks Board, Arts Commission, and City Council Parks & Recreation Committee. Mr. Robinson described the sculpture mounting methodology designed so as not to disturb trees roots. He displayed an aerial photo depicting the proposed locations for the dozen sculptures and images of the art. Mr. Robinson responded to councilmember questions about the exhibit and councilmember requests for interpretive signage explaining the origin of the grove and encouraging respect for the trees. Councilmembers thanked the Commission for its very active approach to expanding access to art in the community.

Hearing Examiner Confirmation

Planning Director Don Measamer recapped Council's consideration of code changes regarding code enforcement and adoption of Ordinance 2988 creating the office of Hearing Examiner to hear appeals of

code enforcement actions and certain limited land use actions. Mr. Measamer reported that staff had issued a Request for Proposal for hearing examiner services, that three proposals had been submitted, that the Council Planning Committee had selected two of those for interview, and that after interviews with the committee members and staff the interview panel recommended engaging Sound Law Center, specifically Mr. Ted Hunter as Hearing Examiner and Mr. Andrew Reeves as Hearing Examiner Pro-Tem. Mr. Measamer summarized the firm's qualifications as presented in the packet materials for the evening and said it provided hearing examiner services to twenty different jurisdictions in Washington state. Mr. Walters and Mr. Adams, both of whom served on the interview panel, strongly recommended the selections. Mayor Gere confirmed with Mr. Measamer that the firm had agreed to a rate of \$125/hour. Mr. Miller requested an updated estimate of the annual cost of the new position. Mayor and Council asked Mr. Measamer to prepare a contract with Sound Law Center and bring it back before Council for approval.

Resolution 1963: Establishing Fees for the Storm Water Utility and Ordinance 2979 Removing Storm Rates from AMC and Defining Impervious Surface Units

Public Works Director Fred Buckenmeyer recapped and continued the discussion of this topic from the February 13, 2017 City Council meeting. His slide presentation was added to the packet materials for the meeting. Mr. Buckenmeyer presented Rate Schedule A, the preferred option recommended by staff, which would increase storm water utility rates gradually from January 1, 2018 through 2030. He contrasted this with alternative Rate Schedule B which would initiate the rate increase mid-way through 2017. Each schedule included the anticipated annual revenue, net revenue, and reserve balance. Mr. Buckenmeyer then demonstrated the impact of Rate Schedule A on bills for selected commercial accounts inside and outside the HM/LM1 zones. He concluded by listing potential rate equity improvements that staff could continue to investigate. Mr. Buckenmeyer said that a public outreach campaign was being developed but would not go live until specific rates were approved. He responded to questions regarding possible rate adjustments for residential customers with significantly smaller or larger than average lots or homes and reminded that a 20% discount on all City utilities was available to customers who met limited income eligibility requirements. Mr. Walters requested a means for commercial customers to request re-evaluation of their ERU equivalency. Mr. Miller requested that the public outreach effort explain how the new 3600 SF ERU was developed. Mr. Buckenmeyer concurred. Discussion continued on related topics.

Mr. Johnson moved, seconded by Mr. Walters, to approve **Ordinance 2979** to update City code related to stormwater utilities and approve **Resolution 1963** to increase stormwater utility rates as presented by staff as Rate Schedule A. Mr. Adams confirmed that the only portion of the unified fee schedule that was changed by Resolution 1963 was the storm utility rates. Ms. Pickett contrasted the CPI language in the body of Resolution 1963 with that in its Attachment A. Mr. Walters concluded that the more specific language in Attachment A governed. Mr. Walters asked staff to correct the spelling errors in Exhibit A prior to execution. Mr. Buckenmeyer agreed to do so. Vote: Ayes – Walters, Pickett, Adams, Miller and Johnson. Motion carried.

There being no further business, at approximately 7:25 p.m. the Anacortes City Council meeting of March 13, 2017 was adjourned.

The following claims against the City of Anacortes have been preaudited and certified by the Clerk-Treasurer as ready for City Council approval at the March 20, 2017 City Council meeting:
[Download this file in OpenDocument spreadsheet format.](#)

Invoice Doc #	Transaction Date	Invoice #	Vendor #	Vendor Full Name	Description	Total Amount
212913	1/28/2017	206-020-3556-0826095	07909	FRONTIER COMMUNICATIONS	RADIO TONE LINE 1696: 1/28 - 2/27	\$61.14
212872	1/28/2017	253-004-9336-0614005	07909	FRONTIER COMMUNICATIONS	APD DS1 LINES 1/28-2/27/17	\$357.65
212874	1/28/2017	253-006-0176-1214945	07909	FRONTIER COMMUNICATIONS	APD ADDL DS1 LINE 1/28-2/27/17	\$369.18
212866	1/28/2017	253-009-1310-0919005	07909	FRONTIER COMMUNICATIONS	APD FRAME RELAY 1/28-2/27/17	\$84.22
212870	1/28/2017	253-011-6037-1018005	07909	FRONTIER COMMUNICATIONS	APD VOICE GRADE CIRCUITS 1/28-2/27/17	\$40.38
213014	1/28/2017	253-014-9093-0826095	07909	FRONTIER COMMUNICATIONS	RADIO TONE LINE 1683: 1/28 - 2/27	\$61.14
212882	1/28/2017	360-293-0327-0122885	07909	FRONTIER COMMUNICATIONS	CITY MAIN PHONE 1/28-2/27/17	\$1,786.60
212869	1/28/2017	360-293-4684-0619005	07909	FRONTIER COMMUNICATIONS	APD BUSINESS LINE/SUMMARY BILL 1/28-2/27/17	\$71.35
212864	1/28/2017	360-293-4900-0912865	07909	FRONTIER COMMUNICATIONS	APD BAC LINE 1/28-2/27/17	\$75.31
213038	1/28/2017	360-293-5868-1006005	07909	FRONTIER COMMUNICATIONS	APD 1/28-2/27/17	\$333.96
213110	1/28/2017	360-299-0813-1017915	07909	FRONTIER COMMUNICATIONS	WWTP PHONE BILL - 360-299-0813-1017915	\$426.44
212892	1/28/2017	360-299-0953-1017915	07909	FRONTIER COMMUNICATIONS	TELEPHONE SERVICE FOR WWTP 1/28-2/27/17	\$97.00
213822	1/30/2017	591737835	00780	DEPARTMENT OF ECOLOGY	LID TRAINING CLASS JOHN FRANZ	\$32.64
214148	1/30/2017	SI573374	10519	FRANK WINNE & SON, INC.	PULL TAPE	\$366.13
212785	1/31/2017	115977	00125	AMERICAN PLANNING ASSOCIATION	DT PLANNING FOR SMALLER COMMUNITIES	\$47.95
214197	2/1/2017	1234	02896	VISA	PLANNING/BUILDING TRAINING	\$483.19
214145	2/1/2017	37213891	08535	WASTEQUIP LLC	2017 WASTE CONTAINERS	\$19,063.15
212704	2/2/2017	35322	07084	NATIONAL TANK OUTLET	SNYDER MEGATAINER "BOTTLE"	\$4,597.00
214357	2/2/2017	4798 5100 5527 6725	02813	UNITED STATES POSTAL SERVICE	USPS PREPAID ENVELOPES	\$168.00
213718	2/3/2017	511010	10295	HASA, INC	SODIUM HYPOCHLORITE 12.5% SOLUTION	\$4,536.97
214359	2/7/2017	Pay Application 4	10357	ROOSENDAAL HONCOOP	STORVIK PARK SPRAYPAD & RESTROOM	\$106,566.44
214075	2/9/2017	92029060	01061	CHEMTRADE CHEMICALS US LLC	ALUM SULFATE - BULK	\$4,359.56
213356	2/16/2017	17-034515	00850	EDGE ANALYTICAL, INC	FINAL EFFLUENT TESTING	\$139.00

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213379	2/16/2017	17-292	04253	LIFE TEK, INC	FIRST AID, CPR, BBP TRAINING	\$300.00
214356	2/16/2017	WA07-150862	07819	MOTION INDUSTRIES	OIL SEALS/SPEEDI SLEEVE OIL SEALS	\$474.33
214103	2/17/2017	62318	09065	ALLWEST UNDERGROUND, INC	MANHOLE LADDER SAFETY PLATFORM	\$268.17
214373	2/19/2017	1200036717	05880	HDR ENGINEERING, INC	WTP 7/24/16-2/4/17	\$984.74
213167	2/20/2017	1205531	09237	WASHINGTON TRACTOR, INC	YANMAR EXCAVATOR ON STATE CONTRACT	\$59,203.89
214360	2/20/2017	4798 5100 5527 6725	10039	TCC	PHONE CASES	\$86.78
214069	2/21/2017	688164	00496	CASCADE COLUMBIA DISTRIBUTION	SODIUM FLUORIDE - 50# BAG	\$1,580.00
214364	2/23/2017	97419321	01318	INGRAM LIBRARY SERVICES, LLC	BOOKS - ADULT	\$983.82
214365	2/23/2017	97419322	01318	INGRAM LIBRARY SERVICES, LLC	BOOKS - JUVENILE	\$94.04
214196	2/24/2017	14660649	08535	WASTEQUIP LLC	PARTS FOR SOLID WASTE DUMPSTERS	\$372.95
214194	2/24/2017	14660664	08535	WASTEQUIP LLC	PARTS FOR SOLID WASTE DUMPSTERS	\$810.25
214313	2/24/2017	2014	04817	NW CLEANERS	JANITORIAL SERVICES FOR FIDALGO CENTER & CITY HALL	\$305.00
214065	2/24/2017	27979142	01616	LOWE'S BUSINESS ACCOUNT/GEMB	COLD WELD SUPPLIES	\$5.86
214210	2/26/2017	9781101854	02879	VERIZON WIRELESS	CELLULAR FOR SCADA MODEMS	\$710.48
214106	2/26/2017	K09810/1	00021	ACE HARDWARE	GALV. PIPE AND PICK POLES	\$111.00
214064	2/27/2017	002-5081765-0365057	08811	AMAZON.COM	TROND HALO LED DESK LAMPS	\$59.98
214311	2/27/2017	2015	04817	NW CLEANERS	FIDALGO CENTER FLOOR CLEANING	\$2,388.00
214097	2/27/2017	5041078MB	01530	LAKE SIDE INDUSTRIES, INC.	1 1/4 & 1 1/2 ROCK FOR STREET DEPT	\$168.05
214139	2/27/2017	51149/2	06246	H.B. JAEGER	PARTS FOR CATCH BASIN RELOCATION	\$750.61
213752	2/27/2017	66294	02670	SUNLAND BARK & TOPSOILS	BARK FOR CITY HALL	\$94.72
213751	2/27/2017	89267	00939	FASTENAL CO	RATCHET BIND AND CHAIN	\$335.29
214104	2/27/2017	A1202510	02405	SEBO'S DO-IT CENTER	WORK LIGHT FOR SPLITTERBOX STRAINER	\$29.80
214367	2/28/2017	0000516965	01958	OCLC, INC	CATALOGING, ILL, FIRSTSEARCH/WORLDCAT DISCOVERY	\$334.47
214336	2/28/2017	0465980	00675	COUSINS, RICHARD	REIM. PHARMACY COPAY, LEOFF1 RETIREE	\$72.88
214137	2/28/2017	114-5046668	04834	UNITED SITE SERVICES, INC	TRAVELLING TOILET RENTAL FOR FIBER PROJECT CREW FEB 2017	\$33.87
214225	2/28/2017	114-5046962	04834	UNITED SITE SERVICES, INC	2100 PENNSYLVANIA AVE PORTABLE RESTROOM	\$119.11
214131	2/28/2017	117647	10177	INFOSEND, INC.	MONTHLY STATEMENT PROCESSING	\$4,013.00
214144	2/28/2017	128570	01644	MAILLIARD'S LANDING	GRINDING WOODY DEBRIS AT HAVEKOST STORAGE SITE	\$4,177.25
213810	2/28/2017	1330595-70144563	10024	WFOA, WA FINANCE OFFICERS ASSOC	MEMBERSHIP RENEWAL - STEFFEN/MILES	\$100.00
213809	2/28/2017	13411613	03899	4IMPRINT INC	TUMBLERS - SUNSET LOOP RELAY AWARDS	\$391.13
214095	2/28/2017	1531033	00632	MILES SAND & GRAVEL CO.	UTILITY SAND FOR STREET DEPT	\$561.38
214347	2/28/2017	18729	00050	AEON MFG CO INC	GRAVE MARKER VASES & SLEEVES	\$570.27

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213811	2/28/2017	1946859-99963339	10024	WFOA, WA FINANCE OFFICERS ASSOC	TRAINING STEFFEN/MILES FED GRANT REQUIREMENTS	\$250.00
214213	2/28/2017	2/28/17	01364	ISLAND HOSPITAL	JANUARY AMBULANCE SUPPLIES, O2	\$1,248.60
214322	2/28/2017	205276	07524	WIDENER & ASSOCIATES	WWTP OUTFALL REPAIR PERMITTING - FEBRUARY 2017	\$2,919.70
214327	2/28/2017	238817	08765	A WORKSAFE SERVICE INC	PRE-EMPLOYMENT SCREENING; DILLS	\$55.00
214087	2/28/2017	3	00424	BUBBA SUDZ CAR WASH, INC.	FEBRUARY CAR WASHES- 5	\$40.00
213865	2/28/2017	360-293-4224-1011005	07909	FRONTIER COMMUNICATIONS	MUNICIPAL COURT FAX 2/28/17-3/27/17	\$250.82
214230	2/28/2017	47555	10156	911 SUPPLY, INC	ANNUAL UNIFORM ORDER: RF	\$390.57
214243	2/28/2017	47556	10156	911 SUPPLY, INC	ANNUAL UNIFORM ORDER: JB	\$390.57
214248	2/28/2017	47557	10156	911 SUPPLY, INC	ANNUAL UNIFORM ORDER: NELSON	\$278.01
214251	2/28/2017	47558	10156	911 SUPPLY, INC	ANNUAL UNIFORM ORDER: DS	\$210.45
214252	2/28/2017	47559	10156	911 SUPPLY, INC	ANNUAL UNIFORM ORDER: BYER	\$365.60
214253	2/28/2017	47560	10156	911 SUPPLY, INC	ANNUAL UNIFORM ORDER: RINGE	\$484.96
214249	2/28/2017	47561	10156	911 SUPPLY, INC	ANNUAL UNIFORM ORDER: DL	\$423.93
214260	2/28/2017	47562	10156	911 SUPPLY, INC	BR: NAMETAG	\$8.68
214258	2/28/2017	47563	10156	911 SUPPLY, INC	ANNUAL UNIFORM ORDER: NT	\$390.57
214261	2/28/2017	47564	10156	911 SUPPLY, INC	ANNUAL UNIFORM ORDER: JK	\$706.24
214263	2/28/2017	47782	10156	911 SUPPLY, INC	ANNUAL UNIFORM ORDER: MV	\$135.61
214264	2/28/2017	47783	10156	911 SUPPLY, INC	ANNUAL UNIFORM ORDER: MM	\$135.61
214096	2/28/2017	5041114MB	01530	LAKE SIDE INDUSTRIES, INC.	EZ STREET ASPHALT FOR STREET DEPT	\$635.12
214344	2/28/2017	6-24	09591	SKAGIT CNTY INVESTIGATIONS LLC	PUB DEF INVEST PAUL	\$151.25
214240	2/28/2017	7020102	02855	UTILITIES UNDERGROUND LOCATION	FEBRUARY LOCATE TICKETS	\$183.26
214195	2/28/2017	76426496	02154	150-PRAXAIR DISRIBUTION INC	CYLINDER RENTAL	\$814.14
214361	2/28/2017	830	02470	SKAGIT CONSERVATION DISTRICT	NPDES II OUTREACH & EDUCATION - FEBRUARY 2017	\$1,130.42
214147	2/28/2017	99893	10529	DITCH WITCH NORTHWEST	INSPECTION OF DIRECTIONAL DRILLER FOR FIBER PROJECT	\$350.40
211933	2/28/2017	CD201711143	07313	ENVIROTECH SERVICES, INC	RESTOCK OF DE-ICER FOR STREET DEPT	\$4,596.01
214133	2/28/2017	IN923192	10389	NOANET	FIBER NETWORK OPS, GIS, AND ENGINEERING SUPPORT FEB 2017	\$7,807.50
214135	2/28/2017	IN923193	10389	NOANET	FIBER NETWORK TRAVEL EXPENSES FOR ENGINEERING SUPPORT	\$305.40
214136	2/28/2017	IN923194	10389	NOANET	FIBER NETWORK TRAVEL EXPENSES FOR ENGINEERING SUPPORT	\$246.00
213981	3/1/2017	001-362175	02109	PISTON SERVICE OF ANACORTES	GAS MIXER	\$21.03
214246	3/1/2017	052-0010-00 March	00147	ANACORTES, CITY OF	WATER/SEWER/GARBAGE FOR OPERATIONS -	\$960.05
214353	3/1/2017	104610	08325	VENTEK INTERNATIONAL	MONTHLY PAYSTATION SERVER HOSTING &	\$135.00

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214108	3/1/2017	1387743-0043-8	02997	WASTE MANAGEMENT	MONTHLY RECYCLE & YARDWASTE CONTRACT BILLING	\$98,091.16
214259	3/1/2017	190-1840-00	00147	ANACORTES, CITY OF	UTILITY BILLING FOR WWTP	\$3,960.10
214054	3/1/2017	200012505505	02192	PUGET SOUND ENERGY	WTP ELECTRICITY	\$63,574.22
214056	3/1/2017	248 984 6277 5	00494	CASCADE NATURAL GAS CORP.	WTP CASCADE GAS 1/28-2/28/17	\$4,519.22
214187	3/1/2017	772	10520	MIN-NS	MARCH SERVICE	\$130.20
214231	3/1/2017	82332	07368	THE HOSE SHOP, INC	CAMLOCKS/NIPPLES/HOSE/CLAMPS	\$163.50
214333	3/1/2017	F020381877	01364	ISLAND HOSPITAL	DODGE, RODNEY, COPAY FOR MEDICAL SERVICES,	\$85.28
214328	3/1/2017	FEBRUARY 2017	10256	HUMANE SOCIET OF SKAGIT VALLEY	ANIMAL CONTROL; APD CASE #17-A00763	\$66.00
213982	3/1/2017	waana89351	00939	FASTENAL CO	FASTENERS	\$5.51
214247	3/2/2017	071286	04394	EVERGREEN SAFETY COUNCIL	FLAGGER TRAINING RECERTIFICATION CLASS	\$780.25
213983	3/2/2017	100-21622524	09260	GOTPRINT.COM	ART DASH POSTCARDS	\$66.62
213978	3/2/2017	115-7066649-3641811	08811	AMAZON.COM	COFFEE FILTERS - APD	\$11.56
214320	3/2/2017	1413-U01	00369	BLYTHE PLUMBING & HEATING INC	HVAC PREVENTATIVE MAINTENANCE - FIDALGO CENTER	\$627.13
214316	3/2/2017	1415-U01	00369	BLYTHE PLUMBING & HEATING INC	HVAC PREVENTATIVE MAINTENANCE - MUSEUM	\$157.33
214395	3/2/2017	29788	10533	KENNELLY KEYS MUSIC	HONEY BUCKET REIMBURSEMENT DURING SEWERLINE REHABILITATION PROJECT	\$250.00
214254	3/2/2017	37213904	08535	WASTEQUIP LLC	2017 WASTE CONTAINERS	\$787.42
213514	3/2/2017	39742	05766	RU2 SYSTEMS INC	REPAIR FOR RADAR DISPLAY UNIT ON 43RD & A AVE	\$520.00
213953	3/2/2017	57001549099	02342	SAFEWAY INC	Inf:GROCERY STORES,SUPERMARK-SAFEWAY STORE00005934	\$22.84
213954	3/2/2017	58001549100	02342	SAFEWAY INC	SUPPLIES FOR DADDY DAUGHTER DANCE	\$69.43
214214	3/2/2017	720847	05284	GUARDIAN SECURITY SYSTEMS INC	CIRCUIT REPAIRS-MAIN BUILDING	\$393.45
214237	3/2/2017	8498 30 017 0319913	04412	COMCAST	LIBRARY INTERNET ACCESS 3/9-4/8/17	\$170.70
214080	3/2/2017	902322352/10131 5983	01903	NORTHERN SAFETY CO INC	YEARLY SAFETY SUPPLIES-WP/ACFL/PM	\$1,313.54
213823	3/2/2017	9195 - chamber	00148	ANACORTES CHAMBER OF COMMERCE	STATE OF THE CITY CHAMBER LUNCHEON	\$15.00
213980	3/2/2017	A00230/1	00021	ACE HARDWARE	PRUNER, SPADE - BALLFIELDS	\$44.81
213979	3/2/2017	A1203300	02405	SEBO'S DO-IT CENTER	VALVE BOX COVERS	\$30.34
214079	3/2/2017	reg x 3	00137	NW WA SUBSECTION PNWS-AWWA	REG. FOR SCOTT EISEN/MARIO	\$240.00
214272	3/3/2017	001-362400	02109	PISTON SERVICE OF ANACORTES	PART FOR VEH #159	\$70.95
213947	3/3/2017	115-2672886-2442664	08811	AMAZON.COM	PORTABLE DVD REWRITER EXTERNAL DRIVE	\$124.75

Invoice Doc #	Transaction Date	Invoice #	Vendor #	Vendor Full Name	Description	Total Amount
214004	3/3/2017	170208	04831	T-SHIRTS BY DESIGN	SUNSET LOOP RELAY T-SHIRTS	\$425.32
213955	3/3/2017	23021011	10355	WEBSTAUANTSTORE	BABY CHANGING STATION - STORVIK RESTROOM	\$211.67
213952	3/3/2017	30255	04415	HARBOR FREIGHT TOOLS	TV MOUNT	\$190.15
213951	3/3/2017	474243	02515	SKAGIT FARMERS SUPPLY	TURFACE	\$311.67
213950	3/3/2017	706200012509	04308	COSTCO WHOLESALE CORPORATION	SHOP LIGHTS - PARKS BAY @ MAINTENANCE SHOP	\$162.68
214185	3/3/2017	787998	01588	LIFE ASSIST, INC	CASE OF MEGAMOVERS, RESPONDER BAG, 4	\$1,157.14
213949	3/3/2017	B358281	02405	SEBO'S DO-IT CENTER	OUTLETS	\$9.62
213948	3/4/2017	115-1324803-2717859	08811	AMAZON.COM	DECIBEL METER - BLDG DEPT	\$23.90
214370	3/4/2017	RI103163695	09303	FRANCOTYP-POSTALIA, INC	MAILING MACHINE QUARTERLY RENTAL 3/1-5/31/17	\$130.07
214082	3/6/2017	001-362552	02109	PISTON SERVICE OF ANACORTES	BATTERY FOR VEH #7918	\$181.52
214321	3/6/2017	1155398	02681	SURETY PEST CONTROL	MONTHLY PEST MAINTENANCE- OPS	\$48.83
214121	3/6/2017	1516	06528	ECCOS DESIGN, LLC	CONSTRUCTION ADMIN - STORVIK SPRAY PAD	\$267.00
214143	3/6/2017	1633-4	06080	MAKERS ARCHITECTURE	ZONING, DEV & DESIGN STDS - FEB 2017	\$7,086.85
214250	3/6/2017	17-04342	00850	EDGE ANALYTICAL, INC	FLOURIDE SAMPLES	\$24.00
214113	3/6/2017	17A01476	00180	ANACORTES TOWING LLC	TOWING; APD CASE #17-A01476	\$162.75
214186	3/6/2017	2	04441	GRAY & OSBORNE INC	WATER TRANSMISSION MAIN REHABILITATION - PHASE 1 - 2/5/17-3/4/17	\$1,472.44
214274	3/6/2017	23122880	07351	PARTS MASTER	FASTENERS BULK: NUTS, WASHERS, CAP	\$462.46
214242	3/6/2017	24479	00156	ANACORTES PRINTING	PRINTED NOTICES & PAPER	\$209.41
214202	3/6/2017	24995	00715	DAHL ELECTRIC, INC	LABOR/MATERIALS-INSTALL LIGHT IN	\$347.88
214265	3/6/2017	331390	10532	BYER, CHRIS	REIMBURSEMENT FOR SKAGIT STEEL (METAL	\$226.30
214089	3/6/2017	51263/2	06246	H.B. JAEGER	PARTS FOR STREET DEPT	\$97.56
214138	3/6/2017	AN 49170	00524	CENTRAL WELDING SUPPLY CO, INC	WELD MASK, GOGGLES FOR FIBER PROJECT	\$244.13
214051	3/6/2017	B358456	02405	SEBO'S DO-IT CENTER	BATTING CAGE CLIP	\$3.57
214085	3/6/2017	MV160142	01801	MOTOR TRUCKS INC	PART FOR VEH #203	\$136.89
214132	3/7/2017	001-362667	02109	PISTON SERVICE OF ANACORTES	PART FOR VEH #139	\$16.42
214134	3/7/2017	001-362695	02109	PISTON SERVICE OF ANACORTES	PARTS FOR SHOP STOCK	\$394.01
214130	3/7/2017	001-362707	02109	PISTON SERVICE OF ANACORTES	PARTS FOR VEH #151	\$100.85
214140	3/7/2017	0212519-IN	03844	SIRENNET	PARTS FOR VEH #033,#034, #035	\$6,179.69
214334	3/7/2017	0543668	00932	FERGUSON ENTERPRISES, INC	M520M - F1 - 3W-X-E-MI 1P PIT, SOLE	\$4,804.38
214363	3/7/2017	514622	07508	PARACLETE PRESS INC	CDS	\$32.07
214330	3/7/2017	586658	10092	WALTER E NELSON CO	FACILITY SUPPLIES	\$469.06
214340	3/7/2017	586659	10092	WALTER E NELSON CO	TOILET PAPER	\$359.68
214352	3/7/2017	586677	10092	WALTER E NELSON CO	FACILITY SUPPLIES	\$320.94
213986	3/7/2017	A1204677	02405	SEBO'S DO-IT CENTER	ITEM FOR USE @ HEART OF ANACORTES	\$13.01
214181	3/7/2017	A1204702	02405	SEBO'S DO-IT CENTER	FASTENERS	\$8.88

Invoice Doc #	Transaction Date	Invoice #	Vendor #	Vendor Full Name	Description	Total Amount
214329	3/7/2017	A1204735	02405	SEBO'S DO-IT CENTER	MARKING WAND FOR WATER DEPT.	\$31.41
214182	3/7/2017	A1204794	02405	SEBO'S DO-IT CENTER	DRILL BIT	\$17.35
214177	3/7/2017	B358589	02405	SEBO'S DO-IT CENTER	TITEBOND GLUE	\$6.28
214318	3/8/2017	001-362726	02109	PISTON SERVICE OF ANACORTES	PARTS FOR VEH #607	\$55.27
214238	3/8/2017	1033948	02519	SKAGIT PUBLISHING LLC	PUBLISH AA-1588397 BLA2017-0004	\$113.68
214308	3/8/2017	1153348	02681	SURETY PEST CONTROL	RODENT CONTROL @ CITY HALL	\$43.40
213712	3/8/2017	1409501	10296	THATCHER COMPANY OF MONTANA	CALCIUM NITRATE	\$10,407.81
214150	3/8/2017	1833275	09961	CARDINAL HEALTH 110, INC.	PHARMACEUTICALS	\$45.25
214153	3/8/2017	1833290	09961	CARDINAL HEALTH 110, INC.	PHARMACEUTICALS	\$6.24
214122	3/8/2017	200015995380	02192	PUGET SOUND ENERGY	ELECTRICITY	\$1,939.34
214115	3/8/2017	220009664396	02192	PUGET SOUND ENERGY	HEART OF ANACORTES PSE 2/4-3/7/17	\$281.40
214348	3/8/2017	264203	01023	FRONTIER BUILDING SUPPLY	CEMENT - CEMETERY MARKERS	\$67.76
214088	3/8/2017	264208	01023	FRONTIER BUILDING SUPPLY	PARTS FOR STREET DEPT	\$100.71
214190	3/8/2017	264302	01023	FRONTIER BUILDING SUPPLY	BUTCHER BLOCK FOR STA 1 TABLE	\$732.74
214209	3/8/2017	6801	00427	BUD CLARY CHEVROLET, INC.	2017 CHEVY SILVERADO- VEHICLE #177	\$29,680.08
214078	3/8/2017	717580	00306	BAYSHORE OFFICE PRODUCTS INC	DIVIDERS FOR TRAINING MANUALS	\$9.05
214092	3/8/2017	717663	00306	BAYSHORE OFFICE PRODUCTS INC	TEMPERA PAINT AND HOOKS FOR KIDS NIGHT	\$31.86
214207	3/8/2017	92050656	01061	CHEMTRADE CHEMICALS US LLC	ALUM SULFATE - BULK	\$4,731.25
214179	3/8/2017	9418 3/8	08912	EBAY OR PAYPAL	RAILS TO MOUNT IP BRIDGES	\$17.99
214176	3/8/2017	B358637	02405	SEBO'S DO-IT CENTER	FASTENERS - STORVIK PARK RESTROOM	\$39.94
214112	3/8/2017	I17006069	02930	WASHINGTON STATE PATROL	BACKGROUND CHECKS	\$264.00
214184	3/8/2017	WAANA89390	00939	FASTENAL CO	HOLE SAW	\$14.72
214288	3/8/2017	xxxx13	10346	IMPORTED P CARD TRANSACTION	Inf:WHOLESALE ELEC PARTS-0188 CED	\$399.75
214302	3/9/2017	001-362934	02109	PISTON SERVICE OF ANACORTES	PARTS FOR VEH #041	\$13.41
214102	3/9/2017	00106740	10528	CASCADE NETS INC.	BIRD NETTING	\$1,199.99
214099	3/9/2017	0183143	00950	FIDALGO BAY COFFEE INC	COFFEE FOR WWTP	\$93.00
214105	3/9/2017	0183144	00950	FIDALGO BAY COFFEE INC	COFFEE ORDER FOR OPS/SHOP- 20LBS	\$186.00
214123	3/9/2017	030717	00156	ANACORTES PRINTING	REAM OF 24# BOND PLAIN LETTERHEAD	\$24.74
214090	3/9/2017	16-070-IDS-002	10416	ALL PHASE COMM LLC	RETAINAGE RELEASE	\$6,538.94
214101	3/9/2017	16120096	05523	PACIFIC POWER BATTERIES	BATTERIES FOR PUMP STATIONS	\$42.53
214110	3/9/2017	1990066488	06718	ARAMARK	NYLON MATS CLEANED	\$16.28
214234	3/9/2017	1990066496	06718	ARAMARK	LAUNDRY SVC FOR OPS & PARKS	\$125.40
214244	3/9/2017	200018631677	02192	PUGET SOUND ENERGY	1100 ST. RT. 20	\$21.22
214152	3/9/2017	220006944312	02192	PUGET SOUND ENERGY	CASINO DRIVE UNDER TWIN BRIDGES- ELECTRICITY	\$68.73
214109	3/9/2017	2481	08957	WAPRO	WAPRO SPRING CONFERENCE; RECORDS SUPER INGRAM	\$175.00

Invoice Doc #	Transaction Date	Invoice #	Vendor #	Vendor Full Name	Description	Total Amount
214369	3/9/2017	264360	01023	FRONTIER BUILDING SUPPLY	LADDER STABILIZER	\$33.62
214268	3/9/2017	34231	01022	FRONTIER FORD	PARTS FOR VEH #177	\$121.95
214325	3/9/2017	49240	01808	MT. BAKER OVERHEAD DOORS	REPAIRS TO SHOP GARAGE DOORS	\$137.25
214338	3/9/2017	500-0820-00	00147	ANACORTES, CITY OF	REFUSE BILL	\$30.00
214107	3/9/2017	717780	00306	BAYSHORE OFFICE PRODUCTS INC	1" & 1.5" BINDERS FOR PUMP STATION	\$49.35
214128	3/9/2017	C277676	02405	SEBO'S DO-IT CENTER	PART FOR VEH #11940A	\$45.69
214125	3/9/2017	DMCMA Spring Trainin	00808	DMCMA TREASURER	2017 SPRING REGIONAL TRAINING IN BURLINGTON	\$25.00
214337	3/9/2017	Do0042	08896	WILSON DDS, NICHOLAS J	DODGE, RODNEY, DENTAL SERVICES, LEOFF1 RETIREE	\$11.70
214228	3/9/2017	N02561	00763	DEPARTMENT OF HEALTH	BLUE HERON CIRCLE RESERVOIR - APPROVAL	\$1,994.00
214111	3/9/2017	REIMB	07840	NEWSOM, VALERIE J	TRAINING PER DIEM REIMB; IAPE - EVIDENCE CUST NEWSOM	\$148.00
214178	3/9/2017	WSJSubscription	02910	WALL STREET JOURNAL, THE	WALL ST JOURNAL SUB - MAYOR GERE	\$178.15
214346	3/10/2017	000001	09231	RAINS, JAMES	REIMBURSEMENT FOR CDL PHYSICAL	\$150.00
214303	3/10/2017	001-363039	02109	PISTON SERVICE OF ANACORTES	PART FOR VEH #128	\$52.83
214271	3/10/2017	001-363065	02109	PISTON SERVICE OF ANACORTES	PART FOR VEH #218	\$8.92
214208	3/10/2017	0183177	00950	FIDALGO BAY COFFEE INC	COFFEE - BREAKROOM SUPPLIES	\$112.70
214266	3/10/2017	0202920-IN	02260	REISNER DISTRIBUTOR INC	DISPOSABLE BREATHER FILTER	\$407.83
214342	3/10/2017	165459161	02896	VISA	MEMBERSHIP - ANCESTRY	\$107.42
214216	3/10/2017	1842390	09961	CARDINAL HEALTH 110, INC.	PHARMACEUTICALS	\$51.50
214191	3/10/2017	23290653	00941	FBINAA	FBINAA 2017 CONFERENCE; CAPT SMALL	\$125.00
214192	3/10/2017	23290720	00941	FBINAA	FBINAA 2017 CONFERENCE; CAPT FULLER	\$125.00
214193	3/10/2017	2454849	02342	SAFEWAY INC	ICE FOR THE LAB	\$68.89
214349	3/10/2017	40019	07863	HERRERA ENVIRONMENTAL	HEART LAKE WATER QUALITY STUDY	\$795.85
214239	3/10/2017	5031590	02519	SKAGIT PUBLISHING LLC	SKAGIT VALLEY HERALD	\$182.00
214129	3/10/2017	717061/7757/7418/699	00306	BAYSHORE OFFICE PRODUCTS INC	MISC OFFICE SUPPLIES FOR PW ENG	\$346.73
214200	3/10/2017	718061	00306	BAYSHORE OFFICE PRODUCTS INC	PENCILS FOR DK RUN	\$7.02
214241	3/10/2017	772	00719	DALCO INC	HEX PLUG	\$3.91
214236	3/10/2017	8498 30 017 0490698	04412	COMCAST	CITY HALL INTERNET CONNECTION 3/20-4/19/17	\$186.12
214235	3/10/2017	8498 30 030 0111230	04412	COMCAST	WTP - INTERNET SERVICE 3/18-4/18/17	\$197.16
214222	3/10/2017	99700	01939	NORTHSTAR CHEMICAL INC.	SODIUM HYDROXIDE	\$4,806.02
214201	3/10/2017	COA0317	09183	SYSTEMS DESIGN WEST, LLC	AMBULANCE SERVICE BILLING FEBRUARY	\$3,540.67
214324	3/10/2017	P1568-3	06985	QCC QUALITY CONTROLS CORP.	TELEMETRY IMPROVEMENTS AT WTP	\$38,657.50
214309	3/11/2017	000099E018107	02817	UNITED PARCEL SERVICE	SHIPPING CHARGES FOR OPS-AMAZON ORDER	\$11.90

Invoice Doc #	Transaction Date	Invoice #	Vendor #	Vendor Full Name	Description	Total Amount
214267	3/11/2017	8498 30 017 0464628	04412	COMCAST	WA PARK INTERNET SERVICE - 3/21-4/20/17	\$96.12
214307	3/11/2017	99E019107 pks	02817	UNITED PARCEL SERVICE	SHIPMENT TO LUBE WATCH	\$8.65
214355	3/13/2017	0037428-IN	02199	PUGET SAFETY EQUIPMENT	RAIN GEAR	\$151.30
214319	3/13/2017	010113	00955	FIDALGO CLEANING	CLEANING & SUPPLIES	\$700.00
214255	3/13/2017	1990070498	06718	ARAMARK	LAUNDRY SERVICE FOR WWTP	\$73.93
214335	3/13/2017	2331	08501	COASTAL FARM &	RAINGEAR - SHAWN AVILLA, JOEL DERUSHA,	\$494.65
214315	3/13/2017	264683	01023	FRONTIER BUILDING SUPPLY	12" WEDGES FOR FIBER PROJECT	\$27.40
214312	3/13/2017	29172830-001	10504	HERC EXCHANGE, LLC	PARTS FOR VEH #6970	\$149.96
214270	3/13/2017	3-H1068	04908	COLUMBIA FORD, INC	2017 FORD F450	\$35,197.50
214362	3/13/2017	31426716	02381	SCIENTIFIC SUPPLY & EQUIP INC	MAGNETIC DIGITAL STIRRER 6.5"	\$1,320.77
214245	3/13/2017	4318	08912	EBAY OR PAYPAL	EZ GENERATOR SWITCH	\$159.99
214262	3/13/2017	47781	10156	911 SUPPLY, INC	ANNUAL UNIFORM ORDER: RD	\$213.70
214350	3/13/2017	6662	01269	HOW IT WORKS, INC	A-TOWN BUDGET EDITION	\$9,279.46
214317	3/13/2017	718141	00306	BAYSHORE OFFICE PRODUCTS INC	PATROL SUPPLIES; OFFICE CHAIR	\$212.31
214331	3/13/2017	718236	00306	BAYSHORE OFFICE PRODUCTS INC	USB DRIVE FOR WEBSITE	\$21.04
214256	3/13/2017	910874/1	00021	ACE HARDWARE	BALL VALVES	\$35.12
214257	3/13/2017	910886/1	00021	ACE HARDWARE	PVC	\$16.08
214269	3/13/2017	98481268	01351	RICOH USA, INC	S/N C32029555 CITY HALL COPIER 3RD	\$377.30
214229	3/13/2017	A1206410	02405	SEBO'S DO-IT CENTER	PART FOR STREET DEPT	\$19.16
214386	3/13/2017	xxxxx3	10346	IMPORTED P CARD TRANSACTION	Inf:BOOK STORES-AMAZON.COM	\$46.05
214388	3/13/2017	xxxxx5	10346	IMPORTED P CARD TRANSACTION	Inf:HARDWARE STORES-SEBOS HENERY HARDW	(\$4.69)
214394	3/14/2017	137105	02280	SCOTT RICHARDS INSURANCE, INC	INSURE ER 15-909 ER 426	\$371.15
214306	3/14/2017	16-001-SEW-003	09937	FLOW TECHNOLOGIES, INC.	RETAINAGE RELEASE	\$13,803.23
214368	3/14/2017	1990073662	06718	ARAMARK	WTP LAUNDRY SERVICE	\$57.85
214323	3/14/2017	4022342	07759	LANGUAGE LINE SERVICES	INTERPRETER TELEPHONE SERVICES FOR COURT ROOM	\$21.13
214343	3/14/2017	6-26	09591	SKAGIT CNTY INVESTIGATIONS LLC	PUB DEF INV MONTES	\$151.25
214358	3/14/2017	718334	00306	BAYSHORE OFFICE PRODUCTS INC	OFFICE SUPPLIES	\$5.38
214326	3/14/2017	APD	01364	ISLAND HOSPITAL	PRE EMPLOYMENT TESTING; DILLS	\$15.00
214341	3/14/2017	DELACRUZ	10534	FORENSIC SERVICES	PUB DEF FORENSIC SERV	\$500.00
214305	3/14/2017	indigent screening	03847	FERRARIO, DONNA	INDIGENT SCREENING SUBSTITUTE FOR WAYNE KORTERUD	\$150.00

Invoice Doc #	Transaction Date	Invoice #	Vendor #	Vendor Full Name	Description	Total Amount
214372	3/14/2017	Pay App 4	10393	PEOPLES BANK FOR, ROOSENDAAL-HONCOOP CONST	RETAINAGE DEPOSIT TO ESCROW ACCOUNT 6013009219	\$5,148.14
214314	3/14/2017	PER DIEM REIMB	01029	FULLER, CHRIS	TRAINING; COMMAND COLLEGE PER DIEM; CAPT FULLER	\$145.00
214332	3/14/2017	SEAFARES USE	02141	PORT OF ANACORTES	USE OF SEAFARERS FOR SAILING PROGRAM	\$617.50
214387	3/14/2017	xxxxxx4	10346	IMPORTED P CARD TRANSACTION	Inf:BOOK STORES-AMAZON MKTPLACE PMTS	\$220.41
214086	3/28/2017	275	06414	BLUE COW CARWASH	JANUARY & FEBRUARY CAR WASHES- 17	\$153.00

Total **\$633,437.17**



City Council Agenda Bill

Meeting Date: 3/20/2017

Agenda Item: 5c

Subject: Contract Modification – 2017 Waterline Replacement Project

Staff Contact: Fred Buckenmeyer

Approved for Submittal to Council by	
	Laurie Gere, Mayor
	Steve Hoglund, Finance Director
X	Darcy Swetnam, City Attorney

Action Type	
	Ordinance No.
	Code Revision?
	Resolution No.
X	Contract
	Public Hearing
	Staff Report

Summary Statement: In accordance with Provisions 1-04.4 Changes, and 1-05.1 Control of Work as cited in Standard Specifications for Road, Bridge, and Municipal Construction 2016, City staff seeks Council consent to contract with C. Johnson Construction, Inc., in the amount of \$48,152.00, increasing the total contract price to \$351,322.53, to install on 3rd Street approximately 360 LF of 8" ductile iron water main for the 2017 Waterline Replacement Project. This additional work is within the boundaries of the originally contracted work.

Background: On January 3, 2017 the City Council awarded C. Johnson Construction, Inc., the contract to construct the 2017 Waterline Replacement Project. It was then discovered that in order to complete the waterline replacement the water main on 3rd Street from Commercial Ave to Q Ave needed to be included in the project.

Budget Impact	
Amount Budgeted	\$1,125,000
Budget Account (BARS)	401.000.594.34.63
Proposed Expenditure	\$48,152.00
Budget Amendment Required?	No
Revenue Source	City Funds

Proposed Contract	
Contractor	C Johnson Construction
Amount	\$48,152.00
Start Date	Notice to Proceed
End Date	90 days thereafter

Previous Council/Committee Action: N/A

Competing Viewpoints Considered: N/A

Recommended Motion: I move City Council provide consent to issue a modification to C. Johnson Construction, Inc. under Contract 17-001-WTR-001 in the amount of \$48,152.00 for a total contract amount of \$351,322.53.

Alternative Actions: N/A

Attachments (listed in order presented): Modification to Contract 17-001-WTR-001.



**Contract Number 17-001-WTR-001
Modification 01**

Date	March 13, 2017			
Modification No.	01			
Page	1	of	2	Pages

Contract Number 17-001-WTR-001

Contract Title 2017 Waterline Replacement Project

Prime Contractor C Johnson Construction, Inc.

PREAMBLE

In accordance with Provisions **1-04.4 Changes**, and **1-05.1 Control of Work** as cited in Standard Specifications for Road, Bridge, and Municipal Construction 2016, this modification provides an equitable price adjustment in consideration of changes in Work as described below under Article I. Accordingly, the contract price is increased from \$303,170.53 by \$48,152.00 to \$351,322.53.

ARTICLE I. WORK

Insert the following as *second paragraph* under Article 1:

The work as described above is hereby amended per Modification 01. To complete the waterline replacement the City directed the Contractor to install, on 3rd Street from Commercial Ave to Q Avenue, approximately 360 LF of 8" ductile iron water main, make tie-ins to the existing water system, renew 2 existing water services, excavate, and other work all in accordance with Plan Sheet CH-01, which is hereby incorporated by reference and made a part hereof.

ARTICLE II. PRICE

The paragraph hereby deleted and replaced with the following:

The total contract price is **Three Hundred Fifty-One Thousand Three Hundred Twenty-Two Dollars and Fifty-Three Cents (\$351,322.53)**. The Contract Bid Schedule, Exhibit A, is amended to incorporate SCHEDULE D, which is hereby incorporated by reference and made a part hereof.

All other terms and conditions remain unchanged.

The parties acknowledge that there has been an opportunity to negotiate the terms and conditions of this Modification and agree to be bound accordingly.

CITY OF ANACORTES

C. JOHNSON CONSTRUCTION, INC.

By _____
Laurie Gere, Mayor

By _____
Signature

Date _____

Printed Name _____

Title _____

Date _____

FOR GOVERNMENT USE ONLY

Original Agreement Amount	<u>\$303,170.53</u>	Original Contract Completion Date	<u>4/12/2017</u>
Current Agreement Amount	<u>\$303,170.53</u>	Current Contract Completion Date	<u>4/12/2017</u>
Change Per this Modification	<u>\$ 48,152.00</u>	Net Change	<u>0 days</u>
Total After Amendment	<u>\$351,322.53</u>	Contract Completion Date After Change	<u>4/12/2017</u>

APPROVALS:

Project Manager	Date
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Public Works Director	Date
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Finance Director	Date
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City Council Agenda Bill

Meeting Date: 3/20/2017 **Agenda Item:** 7B

Subject: Final Plat & PUD Approval, 48 North Plat & PUD, PUD-2015-0003

Staff Contact: Kevin Cricchio, AICP, Associate Planner

Approved for Submittal to Council by	
X	Don Measamer, Planning Director
	Steve Hoglund, Finance Director
	Darcy Swetnam, City Attorney

Action Type	
	Ordinance No.
	Code Revision?
	Resolution No.
	Contract
X	Public Meeting
X	Staff Report

Summary & Background: At 6:00 PM on March 20, 2017, City Council will conduct a public meeting to discuss the approval of the final plat & planned unit development (PUD) of 48 North, a 30-lot plat & PUD, File #: PUD-2015-0003. Preliminary approval was granted by City Council on March 21, 2016. Attached hereto is a copy of City Council's approved Findings of Fact, Conclusions of Law, and Decision (**See Exhibit #01**).

The Planning Commission also conducted a public meeting at 6:00 PM on March 8, 2017, concerning the subject final plat & PUD request. Following deliberation on the matter, the Planning Commission voted 6-0 in favor of recommending approval to City Council.

The applicant has provided a response (**See Exhibit #05**) as to how they meet each condition of approval as listed in City Council's approved Findings of Fact, Conclusions of Law, and Decision on the subject plat & PUD. Additionally, both the Public Works Department (PWD) and the Department of Planning, Community, and Economic Development (PCED) have performed several site inspections to verify conformance with the conditions of approval. Both PWD and PCED believe that these requirements have been met.

The Public Works Department has prepared a letter (**See Exhibit #10**) that addresses a few items remaining that still need to be finished. The items remaining relate to monuments, street lighting, signs & stop bars, landscaping, and additional asphalt paving. The total bond owing is \$148,100.96. The applicant will provide a letter of credit prior to City Council's public meeting scheduled for 6:00 PM on March 20, 2017.

Lastly, the applicant has provided third party review (See Exhibit #09) that addresses their stormwater /drainage associated with the construction of the subject plat & PUD.

This letter indicates compliance with the Department of Ecology 2005 manual.

Recommended Motion: I move that City Council make a motion to approve the subject final plat & PUD request.

Attachments (listed in order presented): [Click here to enter text.](#)

[Exhibit #01, City Council Approved Findings of Fact, Conclusions of Law, and Decision](#)

[Exhibit #02, Plat & PUD Map](#)

[Exhibit #03, Landscape Plan](#)

[Exhibit #04, Channelization Plan](#)

[Exhibit #05, Applicant Response to Compliance with City Council's Findings of Fact, Conclusions of Law, and Decision](#)

[Exhibit #06, Covenants, Conditions, and Restrictions \(CC&Rs\)](#)

[Exhibit #07, Encroachment Application & Drawing for Retaining Wall](#)

[Exhibit #08, Skagit Transit Email](#)

[Exhibit #09, Third Party Review \(Stormwater\)](#)

[Exhibit #10, City of Anacortes' Public Works Department Recommendation](#)

[Exhibit #11, PCED's Presentation to Planning Commission](#)

[Exhibit #12, Planning Commission's Public Meeting Minutes](#)

EXHIBIT #01

CITY COUNCIL APPROVED FINDINGS OF FACT, CONCLUSIONS OF LAW, AND DECISION



**CITY COUNCIL'S
FINAL FINDINGS OF FACT, CONCLUSIONS OF LAW,
& DECISION:**

Closed-Record Public

Hearing Date: March 21, 2016, @ 6:00 PM with a 5:00 PM Site Visit

Open Record Public

Hearing Date: February 24, 2016, @ 6:00 PM with a 3:00 PM Site Visit

Project Name: 48 North Preliminary Plat & PUD

File Number: PUD-2015-0003

Applicant: 48 North on Fidalgo Island, LLC
P.O. Box 319
Anacortes, WA 98221

Landowner: Richardson Revocable Living Trust
Richardson Martha Beneva Trustee
23716 Strathern Street
West Hills, CA 91304

**Project Engineer
& Surveyor:** Herrigstad Engineering & Surveying
4320 Whistle Lake Road
Anacortes, WA 98221

Project Planner: Kevin Cricchio, AICP
Associate Planner
City of Anacortes
904 6th Street
Anacortes, WA 98221

Subject Proposal:

The applicant has applied for a Preliminary Plat, Planned Unit Development (PUD), Code Modifications, Right-of-Way Dedication, and SEPA environmental review to create 30 lots and 1

community-park on 7.48 gross acres zoned R2. The 30 residential lots would range from 7,500 to 12,400 square feet in area.

Modifications Proposed:

Through the Planned Unit Development (PUD) process, the applicant is proposing the following modifications to Anacortes Municipal Code (AMC) standards:

1. For lots 3-17, the following modification is requested: A reduction of the R2 Zoning District's front yard setback of 20 feet to 10 feet. The rear setback would be increased however from the 20 foot required setback to 30 feet. The garage however would still be setback 20 feet from the front property line.
2. All other lots besides 3-17 would be required to meet the R2 Zoning District setback requirements.
3. The applicant also has requested a narrower Right-of-Way. Typically the city would require a fifty (50) foot ROW with curb, gutter, and sidewalk on both sides of the road. The applicant however requests a forty (40) foot ROW with a sidewalk only one side of the road.
4. The applicant also is proposing a modification to the R2 Zoning District's lot coverage which is thirty-five (35) percent. The applicant however proposes a 37.5% lot coverage.
5. The applicant proposes a deviation to the 12% city standard for maximum road grade. The applicant has requested a maximum road grade of 15% at the entrance (only) to the subject plat and PUD. **This modification however was withdrawn by the applicant at the Planning Commission's open-record public hearing. The applicant will comply with the 12% maximum road grade per city code.**
6. The applicant proposes that Oakes Avenue's speed rate be changed from 40 MPH to 30 MPH. **Planning Commission supports the proposed speed limit revision to 30 MPH which will require WSDOT approval. Staff will work with WSDOT on the revision.**

Project Location:

The project site is located on the south side of Oakes Avenue between Allen Court and Eagle View Court and is located in a portion of Section 22; Township 35 North; Range 01 East; Willamette Meridian.

Subject Parcel:

Parcel #: P31681

Zoning District:

Residential (R2) Zoning District

Comprehensive Plan Designation:

Residential (R2) Zoning District

Existing Land Use:

The subject property is vacant /unimproved with not structures located on it.

Surrounding Zoning & Land Uses:

Direction:	Zoning:	Land Uses:
North:	Commercial Marine (CM)	Single-Family Residences
South:	Residential (R2)	Single-Family Residences
East:	Aviation (AZ)	Port of Anacortes' Airport
West:	Residential (R2) & Commercial Marine (CM)	Single-Family Residences

R2 Minimum Lot Size:

- 7,500 Square Feet Required
- The applicant's 30 residential lots would range from 7,500 to 12,400 square feet in area.
- 6,750 Square Foot Park Area Proposed

R2 Maximum Permitted Density:

- Four (4) Dwelling Units Per Gross Acre

Site Area:

- Net area = 7.20 acres (313,632 square feet)
- Gross area = 7.48 acres which includes ½ abutting ROW (325,829 square feet)

Density Calculation:

- The site is 7.48 Gross Acres which includes ½ the abutting right-of-way.
- The maximum permitted density in the R2 Zone is 4 Dwelling Units per Acre.
- 7.48 Gross Acres Multiplied by 4 Dwelling Units Permit Acres = 29.92 Lots (Rounded up to the 30) are Permitted
- 30 Lots are proposed by the applicant plus 1 Community Park are proposed.

Permits Required:

The following permits /approval may be required in addition to the above: Civil Construction Plan approval, Final plat and PUD approval, NPDES Construction Stormwater General Permit, building permit(s); other applicable state and federal permits/authorizations.

Existing Environmental Documents:

Wetland Report, Geological Hazardous Area Report, SEPA Environmental Checklist, Tree Assessment & Preservation Plan, & Landscape Plan

Utilities:

- **Water:** City of Anacortes
- **Sewer:** City of Anacortes
- **Garbage:** City of Anacortes
- **Stormwater:** Rain Gardens & City of Anacortes

Fire:

- City of Anacortes

Police:

- City of Anacortes

A. FINDINGS OF FACT:

I. SITE DESCRIPTION:

The subject property is located on a hillside that is heavily treed. There are no improvements onsite. The site generally slopes downward from the northwest from approximately 234 feet above sea level to 150-160 feet near Oakes Avenue /SR20.

The proposed Preliminary Plat and Planned Unit Development (PUD) would include the construction of an internal roadway to be dedicated to the City of Anacortes which would provide ingress and egress to all 30 lots therein.

Anacortes Airport Proximity:

The northeastern property line of the subject parcel is shared by the Anacortes Airport. Due to the proximity that the subject development is from the existing airport, the applicant will need to work with the Federal Aviation Administration (FAA) and Port of Anacortes to complete the requisite paperwork. Additionally, there is an Avigation Easement 732440 recorded with Skagit County with the subject property. Accordingly, the applicant/landowner will need to meet FAA rules and regulations including but not limited to height when constructing within close proximity to an airport.

II. PRELIMINARY PLAT /PUD CHRONOLOGY & BACKGROUND:

1. At 5:30 PM on September 15, 2015, a neighborhood meeting was conducted at the Strandberg Construction Office concerning the proposed development prior to submittal. Neighboring landowners were mailed invitations to this meeting.
2. On December 08, 2015, the applicant submitted the subject applications to the City of Anacortes for review.
3. On January 4, 2016, the subject application was deemed complete and a few additional revisions/material were also requested.
4. On January 28, 2016, the applicant resubmitted application material as was requested in the Letter of Completeness.

III. NOTICE OF APPLICATION & HEARING:

1. A "Notice of Application & Hearing with Optional SEPA DNS" was published in the Anacortes American Newspaper on January 13, 2016.

2. Notice was also posted on the subject property in three (3) different locations on January 05, 2016.
3. Notice was posted at city hall, the library, the local USPS office, and on the city's website on December 23, 2015.
4. Neighbors within 300 feet of the subject property were mailed "Notice of Application & Hearing with Optional SEPA DNS" on January 04, 2016.
5. Departments and agencies of jurisdiction were emailed the respective application material, notice, and comment form on January 04, 2016.
6. Notice of application & hearing with optional SEPA DNS and associated application material was emailed to Department of Ecology on January 04, 2016, for posting on to the SEPA register.
7. The 15-day comment period ended at 5:00 PM on January 27, 2016.

IV. CRITICAL AREAS REVIEW:

Wetlands:

On June 10, 2015, Aqua-Terr Systems, Inc. (ATSI) performed a reconnaissance level review for the presence or absence of critical areas on the subject property. According to their critical area letter dated June 23, 2015, no regulated critical areas were located on the subject property. Additionally, according to ATSI's letter dated January 22, 2016, no regulated wetlands are located within 300 feet of the subject property (**See Exhibit 07**).

Priority Habitat & Species (PHS):

Following a review of the Washington State Department of Fish and Wildlife's website no known Priority Habitat or Species were located on or within close proximity to the subject property except that a Bald Eagle nesting site may be located within approximately 500 plus feet to the northwest of the site. Both the Washington State Department of Fish and Wildlife (DFWL) and the US Fish and Wildlife Service (USFWS) was provided an opportunity to provide comment on the subject proposal and no comment was received.

Cultural Resources:

No known cultural resources are located on or within close proximity to the subject property. Both the Samish Indian Nation and the Washington State Department of Archaeology and Historic Preservation (DAHP) was provided an opportunity to comment on the subject development. No comments were received.

Geologically Hazardous Areas:

Following a geological site reconnaissance, GeoEngineers prepared a Geological Hazard Assessment dated July 21, 2015. According to this report, no Geological Hazardous Areas are located on the subject property (**See Exhibit 08**).

V. TREE ASSESSMENT & PRESERVATION PLAN:

Urban Forestry Services Inc., prepared a Tree Preservation & Assessment Plan dated August 12, 2015. According to this report, fifty-six (56) trees are to be retained within lots 4 to 17. The subject development requires a total of 313 Tree Unit Credits. The trees designated for retention however only account for 205 Tree Unit Credits. Therefore, the project falls short of the required Tree Unit Credits per AMC Chapter 16.50 by 108 Tree Unit Credits. Therefore, the applicant will plant 108 trees onsite (**See Exhibit 09**) as conditioned below.

VI. TRANSPORTATION:

A traffic study was prepared by Traffic Solutions, Inc. (TSI) on October 12, 2015. The traffic study evaluated current conditions, future conditions, and anticipated impacts that the 48 North plat /PUD may have on the site and vicinity. TSI's report concluded that there that the project did not meet the threshold for requiring a turn lane off of State Route Twenty (SR20) /Oakes Avenue into the project's internal roadway providing ingress/egress to the 30 residential lots. Nonetheless, the applicant is proposing a left turn lane from SR20 /Oakes Avenue into the subject subdivision thereby improving traffic wait times, cars stacked up waiting to turn into the project, and vehicular /pedestrian safety.

VII. ROW DEDICATION:

The applicant has proposed dedicating the internal roadway that would provide ingress and egress to the 30 residential lots within to the City of Anacortes.

VIII. SEPA ENVIRONMENTAL REVIEW:

1. According to AMC § 16.080.010, SEPA environmental review is required for the subdivision of property into five (5) or more lots, tracts, parcels, sites, or divisions, for sale or lease.
2. Notice of application and hearing with optional SEPA DNS was published, mailed to property owners within 300 feet of the subject property, and posted onsite as discussed above pursuant to AMC and state law.
3. Notice of application & hearing with optional SEPA DNS was also emailed to the Department of Ecology on January 04, 2016, for posting on to the SEPA register.
4. On February 17, 2016, a SEPA Mitigated Determination of Non-Significance (MDNS) was issued using the optional DNS process pursuant to WAC § 197.11.355.
5. The issued SEPA MDNS was emailed to the Department of Ecology for posting on to the SEPA register on February 17, 2016.

IX. COMMENTS RECEIVED:

Public Comments:

Written public comments received can be seen in **Exhibit 3** hereafter.

Department & Agencies of Jurisdiction Comments:

Comments received from both agencies and departments of jurisdiction can be viewed in Exhibit 4 hereafter.

X. CITY OF ANACORTES' 2012 COMPREHENSIVE PLAN:

The following goals from the City of Anacortes' Comprehensive Plan appear to be applicable to the subject Plat /PUD proposal:

General City Goal 3:

Promote compatible land uses and improve visual appearance in each and every zoning district.

Staff Analysis:

Single-family residences surround the project site to the north, south, east, and west.

Transportation Goal 7:

Require adequate off-street parking in all zones.

Staff Analysis:

AMC Chapter 17.46 requires two (2) off-street parking spaces per single-family residence. Each residence's garage will meet the setback requirements for the R2 Zoning District despite the modifications applied for and discussed above. Therefore, adequate space will exist for the parking of two (2) vehicles in front of the garage as well as in the garage. This requirement will be reviewed at time of building permit application submittal.

Housing Goal 1:

Attempt to achieve a balanced distribution of housing to meet the needs of all citizens.

Staff Analysis:

The subject proposal would result in (30) lots being created for the construction of single-family residences on each lot.

Housing Goal 2:

Maintain and allow for open-space corridors in Anacortes.

Staff Analysis:

The applicant proposes constructing a 6,750 square foot community park for use by the residents /neighbors. The park will be owned and maintained by the homeowners association.

Housing Goal 3:

Single family, detached residential units shall be the major residential form in the community.

Staff Analysis:

Single-family residences are proposed on each of the 30-lots created by the subject preliminary plat and PUD.

Housing Goal 6:

Provide for flexibility in subdivision development.

Staff Analysis:

A Planned Unit Development (PUD) permits flexibility to zoning and subdivisions standards / code. Accordingly, the applicant is requesting several modification to existing standards listed above.

Housing Goal 7:

Improve visual appearance of residential neighborhoods and maintain integrity of existing residential areas and neighborhoods.

Staff Analysis:

The subject plat /PUD will improve the visual appearance of the residential neighborhood and will maintain the integrity of the existing and surrounding residential area and neighborhood. Access to the 30 residences will be from an internal roadway providing ingress and egress to each lot. This roadway will be dedicated to the City of Anacortes.

Housing Goal 8:

Encourage rehabilitation of substandard housing and neighborhoods.

Staff Analysis:

The subject property is vacant and unimproved. The proposed development and associated improvements will improve the neighborhood along with vehicular and pedestrian access/ connectivity.

The subject proposal is consistent with the goals of the City of Anacortes' Comprehensive Plan that are identified above.

B. ZONING ORDINANCE/ ANACORTES MUNICIPAL CODE:

1. The City's Zoning Map establishes zoning district boundaries and the City Zoning Ordinance establishes (1) the permitted use of land in the various zones, and (2) development standards.
2. The applicant has requested concurrent review of the subject preliminary plat and PUD as allowed per AMC § 16.40.040.
3. The subject property is located in the Residential (R2) Zoning District.
4. Pursuant to AMC § 17.36.010, the purpose of the Residential (R2) Zoning District "is to maintain and create an environment which meets the standards for single-family

residential development, by restricting uses within the district, and by requiring a minimum lot size and maximum density.”

5. According to AMC § 17.36.020, “single-family dwellings” are permitted land uses within the Residential (R2) Zoning District.
6. According to AMC § 17.36.050, the minimum lot size for the Residential (R2) Zoning District is 7,500 square feet. The applicant has proposed lots that range in size from 7,500 to 12,400 square feet thus meeting the minimum lot size requirement.
7. AMC § 17.36.060 lists the required setbacks for the Residential (R2) Zoning District. The applicant however proposes a reduction of the front yard setback from 20 feet to 10 feet. Additionally, the rear setback would be increased from the required 20 feet to 30 feet. This modification to setbacks would only apply to lots 3 to 17. The garage however would still be setback 20 feet from the front property line. Furthermore, no deviation to side yard setbacks is proposed to lots 3 to 17. All other lots would meet the R2 Zoning District setback requirements.
8. According to AMC 16.32.010, a residential access road with an average daily trip(s) of less than 500 requires a 50 foot right-of-way with a 32 foot paved roadway within it. The roadway consists of two driving lanes with curb, gutter, sidewalk, and parking is required on both sides. The applicant however has requested 40 foot Right-of-Way with a sidewalk only one side of the road.
9. According to AMC 16.32.010 the maximum grade of that a road may be in the R2 Zoning District is 12%. The applicant however proposes a deviation to this city to permit a 15% grade within the project.
10. According to AMC 17.36.080, the maximum permitted lot coverage in the R2 Zoning District is thirty-five (35) percent. The applicant however proposes a modification to the zoning standards that would permit a 37.5% lot coverage instead.
11. The applicant also proposes a deviation to the city standard for maximum road grade which is 12%. The applicant proposes a maximum road grade of 15% at the entry way only to the subject plat and PUD.
12. According to AMC § 17.36.070, the maximum permitted density for the Residential (R2) Zoning District is four (4) dwelling units per gross acre. The site is 7.48 Gross Acres which includes ½ the abutting right-of-way. Seven point four eight (7.48) gross acres multiplied by 4 Dwelling Units Permit Acres equals 29.92 lots (Rounded up to the 30) which are permitted. The applicant proposes developing 30 lots.
13. According to AMC § 17.46.020, two (2) parking spaces are required for each residence. The applicant proposes two (2) car garages attached to each residence. Although a modification to the front yard setback is proposed as part of the subject proposal, said setback modification will not apply to garages.
14. Landscaping is required pursuant to AMC Chapter 17.41. The applicant has submitted a landscape plan meeting this requirement (**See Exhibit 10**).
15. According to AMC § 16.50.050, a Tree Preservation Plan is required as part of application for a subdivision /planned unit development. Accordingly, the applicant has submitted a Tree Assessment and Preservation Plan (**See Exhibit 09**). According to the report, fifty-six (56) trees are to be retained within lots 4 to 17. The subject

development requires a total of 313 Tree Unit Credits. The trees designated for retention however only account for 205 Tree Unit Credits. Therefore, the project falls short of the required Tree Unit Credits per AMC Chapter 16.50 by 108 Tree Unit Credits. Therefore, the applicant will be required to plant 108 trees onsite meeting this requirement.

16. According to AMC § 17.04.050, creation of or changes to lot lines shall conform to the use provisions, dimensional and other standards, and procedures of this title and Title 16, Subdivisions.
17. According to AMC § 17.05.030, development shall be prohibited, and all applications therefore shall be denied, if the development would cause the level of service on a concurrency facility or service to decline below adopted levels of service standards, unless the improvements or strategies to accommodate the new development are made concurrent with the development, subject to the provisions of AMC § 17.05.070(3). For potable water, sewer/onsite sewage disposal and stormwater management, only available capacity or capacity that can be provided prior to the actual use of the facility will be used. This project however would not cause the level of service on a concurrency facility or service to decline below adopted levels of service standards.
18. The subject proposal is consistent with the above development regulations.

C. OTHER APPLICABLE CODE, REVIEW CRITERIA, & PROCESS:

The preliminary plat and PUD application is also subject to review for conformance with the following code sections/regulations:

1. According to AMC § 16.40.040, there are four (4) steps for approval of a PUD: A) Pre-application conference during which the city's planning coordinating committee reviews sketches and conceptual information and makes recommendations to the applicant. Particular attention shall be given to the items where the PUD concept varies from normal subdivision standards, B) Preliminary PUD development plan where a more complete conceptual plan is submitted for planning coordinating committee review and then goes through a standard planning commission and city council approval process, C) Preliminary plat review and approval process with a detailed plan incorporating the approved preliminary PUP development plan concepts and conditions, and D) Final plat meeting the submittal requirements of and following the approval process for a standard subdivision.

Staff Analysis:

The subject applications were reviewed by the Development Review Group (DRG) for comments, &/or conditions. Department requirements have been incorporated as conditions of approval herein. The applicant submitted the subject preliminary plat and PUD on December 08, 2015. It was reviewed by staff and deemed complete on January 4, 2016. A Notice of Application and Hearing Using Optional SEPA DNS was noticed as is required by the AMC as stated in detail above. Both the preliminary plat and PUD were processed concurrently per the applicant's wishes. Accordingly, the subject applications go before an open-record public hearing with the Planning Commission followed by a closed-record public hearing with the City Council.

2. According to AMC § 16.12.010, when a preliminary plat meeting the requirements has been submitted, the administrator shall establish the date and time for an open-record public hearing before the planning commission on the preliminary plat which shall not be more than sixty days from the date of the notice of complete application and which shall coincide with a regular meeting of the planning commission. Following planning commission action, the administrator shall schedule the preliminary plat for the city council agenda for its next available meeting date in accordance with its rules and regulations. Accordingly, both an open record and close-record public hearing has been scheduled for the proposed project.

Staff Analysis:

Dates and times for both an open record and closed record public hearings have been established as is listed in the "Notice of Application and Hearing Using the Optional SEPA DNS" (See Exhibit 06).

3. According to AMC § 16.40.102, Common Open Space within a Planned Unit Development may include land area of the site that is not covered by buildings, parking structures, or accessory structures except recreational structures (i.e., decks). Open space cannot however include proposed street rights-of-way; open-parking areas and driveways for dwellings; school sites; commercial areas and the buildings; accessory buildings; parking and loading facilities for commercial areas; and land that is totally unsuitable for building due to topographic features.

Staff Analysis:

The applicant has designated the community park that would serve the residents of the 30 lot subdivision and community as a whole as "Open Space" per se meeting this requirement.

4. According to RCW § 58.17.110(1), the approval or disapproval of subdivision and dedications –factors to be considered –conditions for approval –finding-release from damages: "The city, town, or county legislative body shall inquire into the public use and interest proposed to be served by the establishment of the subdivision and dedication. It shall determine: (a) If appropriate provisions are made for, but not limited to, the public health, safety, and general welfare, for open spaces, drainage ways, streets or roads, alleys, other public ways, transit stops, potable water supplies, sanitary wastes, parks and recreation, playgrounds, schools and school-grounds, and shall consider all other relevant facts, including sidewalks and other planning features that assure safe walking conditions for students who only walk to and from school; and (b) whether the public interest will be served by the subdivision and dedication."

Staff Analysis:

The public use and interest will be served by the proposed subdivision and dedication. Appropriate provisions have been made to the public, health, safety, and general welfare for open spaces, drainage ways, streets or roads, alleys, other public ways, transit stops,

potable water supplies, sanitary wastes, parks and recreation, playgrounds, schools and school-grounds, and sidewalks. Pursuant to WAC 365.196.840, public facilities and services necessary to support and serve the subject development will be in place concurrent to development without decreasing service levels below locally established minimum standards.

5. According to RCW § 58.17.110(2), the approval or disapproval of subdivision and dedications –factors to be considered –conditions for approval –finding-release from damages: “A proposed subdivision and dedication shall not be approved unless the city, town, or county legislative body makes written findings that: (a) Appropriate provisions are made for the public health, safety, and general welfare and for such open spaces, drainage ways, streets or roads, alleys, other public ways, transit stops, potable water supplies, sanitary wastes, parks and recreation, playgrounds, schools and school-grounds and all other relevant facts, including sidewalks and other planning features that assure safe walking conditions for students who only walk to and from school; and (b) the public use and interest will be served by the platting of such subdivision and dedication. If it finds that the proposed subdivision and dedication make such appropriate provisions and that the public use and interest will be served, then the legislative body shall approve the proposed subdivision and dedication. Dedication of land to any public body, provision of public improvements to serve the subdivision, and/or impact fees imposed under RCW 82.02.050 through 82.02.090 may be required as a condition of subdivision approval. Dedications shall be clearly shown on the final plat. No dedication, provision of public improvements, or impact fees imposed under RCW 82.02.050 through 82.02.090 shall be allowed that constitutes an unconstitutional taking of private property. The legislative body shall not as a condition to the approval of any subdivision require a release from damages to be procured from other property owners.”

Staff Analysis:

Accordingly, as provided herein, written findings have been provided that address appropriate provisions for the public health, safety, and general welfare. Furthermore, the public use and interest will be served by the subject preliminary plat, PUD, and dedication. Additionally, impact fees associated with the construction of each residence will be paid for at time of building permit issuance.

6. The subject proposal is consistent with the above code sections /regulations.

D. CONCLUSIONS OF LAW:

1. The Planning Commission having fully reviewed the staff report hereby adopts said staff report as properly setting forth the issues, the land use requests, consistency with the existing regulations, principles, conditions and their effect upon the request. It is therefore adopted by the Planning Commission as a conclusion as if set forth in full herein.

2. The proposed preliminary plat and planned unit development as conditioned conforms to the general purposes of the city comprehensive plan, the city's planning standards and specifications of the zoning ordinance, Title 16 and other ordinances applicable to the proposal. Additionally, the subject proposal makes appropriate provisions for the elements listed in AMC § 16.12.020(E).
3. The requirements of the State Environmental Policy Act have been complied with.
4. The Planning Commission bases its Findings of Fact and Conclusions of Law on the entire record, including all testimony and exhibits. Any finding which would be deemed a Conclusion of Law and any Conclusion of Law which should be deemed a finding is hereby adopted as such.
5. The project is consistent with the general purposes of the city comprehensive plan, the city's planning standards and specifications of the zoning ordinance, and other ordinances applicable to the proposal.

E. STAFF RECOMMENDATION:

The Department of Planning, Community, and Economic Development recommends that the City Council approve the subject preliminary plat, preliminary PUD, code modification, & ROW dedication subject to the staff suggested conditions of approval.

F. PLANNING COMMISSION OPEN-RECORD PUBLIC HEARING:

The Planning Commission conducted an open-record public hearing at 6:00 PM on February 24, 2016, after conducting a site visit at 3:00 PM. After public testimony, the Planning Commission deliberated on the matter. A motion was made to approve the subject application with the addition of condition of approval #21 (listed below). The motion was seconded. Following a vote, the Planning Commission unanimously voted 5-0 to recommend approval to City Council.

G. APPEAL OF PLANNING COMMISSION'S RECOMMENDATION:

Following the Planning Commission open-record public hearing, the chairman signed the Planning Commission's Findings of Fact, Conclusions of Law, and Recommendation. This was forwarded to the applicant and parties of record. No appeals of the Planning Commission's recommendation were received.

H. APPLICANT'S REQUEST TO MODIFY CONDITION #21:

The applicant however has requested that Condition of Approval #21 which was added by the Planning Commission be further modified as follows:

Existing Condition #21:

The maximum permitted height for Lot 15 shall be restricted to twenty-five (25) feet from the high point on the property (NE corner) of existing grade.

Proposed Condition #21:

The maximum permitted height for Lot 15 shall be restricted to twenty-five (25) feet from the high point of the property of existing grade.

I. DECISION:

Based on the foregoing information and analysis, the environmental documents submitted by the applicant, and the City regulatory authority to implement the policies, standards, and the regulations of the Comprehensive Plan, and the Anacortes Municipal Code (AMC), the City Council **approves** the subject preliminary plat, preliminary PUD, code modification(s), & ROW dedication subject to the following conditions of approval:

1. Grading shall not adversely impact adjacent properties.
2. Provide a Traffic Control Plan (Current MUTCD Manual) prior to any construction taking place in the public right-of-way for approval by the City of Anacortes' Public Works Department.
3. Pursuant to RCW 58.17.140(3), a final plat and PUD meeting all of this requirements of this chapter shall be submitted to the City of Anacortes Planning Department for approval within five (5) years from the date of preliminary approval that is listed below. Notwithstanding, the preliminary plat and PUD approval becomes null and void.
4. Before final plat and PUD submittal or approval, the project land surveyor shall place the respective property corners of the subject property.
5. The applicant shall be responsible for reimbursement to the City for the cost of posting, mailing and publication of the public hearing associated with the subject applications. Payment shall be made prior to final plat and PUD submittal or approval is given.
6. Fire Hydrants are to be located as approved by the City of Anacortes Fire Chief. Fire flows shall be addressed in a manner acceptable to the Fire Chief and the City of Anacortes Public Works Department.
7. Mailbox locations shall be reviewed and approved by the City of Anacortes Public Works Department and the U.S. Postal Service.
8. Development shall comply with the revised landscape plan. Landscaping shall be in place and complete before building permit certificate of occupancy will be issued.
9. Preliminary subdivision and Planned Unit Development approval authorizes the applicant to proceed with application for necessary permits to construct required improvements and to prepare construction drawings in accordance with the determinations made and conditions imposed.
10. The lots in this subdivision are subject to applicable water, sewer, and stormwater general facility and hookup fees and transportation, fire, and park impact fees. These fees are payable at levels in effect at the time of building permit issuance and may differ from those fee levels currently in effect; sewer and water latecomer charges may be payable. A note to this effect shall be on the final plat and PUD map.
11. A note shall be added to the final plat and PUD map that reads as follows:

ZONING INFORMATION:

<i>Underlying Zone:</i>	<i>Residential District (R2)</i>
<i>Zone's Minimum Lot Size:</i>	<i>7,500 Square Feet</i>
<i>Gross Acreage:</i>	<i>7.48 Acres (included ½ abutting ROW)</i>
<i>Net Acreage:</i>	<i>7.20 Acres</i>
<i>Zone's Maximum Density:</i>	<i>4 Dwelling Units (DU) per Gross Acre</i>
<i>Density Calculation:</i>	<i>4 DU X 7.48 Acres = 29.92, rounded to 30 DU</i>
<i>Proposed Lots:</i>	<i>30 Lots + 1 Community Park</i>

SETBACKS:

Front Yard:

- For lots 3-17 only, the front setback is 10 feet for the residence & 20 feet for garages.
- All other lots must meet the 20 foot front yard setback for the R2 Zone.

Rear Yard:

- For lots 3-17 only, the rear setback is increased from 20 feet to 30 feet.
- All other lots must meet the 20 foot rear yard setback for the R2 Zone.

Side Yard:

- All lots shall meet the R2 side yard setback requirements for the R2 Zone.

12. Due to the proximity that the subject development is from the existing airport owned and operated by the Port of Anacortes. The applicant will need to work with the Federal Aviation Administration (FAA) and Port of Anacortes to complete the requisite paperwork prior to final plat and PUD submittal or approval is given. Additionally, there is an Avigation Easement 732440 recorded with Skagit County with the subject property. Accordingly, the applicant/landowner will need to meet FAA rules and regulations including but not limited to height when constructing within close proximity to an airport.
13. Automatic fire sprinkler systems may be required for each residence as required by the Fire Marshall.
14. The project geotechnical engineer –GeoEngineers shall review the construction drawings to confirm the proposed roadway design and raingardens are consistent with LID standards.
15. A homeowner's association shall be established and be responsible for the maintenance of the raingardens, community park, & Native Growth Protection Easement. A note to this effect shall be shown on the face of the final plat and PUD.
16. Development shall comply with the Mitigated Determination of Non-Significance (MDNS that was issued February 17, 2016 as follows:
 - A. Erosion control, dust control, and best management practices shall be employed

- during construction /development activities as required by both the Building and Public Works Departments (MDNS Condition #1).
- B. Orange construction fencing shall be installed at the project boundary's clearing limits (MDNS Condition #2).
 - C. A grading permit is required for earthwork consisting of fifty (50) or more cubic yards (MDNS Condition #3).
 - D. All applicable permits shall be secured before any construction activities begin onsite (MDNS Condition #4).
 - E. Those trees designated for retention on the submitted tree preservation plan shall be protected before and during site development and construction through adherence to AMC § 16.50.100. Chain link fencing (or other sturdy construction fencing) attached to concrete blocks shall be erected along the drip line (plus 6 feet) of each of the trees designated for retention on the plan" (MDNS Condition #5)
 - F. Before any site development /grading and/or construction activities occur on the subject property the applicant shall contact the Department of Planning, Community, and Economic Development to arrange a tree fence inspection (MDNS Condition #6).
 - G. The applicant shall plant a minimum of 108 additional trees onsite in order to comply with the minimum number of tree credits required per AMC Chapter 16.50 that is discussed in the submitted Tree Assessment & Preservation Plan. At time of final plat and PUD submittal, the applicant shall submit a revised site plan showing the location of the additional trees required for planting (MDNS Condition #7).
17. Development shall comply with the Public Works Department including but not limited to:
- A. A clearing and grading plan consistent with City requirements shall be submitted by the applicant for review and approval by the City of Anacortes Planning\Building and Public Works Departments prior to any construction activities taking place on or off-site.
 - B. A Large Parcel Storm Water Plan and Water Quality Control Plan consistent with City requirements shall be submitted by the applicant for review and approval by the Planning\Building and Public Works Departments prior to any construction activities taking place on or off-site.
 - C. Construction activities may require an NPDES Construction Storm Water Discharge Permit issued by the Department of Ecology prior to any construction activities taking place on or off-site.
 - D. Clearing activities may require a logging permit issued by the Department of Natural Resources prior to construction activities taking place on or off-site.

- E. This project is required to obtain a General Construction Permit from the Washington State Department of Transportation for all road crossings and work adjacent to and on Oakes Avenue.
- F. Prior to any clearing\fill\grade work beginning, construction civil plans consistent with the City of Anacortes Engineering Development Standards, including but not limited to, Clearing and Grading Plan, Erosion Control Plan, Site utility\Infrastructure improvements Plan, Roadway Improvements Plan, Signage Plan, Street Lighting Plan and other plans and\or information required by the City Planning\Building and Public Works Departments shall be submitted for review and approval.
- G. Engineering and Inspection fees in the amount of \$500.00, plus 2% of the total estimated construction cost shall be due upon civil plan approval. No construction activity is allowed until the construction plans are approved, all fees have been paid and a preconstruction conference held.
- H. Prior to the final plat approval, all infrastructure improvements shall be completed as required by the City of Anacortes Public Works Director and a 2-year Maintenance Bond in place. The 2-year Maintenance Bond is 10% of the actual construction cost.
- I. Fire Hydrants are to be located as approved by the City of Anacortes Fire Chief. Fire flows shall be addressed in a manner acceptable to the Fire Chief and the City of Anacortes Public Works Department.
- J. Water main shall be extended from the west (Allen Court) along the frontage of Oakes Avenue to the most easterly boundary of the property to allow for future extension by others.
- K. All Water Easements shall be 20-foot minimum width and dedicated to the City of Anacortes. Any future encroachments into the easements by the adjacent properties shall be required to apply for an encroachment agreement from the City of Anacortes Public Works Department.
- L. Sanitary Sewer Conveyance system shall be extended from the west (Allen Court) along the frontage of Oakes Avenue to the most easterly boundary of the property to allow for future extension by others.
- M. All Sanitary Sewer Easements shall be 20-foot minimum width and dedicated to the City of Anacortes. Any future encroachments into the easements by the adjacent properties shall be required to apply for an encroachment agreement from the City of Anacortes Public Works Department.
- N. All Sanitary Sewer structures shall have vehicular access, including but not limited to: 1) A 12-foot minimum width access road with an approved all-weather surface asphalt road, or other approved Low Impact Development Best Management Practice design, 2) Meeting the minimum structural requirements for Access Road approved by the City of Anacortes.

- O. Storm Drainage Conveyance system shall be extended from the west (Allen Court) along the frontage of Oakes Avenue to the most easterly boundary of the property to allow for future extension by others.
- P. Storm water conveyance both on-site and off-site shall comply with City Storm drainage requirements.
- Q. The developer shall provide suitable drainage facilities for any surface run-off affecting the subdivision, per Anacortes Municipal Code 16.20.070.
- R. Provisions shall be made to accommodate for a Public Transit stop along Oakes Avenue. The Developer shall work with the Planners from Skagit Transit to determine a location.
- S. Roadway horizontal alignments shall be designed to allow for proper sight distances.
- T. Mailbox locations shall be reviewed and approved by the City of Anacortes Public Works Department and the U.S. Postal Service.
- U. Street lighting shall be required at both ingress and egress of the project. Street lighting shall be energy efficient and shall limit glare and/or emission of light downward to the street and front yard areas. Street lighting will be installed per PSE Schedule 53, Option "B". Lighting fixtures and design shall be approved by the Public Works Director. Shields may be necessary to reduce impacts to adjacent properties.
- V. Sanitation, recycling and compost collection will be at curb side of each parcel serviced.
- W. Internal roadway shall be required to provide for:
 - 1. 40-foot Public Right-of-Way
 - 2. A minimum of 28-feet of paved asphalt.
 - 3. Maximum grade of 12%. Unless a steeper grade of 15% is approved by the City Council as required under the Anacortes Municipal Code.
 - 4. With 5-foot sidewalk on one side of the road.
- X. Oakes Avenue, along the frontage of this project is required to provide for:
 - 1. An appropriately designed left hand turn lane and related transitions shall be designed and constructed to meet the requirements of the Washington State Department of Transportation and the City of Anacortes Public Works Department.
 - 2. Public Works Department supports the proposed 30 MPH change from 40 MPH as requested by the Developer. The revised speed limit change will need to be approved and implemented by the Washington State Department of Transportation. The current speed limit is posted 40 MPH and the improvements should be designed accordingly.

3. Cement Concrete Traffic Curb and Gutter with a 5-foot minimum sidewalk shall be extended from the west (Allen Court) along the frontage of Oakes Avenue to the most easterly boundary of the property to allow for future extension by others.
 4. Due to the inconsistency of the asphalt edge along Oakes Avenue, the project will need to pave a minimum of 8-feet to obtain slope from the existing asphalt to the new curb as determined by the City of Anacortes and the Engineer of Record.
18. Before final plat and PUD submittal or approval is given, the applicant shall submit a revised Tree Preservation Plan that shows all existing trees designated for retention in the submitted plan plus the 108 additional trees required to be planted.
 19. Pursuant to AMC 16.50.120(D), the applicant shall record a notice with the Skagit County Auditor's Office which provides a public record of any approved tree preservation plan and conservation areas; the application of this title to the property; and that limitations on actions in or affecting the property may exist. A note to this effect shall also be listed on the face of the final plat and PUD referencing the respective Auditor File Number (AFN) for the recorded Tree Preservation Plan [as revised].
 20. Additionally, those trees shown in the Revised Tree Preservation Plan must also be shown on the face of the plat and PUD prior to submittal or approval is given. The trees designated for retention shall be clearly shown in relation to the lot's property lines.
 21. Before final plat and PUD submittal or approval is given, a note shall be added to the face of the plat/PUD that states:
 - A. The maximum permitted height for Lot 15 shall be restricted to twenty-five (25) feet from the high point on the property (NE corner) of existing grade.

INTRODUCED, PASSED, AND APPROVED BY THE CITY COUNCIL OF THE CITY OF ANACORTES on this 21st day of March 2016.

CITY OF ANACORTES, WASHINGTON


LAURIE M. GERE, MAYOR

Approved as to form and legality:


Darcy Swetnam, WSBA# 40530
City Attorney

ATTEST:


Steve D. Hoglund, City Clerk Treasurer

JUDICIAL APPEAL:

AMC § 17.08.090 - Notice of appeal of any final action taken under this title must be filed with

the Superior Court and served on the city attorney for the city within twenty-one (21) days of the date on which such final action was taken. For purpose of appeals from decisions of the Anacortes City Council, the "date of final action" shall mean the date on which the city council entered its Findings of Fact, Conclusions of Law, and Decision.

EXHIBITS:

EXHIBIT NUMBER:	NAME OF EXHIBIT:
Exhibit #1	Master Permit Application, Environmental Checklist, & Narrative
Exhibit #2	Assessor's Info & GIS Map
Exhibit #3	Public Comments Received
Exhibit #4	Department /Agency Comments Received
Exhibit #5	Notice of Application & Hearing with Optional SEPA DNS
Exhibit #6	Issued SEPA MDNS
Exhibit #7	Wetland Report
Exhibit #8	Geotechnical Report
Exhibit #9	Tree Assessment & Preservation Plan
Exhibit #10	Landscape Plan
Exhibit #11	Planning Commission's Recommendation & Minutes
Exhibit #12	Applicant's Presentation, Handout, & Response to Neighbor Concerns
Exhibit #13	Planning Department's Presentation to the Planning Commission
Exhibit #14	Plat & PUD Site Plan

EXHIBIT #02

PLAT & PUD MAP

48 NORTH PLAT & PUD
SECTION 22, TOWNSHIP 35 NORTH, RANGE 1 EAST, W.M.
CITY OF ANACORTES, WASHINGTON

AUDITORS CERTIFICATE
RECORD OF SURVEY AT THE REQUEST OF DALE K. HERRIGSTAD

AUDITOR _____ DEPUTY AUDITOR _____

GENERAL INFORMATION

1. Assessor's Account No.s 350122-4-004-0000, P31681..
2. Description and exception information is from the 2nd Revised Subdivision Guarantee, Order No: 153377-0A, dated January 17, 2017.
3. This property is SUBJECT TO and TOGETHER WITH easements, reservations, restrictions, covenants and other instruments of record including but not limited to those instruments referred to in the Subdivision Guarantee referenced under Note 2 above. Said report lists documents recorded under Auditors File Number AF 732440 (Aviation Easement), AF 200807220033 (Record of Survey), AF 201607050142 (10' wide Puget Sound Easement over new utilities), AF 201612060089 (10' wide Puget Sound Easement over new utilities) and AF 201612190147 (Covenants, Conditions and Restrictions on adjoining property). Deed of Trust recorded under AF 201605130083 (Skagit State Bank).
4. Residential Low Density (R2).
5. Water Supply: City of Anacortes.
6. Sewer Disposal: City of Anacortes
7. Storm Sewer: City of Anacortes

SKAGIT COUNTY TREASURERS CERTIFICATE

I certify that all taxes heretofore levied and which have become a lien upon the lands herein described have been fully paid and discharged according to the records of my office, up to and including the year of 20_____.

Certified this _____ day of _____, 20_____.

Skagit County Treasurer _____

CITY OF ANACORTES APPROVALS

The Planning Commission of the City of Anacortes meeting in regular session on _____ did find that the 48 North Plat & PUD serves the public use & interest & has authorized the Subdivision Administrator to execute its written approval.

Signature of Planning Director _____

Approval by the Council of the City of Anacortes, WA, this _____ day of _____, 20_____.

ATTEST: City Clerk _____

Examined and approved this _____ day of _____, 20_____.

City Engineer _____

DEDICATION

Know All Men by these Present that SKAGIT STATE BANK, mortgage holder, and 48 NORTH ON FIDALGO ISLAND, LLC, property owner of the land hereby platted, declare this plat and dedicate to the use of the public forever, streets and avenues shown hereon and the use thereof for all public purposes consistent with the use thereof for public highway purposes together with the right to make all necessary slope for cuts and fills upon the lots and blocks shown hereon in the original reasonable grading of all such streets and avenues shown hereon. The Owners and their assigns hereby waive all claims for damages against which may be occasioned to the adjacent properties by the construction, drainage and maintenance of said road and or area.

48 NORTH ON FIDALGO ISLAND, LLC

SKAGIT STATE BANK

State of Washington

County of Skagit

I certify that I know of have satisfactory evidence that _____ signed this instrument, on oath stated that (he/she/) (was/are) authorized to execute the instrument and acknowledged it as the _____ of 48 NORTH ON FIDALGO ISLAND, LLC to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Given under my hand and official seal this _____ day of _____, 20_____.
Notary Public in and for the State of Washington

Name printed _____

Residing at _____

My commissions expires _____

NOTES

1. Subject to Declaration of Covenants, Conditions, Restrictions, (CC&R's), recorded under;

AFN _____

2. This plat is subject to the Revised Tree Preservation Plan dated August 12, 2015 and recorded under;

AFN _____

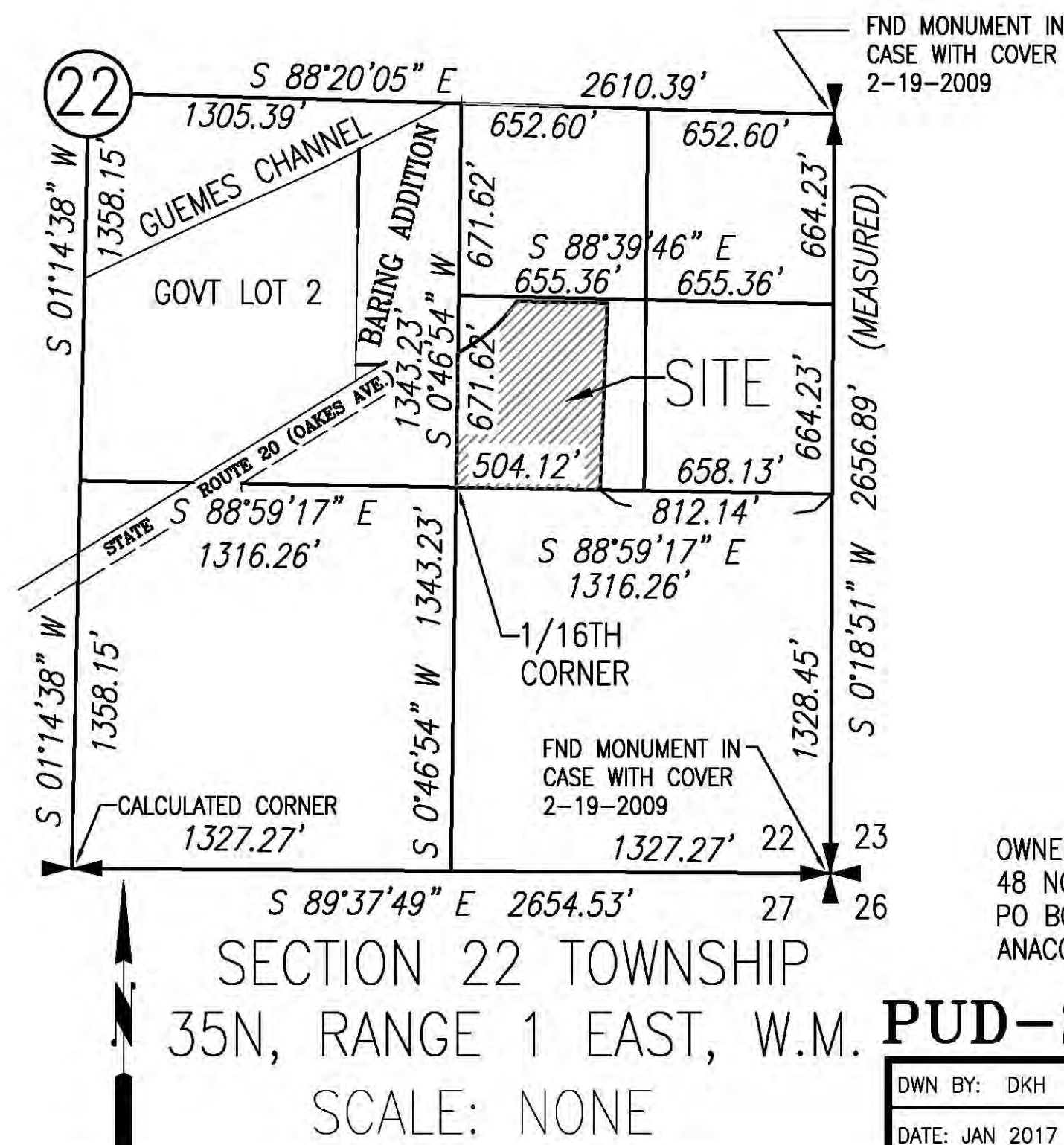
3. The PUD reference number PUD-2015-0003 and date of approval shall be included in all deeds and contracts.

SURVEYORS CERTIFICATE

I hereby certify that the 48 North Plat & PUD is based upon an actual survey and subdivision performed by me or under my supervision of Section 22, Township 35 North, Range 1 East, W.M.; the plat is a true and correct representation of the land actually surveyed; that the courses and distances are shown correctly on the ground; and that I have complied with the provisions of the statutes and platting regulations and that permanent control monuments have been established at each and every controlling corner of the parcel of land being subdivided.

DALE K. HERRIGSTAD, P.L.S. _____
Certificate No. 27807

Date _____



State of Washington

County of Skagit

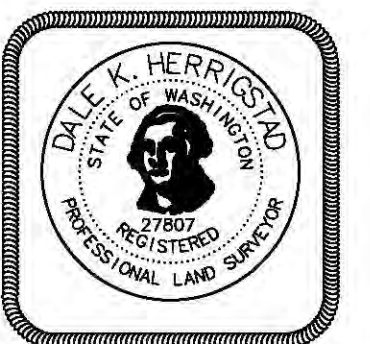
I certify that I know of have satisfactory evidence that _____ signed this instrument, on oath stated that (he/she/) (was/are) authorized to execute the instrument and acknowledged it as the _____ of SKAGIT STATE BANK to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Given under my hand and official seal this _____ day of _____, 20_____.
Notary Public in and for the State of Washington

Name printed _____

Residing at _____

My commissions expires _____



OWNER/DEVELOPER
48 NORTH ON FIDALGO ISLAND LLC
PO BOX 319
ANACORTES, WA 98221

LAND SURVEYOR
DALE HERRIGSTAD PLS
4320 WHISTLE LAKE ROAD
ANACORTES, WA 98221

SHEET 1 OF 3

PUD-2015-0003

PW #16-005-DEV

DWN BY: DKH

DATE: JAN 2017

HERRIGSTAD ENGINEERING & SURVEYING

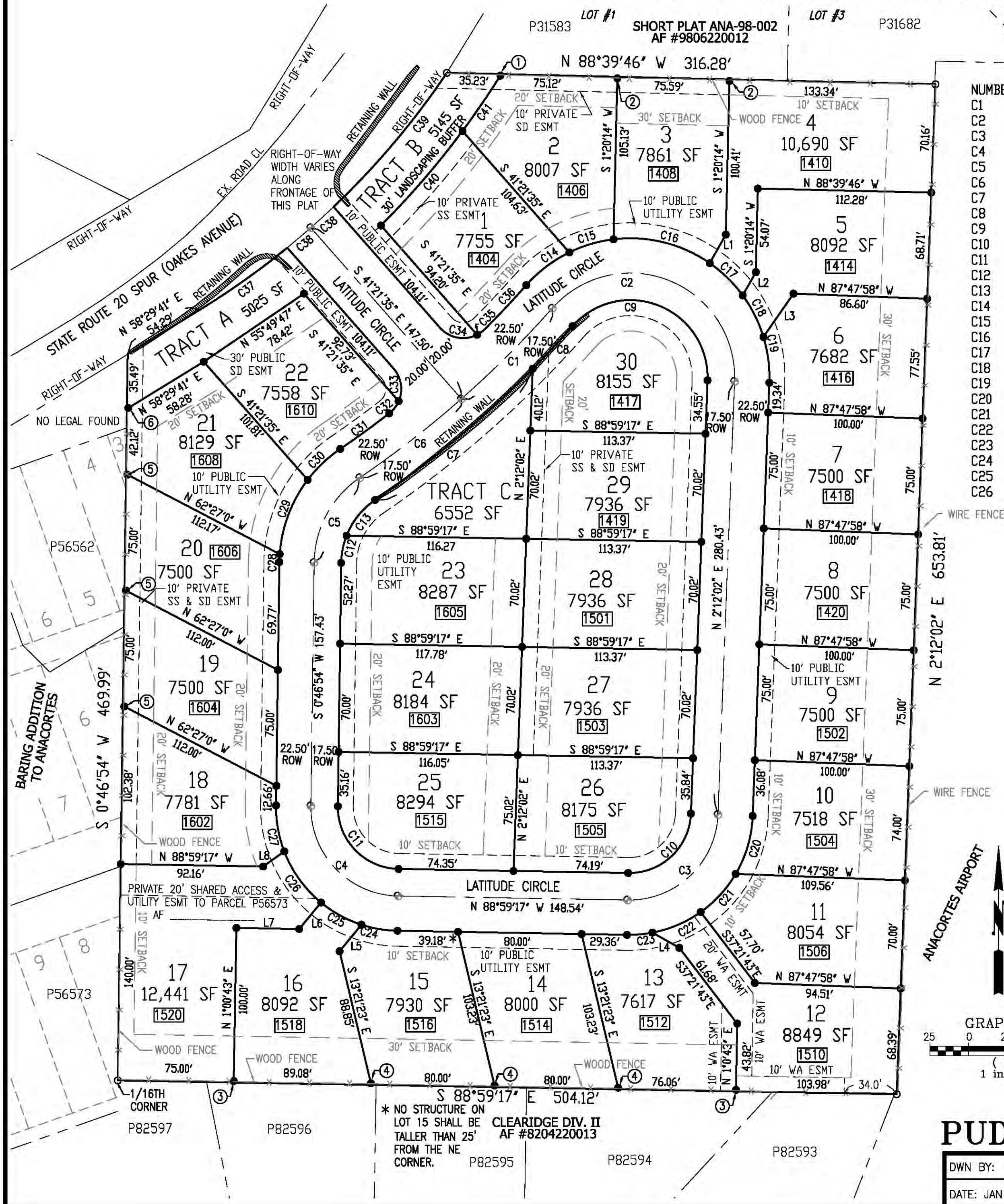
4320 Whistle Lake Road, Anacortes, WA 98221 (360) 299-8804

SCALE: NOTED

JOB 2015-53

48 NORTH PLAT & PUD

**SECTION 22, TOWNSHIP 35 NORTH, RANGE 1 EAST, W.M.
CITY OF ANACORTES, WASHINGTON**

JOB 2015-53

48 NORTH PLAT & PUD
SECTION 22, TOWNSHIP 35 NORTH, RANGE 1 EAST, W.M.
CITY OF ANACORTES, WASHINGTON

PUD AND PLAT CONDITIONS

48 NORTH PLAT & PUD
PUD-2015-0003

All parcels within the subdivision are subject to the "Findings of Fact and Conclusion of Law" as adopted by the Anacortes City Council on the 21st day of March, 2016. The following Conditions were required to be identified on the face of the Plat.

1. (FF #10) The lots in this subdivision are subject to applicable water, sewer, and stormwater general facility and hookup fees and transportation, fire, and park impact fees. These fees are payable at levels in effect at the time of building permit issuance and may differ from those fee levels currently in effect; sewer and water latecomer charges may be payable.

2. (FF #11) ZONING INFORMATION:

Underlying Zone: Residential District (R2)

Zone's Minimum Lot Size: 7,500 Square Feet

Gross Acreage: 7.48 Acres (included 1/2 abutting ROW)

Net Acreage: 7.20 Acres

Zone's Maximum Density: 4 Dwelling Units (DU) per Gross Acre

Density Calculation: 4 DU 7.48 Acres = 29.92, rounded to 30 DU

Proposed Lots: 30 Lots +1 Community Park

SETBACKS:

Front Yard:

For lots 3-17 only, the front setback is 10 feet for the residence & 20 feet for garages.

All other lots must meet the 20 foot front yard setback for the R2 Zone.

Rear Yard:

For lots 3-17 only, the rear setback is increased from 20 feet to 30 feet.

All other lots must meet the 20 foot rear yard setback for the R2 Zone.

Side Yard:

All lots shall meet the R2 side yard setback requirements for the R2 Zone.

3. (FF #15) A homeowner's association shall be established and be responsible for the maintenance of the bioretention swale (Tract A), landscaping buffer (Tract B) and community park (Tract C).

4. (FF #19) Pursuant to AMC 16.50.120 (D), the applicant shall record notice with the Skagit County Auditor's Office which provides a public record of any approved tree preservation plan and conservation areas; the application of this title to the property; and that limitations on actions in or affecting the property may exist. See recording number on sheet 1.

5. (FF #20) This Subdivision is subject to the Tree Preservation Plan Dated August 12, 2015. Retained Trees shall be maintained by the lot owners, unless approved for removal by the City of Anacortes.

6. (FF #21) The maximum permitted height for Lot 15 shall be restricted to twenty-five (25) feet from the high point of the property of existing grade.

7. (FF Modifications Proposed) Lot coverage is modified from R2 Zoning District's maximum of thirty-five (35) percent to a maximum of thirty seven and one half (37.5%).

UTILITY and ACCESS EASEMENTS & DEDICATIONS

1. An easement is hereby reserved for and conveyed to the CITY OF ANACORTES, PUGET SOUND ENERGY INC.(A.F. NO. 201607050142 & 201612060089), FRONTIER COMMUNICATIONS TELEPHONE COMPANY, CASCADE NATURAL GAS COMPANY, AND COMCAST CABLE TELEVISION COMPANY and their respective successors and assigns under and upon the front ten (10) feet, or as shown on the plat, of front boundary lines all lots, tracts and spaces within the plot lying parallel with and adjoining all public street(s), as shown on the plat, in which to construct, operate, maintain, repair, replace and enlarge underground pipes, conduits, cables and wires all necessary or convenient underground or ground mounted appurtenances thereto for the purpose of serving this subdivision and other property with electric, gas, telephone and other utility service, together with the right to enter upon the streets, lots, tracts and spaces at all times for the purposes herein stated.

2. A 10 foot private storm drainage easement across the North boundary of Lots 2, 3 and Tract B as shown on the plat is hereby reserved for and conveyed to Lots 2, 3 & 4 for storm drainage to service lots 2, 3 & 4 in which to construct, operate, maintain, repair, replace and enlarge underground pipes, thereto for the purpose of serving the lots herein. The maintenance of the improvements to the easement will be the responsibility of and shared by the benefiting lots.

3. A 10 foot private sanitary sewer easement across the Northwest boundary of Lot 1 and Tract B as shown on the plat is hereby reserved for and conveyed to Lot 2 for sanitary sewer pipes to service lot 2 in which to construct, operate, maintain, repair, replace and enlarge underground pipes for the purpose of serving lot 2. The maintenance of the improvements to the easement will be the responsibility of lot 2.

4. A 10 foot private sanitary sewer & storm drainage easement across the West boundary of Lots 27, 28, 29 & 30 as shown on the plat is hereby reserved for and conveyed to Lots 26, 27, 28, 29 & 30 for sanitary sewer & storm drainage pipes to service lots 26, 27, 28, 29 & 30 in which to construct, operate, maintain, repair, replace and enlarge underground pipes for the purpose of serving the lots herein. The maintenance of the improvements to the easement will be the responsibility of and shared by the benefiting lots.

5. A 10 foot private sanitary sewer & storm drainage easement across the West boundary of Lots 18, 19, 20, 21 & Tract A as shown on the plat is hereby reserved for and conveyed to Lots 17, 18, 19, 20 & 21 for sanitary sewer & storm drainage pipes to service lots 17, 18, 19, 20 & 21 in which to construct, operate, maintain, repair, replace and enlarge underground pipes for the purpose of serving the lots herein. The maintenance of the improvements to the easement will be the responsibility of and shared by the benefiting lots.

6. A 20 foot & 10 foot public water main easement on and across Lots 12 & 13 as shown on the plat is hereby reserved for and conveyed to the City of Anacortes in which to construct, operate, maintain, repair, replace and enlarge underground pipes for the purpose of serving this subdivision and other property with water service, together with the right to enter upon the streets, lots, tracts and spaces at all times for the purposes herein stated.

7. A 20 foot wide private access and utility easement on and across Lot 17 as shown on the plat is hereby reserved for and conveyed to Parcel P56573 (adjoining to the west) for the use of one single family home in which to construct, operate, maintain, repair, replace and enlarge underground pipes for the purpose of serving said property and for the share access drive with Lot 17 in which the maintenance is to be shared equally.

8. Tract A is hereby dedicated to the 48 North Homeowners Association and the City of Anacortes and the public as a storm drainage conveyance and water quality treatment facility. Tract A will be maintained by the 48 North Home Owners Association.

9. Tract B is hereby dedicated to the 48 North Homeowners Association for the purposes of landscaping and landscape maintenance.

10. Tract C is hereby dedicated to the 48 North Homeowners Association for the purposes of a Community Park to be maintained by the Homeowners Association.

11. All retaining walls will be the responsibility of the 48 North Homeowners association, per section xx.xx "Retaining Walls of the 48 North Declarations, Restrictions, Easements and Reservations, AF #_____.

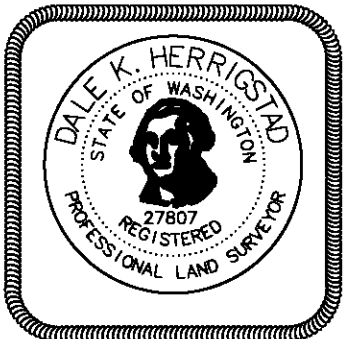
LEGAL DESCRIPTION

That portion of the South 1/2 of the Northeast 1/4, of the Southeast 1/4, of Section 22, Township 35 North, Range 1 East, W.M., lying Southeasterly of the "BURROWS BAY ROAD", EXCEPT the "COPPER MINE ROAD" along the East line thereof, AND EXCEPT the following described tracts:

a.) Beginning at the Southeast corner of the South 1/2 of the Northeast 1/4 of the Southeast 1/4 of said Section;
thence North 88°59'46" West along the South line of said South 1/2 of the Northeast 1/4 of the Southeast 1/4, 30.00 feet to the West line of the "COPPER MINE ROAD";
thence continue North 88°59'46" West 781.88 feet;
thence North 2°11'29" East 669.34 feet to the North line of the Southwest 1/4 of the Northeast 1/4 of the Southeast 1/4 and the true point of beginning of this description, said point being the Northwest corner of that certain tract conveyed to the Port of Anacortes, a municipal corporation, by deed recorded July 22, 1968, under Auditor's File No. 716164;
thence from said true point of beginning run South 2°11'29" West along the West line of said Port of Anacortes tract, a distance of 15 feet;
thence West parallel with the North line of said Southwest 1/4 of the Northeast 1/4 of the Southeast 1/4 to the Easterly line of the "BURROWS BAY ROAD";
thence Northerly along said Easterly line to the North line of said Southwest 1/4 of the Northeast 1/4 of the Southeast 1/4;
thence East along said North line to the true point of beginning.

b.) Beginning at the Southeast corner of the South 1/2 of the Northeast 1/4 of the Southeast 1/4;
thence North 88°59'46" West along the South line of said subdivision 30.00 feet to the West line of the "COPPER MINE ROAD", and the true point of beginning;
thence continue North 88°59'46" West 781.88 feet;
thence North 2°11'29" East 669.34 feet to the North line of said subdivision;
thence South 88°40'23" East along the North line of said subdivision 760.00 feet to the West line of the "COPPER MINE ROAD";
thence South 0°18'59" West along said road a distance of 664.96 feet to the true point of beginning.

Situate in the City of Anacortes, County of Skagit, State of Washington.



OWNER/DEVELOPER
48 NORTH ON FIDALGO ISLAND LLC
PO BOX 319
ANACORTES, WA 98221

LAND SURVEYOR
DALE HERRIGSTAD PLS
4320 WHISTLE LAKE ROAD
ANACORTES, WA 98221

SHEET 3 OF 3

PUD-2015-0003

PW #16-005-DEV

DWN BY: DKH

DATE: JAN 2017

HERRIGSTAD ENGINEERING & SURVEYING

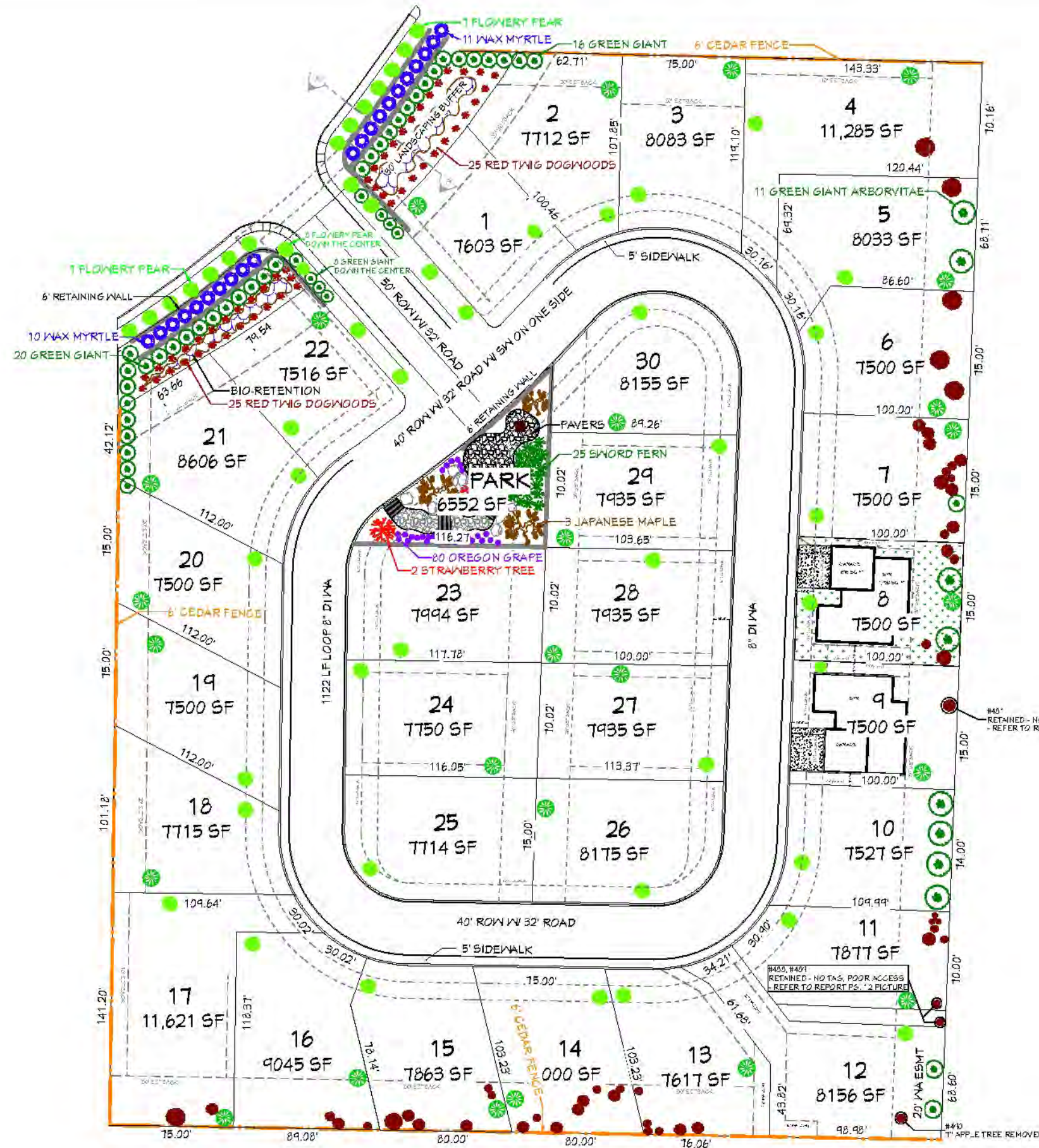
4320 Whistle Lake Road, Anacortes, WA 98221 (360) 299-8804

SCALE: NOTED

JOB 2015-53

EXHIBIT #03

LANDSCAPE PLAN



LANDSCAPE LEGEND			
SYMBOL	COMMON NAME	SCIENTIFIC NAME	QTY.
	SWORD FERN	POLYSTICHUM MUNITUM	25
	STRAWBERRY TREE	ARBUTUS UNEDO	2
	WAX MYRTLE	MYRTICA CALIFORNICA	21
	FLOWERING PEAR (4 H. 1 1/2" CAL. PER)	PYRUS CALLERYANA	22
	RED TWIG DOGWOODS	CORNUS SERICEA	50
	GREEN GIANT ARBORVITAE (4 H. 1 1/2" CAL. PER)	THUJA STANDISHII	55
	JAPANESE MAPLE (4 H. 1 1/2" CAL. PER)	ACER PALMATUM	3
	OREGON GRAPE	MAHONIA AQUIFOLIUM	80
	6' CEDAR FENCE		
	4' REDI-ROCK WALL		
	6' REDI-ROCK WALL		
	LAWN AREA		
	DECIDUOUS STREET TREE - FLOWERING PEAR (4 H. 1 1/2" CAL. PER)	TO BE PLANTED W/ HOME PYRUS CALLERYANA	30
	CONIFER TREE (4 H. 1 1/2" CAL. PER)	TO PLANT W/ HOME	30
	EXISTING TREES TO BE RETAINED (REFER TO ARBORIST PRESERVATION REPORT BY URBAN FORESTRY SERVICES, INC., AUG. 12, 2015)		56

TOTAL SITE AREA	313,500 SF
PROPOSED LANDSCAPE	
BUFFER AREAS	12,020 SF
PARK AREA	6,536 SF
TOTAL PARKS & BUFFER LANDSCAPING	18,556 SF
TYPICAL HOME LANDSCAPE AVG. (4,894 SF X 30)	146,820 SF
TOTAL LANDSCAPE AREA	165,376 SF
TOTAL PERCENTAGE OF LANDSCAPE AREA	53%
MINIMUM LANDSCAPE REQUIRED BY CODE	20%
TOTAL TREE CREDITS FROM RETAINED TREES	198
TREE'S TO BE PLANTED WITH PLAT	80
MINIMUM TREES TO BE PLANTED WITH HOMES (EXACT LOCATION T.B.D. AT TIME OF HOME CONSTRUCTION PERMIT)	60
TOTAL TREE CREDITS	338
MINIMUM TREE CREDITS PER CODE	313

CHIEF ARCHITECT XT DRAWN BY J. SYKORA, CPBD	
SCALE 1" = 10'	
DATE 2-9-17	
BUILDER INFO:	PROJECT / CLIENT INFO
MAILING ADDRESS: P.O. BOX 319 ANACORTES, WA 98221 PHONE: 360-278-1451 WEB: www.strandbergconstruction.com	FUD-2015-0003 48 North P.U.D., Oakes Avenue Owner: 48 North On Fidalgo Island LLC, Nels Strandberg P.O. Box 319 Anacortes, WA 98221
48 NORTH LANDSCAPE PLAN / REVISED TREE PLAN	OWNER APPROVAL DATE: PAGE: OF:

Cricchio, Kevin

From: Debbie Headrick <debbie@strandbergconstruction.com>
Sent: Thursday, March 2, 2017 1:30 PM
To: Cricchio, Kevin
Cc: Measamer, Don; Nels Strandberg
Subject: Tree Count Clarification
Attachments: 48 North Landscape and Revised Tree Plan 2.9.2017.pdf; Letter to Kevin Correction to Tree Count.pdf; 48 North Plant Order #1.pdf

Kevin,

Per our discussion, I have attached information regarding the tree count and replant concerns at 48 North, we are required by code to have a total 313 Tree Credits, we exceed this count with 338 Tree Credits (25). I have highlighted areas for review in the above information.

1. Strandberg is currently planting 80 trees required for the plat, reference the attached plan and plant order above.
2. 60 trees to be planted with home landscape, this planting will be needed to be addressed during home permitting and landscape, plants are noted on the plan attached. The attached plan will be recorded as part of the CC&Rs, the AFN transferred to final plat map.
3. Per the Tree Preservation Plan dated August 12, 2015 we are required to plant a total of 108 Tree Credits or 108 Trees. Strandberg is currently planting the 80 trees required to be planted with plat and noted on the above plan. The additional 60 trees to be planted during home landscape, noted on the plan above. The combined plantings will be above the required 108 Tree Credit Requirement. The TPP dated August 12, 2015 will be recorded at Final Plat and AFN transferred to the plat map.
4. Avigation Easement is noted on Sheet 1 General information item 3.
5. Retaining wall encroachment is noted on Sheet 3 Easements under item 11.
6. A new item 12 will be added prior to recording final plat; if the COA fails to have Encroachment Agreement finalized and recorded prior to final plat recording, the retaining walls will be referenced and noted Sheet 3 item 11. (The retaining walls are clearly visible on sheet 2 of the plat and referenced in the CC&Rs).

I believe this addresses all your questions, please let me know if you need additional information.

Best,

Debbie Headrick
Executive Assistant



2018 R Avenue
PO Box 319
Anacortes WA 98221
Phone: 360-293-7431

January 13, 2017

Kevin Cricchio
Associate Planner
City of Anacortes
PO Box 547
Anacortes, WA 98221

Re: 48 North Plat PUD-2015-0003

Dear Kevin,

In reviewing your letter dated August 3, 2016 regarding the tree inspection of the plat 48 North; you verified trees #243, #481, #488, #489 and #490 had been removed. Following are the findings of the site visit inspection by Nels.

#243 was removed from the tree preservation plan, it was located within the building envelope of the lot. However, it was overlooked for removal on the matrix page of the report, tree credits are recalculated below and noted on the updated landscape plan (attached).

#481, #488 and #489 were retained, attached are pictures to verify trees were retained, "no tag on the trees due to poor access" this is noted in the tree preservation plan report (copy attached).

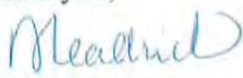
#490 did not survive construction, this tree was directly in line with the water line on lot 12, loss of tree credits -2.

Trees retained provide a tree credit of	198	
Trees to be planted with plat	80	
Minimum trees to planted with homes	60	
Total tree credits	338	<25> over req credit
Minimum Tree Credits Per Code	313	

This results in a tree credit total of 338, 25 credits more than the 313 credits required by code. In addition to the above tree count additional trees were kept throughout the plat. During planning, we intentionally calculate additional trees for retention, it is inevitable that a tree will be lost during construction, wind storms or a discrepancy on the plan. Nels will be happy to meet with you on site and verify the trees that were noted missing.

Please feel free to give me a call with questions regarding this information or to set up site visit.

Thank you,


Debbie Headrick
Executive Assistant

Attachments (8)

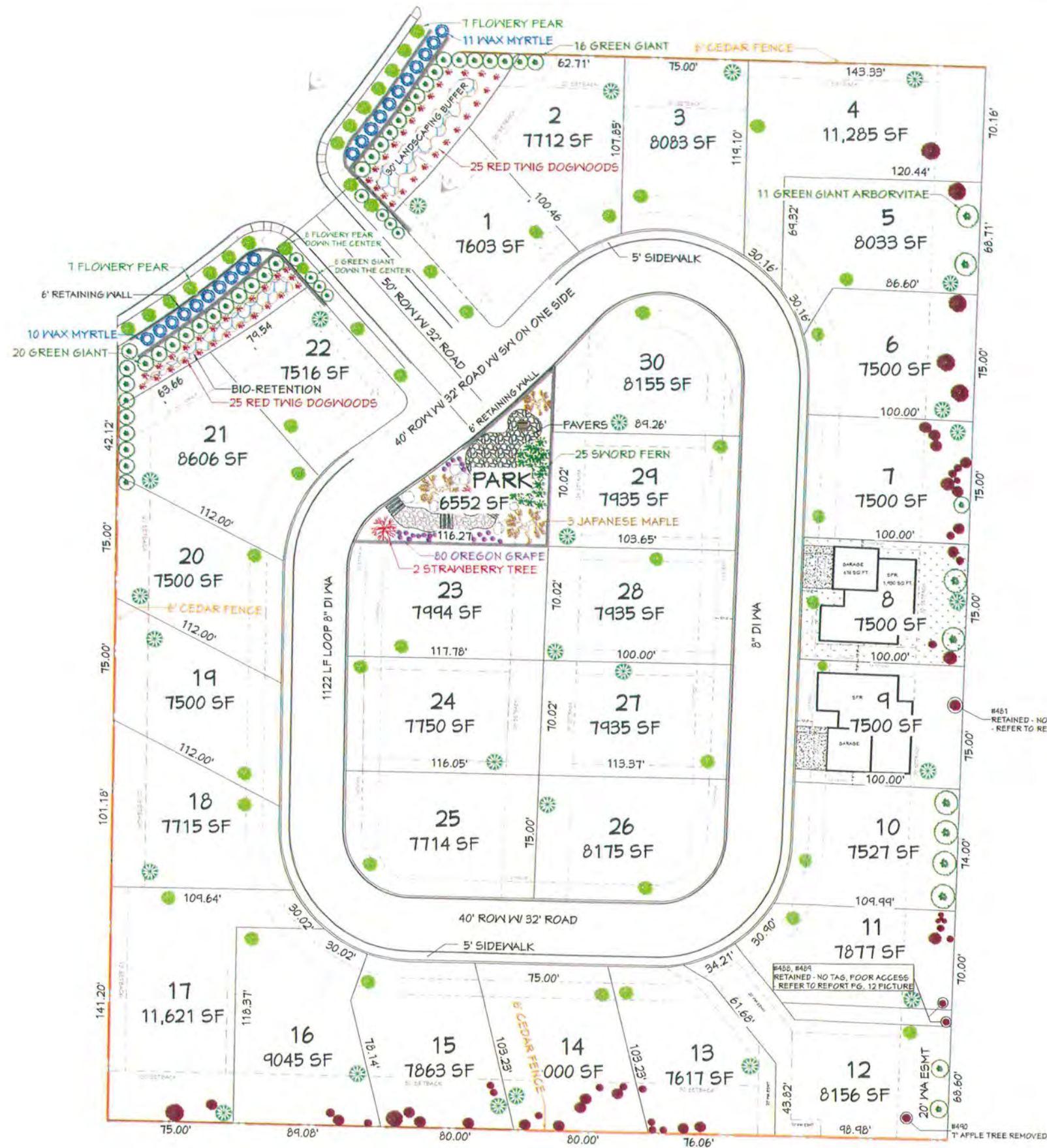
48 North

ok per cell

1st Delivery 32.17

QTY	DESCRIPTION	PRICE EACH	TOTAL
87	5 Gal Wax Myrtle (Southern Bayberry)	\$ 19.00	\$ 1,653.00
6	6' Shore Pine (Pinus Contorta)	\$ 40.00	\$ 240.00
60	1 Gal Cotoneaster (cotoneaster horizontalis)	\$ 4.25	\$ 255.00
30	1 Gal Pink Heather (Epacris Impressa)	\$ 4.00	\$ 120.00
60	1 Gal Salal (Gaultheria shallon)	\$ 4.00	\$ 240.00
15	1 Gal Sword Fern (Polystichum munitum)	\$ 4.00	\$ 60.00
30	1 Gal Lavender	\$ 4.00	\$ 120.00
60	1 Gal Oregon Grape (low growing)	\$ 4.00	\$ 240.00
3	1 1/2 Caliper Paper Bark Maple	\$ 175.00	\$ 525.00
1	Large Japanese Maple (Red Leaf)	\$ 175.00	\$ 175.00
9	Purple Barberry	\$ 4.00	\$ 36.00
10	Creeping Rosemary	\$ 5.00	\$ 50.00
22	Flowering Pear 2" Caliper Pyrus Calleryana(?)	\$ 150.00	\$ 3,300.00
48 38	6' Green Giant	\$ 65.00	\$ 2,470.00
50	1 Gal Red Twig Dogwood	\$ 4.00	\$ 200.00
21	5 Gal Wax Myrtle (Southern Bayberry)	\$ 19.00	\$ 399.00
10	5 Gal Rhododendron	\$ 30.00	\$ 300.00
50	Quart Wild Strawberry	\$ 4.00	\$ 200.00
50	Quart Fountain Grass	\$ 4.00	\$ 200.00
50	Karl Forester Reed Grass (1 gal)	\$ 4.00	\$ 200.00
50	Quart size Wild Strawberry	\$ 4.00	\$ 200.00
			\$ 11,183.00

80



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SYMBOL	COMMON NAME	SCIENTIFIC NAME	QTY.
	SWORD FERN	POLYSTICHUM MUNITUM	25
	STRAWBERRY TREE	ARBUTUS UNEDO	2
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	FLOWERY PEAR (MIN. 1 1/2" CALIFER)	PIRUS CALLERYANA	22 22
	RED TWIG DOGWOODS	CORNUS SERICEA	50
	Paper Bark Maple	THUJA STANDISHII	3 3
	GREEN GIANT ARBORVITAE (MIN. 1 1/2" CALIFER)	THUJA STANDISHII	55 48
	JAPANESE MAPLE (MIN. 1 1/2" CALIFER)	ACER PALMATUM	3 1
	Oregon Grape	MAHONIA AGUIFOLIUM	60 4
	6" CEDAR FENCE		#80
	4" REDI-ROCK WALL		
	6" REDI-ROCK WALL		
	LAWN AREA		
	DECIDUOUS STREET TREE - FLOWERY PEAR (MIN. 1 1/2" CALIFER)	TO BE PLANTED W/ HOME PIRUS CALLERYANA	30 *60
	CONIFER TREE (MIN. 1 1/2" CALIFER)	TO PLANT W/ HOME	30
	EXISTING TREES TO BE RETAINED (REFER TO ARBORIST PRESERVATION REPORT BY URBAN FORESTRY SERVICES, INC., AUG. 12, 2015)		56

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CHIEF ARCHITECT J. SYKORA, CFBD	
SCALE 1" = 70'	
DATE 2-9-17	
BUILDER INFO: MAILING ADDRESS: P.O. BOX 319 ANACORTES, WA 98221 PHONE: 360-293-1431 FAX: 360-293-1431 WWW.STRANDBERGDESIGN.COM	PROJECT / CLIENT INFO PUD-2015-0003 48 North F.U.D., Oakes Avenue Owner: 48 North On Fidalgo Island LLC. Neil Strandberg P.O. Box 319 Anacortes, WA 98221
48 NORTH LANDSCAPE PLAN / REVISED TREE PLAN	
INITIAL: PAGE:	OWNER APPROVAL _____ DATE:

EXHIBIT #04

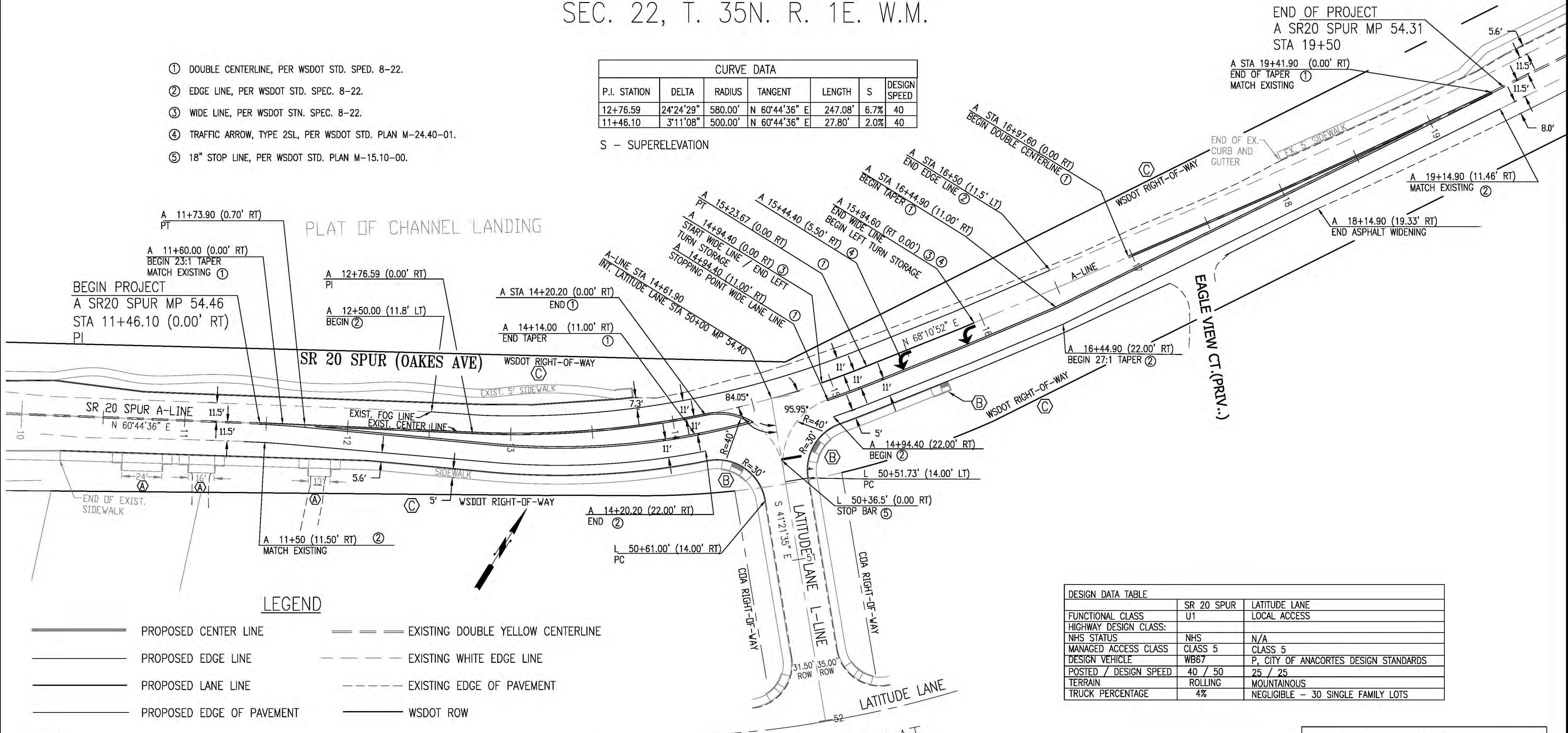
CHANNELIZATION PLAN

SEC. 22, T. 35N. R. 1E. W.M.

- ① DOUBLE CENTERLINE, PER WSDOT STD. SPED. 8-22.
② EDGE LINE, PER WSDOT STD. SPEC. 8-22.
③ WIDE LINE, PER WSDOT STN. SPEC. 8-22.
④ TRAFFIC ARROW, TYPE 2SL, PER WSDOT STD. PLAN M-24.40-01.
⑤ 18" STOP LINE, PER WSDOT STD. PLAN M-15.10-00.

CURVE DATA						
P.I. STATION	DELTA	RADIUS	TANGENT	LENGTH	S	DESIGN SPEED
12+76.59	24°24'29"	580.00'	N 60°44'36" E	247.08'	6.7%	40
11+46.10	3°11'08"	500.00'	N 60°44'36" E	27.80'	2.0%	40

S - SUPERELEVATION

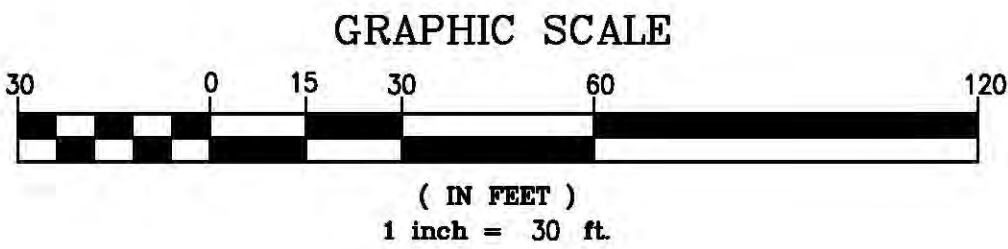


LEGEND

- ===== PROPOSED CENTER LINE
===== EXISTING DOUBLE YELLOW CENTERLINE
===== PROPOSED EDGE LINE
----- EXISTING WHITE EDGE LINE
===== PROPOSED LANE LINE
----- EXISTING EDGE OF PAVEMENT
===== PROPOSED EDGE OF PAVEMENT
===== WSDOT ROW

NOTES:

- (A) CONSTRUCT DRIVEWAY ENTRANCE TYPE 1 PER WSDOT STND PLAN F-80.10-03
(B) ALL SIDEWALK CURB RAMPS SHALL BE CONSTRUCTED TO MEET THE ADA STANDARDS TO THE MAXIMUM EXTENT FEEASIBLE.
(C) RIGHT-OF-WAY LINES SHOWN ARE FOR INFORMATIONAL PURPOSES ONLY. SEE RIGHT-OF-WAY PLANS FOR ACTUAL LIMITS.



11x17" PRINT 1/2 SCALE
24x36" PRINT FULL SCALE

DESIGN DATA TABLE		
FUNCTIONAL CLASS	SR 20 SPUR	LATITUDE LANE
HIGHWAY DESIGN CLASS:	U1	LOCAL ACCESS
NHS STATUS	NHS	N/A
MANAGED ACCESS CLASS	CLASS 5	CLASS 5
DESIGN VEHICLE	WB67	P, CITY OF ANACORTES DESIGN STANDARDS
POSTED / DESIGN SPEED	40 / 50	25 / 25
TERRAIN	ROLLING	MOUNTAINOUS
TRUCK PERCENTAGE	4%	NEGLIGIBLE - 30 SINGLE FAMILY LOTS

WSDOT NORTHWEST REGION
APPROVED CHANNELIZATION PLAN

TRAFFIC ENGINEER - AREA OPERATIONS
Signed _____ Date _____
Print _____

ENGINEERING MANAGER
Signed _____ Date _____
Print _____

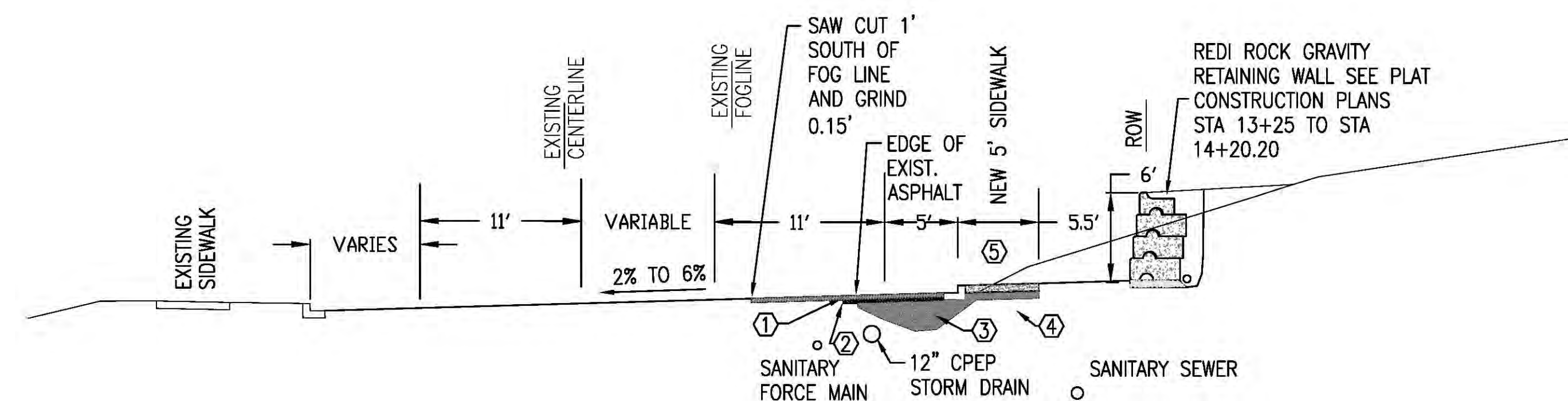
REVISIONS & DESCRIPTIONS	BY	DATE
A Revised per WSDOT comments	DKH	10-29-2016
B Revised per WSDOT comments	DKH	12-11-2016
C Revised per WSDOT comments	DKH	1-16-2017



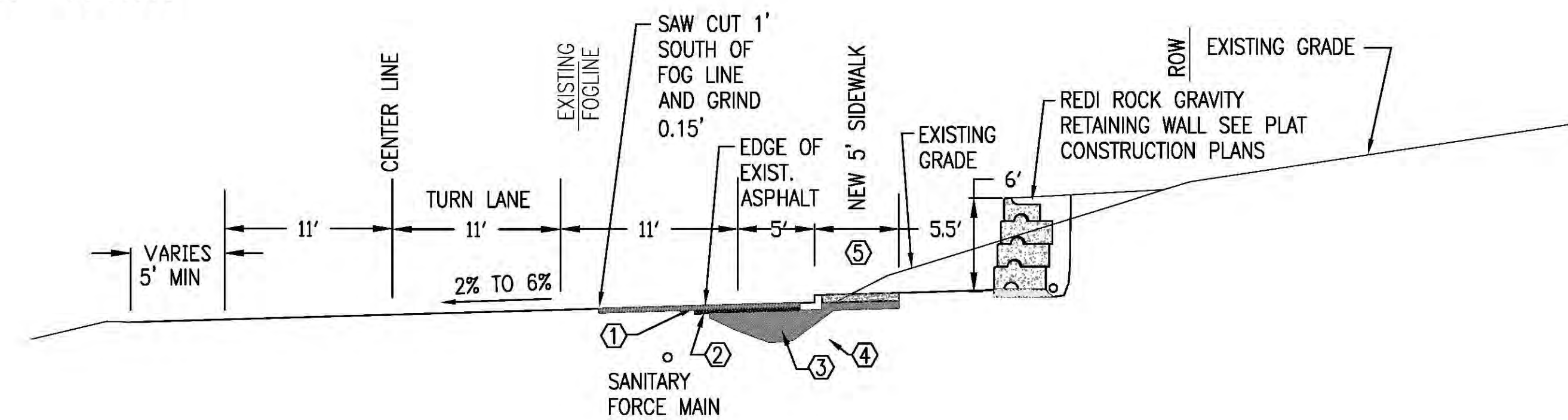
**HERRIGSTAD
ENGINEERING & SURVEYING**
DALE K. HERRIGSTAD P.E., P.L.S.
4320 WHISTLE LAKE ROAD
ANACORTES, WA 98221 (360) 299-8804

SR 20 SPUR SR-20 SPUR / OAKES AVENUE 48 North PUD Anacortes / Skagit County	MP 54.31 to MP 54.46 January 16, 2017	C1 SHEET 1 OF 2
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SEC. 22, T. 35N. R.1E. W.M.



SR-20 SPUR (OAKES AVENUE) ROAD SECTION A-A
N.T.S.
SR 20 (SPUR) STA. 11+60 TO STA 14+00



SR-20 SPUR (OAKES AVENUE) ROAD SECTION B-B
N.T.S.
SR 20 (SPUR) STA. 14+00 TO STA 15+66.50

ASPHALT SECTION NOTES

(SECTION 5-05 AND SECTION 9 OF THE CURRENT PLANS AND SPECIFICATIONS FOR ROAD BRIDGE AND MUNICIPAL CONSTRUCTION.

- ① 0.78' HMA - CL 1/2-INCH P66422 CONFORMING TO SECTION 5-04 OF THE CURRENT STANDARD SPECIFICATIONS, COMPACTED TO A MINIMUM OF 92% RICE DENSITY. WHERE PROPOSED ASPHALT ABUTS EXISTING ASPHALT, THE EXISTING ASPHALT SHALL BE SAW CUT FULL DEPTH AND TACK COATED IMMEDIATELY BEFORE PAVING. ALL SURFACE JOINTS SHALL BE SEALED WITH AR-4000 OR EQUAL.
- 0.15' HMA CLASS 1/2", PG 64-22 (FINAL LIFT)
 - 0.15' HMA CLASS 1/2", PG 64-22
 - 0.35' HMA CLASS 1/2", PG 64-22
 - 0.70' CSBC

- ② 3" CRUSHED SURFACING TOP COURSE SHALL CONFORM TO SECTION 9-03.9(3) OF THE CURRENT STANDARD SPECIFICATIONS, COMPACTED TO A MINIMUM OF 95% MAXIMUM DENSITY IN ACCORDANCE WITH ASTM D-1557 TESTING.

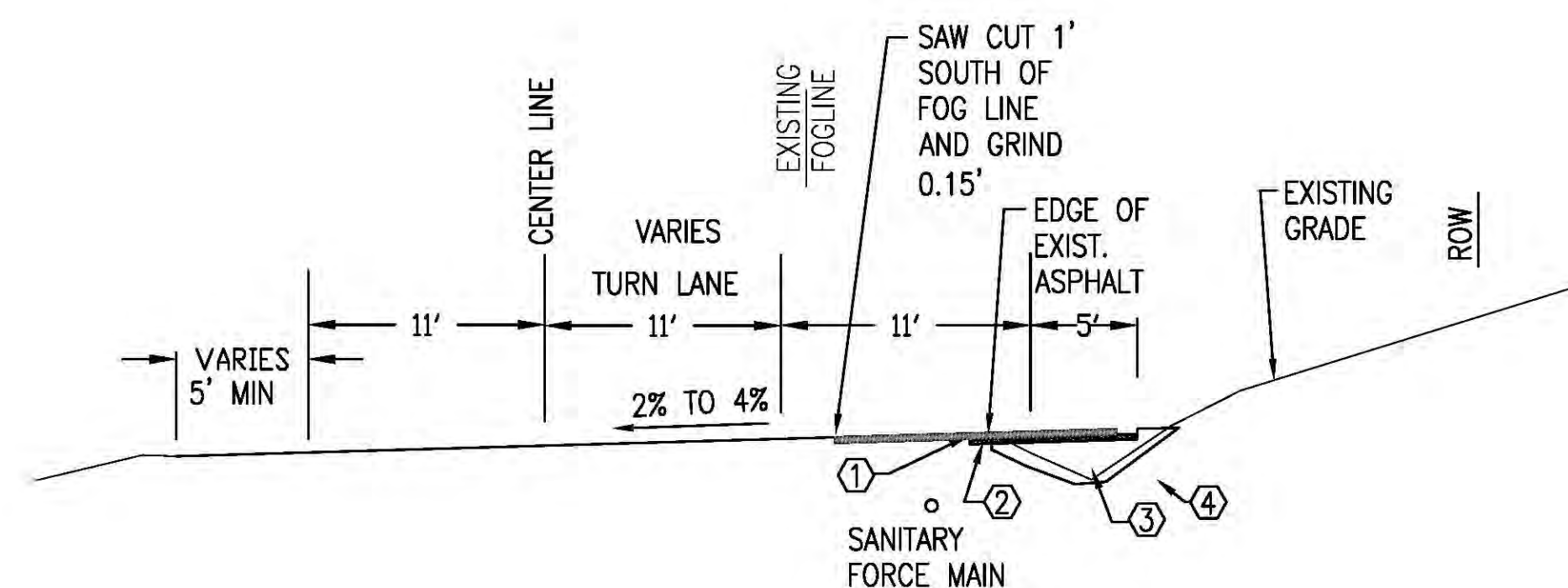
- ③ MINIMUM 8" GRAVEL BORROW PER SECTION 9-03.9 (1) OF THE CURRENT STANDARD SPECIFICATIONS COMPACTED TO A MINIMUM ON 95% MAXIMUM DENSITY PER ASTM D-1557 TESTING. PERCENTAGE PASSING THE #200 SIEVE SHALL NOT EXCEED 5%. DEPENDS ON SOIL CONDITIONS AND MAY BE DEVIATED WITH NEW ENGINEERED CROSS-SECTION. SUBMIT PROTOCOL'S SIEVE TO CITY.

- ④ THE EXCAVATED SUBGRADE SHALL BE FREE OF TOPSOIL, ORGANICS, AND OTHER DELETERIOUS MATERIAL, COMPACTED TO A MINIMUM OF 95% MAXIMUM DENSITY IN ACCORDANCE WITH ASTM D-1557 TESTING, PREPARED CONFORMING TO SECTION 2-06.3(1) OF THE CURRENT STANDARD SPECIFICATIONS.

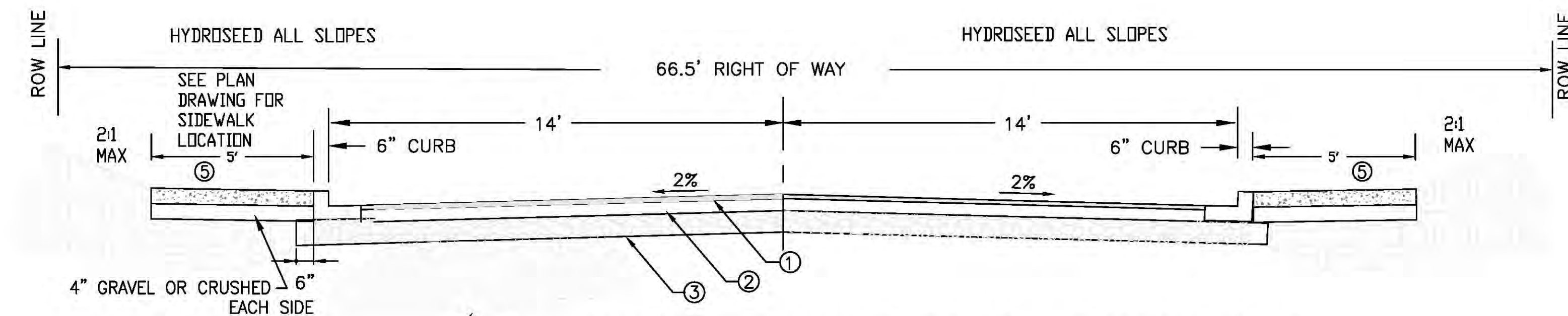
- ⑤ 5' WIDE X 4" THICK CONCRETE SIDEWALK.
5" WIDE X 6" THICK CONC. SIDEWALK AT DRIVEWAYS. PER CITY STANDARDS.

GEO-TEXTILE FABRIC MAY BE REQUIRED DURING CONSTRUCTION. DEPENDANT ON CURRENT SOIL CONDITIONS & WEATHER. GEO-TEXTILE FABRIC SHALL MEET WSDOT SPECIFICATIONS 9-33 CONSTRUCTION GEOTEXTILE SHALL ALSO MEET THE WSDOT QUALITY PRODUCTS LIST.

COMPACTION TESTING IS REQUIRED OF ROAD SUBGRADE AND BALLAST PRIOR TO PLACEMENT OF CRUSHED SURFACING BY A CERTIFIED SOILS TESTING COMPANY AT A MINIMUM OF 3 RANDOM POINTS ALONG EACH CONTINUOUS SECTION OF ROAD IMPROVEMENT AND BELOW SIDEWALKS. SEE CITY TESTING SCHEDULE. CONTRACTOR IS TO PROVIDE A PROCTOR AND SIEVE ANALYSIS PRIOR TO ANY CONSTRUCTION STARTING.



SR-20 SPUR (OAKES AVENUE) ROAD SECTION C-C
N.T.S.
TURN LANE SR 20 (SPUR) STA. 15+66.50 TO STA 16+44.90
CENTER VARIES SR 20 (SPUR) STA. 16+44.90 TO STA 18+84.60



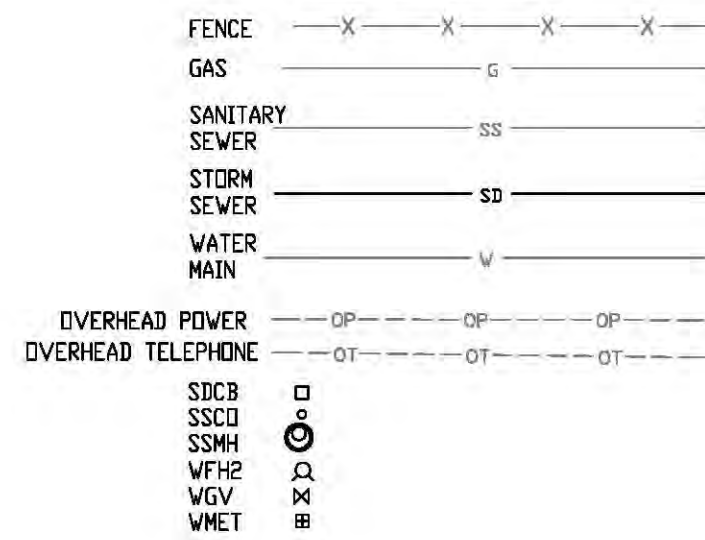
LATITUDE LANE ROAD SECTION D-D
N.T.S.

INFORMATION ONLY

REVISIONS & DESCRIPTIONS	BY	DATE			SR 20 SPUR SR-20 SPUR / Oakes Avenue 48 North PUD Anacortes / Skagit County ROAD SECTION DETAILS	MP 54.31 to MP 54.46 January 16, 2017	C2 SHEET 2 OF 2
A Revised per WSDOT comments B Revised per WSDOT comments	DKH DKH	12-11-2016 1-16-2017			HERRIGSTAD ENGINEERING & SURVEYING DALE K. HERRIGSTAD P.E., P.L.S. 4320 WHISTLE LAKE ROAD ANACORTES, WA 98221 (360) 299-8804		

SEC. 22, T. 35N. R.1E. W.M.

LEGEND



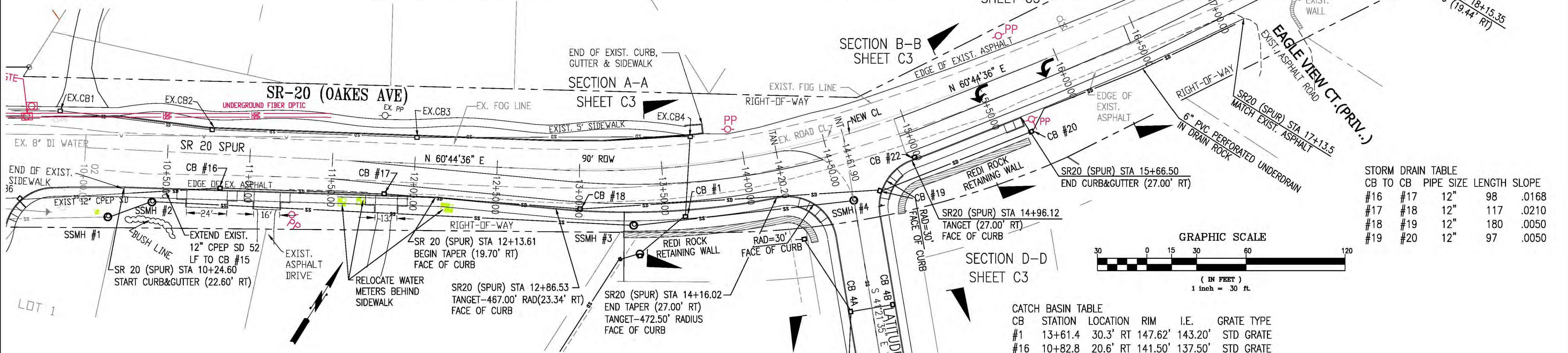
EXISTING CATCH BASIN TABLE

#	TYPE	RIM ELEV.	INV. ELEV.
1	1	139.59'	136.05'
2	1	141.23'	138.26'
3	1	143.69'	140.66'
4	1	144.40'	141.45'
5	1	140.10'	137.60'
6	1	140.07'	137.83'

SANITARY MANHOLE TABLE

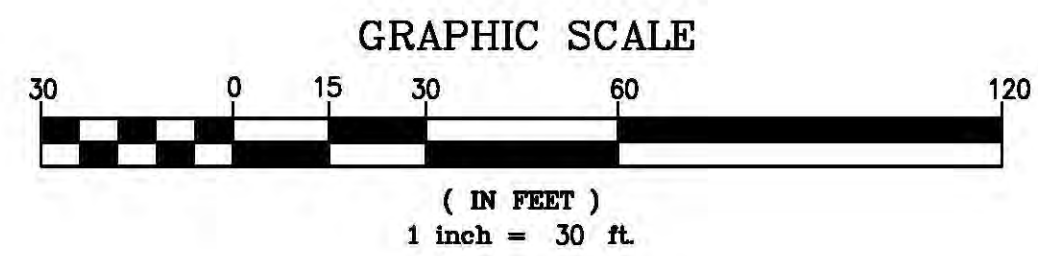
SSMH	STATION	LOCATION	RIM	I.E.
#1	10+15.7	41.3' RT	143.50'	135.11'
#2	10+41.9	31.0' RT	141.10'	135.60'
#3	13+31.1	19.1' RT	143.15'	139.15'
#4	14+57.6	39.6' RT	148.12'	142.07'

PLAT OF CHANNEL LANDING



STORM DRAIN TABLE

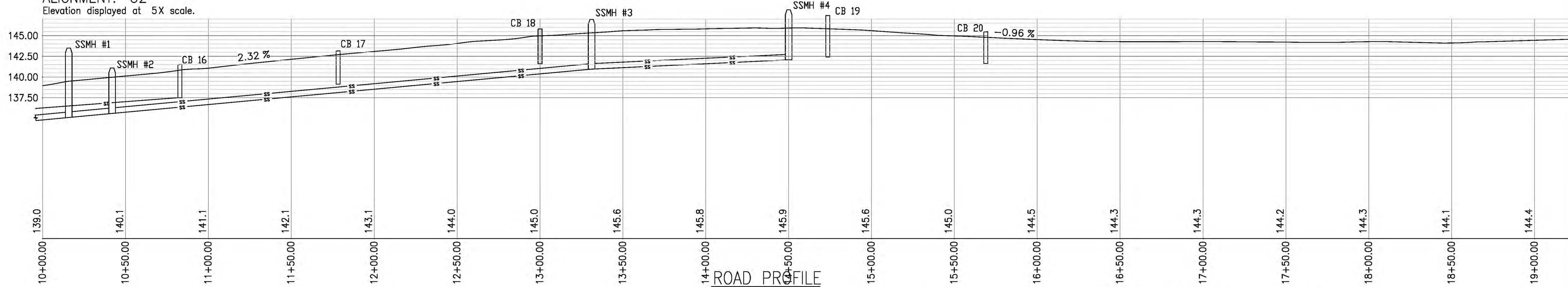
CB TO	CB	PIPE SIZE	LENGTH	SLOPE
#16	#17	12"	98	.0168
#17	#18	12"	117	.0210
#18	#19	12"	180	.0050
#19	#20	12"	97	.0050



CATCH BASIN TABLE

CB	STATION	LOCATION	RIM	I.E.	GRATE TYPE
#1	13+61.4	30.3' RT	147.62'	143.20'	STD GRATE
#16	10+82.8	20.6' RT	141.50'	137.50'	STD GRATE
#17	11+78.1	19.1' RT	143.15'	139.15'	STD GRATE
#18	13+00.7	23.1' RT	145.80'	141.61'	STD GRATE
#19	14+73.5	38.5' RT	147.50'	142.51'	STD GRATE
#20	15+69.0	37.6' RT	146.41'	143.00'	STD GRATE

ALIGNMENT: 02
Elevation displayed at 5X scale.



SCALE: 1"=30' HORIZ./ 1"=6' VERTICAL

INFORMATION ONLY Rev. - December 13, 2016

REVISIONS & DESCRIPTIONS	BY	DATE



**HERRIGSTAD
ENGINEERING & SURVEYING**
DALE K. HERRIGSTAD P.E., P.L.S.
4320 WHISTLE LAKE ROAD
ANACORTES, WA 98221 (360) 299-8804

SR-20 SPUR / Oakes Avenue 48 North PUD Anacortes / Skagit County August 2016 CONSTRUCTION PLANS	MP 54.31 to MP 54.46 C1 SHEET 1 OF 1
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EXHIBIT #05

APPLICANT RESPONSE TO COMPLIANCE WITH CITY COUNCIL'S FINDINGS OF FACT, CONCLUSIONS OF LAW, AND DECISION

48 NORTH ON FIDALGO ISLAND LLC

PUD-2015-0003

Compliance with Findings of Facts

Dated March 21, 2016

THE FOLLOWING ARE THE ENGINEERING RESPONSE TO HOW THE FINDINGS ARE MET BY THE ENGINEERING DESIGN

1. DECISION:

Based on the foregoing information and analysis, the environmental documents submitted by the applicant, and the City regulatory authority to implement the policies, standards, and the regulations of the Comprehensive Plan, and the Anacortes Municipal Code (AMC), the City Council approves the subject preliminary plat, preliminary PUD, code modification(s), & ROW dedication subject to the following conditions of approval:

1. Grading shall not adversely impact adjacent properties.

The grading does not extend to the property lines.

2. Provide a Traffic Control Plan (Current MUTCD Manual) prior to any construction taking place in the public right-of-way for approval by the City of Anacortes' Public Works Department.

A traffic control plan has been completed to WSDOT specifications and is approved by WSDOT related to the work being completed in the SR20 SPUR Right of way.

3. Pursuant to RCW 58.17.140(3), a final plat and PUD meeting all of this requirements of this chapter shall be submitted to the City of Anacortes Planning Department for approval within five (5) years from the date of preliminary approval that is listed below. Notwithstanding, the preliminary plat and PUD approval becomes null and void.

We have submitted for preliminary plat with in the 5-year window.

4. Before final plat and PUD submittal or approval, the project land surveyor shall place the respective property corners of the subject property.

Property Corners have been located and set.

5. The applicant shall be responsible for reimbursement to the City for the cost of posting, mailing and publication of the public hearing associated with the subject applications. Payment shall be made prior to final plat and PUD submittal or approval is given.

Applicant has reimbursed the City for costs related to mailings, hearings and application receipt submitted.

6. Fire Hydrants are to be located as approved by the City of Anacortes Fire Chief. Fire flows shall be addressed in a manner acceptable to the Fire Chief and the City of Anacortes Public Works Department.

Noted.

7. Mailbox locations shall be reviewed and approved by the City of Anacortes Public Works Department and the U.S. Postal Service.

Mailbox location was approved by Public Works and Postmaster, mailboxes purchased receipts submitted, installation complete.

8. Development shall comply with the revised landscape plan. Landscaping shall be in place and complete before building permit certificate of occupancy will be issued.

Noted, required trees shown on the 48 North landscape/revised tree plan dated Feb 9, 2017 (submitted as part of this application) most of the required landscape will be planted during the development phase, the remaining trees will be planted during the individual home landscape and will be complete prior to receiving certificate of occupancy.

48 NORTH ON FIDALGO ISLAND LLC

PUD-2015-0003

Compliance with Findings of Facts

Dated March 21, 2016

9. Preliminary subdivision and Planned Unit Development approval authorizes the applicant to proceed with application for necessary permits to construct required improvements and to prepare construction drawings in accordance with the determinations made and conditions imposed.

Noted.

10. The lots in this subdivision are subject to applicable water, sewer, and storm water general facility and hookup fees and transportation, fire, and park impact fees. These fees are payable at levels in effect at the time of building permit issuance and may differ from those fee levels currently in effect; sewer and water latecomer charges may be payable. A note to this effect shall be on the final plat and PUD map.

Noted on Final Plat drawings sheet 3 PUD and PLAT CONDITIONS #1.

11. A note shall be added to the final plat and PUD map that reads as follows:

ZONING INFORMATION:

Underlying Zone:	Residential District (R2)
Zone's Minimum Lot Size:	7,500 Square Feet
Gross Acreage:	7.48 Acres (included 1/2 abutting ROW)
Net Acreage:	.20 Acres
Zone's Maximum Density:	4 Dwelling Units (DU) per Gross Acre
Density Calculation:	4 DUX 7.48 Acres = 29.92, rounded to 30 DU
Proposed Lots:	30 Lots +1 Community Park

SETBACKS:

Front Yard:

For lots 3-17 only, the front setback is 10 feet for the residence & 20 feet for garages.
All other lots must meet the 20 foot front yard setback for the R2 Zone.

Rear Yard:

For lots 3-17 only, the rear setback is increased from 20 feet to 30 feet.
All other lots must meet the 20 foot rear yard setback for the R2 Zone.

Side Yard:

- All lots shall meet the R2 side yard setback requirements for the R2 Zone.

Noted for Final Plat, information is on the face of plat sheet 3 #2.

12. Due to the proximity that the subject development is from the existing airport owned and operated by the Port of Anacortes. The applicant will need to work with the Federal Aviation Administration (FAA) and Port of Anacortes to complete the requisite paperwork prior to final plat and PUD submittal or approval is given. Additionally, there is an Avigation Easement 732440 recorded with Skagit County with the subject property. Accordingly, the applicant/landowner will need to meet FAA rules and regulations including but not limited to height when constructing within close proximity to an airport.

We have met with the Port and corresponded with the FAA. No special requirements, permits, or approvals were required by either agency. We are well below their "fly zone" this a non-issue.

13. Automatic fire sprinkler systems may be required for each residence as required by the Fire Marshall.
The 12% Maximum Grade was achieved in the design.

14. The project geotechnical engineer -GeoEngineers shall review the construction drawings to confirm the proposed roadway design and raingardens are consistent with LID standards.
Complete all test results to date have been submitted to the City Planning and Public Works departments.

48 NORTH ON FIDALGO ISLAND LLC

PUD-2015-0003

Compliance with Findings of Facts

Dated March 21, 2016

15. A homeowner's association shall be established and be responsible for the maintenance of the raingardens, community park, & Native Growth Protection Easement. A note to this effect shall be shown on the face of the final plat and PUD.

Noted for Final Plat. There are no NGPE Easements on this plat proposed, approved, or recorded. It has been noted on sheet 3 #3 and in the CC&Rs the rain garden/bio retention cell "Tract A", landscape buffers "Tract B" and Community Park "Tract C" are the responsibility of the homeowners association.

16. Development shall comply with the Mitigated Determination of Non-Significance (MDNS that was issued February 17, 2016 as follows:

A. Erosion control, dust control, and best management practices shall be employed during construction /development activities as required by both the Building and Public Works Departments (MDNS Condition #1).

Completed.

B. Orange construction fencing shall be installed at the project boundary's clearing limits (MDNS Condition #2).

Completed.

C. A grading permit is required for earthwork consisting of fifty (50) or more cubic yards (MDNS Condition #3).

Completed.

D. All applicable permits shall be secured before any construction activities begin onsite (MDNS Condition #4).

Completed.

E. Those trees designated for retention on the submitted tree preservation plan shall be protected before and during site development and construction through adherence to AMC § 16.50.100. Chain link fencing (or other sturdy construction fencing) attached to concrete blocks shall be erected along the drip line (plus 6 feet) of each of the trees designated for retention on the plan" (MDNS Condition #5)

Completed.

F. Before any site development /grading and/or construction activities occur on the subject property the applicant shall contact the Department of Planning, Community, and Economic Development to arrange a tree fence inspection (MDNS Condition #6).

Completed.

G. The applicant shall plant a minimum of 108 additional trees onsite in order to comply with the minimum number of tree credits required per AMC Chapter 16.S0 that is discussed in the submitted Tree Assessment & Preservation Plan. At time of final plat and PUD submittal, the applicant shall submit a revised site plan showing the location of the additional trees required for planting (MDNS Condition #7).

A tree plan and landscape plan have been submitted meeting all COA requirements and preliminary plat requirements.

17. Development shall comply with the Public Works Department including but not limited to:

A. A clearing and grading plan consistent with City requirements shall be submitted by the applicant for review and approval by the City of Anacortes Planning\Building and Public Works Departments prior to any construction activities taking place on or off-site.

Completed.

B. A Large Parcel Storm Water Plan and Water Quality Control Plan consistent with City requirements shall be submitted by the applicant for review and approval by the Planning\Building and Public Works Departments prior to any construction activities taking place on or off-site.

Completed.

C. Construction activities may require an NPDES Construction Storm Water Discharge Permit issued by the Department of Ecology prior to any construction activities taking place on or off-site.

Permit obtained WAR304158, monitoring in place, inspection reports have been submitted to Planning and Public Works Departments.

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D. Clearing activities may require a logging permit issued by the Department of Natural Resources prior to construction activities taking place on or off-site.

Permit was approved by WA DNR copies have been submitted to the planning department.

E. This project is required to obtain a General Construction Permit from the Washington State Department of Transportation for all road crossings and work adjacent to and on Oakes Avenue.

WSDOT Channelization and Traffic plans are approved, copies submitted to the planning department.

F. Prior to any clearing\fill\grade work beginning, construction civil plans consistent with the City of Anacortes Engineering Development Standards, including but not limited to, Clearing and Grading Plan, Erosion Control Plan, Site utility\infrastructure improvements Plan, Roadway Improvements Plan, Signage Plan, Street Lighting Plan and other plans and/or information required by the City Planning\Building and Public Works Departments shall be submitted for review and approval.

Completed.

G. Engineering and Inspection fees in the amount of \$500.00, plus 2% of the total estimated construction cost shall be due upon civil plan approval. No construction activity is allowed until the construction plans are approved, all fees have been paid and a preconstruction conference held.

Completed.

H. Prior to the final plat approval, all infrastructure improvements shall be completed as required by the City of Anacortes Public Works Director and a 2-year Maintenance Bond in place. The 2-year Maintenance Bond is 10% of the actual construction cost.

This item is in process.

I. Fire Hydrants are to be located as approved by the City of Anacortes Fire Chief. Fire flows shall be addressed in a manner acceptable to the Fire Chief and the City of Anacortes Public Works Department.

Completed.

J. Water main shall be extended from the west (Allen Court) along the frontage of Oakes Avenue to the most easterly boundary of the property to allow for future extension by others.

Completed.

K. All Water Easements shall be 20-foot minimum width and dedicated to the City of Anacortes. Any future encroachments into the easements by the adjacent properties shall be required to apply for an encroachment agreement from the City of Anacortes Public Works Department.

Reflected in design, completed and shown on Final Plat.

L. Sanitary Sewer Conveyance system shall be extended from the west (Allen Court) along the frontage of Oakes Avenue to the most easterly boundary of the property to allow for future extension by others.

Reflected in design, completed and shown on Final Plat.

M. All Sanitary Sewer Easements shall be 20-foot minimum width and dedicated to the City of Anacortes. Any future encroachments into the easements by the adjacent properties shall be required to apply for an encroachment agreement from the City of Anacortes Public Works Department.

Reflected in design, and on Final Plat.

N. All Sanitary Sewer structures shall have vehicular access, including but not limited to: 1) A 12-foot minimum width access road with an approved all-weather surface asphalt road, or other approved Low Impact Development Best Management Practice design, 2) Meeting the minimum structural requirements for Access Road approved by the City of Anacortes.

Reflected in design and complete.

O. Storm Drainage Conveyance system shall be extended from the west (Allen Court) along the frontage of Oakes Avenue to the most easterly boundary of the property to allow for future extension by others.

Reflected in design and complete.

P. Storm water conveyance both on-site and off-site shall comply with City Storm drainage requirements.

Reflected in design and complete.

Q. The developer shall provide suitable drainage facilities for any surface run-off affecting the subdivision, per Anacortes Municipal Code 16.20.070.

Reflected in design and complete.

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R. Provisions shall be made to accommodate for a Public Transit stop along Oakes Avenue. The Developer shall work with the Planners from Skagit Transit to determine a location.

This has been discussed with Skagit Transit, they do not want a bus stop in or near 48 North, (comments from Brad Windler of Skagit Transit were submitted to the planning department)

S. Roadway horizontal alignments shall be designed to allow for proper sight distances.

Reflected in design, approved and complete.

T. Mailbox locations shall be reviewed and approved by the City of Anacortes Public Works Department and the U.S. Postal Service.

Mailbox location is approved by Public Works and USPS, mailboxes are purchased receipt submitted to planning for purchase installation is complete.

U. Street lighting shall be required at both ingress and egress of the project. Street lighting shall be energy efficient and shall limit glare and/or emission of light downward to the street and front yard areas. Street lighting will be installed per PSE Schedule 53, Option "B". Lighting fixtures and design shall be approved by the Public Works Director. Shields may be necessary to reduce impacts to adjacent properties.

Street lighting design approved by PSE and COA, lights are on order should be installed in a couple of weeks, receipt for purchase has been submitted to the planning department.

V. Sanitation, recycling and compost collection will be at curb side of each parcel serviced.

Noted.

W. Internal roadway shall be required to provide for:

1. 40-foot Public Right-of-Way
2. A minimum of 28-feet of paved asphalt.
3. Maximum grade of 12%. Unless a steeper grade of 15% is approved by the City Council as required under the Anacortes Municipal Code.
4. With 5-foot sidewalk on one side of the road.

All requirements are reflected in the design and noted on the plat.

X. Oakes Avenue, along the frontage of this project is required to provide for:

1. An appropriately designed left hand turn lane and related transitions shall be designed and constructed to meet the requirements of the Washington State Department of Transportation and the City of Anacortes Public Works Department.

Reflected in design and approved. We are bonding paving and striping until weather improves.

2. Public Works Department supports the proposed 30 MPH change from 40 MPH as requested by the Developer. The revised speed limit change will need to be approved and implemented by the Washington State Department of Transportation. The current speed limit is posted 40 MPH and the improvements should be designed accordingly.

Noted.

3. Cement Concrete Traffic Curb and Gutter with a 5-foot minimum sidewalk shall be extended from the west (Allen Court) along the frontage of Oakes Avenue to the most easterly boundary of the property to allow for future extension by others.

Complete.

4. Due to the inconsistency of the asphalt edge along Oakes Avenue, the project will need to pave a minimum of 8-feet to obtain slope from the existing asphalt to the new curb as determined by the City of Anacortes and the Engineer of Record.

This work will be bonded and pending weather suitable for paving.

18. Before final plat and PUD submittal or approval is given, the applicant shall submit a revised Tree Preservation Plan that shows all existing trees designated for retention in the submitted plan plus the 108 additional trees required to be planted.

Complete (refer to revised tree and landscape plan dated February 9, 2017)

48 NORTH ON FIDALGO ISLAND LLC

PUD-2015-0003

Compliance with Findings of Facts

Dated March 21, 2016

19. Pursuant to AMC 16.50.120(D), the applicant shall record a notice with the Skagit County Auditor's Office which provides a public record of any approved tree preservation plan and conservation areas; the application of this title to the property; and that limitations on actions in or affecting the property may exist. A note to this effect shall also be listed on the face of the final plat and PUD referencing the respective Auditor File Number (AFN) for the recorded Tree Preservation Plan [as revised].

This is noted on final plat sheet 1 #2 under Notes and will be recorded at final plat.

20. Additionally, those trees shown in the Revised Tree Preservation Plan must also be shown on the face of the plat and PUD prior to submittal or approval is given. The trees designated for retention shall be clearly shown in relation to the lot's property lines.

This requirement will significantly affect the clearness of the Final Plat Drawing and is extremely redundant due to item #19 which requires the Tree Preservation Plan to be recorded with Final Plat. If the COA wants this requirement I will add, but feel it will be a big mistake.

21. Before final plat and PUD submittal or approval is given, a note shall be added to the face of the plat/PUD that states:

A, The maximum permitted height for Lot 15 shall be restricted to twenty-five (25) feet from the high point on the property (NE corner) of existing grade.

Noted for Final Plat reflected on the plan sheet 3 #6 PUD and Plat Conditions.



48 North On Fidalgo Island LLC
Nels Strandberg

2/15/17

Dated

EXHIBIT #06

COVENANTS, CONDITIONS, AND RESTRICTIONS (CC&RS)

AFTER RECORDING, RETURN TO:
Hugh Lewis, Attorney at Law, P.C.
2200 Rimland Drive, Suite 115
Bellingham, WA 98226
(360) 392-2880

DECLARATION
OF
COVENANTS, CONDITIONS, RESTRICTIONS
AND RESERVATIONS FOR
48 NORTH PUD

TITLE OF DOCUMENT:	DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS AND RESERVATIONS FOR 48 NORTH PUD
GRANTOR:	48 NORTH ON FIDALGO ISLAND, L.L.C.
GRANTEE:	THE GENERAL PUBLIC
ABBREV. LEGAL DESCRIPTION:	LOTS 1-30 & TRACTS A, B & C, 48 NORTH PLAT & PUD, AF# _____
FULL LEGALS APPEAR:	P. 1
TAX PARCEL NOS.:	P31681 / 350122-4-004-0000

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ARTICLE I

IDENTIFICATION OF DECLARANT AND PROPERTY; PURPOSE

1.1. Identification of Declarant and Property.

48 NORTH ON FIDALGO ISLAND, L.L.C., a Washington Limited Liability Company hereinafter referred to as the "Declarant," is the owner in fee simple of the land described in Section 1.2 hereof, together with all improvements, easements, rights and appurtenances thereunto belonging (all collectively referred to hereinafter as "the Property").

1.2. Identification of Platting Documents, Community & Property Burdened by Covenants.

1.2.1. Platting Documents.

The Declarant has recorded with the Auditor of Skagit County, Washington a certain subdivision plat map showing the location and dimensions of various lots and/or tracts and Common Areas within the Property, together with other necessary information; this plat map is hereinafter referred to as the "PUD Plat"; the PUD Plat is recorded at Auditor's File No. _____.

1.2.2. Legal Description of Land Burdened by Covenants.

The land burdened by this Declaration of Covenants includes the Lots and Tracts included in the PUD Plat described above; the land included within the PUD Plat is legally described as follows:

Lots 1 through 30, inclusive, and Tracts A, B & C, 48 North Plat & PUD, as per the map thereof recorded _____, 2017 under Auditor's File No. _____, records of Skagit County, Washington.

1.2.3. Identification of the Community.

All such Lots and Tracts, and any other Common Areas identified in the PUD Plat shall be known collectively as the "Community" which also shall be known as "48 North PUD."

1.3. Purpose.

This Declaration of Covenants, together with the PUD Plat referred to herein, state covenants, conditions, restrictions and reservations intended by the Declarant to effect a common plan for the development of the Property mutually beneficial to all of the described Lots. These covenants, conditions, restrictions, reservations and plan are intended to become, and by the recordation of this instrument shall be conclusively deemed to be legal and equitable servitudes which shall run with the land of the Property and shall be binding upon the entire Property and upon

each such Lot therein as a parcel of realty, and upon its Owners, their family members, their heirs, personal representatives, successors and assigns, and their tenants, licensees and other lawful occupants, through all successive transfers of all or part of the Property or any security interest therein, without requirement of further specific reference or inclusion in deeds, contracts or security instruments, and regardless of any subsequent forfeiture, foreclosures, or sales of Lots under security instruments, or of any forfeiture, foreclosures, or sales instituted for nonpayment of government tax, levy or assessment of any kind.

ARTICLE II

DEFINITIONS

2.1. "Assessment" means all sums chargeable by the Association against a Lot including, without limitation: (a) Regular, Special and Specially Allocated Assessments for Common Expenses imposed by the Association; (b) interest and late charges on any delinquent account; and (c) all costs of collection, including without limitation reasonable attorneys' fees, incurred by the Association in connection with the collection of a delinquent Owner's account.

2.2. "Association" or "Owners Association" means the nonprofit corporation described in Article VII, to be incorporated at the direction of the Declarant to manage the Common Areas of this Community and enforce the provisions of the Governing Documents.

2.3. "Board of Directors" means the body with primary authority to manage the affairs of the Association.

2.4. "Common Areas" means those portions of the property within the Community so designated on the PUD Plat, along with any other real property owned by the Association or for which the Association has maintenance responsibilities under this Declaration of Covenants. Common Areas are further defined and described in Article V hereof.

2.5. "Common Expenses" means expenditures made by or financial liabilities of the Association, together with any allocations to reserves; without limitation, such expenses include those necessary or desirable for maintaining, repairing, replacing, insuring or managing the Common Areas, along with taxes, other insurance, professional services and all other goods and services provided by the Association to its members.

2.6. "Common Expense liability" means the Lot's proportionate share of the Association's Budget for Common Expenses, which is allocated to each Lot pursuant to Section 10.1 of this Declaration of Covenants.

2.7. "Community" means all the Property described in Section 1.2 hereof, along with all the improvements constructed therein, the Association, and all other institutions and things serving the Owners of Lots therein.

2.8. "Conveyance" means any transfer of the ownership of a Lot, including a transfer by deed or by real estate contract, but shall not include a transfer solely for security.

2.9. "Declarant" means the entity, person or group of persons acting in concert who (a) executes this Declaration of Covenants, or (b) who succeeds to any Special Declarant Right under this Declaration of Covenants as a Successor Declarant.

2.10. "Declarant control" means the right of the Declarant or persons designated by the Declarant to appoint and remove officers and members of the Board of Directors or to veto or approve a proposed action of the Board or Association pursuant to Sections 8.1 and 16.6 of this Declaration of Covenants.

2.11. "Declaration of Covenants" means this document, which facilitates the creation of this Community; the term also includes any lawful amendments to this document.

2.12. "Development Plan" means any formal plan of development, however termed under the PUD Ordinance described in Section 3.1 hereof, approved by the City of Anacortes. The term also includes any amendments thereto approved by applicable governmental entities.

2.13. "Dwelling" means the principal housing structure constructed on a Lot by or under the direction of the Declarant.

2.14. "Foreclosure" means a forfeiture or judicial or nonjudicial foreclosure of a mortgage or a deed in lieu thereof.

2.15. "Governing Documents" means this Declaration of Covenants, the PUD Plat, the Articles of Incorporation and Bylaws of the Association, along with any Rules and Regulations adopted by the Board of Directors.

2.16. "Governing Law" means the Washington Homeowners Association Act (Chapter 64.38 RCW, the "Act") or any successor statute, and any amendments thereto.

2.17. "Lot" means a physical portion of the Community designated for separate ownership, the boundaries of which are depicted on the PUD Plat.

2.18. "Lot Owner" means the Declarant or any other person who owns a Lot, but does not include a person who has an interest in a Lot solely as security for an obligation. "Lot Owner" means the vendee, not the vendor, of a Lot under a real estate contract.

2.19. "Mortgage" means a mortgage, deed of trust or real estate contract.

2.20. "Person" means a natural person, corporation, partnership, limited partnership, trust, governmental Community or agency, or other legal entity.

2.21. "Property" or "the Property" means all the real property described as being contained within the PUD Plat and, where appropriate, includes all real property which may be from time to time either added to the Community by the Declarant or acquired by the Association pursuant to Section 8.2.3 hereof.

2.22. "Residential purposes" means use for dwelling and human habitation, whether on an ownership, rental or lease basis and for reasonable social, recreational or other uses normally incident to such purposes.

2.23. "Special Declarant Rights" means rights reserved for the benefit of the Declarant: (a) to complete improvements indicated on the PUD Plat; (b) to maintain sales offices, management offices, signs advertising the Community, and models; (c) to use easements through the Common Areas for the purpose of making improvements within the Community; (d) to appoint or remove any officer of the Association or any member of the Board of Directors; or (e) to veto or approve a proposed action of the Board or Association during any period of Declarant Control reserved in this Declaration of Covenants. Special Declarant Rights are described in Section 16.6 hereof.

2.24. "Specially Allocated Assessment" means an assessment made by the Association against one or more but fewer than all of the Lots pursuant to Section 10.1.7 of this Declaration of Covenants.

2.25. "Upkeep" means any care, inspection, maintenance, operation, repair, repainting, remodeling, restoration, improvement, renovation, alteration, replacement and reconstruction that is required to maintain property in a decent, safe and sanitary condition, in keeping with the high standards of the Community.

ARTICLE III

DESCRIPTION OF DEVELOPMENT PLAN AND AMENITIES

3.1. Development Plan.

The Lots in this Community were authorized to be created by the City of Anacortes under Chapter 16.40, Anacortes City's Municipal Code [the "PUD Ordinance"], subject to certain conditions established in City of Anacortes File No. PUD-2015-0003. Such conditions appear in full on the face of the PUD Plat, but several such conditions are reproduced in the text of the Covenants that follow.

3.2. Location and Amenities.

The Community is located on the south side of Oakes Avenue between the Felt Property described in Section 16.5 hereof and Eagle View Court. The Anacortes Airport abuts property within the Community to the east. A Community Park located within the Community near its

entrance is designed to provide open space and recreational values to the Community. The project site is located on a hillside overlooking Guemes Channel; as a result, many of the Lots in the Community enjoy scenic views that these Covenants, and certain covenants burdening adjacent and nearby properties to the west and north, are designed to protect to some degree. See Sections 4.6, 5.6 and 16.5 for further detail.

3.3. Municipal Services.

The Lots in the Community are served by a public road known as Latitude Circle. Electric power is provided by Puget Sound Energy. Telecommunications facilities will be provided by Comcast/XFINITY. Fire protection is provided by the City of Anacortes. Police protection is provided by the City. Water is supplied by the City. Sanitary sewerage services are also provided by the City. Stormwater collection and treatment are provided through a combination of a Rain Garden facility constructed within the Tract A Entry Feature adjoining the entrance to the Community and conveyance facilities maintained by the City of Anacortes.

3.4. Community Association Provides Upkeep to Common Areas.

The Association described in Section 7.1 hereof is charged with responsibility to provide Upkeep to the Community Park [Tract C] two landscaped Entry Features [Tracts B and C] and certain retaining walls in the Community, in perpetuity. Tract A contains a Rain Garden stormwater facility that must be specially maintained. See Sections 6.1, 6.2 and 6.3 hereof for further details.

ARTICLE IV

RESIDENTIAL LOTS

4.1. Number and Location.

The Community contains thirty (30) Lots zoned for residential use that are depicted on the PUD Plat. The location of those Lots and their dimensions are shown on the PUD Plat.

4.2. Initial Construction of Dwellings and Other Improvements Within Lots.

Dwellings and related improvements, including fencing and accessory structures, will be constructed within the Lots by or under the direction of the Declarant, according to a common design scheme established by the Declarant. Declarant shall have exclusive control of the design review process. No manufactured homes are permitted. Any addition, alteration or improvement upon any Lot shall be consistent with the Declarant's original scheme, and shall be constructed in accordance with the building code and other ordinances of the City of Anacortes.

4.3. Limitations on Construction Within Easements.

No permanent building, deck or other structure shall be constructed within the easement areas on the Lots depicted on the PUD Plat. Note that the Avigation Easement described in Section 16.4 hereof also contains unique limitations on construction more fully described therein.

4.4. Upkeep of Lots.

Each Lot Owner, at his or her sole expense, shall have the right and the duty to keep the Lot, its Dwelling and all other improvements in good order, condition and repair and shall do all Upkeep, decorating, landscaping and painting at any time necessary to maintain its good appearance and condition. Each Owner shall perform this Upkeep responsibility in such manner as shall not unreasonably disturb other Occupants or interfere with rights of the other Owners.

4.5. Damaged Improvements.

If a Dwelling or other major improvement located upon a Lot is damaged or destroyed, the Owner thereof shall restore the site either (i) by repairing or reconstructing such building or improvement in a manner generally consistent with the architectural appearance of the structure prior to its loss or damage, or (ii) by clearing away the debris and restoring the site to an acceptable condition compatible with the remainder of the Property. Unless the Board of Directors permits a longer time period, such work must be commenced within four months after the casualty and be substantially completed within twelve months after the casualty. The four-month period may be extended for a reasonable period thereafter in the event that repairs or reconstruction have not commenced because of factors beyond the control of the Owner, provided that the Owner has exercised and does thereafter continue to exercise due diligence in an effort to commence required work.

4.6. View Protection Covenants Affecting Construction, Trees and Vegetation.

4.6.1. Restrictions on Siting and Height of Improvements Within Lots.

Scenic views available from most Lots shall be protected through the positioning of the Dwellings on the other Lots by the Declarant in locations that minimize the impact of constructed improvements within the Community on views available to Lots lying further uphill, and by restricting the height of the Dwellings and other improvements within the Lots. The Declarant's decisions in regard to the siting of Dwellings and placing limits on the height of Dwellings and other structures within a Lot shall be conclusive and not appealable. The locations of improvements and any height limitations approved by the Declarant and incorporated into initial construction of Dwellings and other structures may not be altered by an Owner following the initial construction of improvements within a Lot that interferes with scenic views from other Lots, in the absence of the advance written consent of all affected Lot Owners. Notwithstanding the foregoing, these Covenants

do not affect the rear yard areas of Lots 4 through 17, except to the extent controlled by the Avigation Easement described in Section 16.4 hereof.

4.6.2. Restrictions on Height of Trees and Vegetation Within Lots.

Following the construction of a Dwelling structure on a Lot, its Owner(s) shall endeavor to preserve mature trees on the Lot and properly maintain any landscaping vegetation on the Lot, so as to enhance the appearance and value of the Lots in the Community and to prevent the spread of noxious weeds. Nevertheless, no trees or other landscape vegetation planted within the Lots [other than within the rear yards of Lots 4 through 17] shall be permitted to grow to a height greater than the ridge of the roof of the Dwelling on the Lot. See Section 9.1.4 for further details.

4.6.3. Compliance.

The provisions of this Section 4.6 shall be construed so as to be consistent with the terms of the Avigation Easement described in Section 16.4 hereof. Any violation of these provisions is expressly declared to be a nuisance. The Association and/or any affected party may maintain an action in a court of competent jurisdiction to abate or enjoin any such violation; the prevailing party in any such action shall be entitled to an award of attorneys' fees and costs.

ARTICLE V

COMMON AREAS

5.1. Common Areas.

The Common Areas of the Community consist of Entry Features [Tracts A and B on the PUD Plat] with associated retaining walls, a Community Park [Tract C on the PUD Plat] with an associated retaining wall, and some other common retaining walls. The Entry Features consist of landscaped areas located on either side of the entrance to the Community off of Oakes Avenue. The Tract A Entry Feature also contains a Rain Garden stormwater collection and treatment facility that requires periodic maintenance by the Association, as described more fully in Section 6.2 hereof. The Community Park is located across the road from the Entry Features; provisions for the use and Upkeep of the Community Park appear in Section 6.1 hereof. Provisions for Upkeep of retaining walls appear in Section 6.3 hereof

5.2. Maintenance, Repair and Replacement.

The Association, through its Board of Directors, is and shall remain perpetually responsible for all Upkeep of all the Common Areas.

5.3. No Interference with Common Areas.

No Lot Owner or Occupant shall obstruct any of the Common Areas nor shall any Lot Owner place or cause or permit anything to be placed on or in any of the Common Areas without the approval of the Board. Nothing shall be altered or constructed in or removed from the Common Areas except with the prior written consent of the Board of Directors. See Article VI of this Declaration for further restrictions on uses of the Community Park and Entry Features.

5.4. Upkeep By Association.

The Association is responsible for all necessary maintenance, repair, and replacement of the Common Areas. Provisions relating to Upkeep of the most important Common Areas, known as "Principal Common Amenities," appear in Article VI hereof.

5.5. Schedules for Preventative Maintenance.

The Board, with the assistance of the Association's Manager and/or other competent professionals, shall develop a schedule of routine Preventative Maintenance for all components of the Common Areas which require same, establishing appropriate times during each year when such maintenance should occur, and identifying qualified employees, agents or contractors to conduct such inspections and Preventative Maintenance.

5.6. Trees and Vegetation in Common Areas.

5.6.1. Height Limitations.

Trees and vegetation located in the Common Areas shall be maintained by the Association such that they shall not be permitted to grow to heights that are greater than [a] a height which would interfere with scenic views available to any Lot in the Community, or [b] a height that would violate the provisions of the Avigation Easement described in Section 16.4 hereof. Presumptively, a maximum height of ten feet (10') would apply to any and all such trees and vegetation.

5.6.2. City Requirements.

Mature trees and new trees planted by or on behalf of the Declarant that are located within the Common Areas shall be preserved by the Association. Such trees are depicted schematically on the Landscape Plan attached hereto as Exhibit A. The Landscape Plan was approved by the City of Anacortes pursuant to Anacortes Municipal Code §16.50.050, as a condition to the platting and development of the Community. The Landscape Plan requires the preservation of certain existing trees and the planting of additional trees to meet the City's minimum vegetation requirements for new development, as described in a "Tree Preservation & Assessment Plan" prepared by Urban Forestry Services Inc., dated August 12, 2015. The City retains the right to

enforce such requirements against the Association. Changes to the Landscape Plan, including the removal of trees depicted on the Landscape Plan, require the advance written approval of the City.

5.7. Perpetual Existence - Rights of The City of Anacortes.

The restrictions contained in this Article VI shall exist in perpetuity. No changes in the uses described herein for any of the Common Areas may occur without the advance written approval of the City of Anacortes. The City reserves the right to enter upon the Property to inspect the Rain Garden portions of the stormwater system and to perform necessary maintenance thereto should the Association fail to do so.

ARTICLE VI

SPECIAL USE AND UPKEEP PROVISIONS

6.1. Use and Upkeep of Community Park.

6.1.1. Use of Community Park – Tract C.

The Community Park is designed for low-impact recreational uses, and for the protection of trees and other vegetation, to preserve and enhance the aesthetic and environmental values of the Community. Owners and Occupants of the Planned Community may use the walkway and other open portions of the Park for wildlife viewing, picnicking and other low-impact recreational uses. Reasonable rules and regulations adopted by the Board may further restrict the use of all or any portion of the Park in order to promote its open space value to the Community. The dumping of debris, yard waste or organic matter in this area is prohibited.

6.1.2. Upkeep of Community Park Area.

Open Space features and native vegetation shall be protected during construction. Where damage may occur due to construction actions, temporary fences shall be installed. Trees and vegetation damaged during construction shall be replaced. The height of trees and vegetation shall be maintained so as to be consistent with Section 5.6 hereof. Walking paths and other recreational features shall be properly maintained to promote uninterrupted long-term use of such facilities.

6.2. Upkeep of Rain Garden Facility.

All necessary Upkeep of the Rain Garden facility and any other portions of the Stormwater System not maintained by the City of Anacortes shall be conducted by the Association in accordance with provisions of the Operations and Maintenance Manual prepared by Herrigstad Engineering, dated <?>, a copy of which is attached hereto as Exhibit “B”, and otherwise in accordance with the DOE Stormwater Management Manual for Western Washington [“DOE Stormwater Manual”], as the same may be updated from time. The Association shall consistently engage the services of

qualified personnel to perform Upkeep to the Stormwater System, and shall maintain provisions in its Budget to ensure that adequate funding shall always exist for such purposes.

6.3. Upkeep of Retaining Walls.

The retaining walls supporting the Entry Features, the Community Park and <??> require periodic inspections to determine whether they require repairs or replacement. At least annually, the Association shall cause a visual inspection to be made of all such retaining walls. Any necessary Upkeep to such retaining walls shall be performed promptly. The retaining walls supporting the Entry Features in Tracts A and B are located in part in portions of the right of way of Oakes Avenue and are subject to certain conditions appearing in an Encroachment Permit issued by the City of Anacortes. All such conditions are binding on the Association. The Association shall consistently engage the services of qualified personnel to perform Upkeep to the retaining walls, and shall maintain provisions in its Budget to ensure that adequate funding shall always exist for such purposes.

ARTICLE VII

OWNERS ASSOCIATION

7.1. Name and Form of Association.

The name of the Association shall be the "48 North Association." The Association has been or will be incorporated by the Declarant as a non-profit corporation under the laws of the State of Washington. The rights and duties of the members and of said corporation shall be governed by its Articles of Incorporation, the provisions of the Ordinance and of the Governing Documents. The Association shall remain organized as a profit or nonprofit corporation. In case of any conflict between Chapter 24.06 RCW, the Nonprofit Miscellaneous and Mutual Corporations Act, and the Governing Law, the Governing Law shall control.

7.2. Powers & Duties of Association.

7.2.1. Duties & Responsibility of Association.

The business of the Association shall be to maintain, repair, replace and manage the Common Areas of the project, to provide necessary insurance coverage, and to enforce provisions of the Governing Documents to preserve the long-term value of the Property for the benefit of the Lot Owners. In particular but without limitation, the Association shall provide Upkeep to all the Common Areas in the Community, and shall have the authority to compel compliance with all the covenants, conditions and restrictions in the Governing Documents, including without limitation those which protect scenic views.

7.2.2. Statutory Powers Exercised by Board of Directors.

The Association, through its Board of Directors, shall have all powers available to condominium associations under the Governing Law. Such powers are set forth with particularity in the Bylaws of the Association.

7.3. Lapse of Corporate Status - Personal Lot-Owner Liability Created.

7.3.1. Association Must Remain Incorporated.

The Association shall have perpetual existence. The Lot Owners shall not permit its corporate charter to be dissolved or abandoned, nor may the Association's obligations under this Declaration of Covenants with respect to the Common Areas be altered or abandoned.

7.3.2. Incorporation Protects Owners - Owners Personally Liable Upon Abandonment.

Should the corporate charter for the Association be dissolved for any reason in violation of the foregoing, the Lot Owners shall become jointly and severally liable for all obligations imposed upon the Association under these Covenants. The corporate status of the Association exists to protect Lot Owners from personal liability, to the fullest extent provided by law.

7.4. Membership and Voting Rights.

The Owner of each Lot in the Community shall be a member of the Association, and such membership shall be an inseparable appurtenance to the Owner's Lot. Membership and voting rights are further specified in the Articles of Incorporation and Bylaws of the Association. Each Lot is entitled to one vote in the Association.

7.5. Bylaws of Association.

Bylaws for the administration of the Association and for other purposes not inconsistent with the Homeowners Association Act and this Declaration of Covenants shall be adopted by the initial Board of Directors of the Association.

ARTICLE VIII

MANAGEMENT OF ASSOCIATION

8.1. Management by Declarant.

The Declarant has reserved Special Declarant Rights to (a) appoint and remove the Officers and members of the Board of Directors of the Association, and (b) veto or approve a proposed action

of the Board or the Association, for a period of three (3) years, or until all Lots in the Community are sold to purchasers unrelated to the Declarant. See Section 16.6 for further details.

8.2. Authority of the Board.

8.2.1. General Authority.

The Board, for the benefit of the Community and the Owners, shall perform all Upkeep for the Common Areas, shall enforce the provisions of the Governing Documents and shall have all powers and authority granted to the Board or the Association under the Homeowners Association Act and this Declaration of Covenants which are not expressly subject to the approval of the Owners.

8.2.2. Incurring and Payment of Common Expenses.

The Board shall acquire and shall pay for, as Common Expenses, all goods and services deemed necessary or desirable for the proper functioning of the Association.

8.2.3. Acquisition of Property.

The Board may acquire and hold in the name of the Association, for the benefit of the Owners, tangible and intangible personal property and real property and interests therein, and may dispose of the same by sale or otherwise. Such property shall thereafter be held, sold, leased, rented, mortgaged or otherwise dealt with for the benefit of the Association as the Board may direct.

8.2.4. No Business Authority.

Nothing herein contained shall be construed to give the Board authority to conduct an active business for profit on behalf of all of the Owners or any of them.

8.3. Board as Attorney in Fact.

Each Owner, by the act of becoming an Owner of a Lot, shall be deemed to have irrevocably appointed the Board of Directors as his or her attorney-in-fact, with full power of substitution, to take such actions as are reasonably necessary to perform the duties of the Association and Board hereunder, including, but not limited to, the duties to maintain, repair and improve the Property, to grant licenses and easements, and to secure and distribute condemnation awards and/or insurance proceeds affecting the Common Areas.

ARTICLE IX

PERMITTED USES

9.1. Permitted Uses.

9.1.1. Residential Use.

The Lots in this Community are intended to be used for residential purposes, whether on an ownership, rental or lease basis and for common social, recreational or other reasonable uses normally incident to such purposes. Parts of a Dwelling may be used for a professional office or other low impact commercial use, provided that such use is consistent with all applicable laws, ordinances and regulations of any governmental authority, and so long as such use does not generate any appreciable levels of client or customer traffic, noise or other disturbance to other lawful occupants of the Community.

9.1.2. Use of Common Areas - General Provisions.

The Common Areas shall be used only for the furnishing of such services and facilities for which the same are reasonably suited and which are incident to the use and occupancy of the Lots. The improvements located on the Common Areas shall be used only for their intended purposes. Except as otherwise expressly provided in the Governing Documents or Rules and Regulations adopted by the Board, no Owner shall make any private, exclusive or proprietary use of any of the Common Areas.

9.1.3. Trees and Vegetation - General Requirements.

Following the construction of a dwelling structure on a Lot, its Owner(s) shall use good faith efforts to preserve mature trees on the Lot and properly maintain any other landscaping vegetation on the Lot, so as to enhance the appearance and value of the Lots in the Community and to prevent the spread of noxious weeds. Nevertheless, the provisions of Sections 4.6 will limit the height of vegetation on many Lots in the Community.

9.1.4. Trees and Vegetation - City Requirements.

Mature trees and new trees planted by or on behalf of the Declarant that are located within Lots 4 through 17 shall be preserved by the Owners of such Lots. Such trees are depicted schematically on the Landscape Plan attached hereto as Exhibit A. The Landscape Plan was approved by the City of Anacortes, pursuant to Anacortes Municipal Code §16.50.050, as a condition to the platting and development of the Community. The Landscape Plan requires the preservation of existing trees and the planting of additional trees to meet the City's minimum vegetation requirements for new development, as described in a "Tree Preservation & Assessment Plan" prepared by Urban Forestry Services Inc., dated August 12, 2015. The City retains the right to enforce such requirements against any and all responsible parties. Changes to the Landscape Plan, including the removal of trees depicted on the Landscape Plan, require the advance written approval of the City.

9.1.5. Surface Water Run-Off.

No Lot shall be improved in such a way as to cause excess surface water run-off that may damage or inconvenience other Lots or contiguous properties or the owners thereof.

9.1.6. Noise, Offensive or Illegal Activity.

No person shall cause any unreasonably loud noise anywhere in the Community, nor shall any person permit or engage in any noxious, offensive or illegal activity, practice or behavior causing annoyance, discomfort or disturbance to any person lawfully present on any portion of the Property. Quiet hours shall be observed from 11:00 p.m to 6:00 a.m., during which only minimal noise shall be permitted to emanate from any Lot.

9.1.7. Privacy Fencing.

Fences are permitted but must conform to the style installed by the Declarant, consistent with such further standards as required by the City of Anacortes. Any fencing installed by Declarant shall be maintained by the abutting Lot Owners within the Community.

9.1.8. Vehicle Operation and Parking Restrictions.

9.1.8.1. General Restrictions.

Vehicle parking is permitted on portions of the Lot which have been improved for such purposes. A minimum of two off-street parking spaces is required per Lot, in addition to the garage structure within the Lot, which can be accomplished by using the driveway area in front of the garage associated with each Dwelling.

9.1.8.2. R.V. Parking.

Except has hereinafter provided, junk vehicles (as defined in RCW 46.55.010), Recreational Vehicles (including without limitation camper-trailers, mobile homes, motor homes, "fifth-wheels" off-road vehicles, boats, airplanes or etc.), large commercial-style vehicles (including without limitation trucks, tractors, large vans or other types of vehicles or equipment which either require a commercial vehicle operator's license or which exceed 8,000 lbs in gross vehicle weight) or any other type of vehicle or equipment which exceeds 24 feet in length may not be stored, kept or maintained anywhere within the Community. Nevertheless, a Recreational Vehicle may be maintained within a Lot, if it is fully enclosed within a garage or an approved accessory structure. The Board may require removal of any vehicle or equipment not authorized by this Section; if it is not so removed, the Board may cause its removal at the risk and expense of the owner thereof, under such reasonable procedures as may be consistent with the provisions of RCW 46.55. Failure of an Owner or other Occupant to remove such a vehicle or equipment from a Lot or the Common Areas may result in any or all remedies available to the

Association under the Governing Documents. The Board may adopt additional rules and regulations regarding parking and storage of Recreational Vehicles.

9.1.8.3. Power to Regulate Vehicle Speed and Operation.

The Board shall have the authority to regulate the speed and other aspects of vehicle operation on Latitude Circle, notwithstanding that Latitude Circle is a public street.

9.1.9. Signs.

Initially, no other sign of any kind, shall be displayed to the public view on or from any Lot or the Common Areas without the prior consent of the Board; provided that this section shall not apply to Declarant or Declarant's agents, nor shall it be deemed to prohibit the Owner of a Lot from displaying a sign for a period of time in which the Lot is for sale or rent. The Board may by resolution establish further policies regarding signs, to reflect the sentiments of the Community while giving due regard to traditional democratic rights of free speech, religion and expression of Persons owning or occupying Lots in the Community. The Board's judgment in such matters shall be conclusive, except to the extent governed by applicable state or federal law.

9.1.10. Underground Utilities.

All utilities are required to be located underground.

9.1.11. Uses by Declarant.

Nothing in the Governing Documents shall be construed to prohibit the Declarant or its designees from using any Lot owned by the Declarant (or any other Lot with the permission of the Owner thereof) or any portion of the Common Areas for promotional, marketing, display or customer service purposes (such as a visitors' center) or for the closing of sales of Lots. Further, the Declarant specifically reserves the right to operate a construction office or a rental, brokerage and management office at any time on Lots owned or leased by the Declarant (or any other Lot with the permission of the Owner thereof) and on any portion of the Common Areas, to the extent permitted by law. The Declarant may assign its rights under this subsection to or share such rights with one or more other persons, exclusively, simultaneously or consecutively with respect to the Common Areas and Lots owned or leased by the Declarant or such persons.

ARTICLE X

ASSESSMENTS AND LIENS FOR COMMON EXPENSES

10.1. Assessments for Common Expenses.

10.1.1. Liability of Lots.

Except as provided in Sections 10.1.2 and 10.1.7 hereof, the total amount of the estimated funds required to pay the Common Expenses of the Association set forth in the Annual Budget adopted by the Board of Directors for the fiscal year shall be assessed equally against the Lots in the manner prescribed in Section 10.2 hereof.

10.1.2. Assessment of Undeveloped Lots.

Until the Dwelling on a Lot is substantially completed and sold to a purchaser other than the Declarant, such Lot shall be subject to only 20% of the assessment liability allocated to a Lot containing completed improvements.

10.1.3. Initial Assessment Deposits - New Owners Fee.

An initial assessment deposit known as the "New Owners Fee," in the amount of \$500.00, shall be payable to the Association by the purchaser of each Lot at the time of the Closing of the initial sale of the Lot from the Declarant; this initial New Owners Fee may be used by the Association to defray expenses in its operating budget or to fund the Association's reserves, at the discretion of the Board of Directors.

10.1.4. Transfer Fees on Resales.

A New Owners Fee equal to three (3) months' worth of the annual assessment against the Lot shall continue to be due and owing to the Association upon the transfer of title of a Lot upon its resale to a subsequent purchaser. The Resale New Owners Fee shall be collected at the Closing of a Lot's resale in addition to any outstanding assessment obligations affecting the Lot, to fund the Association's reserves so as to enhance the Association's ability to maintain, repair, replace, manage and improve the Common Areas of the project, for the common benefit of all the Lot Owners.

10.1.5. Timing of Payments.

Until changed by resolution of the Board of Directors, the annual Assessment against each Lot for its share of the Common Expenses shall be due and payable on the first day of the month of February of each year. The Board may adopt further payment policies which permit payment in monthly or quarterly installments under conditions to be determined by the Board. Until changed by resolution of the Board of Directors, Assessments against each Lot for its share of the Common Expenses shall be due and payable on the first day of February of each year. The Board may adopt further payment policies which permit payment in installments under conditions to be determined by the Board.

10.1.6. Special Assessments.

The Board of Directors may levy a Special Assessment for the purpose of defraying the cost of any unexpected repair or other nonrecurring contingency, or to meet any other deficiencies in operations or reserves occurring from time to time, but by statute, the Budget Ratification process described in Section 10.2 must be undertaken by the Board with respect to any such Assessment.

10.1.7. Specially Allocated Assessments.

If any Common Expense is caused by the negligence or misconduct of a Lot Owner, or if the Association provides Upkeep to a Lot, the Association may, subject to the provisions of the Bylaws, levy a Specially Allocated Assessment for that expense against the Owner's Lot; any other costs, fees, charges, or fines imposed or incurred by the Association associated with the Lot, including without limitation attorneys' fees and court costs associated with litigation involving protection of scenic views, along with any costs and/or attorney's fees recoverable under the Governing Documents, and interest on any delinquent account shall also be deemed Specially Allocated Assessments. Further, by resolution supported by a majority of all possible votes in the Association, the Association may require that any Common Expense or portion thereof benefitting fewer than all of the Lots shall be assessed exclusively against the Lots benefitted.

10.1.8. Owners Personally Liable for Common Expenses.

Each Assessment shall be the joint and several obligation of the Owner(s) of the Lot to which the same are assessed as of the time the Assessment is due. Suit to recover a personal judgment for any delinquent Assessment shall be maintainable in any court of competent jurisdiction without foreclosing or waiving the lien securing such sums. No Lot Owner may exempt himself or herself from liability with respect to the Common Expenses by waiver of the enjoyment of the right to use any of the Common Areas or by leasing, rental or abandonment of his or her Lot or otherwise. The failure or delay of the Board of Directors to adopt the Annual Budget for any year shall not constitute a waiver or release in any manner of a Lot Owner's obligation to pay his or her allocable share of the Common Expenses as herein provided, and in the absence of an Annual Budget or adjusted Annual Budget, each Owner shall continue to pay (with or without notice) an Assessment at the rate established for the preceding fiscal year until an Assessment is made under a current Annual Budget or adjusted Annual Budget and notice thereof has been sent to the Lot Owner.

10.2. Annual Budget - Development and Ratification.

10.2.1. Budget for Common Expenses.

Not less than 45 days prior to the Annual meeting of the Association, or at such other time as may be deemed necessary or desirable by the Association's accountant, the Board shall prepare an Annual Budget which shall estimate the Common Expenses, described generally in the Covenants, to be paid during such year. The Budget shall also contain provisions for creating,

funding and maintaining reasonable reserves for capital improvements, major repairs and replacements of components of the project for which the Association is responsible, and the amount of any deductible under any insurance policy obtained by the Association. The Budget shall further take into account any expected income and any surplus available from the prior year's operating fund.

10.2.2. Meeting of Association to Ratify Budget.

Within thirty days after adoption of any proposed regular or special budget for the Association, the Board of Directors shall provide a summary of the budget to all the Lot Owners and shall set a date for a meeting of the Lot Owners to consider ratification of the budget not less than fourteen nor more than sixty days after mailing of the summary. Unless at that meeting the Owners of Lots to which a majority of the votes in the Association are allocated reject the budget, the budget is ratified, whether or not a quorum is present. In the event the proposed budget is rejected or the required notice is not given, the periodic budget last ratified by the Lot Owners shall be continued until such time as the Lot Owners ratify a subsequent budget proposed by the Board of Directors. Pursuant to RCW 64.38.025(3), this procedure shall be deemed to govern both general assessments and special assessments; this Section of these Covenants may not be amended without the advice of counsel, since its terms are controlled by law.

10.3. Liability Following Conveyance of Lot.

A selling Lot Owner shall not be liable for the payment of any part of the Common Expenses assessed against his or her Lot subsequent to a sale, transfer or other conveyance by him of such Lot. The purchaser of a Lot shall be jointly and severally liable with the selling Lot Owner for all unpaid Assessments against the Lot up to the time of the conveyance without prejudice to the purchaser's right to recover from the selling Lot Owner the amounts paid by the purchaser therefore. The holder of a mortgage or other purchaser of a Lot who obtains the right of possession of the Lot through foreclosure shall not be liable for Assessments that became due prior to such right of possession. Such unpaid Assessments shall be deemed to be Common Expenses collectible from all the Lot Owners, including such mortgagee or other purchaser of the Lot. Foreclosure of a mortgage does not relieve the prior Owner of personal liability for Assessments accruing against the Lot prior to the date of such sale as provided above.

10.4. Lien for Assessments.

The Association shall have a lien on a Lot for any unpaid Assessments levied against a Lot from the time the Assessment is due.

10.5. Perfection of Lien.

Recording of this Declaration of Covenants constitutes record notice and perfection of the lien for Assessments. While no further recording of any claim of lien for Assessments shall be required to perfect the Association's lien, the Association may record a notice of claim of lien for

Assessments under this section in the real property records of the county in which the Community is located.

10.6. Priority of Lien.

10.6.1. A lien under this Section shall be prior to all other liens and encumbrances on a Lot except: (a) Liens and encumbrances recorded before the recording of the Declaration of Covenants; (b) a mortgage on the Lot recorded before the date on which the Assessment sought to be enforced became delinquent; and (c) liens for real property taxes and other governmental assessments or charges against the Lot.

10.6.2. The Association's lien shall also be prior to the mortgages described in subpart (b) of Section 10.6.1 hereof, to the extent of the "priority amount," that is, an amount equal to (1) the Common Expense Assessments against the Lot, excluding any amounts for capital improvements, based on the periodic Budget adopted by the Association which would have become due in the absence of acceleration during the six months immediately preceding the institution of proceedings to foreclose either the Association's lien or a lien described in Subsection 10.6.1(b) hereof; and (2) the Association's actual costs and reasonable attorney's fees incurred in foreclosing its lien up to the time when any person pays to the Association the full priority amount described above, including the Association's attorneys' fees and costs. The term "institution of proceedings," as used herein, shall mean either: (i) the date of recording of a notice of trustee's sale by a deed of trust beneficiary; (ii) the date of commencement, pursuant to applicable court rules, of an action for judicial foreclosure either by the Association or by the holder of a recorded mortgage; or (iii) the date of recording of a notice of intention to forfeit in a real estate contract forfeiture proceeding by the vendor under a real estate contract.

10.7. Enforcement of Lien.

The lien arising under this section shall be enforced judicially by the Association or its authorized representative in the manner set forth in chapter 61.12 RCW. The Association or its authorized representative shall have the power to purchase the Lot at the foreclosure sale and to acquire, hold, lease, mortgage, or convey the same. Upon an express waiver in the complaint of any right to a deficiency judgment in a judicial foreclosure action, the period of redemption shall be eight months. The Association may elect to take a deed in lieu of foreclosure in any such proceeding.

10.8. Limitation of Lien Enforcement.

A lien for unpaid Assessments and the personal liability for payment thereof is extinguished unless proceedings to enforce the lien are instituted within six years after the amount of the Assessments sought to be recovered becomes due.

10.9. Rent Subject to Lien for Assessments- Other Remedies for Nonpayment.

10.9.1. Rent Payable to Association Upon Default of Owner.

If a Lot is rented or leased by its Owner, and if the Owner becomes delinquent in the payment of assessments for more than 90 days, the Association may collect the delinquent amount from the tenant, who shall pay over to the Association so much of the rent for such Lot as is required to pay such delinquency, plus interest, attorneys' fees and other costs of collection. In order to avail itself of the remedy contained in this Subsection, the Association shall first send a notice jointly to the Owner and the Tenant by First Class U.S. Mail, advising both parties [a] of the Owner's delinquency in assessments [b] of the tenant's obligations under this Subsection of the Declaration, and [c] notifying both parties that if such delinquency is not cured within ten (10) days of mailing, the tenant must commence paying rent to the Association until the delinquency has been cured. The tenant shall not have the right to question payment to the Association, and such payment shall discharge both the tenant's duty to pay rent to the Lot Owner and the Lot Owner's obligation to pay assessments, *pro tanto*. The Association shall not resort to this remedy where a receiver has been appointed and is collecting such rents, as provided immediately below in Section 10.10.2.

10.9.2. Association Entitled to Appointment of Receiver.

From the time of commencement of an action by the Association to foreclose a lien for nonpayment of delinquent Assessments against a Lot that is not occupied by the Owner thereof, the Association shall be entitled to the appointment of a receiver to collect from the lessee thereof the rent for the Lot as and when due. If the rent is not paid, the receiver may obtain possession of the Lot, refurbish it for rental up to a reasonable standard for rental Lots in this type of project, rent the Lot or permit its rental to others, and apply the rents first to the cost of the receivership and attorneys' fees thereof, then to the cost of refurbishing the Lot, then to applicable charges, then to costs, fees, and charges of the foreclosure action, and then to the payment of the delinquent Assessments. The exercise by the Association of the foregoing rights shall not affect the priority of preexisting liens on the Lot.

10.10. Remedies Cumulative.

The remedies provided are cumulative and the Board may pursue them concurrently, along with any other remedies which may be available under the law although not expressed herein.

ARTICLE XI

INSURANCE MATTERS

11.1. Association's Coverage.

The Board of Directors shall obtain and maintain liability insurance and, if necessary, property insurance, under such terms and for such amounts as shall be deemed necessary by the

Board of Directors. Levels of coverage shall be determined annually by the Board of Directors with assistance from the agent of the insurance company affording such coverage

11.2. Deductible.

The deductible, if any, on any policy of insurance purchased by the Board of Directors, shall be paid by the Association as a Common Expense. Funds to cover the deductible should be included in the Association's operating reserve account.

11.3. Insurance for Lot Owners.

Each Lot Owner should obtain property and personal liability insurance covering the Dwelling and other insurable improvements on the Lot, and providing liability coverage for the Lot and any portions of the Common Areas not covered by the Association's insurance policy

ARTICLE XII

CONDEMNATION

In the event that Common Areas of the Community are become subject to eminent domain proceedings, the Association shall be a necessary party to such proceedings.

ARTICLE XIII

COMPLIANCE WITH LAW AND COVENANTS

13.1. Compliance by Owners and Occupants.

Each Owner and occupant of a Lot shall comply strictly with the provisions of the Governing Documents. All remedies provided the Association in this Article may be enforced against any tenant or other occupant of a Lot.

13.2. Enforcement by Association.

The Board of Directors shall have primary responsibility for maintaining and enforcing compliance with the covenants, conditions and restrictions contained in the Governing Documents.

13.3. Legal Proceedings.

Failure to comply with any of the terms of the Governing Documents shall be grounds for legal relief, including without limitation, actions to recover any sums due for money damages, injunctive relief, foreclosure of the lien for payment of Assessments, or any combination thereof and

any other relief afforded by a court of competent jurisdiction, all of which relief may be sought by the Association or, if appropriate, by any aggrieved Owner, and shall not constitute an election of remedies.

13.4. Costs and Attorney's Fees.

The Association shall be entitled to recover any costs and reasonable attorneys' fees incurred in connection with the collection of delinquent Assessments, whether or not such collection activities result in suit being commenced or prosecuted to judgment. In addition, the Association shall be entitled to recover costs and reasonable attorneys' fees if it prevails on appeal and in the enforcement of a judgment. In any other proceeding arising out of an alleged default by an Owner, the prevailing party shall be entitled to recover the costs of the proceeding, and such reasonable attorney's fees as may be determined by the court. In the event that the prevailing party is the Association, the costs and attorney's fees so awarded shall constitute a Special Assessment against the Owner's Lot.

13.5. Late Charges and Interest.

The Board may impose and collect reasonable late charges to encourage prompt payment of Assessments. Until changed by resolution of the Board with advice of counsel, the Board may collect a late charge: (a) when any Assessment or installment thereof is received by the Association more than ten (10) days beyond the due date of such Assessment or installment; (b) in an amount not to exceed the greater of \$25.00 or ten percent (10%) of the amount of said Assessment or installment. Delinquent Assessments shall bear interest from the date of delinquency at the rate of 12% per annum, or the maximum rate permitted under RCW 19.52.020 on the date on which the Assessments became delinquent.

13.6. No Waiver of Rights.

The failure of the Association, the Board of Directors or of an Owner to enforce any right, provision, covenant or condition which may be granted by the Governing Documents or the Act, shall not constitute a waiver of the right of the Association, the Board or the Owner to enforce such right, provision, covenant or condition in the future.

13.7. Remedies Cumulative.

A suit to recover a money judgment for unpaid Assessments may be maintained without foreclosing or waiving the lien securing the same, and a foreclosure may be maintained notwithstanding the pendency of any suit to recover a money judgment. All rights, remedies and privileges granted to the Association, the Board of Directors or any Owner pursuant to any term, provision, covenant or condition of the Governing Documents or the Act shall be deemed to cumulative and the exercise of any one or more thereof shall not be deemed to constitute an election of remedies, nor shall it preclude the party exercising the same from exercising such other privileges as may be granted to such party by the Governing Documents or the Act or at law or in equity.

ARTICLE XIV

LIMITATION OF LIABILITY

14.1. Association Not a Guarantor - No Liability for Equipment Failure, Etc.

Except to the extent covered by insurance obtained by the Board pursuant to Article XI, neither the Association nor the Board nor the Declarant shall be liable for any failure of any equipment or services obtained by the Board, or for injury or damage to person or property caused by the elements, or for inconvenience or discomfort resulting from any action taken to comply with any law, ordinance or orders of a governmental authority. No diminution or abatement of liability for Common Expense Assessments shall be claimed or allowed for any such injury or damage, or for such inconvenience or discomfort.

14.2. No Bailment.

Neither the Board of Directors, the Association, any Owner nor the Declarant shall be considered a bailee of any personal property stored or placed on the Common Areas (including property located in vehicles parked on the Common Areas), whether or not exclusive possession of the particular area is given to an Owner for parking or otherwise, nor shall they be responsible for the security of such personal property or for any loss or damage thereto, whether or not due to negligence, except to the extent covered by insurance in excess of any applicable deductible.

ARTICLE XV

MORTGAGEE PROTECTION

Any representative of a Mortgagee or the institutional insurer of any mortgage may attend and address any meeting which a Lot Owner may attend.

ARTICLE XVI

EASEMENTS AND SPECIAL DECLARANT RIGHTS

16.1. Easements for Lots, Lot Owners, Declarant and Association Functions.

16.1.1. Easements for Lots and Lot Owners.

Each Lot has an easement in and through each other Lot and the Common Areas for utilities and for lateral and/or subjacent support. Lot Owners in Good Standing, and their family members, guests and lawful tenants, have rights to use the Community Park and its any recreational facilities.

16.1.2. Easements for Declarant.

The Declarant reserves to itself and its any lawful successors an easement through the Common Areas for any and all activities necessary or desirable to complete the development of the Community or for exercising Special Declarant Rights.

16.1.3. Easements for Association Functions.

There is hereby granted and reserved to the Association, or its duly authorized agents and representatives, such easements as are necessary to perform the duties and obligations of the Association as are set forth in the Governing Documents.

16.2. Easements Shown on PUD Plat.

Easements shown on the PUD Plat are hereby confirmed. Any easement shown on the PUD Plat which benefits one or more Lots in the Community, or which benefits any third parties or any real property not included within the Project, confers various rights and benefits upon such third parties or owner(s) of any such real property, and may also impose obligations upon the Association. Reference should be made to the PUD Plat.

16.3. Easement for Utilities.

A non-exclusive perpetual blanket easement is hereby granted over and through the Property for ingress, egress, installation and Upkeep of any utility lines, pipes, wires, ducts, conduits and/or other facilities and equipment for providing to any portion of the Property utilities of any type, whether public or private; such easement is hereby granted to any person installing or providing Upkeep for such utilities. Any pipes, conduits, lines, wires, transformers or any other apparatus necessary for the provision or metering of any utility may be installed, maintained or relocated where permitted by the Declarant or where approved by resolution of the Board of Directors. See the PUD Plat for further details.

16.4. Avigation Easement.

The Community is subject to the terms of an Avigation Easement benefitting the Port of Anacortes and the municipal airport operated by the Port that adjoins the Community to the east. The Avigation Easement is designed to promote the free and unobstructed passage of aircraft in and through the airspace over the Community, together with the right of aircraft to cause noise that may ensue from their operation. The Avigation Easement is recorded at Auditor's File No. 732440, Records of Skagit County, Washington. This easement limits the overall height of building structures and vegetation within the Community.

16.5. View Easements Over Nearby and Adjoining Properties.

16.5.1. Easement Over Felt Property to West Protects Lots 16 - 20.

Parcels of real property that adjoin the Community immediately to the west, presently owned by Christopher P. Felt and Cheryl A. Felt [the “Felt Property”], are subject to the terms of a Covenant [the “Felt Covenant”] recorded at Auditor’s File No. 201612190147, Records of Skagit County, Washington. Article IV of the Felt Covenant contains provisions that restrict the maximum height of buildings and vegetation within the Felt Property for the purpose of protecting territorial views to the West and North available to Lots 16 through 20 in the Community; such provisions shall be deemed incorporated herein by this reference, and may be enforced by individual Lot Owners or by the Association on their behalf, as provided in the Felt Covenant.

16.5.2. Easement Over Parcel to North Protects Lots <?> - <?>.

A Parcel of real property [Skagit County Tax Parcel No. P31586] lying northerly of Oakes Avenue [the “Northerly Parcel”], presently owned by [????], is subject to the terms of a Covenant [the “<?> Covenant”] recorded at Auditor’s File No. _____, Records of Skagit County, Washington. The <?> Covenant contains provisions that restrict the maximum height of buildings and vegetation within the Northerly Parcel for the purpose of protecting territorial views to the North available to Lots <?> through <?> in the Community; such provisions shall be deemed incorporated herein by this reference, and may be enforced by individual Lot Owners or by the Association on their behalf, as provided in the <?> Covenant.

16.6. Special Declarant Rights.

16.6.1. Reservation.

The Declarant has reserved the following Special Declarant Rights for the purpose of furthering and completing the development of the Community: To complete any improvements indicated on the PUD Plat or described earlier in this Declaration of Covenants; to maintain sales offices, management offices, signs advertising the Community, and models on the Property, all in such location or locations as the Declarant may unilaterally determine; to use easements through the Common Areas for the purpose of making improvements within the Community; and to appoint or remove any Officer or Director of the Association, or to veto or approve a proposed action of the Board or of the Association during the Declarant Control Period described in Section 8.1 hereof; the Declarant shall be deemed to hold a proxy from all Lot Owners during the Declarant Control Period for such purposes.

16.6.2. Status of Special Declarant Rights.

Each Special Declarant Right reserved by Declarant in this Declaration of Covenants has been, is and shall remain an equitable servitude burdening all lands subject thereto and running with such lands. Each Special Declarant Right shall exist for the benefit of the Declarant and/or any assignee of Declarant and/or any successor declarant. Declarant has and shall retain, with respect to each Special Declarant Right, a power coupled with Declarant’s interest in said lands.

16.6.3. Automatic Assignment Upon Sale of Lots in Bulk.

In the event that all or substantially all of the Lots and Tracts in this Community are concurrently conveyed to a purchaser in bulk, the purchaser shall be deemed a "Successor Declarant" who or which shall automatically succeed to all Special Declarant Rights reserved in this Section 16.6, except to the extent otherwise provided in the deed of conveyance of such Lots and Tracts to such purchaser.

ARTICLE XVII

AMENDMENT OF DECLARATION OF COVENANTS

17.1. Procedure for Amendment of Declaration of Covenants.

Amendments to the Declaration of Covenants shall be made by an instrument in writing entitled "Amendment to Declaration of Covenants" which sets forth the entire amendment. Except as otherwise specifically provided for in this Declaration of Covenants, any proposed amendment must be approved by a majority of the Board prior to its adoption by the Owners. Except in cases of amendments that may be adopted by the Declarant unilaterally pursuant to Section 17.3 hereof, amendments may be adopted only at a meeting of the Owners if at least 67% percent of the votes in the Association are cast for such amendment, or without any meeting if all Owners have been duly notified and Owners holding at least 67% of the votes in the Association consent in writing to such amendment. In all cases, the amendment when adopted shall bear the acknowledged signature of the President of the Association.

17.2. Recordation Required.

Every amendment to the Declaration of Covenants must be recorded with the County Auditor and is effective only upon recording. An amendment shall be indexed in the name of the Community and shall contain a cross-reference by recording number to the Declaration of Covenants and each previously recorded amendment thereto.

17.3. Amendments by Declarant.

The Declarant may unilaterally adopt and file amendments to the Declaration of Covenants for so long as the Declarant is the Owner of any Lot in the Community or until the expiration of the time limit for the exercise of any Special Declarant Rights reserved by the Declarant.

ARTICLE XVIII

MISCELLANEOUS

18.1. Notices for All Purposes, Delivery.

18.1.1. Any notice permitted or required to be delivered under the provisions of the Declaration of Covenants or the Bylaws may be delivered either personally or by mail, addressed to the person entitled to such notice at the most recent address given by such person to the Board in a Record, or to the most recent address known to the Board. Notice to the Owner of any Lot shall be sufficient if mailed to his or her Lot if no other mailing address has been given to the Board. With the advance written consent of any Owner, required notice may be provided electronically. Mailing addresses may be changed from time to time by notice provided by the Owner in a Record to the Board. Notice to be given to the Association may be given to the President or Secretary of the Association, or to its Registered Agent. Notice also may be provided to any person in any manner permitted by statute.

18.1.2. New Lot Owners must supply their names and addresses, telephone numbers and, if so desired in order to receive notices from the Association, e-mail addresses, to the Secretary of the Association promptly after conveyance.

18.2. Severability.

The provisions hereof shall be deemed independent and severable, and the invalidity or partial invalidity or unenforceability of any one provision or portion thereof shall not affect the validity or enforceability of any other provision hereof, if the remainder complies with the Governing Law and furthers the common plan of this Subdivision.

18.3. No Right of First Refusal.

There is no right of first refusal in the Association limiting or restricting the right of any Lot Owner to sell, transfer or convey his or her Lot.

18.4. Effective Date.

This Declaration of Covenants shall take effect upon recording.

DATED this _____ day of _____, 2017.

DECLARANT:
48 NORTH ON FIDALGO ISLAND, L.L.C.

By _____
_____, its _____

STATE OF WASHINGTON)
) ss.
COUNTY OF SKAGIT)

I hereby certify that I know or have satisfactory evidence that _____
is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath
stated that he was authorized to execute the instrument and acknowledged it as the _____
of the Declarant, 48 NORTH ON FIDALGO ISLAND, L.L.C., to be the free and voluntary act of such party
for the uses and purposes mentioned in the instrument.

DATED: _____, 2017.

NOTARY PUBLIC for the State of
Washington. My Commission
expires _____

EXHIBIT "A"
LANDSCAPE PLAN

EXHIBIT “B”
STORMWATER SYSTEM MAINTENANCE MANUAL

Return Address:

Brian Gentry
504 E Fairhaven Ave
Burlington WA 98233



201612190147

Skagit County Auditor

\$86.00

12/19/2016 Page

1 of 14 1:48PM

Document Title:

Declaration of Covenants, Conditions and Restrictions

Reference Number (if applicable):

Grantor(s):

☐ additional grantor names on page __.

- 1) Felt, Christopher P.
- 2) Felt, Cheryl A.

Grantee(s):

☐ additional grantor names on page __.

- 1) The Plat and
- 2) 48 North on Fidalgo Island, LLC, a Washington Limited Liability Company (hereinafter referred to as "48 North")

Abbreviated Legal Description:

☒ full legal on page(s) 11.

Lots 3 to 7

Legal Description is on Exhibit A

Assessor Parcel /Tax ID Number:

☐ additional parcel numbers on page __.

P56562 and P56573

LEGAL DESCRIPTION: See Exhibit "A"

This Declaration and Grant is made on the 47th day of December, 2016, by Christopher P. Felt and Cheryl A. Felt, as "Declarants."

Background

- A. Declarants are the owners of approximately 1.27 acres of real property in Anacortes, Skagit County, Washington, which property is more particularly described in **Exhibit "A" and "B"** to this Declaration (the "Property").
- B. Declarants intend to subdivide The Property as shown in the short plat development as shown in Exhibit D ("the Development"), to be recorded with the Skagit County Auditor under Skagit County Auditor's.
- C. Declarants desire to impose upon the development a general plan of development for the mutual benefit of all future owners, which will preserve and enhance the property values and amenities and will further provide for the health, safety, and welfare of the future residents and to benefit an adjoining property owner in respect to height restrictions.

Declaration

NOW, THEREFORE, Declarants hereby declare that all of the property described in Exhibit "A" shall be held, sold, conveyed and occupied subject to the following easements, restriction, covenants, and conditions, all of which are for the purpose of enhancing and protecting the value, desirability and attractiveness of the property. The easements, covenants, restrictions and maintenance obligations shall run with the land and each individual lot and shall be binding on all parties having or acquiring any right, title, or interest in the development or any part thereof, and shall inure to the benefit of each owner thereof.

Furthermore, any conveyance, transfer, sale, assignment, lease or sublease of a lot shall and is hereby deemed to incorporate by reference all provisions of this Declaration. The provisions of this Declaration shall be enforceable by Declarants, any Lot Owner, and any First Mortgagee of a lot.

**ARTICLE I
DEFINITIONS**

For the purpose of this Declaration and any amendments thereto, the following terms shall have the following meanings, and all definitions shall be applicable to the singular and plural forms of such terms:

Section 1. "Accessory Structure" means a subordinate structure which is detached from the

primary structure, the use of which is incidental to the use of the primary structure on the same Lot. Accessory Structures shall not constitute living space.

Section 2. "Declarants" shall mean the owners of record, Christopher P. Felt and Cheryl A. Felt, and their successors and assigns; provided, however, that no successor or assignee of Declarants shall have any right or obligations of Declarants under this Declaration unless such rights and obligations are specifically set forth in the instrument of succession or assignment.

Section 3. "Declaration" means the covenants, conditions, restrictions and maintenance obligations and all other provisions set forth in this entire document, and as the document may from time to time be amended.

Section 4. "Development" shall mean or refer to that certain real property described on Exhibit "A" and the map attached as Exhibit "B".

Section 5. "Lot" shall mean any numbered plot of land shown upon any recorded subdivision map of the property.

Section 6. "Lot Owner" shall refer to the record owner, whether one or more persons or entities, of a fee simple title to any lot which is part of the property, including contract purchasers, and excluding contract sellers and further excluding those having an interest merely as security for the performance of an obligation.

Section 7. "Mortgage" shall include a Deed of Trust, Real Estate Contract, or other security interest attaching to real estate.

Section 8. "Notice" shall mean written notice delivered personally or mailed to the last known address of the intended recipient.

Section 7. "48 North PUD" shall mean the preliminary approved 30 lot planned unit development directly east of the Property, currently identified as Skagit County parcel No P31681.

ARTICLE II EXTERIOR MAINTENANCE

Subsequent to the construction of a home on a particular Lot, the Lot Owner shall, at the Lot Owner's sole expense, keep the Lot and the interior and exterior of the structures on the Lot Owner's Lot in clean and sanitary condition, free from rodents and pests and in good order, condition, and repair. The Lot Owner shall be responsible to perform all redecorating, painting, landscaping, and maintenance at any time necessary to maintain the appearance and condition of the structure and lot. The landscaping shall be maintained to the curb or pavement edge of the street.

ARTICLE III

PROTECTIVE COVENANTS

Section 1. Uniformity of Use and Appearance. One of the purposes of this Declaration is to assure within the Property a uniformity of use and quality of workmanship, materials, design, maintenance. It is in the best interest of each Owner that such uniformity of use be maintained and hereinafter provided. No building (except for Accessory Structures) shall be erected, altered, placed, or permitted to remain on any Lot other than one single-family dwelling. Accessory Structures including carports and storage buildings are permitted as allowed by the requirements of this Declaration. Notwithstanding anything herein set forth, the Construction of any Structure shall comply with the more restrictive of either (i) the terms and conditions of this Declaration or (ii) the laws, codes, ordinances, and regulations of any governmental entity having jurisdiction.

Section 2. Development and Use.

A. Land Use and Building Type. No building shall be erected, altered, placed or committed to remain upon any lot other than one single family dwelling, and two Accessory structures such as a shop or garden shed. The dwellings and buildings upon each lot are intended for and restricted to use as single family residences only, on an ownership, rental, or lease basis, and for social, recreational, or other reasonable activities normally incident to such use.

B. Parking. No commercial trucks in excess of 10,000 pounds, campers, trailers, boats, motorcycles, or other recreational vehicles, or any part thereof, shall be parked or permitted to remain on any lot for any period in excess of 24 hours unless the same is stored and placed in a garage or in the rear or side yard area and screened from sight, or unless the vehicle belongs to a guest, in which case the vehicle belonging to the guest may not be parked for longer than a one-week period of time. All inoperable or non-running vehicles shall be stored behind fencing or screening adequate to screen the vehicle from view of adjoining Lot Owners within the development. No Lot Owner shall have more than two inoperable vehicles on their lot unless the same are stored inside in an enclosed building.

C. Square Footage. Each single family residence must have a minimum of one thousand and eight hundred (1,800) square feet, excluding garage area. Each home must have a garage, which shall be of a size to accommodate a full-size automobile.

D. Minimum Building Setbacks, Maximum Building Heights, and Maximum Vegetation Heights. All vegetation planted on any of the Lots shall be limited in height to the lower of twenty-five feet (25') in height above adjacent grade or the ridge height of the house constructed on the lot. All buildings or structures shall be constructed in accordance with the laws of the City of Anacortes and applicable building codes. All structures shall comply with all applicable governmental laws, codes, ordinances, and regulations pertaining to setbacks. All compliance with and maintenance of vegetation heights under this Section shall be the responsibility of and at sole expense of each Lot

Owner, so affected. Should any Lot Owner desire to obtain a variance in regard to either setback or height of a structure, then they shall, in addition to compliance with applicable variance regulations and laws, obtain the consent of all other Lot Owners and the Benefited Owners of Lots 16-20 of the 48 North PUD, as a condition of varying maximum heights or minimum setbacks. The maximum building heights shall be further limited as follows:

a. The maximum building height for any structures constructed on Lot 1 shall be limited to the ridge height of the existing residential building constructed on that Lot as of October 1, 2016.

b. The maximum building height for any structures constructed on Lot 2 shall be limited to a single story residence with a maximum ten foot (10') first story wall height, and having a roof pitch of no more than 4:12; or a single story residence with a maximum nine foot (9') first story wall height, and having a roof pitch of no more than 6:12; so long as the overall ridge height of the building does not exceed twenty five feet (25') above the Southeast corner of Lot 2 as depicted in Exhibit D.

c. The maximum building height of any structures constructed on Lot 3 shall be limited to a two-story residence with a maximum nine foot (9') first story wall and a eight foot (8') second story wall, and having a roof pitch of no more than 4:12;.

d. The building height for all structures constructed on Lot 4 shall be as limited by the Anacortes Municipal Code. Except that the setback front building setback shall be a minimum of Thirty feet (30') from the front, or Northerly, property line. Vegetation in the northeasterly quadrant of the lot will be limited to no more than ten feet (10') in height above original grade.

E. Construction Standards and Manufactured Housing. No mobile homes shall be permitted within the development. All construction on the lots within the development shall be in accordance with state and local building codes applicable at the time of construction.

F. Garbage and Refuse. Subsequent to the construction of a home on a particular Lot, the Lot Owner shall, at the Lot Owner's sole expense keep garbage, refuse, rubbish, cuttings, and debris of any kind from being deposited on or left upon the Lot Owner's Lot unless placed in an attractive container suitably located and screened from view of any other Lot Owner. All equipment for the storage or disposal of such materials shall be kept in a clean and sanitary condition. Garbage cans may only be placed in public view on the day of garbage pick-up.

G. Business and Commercial Use of Property Prohibited. No trade, craft, business, or manufacturing enterprise, or business or commercial activity of any kind shall be conducted or carried on upon any residential lot, or within the building located on a residential lot. Notwithstanding the foregoing, certain bonafide "home enterprises" may

be conducted in the residence if there is no traffic impact or resulting nuisance. Day cares or automobile and equipment repair and similar businesses, which require the repair and disassembly of machinery in open view to other Lot Owners, shall not be a permitted home enterprise.

H. Temporary Structures. No trailers, tent, shack, garage, barn or other outbuildings or any structure of a temporary character erected or placed on the Property shall at any time be used as a residence, even temporarily. No building or structure shall be moved on to the Property from any land outside the development unless the same is used by the contractor as a temporary office or storage space.

I. Completion of Construction. Any dwelling or structure erected or placed on any lot shall be completed as to external appearance, including finish painting or staining, and shall be connected to sewers within twelve (12) months from the date of commencement of construction. All yards and landscaping must be completed within three (3) months from the date of completion of the structure and within not less than fifteen (15) months from commencement of construction of the structure (whichever event occurs first). All lots shall be maintained in a neat and orderly condition during construction.

J. Division of Lots. No more than 4 lots for single family residential use shall be created for the purpose of sale or lease.

K. Nuisances. No noxious or undesirable thing, or noxious or undesirable use shall be permitted or maintained upon any lot or upon any other portion of the Property. Likewise, all Lot Owners shall be considerate of the other Lot Owners and shall limit noise from radios, televisions, stereos, recreational vehicles, lawnmowers, etc. Violation shall be deemed a nuisance.

L. Signs. No sign of any kind shall be displayed to the public view on or from any lot except for a "for rent" or a "for sale" sign, or political sign. All signs shall be limited to not more than 6 square feet in area on each face of a two-sided sign. This section shall not apply to the Declarants or to any builder during the construction period of any residential structure.

M. Animals. Animals, including horses, livestock, poultry, reptiles, or pigs shall not be kept outside of any structure on any lot. Household pets shall not exceed three (3) in numbers. Provided that unweaned puppies or kittens may be kept until weaned. All animal enclosures must be kept in a clean, neat, and odor free condition at all times. Dogs which repeatedly bark are not permitted ("repeated barking" being defined as sustained barking for more than ten minutes). Regardless of anything set forth elsewhere in this Declaration, all owners shall comply with governmental laws, codes, ordinances, and regulations pertaining to animals.

N. Fences. All fences shall be constructed in a good and workmanlike manner and shall be constructed of suitable fencing material of wood or wood look composite material. Such fencing structures shall comply with fencing guidelines or requirements as

established by applicable governmental codes and regulations.

O. Mailboxes. The Declarants will construct the initial mailboxes. If the mailboxes require replacement, they will be replaced with a mailbox which is of the same design and size as those initially constructed by the Declarants.

ARTICLE IV GRANT OF HEIGHT RESTRICTION TO PROTECT VIEWS

DECLARANT hereby Grants and Conveys to 48 North on Fidalgo Island, LLC, a Washington Limited Liability Company (hereinafter referred to as "48 North") and its successors and assigns a restrictive view protection covenant in perpetuity for the protection of views of Lots 16-20 of the 48 North PUD (Preliminary Plat as approved by the City of Anacortes), referred to herein and related documents as "Benefitted Owners". The said restriction shall limit the heights of buildings and vegetation in accordance with the provisions of Article III, Section 2(D)(a-d), hereof in order to maintain for the said owners of Lots 16-20 territorial views to the West and North across the Property. This covenant shall be appurtenant to and a covenant running with the land for Lots 16-20 of the 48 North PUD, as described in Exhibit C, hereto. This covenant shall be enforceable by the individual lot owners or the homeowners association of the 48 North PUD, once formed, but Benefitted Owners shall not maintain separate causes of action for enforcement if the homeowners association of 48 North PUD elects to maintain legal enforcement action; this in order to avoid a multiplicity of suits. The General Provisions of Sections 1-5 of Article V shall apply to this covenant and the enforcement thereof.

ARTICLE V GENERAL PROVISIONS

Section 1. Binding Effect. All present and future owners or occupants of lots shall be subject to and shall comply with the provisions of this Declaration, and with any amendments. The acceptance of a deed or conveyance or the entry into occupancy of any lot shall constitute an agreement that the provisions of this Declaration and amendments are accepted and ratified by such owner or occupant, and all such provisions shall be deemed and taken to be covenants running with the land and shall bind any person who has at any time any interest or estate in such lot as though such provisions were recited and stipulated at length in each and every deed and conveyance or lease thereof.

Section 2. Enforcement. Any Lot Owner or the nonprofit Homeowner's Association established for this property; may institute proceedings at law or inequity to enforce all restrictions, conditions, covenants and reservations, now or here after imposed by the provisions of this Declaration. Should any of the foregoing parties employ counsel to enforce any of the terms of this Declaration, all costs incurred in such enforcement, whether negotiated, stipulated, arbitrated, or determined by a court, including reasonable attorney's fees and costs, including those on appeal, shall be paid by non-prevailing party.

Section 3. Failure to Enforce. No delay or omission on the part of the Declarants, the owners of the lots, or the nonprofit homeowner's corporation, in exercising any rights, powers or remedy

herein provided, in the event of any breach of the covenants, conditions, reservations, or restrictions herein contained, shall be construed as a waiver thereof or acquiescence therein. No right of action shall accrue nor shall any action be brought or maintained by anyone whatsoever against the Declarants for or on account of the Declarants' failure to bring any action on account of any breach of these covenants, conditions, reservations or restrictions, or for imposing restrictions herein which may be unenforceable by the Declarants.

Section 4. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way effect any other provisions. The remaining provisions shall continue in full force and effect.

Section 5. Interpretation. This Declaration shall be liberally construed in favor of the party seeking to enforce its provisions to effectuate the purpose of protecting and enhancing the value, marketability, and desirability of the lots by providing a common plan for the development of the Property.

Section 6. Counterparts. This Declaration or amendments hereto may be executed in counterparts and all so executed shall constitute one agreement binding in all the parties notwithstanding that some of the parties are not signatories to the original of the same counterpart.

Section 7. Notices. All notices required to be given pursuant to the provisions of this Declaration or as may be required pursuant to the bylaws of the nonprofit corporation, shall be given by certified mail, return receipt requested, to the Lot Owner at their last known address or, if not known, to their address which is of record at the Skagit County Treasurer's Office. Such notice shall be deemed conclusive and binding upon the Lot Owner in all respects.

Section 8. Declarants reserve the right to assign, sell, transfer, lease, or rent all or a portion of the Property, and reserves the right to assign all or any of its rights, duties, and obligations created under this Declaration.

Section 9. Government Fees and Charges. This development may be subject to water, sewer, and stormwater hook-up fees, and transportation, fire, school, and/or park impact fees. Such fees and charges shall be paid by the Lot Owner at the time of issuance of a building permit.

Section 10. Certain Rights of Declarants. For such time as Declarants shall own lots for development purposes (as opposed to residential purposes), there shall be no amendments to the Declaration or the Articles of Incorporation of the nonprofit corporation unless agreed to by Declarants, which:

- A. Discriminate or tend to discriminate against the Declarants's right as an owner/developer;
- B. Change Article 1 ("Definitions") in a manner which alters Declarants's right or status;
- C. Alter the character and rights of membership or the rights of Declarants as provided

for in this Declaration;

- D. Alter previously recorded or written agreements with public or quasi-public agencies regarding easements and rights-of-ways;
- E. Alter the basis for assessments;
- F. Alter the provisions of the use restrictions as set forth in Article IV; or
- G. Alter the Declarants's rights in any way as they appear under this Article.

ARTICLE VI TERM

This Declaration shall be effective upon recording with the Skagit County Auditor. These covenants are to run with the land and shall be binding on all parties and all persons claiming under them for a period of thirty (30) years from the date these covenants are recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years unless an instrument signed by all of the then Lot Owners has been recorded, agreeing to change said covenants in whole or in part. However, nothing in this Article shall be deemed to affect or limit in any way the duration of those easements which are granted as perpetual easements by this Declaration.

ARTICLE VII AMENDMENT

Section 1. Amendment. This Declaration and its covenants, conditions, and restrictions may be amended during any term by an instrument signed by not less than sixty-six percent (66%) of the Lot Owners. Any amendment must be recorded to be effective, PROVIDED, that no amendment may be made to the height restrictions set forth in Art. III, Section 2 (D), without the written consent of all Benefitted Lot Owners of Lots 16-20 of the 48 North PUD. Any Lot owner may propose an amendment to this Declaration.

Section 2 Amendment by Declarants. Declarants reserve the right to amend the Declaration as may be necessary to comply with Federal Home Loan Mortgage Corporation or Federal National Mortgage Association, or Federal Housing Administration regulations or requirements as necessary to enable the holders of first mortgages or deeds of trust to sell first mortgages or deeds of trust to the Federal Home Loan Mortgage Corporation or Federal National Mortgage Association or if such amendment is necessary to secure funds or financing provided by, through, or in conjunction with wither the Federal Home Loan Mortgage Corporation, or Federal National Mortgage Association, or Federal Housing Administration. If the Declarants, at their option, determines that it is necessary to so amend the Declaration, then Declarant, on behalf of all Owners, is hereby authorized to execute and have recorded such required amendment or amendments. All Owners hereby grant to Declarants a full and complete power of attorney to take any and all actions necessary to effectuate and record such required amendment and agree that such amendments shall be binding upon their respective Lots and

upon them and their heirs, personal representatives, successors and assigns to the same extent as if they had personally executed the amendment or amendments.

IN WITNESS WHEREOF, the undersigned has caused this Declaration to be executed this 5th day of December, 2016

Declarants:

 
Christopher Felt Cheryl Felt

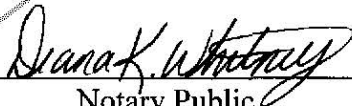
State of Washington)

)ss

County of Skagit)

I certify that I know or have satisfactory evidence that Christopher P. Felt and Cheryl A. Felt are the persons who appeared before me, and said person acknowledged that they signed this instrument and acknowledged it to be their free and voluntary act for the uses and purposes in the instrument.

Dated: December 5th, 2016



Notary Public

My appointment expires: 15 MAY 2017

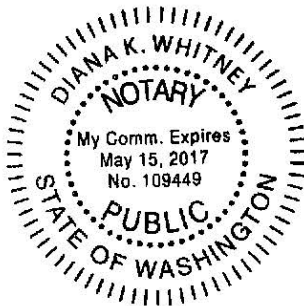


EXHIBIT A – LEGAL DESCRIPTION OF FELT

P56562

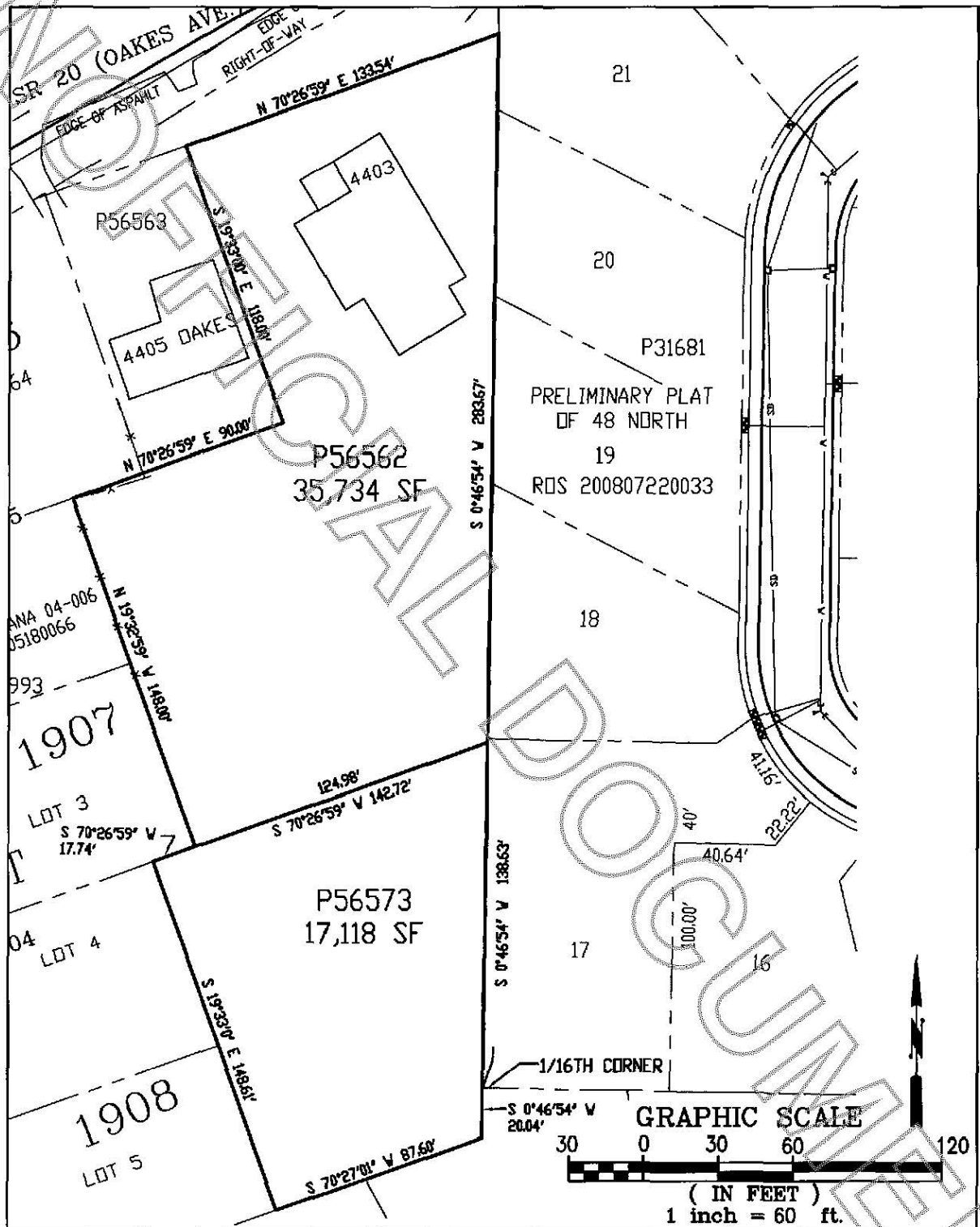
BARING ADDITION TO ANACORTES, LOTS 3 TO 7, BLOCK 1906, TOGETHER WITH THE NORTHERLY 1/2 OF ADJACENT ALLEY VACATED UNDER ORDINANCE NO. 1727; INCLUDING LOTS 5 TO 10, BLOCK 1907, TOGETHER WITH SOUTHERLY 1/2 OF ADJACENT VACATED ALLEY, ORDINANCE NO. 1727, AND NORTHERLY 1/2 ADJACENT VACATED 4TH STREET, ORDINANCE NO. 1726

P56573

BARING'S ADD TO ANA. LTS 7 TO 11 BLK 1908 TGW SLY 1/2 VAC 4T HST W ADJ ORD#1726

P56563

BARING'S ADD TO ANACORTES, LOTS 8 & 9, BLOCK 1906, "BARINGS ADDITION TO ANACORTES, WASH.," AS PER PLAT RECORDED IN VOLUME 2 OF PLATS, PAGE 20, RECORDS OF SKAGIT COUNTY, WASHINGTON; TOGETHER WITH THE NORTHERLY 1/2 OF THE ALLEY VACATED UNDER ORDINANCE NO. 1727 AND RECORDED UNDER AUDITOR'S FILE NO. 7903200005 WHICH WOULD ATTACH BY OPERATION OF LAW. LOTS 8 & 9, BLOCK 1906, "BARINGS ADDITION TO ANACORTES, WASH.," AS PER PLAT RECORDED IN VOLUME 2 OF PLATS, PAGE 20, RECORDS OF SKAGIT COUNTY, WASHINGTON; TOGETHER WITH THE NORTHERLY 1/2 OF THE ALLEY VACATED UNDER ORDINANCE NO. 1727 AND RECORDED UNDER AUDITOR'S FILE NO. 7903200005 WHICH WOULD ATTACH BY OPERATION OF LAW.



**HERRIGSTAD ENGINEERING
& SURVEYING**
4320 WHISTLE LAKE ROAD
ANACORTES, WA 98221 299-8804

EXHIBIT B

4403 Dakes Avenue
Parcels P56562 &
P56573
DATE: Dec 12, 2016

Exhibit C

Schedule "A-1"

156549-SAE

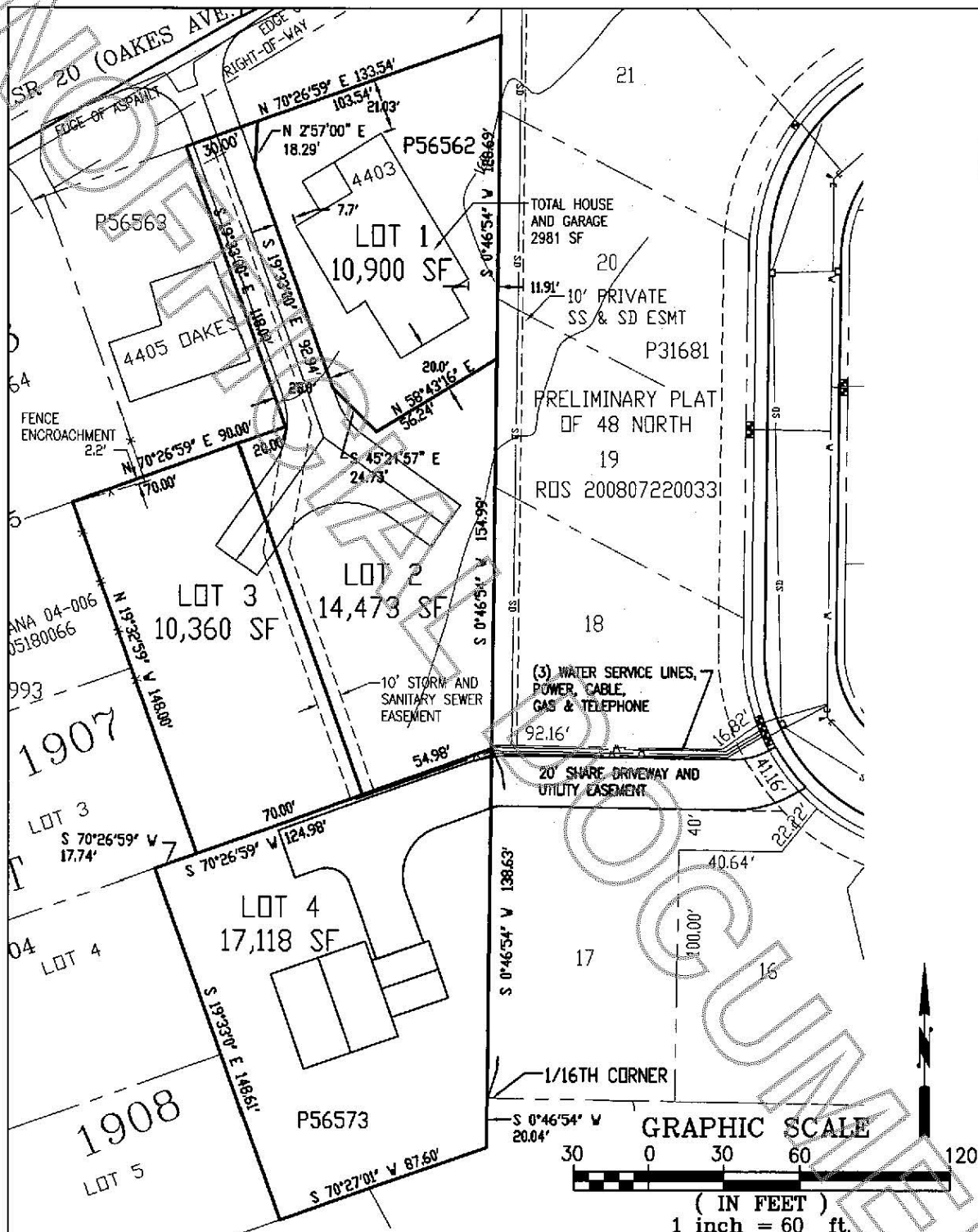
DESCRIPTION:

That portion of the South $\frac{1}{2}$ of the Northeast $\frac{1}{4}$ of the Southeast $\frac{1}{4}$ of Section 22, Township 35 North, Range 1 East, W.M., lying Southeasterly of the "BURROWS BAY ROAD", EXCEPT the "COPPER MINE ROAD" along the East line thereof, AND EXCEPT the following described tracts:

- a.) Beginning at the Southeast corner of the South $\frac{1}{2}$ of the Northeast $\frac{1}{4}$ of the Southeast $\frac{1}{4}$ of said Section; thence North $88^{\circ}59'46''$ West along the South line of said South $\frac{1}{2}$ of the Northeast $\frac{1}{4}$ of the Southeast $\frac{1}{4}$, 30.00 feet to the West line of the "COPPER MINE ROAD"; thence continue North $88^{\circ}59'46''$ West 781.88 feet; thence North $2^{\circ}11'29''$ East 669.34 feet to the North line of the Southwest $\frac{1}{4}$ of the Northeast $\frac{1}{4}$ of the Southeast $\frac{1}{4}$ and the true point of beginning of this description, said point being the Northwest corner of that certain tract conveyed to the Port of Anacortes, a municipal corporation, by deed recorded July 22, 1968, under Auditor's File No. 716164; thence from said true point of beginning run South $2^{\circ}11'29''$ West along the West line of said Port of Anacortes tract, a distance of 15 feet; thence West parallel with the North line of said Southwest $\frac{1}{4}$ of the Northeast $\frac{1}{4}$ of the Southeast $\frac{1}{4}$ to the Easterly line of the "BURROWS BAY ROAD"; thence Northerly along said Easterly line to the North line of said Southwest $\frac{1}{4}$ of the Northeast $\frac{1}{4}$ of the Southeast $\frac{1}{4}$; thence East along said North line to the true point of beginning.
- b.) Beginning at the Southeast corner of the South $\frac{1}{2}$ of the Northeast $\frac{1}{4}$ of the Southeast $\frac{1}{4}$; thence North $88^{\circ}59'46''$ West along the South line of said subdivision 30.00 feet to the West line of the "COPPER MINE ROAD", and the true point of beginning; thence continue North $88^{\circ}59'46''$ West 781.88 feet; thence North $2^{\circ}11'29''$ East 669.34 feet to the North line of said subdivision; thence South $88^{\circ}40'23''$ East along the North line of said subdivision 760.00 feet to the West line of the "COPPER MINE ROAD"; thence South $0^{\circ}18'59''$ West along said road a distance of 664.96 feet to the true point of beginning.

Situate in the City of Anacortes, County of Skagit, State of Washington.

Exhibit D



HERRIGSTAD ENGINEERING & SURVEYING 4320 WHISTLE LAKE ROAD ANACORTES, WA 98221 299-8804	Access & Utility Easements to Felt Three Lots SCALE: NOTED	4403 Dakes Avenue Parcels P56562 & P56573 DATE: Nov. 2, 2016
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EXHIBIT #07

ENCROACHMENT APPLICATION & DRAWING FOR RETAINING WALL



City of Anacortes Application for
ENCROACHMENT TEMPORARY INTO
CITY STREET OR ALLEY RIGHT OF WAY



Street Address of Proposed Encroachment NHN Oakes Avenue - 48 North PUD

Name of Property Owner(s) as they appear on the property deed. A copy of the Property Deed must be submitted with application. (Please print) 48 North On Fidalgo Island LLC

Applicant(s) Name Nels Strandberg Phone 360-293-7431 (Debbie)
48 North On Fidalgo Island
E-mail address NelseStrandbergconstruction.com
(Please Print)

Mailing Address: PO Box 319 Anacortes WA 98221

Legal description of property, be specific and attach property deed with complete description. Include Parcel Number.

Parcel 31681

Legal description attached

Property deed attached

Please give a detailed description of the proposed encroachment. Include the dimensions of the encroachment off of your property line and into the City right of way. Use additional sheet if necessary.

Retaining walls located on Tract "A" and Tract "B" of the 48 North PUD encroach into the Right of Way, see attached drawing. Tract "A" retaining wall encroaches approximately 8 feet into the Right of Way as shown in red on attached drawing. Tract "B" retaining wall encroaches approximately 16 feet into Right of Way beginning at Oakes Avenue and Latitude Circle and approximately 20 feet into Right of Way at the north end of wall shown in red on attached drawing.

ENCROACHMENTS INTO OPENED OR UNOPENED ALLEYS. Please include names and mailing addresses of Property Owners in the block abutting the street or alley right-of-way to be encroached upon

N/A

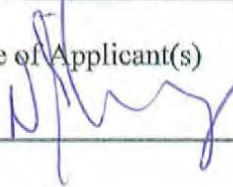
Reason for proposed encroachment:

PLEASE NOTE: It can take up to two months to complete the Encroachment Application process.

Certification: I, Nels Strandberg (member), as the applicant for this permit, do hereby declare that I am the legal owner of the property adjoining the City right-of-way for which I am requesting use.

Dated this 16th day of February year 2017

Signature of Applicant(s)



Date 2/16/17

Date _____

If you have any questions regarding the process of your application contact:

Russ Pittis
Engineering Division
904 6th Street
Anacortes, WA 98221
Telephone (360) 299-1964 Fax (360) 293-1938

Please submit complete application with payment to:

Anacortes City Hall
Finance Dept.
PO Box 547
904 6th Street
Anacortes, WA 98221
Telephone (360) 293-1919 Fax (360) 293-1938

For Office Use Only

Details for Parcel: P31681



Jurisdiction: ANACORTES
Please contact the city of **ANACORTES** for ANACORTES zoning information.

Zoning Designation:

[Recorded Documents](#)
[Excise Affidavits](#)

*Documents scanned and recorded by the Auditor's office
Document scans of excise affidavits*

Parcel Number	XrefID	Quarter	Section	Township	Range
P31681	350122-4-004-0000	SE	22	35	01

Owner Information	Site Address(es)	Map Links
48 NORTH ON FIDALGO ISLAND LLC PO BOX 319 ANACORTES, WA 98221		Open in iMap Assessor's Parcel Map: PDF QWF

Current Legal Description [Abbreviation Definitions](#)

THAT PORTION OF THE SOUTH HALF OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 22, TOWNSHIP 35 NORTH, RANGE 1 EAST, W.M., LYING SOUTHEASTERLY OF THE 'BURROWS BAY ROAD', EXCEPT THE 'COPPER MINE ROAD' ALONG THE EAST LINE THEREOF, AND EXCEPT THE FOLLOWING DESCRIBED TRACTS: A) BEGINNING AT THE SOUTHEAST CORNER OF THE SOUTH HALF OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION; THENCE NORTH 88 DEGREES 59'46" WEST ALONG THE SOUTH LINE OF SAID SOUTH HALF OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER, 30.00 FEET TO THE WEST LINE OF THE 'COPPER MINE ROAD'; THENCE CONTINUE NORTH 88 DEGREES 59'46" WEST 781.88 FEET; THENCE NORTH 2 DEGREES 11'29" EAST 669.34 FEET TO THE NORTH LINE OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER AND THE TRUE POINT OF BEGINNING OF THIS DESCRIPTION, SAID POINT BEING THE NORTHWEST CORNER OF THAT CERTAIN TRACT CONVEYED TO THE PORT OF ANACORTES, A MUNICIPAL CORPORATION BY DEED RECORDED UNDER AUDITOR'S FILE NO. 716164; THENCE FROM SAID TRUE POINT OF BEGINNING RUN SOUTH 2 DEGREES 11'29" WEST ALONG THE WEST LINE OF SAID PORT OF ANACORTES TRACT, A DISTANCE OF 15 FEET; THENCE WEST PARALLEL WITH THE NORTH LINE OF SAID SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER TO THE EASTERLY LINE OF THE 'BURROWS BAY ROAD'; THENCE NORTHERLY ALONG SAID EASTERLY LINE TO THE NORTH LINE OF SAID SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER; THENCE EAST ALONG SAID NORTH LINE TO THE TRUE POINT OF BEGINNING. B) BEGINNING AT THE SOUTHEAST CORNER OF THE SOUTH HALF OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER; THENCE NORTH 88 DEGREES 59'46" WEST ALONG THE SOUTH LINE OF SAID SUBDIVISION 30.00 FEET TO THE WEST LINE OF THE 'COPPER MINE ROAD'; AND THE TRUE POINT OF BEGINNING; THENCE CONTINUE NORTH 88 DEGREES 59'46" WEST 781.88 FEET; THENCE NORTH 2 DEGREES 11'29" EAST 669.34 FEET TO THE NORTH LINE OF SAID SUBDIVISION; THENCE SOUTH 88 DEGREES 40'23" EAST ALONG THE NORTH LINE OF SAID SUBDIVISION 760.00 FEET TO THE WEST LINE OF THE 'COPPER MINE ROAD'; THENCE SOUTH 0 DEGREES 18'59" WEST ALONG SAID ROAD A DISTANCE OF 664.96 FEET TO THE TRUE POINT OF BEGINNING. SURVEY RECORDED UNDER AF#200807220033.

2016 Values for 2017 Taxes*

Building Market Value	\$0.00
Land Market Value	+\$540,000.00
Total Market Value	\$540,000.00
Assessed Value	\$540,000.00
Taxable Value	\$540,000.00

Sale Information

Deed Type	WARRANTY DEED
Sale Date	2016-03-25
Sale Price	\$2,000,000.00

2017 Property Tax Summary

2017 Taxable Value	\$540,000.00
General Taxes	\$5,141.88
Special Assessments/Fees	
Total Taxes	\$5,141.88

* Effective date of value is January 1 of the assessment year (2016)

Legal Description at time of Assessment

*Land Use	(111) HOUSEHOLD, SFR, INSIDE CITY		WAC 458-53-030
Neighborhood	(26ANADEVA) ANACORTES RESIDENTIAL DEVELOPMENT LAND		
Levy Code	0900	Fire District	
School District	SD103	Exemptions	
Utilities	SEW,WTR-P	Acres	7.20
Improvement 1 Attributes Summary			
Building Style	SINGLE FAMILY RESIDENCE		
Year Built		Foundation	
Above Grade Living Area		Exterior Walls	
Finished Basement		Roof Covering	
*Total Living Area		Heat/Air Conditioning	
Unfinished Basement		Fireplace	
*Total Garage Area		Bedrooms	
Bathrooms			

For additional information on individual segments see Improvements tab

* Land Use codes are for assessment administration purposes and do not represent jurisdictional zoning. Please contact the appropriate planning department in your jurisdiction for land use questions.

* Total living area includes above grade living area and finished basement area.

* Garage square footage includes all garage areas; basement garages, attached garages, detached garages, etc.

Assessment data for improvements is based on exterior inspections. Please contact the Assessor's office if the information does not accurately reflect the interior characteristics.

RETURN ADDRESS:

Skagit Bank
Main Office
301 E. Fairhaven Ave
P O Box 285
Burlington, WA 98233



201605130083

Skagit County Auditor \$82.00
5/13/2016 Page 1 of 9 1:44PM



DEED%#####%#####%05-11-2016*

DEED OF TRUST

DATE: May 11, 2016

Reference # (if applicable): 155128-SA ✓

Additional on page ____

Grantor(s):

1. 48 NORTH ON FIDALGO ISLAND, LLC.

Grantee(s)

1. Skagit Bank
2. Land Title Company of Skagit County, Trustee

Land Title and Escrow

Legal Description: Ptn NE 1/4 of SE 1/4, 22-35-1 E W.M.

Additional on page ____

Assessor's Tax Parcel ID#: 350122-4-004-0000 (P31631)

THIS DEED OF TRUST is dated May 11, 2016, among 48 NORTH ON FIDALGO ISLAND, LLC., a Washington Limited Liability Company, whose address is 2018 R AVE, ANACORTES, WA 98221-0000 ("Grantor"); Skagit Bank, whose mailing address is Main Office, 301 E. Fairhaven Ave, P O Box 285, Burlington, WA 98233 (referred to below sometimes as "Lender" and sometimes as "Beneficiary"); and Land Title Company of Skagit County, whose mailing address is P O Box 445, Burlington, WA 98233 (referred to below as "Trustee").

**DEED OF TRUST
(Continued)**

Page 2

CONVEYANCE AND GRANT. For valuable consideration, Grantor conveys to Trustee in trust with power of sale, right of entry and possession and for the benefit of Lender as Beneficiary, all of Grantor's right, title, and interest in and to the following described real property, together with all existing or subsequently erected or affixed buildings, improvements and fixtures; all easements, rights of way, and appurtenances; all water, water rights and ditch rights (including stock in utilities with ditch or irrigation rights); and all other rights, royalties, and profits relating to the real property, including without limitation all minerals, oil, gas, geothermal and similar matters. **(the "Real Property")** located in Skagit County, State of Washington:

See Schedule A-1, which is attached to this Deed of Trust and made a part of this Deed of Trust as if fully set forth herein.

The Real Property or its address is commonly known as **NHN Oakes Ave (30 single family lots), Anacortes, WA 98221. The Real Property tax identification number is 350122-4-004-0000 (P31681).**

CROSS-COLLATERALIZATION. In addition to the Note, this Deed of Trust secures all obligations, debts and liabilities, plus interest thereon, of Grantor to Lender, or any one or more of them, as well as all claims by Lender against Grantor or any one or more of them, whether now existing or hereafter arising, whether related or unrelated to the purpose of the Note, whether voluntary or otherwise, whether due or not due, direct or indirect, determined or undetermined, absolute or contingent, liquidated or unliquidated, whether Grantor may be liable individually or jointly with others, whether obligated as guarantor, surety, accommodation party or otherwise, and whether recovery upon such amounts may be or hereafter may become barred by any statute of limitations, and whether the obligation to repay such amounts may be or hereafter may become otherwise unenforceable.

Grantor hereby assigns as security to Lender, all of Grantor's right, title, and interest in and to all leases, Rents, and profits of the Property. This assignment is recorded in accordance with RCW 65.08.070; the lien created by this assignment is intended to be specific, perfected and choate upon the recording of this Deed of Trust. Lender grants to Grantor a license to collect the Rents and profits, which license may be revoked at Lender's option and shall be automatically revoked upon acceleration of all or part of the indebtedness. In addition, Grantor grants to Lender a Uniform Commercial Code security interest in the Personal Property and Rents.

THIS DEED OF TRUST, INCLUDING THE ASSIGNMENT OF RENTS AND THE SECURITY INTEREST IN THE RENTS AND PERSONAL PROPERTY, IS GIVEN TO SECURE (A) PAYMENT OF THE INDEBTEDNESS AND (B) PERFORMANCE OF ANY AND ALL OBLIGATIONS UNDER THE NOTE, THE RELATED DOCUMENTS, AND THIS DEED OF TRUST. THIS DEED OF TRUST, INCLUDING THE ASSIGNMENT OF RENTS AND THE SECURITY INTEREST IN THE RENTS AND PERSONAL PROPERTY, IS ALSO GIVEN TO SECURE ANY AND ALL OF GRANTOR'S OBLIGATIONS UNDER THAT CERTAIN CONSTRUCTION LOAN AGREEMENT BETWEEN GRANTOR AND LENDER OF EVEN DATE HERewith. ANY EVENT OF DEFAULT UNDER THE CONSTRUCTION LOAN AGREEMENT, OR ANY OF THE RELATED DOCUMENTS REFERRED TO THEREIN, SHALL ALSO BE AN EVENT OF DEFAULT UNDER THIS DEED OF TRUST. THIS DEED OF TRUST IS GIVEN AND ACCEPTED ON THE FOLLOWING TERMS:

PAYMENT AND PERFORMANCE. Except as otherwise provided in this Deed of Trust, Grantor shall pay to Lender all amounts secured by this Deed of Trust as they become due, and shall strictly and in a timely manner perform all of Grantor's obligations under the Note, this Deed of Trust, and the Related Documents.

POSSESSION AND MAINTENANCE OF THE PROPERTY. Grantor agrees that Grantor's possession and use of the Property shall be governed by the following provisions:

Possession and Use. Until the occurrence of an Event of Default, Grantor may (1) remain in possession and control of the Property; (2) use, operate or manage the Property; and (3) collect the Rents from the Property (this privilege is a license from Lender to Grantor automatically revoked upon default). The following provisions relate to the use of the Property or to other limitations on the Property. The Real Property is not used principally for agricultural purposes.

Duty to Maintain. Grantor shall maintain the Property in tenable condition and promptly perform all repairs, replacements, and maintenance necessary to preserve its value.

Nuisance, Waste. Grantor shall not cause, conduct or permit any nuisance nor commit, permit, or suffer any stripping of or waste on or to the Property or any portion of the Property. Without limiting the generality of the foregoing, Grantor will not remove, or grant to any other party the right to remove, any timber, minerals (including oil and gas), coal, clay, scoria, soil, gravel or rock products without Lender's prior written consent.

Removal of Improvements. Grantor shall not demolish or remove any improvements from the Real Property without Lender's prior written consent. As a condition to the removal of any improvements, Lender may require Grantor to make arrangements satisfactory to Lender to replace such improvements with improvements of at least equal value.

Lender's Right to Enter. Lender and Lender's agents and representatives may enter upon the Real Property at all reasonable times to attend to Lender's interests and to inspect the Real Property for purposes of Grantor's compliance with the terms and conditions of this Deed of Trust.

Compliance with Governmental Requirements. Grantor shall promptly comply, and shall promptly cause compliance by all agents, tenants or other persons or entities of every nature whatsoever who rent, lease or otherwise use or occupy the Property in any manner, with all laws, ordinances, and regulations, now or hereafter in effect, of all governmental authorities applicable to the use or occupancy of the Property, including without limitation, the Americans With Disabilities Act. Grantor may contest in good faith any such law, ordinance, or regulation and withhold compliance during any proceeding, including appropriate appeals, so long as Grantor has notified Lender in writing prior to doing so and so long as, in Lender's sole opinion, Lender's interests in the Property are not jeopardized. Lender may require Grantor to post adequate security or a surety bond, reasonably satisfactory to Lender, to protect Lender's interest.

Duty to Protect. Grantor agrees neither to abandon nor leave unattended the Property. Grantor shall do all other acts, in addition to those acts set forth above in this section, which from the character and use of the Property are reasonably necessary to protect and preserve the Property.

DUE ON SALE - CONSENT BY LENDER. Lender may, at Lender's option, (A) declare immediately due and payable all sums secured by this Deed of Trust or (B) increase the interest rate provided for in the Note or other document evidencing the indebtedness and impose such other conditions as Lender deems appropriate, upon the sale or transfer, without Lender's prior written consent, of all or any part of the Real Property, or any interest in the Real Property. A "sale or transfer" means the conveyance of Real Property or any right, title or interest in the Real Property; whether

**DEED OF TRUST
(Continued)**

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legal, beneficial or equitable; whether voluntary or involuntary; whether by outright sale, deed, installment sale contract, land contract, contract for deed, leasehold interest with a term greater than three (3) years, lease-option contract, or by sale, assignment, or transfer of any beneficial interest in or to any land trust holding title to the Real Property, or by any other method of conveyance of an interest in the Real Property. If any Grantor is a corporation, partnership or limited liability company, transfer also includes any change in ownership of more than twenty-five percent (25%) of the voting stock, partnership interests or limited liability company interests, as the case may be, of such Grantor. However, this option shall not be exercised by Lender if such exercise is prohibited by federal law or by Washington law.

TAXES AND LIENS. The following provisions relating to the taxes and liens on the Property are part of this Deed of Trust:

Payment. Grantor shall pay when due (and in all events prior to delinquency) all taxes, special taxes, assessments, charges (including water and sewer), fines and impositions levied against or on account of the Property, and shall pay when due all claims for work done on or for services rendered or material furnished to the Property. Grantor shall maintain the Property free of all liens having priority over or equal to the interest of Lender under this Deed of Trust, except for the lien of taxes and assessments not due and except as otherwise provided in this Deed of Trust.

Right to Contest. Grantor may withhold payment of any tax, assessment, or claim in connection with a good faith dispute over the obligation to pay, so long as Lender's interest in the Property is not jeopardized. If a lien arises or is filed as a result of nonpayment, Grantor shall within fifteen (15) days after the lien arises or, if a lien is filed, within fifteen (15) days after Grantor has notice of the filing, secure the discharge of the lien, or if requested by Lender, deposit with Lender cash or a sufficient corporate surety bond or other security satisfactory to Lender in an amount sufficient to discharge the lien plus any costs and attorneys' fees, or other charges that could accrue as a result of a foreclosure of sale under the lien. In any contest, Grantor shall defend itself and Lender and shall satisfy any adverse judgment before enforcement against the Property. Grantor shall name Lender as an additional obligee under any surety bond furnished in the contest proceedings.

Evidence of Payment. Grantor shall upon demand furnish to Lender satisfactory evidence of payment of the taxes or assessments and shall authorize the appropriate governmental official to deliver to Lender at any time a written statement of the taxes and assessments against the Property.

Notice of Construction. Grantor shall notify Lender at least fifteen (15) days before any work is commenced, any services are furnished, or any materials are supplied to the Property, if any mechanic's lien, materialman's lien, or other lien could be asserted on account of the work, services, or materials. Grantor will upon request of Lender furnish to Lender advance assurances satisfactory to Lender that Grantor can and will pay the cost of such improvements.

PROPERTY DAMAGE INSURANCE. The following provisions relating to insuring the Property are a part of this Deed of Trust.

Maintenance of Insurance. Grantor shall procure and maintain policies of fire insurance with standard extended coverage endorsements on a fair value basis for the full insurable value covering all improvements on the Real Property in an amount sufficient to avoid application of any coinsurance clause, and with a standard mortgagee clause in favor of Lender. Grantor shall also procure and maintain comprehensive general liability insurance in such coverage amounts as Lender may request with Trustee and Lender being named as additional insureds in such liability insurance policies. Additionally, Grantor shall maintain such other insurance, including but not limited to hazard, business interruption, and boiler insurance, as Lender may reasonably require. Policies shall be written in form, amounts, coverages and basis reasonably acceptable to Lender and issued by a company or companies reasonably acceptable to Lender. Grantor, upon request of Lender, will deliver to Lender from time to time the policies or certificates of insurance in form satisfactory to Lender, including stipulations that coverages will not be cancelled or diminished without at least thirty (30) days prior written notice to Lender. Each insurance policy also shall include an endorsement providing that coverage in favor of Lender will not be impaired in any way by any act, omission or default of Grantor or any other person. Should the Real Property be located in an area designated by the Administrator of the Federal Emergency Management Agency as a special flood hazard area, Grantor agrees to obtain and maintain Federal Flood Insurance, if available, within 45 days after notice is given by Lender that the Property is located in a special flood hazard area, for the full unpaid principal balance of the loan and any prior liens on the property securing the loan, up to the maximum policy limits set under the National Flood Insurance Program, or as otherwise required by Lender, and to maintain such insurance for the term of the loan.

Application of Proceeds. Grantor shall promptly notify Lender of any loss or damage to the Property. Lender may make proof of loss if Grantor fails to do so within fifteen (15) days of the casualty. Whether or not Lender's security is impaired, Lender may, at Lender's election, receive and retain the proceeds of any insurance and apply the proceeds to the reduction of the indebtedness, payment of any lien affecting the Property, or the restoration and repair of the Property. If Lender elects to apply the proceeds to restoration and repair, Grantor shall repair or replace the damaged or destroyed improvements in a manner satisfactory to Lender. Lender shall, upon satisfactory proof of such expenditure, pay or reimburse Grantor from the proceeds for the reasonable cost of repair or restoration if Grantor is not in default under this Deed of Trust. Any proceeds which have not been disbursed within 180 days after their receipt and which Lender has not committed to the repair or restoration of the Property shall be used first to pay any amount owing to Lender under this Deed of Trust, then to pay accrued interest, and the remainder, if any, shall be applied to the principal balance of the indebtedness. If Lender holds any proceeds after payment in full of the indebtedness, such proceeds shall be paid without interest to Grantor as Grantor's interests may appear.

Grantor's Report on Insurance. Upon request of Lender, however not more than once a year, Grantor shall furnish to Lender a report on each existing policy of insurance showing: (1) the name of the insurer; (2) the risks insured; (3) the amount of the policy; (4) the property insured, the then current replacement value of such property, and the manner of determining that value; and (5) the expiration date of the policy. Grantor shall, upon request of Lender, have an independent appraiser satisfactory to Lender determine the cash value replacement cost of the Property.

LENDER'S EXPENDITURES. If any action or proceeding is commenced that would materially affect Lender's interest in the Property or if Grantor fails to comply with any provision of this Deed of Trust or any Related Documents, including but not limited to Grantor's failure to discharge or pay when due any amounts Grantor is required to discharge or pay under this Deed of Trust or any Related Documents, Lender on Grantor's behalf may (but shall not be obligated to) take any action that Lender deems appropriate, including but not limited to discharging or paying all taxes, liens, security interests, encumbrances and other claims, at any time levied or placed on the Property and paying all costs for insuring, maintaining and preserving the Property. All such expenditures incurred or paid by Lender for such purposes will then bear interest at the rate charged under the Note from the date incurred or paid by Lender to the date of repayment by Grantor. All such expenses will become a part of the indebtedness and, at Lender's option, will (A) be payable on demand; (B) be added to the balance of the Note and be apportioned among and be payable with any installment payments to become due during either (1) the term of any applicable insurance policy; or (2) the remaining term of

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the Note or (C) be treated as a balloon payment which will be due and payable at the Note's maturity. The Deed of Trust also will secure payment of these amounts. Such right shall be in addition to all other rights and remedies to which Lender may be entitled upon Default.

WARRANTY; DEFENSE OF TITLE. The following provisions relating to ownership of the Property are a part of this Deed of Trust:

Title. Grantor warrants that: (a) Grantor holds good and marketable title of record to the Property in fee simple, free and clear of all liens and encumbrances other than those set forth in the Real Property description or in any title insurance policy, title report, or final title opinion issued in favor of, and accepted by, Lender in connection with this Deed of Trust, and (b) Grantor has the full right, power, and authority to execute and deliver this Deed of Trust to Lender.

Defense of Title. Subject to the exception in the paragraph above, Grantor warrants and will forever defend the title to the Property against the lawful claims of all persons. In the event any action or proceeding is commenced that questions Grantor's title or the interest of Trustee or Lender under this Deed of Trust, Grantor shall defend the action at Grantor's expense. Grantor may be the nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of Lender's own choice, and Grantor will deliver, or cause to be delivered, to Lender such instruments as Lender may request from time to time to permit such participation.

Compliance With Laws. Grantor warrants that the Property and Grantor's use of the Property complies with all existing applicable laws, ordinances, and regulations of governmental authorities.

Survival of Representations and Warranties. All representations, warranties, and agreements made by Grantor in this Deed of Trust shall survive the execution and delivery of this Deed of Trust, shall be continuing in nature, and shall remain in full force and effect until such time as Grantor's indebtedness shall be paid in full.

CONDEMNATION. The following provisions relating to condemnation proceedings are a part of this Deed of Trust:

Proceedings. If any proceeding in condemnation is filed, Grantor shall promptly notify Lender in writing, and Grantor shall promptly take such steps as may be necessary to defend the action and obtain the award. Grantor may be the nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of its own choice all at Grantor's expense, and Grantor will deliver or cause to be delivered to Lender such instruments and documentation as may be requested by Lender from time to time to permit such participation.

Application of Net Proceeds. If all or any part of the Property is condemned by eminent domain proceedings or by any proceeding or purchase in lieu of condemnation, Lender may at its election require that all or any portion of the net proceeds of the award be applied to the indebtedness or the repair or restoration of the Property. The net proceeds of the award shall mean the award after payment of all reasonable costs, expenses, and attorneys' fees incurred by Trustee or Lender in connection with the condemnation.

IMPOSITION OF TAXES, FEES AND CHARGES BY GOVERNMENTAL AUTHORITIES. The following provisions relating to governmental taxes, fees and charges are a part of this Deed of Trust:

Current Taxes, Fees and Charges. Upon request by Lender, Grantor shall execute such documents in addition to this Deed of Trust and take whatever other action is requested by Lender to perfect and continue Lender's lien on the Real Property. Grantor shall reimburse Lender for all taxes, as described below, together with all expenses incurred in recording, perfecting or continuing this Deed of Trust, including without limitation all taxes, fees, documentary stamps, and other charges for recording or registering this Deed of Trust.

Taxes. The following shall constitute taxes to which this section applies: (1) a specific tax upon this type of Deed of Trust or upon all or any part of the indebtedness secured by this Deed of Trust; (2) a specific tax on Grantor which Grantor is authorized or required to deduct from payments on the indebtedness secured by this type of Deed of Trust; (3) a tax on this type of Deed of Trust chargeable against the Lender or the holder of the Note; and (4) a specific tax on all or any portion of the indebtedness or on payments of principal and interest made by Grantor.

Subsequent Taxes. If any tax to which this section applies is enacted subsequent to the date of this Deed of Trust, this event shall have the same effect as an Event of Default, and Lender may exercise any or all of its available remedies for an Event of Default as provided below unless Grantor either (1) pays the tax before it becomes delinquent, or (2) contests the tax as provided above in the Taxes and Liens section and deposits with Lender cash or a sufficient corporate surety bond or other security satisfactory to Lender.

SECURITY AGREEMENT; FINANCING STATEMENTS. The following provisions relating to this Deed of Trust as a security agreement are a part of this Deed of Trust:

Security Agreement. This instrument shall constitute a Security Agreement to the extent any of the Property constitutes fixtures, and Lender shall have all of the rights of a secured party under the Uniform Commercial Code as amended from time to time.

Security Interest. Upon request by Lender, Grantor shall take whatever action is requested by Lender to perfect and continue Lender's security interest in the Rents and Personal Property. In addition to recording this Deed of Trust in the real property records, Lender may, at any time and without further authorization from Grantor, file executed counterparts, copies or reproductions of this Deed of Trust as a financing statement. Grantor shall reimburse Lender for all expenses incurred in perfecting or continuing this security interest. Upon default, Grantor shall not remove, sever or detach the Personal Property from the Property. Upon default, Grantor shall assemble any Personal Property not affixed to the Property in a manner and at a place reasonably convenient to Grantor and Lender and make it available to Lender within three (3) days after receipt of written demand from Lender to the extent permitted by applicable law.

Addressees. The mailing addresses of Grantor (debtor) and Lender (secured party) from which information concerning the security interest granted by this Deed of Trust may be obtained (each as required by the Uniform Commercial Code) are as stated on the first page of this Deed of Trust.

FURTHER ASSURANCES; ATTORNEY-IN-FACT. The following provisions relating to further assurances and attorney-in-fact are a part of this Deed of Trust:

Further Assurances. At any time, and from time to time, upon request of Lender, Grantor will make, execute and deliver, or will cause to be made, executed or delivered, to Lender or to Lender's designee, and when requested by Lender, cause to be filed, recorded, refiled, or rerecorded, as the case may be, at such times and in such offices and places as Lender may deem appropriate, any and all such mortgages, deeds of trust, security deeds, security agreements, financing statements, continuation statements, instruments of further assurance, certificates, and other documents as may, in the sole opinion of Lender, be necessary or desirable in order to effectuate, complete, perfect, continue, or preserve (1) Grantor's obligations under the Note, this Deed of Trust, and the Related

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Documents, and (2) the liens and security interests created by this Deed of Trust as first and prior liens on the Property, whether now owned or hereafter acquired by Grantor. Unless prohibited by law or Lender agrees to the contrary in writing, Grantor shall reimburse Lender for all costs and expenses incurred in connection with the matters referred to in this paragraph.

Attorney-in-Fact. If Grantor fails to do any of the things referred to in the preceding paragraph, Lender may do so for and in the name of Grantor and at Grantor's expense. For such purposes, Grantor hereby irrevocably appoints Lender as Grantor's attorney-in-fact for the purpose of making, executing, delivering, filing, recording, and doing all other things as may be necessary or desirable, in Lender's sole opinion, to accomplish the matters referred to in the preceding paragraph.

FULL PERFORMANCE. If Grantor pays all the Indebtedness when due, and otherwise performs all the obligations imposed upon Grantor under this Deed of Trust, Lender shall execute and deliver to Trustee a request for full reconveyance and shall execute and deliver to Grantor suitable statements of termination of any financing statement on file evidencing Lender's security interest in the Rents and the Personal Property. Any reconveyance fee shall be paid by Grantor, if permitted by applicable law. The grantee in any reconveyance may be described as the "person or persons legally entitled thereto", and the recitals in the reconveyance of any matters or facts shall be conclusive proof of the truthfulness of any such matters or facts.

EVENTS OF DEFAULT. Each of the following, at Lender's option, shall constitute an Event of Default under this Deed of Trust:

Payment Default. Grantor fails to make any payment when due under the Indebtedness.

Other Defaults. Grantor fails to comply with or to perform any other term, obligation, covenant or condition contained in this Deed of Trust or in any of the Related Documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Grantor.

Compliance Default. Failure to comply with any other term, obligation, covenant or condition contained in this Deed of Trust, the Note or in any of the Related Documents.

Default on Other Payments. Failure of Grantor within the time required by this Deed of Trust to make any payment for taxes or insurance, or any other payment necessary to prevent filing of or to effect discharge of any lien.

False Statements. Any warranty, representation or statement made or furnished to Lender by Grantor or on Grantor's behalf under this Deed of Trust or the Related Documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

Defective Collateralization. This Deed of Trust or any of the Related Documents ceases to be in full force and effect (including failure of any collateral document to create a valid and perfected security interest or lien) at any time and for any reason.

Death or Insolvency. The dissolution of Grantor's (regardless of whether election to continue is made), any member withdraws from the limited liability company, or any other termination of Grantor's existence as a going business or the death of any member, the insolvency of Grantor, the appointment of a receiver for any part of Grantor's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Grantor.

Creditor or Forfeiture Proceedings. Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Grantor or by any governmental agency against any property securing the Indebtedness. This includes a garnishment of any of Grantor's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Grantor as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Grantor gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

Breach of Other Agreement. Any breach by Grantor under the terms of any other agreement between Grantor and Lender that is not remedied within any grace period provided therein, including without limitation any agreement concerning any indebtedness or other obligation of Grantor to Lender, whether existing now or later.

Events Affecting Guarantor. Any of the preceding events occurs with respect to any Guarantor of any of the Indebtedness or any Guarantor dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any Guaranty of the Indebtedness.

Adverse Change. A material adverse change occurs in Grantor's financial condition, or Lender believes the prospect of payment or performance of the Indebtedness is impaired.

Insecurity. Lender in good faith believes itself insecure.

RIGHTS AND REMEDIES ON DEFAULT. If an Event of Default occurs under this Deed of Trust, at any time thereafter, Trustee or Lender may exercise any one or more of the following rights and remedies:

Election of Remedies. Election by Lender to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of Grantor under this Deed of Trust, after Grantor's failure to perform, shall not affect Lender's right to declare a default and exercise its remedies.

Accelerate Indebtedness. Lender shall have the right at its option to declare the entire Indebtedness immediately due and payable, including any prepayment penalty which Grantor would be required to pay.

Foreclosure. With respect to all or any part of the Real Property, the Trustee shall have the right to exercise its power of sale and to foreclose by notice and sale, and Lender shall have the right to foreclose by judicial foreclosure, in either case in accordance with and to the full extent provided by applicable law.

UCC Remedies. With respect to all or any part of the Personal Property, Lender shall have all the rights and remedies of a secured party under the Uniform Commercial Code.

Collect Rents. Lender shall have the right, without notice to Grantor to take possession of and manage the Property and collect the Rents, including amounts past due and unpaid, and apply the net proceeds, over and above Lender's costs, against the Indebtedness. In furtherance of this right, Lender may require any tenant or other user of the Property to make payments of rent or use fees directly to Lender. If the Rents are collected by Lender, then Grantor irrevocably designates Lender as Grantor's attorney-in-fact to endorse instruments received in payment thereof in the name of Grantor and to negotiate the same and collect the proceeds. Payments by tenants or other users to Lender in response to Lender's demand shall satisfy the obligations for which the payments are made, whether or not any proper grounds for the demand existed. Lender may exercise its rights under this subparagraph either in person, by agent, or through a receiver.

Appoint Receiver. Lender shall have the right to have a receiver appointed to take possession of all or any part of

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the Property, with the power to protect and preserve the Property, to operate the Property preceding or pending foreclosure or sale, and to collect the Rents from the Property and apply the proceeds, over and above the cost of the receivership, against the Indebtedness. The receiver may serve without bond if permitted by law. Lender's right to the appointment of a receiver shall exist whether or not the apparent value of the Property exceeds the Indebtedness by a substantial amount. Employment by Lender shall not disqualify a person from serving as a receiver.

Tenancy at Sufferance. If Grantor remains in possession of the Property after the Property is sold as provided above or Lender otherwise becomes entitled to possession of the Property upon default of Grantor, Grantor shall become a tenant at sufferance of Lender or the purchaser of the Property and shall, at Lender's option, either (1) pay a reasonable rental for the use of the Property, or (2) vacate the Property immediately upon the demand of Lender.

Other Remedies. Trustee or Lender shall have any other right or remedy provided in this Deed of Trust or the Note or available at law or in equity.

Notice of Sale. Lender shall give Grantor reasonable notice of the time and place of any public sale of the Personal Property or of the time after which any private sale or other intended disposition of the Personal Property is to be made. Reasonable notice shall mean notice given at least ten (10) days before the time of the sale or disposition. Any sale of the Personal Property may be made in conjunction with any sale of the Real Property.

Sale of the Property. To the extent permitted by applicable law, Grantor hereby waives any and all rights to have the Property marshalled. In exercising its rights and remedies, the Trustee or Lender shall be free to sell all or any part of the Property together or separately, in one sale or by separate sales. Lender shall be entitled to bid at any public sale on all or any portion of the Property.

Attorneys' Fees; Expenses. If Lender institutes any suit or action to enforce any of the terms of this Deed of Trust, Lender shall be entitled to recover such sum as the court may adjudge reasonable as attorneys' fees at trial and upon any appeal. Whether or not any court action is involved, and to the extent not prohibited by law, all reasonable expenses Lender incurs that in Lender's opinion are necessary at any time for the protection of its interest or the enforcement of its rights shall become a part of the Indebtedness payable on demand and shall bear interest at the Note rate from the date of the expenditure until repaid. Expenses covered by this paragraph include, without limitation, however subject to any limits under applicable law, Lender's attorneys' fees and Lender's legal expenses, whether or not there is a lawsuit, including attorneys' fees and expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services, the cost of searching records, obtaining title reports (including foreclosure reports), surveyors' reports, and appraisal fees, title insurance, and fees for the Trustee, to the extent permitted by applicable law. Grantor also will pay any court costs, in addition to all other sums provided by law.

Rights of Trustee. Trustee shall have all of the rights and duties of Lender as set forth in this section.

POWERS AND OBLIGATIONS OF TRUSTEE. The following provisions relating to the powers and obligations of Trustee (pursuant to Lender's Instructions) are part of this Deed of Trust:

Powers of Trustee. In addition to all powers of Trustee arising as a matter of law, Trustee shall have the power to take the following actions with respect to the Property upon the written request of Lender and Grantor: (a) join in preparing and filing a map or plat of the Real Property, including the dedication of streets or other rights to the public; (b) join in granting any easement or creating any restriction on the Real Property; and (c) join in any subordination or other agreement affecting this Deed of Trust or the interest of Lender under this Deed of Trust.

Obligations to Notify. Trustee shall not be obligated to notify any other party of a pending sale under any other trust deed or lien, or of any action or proceeding in which Grantor, Lender, or Trustee shall be a party, unless required by applicable law, or unless the action or proceeding is brought by Trustee.

Trustee. Trustee shall meet all qualifications required for Trustee under applicable law. In addition to the rights and remedies set forth above, with respect to all or any part of the Property, the Trustee shall have the right to foreclose by notice and sale, and Lender shall have the right to foreclose by judicial foreclosure, in either case in accordance with and to the full extent provided by applicable law.

Successor Trustee. Lender, at Lender's option, may from time to time appoint a successor Trustee to any Trustee appointed under this Deed of Trust by an instrument executed and acknowledged by Lender and recorded in the office of the recorder of Skagit County, State of Washington. The instrument shall contain, in addition to all other matters required by state law, the names of the original Lender, Trustee, and Grantor, the book and page or the Auditor's File Number where this Deed of Trust is recorded, and the name and address of the successor Trustee, and the instrument shall be executed and acknowledged by Lender or its successors in interest. The successor trustee, without conveyance of the Property, shall succeed to all the title, power, and duties conferred upon the Trustee in this Deed of Trust and by applicable law. This procedure for substitution of Trustee shall govern to the exclusion of all other provisions for substitution.

NOTICES. Subject to applicable law, and except for notice required or allowed by law to be given in another manner, any notice required to be given under this Deed of Trust, including without limitation any notice of default and any notice of sale shall be given in writing, and shall be effective when actually delivered, when actually received by telefacsimile (unless otherwise required by law), when deposited with a nationally recognized overnight courier, or, if mailed, when deposited in the United States mail, as first class, certified or registered mail postage prepaid, directed to the addresses shown near the beginning of this Deed of Trust. All copies of notices of foreclosure from the holder of any lien which has priority over this Deed of Trust shall be sent to Lender's address, as shown near the beginning of this Deed of Trust. Any party may change its address for notices under this Deed of Trust by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. For notice purposes, Grantor agrees to keep Lender informed at all times of Grantor's current address. Subject to applicable law, and except for notice required or allowed by law to be given in another manner, if there is more than one Grantor, any notice given by Lender to any Grantor is deemed to be notice given to all Grantors.

MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Deed of Trust:

Amendments. This Deed of Trust, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Deed of Trust. No alteration of or amendment to this Deed of Trust shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

Annual Reports. If the Property is used for purposes other than Grantor's residence, Grantor shall furnish to Lender, upon request, a certified statement of net operating income received from the Property during Grantor's previous fiscal year in such form and detail as Lender shall require. "Net operating income" shall mean all cash receipts from the Property less all cash expenditures made in connection with the operation of the Property.

Caption Headings. Caption headings in this Deed of Trust are for convenience purposes only and are not to be

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used to interpret or define the provisions of this Deed of Trust.

Merger. There shall be no merger of the interest or estate created by this Deed of Trust with any other interest or estate in the Property at any time held by or for the benefit of Lender in any capacity, without the written consent of Lender.

Governing Law. This Deed of Trust will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Washington without regard to its conflicts of law provisions. This Deed of Trust has been accepted by Lender in the State of Washington.

No Waiver by Lender. Lender shall not be deemed to have waived any rights under this Deed of Trust unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Deed of Trust shall not prejudice or constitute a waiver of Lender's right otherwise to demand strict compliance with that provision or any other provision of this Deed of Trust. No prior waiver by Lender, nor any course of dealing between Lender and Grantor, shall constitute a waiver of any of Lender's rights or of any of Grantor's obligations as to any future transactions. Whenever the consent of Lender is required under this Deed of Trust, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of Lender.

Severability. If a court of competent jurisdiction finds any provision of this Deed of Trust to be illegal, invalid, or unenforceable as to any circumstance, that finding shall not make the offending provision illegal, invalid, or unenforceable as to any other circumstance. If feasible, the offending provision shall be considered modified so that it becomes legal, valid and enforceable. If the offending provision cannot be so modified, it shall be considered deleted from this Deed of Trust. Unless otherwise required by law, the illegality, invalidity, or unenforceability of any provision of this Deed of Trust shall not affect the legality, validity or enforceability of any other provision of this Deed of Trust.

Successors and Assigns. Subject to any limitations stated in this Deed of Trust on transfer of Grantor's interest, this Deed of Trust shall be binding upon and inure to the benefit of the parties, their successors and assigns. If ownership of the Property becomes vested in a person other than Grantor, Lender, without notice to Grantor, may deal with Grantor's successors with reference to this Deed of Trust and the indebtedness by way of forbearance or extension without releasing Grantor from the obligations of this Deed of Trust or liability under the indebtedness.

Time is of the Essence. Time is of the essence in the performance of this Deed of Trust.

Waiver of Homestead Exemption. Grantor hereby releases and waives all rights and benefits of the homestead exemption laws of the State of Washington as to all indebtedness secured by this Deed of Trust.

DEFINITIONS. The following capitalized words and terms shall have the following meanings when used in this Deed of Trust. Unless specifically stated to the contrary, all references to dollar amounts shall mean amounts in lawful money of the United States of America. Words and terms used in the singular shall include the plural, and the plural shall include the singular, as the context may require. Words and terms not otherwise defined in this Deed of Trust shall have the meanings attributed to such terms in the Uniform Commercial Code:

Beneficiary. The word "Beneficiary" means Skagit Bank, and its successors and assigns.

Borrower. The word "Borrower" means 48 NORTH ON FIDALGO ISLAND, LLC, and includes all co-signers and co-makers signing the Note and all their successors and assigns.

Deed of Trust. The words "Deed of Trust" mean this Deed of Trust among Grantor, Lender, and Trustee, and includes without limitation all assignment and security interest provisions relating to the Personal Property and Rents.

Default. The word "Default" means the Default set forth in this Deed of Trust in the section titled "Default".

Event of Default. The words "Event of Default" mean any of the events of default set forth in this Deed of Trust in the events of default section of this Deed of Trust.

Grantor. The word "Grantor" means 48 NORTH ON FIDALGO ISLAND, LLC.

Guarantor. The word "Guarantor" means any guarantor, surety, or accommodation party of any or all of the Indebtedness.

Guaranty. The word "Guaranty" means the guaranty from Guarantor to Lender, including without limitation a guaranty of all or part of the Note.

Improvements. The word "Improvements" means all existing and future improvements, buildings, structures, mobile homes affixed on the Real Property, facilities, additions, replacements and other construction on the Real Property.

Indebtedness. The word "Indebtedness" means all principal, interest, and other amounts, costs and expenses payable under the Note or Related Documents, together with all renewals of, extensions of, modifications of, consolidations of and substitutions for the Note or Related Documents and any amounts expended or advanced by Lender to discharge Grantor's obligations or expenses incurred by Trustee or Lender to enforce Grantor's obligations under this Deed of Trust, together with interest on such amounts as provided in this Deed of Trust. Specifically, without limitation, Indebtedness includes all amounts that may be indirectly secured by the Cross-Collateralization provision of this Deed of Trust.

Lender. The word "Lender" means Skagit Bank, its successors and assigns.

Note. The word "Note" means the promissory note dated May 11, 2016, in the original principal amount of **\$2,362,500.00** from Grantor to Lender, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the promissory note or agreement. **NOTICE TO GRANTOR: THE NOTE CONTAINS A VARIABLE INTEREST RATE.**

Personal Property. The words "Personal Property" mean all equipment, fixtures, and other articles of personal property now or hereafter owned by Grantor, and now or hereafter attached or affixed to the Real Property, together with all accessions, parts, and additions to, all replacements of, and all substitutions for, any of such property; and together with all issues and profits thereon and proceeds (including without limitation all insurance proceeds and refunds of premiums) from any sale or other disposition of the Property.

Property. The word "Property" means collectively the Real Property and the Personal Property.

Real Property. The words "Real Property" mean the real property, interests and rights, as further described in this Deed of Trust.

Related Documents. The words "Related Documents" mean all promissory notes, credit agreements, loan agreements, security agreements, mortgages, deeds of trust, security deeds, collateral mortgages, and all other

DEED OF TRUST
(Continued)

Page 8

instruments, agreements and documents, whether now or hereafter existing, executed in connection with the indebtedness; provided, that guaranties and environmental indemnity agreements are not "Related Documents" and are not secured by this Deed of Trust.

Rents. The word "Rents" means all present and future rents, revenues, income, issues, royalties, profits, and other benefits derived from the Property.

Trustee. The word "Trustee" means Land Title Company of Skagit County, whose mailing address is P O Box 445, Burlington, WA 98233 and any substitute or successor trustees.

GRANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS DEED OF TRUST, AND GRANTOR AGREES TO ITS TERMS.

GRANTOR:

48 NORTH ON FIDALGO ISLAND, LLC.

STRANDBERG INVESTMENTS, LLC, Member of 48 NORTH ON FIDALGO ISLAND, LLC.

By: NELS G STRANDBERG, Member of STRANDBERG INVESTMENTS, LLC.



LIMITED LIABILITY COMPANY ACKNOWLEDGMENT

STATE OF Washington)
COUNTY OF Skagit) SS
)

On this 12th day of May, 20 16, before me, the undersigned Notary Public, personally appeared NELS G STRANDBERG, Member of STRANDBERG INVESTMENTS, LLC, Member of 48 NORTH ON FIDALGO ISLAND, LLC., and personally known to me or proved to me on the basis of satisfactory evidence to be a member or designated agent of the limited liability company that executed the Deed of Trust and acknowledged the Deed of Trust to be the free and voluntary act and deed of the limited liability company, by authority of statute, its articles of organization or its operating agreement, for the uses and purposes therein mentioned, and on oath stated that he or she is authorized to execute this Deed of Trust and in fact executed the Deed of Trust on behalf of the limited liability company.

By Laura L. Iles
Notary Public in and for the State of WA

Residing at Anacortes
My commission expires 2-17-19

REQUEST FOR FULL RECONVEYANCE

To: _____, Trustee

The undersigned is the legal owner and holder of all indebtedness secured by this Deed of Trust. You are hereby requested, upon payment of all sums owing to you, to reconvey without warranty, to the persons entitled thereto, the right, title and interest now held by you under the Deed of Trust.

Date: _____

Beneficiary: _____
By: _____
Its: _____

DESCRIPTION:

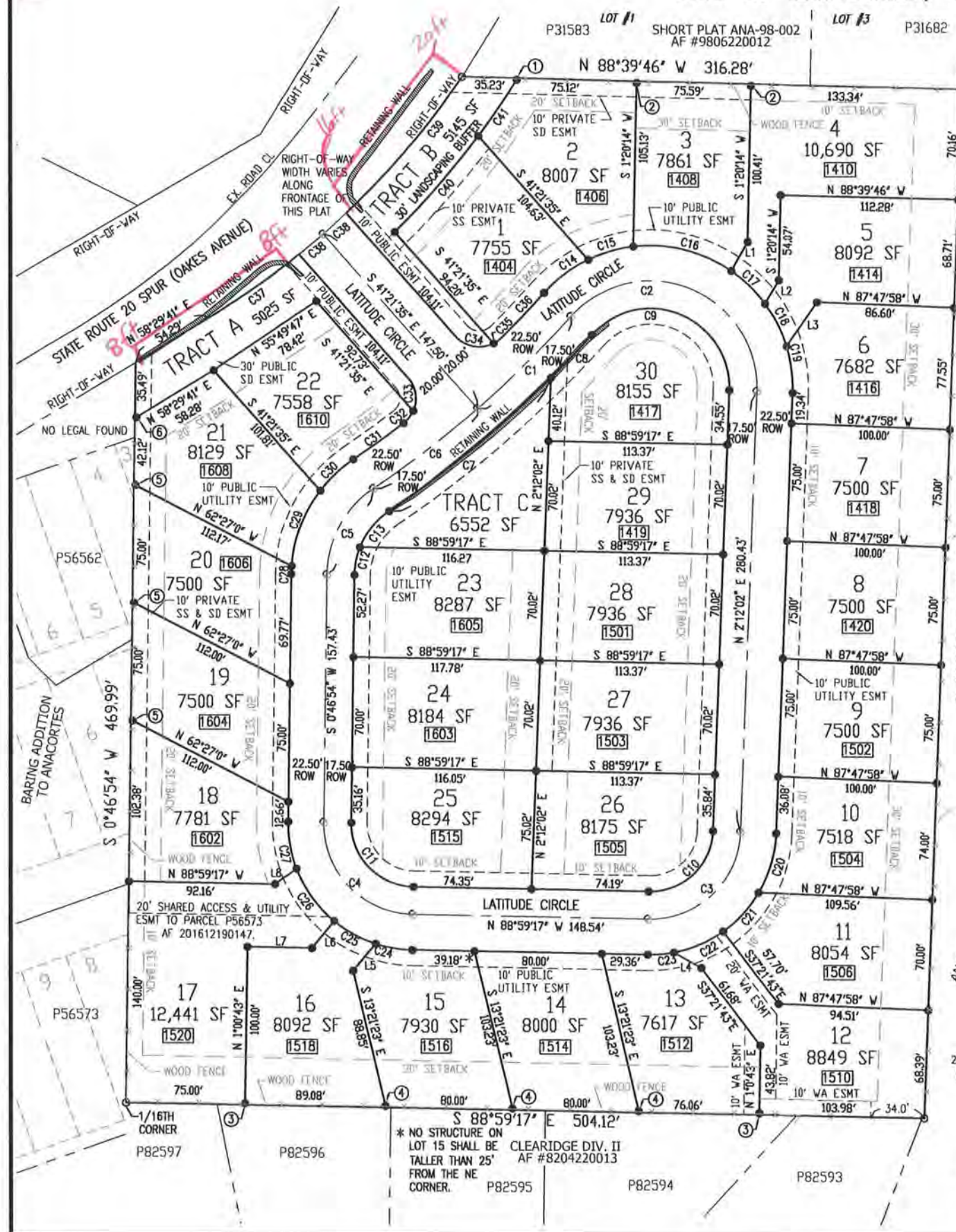
That portion of the South $\frac{1}{2}$ of the Northeast $\frac{1}{4}$ of the Southeast $\frac{1}{4}$ of Section 22, Township 35 North, Range 1 East, W.M., lying Southeasterly of the "BURROWS BAY ROAD", EXCEPT the "COPPER MINE ROAD" along the East line thereof, AND EXCEPT the following described tracts:

- a.) Beginning at the Southeast corner of the South $\frac{1}{2}$ of the Northeast $\frac{1}{4}$ of the Southeast $\frac{1}{4}$ of said Section; thence North $88^{\circ}59'46''$ West along the South line of said South $\frac{1}{2}$ of the Northeast $\frac{1}{4}$ of the Southeast $\frac{1}{4}$, 30.00 feet to the West line of the "COPPER MINE ROAD"; thence continue North $88^{\circ}59'46''$ West 781.88 feet; thence North $2^{\circ}11'29''$ East 669.34 feet to the North line of the Southwest $\frac{1}{4}$ of the Northeast $\frac{1}{4}$ of the Southeast $\frac{1}{4}$ and the true point of beginning of this description, said point being the Northwest corner of that certain tract conveyed to the Port of Anacortes, a municipal corporation, by deed recorded July 22, 1968, under Auditor's File No. 716164; thence from said true point of beginning run South $2^{\circ}11'29''$ West along the West line of said Port of Anacortes tract, a distance of 15 feet; thence West parallel with the North line of said Southwest $\frac{1}{4}$ of the Northeast $\frac{1}{4}$ of the Southeast $\frac{1}{4}$ to the Easterly line of the "BURROWS BAY ROAD"; thence Northerly along said Easterly line to the North line of said Southwest $\frac{1}{4}$ of the Northeast $\frac{1}{4}$ of the Southeast $\frac{1}{4}$; thence East along said North line to the true point of beginning.
- b.) Beginning at the Southeast corner of the South $\frac{1}{2}$ of the Northeast $\frac{1}{4}$ of the Southeast $\frac{1}{4}$; thence North $88^{\circ}59'46''$ West along the South line of said subdivision 30.00 feet to the West line of the "COPPER MINE ROAD", and the true point of beginning; thence continue North $88^{\circ}59'46''$ West 781.88 feet; thence North $2^{\circ}11'29''$ East 669.34 feet to the North line of said subdivision; thence South $88^{\circ}40'23''$ East along the North line of said subdivision 760.00 feet to the West line of the "COPPER MINE ROAD"; thence South $0^{\circ}18'59''$ West along said road a distance of 664.96 feet to the true point of beginning.

Situate in the City of Anacortes, County of Skagit, State of Washington.

* 48 North retaining wall
approximate measured

48 NORTH PLAT & PUD
SECTION 22, TOWNSHIP 35 NORTH, RANGE 1 EAST, W.M.
CITY OF ANACORTES, WASHINGTON



CURVE TABLE

NUMBER	RADIUS	ARC LENGTH	DELTA ANGLE	NUMBER	RADIUS	ARC LENGTH	DELTA ANGLE
C1	670.00'	83.10'	7°06'23"	C27	80.00'	30.43'	21°47'32"
C2	67.50'	165.72'	140°40'00"	C28	90.00'	5.15'	3°16'54"
C3	57.50'	89.13'	88°48'41"	C29	90.00'	52.06'	33°08'26"
C4	57.50'	90.09'	89°46'11"	C30	90.00'	29.15'	18°33'35"
C5	67.50'	64.77'	54°58'55"	C31	647.50'	39.20'	3°28'07"
C6	670.00'	83.10'	7°07'24"	C32	20.00'	10.06'	28°48'20"
C7	687.50'	133.07'	11°05'24"	C33	20.00'	22.64'	64°50'58"
C8	687.50'	37.68'	3°08'24"	C34	20.00'	26.36'	75°31'21"
C9	50.00'	122.76'	140°40'00"	C35	20.00'	6.33'	18°07'56"
C10	40.00'	62.00'	88°48'41"	C36	647.50'	39.01'	3°27'06"
C11	40.00'	62.67'	89°46'11"	C37	522.50'	69.86'	7°39'39"
C12	50.00'	18.11'	20°45'08"	C38	522.50'	20.00'	2°11'35"
C13	50.00'	29.87'	34°13'48"	C39	522.50'	125.40'	13°00'15"
C14	90.00'	35.21'	22°24'53"	C40	552.50'	80.82'	8°22'54"
C15	90.00'	30.00'	19°06'00"	C41	552.50'	44.58'	4°37'21"
C16	90.00'	65.57'	41°44'31"				
C17	90.00'	30.00'	19°06'00"				
C18	90.00'	30.16'	19°12'00"				
C19	90.00'	30.02'	19°06'36"				
C20	80.00'	39.50'	28°17'27"				
C21	80.00'	33.75'	24°10'07"				
C22	80.00'	34.21'	24°30'00"				
C23	80.00'	16.55'	11°51'16"				
C24	80.00'	23.74'	17°00'00"				
C25	80.00'	30.02'	21°30'00"				
C26	80.00'	41.16'	29°28'39"				

LINE TABLE

NUMBER	BEARING	DISTANCE
L1	N 29°29'13" E	21.20'
L2	N 29°29'13" E	17.30'
L3	N 34°46'17" E	34.11'
L4	N 60°33'11" W	20.02'
L5	N 39°30'43" E	22.27'
L6	N 39°30'43" E	22.22'
L7	S 88°59'17" E	40.64'
L8	S 54°30'43" W	16.82'

NOTES

1. SET CONCRETE MON WITH BRASS CAP IN CASE WITH COVER.
2. SET RE-BAR AND RED CAP PLS. #27817.
3. FOUND EXISTING REBAR AND CAP MARKED PLS #9569 OR AS NOTED. VISITED 1-4-2017.
4. EQUIPMENT USED: CARLSON CR2 2" TOTAL STATION.
5. ALL CONCRETE MONUMENTS WERE VISITED ON 2-1-2017.
6. ERROR OF CLOSURE MEETS WASHINGTON STATE SURVEY STANDARDS.
7. SURVEY METHOD: STANDARD FIELD TRAVERSE.
8. BASIS OF BEARINGS: Record of Survey, AF 200807220033.
9. ADDRESSES SHOWN ON PLAT.
10. SEE SHEET 3, PUD AND PLAT CONDITIONS #2 FOR BUILDING SETBACK REQUIREMENTS.

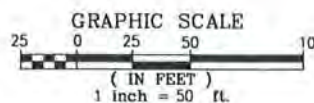
OFFSET PROPERTY CORNER NOTES

1. REBAR & CAP SET 1.00' S 32°20'58" W OF TRUE CORNER DUE TO FENCE.
2. REBAR & CAP SET 1.00' S 1°20'14" W OF TRUE CORNER DUE TO FENCE.
3. REBAR & CAP SET 1.00' N 1°04'43" E OF TRUE CORNER DUE TO FENCE.
4. REBAR & CAP SET 1.00' N 13°21'22" W OF TRUE CORNER DUE TO FENCE.
5. REBAR & CAP SET 1.00' S 62°27'00" E OF TRUE CORNER DUE TO FENCE.
6. REBAR & CAP SET 1.00' N 58°29'41" E OF TRUE CORNER DUE TO FENCE.



OWNER/DEVELOPER
48 NORTH ON FIDALGO ISLAND LLC
PO BOX 319
ANACORTES, WA 98221

LAND SURVEYOR
DALE HERRIGSTAD PLS
4320 WHISTLE LAKE ROAD
ANACORTES, WA 98221



PUD-2015-0003

PW #16-005-DEV

DWN BY: DKH
DATE: JAN 2017

HERRIGSTAD ENGINEERING & SURVEYING
4320 Whistle Lake Road, Anacortes, WA 98221 (360) 299-8804

SCALE: NOTED
JOB 2015-53

EXHIBIT #08

SKAGIT TRANSIT EMAIL

Cricchio, Kevin

From: Brad Windler <BWindler@skagittransit.org>
Sent: Tuesday, January 17, 2017 10:11 AM
To: Debbie Headrick
Subject: RE: Bus Stop Location Possibility

Hi Debbie,

Skagit Transit has sufficient bus stops in place along Oakes. We will not need a stop in front of your development.

Thanks,

Brad Windler, Service Development Planner



600 County Shop Lane
Burlington, WA 98233
360-757-5179
bwindler@skagittransit.org

From: Brad Windler
Sent: Monday, January 09, 2017 12:45 PM
To: 'Debbie Headrick'
Subject: RE: Bus Stop Location Possibility

Hi Debbie,

I did get the email. I had asked one of the operations folks for their opinion on this location and I have not heard back. I will follow up with them in person today and get you a response today.

Thanks,

Brad Windler, Service Development Planner



600 County Shop Lane
Burlington, WA 98233
360-757-5179
bwindler@skagittransit.org

From: Debbie Headrick [mailto:debbie@strandbergconstruction.com]
Sent: Monday, January 09, 2017 12:43 PM
To: Brad Windler
Subject: [QUAR] FW: Bus Stop Location Possibility
Importance: High

Brad,

Please confirm you have received notice of this information. See email below.

Thank you,

Debbie Headrick
Executive Assistant



2018 R Avenue
PO Box 319
Anacortes WA 98221
Phone: 360-293-7431

From: Debbie Headrick
Sent: Wednesday, December 21, 2016 1:14 PM
To: 'bwindler@skagittransit.org' <bwindler@skagittransit.org>
Subject: FW: Bus Stop Location Possibility

Brad,

We spoke back in July regarding a possible location for a Skagit Transit Bus Stop at our new plat 48 North in Anacortes; however now that we are further along with the plat development, there is not going to be a safe place for the bus to pull off the busy Oakes Avenue/Hiway 20. On Google Earth it shows a bus stop approximately 700 feet East of 48 North at the intersection of Oakes and Anacopper Rd. Once you have had a chance to review please feel free to contact me with questions.

Happy Holidays,

Debbie Headrick
Executive Assistant



2018 R Avenue
PO Box 319
Anacortes WA 98221
Phone: 360-293-7431

From: Debbie Headrick
Sent: Thursday, July 21, 2016 11:04 AM
To: 'bwindler@skagittransit.org' <bwindler@skagittransit.org>
Subject: FW: Bus Stop Location Possibility

Brad,

Attached is the information we discussed our plat is on the South side of Oakes Avenue P31681. We are clearing property now, starting utilities in approx. 30 days. Let me know if you have questions or need additional information.

Thank you,

Debbie Headrick
Executive Assistant



2018 R Avenue
PO Box 319
Anacortes WA 98221
Phone: 360-293-7431

Confidentiality Notice: This email, including any attachments, contains information that may be confidential or privileged, and is intended solely for the entity or individual to whom it is addressed. If you are not the intended recipient, please notify us immediately by return email and destroy all information received. Any unauthorized review, use, disclosure or distribution is prohibited.

EXHIBIT #09

THIRD PARTY REVIEW (STORMWATER)

DRAINAGE REVIEW SUMMARY

Project: Plat of 48 North
Owner: Strandberg Construction
Date: 1 March 2017
Reviewer: David A. Lervik, PE



This project was reviewed for compliance to the Washington State Department of Ecology 2005 Stormwater Manual for Western Washington. Stormwater runoff analysis was performed using MGS Flood (version 4.37).

The civil design and stormwater report were prepared by Dale Herrigstad, PE, PLS of Herrigstad Engineering & Surveying.

MINIMUM REQUIREMENTS

The size and scope of the project triggers compliance with Minimum Requirements 1-10. The following table discusses how each of these requirements has been met.

MR	Title	Comments
1	Stormwater Site Plan	The engineer prepared a Stormwater Site Plan following the requirements set forth in Section Volume 1, Chapter 3.1 of the Manual. Although Item #8 ("Compliance with All Applicable Minimum Requirements") is not specifically addressed in the narrative, subsequent sections fully address this topic.
2	Stormwater Pollution Prevention Plan (SWPPP)	The report contains a SWPPP addressing control of stormwater during construction.
3	Source Control of Pollution	This requirement is met through application of BMPs outlined in the SWPPP during construction.
4	Preservation of Natural Drainage Channels	Not applicable. The site neither contains nor drains to a specific natural drainage system. All elements of the downstream conveyance are man-made.

L E R V I K E N G I N E E R I N G

5	On-Site Stormwater Mgmt.	The designer proposes to collect and convey stormwater from all areas of the site and convey them to the downstream conveyance. This effectively protects adjacent properties from flooding, and minimized erosion potential. The downstream conveyance analysis was reviewed using Autodesk Storm Sewer Analysis software, which confirmed the engineer's statement on the available capacity of the system to handle the existing and proposed flows.
6	Runoff Treatment	The engineer proposes treatment of runoff from Pollutant Generating Impervious Surfaces by routing it through a biofiltration swale (BMP T9.10) for treatment prior to discharge. Roof and footing drains bypass the treatment system.
7	Flow Control	As noted in MR-1 of the drainage report, the designer has demonstrated that adequate capacity is present in the downstream conveyance system. This is achieved by connecting to the Edwards Avenue System (on the north side of Oaks Avenue) rather than the Clearidge System, which is now at capacity. Furthermore, the system drains to salt water, which is an exempt water body for flow attenuation. As such, no on-site detention is proposed. The stormwater runoff was evaluated using MGS Flood software, which is approved modeling program by the DOE. Our review found that the runoff rates presented by the engineer are consistent with the continuous simulation modeling required in the Manual.
8	Wetlands Protection	The applicant has determined that there are no wetlands on the site or impacted by the project.
9	Basin/Watershed Planning	The engineer has reviewed the City's Comprehensive Stormwater Management Plan, and has followed the findings and recommendations contained therein. This involved the use of the Edwards Avenue storm system instead of the Clearidge storm drainage system.

L E R V I K E N G I N E E R I N G

10	Operations & Maintenance	The engineer has provided O&M materials for the biofiltration swale, as detailed in the DOE Manual.
----	--------------------------	---

DOWNSTREAM ANALYSIS

The engineer performed an analysis of the downstream conveyance system. This is a series of 12" CPE pipes that begins on the north side of Oaks Avenue adjacent to the project. The system runs along Oaks Avenue into the plat of San Juan Passage along Edwards Way to its outfall at salt water.

My analysis confirms that this system has the capacity to convey the runoff from the Plat of 48 North, as well as additional water collected along its length. No other areas appear to be tributary to this system; as such, no additional capacity analysis is provided.

CONCLUSION

My review of this plan and document finds that it is in compliance with the 2005 DOE Stormwater Manual, and that the runoff rates, treatment BMPs and downstream capacity have been designed consistent with standard engineering practices.



EXHIBIT #10

CITY OF ANACORTES' PUBLIC WORKS DEPARTMENT RECOMMENDATION



ANACORTES PUBLIC WORKS DEPARTMENT

Steven Lange, Project Manager

P.O. BOX 547, ANACORTES, WA 98221

E-MAIL: stevel@cityofanacortes.org

PH(360) 293-1920

FAX(360) 293-1938

Memo

Date: March 2, 2017

To: Don Measamer, Planning Director

From: Steven Lange

Subject: Acceptance of the Final Plat for "48 North on Fidalgo Island"

cc: Fred Buckenmeyer, Eric Shjarback, Kevin Cricchio

The Public Works Department coordinated the final plat review with other City Departments and determined that the construction of 48 North on Fidalgo Island project is substantially complete. The items shown on the attached sheet are not yet finished, but can be bonded to insure completion:

We recommend approval of the final plat of 48 North on Fidalgo Island subject to:

1. The receipt of an acceptable Performance Bond in the amount of \$148,100.96 (150% of estimated completion costs), for the remaining items to be completed and;
2. Receiving a 2 year Maintenance Bond that is 10% of the actual construction costs when the work stated in the Performance Bond is completed and accepted by the Public Works Department.
3. Receiving a final Drawing of Record.
4. Final review and approval of the plat drawing assuring conformance to the project requirements.

Thank you,

A handwritten signature in red ink, appearing to read "S. Lange", written over the printed name "Steven Lange".

Steven Lange
Project Manager



- Water • Wastewater • Streets • Storm Drainage • Engineering • Solid Waste
- Transportation • Equipment • Capital Projects • Development Services

48 NORTH
Performance Bond Item List

Detention Ponds and Bio Swales										
Equipment and Labor						Totals				
16 Hrs 220 @ \$175.00 per hour \$						\$ 2,800.00				
Pipe Materials						\$ 982.62				
Mulch, Sand, Drain Rock						\$ 1,000.00				
Curbs and Gutter								DONE		
70' Length on Oakes Avenue										
Backstrom Per/Ft Price 70' @ \$9.84						\$ 688.80				
Sidewalks								DONE		
Backstrom Price						\$ 30,553.20				
Driveways										
Backstrom Price						\$ 16,600.00		DONE		
ADA Ramps								DONE		
5 @ \$950.00 Each						\$ 4,750.00				
Streets								DONE		
Lakeside Industries Price - adjusted for Crushed Surfacing						\$ 75,000.00				
Monuments										
Surveying, Labor and Material						\$ 3,500.00				
Street Lighting										
INTO-LIGHT product ordered and paid for						\$ 20,862.88				
Mailboxes										
Mailboxes purchased, location approved, labor to install						\$ 250.00		DONE		
Signs & Stop Bars										
Channelization on Oakes Aveune										
Flagging, Striping, ETC.						\$ 2,800.00				
Landscaping										
Labor and Equipment						\$ 15,000.00				
Plants, Soil, Mulch						\$ 10,000.00				
Irrigation						\$ 10,000.00				
						\$ 194,787.50				
REMAINING ASPHALT										
03.02.17: Performance Bond Calculated at x 150%						\$ 292,181.25				
APPROXIMATELY 2/3 PAVED & CRUSHED. 1/3 REMAINS										
95,365.4 / 3 = \$ 31,788.47 REMAINING										
SUBTOTAL 98,733.97										
x 150% 49,366.99										
\$ 148,100.96 - TOTAL Perf. Bond										
03.02.17 SPL										

EXHIBIT #11

PCED'S PRESENTATION TO PLANNING COMMISSION



PLANNING COMMISSION

Public Meeting

March 8, 2017, @ 6:00 PM

By: Kevin Cricchio, AICP, Associate Planner

PUD-2015-0003:

HISTORY:

The Planning Commission conducted an open-record public hearing on February 24, 2016 concerning the subject plat & PUD. The Planning Commission added condition of approval #21 to the findings of fact before unanimously recommending approval to City Council.

No appeals of the Planning Commission's recommendation of approval were received. Then on March 21, 2016, City Council conducted a closed-record public hearing on the matter. The applicant requested that City Council amend condition of approval #21 added by the Planning Commission. Following a vote, City Council approved the subject preliminary plat, PUD, and proposed modifications to code on March 21, 2016.

PUD-2015-0003:

PROJECT LOCATION:

The project site is located on the south side of Oakes Avenue between Allen Court and Eagle View Court and is located in a portion of Section 22; Township 35 North; Range 01 East; Willamette Meridian

APPLICANT /LANDOWNER:

48 North on Fidalgo Island, LLC
P.O. Box 319
Anacortes, WA 98221

PUD-2015-0003:

EXISTING LAND USE:

Vacant & unimproved land

ZONING DISTRICT:

Residential (R2) Zoning District

SURROUNDING ZONING & LAND USES:

Direction:	Zoning:	Land Uses:
North:	Commercial Marine (CM)	Single-Family Residences
South:	Residential (R2)	Single-Family Residences
East:	Aviation (AZ)	Port of Anacortes' Airport
West:	Residential (R2) & Commercial Marine (CM)	Single-Family Residences

PUD-2015-0003:

SUBJECT PROPOSAL:

At 6:00 PM on March 8, 2017, the Planning Commission will conduct a public meeting to discuss the approval of the final plat & planned unit development (PUD) of 48 North, a 30-lot plat & PUD, File #: PUD-2015-0003.

Attached hereto is a copy of City Council's approved Findings of Fact, Conclusions of Law, and Decision (**See Exhibit #01**).

The applicant has provided a response (**See Exhibit #05**) as to how they meet each condition of approval as listed in City Council's approved Findings of Fact, Conclusions of Law, and Decision on the subject plat & PUD. Additionally, both the Public Works Department (PWD) and the Department of Planning, Community, and Economic Development (PCED) have performed several site inspections to verify conformance with the conditions of approval. Both PWD and PCED believe that these requirements have been met.

PUD-2015-0003:

SUBJECT PROPOSAL (CONTINUED):

The Public Works Department has prepared a letter (**See Exhibit #10**) that addresses a few items remaining that still need to be finished. The items remaining relate to monuments, street lighting, signs & stop bars, landscaping, and additional asphalt paving. The total bond owing is \$148,100.96. The applicant will provide a letter of credit prior to City Council's public meeting scheduled for 6:00 PM on March 20, 2017.

Lastly, the applicant has provided third party review (**See Exhibit #09**) that addresses their stormwater /drainage associated with the construction of the subject plat & PUD. This letter indicates compliance with the Department of Ecology 2005 manual.

PUD-2015-0003:

RECOMMENDATION:

The Department of Planning, Community, and Economic Development recommends that the Planning Commission make a recommendation of approval to City Council regarding the subject final plat & PUD request.

48 NORTH PLAT & PUD
SECTION 22, TOWNSHIP 35 NORTH, RANGE 1 EAST, W.M.
CITY OF ANACORTES, WASHINGTON

AUDITORS CERTIFICATE
RECORD OF SURVEY AT THE REQUEST OF DALE K. HERRIGSTAD

AUDITOR _____ DEPUTY AUDITOR _____

GENERAL INFORMATION

1. Assessor's Account No.s 350122-4-004-0000, P31681..
2. Description and exception information is from the 2nd Revised Subdivision Guarantee, Order No: 153377-0A, dated January 17, 2017.
3. This property is SUBJECT TO and TOGETHER WITH easements, reservations, restrictions, covenants and other instruments of record including but not limited to those instruments referred to in the Subdivision Guarantee referenced under Note 2 above. Said report lists documents recorded under Auditors File Number AF 732440 (Aviation Easement), AF 200807220033 (Record of Survey), AF 201607050142 (10' wide Puget Sound Easement over new utilities), AF 201612060089 (10' wide Puget Sound Easement over new utilities) and AF 201612190147 (Covenants, Conditions and Restrictions on adjoining property). Deed of Trust recorded under AF 201605130083 (Skagit State Bank).
4. Residential Low Density (R2).
5. Water Supply: City of Anacortes.
6. Sewer Disposal: City of Anacortes
7. Storm Sewer: City of Anacortes

SKAGIT COUNTY TREASURERS CERTIFICATE

I certify that all taxes heretofore levied and which have become a lien upon the lands herein described have been fully paid and discharged according to the records of my office, up to and including the year of 20_____.

Certified this _____ day of _____, 20_____.

Skagit County Treasurer

CITY OF ANACORTES APPROVALS

The Planning Commission of the City of Anacortes meeting in regular session on _____ did find that the 48 North Plat & PUD serves the public use & interest & has authorized the Subdivision Administrator to execute its written approval.

Signature of Planning Director _____

Approval by the Council of the City of Anacortes, WA, this _____ day of _____, 20_____.

ATTEST: City Clerk _____

Examined and approved this _____ day of _____, 20_____.

City Engineer

DEDICATION

Know All Men by these Present that SKAGIT STATE BANK, mortgage holder, and 48 NORTH ON FIDALGO ISLAND, LLC, property owner of the land hereby platted, declare this plat and dedicate to the use of the public forever, streets and avenues shown hereon and the use thereof for all public purposes consistent with the use thereof for public highway purposes together with the right to make all necessary slope for cuts and fills upon the lots and blocks shown hereon in the original reasonable grading of all such streets and avenues shown hereon. The Owners and their assigns hereby waive all claims for damages against which may be occasioned to the adjacent properties by the construction, drainage and maintenance of said road and or area.

48 NORTH ON FIDALGO ISLAND, LLC

SKAGIT STATE BANK

State of Washington

County of Skagit

I certify that I know of have satisfactory evidence that _____ signed this instrument, on oath stated that (he/she/) (was/are) authorized to execute the instrument and acknowledged it as the _____ of 48 NORTH ON FIDALGO ISLAND, LLC to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Given under my hand and official seal this _____ day of _____, 20_____.
Notary Public in and for the State of Washington

Name printed _____

Residing at _____

My commissions expires _____

NOTES

1. Subject to Declaration of Covenants, Conditions, Restrictions, (CC&R's), recorded under;

AFN _____

2. This plat is subject to the Revised Tree Preservation Plan dated August 12, 2015 and recorded under;

AFN _____

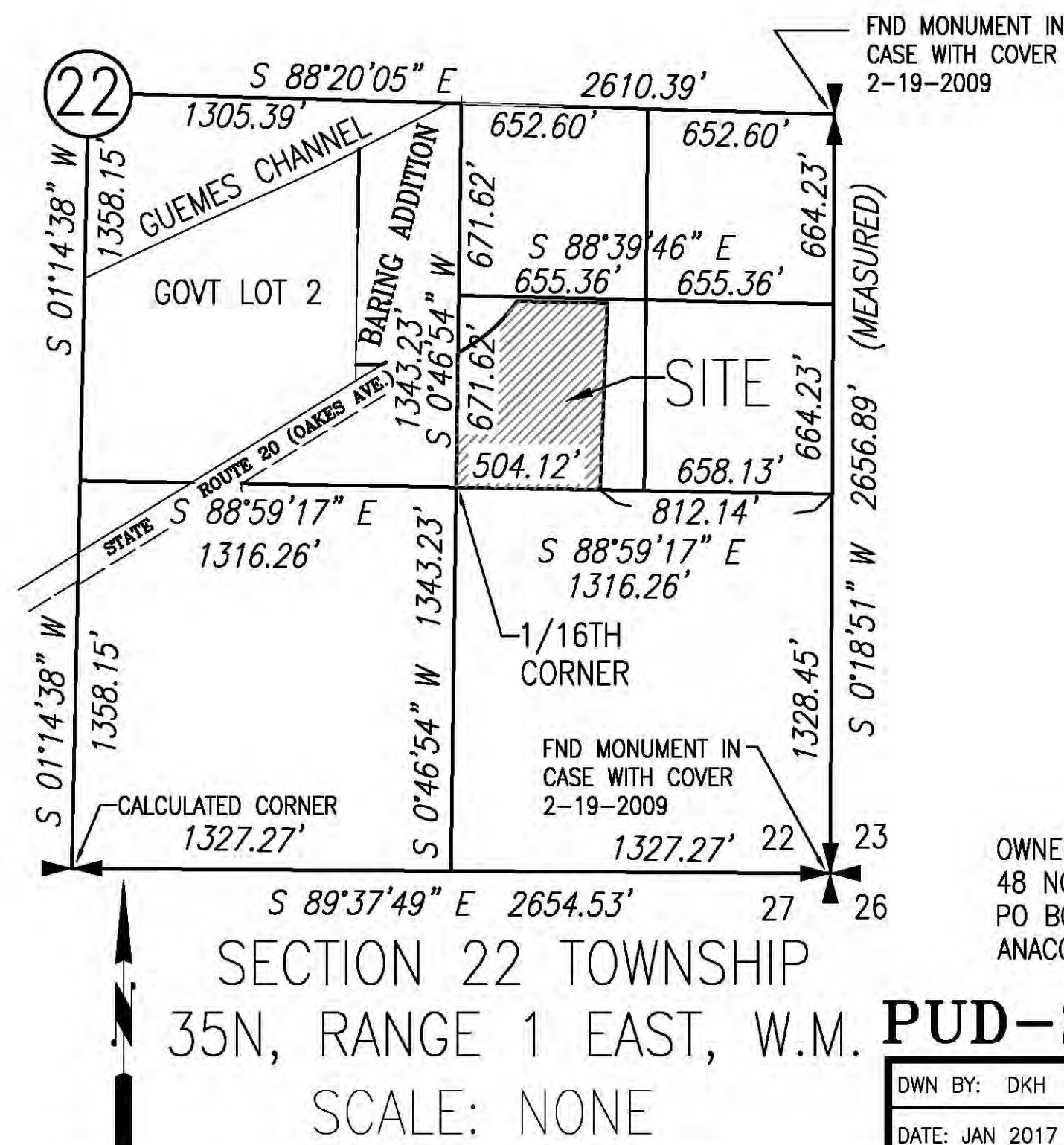
3. The PUD reference number PUD-2015-0003 and date of approval shall be included in all deeds and contracts.

SURVEYORS CERTIFICATE

I hereby certify that the 48 North Plat & PUD is based upon an actual survey and subdivision performed by me or under my supervision of Section 22, Township 35 North, Range 1 East, W.M.; the plat is a true and correct representation of the land actually surveyed; that the courses and distances are shown correctly on the ground; and that I have complied with the provisions of the statutes and platting regulations and that permanent control monuments have been established at each and every controlling corner of the parcel of land being subdivided.

DALE K. HERRIGSTAD, P.L.S. _____
Certificate No. 27807

Date _____



State of Washington

County of Skagit

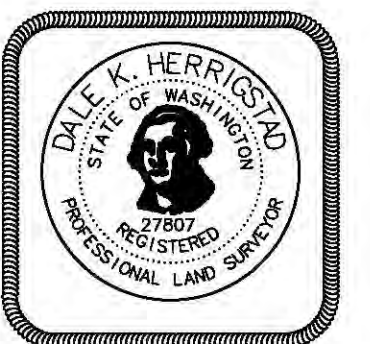
I certify that I know of have satisfactory evidence that _____ signed this instrument, on oath stated that (he/she/) (was/are) authorized to execute the instrument and acknowledged it as the _____ of SKAGIT STATE BANK to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Given under my hand and official seal this _____ day of _____, 20_____.
Notary Public in and for the State of Washington

Name printed _____

Residing at _____

My commissions expires _____



OWNER/DEVELOPER
48 NORTH ON FIDALGO ISLAND LLC
PO BOX 319
ANACORTES, WA 98221

LAND SURVEYOR
DALE HERRIGSTAD PLS
4320 WHISTLE LAKE ROAD
ANACORTES, WA 98221

SHEET 1 OF 3

SECTION 22 TOWNSHIP
35N, RANGE 1 EAST, W.M.
SCALE: NONE

PUD-2015-0003

PW #16-005-DEV

DWN BY: DKH

DATE: JAN 2017

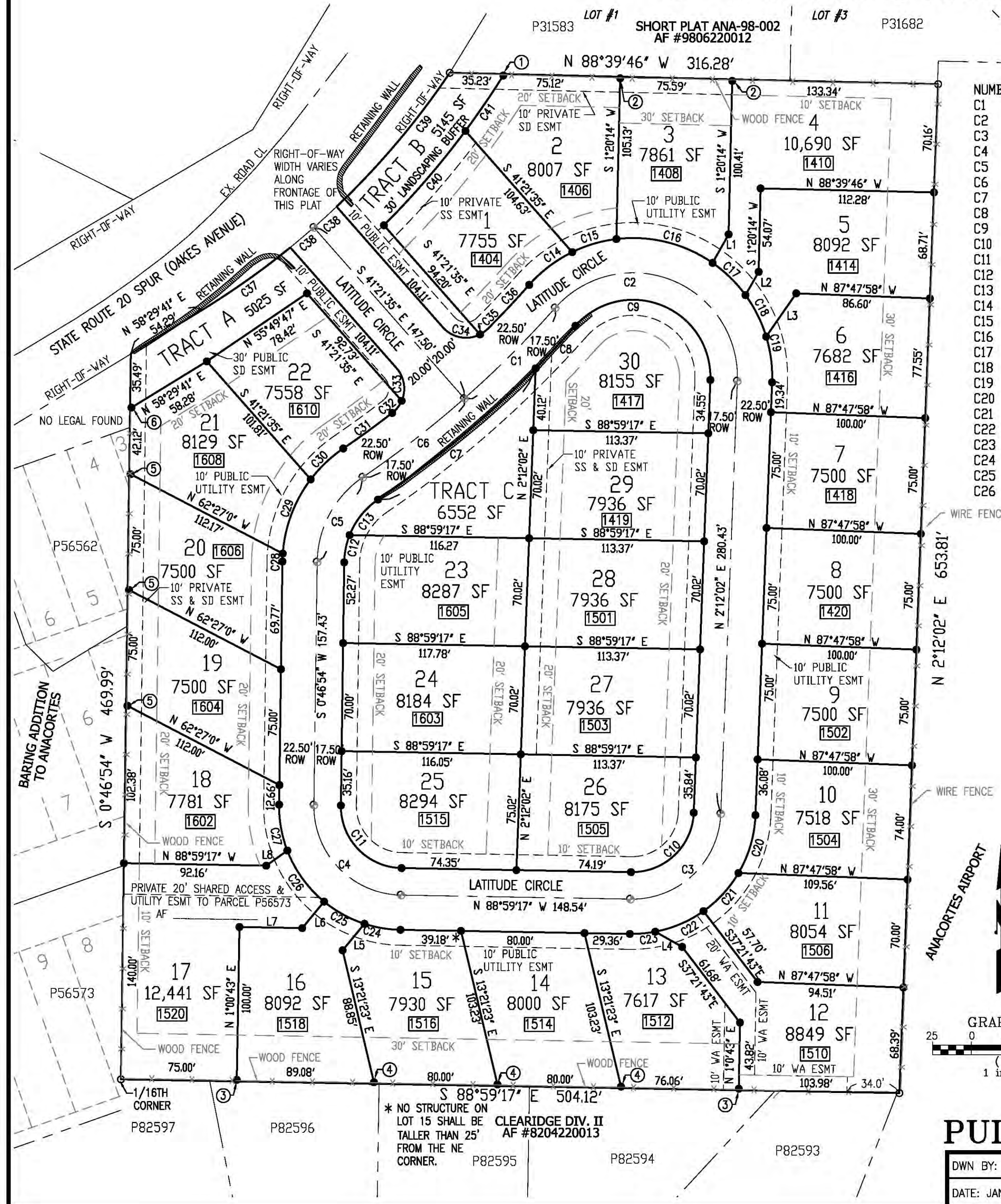
HERRIGSTAD ENGINEERING & SURVEYING

4320 Whistle Lake Road, Anacortes, WA 98221 (360) 299-8804

SCALE: NOTED

JOB 2015-53

48 NORTH PLAT & PUD
SECTION 22, TOWNSHIP 35 NORTH, RANGE 1 EAST, W.M.
CITY OF ANACORTES, WASHINGTON



CURVE TABLE

NUMBER	RADIUS	ARC LENGTH	DELTA ANGLE	NUMBER	RADIUS	ARC LENGTH	DELTA ANGLE
C1	670.00'	83.10'	7°06'23"	C27	80.00'	30.43'	21°47'32"
C2	67.50'	165.72'	140°40'00"	C28	90.00'	5.15'	3°16'54"
C3	57.50'	89.13'	88°48'41"	C29	90.00'	52.06'	33°08'26"
C4	57.50'	90.09'	89°46'11"	C30	90.00'	29.15'	18°33'35"
C5	67.50'	64.77'	54°58'55"	C31	647.50'	39.20'	3°28'07"
C6	670.00'	83.10'	7°07'24"	C32	20.00'	10.06'	28°48'20"
C7	687.50'	133.07'	11°05'24"	C33	20.00'	22.64'	64°50'58"
C8	687.50'	37.68'	3°08'24"	C34	20.00'	26.36'	75°31'21"
C9	50.00'	122.76'	140°40'00"	C35	20.00'	6.33'	18°07'56"
C10	40.00'	62.00'	88°48'41"	C36	647.50'	39.01'	3°27'06"
C11	40.00'	62.67'	89°46'11"	C37	522.50'	69.86'	7°39'39"
C12	50.00'	18.11'	20°45'08"	C38	522.50'	20.00'	2°11'35"
C13	50.00'	29.87'	34°13'48"	C39	522.50'	125.40'	13°00'15"
C14	90.00'	35.21'	22°24'53"	C40	552.50'	80.82'	8°22'54"
C15	90.00'	30.00'	19°06'00"	C41	552.50'	44.58'	4°37'21"
C16	90.00'	65.57'	41°44'31"				
C17	90.00'	30.00'	19°06'00"				
C18	90.00'	30.16'	19°12'00"				
C19	90.00'	30.02'	19°06'36"				
C20	80.00'	39.50'	28°17'27"				
C21	80.00'	33.75'	24°10'07"				
C22	80.00'	34.21'	24°30'00"				
C23	80.00'	16.55'	11°51'16"				
C24	80.00'	23.74'	17°00'00"				
C25	80.00'	30.02'	21°30'00"				
C26	80.00'	41.16'	29°28'39"				

LINE TABLE

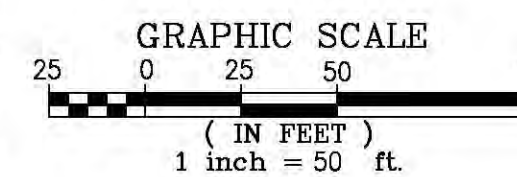
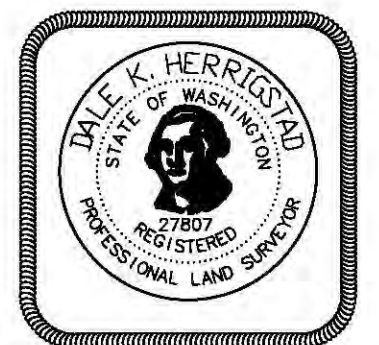
NUMBER	BEARING	DISTANCE
L1	N 29°29'13" E	21.20'
L2	N 29°29'13" E	17.30'
L3	N 34°46'17" E	34.11'
L4	N 60°33'11" W	20.02'
L5	N 39°30'43" E	22.27'
L6	N 39°30'43" E	22.22'
L7	S 88°59'17" E	40.64'
L8	S 54°30'43" W	16.82'

NOTES

1. SET CONCRETE MON WITH BRASS CAP IN CASE WITH COVER.
2. SET RE-BAR AND RED CAP PLS. #27817.
3. FOUND EXISTING REBAR AND CAP MARKED PLS #9569 OR AS NOTED. VISITED 1-4-2017.
4. EQUIPMENT USED: CARLSON CR2 2" TOTAL STATION.
5. ALL CONCRETE MONUMENTS WERE VISITED ON 2-1-2017.
6. ERROR OF CLOSURE MEETS WASHINGTON STATE SURVEY STANDARDS.
7. SURVEY METHOD: STANDARD FIELD TRAVERSE.
8. BASIS OF BEARINGS: Record of Survey, AF 200807220033.
9. ADDRESSES SHOWN ON PLAT.
10. SEE SHEET 3, PUD AND PLAT CONDITIONS #2 FOR BUILDING SETBACK REQUIREMENTS.

OFFSET PROPERTY CORNER NOTES

1. REBAR & CAP SET 1.00' S 32°20'58" W OF TRUE CORNER DUE TO FENCE.
2. REBAR & CAP SET 1.00' S 1°20'14" W OF TRUE CORNER DUE TO FENCE.
3. REBAR & CAP SET 1.00' N 1°0'43" E OF TRUE CORNER DUE TO FENCE.
4. REBAR & CAP SET 1.00' N 13°21'22" W OF TRUE CORNER DUE TO FENCE.
5. REBAR & CAP SET 1.00' S 62°27'00" E OF TRUE CORNER DUE TO FENCE.
6. REBAR & CAP SET 1.00' N 58°29'41" E OF TRUE CORNER DUE TO FENCE.



OWNER/DEVELOPER
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PO BOX 319
ANACORTES, WA 98221

LAND SURVEYOR
DALE HERRIGSTAD PLS
4320 WHISTLE LAKE ROAD
ANACORTES, WA 98221

SHEET 2 OF 3

PUD-2015-0003

PW #16-005-DEV

OWN BY: DKH

HERRIGSTAD ENGINEERING & SURVEYING

SCALE: NOTED

DATE: JAN 2017

4320 Whistle Lake Road, Anacortes, WA 98221 (360) 299-8804

JOB 2015-53

48 NORTH PLAT & PUD
SECTION 22, TOWNSHIP 35 NORTH, RANGE 1 EAST, W.M.
CITY OF ANACORTES, WASHINGTON

PUD AND PLAT CONDITIONS

48 NORTH PLAT & PUD
PUD-2015-0003

All parcels within the subdivision are subject to the "Findings of Fact and Conclusion of Law" as adopted by the Anacortes City Council on the 21st day of March, 2016. The following Conditions were required to be identified on the face of the Plat.

1. (FF #10) The lots in this subdivision are subject to applicable water, sewer, and stormwater general facility and hookup fees and transportation, fire, and park impact fees. These fees are payable at levels in effect at the time of building permit issuance and may differ from those fee levels currently in effect; sewer and water latecomer charges may be payable.

2. (FF #11) ZONING INFORMATION:

Underlying Zone: Residential District (R2)

Zone's Minimum Lot Size: 7,500 Square Feet

Gross Acreage: 7.48 Acres (included 1/2 abutting ROW)

Net Acreage: 7.20 Acres

Zone's Maximum Density: 4 Dwelling Units (DU) per Gross Acre

Density Calculation: 4 DU 7.48 Acres = 29.92, rounded to 30 DU

Proposed Lots: 30 Lots +1 Community Park

SETBACKS:

Front Yard:

For lots 3-17 only, the front setback is 10 feet for the residence & 20 feet for garages.

All other lots must meet the 20 foot front yard setback for the R2 Zone.

Rear Yard:

For lots 3-17 only, the rear setback is increased from 20 feet to 30 feet.

All other lots must meet the 20 foot rear yard setback for the R2 Zone.

Side Yard:

All lots shall meet the R2 side yard setback requirements for the R2 Zone.

3. (FF #15) A homeowner's association shall be established and be responsible for the maintenance of the bioretention swale (Tract A), landscaping buffer (Tract B) and community park (Tract C).

4. (FF #19) Pursuant to AMC 16.50.120 (D), the applicant shall record notice with the Skagit County Auditor's Office which provides a public record of any approved tree preservation plan and conservation areas; the application of this title to the property; and that limitations on actions in or affecting the property may exist. See recording number on sheet 1.

5. (FF #20) This Subdivision is subject to the Tree Preservation Plan Dated August 12, 2015. Retained Trees shall be maintained by the lot owners, unless approved for removal by the City of Anacortes.

6. (FF #21) The maximum permitted height for Lot 15 shall be restricted to twenty-five (25) feet from the high point of the property of existing grade.

7. (FF Modifications Proposed) Lot coverage is modified from R2 Zoning District's maximum of thirty-five (35) percent to a maximum of thirty seven and one half (37.5%).

UTILITY and ACCESS EASEMENTS & DEDICATIONS

1. An easement is hereby reserved for and conveyed to the CITY OF ANACORTES, PUGET SOUND ENERGY INC.(A.F. NO. 201607050142 & 201612060089), FRONTIER COMMUNICATIONS TELEPHONE COMPANY, CASCADE NATURAL GAS COMPANY, AND COMCAST CABLE TELEVISION COMPANY and their respective successors and assigns under and upon the front ten (10) feet, or as shown on the plat, of front boundary lines all lots, tracts and spaces within the plot lying parallel with and adjoining all public street(s), as shown on the plat, in which to construct, operate, maintain, repair, replace and enlarge underground pipes, conduits, cables and wires all necessary or convenient underground or ground mounted appurtenances thereto for the purpose of serving this subdivision and other property with electric, gas, telephone and other utility service, together with the right to enter upon the streets, lots, tracts and spaces at all times for the purposes herein stated.

2. A 10 foot private storm drainage easement across the North boundary of Lots 2, 3 and Tract B as shown on the plat is hereby reserved for and conveyed to Lots 2, 3 & 4 for storm drainage to service lots 2, 3 & 4 in which to construct, operate, maintain, repair, replace and enlarge underground pipes, thereto for the purpose of serving the lots herein. The maintenance of the improvements to the easement will be the responsibility of and shared by the benefiting lots.

3. A 10 foot private sanitary sewer easement across the Northwest boundary of Lot 1 and Tract B as shown on the plat is hereby reserved for and conveyed to Lot 2 for sanitary sewer pipes to service lot 2 in which to construct, operate, maintain, repair, replace and enlarge underground pipes for the purpose of serving lot 2. The maintenance of the improvements to the easement will be the responsibility of lot 2.

4. A 10 foot private sanitary sewer & storm drainage easement across the West boundary of Lots 27, 28, 29 & 30 as shown on the plat is hereby reserved for and conveyed to Lots 26, 27, 28, 29 & 30 for sanitary sewer & storm drainage pipes to service lots 26, 27, 28, 29 & 30 in which to construct, operate, maintain, repair, replace and enlarge underground pipes for the purpose of serving the lots herein. The maintenance of the improvements to the easement will be the responsibility of and shared by the benefiting lots.

5. A 10 foot private sanitary sewer & storm drainage easement across the West boundary of Lots 18, 19, 20, 21 & Tract A as shown on the plat is hereby reserved for and conveyed to Lots 17, 18, 19, 20 & 21 for sanitary sewer & storm drainage pipes to service lots 17, 18, 19, 20 & 21 in which to construct, operate, maintain, repair, replace and enlarge underground pipes for the purpose of serving the lots herein. The maintenance of the improvements to the easement will be the responsibility of and shared by the benefiting lots.

6. A 20 foot & 10 foot public water main easement on and across Lots 12 & 13 as shown on the plat is hereby reserved for and conveyed to the City of Anacortes in which to construct, operate, maintain, repair, replace and enlarge underground pipes for the purpose of serving this subdivision and other property with water service, together with the right to enter upon the streets, lots, tracts and spaces at all times for the purposes herein stated.

7. A 20 foot wide private access and utility easement on and across Lot 17 as shown on the plat is hereby reserved for and conveyed to Parcel P56573 (adjoining to the west) for the use of one single family home in which to construct, operate, maintain, repair, replace and enlarge underground pipes for the purpose of serving said property and for the share access drive with Lot 17 in which the maintenance is to be shared equally.

8. Tract A is hereby dedicated to the 48 North Homeowners Association and the City of Anacortes and the public as a storm drainage conveyance and water quality treatment facility. Tract A will be maintained by the 48 North Home Owners Association.

9. Tract B is hereby dedicated to the 48 North Homeowners Association for the purposes of landscaping and landscape maintenance.

10. Tract C is hereby dedicated to the 48 North Homeowners Association for the purposes of a Community Park to be maintained by the Homeowners Association.

11. All retaining walls will be the responsibility of the 48 North Homeowners association, per section xx.xx "Retaining Walls of the 48 North Declarations, Restrictions, Easements and Reservations, AF #_____.

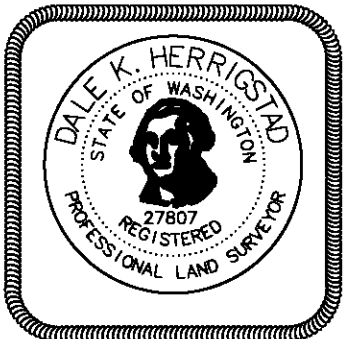
LEGAL DESCRIPTION

That portion of the South 1/2 of the Northeast 1/4, of the Southeast 1/4, of Section 22, Township 35 North, Range 1 East, W.M., lying Southeasterly of the "BURROWS BAY ROAD", EXCEPT the "COPPER MINE ROAD" along the East line thereof, AND EXCEPT the following described tracts:

a.) Beginning at the Southeast corner of the South 1/2 of the Northeast 1/4 of the Southeast 1/4 of said Section; thence North 88°59'46" West along the South line of said South 1/2 of the Northeast 1/4 of the Southeast 1/4, 30.00 feet to the West line of the "COPPER MINE ROAD"; thence continue North 88°59'46" West 781.88 feet; thence North 2°11'29" East 669.34 feet to the North line of the Southwest 1/4 of the Northeast 1/4 of the Southeast 1/4 and the true point of beginning of this description, said point being the Northwest corner of that certain tract conveyed to the Port of Anacortes, a municipal corporation, by deed recorded July 22, 1968, under Auditor's File No. 716164; thence from said true point of beginning run South 2°11'29" West along the West line of said Port of Anacortes tract, a distance of 15 feet; thence West parallel with the North line of said Southwest 1/4 of the Northeast 1/4 of the Southeast 1/4 to the Easterly line of the "BURROWS BAY ROAD"; thence Northerly along said Easterly line to the North line of said Southwest 1/4 of the Northeast 1/4 of the Southeast 1/4; thence East along said North line to the true point of beginning.

b.) Beginning at the Southeast corner of the South 1/2 of the Northeast 1/4 of the Southeast 1/4; thence North 88°59'46" West along the South line of said subdivision 30.00 feet to the West line of the "COPPER MINE ROAD", and the true point of beginning; thence continue North 88°59'46" West 781.88 feet; thence North 2°11'29" East 669.34 feet to the North line of said subdivision; thence South 88°40'23" East along the North line of said subdivision 760.00 feet to the West line of the "COPPER MINE ROAD"; thence South 0°18'59" West along said road a distance of 664.96 feet to the true point of beginning.

Situate in the City of Anacortes, County of Skagit, State of Washington.



OWNER/DEVELOPER
48 NORTH ON FIDALGO ISLAND LLC
PO BOX 319
ANACORTES, WA 98221

LAND SURVEYOR
DALE HERRIGSTAD PLS
4320 WHISTLE LAKE ROAD
ANACORTES, WA 98221

SHEET 3 OF 3

PUD-2015-0003

PW #16-005-DEV

DWN BY: DKH

DATE: JAN 2017

HERRIGSTAD ENGINEERING & SURVEYING

4320 Whistle Lake Road, Anacortes, WA 98221 (360) 299-8804

SCALE: NOTED

JOB 2015-53

EXHIBIT #12

PLANNING COMMISSION'S PUBLIC MEETING MINUTES



**Planning Commission Meeting
Minutes for – March 8, 2017**

Chair Laumbattus called the Meeting of March 8, 2017 to order at approximately 6 p.m.

Roll Call

Members Present: Laumbattus, Oppel, Moffit, Cleland McGrath, McNett, and Doll

Members Absent: Commissioner Mount

Minutes

None

Correspondence

None

Old Business

Public Hearing – 48 North Plat, 30 Lot PUD; PUD-2015-0003

Kevin Cricchio, Associate Planner, presented Findings of Fact of the preliminary approval.

With no comments, Chair Laumbattus closed the public hearing.

Commissioner McNett made a motion to approve the PUD for final plat. Commissioner Cleland McGrath seconded. The motion passed unanimously.

New Business

Public Hearing – Conditional Use Permit/Essential Public Facility; CUP-2016-1005

Mr. Cricchio presented a CUP for an EPF to permit an outpatient substance use and primary care medical service type of land use within an existing office building. John Stephens, Programs Administrator for the Swinomish Tribal Community, presented the proposal as a significant need in the community. Commissioner Doll stated association with the Public Health Trust, which is on record as providing a letter of support. There was no objection.

Jordan Mike Walbur (sp?), 11167 Swinomish Avenue. Mr. Walbur stated support of the proposal.

Susan Lamb, 1308 6th St. Ms. William stated support of the proposal.

Beth Pemberton, 1924 24th St. Ms. Pemberton stated support of the proposal.

With no further comments, Chair Laumbattus closed the public hearing.

Commissioner Oppel made a motion to approve the CUP with staff recommended conditions. Commissioner Doll seconded. The motion passed unanimously.

Chair Laumbattus called the meeting to a close at approximately 7:15p.m.



City Council Agenda Bill

Meeting Date: 3/20/2017

Agenda Item: 7c

Subject: Contract to supply HPDE fittings and micro duct

Staff Contact: Fred Buckenmeyer

Approved for Submittal to Council by	
x	Laurie Gere, Mayor
x	Steve Hoglund, Finance Director
x	Darcy Swetnam, City Attorney

Action Type	
	Ordinance No.
	Resolution No.
x	Contract
	Staff Report

Summary Statement: Previously city council authorized a sole source designation with Craley Group to supply Hydrotec PFM units and stainless steel micro duct for the water and sewer utility telemetry project. (Resolution 1977 December 5, 2016)

Background: Staff has negotiated a product supply contract with the Craley Group to purchase "Atlantis Hydrotec PFM fittings" and "Atlantis Hydrotec armored micro duct". The fittings and micro duct will allow us to connect the water treatment plant to the whistle lake pump station with fiber optic telemetry.

Budget Impact	
Amount Budgeted	\$500,000
Budget Account (BARS)	401.000.594.34.63
Proposed Expenditure	\$265,972.43 plus tax and shipping
Budget Amendment Required?	no

Proposed Contract	
Contractor	Craley Group
Amount	\$265,972.43 plus tax and shipping
Start Date	3-20-17
End Date	12-30-17

Previous Council/Committee Action: Sole source declaration

Recommended Motion: I move that we authorize the Mayor to execute the contract with Craley Group for the supply of Atlantis Hydrotec PFM fittings" and "Atlantis Hydrotec armored micro duct in the amount of \$265,972.43 plus taxes and shipping [US / UK exchange rate 3-15-17]

Alternative Actions: Do not execute the contract, abandon fiber optic telemetry project.

Attachments (listed in order presented): Craley contract



Innovators in Infrastructure

PRODUCT SUPPLY & PROFESSIONAL OVERSIGHT QUOTATION

PROJECT

Anacortes Skagit River Water Treatment Plant to Anacortes City Water Tower,
Anacortes, Washington State, USA.

Atlantis
HYDROTEC

Vault Ref.	Site Name	Latitude	Longitude	HASL m
C1	WTP	48.4362	122.37037	10
C10a	Farm House	48.44627	122.47157	1
C10b	Farm House	48.44628	122.47159	1
C11a	Farm House Rear	48.44626	122.47886	2
C11b	Farm House Rear	48.44633	122.47886	2
C12a	Farm House SR20	48.44869	122.47894	2
C12b	Farm House SR20	48.44869	122.47898	2
C13a	Telegraph Slough	48.44974	122.48543	1
C13b	Telegraph Slough	48.44976	122.48555	1
C14a	Bell Property	48.45227	122.50115	1
C14b	Bell Property	48.45256	122.50303	1
C15a	Boat Launch	48.45321	122.50896	2
C15b	Boat Launch	48.45362	122.51004	2
C16	Casino South	48.45495	122.51857	2
C17	Casino North	48.45645	122.51959	3
C18a	Smoke House	48.45867	122.52568	8
C18b	Smoke House	48.4587	122.52572	7
C19a	T Bailey	48.46557	122.53707	4
C19b	T Bailey	48.46557	122.53709	4
C2	WTP North	48.44159	122.37221	10
C20a	Reservation Road	48.46431	122.54429	10
C20b	Reservation Road	48.46431	122.54431	10
C21a	Thompson Road	48.46182	122.55996	22
C21b	Thompson Road	48.46182	122.56001	22
C22a	SMP Lift Station	48.46296	122.56991	4
C22b	SMP Lift Station	48.46299	122.57027	4
C23a	Golf Club House	48.46239	122.57117	2
C23b	Golf Club House	48.46251	122.57223	2
C24a	Golf Shop	48.46251	122.57492	2
C24b	Golf Shop	48.46249	122.57546	2
C25a	West Golf Course A	48.4621	122.57903	2
C25b	West Golf Course A	48.46228	122.57937	3
C26a	Trailer Park	48.46229	122.58059	10
C26b	Trailer Park	48.46234	122.58068	10
C27	Country Corner	48.4624	122.58209	13
C28	Sharp's Corner	48.46367	122.58239	7
C29	South Fidalgo Road	48.46606	122.58674	3
C3	West Dyke	48.44242	122.37544	10
C30	San Juan Base	48.46735	122.58793	15
C31a	7106 SJHL	48.46995	122.58998	58
C31b	7106 SJHL	48.46995	122.58998	58
C32a	San Juan Hill Mid	48.47212	122.59168	78
C32b	San Juan Hill Mid	48.47212	122.59168	78
C33a	San Juan Gully	48.47518	122.59593	56
C33b	San Juan Gully	48.47524	122.59604	56
C34	Rykosa Ln	48.47752	122.59976	91
C35	Whistle Lake Road	48.47754	122.60339	98
C36	Anacortes WT	48.48533	122.60326	89
C37	WT Building	48.48594	122.60231	89
C4	Bennett SR536	48.44267	122.39108	7
C5	Schuh Farm	48.44274	122.40591	6
C6	Bradshaw End 24	48.44267	122.4211	5
C7a	Young Road Valve	48.44267	122.42291	5
C7b	Young Road Valve	48.44267	122.42294	5
C8	Best & Young	48.44256	122.44317	4
C9a	Young & LaConner	48.44268	122.47074	2
C9b	Young & LaConner	48.44278	122.47151	1

Link Ref.	Site A Name	Site B Name	Link Length m	Tail Length m	Duct Length m	Total m*	Drum Ref.
2	WTP North	West Dyke	255	10	5	297	A
6	Bradshaw End 24	Young Road Valve	133	10	10	169	A
7	Young Road Valve	Best & Young	1,491	10	10	1,662	A
9	Young & LaConner	Farm House	388	10	10	448	A
35	San Juan Gully	Rykosa Ln	373	10	5	427	A
8	Best & Young	Young & LaConner	2,032	10	10	2,257	B
22&23	SMP Lift Station	Golf Club House	173	20	0	213	B
25	Golf Shop	West Golf Course A	267	10	10	315	B
26&27	West Golf Course A	West Golf Course A	122	20	15	173	B
11	Farm House Rear	Farm House SR20	262	10	10	310	C
12	Farm House SR20	Telegraph Slough	491	10	10	562	C
13	Telegraph Slough	Bell Property	1,183	10	10	1,323	C
14	Bell Property	Boat Launch	443	10	10	509	C
24	Golf Club House	Golf Shop	198	10	45	278	C
17	Casino North	Smoke House	512	10	10	585	D
18	Smoke House	T Bailey	1,132	10	10	1,267	D
19	T Bailey	Reservation Road	549	10	10	625	D
28	Trailer Park	Country Corner	104	10	0	125	D
32	San Juan Base	7106 SJHL	326	10	10	381	D
15	Boat Launch	Casino South	646	10	95	826	E
20	Reservation Road	Thompson Road	1,186	10	10	1,326	E
30	Sharp's Corner	South Fidalgo Road	416	10	0	469	E
33	7106 SJHL	San Juan Hill Mid	272	10	10	321	E
10	Farm House	Farm House Rear	537	10	10	613	F
21	Thompson Road	SMP Lift Station	740	10	35	864	F
34	San Juan Hill Mid	San Juan Gully	462	10	10	530	F
37	Whistle Lake Road	Anacortes WT	865	10	0	963	F
			15,557	290	370	17,838	

Product Supply:

- 58 Atlantis Hydrotec Stainless Steel PFM fittings
- 20,000m of Atlantis Hydrotec HDPE/Stainless Steel Armoured Microduct
- 1 Atlantis Hydrotec Full Installation Kit
- 10 days Senior Engineer professional oversight

Total payable: £217,762.60 excl taxes (\$271,416 as 23rd February, 2017)

Payment Schedule

Commissioning of a sample PFM fitting for evaluation	10%	(£21,776.26)
Commencement of full scale production (Fittings and Microduct)	40%	(£87,105.04)
Prior to shipment of goods from UK	35%	(£76,216.91)
On receipt and satisfactory inspection of goods in WA	10%	(£21,776.26)
On completion of 'professional oversight' period	5%	(£10,888.13)

NOTES:

The following items are Included within the above product supply quotation

1. Professional oversight and on-site training by a CRALEY Group senior engineer for a period of up to 10 working days to ensure that installation practices and procedures are adhered to and that staff are self-sufficient. Should it become necessary for the senior engineer extend his involvement beyond the 10 day allowance, a flat-rate per day fee of £450 + expenses will be incurred.
2. A full installation kit* comprising all necessary installation fittings complete with sufficient draw-line and install parachutes for the installation of this project, this installation kit will be the property of the city post the initial project period for future installations
3. A 2km contingency drum of BNB armoured micro-duct to allow for errors in distance measurements. Any surplus will be retained by the city for future installations
4. A contingency allowance of four additional PFM fittings which, if not required, will be retained by the city for future installations
5. Quoted figures are in GBP and, where appropriate a US\$ equivalent has been quoted at the prevailing rate purely for guidance. For the avoidance of doubt, invoices will be raised in GBP

* Installation kit does not include the push machine, which can be hired locally

Installation days:

The Install Days data is a reasonable estimate for the installation of the defined links. It should be noted and accepted that this is only a guideline estimate. Our technical team believe this to be a fair and reasonable estimate, however, CRALEY Group cannot be held responsible for any differences in the actual install days required.

Standard Terms and conditions for the Supply of Goods and Services by CRALEY Group Limited of Unit 3 Hawley Lane Industrial Estate, Hawley Lane, Farnborough, Hants. GU14 8EH. United Kingdom

1. INTERPRETATION

1.1 Definitions: In these Conditions, the following definitions apply:

Contract: the contract between the Supplier and the Customer for the supply of Goods and/or Services in accordance with these Conditions.

Customer: the person or firm who purchases the Goods and/or Services from the Supplier.

Force Majeure Event: has the meaning given to it in clause 14.1

Goods: the goods (or any part of them) set out in the Purchase Order.

Goods Specification: any specification for the Goods, including any relevant plans or drawings that is agreed in writing by the Customer and the Supplier.

Intellectual Property Rights: patents, rights to inventions, copyright and related rights, trade marks, business names and domain names, rights in get-up, goodwill and the right to sue for passing off, rights in designs, database rights, rights to use, and protect the confidentiality of, confidential information (including know-how), and all other intellectual property rights, in each case whether registered or unregistered and including all applications and rights to apply for and be granted, renewals or extensions of, and rights to claim priority from, such rights and all similar or equivalent rights or forms of protection which subsist or will subsist now or in the future in any part of the world

Purchase Order: the Customer's order for the supply of Goods and Services, as set out the Customer's purchase order form

Services: the services, including the Deliverables, supplied by the Supplier to the Customer as set out in the Service Specification below.

Service Specification: the description or specification for the Services provided in writing by the Supplier to the Customer.

Construction: In these Conditions, the following rules apply:

- (a) a person includes a natural person, corporate or unincorporated body (whether or not having separate legal personality);
- (b) a reference to a party includes its personal representatives, successors or permitted assigns;
- (c) a reference to a statute or statutory provision is a reference to such statute or statutory provision as amended or re-enacted. A reference to a statute or statutory provision includes any subordinate legislation made under that statute or statutory provision, as

amended or re-enacted;

(d) any phrase introduced by the terms including, include, in particular or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms; and

(e) a reference to writing or written includes faxes and e-mails.

2. BASIS OF CONTRACT

2.1 These terms apply to the Contract to the exclusion of any other terms that the Customer seeks to impose or incorporate or which are implied by trade, custom, practice or course of dealing.

2.2 The Purchase Order constitutes an offer by the Customer to purchase Goods and/or Services in accordance with these Conditions.

2.3 The Contract constitutes the entire agreement between the parties. The Customer acknowledges that it has not relied on any statement, promise, representation, assurance or warranty made or given by or on behalf of the Supplier which is not set out in the Contract.

2.4 Any samples, drawings, descriptive matter or advertising issued by the Supplier and any descriptions of the Services contained in the Supplier's catalogues or brochures are issued or published for the sole purpose of giving an approximate idea of the Services and/or Goods described in them. They shall not form part of the Contract or have any contractual force.

2.5 These Conditions apply to the Contract to the exclusion of any other terms that the Customer seeks to impose or incorporate, or which are implied by trade, custom, practice or course of dealing.

2.6 Any quotation given by the Supplier shall not constitute an offer, and is only valid for a period of 28 days from its date of issue.

2.7 All of these Conditions shall apply to the supply of both Goods and Services except where application to one or the other is specified.

3. GOODS

3.1 The Goods are described in marketing literature of the Supplier.

3.2 The Supplier reserves the right to amend the specification of the Goods if required by any applicable statutory or regulatory requirements.

4. DELIVERY

4.1 The Supplier shall arrange for the Goods to be collected from (Collection Location) at any time after the Supplier notifies the Customer that the Goods are ready.

4.2 Delivery of the Goods shall be completed once the Goods' are collected from the UK Collection Location.

4.3 The Supplier shall not be liable for any delay in collection of the Goods that is caused by a Force Majeure Event or the Customer's failure to provide the Supplier any other instructions that are relevant to the supply of

the Goods.

4.4 Where delivery of the Goods has been agreed between the Supplier and the Customer, then any dates quoted for the delivery are approximate only, and time of delivery of the Goods is not of the essence. The Supplier shall have no liability for any failure to deliver the Goods to the extent that such failure is caused by a Force Majeure Event the Customer's failure to provide the Supplier with adequate delivery instructions for the Goods or any relevant instruction related to the supply of the Goods.

4.5 If the Customer fails to accept or take collection/delivery of the Goods within 7 days of the Supplier notifying the Customer that the Goods are ready, then except where such failure or delay is caused by a Force Majeure Event or by the Supplier's failure to comply with its obligations under the Contract:

- (a) delivery of the Goods shall be deemed to have been completed at 9.00 am on the seventh day following the day on which the Supplier notified the Customer that the Goods were ready; and
- (b) the Supplier shall store the Goods until delivery takes place, and charge the Customer for all related costs and expenses (including insurance).

4.6 The Supplier may make available the Goods at Collection Location or deliver the Goods by instalments, which shall be invoiced and paid for separately. Each instalment shall constitute a separate contract. Any delay in delivery or defect in an instalment shall not entitle the Customer to cancel any other instalment.

5. QUALITY

5.1 The Supplier warrants that on delivery from the date of delivery, the Goods shall:

- (a) conform in all material respects with their description
- (b) be free from material defects in design, material and workmanship;
- (c) be of satisfactory quality (within the meaning of the Sale of Goods Act 1979); and
- (d) be fit for any purpose held out by the Supplier.

5.2 Subject to clause 5.3, if:

- (a) the Customer gives notice in writing within 28 days from Delivery that some or all of the Goods do not comply with the warranty set out in clause 5.1;
- (b) the Supplier is given a reasonable opportunity of examining such Goods; and
- (c) the Customer (if asked to do so by the Supplier) returns such Goods to the Supplier's place of business at the Customer's cost. The Supplier shall, at its option, repair or replace the defective Goods, or refund the price of the defective Goods in full including carriage.

5.3 The Supplier shall not be liable for the Goods' failure to comply with the warranty in clause 5.1 in any of

the following events:

- (a) the Customer makes any further use of such Goods after giving a notice in accordance with clause 5.2; or
- (b) the defect arises because the Customer failed to follow the Supplier's oral or written instructions as to the storage, installation, commissioning, use or maintenance of the Goods or (if there are none) good trade practice regarding the same; or
- (c) the defect arises as a result of the Supplier following any drawing, design or Goods Specification supplied by the Customer; or
- (d) the Customer alters or repairs such Goods without the written consent of the Supplier; or
- (e) the defect arises as a result of fair wear and tear, wilful damage, negligence, or abnormal working conditions; or
- (f) the Goods differ from their description as a result of changes made to ensure they comply with applicable statutory or regulatory standards.

5.4 Except as provided in this clause 5, the Supplier shall have no liability to the Customer in respect of the Goods' failure to comply with the warranty set out in clause 5.1.

5.5 The terms implied by sections 13 to 15 of the Sale of Goods Act 1979 are, to the fullest extent permitted by law, excluded from the Contract.

5.6 The terms of these Conditions shall apply to any repaired or replacement Goods supplied by the Supplier.

6. TITLE AND RISK

6.1 The risk in the Goods shall pass to the Customer on collection or delivery.

6.2 Title to the Goods shall not pass to the Customer until the Supplier receives payment in full (cleared funds) for the Goods;

6.3 Until title to the Goods has passed to the Customer, the Customer shall:

- (a) store the Goods separately from all other goods held by the Customer so that they remain readily identifiable as the Supplier's property;
- (b) not remove, deface or obscure any identifying mark or packaging on or relating to the Goods;
- (c) maintain the Goods in satisfactory condition and keep them insured against all risks for their full price on the Supplier's behalf from the date of delivery;
- (d) notify the Supplier immediately if it becomes subject to any of the events listed in clause 13.2; and
- (e) give the Supplier such information relating to the Goods as the Supplier may require from time to time.

6.4 If before title to the Goods passes to the Customer the Customer becomes subject to any of the events listed in clause 13.2 then, without limiting any other right or remedy the Supplier may have:

(a) the Customer's right to resell Goods or use them in the ordinary course of its business ceases immediately; and

(b) the Supplier may at any time:

(i) require the Customer to deliver up all Goods in its possession which have not been resold, or irrevocably incorporated into another product; and

(ii) if the Customer fails to do so promptly, enter any premises of the Customer or of any third party where the Goods are stored in order to recover them.

7. SUPPLY OF SERVICES

7.1 The Supplier shall provide the Services to the Customer in accordance with the Service Specification in all material respects.

7.2 The Supplier shall use all reasonable endeavours to meet any performance dates for the Services as agreed but any such dates shall be estimates only and time shall not be of the essence for the performance of the Services.

7.3 The Supplier shall have the right to make any changes to the Services which are necessary to comply with any applicable law or safety requirement, or which do not materially affect the nature or quality of the Services, and the Supplier shall notify the Customer in any such event.

7.4 The Supplier warrants to the Customer that the Services will be provided using reasonable care and skill.

8. CUSTOMER'S OBLIGATIONS

8.1 The Customer shall:

(a) ensure that the terms of the Purchase Order and (if submitted by the Customer) the Goods Specification are complete and accurate;

(b) co-operate with the Supplier in all matters relating to the Services;

(c) provide the Supplier, its employees, agents, consultants and subcontractors, with access to the Customer's premises, office accommodation and other facilities as reasonably required by the Supplier to provide the Services;

(d) provide the Supplier with such information and materials as the Supplier may reasonably require to supply the Services, and ensure that such information is accurate in all material respects;

(e) obtain and maintain all necessary licences, permissions and consents which may be required for the Services before the date on which the Services are to start;

(f) keep and maintain all materials, equipment, documents and other property of the Supplier (Supplier Materials) at the Customer's premises in safe custody at its own risk, maintain the Supplier Materials in good condition until returned to the Supplier, and not dispose of or use the Supplier Materials other than in accordance

with the Supplier's written instructions or authorisation; and

8.2 If the Supplier's performance of any of its obligations in respect of the Services is prevented or delayed by any act or omission by the Customer or failure by the Customer to perform any relevant obligation (Customer Default):

(a) the Supplier shall without limiting its other rights or remedies have the right to suspend performance of the Services until the Customer remedies the Customer Default, and to rely on the Customer Default to relieve it from the performance of any of its obligations to the extent the Customer Default prevents or delays the Supplier's performance of any of its obligations;

(b) the Supplier shall not be liable for any costs or losses sustained or incurred by the Customer arising directly or indirectly from the Supplier's failure or delay to perform any of its obligations as set out in this clause; and

(c) the Customer shall reimburse the Supplier on written demand for any costs or losses sustained or incurred by the Supplier arising directly or indirectly from the Customer Default.

9. CHARGES AND PAYMENT

9.1 The price for Goods shall be the price set out in the Purchase Order.

9.2 The charges for Services shall be on a time and materials basis:

(a) the charges shall be calculated in accordance with the Supplier's standard daily fee rates and as agreed;

(b) the Supplier shall be entitled to charge the Customer for any expenses reasonably incurred by the individuals whom the Supplier engages in connection with the Services including, but not limited to, travelling expenses, hotel costs, subsistence and any associated expenses, and for the cost of services provided by third parties and required by the Supplier for the performance of the Services, and for the cost of any materials.

9.3 The Supplier reserves the right to:

(a) increase its standard daily fee rates for the charges for the Services.

(b) increase the price of the Goods, by giving notice to the Customer at any time before delivery, to reflect any increase in the cost of the Goods to the Supplier that is due to:

(i) any factor beyond the control of the Supplier (including foreign exchange fluctuations, increases in taxes and duties, and increases in labour, materials and other manufacturing costs);

(ii) any request by the Customer to change the delivery date(s), quantities or types of Goods ordered, or the Goods Specification; or

(iii) any delay caused by any instructions of the Customer in respect of the Goods or failure of the Customer to give the Supplier adequate or accurate information or instructions in respect of the Goods.

9.4 The Customer shall pay each invoice submitted by the Supplier within the time period set out in the Distribution Agreement and in the absence of such an agreement, within 7 days of the date of the invoice. Time for payment shall be of the essence.

9.5 All amounts payable by the Customer under the Contract are exclusive of amounts in respect of value added tax chargeable from time to time (VAT). Where any taxable supply for VAT purposes is made under the Contract by the Supplier to the Customer, the Customer shall, on receipt of a valid VAT invoice from the Supplier, pay to the Supplier such additional amounts in respect of VAT as are chargeable on the supply of the Services or Goods at the same time as payment is due for the supply of the Services or Goods.

9.6 If the Customer fails to make any payment due to the Supplier under the Contract by the due date for payment, then the Customer shall pay interest on the overdue amount at the rate of 4% above the base rate of Barclays Bank PLC from time to time. Such interest shall accrue on a daily basis from the due date until actual payment of the overdue amount, whether before or after judgment. The Customer shall pay the interest together with the overdue amount.

9.7 The Customer shall pay all amounts due under the Contract in full without any set-off, counterclaim, deduction or withholding except as required by law. The Supplier may, without limiting its other rights or remedies, set off any amount owing to it by the Customer against any amount payable by the Supplier to the Customer.

10. INTELLECTUAL PROPERTY RIGHTS

10.1 All Intellectual Property Rights in or arising out of or in connection with the Services shall be owned by the Supplier.

10.2 The Customer acknowledges that, in respect of any third party Intellectual Property Rights in the Services, the Customer's use of any such Intellectual Property Rights is conditional on the Supplier obtaining a written licence from the relevant licensor on such terms as will entitle the Supplier to license such rights to the Customer.

10.3 All Supplier Materials are the exclusive property of the Supplier.

11. CONFIDENTIALITY

A party (receiving party) shall keep in strict confidence all technical or commercial know-how, specifications, inventions, processes or initiatives which are of a confidential nature and have been disclosed to the

receiving party by the other party (disclosing party), its employees, agents or subcontractors, and any other confidential information concerning the disclosing party's business, its products and services which the receiving party may obtain. The receiving party shall only disclose such confidential information to those of its employees, agents and subcontractors who need to know it for the purpose of discharging the receiving party's obligations under the Contract, and shall ensure that such employees, agents and subcontractors comply with the obligations set out in this clause as though they were a party to the Contract. The receiving party may also disclose such of the disclosing party's confidential information as is required to be disclosed by law, any governmental or regulatory authority or by a court of competent jurisdiction. This clause 11 shall survive termination of the Contract.

12. LIMITATION OF LIABILITY:

12.1 Nothing in these Conditions shall limit or exclude the Supplier's liability for:

- (a) death or personal injury caused by its negligence, or the negligence of its employees, agents or subcontractors;
- (b) fraud or fraudulent misrepresentation;
- (c) breach of the terms implied by section 2 of the Supply of Goods and Services Act 1982 (title and quiet possession);
- (d) breach of the terms implied by section 12 of the Sale of Goods Act 1979 (title and quiet possession); or
- (e) defective products under the Consumer Protection Act 1987.

12.2 Subject to clause 12.1:

- (a) the Supplier shall under no circumstances whatever be liable to the Customer, whether in contract, tort (including negligence), breach of statutory duty, or otherwise, for any loss of profit, or any indirect or consequential loss arising under or in connection with the Contract; and
- (b) the Supplier's total liability to the Customer in respect of all other losses arising under or in connection with the Contract, whether in contract, tort (including negligence), breach of statutory duty, or otherwise, shall in no circumstances exceed the price of the Goods.

12.3 The terms implied by sections 13 to 15 of the Sale of Goods Act 1979 and the terms implied by sections 3 to 5 of the Supply of Goods and Services Act 1982 are, to the fullest extent permitted by law, excluded from the Contract.

12.4 This clause 12 shall survive termination of the Contract.

13. TERMINATION

13.1 If the Customer becomes subject to any of the events listed in clause 13.2, the Supplier may terminate

the Contract with immediate effect by giving written notice to the Customer.

13.2 For the purpose of clause 13.1, the relevant events are:

- (a) the Customer commits a material breach of its obligations under this Contract and (if such breach is remediable) fails to remedy that breach within 14 days after receipt of notice in writing to do so;
- (b) the Customer suspends, or threatens to suspend, payment of its debts or is unable to pay its debts as they fall due or admits inability to pay its debts or [(being a company or limited liability partnership) is deemed unable to pay its debts within the meaning of section 123 of the Insolvency Act 1986 or (being an individual) is deemed either unable to pay its debts or as having no reasonable prospect of so doing, in either case, within the meaning of section 268 of the Insolvency Act 1986 or (being a partnership) has any partner to whom any of the foregoing apply;
- (c) the Customer commences negotiations with all or any class of its creditors with a view to rescheduling any of its debts, or makes a proposal for or enters into any compromise or arrangement with its creditors;
- (d) a petition is filed, a notice is given, a resolution is passed, or an order is made, for or in connection with the winding up of the Customer (being a company) other than for the sole purpose of a scheme for a solvent amalgamation of the other party with one or more other companies or the solvent reconstruction of that other party;
- (e) the Customer (being an individual) is the subject of a bankruptcy petition or order;
- (f) a creditor or encumbrancer of the other party attaches or takes possession of, or a distress, execution, sequestration or other such process is levied or enforced on or sued against, the whole or any part of its assets and such attachment or process is not discharged within 14 days;
- (g) an application is made to court, or an order is made, for the appointment of an administrator or if a notice of intention to appoint an administrator is given or if an administrator is appointed over the other party (being a company);
- (h) the holder of a qualifying charge over the assets of the other party (being a company) has become entitled to appoint or has appointed an administrative receiver;
- (i) a person becomes entitled to appoint a receiver over the assets of the other party or a receiver is appointed over the assets of the other party;
- (j) any event occurs, or proceeding is taken, with respect to the Customer in any jurisdiction to which it is subject that has an effect equivalent or similar to any of

the events mentioned in clause 13.2(b) to clause 13.2(i) (inclusive);

(k) the Customer suspends, threatens to suspend, ceases or threatens to cease to carry on, all or substantially the whole of its business;

(l) the financial position of the Customer deteriorates to such an extent that in the Supplier's opinion the Customer's capability to adequately fulfil its obligations under the Contract has been placed in jeopardy; or

13.3 Without limiting its other rights or remedies, the Supplier may terminate the Contract with immediate effect by giving written notice to the Customer if the Customer fails to pay any amount due under this Contract on the due date for payment.

13.4 Without limiting its other rights or remedies, the Supplier may suspend the supply of Services or all further deliveries of Goods under the Contract or any other contract between the Customer and the Supplier if the Customer fails to pay any amount due under this Contract on the due date for payment, the Customer becomes subject to any of the events listed in clause 13.2(b) to clause 13.2(l) or the Supplier reasonably believes that the Customer is about to become subject to any of them.

13.5 On termination of the Contract for any reason:

(a) the Customer shall immediately pay to the Supplier all of the Supplier's outstanding unpaid invoices and interest and, in respect of Services supplied but for which no invoice has yet been submitted, the Supplier shall submit an invoice, which shall be payable by the Customer immediately on receipt;

(b) the Customer shall return all of the Supplier Materials and any Deliverables which have not been fully paid for. If the Customer fails to do so, then the Supplier may enter the Customer's premises and take possession of them. Until they have been returned, the Customer shall be solely responsible for their safe keeping and will not use them for any purpose not connected with this Contract;

(c) the accrued rights and remedies of the parties as at termination shall not be affected, including the right to claim damages in respect of any breach of the Contract which existed at or before the date of termination or expiry; and

(d) clauses which expressly or by implication have effect after termination shall continue in full force and effect.

14. FORCE MAJEURE

14.1 For the purposes of this Contract, Force Majeure Event means an event beyond the reasonable control of the Supplier including but not limited to strikes, lock-outs or other industrial disputes (whether involving the workforce of the Supplier or any other party), failure of a

utility service or transport network, act of God, war, riot, civil commotion, malicious damage, compliance with any law or governmental order, rule, regulation or direction, accident, breakdown of plant or machinery, fire, flood, storm or default of suppliers or subcontractors.

14.2 The Supplier shall not be liable to the Customer as a result of any delay or failure to perform its obligations under this Contract as a result of a Force Majeure Event.

15. GENERAL

15.1 Assignment and other dealings.

(a) The Supplier may at any time assign, transfer, mortgage, charge, subcontract or deal in any other manner with all or any of its rights under the Contract and may subcontract or delegate in any manner any or all of its obligations under the Contract to any third party.

(b) The Customer shall not, without the prior written consent of the Supplier, assign, transfer, charge, subcontract, declare a trust over or deal in any other manner with all or any of its rights or obligations under the Contract.

15.2 Notices.

(a) Any notice or other communication given to a party under or in connection with this Contract shall be in writing, addressed to that party at its registered office (if it is a company) or its principal place of business (in any other case) or such other address as that party may have specified to the other party in writing in accordance with this clause, and shall be delivered personally or sent by prepaid first-class post or other next working day delivery service, or by commercial courier, fax or e-mail.

(b) A notice or other communication shall be deemed to have been received: if delivered personally, when left at the registered office address; if sent by pre-paid first class post or other next working day delivery service, at 9.00 am on the second business day after posting; if delivered by commercial courier, on the date and at the time that the courier's delivery receipt is signed; or, if sent by fax or e-mail (if receipt of the email has been confirmed) within one business day after transmission.

(c) The provisions of this clause shall not apply to the service of any proceedings or other documents in any legal action

15.3 Severance.

(a) If any provision or part-provision of the Contract is or becomes invalid, illegal or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision or part-provision shall be deemed deleted. Any modification to or deletion of a provision or part-provision under this clause shall not affect the validity and enforceability of the rest of the Contract.

(b) If [one party gives notice to the other of the possibility that] any provision or part-provision of this Contract is invalid, illegal or unenforceable, the parties shall negotiate in good faith to amend such provision so that, as amended, it is legal, valid and enforceable, and, to the greatest extent possible, achieves the intended commercial result of the original provision.

15.4 Waiver. A waiver of any right under the Contract or law is only effective if it is in writing and shall not be deemed to be a waiver of any subsequent breach or default. No failure or delay by a party in exercising any right or remedy under the Contract or by law shall constitute a waiver of that or any other right or remedy, nor prevent or restrict its further exercise of that or any other right or remedy. No single or partial exercise of such right or remedy shall prevent or restrict the further exercise of that or any other right or remedy.

15.5 No partnership or agency. Nothing in the Contract is intended to, or shall be deemed to, establish any partnership or joint venture between any of the parties, nor constitute either party the agent of another party for any purpose. Neither party shall have authority to act as agent for, or to bind, the other party in any way.

15.6 Third parties. A person who is not a party to the Contract shall not have any rights to enforce its terms.

15.7 Variation. Except as set out in these Conditions, no variation of the Contract, including the introduction of any additional terms and conditions shall be effective unless it is agreed in writing and signed by the Supplier.

15.8 Governing law. This agreement and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the law of England and Wales.

15.9 Jurisdiction Each party irrevocably agrees that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim arising out of or in connection with this Contract or its subject matter or formation (including non-contractual disputes or claims).



Innovators in Infrastructure



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City Council Agenda Bill

Meeting Date: 3/20/2017 **Agenda Item:** 7-D

Subject: Hearing Examiner Contract for Services

Staff Contact: Don Measamer

Approved for Submittal to Council by	
X	Laurie Gere, Mayor
	Steve Hoglund, Finance Director
	Darcy Swetnam, City Attorney
X	Don Measamer

Action Type	
	Ordinance No.
	Code Revision?
	Resolution No.
X	Contract
	Public Hearing
	Staff Report

Summary Statement: In December 2016 the City Council adopted Ordinance 2988, Title 2, establishing the office of the Hearing Examiner. The Hearing Examiner would hear Code Enforcement appeals under the new Title 20 and certain land use actions such as appeals of Type I and Type II Administrative actions, special use permits for towers and antennas and level 2 variances. The RFQ generated three responses and two candidates were chosen for interviews by Planning Committee Council Members Ryan Walters and Brad Adams, City Staff Darcy Swetnam, Libby Grage and Don Measamer. Having reviewed the qualifications and interviewing the two candidates the interview group recommends Sound Law Center, Mr. Ted Hunter as Hearing Examiner and Mr. Andrew Reeves as Hearing Examiner Pro Tempore. The contract for services is attached and has been reviewed by Mr. Hunter and Mr. Reeves.

Background: The City Council reviewed the proposed Hearing Examiner appointment at its March 13, 2017 meeting indicating to staff that the contract for services should be brought back for City Council review.

Budget Impact	
Amount Budgeted	
Budget Account (BARS)	
Proposed Expenditure	
Budget Amendment Required?	
Revenue Source	

Proposed Contract	
Contractor	
Amount	
Start Date	
End Date	

Previous Council/Committee Action: The Planning Committee City Council members Ryan Walters and Brad Adams and City Staff Darcy Swetnam, Libby Grage and Don Measamer interviewed the two candidates and recommends Sound Law Center, Ted Hunter as Hearing Examiner and Andrew Reeves as Hearing Examiner Pro-Tempore.

Competing Viewpoints Considered: Proposals reviewed and candidates interviewed

Recommended Motion: I move to appoint Sound Law Center, Mr. Ted Hunter as Hearing Examiner, and Mr. Andrew Reeves as Hearing Examiner Pro-Tempore and approve the contract for services as presented.

Alternative Actions: Request additional information as determined

Attachments (listed in order presented): Hearing Examiner Contract for Services



CITY OF ANACORTES
AGREEMENT FOR HEARING EXAMINER SERVICES

This agreement is being entered into this ____ day of March, 2017, by and between the City of Anacortes, a Washington municipal corporation hereinafter referred to as "City", and Sound Law Center, hereinafter referred to as "Hearing Examiner". In consideration of the mutual benefits, terms and conditions hereinafter specified, the sufficiency of which is hereby acknowledged, the Parties hereby agree as follows.

1. **Term.** The term of this Agreement will be for two years, beginning on the date of execution and terminating at midnight on the second anniversary of execution, subject to the Termination section herein.

2. **Services.**

- a. Ted Hunter agrees to serve as Hearing Examiner and Andrew Reeves agrees to serve as Hearing Examiner pro tem as described in Section 2.30.060(C) of the Anacortes Municipal Code ("AMC").
- b. The Hearing Examiner agrees to provide the following services to the City.
 - i. Perform a variety of administrative and quasi-judicial duties related to matters ranging from land use and environmental cases, code enforcement actions, to appeals of Department determinations; conduct open public hearings to assure due process in an impartial, objective and timely manner; and render decisions and recommendations to the City.
 - ii. Conduct quasi-judicial and administrative hearings, applying relevant federal, State or local standards and decisional law; receive, consider and examine testimony and exhibits related to matters heard; prepare a case record and enter findings, conclusions, decisions, and recommendations to the City.
 - iii. Hear, recommend, or decide various land use issues as provided for by City ordinances; assure compliance with City, state and federal environmental regulations; consider statutory requirements and community guidelines in determining the appropriate size, scale and design of development projects;

- iv. Conduct hearings of appeals for code enforcement actions taken pursuant to City ordinances.
 - v. Analyze technical drawings and development plans and make relevant decisions in keeping with land use laws, regulations and policies.
 - vi. Prepare the Hearing Examiner Report as mandated by law; render decisions in writing that are clear, complete and internally consistent, factually accurate, and legally sufficient, and provide to the City for distribution to parties of record and interested parties.
- 3. **Conflict of Interest.** The Hearing Examiner agrees to disqualify himself or herself as to any application regarding which the Hearing Examiner has had substantial pre-hearing contact with proponents or opponents; regarding which the Hearing Examiner has a personal financial interest or other appearance of fairness conflict. The Hearing Examiner further agrees that neither he nor any firm at which she is a principal, officer, or employee shall offer new consultation services or other new professional assistance related to land use activities in the City of Anacortes which may result in applications for review under the provisions of city codes within the Hearing Examiner's decision making authority during the term of this Agreement, or for a period of six (6) months following termination thereafter. The Hearing Examiner will endeavor to give the City as much advance notice of a possible conflict to hear any item so that the item can be assigned to another pro tem hearing examiner.
- 4. **Procedures and Exhibits.** The Hearing Examiner agrees to adopt and community to parties a set of procedures for the conduct of hearings. During the course of the conduct of hearings, the Hearing Examiner shall mark and record all exhibits accepted into the record, with the case, number or letter of the exhibit. All such exhibits will be entrusted to the City after the Hearing Examiner has rendered her final decision on the matter.
- 5. **Facilities and Administrative Support.** The City will provide facilities for the conduct of hearings, including a hearing room and recording equipment. The City will also provide staff support at the hearing to record proceedings. The staff support includes carrying out all public notice requirements of the City code.
- 6. **Recesses and Continuances.** The Hearing Examiner agrees to set all recessed or continued hearings to a time certain whenever possible. The Hearing Examiner will coordinate such rescheduling with the City to ensure that adequate facilities will be available.
- 7. **Compensation.** The City will pay the Hearing Examiner at the rate of \$125 per hour for services provided, not including travel time to and from the City.

Payment will be for time actually devoted to rendering services under this agreement, for hearings assigned, and time necessary for hearing and decision preparation. This compensation rate may be adjusted annually by the City. The Hearing Examiner shall keep accurate time records and shall provide such records for review by the City as requested. Invoices documenting hours spent for services rendered may be submitted monthly to the City Finance Director for payment.

8. **Insurance.** The City requires the Hearing Examiner to carry automobile insurance of \$500,000 per occurrence and furnish proof of insurance and a driving record abstract to the City.
9. **Indemnification.** The Hearing Examiner shall indemnify, defend and hold harmless the City, its officers, agents, employees and volunteers, from and against any and all claims, losses or liability, or any portion thereof, including attorneys fees and costs, arising from legal malpractice, civil rights violations, injury or death to persons, including injuries, sickness, disease or death to Hearing Examiner's own employees, or damage to property occasioned by a negligent act, omission, or failure of Hearing Examiner.

Except in cases where the City elects to appeal or challenge an action or decision of the Hearing Examiner, the City will actively represent the Hearing Examiner and defend any and all legal challenges to or appeals of any action and/or decision rendered by the Hearing Examiner when acting within the scope of the quasi-judicial duties called for by this agreement, to the same extent as it would for any other City quasi-judicial decision maker. The costs of such legal representation shall not be charged to the Hearing Examiner as long as the action taken and/or decision rendered is within the scope of the quasi-judicial duties called for in this agreement. The City reserves the right to settle any such appeal or legal challenge to any such action or decision in any manner deemed appropriate by the City with or without consulting with or obtaining the consent of the Hearing Examiner. In the event that any action taken and/or decision rendered is determined to be outside the scope of the Hearing Examiner's quasi-judicial duties, the City shall have no obligation to represent or defend the Hearing Examiner or any action taken and/or decision rendered, and the Hearing Examiner's indemnity obligations set forth in this agreement shall apply.

10. **Compliance with Laws.** Hearing Examiner shall, in performing the services contemplated by this agreement, faithfully observe and comply with all federal, state, and local laws, ordinances and regulations, applicable to the services rendered under this agreement.
11. **Discrimination Prohibited.** The Hearing Examiner, with regard to work performed under this agreement, will not discriminate on the grounds of race;

religion/creed; national origin; ancestry; sex; the presence of a physical, sensory, or mental disability; age over 40; sexual orientation or gender identity; pregnancy; HIV/AIDS and Hepatitis C status; use of a guide dog/service animal; marital status; parental/family status; military status; or veteran's status, in accordance with City policy and as set forth in federal, state and local laws.

12. **Independent Contractor.** Hearing Examiner and the City agree that Hearing Examiner is an independent contractor with respect to the services provided under this agreement. Nothing in this agreement shall be considered to create the relationship of employer and employee between the parties hereto. Neither Hearing Examiner nor any of her employees shall be entitled to any benefits accorded City employees by virtue of the services provided under this agreement. The Hearing Examiner shall be solely responsible for payment of all taxes and fees, including business license fees and social security taxes.
13. **Nonexclusive Contract.** Nothing herein shall constitute a guarantee to provide a minimum amount of work or a promise to supply work to the Hearing Examiner by the City. The City reserves the right to assign hearing examiner duties to other persons, either by way of agreement or employment.
14. **Assignment.** The Hearing Examiner may not sublet or assign any of the services covered by this agreement without the express written consent of the City.
15. **Non-Waiver.** Waiver of any provision of this agreement, or any time limitation provided for in this agreement by the City shall not constitute a waiver of any other provision.
16. **Termination.** This Agreement shall remain in full force and effect for the duration of the Term as described in Paragraph 1 above. This Agreement may be terminated in accordance with the provisions of Section 2.30.090 AMC.

DATE: _____

DATE: _____

Mayor Laurie Gere
City of Anacortes

Ted Hunter

Andrew Reeves



Anacortes City Council

Proposed Agenda Items for the Next Eight Weeks Beginning March 27, 2017

Subjects listed below have been tentatively suggested for consideration by the Anacortes City Council on the dates indicated. Items may be added to, removed from or rearranged on this list. Routine business such as approval of minutes, vouchers and consent agenda items is not included. The complete Preliminary Agenda for each meeting is published at 3:00 on the Wednesday prior to the meeting. Published Agendas are subject to change and may be updated following the posting period. For additional information on agenda topics, please contact the City Clerk's office at 360-299-1960 to be directed to the sponsoring staff member.

March 27, 2017

- Closed Record Public Hearing: CUP-2016-1005, Conditional Use Permit/Essential Public Facility (EPF) to permit an outpatient substance use and primary care medical service type of land use within an existing office building (Discussion/Possible Action)

April 3, 2017

April 10, 2017

April 17, 2017

April 24, 2017

- CDBG - Review draft 2017/2018 Action Plan, Housing Needs & Community Input

May 1, 2017

May 8, 2017

May 15, 2017

Upcoming City Council Committee Meetings

The public is welcome to attend City Council Committee Meetings.

- Public Works, Monday, Mar 20, 2017, 5:00 PM, Public Works Director's Office, City Hall
- Finance, Wednesday, Mar 22, 2017, 5:00 PM, Johnny Picasso's, 501 Commercial Avenue
- Planning, Monday, Mar 27, 2017, 5:00 PM, Main Conference Room, City Hall
- Public Works, Monday, Apr 3, 2017, 5:00 PM, Public Works Director's Office, City Hall
- Housing Affordability & Community Services, Thursday, Apr 6, 2017, 1:30 PM, City Hall
- Planning, Monday, Apr 10, 2017, 5:00 PM, Main Conference Room, City Hall

City Council Minutes – March 13, 2017

Mayor Laurie Gere called to order the regular Anacortes City Council meeting of March 13, 2017 at 6:00 p.m. Councilmembers Eric Johnson, Ryan Walters, Erica Pickett, Brad Adams and Matt Miller were present. Councilmembers Liz Lovelett and John Archibald were absent.

Ms. Pickett moved, seconded by Mr. Miller, to excuse the absence of Ms. Lovelett who was ill. The motion passed unanimously by voice vote.

The assembly joined in the Pledge of Allegiance.

Announcements and Committee Reports

Planning Committee: Mr. Walters reported that the committee met the prior week to interview Hearing Examiner candidates and so did not meet at its regular time earlier in the evening.

Mayor Gere announced a special meeting for the residential development regulations and design standards open house sponsored by the City of Anacortes Department of Community and Economic Development on Thursday, March 16, 2017 from 6 p.m. to 8 p.m. in the City Council chambers. She encouraged the public to attend.

Public Comment

Linda McNamar, 509 5th Street, asked Council to revisit the issue of banning plastic bags. She said other cities such as Seattle, Bellingham and Chehalis have banned plastic bags and Anacortes can and should, too. Ms. McNamar said the plastic bag problem has gone on too long. She asked what would be required to move the issue forward. Mayor Gere responded that the topic would be referred to committee.

Mr. Walters moved, seconded by Mr. Johnson, to excuse the absence of Mr. Archibald who was ill. No one objected.

Consent Agenda

Mr. Adams removed Items 5c, 5d and 5f from the Consent Agenda. Mr. Johnson moved, seconded by Mr. Adams, to approve the following Consent Agenda items. The motion passed unanimously by voice vote.

- a. Minutes of March 6, 2017
- b. Approval of Claims in the amount of: \$621,966.85
- e. Contract Modification: WWTP Outfall Repair (13-020-SEW-004)

The following vouchers/checks were approved for payment:
EFT numbers: 84049 through 84107, total \$205,243.09
Check numbers: 84108 through 84166, total \$328,885.67
Wire transfer numbers: 213466 through 214058, total \$5,414.36

- c. Contract Award: Blue Heron Circle Reservoir Project Construction Management Services (16-039-WTR-003)
- d. Contract Modification: Blue Heron Circle Reservoir Engineering Services (16-039-WTR-001)

Mr. Adams requested a staff update on this large project and why there had been no bid process for the proposed contracts. Project Manager Jeff Marrs, Water Treatment Plant Manager, explained that HDR had been selected during the design review process and that the current matter was a modification to that contract to continue HDR's engineering services during construction. Mr. Marrs reported that MWH was selected for construction management services in order to establish the same very successful team that had managed the Water Treatment Plant expansion. He assured Council that Anacortes would be getting the best value for its professional service expenditures. Mr. Adams moved, seconded by Ms. Pickett, to approve Consent Agenda Items C and D. The motion passed unanimously by voice vote.

f. Resolution 1985: Special Market Condition for Purchase of Directional Drilling Equipment

Mr. Adams noted that Council had approved a similar resolution the prior month and asked the relationship between the two. Public Works Director Fred Buckenmeyer explained that following Council adoption of Resolution 1984 on February 13, 2017, the approved equipment had been professionally inspected and found to need significant repairs. He said staff had since investigated other available used machines and recommended the proposed machine, which was ready for use at a price below comparable machines. Mr. Adams moved, seconded by Mr. Walters, to approve Consent Agenda Item F. The motion passed unanimously by voice vote.

OTHER BUSINESS

Arts Commission Update

Parks and Recreation Director Gary Robinson introduced an update to Council on the work of the Anacortes Arts Commission during the prior year. Mr. Robinson introduced the commission members who were present including Lanny Bergner, Terry MacDonald, Ron Smith, Brian Strickland, Lisa Rhoades and Karla Locke and also recognized Rita James and Mary Snyder for their contributions to the commission.

Commissioner Karla Locke described a number of the commission's recent initiatives including increasing public awareness with a new website (anacortesartscommission.com), First Friday art walks at the Depot Arts Center, the 98221 Gallery at City Hall, alternating art exhibits with sister city Sydney, B.C., the Arts for All program, and the Art, Therapy, Wellness series at Anacortes Public Library.

Commissioner Lisa Rhoades presented the 98221 Studio Tour guide. She said the program was hugely successful in 2016 and that the commission expected that to continue with the second annual event scheduled for October 21-22, 2017. Ms. Rhoades said the group planned to increase promotion to Victoria and Vancouver, B.C. as many visitors from that area attended the 2016 event.

Mr. Robinson updated Council on the proposed outdoor sculpture exhibit in the madrone grove immediately east of the Depot Arts and Community Center. He said the plan had been adapted to address concerns expressed following discussions with the Parks Board, Arts Commission, and City Council Parks & Recreation Committee. Mr. Robinson described the sculpture mounting methodology designed so as not to disturb trees roots. He displayed an aerial photo depicting the proposed locations for the dozen sculptures and images of the art. Mr. Robinson responded to councilmember questions about the exhibit and councilmember requests for interpretive signage explaining the origin of the grove and encouraging respect for the trees. Councilmembers thanked the Commission for its very active approach to expanding access to art in the community.

Hearing Examiner Confirmation

Planning Director Don Measamer recapped Council's consideration of code changes regarding code enforcement and adoption of Ordinance 2988 creating the office of Hearing Examiner to hear appeals of

code enforcement actions and certain limited land use actions. Mr. Measamer reported that staff had issued a Request for Proposal for hearing examiner services, that three proposals had been submitted, that the Council Planning Committee had selected two of those for interview, and that after interviews with the committee members and staff the interview panel recommended engaging Sound Law Center, specifically Mr. Ted Hunter as Hearing Examiner and Mr. Andrew Reeves as Hearing Examiner Pro-Tem. Mr. Measamer summarized the firm's qualifications as presented in the packet materials for the evening and said it provided hearing examiner services to twenty different jurisdictions in Washington state. Mr. Walters and Mr. Adams, both of whom served on the interview panel, strongly recommended the selections. Mayor Gere confirmed with Mr. Measamer that the firm had agreed to a rate of \$125/hour. Mr. Miller requested an updated estimate of the annual cost of the new position. Mayor and Council asked Mr. Measamer to prepare a contract with Sound Law Center and bring it back before Council for approval.

Resolution 1963: Establishing Fees for the Storm Water Utility and Ordinance 2979 Removing Storm Rates from AMC and Defining Impervious Surface Units

Public Works Director Fred Buckenmeyer recapped and continued the discussion of this topic from the February 13, 2017 City Council meeting. His slide presentation was added to the packet materials for the meeting. Mr. Buckenmeyer presented Rate Schedule A, the preferred option recommended by staff, which would increase storm water utility rates gradually from January 1, 2018 through 2030. He contrasted this with alternative Rate Schedule B which would initiate the rate increase mid-way through 2017. Each schedule included the anticipated annual revenue, net revenue, and reserve balance. Mr. Buckenmeyer then demonstrated the impact of Rate Schedule A on bills for selected commercial accounts inside and outside the HM/LM1 zones. He concluded by listing potential rate equity improvements that staff could continue to investigate. Mr. Buckenmeyer said that a public outreach campaign was being developed but would not go live until specific rates were approved. He responded to questions regarding possible rate adjustments for residential customers with significantly smaller or larger than average lots or homes and reminded that a 20% discount on all City utilities was available to customers who met limited income eligibility requirements. Mr. Walters requested a means for commercial customers to request re-evaluation of their ERU equivalency. Mr. Miller requested that the public outreach effort explain how the new 3600 SF ERU was developed. Mr. Buckenmeyer concurred. Discussion continued on related topics.

Mr. Johnson moved, seconded by Mr. Walters, to approve **Ordinance 2979** to update City code related to stormwater utilities and approve **Resolution 1963** to increase stormwater utility rates as presented by staff as Rate Schedule A. Mr. Adams confirmed that the only portion of the unified fee schedule that was changed by Resolution 1963 was the storm utility rates. Ms. Pickett contrasted the CPI language in the body of Resolution 1963 with that in its Attachment A. Mr. Walters concluded that the more specific language in Attachment A governed. Mr. Walters asked staff to correct the spelling errors in Exhibit A prior to execution. Mr. Buckenmeyer agreed to do so. Vote: Ayes – Walters, Pickett, Adams, Miller and Johnson. Motion carried.

There being no further business, at approximately 7:25 p.m. the Anacortes City Council meeting of March 13, 2017 was adjourned.

The following claims against the City of Anacortes have been preaudited and certified by the Clerk-Treasurer as ready for City Council approval at the March 20, 2017 City Council meeting:
[Download this file in OpenDocument spreadsheet format.](#)

Invoice Doc #	Transaction Date	Invoice #	Vendor #	Vendor Full Name	Description	Total Amount
212913	1/28/2017	206-020-3556-0826095	07909	FRONTIER COMMUNICATIONS	RADIO TONE LINE 1696: 1/28 - 2/27	\$61.14
212872	1/28/2017	253-004-9336-0614005	07909	FRONTIER COMMUNICATIONS	APD DS1 LINES 1/28-2/27/17	\$357.65
212874	1/28/2017	253-006-0176-1214945	07909	FRONTIER COMMUNICATIONS	APD ADDL DS1 LINE 1/28-2/27/17	\$369.18
212866	1/28/2017	253-009-1310-0919005	07909	FRONTIER COMMUNICATIONS	APD FRAME RELAY 1/28-2/27/17	\$84.22
212870	1/28/2017	253-011-6037-1018005	07909	FRONTIER COMMUNICATIONS	APD VOICE GRADE CIRCUITS 1/28-2/27/17	\$40.38
213014	1/28/2017	253-014-9093-0826095	07909	FRONTIER COMMUNICATIONS	RADIO TONE LINE 1683: 1/28 - 2/27	\$61.14
212882	1/28/2017	360-293-0327-0122885	07909	FRONTIER COMMUNICATIONS	CITY MAIN PHONE 1/28-2/27/17	\$1,786.60
212869	1/28/2017	360-293-4684-0619005	07909	FRONTIER COMMUNICATIONS	APD BUSINESS LINE/SUMMARY BILL 1/28-2/27/17	\$71.35
212864	1/28/2017	360-293-4900-0912865	07909	FRONTIER COMMUNICATIONS	APD BAC LINE 1/28-2/27/17	\$75.31
213038	1/28/2017	360-293-5868-1006005	07909	FRONTIER COMMUNICATIONS	APD 1/28-2/27/17	\$333.96
213110	1/28/2017	360-299-0813-1017915	07909	FRONTIER COMMUNICATIONS	WWTP PHONE BILL - 360-299-0813-1017915	\$426.44
212892	1/28/2017	360-299-0953-1017915	07909	FRONTIER COMMUNICATIONS	TELEPHONE SERVICE FOR WWTP 1/28-2/27/17	\$97.00
213822	1/30/2017	591737835	00780	DEPARTMENT OF ECOLOGY	LID TRAINING CLASS JOHN FRANZ	\$32.64
214148	1/30/2017	SI573374	10519	FRANK WINNE & SON, INC.	PULL TAPE	\$366.13
212785	1/31/2017	115977	00125	AMERICAN PLANNING ASSOCIATION	DT PLANNING FOR SMALLER COMMUNITIES	\$47.95
214197	2/1/2017	1234	02896	VISA	PLANNING/BUILDING TRAINING	\$483.19
214145	2/1/2017	37213891	08535	WASTEQUIP LLC	2017 WASTE CONTAINERS	\$19,063.15
212704	2/2/2017	35322	07084	NATIONAL TANK OUTLET	SNYDER MEGATAINER "BOTTLE"	\$4,597.00
214357	2/2/2017	4798 5100 5527 6725	02813	UNITED STATES POSTAL SERVICE	USPS PREPAID ENVELOPES	\$168.00
213718	2/3/2017	511010	10295	HASA, INC	SODIUM HYPOCHLORITE 12.5% SOLUTION	\$4,536.97
214359	2/7/2017	Pay Application 4	10357	ROOSENDAAL HONCOOP	STORVIK PARK SPRAYPAD & RESTROOM	\$106,566.44
214075	2/9/2017	92029060	01061	CHEMTRADE CHEMICALS US LLC	ALUM SULFATE - BULK	\$4,359.56
213356	2/16/2017	17-034515	00850	EDGE ANALYTICAL, INC	FINAL EFFLUENT TESTING	\$139.00

Invoice Doc #	Transaction Date	Invoice #	Vendor #	Vendor Full Name	Description	Total Amount
213379	2/16/2017	17-292	04253	LIFE TEK, INC	FIRST AID, CPR, BBP TRAINING	\$300.00
214356	2/16/2017	WA07-150862	07819	MOTION INDUSTRIES	OIL SEALS/SPEEDI SLEEVE OIL SEALS	\$474.33
214103	2/17/2017	62318	09065	ALLWEST UNDERGROUND, INC	MANHOLE LADDER SAFETY PLATFORM	\$268.17
214373	2/19/2017	1200036717	05880	HDR ENGINEERING, INC	WTP 7/24/16-2/4/17	\$984.74
213167	2/20/2017	1205531	09237	WASHINGTON TRACTOR, INC	YANMAR EXCAVATOR ON STATE CONTRACT	\$59,203.89
214360	2/20/2017	4798 5100 5527 6725	10039	TCC	PHONE CASES	\$86.78
214069	2/21/2017	688164	00496	CASCADE COLUMBIA DISTRIBUTION	SODIUM FLUORIDE - 50# BAG	\$1,580.00
214364	2/23/2017	97419321	01318	INGRAM LIBRARY SERVICES, LLC	BOOKS - ADULT	\$983.82
214365	2/23/2017	97419322	01318	INGRAM LIBRARY SERVICES, LLC	BOOKS - JUVENILE	\$94.04
214196	2/24/2017	14660649	08535	WASTEQUIP LLC	PARTS FOR SOLID WASTE DUMPSTERS	\$372.95
214194	2/24/2017	14660664	08535	WASTEQUIP LLC	PARTS FOR SOLID WASTE DUMPSTERS	\$810.25
214313	2/24/2017	2014	04817	NW CLEANERS	JANITORIAL SERVICES FOR FIDALGO CENTER & CITY HALL	\$305.00
214065	2/24/2017	27979142	01616	LOWE'S BUSINESS ACCOUNT/GEMB	COLD WELD SUPPLIES	\$5.86
214210	2/26/2017	9781101854	02879	VERIZON WIRELESS	CELLULAR FOR SCADA MODEMS	\$710.48
214106	2/26/2017	K09810/1	00021	ACE HARDWARE	GALV. PIPE AND PICK POLES	\$111.00
214064	2/27/2017	002-5081765-0365057	08811	AMAZON.COM	TROND HALO LED DESK LAMPS	\$59.98
214311	2/27/2017	2015	04817	NW CLEANERS	FIDALGO CENTER FLOOR CLEANING	\$2,388.00
214097	2/27/2017	5041078MB	01530	LAKE SIDE INDUSTRIES, INC.	1 1/4 & 1 1/2 ROCK FOR STREET DEPT	\$168.05
214139	2/27/2017	51149/2	06246	H.B. JAEGER	PARTS FOR CATCH BASIN RELOCATION	\$750.61
213752	2/27/2017	66294	02670	SUNLAND BARK & TOPSOILS	BARK FOR CITY HALL	\$94.72
213751	2/27/2017	89267	00939	FASTENAL CO	RATCHET BIND AND CHAIN	\$335.29
214104	2/27/2017	A1202510	02405	SEBO'S DO-IT CENTER	WORK LIGHT FOR SPLITTERBOX STRAINER	\$29.80
214367	2/28/2017	0000516965	01958	OCLC, INC	CATALOGING, ILL, FIRSTSEARCH/WORLDCAT DISCOVERY	\$334.47
214336	2/28/2017	0465980	00675	COUSINS, RICHARD	REIM. PHARMACY COPAY, LEOFF1 RETIREE	\$72.88
214137	2/28/2017	114-5046668	04834	UNITED SITE SERVICES, INC	TRAVELLING TOILET RENTAL FOR FIBER PROJECT CREW FEB 2017	\$33.87
214225	2/28/2017	114-5046962	04834	UNITED SITE SERVICES, INC	2100 PENNSYLVANIA AVE PORTABLE RESTROOM	\$119.11
214131	2/28/2017	117647	10177	INFOSEND, INC.	MONTHLY STATEMENT PROCESSING	\$4,013.00
214144	2/28/2017	128570	01644	MAILLIARD'S LANDING	GRINDING WOODY DEBRIS AT HAVEKOST STORAGE SITE	\$4,177.25
213810	2/28/2017	1330595-70144563	10024	WFOA, WA FINANCE OFFICERS ASSOC	MEMBERSHIP RENEWAL - STEFFEN/MILES	\$100.00
213809	2/28/2017	13411613	03899	4IMPRINT INC	TUMBLERS - SUNSET LOOP RELAY AWARDS	\$391.13
214095	2/28/2017	1531033	00632	MILES SAND & GRAVEL CO.	UTILITY SAND FOR STREET DEPT	\$561.38
214347	2/28/2017	18729	00050	AEON MFG CO INC	GRAVE MARKER VASES & SLEEVES	\$570.27

Invoice Doc #	Transaction Date	Invoice #	Vendor #	Vendor Full Name	Description	Total Amount
213811	2/28/2017	1946859-99963339	10024	WFOA, WA FINANCE OFFICERS ASSOC	TRAINING STEFFEN/MILES FED GRANT REQUIREMENTS	\$250.00
214213	2/28/2017	2/28/17	01364	ISLAND HOSPITAL	JANUARY AMBULANCE SUPPLIES, O2	\$1,248.60
214322	2/28/2017	205276	07524	WIDENER & ASSOCIATES	WWTP OUTFALL REPAIR PERMITTING - FEBRUARY 2017	\$2,919.70
214327	2/28/2017	238817	08765	A WORKSAFE SERVICE INC	PRE-EMPLOYMENT SCREENING; DILLS	\$55.00
214087	2/28/2017	3	00424	BUBBA SUDZ CAR WASH, INC.	FEBRUARY CAR WASHES- 5	\$40.00
213865	2/28/2017	360-293-4224-1011005	07909	FRONTIER COMMUNICATIONS	MUNICIPAL COURT FAX 2/28/17-3/27/17	\$250.82
214230	2/28/2017	47555	10156	911 SUPPLY, INC	ANNUAL UNIFORM ORDER: RF	\$390.57
214243	2/28/2017	47556	10156	911 SUPPLY, INC	ANNUAL UNIFORM ORDER: JB	\$390.57
214248	2/28/2017	47557	10156	911 SUPPLY, INC	ANNUAL UNIFORM ORDER: NELSON	\$278.01
214251	2/28/2017	47558	10156	911 SUPPLY, INC	ANNUAL UNIFORM ORDER: DS	\$210.45
214252	2/28/2017	47559	10156	911 SUPPLY, INC	ANNUAL UNIFORM ORDER: BYER	\$365.60
214253	2/28/2017	47560	10156	911 SUPPLY, INC	ANNUAL UNIFORM ORDER: RINGE	\$484.96
214249	2/28/2017	47561	10156	911 SUPPLY, INC	ANNUAL UNIFORM ORDER: DL	\$423.93
214260	2/28/2017	47562	10156	911 SUPPLY, INC	BR: NAMETAG	\$8.68
214258	2/28/2017	47563	10156	911 SUPPLY, INC	ANNUAL UNIFORM ORDER: NT	\$390.57
214261	2/28/2017	47564	10156	911 SUPPLY, INC	ANNUAL UNIFORM ORDER: JK	\$706.24
214263	2/28/2017	47782	10156	911 SUPPLY, INC	ANNUAL UNIFORM ORDER: MV	\$135.61
214264	2/28/2017	47783	10156	911 SUPPLY, INC	ANNUAL UNIFORM ORDER: MM	\$135.61
214096	2/28/2017	5041114MB	01530	LAKE SIDE INDUSTRIES, INC.	EZ STREET ASPHALT FOR STREET DEPT	\$635.12
214344	2/28/2017	6-24	09591	SKAGIT CNTY INVESTIGATIONS LLC	PUB DEF INVEST PAUL	\$151.25
214240	2/28/2017	7020102	02855	UTILITIES UNDERGROUND LOCATION	FEBRUARY LOCATE TICKETS	\$183.26
214195	2/28/2017	76426496	02154	150-PRAXAIR DISRIBUTION INC	CYLINDER RENTAL	\$814.14
214361	2/28/2017	830	02470	SKAGIT CONSERVATION DISTRICT	NPDES II OUTREACH & EDUCATION - FEBRUARY 2017	\$1,130.42
214147	2/28/2017	99893	10529	DITCH WITCH NORTHWEST	INSPECTION OF DIRECTIONAL DRILLER FOR FIBER PROJECT	\$350.40
211933	2/28/2017	CD201711143	07313	ENVIROTECH SERVICES, INC	RESTOCK OF DE-ICER FOR STREET DEPT	\$4,596.01
214133	2/28/2017	IN923192	10389	NOANET	FIBER NETWORK OPS, GIS, AND ENGINEERING SUPPORT FEB 2017	\$7,807.50
214135	2/28/2017	IN923193	10389	NOANET	FIBER NETWORK TRAVEL EXPENSES FOR ENGINEERING SUPPORT	\$305.40
214136	2/28/2017	IN923194	10389	NOANET	FIBER NETWORK TRAVEL EXPENSES FOR ENGINEERING SUPPORT	\$246.00
213981	3/1/2017	001-362175	02109	PISTON SERVICE OF ANACORTES	GAS MIXER	\$21.03
214246	3/1/2017	052-0010-00 March	00147	ANACORTES, CITY OF	WATER/SEWER/GARBAGE FOR OPERATIONS -	\$960.05
214353	3/1/2017	104610	08325	VENTEK INTERNATIONAL	MONTHLY PAYSTATION SERVER HOSTING &	\$135.00

Invoice Doc #	Transaction Date	Invoice #	Vendor #	Vendor Full Name	Description	Total Amount
214108	3/1/2017	1387743-0043-8	02997	WASTE MANAGEMENT	MONTHLY RECYCLE & YARDWASTE CONTRACT BILLING	\$98,091.16
214259	3/1/2017	190-1840-00	00147	ANACORTES, CITY OF	UTILITY BILLING FOR WWTP	\$3,960.10
214054	3/1/2017	200012505505	02192	PUGET SOUND ENERGY	WTP ELECTRICITY	\$63,574.22
214056	3/1/2017	248 984 6277 5	00494	CASCADE NATURAL GAS CORP.	WTP CASCADE GAS 1/28-2/28/17	\$4,519.22
214187	3/1/2017	772	10520	MIN-NS	MARCH SERVICE	\$130.20
214231	3/1/2017	82332	07368	THE HOSE SHOP, INC	CAMLOCKS/NIPPLES/HOSE/CLAMPS	\$163.50
214333	3/1/2017	F020381877	01364	ISLAND HOSPITAL	DODGE, RODNEY, COPAY FOR MEDICAL SERVICES,	\$85.28
214328	3/1/2017	FEBRUARY 2017	10256	HUMANE SOCIET OF SKAGIT VALLEY	ANIMAL CONTROL; APD CASE #17-A00763	\$66.00
213982	3/1/2017	waana89351	00939	FASTENAL CO	FASTENERS	\$5.51
214247	3/2/2017	071286	04394	EVERGREEN SAFETY COUNCIL	FLAGGER TRAINING RECERTIFICATION CLASS	\$780.25
213983	3/2/2017	100-21622524	09260	GOTPRINT.COM	ART DASH POSTCARDS	\$66.62
213978	3/2/2017	115-7066649-3641811	08811	AMAZON.COM	COFFEE FILTERS - APD	\$11.56
214320	3/2/2017	1413-U01	00369	BLYTHE PLUMBING & HEATING INC	HVAC PREVENTATIVE MAINTENANCE - FIDALGO CENTER	\$627.13
214316	3/2/2017	1415-U01	00369	BLYTHE PLUMBING & HEATING INC	HVAC PREVENTATIVE MAINTENANCE - MUSEUM	\$157.33
214395	3/2/2017	29788	10533	KENNELLY KEYS MUSIC	HONEY BUCKET REIMBURSEMENT DURING SEWERLINE REHABILITATION PROJECT	\$250.00
214254	3/2/2017	37213904	08535	WASTEQUIP LLC	2017 WASTE CONTAINERS	\$787.42
213514	3/2/2017	39742	05766	RU2 SYSTEMS INC	REPAIR FOR RADAR DISPLAY UNIT ON 43RD & A AVE	\$520.00
213953	3/2/2017	57001549099	02342	SAFEWAY INC	Inf:GROCERY STORES,SUPERMARK-SAFEWAY STORE00005934	\$22.84
213954	3/2/2017	58001549100	02342	SAFEWAY INC	SUPPLIES FOR DADDY DAUGHTER DANCE	\$69.43
214214	3/2/2017	720847	05284	GUARDIAN SECURITY SYSTEMS INC	CIRCUIT REPAIRS-MAIN BUILDING	\$393.45
214237	3/2/2017	8498 30 017 0319913	04412	COMCAST	LIBRARY INTERNET ACCESS 3/9-4/8/17	\$170.70
214080	3/2/2017	902322352/10131 5983	01903	NORTHERN SAFETY CO INC	YEARLY SAFETY SUPPLIES-WP/ACFL/PM	\$1,313.54
213823	3/2/2017	9195 - chamber	00148	ANACORTES CHAMBER OF COMMERCE	STATE OF THE CITY CHAMBER LUNCHEON	\$15.00
213980	3/2/2017	A00230/1	00021	ACE HARDWARE	PRUNER, SPADE - BALLFIELDS	\$44.81
213979	3/2/2017	A1203300	02405	SEBO'S DO-IT CENTER	VALVE BOX COVERS	\$30.34
214079	3/2/2017	reg x 3	00137	NW WA SUBSECTION PNWS-AWWA	REG. FOR SCOTT EISEN/MARIO	\$240.00
214272	3/3/2017	001-362400	02109	PISTON SERVICE OF ANACORTES	PART FOR VEH #159	\$70.95
213947	3/3/2017	115-2672886-2442664	08811	AMAZON.COM	PORTABLE DVD REWRITER EXTERNAL DRIVE	\$124.75

Invoice Doc #	Transaction Date	Invoice #	Vendor #	Vendor Full Name	Description	Total Amount
214004	3/3/2017	170208	04831	T-SHIRTS BY DESIGN	SUNSET LOOP RELAY T-SHIRTS	\$425.32
213955	3/3/2017	23021011	10355	WEBSTAIRANTSTORE	BABY CHANGING STATION - STORVIK RESTROOM	\$211.67
213952	3/3/2017	30255	04415	HARBOR FREIGHT TOOLS	TV MOUNT	\$190.15
213951	3/3/2017	474243	02515	SKAGIT FARMERS SUPPLY	TURFACE	\$311.67
213950	3/3/2017	706200012509	04308	COSTCO WHOLESALE CORPORATION	SHOP LIGHTS - PARKS BAY @ MAINTENANCE SHOP	\$162.68
214185	3/3/2017	787998	01588	LIFE ASSIST, INC	CASE OF MEGAMOVSERS, RESPONDER BAG, 4	\$1,157.14
213949	3/3/2017	B358281	02405	SEBO'S DO-IT CENTER	OUTLETS	\$9.62
213948	3/4/2017	115-1324803-2717859	08811	AMAZON.COM	DECIBEL METER - BLDG DEPT	\$23.90
214370	3/4/2017	RI103163695	09303	FRANCOTYP-POSTALIA, INC	MAILING MACHINE QUARTERLY RENTAL 3/1-5/31/17	\$130.07
214082	3/6/2017	001-362552	02109	PISTON SERVICE OF ANACORTES	BATTERY FOR VEH #7918	\$181.52
214321	3/6/2017	1155398	02681	SURETY PEST CONTROL	MONTHLY PEST MAINTENANCE- OPS	\$48.83
214121	3/6/2017	1516	06528	ECCOS DESIGN, LLC	CONSTRUCTION ADMIN - STORVIK SPRAY PAD	\$267.00
214143	3/6/2017	1633-4	06080	MAKERS ARCHITECTURE	ZONING, DEV & DESIGN STDS - FEB 2017	\$7,086.85
214250	3/6/2017	17-04342	00850	EDGE ANALYTICAL, INC	FLOURIDE SAMPLES	\$24.00
214113	3/6/2017	17A01476	00180	ANACORTES TOWING LLC	TOWING; APD CASE #17-A01476	\$162.75
214186	3/6/2017	2	04441	GRAY & OSBORNE INC	WATER TRANSMISSION MAIN REHABILITATION - PHASE 1 - 2/5/17-3/4/17	\$1,472.44
214274	3/6/2017	23122880	07351	PARTS MASTER	FASTENERS BULK: NUTS, WASHERS, CAP	\$462.46
214242	3/6/2017	24479	00156	ANACORTES PRINTING	PRINTED NOTICES & PAPER	\$209.41
214202	3/6/2017	24995	00715	DAHL ELECTRIC, INC	LABOR/MATERIALS-INSTALL LIGHT IN	\$347.88
214265	3/6/2017	331390	10532	BYER, CHRIS	REIMBURSEMENT FOR SKAGIT STEEL (METAL	\$226.30
214089	3/6/2017	51263/2	06246	H.B. JAEGER	PARTS FOR STREET DEPT	\$97.56
214138	3/6/2017	AN 49170	00524	CENTRAL WELDING SUPPLY CO, INC	WELD MASK, GOGGLES FOR FIBER PROJECT	\$244.13
214051	3/6/2017	B358456	02405	SEBO'S DO-IT CENTER	BATTING CAGE CLIP	\$3.57
214085	3/6/2017	MV160142	01801	MOTOR TRUCKS INC	PART FOR VEH #203	\$136.89
214132	3/7/2017	001-362667	02109	PISTON SERVICE OF ANACORTES	PART FOR VEH #139	\$16.42
214134	3/7/2017	001-362695	02109	PISTON SERVICE OF ANACORTES	PARTS FOR SHOP STOCK	\$394.01
214130	3/7/2017	001-362707	02109	PISTON SERVICE OF ANACORTES	PARTS FOR VEH #151	\$100.85
214140	3/7/2017	0212519-IN	03844	SIRENNET	PARTS FOR VEH #033,#034, #035	\$6,179.69
214334	3/7/2017	0543668	00932	FERGUSON ENTERPRISES, INC	M520M - F1 - 3W-X-E-MI 1P PIT, SOLE	\$4,804.38
214363	3/7/2017	514622	07508	PARACLETE PRESS INC	CDS	\$32.07
214330	3/7/2017	586658	10092	WALTER E NELSON CO	FACILITY SUPPLIES	\$469.06
214340	3/7/2017	586659	10092	WALTER E NELSON CO	TOILET PAPER	\$359.68
214352	3/7/2017	586677	10092	WALTER E NELSON CO	FACILITY SUPPLIES	\$320.94
213986	3/7/2017	A1204677	02405	SEBO'S DO-IT CENTER	ITEM FOR USE @ HEART OF ANACORTES	\$13.01
214181	3/7/2017	A1204702	02405	SEBO'S DO-IT CENTER	FASTENERS	\$8.88

Invoice Doc #	Transaction Date	Invoice #	Vendor #	Vendor Full Name	Description	Total Amount
214329	3/7/2017	A1204735	02405	SEBO'S DO-IT CENTER	MARKING WAND FOR WATER DEPT.	\$31.41
214182	3/7/2017	A1204794	02405	SEBO'S DO-IT CENTER	DRILL BIT	\$17.35
214177	3/7/2017	B358589	02405	SEBO'S DO-IT CENTER	TITEBOND GLUE	\$6.28
214318	3/8/2017	001-362726	02109	PISTON SERVICE OF ANACORTES	PARTS FOR VEH #607	\$55.27
214238	3/8/2017	1033948	02519	SKAGIT PUBLISHING LLC	PUBLISH AA-1588397 BLA2017-0004	\$113.68
214308	3/8/2017	1153348	02681	SURETY PEST CONTROL	RODENT CONTROL @ CITY HALL	\$43.40
213712	3/8/2017	1409501	10296	THATCHER COMPANY OF MONTANA	CALCIUM NITRATE	\$10,407.81
214150	3/8/2017	1833275	09961	CARDINAL HEALTH 110, INC.	PHARMACEUTICALS	\$45.25
214153	3/8/2017	1833290	09961	CARDINAL HEALTH 110, INC.	PHARMACEUTICALS	\$6.24
214122	3/8/2017	200015995380	02192	PUGET SOUND ENERGY	ELECTRICITY	\$1,939.34
214115	3/8/2017	220009664396	02192	PUGET SOUND ENERGY	HEART OF ANACORTES PSE 2/4-3/7/17	\$281.40
214348	3/8/2017	264203	01023	FRONTIER BUILDING SUPPLY	CEMENT - CEMETERY MARKERS	\$67.76
214088	3/8/2017	264208	01023	FRONTIER BUILDING SUPPLY	PARTS FOR STREET DEPT	\$100.71
214190	3/8/2017	264302	01023	FRONTIER BUILDING SUPPLY	BUTCHER BLOCK FOR STA 1 TABLE	\$732.74
214209	3/8/2017	6801	00427	BUD CLARY CHEVROLET, INC.	2017 CHEVY SILVERADO- VEHICLE #177	\$29,680.08
214078	3/8/2017	717580	00306	BAYSHORE OFFICE PRODUCTS INC	DIVIDERS FOR TRAINING MANUALS	\$9.05
214092	3/8/2017	717663	00306	BAYSHORE OFFICE PRODUCTS INC	TEMPERA PAINT AND HOOKS FOR KIDS NIGHT	\$31.86
214207	3/8/2017	92050656	01061	CHEMTRADE CHEMICALS US LLC	ALUM SULFATE - BULK	\$4,731.25
214179	3/8/2017	9418 3/8	08912	EBAY OR PAYPAL	RAILS TO MOUNT IP BRIDGES	\$17.99
214176	3/8/2017	B358637	02405	SEBO'S DO-IT CENTER	FASTENERS - STORVIK PARK RESTROOM	\$39.94
214112	3/8/2017	I17006069	02930	WASHINGTON STATE PATROL	BACKGROUND CHECKS	\$264.00
214184	3/8/2017	WAANA89390	00939	FASTENAL CO	HOLE SAW	\$14.72
214288	3/8/2017	xxxx13	10346	IMPORTED P CARD TRANSACTION	Inf:WHOLESALE ELEC PARTS-0188 CED	\$399.75
214302	3/9/2017	001-362934	02109	PISTON SERVICE OF ANACORTES	PARTS FOR VEH #041	\$13.41
214102	3/9/2017	00106740	10528	CASCADE NETS INC.	BIRD NETTING	\$1,199.99
214099	3/9/2017	0183143	00950	FIDALGO BAY COFFEE INC	COFFEE FOR WWTP	\$93.00
214105	3/9/2017	0183144	00950	FIDALGO BAY COFFEE INC	COFFEE ORDER FOR OPS/SHOP- 20LBS	\$186.00
214123	3/9/2017	030717	00156	ANACORTES PRINTING	REAM OF 24# BOND PLAIN LETTERHEAD	\$24.74
214090	3/9/2017	16-070-IDS-002	10416	ALL PHASE COMM LLC	RETAINAGE RELEASE	\$6,538.94
214101	3/9/2017	16120096	05523	PACIFIC POWER BATTERIES	BATTERIES FOR PUMP STATIONS	\$42.53
214110	3/9/2017	1990066488	06718	ARAMARK	NYLON MATS CLEANED	\$16.28
214234	3/9/2017	1990066496	06718	ARAMARK	LAUNDRY SVC FOR OPS & PARKS	\$125.40
214244	3/9/2017	200018631677	02192	PUGET SOUND ENERGY	1100 ST. RT. 20	\$21.22
214152	3/9/2017	220006944312	02192	PUGET SOUND ENERGY	CASINO DRIVE UNDER TWIN BRIDGES- ELECTRICITY	\$68.73
214109	3/9/2017	2481	08957	WAPRO	WAPRO SPRING CONFERENCE; RECORDS SUPER INGRAM	\$175.00

Invoice Doc #	Transaction Date	Invoice #	Vendor #	Vendor Full Name	Description	Total Amount
214369	3/9/2017	264360	01023	FRONTIER BUILDING SUPPLY	LADDER STABILIZER	\$33.62
214268	3/9/2017	34231	01022	FRONTIER FORD	PARTS FOR VEH #177	\$121.95
214325	3/9/2017	49240	01808	MT. BAKER OVERHEAD DOORS	REPAIRS TO SHOP GARAGE DOORS	\$137.25
214338	3/9/2017	500-0820-00	00147	ANACORTES, CITY OF	REFUSE BILL	\$30.00
214107	3/9/2017	717780	00306	BAYSHORE OFFICE PRODUCTS INC	1" & 1.5" BINDERS FOR PUMP STATION	\$49.35
214128	3/9/2017	C277676	02405	SEBO'S DO-IT CENTER	PART FOR VEH #11940A	\$45.69
214125	3/9/2017	DMCMA Spring Trainin	00808	DMCMA TREASURER	2017 SPRING REGIONAL TRAINING IN BURLINGTON	\$25.00
214337	3/9/2017	Do0042	08896	WILSON DDS, NICHOLAS J	DODGE, RODNEY, DENTAL SERVICES, LEOFF1 RETIREE	\$11.70
214228	3/9/2017	N02561	00763	DEPARTMENT OF HEALTH	BLUE HERON CIRCLE RESERVOIR - APPROVAL	\$1,994.00
214111	3/9/2017	REIMB	07840	NEWSOM, VALERIE J	TRAINING PER DIEM REIMB; IAPE - EVIDENCE CUST NEWSOM	\$148.00
214178	3/9/2017	WSJSubscription	02910	WALL STREET JOURNAL, THE	WALL ST JOURNAL SUB - MAYOR GERE	\$178.15
214346	3/10/2017	000001	09231	RAINS, JAMES	REIMBURSEMENT FOR CDL PHYSICAL	\$150.00
214303	3/10/2017	001-363039	02109	PISTON SERVICE OF ANACORTES	PART FOR VEH #128	\$52.83
214271	3/10/2017	001-363065	02109	PISTON SERVICE OF ANACORTES	PART FOR VEH #218	\$8.92
214208	3/10/2017	0183177	00950	FIDALGO BAY COFFEE INC	COFFEE - BREAKROOM SUPPLIES	\$112.70
214266	3/10/2017	0202920-IN	02260	REISNER DISTRIBUTOR INC	DISPOSABLE BREATHER FILTER	\$407.83
214342	3/10/2017	165459161	02896	VISA	MEMBERSHIP - ANCESTRY	\$107.42
214216	3/10/2017	1842390	09961	CARDINAL HEALTH 110, INC.	PHARMACEUTICALS	\$51.50
214191	3/10/2017	23290653	00941	FBINAA	FBINAA 2017 CONFERENCE; CAPT SMALL	\$125.00
214192	3/10/2017	23290720	00941	FBINAA	FBINAA 2017 CONFERENCE; CAPT FULLER	\$125.00
214193	3/10/2017	2454849	02342	SAFEWAY INC	ICE FOR THE LAB	\$68.89
214349	3/10/2017	40019	07863	HERRERA ENVIRONMENTAL	HEART LAKE WATER QUALITY STUDY	\$795.85
214239	3/10/2017	5031590	02519	SKAGIT PUBLISHING LLC	SKAGIT VALLEY HERALD	\$182.00
214129	3/10/2017	717061/7757/7418/699	00306	BAYSHORE OFFICE PRODUCTS INC	MISC OFFICE SUPPLIES FOR PW ENG	\$346.73
214200	3/10/2017	718061	00306	BAYSHORE OFFICE PRODUCTS INC	PENCILS FOR DK RUN	\$7.02
214241	3/10/2017	772	00719	DALCO INC	HEX PLUG	\$3.91
214236	3/10/2017	8498 30 017 0490698	04412	COMCAST	CITY HALL INTERNET CONNECTION 3/20-4/19/17	\$186.12
214235	3/10/2017	8498 30 030 0111230	04412	COMCAST	WTP - INTERNET SERVICE 3/18-4/18/17	\$197.16
214222	3/10/2017	99700	01939	NORTHSTAR CHEMICAL INC.	SODIUM HYDROXIDE	\$4,806.02
214201	3/10/2017	COA0317	09183	SYSTEMS DESIGN WEST, LLC	AMBULANCE SERVICE BILLING FEBRUARY	\$3,540.67
214324	3/10/2017	P1568-3	06985	QCC QUALITY CONTROLS CORP.	TELEMETRY IMPROVEMENTS AT WTP	\$38,657.50
214309	3/11/2017	000099E018107	02817	UNITED PARCEL SERVICE	SHIPPING CHARGES FOR OPS-AMAZON ORDER	\$11.90

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214267	3/11/2017	8498 30 017 0464628	04412	COMCAST	WA PARK INTERNET SERVICE - 3/21-4/20/17	\$96.12
214307	3/11/2017	99E019107 pks	02817	UNITED PARCEL SERVICE	SHIPMENT TO LUBE WATCH	\$8.65
214355	3/13/2017	0037428-IN	02199	PUGET SAFETY EQUIPMENT	RAIN GEAR	\$151.30
214319	3/13/2017	010113	00955	FIDALGO CLEANING	CLEANING & SUPPLIES	\$700.00
214255	3/13/2017	1990070498	06718	ARAMARK	LAUNDRY SERVICE FOR WWTP	\$73.93
214335	3/13/2017	2331	08501	COASTAL FARM &	RAINGEAR - SHAWN AVILLA, JOEL DERUSHA,	\$494.65
214315	3/13/2017	264683	01023	FRONTIER BUILDING SUPPLY	12" WEDGES FOR FIBER PROJECT	\$27.40
214312	3/13/2017	29172830-001	10504	HERC EXCHANGE, LLC	PARTS FOR VEH #6970	\$149.96
214270	3/13/2017	3-H1068	04908	COLUMBIA FORD, INC	2017 FORD F450	\$35,197.50
214362	3/13/2017	31426716	02381	SCIENTIFIC SUPPLY & EQUIP INC	MAGNETIC DIGITAL STIRRER 6.5"	\$1,320.77
214245	3/13/2017	4318	08912	EBAY OR PAYPAL	EZ GENERATOR SWITCH	\$159.99
214262	3/13/2017	47781	10156	911 SUPPLY, INC	ANNUAL UNIFORM ORDER: RD	\$213.70
214350	3/13/2017	6662	01269	HOW IT WORKS, INC	A-TOWN BUDGET EDITION	\$9,279.46
214317	3/13/2017	718141	00306	BAYSHORE OFFICE PRODUCTS INC	PATROL SUPPLIES; OFFICE CHAIR	\$212.31
214331	3/13/2017	718236	00306	BAYSHORE OFFICE PRODUCTS INC	USB DRIVE FOR WEBSITE	\$21.04
214256	3/13/2017	910874/1	00021	ACE HARDWARE	BALL VALVES	\$35.12
214257	3/13/2017	910886/1	00021	ACE HARDWARE	PVC	\$16.08
214269	3/13/2017	98481268	01351	RICOH USA, INC	S/N C32029555 CITY HALL COPIER 3RD	\$377.30
214229	3/13/2017	A1206410	02405	SEBO'S DO-IT CENTER	PART FOR STREET DEPT	\$19.16
214386	3/13/2017	xxxxx3	10346	IMPORTED P CARD TRANSACTION	Inf:BOOK STORES-AMAZON.COM	\$46.05
214388	3/13/2017	xxxxx5	10346	IMPORTED P CARD TRANSACTION	Inf:HARDWARE STORES-SEBOS HENERY HARDW	(\$4.69)
214394	3/14/2017	137105	02280	SCOTT RICHARDS INSURANCE, INC	INSURE ER 15-909 ER 426	\$371.15
214306	3/14/2017	16-001-SEW-003	09937	FLOW TECHNOLOGIES, INC.	RETAINAGE RELEASE	\$13,803.23
214368	3/14/2017	1990073662	06718	ARAMARK	WTP LAUNDRY SERVICE	\$57.85
214323	3/14/2017	4022342	07759	LANGUAGE LINE SERVICES	INTERPRETER TELEPHONE SERVICES FOR COURT ROOM	\$21.13
214343	3/14/2017	6-26	09591	SKAGIT CNTY INVESTIGATIONS LLC	PUB DEF INV MONTES	\$151.25
214358	3/14/2017	718334	00306	BAYSHORE OFFICE PRODUCTS INC	OFFICE SUPPLIES	\$5.38
214326	3/14/2017	APD	01364	ISLAND HOSPITAL	PRE EMPLOYMENT TESTING; DILLS	\$15.00
214341	3/14/2017	DELACRUZ	10534	FORENSIC SERVICES	PUB DEF FORENSIC SERV	\$500.00
214305	3/14/2017	indigent screening	03847	FERRARIO, DONNA	INDIGENT SCREENING SUBSTITUTE FOR WAYNE KORTERUD	\$150.00

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214372	3/14/2017	Pay App 4	10393	PEOPLES BANK FOR, ROOSENDAL-HONCOOP CONST	RETAINAGE DEPOSIT TO ESCROW ACCOUNT 6013009219	\$5,148.14
214314	3/14/2017	PER DIEM REIMB	01029	FULLER, CHRIS	TRAINING; COMMAND COLLEGE PER DIEM; CAPT FULLER	\$145.00
214332	3/14/2017	SEAFARES USE	02141	PORT OF ANACORTES	USE OF SEAFARERS FOR SAILING PROGRAM	\$617.50
214387	3/14/2017	xxxxx4	10346	IMPORTED P CARD TRANSACTION	Inf:BOOK STORES-AMAZON MKTPLACE PMTS	\$220.41
214086	3/28/2017	275	06414	BLUE COW CARWASH	JANUARY & FEBRUARY CAR WASHES- 17	\$153.00

Total **\$633,437.17**



City Council Agenda Bill

Meeting Date: 3/20/2017

Agenda Item: 5c

Subject: Contract Modification – 2017 Waterline Replacement Project

Staff Contact: Fred Buckenmeyer

Approved for Submittal to Council by	
	Laurie Gere, Mayor
	Steve Hoglund, Finance Director
X	Darcy Swetnam, City Attorney

Action Type	
	Ordinance No.
	Code Revision?
	Resolution No.
X	Contract
	Public Hearing
	Staff Report

Summary Statement: In accordance with Provisions 1-04.4 Changes, and 1-05.1 Control of Work as cited in Standard Specifications for Road, Bridge, and Municipal Construction 2016, City staff seeks Council consent to contract with C. Johnson Construction, Inc., in the amount of \$48,152.00, increasing the total contract price to \$351,322.53, to install on 3rd Street approximately 360 LF of 8" ductile iron water main for the 2017 Waterline Replacement Project. This additional work is within the boundaries of the originally contracted work.

Background: On January 3, 2017 the City Council awarded C. Johnson Construction, Inc., the contract to construct the 2017 Waterline Replacement Project. It was then discovered that in order to complete the waterline replacement the water main on 3rd Street from Commercial Ave to Q Ave needed to be included in the project.

Budget Impact	
Amount Budgeted	\$1,125,000
Budget Account (BARS)	401.000.594.34.63
Proposed Expenditure	\$48,152.00
Budget Amendment Required?	No
Revenue Source	City Funds

Proposed Contract	
Contractor	C Johnson Construction
Amount	\$48,152.00
Start Date	Notice to Proceed
End Date	90 days thereafter

Previous Council/Committee Action: N/A

Competing Viewpoints Considered: N/A

Recommended Motion: I move City Council provide consent to issue a modification to C. Johnson Construction, Inc. under Contract 17-001-WTR-001 in the amount of \$48,152.00 for a total contract amount of \$351,322.53.

Alternative Actions: N/A

Attachments (listed in order presented): Modification to Contract 17-001-WTR-001.



**Contract Number 17-001-WTR-001
Modification 01**

Date	March 13, 2017			
Modification No.	01			
Page	1	of	2	Pages

Contract Number 17-001-WTR-001

Contract Title 2017 Waterline Replacement Project

Prime Contractor C Johnson Construction, Inc.

PREAMBLE

In accordance with Provisions **1-04.4 Changes**, and **1-05.1 Control of Work** as cited in Standard Specifications for Road, Bridge, and Municipal Construction 2016, this modification provides an equitable price adjustment in consideration of changes in Work as described below under Article I. Accordingly, the contract price is increased from \$303,170.53 by \$48,152.00 to \$351,322.53.

ARTICLE I. WORK

Insert the following as *second paragraph* under Article 1:

The work as described above is hereby amended per Modification 01. To complete the waterline replacement the City directed the Contractor to install, on 3rd Street from Commercial Ave to Q Avenue, approximately 360 LF of 8" ductile iron water main, make tie-ins to the existing water system, renew 2 existing water services, excavate, and other work all in accordance with Plan Sheet CH-01, which is hereby incorporated by reference and made a part hereof.

ARTICLE II. PRICE

The paragraph hereby deleted and replaced with the following:

The total contract price is **Three Hundred Fifty-One Thousand Three Hundred Twenty-Two Dollars and Fifty-Three Cents (\$351,322.53)**. The Contract Bid Schedule, Exhibit A, is amended to incorporate SCHEDULE D, which is hereby incorporated by reference and made a part hereof.

All other terms and conditions remain unchanged.

The parties acknowledge that there has been an opportunity to negotiate the terms and conditions of this Modification and agree to be bound accordingly.

CITY OF ANACORTES

C. JOHNSON CONSTRUCTION, INC.

By _____
Laurie Gere, Mayor

By _____
Signature

Date _____

Printed Name _____

Title _____

Date _____

FOR GOVERNMENT USE ONLY

Original Agreement Amount	<u>\$303,170.53</u>	Original Contract Completion Date	<u>4/12/2017</u>
Current Agreement Amount	<u>\$303,170.53</u>	Current Contract Completion Date	<u>4/12/2017</u>
Change Per this Modification	<u>\$ 48,152.00</u>	Net Change	<u>0 days</u>
Total After Amendment	<u>\$351,322.53</u>	Contract Completion Date After Change	<u>4/12/2017</u>

APPROVALS:

Project Manager	Date
-----------------	------

Public Works Director	Date
-----------------------	------

Finance Director	Date
------------------	------

**2017 Home Energy Assessment
Door-to-Door
ANACORTES, WA
April 4-6**



**Walt Blackford, Outreach Manager
March 20, 2017**

SAFETY MOMENT

No Open Flames Inside the House



PSE SERVICE TERRITORY

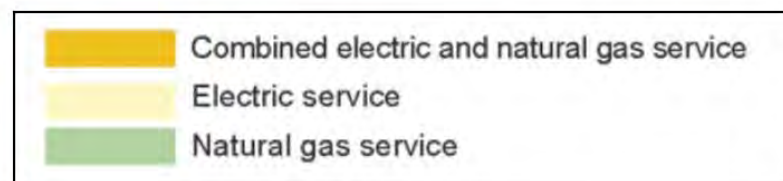
10 counties/6000 square miles

1.1 million electric meters

790,000 gas meters

Population served: almost 4 million

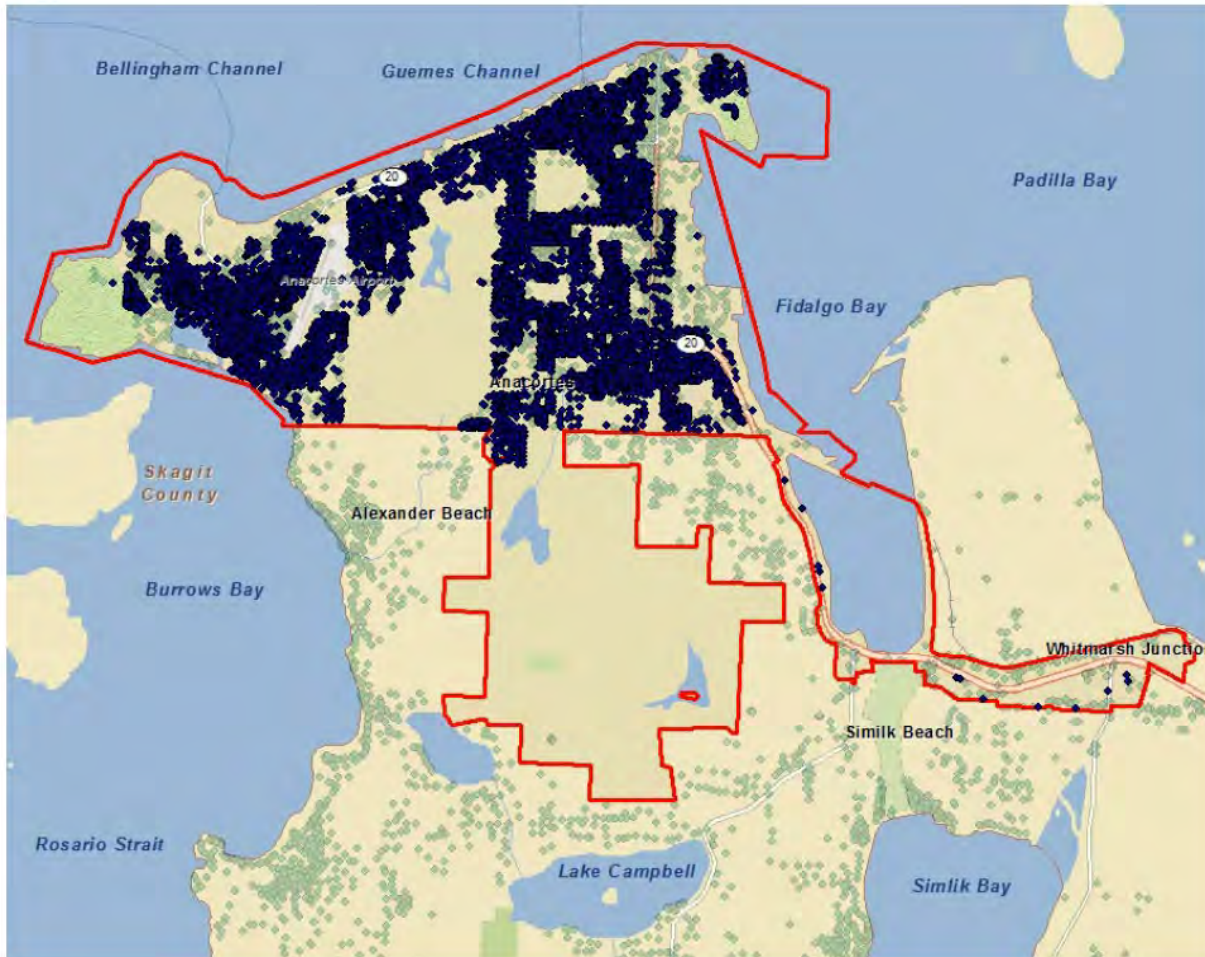
2700 employees



WHAT IS A **HOME ENERGY ASSESSMENT**?

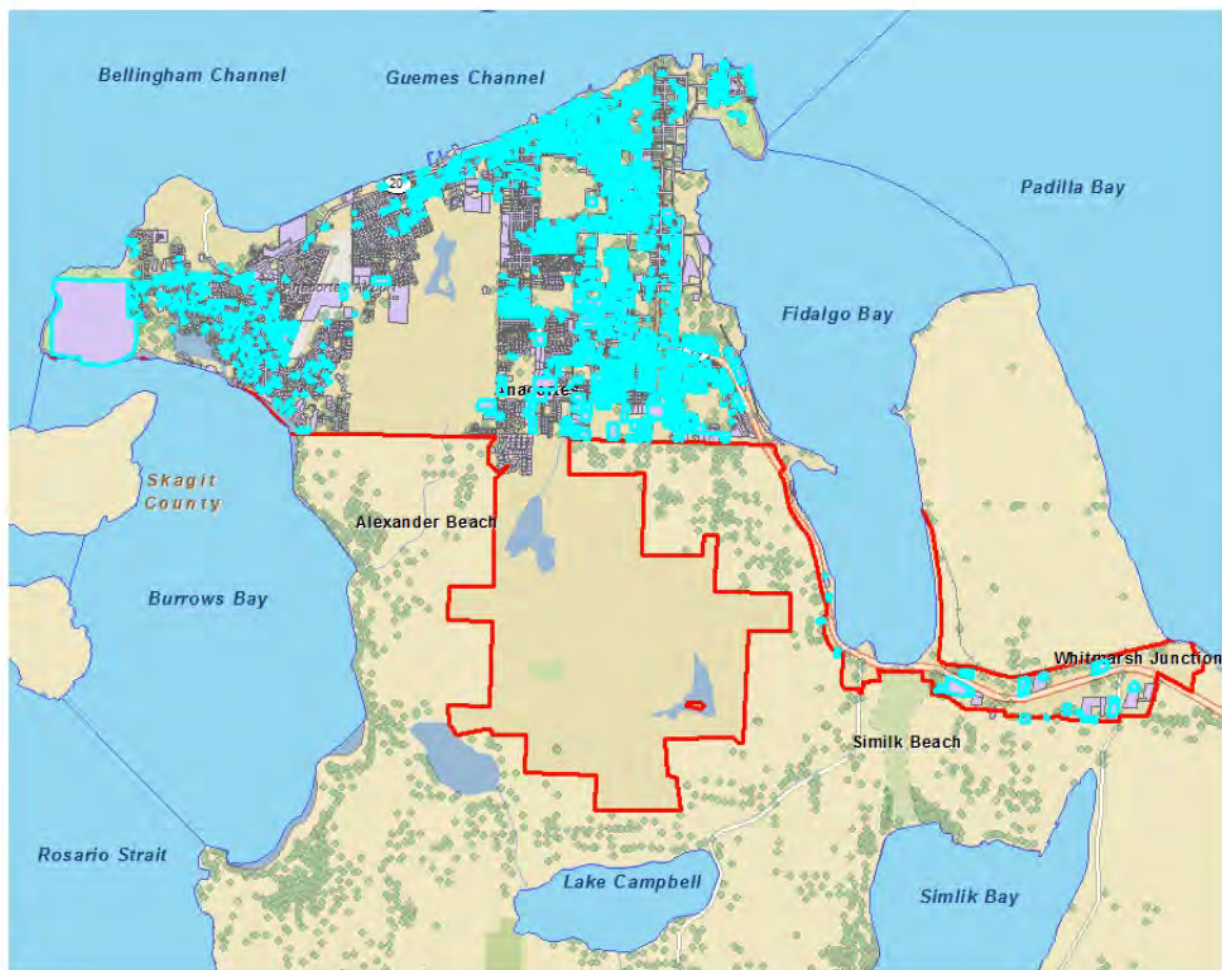
- **FREE** in-home energy assessment
- Referrals and rebates
- Energy efficiency tips
- Up to 20 FREE LEDs
- Up to 2 FREE showerheads





***Blue dots
represent
5730 private
residence
units within
city limits***

CHOOSING AN AREA



***Turquoise dots
represent 3735 tax
parcels built prior
to 1992***

PREPARING WELL



2015 Blitz



Goal is to knock on 825 doors!

ANACORTES BLITZ: APRIL 4-6



THREE DAYS IN THE COMMUNITY





OUR CANVASSING TEAM



QUESTIONS?



Walt Blackford, Outreach Manager
Skagit County and Whidbey Island
walt.blackford@pse.com
360-391-5741



CITY COUNCIL

Public Meeting

March 20, 2017, @ 6:00 PM

By: Kevin Cricchio, AICP, Associate Planner

PUD-2015-0003:

HISTORY:

The Planning Commission conducted an open-record public hearing on February 24, 2016 concerning the subject plat & PUD. The Planning Commission added condition of approval #21 to the findings of fact before unanimously recommending approval to City Council.

No appeals of the Planning Commission's recommendation of approval were received. Then on March 21, 2016, City Council conducted a closed-record public hearing on the matter. The applicant requested that City Council amend condition of approval #21 added by the Planning Commission. Following a vote, City Council approved the subject preliminary plat, PUD, and proposed modifications to code on March 21, 2016.

PUD-2015-0003:

PROJECT LOCATION:

The project site is located on the south side of Oakes Avenue between Allen Court and Eagle View Court and is located in a portion of Section 22; Township 35 North; Range 01 East; Willamette Meridian

APPLICANT /LANDOWNER:

48 North on Fidalgo Island, LLC
P.O. Box 319
Anacortes, WA 98221

PUD-2015-0003:

EXISTING LAND USE:

Vacant & unimproved land

ZONING DISTRICT:

Residential (R2) Zoning District

SURROUNDING ZONING & LAND USES:

Direction:	Zoning:	Land Uses:
North:	Commercial Marine (CM)	Single-Family Residences
South:	Residential (R2)	Single-Family Residences
East:	Aviation (AZ)	Port of Anacortes' Airport
West:	Residential (R2) & Commercial Marine (CM)	Single-Family Residences

PUD-2015-0003:

SUBJECT PROPOSAL:

At 6:00 PM on March 20, 2017, City Council will conduct a public meeting to discuss the approval of the final plat & planned unit development (PUD) of 48 North, a 30-lot plat & PUD, File #: PUD-2015-0003.

Attached hereto is a copy of City Council's approved Findings of Fact, Conclusions of Law, and Decision granting preliminary approval (**See Exhibit #01**).

The applicant has provided a response (**See Exhibit #05**) as to how they meet each condition of approval as listed in City Council's approved Findings of Fact, Conclusions of Law, and Decision on the subject plat & PUD. Additionally, both the Public Works Department (PWD) and the Department of Planning, Community, and Economic Development (PCED) have performed several site inspections to verify conformance with the conditions of approval. Both PWD and PCED believe that these requirements have been met.

PUD-2015-0003:

SUBJECT PROPOSAL (CONTINUED):

The Public Works Department has prepared a letter (**See Exhibit #10**) that addresses a few items remaining that still need to be finished. The items remaining relate to monuments, street lighting, signs & stop bars, landscaping, and additional asphalt paving. The total bond owing is \$148,100.96. The applicant will provide a letter of credit prior to City Council's public meeting scheduled for 6:00 PM on March 20, 2017.

Lastly, the applicant has provided third party review (**See Exhibit #09**) that addresses their stormwater /drainage associated with the construction of the subject plat & PUD. This letter indicates compliance with the Department of Ecology 2005 manual.

PUD-2015-0003:

PLANNING COMMISSION PUBLIC MEETING:

The Planning Commission conducted a public meeting on the matter on March 8, 2016. Following deliberating on the matter, Planning Commission members voted unanimously in favor of recommending approval to City Council.

RECOMMENDATION:

The Department of Planning, Community, and Economic Development recommends that City Council approve the subject final plat & PUD request.

48 NORTH PLAT & PUD
SECTION 22, TOWNSHIP 35 NORTH, RANGE 1 EAST, W.M.
CITY OF ANACORTES, WASHINGTON

GENERAL INFORMATION

- Assessor's Account No.s 350122-4-004-0000, P31681.
- Description and exception information is from the 2nd Revised Subdivision Guarantee, Order No: 153377-0A, dated January 17, 2017.
- This property is SUBJECT TO and TOGETHER WITH easements, reservations, restrictions, covenants and other instruments referred to in the Subdivision Guarantee referenced under Note 2 above. Said report lists documents recorded under Auditors File Number AF 732440 (Aviation Easement), AF 200807220033 (Record of Survey), AF 201607050142 (10' wide Puget Sound Easement over new utilities), AF 201612060089 (10' wide Puget Sound Easement over new utilities) and AF 201612190147 (Covenants, Conditions and Restrictions on adjoining property). Deed of Trust recorded under AF 201605130083 (Skagit State Bank).
- Residential Low Density (R2).
- Water Supply: City of Anacortes.
- Sewer Disposal: City of Anacortes
- Storm Sewer: City of Anacortes

NOTES

- Subject to Declaration of Covenants, Conditions, Restrictions, (CC&R's), recorded under;

- AFN _____
2. This plat is subject to the Revised Tree Preservation Plan dated August 12, 2015 and recorded under;
- AFN _____
3. The PUD reference number PUD-2015-0003 and date of approval shall be included in all deeds and contracts.

SURVEYORS CERTIFICATE

I hereby certify that the 48 North Plat & PUD is based upon an actual survey and subdivision performed by me or under my supervision of Section 22, Township 35 North, Range 1 East, W.M.; the plat is a true and correct representation of the land actually surveyed; that the courses and distances are shown correctly on the ground; and that I have complied with the provisions of the statutes and platting regulations and that permanent control monuments have been established at each and every controlling corner of the parcel of land being subdivided.

DALE K. HERRIGSTAD, P.L.S. Certificate No. 27807

Date _____

SKAGIT COUNTY TREASURERS CERTIFICATE

I certify that all taxes heretofore levied and which have become a lien upon the lands herein described have been fully paid and discharged according to the records of my office, up to and including the year of 20____.

Certified this _____ day of _____, 20 ____.

Skagit County Treasurer

CITY OF ANACORTES APPROVALS

The Planning Commission of the City of Anacortes meeting in regular session on _____ did find that the 48 North Plat & PUD serves the public use & interest & has authorized the Subdivision Administrator to execute its written approval.

Signature of Planning Director

Approval by the Council of the City of Anacortes, WA, this _____ day of _____, 20 ____.

ATTEST: City Clerk _____

Examined and approved this _____ day of _____, 20 ____.

City Engineer _____

DEDICATION

Know All Men by these Present that SKAGIT STATE BANK, mortgage holder, and 48 NORTH ON FIDALGO ISLAND, LLC, property owner of the land hereby platted, declare this plat and dedicate to the use of the public forever, streets and avenues shown hereon and the use thereof for all public purposes consistent with the use thereof for public highway purposes together with the right to make all necessary slope for cuts and fills upon the lots and blocks shown hereon in the original reasonable grading of all such streets and avenues shown hereon. The Owners and their assigns hereby waive all claims for damages against drainage and maintenance of said road and or area.

48 NORTH ON FIDALGO ISLAND, LLC

SKAGIT STATE BANK

State of Washington

County of Skagit I certify that I know of have satisfactory evidence that _____ (he/she/) authorized to execute the signed this instrument, on oath stated that (he/she/) _____

instrument and acknowledged it as the _____ of 48 NORTH ON FIDALGO ISLAND, LLC to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Given under my hand and official seal this _____ day of _____, 20 ____.

Notary Public in and for the State of Washington

Name printed _____

Residing at _____

My commissions expires _____

State of Washington

County of Skagit I certify that I know of have satisfactory evidence that _____ (he/she/) authorized to execute the signed this instrument, on oath stated that (he/she/) _____

instrument and acknowledged it as the _____ of SKAGIT STATE BANK to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Given under my hand and official seal this _____ day of _____, 20 ____.

Notary Public in and for the State of Washington

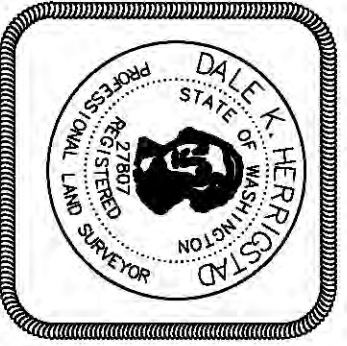
Name printed _____

Residing at _____

My commissions expires _____

OWNER/DEVELOPER
48 NORTH ON FIDALGO ISLAND LLC
PO BOX 319
ANACORTES, WA 98221

LAND SURVEYOR
DALE HERRIGSTAD PLS
4320 WHISTLE LAKE ROAD
ANACORTES, WA 98221



SHEET 1 OF 3

PUD-2015-0003

PW #16-005-DEV

HERRIGSTAD ENGINEERING & SURVEYING
4320 Whistle Lake Road, Anacortes, WA 98221 (360) 299-8804

SCALE: NOTED
JOB 2015-53

48 NORTH PLAT & PUD
SECTION 22, TOWNSHIP 35 NORTH, RANGE 1 EAST, W.M.
CITY OF ANACORTES, WASHINGTON

LOT #1 LOT #3
P31583 SHORT PLAT ANA-98-002
AF #9806220012 P31682

CURVE TABLE

NUMBER	RADIUS	ARC LENGTH	DELTA ANGLE	NUMBER	RADIUS	ARC LENGTH	DELTA ANGLE
C1	670.00'	83.10'	7°06'23"	C27	80.00'	30.43'	21°47'32"
C2	67.50'	165.72'	140°40'00"	C28	90.00'	5.15'	3°16'54"
C3	57.50'	89.13'	88°48'41"	C29	90.00'	52.06'	33°08'26"
C4	57.50'	90.09'	89°46'11"	C30	90.00'	29.15'	18°33'35"
C5	67.50'	64.77'	54°58'55"	C31	647.50'	39.25'	3°28'07"
C6	670.00'	83.10'	7°07'24"	C32	20.00'	10.06'	28°48'20"
C7	687.50'	133.07'	11°05'24"	C33	20.00'	22.64'	64°50'58"
C8	687.50'	37.68'	3°08'24"	C34	20.00'	26.36'	75°31'21"
C9	50.00'	122.76'	140°40'00"	C35	20.00'	6.33'	18°07'56"
C10	40.00'	62.67'	88°48'41"	C36	647.50'	39.01'	3°27'06"
C11	50.00'	18.11'	20°45'08"	C37	522.50'	69.86'	7°39'39"
C12	50.00'	50.00'	90°	C38	522.50'	20.00'	2°11'35"
C13	50.00'	29.87'	34°13'48"	C39	522.50'	125.40'	13°00'15"
C14	90.00'	35.21'	22°24'53"	C40	552.50'	80.82'	8°22'54"
C15	90.00'	30.00'	19°06'00"	C41	552.50'	44.58'	4°37'21"
C16	90.00'	65.57'	41°44'31"				
C17	90.00'	30.00'	19°06'00"				
C18	90.00'	30.16'	19°12'00"				
C19	90.00'	30.02'	19°06'36"				
C20	80.00'	39.50'	28°17'27"				
C21	80.00'	33.75'	24°10'07"				
C22	80.00'	34.21'	24°30'00"				
C23	80.00'	16.55'	11°51'16"				
C24	80.00'	23.74'	17°00'00"				
C25	80.00'	30.02'	21°30'00"				
C26	80.00'	41.16'	29°28'39"				

LINE TABLE

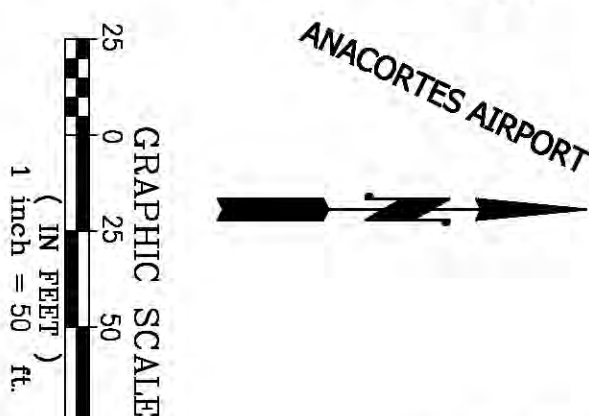
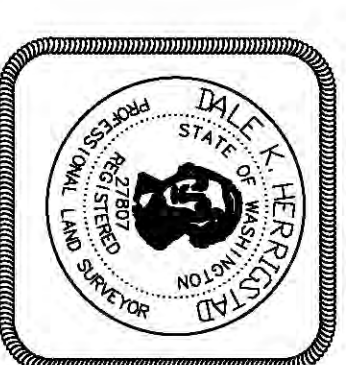
NUMBER	BEARING	DISTANCE
L1	N 29°29'13" E	21.20'
L2	N 29°29'13" E	17.30'
L3	N 34°46'17" E	34.11'
L4	N 60°33'11" W	20.02'
L5	N 39°30'43" E	22.27'
L6	N 39°30'43" E	22.22'
L7	N 88°59'17" E	40.64'
L8	S 54°30'43" W	16.82'

NOTES

1. SET CONCRETE MON WITH BRASS CAP IN CASE WITH COVER.
2. SET RE-BAR AND RED CAP PLS. #27817.
3. FOUND EXISTING REBAR AND CAP MARKED PLS #9569 OR AS NOTED. VISITED 1-4-2017.
4. EQUIPMENT USED: CARLSON CR2 2" TOTAL STATION.
5. ALL CONCRETE MONUMENTS WERE VISITED ON 2-1-2017.
6. ERROR OF CLOSURE MEETS WASHINGTON STATE SURVEY STANDARDS.
7. SURVEY METHOD: STANDARD FIELD TRAVERSE.
8. BASIS OF BEARINGS: Record of Survey, AF 2008072220033.
9. ADDRESSES SHOWN ON PLAT.
10. SEE SHEET 3, PUD AND PLAT CONDITIONS #2 FOR BUILDING SETBACK REQUIREMENTS.

OFFSET PROPERTY CORNER NOTES

- ① REBAR & CAP SET 1.00' S 32°20'58" W OF TRUE CORNER DUE TO FENCE.
- ② REBAR & CAP SET 1.00' S 1°20'14" W OF TRUE CORNER DUE TO FENCE.
- ③ REBAR & CAP SET 1.00' N 1°0'43" E OF TRUE CORNER DUE TO FENCE.
- ④ REBAR & CAP SET 1.00' N 13°21'22" W OF TRUE CORNER DUE TO FENCE.
- ⑤ REBAR & CAP SET 1.00' S 62°27'00" E OF TRUE CORNER DUE TO FENCE.
- ⑥ REBAR & CAP SET 1.00' N 58°29'41" E OF TRUE CORNER DUE TO FENCE.



OWNER/DEVELOPER
48 NORTH ON FIDALGO ISLAND LLC
PO BOX 319
ANACORTES, WA 98221

LAND SURVEYOR
DALE HERRINGSTAD PLS
4320 WHISTLE LAKE ROAD
ANACORTES, WA 98221

PUD-2015-0003 PW #16-005-DEV



City Council Agenda Bill

Meeting Date: 3/20/2017 **Agenda Item:** 7B

Subject: Final Plat & PUD Approval, 48 North Plat & PUD, PUD-2015-0003

Staff Contact: Kevin Cricchio, AICP, Associate Planner

Approved for Submittal to Council by	
X	Don Measamer, Planning Director
	Steve Hoglund, Finance Director
	Darcy Swetnam, City Attorney

Action Type	
	Ordinance No.
	Code Revision?
	Resolution No.
	Contract
X	Public Meeting
X	Staff Report

Summary & Background: At 6:00 PM on March 20, 2017, City Council will conduct a public meeting to discuss the approval of the final plat & planned unit development (PUD) of 48 North, a 30-lot plat & PUD, File #: PUD-2015-0003. Preliminary approval was granted by City Council on March 21, 2016. Attached hereto is a copy of City Council's approved Findings of Fact, Conclusions of Law, and Decision (**See Exhibit #01**).

The Planning Commission also conducted a public meeting at 6:00 PM on March 8, 2017, concerning the subject final plat & PUD request. Following deliberation on the matter, the Planning Commission voted 6-0 in favor of recommending approval to City Council.

The applicant has provided a response (**See Exhibit #05**) as to how they meet each condition of approval as listed in City Council's approved Findings of Fact, Conclusions of Law, and Decision on the subject plat & PUD. Additionally, both the Public Works Department (PWD) and the Department of Planning, Community, and Economic Development (PCED) have performed several site inspections to verify conformance with the conditions of approval. Both PWD and PCED believe that these requirements have been met.

The Public Works Department has prepared a letter (**See Exhibit #10**) that addresses a few items remaining that still need to be finished. The items remaining relate to monuments, street lighting, signs & stop bars, landscaping, and additional asphalt paving. The total bond owing is \$148,100.96. The applicant will provide a letter of credit prior to City Council's public meeting scheduled for 6:00 PM on March 20, 2017.

Lastly, the applicant has provided third party review (See Exhibit #09) that addresses their stormwater /drainage associated with the construction of the subject plat & PUD.

This letter indicates compliance with the Department of Ecology 2005 manual.

Recommended Motion: I move that City Council make a motion to approve the subject final plat & PUD request.

Attachments (listed in order presented): [Click here to enter text.](#)

[Exhibit #01, City Council Approved Findings of Fact, Conclusions of Law, and Decision](#)

[Exhibit #02, Plat & PUD Map](#)

[Exhibit #03, Landscape Plan](#)

[Exhibit #04, Channelization Plan](#)

[Exhibit #05, Applicant Response to Compliance with City Council's Findings of Fact, Conclusions of Law, and Decision](#)

[Exhibit #06, Covenants, Conditions, and Restrictions \(CC&Rs\)](#)

[Exhibit #07, Encroachment Application & Drawing for Retaining Wall](#)

[Exhibit #08, Skagit Transit Email](#)

[Exhibit #09, Third Party Review \(Stormwater\)](#)

[Exhibit #10, City of Anacortes' Public Works Department Recommendation](#)

[Exhibit #11, PCED's Presentation to Planning Commission](#)

[Exhibit #12, Planning Commission's Public Meeting Minutes](#)

EXHIBIT #01

CITY COUNCIL APPROVED FINDINGS OF FACT, CONCLUSIONS OF LAW, AND DECISION



**CITY COUNCIL'S
FINAL FINDINGS OF FACT, CONCLUSIONS OF LAW,
& DECISION:**

Closed-Record Public

Hearing Date: March 21, 2016, @ 6:00 PM with a 5:00 PM Site Visit

Open Record Public

Hearing Date: February 24, 2016, @ 6:00 PM with a 3:00 PM Site Visit

Project Name: 48 North Preliminary Plat & PUD

File Number: PUD-2015-0003

Applicant: 48 North on Fidalgo Island, LLC
P.O. Box 319
Anacortes, WA 98221

Landowner: Richardson Revocable Living Trust
Richardson Martha Beneva Trustee
23716 Strathern Street
West Hills, CA 91304

**Project Engineer
& Surveyor:** Herrigstad Engineering & Surveying
4320 Whistle Lake Road
Anacortes, WA 98221

Project Planner: Kevin Cricchio, AICP
Associate Planner
City of Anacortes
904 6th Street
Anacortes, WA 98221

Subject Proposal:

The applicant has applied for a Preliminary Plat, Planned Unit Development (PUD), Code Modifications, Right-of-Way Dedication, and SEPA environmental review to create 30 lots and 1

community-park on 7.48 gross acres zoned R2. The 30 residential lots would range from 7,500 to 12,400 square feet in area.

Modifications Proposed:

Through the Planned Unit Development (PUD) process, the applicant is proposing the following modifications to Anacortes Municipal Code (AMC) standards:

1. For lots 3-17, the following modification is requested: A reduction of the R2 Zoning District's front yard setback of 20 feet to 10 feet. The rear setback would be increased however from the 20 foot required setback to 30 feet. The garage however would still be setback 20 feet from the front property line.
2. All other lots besides 3-17 would be required to meet the R2 Zoning District setback requirements.
3. The applicant also has requested a narrower Right-of-Way. Typically the city would require a fifty (50) foot ROW with curb, gutter, and sidewalk on both sides of the road. The applicant however requests a forty (40) foot ROW with a sidewalk only one side of the road.
4. The applicant also is proposing a modification to the R2 Zoning District's lot coverage which is thirty-five (35) percent. The applicant however proposes a 37.5% lot coverage.
5. The applicant proposes a deviation to the 12% city standard for maximum road grade. The applicant has requested a maximum road grade of 15% at the entrance (only) to the subject plat and PUD. **This modification however was withdrawn by the applicant at the Planning Commission's open-record public hearing. The applicant will comply with the 12% maximum road grade per city code.**
6. The applicant proposes that Oakes Avenue's speed rate be changed from 40 MPH to 30 MPH. **Planning Commission supports the proposed speed limit revision to 30 MPH which will require WSDOT approval. Staff will work with WSDOT on the revision.**

Project Location:

The project site is located on the south side of Oakes Avenue between Allen Court and Eagle View Court and is located in a portion of Section 22; Township 35 North; Range 01 East; Willamette Meridian.

Subject Parcel:

Parcel #: P31681

Zoning District:

Residential (R2) Zoning District

Comprehensive Plan Designation:

Residential (R2) Zoning District

Existing Land Use:

The subject property is vacant /unimproved with not structures located on it.

Surrounding Zoning & Land Uses:

Direction:	Zoning:	Land Uses:
North:	Commercial Marine (CM)	Single-Family Residences
South:	Residential (R2)	Single-Family Residences
East:	Aviation (AZ)	Port of Anacortes' Airport
West:	Residential (R2) & Commercial Marine (CM)	Single-Family Residences

R2 Minimum Lot Size:

- 7,500 Square Feet Required
- The applicant's 30 residential lots would range from 7,500 to 12,400 square feet in area.
- 6,750 Square Foot Park Area Proposed

R2 Maximum Permitted Density:

- Four (4) Dwelling Units Per Gross Acre

Site Area:

- Net area = 7.20 acres (313,632 square feet)
- Gross area = 7.48 acres which includes ½ abutting ROW (325,829 square feet)

Density Calculation:

- The site is 7.48 Gross Acres which includes ½ the abutting right-of-way.
- The maximum permitted density in the R2 Zone is 4 Dwelling Units per Acre.
- 7.48 Gross Acres Multiplied by 4 Dwelling Units Permit Acres = 29.92 Lots (Rounded up to the 30) are Permitted
- 30 Lots are proposed by the applicant plus 1 Community Park are proposed.

Permits Required:

The following permits /approval may be required in addition to the above: Civil Construction Plan approval, Final plat and PUD approval, NPDES Construction Stormwater General Permit, building permit(s); other applicable state and federal permits/authorizations.

Existing Environmental Documents:

Wetland Report, Geological Hazardous Area Report, SEPA Environmental Checklist, Tree Assessment & Preservation Plan, & Landscape Plan

Utilities:

- **Water:** City of Anacortes
- **Sewer:** City of Anacortes
- **Garbage:** City of Anacortes
- **Stormwater:** Rain Gardens & City of Anacortes

Fire:

- City of Anacortes

Police:

- City of Anacortes

A. FINDINGS OF FACT:

I. SITE DESCRIPTION:

The subject property is located on a hillside that is heavily treed. There are no improvements onsite. The site generally slopes downward from the northwest from approximately 234 feet above sea level to 150-160 feet near Oakes Avenue /SR20.

The proposed Preliminary Plat and Planned Unit Development (PUD) would include the construction of an internal roadway to be dedicated to the City of Anacortes which would provide ingress and egress to all 30 lots therein.

Anacortes Airport Proximity:

The northeastern property line of the subject parcel is shared by the Anacortes Airport. Due to the proximity that the subject development is from the existing airport, the applicant will need to work with the Federal Aviation Administration (FAA) and Port of Anacortes to complete the requisite paperwork. Additionally, there is an Avigation Easement 732440 recorded with Skagit County with the subject property. Accordingly, the applicant/landowner will need to meet FAA rules and regulations including but not limited to height when constructing within close proximity to an airport.

II. PRELIMINARY PLAT /PUD CHRONOLOGY & BACKGROUND:

1. At 5:30 PM on September 15, 2015, a neighborhood meeting was conducted at the Strandberg Construction Office concerning the proposed development prior to submittal. Neighboring landowners were mailed invitations to this meeting.
2. On December 08, 2015, the applicant submitted the subject applications to the City of Anacortes for review.
3. On January 4, 2016, the subject application was deemed complete and a few additional revisions/material were also requested.
4. On January 28, 2016, the applicant resubmitted application material as was requested in the Letter of Completeness.

III. NOTICE OF APPLICATION & HEARING:

1. A "Notice of Application & Hearing with Optional SEPA DNS" was published in the Anacortes American Newspaper on January 13, 2016.

2. Notice was also posted on the subject property in three (3) different locations on January 05, 2016.
3. Notice was posted at city hall, the library, the local USPS office, and on the city's website on December 23, 2015.
4. Neighbors within 300 feet of the subject property were mailed "Notice of Application & Hearing with Optional SEPA DNS" on January 04, 2016.
5. Departments and agencies of jurisdiction were emailed the respective application material, notice, and comment form on January 04, 2016.
6. Notice of application & hearing with optional SEPA DNS and associated application material was emailed to Department of Ecology on January 04, 2016, for posting on to the SEPA register.
7. The 15-day comment period ended at 5:00 PM on January 27, 2016.

IV. CRITICAL AREAS REVIEW:

Wetlands:

On June 10, 2015, Aqua-Terr Systems, Inc. (ATSI) performed a reconnaissance level review for the presence or absence of critical areas on the subject property. According to their critical area letter dated June 23, 2015, no regulated critical areas were located on the subject property. Additionally, according to ATSI's letter dated January 22, 2016, no regulated wetlands are located within 300 feet of the subject property (**See Exhibit 07**).

Priority Habitat & Species (PHS):

Following a review of the Washington State Department of Fish and Wildlife's website no known Priority Habitat or Species were located on or within close proximity to the subject property except that a Bald Eagle nesting site may be located within approximately 500 plus feet to the northwest of the site. Both the Washington State Department of Fish and Wildlife (DFWL) and the US Fish and Wildlife Service (USFWS) was provided an opportunity to provide comment on the subject proposal and no comment was received.

Cultural Resources:

No known cultural resources are located on or within close proximity to the subject property. Both the Samish Indian Nation and the Washington State Department of Archaeology and Historic Preservation (DAHP) was provided an opportunity to comment on the subject development. No comments were received.

Geologically Hazardous Areas:

Following a geological site reconnaissance, GeoEngineers prepared a Geological Hazard Assessment dated July 21, 2015. According to this report, no Geological Hazardous Areas are located on the subject property (**See Exhibit 08**).

V. TREE ASSESSMENT & PRESERVATION PLAN:

Urban Forestry Services Inc., prepared a Tree Preservation & Assessment Plan dated August 12, 2015. According to this report, fifty-six (56) trees are to be retained within lots 4 to 17. The subject development requires a total of 313 Tree Unit Credits. The trees designated for retention however only account for 205 Tree Unit Credits. Therefore, the project falls short of the required Tree Unit Credits per AMC Chapter 16.50 by 108 Tree Unit Credits. Therefore, the applicant will plant 108 trees onsite (**See Exhibit 09**) as conditioned below.

VI. TRANSPORTATION:

A traffic study was prepared by Traffic Solutions, Inc. (TSI) on October 12, 2015. The traffic study evaluated current conditions, future conditions, and anticipated impacts that the 48 North plat /PUD may have on the site and vicinity. TSI's report concluded that there that the project did not meet the threshold for requiring a turn lane off of State Route Twenty (SR20) /Oakes Avenue into the project's internal roadway providing ingress/egress to the 30 residential lots. Nonetheless, the applicant is proposing a left turn lane from SR20 /Oakes Avenue into the subject subdivision thereby improving traffic wait times, cars stacked up waiting to turn into the project, and vehicular /pedestrian safety.

VII. ROW DEDICATION:

The applicant has proposed dedicating the internal roadway that would provide ingress and egress to the 30 residential lots within to the City of Anacortes.

VIII. SEPA ENVIRONMENTAL REVIEW:

1. According to AMC § 16.080.010, SEPA environmental review is required for the subdivision of property into five (5) or more lots, tracts, parcels, sites, or divisions, for sale or lease.
2. Notice of application and hearing with optional SEPA DNS was published, mailed to property owners within 300 feet of the subject property, and posted onsite as discussed above pursuant to AMC and state law.
3. Notice of application & hearing with optional SEPA DNS was also emailed to the Department of Ecology on January 04, 2016, for posting on to the SEPA register.
4. On February 17, 2016, a SEPA Mitigated Determination of Non-Significance (MDNS) was issued using the optional DNS process pursuant to WAC § 197.11.355.
5. The issued SEPA MDNS was emailed to the Department of Ecology for posting on to the SEPA register on February 17, 2016.

IX. COMMENTS RECEIVED:

Public Comments:

Written public comments received can be seen in **Exhibit 3** hereafter.

Department & Agencies of Jurisdiction Comments:

Comments received from both agencies and departments of jurisdiction can be viewed in Exhibit 4 hereafter.

X. CITY OF ANACORTES' 2012 COMPREHENSIVE PLAN:

The following goals from the City of Anacortes' Comprehensive Plan appear to be applicable to the subject Plat /PUD proposal:

General City Goal 3:

Promote compatible land uses and improve visual appearance in each and every zoning district.

Staff Analysis:

Single-family residences surround the project site to the north, south, east, and west.

Transportation Goal 7:

Require adequate off-street parking in all zones.

Staff Analysis:

AMC Chapter 17.46 requires two (2) off-street parking spaces per single-family residence. Each residence's garage will meet the setback requirements for the R2 Zoning District despite the modifications applied for and discussed above. Therefore, adequate space will exist for the parking of two (2) vehicles in front of the garage as well as in the garage. This requirement will be reviewed at time of building permit application submittal.

Housing Goal 1:

Attempt to achieve a balanced distribution of housing to meet the needs of all citizens.

Staff Analysis:

The subject proposal would result in (30) lots being created for the construction of single-family residences on each lot.

Housing Goal 2:

Maintain and allow for open-space corridors in Anacortes.

Staff Analysis:

The applicant proposes constructing a 6,750 square foot community park for use by the residents /neighbors. The park will be owned and maintained by the homeowners association.

Housing Goal 3:

Single family, detached residential units shall be the major residential form in the community.

Staff Analysis:

Single-family residences are proposed on each of the 30-lots created by the subject preliminary plat and PUD.

Housing Goal 6:

Provide for flexibility in subdivision development.

Staff Analysis:

A Planned Unit Development (PUD) permits flexibility to zoning and subdivisions standards / code. Accordingly, the applicant is requesting several modification to existing standards listed above.

Housing Goal 7:

Improve visual appearance of residential neighborhoods and maintain integrity of existing residential areas and neighborhoods.

Staff Analysis:

The subject plat /PUD will improve the visual appearance of the residential neighborhood and will maintain the integrity of the existing and surrounding residential area and neighborhood. Access to the 30 residences will be from an internal roadway providing ingress and egress to each lot. This roadway will be dedicated to the City of Anacortes.

Housing Goal 8:

Encourage rehabilitation of substandard housing and neighborhoods.

Staff Analysis:

The subject property is vacant and unimproved. The proposed development and associated improvements will improve the neighborhood along with vehicular and pedestrian access/ connectivity.

The subject proposal is consistent with the goals of the City of Anacortes' Comprehensive Plan that are identified above.

B. ZONING ORDINANCE/ ANACORTES MUNICIPAL CODE:

1. The City's Zoning Map establishes zoning district boundaries and the City Zoning Ordinance establishes (1) the permitted use of land in the various zones, and (2) development standards.
2. The applicant has requested concurrent review of the subject preliminary plat and PUD as allowed per AMC § 16.40.040.
3. The subject property is located in the Residential (R2) Zoning District.
4. Pursuant to AMC § 17.36.010, the purpose of the Residential (R2) Zoning District "is to maintain and create an environment which meets the standards for single-family

residential development, by restricting uses within the district, and by requiring a minimum lot size and maximum density.”

5. According to AMC § 17.36.020, “single-family dwellings” are permitted land uses within the Residential (R2) Zoning District.
6. According to AMC § 17.36.050, the minimum lot size for the Residential (R2) Zoning District is 7,500 square feet. The applicant has proposed lots that range in size from 7,500 to 12,400 square feet thus meeting the minimum lot size requirement.
7. AMC § 17.36.060 lists the required setbacks for the Residential (R2) Zoning District. The applicant however proposes a reduction of the front yard setback from 20 feet to 10 feet. Additionally, the rear setback would be increased from the required 20 feet to 30 feet. This modification to setbacks would only apply to lots 3 to 17. The garage however would still be setback 20 feet from the front property line. Furthermore, no deviation to side yard setbacks is proposed to lots 3 to 17. All other lots would meet the R2 Zoning District setback requirements.
8. According to AMC 16.32.010, a residential access road with an average daily trip(s) of less than 500 requires a 50 foot right-of-way with a 32 foot paved roadway within it. The roadway consists of two driving lanes with curb, gutter, sidewalk, and parking is required on both sides. The applicant however has requested 40 foot Right-of-Way with a sidewalk only one side of the road.
9. According to AMC 16.32.010 the maximum grade of that a road may be in the R2 Zoning District is 12%. The applicant however proposes a deviation to this city to permit a 15% grade within the project.
10. According to AMC 17.36.080, the maximum permitted lot coverage in the R2 Zoning District is thirty-five (35) percent. The applicant however proposes a modification to the zoning standards that would permit a 37.5% lot coverage instead.
11. The applicant also proposes a deviation to the city standard for maximum road grade which is 12%. The applicant proposes a maximum road grade of 15% at the entry way only to the subject plat and PUD.
12. According to AMC § 17.36.070, the maximum permitted density for the Residential (R2) Zoning District is four (4) dwelling units per gross acre. The site is 7.48 Gross Acres which includes ½ the abutting right-of-way. Seven point four eight (7.48) gross acres multiplied by 4 Dwelling Units Permit Acres equals 29.92 lots (Rounded up to the 30) which are permitted. The applicant proposes developing 30 lots.
13. According to AMC § 17.46.020, two (2) parking spaces are required for each residence. The applicant proposes two (2) car garages attached to each residence. Although a modification to the front yard setback is proposed as part of the subject proposal, said setback modification will not apply to garages.
14. Landscaping is required pursuant to AMC Chapter 17.41. The applicant has submitted a landscape plan meeting this requirement (**See Exhibit 10**).
15. According to AMC § 16.50.050, a Tree Preservation Plan is required as part of application for a subdivision /planned unit development. Accordingly, the applicant has submitted a Tree Assessment and Preservation Plan (**See Exhibit 09**). According to the report, fifty-six (56) trees are to be retained within lots 4 to 17. The subject

development requires a total of 313 Tree Unit Credits. The trees designated for retention however only account for 205 Tree Unit Credits. Therefore, the project falls short of the required Tree Unit Credits per AMC Chapter 16.50 by 108 Tree Unit Credits. Therefore, the applicant will be required to plant 108 trees onsite meeting this requirement.

16. According to AMC § 17.04.050, creation of or changes to lot lines shall conform to the use provisions, dimensional and other standards, and procedures of this title and Title 16, Subdivisions.
17. According to AMC § 17.05.030, development shall be prohibited, and all applications therefore shall be denied, if the development would cause the level of service on a concurrency facility or service to decline below adopted levels of service standards, unless the improvements or strategies to accommodate the new development are made concurrent with the development, subject to the provisions of AMC § 17.05.070(3). For potable water, sewer/onsite sewage disposal and stormwater management, only available capacity or capacity that can be provided prior to the actual use of the facility will be used. This project however would not cause the level of service on a concurrency facility or service to decline below adopted levels of service standards.
18. The subject proposal is consistent with the above development regulations.

C. OTHER APPLICABLE CODE, REVIEW CRITERIA, & PROCESS:

The preliminary plat and PUD application is also subject to review for conformance with the following code sections/regulations:

1. According to AMC § 16.40.040, there are four (4) steps for approval of a PUD: A) Pre-application conference during which the city's planning coordinating committee reviews sketches and conceptual information and makes recommendations to the applicant. Particular attention shall be given to the items where the PUD concept varies from normal subdivision standards, B) Preliminary PUD development plan where a more complete conceptual plan is submitted for planning coordinating committee review and then goes through a standard planning commission and city council approval process, C) Preliminary plat review and approval process with a detailed plan incorporating the approved preliminary PUP development plan concepts and conditions, and D) Final plat meeting the submittal requirements of and following the approval process for a standard subdivision.

Staff Analysis:

The subject applications were reviewed by the Development Review Group (DRG) for comments, &/or conditions. Department requirements have been incorporated as conditions of approval herein. The applicant submitted the subject preliminary plat and PUD on December 08, 2015. It was reviewed by staff and deemed complete on January 4, 2016. A Notice of Application and Hearing Using Optional SEPA DNS was noticed as is required by the AMC as stated in detail above. Both the preliminary plat and PUD were processed concurrently per the applicant's wishes. Accordingly, the subject applications go before an open-record public hearing with the Planning Commission followed by a closed-record public hearing with the City Council.

2. According to AMC § 16.12.010, when a preliminary plat meeting the requirements has been submitted, the administrator shall establish the date and time for an open-record public hearing before the planning commission on the preliminary plat which shall not be more than sixty days from the date of the notice of complete application and which shall coincide with a regular meeting of the planning commission. Following planning commission action, the administrator shall schedule the preliminary plat for the city council agenda for its next available meeting date in accordance with its rules and regulations. Accordingly, both an open record and close-record public hearing has been scheduled for the proposed project.

Staff Analysis:

Dates and times for both an open record and closed record public hearings have been established as is listed in the "Notice of Application and Hearing Using the Optional SEPA DNS" (See Exhibit 06).

3. According to AMC § 16.40.102, Common Open Space within a Planned Unit Development may include land area of the site that is not covered by buildings, parking structures, or accessory structures except recreational structures (i.e., decks). Open space cannot however include proposed street rights-of-way; open-parking areas and driveways for dwellings; school sites; commercial areas and the buildings; accessory buildings; parking and loading facilities for commercial areas; and land that is totally unsuitable for building due to topographic features.

Staff Analysis:

The applicant has designated the community park that would serve the residents of the 30 lot subdivision and community as a whole as "Open Space" per se meeting this requirement.

4. According to RCW § 58.17.110(1), the approval or disapproval of subdivision and dedications –factors to be considered –conditions for approval –finding-release from damages: "The city, town, or county legislative body shall inquire into the public use and interest proposed to be served by the establishment of the subdivision and dedication. It shall determine: (a) If appropriate provisions are made for, but not limited to, the public health, safety, and general welfare, for open spaces, drainage ways, streets or roads, alleys, other public ways, transit stops, potable water supplies, sanitary wastes, parks and recreation, playgrounds, schools and school-grounds, and shall consider all other relevant facts, including sidewalks and other planning features that assure safe walking conditions for students who only walk to and from school; and (b) whether the public interest will be served by the subdivision and dedication."

Staff Analysis:

The public use and interest will be served by the proposed subdivision and dedication. Appropriate provisions have been made to the public, health, safety, and general welfare for open spaces, drainage ways, streets or roads, alleys, other public ways, transit stops,

potable water supplies, sanitary wastes, parks and recreation, playgrounds, schools and school-grounds, and sidewalks. Pursuant to WAC 365.196.840, public facilities and services necessary to support and serve the subject development will be in place concurrent to development without decreasing service levels below locally established minimum standards.

5. According to RCW § 58.17.110(2), the approval or disapproval of subdivision and dedications –factors to be considered –conditions for approval –finding-release from damages: “A proposed subdivision and dedication shall not be approved unless the city, town, or county legislative body makes written findings that: (a) Appropriate provisions are made for the public health, safety, and general welfare and for such open spaces, drainage ways, streets or roads, alleys, other public ways, transit stops, potable water supplies, sanitary wastes, parks and recreation, playgrounds, schools and school-grounds and all other relevant facts, including sidewalks and other planning features that assure safe walking conditions for students who only walk to and from school; and (b) the public use and interest will be served by the platting of such subdivision and dedication. If it finds that the proposed subdivision and dedication make such appropriate provisions and that the public use and interest will be served, then the legislative body shall approve the proposed subdivision and dedication. Dedication of land to any public body, provision of public improvements to serve the subdivision, and/or impact fees imposed under RCW 82.02.050 through 82.02.090 may be required as a condition of subdivision approval. Dedications shall be clearly shown on the final plat. No dedication, provision of public improvements, or impact fees imposed under RCW 82.02.050 through 82.02.090 shall be allowed that constitutes an unconstitutional taking of private property. The legislative body shall not as a condition to the approval of any subdivision require a release from damages to be procured from other property owners.”

Staff Analysis:

Accordingly, as provided herein, written findings have been provided that address appropriate provisions for the public health, safety, and general welfare. Furthermore, the public use and interest will be served by the subject preliminary plat, PUD, and dedication. Additionally, impact fees associated with the construction of each residence will be paid for at time of building permit issuance.

6. The subject proposal is consistent with the above code sections /regulations.

D. CONCLUSIONS OF LAW:

1. The Planning Commission having fully reviewed the staff report hereby adopts said staff report as properly setting forth the issues, the land use requests, consistency with the existing regulations, principles, conditions and their effect upon the request. It is therefore adopted by the Planning Commission as a conclusion as if set forth in full herein.

2. The proposed preliminary plat and planned unit development as conditioned conforms to the general purposes of the city comprehensive plan, the city's planning standards and specifications of the zoning ordinance, Title 16 and other ordinances applicable to the proposal. Additionally, the subject proposal makes appropriate provisions for the elements listed in AMC § 16.12.020(E).
3. The requirements of the State Environmental Policy Act have been complied with.
4. The Planning Commission bases its Findings of Fact and Conclusions of Law on the entire record, including all testimony and exhibits. Any finding which would be deemed a Conclusion of Law and any Conclusion of Law which should be deemed a finding is hereby adopted as such.
5. The project is consistent with the general purposes of the city comprehensive plan, the city's planning standards and specifications of the zoning ordinance, and other ordinances applicable to the proposal.

E. STAFF RECOMMENDATION:

The Department of Planning, Community, and Economic Development recommends that the City Council approve the subject preliminary plat, preliminary PUD, code modification, & ROW dedication subject to the staff suggested conditions of approval.

F. PLANNING COMMISSION OPEN-RECORD PUBLIC HEARING:

The Planning Commission conducted an open-record public hearing at 6:00 PM on February 24, 2016, after conducting a site visit at 3:00 PM. After public testimony, the Planning Commission deliberated on the matter. A motion was made to approve the subject application with the addition of condition of approval #21 (listed below). The motion was seconded. Following a vote, the Planning Commission unanimously voted 5-0 to recommend approval to City Council.

G. APPEAL OF PLANNING COMMISSION'S RECOMMENDATION:

Following the Planning Commission open-record public hearing, the chairman signed the Planning Commission's Findings of Fact, Conclusions of Law, and Recommendation. This was forwarded to the applicant and parties of record. No appeals of the Planning Commission's recommendation were received.

H. APPLICANT'S REQUEST TO MODIFY CONDITION #21:

The applicant however has requested that Condition of Approval #21 which was added by the Planning Commission be further modified as follows:

Existing Condition #21:

The maximum permitted height for Lot 15 shall be restricted to twenty-five (25) feet from the high point on the property (NE corner) of existing grade.

Proposed Condition #21:

The maximum permitted height for Lot 15 shall be restricted to twenty-five (25) feet from the high point of the property of existing grade.

I. DECISION:

Based on the foregoing information and analysis, the environmental documents submitted by the applicant, and the City regulatory authority to implement the policies, standards, and the regulations of the Comprehensive Plan, and the Anacortes Municipal Code (AMC), the City Council **approves** the subject preliminary plat, preliminary PUD, code modification(s), & ROW dedication subject to the following conditions of approval:

1. Grading shall not adversely impact adjacent properties.
2. Provide a Traffic Control Plan (Current MUTCD Manual) prior to any construction taking place in the public right-of-way for approval by the City of Anacortes' Public Works Department.
3. Pursuant to RCW 58.17.140(3), a final plat and PUD meeting all of this requirements of this chapter shall be submitted to the City of Anacortes Planning Department for approval within five (5) years from the date of preliminary approval that is listed below. Notwithstanding, the preliminary plat and PUD approval becomes null and void.
4. Before final plat and PUD submittal or approval, the project land surveyor shall place the respective property corners of the subject property.
5. The applicant shall be responsible for reimbursement to the City for the cost of posting, mailing and publication of the public hearing associated with the subject applications. Payment shall be made prior to final plat and PUD submittal or approval is given.
6. Fire Hydrants are to be located as approved by the City of Anacortes Fire Chief. Fire flows shall be addressed in a manner acceptable to the Fire Chief and the City of Anacortes Public Works Department.
7. Mailbox locations shall be reviewed and approved by the City of Anacortes Public Works Department and the U.S. Postal Service.
8. Development shall comply with the revised landscape plan. Landscaping shall be in place and complete before building permit certificate of occupancy will be issued.
9. Preliminary subdivision and Planned Unit Development approval authorizes the applicant to proceed with application for necessary permits to construct required improvements and to prepare construction drawings in accordance with the determinations made and conditions imposed.
10. The lots in this subdivision are subject to applicable water, sewer, and stormwater general facility and hookup fees and transportation, fire, and park impact fees. These fees are payable at levels in effect at the time of building permit issuance and may differ from those fee levels currently in effect; sewer and water latecomer charges may be payable. A note to this effect shall be on the final plat and PUD map.
11. A note shall be added to the final plat and PUD map that reads as follows:

ZONING INFORMATION:

<i>Underlying Zone:</i>	<i>Residential District (R2)</i>
<i>Zone's Minimum Lot Size:</i>	<i>7,500 Square Feet</i>
<i>Gross Acreage:</i>	<i>7.48 Acres (included ½ abutting ROW)</i>
<i>Net Acreage:</i>	<i>7.20 Acres</i>
<i>Zone's Maximum Density:</i>	<i>4 Dwelling Units (DU) per Gross Acre</i>
<i>Density Calculation:</i>	<i>4 DU X 7.48 Acres = 29.92, rounded to 30 DU</i>
<i>Proposed Lots:</i>	<i>30 Lots + 1 Community Park</i>

SETBACKS:

Front Yard:

- For lots 3-17 only, the front setback is 10 feet for the residence & 20 feet for garages.
- All other lots must meet the 20 foot front yard setback for the R2 Zone.

Rear Yard:

- For lots 3-17 only, the rear setback is increased from 20 feet to 30 feet.
- All other lots must meet the 20 foot rear yard setback for the R2 Zone.

Side Yard:

- All lots shall meet the R2 side yard setback requirements for the R2 Zone.

12. Due to the proximity that the subject development is from the existing airport owned and operated by the Port of Anacortes. The applicant will need to work with the Federal Aviation Administration (FAA) and Port of Anacortes to complete the requisite paperwork prior to final plat and PUD submittal or approval is given. Additionally, there is an Avigation Easement 732440 recorded with Skagit County with the subject property. Accordingly, the applicant/landowner will need to meet FAA rules and regulations including but not limited to height when constructing within close proximity to an airport.
13. Automatic fire sprinkler systems may be required for each residence as required by the Fire Marshall.
14. The project geotechnical engineer –GeoEngineers shall review the construction drawings to confirm the proposed roadway design and raingardens are consistent with LID standards.
15. A homeowner's association shall be established and be responsible for the maintenance of the raingardens, community park, & Native Growth Protection Easement. A note to this effect shall be shown on the face of the final plat and PUD.
16. Development shall comply with the Mitigated Determination of Non-Significance (MDNS that was issued February 17, 2016 as follows:
 - A. Erosion control, dust control, and best management practices shall be employed

- during construction /development activities as required by both the Building and Public Works Departments (MDNS Condition #1).
- B. Orange construction fencing shall be installed at the project boundary's clearing limits (MDNS Condition #2).
 - C. A grading permit is required for earthwork consisting of fifty (50) or more cubic yards (MDNS Condition #3).
 - D. All applicable permits shall be secured before any construction activities begin onsite (MDNS Condition #4).
 - E. Those trees designated for retention on the submitted tree preservation plan shall be protected before and during site development and construction through adherence to AMC § 16.50.100. Chain link fencing (or other sturdy construction fencing) attached to concrete blocks shall be erected along the drip line (plus 6 feet) of each of the trees designated for retention on the plan" (MDNS Condition #5)
 - F. Before any site development /grading and/or construction activities occur on the subject property the applicant shall contact the Department of Planning, Community, and Economic Development to arrange a tree fence inspection (MDNS Condition #6).
 - G. The applicant shall plant a minimum of 108 additional trees onsite in order to comply with the minimum number of tree credits required per AMC Chapter 16.50 that is discussed in the submitted Tree Assessment & Preservation Plan. At time of final plat and PUD submittal, the applicant shall submit a revised site plan showing the location of the additional trees required for planting (MDNS Condition #7).
17. Development shall comply with the Public Works Department including but not limited to:
- A. A clearing and grading plan consistent with City requirements shall be submitted by the applicant for review and approval by the City of Anacortes Planning\Building and Public Works Departments prior to any construction activities taking place on or off-site.
 - B. A Large Parcel Storm Water Plan and Water Quality Control Plan consistent with City requirements shall be submitted by the applicant for review and approval by the Planning\Building and Public Works Departments prior to any construction activities taking place on or off-site.
 - C. Construction activities may require an NPDES Construction Storm Water Discharge Permit issued by the Department of Ecology prior to any construction activities taking place on or off-site.
 - D. Clearing activities may require a logging permit issued by the Department of Natural Resources prior to construction activities taking place on or off-site.

- E. This project is required to obtain a General Construction Permit from the Washington State Department of Transportation for all road crossings and work adjacent to and on Oakes Avenue.
- F. Prior to any clearing\fill\grade work beginning, construction civil plans consistent with the City of Anacortes Engineering Development Standards, including but not limited to, Clearing and Grading Plan, Erosion Control Plan, Site utility\Infrastructure improvements Plan, Roadway Improvements Plan, Signage Plan, Street Lighting Plan and other plans and\or information required by the City Planning\Building and Public Works Departments shall be submitted for review and approval.
- G. Engineering and Inspection fees in the amount of \$500.00, plus 2% of the total estimated construction cost shall be due upon civil plan approval. No construction activity is allowed until the construction plans are approved, all fees have been paid and a preconstruction conference held.
- H. Prior to the final plat approval, all infrastructure improvements shall be completed as required by the City of Anacortes Public Works Director and a 2-year Maintenance Bond in place. The 2-year Maintenance Bond is 10% of the actual construction cost.
- I. Fire Hydrants are to be located as approved by the City of Anacortes Fire Chief. Fire flows shall be addressed in a manner acceptable to the Fire Chief and the City of Anacortes Public Works Department.
- J. Water main shall be extended from the west (Allen Court) along the frontage of Oakes Avenue to the most easterly boundary of the property to allow for future extension by others.
- K. All Water Easements shall be 20-foot minimum width and dedicated to the City of Anacortes. Any future encroachments into the easements by the adjacent properties shall be required to apply for an encroachment agreement from the City of Anacortes Public Works Department.
- L. Sanitary Sewer Conveyance system shall be extended from the west (Allen Court) along the frontage of Oakes Avenue to the most easterly boundary of the property to allow for future extension by others.
- M. All Sanitary Sewer Easements shall be 20-foot minimum width and dedicated to the City of Anacortes. Any future encroachments into the easements by the adjacent properties shall be required to apply for an encroachment agreement from the City of Anacortes Public Works Department.
- N. All Sanitary Sewer structures shall have vehicular access, including but not limited to: 1) A 12-foot minimum width access road with an approved all-weather surface asphalt road, or other approved Low Impact Development Best Management Practice design, 2) Meeting the minimum structural requirements for Access Road approved by the City of Anacortes.

- O. Storm Drainage Conveyance system shall be extended from the west (Allen Court) along the frontage of Oakes Avenue to the most easterly boundary of the property to allow for future extension by others.
- P. Storm water conveyance both on-site and off-site shall comply with City Storm drainage requirements.
- Q. The developer shall provide suitable drainage facilities for any surface run-off affecting the subdivision, per Anacortes Municipal Code 16.20.070.
- R. Provisions shall be made to accommodate for a Public Transit stop along Oakes Avenue. The Developer shall work with the Planners from Skagit Transit to determine a location.
- S. Roadway horizontal alignments shall be designed to allow for proper sight distances.
- T. Mailbox locations shall be reviewed and approved by the City of Anacortes Public Works Department and the U.S. Postal Service.
- U. Street lighting shall be required at both ingress and egress of the project. Street lighting shall be energy efficient and shall limit glare and/or emission of light downward to the street and front yard areas. Street lighting will be installed per PSE Schedule 53, Option "B". Lighting fixtures and design shall be approved by the Public Works Director. Shields may be necessary to reduce impacts to adjacent properties.
- V. Sanitation, recycling and compost collection will be at curb side of each parcel serviced.
- W. Internal roadway shall be required to provide for:
 - 1. 40-foot Public Right-of-Way
 - 2. A minimum of 28-feet of paved asphalt.
 - 3. Maximum grade of 12%. Unless a steeper grade of 15% is approved by the City Council as required under the Anacortes Municipal Code.
 - 4. With 5-foot sidewalk on one side of the road.
- X. Oakes Avenue, along the frontage of this project is required to provide for:
 - 1. An appropriately designed left hand turn lane and related transitions shall be designed and constructed to meet the requirements of the Washington State Department of Transportation and the City of Anacortes Public Works Department.
 - 2. Public Works Department supports the proposed 30 MPH change from 40 MPH as requested by the Developer. The revised speed limit change will need to be approved and implemented by the Washington State Department of Transportation. The current speed limit is posted 40 MPH and the improvements should be designed accordingly.

3. Cement Concrete Traffic Curb and Gutter with a 5-foot minimum sidewalk shall be extended from the west (Allen Court) along the frontage of Oakes Avenue to the most easterly boundary of the property to allow for future extension by others.
 4. Due to the inconsistency of the asphalt edge along Oakes Avenue, the project will need to pave a minimum of 8-feet to obtain slope from the existing asphalt to the new curb as determined by the City of Anacortes and the Engineer of Record.
18. Before final plat and PUD submittal or approval is given, the applicant shall submit a revised Tree Preservation Plan that shows all existing trees designated for retention in the submitted plan plus the 108 additional trees required to be planted.
 19. Pursuant to AMC 16.50.120(D), the applicant shall record a notice with the Skagit County Auditor's Office which provides a public record of any approved tree preservation plan and conservation areas; the application of this title to the property; and that limitations on actions in or affecting the property may exist. A note to this effect shall also be listed on the face of the final plat and PUD referencing the respective Auditor File Number (AFN) for the recorded Tree Preservation Plan [as revised].
 20. Additionally, those trees shown in the Revised Tree Preservation Plan must also be shown on the face of the plat and PUD prior to submittal or approval is given. The trees designated for retention shall be clearly shown in relation to the lot's property lines.
 21. Before final plat and PUD submittal or approval is given, a note shall be added to the face of the plat/PUD that states:
 - A. The maximum permitted height for Lot 15 shall be restricted to twenty-five (25) feet from the high point on the property (NE corner) of existing grade.

INTRODUCED, PASSED, AND APPROVED BY THE CITY COUNCIL OF THE CITY OF ANACORTES on this 21st day of March 2016.

CITY OF ANACORTES, WASHINGTON


LAURIE M. GERE, MAYOR

Approved as to form and legality:


Darey Swetnam, WSBA# 40530
City Attorney

ATTEST:


Steve D. Hoglund, City Clerk Treasurer

JUDICIAL APPEAL:

AMC § 17.08.090 - Notice of appeal of any final action taken under this title must be filed with

the Superior Court and served on the city attorney for the city within twenty-one (21) days of the date on which such final action was taken. For purpose of appeals from decisions of the Anacortes City Council, the "date of final action" shall mean the date on which the city council entered its Findings of Fact, Conclusions of Law, and Decision.

EXHIBITS:

EXHIBIT NUMBER:	NAME OF EXHIBIT:
Exhibit #1	Master Permit Application, Environmental Checklist, & Narrative
Exhibit #2	Assessor's Info & GIS Map
Exhibit #3	Public Comments Received
Exhibit #4	Department /Agency Comments Received
Exhibit #5	Notice of Application & Hearing with Optional SEPA DNS
Exhibit #6	Issued SEPA MDNS
Exhibit #7	Wetland Report
Exhibit #8	Geotechnical Report
Exhibit #9	Tree Assessment & Preservation Plan
Exhibit #10	Landscape Plan
Exhibit #11	Planning Commission's Recommendation & Minutes
Exhibit #12	Applicant's Presentation, Handout, & Response to Neighbor Concerns
Exhibit #13	Planning Department's Presentation to the Planning Commission
Exhibit #14	Plat & PUD Site Plan

EXHIBIT #02

PLAT & PUD MAP

48 NORTH PLAT & PUD
SECTION 22, TOWNSHIP 35 NORTH, RANGE 1 EAST, W.M.
CITY OF ANACORTES, WASHINGTON

AUDITORS CERTIFICATE
RECORD OF SURVEY AT THE REQUEST OF DALE K. HERRIGSTAD

AUDITOR _____ DEPUTY AUDITOR _____

GENERAL INFORMATION

1. Assessor's Account No.s 350122-4-004-0000, P31681..
2. Description and exception information is from the 2nd Revised Subdivision Guarantee, Order No: 153377-0A, dated January 17, 2017.
3. This property is SUBJECT TO and TOGETHER WITH easements, reservations, restrictions, covenants and other instruments of record including but not limited to those instruments referred to in the Subdivision Guarantee referenced under Note 2 above. Said report lists documents recorded under Auditors File Number AF 732440 (Aviation Easement), AF 200807220033 (Record of Survey), AF 201607050142 (10' wide Puget Sound Easement over new utilities), AF 201612060089 (10' wide Puget Sound Easement over new utilities) and AF 201612190147 (Covenants, Conditions and Restrictions on adjoining property). Deed of Trust recorded under AF 201605130083 (Skagit State Bank).
4. Residential Low Density (R2).
5. Water Supply: City of Anacortes.
6. Sewer Disposal: City of Anacortes
7. Storm Sewer: City of Anacortes

SKAGIT COUNTY TREASURERS CERTIFICATE

I certify that all taxes heretofore levied and which have become a lien upon the lands herein described have been fully paid and discharged according to the records of my office, up to and including the year of 20_____.

Certified this _____ day of _____, 20_____.

Skagit County Treasurer _____

CITY OF ANACORTES APPROVALS

The Planning Commission of the City of Anacortes meeting in regular session on _____ did find that the 48 North Plat & PUD serves the public use & interest & has authorized the Subdivision Administrator to execute its written approval.

Signature of Planning Director _____

Approval by the Council of the City of Anacortes, WA, this _____ day of _____, 20_____.

ATTEST: City Clerk _____

Examined and approved this _____ day of _____, 20_____.

City Engineer _____

DEDICATION

Know All Men by these Present that SKAGIT STATE BANK, mortgage holder, and 48 NORTH ON FIDALGO ISLAND, LLC, property owner of the land hereby platted, declare this plat and dedicate to the use of the public forever, streets and avenues shown hereon and the use thereof for all public purposes consistent with the use thereof for public highway purposes together with the right to make all necessary slope for cuts and fills upon the lots and blocks shown hereon in the original reasonable grading of all such streets and avenues shown hereon. The Owners and their assigns hereby waive all claims for damages against which may be occasioned to the adjacent properties by the construction, drainage and maintenance of said road and or area.

48 NORTH ON FIDALGO ISLAND, LLC

SKAGIT STATE BANK

State of Washington

County of Skagit

I certify that I know of have satisfactory evidence that _____ signed this instrument, on oath stated that (he/she/) (was/are) authorized to execute the instrument and acknowledged it as the _____ of 48 NORTH ON FIDALGO ISLAND, LLC to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Given under my hand and official seal this _____ day of _____, 20_____.
Notary Public in and for the State of Washington

Name printed _____

Residing at _____

My commissions expires _____

NOTES

1. Subject to Declaration of Covenants, Conditions, Restrictions, (CC&R's), recorded under;

AFN _____

2. This plat is subject to the Revised Tree Preservation Plan dated August 12, 2015 and recorded under;

AFN _____

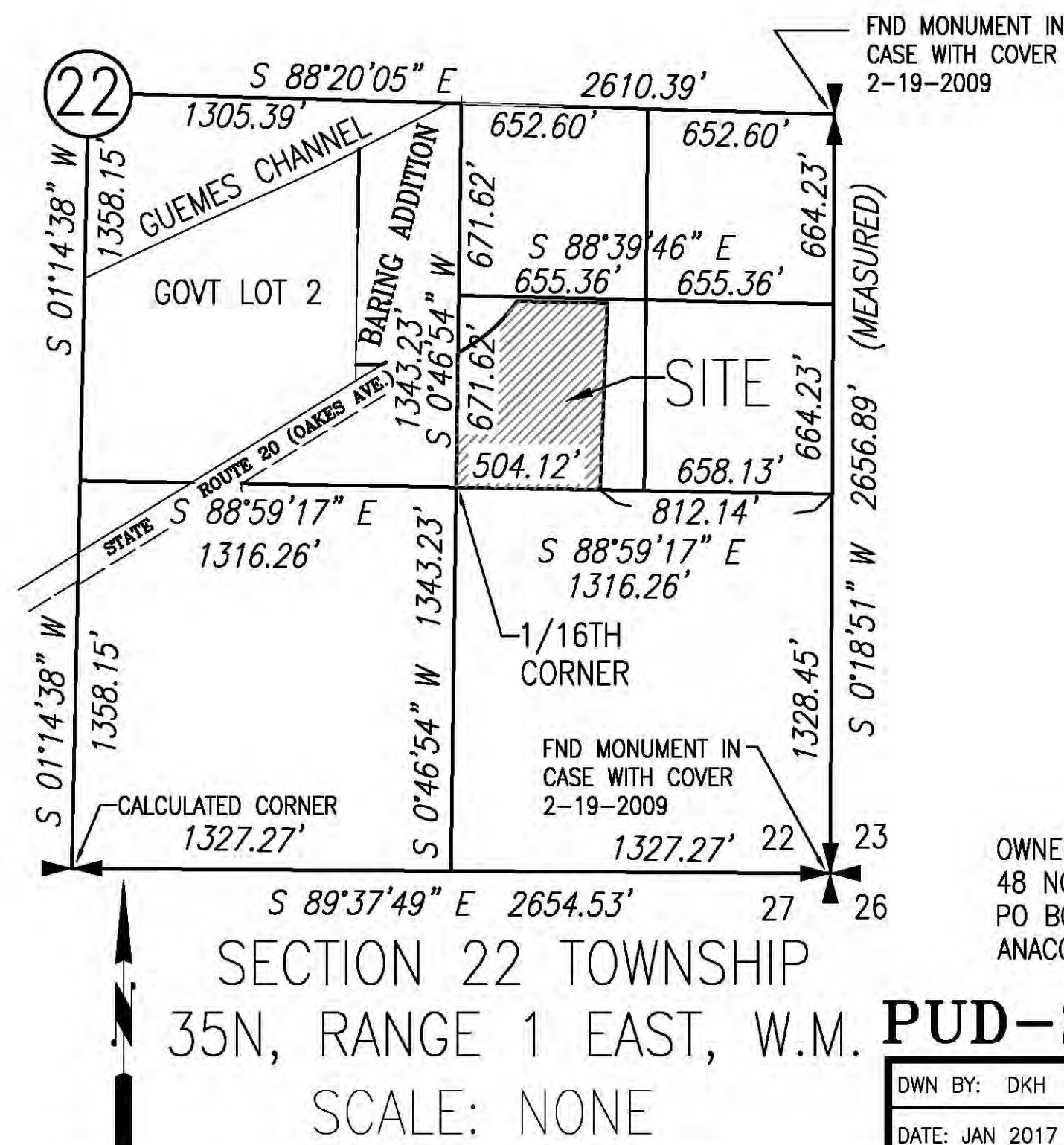
3. The PUD reference number PUD-2015-0003 and date of approval shall be included in all deeds and contracts.

SURVEYORS CERTIFICATE

I hereby certify that the 48 North Plat & PUD is based upon an actual survey and subdivision performed by me or under my supervision of Section 22, Township 35 North, Range 1 East, W.M.; the plat is a true and correct representation of the land actually surveyed; that the courses and distances are shown correctly on the ground; and that I have complied with the provisions of the statutes and platting regulations and that permanent control monuments have been established at each and every controlling corner of the parcel of land being subdivided.

DALE K. HERRIGSTAD, P.L.S. _____
Certificate No. 27807

Date _____



State of Washington

County of Skagit

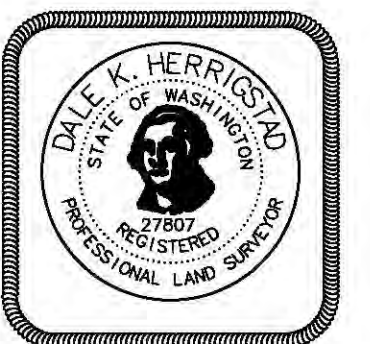
I certify that I know of have satisfactory evidence that _____ signed this instrument, on oath stated that (he/she/) (was/are) authorized to execute the instrument and acknowledged it as the _____ of SKAGIT STATE BANK to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Given under my hand and official seal this _____ day of _____, 20_____.
Notary Public in and for the State of Washington

Name printed _____

Residing at _____

My commissions expires _____



OWNER/DEVELOPER
48 NORTH ON FIDALGO ISLAND LLC
PO BOX 319
ANACORTES, WA 98221

LAND SURVEYOR
DALE HERRIGSTAD PLS
4320 WHISTLE LAKE ROAD
ANACORTES, WA 98221

SHEET 1 OF 3

SECTION 22 TOWNSHIP
35N, RANGE 1 EAST, W.M.
SCALE: NONE

PUD-2015-0003

PW #16-005-DEV

DWN BY: DKH

DATE: JAN 2017

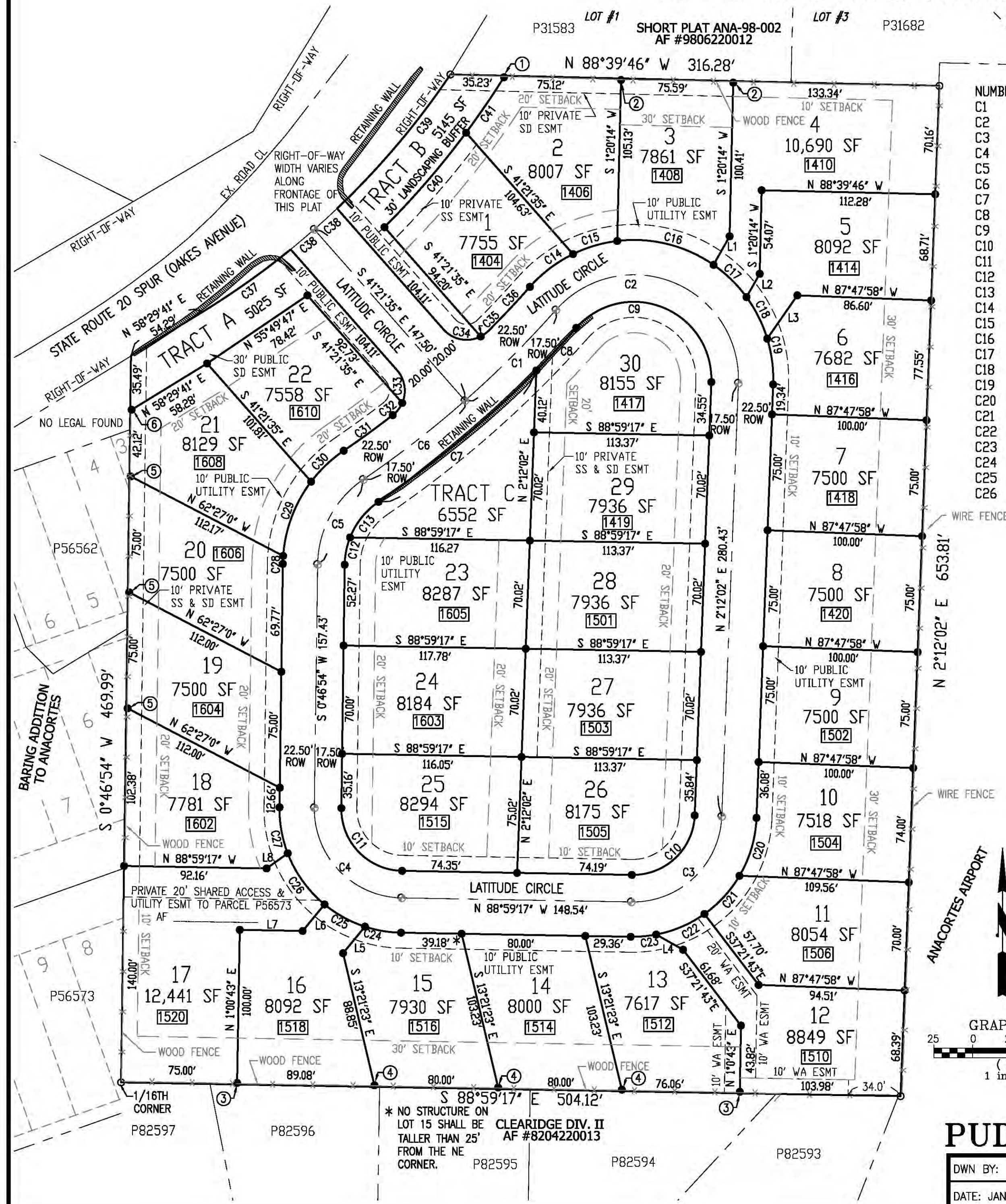
HERRIGSTAD ENGINEERING & SURVEYING

4320 Whistle Lake Road, Anacortes, WA 98221 (360) 299-8804

SCALE: NOTED

JOB 2015-53

**SECTION 22, TOWNSHIP 35 NORTH, RANGE 1 EAST, W.M.
CITY OF ANACORTES, WASHINGTON**



CURVE TABLE

NUMBER	RADIUS	ARC LENGTH	DELTA ANGLE	NUMBER	RADIUS	ARC LENGTH	DELTA ANGLE
C1	670.00'	83.10'	7°06'23"	C27	80.00'	30.43'	21°47'32"
C2	67.50'	165.72'	140°40'00"	C28	90.00'	5.15'	3°16'54"
C3	57.50'	89.13'	88°48'41"	C29	90.00'	52.06'	33°08'26"
C4	57.50'	90.09'	89°46'11"	C30	90.00'	29.15'	18°33'35"
C5	67.50'	64.77'	54°58'55"	C31	647.50'	39.20'	3°28'07"
C6	670.00'	83.10'	7°07'24"	C32	20.00'	10.06'	28°48'20"
C7	687.50'	133.07'	11°05'24"	C33	20.00'	22.64'	64°50'58"
C8	687.50'	37.68'	3°08'24"	C34	20.00'	26.36'	75°31'21"
C9	50.00'	122.76'	140°40'00"	C35	20.00'	6.33'	18°07'56"
C10	40.00'	62.00'	88°48'41"	C36	647.50'	39.01'	3°27'06"
C11	40.00'	62.67'	89°46'11"	C37	522.50'	69.86'	7°39'39"
C12	50.00'	18.11'	20°45'08"	C38	522.50'	20.00'	2°11'35"
C13	50.00'	29.87'	34°13'48"	C39	522.50'	125.40'	13°00'15"
C14	90.00'	35.21'	22°24'53"	C40	552.50'	80.82'	8°22'54"
C15	90.00'	30.00'	19°06'00"	C41	552.50'	44.58'	4°37'21"

LINE TABLE

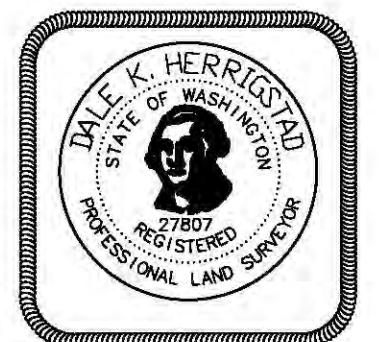
NUMBER	BEARING	DISTANCE
L1	N 29°29'13" E	21.20'
L2	N 29°29'13" E	17.30'
L3	N 34°46'17" E	34.11'
L4	N 60°33'11" W	20.02'
L5	N 39°30'43" E	22.27'
L6	N 39°30'43" E	22.22'
L7	S 88°59'17" E	40.64'
L8	S 54°30'43" W	16.82'

NOTES

1.  SET CONCRETE MON WITH BRASS CAP IN CASE WITH COVER.
2.  SET RE-BAR AND RED CAP PLS. #27817.
3.  FOUND EXISTING REBAR AND CAP MARKED PLS #9569 OR AS NOTED.
VISITED 1-4-2017.
4. EQUIPMENT USED: CARLSON CR2 2" TOTAL STATION.
5. ALL CONCRETE MONUMENTS WERE VISITED ON 2-1-2017.
6. ERROR OF CLOSURE MEETS WASHINGTON STATE SURVEY STANDARDS.
7. SURVEY METHOD: STANDARD FIELD TRAVERSE.
8. BASIS OF BEARINGS: Record of Survey, AF 200807220033.
9.  ADDRESSES SHOWN ON PLAT.
10. SEE SHEET 3, PUD AND PLAT CONDITIONS #2 FOR BUILDING SETBACK REQUIREMENTS.

OFFSET PROPERTY CORNER NOTES

- ① REBAR & CAP SET 1.00' S 32°20'58" W OF
TRUE CORNER DUE TO FENCE.
- ② REBAR & CAP SET 1.00' S 1°20'14" W OF
TRUE CORNER DUE TO FENCE.
- ③ REBAR & CAP SET 1.00' N 1°0'43" E OF
TRUE CORNER DUE TO FENCE.
- ④ REBAR & CAP SET 1.00' N 13°21'22" W OF
TRUE CORNER DUE TO FENCE.
- ⑤ REBAR & CAP SET 1.00' S 62°27'00" E OF
TRUE CORNER DUE TO FENCE.
- ⑥ REBAR & CAP SET 1.00' N 58°29'41" E OF
TRUE CORNER DUE TO FENCE.



OWNER/DEVELOPER
48 NORTH ON FIDALGO ISLAND LLC
PO BOX 319
ANACORTES, WA 98221

LAND SURVEYOR
DALE HERRIGSTAD PLS
4320 WHISTLE LAKE ROAD
ANACORTES, WA 98221

SHEET 2 OF 3

PUD-2015-0003

PW #16-005-DEV

DWN BY: DKH

DATE: JAN 2017

HERRIGSTAD ENGINEERING & SURVEYING

4320 Whistle Lake Road, Anacortes, WA 98221 (360) 299-8804

SCALE: NOTED

JOB 2015-53

48 NORTH PLAT & PUD
SECTION 22, TOWNSHIP 35 NORTH, RANGE 1 EAST, W.M.
CITY OF ANACORTES, WASHINGTON

PUD AND PLAT CONDITIONS

48 NORTH PLAT & PUD
PUD-2015-0003

All parcels within the subdivision are subject to the "Findings of Fact and Conclusion of Law" as adopted by the Anacortes City Council on the 21st day of March, 2016. The following Conditions were required to be identified on the face of the Plat.

1. (FF #10) The lots in this subdivision are subject to applicable water, sewer, and stormwater general facility and hookup fees and transportation, fire, and park impact fees. These fees are payable at levels in effect at the time of building permit issuance and may differ from those fee levels currently in effect; sewer and water latecomer charges may be payable.

2. (FF #11) ZONING INFORMATION:

Underlying Zone: Residential District (R2)

Zone's Minimum Lot Size: 7,500 Square Feet

Gross Acreage: 7.48 Acres (included 1/2 abutting ROW)

Net Acreage: 7.20 Acres

Zone's Maximum Density: 4 Dwelling Units (DU) per Gross Acre

Density Calculation: 4 DU 7.48 Acres = 29.92, rounded to 30 DU

Proposed Lots: 30 Lots +1 Community Park

SETBACKS:

Front Yard:

For lots 3-17 only, the front setback is 10 feet for the residence & 20 feet for garages.

All other lots must meet the 20 foot front yard setback for the R2 Zone.

Rear Yard:

For lots 3-17 only, the rear setback is increased from 20 feet to 30 feet.

All other lots must meet the 20 foot rear yard setback for the R2 Zone.

Side Yard:

All lots shall meet the R2 side yard setback requirements for the R2 Zone.

3. (FF #15) A homeowner's association shall be established and be responsible for the maintenance of the bioretention swale (Tract A), landscaping buffer (Tract B) and community park (Tract C).

4. (FF #19) Pursuant to AMC 16.50.120 (D), the applicant shall record notice with the Skagit County Auditor's Office which provides a public record of any approved tree preservation plan and conservation areas; the application of this title to the property; and that limitations on actions in or affecting the property may exist. See recording number on sheet 1.

5. (FF #20) This Subdivision is subject to the Tree Preservation Plan Dated August 12, 2015. Retained Trees shall be maintained by the lot owners, unless approved for removal by the City of Anacortes.

6. (FF #21) The maximum permitted height for Lot 15 shall be restricted to twenty-five (25) feet from the high point of the property of existing grade.

7. (FF Modifications Proposed) Lot coverage is modified from R2 Zoning District's maximum of thirty-five (35) percent to a maximum of thirty seven and one half (37.5%).

UTILITY and ACCESS EASEMENTS & DEDICATIONS

1. An easement is hereby reserved for and conveyed to the CITY OF ANACORTES, PUGET SOUND ENERGY INC.(A.F. NO. 201607050142 & 201612060089), FRONTIER COMMUNICATIONS TELEPHONE COMPANY, CASCADE NATURAL GAS COMPANY, AND COMCAST CABLE TELEVISION COMPANY and their respective successors and assigns under and upon the front ten (10) feet, or as shown on the plat, of front boundary lines all lots, tracts and spaces within the plot lying parallel with and adjoining all public street(s), as shown on the plat, in which to construct, operate, maintain, repair, replace and enlarge underground pipes, conduits, cables and wires all necessary or convenient underground or ground mounted appurtenances thereto for the purpose of serving this subdivision and other property with electric, gas, telephone and other utility service, together with the right to enter upon the streets, lots, tracts and spaces at all times for the purposes herein stated.

2. A 10 foot private storm drainage easement across the North boundary of Lots 2, 3 and Tract B as shown on the plat is hereby reserved for and conveyed to Lots 2, 3 & 4 for storm drainage to service lots 2, 3 & 4 in which to construct, operate, maintain, repair, replace and enlarge underground pipes, thereto for the purpose of serving the lots herein. The maintenance of the improvements to the easement will be the responsibility of and shared by the benefiting lots.

3. A 10 foot private sanitary sewer easement across the Northwest boundary of Lot 1 and Tract B as shown on the plat is hereby reserved for and conveyed to Lot 2 for sanitary sewer pipes to service lot 2 in which to construct, operate, maintain, repair, replace and enlarge underground pipes for the purpose of serving lot 2. The maintenance of the improvements to the easement will be the responsibility of lot 2.

4. A 10 foot private sanitary sewer & storm drainage easement across the West boundary of Lots 27, 28, 29 & 30 as shown on the plat is hereby reserved for and conveyed to Lots 26, 27, 28, 29 & 30 for sanitary sewer & storm drainage pipes to service lots 26, 27, 28, 29 & 30 in which to construct, operate, maintain, repair, replace and enlarge underground pipes for the purpose of serving the lots herein. The maintenance of the improvements to the easement will be the responsibility of and shared by the benefiting lots.

5. A 10 foot private sanitary sewer & storm drainage easement across the West boundary of Lots 18, 19, 20, 21 & Tract A as shown on the plat is hereby reserved for and conveyed to Lots 17, 18, 19, 20 & 21 for sanitary sewer & storm drainage pipes to service lots 17, 18, 19, 20 & 21 in which to construct, operate, maintain, repair, replace and enlarge underground pipes for the purpose of serving the lots herein. The maintenance of the improvements to the easement will be the responsibility of and shared by the benefiting lots.

6. A 20 foot & 10 foot public water main easement on and across Lots 12 & 13 as shown on the plat is hereby reserved for and conveyed to the City of Anacortes in which to construct, operate, maintain, repair, replace and enlarge underground pipes for the purpose of serving this subdivision and other property with water service, together with the right to enter upon the streets, lots, tracts and spaces at all times for the purposes herein stated.

7. A 20 foot wide private access and utility easement on and across Lot 17 as shown on the plat is hereby reserved for and conveyed to Parcel P56573 (adjoining to the west) for the use of one single family home in which to construct, operate, maintain, repair, replace and enlarge underground pipes for the purpose of serving said property and for the share access drive with Lot 17 in which the maintenance is to be shared equally.

8. Tract A is hereby dedicated to the 48 North Homeowners Association and the City of Anacortes and the public as a storm drainage conveyance and water quality treatment facility. Tract A will be maintained by the 48 North Home Owners Association.

9. Tract B is hereby dedicated to the 48 North Homeowners Association for the purposes of landscaping and landscape maintenance.

10. Tract C is hereby dedicated to the 48 North Homeowners Association for the purposes of a Community Park to be maintained by the Homeowners Association.

11. All retaining walls will be the responsibility of the 48 North Homeowners association, per section xx.xx "Retaining Walls of the 48 North Declarations, Restrictions, Easements and Reservations, AF #_____.

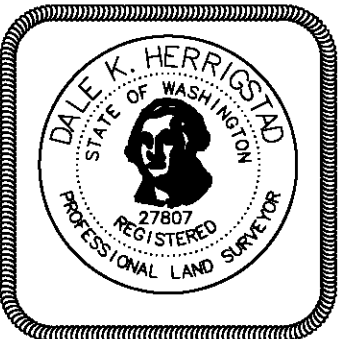
LEGAL DESCRIPTION

That portion of the South 1/2 of the Northeast 1/4, of the Southeast 1/4, of Section 22, Township 35 North, Range 1 East, W.M., lying Southeasterly of the "BURROWS BAY ROAD", EXCEPT the "COPPER MINE ROAD" along the East line thereof, AND EXCEPT the following described tracts:

a.) Beginning at the Southeast corner of the South 1/2 of the Northeast 1/4 of the Southeast 1/4 of said Section;
thence North 88°59'46" West along the South line of said South 1/2 of the Northeast 1/4 of the Southeast 1/4, 30.00 feet to the West line of the "COPPER MINE ROAD";
thence continue North 88°59'46" West 781.88 feet;
thence North 2°11'29" East 669.34 feet to the North line of the Southwest 1/4 of the Northeast 1/4 of the Southeast 1/4 and the true point of beginning of this description, said point being the Northwest corner of that certain tract conveyed to the Port of Anacortes, a municipal corporation, by deed recorded July 22, 1968, under Auditor's File No. 716164;
thence from said true point of beginning run South 2°11'29" West along the West line of said Port of Anacortes tract, a distance of 15 feet;
thence West parallel with the North line of said Southwest 1/4 of the Northeast 1/4 of the Southeast 1/4 to the Easterly line of the "BURROWS BAY ROAD";
thence Northerly along said Easterly line to the North line of said Southwest 1/4 of the Northeast 1/4 of the Southeast 1/4;
thence East along said North line to the true point of beginning.

b.) Beginning at the Southeast corner of the South 1/2 of the Northeast 1/4 of the Southeast 1/4;
thence North 88°59'46" West along the South line of said subdivision 30.00 feet to the West line of the "COPPER MINE ROAD", and the true point of beginning;
thence continue North 88°59'46" West 781.88 feet;
thence North 2°11'29" East 669.34 feet to the North line of said subdivision;
thence South 88°40'23" East along the North line of said subdivision 760.00 feet to the West line of the "COPPER MINE ROAD";
thence South 0°18'59" West along said road a distance of 664.96 feet to the true point of beginning.

Situate in the City of Anacortes, County of Skagit, State of Washington.



OWNER/DEVELOPER
48 NORTH ON FIDALGO ISLAND LLC
PO BOX 319
ANACORTES, WA 98221

LAND SURVEYOR
DALE HERRIGSTAD PLS
4320 WHISTLE LAKE ROAD
ANACORTES, WA 98221

SHEET 3 OF 3

PUD-2015-0003

PW #16-005-DEV

DWN BY: DKH

DATE: JAN 2017

HERRIGSTAD ENGINEERING & SURVEYING

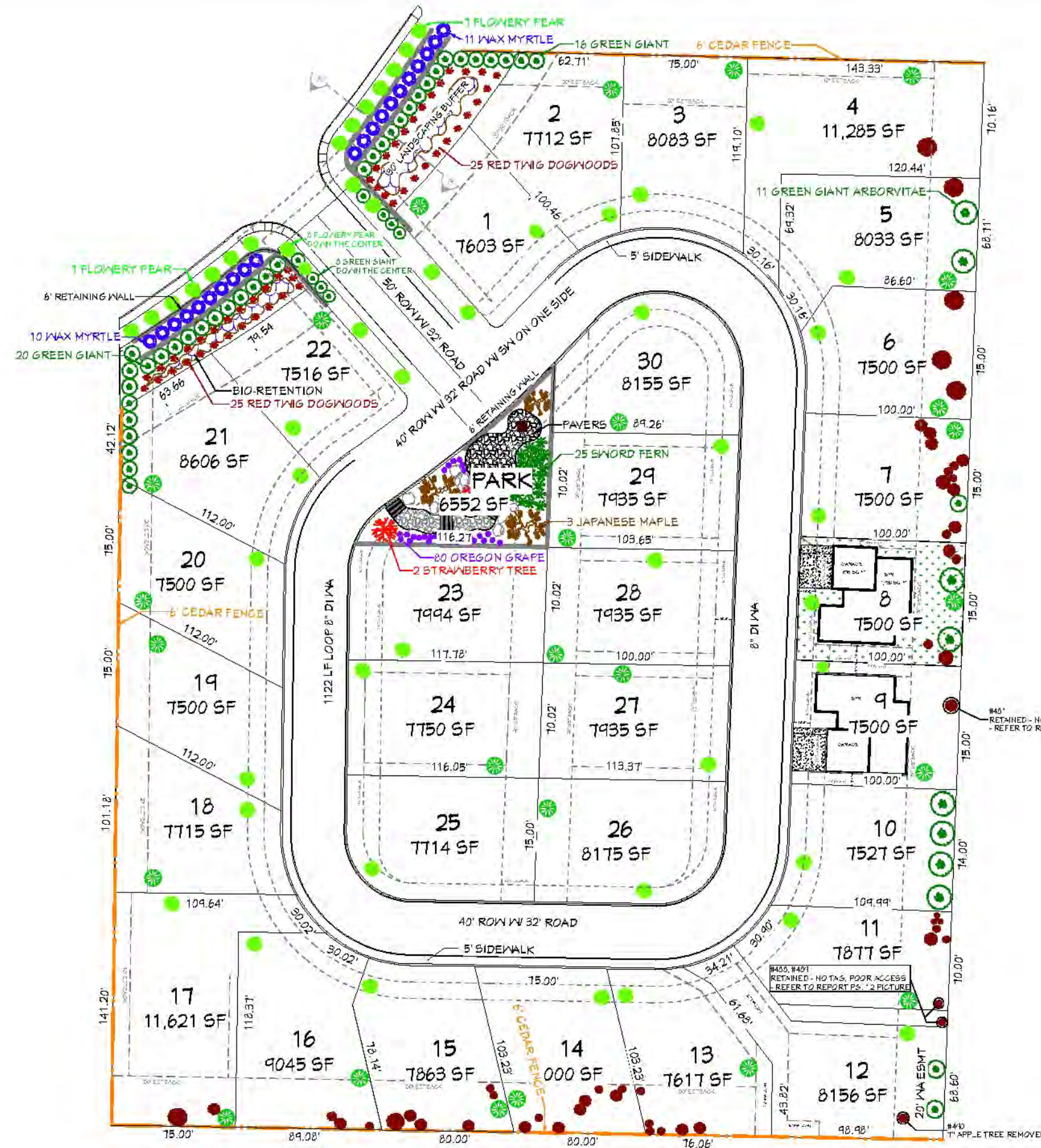
4320 Whistle Lake Road, Anacortes, WA 98221 (360) 299-8804

SCALE: NOTED

JOB 2015-53

EXHIBIT #03

LANDSCAPE PLAN



LANDSCAPE LEGEND			
SYMBOL	COMMON NAME	SCIENTIFIC NAME	QTY.
	SWORD FERN	POLYSTICHUM MUNITUM	25
	STRAWBERRY TREE	ARBUTUS UNEDO	2
	WAX MYRTLE	MYRTICA CALIFORNICA	21
	FLOWERING PEAR (4 H. 1 1/2' CAL. PER)	PYRUS CALLERYANA	22
	RED TWIG DOGWOODS	CORNUS SERICEA	50
	GREEN GIANT ARBORVITAE (4 H. 1 1/2' CAL. PER)	THUJA STANDISHII	55
	JAPANESE MAPLE (4 H. 1 1/2' CAL. PER)	ACER PALMATUM	3
	OREGON GRAPE	MAHONIA AQUIFOLIUM	80
	6' CEDAR FENCE		
	4' REDI-ROCK WALL		
	6' REDI-ROCK WALL		
	LAWN AREA		
	DECIDUOUS STREET TREE - FLOWERING PEAR (4 H. 1 1/2' CAL. PER)	TO BE PLANTED W/ HOME PYRUS CALLERYANA	30
	CONIFER TREE (4 H. 1 1/2' CAL. PER)	TO PLANT W/ HOME	30
	EXISTING TREES TO BE RETAINED (REFER TO ARBORIST PRESERVATION REPORT BY URBAN FORESTRY SERVICES, INC., AUG. 12, 2015)		56

TOTAL SITE AREA	313,500 SF
PROPOSED LANDSCAPE	
BUFFER AREAS	12,020 SF
PARK AREA	6,536 SF
TOTAL PARKS & BUFFER LANDSCAPING	18,556 SF
TYPICAL HOME LANDSCAPE AVG. (4,894 SF X 30)	146,820 SF
TOTAL LANDSCAPE AREA	165,376 SF
TOTAL PERCENTAGE OF LANDSCAPE AREA	53%
MINIMUM LANDSCAPE REQUIRED BY CODE	20%
TOTAL TREE CREDITS FROM RETAINED TREES	198
TREE'S TO BE PLANTED WITH PLAT	80
MINIMUM TREES TO BE PLANTED WITH HOMES	60
(EXACT LOCATION T.B.D. AT TIME OF HOME CONSTRUCTION PERMIT)	
TOTAL TREE CREDITS	338
MINIMUM TREE CREDITS PER CODE	313

CHIEF ARCHITECT XT
DRAWN BY
J. SYKORA, CPBD
SCALE
1" = 10'
DATE
2-9-17
REVISIONS

BUILDER INFO:
MAILING ADDRESS:
P.O. BOX 319
ANACORTES, WA 98021
PHONE:
360-278-1451
FAX:
360-278-1451
WWW:
www.strandbergconstruction.com

PROJECT / CLIENT INFO
PUD-2015-0003
48 North P.U.D., Oakes Avenue
Owner:
48 North On Fidalgo Island LLC,
Nels Strandberg
P.O. Box 319 Anacortes, WA 98021

48 NORTH LANDSCAPE PLAN
/ REVISED TREE PLAN
OWNER APPROVAL
DATE:
PAGE:
OF:

Cricchio, Kevin

From: Debbie Headrick <debbie@strandbergconstruction.com>
Sent: Thursday, March 2, 2017 1:30 PM
To: Cricchio, Kevin
Cc: Measamer, Don; Nels Strandberg
Subject: Tree Count Clarification
Attachments: 48 North Landscape and Revised Tree Plan 2.9.2017.pdf; Letter to Kevin Correction to Tree Count.pdf; 48 North Plant Order #1.pdf

Kevin,

Per our discussion, I have attached information regarding the tree count and replant concerns at 48 North, we are required by code to have a total 313 Tree Credits, we exceed this count with 338 Tree Credits (25). I have highlighted areas for review in the above information.

1. Strandberg is currently planting 80 trees required for the plat, reference the attached plan and plant order above.
2. 60 trees to be planted with home landscape, this planting will be needed to be addressed during home permitting and landscape, plants are noted on the plan attached. The attached plan will be recorded as part of the CC&Rs, the AFN transferred to final plat map.
3. Per the Tree Preservation Plan dated August 12, 2015 we are required to plant a total of 108 Tree Credits or 108 Trees. Strandberg is currently planting the 80 trees required to be planted with plat and noted on the above plan. The additional 60 trees to be planted during home landscape, noted on the plan above. The combined plantings will be above the required 108 Tree Credit Requirement. The TPP dated August 12, 2015 will be recorded at Final Plat and AFN transferred to the plat map.
4. Avigation Easement is noted on Sheet 1 General information item 3.
5. Retaining wall encroachment is noted on Sheet 3 Easements under item 11.
6. A new item 12 will be added prior to recording final plat; if the COA fails to have Encroachment Agreement finalized and recorded prior to final plat recording, the retaining walls will be referenced and noted Sheet 3 item 11. (The retaining walls are clearly visible on sheet 2 of the plat and referenced in the CC&Rs).

I believe this addresses all your questions, please let me know if you need additional information.

Best,

Debbie Headrick
Executive Assistant



2018 R Avenue
PO Box 319
Anacortes WA 98221
Phone: 360-293-7431

January 13, 2017

Kevin Cricchio
Associate Planner
City of Anacortes
PO Box 547
Anacortes, WA 98221

Re: 48 North Plat PUD-2015-0003

Dear Kevin,

In reviewing your letter dated August 3, 2016 regarding the tree inspection of the plat 48 North; you verified trees #243, #481, #488, #489 and #490 had been removed. Following are the findings of the site visit inspection by Nels.

#243 was removed from the tree preservation plan, it was located within the building envelope of the lot. However, it was overlooked for removal on the matrix page of the report, tree credits are recalculated below and noted on the updated landscape plan (attached).

#481, #488 and #489 were retained, attached are pictures to verify trees were retained, "no tag on the trees due to poor access" this is noted in the tree preservation plan report (copy attached).

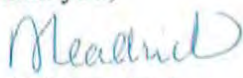
#490 did not survive construction, this tree was directly in line with the water line on lot 12, loss of tree credits -2.

Trees retained provide a tree credit of	198	
Trees to be planted with plat	80	
Minimum trees to planted with homes	60	
Total tree credits	338	<25> over req credit
Minimum Tree Credits Per Code	313	

This results in a tree credit total of 338, 25 credits more than the 313 credits required by code. In addition to the above tree count additional trees were kept throughout the plat. During planning, we intentionally calculate additional trees for retention, it is inevitable that a tree will be lost during construction, wind storms or a discrepancy on the plan. Nels will be happy to meet with you on site and verify the trees that were noted missing.

Please feel free to give me a call with questions regarding this information or to set up site visit.

Thank you,


Debbie Headrick
Executive Assistant

Attachments (8)

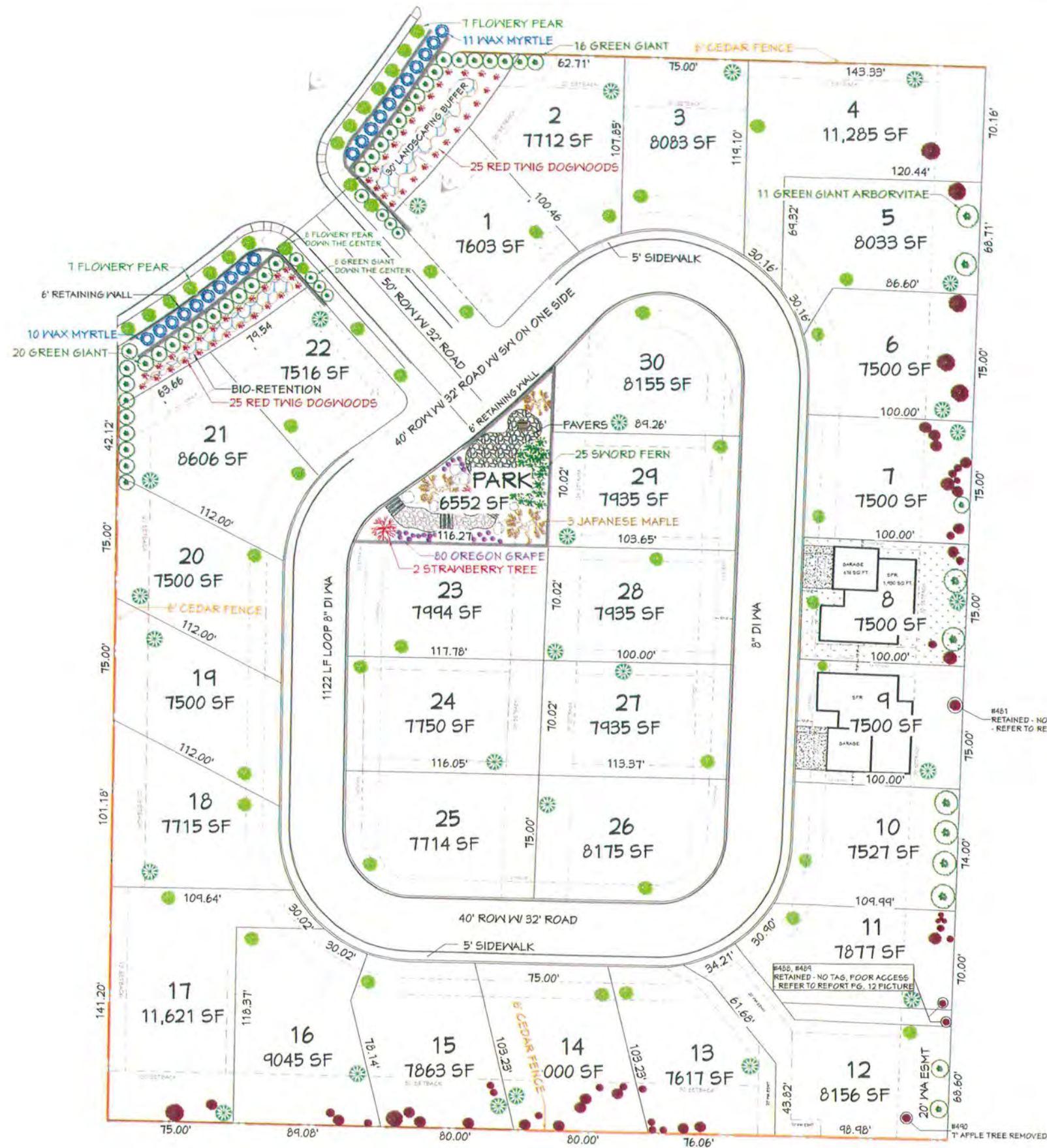
48 North

ok per cell

1st Delivery 32.17

QTY	DESCRIPTION	PRICE EACH	TOTAL
87	5 Gal Wax Myrtle (Southern Bayberry)	\$ 19.00	\$ 1,653.00
6	6' Shore Pine (Pinus Contorta)	\$ 40.00	\$ 240.00
60	1 Gal Cotoneaster (cotoneaster horizontalis)	\$ 4.25	\$ 255.00
30	1 Gal Pink Heather (Epacris Impressa)	\$ 4.00	\$ 120.00
60	1 Gal Salal (Gaultheria shallon)	\$ 4.00	\$ 240.00
15	1 Gal Sword Fern (Polystichum munitum)	\$ 4.00	\$ 60.00
30	1 Gal Lavender	\$ 4.00	\$ 120.00
60	1 Gal Oregon Grape (low growing)	\$ 4.00	\$ 240.00
3	1 1/2 Caliper Paper Bark Maple	\$ 175.00	\$ 525.00
1	Large Japanese Maple (Red Leaf)	\$ 175.00	\$ 175.00
9	Purple Barberry	\$ 4.00	\$ 36.00
10	Creeping Rosemary	\$ 5.00	\$ 50.00
22	Flowering Pear 2" Caliper Pyrus Calleryana(?)	\$ 150.00	\$ 3,300.00
48	38 6' Green Giant	\$ 65.00	\$ 2,470.00
50	1 Gal Red Twig Dogwood	\$ 4.00	\$ 200.00
21	5 Gal Wax Myrtle (Southern Bayberry)	\$ 19.00	\$ 399.00
10	5 Gal Rhododendron	\$ 30.00	\$ 300.00
50	Quart Wild Strawberry	\$ 4.00	\$ 200.00
50	Quart Fountain Grass	\$ 4.00	\$ 200.00
50	Karl Forester Reed Grass (1 gal)	\$ 4.00	\$ 200.00
50	Quart size Wild Strawberry	\$ 4.00	\$ 200.00
			\$ 11,183.00

80



SYMBOL	COMMON NAME	SCIENTIFIC NAME	QTY.
	SWORD FERN	POLYSTICHUM MUNITUM	25
	STRAWBERRY TREE	ARBUTUS UNEDO	2
	WAX MYRTLE	MYRTICA CALIFORNICA	21
	FLOWERY PEAR (MIN. 1 1/2" CALIFER)	PYRUS CALLERYANA	22
	RED TWIG DOGWOODS	CORNUS SERICEA	50
	GREEN GIANT ARBORVITAE (MIN. 1 1/2" CALIFER)	THUJA STANDISHII	55
	JAPANESE MAPLE (MIN. 1 1/2" CALIFER)	ACER PALMATUM	3
	OREGON GRAPE	MAHONIA AGUIFOLIUM	60
	6' CEDAR FENCE		
	4' REDI-ROCK WALL		
	6' REDI-ROCK WALL		
	LAWN AREA		
	DECIDUOUS STREET TREE - FLOWERY PEAR (MIN. 1 1/2" CALIFER)	TO BE PLANTED W/ HOME PYRUS CALLERYANA	30
	CONIFER TREE (MIN. 1 1/2" CALIFER)	TO PLANT W/ HOME	30
	EXISTING TREES TO BE RETAINED (REFER TO ARBORIST PRESERVATION REPORT BY URBAN FORESTRY SERVICES, INC., AUG. 12, 2015)		56

TOTAL SITE AREA	313,500 SF
PROPOSED LANDSCAPE	
BUFFER AREAS	12,020 SF
PARK AREA	6,536 SF
TOTAL PARKS & BUFFER LANDSCAPING	18,556 SF
TYPICAL HOME LANDSCAPE AVG. (4,894 SF X 30)	146,820 SF
TOTAL LANDSCAPE AREA	165,376 SF
TOTAL PERCENTAGE OF LANDSCAPE AREA	53%
MINIMUM LANDSCAPE REQUIRED BY CODE	20%
TOTAL TREE CREDITS FROM RETAINED TREES	198
TREE'S TO BE PLANTED WITH PLAT	80
MINIMUM TREES TO BE PLANTED WITH HOMES (EXACT LOCATION T.B.D. AT TIME OF HOME CONSTRUCTION PERMIT)	60
TOTAL TREE CREDITS	338
MINIMUM TREE CREDITS PER CODE	313

CHIEF ARCHITECT
J. SYKORA, CFBD

SCALE
1" = 70'

DATE
2-9-17

PRINTED: Monday, February 13, 2017

Strandberg
DESIGN

BUILDER INFO:
MAILING ADDRESS:
P.O. BOX 319
ANACORTES, WA 98221
PHONE:
360-293-7431
FAX:
360-293-7431
WWW.STRANDBERGCONSTRUCTION.COM

PROJECT / CLIENT INFO
PUD-2015-0003
48 North F.U.D., Oakes Avenue
Owner:
48 North On Fidalgo Island LLC.
Neil Strandberg
P.O. Box 319 Anacortes, WA 98221

48 NORTH LANDSCAPE PLAN
/ REVISED TREE PLAN

OWNER APPROVAL
INITIAL
PAGE:
OF:

EXHIBIT #04

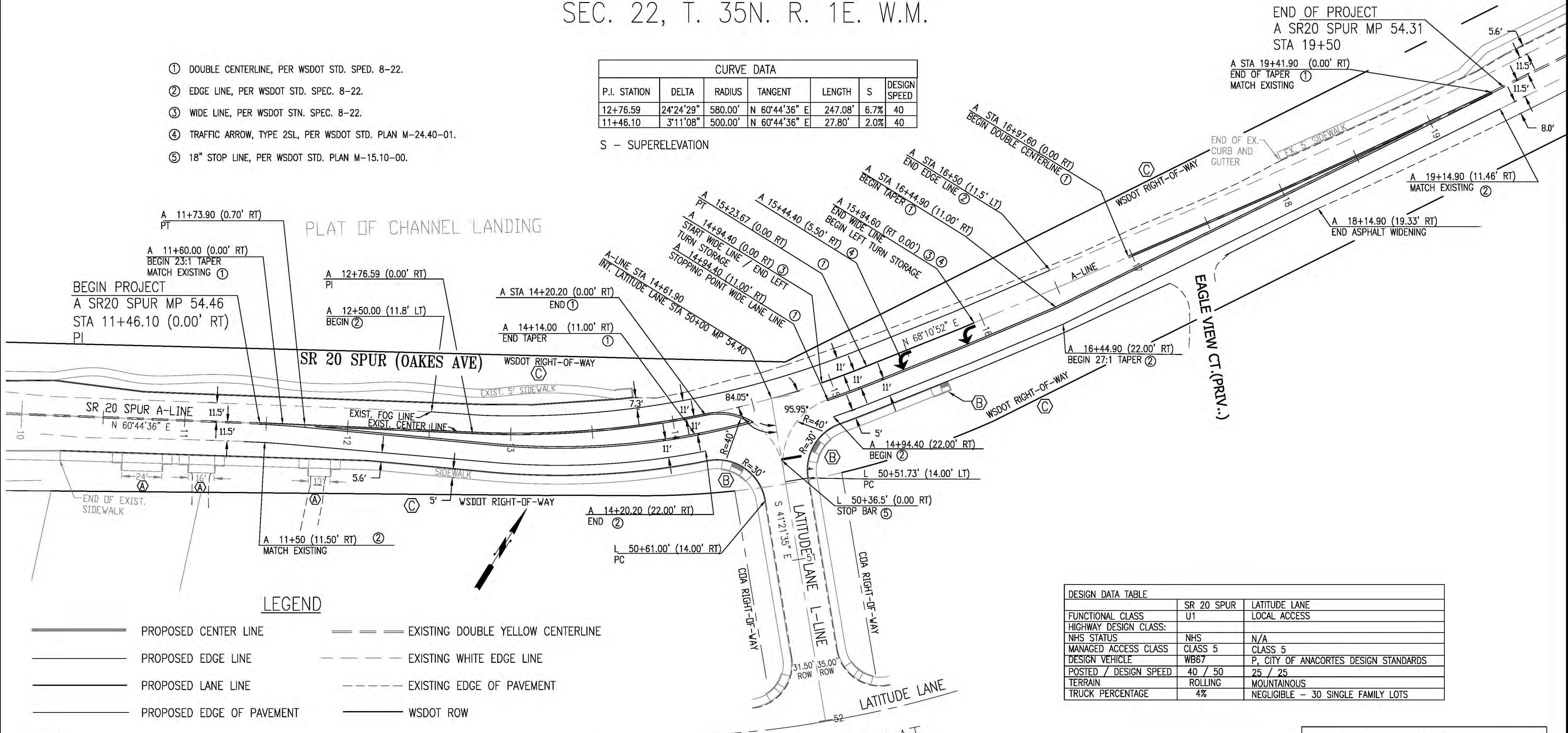
CHANNELIZATION PLAN

SEC. 22, T. 35N. R. 1E. W.M.

- ① DOUBLE CENTERLINE, PER WSDOT STD. SPED. 8-22.
② EDGE LINE, PER WSDOT STD. SPEC. 8-22.
③ WIDE LINE, PER WSDOT STN. SPEC. 8-22.
④ TRAFFIC ARROW, TYPE 2SL, PER WSDOT STD. PLAN M-24.40-01.
⑤ 18" STOP LINE, PER WSDOT STD. PLAN M-15.10-00.

CURVE DATA						
P.I. STATION	DELTA	RADIUS	TANGENT	LENGTH	S	DESIGN SPEED
12+76.59	24°24'29"	580.00'	N 60°44'36" E	247.08'	6.7%	40
11+46.10	3°11'08"	500.00'	N 60°44'36" E	27.80'	2.0%	40

S - SUPERELEVATION

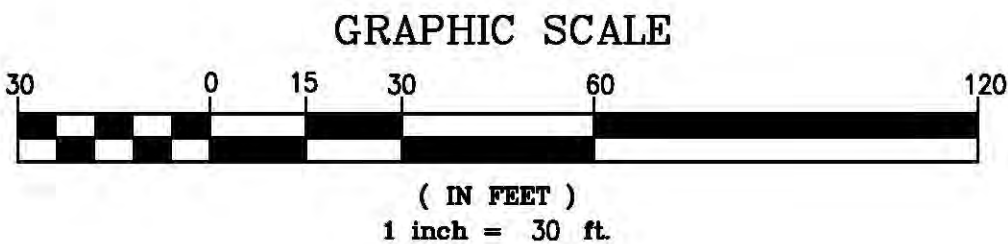


LEGEND

- ===== PROPOSED CENTER LINE
===== EXISTING DOUBLE YELLOW CENTERLINE
----- PROPOSED EDGE LINE
----- EXISTING WHITE EDGE LINE
----- PROPOSED LANE LINE
----- EXISTING EDGE OF PAVEMENT
----- PROPOSED EDGE OF PAVEMENT
----- WSDOT ROW

NOTES:

- (A) CONSTRUCT DRIVEWAY ENTRANCE TYPE 1 PER WSDOT STND PLAN F-80.10-03
(B) ALL SIDEWALK CURB RAMPS SHALL BE CONSTRUCTED TO MEET THE ADA STANDARDS TO THE MAXIMUM EXTENT FEEASIBLE.
(C) RIGHT-OF-WAY LINES SHOWN ARE FOR INFORMATIONAL PURPOSES ONLY. SEE RIGHT-OF-WAY PLANS FOR ACTUAL LIMITS.



11x17" PRINT 1/2 SCALE
24x36" PRINT FULL SCALE

DESIGN DATA TABLE		
FUNCTIONAL CLASS	SR 20 SPUR	LATITUDE LANE
HIGHWAY DESIGN CLASS:	U1	LOCAL ACCESS
NHS STATUS	NHS	N/A
MANAGED ACCESS CLASS	CLASS 5	CLASS 5
DESIGN VEHICLE	WB67	P, CITY OF ANACORTES DESIGN STANDARDS
POSTED / DESIGN SPEED	40 / 50	25 / 25
TERRAIN	ROLLING	MOUNTAINOUS
TRUCK PERCENTAGE	4%	NEGLIGIBLE - 30 SINGLE FAMILY LOTS

WSDOT NORTHWEST REGION
APPROVED CHANNELIZATION PLAN

TRAFFIC ENGINEER - AREA OPERATIONS
Signed _____ Date _____
Print _____

ENGINEERING MANAGER
Signed _____ Date _____
Print _____

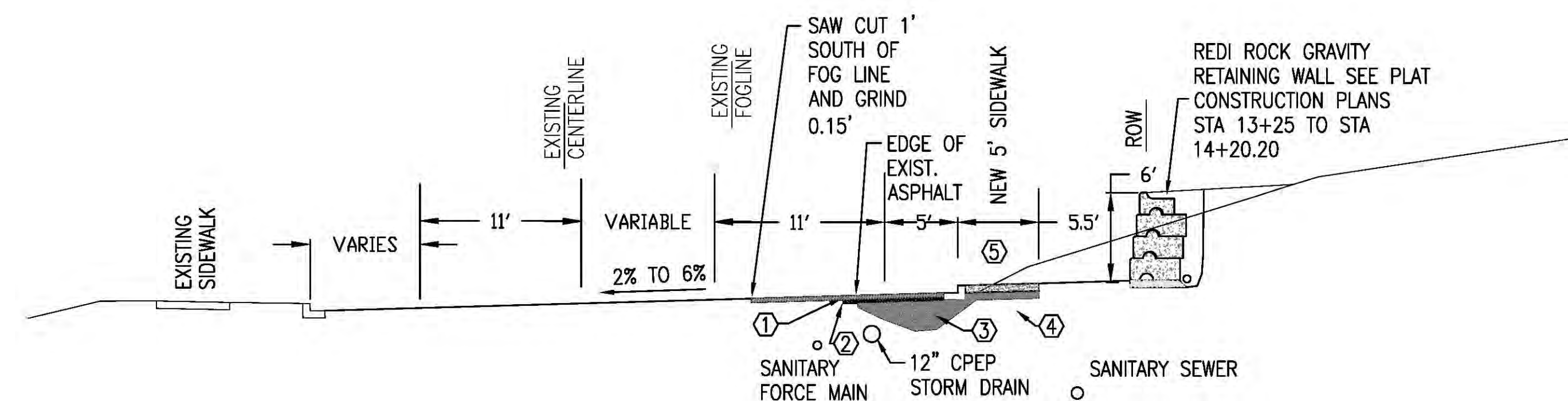
REVISIONS & DESCRIPTIONS	BY	DATE
A Revised per WSDOT comments	DKH	10-29-2016
B Revised per WSDOT comments	DKH	12-11-2016
C Revised per WSDOT comments	DKH	1-16-2017



**HERRIGSTAD
ENGINEERING & SURVEYING**
DALE K. HERRIGSTAD P.E., P.L.S.
4320 WHISTLE LAKE ROAD
ANACORTES, WA 98221 (360) 299-8804

SR 20 SPUR	MP 54.31 to MP 54.46	C1
SR-20 SPUR / OAKES AVENUE		SHEET
48 North PUD		1
Anacortes / Skagit County		OF
January 16, 2017		2
CHANNELIZATION PLAN		

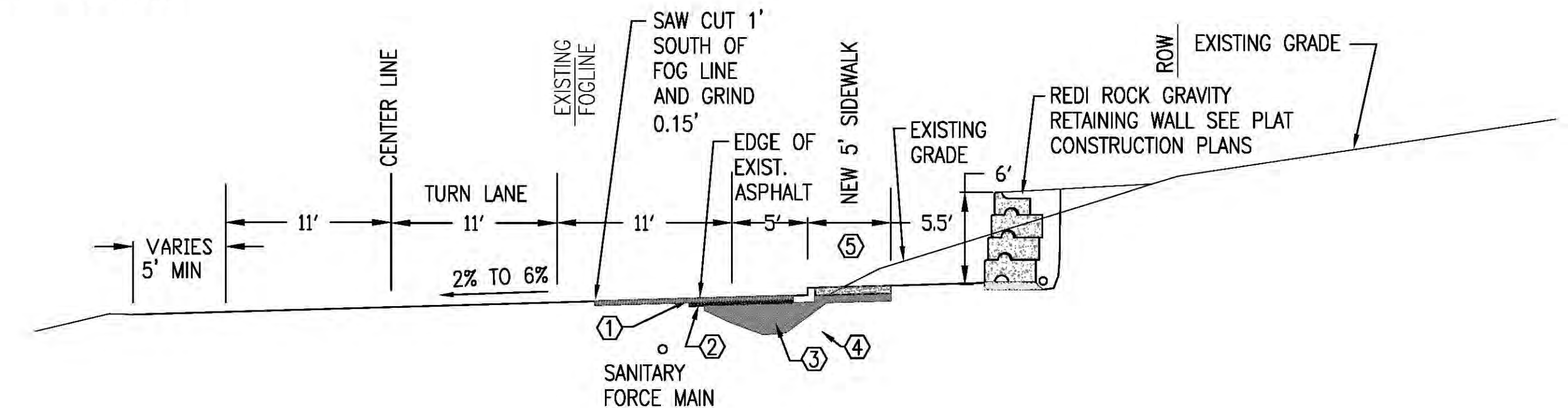
SEC. 22, T. 35N. R.1E. W.M.



SR-20 SPUR (OAKES AVENUE) ROAD SECTION A-A

N.T.S.

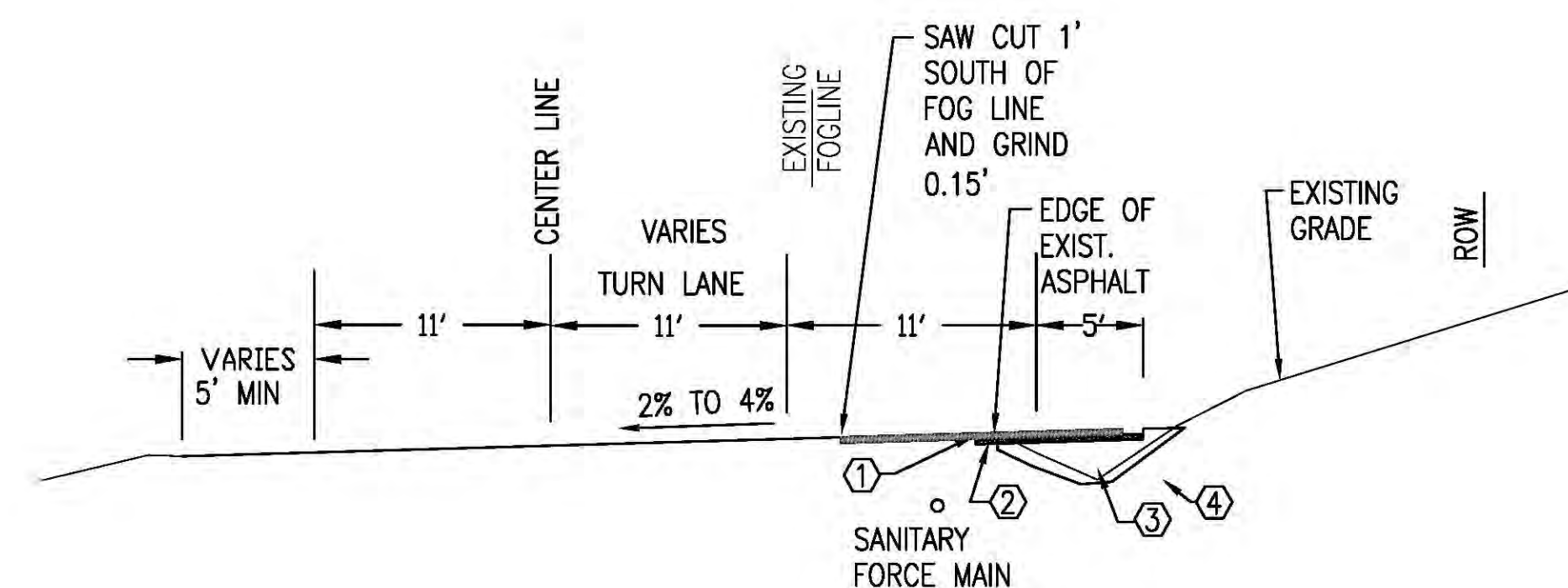
SR 20 (SPUR) STA. 11+60 TO STA 14+00



SR-20 SPUR (OAKES AVENUE) ROAD SECTION B-B

N.T.S.

SR 20 (SPUR) STA. 14+00 TO STA 15+66.50

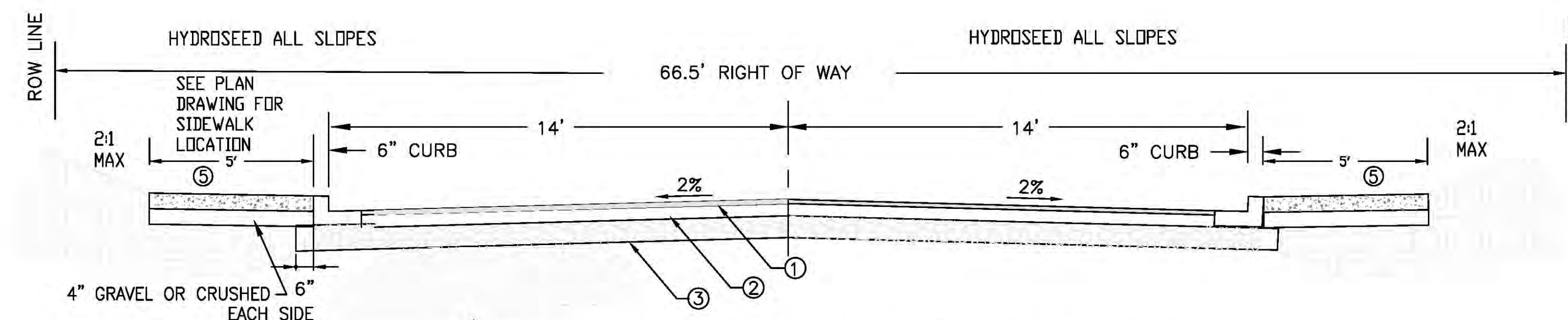


SR-20 SPUR (OAKES AVENUE) ROAD SECTION C-C

N.T.S.

TURN LANE SR 20 (SPUR) STA. 15+66.50 TO STA 16+44.90

CENTER VARIES SR 20 (SPUR) STA. 16+44.90 TO STA 18+84.60



LATITUDE LANE ROAD SECTION D-D

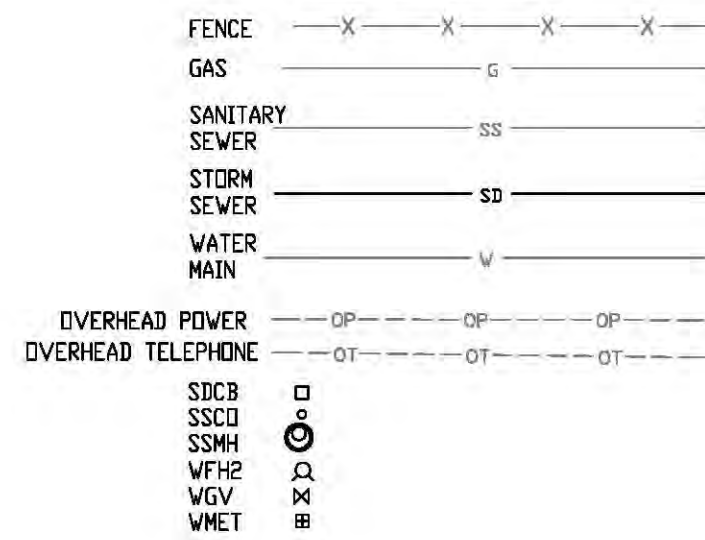
N.T.S.

INFORMATION ONLY

REVISIONS & DESCRIPTIONS	BY	DATE			SR 20 SPUR SR-20 SPUR / Oakes Avenue 48 North PUD Anacortes / Skagit County ROAD SECTION DETAILS	MP 54.31 to MP 54.46 January 16, 2017	C2 SHEET 2 OF 2
A Revised per WSDOT comments B Revised per WSDOT comments	DKH DKH	12-11-2016 1-16-2017			HERRIGSTAD ENGINEERING & SURVEYING DALE K. HERRIGSTAD P.E., P.L.S. 4320 WHISTLE LAKE ROAD ANACORTES, WA 98221 (360) 299-8804		

SEC. 22, T. 35N. R.1E. W.M.

LEGEND



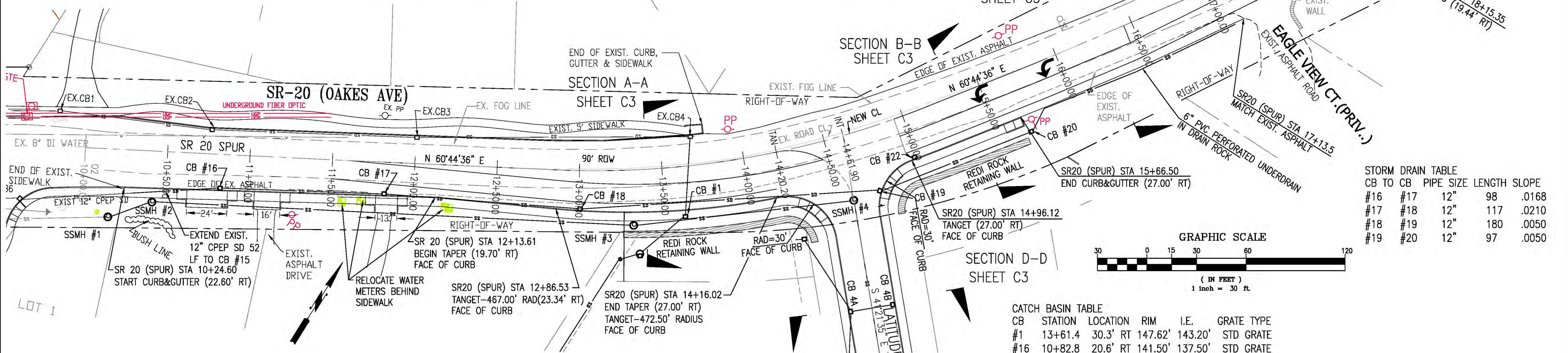
EXISTING CATCH BASIN TABLE

#	TYPE	RIM ELEV.	INV. ELEV.
1	1	139.59'	136.05'
2	1	141.23'	138.26'
3	1	143.69'	140.66'
4	1	144.40'	141.45'
5	1	140.10'	137.60'
6	1	140.07'	137.83'

SANITARY MANHOLE TABLE

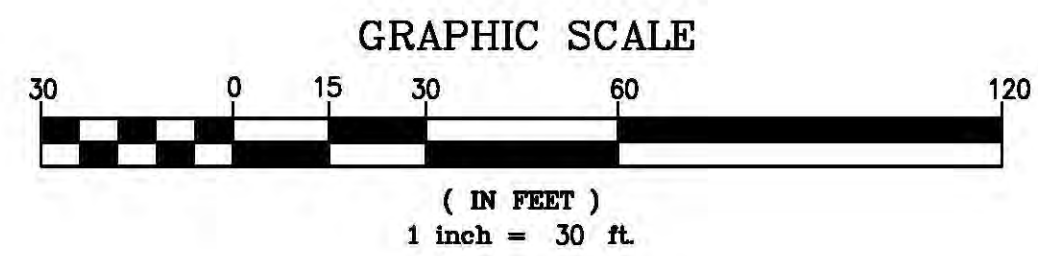
SSMH	STATION	LOCATION	RIM	I.E.
#1	10+15.7	41.3' RT	143.50'	135.11'
#2	10+41.9	31.0' RT	141.10'	135.60'
#3	13+31.1	19.1' RT	143.15'	139.15'
#4	14+57.6	39.6' RT	148.12'	142.07'

PLAT OF CHANNEL LANDING



STORM DRAIN TABLE

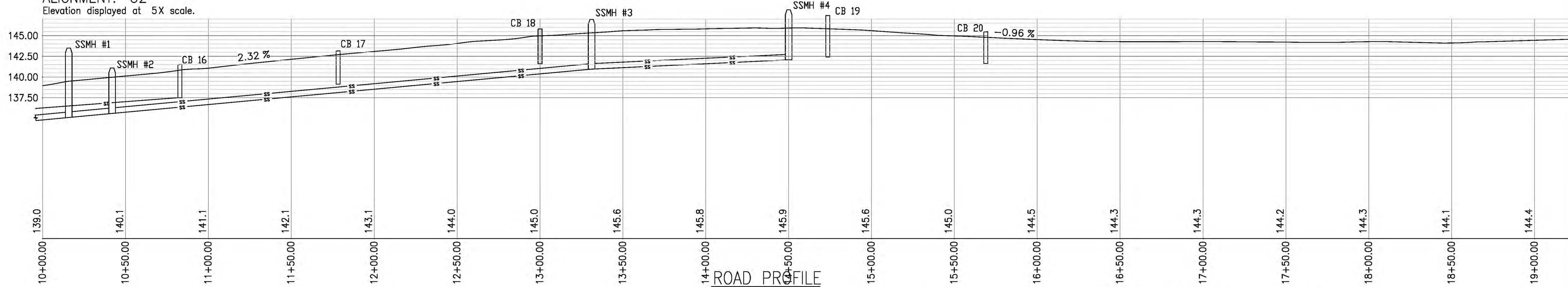
CB TO	CB	PIPE SIZE	LENGTH	SLOPE
#16	#17	12"	98	.0168
#17	#18	12"	117	.0210
#18	#19	12"	180	.0050
#19	#20	12"	97	.0050



CATCH BASIN TABLE

CB	STATION	LOCATION	RIM	I.E.	GRATE TYPE
#1	13+61.4	30.3' RT	147.62'	143.20'	STD GRATE
#16	10+82.8	20.6' RT	141.50'	137.50'	STD GRATE
#17	11+78.1	19.1' RT	143.15'	139.15'	STD GRATE
#18	13+00.7	23.1' RT	145.80'	141.61'	STD GRATE
#19	14+73.5	38.5' RT	147.50'	142.51'	STD GRATE
#20	15+69.0	37.6' RT	146.41'	143.00'	STD GRATE

ALIGNMENT: 02
Elevation displayed at 5X scale.



SCALE: 1"=30' HORIZ./ 1"=6' VERTICAL

INFORMATION ONLY Rev. - December 13, 2016

REVISIONS & DESCRIPTIONS	BY	DATE



**HERRIGSTAD
ENGINEERING & SURVEYING**
DALE K. HERRIGSTAD P.E., P.L.S.
4320 WHISTLE LAKE ROAD
ANACORTES, WA 98221 (360) 299-8804

SR-20 SPUR / Oakes Avenue		MP 54.31 to MP 54.46	C1 SHEET 1 OF 1
48 North PUD		August 2016	
Anacortes / Skagit County		CONSTRUCTION PLANS	

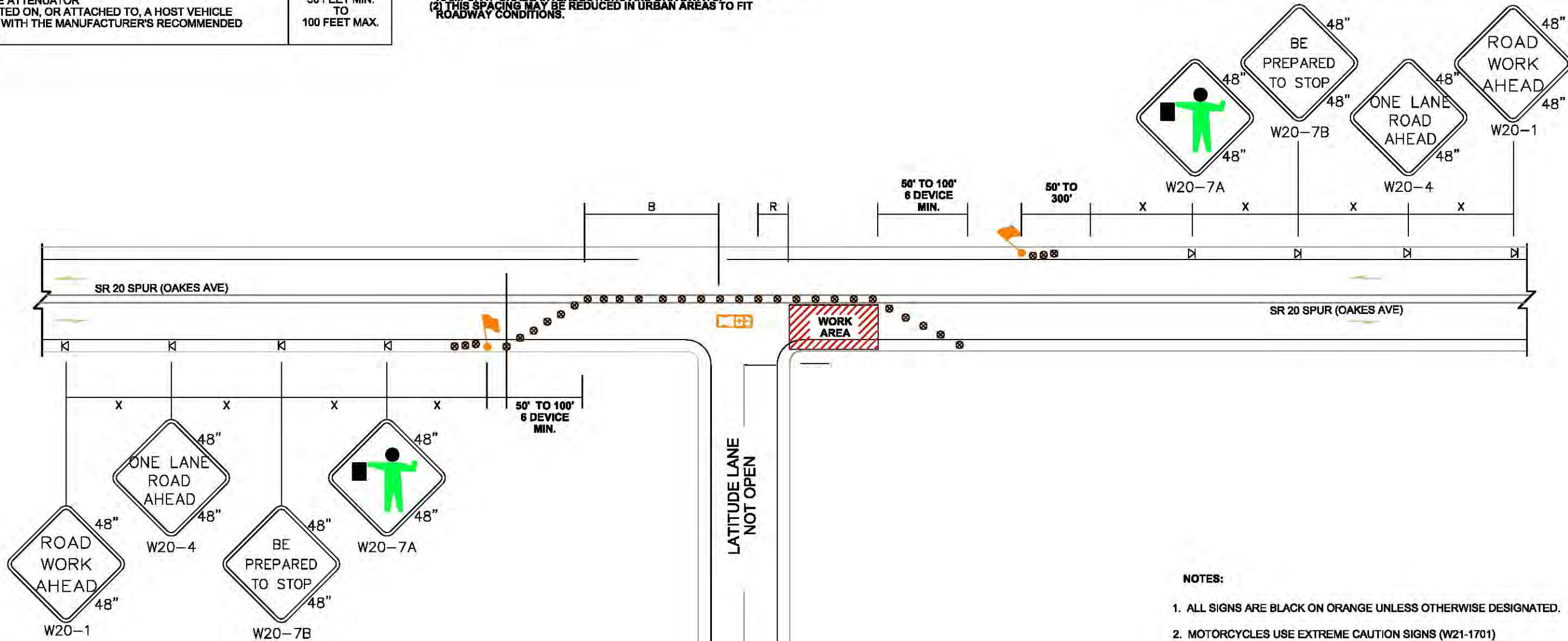
BUFFER DATA										
LONGITUDINAL BUFFER SPACE = B										
SPEED (MPH)	25	30	35	40	45	50	55	60	65	70
LENGTH (feet)	155	200	250	305	360	425	495	570	645	730
BUFFER VEHICLE ROLL AHEAD DISTANCE = R										
TRANSPORTABLE ATTENUATOR SHALL BE MOUNTED ON, OR ATTACHED TO, A HOST VEHICLE THAT COMPLIES WITH THE MANUFACTURER'S RECOMMENDED WEIGHT RANGE								30 FEET MIN. TO 100 FEET MAX.		

SIGN SPACING = X		
RURAL HIGHWAYS	60 / 65 MPH	800' +-
RURAL ROADS	45 / 55 MPH	500' +-
RURAL ROADS & URBAN ARTERIALS	35 / 40 MPH	350' +-
RURAL ROADS, URBAN ARTERIALS, RESIDENTIAL & BUSINESS DISTRICTS	25 / 30 MPH	200' +-(2)
URBAN STREETS	25 MPH OR LESS	100' +-(2)

(1) ALL SPACING MAY BE ADJUSTED TO ACCOMMODATE INTERCHANGE
RAMP, AT-GRADE INTERSECTIONS AND DRIVEWAYS.
(2) THIS SPACING MAY BE REDUCED IN URBAN AREAS TO FIT
ROADWAY CONDITIONS.

CHANNELIZATION DEVICE SPACING (feet)		
MPH	TAPER	TANGENT
50/70	40	80
35/45	30	60
25/30	20	40

MINIMUM TAPER LENGTH = L (feet)										
LANE WIDTH (feet)	Posted Speed (mph)									
	25	30	35	40	45	50	55	60	65	70
10	105	150	205	270	450	500	550	-	-	-
11	115	165	225	295	495	550	605	660	-	-
12	125	180	245	320	540	600	660	720	780	840



- NOTES:**
- ALL SIGNS ARE BLACK ON ORANGE UNLESS OTHERWISE DESIGNATED.
 - MOTORCYCLES USE EXTREME CAUTION SIGNS (W21-1701) SHALL BE INSTALLED WHEN THE FOLLOWING ROADWAY CONDITIONS EXIST: A. ABRUPT LANE EDGE (W21-801) B. GROOVED PAVEMENT (W8-2001) C. FRESH OIL (W21-2) D. LOOSE GRAVEL (W8-7) MOTORCYCLE WARNING SIGN (W21-1701) AND SPECIFIC CONDITION SIGNS SHALL BE INSTALLED AT 1 MILE SPACING BEFORE THE HAZARD AND THROUGHOUT THE WORK ZONE. SIGNS SHALL BE REMOVED WHEN CONDITION NO LONGER EXISTS
 - ALL CHANNELIZING DEVICES SHALL HAVE TYPE C LIGHTS AT NIGHT.
 - DURING HOURS OF DARKNESS, FLAGGING STATIONS SHALL BE ILLUMINATED

ONE-LANE, TWO-WAY TRAFFIC WITH FLAGGERS
SR 20 SPUR MP 54.31 TO 54.46
NOT TO SCALE

FILE NAME				REGION NO.		STATE				 Washington State Department of Transportation	SR 20 SPUR / OAKES AVENUE MP 54.31 TO MP 54.46 PAVING, STRIPING & ADA	PLAN REF NO TC1
TIME				10	WASH							
DATE				JOB NUMBER				LOCATION NO.			SHEET 1 OF 1 SHEETS	
PLOTTED BY				J2015-53								
DESIGNED BY	D. Herrigstad			CONTRACT NO.								
ENTERED BY												
CHECKED BY												
PROJ. ENGR.												
REGIONAL ADM.		REVISION	DATE	BY								

EXHIBIT #05

APPLICANT RESPONSE TO COMPLIANCE WITH CITY COUNCIL'S FINDINGS OF FACT, CONCLUSIONS OF LAW, AND DECISION

48 NORTH ON FIDALGO ISLAND LLC

PUD-2015-0003

Compliance with Findings of Facts

Dated March 21, 2016

THE FOLLOWING ARE THE ENGINEERING RESPONSE TO HOW THE FINDINGS ARE MET BY THE ENGINEERING DESIGN

1. DECISION:

Based on the foregoing information and analysis, the environmental documents submitted by the applicant, and the City regulatory authority to implement the policies, standards, and the regulations of the Comprehensive Plan, and the Anacortes Municipal Code (AMC), the City Council approves the subject preliminary plat, preliminary PUD, code modification(s), & ROW dedication subject to the following conditions of approval:

1. Grading shall not adversely impact adjacent properties.

The grading does not extend to the property lines.

2. Provide a Traffic Control Plan (Current MUTCD Manual) prior to any construction taking place in the public right-of-way for approval by the City of Anacortes' Public Works Department.

A traffic control plan has been completed to WSDOT specifications and is approved by WSDOT related to the work being completed in the SR20 SPUR Right of way.

3. Pursuant to RCW 58.17.140(3), a final plat and PUD meeting all of this requirements of this chapter shall be submitted to the City of Anacortes Planning Department for approval within five (5) years from the date of preliminary approval that is listed below. Notwithstanding, the preliminary plat and PUD approval becomes null and void.

We have submitted for preliminary plat with in the 5-year window.

4. Before final plat and PUD submittal or approval, the project land surveyor shall place the respective property corners of the subject property.

Property Corners have been located and set.

5. The applicant shall be responsible for reimbursement to the City for the cost of posting, mailing and publication of the public hearing associated with the subject applications. Payment shall be made prior to final plat and PUD submittal or approval is given.

Applicant has reimbursed the City for costs related to mailings, hearings and application receipt submitted.

6. Fire Hydrants are to be located as approved by the City of Anacortes Fire Chief. Fire flows shall be addressed in a manner acceptable to the Fire Chief and the City of Anacortes Public Works Department.

Noted.

7. Mailbox locations shall be reviewed and approved by the City of Anacortes Public Works Department and the U.S. Postal Service.

Mailbox location was approved by Public Works and Postmaster, mailboxes purchased receipts submitted, installation complete.

8. Development shall comply with the revised landscape plan. Landscaping shall be in place and complete before building permit certificate of occupancy will be issued.

Noted, required trees shown on the 48 North landscape/revised tree plan dated Feb 9, 2017 (submitted as part of this application) most of the required landscape will be planted during the development phase, the remaining trees will be planted during the individual home landscape and will be complete prior to receiving certificate of occupancy.

48 NORTH ON FIDALGO ISLAND LLC

PUD-2015-0003

Compliance with Findings of Facts

Dated March 21, 2016

9. Preliminary subdivision and Planned Unit Development approval authorizes the applicant to proceed with application for necessary permits to construct required improvements and to prepare construction drawings in accordance with the determinations made and conditions imposed.

Noted.

10. The lots in this subdivision are subject to applicable water, sewer, and storm water general facility and hookup fees and transportation, fire, and park impact fees. These fees are payable at levels in effect at the time of building permit issuance and may differ from those fee levels currently in effect; sewer and water latecomer charges may be payable. A note to this effect shall be on the final plat and PUD map.

Noted on Final Plat drawings sheet 3 PUD and PLAT CONDITIONS #1.

11. A note shall be added to the final plat and PUD map that reads as follows:

ZONING INFORMATION:

Underlying Zone:	Residential District (R2)
Zone's Minimum Lot Size:	7,500 Square Feet
Gross Acreage:	7.48 Acres (included 1/2 abutting ROW)
Net Acreage:	.20 Acres
Zone's Maximum Density:	4 Dwelling Units (DU) per Gross Acre
Density Calculation:	4 DUX 7.48 Acres = 29.92, rounded to 30 DU
Proposed Lots:	30 Lots +1 Community Park

SETBACKS:

Front Yard:

For lots 3-17 only, the front setback is 10 feet for the residence & 20 feet for garages.
All other lots must meet the 20 foot front yard setback for the R2 Zone.

Rear Yard:

For lots 3-17 only, the rear setback is increased from 20 feet to 30 feet.
All other lots must meet the 20 foot rear yard setback for the R2 Zone.

Side Yard:

- All lots shall meet the R2 side yard setback requirements for the R2 Zone.

Noted for Final Plat, information is on the face of plat sheet 3 #2.

12. Due to the proximity that the subject development is from the existing airport owned and operated by the Port of Anacortes. The applicant will need to work with the Federal Aviation Administration (FAA) and Port of Anacortes to complete the requisite paperwork prior to final plat and PUD submittal or approval is given.

Additionally, there is an Avigation Easement 732440 recorded with Skagit County with the subject property. Accordingly, the applicant/landowner will need to meet FAA rules and regulations including but not limited to height when constructing within close proximity to an airport.

We have met with the Port and corresponded with the FAA. No special requirements, permits, or approvals were required by either agency. We are well below their "fly zone" this a non-issue.

13. Automatic fire sprinkler systems may be required for each residence as required by the Fire Marshall.
The 12% Maximum Grade was achieved in the design.

14. The project geotechnical engineer -GeoEngineers shall review the construction drawings to confirm the proposed roadway design and raingardens are consistent with LID standards.

Complete all test results to date have been submitted to the City Planning and Public Works departments.

48 NORTH ON FIDALGO ISLAND LLC

PUD-2015-0003

Compliance with Findings of Facts

Dated March 21, 2016

15. A homeowner's association shall be established and be responsible for the maintenance of the raingardens, community park, & Native Growth Protection Easement. A note to this effect shall be shown on the face of the final plat and PUD.

Noted for Final Plat. There are no NGPE Easements on this plat proposed, approved, or recorded. It has been noted on sheet 3 #3 and in the CC&Rs the rain garden/bio retention cell "Tract A", landscape buffers "Tract B" and Community Park "Tract C" are the responsibility of the homeowners association.

16. Development shall comply with the Mitigated Determination of Non-Significance (MDNS that was issued February 17, 2016 as follows:

A. Erosion control, dust control, and best management practices shall be employed during construction /development activities as required by both the Building and Public Works Departments (MDNS Condition #1).

Completed.

B. Orange construction fencing shall be installed at the project boundary's clearing limits (MDNS Condition #2).

Completed.

C. A grading permit is required for earthwork consisting of fifty (50) or more cubic yards (MDNS Condition #3).

Completed.

D. All applicable permits shall be secured before any construction activities begin onsite (MDNS Condition #4).

Completed.

E. Those trees designated for retention on the submitted tree preservation plan shall be protected before and during site development and construction through adherence to AMC § 16.50.100. Chain link fencing (or other sturdy construction fencing) attached to concrete blocks shall be erected along the drip line (plus 6 feet) of each of the trees designated for retention on the plan" (MDNS Condition #5)

Completed.

F. Before any site development /grading and/or construction activities occur on the subject property the applicant shall contact the Department of Planning, Community, and Economic Development to arrange a tree fence inspection (MDNS Condition #6).

Completed.

G. The applicant shall plant a minimum of 108 additional trees onsite in order to comply with the minimum number of tree credits required per AMC Chapter 16.S0 that is discussed in the submitted Tree Assessment & Preservation Plan. At time of final plat and PUD submittal, the applicant shall submit a revised site plan showing the location of the additional trees required for planting (MDNS Condition #7).

A tree plan and landscape plan have been submitted meeting all COA requirements and preliminary plat requirements.

17. Development shall comply with the Public Works Department including but not limited to:

A. A clearing and grading plan consistent with City requirements shall be submitted by the applicant for review and approval by the City of Anacortes Planning\Building and Public Works Departments prior to any construction activities taking place on or off-site.

Completed.

B. A Large Parcel Storm Water Plan and Water Quality Control Plan consistent with City requirements shall be submitted by the applicant for review and approval by the Planning\Building and Public Works Departments prior to any construction activities taking place on or off-site.

Completed.

C. Construction activities may require an NPDES Construction Storm Water Discharge Permit issued by the Department of Ecology prior to any construction activities taking place on or off-site.

Permit obtained WAR304158, monitoring in place, inspection reports have been submitted to Planning and Public Works Departments.

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Compliance with Findings of Facts

Dated March 21, 2016

D. Clearing activities may require a logging permit issued by the Department of Natural Resources prior to construction activities taking place on or off-site.

Permit was approved by WA DNR copies have been submitted to the planning department.

E. This project is required to obtain a General Construction Permit from the Washington State Department of Transportation for all road crossings and work adjacent to and on Oakes Avenue.

WSDOT Channelization and Traffic plans are approved, copies submitted to the planning department.

F. Prior to any clearing\fill\grade work beginning, construction civil plans consistent with the City of Anacortes Engineering Development Standards, including but not limited to, Clearing and Grading Plan, Erosion Control Plan, Site utility\infrastructure improvements Plan, Roadway Improvements Plan, Signage Plan, Street Lighting Plan and other plans and\or information required by the City Planning\Building and Public Works Departments shall be submitted for review and approval.

Completed.

G. Engineering and Inspection fees in the amount of \$500.00, plus 2% of the total estimated construction cost shall be due upon civil plan approval. No construction activity is allowed until the construction plans are approved, all fees have been paid and a preconstruction conference held.

Completed.

H. Prior to the final plat approval, all infrastructure improvements shall be completed as required by the City of Anacortes Public Works Director and a 2-year Maintenance Bond in place. The 2-year Maintenance Bond is 10% of the actual construction cost.

This item is in process.

I. Fire Hydrants are to be located as approved by the City of Anacortes Fire Chief. Fire flows shall be addressed in a manner acceptable to the Fire Chief and the City of Anacortes Public Works Department.

Completed.

J. Water main shall be extended from the west (Allen Court) along the frontage of Oakes Avenue to the most easterly boundary of the property to allow for future extension by others.

Completed.

K. All Water Easements shall be 20-foot minimum width and dedicated to the City of Anacortes. Any future encroachments into the easements by the adjacent properties shall be required to apply for an encroachment agreement from the City of Anacortes Public Works Department.

Reflected in design, completed and shown on Final Plat.

L. Sanitary Sewer Conveyance system shall be extended from the west (Allen Court) along the frontage of Oakes Avenue to the most easterly boundary of the property to allow for future extension by others.

Reflected in design, completed and shown on Final Plat.

M. All Sanitary Sewer Easements shall be 20-foot minimum width and dedicated to the City of Anacortes. Any future encroachments into the easements by the adjacent properties shall be required to apply for an encroachment agreement from the City of Anacortes Public Works Department.

Reflected in design, and on Final Plat.

N. All Sanitary Sewer structures shall have vehicular access, including but not limited to: 1) A 12-foot minimum width access road with an approved all-weather surface asphalt road, or other approved Low Impact Development Best Management Practice design, 2) Meeting the minimum structural requirements for Access Road approved by the City of Anacortes.

Reflected in design and complete.

O. Storm Drainage Conveyance system shall be extended from the west (Allen Court) along the frontage of Oakes Avenue to the most easterly boundary of the property to allow for future extension by others.

Reflected in design and complete.

P. Storm water conveyance both on-site and off-site shall comply with City Storm drainage requirements.

Reflected in design and complete.

Q. The developer shall provide suitable drainage facilities for any surface run-off affecting the subdivision, per Anacortes Municipal Code 16.20.070.

Reflected in design and complete.

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R. Provisions shall be made to accommodate for a Public Transit stop along Oakes Avenue. The Developer shall work with the Planners from Skagit Transit to determine a location.

This has been discussed with Skagit Transit, they do not want a bus stop in or near 48 North, (comments from Brad Windler of Skagit Transit were submitted to the planning department)

S. Roadway horizontal alignments shall be designed to allow for proper sight distances.

Reflected in design, approved and complete.

T. Mailbox locations shall be reviewed and approved by the City of Anacortes Public Works Department and the U.S. Postal Service.

Mailbox location is approved by Public Works and USPS, mailboxes are purchased receipt submitted to planning for purchase installation is complete.

U. Street lighting shall be required at both ingress and egress of the project. Street lighting shall be energy efficient and shall limit glare and/or emission of light downward to the street and front yard areas. Street lighting will be installed per PSE Schedule 53, Option "B". Lighting fixtures and design shall be approved by the Public Works Director. Shields may be necessary to reduce impacts to adjacent properties.

Street lighting design approved by PSE and COA, lights are on order should be installed in a couple of weeks, receipt for purchase has been submitted to the planning department.

V. Sanitation, recycling and compost collection will be at curb side of each parcel serviced.

Noted.

W. Internal roadway shall be required to provide for:

1. 40-foot Public Right-of-Way
2. A minimum of 28-feet of paved asphalt.
3. Maximum grade of 12%. Unless a steeper grade of 15% is approved by the City Council as required under the Anacortes Municipal Code.
4. With 5-foot sidewalk on one side of the road.

All requirements are reflected in the design and noted on the plat.

X. Oakes Avenue, along the frontage of this project is required to provide for:

1. An appropriately designed left hand turn lane and related transitions shall be designed and constructed to meet the requirements of the Washington State Department of Transportation and the City of Anacortes Public Works Department.

Reflected in design and approved. We are bonding paving and striping until weather improves.

2. Public Works Department supports the proposed 30 MPH change from 40 MPH as requested by the Developer. The revised speed limit change will need to be approved and implemented by the Washington State Department of Transportation. The current speed limit is posted 40 MPH and the improvements should be designed accordingly.

Noted.

3. Cement Concrete Traffic Curb and Gutter with a 5-foot minimum sidewalk shall be extended from the west (Allen Court) along the frontage of Oakes Avenue to the most easterly boundary of the property to allow for future extension by others.

Complete.

4. Due to the inconsistency of the asphalt edge along Oakes Avenue, the project will need to pave a minimum of 8-feet to obtain slope from the existing asphalt to the new curb as determined by the City of Anacortes and the Engineer of Record.

This work will be bonded and pending weather suitable for paving.

18. Before final plat and PUD submittal or approval is given, the applicant shall submit a revised Tree Preservation Plan that shows all existing trees designated for retention in the submitted plan plus the 108 additional trees required to be planted.

Complete (refer to revised tree and landscape plan dated February 9, 2017)

48 NORTH ON FIDALGO ISLAND LLC

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Compliance with Findings of Facts

Dated March 21, 2016

19. Pursuant to AMC 16.50.120(D), the applicant shall record a notice with the Skagit County Auditor's Office which provides a public record of any approved tree preservation plan and conservation areas; the application of this title to the property; and that limitations on actions in or affecting the property may exist. A note to this effect shall also be listed on the face of the final plat and PUD referencing the respective Auditor File Number (AFN) for the recorded Tree Preservation Plan [as revised].

This is noted on final plat sheet 1 #2 under Notes and will be recorded at final plat.

20. Additionally, those trees shown in the Revised Tree Preservation Plan must also be shown on the face of the plat and PUD prior to submittal or approval is given. The trees designated for retention shall be clearly shown in relation to the lot's property lines.

This requirement will significantly affect the clearness of the Final Plat Drawing and is extremely redundant due to item #19 which requires the Tree Preservation Plan to be recorded with Final Plat. If the COA wants this requirement I will add, but feel it will be a big mistake.

21. Before final plat and PUD submittal or approval is given, a note shall be added to the face of the plat/PUD that states:

A, The maximum permitted height for Lot 15 shall be restricted to twenty-five (25) feet from the high point on the property (NE corner) of existing grade.

Noted for Final Plat reflected on the plan sheet 3 #6 PUD and Plat Conditions.



48 North On Fidalgo Island LLC
Nels Strandberg

2/15/17

Dated

EXHIBIT #06

COVENANTS, CONDITIONS, AND RESTRICTIONS (CC&RS)

AFTER RECORDING, RETURN TO:
Hugh Lewis, Attorney at Law, P.C.
2200 Rimland Drive, Suite 115
Bellingham, WA 98226
(360) 392-2880

DECLARATION
OF
COVENANTS, CONDITIONS, RESTRICTIONS
AND RESERVATIONS FOR
48 NORTH PUD

TITLE OF DOCUMENT:	DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS AND RESERVATIONS FOR 48 NORTH PUD
GRANTOR:	48 NORTH ON FIDALGO ISLAND, L.L.C.
GRANTEE:	THE GENERAL PUBLIC
ABBREV. LEGAL DESCRIPTION:	LOTS 1-30 & TRACTS A, B & C, 48 NORTH PLAT & PUD, AF# _____
FULL LEGALS APPEAR:	P. 1
TAX PARCEL NOS.:	P31681 / 350122-4-004-0000

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ARTICLE I

IDENTIFICATION OF DECLARANT AND PROPERTY; PURPOSE

1.1. Identification of Declarant and Property.

48 NORTH ON FIDALGO ISLAND, L.L.C., a Washington Limited Liability Company hereinafter referred to as the "Declarant," is the owner in fee simple of the land described in Section 1.2 hereof, together with all improvements, easements, rights and appurtenances thereunto belonging (all collectively referred to hereinafter as "the Property").

1.2. Identification of Platting Documents, Community & Property Burdened by Covenants.

1.2.1. Platting Documents.

The Declarant has recorded with the Auditor of Skagit County, Washington a certain subdivision plat map showing the location and dimensions of various lots and/or tracts and Common Areas within the Property, together with other necessary information; this plat map is hereinafter referred to as the "PUD Plat"; the PUD Plat is recorded at Auditor's File No. _____.

1.2.2. Legal Description of Land Burdened by Covenants.

The land burdened by this Declaration of Covenants includes the Lots and Tracts included in the PUD Plat described above; the land included within the PUD Plat is legally described as follows:

Lots 1 through 30, inclusive, and Tracts A, B & C, 48 North Plat & PUD, as per the map thereof recorded _____, 2017 under Auditor's File No. _____, records of Skagit County, Washington.

1.2.3. Identification of the Community.

All such Lots and Tracts, and any other Common Areas identified in the PUD Plat shall be known collectively as the "Community" which also shall be known as "48 North PUD."

1.3. Purpose.

This Declaration of Covenants, together with the PUD Plat referred to herein, state covenants, conditions, restrictions and reservations intended by the Declarant to effect a common plan for the development of the Property mutually beneficial to all of the described Lots. These covenants, conditions, restrictions, reservations and plan are intended to become, and by the recordation of this instrument shall be conclusively deemed to be legal and equitable servitudes which shall run with the land of the Property and shall be binding upon the entire Property and upon

each such Lot therein as a parcel of realty, and upon its Owners, their family members, their heirs, personal representatives, successors and assigns, and their tenants, licensees and other lawful occupants, through all successive transfers of all or part of the Property or any security interest therein, without requirement of further specific reference or inclusion in deeds, contracts or security instruments, and regardless of any subsequent forfeiture, foreclosures, or sales of Lots under security instruments, or of any forfeiture, foreclosures, or sales instituted for nonpayment of government tax, levy or assessment of any kind.

ARTICLE II

DEFINITIONS

2.1. "Assessment" means all sums chargeable by the Association against a Lot including, without limitation: (a) Regular, Special and Specially Allocated Assessments for Common Expenses imposed by the Association; (b) interest and late charges on any delinquent account; and (c) all costs of collection, including without limitation reasonable attorneys' fees, incurred by the Association in connection with the collection of a delinquent Owner's account.

2.2. "Association" or "Owners Association" means the nonprofit corporation described in Article VII, to be incorporated at the direction of the Declarant to manage the Common Areas of this Community and enforce the provisions of the Governing Documents.

2.3. "Board of Directors" means the body with primary authority to manage the affairs of the Association.

2.4. "Common Areas" means those portions of the property within the Community so designated on the PUD Plat, along with any other real property owned by the Association or for which the Association has maintenance responsibilities under this Declaration of Covenants. Common Areas are further defined and described in Article V hereof.

2.5. "Common Expenses" means expenditures made by or financial liabilities of the Association, together with any allocations to reserves; without limitation, such expenses include those necessary or desirable for maintaining, repairing, replacing, insuring or managing the Common Areas, along with taxes, other insurance, professional services and all other goods and services provided by the Association to its members.

2.6. "Common Expense liability" means the Lot's proportionate share of the Association's Budget for Common Expenses, which is allocated to each Lot pursuant to Section 10.1 of this Declaration of Covenants.

2.7. "Community" means all the Property described in Section 1.2 hereof, along with all the improvements constructed therein, the Association, and all other institutions and things serving the Owners of Lots therein.

2.8. "Conveyance" means any transfer of the ownership of a Lot, including a transfer by deed or by real estate contract, but shall not include a transfer solely for security.

2.9. "Declarant" means the entity, person or group of persons acting in concert who (a) executes this Declaration of Covenants, or (b) who succeeds to any Special Declarant Right under this Declaration of Covenants as a Successor Declarant.

2.10. "Declarant control" means the right of the Declarant or persons designated by the Declarant to appoint and remove officers and members of the Board of Directors or to veto or approve a proposed action of the Board or Association pursuant to Sections 8.1 and 16.6 of this Declaration of Covenants.

2.11. "Declaration of Covenants" means this document, which facilitates the creation of this Community; the term also includes any lawful amendments to this document.

2.12. "Development Plan" means any formal plan of development, however termed under the PUD Ordinance described in Section 3.1 hereof, approved by the City of Anacortes. The term also includes any amendments thereto approved by applicable governmental entities.

2.13. "Dwelling" means the principal housing structure constructed on a Lot by or under the direction of the Declarant.

2.14. "Foreclosure" means a forfeiture or judicial or nonjudicial foreclosure of a mortgage or a deed in lieu thereof.

2.15. "Governing Documents" means this Declaration of Covenants, the PUD Plat, the Articles of Incorporation and Bylaws of the Association, along with any Rules and Regulations adopted by the Board of Directors.

2.16. "Governing Law" means the Washington Homeowners Association Act (Chapter 64.38 RCW, the "Act") or any successor statute, and any amendments thereto.

2.17. "Lot" means a physical portion of the Community designated for separate ownership, the boundaries of which are depicted on the PUD Plat.

2.18. "Lot Owner" means the Declarant or any other person who owns a Lot, but does not include a person who has an interest in a Lot solely as security for an obligation. "Lot Owner" means the vendee, not the vendor, of a Lot under a real estate contract.

2.19. "Mortgage" means a mortgage, deed of trust or real estate contract.

2.20. "Person" means a natural person, corporation, partnership, limited partnership, trust, governmental Community or agency, or other legal entity.

2.21. "Property" or "the Property" means all the real property described as being contained within the PUD Plat and, where appropriate, includes all real property which may be from time to time either added to the Community by the Declarant or acquired by the Association pursuant to Section 8.2.3 hereof.

2.22. "Residential purposes" means use for dwelling and human habitation, whether on an ownership, rental or lease basis and for reasonable social, recreational or other uses normally incident to such purposes.

2.23. "Special Declarant Rights" means rights reserved for the benefit of the Declarant: (a) to complete improvements indicated on the PUD Plat; (b) to maintain sales offices, management offices, signs advertising the Community, and models; (c) to use easements through the Common Areas for the purpose of making improvements within the Community; (d) to appoint or remove any officer of the Association or any member of the Board of Directors; or (e) to veto or approve a proposed action of the Board or Association during any period of Declarant Control reserved in this Declaration of Covenants. Special Declarant Rights are described in Section 16.6 hereof.

2.24. "Specially Allocated Assessment" means an assessment made by the Association against one or more but fewer than all of the Lots pursuant to Section 10.1.7 of this Declaration of Covenants.

2.25. "Upkeep" means any care, inspection, maintenance, operation, repair, repainting, remodeling, restoration, improvement, renovation, alteration, replacement and reconstruction that is required to maintain property in a decent, safe and sanitary condition, in keeping with the high standards of the Community.

ARTICLE III

DESCRIPTION OF DEVELOPMENT PLAN AND AMENITIES

3.1. Development Plan.

The Lots in this Community were authorized to be created by the City of Anacortes under Chapter 16.40, Anacortes City's Municipal Code [the "PUD Ordinance"], subject to certain conditions established in City of Anacortes File No. PUD-2015-0003. Such conditions appear in full on the face of the PUD Plat, but several such conditions are reproduced in the text of the Covenants that follow.

3.2. Location and Amenities.

The Community is located on the south side of Oakes Avenue between the Felt Property described in Section 16.5 hereof and Eagle View Court. The Anacortes Airport abuts property within the Community to the east. A Community Park located within the Community near its

entrance is designed to provide open space and recreational values to the Community. The project site is located on a hillside overlooking Guemes Channel; as a result, many of the Lots in the Community enjoy scenic views that these Covenants, and certain covenants burdening adjacent and nearby properties to the west and north, are designed to protect to some degree. See Sections 4.6, 5.6 and 16.5 for further detail.

3.3. Municipal Services.

The Lots in the Community are served by a public road known as Latitude Circle. Electric power is provided by Puget Sound Energy. Telecommunications facilities will be provided by Comcast/XFINITY. Fire protection is provided by the City of Anacortes. Police protection is provided by the City. Water is supplied by the City. Sanitary sewerage services are also provided by the City. Stormwater collection and treatment are provided through a combination of a Rain Garden facility constructed within the Tract A Entry Feature adjoining the entrance to the Community and conveyance facilities maintained by the City of Anacortes.

3.4. Community Association Provides Upkeep to Common Areas.

The Association described in Section 7.1 hereof is charged with responsibility to provide Upkeep to the Community Park [Tract C] two landscaped Entry Features [Tracts B and C] and certain retaining walls in the Community, in perpetuity. Tract A contains a Rain Garden stormwater facility that must be specially maintained. See Sections 6.1, 6.2 and 6.3 hereof for further details.

ARTICLE IV

RESIDENTIAL LOTS

4.1. Number and Location.

The Community contains thirty (30) Lots zoned for residential use that are depicted on the PUD Plat. The location of those Lots and their dimensions are shown on the PUD Plat.

4.2. Initial Construction of Dwellings and Other Improvements Within Lots.

Dwellings and related improvements, including fencing and accessory structures, will be constructed within the Lots by or under the direction of the Declarant, according to a common design scheme established by the Declarant. Declarant shall have exclusive control of the design review process. No manufactured homes are permitted. Any addition, alteration or improvement upon any Lot shall be consistent with the Declarant's original scheme, and shall be constructed in accordance with the building code and other ordinances of the City of Anacortes.

4.3. Limitations on Construction Within Easements.

No permanent building, deck or other structure shall be constructed within the easement areas on the Lots depicted on the PUD Plat. Note that the Avigation Easement described in Section 16.4 hereof also contains unique limitations on construction more fully described therein.

4.4. Upkeep of Lots.

Each Lot Owner, at his or her sole expense, shall have the right and the duty to keep the Lot, its Dwelling and all other improvements in good order, condition and repair and shall do all Upkeep, decorating, landscaping and painting at any time necessary to maintain its good appearance and condition. Each Owner shall perform this Upkeep responsibility in such manner as shall not unreasonably disturb other Occupants or interfere with rights of the other Owners.

4.5. Damaged Improvements.

If a Dwelling or other major improvement located upon a Lot is damaged or destroyed, the Owner thereof shall restore the site either (i) by repairing or reconstructing such building or improvement in a manner generally consistent with the architectural appearance of the structure prior to its loss or damage, or (ii) by clearing away the debris and restoring the site to an acceptable condition compatible with the remainder of the Property. Unless the Board of Directors permits a longer time period, such work must be commenced within four months after the casualty and be substantially completed within twelve months after the casualty. The four-month period may be extended for a reasonable period thereafter in the event that repairs or reconstruction have not commenced because of factors beyond the control of the Owner, provided that the Owner has exercised and does thereafter continue to exercise due diligence in an effort to commence required work.

4.6. View Protection Covenants Affecting Construction, Trees and Vegetation.

4.6.1. Restrictions on Siting and Height of Improvements Within Lots.

Scenic views available from most Lots shall be protected through the positioning of the Dwellings on the other Lots by the Declarant in locations that minimize the impact of constructed improvements within the Community on views available to Lots lying further uphill, and by restricting the height of the Dwellings and other improvements within the Lots. The Declarant's decisions in regard to the siting of Dwellings and placing limits on the height of Dwellings and other structures within a Lot shall be conclusive and not appealable. The locations of improvements and any height limitations approved by the Declarant and incorporated into initial construction of Dwellings and other structures may not be altered by an Owner following the initial construction of improvements within a Lot that interferes with scenic views from other Lots, in the absence of the advance written consent of all affected Lot Owners. Notwithstanding the foregoing, these Covenants

do not affect the rear yard areas of Lots 4 through 17, except to the extent controlled by the Avigation Easement described in Section 16.4 hereof.

4.6.2. Restrictions on Height of Trees and Vegetation Within Lots.

Following the construction of a Dwelling structure on a Lot, its Owner(s) shall endeavor to preserve mature trees on the Lot and properly maintain any landscaping vegetation on the Lot, so as to enhance the appearance and value of the Lots in the Community and to prevent the spread of noxious weeds. Nevertheless, no trees or other landscape vegetation planted within the Lots [other than within the rear yards of Lots 4 through 17] shall be permitted to grow to a height greater than the ridge of the roof of the Dwelling on the Lot. See Section 9.1.4 for further details.

4.6.3. Compliance.

The provisions of this Section 4.6 shall be construed so as to be consistent with the terms of the Avigation Easement described in Section 16.4 hereof. Any violation of these provisions is expressly declared to be a nuisance. The Association and/or any affected party may maintain an action in a court of competent jurisdiction to abate or enjoin any such violation; the prevailing party in any such action shall be entitled to an award of attorneys' fees and costs.

ARTICLE V

COMMON AREAS

5.1. Common Areas.

The Common Areas of the Community consist of Entry Features [Tracts A and B on the PUD Plat] with associated retaining walls, a Community Park [Tract C on the PUD Plat] with an associated retaining wall, and some other common retaining walls. The Entry Features consist of landscaped areas located on either side of the entrance to the Community off of Oakes Avenue. The Tract A Entry Feature also contains a Rain Garden stormwater collection and treatment facility that requires periodic maintenance by the Association, as described more fully in Section 6.2 hereof. The Community Park is located across the road from the Entry Features; provisions for the use and Upkeep of the Community Park appear in Section 6.1 hereof. Provisions for Upkeep of retaining walls appear in Section 6.3 hereof

5.2. Maintenance, Repair and Replacement.

The Association, through its Board of Directors, is and shall remain perpetually responsible for all Upkeep of all the Common Areas.

5.3. No Interference with Common Areas.

No Lot Owner or Occupant shall obstruct any of the Common Areas nor shall any Lot Owner place or cause or permit anything to be placed on or in any of the Common Areas without the approval of the Board. Nothing shall be altered or constructed in or removed from the Common Areas except with the prior written consent of the Board of Directors. See Article VI of this Declaration for further restrictions on uses of the Community Park and Entry Features.

5.4. Upkeep By Association.

The Association is responsible for all necessary maintenance, repair, and replacement of the Common Areas. Provisions relating to Upkeep of the most important Common Areas, known as "Principal Common Amenities," appear in Article VI hereof.

5.5. Schedules for Preventative Maintenance.

The Board, with the assistance of the Association's Manager and/or other competent professionals, shall develop a schedule of routine Preventative Maintenance for all components of the Common Areas which require same, establishing appropriate times during each year when such maintenance should occur, and identifying qualified employees, agents or contractors to conduct such inspections and Preventative Maintenance.

5.6. Trees and Vegetation in Common Areas.

5.6.1. Height Limitations.

Trees and vegetation located in the Common Areas shall be maintained by the Association such that they shall not be permitted to grow to heights that are greater than [a] a height which would interfere with scenic views available to any Lot in the Community, or [b] a height that would violate the provisions of the Avigation Easement described in Section 16.4 hereof. Presumptively, a maximum height of ten feet (10') would apply to any and all such trees and vegetation.

5.6.2. City Requirements.

Mature trees and new trees planted by or on behalf of the Declarant that are located within the Common Areas shall be preserved by the Association. Such trees are depicted schematically on the Landscape Plan attached hereto as Exhibit A. The Landscape Plan was approved by the City of Anacortes pursuant to Anacortes Municipal Code §16.50.050, as a condition to the platting and development of the Community. The Landscape Plan requires the preservation of certain existing trees and the planting of additional trees to meet the City's minimum vegetation requirements for new development, as described in a "Tree Preservation & Assessment Plan" prepared by Urban Forestry Services Inc., dated August 12, 2015. The City retains the right to

enforce such requirements against the Association. Changes to the Landscape Plan, including the removal of trees depicted on the Landscape Plan, require the advance written approval of the City.

5.7. Perpetual Existence - Rights of The City of Anacortes.

The restrictions contained in this Article VI shall exist in perpetuity. No changes in the uses described herein for any of the Common Areas may occur without the advance written approval of the City of Anacortes. The City reserves the right to enter upon the Property to inspect the Rain Garden portions of the stormwater system and to perform necessary maintenance thereto should the Association fail to do so.

ARTICLE VI

SPECIAL USE AND UPKEEP PROVISIONS

6.1. Use and Upkeep of Community Park.

6.1.1. Use of Community Park – Tract C.

The Community Park is designed for low-impact recreational uses, and for the protection of trees and other vegetation, to preserve and enhance the aesthetic and environmental values of the Community. Owners and Occupants of the Planned Community may use the walkway and other open portions of the Park for wildlife viewing, picnicking and other low-impact recreational uses. Reasonable rules and regulations adopted by the Board may further restrict the use of all or any portion of the Park in order to promote its open space value to the Community. The dumping of debris, yard waste or organic matter in this area is prohibited.

6.1.2. Upkeep of Community Park Area.

Open Space features and native vegetation shall be protected during construction. Where damage may occur due to construction actions, temporary fences shall be installed. Trees and vegetation damaged during construction shall be replaced. The height of trees and vegetation shall be maintained so as to be consistent with Section 5.6 hereof. Walking paths and other recreational features shall be properly maintained to promote uninterrupted long-term use of such facilities.

6.2. Upkeep of Rain Garden Facility.

All necessary Upkeep of the Rain Garden facility and any other portions of the Stormwater System not maintained by the City of Anacortes shall be conducted by the Association in accordance with provisions of the Operations and Maintenance Manual prepared by Herrigstad Engineering, dated <?>, a copy of which is attached hereto as Exhibit “B”, and otherwise in accordance with the DOE Stormwater Management Manual for Western Washington [“DOE Stormwater Manual”], as the same may be updated from time. The Association shall consistently engage the services of

qualified personnel to perform Upkeep to the Stormwater System, and shall maintain provisions in its Budget to ensure that adequate funding shall always exist for such purposes.

6.3. Upkeep of Retaining Walls.

The retaining walls supporting the Entry Features, the Community Park and <??> require periodic inspections to determine whether they require repairs or replacement. At least annually, the Association shall cause a visual inspection to be made of all such retaining walls. Any necessary Upkeep to such retaining walls shall be performed promptly. The retaining walls supporting the Entry Features in Tracts A and B are located in part in portions of the right of way of Oakes Avenue and are subject to certain conditions appearing in an Encroachment Permit issued by the City of Anacortes. All such conditions are binding on the Association. The Association shall consistently engage the services of qualified personnel to perform Upkeep to the retaining walls, and shall maintain provisions in its Budget to ensure that adequate funding shall always exist for such purposes.

ARTICLE VII

OWNERS ASSOCIATION

7.1. Name and Form of Association.

The name of the Association shall be the "48 North Association." The Association has been or will be incorporated by the Declarant as a non-profit corporation under the laws of the State of Washington. The rights and duties of the members and of said corporation shall be governed by its Articles of Incorporation, the provisions of the Ordinance and of the Governing Documents. The Association shall remain organized as a profit or nonprofit corporation. In case of any conflict between Chapter 24.06 RCW, the Nonprofit Miscellaneous and Mutual Corporations Act, and the Governing Law, the Governing Law shall control.

7.2. Powers & Duties of Association.

7.2.1. Duties & Responsibility of Association.

The business of the Association shall be to maintain, repair, replace and manage the Common Areas of the project, to provide necessary insurance coverage, and to enforce provisions of the Governing Documents to preserve the long-term value of the Property for the benefit of the Lot Owners. In particular but without limitation, the Association shall provide Upkeep to all the Common Areas in the Community, and shall have the authority to compel compliance with all the covenants, conditions and restrictions in the Governing Documents, including without limitation those which protect scenic views.

7.2.2. Statutory Powers Exercised by Board of Directors.

The Association, through its Board of Directors, shall have all powers available to condominium associations under the Governing Law. Such powers are set forth with particularity in the Bylaws of the Association.

7.3. Lapse of Corporate Status - Personal Lot-Owner Liability Created.

7.3.1. Association Must Remain Incorporated.

The Association shall have perpetual existence. The Lot Owners shall not permit its corporate charter to be dissolved or abandoned, nor may the Association's obligations under this Declaration of Covenants with respect to the Common Areas be altered or abandoned.

7.3.2. Incorporation Protects Owners - Owners Personally Liable Upon Abandonment.

Should the corporate charter for the Association be dissolved for any reason in violation of the foregoing, the Lot Owners shall become jointly and severally liable for all obligations imposed upon the Association under these Covenants. The corporate status of the Association exists to protect Lot Owners from personal liability, to the fullest extent provided by law.

7.4. Membership and Voting Rights.

The Owner of each Lot in the Community shall be a member of the Association, and such membership shall be an inseparable appurtenance to the Owner's Lot. Membership and voting rights are further specified in the Articles of Incorporation and Bylaws of the Association. Each Lot is entitled to one vote in the Association.

7.5. Bylaws of Association.

Bylaws for the administration of the Association and for other purposes not inconsistent with the Homeowners Association Act and this Declaration of Covenants shall be adopted by the initial Board of Directors of the Association.

ARTICLE VIII

MANAGEMENT OF ASSOCIATION

8.1. Management by Declarant.

The Declarant has reserved Special Declarant Rights to (a) appoint and remove the Officers and members of the Board of Directors of the Association, and (b) veto or approve a proposed action

of the Board or the Association, for a period of three (3) years, or until all Lots in the Community are sold to purchasers unrelated to the Declarant. See Section 16.6 for further details.

8.2. Authority of the Board.

8.2.1. General Authority.

The Board, for the benefit of the Community and the Owners, shall perform all Upkeep for the Common Areas, shall enforce the provisions of the Governing Documents and shall have all powers and authority granted to the Board or the Association under the Homeowners Association Act and this Declaration of Covenants which are not expressly subject to the approval of the Owners.

8.2.2. Incurring and Payment of Common Expenses.

The Board shall acquire and shall pay for, as Common Expenses, all goods and services deemed necessary or desirable for the proper functioning of the Association.

8.2.3. Acquisition of Property.

The Board may acquire and hold in the name of the Association, for the benefit of the Owners, tangible and intangible personal property and real property and interests therein, and may dispose of the same by sale or otherwise. Such property shall thereafter be held, sold, leased, rented, mortgaged or otherwise dealt with for the benefit of the Association as the Board may direct.

8.2.4. No Business Authority.

Nothing herein contained shall be construed to give the Board authority to conduct an active business for profit on behalf of all of the Owners or any of them.

8.3. Board as Attorney in Fact.

Each Owner, by the act of becoming an Owner of a Lot, shall be deemed to have irrevocably appointed the Board of Directors as his or her attorney-in-fact, with full power of substitution, to take such actions as are reasonably necessary to perform the duties of the Association and Board hereunder, including, but not limited to, the duties to maintain, repair and improve the Property, to grant licenses and easements, and to secure and distribute condemnation awards and/or insurance proceeds affecting the Common Areas.

ARTICLE IX

PERMITTED USES

9.1. Permitted Uses.

9.1.1. Residential Use.

The Lots in this Community are intended to be used for residential purposes, whether on an ownership, rental or lease basis and for common social, recreational or other reasonable uses normally incident to such purposes. Parts of a Dwelling may be used for a professional office or other low impact commercial use, provided that such use is consistent with all applicable laws, ordinances and regulations of any governmental authority, and so long as such use does not generate any appreciable levels of client or customer traffic, noise or other disturbance to other lawful occupants of the Community.

9.1.2. Use of Common Areas - General Provisions.

The Common Areas shall be used only for the furnishing of such services and facilities for which the same are reasonably suited and which are incident to the use and occupancy of the Lots. The improvements located on the Common Areas shall be used only for their intended purposes. Except as otherwise expressly provided in the Governing Documents or Rules and Regulations adopted by the Board, no Owner shall make any private, exclusive or proprietary use of any of the Common Areas.

9.1.3. Trees and Vegetation - General Requirements.

Following the construction of a dwelling structure on a Lot, its Owner(s) shall use good faith efforts to preserve mature trees on the Lot and properly maintain any other landscaping vegetation on the Lot, so as to enhance the appearance and value of the Lots in the Community and to prevent the spread of noxious weeds. Nevertheless, the provisions of Sections 4.6 will limit the height of vegetation on many Lots in the Community.

9.1.4. Trees and Vegetation - City Requirements.

Mature trees and new trees planted by or on behalf of the Declarant that are located within Lots 4 through 17 shall be preserved by the Owners of such Lots. Such trees are depicted schematically on the Landscape Plan attached hereto as Exhibit A. The Landscape Plan was approved by the City of Anacortes, pursuant to Anacortes Municipal Code §16.50.050, as a condition to the platting and development of the Community. The Landscape Plan requires the preservation of existing trees and the planting of additional trees to meet the City's minimum vegetation requirements for new development, as described in a "Tree Preservation & Assessment Plan" prepared by Urban Forestry Services Inc., dated August 12, 2015. The City retains the right to enforce such requirements against any and all responsible parties. Changes to the Landscape Plan, including the removal of trees depicted on the Landscape Plan, require the advance written approval of the City.

9.1.5. Surface Water Run-Off.

No Lot shall be improved in such a way as to cause excess surface water run-off that may damage or inconvenience other Lots or contiguous properties or the owners thereof.

9.1.6. Noise, Offensive or Illegal Activity.

No person shall cause any unreasonably loud noise anywhere in the Community, nor shall any person permit or engage in any noxious, offensive or illegal activity, practice or behavior causing annoyance, discomfort or disturbance to any person lawfully present on any portion of the Property. Quiet hours shall be observed from 11:00 p.m to 6:00 a.m., during which only minimal noise shall be permitted to emanate from any Lot.

9.1.7. Privacy Fencing.

Fences are permitted but must conform to the style installed by the Declarant, consistent with such further standards as required by the City of Anacortes. Any fencing installed by Declarant shall be maintained by the abutting Lot Owners within the Community.

9.1.8. Vehicle Operation and Parking Restrictions.

9.1.8.1. General Restrictions.

Vehicle parking is permitted on portions of the Lot which have been improved for such purposes. A minimum of two off-street parking spaces is required per Lot, in addition to the garage structure within the Lot, which can be accomplished by using the driveway area in front of the garage associated with each Dwelling.

9.1.8.2. R.V. Parking.

Except has hereinafter provided, junk vehicles (as defined in RCW 46.55.010), Recreational Vehicles (including without limitation camper-trailers, mobile homes, motor homes, "fifth-wheels" off-road vehicles, boats, airplanes or etc.), large commercial-style vehicles (including without limitation trucks, tractors, large vans or other types of vehicles or equipment which either require a commercial vehicle operator's license or which exceed 8,000 lbs in gross vehicle weight) or any other type of vehicle or equipment which exceeds 24 feet in length may not be stored, kept or maintained anywhere within the Community. Nevertheless, a Recreational Vehicle may be maintained within a Lot, if it is fully enclosed within a garage or an approved accessory structure. The Board may require removal of any vehicle or equipment not authorized by this Section; if it is not so removed, the Board may cause its removal at the risk and expense of the owner thereof, under such reasonable procedures as may be consistent with the provisions of RCW 46.55. Failure of an Owner or other Occupant to remove such a vehicle or equipment from a Lot or the Common Areas may result in any or all remedies available to the

Association under the Governing Documents. The Board may adopt additional rules and regulations regarding parking and storage of Recreational Vehicles.

9.1.8.3. Power to Regulate Vehicle Speed and Operation.

The Board shall have the authority to regulate the speed and other aspects of vehicle operation on Latitude Circle, notwithstanding that Latitude Circle is a public street.

9.1.9. Signs.

Initially, no other sign of any kind, shall be displayed to the public view on or from any Lot or the Common Areas without the prior consent of the Board; provided that this section shall not apply to Declarant or Declarant's agents, nor shall it be deemed to prohibit the Owner of a Lot from displaying a sign for a period of time in which the Lot is for sale or rent. The Board may by resolution establish further policies regarding signs, to reflect the sentiments of the Community while giving due regard to traditional democratic rights of free speech, religion and expression of Persons owning or occupying Lots in the Community. The Board's judgment in such matters shall be conclusive, except to the extent governed by applicable state or federal law.

9.1.10. Underground Utilities.

All utilities are required to be located underground.

9.1.11. Uses by Declarant.

Nothing in the Governing Documents shall be construed to prohibit the Declarant or its designees from using any Lot owned by the Declarant (or any other Lot with the permission of the Owner thereof) or any portion of the Common Areas for promotional, marketing, display or customer service purposes (such as a visitors' center) or for the closing of sales of Lots. Further, the Declarant specifically reserves the right to operate a construction office or a rental, brokerage and management office at any time on Lots owned or leased by the Declarant (or any other Lot with the permission of the Owner thereof) and on any portion of the Common Areas, to the extent permitted by law. The Declarant may assign its rights under this subsection to or share such rights with one or more other persons, exclusively, simultaneously or consecutively with respect to the Common Areas and Lots owned or leased by the Declarant or such persons.

ARTICLE X

ASSESSMENTS AND LIENS FOR COMMON EXPENSES

10.1. Assessments for Common Expenses.

10.1.1. Liability of Lots.

Except as provided in Sections 10.1.2 and 10.1.7 hereof, the total amount of the estimated funds required to pay the Common Expenses of the Association set forth in the Annual Budget adopted by the Board of Directors for the fiscal year shall be assessed equally against the Lots in the manner prescribed in Section 10.2 hereof.

10.1.2. Assessment of Undeveloped Lots.

Until the Dwelling on a Lot is substantially completed and sold to a purchaser other than the Declarant, such Lot shall be subject to only 20% of the assessment liability allocated to a Lot containing completed improvements.

10.1.3. Initial Assessment Deposits - New Owners Fee.

An initial assessment deposit known as the "New Owners Fee," in the amount of \$500.00, shall be payable to the Association by the purchaser of each Lot at the time of the Closing of the initial sale of the Lot from the Declarant; this initial New Owners Fee may be used by the Association to defray expenses in its operating budget or to fund the Association's reserves, at the discretion of the Board of Directors.

10.1.4. Transfer Fees on Resales.

A New Owners Fee equal to three (3) months' worth of the annual assessment against the Lot shall continue to be due and owing to the Association upon the transfer of title of a Lot upon its resale to a subsequent purchaser. The Resale New Owners Fee shall be collected at the Closing of a Lot's resale in addition to any outstanding assessment obligations affecting the Lot, to fund the Association's reserves so as to enhance the Association's ability to maintain, repair, replace, manage and improve the Common Areas of the project, for the common benefit of all the Lot Owners.

10.1.5. Timing of Payments.

Until changed by resolution of the Board of Directors, the annual Assessment against each Lot for its share of the Common Expenses shall be due and payable on the first day of the month of February of each year. The Board may adopt further payment policies which permit payment in monthly or quarterly installments under conditions to be determined by the Board. Until changed by resolution of the Board of Directors, Assessments against each Lot for its share of the Common Expenses shall be due and payable on the first day of February of each year. The Board may adopt further payment policies which permit payment in installments under conditions to be determined by the Board.

10.1.6. Special Assessments.

The Board of Directors may levy a Special Assessment for the purpose of defraying the cost of any unexpected repair or other nonrecurring contingency, or to meet any other deficiencies in operations or reserves occurring from time to time, but by statute, the Budget Ratification process described in Section 10.2 must be undertaken by the Board with respect to any such Assessment.

10.1.7. Specially Allocated Assessments.

If any Common Expense is caused by the negligence or misconduct of a Lot Owner, or if the Association provides Upkeep to a Lot, the Association may, subject to the provisions of the Bylaws, levy a Specially Allocated Assessment for that expense against the Owner's Lot; any other costs, fees, charges, or fines imposed or incurred by the Association associated with the Lot, including without limitation attorneys' fees and court costs associated with litigation involving protection of scenic views, along with any costs and/or attorney's fees recoverable under the Governing Documents, and interest on any delinquent account shall also be deemed Specially Allocated Assessments. Further, by resolution supported by a majority of all possible votes in the Association, the Association may require that any Common Expense or portion thereof benefitting fewer than all of the Lots shall be assessed exclusively against the Lots benefitted.

10.1.8. Owners Personally Liable for Common Expenses.

Each Assessment shall be the joint and several obligation of the Owner(s) of the Lot to which the same are assessed as of the time the Assessment is due. Suit to recover a personal judgment for any delinquent Assessment shall be maintainable in any court of competent jurisdiction without foreclosing or waiving the lien securing such sums. No Lot Owner may exempt himself or herself from liability with respect to the Common Expenses by waiver of the enjoyment of the right to use any of the Common Areas or by leasing, rental or abandonment of his or her Lot or otherwise. The failure or delay of the Board of Directors to adopt the Annual Budget for any year shall not constitute a waiver or release in any manner of a Lot Owner's obligation to pay his or her allocable share of the Common Expenses as herein provided, and in the absence of an Annual Budget or adjusted Annual Budget, each Owner shall continue to pay (with or without notice) an Assessment at the rate established for the preceding fiscal year until an Assessment is made under a current Annual Budget or adjusted Annual Budget and notice thereof has been sent to the Lot Owner.

10.2. Annual Budget - Development and Ratification.

10.2.1. Budget for Common Expenses.

Not less than 45 days prior to the Annual meeting of the Association, or at such other time as may be deemed necessary or desirable by the Association's accountant, the Board shall prepare an Annual Budget which shall estimate the Common Expenses, described generally in the Covenants, to be paid during such year. The Budget shall also contain provisions for creating,

funding and maintaining reasonable reserves for capital improvements, major repairs and replacements of components of the project for which the Association is responsible, and the amount of any deductible under any insurance policy obtained by the Association. The Budget shall further take into account any expected income and any surplus available from the prior year's operating fund.

10.2.2. Meeting of Association to Ratify Budget.

Within thirty days after adoption of any proposed regular or special budget for the Association, the Board of Directors shall provide a summary of the budget to all the Lot Owners and shall set a date for a meeting of the Lot Owners to consider ratification of the budget not less than fourteen nor more than sixty days after mailing of the summary. Unless at that meeting the Owners of Lots to which a majority of the votes in the Association are allocated reject the budget, the budget is ratified, whether or not a quorum is present. In the event the proposed budget is rejected or the required notice is not given, the periodic budget last ratified by the Lot Owners shall be continued until such time as the Lot Owners ratify a subsequent budget proposed by the Board of Directors. Pursuant to RCW 64.38.025(3), this procedure shall be deemed to govern both general assessments and special assessments; this Section of these Covenants may not be amended without the advice of counsel, since its terms are controlled by law.

10.3. Liability Following Conveyance of Lot.

A selling Lot Owner shall not be liable for the payment of any part of the Common Expenses assessed against his or her Lot subsequent to a sale, transfer or other conveyance by him of such Lot. The purchaser of a Lot shall be jointly and severally liable with the selling Lot Owner for all unpaid Assessments against the Lot up to the time of the conveyance without prejudice to the purchaser's right to recover from the selling Lot Owner the amounts paid by the purchaser therefore. The holder of a mortgage or other purchaser of a Lot who obtains the right of possession of the Lot through foreclosure shall not be liable for Assessments that became due prior to such right of possession. Such unpaid Assessments shall be deemed to be Common Expenses collectible from all the Lot Owners, including such mortgagee or other purchaser of the Lot. Foreclosure of a mortgage does not relieve the prior Owner of personal liability for Assessments accruing against the Lot prior to the date of such sale as provided above.

10.4. Lien for Assessments.

The Association shall have a lien on a Lot for any unpaid Assessments levied against a Lot from the time the Assessment is due.

10.5. Perfection of Lien.

Recording of this Declaration of Covenants constitutes record notice and perfection of the lien for Assessments. While no further recording of any claim of lien for Assessments shall be required to perfect the Association's lien, the Association may record a notice of claim of lien for

Assessments under this section in the real property records of the county in which the Community is located.

10.6. Priority of Lien.

10.6.1. A lien under this Section shall be prior to all other liens and encumbrances on a Lot except: (a) Liens and encumbrances recorded before the recording of the Declaration of Covenants; (b) a mortgage on the Lot recorded before the date on which the Assessment sought to be enforced became delinquent; and (c) liens for real property taxes and other governmental assessments or charges against the Lot.

10.6.2. The Association's lien shall also be prior to the mortgages described in subpart (b) of Section 10.6.1 hereof, to the extent of the "priority amount," that is, an amount equal to (1) the Common Expense Assessments against the Lot, excluding any amounts for capital improvements, based on the periodic Budget adopted by the Association which would have become due in the absence of acceleration during the six months immediately preceding the institution of proceedings to foreclose either the Association's lien or a lien described in Subsection 10.6.1(b) hereof; and (2) the Association's actual costs and reasonable attorney's fees incurred in foreclosing its lien up to the time when any person pays to the Association the full priority amount described above, including the Association's attorneys' fees and costs. The term "institution of proceedings," as used herein, shall mean either: (i) the date of recording of a notice of trustee's sale by a deed of trust beneficiary; (ii) the date of commencement, pursuant to applicable court rules, of an action for judicial foreclosure either by the Association or by the holder of a recorded mortgage; or (iii) the date of recording of a notice of intention to forfeit in a real estate contract forfeiture proceeding by the vendor under a real estate contract.

10.7. Enforcement of Lien.

The lien arising under this section shall be enforced judicially by the Association or its authorized representative in the manner set forth in chapter 61.12 RCW. The Association or its authorized representative shall have the power to purchase the Lot at the foreclosure sale and to acquire, hold, lease, mortgage, or convey the same. Upon an express waiver in the complaint of any right to a deficiency judgment in a judicial foreclosure action, the period of redemption shall be eight months. The Association may elect to take a deed in lieu of foreclosure in any such proceeding.

10.8. Limitation of Lien Enforcement.

A lien for unpaid Assessments and the personal liability for payment thereof is extinguished unless proceedings to enforce the lien are instituted within six years after the amount of the Assessments sought to be recovered becomes due.

10.9. Rent Subject to Lien for Assessments- Other Remedies for Nonpayment.

10.9.1. Rent Payable to Association Upon Default of Owner.

If a Lot is rented or leased by its Owner, and if the Owner becomes delinquent in the payment of assessments for more than 90 days, the Association may collect the delinquent amount from the tenant, who shall pay over to the Association so much of the rent for such Lot as is required to pay such delinquency, plus interest, attorneys' fees and other costs of collection. In order to avail itself of the remedy contained in this Subsection, the Association shall first send a notice jointly to the Owner and the Tenant by First Class U.S. Mail, advising both parties [a] of the Owner's delinquency in assessments [b] of the tenant's obligations under this Subsection of the Declaration, and [c] notifying both parties that if such delinquency is not cured within ten (10) days of mailing, the tenant must commence paying rent to the Association until the delinquency has been cured. The tenant shall not have the right to question payment to the Association, and such payment shall discharge both the tenant's duty to pay rent to the Lot Owner and the Lot Owner's obligation to pay assessments, *pro tanto*. The Association shall not resort to this remedy where a receiver has been appointed and is collecting such rents, as provided immediately below in Section 10.10.2.

10.9.2. Association Entitled to Appointment of Receiver.

From the time of commencement of an action by the Association to foreclose a lien for nonpayment of delinquent Assessments against a Lot that is not occupied by the Owner thereof, the Association shall be entitled to the appointment of a receiver to collect from the lessee thereof the rent for the Lot as and when due. If the rent is not paid, the receiver may obtain possession of the Lot, refurbish it for rental up to a reasonable standard for rental Lots in this type of project, rent the Lot or permit its rental to others, and apply the rents first to the cost of the receivership and attorneys' fees thereof, then to the cost of refurbishing the Lot, then to applicable charges, then to costs, fees, and charges of the foreclosure action, and then to the payment of the delinquent Assessments. The exercise by the Association of the foregoing rights shall not affect the priority of preexisting liens on the Lot.

10.10. Remedies Cumulative.

The remedies provided are cumulative and the Board may pursue them concurrently, along with any other remedies which may be available under the law although not expressed herein.

ARTICLE XI

INSURANCE MATTERS

11.1. Association's Coverage.

The Board of Directors shall obtain and maintain liability insurance and, if necessary, property insurance, under such terms and for such amounts as shall be deemed necessary by the

Board of Directors. Levels of coverage shall be determined annually by the Board of Directors with assistance from the agent of the insurance company affording such coverage

11.2. Deductible.

The deductible, if any, on any policy of insurance purchased by the Board of Directors, shall be paid by the Association as a Common Expense. Funds to cover the deductible should be included in the Association's operating reserve account.

11.3. Insurance for Lot Owners.

Each Lot Owner should obtain property and personal liability insurance covering the Dwelling and other insurable improvements on the Lot, and providing liability coverage for the Lot and any portions of the Common Areas not covered by the Association's insurance policy

ARTICLE XII

CONDEMNATION

In the event that Common Areas of the Community are become subject to eminent domain proceedings, the Association shall be a necessary party to such proceedings.

ARTICLE XIII

COMPLIANCE WITH LAW AND COVENANTS

13.1. Compliance by Owners and Occupants.

Each Owner and occupant of a Lot shall comply strictly with the provisions of the Governing Documents. All remedies provided the Association in this Article may be enforced against any tenant or other occupant of a Lot.

13.2. Enforcement by Association.

The Board of Directors shall have primary responsibility for maintaining and enforcing compliance with the covenants, conditions and restrictions contained in the Governing Documents.

13.3. Legal Proceedings.

Failure to comply with any of the terms of the Governing Documents shall be grounds for legal relief, including without limitation, actions to recover any sums due for money damages, injunctive relief, foreclosure of the lien for payment of Assessments, or any combination thereof and

any other relief afforded by a court of competent jurisdiction, all of which relief may be sought by the Association or, if appropriate, by any aggrieved Owner, and shall not constitute an election of remedies.

13.4. Costs and Attorney's Fees.

The Association shall be entitled to recover any costs and reasonable attorneys' fees incurred in connection with the collection of delinquent Assessments, whether or not such collection activities result in suit being commenced or prosecuted to judgment. In addition, the Association shall be entitled to recover costs and reasonable attorneys' fees if it prevails on appeal and in the enforcement of a judgment. In any other proceeding arising out of an alleged default by an Owner, the prevailing party shall be entitled to recover the costs of the proceeding, and such reasonable attorney's fees as may be determined by the court. In the event that the prevailing party is the Association, the costs and attorney's fees so awarded shall constitute a Special Assessment against the Owner's Lot.

13.5. Late Charges and Interest.

The Board may impose and collect reasonable late charges to encourage prompt payment of Assessments. Until changed by resolution of the Board with advice of counsel, the Board may collect a late charge: (a) when any Assessment or installment thereof is received by the Association more than ten (10) days beyond the due date of such Assessment or installment; (b) in an amount not to exceed the greater of \$25.00 or ten percent (10%) of the amount of said Assessment or installment. Delinquent Assessments shall bear interest from the date of delinquency at the rate of 12% per annum, or the maximum rate permitted under RCW 19.52.020 on the date on which the Assessments became delinquent.

13.6. No Waiver of Rights.

The failure of the Association, the Board of Directors or of an Owner to enforce any right, provision, covenant or condition which may be granted by the Governing Documents or the Act, shall not constitute a waiver of the right of the Association, the Board or the Owner to enforce such right, provision, covenant or condition in the future.

13.7. Remedies Cumulative.

A suit to recover a money judgment for unpaid Assessments may be maintained without foreclosing or waiving the lien securing the same, and a foreclosure may be maintained notwithstanding the pendency of any suit to recover a money judgment. All rights, remedies and privileges granted to the Association, the Board of Directors or any Owner pursuant to any term, provision, covenant or condition of the Governing Documents or the Act shall be deemed to cumulative and the exercise of any one or more thereof shall not be deemed to constitute an election of remedies, nor shall it preclude the party exercising the same from exercising such other privileges as may be granted to such party by the Governing Documents or the Act or at law or in equity.

ARTICLE XIV

LIMITATION OF LIABILITY

14.1. Association Not a Guarantor - No Liability for Equipment Failure, Etc.

Except to the extent covered by insurance obtained by the Board pursuant to Article XI, neither the Association nor the Board nor the Declarant shall be liable for any failure of any equipment or services obtained by the Board, or for injury or damage to person or property caused by the elements, or for inconvenience or discomfort resulting from any action taken to comply with any law, ordinance or orders of a governmental authority. No diminution or abatement of liability for Common Expense Assessments shall be claimed or allowed for any such injury or damage, or for such inconvenience or discomfort.

14.2. No Bailment.

Neither the Board of Directors, the Association, any Owner nor the Declarant shall be considered a bailee of any personal property stored or placed on the Common Areas (including property located in vehicles parked on the Common Areas), whether or not exclusive possession of the particular area is given to an Owner for parking or otherwise, nor shall they be responsible for the security of such personal property or for any loss or damage thereto, whether or not due to negligence, except to the extent covered by insurance in excess of any applicable deductible.

ARTICLE XV

MORTGAGEE PROTECTION

Any representative of a Mortgagee or the institutional insurer of any mortgage may attend and address any meeting which a Lot Owner may attend.

ARTICLE XVI

EASEMENTS AND SPECIAL DECLARANT RIGHTS

16.1. Easements for Lots, Lot Owners, Declarant and Association Functions.

16.1.1. Easements for Lots and Lot Owners.

Each Lot has an easement in and through each other Lot and the Common Areas for utilities and for lateral and/or subjacent support. Lot Owners in Good Standing, and their family members, guests and lawful tenants, have rights to use the Community Park and its any recreational facilities.

16.1.2. Easements for Declarant.

The Declarant reserves to itself and its any lawful successors an easement through the Common Areas for any and all activities necessary or desirable to complete the development of the Community or for exercising Special Declarant Rights.

16.1.3. Easements for Association Functions.

There is hereby granted and reserved to the Association, or its duly authorized agents and representatives, such easements as are necessary to perform the duties and obligations of the Association as are set forth in the Governing Documents.

16.2. Easements Shown on PUD Plat.

Easements shown on the PUD Plat are hereby confirmed. Any easement shown on the PUD Plat which benefits one or more Lots in the Community, or which benefits any third parties or any real property not included within the Project, confers various rights and benefits upon such third parties or owner(s) of any such real property, and may also impose obligations upon the Association. Reference should be made to the PUD Plat.

16.3. Easement for Utilities.

A non-exclusive perpetual blanket easement is hereby granted over and through the Property for ingress, egress, installation and Upkeep of any utility lines, pipes, wires, ducts, conduits and/or other facilities and equipment for providing to any portion of the Property utilities of any type, whether public or private; such easement is hereby granted to any person installing or providing Upkeep for such utilities. Any pipes, conduits, lines, wires, transformers or any other apparatus necessary for the provision or metering of any utility may be installed, maintained or relocated where permitted by the Declarant or where approved by resolution of the Board of Directors. See the PUD Plat for further details.

16.4. Avigation Easement.

The Community is subject to the terms of an Avigation Easement benefitting the Port of Anacortes and the municipal airport operated by the Port that adjoins the Community to the east. The Avigation Easement is designed to promote the free and unobstructed passage of aircraft in and through the airspace over the Community, together with the right of aircraft to cause noise that may ensue from their operation. The Avigation Easement is recorded at Auditor's File No. 732440, Records of Skagit County, Washington. This easement limits the overall height of building structures and vegetation within the Community.

16.5. View Easements Over Nearby and Adjoining Properties.

16.5.1. Easement Over Felt Property to West Protects Lots 16 - 20.

Parcels of real property that adjoin the Community immediately to the west, presently owned by Christopher P. Felt and Cheryl A. Felt [the “Felt Property”], are subject to the terms of a Covenant [the “Felt Covenant”] recorded at Auditor’s File No. 201612190147, Records of Skagit County, Washington. Article IV of the Felt Covenant contains provisions that restrict the maximum height of buildings and vegetation within the Felt Property for the purpose of protecting territorial views to the West and North available to Lots 16 through 20 in the Community; such provisions shall be deemed incorporated herein by this reference, and may be enforced by individual Lot Owners or by the Association on their behalf, as provided in the Felt Covenant.

16.5.2. Easement Over Parcel to North Protects Lots <?> - <?>.

A Parcel of real property [Skagit County Tax Parcel No. P31586] lying northerly of Oakes Avenue [the “Northerly Parcel”], presently owned by [????], is subject to the terms of a Covenant [the “<?> Covenant”] recorded at Auditor’s File No. _____, Records of Skagit County, Washington. The <?> Covenant contains provisions that restrict the maximum height of buildings and vegetation within the Northerly Parcel for the purpose of protecting territorial views to the North available to Lots <?> through <?> in the Community; such provisions shall be deemed incorporated herein by this reference, and may be enforced by individual Lot Owners or by the Association on their behalf, as provided in the <?> Covenant.

16.6. Special Declarant Rights.

16.6.1. Reservation.

The Declarant has reserved the following Special Declarant Rights for the purpose of furthering and completing the development of the Community: To complete any improvements indicated on the PUD Plat or described earlier in this Declaration of Covenants; to maintain sales offices, management offices, signs advertising the Community, and models on the Property, all in such location or locations as the Declarant may unilaterally determine; to use easements through the Common Areas for the purpose of making improvements within the Community; and to appoint or remove any Officer or Director of the Association, or to veto or approve a proposed action of the Board or of the Association during the Declarant Control Period described in Section 8.1 hereof; the Declarant shall be deemed to hold a proxy from all Lot Owners during the Declarant Control Period for such purposes.

16.6.2. Status of Special Declarant Rights.

Each Special Declarant Right reserved by Declarant in this Declaration of Covenants has been, is and shall remain an equitable servitude burdening all lands subject thereto and running with such lands. Each Special Declarant Right shall exist for the benefit of the Declarant and/or any assignee of Declarant and/or any successor declarant. Declarant has and shall retain, with respect to each Special Declarant Right, a power coupled with Declarant’s interest in said lands.

16.6.3. Automatic Assignment Upon Sale of Lots in Bulk.

In the event that all or substantially all of the Lots and Tracts in this Community are concurrently conveyed to a purchaser in bulk, the purchaser shall be deemed a "Successor Declarant" who or which shall automatically succeed to all Special Declarant Rights reserved in this Section 16.6, except to the extent otherwise provided in the deed of conveyance of such Lots and Tracts to such purchaser.

ARTICLE XVII

AMENDMENT OF DECLARATION OF COVENANTS

17.1. Procedure for Amendment of Declaration of Covenants.

Amendments to the Declaration of Covenants shall be made by an instrument in writing entitled "Amendment to Declaration of Covenants" which sets forth the entire amendment. Except as otherwise specifically provided for in this Declaration of Covenants, any proposed amendment must be approved by a majority of the Board prior to its adoption by the Owners. Except in cases of amendments that may be adopted by the Declarant unilaterally pursuant to Section 17.3 hereof, amendments may be adopted only at a meeting of the Owners if at least 67% percent of the votes in the Association are cast for such amendment, or without any meeting if all Owners have been duly notified and Owners holding at least 67% of the votes in the Association consent in writing to such amendment. In all cases, the amendment when adopted shall bear the acknowledged signature of the President of the Association.

17.2. Recordation Required.

Every amendment to the Declaration of Covenants must be recorded with the County Auditor and is effective only upon recording. An amendment shall be indexed in the name of the Community and shall contain a cross-reference by recording number to the Declaration of Covenants and each previously recorded amendment thereto.

17.3. Amendments by Declarant.

The Declarant may unilaterally adopt and file amendments to the Declaration of Covenants for so long as the Declarant is the Owner of any Lot in the Community or until the expiration of the time limit for the exercise of any Special Declarant Rights reserved by the Declarant.

ARTICLE XVIII

MISCELLANEOUS

18.1. Notices for All Purposes, Delivery.

18.1.1. Any notice permitted or required to be delivered under the provisions of the Declaration of Covenants or the Bylaws may be delivered either personally or by mail, addressed to the person entitled to such notice at the most recent address given by such person to the Board in a Record, or to the most recent address known to the Board. Notice to the Owner of any Lot shall be sufficient if mailed to his or her Lot if no other mailing address has been given to the Board. With the advance written consent of any Owner, required notice may be provided electronically. Mailing addresses may be changed from time to time by notice provided by the Owner in a Record to the Board. Notice to be given to the Association may be given to the President or Secretary of the Association, or to its Registered Agent. Notice also may be provided to any person in any manner permitted by statute.

18.1.2. New Lot Owners must supply their names and addresses, telephone numbers and, if so desired in order to receive notices from the Association, e-mail addresses, to the Secretary of the Association promptly after conveyance.

18.2. Severability.

The provisions hereof shall be deemed independent and severable, and the invalidity or partial invalidity or unenforceability of any one provision or portion thereof shall not affect the validity or enforceability of any other provision hereof, if the remainder complies with the Governing Law and furthers the common plan of this Subdivision.

18.3. No Right of First Refusal.

There is no right of first refusal in the Association limiting or restricting the right of any Lot Owner to sell, transfer or convey his or her Lot.

18.4. Effective Date.

This Declaration of Covenants shall take effect upon recording.

DATED this _____ day of _____, 2017.

DECLARANT:
48 NORTH ON FIDALGO ISLAND, L.L.C.

By _____
_____, its _____

STATE OF WASHINGTON)
) ss.
COUNTY OF SKAGIT)

I hereby certify that I know or have satisfactory evidence that _____
is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath
stated that he was authorized to execute the instrument and acknowledged it as the _____
of the Declarant, 48 NORTH ON FIDALGO ISLAND, L.L.C., to be the free and voluntary act of such party
for the uses and purposes mentioned in the instrument.

DATED: _____, 2017.

NOTARY PUBLIC for the State of
Washington. My Commission
expires _____

EXHIBIT "A"
LANDSCAPE PLAN

EXHIBIT “B”
STORMWATER SYSTEM MAINTENANCE MANUAL

Return Address:

Brian Gentry
504 E Fairhaven Ave
Burlington WA 98233



201612190147

Skagit County Auditor

\$86.00

12/19/2016 Page

1 of 14 1:48PM

Document Title:

Declaration of Covenants, Conditions and Restrictions

Reference Number (if applicable):

Grantor(s):

☐ additional grantor names on page __.

- 1) Felt, Christopher P.
- 2) Felt, Cheryl A.

Grantee(s):

☐ additional grantor names on page __.

- 1) The Plat and
- 2) 48 North on Fidalgo Island, LLC, a Washington Limited Liability Company (hereinafter referred to as "48 North")

Abbreviated Legal Description:

☒ full legal on page(s) 11.

Lots 3 to 7

Legal Description is on Exhibit A

Assessor Parcel /Tax ID Number:

☐ additional parcel numbers on page __.

P56562 and P56573

LEGAL DESCRIPTION: See Exhibit "A"

This Declaration and Grant is made on the 47th day of December, 2016, by Christopher P. Felt and Cheryl A. Felt, as "Declarants."

Background

- A. Declarants are the owners of approximately 1.27 acres of real property in Anacortes, Skagit County, Washington, which property is more particularly described in **Exhibit "A" and "B"** to this Declaration (the "Property").
- B. Declarants intend to subdivide The Property as shown in the short plat development as shown in Exhibit D ("the Development"), to be recorded with the Skagit County Auditor under Skagit County Auditor's.
- C. Declarants desire to impose upon the development a general plan of development for the mutual benefit of all future owners, which will preserve and enhance the property values and amenities and will further provide for the health, safety, and welfare of the future residents and to benefit an adjoining property owner in respect to height restrictions.

Declaration

NOW, THEREFORE, Declarants hereby declare that all of the property described in Exhibit "A" shall be held, sold, conveyed and occupied subject to the following easements, restriction, covenants, and conditions, all of which are for the purpose of enhancing and protecting the value, desirability and attractiveness of the property. The easements, covenants, restrictions and maintenance obligations shall run with the land and each individual lot and shall be binding on all parties having or acquiring any right, title, or interest in the development or any part thereof, and shall inure to the benefit of each owner thereof.

Furthermore, any conveyance, transfer, sale, assignment, lease or sublease of a lot shall and is hereby deemed to incorporate by reference all provisions of this Declaration. The provisions of this Declaration shall be enforceable by Declarants, any Lot Owner, and any First Mortgagee of a lot.

**ARTICLE I
DEFINITIONS**

For the purpose of this Declaration and any amendments thereto, the following terms shall have the following meanings, and all definitions shall be applicable to the singular and plural forms of such terms:

Section 1. "Accessory Structure" means a subordinate structure which is detached from the

primary structure, the use of which is incidental to the use of the primary structure on the same Lot. Accessory Structures shall not constitute living space.

Section 2. "Declarants" shall mean the owners of record, Christopher P. Felt and Cheryl A. Felt, and their successors and assigns; provided, however, that no successor or assignee of Declarants shall have any right or obligations of Declarants under this Declaration unless such rights and obligations are specifically set forth in the instrument of succession or assignment.

Section 3. "Declaration" means the covenants, conditions, restrictions and maintenance obligations and all other provisions set forth in this entire document, and as the document may from time to time be amended.

Section 4. "Development" shall mean or refer to that certain real property described on Exhibit "A" and the map attached as Exhibit "B".

Section 5. "Lot" shall mean any numbered plot of land shown upon any recorded subdivision map of the property.

Section 6. "Lot Owner" shall refer to the record owner, whether one or more persons or entities, of a fee simple title to any lot which is part of the property, including contract purchasers, and excluding contract sellers and further excluding those having an interest merely as security for the performance of an obligation.

Section 7. "Mortgage" shall include a Deed of Trust, Real Estate Contract, or other security interest attaching to real estate.

Section 8. "Notice" shall mean written notice delivered personally or mailed to the last known address of the intended recipient.

Section 7. "48 North PUD" shall mean the preliminary approved 30 lot planned unit development directly east of the Property, currently identified as Skagit County parcel No P31681.

ARTICLE II EXTERIOR MAINTENANCE

Subsequent to the construction of a home on a particular Lot, the Lot Owner shall, at the Lot Owner's sole expense, keep the Lot and the interior and exterior of the structures on the Lot Owner's Lot in clean and sanitary condition, free from rodents and pests and in good order, condition, and repair. The Lot Owner shall be responsible to perform all redecorating, painting, landscaping, and maintenance at any time necessary to maintain the appearance and condition of the structure and lot. The landscaping shall be maintained to the curb or pavement edge of the street.

ARTICLE III

PROTECTIVE COVENANTS

Section 1. Uniformity of Use and Appearance. One of the purposes of this Declaration is to assure within the Property a uniformity of use and quality of workmanship, materials, design, maintenance. It is in the best interest of each Owner that such uniformity of use be maintained and hereinafter provided. No building (except for Accessory Structures) shall be erected, altered, placed, or permitted to remain on any Lot other than one single-family dwelling. Accessory Structures including carports and storage buildings are permitted as allowed by the requirements of this Declaration. Notwithstanding anything herein set forth, the Construction of any Structure shall comply with the more restrictive of either (i) the terms and conditions of this Declaration or (ii) the laws, codes, ordinances, and regulations of any governmental entity having jurisdiction.

Section 2. Development and Use.

A. Land Use and Building Type. No building shall be erected, altered, placed or committed to remain upon any lot other than one single family dwelling, and two Accessory structures such as a shop or garden shed. The dwellings and buildings upon each lot are intended for and restricted to use as single family residences only, on an ownership, rental, or lease basis, and for social, recreational, or other reasonable activities normally incident to such use.

B. Parking. No commercial trucks in excess of 10,000 pounds, campers, trailers, boats, motorcycles, or other recreational vehicles, or any part thereof, shall be parked or permitted to remain on any lot for any period in excess of 24 hours unless the same is stored and placed in a garage or in the rear or side yard area and screened from sight, or unless the vehicle belongs to a guest, in which case the vehicle belonging to the guest may not be parked for longer than a one-week period of time. All inoperable or non-running vehicles shall be stored behind fencing or screening adequate to screen the vehicle from view of adjoining Lot Owners within the development. No Lot Owner shall have more than two inoperable vehicles on their lot unless the same are stored inside in an enclosed building.

C. Square Footage. Each single family residence must have a minimum of one thousand and eight hundred (1,800) square feet, excluding garage area. Each home must have a garage, which shall be of a size to accommodate a full-size automobile.

D. Minimum Building Setbacks, Maximum Building Heights, and Maximum Vegetation Heights. All vegetation planted on any of the Lots shall be limited in height to the lower of twenty-five feet (25') in height above adjacent grade or the ridge height of the house constructed on the lot. All buildings or structures shall be constructed in accordance with the laws of the City of Anacortes and applicable building codes. All structures shall comply with all applicable governmental laws, codes, ordinances, and regulations pertaining to setbacks. All compliance with and maintenance of vegetation heights under this Section shall be the responsibility of and at sole expense of each Lot

Owner, so affected. Should any Lot Owner desire to obtain a variance in regard to either setback or height of a structure, then they shall, in addition to compliance with applicable variance regulations and laws, obtain the consent of all other Lot Owners and the Benefited Owners of Lots 16-20 of the 48 North PUD, as a condition of varying maximum heights or minimum setbacks. The maximum building heights shall be further limited as follows:

a. The maximum building height for any structures constructed on Lot 1 shall be limited to the ridge height of the existing residential building constructed on that Lot as of October 1, 2016.

b. The maximum building height for any structures constructed on Lot 2 shall be limited to a single story residence with a maximum ten foot (10') first story wall height, and having a roof pitch of no more than 4:12; or a single story residence with a maximum nine foot (9') first story wall height, and having a roof pitch of no more than 6:12; so long as the overall ridge height of the building does not exceed twenty five feet (25') above the Southeast corner of Lot 2 as depicted in Exhibit D.

c. The maximum building height of any structures constructed on Lot 3 shall be limited to a two-story residence with a maximum nine foot (9') first story wall and a eight foot (8') second story wall, and having a roof pitch of no more than 4:12;.

d. The building height for all structures constructed on Lot 4 shall be as limited by the Anacortes Municipal Code. Except that the setback front building setback shall be a minimum of Thirty feet (30') from the front, or Northerly, property line. Vegetation in the northeasterly quadrant of the lot will be limited to no more than ten feet (10') in height above original grade.

E. Construction Standards and Manufactured Housing. No mobile homes shall be permitted within the development. All construction on the lots within the development shall be in accordance with state and local building codes applicable at the time of construction.

F. Garbage and Refuse. Subsequent to the construction of a home on a particular Lot, the Lot Owner shall, at the Lot Owner's sole expense keep garbage, refuse, rubbish, cuttings, and debris of any kind from being deposited on or left upon the Lot Owner's Lot unless placed in an attractive container suitably located and screened from view of any other Lot Owner. All equipment for the storage or disposal of such materials shall be kept in a clean and sanitary condition. Garbage cans may only be placed in public view on the day of garbage pick-up.

G. Business and Commercial Use of Property Prohibited. No trade, craft, business, or manufacturing enterprise, or business or commercial activity of any kind shall be conducted or carried on upon any residential lot, or within the building located on a residential lot. Notwithstanding the foregoing, certain bonafide "home enterprises" may

be conducted in the residence if there is no traffic impact or resulting nuisance. Day cares or automobile and equipment repair and similar businesses, which require the repair and disassembly of machinery in open view to other Lot Owners, shall not be a permitted home enterprise.

H. Temporary Structures. No trailers, tent, shack, garage, barn or other outbuildings or any structure of a temporary character erected or placed on the Property shall at any time be used as a residence, even temporarily. No building or structure shall be moved on to the Property from any land outside the development unless the same is used by the contractor as a temporary office or storage space.

I. Completion of Construction. Any dwelling or structure erected or placed on any lot shall be completed as to external appearance, including finish painting or staining, and shall be connected to sewers within twelve (12) months from the date of commencement of construction. All yards and landscaping must be completed within three (3) months from the date of completion of the structure and within not less than fifteen (15) months from commencement of construction of the structure (whichever event occurs first). All lots shall be maintained in a neat and orderly condition during construction.

J. Division of Lots. No more than 4 lots for single family residential use shall be created for the purpose of sale or lease.

K. Nuisances. No noxious or undesirable thing, or noxious or undesirable use shall be permitted or maintained upon any lot or upon any other portion of the Property. Likewise, all Lot Owners shall be considerate of the other Lot Owners and shall limit noise from radios, televisions, stereos, recreational vehicles, lawnmowers, etc. Violation shall be deemed a nuisance.

L. Signs. No sign of any kind shall be displayed to the public view on or from any lot except for a "for rent" or a "for sale" sign, or political sign. All signs shall be limited to not more than 6 square feet in area on each face of a two-sided sign. This section shall not apply to the Declarants or to any builder during the construction period of any residential structure.

M. Animals. Animals, including horses, livestock, poultry, reptiles, or pigs shall not be kept outside of any structure on any lot. Household pets shall not exceed three (3) in numbers. Provided that unweaned puppies or kittens may be kept until weaned. All animal enclosures must be kept in a clean, neat, and odor free condition at all times. Dogs which repeatedly bark are not permitted ("repeated barking" being defined as sustained barking for more than ten minutes). Regardless of anything set forth elsewhere in this Declaration, all owners shall comply with governmental laws, codes, ordinances, and regulations pertaining to animals.

N. Fences. All fences shall be constructed in a good and workmanlike manner and shall be constructed of suitable fencing material of wood or wood look composite material. Such fencing structures shall comply with fencing guidelines or requirements as

established by applicable governmental codes and regulations.

O. Mailboxes. The Declarants will construct the initial mailboxes. If the mailboxes require replacement, they will be replaced with a mailbox which is of the same design and size as those initially constructed by the Declarants.

ARTICLE IV GRANT OF HEIGHT RESTRICTION TO PROTECT VIEWS

DECLARANT hereby Grants and Conveys to 48 North on Fidalgo Island, LLC, a Washington Limited Liability Company (hereinafter referred to as "48 North") and its successors and assigns a restrictive view protection covenant in perpetuity for the protection of views of Lots 16-20 of the 48 North PUD (Preliminary Plat as approved by the City of Anacortes), referred to herein and related documents as "Benefitted Owners". The said restriction shall limit the heights of buildings and vegetation in accordance with the provisions of Article III, Section 2(D)(a-d), hereof in order to maintain for the said owners of Lots 16-20 territorial views to the West and North across the Property. This covenant shall be appurtenant to and a covenant running with the land for Lots 16-20 of the 48 North PUD, as described in Exhibit C, hereto. This covenant shall be enforceable by the individual lot owners or the homeowners association of the 48 North PUD, once formed, but Benefitted Owners shall not maintain separate causes of action for enforcement if the homeowners association of 48 North PUD elects to maintain legal enforcement action; this in order to avoid a multiplicity of suits. The General Provisions of Sections 1-5 of Article V shall apply to this covenant and the enforcement thereof.

ARTICLE V GENERAL PROVISIONS

Section 1. Binding Effect. All present and future owners or occupants of lots shall be subject to and shall comply with the provisions of this Declaration, and with any amendments. The acceptance of a deed or conveyance or the entry into occupancy of any lot shall constitute an agreement that the provisions of this Declaration and amendments are accepted and ratified by such owner or occupant, and all such provisions shall be deemed and taken to be covenants running with the land and shall bind any person who has at any time any interest or estate in such lot as though such provisions were recited and stipulated at length in each and every deed and conveyance or lease thereof.

Section 2. Enforcement. Any Lot Owner or the nonprofit Homeowner's Association established for this property; may institute proceedings at law or inequity to enforce all restrictions, conditions, covenants and reservations, now or here after imposed by the provisions of this Declaration. Should any of the foregoing parties employ counsel to enforce any of the terms of this Declaration, all costs incurred in such enforcement, whether negotiated, stipulated, arbitrated, or determined by a court, including reasonable attorney's fees and costs, including those on appeal, shall be paid by non-prevailing party.

Section 3. Failure to Enforce. No delay or omission on the part of the Declarants, the owners of the lots, or the nonprofit homeowner's corporation, in exercising any rights, powers or remedy

herein provided, in the event of any breach of the covenants, conditions, reservations, or restrictions herein contained, shall be construed as a waiver thereof or acquiescence therein. No right of action shall accrue nor shall any action be brought or maintained by anyone whatsoever against the Declarants for or on account of the Declarants' failure to bring any action on account of any breach of these covenants, conditions, reservations or restrictions, or for imposing restrictions herein which may be unenforceable by the Declarants.

Section 4. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way effect any other provisions. The remaining provisions shall continue in full force and effect.

Section 5. Interpretation. This Declaration shall be liberally construed in favor of the party seeking to enforce its provisions to effectuate the purpose of protecting and enhancing the value, marketability, and desirability of the lots by providing a common plan for the development of the Property.

Section 6. Counterparts. This Declaration or amendments hereto may be executed in counterparts and all so executed shall constitute one agreement binding in all the parties notwithstanding that some of the parties are not signatories to the original of the same counterpart.

Section 7. Notices. All notices required to be given pursuant to the provisions of this Declaration or as may be required pursuant to the bylaws of the nonprofit corporation, shall be given by certified mail, return receipt requested, to the Lot Owner at their last known address or, if not known, to their address which is of record at the Skagit County Treasurer's Office. Such notice shall be deemed conclusive and binding upon the Lot Owner in all respects.

Section 8. Declarants reserve the right to assign, sell, transfer, lease, or rent all or a portion of the Property, and reserves the right to assign all or any of its rights, duties, and obligations created under this Declaration.

Section 9. Government Fees and Charges. This development may be subject to water, sewer, and stormwater hook-up fees, and transportation, fire, school, and/or park impact fees. Such fees and charges shall be paid by the Lot Owner at the time of issuance of a building permit.

Section 10. Certain Rights of Declarants. For such time as Declarants shall own lots for development purposes (as opposed to residential purposes), there shall be no amendments to the Declaration or the Articles of Incorporation of the nonprofit corporation unless agreed to by Declarants, which:

- A. Discriminate or tend to discriminate against the Declarants's right as an owner/developer;
- B. Change Article 1 ("Definitions") in a manner which alters Declarants's right or status;
- C. Alter the character and rights of membership or the rights of Declarants as provided

for in this Declaration;

- D. Alter previously recorded or written agreements with public or quasi-public agencies regarding easements and rights-of-ways;
- E. Alter the basis for assessments;
- F. Alter the provisions of the use restrictions as set forth in Article IV; or
- G. Alter the Declarants's rights in any way as they appear under this Article.

ARTICLE VI TERM

This Declaration shall be effective upon recording with the Skagit County Auditor. These covenants are to run with the land and shall be binding on all parties and all persons claiming under them for a period of thirty (30) years from the date these covenants are recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years unless an instrument signed by all of the then Lot Owners has been recorded, agreeing to change said covenants in whole or in part. However, nothing in this Article shall be deemed to affect or limit in any way the duration of those easements which are granted as perpetual easements by this Declaration.

ARTICLE VII AMENDMENT

Section 1. Amendment. This Declaration and its covenants, conditions, and restrictions may be amended during any term by an instrument signed by not less than sixty-six percent (66%) of the Lot Owners. Any amendment must be recorded to be effective, PROVIDED, that no amendment may be made to the height restrictions set forth in Art. III, Section 2 (D), without the written consent of all Benefitted Lot Owners of Lots 16-20 of the 48 North PUD. Any Lot owner may propose an amendment to this Declaration.

Section 2 Amendment by Declarants. Declarants reserve the right to amend the Declaration as may be necessary to comply with Federal Home Loan Mortgage Corporation or Federal National Mortgage Association, or Federal Housing Administration regulations or requirements as necessary to enable the holders of first mortgages or deeds of trust to sell first mortgages or deeds of trust to the Federal Home Loan Mortgage Corporation or Federal National Mortgage Association or if such amendment is necessary to secure funds or financing provided by, through, or in conjunction with wither the Federal Home Loan Mortgage Corporation, or Federal National Mortgage Association, or Federal Housing Administration. If the Declarants, at their option, determines that it is necessary to so amend the Declaration, then Declarant, on behalf of all Owners, is hereby authorized to execute and have recorded such required amendment or amendments. All Owners hereby grant to Declarants a full and complete power of attorney to take any and all actions necessary to effectuate and record such required amendment and agree that such amendments shall be binding upon their respective Lots and

upon them and their heirs, personal representatives, successors and assigns to the same extent as if they had personally executed the amendment or amendments.

IN WITNESS WHEREOF, the undersigned has caused this Declaration to be executed this 5th day of December, 2016

Declarants:

 
Christopher Felt Cheryl Felt

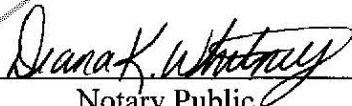
State of Washington)

)ss

County of Skagit)

I certify that I know or have satisfactory evidence that Christopher P. Felt and Cheryl A. Felt are the persons who appeared before me, and said person acknowledged that they signed this instrument and acknowledged it to be their free and voluntary act for the uses and purposes in the instrument.

Dated: December 5th, 2016



Notary Public

My appointment expires: 15 MAY 2017

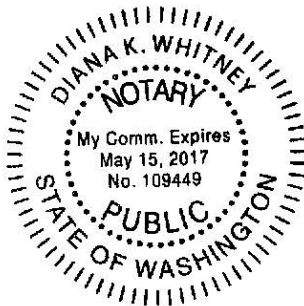


EXHIBIT A – LEGAL DESCRIPTION OF FELT

P56562

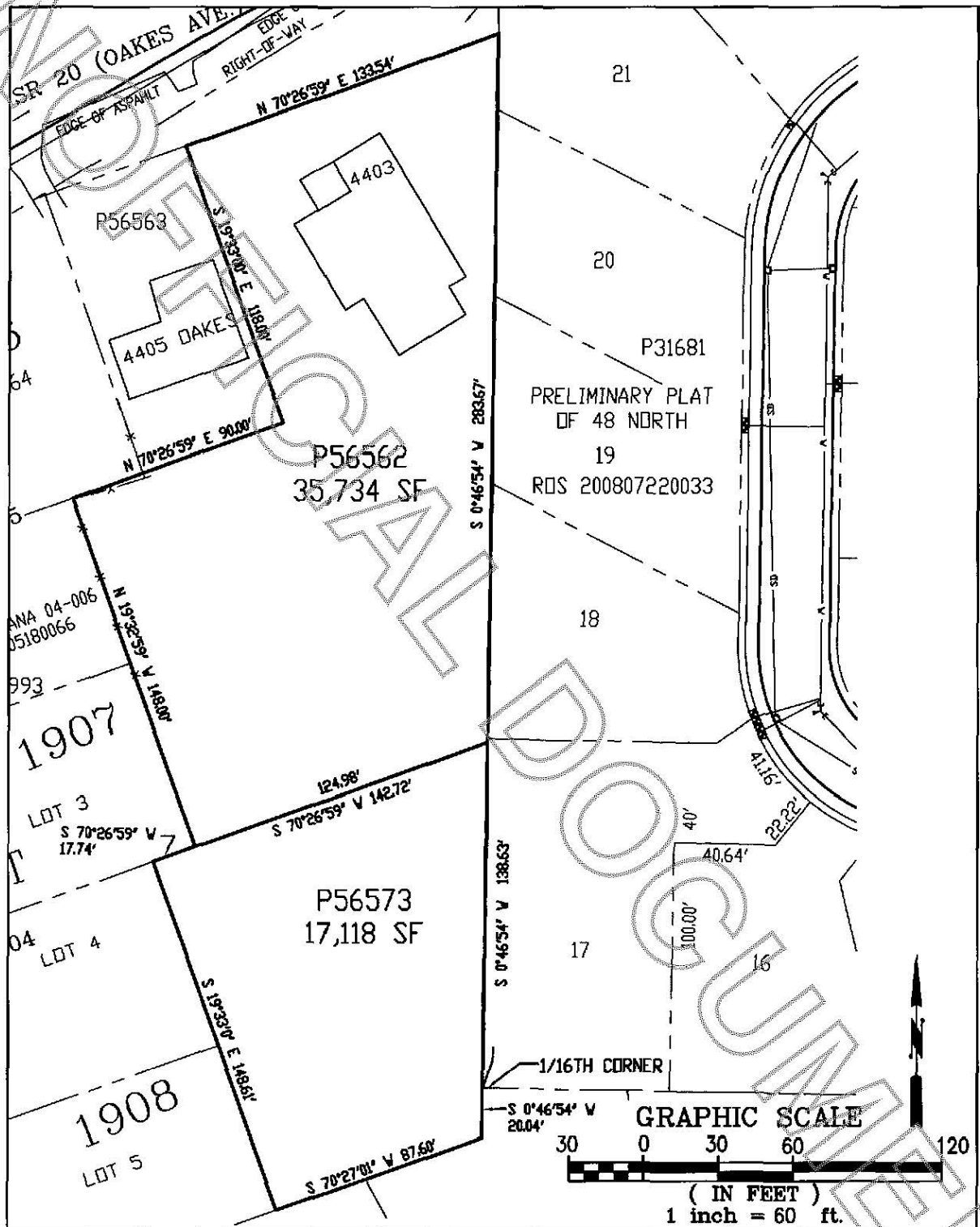
BARING ADDITION TO ANACORTES, LOTS 3 TO 7, BLOCK 1906, TOGETHER WITH THE NORTHERLY 1/2 OF ADJACENT ALLEY VACATED UNDER ORDINANCE NO. 1727; INCLUDING LOTS 5 TO 10, BLOCK 1907, TOGETHER WITH SOUTHERLY 1/2 OF ADJACENT VACATED ALLEY, ORDINANCE NO. 1727, AND NORTHERLY 1/2 ADJACENT VACATED 4TH STREET, ORDINANCE NO. 1726

P56573

BARING'S ADD TO ANA. LTS 7 TO 11 BLK 1908 TGW SLY 1/2 VAC 4T HST W ADJ ORD#1726

P56563

BARING'S ADD TO ANACORTES, LOTS 8 & 9, BLOCK 1906, "BARINGS ADDITION TO ANACORTES, WASH.," AS PER PLAT RECORDED IN VOLUME 2 OF PLATS, PAGE 20, RECORDS OF SKAGIT COUNTY, WASHINGTON; TOGETHER WITH THE NORTHERLY 1/2 OF THE ALLEY VACATED UNDER ORDINANCE NO. 1727 AND RECORDED UNDER AUDITOR'S FILE NO. 7903200005 WHICH WOULD ATTACH BY OPERATION OF LAW. LOTS 8 & 9, BLOCK 1906, "BARINGS ADDITION TO ANACORTES, WASH.," AS PER PLAT RECORDED IN VOLUME 2 OF PLATS, PAGE 20, RECORDS OF SKAGIT COUNTY, WASHINGTON; TOGETHER WITH THE NORTHERLY 1/2 OF THE ALLEY VACATED UNDER ORDINANCE NO. 1727 AND RECORDED UNDER AUDITOR'S FILE NO. 7903200005 WHICH WOULD ATTACH BY OPERATION OF LAW.



**HERRIGSTAD ENGINEERING
& SURVEYING**
4320 WHISTLE LAKE ROAD
ANACORTES, WA 98221 299-8804

EXHIBIT B

4403 Dakes Avenue
Parcels P56562 &
P56573
DATE: Dec 12, 2016

Exhibit C

Schedule "A-1"

156549-SAE

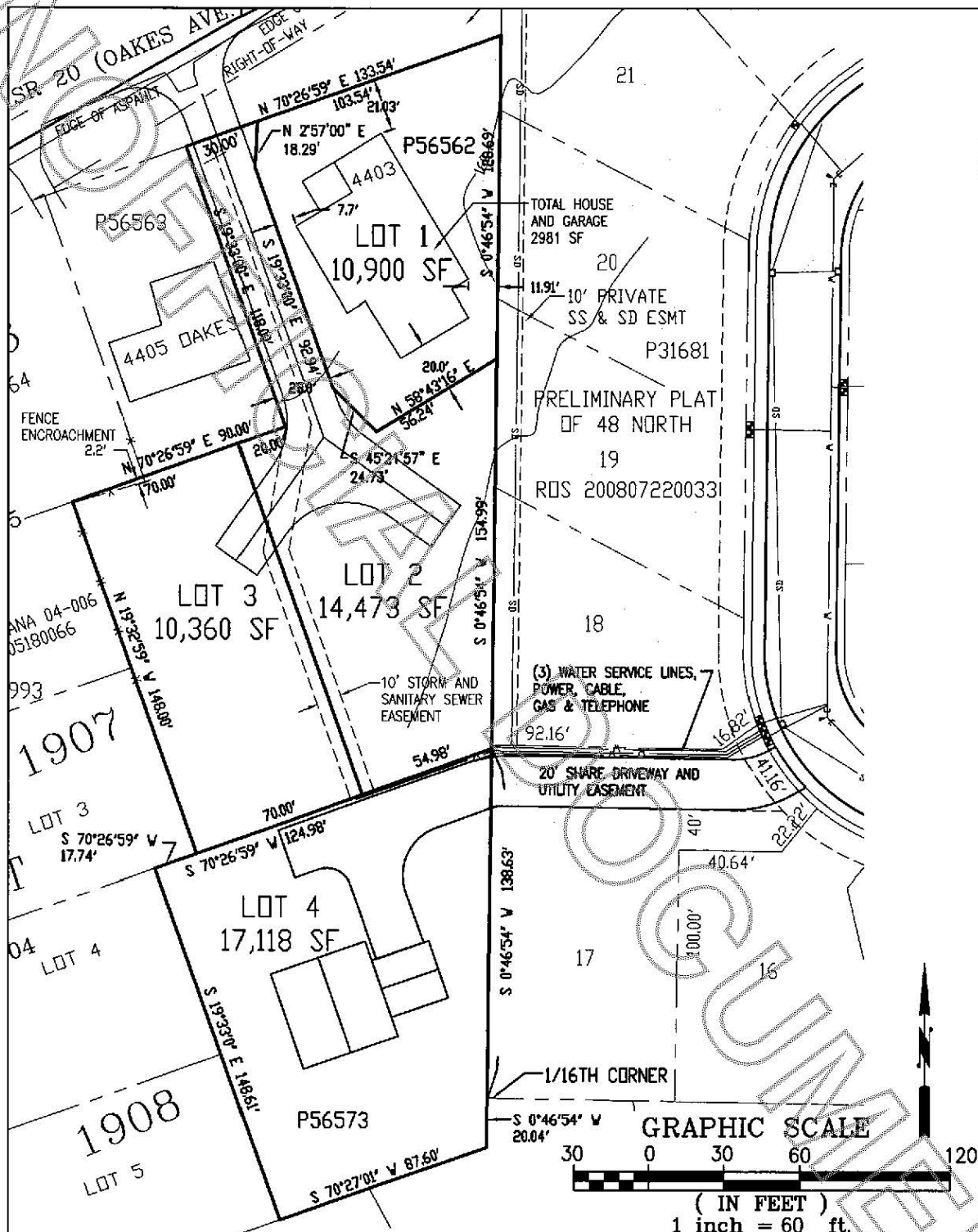
DESCRIPTION:

That portion of the South $\frac{1}{2}$ of the Northeast $\frac{1}{4}$ of the Southeast $\frac{1}{4}$ of Section 22, Township 35 North, Range 1 East, W.M., lying Southeasterly of the "BURROWS BAY ROAD", EXCEPT the "COPPER MINE ROAD" along the East line thereof, AND EXCEPT the following described tracts:

- a.) Beginning at the Southeast corner of the South $\frac{1}{2}$ of the Northeast $\frac{1}{4}$ of the Southeast $\frac{1}{4}$ of said Section; thence North $88^{\circ}59'46''$ West along the South line of said South $\frac{1}{2}$ of the Northeast $\frac{1}{4}$ of the Southeast $\frac{1}{4}$, 30.00 feet to the West line of the "COPPER MINE ROAD"; thence continue North $88^{\circ}59'46''$ West 781.88 feet; thence North $2^{\circ}11'29''$ East 669.34 feet to the North line of the Southwest $\frac{1}{4}$ of the Northeast $\frac{1}{4}$ of the Southeast $\frac{1}{4}$ and the true point of beginning of this description, said point being the Northwest corner of that certain tract conveyed to the Port of Anacortes, a municipal corporation, by deed recorded July 22, 1968, under Auditor's File No. 716164; thence from said true point of beginning run South $2^{\circ}11'29''$ West along the West line of said Port of Anacortes tract, a distance of 15 feet; thence West parallel with the North line of said Southwest $\frac{1}{4}$ of the Northeast $\frac{1}{4}$ of the Southeast $\frac{1}{4}$ to the Easterly line of the "BURROWS BAY ROAD"; thence Northerly along said Easterly line to the North line of said Southwest $\frac{1}{4}$ of the Northeast $\frac{1}{4}$ of the Southeast $\frac{1}{4}$; thence East along said North line to the true point of beginning.
- b.) Beginning at the Southeast corner of the South $\frac{1}{2}$ of the Northeast $\frac{1}{4}$ of the Southeast $\frac{1}{4}$; thence North $88^{\circ}59'46''$ West along the South line of said subdivision 30.00 feet to the West line of the "COPPER MINE ROAD", and the true point of beginning; thence continue North $88^{\circ}59'46''$ West 781.88 feet; thence North $2^{\circ}11'29''$ East 669.34 feet to the North line of said subdivision; thence South $88^{\circ}40'23''$ East along the North line of said subdivision 760.00 feet to the West line of the "COPPER MINE ROAD"; thence South $0^{\circ}18'59''$ West along said road a distance of 664.96 feet to the true point of beginning.

Situate in the City of Anacortes, County of Skagit, State of Washington.

Exhibit D



HERRIGSTAD ENGINEERING & SURVEYING 4320 WHISTLE LAKE ROAD ANACORTES, WA 98221 299-8804	Access & Utility Easements to Felt Three Lots SCALE: NOTED	4403 Oaks Avenue Parcels P56562 & P56573 DATE: Nov. 2, 2016
---	--	--

EXHIBIT #07

ENCROACHMENT APPLICATION & DRAWING FOR RETAINING WALL



City of Anacortes Application for
ENCROACHMENT TEMPORARY INTO
CITY STREET OR ALLEY RIGHT OF WAY



Street Address of Proposed Encroachment NHN Oakes Avenue - 48 North PUD

Name of Property Owner(s) as they appear on the property deed. A copy of the Property Deed must be submitted with application. (Please print) 48 North On Fidalgo Island LLC

Applicant(s) Name Nels Strandberg Phone 360-293-7431 (Debbie)
48 North On Fidalgo Island
E-mail address NelseStrandbergconstruction.com
(Please Print)

Mailing Address: PO Box 319 Anacortes WA 98221

Legal description of property, be specific and attach property deed with complete description. Include Parcel Number.

Parcel 31681

Legal description attached

Property deed attached

Please give a detailed description of the proposed encroachment. Include the dimensions of the encroachment off of your property line and into the City right of way. Use additional sheet if necessary.

Retaining walls located on Tract "A" and Tract "B" of the 48 North PUD encroach into the Right of Way, see attached drawing. Tract "A" retaining wall encroaches approximately 8 feet into the Right of Way as shown in red on attached drawing. Tract "B" retaining wall encroaches approximately 16 feet into Right of Way beginning at Oakes Avenue and Latitude Circle and approximately 20 feet into Right of Way at the north end of wall shown in red on attached drawing.

ENCROACHMENTS INTO OPENED OR UNOPENED ALLEYS. Please include names and mailing addresses of Property Owners in the block abutting the street or alley right-of-way to be encroached upon

N/A

Reason for proposed encroachment:

PLEASE NOTE: It can take up to two months to complete the Encroachment Application process.

Certification: I, Nels Strandberg (member), as the applicant for this permit, do hereby declare that I am the legal owner of the property adjoining the City right-of-way for which I am requesting use.

Dated this 16th day of February year 2017

Signature of Applicant(s)

 Date 2/16/17

Date _____

If you have any questions regarding the process of your application contact:

Russ Pittis
Engineering Division
904 6th Street
Anacortes, WA 98221
Telephone (360) 299-1964 Fax (360) 293-1938

Please submit complete application with payment to:

Anacortes City Hall
Finance Dept.
PO Box 547
904 6th Street
Anacortes, WA 98221
Telephone (360) 293-1919 Fax (360) 293-1938

For Office Use Only

Details for Parcel: P31681



Jurisdiction: ANACORTES
Please contact the city of **ANACORTES** for ANACORTES zoning information.

Zoning Designation:

[Recorded Documents](#)
[Excise Affidavits](#)

*Documents scanned and recorded by the Auditor's office
Document scans of excise affidavits*

Parcel Number	XrefID	Quarter	Section	Township	Range
P31681	350122-4-004-0000	SE	22	35	01

Owner Information	Site Address(es)	Map Links
48 NORTH ON FIDALGO ISLAND LLC PO BOX 319 ANACORTES, WA 98221		Open in iMap Assessor's Parcel Map: PDF QWF

Current Legal Description [Abbreviation Definitions](#)

THAT PORTION OF THE SOUTH HALF OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 22, TOWNSHIP 35 NORTH, RANGE 1 EAST, W.M., LYING SOUTHEASTERLY OF THE 'BURROWS BAY ROAD', EXCEPT THE 'COPPER MINE ROAD' ALONG THE EAST LINE THEREOF, AND EXCEPT THE FOLLOWING DESCRIBED TRACTS: A) BEGINNING AT THE SOUTHEAST CORNER OF THE SOUTH HALF OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION; THENCE NORTH 88 DEGREES 59'46" WEST ALONG THE SOUTH LINE OF SAID SOUTH HALF OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER, 30.00 FEET TO THE WEST LINE OF THE 'COPPER MINE ROAD'; THENCE CONTINUE NORTH 88 DEGREES 59'46" WEST 781.88 FEET; THENCE NORTH 2 DEGREES 11'29" EAST 669.34 FEET TO THE NORTH LINE OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER AND THE TRUE POINT OF BEGINNING OF THIS DESCRIPTION, SAID POINT BEING THE NORTHWEST CORNER OF THAT CERTAIN TRACT CONVEYED TO THE PORT OF ANACORTES, A MUNICIPAL CORPORATION BY DEED RECORDED UNDER AUDITOR'S FILE NO. 716164; THENCE FROM SAID TRUE POINT OF BEGINNING RUN SOUTH 2 DEGREES 11'29" WEST ALONG THE WEST LINE OF SAID PORT OF ANACORTES TRACT, A DISTANCE OF 15 FEET; THENCE WEST PARALLEL WITH THE NORTH LINE OF SAID SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER TO THE EASTERLY LINE OF THE 'BURROWS BAY ROAD'; THENCE NORTHERLY ALONG SAID EASTERLY LINE TO THE NORTH LINE OF SAID SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER; THENCE EAST ALONG SAID NORTH LINE TO THE TRUE POINT OF BEGINNING. B) BEGINNING AT THE SOUTHEAST CORNER OF THE SOUTH HALF OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER; THENCE NORTH 88 DEGREES 59'46" WEST ALONG THE SOUTH LINE OF SAID SUBDIVISION 30.00 FEET TO THE WEST LINE OF THE 'COPPER MINE ROAD'; AND THE TRUE POINT OF BEGINNING; THENCE CONTINUE NORTH 88 DEGREES 59'46" WEST 781.88 FEET; THENCE NORTH 2 DEGREES 11'29" EAST 669.34 FEET TO THE NORTH LINE OF SAID SUBDIVISION; THENCE SOUTH 88 DEGREES 40'23" EAST ALONG THE NORTH LINE OF SAID SUBDIVISION 760.00 FEET TO THE WEST LINE OF THE 'COPPER MINE ROAD'; THENCE SOUTH 0 DEGREES 18'59" WEST ALONG SAID ROAD A DISTANCE OF 664.96 FEET TO THE TRUE POINT OF BEGINNING. SURVEY RECORDED UNDER AF#200807220033.

2016 Values for 2017 Taxes*

Building Market Value	\$0.00
Land Market Value	+\$540,000.00
Total Market Value	\$540,000.00
Assessed Value	\$540,000.00
Taxable Value	\$540,000.00

Sale Information

Deed Type	WARRANTY DEED
Sale Date	2016-03-25
Sale Price	\$2,000,000.00

2017 Property Tax Summary

2017 Taxable Value	\$540,000.00
General Taxes	\$5,141.88
Special Assessments/Fees	
Total Taxes	\$5,141.88

* Effective date of value is January 1 of the assessment year (2016)

Legal Description at time of Assessment

*Land Use	(111) HOUSEHOLD, SFR, INSIDE CITY		WAC 458-53-030
Neighborhood	(26ANADEVA) ANACORTES RESIDENTIAL DEVELOPMENT LAND		
Levy Code	0900	Fire District	
School District	SD103	Exemptions	
Utilities	SEW,WTR-P	Acres	7.20
Improvement 1 Attributes Summary			
Building Style	SINGLE FAMILY RESIDENCE		
Year Built		Foundation	
Above Grade Living Area		Exterior Walls	
Finished Basement		Roof Covering	
*Total Living Area		Heat/Air Conditioning	
Unfinished Basement		Fireplace	
*Total Garage Area		Bedrooms	
Bathrooms			

For additional information on individual segments see Improvements tab

* Land Use codes are for assessment administration purposes and do not represent jurisdictional zoning. Please contact the appropriate planning department in your jurisdiction for land use questions.

* Total living area includes above grade living area and finished basement area.

* Garage square footage includes all garage areas; basement garages, attached garages, detached garages, etc.

Assessment data for improvements is based on exterior inspections. Please contact the Assessor's office if the information does not accurately reflect the interior characteristics.

RETURN ADDRESS:

Skagit Bank
Main Office
301 E. Fairhaven Ave
P O Box 285
Burlington, WA 98233

201605130083

Skagit County Auditor \$82.00
5/13/2016 Page 1 of 9 1:44PM



DEED%#####%#####%05-11-2016*

DEED OF TRUST

DATE: May 11, 2016

Reference # (if applicable): 155128-SA ✓

Additional on page ____

Grantor(s):

1. 48 NORTH ON FIDALGO ISLAND, LLC.

Grantee(s)

1. Skagit Bank
2. Land Title Company of Skagit County, Trustee

Land Title and Escrow

Legal Description: Ptn NE 1/4 of SE 1/4, 22-35-1 E W.M.

Additional on page ____

Assessor's Tax Parcel ID#: 350122-4-004-0000 (P31631)

THIS DEED OF TRUST is dated May 11, 2016, among 48 NORTH ON FIDALGO ISLAND, LLC., a Washington Limited Liability Company, whose address is 2018 R AVE, ANACORTES, WA 98221-0000 ("Grantor"); Skagit Bank, whose mailing address is Main Office, 301 E. Fairhaven Ave, P O Box 285, Burlington, WA 98233 (referred to below sometimes as "Lender" and sometimes as "Beneficiary"); and Land Title Company of Skagit County, whose mailing address is P O Box 445, Burlington, WA 98233 (referred to below as "Trustee").

**DEED OF TRUST
(Continued)**

Page 2

CONVEYANCE AND GRANT. For valuable consideration, Grantor conveys to Trustee in trust with power of sale, right of entry and possession and for the benefit of Lender as Beneficiary, all of Grantor's right, title, and interest in and to the following described real property, together with all existing or subsequently erected or affixed buildings, improvements and fixtures; all easements, rights of way, and appurtenances; all water, water rights and ditch rights (including stock in utilities with ditch or irrigation rights); and all other rights, royalties, and profits relating to the real property, including without limitation all minerals, oil, gas, geothermal and similar matters. **(the "Real Property")** located in Skagit County, State of Washington:

See Schedule A-1, which is attached to this Deed of Trust and made a part of this Deed of Trust as if fully set forth herein.

The Real Property or its address is commonly known as **NHN Oakes Ave (30 single family lots), Anacortes, WA 98221. The Real Property tax identification number is 350122-4-004-0000 (P31681).**

CROSS-COLLATERALIZATION. In addition to the Note, this Deed of Trust secures all obligations, debts and liabilities, plus interest thereon, of Grantor to Lender, or any one or more of them, as well as all claims by Lender against Grantor or any one or more of them, whether now existing or hereafter arising, whether related or unrelated to the purpose of the Note, whether voluntary or otherwise, whether due or not due, direct or indirect, determined or undetermined, absolute or contingent, liquidated or unliquidated, whether Grantor may be liable individually or jointly with others, whether obligated as guarantor, surety, accommodation party or otherwise, and whether recovery upon such amounts may be or hereafter may become barred by any statute of limitations, and whether the obligation to repay such amounts may be or hereafter may become otherwise unenforceable.

Grantor hereby assigns as security to Lender, all of Grantor's right, title, and interest in and to all leases, Rents, and profits of the Property. This assignment is recorded in accordance with RCW 65.08.070; the lien created by this assignment is intended to be specific, perfected and choate upon the recording of this Deed of Trust. Lender grants to Grantor a license to collect the Rents and profits, which license may be revoked at Lender's option and shall be automatically revoked upon acceleration of all or part of the indebtedness. In addition, Grantor grants to Lender a Uniform Commercial Code security interest in the Personal Property and Rents.

THIS DEED OF TRUST, INCLUDING THE ASSIGNMENT OF RENTS AND THE SECURITY INTEREST IN THE RENTS AND PERSONAL PROPERTY, IS GIVEN TO SECURE (A) PAYMENT OF THE INDEBTEDNESS AND (B) PERFORMANCE OF ANY AND ALL OBLIGATIONS UNDER THE NOTE, THE RELATED DOCUMENTS, AND THIS DEED OF TRUST. THIS DEED OF TRUST, INCLUDING THE ASSIGNMENT OF RENTS AND THE SECURITY INTEREST IN THE RENTS AND PERSONAL PROPERTY, IS ALSO GIVEN TO SECURE ANY AND ALL OF GRANTOR'S OBLIGATIONS UNDER THAT CERTAIN CONSTRUCTION LOAN AGREEMENT BETWEEN GRANTOR AND LENDER OF EVEN DATE HERewith. ANY EVENT OF DEFAULT UNDER THE CONSTRUCTION LOAN AGREEMENT, OR ANY OF THE RELATED DOCUMENTS REFERRED TO THEREIN, SHALL ALSO BE AN EVENT OF DEFAULT UNDER THIS DEED OF TRUST. THIS DEED OF TRUST IS GIVEN AND ACCEPTED ON THE FOLLOWING TERMS:

PAYMENT AND PERFORMANCE. Except as otherwise provided in this Deed of Trust, Grantor shall pay to Lender all amounts secured by this Deed of Trust as they become due, and shall strictly and in a timely manner perform all of Grantor's obligations under the Note, this Deed of Trust, and the Related Documents.

POSSESSION AND MAINTENANCE OF THE PROPERTY. Grantor agrees that Grantor's possession and use of the Property shall be governed by the following provisions:

Possession and Use. Until the occurrence of an Event of Default, Grantor may (1) remain in possession and control of the Property; (2) use, operate or manage the Property; and (3) collect the Rents from the Property (this privilege is a license from Lender to Grantor automatically revoked upon default). The following provisions relate to the use of the Property or to other limitations on the Property. The Real Property is not used principally for agricultural purposes.

Duty to Maintain. Grantor shall maintain the Property in tenable condition and promptly perform all repairs, replacements, and maintenance necessary to preserve its value.

Nuisance, Waste. Grantor shall not cause, conduct or permit any nuisance nor commit, permit, or suffer any stripping of or waste on or to the Property or any portion of the Property. Without limiting the generality of the foregoing, Grantor will not remove, or grant to any other party the right to remove, any timber, minerals (including oil and gas), coal, clay, scoria, soil, gravel or rock products without Lender's prior written consent.

Removal of Improvements. Grantor shall not demolish or remove any improvements from the Real Property without Lender's prior written consent. As a condition to the removal of any improvements, Lender may require Grantor to make arrangements satisfactory to Lender to replace such improvements with improvements of at least equal value.

Lender's Right to Enter. Lender and Lender's agents and representatives may enter upon the Real Property at all reasonable times to attend to Lender's interests and to inspect the Real Property for purposes of Grantor's compliance with the terms and conditions of this Deed of Trust.

Compliance with Governmental Requirements. Grantor shall promptly comply, and shall promptly cause compliance by all agents, tenants or other persons or entities of every nature whatsoever who rent, lease or otherwise use or occupy the Property in any manner, with all laws, ordinances, and regulations, now or hereafter in effect, of all governmental authorities applicable to the use or occupancy of the Property, including without limitation, the Americans With Disabilities Act. Grantor may contest in good faith any such law, ordinance, or regulation and withhold compliance during any proceeding, including appropriate appeals, so long as Grantor has notified Lender in writing prior to doing so and so long as, in Lender's sole opinion, Lender's interests in the Property are not jeopardized. Lender may require Grantor to post adequate security or a surety bond, reasonably satisfactory to Lender, to protect Lender's interest.

Duty to Protect. Grantor agrees neither to abandon nor leave unattended the Property. Grantor shall do all other acts, in addition to those acts set forth above in this section, which from the character and use of the Property are reasonably necessary to protect and preserve the Property.

DUE ON SALE - CONSENT BY LENDER. Lender may, at Lender's option, (A) declare immediately due and payable all sums secured by this Deed of Trust or (B) increase the interest rate provided for in the Note or other document evidencing the indebtedness and impose such other conditions as Lender deems appropriate, upon the sale or transfer, without Lender's prior written consent, of all or any part of the Real Property, or any interest in the Real Property. A "sale or transfer" means the conveyance of Real Property or any right, title or interest in the Real Property; whether

**DEED OF TRUST
(Continued)**

Page 3

legal, beneficial or equitable; whether voluntary or involuntary; whether by outright sale, deed, installment sale contract, land contract, contract for deed, leasehold interest with a term greater than three (3) years, lease-option contract, or by sale, assignment, or transfer of any beneficial interest in or to any land trust holding title to the Real Property, or by any other method of conveyance of an interest in the Real Property. If any Grantor is a corporation, partnership or limited liability company, transfer also includes any change in ownership of more than twenty-five percent (25%) of the voting stock, partnership interests or limited liability company interests, as the case may be, of such Grantor. However, this option shall not be exercised by Lender if such exercise is prohibited by federal law or by Washington law.

TAXES AND LIENS. The following provisions relating to the taxes and liens on the Property are part of this Deed of Trust:

Payment. Grantor shall pay when due (and in all events prior to delinquency) all taxes, special taxes, assessments, charges (including water and sewer), fines and impositions levied against or on account of the Property, and shall pay when due all claims for work done on or for services rendered or material furnished to the Property. Grantor shall maintain the Property free of all liens having priority over or equal to the interest of Lender under this Deed of Trust, except for the lien of taxes and assessments not due and except as otherwise provided in this Deed of Trust.

Right to Contest. Grantor may withhold payment of any tax, assessment, or claim in connection with a good faith dispute over the obligation to pay, so long as Lender's interest in the Property is not jeopardized. If a lien arises or is filed as a result of nonpayment, Grantor shall within fifteen (15) days after the lien arises or, if a lien is filed, within fifteen (15) days after Grantor has notice of the filing, secure the discharge of the lien, or if requested by Lender, deposit with Lender cash or a sufficient corporate surety bond or other security satisfactory to Lender in an amount sufficient to discharge the lien plus any costs and attorneys' fees, or other charges that could accrue as a result of a foreclosure of sale under the lien. In any contest, Grantor shall defend itself and Lender and shall satisfy any adverse judgment before enforcement against the Property. Grantor shall name Lender as an additional obligee under any surety bond furnished in the contest proceedings.

Evidence of Payment. Grantor shall upon demand furnish to Lender satisfactory evidence of payment of the taxes or assessments and shall authorize the appropriate governmental official to deliver to Lender at any time a written statement of the taxes and assessments against the Property.

Notice of Construction. Grantor shall notify Lender at least fifteen (15) days before any work is commenced, any services are furnished, or any materials are supplied to the Property, if any mechanic's lien, materialman's lien, or other lien could be asserted on account of the work, services, or materials. Grantor will upon request of Lender furnish to Lender advance assurances satisfactory to Lender that Grantor can and will pay the cost of such improvements.

PROPERTY DAMAGE INSURANCE. The following provisions relating to insuring the Property are a part of this Deed of Trust.

Maintenance of Insurance. Grantor shall procure and maintain policies of fire insurance with standard extended coverage endorsements on a fair value basis for the full insurable value covering all improvements on the Real Property in an amount sufficient to avoid application of any coinsurance clause, and with a standard mortgagee clause in favor of Lender. Grantor shall also procure and maintain comprehensive general liability insurance in such coverage amounts as Lender may request with Trustee and Lender being named as additional insureds in such liability insurance policies. Additionally, Grantor shall maintain such other insurance, including but not limited to hazard, business interruption, and boiler insurance, as Lender may reasonably require. Policies shall be written in form, amounts, coverages and basis reasonably acceptable to Lender and issued by a company or companies reasonably acceptable to Lender. Grantor, upon request of Lender, will deliver to Lender from time to time the policies or certificates of insurance in form satisfactory to Lender, including stipulations that coverages will not be cancelled or diminished without at least thirty (30) days prior written notice to Lender. Each insurance policy also shall include an endorsement providing that coverage in favor of Lender will not be impaired in any way by any act, omission or default of Grantor or any other person. Should the Real Property be located in an area designated by the Administrator of the Federal Emergency Management Agency as a special flood hazard area, Grantor agrees to obtain and maintain Federal Flood Insurance, if available, within 45 days after notice is given by Lender that the Property is located in a special flood hazard area, for the full unpaid principal balance of the loan and any prior liens on the property securing the loan, up to the maximum policy limits set under the National Flood Insurance Program, or as otherwise required by Lender, and to maintain such insurance for the term of the loan.

Application of Proceeds. Grantor shall promptly notify Lender of any loss or damage to the Property. Lender may make proof of loss if Grantor fails to do so within fifteen (15) days of the casualty. Whether or not Lender's security is impaired, Lender may, at Lender's election, receive and retain the proceeds of any insurance and apply the proceeds to the reduction of the indebtedness, payment of any lien affecting the Property, or the restoration and repair of the Property. If Lender elects to apply the proceeds to restoration and repair, Grantor shall repair or replace the damaged or destroyed improvements in a manner satisfactory to Lender. Lender shall, upon satisfactory proof of such expenditure, pay or reimburse Grantor from the proceeds for the reasonable cost of repair or restoration if Grantor is not in default under this Deed of Trust. Any proceeds which have not been disbursed within 180 days after their receipt and which Lender has not committed to the repair or restoration of the Property shall be used first to pay any amount owing to Lender under this Deed of Trust, then to pay accrued interest, and the remainder, if any, shall be applied to the principal balance of the indebtedness. If Lender holds any proceeds after payment in full of the indebtedness, such proceeds shall be paid without interest to Grantor as Grantor's interests may appear.

Grantor's Report on Insurance. Upon request of Lender, however not more than once a year, Grantor shall furnish to Lender a report on each existing policy of insurance showing: (1) the name of the insurer; (2) the risks insured; (3) the amount of the policy; (4) the property insured, the then current replacement value of such property, and the manner of determining that value; and (5) the expiration date of the policy. Grantor shall, upon request of Lender, have an independent appraiser satisfactory to Lender determine the cash value replacement cost of the Property.

LENDER'S EXPENDITURES. If any action or proceeding is commenced that would materially affect Lender's interest in the Property or if Grantor fails to comply with any provision of this Deed of Trust or any Related Documents, including but not limited to Grantor's failure to discharge or pay when due any amounts Grantor is required to discharge or pay under this Deed of Trust or any Related Documents, Lender on Grantor's behalf may (but shall not be obligated to) take any action that Lender deems appropriate, including but not limited to discharging or paying all taxes, liens, security interests, encumbrances and other claims, at any time levied or placed on the Property and paying all costs for insuring, maintaining and preserving the Property. All such expenditures incurred or paid by Lender for such purposes will then bear interest at the rate charged under the Note from the date incurred or paid by Lender to the date of repayment by Grantor. All such expenses will become a part of the indebtedness and, at Lender's option, will (A) be payable on demand; (B) be added to the balance of the Note and be apportioned among and be payable with any installment payments to become due during either (1) the term of any applicable insurance policy; or (2) the remaining term of

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(Continued)**

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the Note or (C) be treated as a balloon payment which will be due and payable at the Note's maturity. The Deed of Trust also will secure payment of these amounts. Such right shall be in addition to all other rights and remedies to which Lender may be entitled upon Default.

WARRANTY; DEFENSE OF TITLE. The following provisions relating to ownership of the Property are a part of this Deed of Trust:

Title. Grantor warrants that: (a) Grantor holds good and marketable title of record to the Property in fee simple, free and clear of all liens and encumbrances other than those set forth in the Real Property description or in any title insurance policy, title report, or final title opinion issued in favor of, and accepted by, Lender in connection with this Deed of Trust, and (b) Grantor has the full right, power, and authority to execute and deliver this Deed of Trust to Lender.

Defense of Title. Subject to the exception in the paragraph above, Grantor warrants and will forever defend the title to the Property against the lawful claims of all persons. In the event any action or proceeding is commenced that questions Grantor's title or the interest of Trustee or Lender under this Deed of Trust, Grantor shall defend the action at Grantor's expense. Grantor may be the nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of Lender's own choice, and Grantor will deliver, or cause to be delivered, to Lender such instruments as Lender may request from time to time to permit such participation.

Compliance With Laws. Grantor warrants that the Property and Grantor's use of the Property complies with all existing applicable laws, ordinances, and regulations of governmental authorities.

Survival of Representations and Warranties. All representations, warranties, and agreements made by Grantor in this Deed of Trust shall survive the execution and delivery of this Deed of Trust, shall be continuing in nature, and shall remain in full force and effect until such time as Grantor's indebtedness shall be paid in full.

CONDEMNATION. The following provisions relating to condemnation proceedings are a part of this Deed of Trust:

Proceedings. If any proceeding in condemnation is filed, Grantor shall promptly notify Lender in writing, and Grantor shall promptly take such steps as may be necessary to defend the action and obtain the award. Grantor may be the nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of its own choice all at Grantor's expense, and Grantor will deliver or cause to be delivered to Lender such instruments and documentation as may be requested by Lender from time to time to permit such participation.

Application of Net Proceeds. If all or any part of the Property is condemned by eminent domain proceedings or by any proceeding or purchase in lieu of condemnation, Lender may at its election require that all or any portion of the net proceeds of the award be applied to the indebtedness or the repair or restoration of the Property. The net proceeds of the award shall mean the award after payment of all reasonable costs, expenses, and attorneys' fees incurred by Trustee or Lender in connection with the condemnation.

IMPOSITION OF TAXES, FEES AND CHARGES BY GOVERNMENTAL AUTHORITIES. The following provisions relating to governmental taxes, fees and charges are a part of this Deed of Trust:

Current Taxes, Fees and Charges. Upon request by Lender, Grantor shall execute such documents in addition to this Deed of Trust and take whatever other action is requested by Lender to perfect and continue Lender's lien on the Real Property. Grantor shall reimburse Lender for all taxes, as described below, together with all expenses incurred in recording, perfecting or continuing this Deed of Trust, including without limitation all taxes, fees, documentary stamps, and other charges for recording or registering this Deed of Trust.

Taxes. The following shall constitute taxes to which this section applies: (1) a specific tax upon this type of Deed of Trust or upon all or any part of the indebtedness secured by this Deed of Trust; (2) a specific tax on Grantor which Grantor is authorized or required to deduct from payments on the indebtedness secured by this type of Deed of Trust; (3) a tax on this type of Deed of Trust chargeable against the Lender or the holder of the Note; and (4) a specific tax on all or any portion of the indebtedness or on payments of principal and interest made by Grantor.

Subsequent Taxes. If any tax to which this section applies is enacted subsequent to the date of this Deed of Trust, this event shall have the same effect as an Event of Default, and Lender may exercise any or all of its available remedies for an Event of Default as provided below unless Grantor either (1) pays the tax before it becomes delinquent, or (2) contests the tax as provided above in the Taxes and Liens section and deposits with Lender cash or a sufficient corporate surety bond or other security satisfactory to Lender.

SECURITY AGREEMENT; FINANCING STATEMENTS. The following provisions relating to this Deed of Trust as a security agreement are a part of this Deed of Trust:

Security Agreement. This instrument shall constitute a Security Agreement to the extent any of the Property constitutes fixtures, and Lender shall have all of the rights of a secured party under the Uniform Commercial Code as amended from time to time.

Security Interest. Upon request by Lender, Grantor shall take whatever action is requested by Lender to perfect and continue Lender's security interest in the Rents and Personal Property. In addition to recording this Deed of Trust in the real property records, Lender may, at any time and without further authorization from Grantor, file executed counterparts, copies or reproductions of this Deed of Trust as a financing statement. Grantor shall reimburse Lender for all expenses incurred in perfecting or continuing this security interest. Upon default, Grantor shall not remove, sever or detach the Personal Property from the Property. Upon default, Grantor shall assemble any Personal Property not affixed to the Property in a manner and at a place reasonably convenient to Grantor and Lender and make it available to Lender within three (3) days after receipt of written demand from Lender to the extent permitted by applicable law.

Addressee. The mailing addresses of Grantor (debtor) and Lender (secured party) from which information concerning the security interest granted by this Deed of Trust may be obtained (each as required by the Uniform Commercial Code) are as stated on the first page of this Deed of Trust.

FURTHER ASSURANCES; ATTORNEY-IN-FACT. The following provisions relating to further assurances and attorney-in-fact are a part of this Deed of Trust:

Further Assurances. At any time, and from time to time, upon request of Lender, Grantor will make, execute and deliver, or will cause to be made, executed or delivered, to Lender or to Lender's designee, and when requested by Lender, cause to be filed, recorded, refiled, or rerecorded, as the case may be, at such times and in such offices and places as Lender may deem appropriate, any and all such mortgages, deeds of trust, security deeds, security agreements, financing statements, continuation statements, instruments of further assurance, certificates, and other documents as may, in the sole opinion of Lender, be necessary or desirable in order to effectuate, complete, perfect, continue, or preserve (1) Grantor's obligations under the Note, this Deed of Trust, and the Related

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Documents, and (2) the liens and security interests created by this Deed of Trust as first and prior liens on the Property, whether now owned or hereafter acquired by Grantor. Unless prohibited by law or Lender agrees to the contrary in writing, Grantor shall reimburse Lender for all costs and expenses incurred in connection with the matters referred to in this paragraph.

Attorney-in-Fact. If Grantor fails to do any of the things referred to in the preceding paragraph, Lender may do so for and in the name of Grantor and at Grantor's expense. For such purposes, Grantor hereby irrevocably appoints Lender as Grantor's attorney-in-fact for the purpose of making, executing, delivering, filing, recording, and doing all other things as may be necessary or desirable, in Lender's sole opinion, to accomplish the matters referred to in the preceding paragraph.

FULL PERFORMANCE. If Grantor pays all the Indebtedness when due, and otherwise performs all the obligations imposed upon Grantor under this Deed of Trust, Lender shall execute and deliver to Trustee a request for full reconveyance and shall execute and deliver to Grantor suitable statements of termination of any financing statement on file evidencing Lender's security interest in the Rents and the Personal Property. Any reconveyance fee shall be paid by Grantor, if permitted by applicable law. The grantee in any reconveyance may be described as the "person or persons legally entitled thereto", and the recitals in the reconveyance of any matters or facts shall be conclusive proof of the truthfulness of any such matters or facts.

EVENTS OF DEFAULT. Each of the following, at Lender's option, shall constitute an Event of Default under this Deed of Trust:

Payment Default. Grantor fails to make any payment when due under the Indebtedness.

Other Defaults. Grantor fails to comply with or to perform any other term, obligation, covenant or condition contained in this Deed of Trust or in any of the Related Documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Grantor.

Compliance Default. Failure to comply with any other term, obligation, covenant or condition contained in this Deed of Trust, the Note or in any of the Related Documents.

Default on Other Payments. Failure of Grantor within the time required by this Deed of Trust to make any payment for taxes or insurance, or any other payment necessary to prevent filing of or to effect discharge of any lien.

False Statements. Any warranty, representation or statement made or furnished to Lender by Grantor or on Grantor's behalf under this Deed of Trust or in the Related Documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

Defective Collateralization. This Deed of Trust or any of the Related Documents ceases to be in full force and effect (including failure of any collateral document to create a valid and perfected security interest or lien) at any time and for any reason.

Death or Insolvency. The dissolution of Grantor's (regardless of whether election to continue is made), any member withdraws from the limited liability company, or any other termination of Grantor's existence as a going business or the death of any member, the insolvency of Grantor, the appointment of a receiver for any part of Grantor's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Grantor.

Creditor or Forfeiture Proceedings. Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Grantor or by any governmental agency against any property securing the Indebtedness. This includes a garnishment of any of Grantor's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Grantor as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Grantor gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

Breach of Other Agreement. Any breach by Grantor under the terms of any other agreement between Grantor and Lender that is not remedied within any grace period provided therein, including without limitation any agreement concerning any indebtedness or other obligation of Grantor to Lender, whether existing now or later.

Events Affecting Guarantor. Any of the preceding events occurs with respect to any Guarantor of any of the Indebtedness or any Guarantor dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any Guaranty of the Indebtedness.

Adverse Change. A material adverse change occurs in Grantor's financial condition, or Lender believes the prospect of payment or performance of the Indebtedness is impaired.

Insecurity. Lender in good faith believes itself insecure.

RIGHTS AND REMEDIES ON DEFAULT. If an Event of Default occurs under this Deed of Trust, at any time thereafter, Trustee or Lender may exercise any one or more of the following rights and remedies:

Election of Remedies. Election by Lender to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of Grantor under this Deed of Trust, after Grantor's failure to perform, shall not affect Lender's right to declare a default and exercise its remedies.

Accelerate Indebtedness. Lender shall have the right at its option to declare the entire Indebtedness immediately due and payable, including any prepayment penalty which Grantor would be required to pay.

Foreclosure. With respect to all or any part of the Real Property, the Trustee shall have the right to exercise its power of sale and to foreclose by notice and sale, and Lender shall have the right to foreclose by judicial foreclosure, in either case in accordance with and to the full extent provided by applicable law.

UCC Remedies. With respect to all or any part of the Personal Property, Lender shall have all the rights and remedies of a secured party under the Uniform Commercial Code.

Collect Rents. Lender shall have the right, without notice to Grantor to take possession of and manage the Property and collect the Rents, including amounts past due and unpaid, and apply the net proceeds, over and above Lender's costs, against the Indebtedness. In furtherance of this right, Lender may require any tenant or other user of the Property to make payments of rent or use fees directly to Lender. If the Rents are collected by Lender, then Grantor irrevocably designates Lender as Grantor's attorney-in-fact to endorse instruments received in payment thereof in the name of Grantor and to negotiate the same and collect the proceeds. Payments by tenants or other users to Lender in response to Lender's demand shall satisfy the obligations for which the payments are made, whether or not any proper grounds for the demand existed. Lender may exercise its rights under this subparagraph either in person, by agent, or through a receiver.

Appoint Receiver. Lender shall have the right to have a receiver appointed to take possession of all or any part of

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the Property, with the power to protect and preserve the Property, to operate the Property preceding or pending foreclosure or sale, and to collect the Rents from the Property and apply the proceeds, over and above the cost of the receivership, against the Indebtedness. The receiver may serve without bond if permitted by law. Lender's right to the appointment of a receiver shall exist whether or not the apparent value of the Property exceeds the Indebtedness by a substantial amount. Employment by Lender shall not disqualify a person from serving as a receiver.

Tenancy at Sufferance. If Grantor remains in possession of the Property after the Property is sold as provided above or Lender otherwise becomes entitled to possession of the Property upon default of Grantor, Grantor shall become a tenant at sufferance of Lender or the purchaser of the Property and shall, at Lender's option, either (1) pay a reasonable rental for the use of the Property, or (2) vacate the Property immediately upon the demand of Lender.

Other Remedies. Trustee or Lender shall have any other right or remedy provided in this Deed of Trust or the Note or available at law or in equity.

Notice of Sale. Lender shall give Grantor reasonable notice of the time and place of any public sale of the Personal Property or of the time after which any private sale or other intended disposition of the Personal Property is to be made. Reasonable notice shall mean notice given at least ten (10) days before the time of the sale or disposition. Any sale of the Personal Property may be made in conjunction with any sale of the Real Property.

Sale of the Property. To the extent permitted by applicable law, Grantor hereby waives any and all rights to have the Property marshalled. In exercising its rights and remedies, the Trustee or Lender shall be free to sell all or any part of the Property together or separately, in one sale or by separate sales. Lender shall be entitled to bid at any public sale on all or any portion of the Property.

Attorneys' Fees; Expenses. If Lender institutes any suit or action to enforce any of the terms of this Deed of Trust, Lender shall be entitled to recover such sum as the court may adjudge reasonable as attorneys' fees at trial and upon any appeal. Whether or not any court action is involved, and to the extent not prohibited by law, all reasonable expenses Lender incurs that in Lender's opinion are necessary at any time for the protection of its interest or the enforcement of its rights shall become a part of the Indebtedness payable on demand and shall bear interest at the Note rate from the date of the expenditure until repaid. Expenses covered by this paragraph include, without limitation, however subject to any limits under applicable law, Lender's attorneys' fees and Lender's legal expenses, whether or not there is a lawsuit, including attorneys' fees and expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services, the cost of searching records, obtaining title reports (including foreclosure reports), surveyors' reports, and appraisal fees, title insurance, and fees for the Trustee, to the extent permitted by applicable law. Grantor also will pay any court costs, in addition to all other sums provided by law.

Rights of Trustee. Trustee shall have all of the rights and duties of Lender as set forth in this section.

POWERS AND OBLIGATIONS OF TRUSTEE. The following provisions relating to the powers and obligations of Trustee (pursuant to Lender's Instructions) are part of this Deed of Trust:

Powers of Trustee. In addition to all powers of Trustee arising as a matter of law, Trustee shall have the power to take the following actions with respect to the Property upon the written request of Lender and Grantor: (a) join in preparing and filing a map or plat of the Real Property, including the dedication of streets or other rights to the public; (b) join in granting any easement or creating any restriction on the Real Property; and (c) join in any subordination or other agreement affecting this Deed of Trust or the interest of Lender under this Deed of Trust.

Obligations to Notify. Trustee shall not be obligated to notify any other party of a pending sale under any other trust deed or lien, or of any action or proceeding in which Grantor, Lender, or Trustee shall be a party, unless required by applicable law, or unless the action or proceeding is brought by Trustee.

Trustee. Trustee shall meet all qualifications required for Trustee under applicable law. In addition to the rights and remedies set forth above, with respect to all or any part of the Property, the Trustee shall have the right to foreclose by notice and sale, and Lender shall have the right to foreclose by judicial foreclosure, in either case in accordance with and to the full extent provided by applicable law.

Successor Trustee. Lender, at Lender's option, may from time to time appoint a successor Trustee to any Trustee appointed under this Deed of Trust by an instrument executed and acknowledged by Lender and recorded in the office of the recorder of Skagit County, State of Washington. The instrument shall contain, in addition to all other matters required by state law, the names of the original Lender, Trustee, and Grantor, the book and page or the Auditor's File Number where this Deed of Trust is recorded, and the name and address of the successor Trustee, and the instrument shall be executed and acknowledged by Lender or its successors in interest. The successor trustee, without conveyance of the Property, shall succeed to all the title, power, and duties conferred upon the Trustee in this Deed of Trust and by applicable law. This procedure for substitution of Trustee shall govern to the exclusion of all other provisions for substitution.

NOTICES. Subject to applicable law, and except for notice required or allowed by law to be given in another manner, any notice required to be given under this Deed of Trust, including without limitation any notice of default and any notice of sale shall be given in writing, and shall be effective when actually delivered, when actually received by telefacsimile (unless otherwise required by law), when deposited with a nationally recognized overnight courier, or, if mailed, when deposited in the United States mail, as first class, certified or registered mail postage prepaid, directed to the addresses shown near the beginning of this Deed of Trust. All copies of notices of foreclosure from the holder of any lien which has priority over this Deed of Trust shall be sent to Lender's address, as shown near the beginning of this Deed of Trust. Any party may change its address for notices under this Deed of Trust by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. For notice purposes, Grantor agrees to keep Lender informed at all times of Grantor's current address. Subject to applicable law, and except for notice required or allowed by law to be given in another manner, if there is more than one Grantor, any notice given by Lender to any Grantor is deemed to be notice given to all Grantors.

MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Deed of Trust:

Amendments. This Deed of Trust, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Deed of Trust. No alteration of or amendment to this Deed of Trust shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

Annual Reports. If the Property is used for purposes other than Grantor's residence, Grantor shall furnish to Lender, upon request, a certified statement of net operating income received from the Property during Grantor's previous fiscal year in such form and detail as Lender shall require. "Net operating income" shall mean all cash receipts from the Property less all cash expenditures made in connection with the operation of the Property.

Caption Headings. Caption headings in this Deed of Trust are for convenience purposes only and are not to be

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used to interpret or define the provisions of this Deed of Trust.

Merger. There shall be no merger of the interest or estate created by this Deed of Trust with any other interest or estate in the Property at any time held by or for the benefit of Lender in any capacity, without the written consent of Lender.

Governing Law. This Deed of Trust will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Washington without regard to its conflicts of law provisions. This Deed of Trust has been accepted by Lender in the State of Washington.

No Waiver by Lender. Lender shall not be deemed to have waived any rights under this Deed of Trust unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Deed of Trust shall not prejudice or constitute a waiver of Lender's right otherwise to demand strict compliance with that provision or any other provision of this Deed of Trust. No prior waiver by Lender, nor any course of dealing between Lender and Grantor, shall constitute a waiver of any of Lender's rights or of any of Grantor's obligations as to any future transactions. Whenever the consent of Lender is required under this Deed of Trust, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of Lender.

Severability. If a court of competent jurisdiction finds any provision of this Deed of Trust to be illegal, invalid, or unenforceable as to any circumstance, that finding shall not make the offending provision illegal, invalid, or unenforceable as to any other circumstance. If feasible, the offending provision shall be considered modified so that it becomes legal, valid and enforceable. If the offending provision cannot be so modified, it shall be considered deleted from this Deed of Trust. Unless otherwise required by law, the illegality, invalidity, or unenforceability of any provision of this Deed of Trust shall not affect the legality, validity or enforceability of any other provision of this Deed of Trust.

Successors and Assigns. Subject to any limitations stated in this Deed of Trust on transfer of Grantor's interest, this Deed of Trust shall be binding upon and inure to the benefit of the parties, their successors and assigns. If ownership of the Property becomes vested in a person other than Grantor, Lender, without notice to Grantor, may deal with Grantor's successors with reference to this Deed of Trust and the indebtedness by way of forbearance or extension without releasing Grantor from the obligations of this Deed of Trust or liability under the indebtedness.

Time is of the Essence. Time is of the essence in the performance of this Deed of Trust.

Waiver of Homestead Exemption. Grantor hereby releases and waives all rights and benefits of the homestead exemption laws of the State of Washington as to all indebtedness secured by this Deed of Trust.

DEFINITIONS. The following capitalized words and terms shall have the following meanings when used in this Deed of Trust. Unless specifically stated to the contrary, all references to dollar amounts shall mean amounts in lawful money of the United States of America. Words and terms used in the singular shall include the plural, and the plural shall include the singular, as the context may require. Words and terms not otherwise defined in this Deed of Trust shall have the meanings attributed to such terms in the Uniform Commercial Code:

Beneficiary. The word "Beneficiary" means Skagit Bank, and its successors and assigns.

Borrower. The word "Borrower" means 48 NORTH ON FIDALGO ISLAND, LLC, and includes all co-signers and co-makers signing the Note and all their successors and assigns.

Deed of Trust. The words "Deed of Trust" mean this Deed of Trust among Grantor, Lender, and Trustee, and includes without limitation all assignment and security interest provisions relating to the Personal Property and Rents.

Default. The word "Default" means the Default set forth in this Deed of Trust in the section titled "Default".

Event of Default. The words "Event of Default" mean any of the events of default set forth in this Deed of Trust in the events of default section of this Deed of Trust.

Grantor. The word "Grantor" means 48 NORTH ON FIDALGO ISLAND, LLC.

Guarantor. The word "Guarantor" means any guarantor, surety, or accommodation party of any or all of the Indebtedness.

Guaranty. The word "Guaranty" means the guaranty from Guarantor to Lender, including without limitation a guaranty of all or part of the Note.

Improvements. The word "Improvements" means all existing and future improvements, buildings, structures, mobile homes affixed on the Real Property, facilities, additions, replacements and other construction on the Real Property.

Indebtedness. The word "Indebtedness" means all principal, interest, and other amounts, costs and expenses payable under the Note or Related Documents, together with all renewals of, extensions of, modifications of, consolidations of and substitutions for the Note or Related Documents and any amounts expended or advanced by Lender to discharge Grantor's obligations or expenses incurred by Trustee or Lender to enforce Grantor's obligations under this Deed of Trust, together with interest on such amounts as provided in this Deed of Trust. Specifically, without limitation, Indebtedness includes all amounts that may be indirectly secured by the Cross-Collateralization provision of this Deed of Trust.

Lender. The word "Lender" means Skagit Bank, its successors and assigns.

Note. The word "Note" means the promissory note dated May 11, 2016, in the original principal amount of **\$2,362,500.00** from Grantor to Lender, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the promissory note or agreement. **NOTICE TO GRANTOR: THE NOTE CONTAINS A VARIABLE INTEREST RATE.**

Personal Property. The words "Personal Property" mean all equipment, fixtures, and other articles of personal property now or hereafter owned by Grantor, and now or hereafter attached or affixed to the Real Property, together with all accessions, parts, and additions to, all replacements of, and all substitutions for, any of such property; and together with all issues and profits thereon and proceeds (including without limitation all insurance proceeds and refunds of premiums) from any sale or other disposition of the Property.

Property. The word "Property" means collectively the Real Property and the Personal Property.

Real Property. The words "Real Property" mean the real property, interests and rights, as further described in this Deed of Trust.

Related Documents. The words "Related Documents" mean all promissory notes, credit agreements, loan agreements, security agreements, mortgages, deeds of trust, security deeds, collateral mortgages, and all other

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instruments, agreements and documents, whether now or hereafter existing, executed in connection with the indebtedness; provided, that guaranties and environmental indemnity agreements are not "Related Documents" and are not secured by this Deed of Trust.

Rents. The word "Rents" means all present and future rents, revenues, income, issues, royalties, profits, and other benefits derived from the Property.

Trustee. The word "Trustee" means Land Title Company of Skagit County, whose mailing address is P O Box 445, Burlington, WA 98233 and any substitute or successor trustees.

GRANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS DEED OF TRUST, AND GRANTOR AGREES TO ITS TERMS.

GRANTOR:

48 NORTH ON FIDALGO ISLAND, LLC.

STRANDBERG INVESTMENTS, LLC, Member of 48 NORTH ON FIDALGO ISLAND, LLC.

By: NELS G STRANDBERG, Member of STRANDBERG INVESTMENTS, LLC.



LIMITED LIABILITY COMPANY ACKNOWLEDGMENT

STATE OF Washington)
COUNTY OF Skagit) SS)

On this 12th day of May, 20 16, before me, the undersigned Notary Public, personally appeared NELS G STRANDBERG, Member of STRANDBERG INVESTMENTS, LLC, Member of 48 NORTH ON FIDALGO ISLAND, LLC, and personally known to me or proved to me on the basis of satisfactory evidence to be a member or designated agent of the limited liability company that executed the Deed of Trust and acknowledged the Deed of Trust to be the free and voluntary act and deed of the limited liability company, by authority of statute, its articles of organization or its operating agreement, for the uses and purposes therein mentioned, and on oath stated that he or she is authorized to execute this Deed of Trust and in fact executed the Deed of Trust on behalf of the limited liability company.

By Laura L. Iles
Notary Public in and for the State of WA

Residing at Anacortes
My commission expires 2-17-19

REQUEST FOR FULL RECONVEYANCE

To: _____, Trustee

The undersigned is the legal owner and holder of all indebtedness secured by this Deed of Trust. You are hereby requested, upon payment of all sums owing to you, to reconvey without warranty, to the persons entitled thereto, the right, title and interest now held by you under the Deed of Trust.

Date: _____

Beneficiary: _____
By: _____
Its: _____

DESCRIPTION:

That portion of the South $\frac{1}{2}$ of the Northeast $\frac{1}{4}$ of the Southeast $\frac{1}{4}$ of Section 22, Township 35 North, Range 1 East, W.M., lying Southeasterly of the "BURROWS BAY ROAD", EXCEPT the "COPPER MINE ROAD" along the East line thereof, AND EXCEPT the following described tracts:

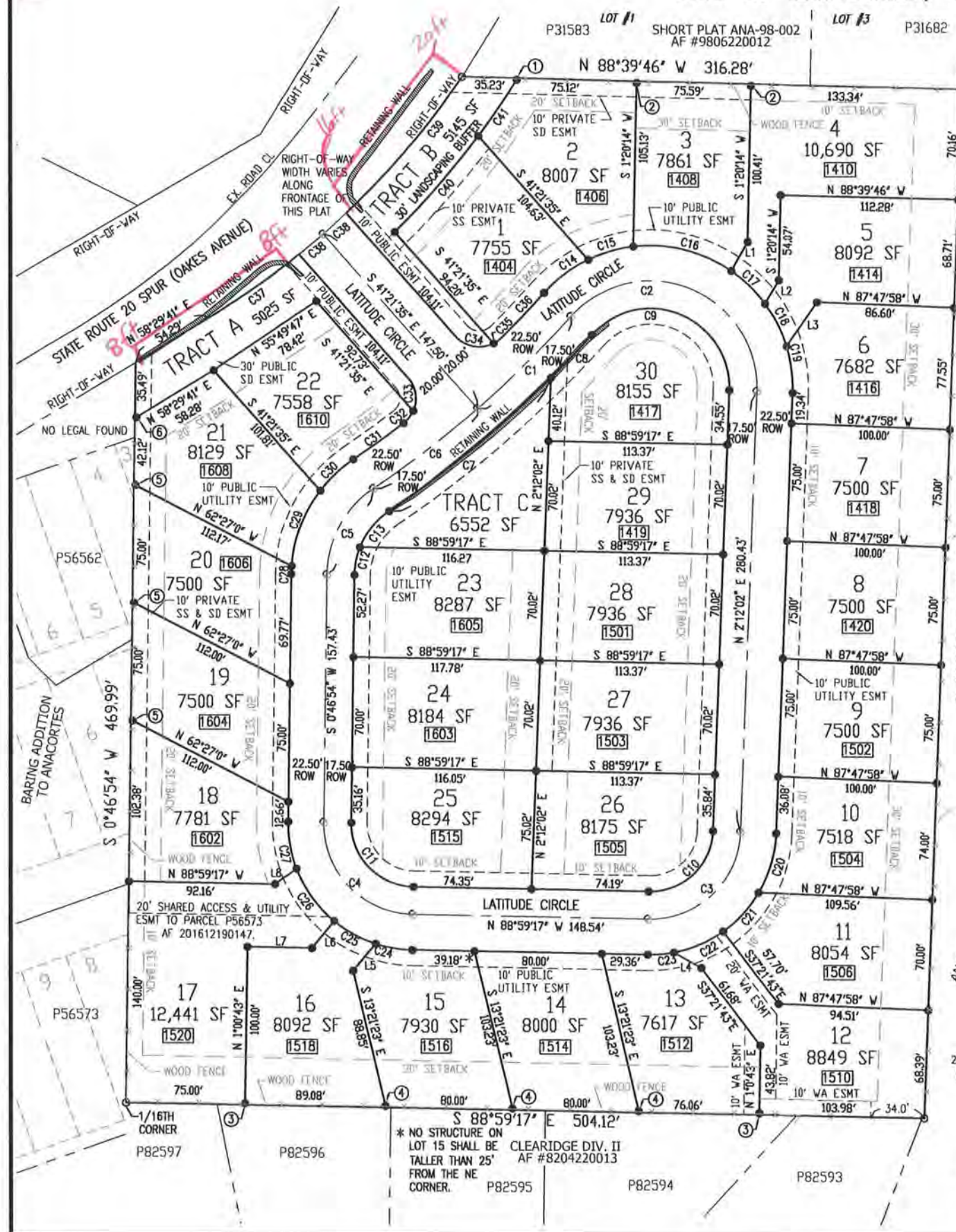
a.) Beginning at the Southeast corner of the South $\frac{1}{2}$ of the Northeast $\frac{1}{4}$ of the Southeast $\frac{1}{4}$ of said Section; thence North $88^{\circ}59'46''$ West along the South line of said South $\frac{1}{2}$ of the Northeast $\frac{1}{4}$ of the Southeast $\frac{1}{4}$, 30.00 feet to the West line of the "COPPER MINE ROAD"; thence continue North $88^{\circ}59'46''$ West 781.88 feet; thence North $2^{\circ}11'29''$ East 669.34 feet to the North line of the Southwest $\frac{1}{4}$ of the Northeast $\frac{1}{4}$ of the Southeast $\frac{1}{4}$ and the true point of beginning of this description, said point being the Northwest corner of that certain tract conveyed to the Port of Anacortes, a municipal corporation, by deed recorded July 22, 1968, under Auditor's File No. 716164; thence from said true point of beginning run South $2^{\circ}11'29''$ West along the West line of said Port of Anacortes tract, a distance of 15 feet; thence West parallel with the North line of said Southwest $\frac{1}{4}$ of the Northeast $\frac{1}{4}$ of the Southeast $\frac{1}{4}$ to the Easterly line of the "BURROWS BAY ROAD"; thence Northerly along said Easterly line to the North line of said Southwest $\frac{1}{4}$ of the Northeast $\frac{1}{4}$ of the Southeast $\frac{1}{4}$; thence East along said North line to the true point of beginning.

b.) Beginning at the Southeast corner of the South $\frac{1}{2}$ of the Northeast $\frac{1}{4}$ of the Southeast $\frac{1}{4}$; thence North $88^{\circ}59'46''$ West along the South line of said subdivision 30.00 feet to the West line of the "COPPER MINE ROAD", and the true point of beginning; thence continue North $88^{\circ}59'46''$ West 781.88 feet; thence North $2^{\circ}11'29''$ East 669.34 feet to the North line of said subdivision; thence South $88^{\circ}40'23''$ East along the North line of said subdivision 760.00 feet to the West line of the "COPPER MINE ROAD"; thence South $0^{\circ}18'59''$ West along said road a distance of 664.96 feet to the true point of beginning.

Situate in the City of Anacortes, County of Skagit, State of Washington.

* 48 North retaining wall
approximate location

48 NORTH PLAT & PUD
SECTION 22, TOWNSHIP 35 NORTH, RANGE 1 EAST, W.M.
CITY OF ANACORTES, WASHINGTON



CURVE TABLE

NUMBER	RADIUS	ARC LENGTH	DELTA ANGLE	NUMBER	RADIUS	ARC LENGTH	DELTA ANGLE
C1	670.00'	83.10'	7°06'23"	C27	80.00'	30.43'	21°47'32"
C2	67.50'	165.72'	140°40'00"	C28	90.00'	5.15'	3°16'54"
C3	57.50'	89.13'	88°48'41"	C29	90.00'	52.06'	33°08'26"
C4	57.50'	90.09'	89°46'11"	C30	90.00'	29.15'	18°33'35"
C5	67.50'	64.77'	54°58'55"	C31	647.50'	39.20'	3°28'07"
C6	670.00'	83.10'	7°07'24"	C32	20.00'	10.06'	28°48'20"
C7	687.50'	133.07'	11°05'24"	C33	20.00'	22.64'	64°50'58"
C8	687.50'	37.68'	3°08'24"	C34	20.00'	26.36'	75°31'21"
C9	50.00'	122.76'	140°40'00"	C35	20.00'	6.33'	18°07'56"
C10	40.00'	62.00'	88°48'41"	C36	647.50'	39.01'	3°27'06"
C11	40.00'	62.67'	89°46'11"	C37	522.50'	69.86'	7°39'39"
C12	50.00'	18.11'	20°45'08"	C38	522.50'	20.00'	2°11'35"
C13	50.00'	29.87'	34°13'48"	C39	522.50'	125.40'	13°00'15"
C14	90.00'	35.21'	22°24'53"	C40	552.50'	80.82'	8°22'54"
C15	90.00'	30.00'	19°06'00"	C41	552.50'	44.58'	4°37'21"
C16	90.00'	65.57'	41°44'31"				
C17	90.00'	30.00'	19°06'00"				
C18	90.00'	30.16'	19°12'00"				
C19	90.00'	30.02'	19°06'36"				
C20	80.00'	39.50'	28°17'27"				
C21	80.00'	33.75'	24°10'07"				
C22	80.00'	34.21'	24°30'00"				
C23	80.00'	16.55'	11°51'16"				
C24	80.00'	23.74'	17°00'00"				
C25	80.00'	30.02'	21°30'00"				
C26	80.00'	41.16'	29°28'39"				

LINE TABLE

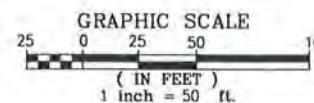
NUMBER	BEARING	DISTANCE
L1	N 29°29'13" E	21.20'
L2	N 29°29'13" E	17.30'
L3	N 34°46'17" E	34.11'
L4	N 60°33'11" W	20.02'
L5	N 39°30'43" E	22.27'
L6	N 39°30'43" E	22.22'
L7	S 88°59'17" E	40.64'
L8	S 54°30'43" W	16.82'

NOTES

1. SET CONCRETE MON WITH BRASS CAP IN CASE WITH COVER.
2. SET RE-BAR AND RED CAP PLS. #27817.
3. FOUND EXISTING REBAR AND CAP MARKED PLS #9569 OR AS NOTED. VISITED 1-4-2017.
4. EQUIPMENT USED: CARLSON CR2 2" TOTAL STATION.
5. ALL CONCRETE MONUMENTS WERE VISITED ON 2-1-2017.
6. ERROR OF CLOSURE MEETS WASHINGTON STATE SURVEY STANDARDS.
7. SURVEY METHOD: STANDARD FIELD TRAVERSE.
8. BASIS OF BEARINGS: Record of Survey, AF 200807220033.
9. ADDRESSES SHOWN ON PLAT.
10. SEE SHEET 3, PUD AND PLAT CONDITIONS #2 FOR BUILDING SETBACK REQUIREMENTS.

OFFSET PROPERTY CORNER NOTES

1. REBAR & CAP SET 1.00' S 32°20'58" W OF TRUE CORNER DUE TO FENCE.
2. REBAR & CAP SET 1.00' S 1°20'14" W OF TRUE CORNER DUE TO FENCE.
3. REBAR & CAP SET 1.00' N 1°04'43" E OF TRUE CORNER DUE TO FENCE.
4. REBAR & CAP SET 1.00' N 13°21'22" W OF TRUE CORNER DUE TO FENCE.
5. REBAR & CAP SET 1.00' S 62°27'00" E OF TRUE CORNER DUE TO FENCE.
6. REBAR & CAP SET 1.00' N 58°29'41" E OF TRUE CORNER DUE TO FENCE.



OWNER/DEVELOPER
48 NORTH ON FIDALGO ISLAND LLC
PO BOX 319
ANACORTES, WA 98221

LAND SURVEYOR
DALE HERRIGSTAD PLS
4320 WHISTLE LAKE ROAD
ANACORTES, WA 98221

SHEET 2 OF 3

PUD-2015-0003

PW #16-005-DEV

DWN BY: DKH
DATE: JAN 2017

HERRIGSTAD ENGINEERING & SURVEYING
4320 Whistle Lake Road, Anacortes, WA 98221 (360) 299-8804

SCALE: NOTED
JOB 2015-53

EXHIBIT #08

SKAGIT TRANSIT EMAIL

Cricchio, Kevin

From: Brad Windler <BWindler@skagittransit.org>
Sent: Tuesday, January 17, 2017 10:11 AM
To: Debbie Headrick
Subject: RE: Bus Stop Location Possibility

Hi Debbie,

Skagit Transit has sufficient bus stops in place along Oakes. We will not need a stop in front of your development.

Thanks,

Brad Windler, Service Development Planner



600 County Shop Lane
Burlington, WA 98233
360-757-5179
bwindler@skagittransit.org

From: Brad Windler
Sent: Monday, January 09, 2017 12:45 PM
To: 'Debbie Headrick'
Subject: RE: Bus Stop Location Possibility

Hi Debbie,

I did get the email. I had asked one of the operations folks for their opinion on this location and I have not heard back. I will follow up with them in person today and get you a response today.

Thanks,

Brad Windler, Service Development Planner



600 County Shop Lane
Burlington, WA 98233
360-757-5179
bwindler@skagittransit.org

From: Debbie Headrick [<mailto:debbie@strandbergconstruction.com>]
Sent: Monday, January 09, 2017 12:43 PM
To: Brad Windler
Subject: [QUAR] FW: Bus Stop Location Possibility
Importance: High

Brad,

Please confirm you have received notice of this information. See email below.

Thank you,

Debbie Headrick
Executive Assistant



2018 R Avenue
PO Box 319
Anacortes WA 98221
Phone: 360-293-7431

From: Debbie Headrick
Sent: Wednesday, December 21, 2016 1:14 PM
To: 'bwindler@skagittransit.org' <bwindler@skagittransit.org>
Subject: FW: Bus Stop Location Possibility

Brad,

We spoke back in July regarding a possible location for a Skagit Transit Bus Stop at our new plat 48 North in Anacortes; however now that we are further along with the plat development, there is not going to be a safe place for the bus to pull off the busy Oakes Avenue/Hiway 20. On Google Earth it shows a bus stop approximately 700 feet East of 48 North at the intersection of Oakes and Anacopper Rd. Once you have had a chance to review please feel free to contact me with questions.

Happy Holidays,

Debbie Headrick
Executive Assistant



2018 R Avenue
PO Box 319
Anacortes WA 98221
Phone: 360-293-7431

From: Debbie Headrick
Sent: Thursday, July 21, 2016 11:04 AM
To: 'bwindler@skagittransit.org' <bwindler@skagittransit.org>
Subject: FW: Bus Stop Location Possibility

Brad,

Attached is the information we discussed our plat is on the South side of Oakes Avenue P31681. We are clearing property now, starting utilities in approx. 30 days. Let me know if you have questions or need additional information.

Thank you,

Debbie Headrick
Executive Assistant



2018 R Avenue
PO Box 319
Anacortes WA 98221
Phone: 360-293-7431

Confidentiality Notice: This email, including any attachments, contains information that may be confidential or privileged, and is intended solely for the entity or individual to whom it is addressed. If you are not the intended recipient, please notify us immediately by return email and destroy all information received. Any unauthorized review, use, disclosure or distribution is prohibited.

EXHIBIT #09

THIRD PARTY REVIEW (STORMWATER)

DRAINAGE REVIEW SUMMARY

Project: Plat of 48 North
Owner: Strandberg Construction
Date: 1 March 2017
Reviewer: David A. Lervik, PE



This project was reviewed for compliance to the Washington State Department of Ecology 2005 Stormwater Manual for Western Washington. Stormwater runoff analysis was performed using MGS Flood (version 4.37).

The civil design and stormwater report were prepared by Dale Herrigstad, PE, PLS of Herrigstad Engineering & Surveying.

MINIMUM REQUIREMENTS

The size and scope of the project triggers compliance with Minimum Requirements 1-10. The following table discusses how each of these requirements has been met.

MR	Title	Comments
1	Stormwater Site Plan	The engineer prepared a Stormwater Site Plan following the requirements set forth in Section Volume 1, Chapter 3.1 of the Manual. Although Item #8 ("Compliance with All Applicable Minimum Requirements") is not specifically addressed in the narrative, subsequent sections fully address this topic.
2	Stormwater Pollution Prevention Plan (SWPPP)	The report contains a SWPPP addressing control of stormwater during construction.
3	Source Control of Pollution	This requirement is met through application of BMPs outlined in the SWPPP during construction.
4	Preservation of Natural Drainage Channels	Not applicable. The site neither contains nor drains to a specific natural drainage system. All elements of the downstream conveyance are man-made.

L E R V I K E N G I N E E R I N G

5	On-Site Stormwater Mgmt.	The designer proposes to collect and convey stormwater from all areas of the site and convey them to the downstream conveyance. This effectively protects adjacent properties from flooding, and minimized erosion potential. The downstream conveyance analysis was reviewed using Autodesk Storm Sewer Analysis software, which confirmed the engineer's statement on the available capacity of the system to handle the existing and proposed flows.
6	Runoff Treatment	The engineer proposes treatment of runoff from Pollutant Generating Impervious Surfaces by routing it through a biofiltration swale (BMP T9.10) for treatment prior to discharge. Roof and footing drains bypass the treatment system.
7	Flow Control	As noted in MR-1 of the drainage report, the designer has demonstrated that adequate capacity is present in the downstream conveyance system. This is achieved by connecting to the Edwards Avenue System (on the north side of Oaks Avenue) rather than the Clearidge System, which is now at capacity. Furthermore, the system drains to salt water, which is an exempt water body for flow attenuation. As such, no on-site detention is proposed. The stormwater runoff was evaluated using MGS Flood software, which is approved modeling program by the DOE. Our review found that the runoff rates presented by the engineer are consistent with the continuous simulation modeling required in the Manual.
8	Wetlands Protection	The applicant has determined that there are no wetlands on the site or impacted by the project.
9	Basin/Watershed Planning	The engineer has reviewed the City's Comprehensive Stormwater Management Plan, and has followed the findings and recommendations contained therein. This involved the use of the Edwards Avenue storm system instead of the Clearidge storm drainage system.

L E R V I K E N G I N E E R I N G

10	Operations & Maintenance	The engineer has provided O&M materials for the biofiltration swale, as detailed in the DOE Manual.
----	--------------------------	---

DOWNSTREAM ANALYSIS

The engineer performed an analysis of the downstream conveyance system. This is a series of 12" CPE pipes that begins on the north side of Oaks Avenue adjacent to the project. The system runs along Oaks Avenue into the plat of San Juan Passage along Edwards Way to its outfall at salt water.

My analysis confirms that this system has the capacity to convey the runoff from the Plat of 48 North, as well as additional water collected along its length. No other areas appear to be tributary to this system; as such, no additional capacity analysis is provided.

CONCLUSION

My review of this plan and document finds that it is in compliance with the 2005 DOE Stormwater Manual, and that the runoff rates, treatment BMPs and downstream capacity have been designed consistent with standard engineering practices.



EXHIBIT #10

CITY OF ANACORTES' PUBLIC WORKS DEPARTMENT RECOMMENDATION



ANACORTES PUBLIC WORKS DEPARTMENT

Steven Lange, Project Manager

P.O. BOX 547, ANACORTES, WA 98221

E-MAIL: stevel@cityofanacortes.org

PH(360) 293-1920

FAX(360) 293-1938

Memo

Date: March 2, 2017

To: Don Measamer, Planning Director

From: Steven Lange

Subject: Acceptance of the Final Plat for "48 North on Fidalgo Island"

cc: Fred Buckenmeyer, Eric Shjarback, Kevin Cricchio

The Public Works Department coordinated the final plat review with other City Departments and determined that the construction of 48 North on Fidalgo Island project is substantially complete. The items shown on the attached sheet are not yet finished, but can be bonded to insure completion:

We recommend approval of the final plat of 48 North on Fidalgo Island subject to:

1. The receipt of an acceptable Performance Bond in the amount of \$148,100.96 (150% of estimated completion costs), for the remaining items to be completed and;
2. Receiving a 2 year Maintenance Bond that is 10% of the actual construction costs when the work stated in the Performance Bond is completed and accepted by the Public Works Department.
3. Receiving a final Drawing of Record.
4. Final review and approval of the plat drawing assuring conformance to the project requirements.

Thank you,

A handwritten signature in red ink, appearing to read "S. Lange", written over the printed name "Steven Lange".

Steven Lange
Project Manager



- Water • Wastewater • Streets • Storm Drainage • Engineering • Solid Waste
- Transportation • Equipment • Capital Projects • Development Services

48 NORTH
Performance Bond Item List

Detention Ponds and Bio Swales											
Equipment and Labor						Totals					
16 Hrs 220 @ \$175.00 per hour \$						\$ 2,800.00					
Pipe Materials						\$ 982.62					
Mulch, Sand, Drain Rock						\$ 1,000.00					
Curbs and Gutter									DONE		
70' Length on Oakes Avenue											
Backstrom Per/Ft Price 70' @ \$9.84						\$ 688.80					
Sidewalks									DONE		
Backstrom Price						\$ 30,553.20					
Driveways											
Backstrom Price						\$ 16,600.00			DONE		
ADA Ramps									DONE		
5 @ \$950.00 Each						\$ 4,750.00					
Streets									DONE		
Lakeside Industries Price - adjusted for Crushed Surfacing						\$ 75,000.00					
Monuments											
Surveying, Labor and Material						\$ 3,500.00					
Street Lighting											
INTO-LIGHT product ordered and paid for						\$ 20,862.88					
Mailboxes											
Mailboxes purchased, location approved, labor to install						\$ 250.00			DONE		
Signs & Stop Bars											
Channelization on Oakes Aveune											
Flagging, Striping, ETC.						\$ 2,800.00					
Landscaping											
Labor and Equipment						\$ 15,000.00					
Plants, Soil, Mulch						\$ 10,000.00					
Irrigation						\$ 10,000.00					
						\$ 194,787.50					
REMAINING ASPHALT											
03.02.17: Performance Bond Calculated at x 150%						\$ 292,181.25					
APPROXIMATELY 2/3 PAVED & CRUSHED. 1/3 REMAINS											
95,365.4 / 3 = \$ 31,788.47 REMAINING											
SUBTOTAL 98,733.97											
x 150% 49,366.99											
\$ 148,100.96 - TOTAL Perf. Bond											
03.02.17 SPL											

EXHIBIT #11

PCED'S PRESENTATION TO PLANNING COMMISSION



PLANNING COMMISSION

Public Meeting

March 8, 2017, @ 6:00 PM

By: Kevin Cricchio, AICP, Associate Planner

PUD-2015-0003:

HISTORY:

The Planning Commission conducted an open-record public hearing on February 24, 2016 concerning the subject plat & PUD. The Planning Commission added condition of approval #21 to the findings of fact before unanimously recommending approval to City Council.

No appeals of the Planning Commission's recommendation of approval were received. Then on March 21, 2016, City Council conducted a closed-record public hearing on the matter. The applicant requested that City Council amend condition of approval #21 added by the Planning Commission. Following a vote, City Council approved the subject preliminary plat, PUD, and proposed modifications to code on March 21, 2016.

PUD-2015-0003:

PROJECT LOCATION:

The project site is located on the south side of Oakes Avenue between Allen Court and Eagle View Court and is located in a portion of Section 22; Township 35 North; Range 01 East; Willamette Meridian

APPLICANT /LANDOWNER:

48 North on Fidalgo Island, LLC
P.O. Box 319
Anacortes, WA 98221

PUD-2015-0003:

EXISTING LAND USE:

Vacant & unimproved land

ZONING DISTRICT:

Residential (R2) Zoning District

SURROUNDING ZONING & LAND USES:

Direction:	Zoning:	Land Uses:
North:	Commercial Marine (CM)	Single-Family Residences
South:	Residential (R2)	Single-Family Residences
East:	Aviation (AZ)	Port of Anacortes' Airport
West:	Residential (R2) & Commercial Marine (CM)	Single-Family Residences

PUD-2015-0003:

SUBJECT PROPOSAL:

At 6:00 PM on March 8, 2017, the Planning Commission will conduct a public meeting to discuss the approval of the final plat & planned unit development (PUD) of 48 North, a 30-lot plat & PUD, File #: PUD-2015-0003.

Attached hereto is a copy of City Council's approved Findings of Fact, Conclusions of Law, and Decision (**See Exhibit #01**).

The applicant has provided a response (**See Exhibit #05**) as to how they meet each condition of approval as listed in City Council's approved Findings of Fact, Conclusions of Law, and Decision on the subject plat & PUD. Additionally, both the Public Works Department (PWD) and the Department of Planning, Community, and Economic Development (PCED) have performed several site inspections to verify conformance with the conditions of approval. Both PWD and PCED believe that these requirements have been met.

PUD-2015-0003:

SUBJECT PROPOSAL (CONTINUED):

The Public Works Department has prepared a letter (**See Exhibit #10**) that addresses a few items remaining that still need to be finished. The items remaining relate to monuments, street lighting, signs & stop bars, landscaping, and additional asphalt paving. The total bond owing is \$148,100.96. The applicant will provide a letter of credit prior to City Council's public meeting scheduled for 6:00 PM on March 20, 2017.

Lastly, the applicant has provided third party review (**See Exhibit #09**) that addresses their stormwater /drainage associated with the construction of the subject plat & PUD. This letter indicates compliance with the Department of Ecology 2005 manual.

PUD-2015-0003:

RECOMMENDATION:

The Department of Planning, Community, and Economic Development recommends that the Planning Commission make a recommendation of approval to City Council regarding the subject final plat & PUD request.

48 NORTH PLAT & PUD
SECTION 22, TOWNSHIP 35 NORTH, RANGE 1 EAST, W.M.
CITY OF ANACORTES, WASHINGTON

AUDITORS CERTIFICATE
RECORD OF SURVEY AT THE REQUEST OF DALE K. HERRIGSTAD

AUDITOR _____ DEPUTY AUDITOR _____

GENERAL INFORMATION

1. Assessor's Account No.s 350122-4-004-0000, P31681..
2. Description and exception information is from the 2nd Revised Subdivision Guarantee, Order No: 153377-0A, dated January 17, 2017.
3. This property is SUBJECT TO and TOGETHER WITH easements, reservations, restrictions, covenants and other instruments of record including but not limited to those instruments referred to in the Subdivision Guarantee referenced under Note 2 above. Said report lists documents recorded under Auditors File Number AF 732440 (Aviation Easement), AF 200807220033 (Record of Survey), AF 201607050142 (10' wide Puget Sound Easement over new utilities), AF 201612060089 (10' wide Puget Sound Easement over new utilities) and AF 201612190147 (Covenants, Conditions and Restrictions on adjoining property). Deed of Trust recorded under AF 201605130083 (Skagit State Bank).
4. Residential Low Density (R2).
5. Water Supply: City of Anacortes.
6. Sewer Disposal: City of Anacortes
7. Storm Sewer: City of Anacortes

SKAGIT COUNTY TREASURERS CERTIFICATE

I certify that all taxes heretofore levied and which have become a lien upon the lands herein described have been fully paid and discharged according to the records of my office, up to and including the year of 20_____.

Certified this _____ day of _____, 20_____.

Skagit County Treasurer _____

CITY OF ANACORTES APPROVALS

The Planning Commission of the City of Anacortes meeting in regular session on _____ did find that the 48 North Plat & PUD serves the public use & interest & has authorized the Subdivision Administrator to execute its written approval.

Signature of Planning Director _____

Approval by the Council of the City of Anacortes, WA, this _____ day of _____, 20_____.

ATTEST: City Clerk _____

Examined and approved this _____ day of _____, 20_____.

City Engineer _____

DEDICATION

Know All Men by these Present that SKAGIT STATE BANK, mortgage holder, and 48 NORTH ON FIDALGO ISLAND, LLC, property owner of the land hereby platted, declare this plat and dedicate to the use of the public forever, streets and avenues shown hereon and the use thereof for all public purposes consistent with the use thereof for public highway purposes together with the right to make all necessary slope for cuts and fills upon the lots and blocks shown hereon in the original reasonable grading of all such streets and avenues shown hereon. The Owners and their assigns hereby waive all claims for damages against which may be occasioned to the adjacent properties by the construction, drainage and maintenance of said road and or area.

48 NORTH ON FIDALGO ISLAND, LLC

SKAGIT STATE BANK

State of Washington

County of Skagit

I certify that I know of have satisfactory evidence that _____ signed this instrument, on oath stated that (he/she/) (was/are) authorized to execute the

instrument and acknowledged it as the _____ of

48 NORTH ON FIDALGO ISLAND, LLC to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Given under my hand and official seal this _____ day of _____, 20_____.
Notary Public in and for the State of Washington

Name printed _____

Residing at _____

My commissions expires _____

NOTES

1. Subject to Declaration of Covenants, Conditions, Restrictions, (CC&R's), recorded under;

AFN _____

2. This plat is subject to the Revised Tree Preservation Plan dated August 12, 2015 and recorded under;

AFN _____

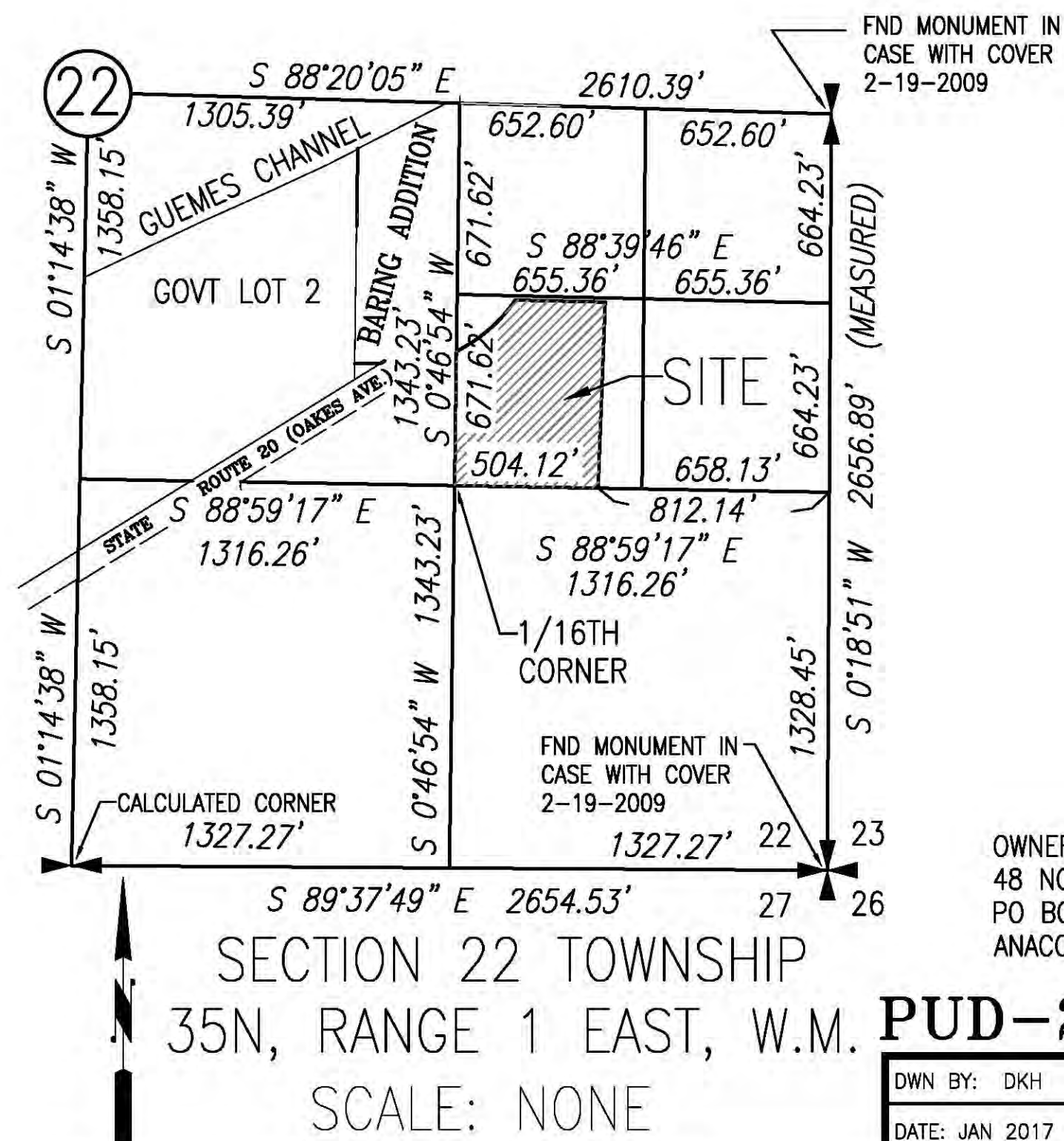
3. The PUD reference number PUD-2015-0003 and date of approval shall be included in all deeds and contracts.

SURVEYORS CERTIFICATE

I hereby certify that the 48 North Plat & PUD is based upon an actual survey and subdivision performed by me or under my supervision of Section 22, Township 35 North, Range 1 East, W.M.; the plat is a true and correct representation of the land actually surveyed; that the courses and distances are shown correctly on the ground; and that I have complied with the provisions of the statutes and platting regulations and that permanent control monuments have been established at each and every controlling corner of the parcel of land being subdivided.

DALE K. HERRIGSTAD, P.L.S. _____
Certificate No. 27807

Date _____



State of Washington

County of Skagit

I certify that I know of have satisfactory evidence that _____ signed this instrument, on oath stated that (he/she/) (was/are) authorized to execute the

instrument and acknowledged it as the _____ of

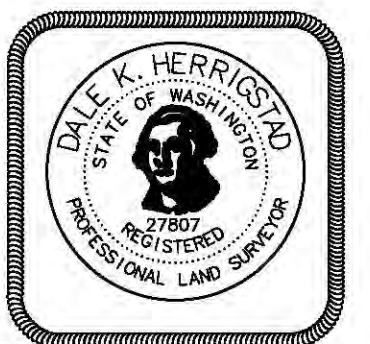
SKAGIT STATE BANK to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Given under my hand and official seal this _____ day of _____, 20_____.
Notary Public in and for the State of Washington

Name printed _____

Residing at _____

My commissions expires _____



OWNER/DEVELOPER
48 NORTH ON FIDALGO ISLAND LLC
PO BOX 319
ANACORTES, WA 98221

LAND SURVEYOR
DALE HERRIGSTAD PLS
4320 WHISTLE LAKE ROAD
ANACORTES, WA 98221

SHEET 1 OF 3

PUD-2015-0003

PW #16-005-DEV

DWN BY: DKH

DATE: JAN 2017

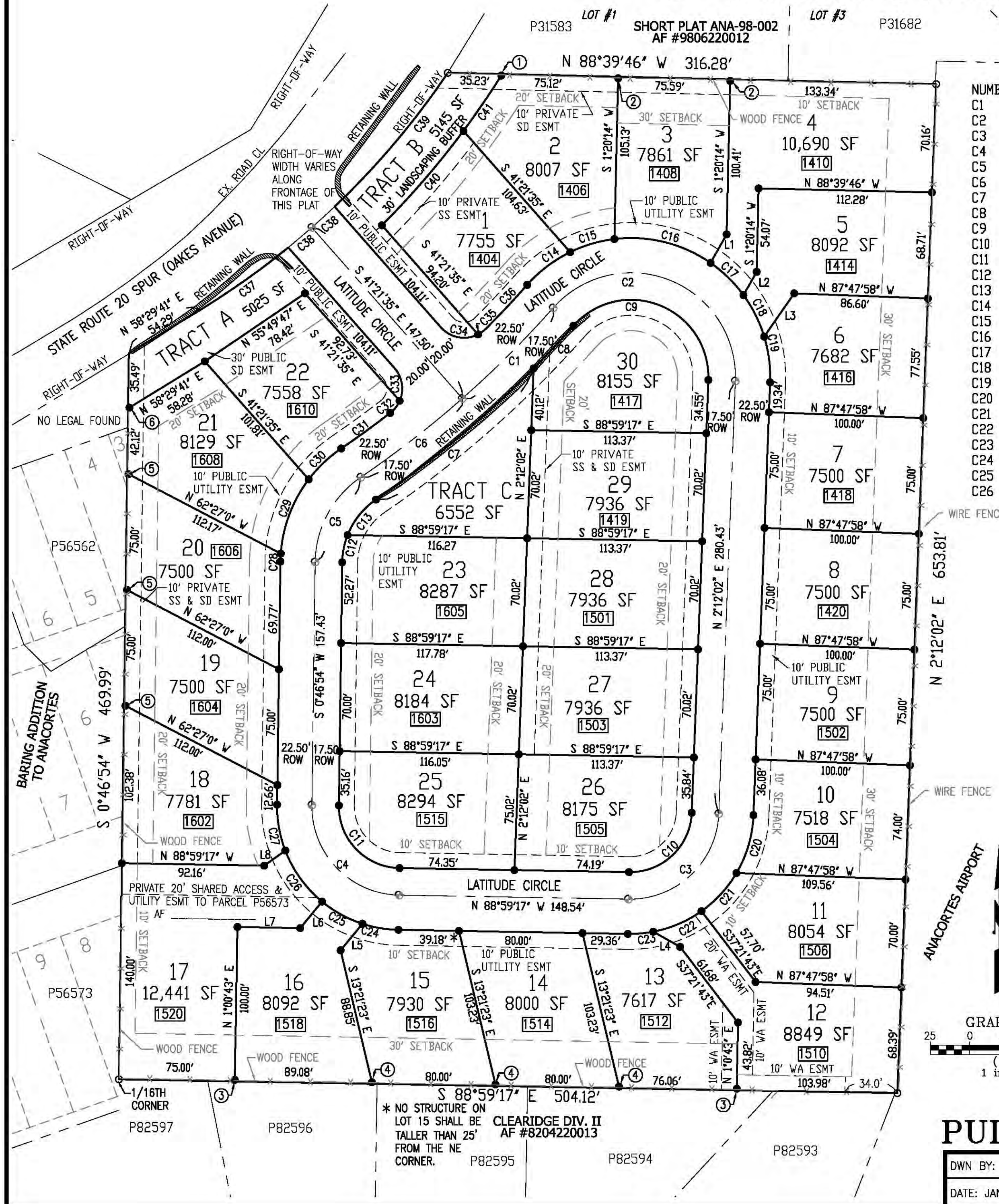
HERRIGSTAD ENGINEERING & SURVEYING

4320 Whistle Lake Road, Anacortes, WA 98221 (360) 299-8804

SCALE: NOTED

JOB 2015-53

48 NORTH PLAT & PUD
SECTION 22, TOWNSHIP 35 NORTH, RANGE 1 EAST, W.M.
CITY OF ANACORTES, WASHINGTON



CURVE TABLE

NUMBER	RADIUS	ARC LENGTH	DELTA ANGLE	NUMBER	RADIUS	ARC LENGTH	DELTA ANGLE
C1	670.00'	83.10'	7°06'23"	C27	80.00'	30.43'	21°47'32"
C2	67.50'	165.72'	140°40'00"	C28	90.00'	5.15'	3°16'54"
C3	57.50'	89.13'	88°48'41"	C29	90.00'	52.06'	33°08'26"
C4	57.50'	90.09'	89°46'11"	C30	90.00'	29.15'	18°33'35"
C5	67.50'	64.77'	54°58'55"	C31	647.50'	39.20'	3°28'07"
C6	670.00'	83.10'	7°07'24"	C32	20.00'	10.06'	28°48'20"
C7	687.50'	133.07'	11°05'24"	C33	20.00'	22.64'	64°50'58"
C8	687.50'	37.68'	3°08'24"	C34	20.00'	26.36'	75°31'21"
C9	50.00'	122.76'	140°40'00"	C35	20.00'	6.33'	18°07'56"
C10	40.00'	62.00'	88°48'41"	C36	647.50'	39.01'	3°27'06"
C11	40.00'	62.67'	89°46'11"	C37	522.50'	69.86'	7°39'39"
C12	50.00'	18.11'	20°45'08"	C38	522.50'	20.00'	2°11'35"
C13	50.00'	29.87'	34°13'48"	C39	522.50'	125.40'	13°00'15"
C14	90.00'	35.21'	22°24'53"	C40	552.50'	80.82'	8°22'54"
C15	90.00'	30.00'	19°06'00"	C41	552.50'	44.58'	4°37'21"
C16	90.00'	65.57'	41°44'31"				
C17	90.00'	30.00'	19°06'00"				
C18	90.00'	30.16'	19°12'00"				
C19	90.00'	30.02'	19°06'36"				
C20	80.00'	39.50'	28°17'27"				
C21	80.00'	33.75'	24°10'07"				
C22	80.00'	34.21'	24°30'00"				
C23	80.00'	16.55'	11°51'16"				
C24	80.00'	23.74'	17°00'00"				
C25	80.00'	30.02'	21°30'00"				
C26	80.00'	41.16'	29°28'39"				

LINE TABLE

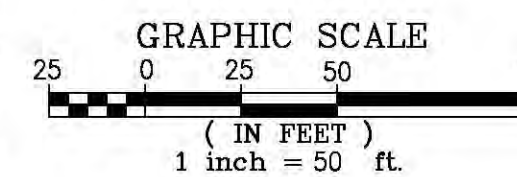
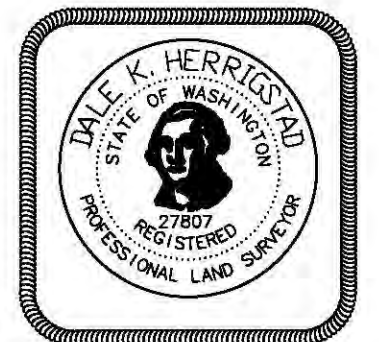
NUMBER	BEARING	DISTANCE
L1	N 29°29'13" E	21.20'
L2	N 29°29'13" E	17.30'
L3	N 34°46'17" E	34.11'
L4	N 60°33'11" W	20.02'
L5	N 39°30'43" E	22.27'
L6	N 39°30'43" E	22.22'
L7	S 88°59'17" E	40.64'
L8	S 54°30'43" W	16.82'

NOTES

1. SET CONCRETE MON WITH BRASS CAP IN CASE WITH COVER.
2. SET RE-BAR AND RED CAP PLS. #27817.
3. FOUND EXISTING REBAR AND CAP MARKED PLS #9569 OR AS NOTED. VISITED 1-4-2017.
4. EQUIPMENT USED: CARLSON CR2 2" TOTAL STATION.
5. ALL CONCRETE MONUMENTS WERE VISITED ON 2-1-2017.
6. ERROR OF CLOSURE MEETS WASHINGTON STATE SURVEY STANDARDS.
7. SURVEY METHOD: STANDARD FIELD TRAVERSE.
8. BASIS OF BEARINGS: Record of Survey, AF 200807220033.
9. ADDRESSES SHOWN ON PLAT.
10. SEE SHEET 3, PUD AND PLAT CONDITIONS #2 FOR BUILDING SETBACK REQUIREMENTS.

OFFSET PROPERTY CORNER NOTES

1. REBAR & CAP SET 1.00' S 32°20'58" W OF TRUE CORNER DUE TO FENCE.
2. REBAR & CAP SET 1.00' S 1°20'14" W OF TRUE CORNER DUE TO FENCE.
3. REBAR & CAP SET 1.00' N 1°0'43" E OF TRUE CORNER DUE TO FENCE.
4. REBAR & CAP SET 1.00' N 13°21'22" W OF TRUE CORNER DUE TO FENCE.
5. REBAR & CAP SET 1.00' S 62°27'00" E OF TRUE CORNER DUE TO FENCE.
6. REBAR & CAP SET 1.00' N 58°29'41" E OF TRUE CORNER DUE TO FENCE.



OWNER/DEVELOPER
48 NORTH ON FIDALGO ISLAND LLC
PO BOX 319
ANACORTES, WA 98221

LAND SURVEYOR
DALE HERRIGSTAD PLS
4320 WHISTLE LAKE ROAD
ANACORTES, WA 98221

SHEET 2 OF 3

PUD-2015-0003

PW #16-005-DEV

DWN BY: DKH

HERRIGSTAD ENGINEERING & SURVEYING

SCALE: NOTED

DATE: JAN 2017

4320 Whistle Lake Road, Anacortes, WA 98221 (360) 299-8804

JOB 2015-53

48 NORTH PLAT & PUD
SECTION 22, TOWNSHIP 35 NORTH, RANGE 1 EAST, W.M.
CITY OF ANACORTES, WASHINGTON

PUD AND PLAT CONDITIONS

48 NORTH PLAT & PUD
PUD-2015-0003

All parcels within the subdivision are subject to the "Findings of Fact and Conclusion of Law" as adopted by the Anacortes City Council on the 21st day of March, 2016. The following Conditions were required to be identified on the face of the Plat.

1. (FF #10) The lots in this subdivision are subject to applicable water, sewer, and stormwater general facility and hookup fees and transportation, fire, and park impact fees. These fees are payable at levels in effect at the time of building permit issuance and may differ from those fee levels currently in effect; sewer and water latecomer charges may be payable.

2. (FF #11) ZONING INFORMATION:

Underlying Zone: Residential District (R2)

Zone's Minimum Lot Size: 7,500 Square Feet

Gross Acreage: 7.48 Acres (included 1/2 abutting ROW)

Net Acreage: 7.20 Acres

Zone's Maximum Density: 4 Dwelling Units (DU) per Gross Acre

Density Calculation: 4 DU 7.48 Acres = 29.92, rounded to 30 DU

Proposed Lots: 30 Lots +1 Community Park

SETBACKS:

Front Yard:

For lots 3-17 only, the front setback is 10 feet for the residence & 20 feet for garages.

All other lots must meet the 20 foot front yard setback for the R2 Zone.

Rear Yard:

For lots 3-17 only, the rear setback is increased from 20 feet to 30 feet.

All other lots must meet the 20 foot rear yard setback for the R2 Zone.

Side Yard:

All lots shall meet the R2 side yard setback requirements for the R2 Zone.

3. (FF #15) A homeowner's association shall be established and be responsible for the maintenance of the bioretention swale (Tract A), landscaping buffer (Tract B) and community park (Tract C).

4. (FF #19) Pursuant to AMC 16.50.120 (D), the applicant shall record notice with the Skagit County Auditor's Office which provides a public record of any approved tree preservation plan and conservation areas; the application of this title to the property; and that limitations on actions in or affecting the property may exist. See recording number on sheet 1.

5. (FF #20) This Subdivision is subject to the Tree Preservation Plan Dated August 12, 2015. Retained Trees shall be maintained by the lot owners, unless approved for removal by the City of Anacortes.

6. (FF #21) The maximum permitted height for Lot 15 shall be restricted to twenty-five (25) feet from the high point of the property of existing grade.

7. (FF Modifications Proposed) Lot coverage is modified from R2 Zoning District's maximum of thirty-five (35) percent to a maximum of thirty seven and one half (37.5%).

UTILITY and ACCESS EASEMENTS & DEDICATIONS

1. An easement is hereby reserved for and conveyed to the CITY OF ANACORTES, PUGET SOUND ENERGY INC.(A.F. NO. 201607050142 & 201612060089), FRONTIER COMMUNICATIONS TELEPHONE COMPANY, CASCADE NATURAL GAS COMPANY, AND COMCAST CABLE TELEVISION COMPANY and their respective successors and assigns under and upon the front ten (10) feet, or as shown on the plat, of front boundary lines all lots, tracts and spaces within the plot lying parallel with and adjoining all public street(s), as shown on the plat, in which to construct, operate, maintain, repair, replace and enlarge underground pipes, conduits, cables and wires all necessary or convenient underground or ground mounted appurtenances thereto for the purpose of serving this subdivision and other property with electric, gas, telephone and other utility service, together with the right to enter upon the streets, lots, tracts and spaces at all times for the purposes herein stated.

2. A 10 foot private storm drainage easement across the North boundary of Lots 2, 3 and Tract B as shown on the plat is hereby reserved for and conveyed to Lots 2, 3 & 4 for storm drainage to service lots 2, 3 & 4 in which to construct, operate, maintain, repair, replace and enlarge underground pipes, thereto for the purpose of serving the lots herein. The maintenance of the improvements to the easement will be the responsibility of and shared by the benefiting lots.

3. A 10 foot private sanitary sewer easement across the Northwest boundary of Lot 1 and Tract B as shown on the plat is hereby reserved for and conveyed to Lot 2 for sanitary sewer pipes to service lot 2 in which to construct, operate, maintain, repair, replace and enlarge underground pipes for the purpose of serving lot 2. The maintenance of the improvements to the easement will be the responsibility of lot 2.

4. A 10 foot private sanitary sewer & storm drainage easement across the West boundary of Lots 27, 28, 29 & 30 as shown on the plat is hereby reserved for and conveyed to Lots 26, 27, 28, 29 & 30 for sanitary sewer & storm drainage pipes to service lots 26, 27, 28, 29 & 30 in which to construct, operate, maintain, repair, replace and enlarge underground pipes for the purpose of serving the lots herein. The maintenance of the improvements to the easement will be the responsibility of and shared by the benefiting lots.

5. A 10 foot private sanitary sewer & storm drainage easement across the West boundary of Lots 18, 19, 20, 21 & Tract A as shown on the plat is hereby reserved for and conveyed to Lots 17, 18, 19, 20 & 21 for sanitary sewer & storm drainage pipes to service lots 17, 18, 19, 20 & 21 in which to construct, operate, maintain, repair, replace and enlarge underground pipes for the purpose of serving the lots herein. The maintenance of the improvements to the easement will be the responsibility of and shared by the benefiting lots.

6. A 20 foot & 10 foot public water main easement on and across Lots 12 & 13 as shown on the plat is hereby reserved for and conveyed to the City of Anacortes in which to construct, operate, maintain, repair, replace and enlarge underground pipes for the purpose of serving this subdivision and other property with water service, together with the right to enter upon the streets, lots, tracts and spaces at all times for the purposes herein stated.

7. A 20 foot wide private access and utility easement on and across Lot 17 as shown on the plat is hereby reserved for and conveyed to Parcel P56573 (adjoining to the west) for the use of one single family home in which to construct, operate, maintain, repair, replace and enlarge underground pipes for the purpose of serving said property and for the share access drive with Lot 17 in which the maintenance is to be shared equally.

8. Tract A is hereby dedicated to the 48 North Homeowners Association and the City of Anacortes and the public as a storm drainage conveyance and water quality treatment facility. Tract A will be maintained by the 48 North Home Owners Association.

9. Tract B is hereby dedicated to the 48 North Homeowners Association for the purposes of landscaping and landscape maintenance.

10. Tract C is hereby dedicated to the 48 North Homeowners Association for the purposes of a Community Park to be maintained by the Homeowners Association.

11. All retaining walls will be the responsibility of the 48 North Homeowners association, per section xx.xx "Retaining Walls of the 48 North Declarations, Restrictions, Easements and Reservations, AF #_____.

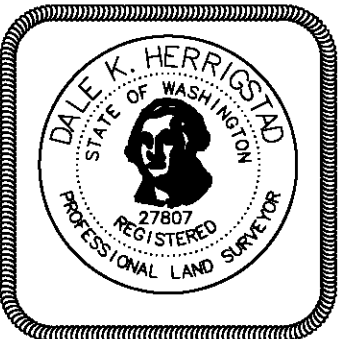
LEGAL DESCRIPTION

That portion of the South 1/2 of the Northeast 1/4, of the Southeast 1/4, of Section 22, Township 35 North, Range 1 East, W.M., lying Southeasterly of the "BURROWS BAY ROAD", EXCEPT the "COPPER MINE ROAD" along the East line thereof, AND EXCEPT the following described tracts:

a.) Beginning at the Southeast corner of the South 1/2 of the Northeast 1/4 of the Southeast 1/4 of said Section;
thence North 88°59'46" West along the South line of said South 1/2 of the Northeast 1/4 of the Southeast 1/4, 30.00 feet to the West line of the "COPPER MINE ROAD";
thence continue North 88°59'46" West 781.88 feet;
thence North 2°11'29" East 669.34 feet to the North line of the Southwest 1/4 of the Northeast 1/4 of the Southeast 1/4 and the true point of beginning of this description, said point being the Northwest corner of that certain tract conveyed to the Port of Anacortes, a municipal corporation, by deed recorded July 22, 1968, under Auditor's File No. 716164;
thence from said true point of beginning run South 2°11'29" West along the West line of said Port of Anacortes tract, a distance of 15 feet;
thence West parallel with the North line of said Southwest 1/4 of the Northeast 1/4 of the Southeast 1/4 to the Easterly line of the "BURROWS BAY ROAD";
thence Northerly along said Easterly line to the North line of said Southwest 1/4 of the Northeast 1/4 of the Southeast 1/4;
thence East along said North line to the true point of beginning.

b.) Beginning at the Southeast corner of the South 1/2 of the Northeast 1/4 of the Southeast 1/4;
thence North 88°59'46" West along the South line of said subdivision 30.00 feet to the West line of the "COPPER MINE ROAD", and the true point of beginning;
thence continue North 88°59'46" West 781.88 feet;
thence North 2°11'29" East 669.34 feet to the North line of said subdivision;
thence South 88°40'23" East along the North line of said subdivision 760.00 feet to the West line of the "COPPER MINE ROAD";
thence South 0°18'59" West along said road a distance of 664.96 feet to the true point of beginning.

Situate in the City of Anacortes, County of Skagit, State of Washington.



OWNER/DEVELOPER
48 NORTH ON FIDALGO ISLAND LLC
PO BOX 319
ANACORTES, WA 98221

LAND SURVEYOR
DALE HERRIGSTAD PLS
4320 WHISTLE LAKE ROAD
ANACORTES, WA 98221

SHEET 3 OF 3

PUD-2015-0003

PW #16-005-DEV

DWN BY: DKH	HERRIGSTAD ENGINEERING & SURVEYING	4320 Whistle Lake Road, Anacortes, WA 98221 (360) 299-8804	SCALE: NOTED JOB 2015-53
DATE: JAN 2017			

EXHIBIT #12

PLANNING COMMISSION'S PUBLIC MEETING MINUTES



**Planning Commission Meeting
Minutes for – March 8, 2017**

Chair Laumbattus called the Meeting of March 8, 2017 to order at approximately 6 p.m.

Roll Call

Members Present: Laumbattus, Oppel, Moffit, Cleland McGrath, McNett, and Doll

Members Absent: Commissioner Mount

Minutes

None

Correspondence

None

Old Business

Public Hearing – 48 North Plat, 30 Lot PUD; PUD-2015-0003

Kevin Cricchio, Associate Planner, presented Findings of Fact of the preliminary approval.

With no comments, Chair Laumbattus closed the public hearing.

Commissioner McNett made a motion to approve the PUD for final plat. Commissioner Cleland McGrath seconded. The motion passed unanimously.

New Business

Public Hearing – Conditional Use Permit/Essential Public Facility; CUP-2016-1005

Mr. Cricchio presented a CUP for an EPF to permit an outpatient substance use and primary care medical service type of land use within an existing office building. John Stephens, Programs Administrator for the Swinomish Tribal Community, presented the proposal as a significant need in the community. Commissioner Doll stated association with the Public Health Trust, which is on record as providing a letter of support. There was no objection.

Jordan Mike Walbur (sp?), 11167 Swinomish Avenue. Mr. Walbur stated support of the proposal.

Susan Lamb, 1308 6th St. Ms. William stated support of the proposal.

Beth Pemberton, 1924 24th St. Ms. Pemberton stated support of the proposal.

With no further comments, Chair Laumbattus closed the public hearing.

Commissioner Oppel made a motion to approve the CUP with staff recommended conditions. Commissioner Doll seconded. The motion passed unanimously.

Chair Laumbattus called the meeting to a close at approximately 7:15p.m.



LETTEROF CR%0320473694%009800000838%03-08-2017

IRREVOCABLE LETTER OF CREDIT

Borrower: 48 NORTH ON FIDALGO ISLAND, LLC (TIN:
32-0473694)
PO BOX 319
ANACORTES, WA 98221-0319

Lender: Skagit Bank
Main Office
301 E. Fairhaven Ave
P O Box 285
Burlington, WA 98233
(360) 755-0411

Beneficiary: City of Anacortes
PO Box 410
Anacortes, WA 98221

NO.: 9800000838

EXPIRATION DATE. This letter of credit shall expire upon the earlier of the close of business on 05-08-2017 and all drafts and accompanying statements or documents must be presented to Lender on or before that time, or the day that Lender honors a draw under which the full amount of this Letter of Credit has been drawn (the "Expiration Date").

AMOUNT OF CREDIT. Lender hereby establishes at the request and for the account of Borrower, an Irrevocable Letter of Credit in favor of Beneficiary for a sum of One Hundred Forty-eight Thousand One Hundred One & 00/100 Dollars (\$148,101.00) (the "Letter of Credit"). These funds shall be made available to Beneficiary upon Lender's receipt from Beneficiary of sight drafts drawn on Lender at Lender's address indicated above (or other such address that Lender may provide Beneficiary in writing) during regular business hours and accompanied by the signed written statements or documents indicated below.

WARNING TO BENEFICIARY: PLEASE EXAMINE THIS LETTER OF CREDIT AT ONCE. IF YOU FEEL UNABLE TO MEET ANY OF ITS REQUIREMENTS, EITHER SINGLY OR TOGETHER, YOU SHOULD CONTACT BORROWER IMMEDIATELY TO SEE IF THE LETTER OF CREDIT CAN BE AMENDED. OTHERWISE, YOU WILL RISK LOSING PAYMENT UNDER THIS LETTER OF CREDIT FOR FAILURE TO COMPLY STRICTLY WITH ITS TERMS AS WRITTEN.

DRAFT TERMS AND CONDITIONS. Lender shall honor drafts submitted by Beneficiary under the following terms and conditions:

We, Skagit Bank, open our irrevocable letter of credit in favor of the City of Anacortes, in the amount of One Hundred Forty-eight Thousand One Hundred One and 00/100 U.S. Dollars (\$148,101.00) on behalf of 48 NORTH ON FIDALGO ISLAND, LLC, 2018 R Ave., Anacortes, WA 98221 for the completion of the 48 North Fidalgo Island project.

We agree to honor your draft(s) drawn on us at sight up to the amount stated above which 1) reference the permit number, and 2) are marked "Drawn under Irrevocable Letter of Credit No. 9800000838 dated March 8, 2017."

The amount of this credit shall be automatically reduced by the amount of any draft(s) presented and honored hereunder.

Drafts drawn in conformity with the conditions of this credit shall be honored by us if presented at our office on or before May 8, 2018 provided that, at our option, this credit can be renewed by written amendment.

Upon Lender's honor of such drafts, Lender shall be fully discharged of Lender's obligations under this Letter of Credit and shall not be obligated to make any further payments under this Letter of Credit once the full amount of credit available under this Letter of Credit has been drawn.

Beneficiary shall have no recourse against Lender for any amount paid under this Letter of Credit once Lender has honored any draft or other document which complies strictly with this Letter of Credit, and which on its face appears otherwise in order but which is signed, issued, or presented by a party or under the name of a party purporting to act for Beneficiary, purporting to claim through Beneficiary, or posing as Beneficiary without Beneficiary's authorization. By paying an amount demanded in accordance with this Letter of Credit, Lender makes no representation as to the correctness of the amount demanded and Lender shall not be liable to Beneficiary, or any other person, for any amount paid or disbursed for any reason whatsoever, including, without limitation, any nonapplication or misapplication by Beneficiary of the proceeds of such payment. By presenting upon Lender or a confirming bank, Beneficiary certifies that Beneficiary has not and will not present upon the other, unless and until Beneficiary meets with dishonor. Beneficiary promises to return to Lender any funds received by Beneficiary in excess of the Letter of Credit's maximum drawing amount.

USE RESTRICTIONS. All drafts must be marked "DRAWN UNDER Skagit Bank IRREVOCABLE LETTER OF CREDIT NO. 9800000838 DATED 03-08-2017," and the amount of each draft shall be marked on the draft. Only Beneficiary may complete a draft and accompanying statements or documents required by this Letter of Credit and make a draw under this Letter of Credit. This original Letter of Credit must accompany any draft drawn hereunder.

Partial draws are permitted under this Letter of Credit. Lender's honor of a partial draw shall correspondingly reduce the amount of credit available under this Letter of Credit. Following a partial draw, Lender shall return this original Letter of Credit to Beneficiary with the partial draw noted hereon; in the alternative, and in its sole discretion, Lender may issue a substitute Letter of Credit to Beneficiary in the amount shown above, less any partial draw(s).

PERMITTED TRANSFEREES. The right to draw under this Letter of Credit shall be nontransferable, except for:

- A. A transfer (in its entirety, but not in part) by direct operation of law to the administrator, executor, bankruptcy trustee, receiver, liquidator, successor, or other representative at law of the original Beneficiary; and
- B. The first immediate transfer (in its entirety, but not in part) by such legal representative to a third party after express approval of a governmental body (judicial, administrative, or executive).

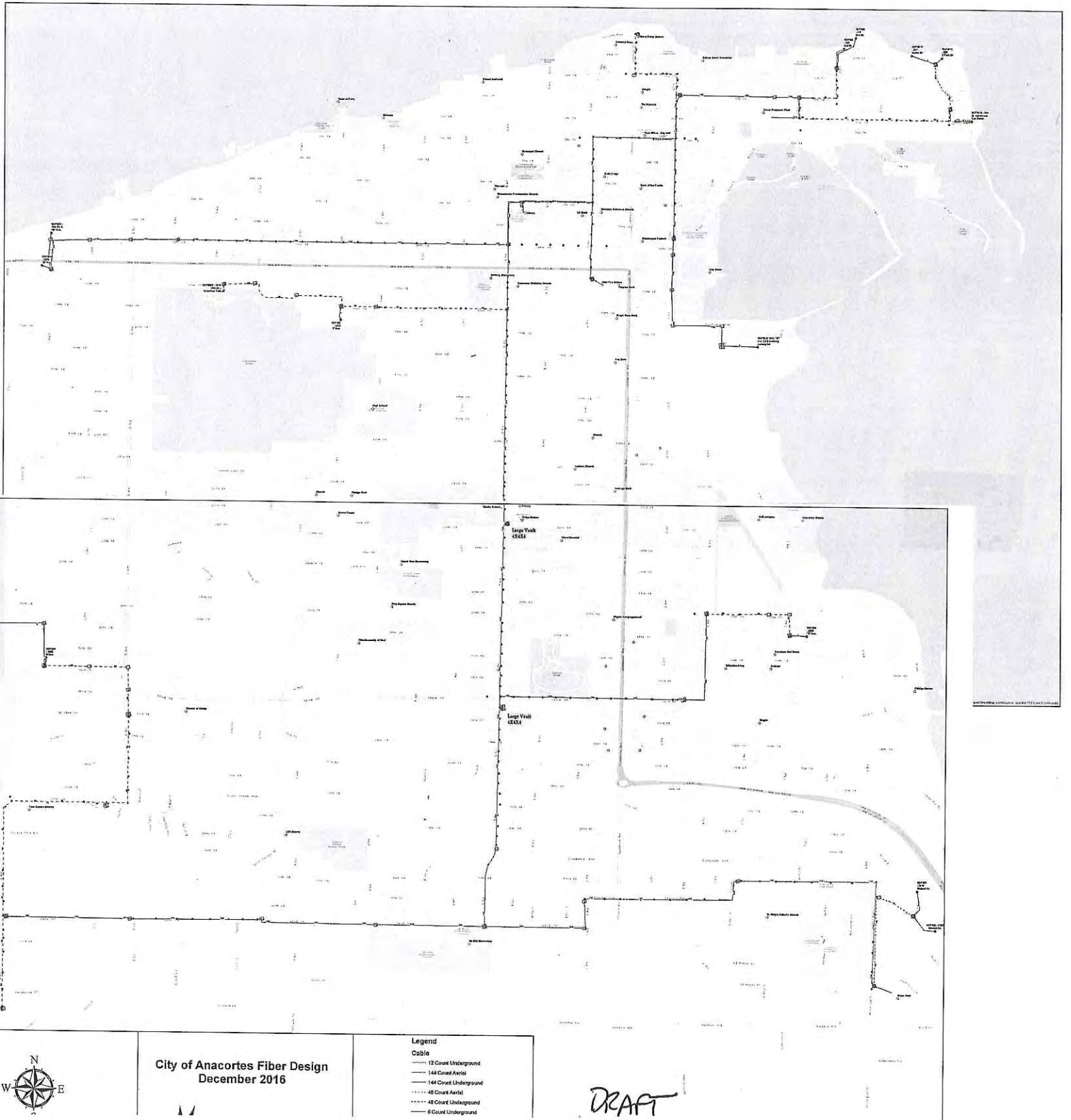
TRANSFEREES REQUIRED DOCUMENTS. When the presenter is a permitted transferee (i) by operation of law or (ii) a third party receiving transfer from a legal representative, as described above, the documents required for a draw shall include a certified copy of the one or more documents which show the presenter's authority to claim through or to act with authority for the original Beneficiary.

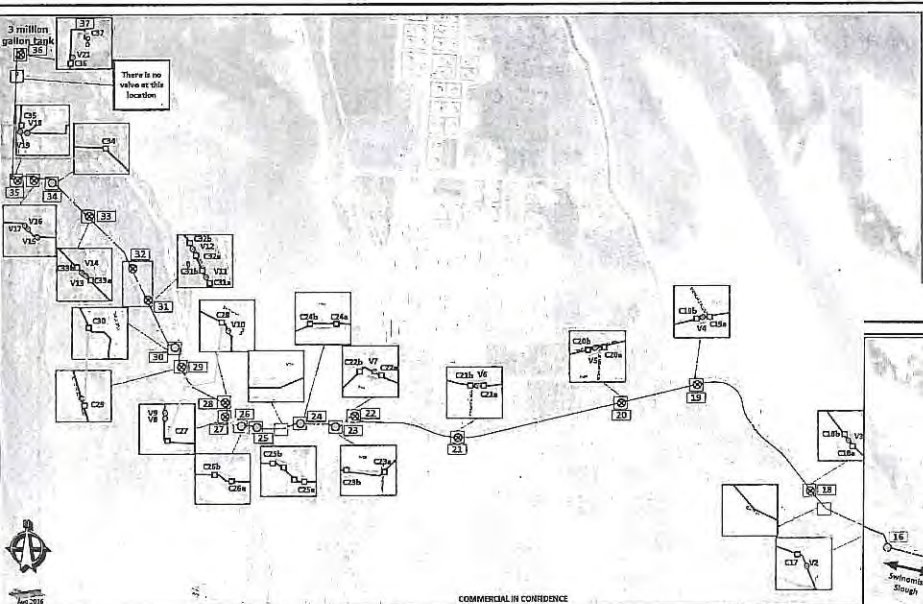
COMPLIANCE BURDEN. Lender is not responsible for any impossibility or other difficulty in achieving strict compliance with the requirements of this Letter of Credit precisely as written. Beneficiary understands and acknowledges: (i) that unless and until the present wording of this Letter of Credit is amended with Lender's prior written consent, the burden of complying strictly with such wording remains solely upon Beneficiary, and (ii) that Lender is relying upon the lack of such amendment as constituting Beneficiary's initial and continued approval of such wording.

NON-SEVERABILITY. If any aspect of this Letter of Credit is ever declared unenforceable for any reason by any court or governmental body having jurisdiction, Lender's entire engagement under this Letter of Credit shall be deemed null and void ab initio, and both Lender and Beneficiary shall be restored to the position each would have occupied with all rights available as though this Letter of Credit had never occurred. This non-severability provision shall override all other provisions in this Letter of Credit, no matter where such provision appears.

ENDORSEMENT OF DRAFTS DRAWN:

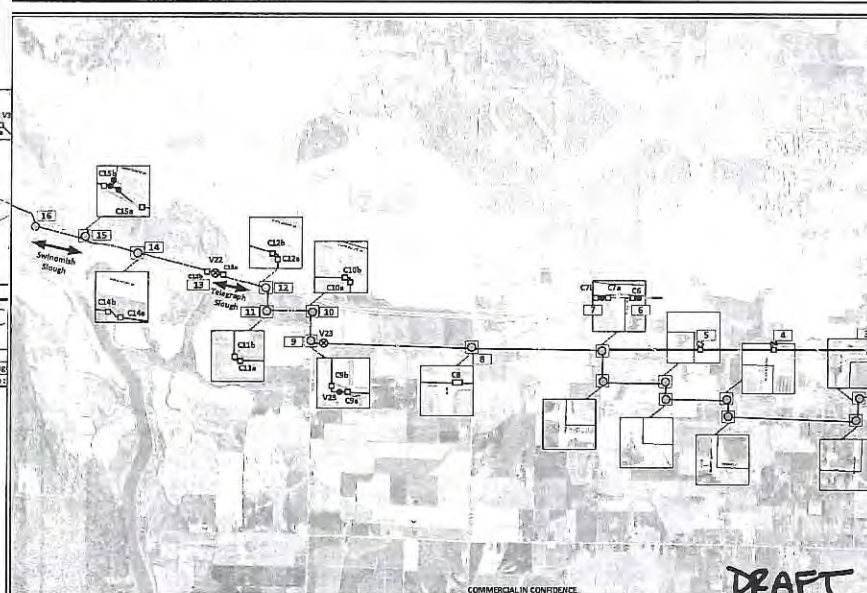
Date	Negotiated By	Amount In Words	Amount In Figures
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CRALEY

15 Location Reference		C13a Vault Reference	Wide Vault	Breakout Location - no stop valve	Stop valve
Reference	V1 Valve Reference	Square Vault	Water Main	Duct Civils	Breakout Location - with stop valve
No.	Approved	Revision Details	Date	Signed	
0	M Parker	Final layout plan with GPS data modifications	18/2/17		
		Drawn	Date	Name	Position
		28/9/16	M Parker	CTO	
		Checked			
		Approved			
		Scale		Drawing Name	
		As shown		Anacortes - WTW to City	
				Main Trunk Link - West Side - Sites	
		Page			
		File			



15 Location Reference		C13a Vault Reference	Wide Vault	Breakout Location - no stop valve	Stop valve
Reference	V1 Valve Reference	Square Vault	Water Main	Duct Civils	Breakout Location - with stop valve
No.	Approved	Revision Details	Date	Signed	
0	M Parker	Final layout plan with GPS data modifications	18/2/17		
		Drawn	Date	Name	Position
		28/9/16	M Parker	CTO	
		Checked			
		Approved			
		Scale		Drawing Name	
		As shown		Anacortes - WTW to City	
				Main Trunk Link - East Side - Sites	
		Page			
		File			

DRAFT



City Council Agenda Bill

Meeting Date: 3/20/2017

Agenda Item: 7c

Subject: Contract to supply HPDE fittings and micro duct

Staff Contact: Fred Buckenmeyer

Approved for Submittal to Council by	
x	Laurie Gere, Mayor
x	Steve Hoglund, Finance Director
x	Darcy Swetnam, City Attorney

Action Type	
	Ordinance No.
	Resolution No.
x	Contract
	Staff Report

Summary Statement: Previously city council authorized a sole source designation with Craley Group to supply Hydrotec PFM units and stainless steel micro duct for the water and sewer utility telemetry project. (Resolution 1977 December 5, 2016)

Background: Staff has negotiated a product supply contract with the Craley Group to purchase "Atlantis Hydrotec PFM fittings" and "Atlantis Hydrotec armored micro duct". The fittings and micro duct will allow us to connect the water treatment plant to the whistle lake pump station with fiber optic telemetry.

Budget Impact	
Amount Budgeted	\$500,000
Budget Account (BARS)	401.000.594.34.63
Proposed Expenditure	\$265,972.43 plus tax and shipping
Budget Amendment Required?	no

Proposed Contract	
Contractor	Craley Group
Amount	\$265,972.43 plus tax and shipping
Start Date	3-20-17
End Date	12-30-17

Previous Council/Committee Action: Sole source declaration

Recommended Motion: I move that we authorize the Mayor to execute the contract with Craley Group for the supply of Atlantis Hydrotec PFM fittings" and "Atlantis Hydrotec armored micro duct in the amount of \$265,972.43 plus taxes and shipping [US / UK exchange rate 3-15-17]

Alternative Actions: Do not execute the contract, abandon fiber optic telemetry project.

Attachments (listed in order presented): Craley contract



Innovators in Infrastructure

PRODUCT SUPPLY & PROFESSIONAL OVERSIGHT QUOTATION

PROJECT

Anacortes Skagit River Water Treatment Plant to Anacortes City Water Tower,
Anacortes, Washington State, USA.

Atlantis
HYDROTEC

Vault Ref.	Site Name	Latitude	Longitude	HASL m
C1	WTP	48.4362	122.37037	10
C10a	Farm House	48.44627	122.47157	1
C10b	Farm House	48.44628	122.47159	1
C11a	Farm House Rear	48.44626	122.47886	2
C11b	Farm House Rear	48.44633	122.47886	2
C12a	Farm House SR20	48.44869	122.47894	2
C12b	Farm House SR20	48.44869	122.47898	2
C13a	Telegraph Slough	48.44974	122.48543	1
C13b	Telegraph Slough	48.44976	122.48555	1
C14a	Bell Property	48.45227	122.50115	1
C14b	Bell Property	48.45256	122.50303	1
C15a	Boat Launch	48.45321	122.50896	2
C15b	Boat Launch	48.45362	122.51004	2
C16	Casino South	48.45495	122.51857	2
C17	Casino North	48.45645	122.51959	3
C18a	Smoke House	48.45867	122.52568	8
C18b	Smoke House	48.4587	122.52572	7
C19a	T Bailey	48.46557	122.53707	4
C19b	T Bailey	48.46557	122.53709	4
C2	WTP North	48.44159	122.37221	10
C20a	Reservation Road	48.46431	122.54429	10
C20b	Reservation Road	48.46431	122.54431	10
C21a	Thompson Road	48.46182	122.55996	22
C21b	Thompson Road	48.46182	122.56001	22
C22a	SMP Lift Station	48.46296	122.56991	4
C22b	SMP Lift Station	48.46299	122.57027	4
C23a	Golf Club House	48.46239	122.57117	2
C23b	Golf Club House	48.46251	122.57223	2
C24a	Golf Shop	48.46251	122.57492	2
C24b	Golf Shop	48.46249	122.57546	2
C25a	West Golf Course A	48.4621	122.57903	2
C25b	West Golf Course A	48.46228	122.57937	3
C26a	Trailer Park	48.46229	122.58059	10
C26b	Trailer Park	48.46234	122.58068	10
C27	Country Corner	48.4624	122.58209	13
C28	Sharp's Corner	48.46367	122.58239	7
C29	South Fidalgo Road	48.46606	122.58674	3
C3	West Dyke	48.44242	122.37544	10
C30	San Juan Base	48.46735	122.58793	15
C31a	7106 SJHL	48.46995	122.58998	58
C31b	7106 SJHL	48.46995	122.58998	58
C32a	San Juan Hill Mid	48.47212	122.59168	78
C32b	San Juan Hill Mid	48.47212	122.59168	78
C33a	San Juan Gully	48.47518	122.59593	56
C33b	San Juan Gully	48.47524	122.59604	56
C34	Rykosa Ln	48.47752	122.59976	91
C35	Whistle Lake Road	48.47754	122.60339	98
C36	Anacortes WT	48.48533	122.60326	89
C37	WT Building	48.48594	122.60231	89
C4	Bennett SR536	48.44267	122.39108	7
C5	Schuh Farm	48.44274	122.40591	6
C6	Bradshaw End 24	48.44267	122.4211	5
C7a	Young Road Valve	48.44267	122.42291	5
C7b	Young Road Valve	48.44267	122.42294	5
C8	Best & Young	48.44256	122.44317	4
C9a	Young & LaConner	48.44268	122.47074	2
C9b	Young & LaConner	48.44278	122.47151	1

Link Ref.	Site A Name	Site B Name	Link Length m	Tail Length m	Duct Length m	Total m*	Drum Ref.
2	WTP North	West Dyke	255	10	5	297	A
6	Bradshaw End 24	Young Road Valve	133	10	10	169	A
7	Young Road Valve	Best & Young	1,491	10	10	1,662	A
9	Young & LaConner	Farm House	388	10	10	448	A
35	San Juan Gully	Rykosa Ln	373	10	5	427	A
8	Best & Young	Young & LaConner	2,032	10	10	2,257	B
22&23	SMP Lift Station	Golf Club House	173	20	0	213	B
25	Golf Shop	West Golf Course A	267	10	10	315	B
26&27	West Golf Course A	West Golf Course A	122	20	15	173	B
11	Farm House Rear	Farm House SR20	262	10	10	310	C
12	Farm House SR20	Telegraph Slough	491	10	10	562	C
13	Telegraph Slough	Bell Property	1,183	10	10	1,323	C
14	Bell Property	Boat Launch	443	10	10	509	C
24	Golf Club House	Golf Shop	198	10	45	278	C
17	Casino North	Smoke House	512	10	10	585	D
18	Smoke House	T Bailey	1,132	10	10	1,267	D
19	T Bailey	Reservation Road	549	10	10	625	D
28	Trailer Park	Country Corner	104	10	0	125	D
32	San Juan Base	7106 SJHL	326	10	10	381	D
15	Boat Launch	Casino South	646	10	95	826	E
20	Reservation Road	Thompson Road	1,186	10	10	1,326	E
30	Sharp's Corner	South Fidalgo Road	416	10	0	469	E
33	7106 SJHL	San Juan Hill Mid	272	10	10	321	E
10	Farm House	Farm House Rear	537	10	10	613	F
21	Thompson Road	SMP Lift Station	740	10	35	864	F
34	San Juan Hill Mid	San Juan Gully	462	10	10	530	F
37	Whistle Lake Road	Anacortes WT	865	10	0	963	F
			15,557	290	370	17,838	

Product Supply:

- 58 Atlantis Hydrotec Stainless Steel PFM fittings
- 20,000m of Atlantis Hydrotec HDPE/Stainless Steel Armoured Microduct
- 1 Atlantis Hydrotec Full Installation Kit
- 10 days Senior Engineer professional oversight

Total payable: £217,762.60 excl taxes (\$271,416 as 23rd February, 2017)

Payment Schedule

Commissioning of a sample PFM fitting for evaluation	10%	(£21,776.26)
Commencement of full scale production (Fittings and Microduct)	40%	(£87,105.04)
Prior to shipment of goods from UK	35%	(£76,216.91)
On receipt and satisfactory inspection of goods in WA	10%	(£21,776.26)
On completion of 'professional oversight' period	5%	(£10,888.13)

NOTES:

The following items are Included within the above product supply quotation

1. Professional oversight and on-site training by a CRALEY Group senior engineer for a period of up to 10 working days to ensure that installation practices and procedures are adhered to and that staff are self-sufficient. Should it become necessary for the senior engineer extend his involvement beyond the 10 day allowance, a flat-rate per day fee of £450 + expenses will be incurred.
2. A full installation kit* comprising all necessary installation fittings complete with sufficient draw-line and install parachutes for the installation of this project, this installation kit will be the property of the city post the initial project period for future installations
3. A 2km contingency drum of BNB armoured micro-duct to allow for errors in distance measurements. Any surplus will be retained by the city for future installations
4. A contingency allowance of four additional PFM fittings which, if not required, will be retained by the city for future installations
5. Quoted figures are in GBP and, where appropriate a US\$ equivalent has been quoted at the prevailing rate purely for guidance. For the avoidance of doubt, invoices will be raised in GBP

* Installation kit does not include the push machine, which can be hired locally

Installation days:

The Install Days data is a reasonable estimate for the installation of the defined links. It should be noted and accepted that this is only a guideline estimate. Our technical team believe this to be a fair and reasonable estimate, however, CRALEY Group cannot be held responsible for any differences in the actual install days required.

Standard Terms and conditions for the Supply of Goods and Services by CRALEY Group Limited of Unit 3 Hawley Lane Industrial Estate, Hawley Lane, Farnborough, Hants. GU14 8EH. United Kingdom

1. INTERPRETATION

1.1 Definitions: In these Conditions, the following definitions apply:

Contract: the contract between the Supplier and the Customer for the supply of Goods and/or Services in accordance with these Conditions.

Customer: the person or firm who purchases the Goods and/or Services from the Supplier.

Force Majeure Event: has the meaning given to it in clause 14.1

Goods: the goods (or any part of them) set out in the Purchase Order.

Goods Specification: any specification for the Goods, including any relevant plans or drawings that is agreed in writing by the Customer and the Supplier.

Intellectual Property Rights: patents, rights to inventions, copyright and related rights, trade marks, business names and domain names, rights in get-up, goodwill and the right to sue for passing off, rights in designs, database rights, rights to use, and protect the confidentiality of, confidential information (including know-how), and all other intellectual property rights, in each case whether registered or unregistered and including all applications and rights to apply for and be granted, renewals or extensions of, and rights to claim priority from, such rights and all similar or equivalent rights or forms of protection which subsist or will subsist now or in the future in any part of the world

Purchase Order: the Customer's order for the supply of Goods and Services, as set out the Customer's purchase order form

Services: the services, including the Deliverables, supplied by the Supplier to the Customer as set out in the Service Specification below.

Service Specification: the description or specification for the Services provided in writing by the Supplier to the Customer.

Construction: In these Conditions, the following rules apply:

- (a) a person includes a natural person, corporate or unincorporated body (whether or not having separate legal personality);
- (b) a reference to a party includes its personal representatives, successors or permitted assigns;
- (c) a reference to a statute or statutory provision is a reference to such statute or statutory provision as amended or re-enacted. A reference to a statute or statutory provision includes any subordinate legislation made under that statute or statutory provision, as

amended or re-enacted;

(d) any phrase introduced by the terms including, include, in particular or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms; and

(e) a reference to writing or written includes faxes and e-mails.

2. BASIS OF CONTRACT

2.1 These terms apply to the Contract to the exclusion of any other terms that the Customer seeks to impose or incorporate or which are implied by trade, custom, practice or course of dealing.

2.2 The Purchase Order constitutes an offer by the Customer to purchase Goods and/or Services in accordance with these Conditions.

2.3 The Contract constitutes the entire agreement between the parties. The Customer acknowledges that it has not relied on any statement, promise, representation, assurance or warranty made or given by or on behalf of the Supplier which is not set out in the Contract.

2.4 Any samples, drawings, descriptive matter or advertising issued by the Supplier and any descriptions of the Services contained in the Supplier's catalogues or brochures are issued or published for the sole purpose of giving an approximate idea of the Services and/or Goods described in them. They shall not form part of the Contract or have any contractual force.

2.5 These Conditions apply to the Contract to the exclusion of any other terms that the Customer seeks to impose or incorporate, or which are implied by trade, custom, practice or course of dealing.

2.6 Any quotation given by the Supplier shall not constitute an offer, and is only valid for a period of 28 days from its date of issue.

2.7 All of these Conditions shall apply to the supply of both Goods and Services except where application to one or the other is specified.

3. GOODS

3.1 The Goods are described in marketing literature of the Supplier.

3.2 The Supplier reserves the right to amend the specification of the Goods if required by any applicable statutory or regulatory requirements.

4. DELIVERY

4.1 The Supplier shall arrange for the Goods to be collected from (Collection Location) at any time after the Supplier notifies the Customer that the Goods are ready.

4.2 Delivery of the Goods shall be completed once the Goods' are collected from the UK Collection Location.

4.3 The Supplier shall not be liable for any delay in collection of the Goods that is caused by a Force Majeure Event or the Customer's failure to provide the Supplier any other instructions that are relevant to the supply of

the Goods.

4.4 Where delivery of the Goods has been agreed between the Supplier and the Customer, then any dates quoted for the delivery are approximate only, and time of delivery of the Goods is not of the essence. The Supplier shall have no liability for any failure to deliver the Goods to the extent that such failure is caused by a Force Majeure Event the Customer's failure to provide the Supplier with adequate delivery instructions for the Goods or any relevant instruction related to the supply of the Goods.

4.5 If the Customer fails to accept or take collection/delivery of the Goods within 7 days of the Supplier notifying the Customer that the Goods are ready, then except where such failure or delay is caused by a Force Majeure Event or by the Supplier's failure to comply with its obligations under the Contract:

- (a) delivery of the Goods shall be deemed to have been completed at 9.00 am on the seventh day following the day on which the Supplier notified the Customer that the Goods were ready; and
- (b) the Supplier shall store the Goods until delivery takes place, and charge the Customer for all related costs and expenses (including insurance).

4.6 The Supplier may make available the Goods at Collection Location or deliver the Goods by instalments, which shall be invoiced and paid for separately. Each instalment shall constitute a separate contract. Any delay in delivery or defect in an instalment shall not entitle the Customer to cancel any other instalment.

5. QUALITY

5.1 The Supplier warrants that on delivery from the date of delivery, the Goods shall:

- (a) conform in all material respects with their description
- (b) be free from material defects in design, material and workmanship;
- (c) be of satisfactory quality (within the meaning of the Sale of Goods Act 1979); and
- (d) be fit for any purpose held out by the Supplier.

5.2 Subject to clause 5.3, if:

- (a) the Customer gives notice in writing within 28 days from Delivery that some or all of the Goods do not comply with the warranty set out in clause 5.1;
- (b) the Supplier is given a reasonable opportunity of examining such Goods; and
- (c) the Customer (if asked to do so by the Supplier) returns such Goods to the Supplier's place of business at the Customer's cost. The Supplier shall, at its option, repair or replace the defective Goods, or refund the price of the defective Goods in full including carriage.

5.3 The Supplier shall not be liable for the Goods' failure to comply with the warranty in clause 5.1 in any of

the following events:

- (a) the Customer makes any further use of such Goods after giving a notice in accordance with clause 5.2; or
- (b) the defect arises because the Customer failed to follow the Supplier's oral or written instructions as to the storage, installation, commissioning, use or maintenance of the Goods or (if there are none) good trade practice regarding the same; or
- (c) the defect arises as a result of the Supplier following any drawing, design or Goods Specification supplied by the Customer; or
- (d) the Customer alters or repairs such Goods without the written consent of the Supplier; or
- (e) the defect arises as a result of fair wear and tear, wilful damage, negligence, or abnormal working conditions; or
- (f) the Goods differ from their description as a result of changes made to ensure they comply with applicable statutory or regulatory standards.

5.4 Except as provided in this clause 5, the Supplier shall have no liability to the Customer in respect of the Goods' failure to comply with the warranty set out in clause 5.1.

5.5 The terms implied by sections 13 to 15 of the Sale of Goods Act 1979 are, to the fullest extent permitted by law, excluded from the Contract.

5.6 The terms of these Conditions shall apply to any repaired or replacement Goods supplied by the Supplier.

6. TITLE AND RISK

6.1 The risk in the Goods shall pass to the Customer on collection or delivery.

6.2 Title to the Goods shall not pass to the Customer until the Supplier receives payment in full (cleared funds) for the Goods;

6.3 Until title to the Goods has passed to the Customer, the Customer shall:

- (a) store the Goods separately from all other goods held by the Customer so that they remain readily identifiable as the Supplier's property;
- (b) not remove, deface or obscure any identifying mark or packaging on or relating to the Goods;
- (c) maintain the Goods in satisfactory condition and keep them insured against all risks for their full price on the Supplier's behalf from the date of delivery;
- (d) notify the Supplier immediately if it becomes subject to any of the events listed in clause 13.2; and
- (e) give the Supplier such information relating to the Goods as the Supplier may require from time to time.

6.4 If before title to the Goods passes to the Customer the Customer becomes subject to any of the events listed in clause 13.2 then, without limiting any other right or remedy the Supplier may have:

(a) the Customer's right to resell Goods or use them in the ordinary course of its business ceases immediately; and

(b) the Supplier may at any time:

(i) require the Customer to deliver up all Goods in its possession which have not been resold, or irrevocably incorporated into another product; and

(ii) if the Customer fails to do so promptly, enter any premises of the Customer or of any third party where the Goods are stored in order to recover them.

7. SUPPLY OF SERVICES

7.1 The Supplier shall provide the Services to the Customer in accordance with the Service Specification in all material respects.

7.2 The Supplier shall use all reasonable endeavours to meet any performance dates for the Services as agreed but any such dates shall be estimates only and time shall not be of the essence for the performance of the Services.

7.3 The Supplier shall have the right to make any changes to the Services which are necessary to comply with any applicable law or safety requirement, or which do not materially affect the nature or quality of the Services, and the Supplier shall notify the Customer in any such event.

7.4 The Supplier warrants to the Customer that the Services will be provided using reasonable care and skill.

8. CUSTOMER'S OBLIGATIONS

8.1 The Customer shall:

(a) ensure that the terms of the Purchase Order and (if submitted by the Customer) the Goods Specification are complete and accurate;

(b) co-operate with the Supplier in all matters relating to the Services;

(c) provide the Supplier, its employees, agents, consultants and subcontractors, with access to the Customer's premises, office accommodation and other facilities as reasonably required by the Supplier to provide the Services;

(d) provide the Supplier with such information and materials as the Supplier may reasonably require to supply the Services, and ensure that such information is accurate in all material respects;

(e) obtain and maintain all necessary licences, permissions and consents which may be required for the Services before the date on which the Services are to start;

(f) keep and maintain all materials, equipment, documents and other property of the Supplier (Supplier Materials) at the Customer's premises in safe custody at its own risk, maintain the Supplier Materials in good condition until returned to the Supplier, and not dispose of or use the Supplier Materials other than in accordance

with the Supplier's written instructions or authorisation; and

8.2 If the Supplier's performance of any of its obligations in respect of the Services is prevented or delayed by any act or omission by the Customer or failure by the Customer to perform any relevant obligation (Customer Default):

(a) the Supplier shall without limiting its other rights or remedies have the right to suspend performance of the Services until the Customer remedies the Customer Default, and to rely on the Customer Default to relieve it from the performance of any of its obligations to the extent the Customer Default prevents or delays the Supplier's performance of any of its obligations;

(b) the Supplier shall not be liable for any costs or losses sustained or incurred by the Customer arising directly or indirectly from the Supplier's failure or delay to perform any of its obligations as set out in this clause; and

(c) the Customer shall reimburse the Supplier on written demand for any costs or losses sustained or incurred by the Supplier arising directly or indirectly from the Customer Default.

9. CHARGES AND PAYMENT

9.1 The price for Goods shall be the price set out in the Purchase Order.

9.2 The charges for Services shall be on a time and materials basis:

(a) the charges shall be calculated in accordance with the Supplier's standard daily fee rates and as agreed;

(b) the Supplier shall be entitled to charge the Customer for any expenses reasonably incurred by the individuals whom the Supplier engages in connection with the Services including, but not limited to, travelling expenses, hotel costs, subsistence and any associated expenses, and for the cost of services provided by third parties and required by the Supplier for the performance of the Services, and for the cost of any materials.

9.3 The Supplier reserves the right to:

(a) increase its standard daily fee rates for the charges for the Services.

(b) increase the price of the Goods, by giving notice to the Customer at any time before delivery, to reflect any increase in the cost of the Goods to the Supplier that is due to:

(i) any factor beyond the control of the Supplier (including foreign exchange fluctuations, increases in taxes and duties, and increases in labour, materials and other manufacturing costs);

(ii) any request by the Customer to change the delivery date(s), quantities or types of Goods ordered, or the Goods Specification; or

(iii) any delay caused by any instructions of the Customer in respect of the Goods or failure of the Customer to give the Supplier adequate or accurate information or instructions in respect of the Goods.

9.4 The Customer shall pay each invoice submitted by the Supplier within the time period set out in the Distribution Agreement and in the absence of such an agreement, within 7 days of the date of the invoice. Time for payment shall be of the essence.

9.5 All amounts payable by the Customer under the Contract are exclusive of amounts in respect of value added tax chargeable from time to time (VAT). Where any taxable supply for VAT purposes is made under the Contract by the Supplier to the Customer, the Customer shall, on receipt of a valid VAT invoice from the Supplier, pay to the Supplier such additional amounts in respect of VAT as are chargeable on the supply of the Services or Goods at the same time as payment is due for the supply of the Services or Goods.

9.6 If the Customer fails to make any payment due to the Supplier under the Contract by the due date for payment, then the Customer shall pay interest on the overdue amount at the rate of 4% above the base rate of Barclays Bank PLC from time to time. Such interest shall accrue on a daily basis from the due date until actual payment of the overdue amount, whether before or after judgment. The Customer shall pay the interest together with the overdue amount.

9.7 The Customer shall pay all amounts due under the Contract in full without any set-off, counterclaim, deduction or withholding except as required by law. The Supplier may, without limiting its other rights or remedies, set off any amount owing to it by the Customer against any amount payable by the Supplier to the Customer.

10. INTELLECTUAL PROPERTY RIGHTS

10.1 All Intellectual Property Rights in or arising out of or in connection with the Services shall be owned by the Supplier.

10.2 The Customer acknowledges that, in respect of any third party Intellectual Property Rights in the Services, the Customer's use of any such Intellectual Property Rights is conditional on the Supplier obtaining a written licence from the relevant licensor on such terms as will entitle the Supplier to license such rights to the Customer.

10.3 All Supplier Materials are the exclusive property of the Supplier.

11. CONFIDENTIALITY

A party (receiving party) shall keep in strict confidence all technical or commercial know-how, specifications, inventions, processes or initiatives which are of a confidential nature and have been disclosed to the

receiving party by the other party (disclosing party), its employees, agents or subcontractors, and any other confidential information concerning the disclosing party's business, its products and services which the receiving party may obtain. The receiving party shall only disclose such confidential information to those of its employees, agents and subcontractors who need to know it for the purpose of discharging the receiving party's obligations under the Contract, and shall ensure that such employees, agents and subcontractors comply with the obligations set out in this clause as though they were a party to the Contract. The receiving party may also disclose such of the disclosing party's confidential information as is required to be disclosed by law, any governmental or regulatory authority or by a court of competent jurisdiction. This clause 11 shall survive termination of the Contract.

12. LIMITATION OF LIABILITY:

12.1 Nothing in these Conditions shall limit or exclude the Supplier's liability for:

- (a) death or personal injury caused by its negligence, or the negligence of its employees, agents or subcontractors;
- (b) fraud or fraudulent misrepresentation;
- (c) breach of the terms implied by section 2 of the Supply of Goods and Services Act 1982 (title and quiet possession);
- (d) breach of the terms implied by section 12 of the Sale of Goods Act 1979 (title and quiet possession); or
- (e) defective products under the Consumer Protection Act 1987.

12.2 Subject to clause 12.1:

- (a) the Supplier shall under no circumstances whatever be liable to the Customer, whether in contract, tort (including negligence), breach of statutory duty, or otherwise, for any loss of profit, or any indirect or consequential loss arising under or in connection with the Contract; and
- (b) the Supplier's total liability to the Customer in respect of all other losses arising under or in connection with the Contract, whether in contract, tort (including negligence), breach of statutory duty, or otherwise, shall in no circumstances exceed the price of the Goods.

12.3 The terms implied by sections 13 to 15 of the Sale of Goods Act 1979 and the terms implied by sections 3 to 5 of the Supply of Goods and Services Act 1982 are, to the fullest extent permitted by law, excluded from the Contract.

12.4 This clause 12 shall survive termination of the Contract.

13. TERMINATION

13.1 If the Customer becomes subject to any of the events listed in clause 13.2, the Supplier may terminate

the Contract with immediate effect by giving written notice to the Customer.

13.2 For the purpose of clause 13.1, the relevant events are:

- (a) the Customer commits a material breach of its obligations under this Contract and (if such breach is remediable) fails to remedy that breach within 14 days after receipt of notice in writing to do so;
- (b) the Customer suspends, or threatens to suspend, payment of its debts or is unable to pay its debts as they fall due or admits inability to pay its debts or [(being a company or limited liability partnership) is deemed unable to pay its debts within the meaning of section 123 of the Insolvency Act 1986 or (being an individual) is deemed either unable to pay its debts or as having no reasonable prospect of so doing, in either case, within the meaning of section 268 of the Insolvency Act 1986 or (being a partnership) has any partner to whom any of the foregoing apply;
- (c) the Customer commences negotiations with all or any class of its creditors with a view to rescheduling any of its debts, or makes a proposal for or enters into any compromise or arrangement with its creditors;
- (d) a petition is filed, a notice is given, a resolution is passed, or an order is made, for or in connection with the winding up of the Customer (being a company) other than for the sole purpose of a scheme for a solvent amalgamation of the other party with one or more other companies or the solvent reconstruction of that other party;
- (e) the Customer (being an individual) is the subject of a bankruptcy petition or order;
- (f) a creditor or encumbrancer of the other party attaches or takes possession of, or a distress, execution, sequestration or other such process is levied or enforced on or sued against, the whole or any part of its assets and such attachment or process is not discharged within 14 days;
- (g) an application is made to court, or an order is made, for the appointment of an administrator or if a notice of intention to appoint an administrator is given or if an administrator is appointed over the other party (being a company);
- (h) the holder of a qualifying charge over the assets of the other party (being a company) has become entitled to appoint or has appointed an administrative receiver;
- (i) a person becomes entitled to appoint a receiver over the assets of the other party or a receiver is appointed over the assets of the other party;
- (j) any event occurs, or proceeding is taken, with respect to the Customer in any jurisdiction to which it is subject that has an effect equivalent or similar to any of

the events mentioned in clause 13.2(b) to clause 13.2(i) (inclusive);

(k) the Customer suspends, threatens to suspend, ceases or threatens to cease to carry on, all or substantially the whole of its business;

(l) the financial position of the Customer deteriorates to such an extent that in the Supplier's opinion the Customer's capability to adequately fulfil its obligations under the Contract has been placed in jeopardy; or

13.3 Without limiting its other rights or remedies, the Supplier may terminate the Contract with immediate effect by giving written notice to the Customer if the Customer fails to pay any amount due under this Contract on the due date for payment.

13.4 Without limiting its other rights or remedies, the Supplier may suspend the supply of Services or all further deliveries of Goods under the Contract or any other contract between the Customer and the Supplier if the Customer fails to pay any amount due under this Contract on the due date for payment, the Customer becomes subject to any of the events listed in clause 13.2(b) to clause 13.2(l) or the Supplier reasonably believes that the Customer is about to become subject to any of them.

13.5 On termination of the Contract for any reason:

(a) the Customer shall immediately pay to the Supplier all of the Supplier's outstanding unpaid invoices and interest and, in respect of Services supplied but for which no invoice has yet been submitted, the Supplier shall submit an invoice, which shall be payable by the Customer immediately on receipt;

(b) the Customer shall return all of the Supplier Materials and any Deliverables which have not been fully paid for. If the Customer fails to do so, then the Supplier may enter the Customer's premises and take possession of them. Until they have been returned, the Customer shall be solely responsible for their safe keeping and will not use them for any purpose not connected with this Contract;

(c) the accrued rights and remedies of the parties as at termination shall not be affected, including the right to claim damages in respect of any breach of the Contract which existed at or before the date of termination or expiry; and

(d) clauses which expressly or by implication have effect after termination shall continue in full force and effect.

14. FORCE MAJEURE

14.1 For the purposes of this Contract, Force Majeure Event means an event beyond the reasonable control of the Supplier including but not limited to strikes, lock-outs or other industrial disputes (whether involving the workforce of the Supplier or any other party), failure of a

utility service or transport network, act of God, war, riot, civil commotion, malicious damage, compliance with any law or governmental order, rule, regulation or direction, accident, breakdown of plant or machinery, fire, flood, storm or default of suppliers or subcontractors.

14.2 The Supplier shall not be liable to the Customer as a result of any delay or failure to perform its obligations under this Contract as a result of a Force Majeure Event.

15. GENERAL

15.1 Assignment and other dealings.

(a) The Supplier may at any time assign, transfer, mortgage, charge, subcontract or deal in any other manner with all or any of its rights under the Contract and may subcontract or delegate in any manner any or all of its obligations under the Contract to any third party.

(b) The Customer shall not, without the prior written consent of the Supplier, assign, transfer, charge, subcontract, declare a trust over or deal in any other manner with all or any of its rights or obligations under the Contract.

15.2 Notices.

(a) Any notice or other communication given to a party under or in connection with this Contract shall be in writing, addressed to that party at its registered office (if it is a company) or its principal place of business (in any other case) or such other address as that party may have specified to the other party in writing in accordance with this clause, and shall be delivered personally or sent by prepaid first-class post or other next working day delivery service, or by commercial courier, fax or e-mail.

(b) A notice or other communication shall be deemed to have been received: if delivered personally, when left at the registered office address; if sent by pre-paid first class post or other next working day delivery service, at 9.00 am on the second business day after posting; if delivered by commercial courier, on the date and at the time that the courier's delivery receipt is signed; or, if sent by fax or e-mail (if receipt of the email has been confirmed) within one business day after transmission.

(c) The provisions of this clause shall not apply to the service of any proceedings or other documents in any legal action

15.3 Severance.

(a) If any provision or part-provision of the Contract is or becomes invalid, illegal or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision or part-provision shall be deemed deleted. Any modification to or deletion of a provision or part-provision under this clause shall not affect the validity and enforceability of the rest of the Contract.

(b) If [one party gives notice to the other of the possibility that] any provision or part-provision of this Contract is invalid, illegal or unenforceable, the parties shall negotiate in good faith to amend such provision so that, as amended, it is legal, valid and enforceable, and, to the greatest extent possible, achieves the intended commercial result of the original provision.

15.4 Waiver. A waiver of any right under the Contract or law is only effective if it is in writing and shall not be deemed to be a waiver of any subsequent breach or default. No failure or delay by a party in exercising any right or remedy under the Contract or by law shall constitute a waiver of that or any other right or remedy, nor prevent or restrict its further exercise of that or any other right or remedy. No single or partial exercise of such right or remedy shall prevent or restrict the further exercise of that or any other right or remedy.

15.5 No partnership or agency. Nothing in the Contract is intended to, or shall be deemed to, establish any partnership or joint venture between any of the parties, nor constitute either party the agent of another party for any purpose. Neither party shall have authority to act as agent for, or to bind, the other party in any way.

15.6 Third parties. A person who is not a party to the Contract shall not have any rights to enforce its terms.

15.7 Variation. Except as set out in these Conditions, no variation of the Contract, including the introduction of any additional terms and conditions shall be effective unless it is agreed in writing and signed by the Supplier.

15.8 Governing law. This agreement and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the law of England and Wales.

15.9 Jurisdiction Each party irrevocably agrees that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim arising out of or in connection with this Contract or its subject matter or formation (including non-contractual disputes or claims).



Innovators in Infrastructure



CRALEY Group Limited
Unit 3, Hawley Lane Industrial Estate
Hawley Lane, Farnborough, Hants. GU14 8EH. United Kingdom

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Email: enquiries@craley.com
Web: www.craley.com

Registered in England 08475341



City Council Agenda Bill

Meeting Date: 3/20/2017 **Agenda Item:** 7-D

Subject: Hearing Examiner Contract for Services

Staff Contact: Don Measamer

Approved for Submittal to Council by	
X	Laurie Gere, Mayor
	Steve Hoglund, Finance Director
	Darcy Swetnam, City Attorney
X	Don Measamer

Action Type	
	Ordinance No.
	Code Revision?
	Resolution No.
X	Contract
	Public Hearing
	Staff Report

Summary Statement: In December 2016 the City Council adopted Ordinance 2988, Title 2, establishing the office of the Hearing Examiner. The Hearing Examiner would hear Code Enforcement appeals under the new Title 20 and certain land use actions such as appeals of Type I and Type II Administrative actions, special use permits for towers and antennas and level 2 variances. The RFQ generated three responses and two candidates were chosen for interviews by Planning Committee Council Members Ryan Walters and Brad Adams, City Staff Darcy Swetnam, Libby Grage and Don Measamer. Having reviewed the qualifications and interviewing the two candidates the interview group recommends Sound Law Center, Mr. Ted Hunter as Hearing Examiner and Mr. Andrew Reeves as Hearing Examiner Pro Tempore. The contract for services is attached and has been reviewed by Mr. Hunter and Mr. Reeves.

Background: The City Council reviewed the proposed Hearing Examiner appointment at its March 13, 2017 meeting indicating to staff that the contract for services should be brought back for City Council review.

Budget Impact	
Amount Budgeted	
Budget Account (BARS)	
Proposed Expenditure	
Budget Amendment Required?	
Revenue Source	

Proposed Contract	
Contractor	
Amount	
Start Date	
End Date	

Previous Council/Committee Action: The Planning Committee City Council members Ryan Walters and Brad Adams and City Staff Darcy Swetnam, Libby Grage and Don Measamer interviewed the two candidates and recommends Sound Law Center, Ted Hunter as Hearing Examiner and Andrew Reeves as Hearing Examiner Pro-Tempore.

Competing Viewpoints Considered: Proposals reviewed and candidates interviewed

Recommended Motion: I move to appoint Sound Law Center, Mr. Ted Hunter as Hearing Examiner, and Mr. Andrew Reeves as Hearing Examiner Pro-Tempore and approve the contract for services as presented.

Alternative Actions: Request additional information as determined

Attachments (listed in order presented): Hearing Examiner Contract for Services



CITY OF ANACORTES
AGREEMENT FOR HEARING EXAMINER SERVICES

This agreement is being entered into this ____ day of March, 2017, by and between the City of Anacortes, a Washington municipal corporation hereinafter referred to as "City", and Sound Law Center, hereinafter referred to as "Hearing Examiner". In consideration of the mutual benefits, terms and conditions hereinafter specified, the sufficiency of which is hereby acknowledged, the Parties hereby agree as follows.

1. **Term.** The term of this Agreement will be for two years, beginning on the date of execution and terminating at midnight on the second anniversary of execution, subject to the Termination section herein.

2. **Services.**

- a. Ted Hunter agrees to serve as Hearing Examiner and Andrew Reeves agrees to serve as Hearing Examiner pro tem as described in Section 2.30.060(C) of the Anacortes Municipal Code ("AMC").
- b. The Hearing Examiner agrees to provide the following services to the City.
 - i. Perform a variety of administrative and quasi-judicial duties related to matters ranging from land use and environmental cases, code enforcement actions, to appeals of Department determinations; conduct open public hearings to assure due process in an impartial, objective and timely manner; and render decisions and recommendations to the City.
 - ii. Conduct quasi-judicial and administrative hearings, applying relevant federal, State or local standards and decisional law; receive, consider and examine testimony and exhibits related to matters heard; prepare a case record and enter findings, conclusions, decisions, and recommendations to the City.
 - iii. Hear, recommend, or decide various land use issues as provided for by City ordinances; assure compliance with City, state and federal environmental regulations; consider statutory requirements and community guidelines in determining the appropriate size, scale and design of development projects;

- iv. Conduct hearings of appeals for code enforcement actions taken pursuant to City ordinances.
 - v. Analyze technical drawings and development plans and make relevant decisions in keeping with land use laws, regulations and policies.
 - vi. Prepare the Hearing Examiner Report as mandated by law; render decisions in writing that are clear, complete and internally consistent, factually accurate, and legally sufficient, and provide to the City for distribution to parties of record and interested parties.
- 3. **Conflict of Interest.** The Hearing Examiner agrees to disqualify himself or herself as to any application regarding which the Hearing Examiner has had substantial pre-hearing contact with proponents or opponents; regarding which the Hearing Examiner has a personal financial interest or other appearance of fairness conflict. The Hearing Examiner further agrees that neither he nor any firm at which she is a principal, officer, or employee shall offer new consultation services or other new professional assistance related to land use activities in the City of Anacortes which may result in applications for review under the provisions of city codes within the Hearing Examiner's decision making authority during the term of this Agreement, or for a period of six (6) months following termination thereafter. The Hearing Examiner will endeavor to give the City as much advance notice of a possible conflict to hear any item so that the item can be assigned to another pro tem hearing examiner.
- 4. **Procedures and Exhibits.** The Hearing Examiner agrees to adopt and community to parties a set of procedures for the conduct of hearings. During the course of the conduct of hearings, the Hearing Examiner shall mark and record all exhibits accepted into the record, with the case, number or letter of the exhibit. All such exhibits will be entrusted to the City after the Hearing Examiner has rendered her final decision on the matter.
- 5. **Facilities and Administrative Support.** The City will provide facilities for the conduct of hearings, including a hearing room and recording equipment. The City will also provide staff support at the hearing to record proceedings. The staff support includes carrying out all public notice requirements of the City code.
- 6. **Recesses and Continuances.** The Hearing Examiner agrees to set all recessed or continued hearings to a time certain whenever possible. The Hearing Examiner will coordinate such rescheduling with the City to ensure that adequate facilities will be available.
- 7. **Compensation.** The City will pay the Hearing Examiner at the rate of \$125 per hour for services provided, not including travel time to and from the City.

Payment will be for time actually devoted to rendering services under this agreement, for hearings assigned, and time necessary for hearing and decision preparation. This compensation rate may be adjusted annually by the City. The Hearing Examiner shall keep accurate time records and shall provide such records for review by the City as requested. Invoices documenting hours spent for services rendered may be submitted monthly to the City Finance Director for payment.

8. **Insurance.** The City requires the Hearing Examiner to carry automobile insurance of \$500,000 per occurrence and furnish proof of insurance and a driving record abstract to the City.
9. **Indemnification.** The Hearing Examiner shall indemnify, defend and hold harmless the City, its officers, agents, employees and volunteers, from and against any and all claims, losses or liability, or any portion thereof, including attorneys fees and costs, arising from legal malpractice, civil rights violations, injury or death to persons, including injuries, sickness, disease or death to Hearing Examiner's own employees, or damage to property occasioned by a negligent act, omission, or failure of Hearing Examiner.

Except in cases where the City elects to appeal or challenge an action or decision of the Hearing Examiner, the City will actively represent the Hearing Examiner and defend any and all legal challenges to or appeals of any action and/or decision rendered by the Hearing Examiner when acting within the scope of the quasi-judicial duties called for by this agreement, to the same extent as it would for any other City quasi-judicial decision maker. The costs of such legal representation shall not be charged to the Hearing Examiner as long as the action taken and/or decision rendered is within the scope of the quasi-judicial duties called for in this agreement. The City reserves the right to settle any such appeal or legal challenge to any such action or decision in any manner deemed appropriate by the City with or without consulting with or obtaining the consent of the Hearing Examiner. In the event that any action taken and/or decision rendered is determined to be outside the scope of the Hearing Examiner's quasi-judicial duties, the City shall have no obligation to represent or defend the Hearing Examiner or any action taken and/or decision rendered, and the Hearing Examiner's indemnity obligations set forth in this agreement shall apply.

10. **Compliance with Laws.** Hearing Examiner shall, in performing the services contemplated by this agreement, faithfully observe and comply with all federal, state, and local laws, ordinances and regulations, applicable to the services rendered under this agreement.
11. **Discrimination Prohibited.** The Hearing Examiner, with regard to work performed under this agreement, will not discriminate on the grounds of race;

religion/creed; national origin; ancestry; sex; the presence of a physical, sensory, or mental disability; age over 40; sexual orientation or gender identity; pregnancy; HIV/AIDS and Hepatitis C status; use of a guide dog/service animal; marital status; parental/family status; military status; or veteran's status, in accordance with City policy and as set forth in federal, state and local laws.

12. **Independent Contractor.** Hearing Examiner and the City agree that Hearing Examiner is an independent contractor with respect to the services provided under this agreement. Nothing in this agreement shall be considered to create the relationship of employer and employee between the parties hereto. Neither Hearing Examiner nor any of her employees shall be entitled to any benefits accorded City employees by virtue of the services provided under this agreement. The Hearing Examiner shall be solely responsible for payment of all taxes and fees, including business license fees and social security taxes.
13. **Nonexclusive Contract.** Nothing herein shall constitute a guarantee to provide a minimum amount of work or a promise to supply work to the Hearing Examiner by the City. The City reserves the right to assign hearing examiner duties to other persons, either by way of agreement or employment.
14. **Assignment.** The Hearing Examiner may not sublet or assign any of the services covered by this agreement without the express written consent of the City.
15. **Non-Waiver.** Waiver of any provision of this agreement, or any time limitation provided for in this agreement by the City shall not constitute a waiver of any other provision.
16. **Termination.** This Agreement shall remain in full force and effect for the duration of the Term as described in Paragraph 1 above. This Agreement may be terminated in accordance with the provisions of Section 2.30.090 AMC.

DATE: _____

DATE: _____

Mayor Laurie Gere
City of Anacortes

Ted Hunter

Andrew Reeves



CITY OF ANACORTES
AGREEMENT 17-039-PLN-001
FOR HEARING EXAMINER SERVICES

This agreement is being entered into this ____ day of _____, 2017, by and between the City of Anacortes, a Washington municipal corporation hereinafter referred to as "City", and Sound Law Center, hereinafter referred to as "Hearing Examiner". In consideration of the mutual benefits, terms and conditions hereinafter specified, the sufficiency of which is hereby acknowledged, the Parties hereby agree as follows.

1. **Term.** The Term of this Agreement will be for two years, beginning on the date of execution and terminating at midnight on the second anniversary of execution, subject to the Termination section herein. At the end of the Term, this Agreement shall be extended on a month to month basis unless terminated in writing.
2. **Services.**
 - a. Ted Hunter agrees to serve as Hearing Examiner and Andrew Reeves agrees to serve as Hearing Examiner pro tem as described in Section 2.30.060(C) of the Anacortes Municipal Code ("AMC").
 - b. The Hearing Examiner agrees to provide the following services to the City.
 - i. Perform a variety of administrative and quasi-judicial duties related to matters ranging from land use and environmental cases, code enforcement actions, to appeals of Department determinations; conduct open public hearings to assure due process in an impartial, objective and timely manner; and render decisions and recommendations to the City.
 - ii. Conduct quasi-judicial and administrative hearings, applying relevant federal, State or local standards and decisional law; receive, consider and examine testimony and exhibits related to matters heard; prepare a case record and enter findings, conclusions, decisions, and recommendations to the City.
 - iii. Hear, recommend, or decide various land use issues as provided for by City ordinances; assure compliance with City, state and federal environmental regulations; consider statutory requirements and community guidelines in determining the appropriate size, scale and design of development projects;
 - iv. Conduct hearings of appeals for code enforcement actions taken pursuant to City ordinances.

- v. Analyze technical drawings and development plans and make relevant decisions in keeping with land use laws, regulations and policies.
- vi. Prepare the Hearing Examiner Report as mandated by Section 2.30.100 AMC; render decisions in writing that are clear, complete and internally consistent, factually accurate, and legally sufficient, and provide to the City for distribution to parties of record and interested parties.

3. **Conflict of Interest.** The Hearing Examiner agrees to disqualify himself or herself as to any application regarding which the Hearing Examiner has had substantial pre-hearing contact with proponents or opponents; regarding which the Hearing Examiner has a personal financial interest or other appearance of fairness conflict. The Hearing Examiner further agrees that neither he nor any firm at which she is a principal, officer, or employee shall offer new consultation services or other new professional assistance related to land use activities in the City of Anacortes which may result in applications for review under the provisions of city codes within the Hearing Examiner's decision making authority during the term of this Agreement, or for a period of six (6) months following termination thereafter. The Hearing Examiner will endeavor to give the City as much advance notice of a possible conflict to hear any item so that the item can be assigned to another pro tem hearing examiner.
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Except in cases where the City elects to appeal or challenge an action or decision of the Hearing Examiner, the City will actively represent the Hearing Examiner and defend any and all legal challenges to or appeals of any action and/or decision rendered by the Hearing Examiner when acting within the scope of the quasi-judicial duties called for by this agreement, to the same extent as it would for any other City quasi-judicial decision maker. The costs of such legal representation shall not be charged to the Hearing Examiner as long as the action taken and/or decision rendered is within the scope of the quasi-judicial duties called for in this agreement. The City reserves the right to settle any such appeal or legal challenge to any such action or decision in any manner deemed appropriate by the City with or without consulting with or obtaining the consent of the Hearing Examiner. In the event that any action taken and/or decision rendered is determined to be outside the scope of the Hearing Examiner's quasi-judicial duties, the City shall have no obligation to represent or defend the Hearing Examiner or any action taken and/or decision rendered, and the Hearing Examiner's indemnity obligations set forth in this agreement shall apply.

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or mental disability; age over 40; sexual orientation or gender identity; pregnancy; HIV/AIDS and Hepatitis C status; use of a guide dog/service animal; marital status; parental/family status; military status; or veteran's status, in accordance with City policy and as set forth in federal, state and local laws.

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DATE: _____

DATE: _____

Mayor Laurie Gere
City of Anacortes

Ted Hunter

Andrew Reeves



Anacortes City Council

Proposed Agenda Items for the Next Eight Weeks Beginning March 27, 2017

Subjects listed below have been tentatively suggested for consideration by the Anacortes City Council on the dates indicated. Items may be added to, removed from or rearranged on this list. Routine business such as approval of minutes, vouchers and consent agenda items is not included. The complete Preliminary Agenda for each meeting is published at 3:00 on the Wednesday prior to the meeting. Published Agendas are subject to change and may be updated following the posting period. For additional information on agenda topics, please contact the City Clerk's office at 360-299-1960 to be directed to the sponsoring staff member.

March 27, 2017

- Closed Record Public Hearing: CUP-2016-1005, Conditional Use Permit/Essential Public Facility (EPF) to permit an outpatient substance use and primary care medical service type of land use within an existing office building (Discussion/Possible Action)

April 3, 2017

April 10, 2017

April 17, 2017

April 24, 2017

- CDBG - Review draft 2017/2018 Action Plan, Housing Needs & Community Input

May 1, 2017

May 8, 2017

May 15, 2017

Upcoming City Council Committee Meetings

The public is welcome to attend City Council Committee Meetings.

- Public Works, Monday, Mar 20, 2017, 5:00 PM, Public Works Director's Office, City Hall
- Finance, Wednesday, Mar 22, 2017, 5:00 PM, Johnny Picasso's, 501 Commercial Avenue
- Planning, Monday, Mar 27, 2017, 5:00 PM, Main Conference Room, City Hall
- Public Works, Monday, Apr 3, 2017, 5:00 PM, Public Works Director's Office, City Hall
- Housing Affordability & Community Services, Thursday, Apr 6, 2017, 1:30 PM, City Hall
- Planning, Monday, Apr 10, 2017, 5:00 PM, Main Conference Room, City Hall
