

**AMENDED AND RESTATED RESTRICTIVE COVENANT**  
**Puget Corporation of Washington**

This Declaration of Restrictive Covenant is made pursuant to RCW 70.105D.030(1)(f) and (g) and WAC 173-340-440 by Puget Corporation of Washington its successors and assigns, and the State of Washington Department of Ecology, its successors and assigns (hereafter "Ecology").

An independent remedial action (hereafter "Remedial Action") occurred at the property that is the subject of this Restrictive Covenant. The Remedial Action conducted at the property is described in the following document[s]:

- **Independent Remedial Action Report, 2101 and 2011 Mildred Street West, Tacoma, Washington, September 3, 1996, Summit Envirosolutions, Inc.**
- **IRAP Supplemental Information Report, 2101 and 2011 Mildred Street West, Tacoma, Washington, January 6, 1997, Summit Envirosolutions, Inc.**
- **IRAP Supplemental Information Report, 2101 and 2011 Mildred Street West, Tacoma, Washington, July 21, 1997, Summit Envirosolutions, Inc.**
- **No Further Action Letter For Independent Remedial Actions, November 25, 1997, to Mr. Rufus Lund, Puget Corporation of Washington, from Ecology.**
- **Report Phase II Environmental Site Assessment Former Pace Industries Facility 2101 and 2011 Mildred Street West, Tacoma, Washington, November 7, 2001, GeoEngineers.**
- **Report Supplemental Soil Investigation Former Pace Industries Facility 2101 and 2011 Mildred Street West, Tacoma, Washington, August 19, 2002, GeoEngineers.**
- **Report Groundwater Investigation Former Pace Industries Facility 2101 and 2011 Mildred Street West, Tacoma, Washington, March 6, 2003, GeoEngineers.**

These documents are on file at Ecology's Southwest Regional Office.

This Restrictive Covenant is required because the Remedial Action resulted in residual concentrations of petroleum hydrocarbons and Polychlorinated Biphenyls (PCB) which exceed the Model Toxics Control Act Methods A and B Residential Cleanup Level(s) for soil established under WAC 173-340-740. In addition, there is evidence to suspect there is heavy metal contamination remaining above MTCA standards beneath the existing concrete patio in Area 1 of the site, associated with an abandoned septic system.

The undersigned, Puget Corporation of Washington, is the fee owner of real property (hereafter "Property") in the County of Pierce, State of Washington, that is subject to this Restrictive Covenant. The Property is legally described in Attachment A and made a part hereof by reference.

Puget Corporation of Washington makes the following declaration as to limitations, restrictions, and uses to which the Property may be put and specifies that such declarations shall constitute covenants to run with the land, as provided by law and shall be binding on all parties and all persons claiming under them, including all current and future owners of any portion of or interest in the Property (hereafter "Owner").

Section 1. During the Remedial Action, heavy metals concentrations elevated significantly above MTCA soil standards were confirmed in drain line sludges associated with an abandoned septic system in Area 1 of the site. Area 1 is currently covered by a concrete pad and is used as an employee patio. Soil samples tested beneath from beneath the concrete surface did not exhibit elevated concentrations of heavy metals. However, due to the presence of the concrete, the septic tanks(s) was not specifically located during the Remedial Action. The presence of heavy metal contamination in the drain line sludges makes it reasonable to expect that additional heavy metal contamination may be present under the concrete surface, associated with the former septic system.

The portion of the property designated Area 2 in the IRAP reports is known to contain an unknown volume of petroleum hydrocarbon and PCB contaminated soil beneath the concrete foundation and footings of the facility building. Area 2, located near the southeastern corner of the building, is currently the site of an underground used oil collection and separation tank. Due to structural concerns for the facility building, soils contaminated above MTCA Method A Standards were left in place under the building footings adjacent to the tank during the Remedial Action.

As long as known (or suspected) contamination remains present and isolated beneath the facility building foundation, footings, or adjoining concrete pads (Areas 1 and 2 described above), the Owner shall not alter, modify, or remove the existing structures in any manner that may result in the release or exposure to the environment of the contaminated material or create a new exposure pathway without prior written approval from Ecology.

Section 2. The concrete pad covering the former septic system in Area 1 shall be well maintained and kept in good repair to minimize stormwater infiltration in the area of suspected contamination.

Section 3. Any activity on the Property that may interfere with continued protection of human health and the environment is prohibited.

Section 4. Any activity on the Property that may result in the release or exposure to the environment of a hazardous substance that remains on the Property as part of the Remedial Action, or create a new exposure pathway, is prohibited without prior written approval from Ecology.

Section 5. The Owner of the property must give thirty (30) day advance written notice to Ecology of the Owner's intent to convey any interest in the Property. No conveyance of title, easement, lease, or other interest in the Property shall be consummated by the Owner without adequate and complete provision for continued monitoring, operation, and maintenance of the Remedial Action.

Section 6. The Owner must restrict leases to uses and activities consistent with the Restrictive Covenant and notify all lessees of the restrictions on the use of the Property.

Section 7. The Owner must notify and obtain approval from Ecology prior to any use of the Property that is inconsistent with the terms of this Restrictive Covenant. Ecology may approve any inconsistent use only after public notice and comment.

Section 8. The Owner shall allow authorized representatives of Ecology the right to enter the Property at reasonable times for the purpose of evaluating the Remedial Action; to take samples, to inspect remedial actions conducted at the property, and to inspect records that are related to the Remedial Action.

Section 9. The Owner of the Property reserves the right under WAC 173-340-440 to record an instrument that provides that this Restrictive Covenant shall no longer limit use of the Property or be of any further force or effect. However, such an instrument may be recorded only if Ecology, after public notice and opportunity for comment, concurs.

Section 10. This Amended and Restated Restrictive Covenant supercedes all prior agreements regarding the Property between Puget Corporation of Washington and Ecology, including that certain Restricted Covenant dated February 2, 1998 and February 9, 1998 under Pierce County Auditor's Fee No. 9802090334 (the "Prior Restrictive Covenant"). Upon execution of this Amended and Restated Restrictive Covenant by Puget Corporation of Washington and Ecology, the Prior Restrictive Covenant shall be deemed released, extinguished and of no further effect.

DATED: June 3, 2003.

PUGET CORPORATION,  
a Washington corporation

BY: George H. Lund  
GEORGE H. LUND, President

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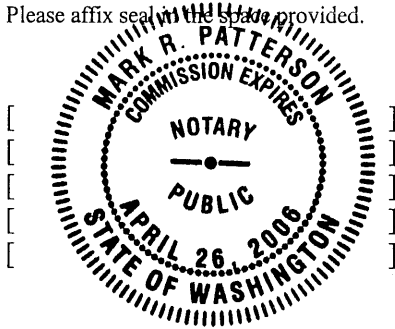
) SS.

County of Pierce

On this day personally appeared before me GEORGE H. LUND, to me known to be the President of PUGET CORPORATION, the corporation described in and that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute said instrument on behalf of said corporation.

GIVEN under my hand and official seal this 3rd day of June 2003.

For recording in the state of Washington,  
the Notarial Seal must be fully legible  
and cannot intrude into document margins.  
Please affix seal in the space provided.



Mark R. Patterson  
[Print Name] Mark R. Patterson  
NOTARY PUBLIC in and for the State of  
Washington, residing at Tacoma  
My appointment expires: 4-26-2006

## ATTACHMENT A

### PARCEL A

Commencing at the Northwest corner of Section 11, Township 20 North, Range 2 East, W.M.; thence South 00°00'33" East, down the West section line, 660.32 feet; thence North 89°04'36" East, 35.07 feet to the East line of 67<sup>th</sup> Avenue West right of way, said point is also on the South line of the North half of the Northwest quarter of the Northwest quarter and is the point of beginning; thence North 00°01'50" West, 189.63 feet; thence South 89°50'17" East, 261.26 feet; thence North 00°57'17" West, 145.69 feet; thence North 89°14'35" East, 60.49 feet; thence South 01°31'38" West, 31.26 feet; thence North 89°09'52" East, 176.60 feet; thence South 00°01'21" East, 300.00 feet; thence South 89°14'11" West, 494.98 feet along the South line of the North half of the Northwest quarter of the Northwest quarter to the point of beginning.

### PARCEL B

Commencing at the Northwest corner of Section 11, Township 20 North, Range 2 East, W.M.; thence South 00°00'33" East down the West section line, 660.32 feet; thence North 89°04'36" East, 35.07 feet to the east line of 67<sup>th</sup> Avenue West right of way, said point is also on the South line of the North half of the Northwest quarter of the Northwest quarter; thence North 00°01'50" West, 189.63 feet to the point of beginning; thence North 00°01'50" West, 10.29 feet; thence North 04°39'18" East, 131.71 feet; thence North 89°14'35" East, 248.10 feet; thence South 00°57'17" East, 145.69 feet; thence North 89°50'17" West 261.26 feet to the point of beginning.