22-002716

Wilkins
Distributing.

COMMERCIAL FUEL BARGES

Application and Lease No: HA-2716 Region: S P S

To lease HARBOR AREA Lands in KITSAP County

Applicant: WILKINS DISTRIBUTING CO INC.

Date Filed: September ~~12~~ 8, 1988

DESCRIPTION FT: GOV'T LOT 1, TRACT LOT 23 JOSEPH DALY'S GARDEN TRACTS & W2 OF PENNSYLVANIA AVE IN

Section 14, Township 24 N, Range 1 EAST, W.M.

Lessee,

Name and Address:

WILKINS DISTRIBUTING CO., INC.
P O BOX 147
PORT ORCHARD WA 98366
876-4313

ENCUMBRANCES

Release noted on index plate 12-27-96 Jim J.

Old Number
22-002452

Bremerton
PLATE NO. 5
(TF18-018)

APPLICATION
Reg. 9/8/88 Kw
T.B. _____
INSTRUMENT
Reg. _____
T.B. _____

EOT
gB
9-14-88

FINAL CHECKLIST FOR LEASE

Lessee/Applicant Name Wilkin Distributing Co., Inc. Docume 22-002716

EXECUTED LEASES

- [x] Lease Expired Date 2/1/1998
- [ ] Lease Canceled Date _____
- [x] Must have copy of termination letter in jacket.
- [x] From the AR screen (accounts receivable), check to make sure there are no open items, such as cash on account, interest charges or unpaid invoices. See "How to Verify Billing Action" in the RMS/APS user manual. **NOTE:** All outstanding open items must be reconciled before proceeding with the Final Checklist.
- [x] From the APS 21 screen (agreement distribution), turn off the recurring bills.
  - ✔ Select PF-17 (start/stop recurring bills).
  - ✔ Select the appropriate numeric reason code.
  - ✔ Select PF-5 (Update).
- [x] From the APS 21 screen (agreement distribution), close the RMS account.
  - ✔ Select PF-14 (close account).
  - ✔ Press Shift-Print Screen, to print the "RMS Control Data" screen.
  - ✔ On the screen print, write "Please Close Account", the lessee's name, and sign and date.
  - ✔ Send to Dolores Villa in Financial Management Division (MS: 47041).
- [x] From the APS 20 screen (agreement core data), archive the agreement.
  - ✔ Change the "STATUS" field to an "A" to archive the APS record.
  - ✔ Change the "MGT STAT" field to "EXPIRED" or "CANCELED" (which ever applies).
  - ✔ If the area is being released, enter the new lease number in the "NEW" field.
  - ✔ Select PF-7 (more), to enter a narrative statement in the "COMMENT" field that describes why the agreement is being closed. **NOTE:** It is mandatory that a comment be entered for all closed agreements.
  - ✔ Select PF-5 (update).
- [x] From the APS 23 screen (legal description), archive the agreement.
  - ✔ Change the "STATUS" field to an "A" to archive the APS legal record
- [x] From the APS 28 screen (activities) delete all activity set-ups for the agreement.
  - ✔ Resolve and complete any pending activities.
  - ✔ Select PF-8 (set-up) to delete any future activity set-ups.

- See instructions for jacket to be archived (below).

APPLICATIONS

- [ ] Application Rejected Date _____
- [ ] Application Withdrawn Date _____
- [ ] Copy of rejection/withdrawal letter in lease jacket?
- [ ] From the APS 10 screen (application core data), archive the application.
  - ✔ Change the "STATUS" field to an "A" to archive the APS record.
  - ✔ Change the "MGT STAT" field to "REJECTED".
  - ✔ Select PF-7 (more), to enter a narrative statement in the "COMMENT" field that describes why the application was rejected. **NOTE:** It is mandatory that a comment be entered for all rejected applications.
  - ✔ Select PF-5 (update).
- [ ] From the APS 13 screen (legal description), archive the application.
  - ✔ Change the "STATUS" field to an "A" to archive the APS legal record.
- [ ] From the APS 28 screen (activities) delete all activity set-ups for the application.
  - ✔ Resolve and complete any pending activities.
  - ✔ Select PF-8 (set-up) to delete any future activity set-ups.

RELEASES

- [ ] **Region Personnel:** All steps under column headed **"FOR EXECUTED LEASES"** must be completed before continuing.
  - ✔ Release# _____
  - ✔ Ensure that the release number has been entered into the APS 20 screen in the "NEW" field.
- [ ] **Region Personnel:** Submit the final checklist to the Aquatic Resource Division's Records Specialist at MS: 47027.
  - ✔ **DO NOT** submit Region copy of lease jacket.
- [ ] **Records Specialist:** Attach completed Final Checklist form to Olympia lease jacket and forward to Jim Thomas in the Ownership Section.
  - [ ] **Ownership Section:** Update ownership records. Name/Date: _____
  - [ ] **Ownership Section:** Forward lease jacket to Land Records Unit, MS: 47021.

Above tasks were completed by (G) Date 1/13/03

FOR LEASE JACKETS TO BE ARCHIVED

- [x] **Region Personnel:** Forward Region lease jacket and completed Final Checklist to Aquatic Resource Division's Records Specialist at MS: 47027.
- [x] **Records Specialist:** Attach completed Final Checklist to the Olympia lease jacket and forward to Jim Thomas in the Ownership Section.
  - [x] Update location of lease jacket on JET (NR32) system.
  - [x] Consolidate Region and Olympia File. Name/Date: SMurphy 2/21/03
- [ ] **Ownership Section:** Update ownership records. Name/Date: _____
  - [ ] Forward lease jacket to Records Specialist.
- [ ] **Records Specialist:** Prepare lease jacket to send to the Records Center.
  - [ ] Update location of lease jacket on JET (NR32) system to "Aquatic Records Hold."

File History (Review Date: 6-14-00

Agreement # 22-002716

DNR Region SPS File Reviewed by: J. Smyz

County Kitsap

Name Wilkins Distributing Co.

Use Tow-off load fuel barge

Expiration Date 2-1-98

	YES	NO	N/A
Expired?	✓		
Expiration Letter Sent?		✓	
Expiration Letter Received?		✓	✓

Expired waiting for:	YES	NO	N/A
Applicant Info		✓	
Permits		✓	
DNR Policy		✓	
Holdover, Assignment, or Amendment		✓	
Cancellation	✓		
Collection of delinquent rent		✓	

Per letter of 11-18-96, request for lease termination was never acted upon - correspondence stops as of 8-1-97

Agreement in Good Standing:	YES	NO	N/A
Insurance Current			✓
Bond Current		✓	
Rent Billed (Current Year)		✓	
Royalties Received			✓
Rent Paid (Current Year)		✓	
Agreement Requirements Met			

Agreement in Default:	YES	NO	N/A
Default process started?		✓	
Insurance Expired?			✓
Bond Expired?	✓		
Rent Delinquent?		✓	
Other Problem?			

Holdover Agreement, waiting for:	YES	NO	N/A
Applicant Info			
Permits			
DNR Policy			
Assignment or Amendment			
Cancellation			
In holdover > 2 years?			

Agreement in Litigation?		✓	
Trespass?		✓	

New or Re-applications in Process	YES	NO	N/A
Application Fee ($25.00) Received		✓	

New or Re-applications, waiting:	YES	NO	N/A
Application Fee			
Applicant Info			
Permits			
DNR Policy			
DNR Review (habitat, sediments, etc.)			
Cancellation			

Other Outstanding Issues:	YES	NO	N/A
Ownership in dispute?		✓	
Regulatory dispute, appeal or precedent?		✓	
Agency Policy Questions?		✓	
Legal Issues with agreement?		✓	

Stewardship Potential:	YES	NO	N/A
Agreement Provides Environmental Benefit?			
Agreement Provides Public Access?			
Agreement Provides Ownership Benefit to State?			
Agreement makes use of Renewable Resources?			
Agreement Provides Precedent Setting Revenue?			

HISTORY SHEET

LEASE NO. _____
NAME _____
ADDRESS _____
_____
_____
CONTACT PERSON _____
_____

COUNTY PARCEL NO. _____
STATE TAX ID NO. _____
PHONE NO. _____
FAX NO. _____
ADDITIONAL INFORMATION _____
_____

DATE	INIT	COMMENTS
7/5/01	KZ	Roger Jensen called & left message saying he had contacted the purchaser & they have no use for the dock & because of liability for both the state & himself he thinks it would be a wiser decision to take it out. Will cost about 29,000 he thinks. Contacting Cliff Thompson.
9/13/01	KZ	Roger Jensen called & said the dock is gone. My last day. All that needs to be done is go out & look @ nothing & close file. BYE :)
8-Jan-03	CW	Site visit conducted. Dock has been gone for years along w/ company.

Reference Code: History sheet
(Rev. May 15, 2001)

From: Courtney Wasson
To: Karen Zirkle
Date: 3/19/01 7:48AM
Subject: **Re: field trip**

I should probably come with you. We need to see if they are still on the site because if they are still using state owned land then they will have to pay rent for the 96-98 years regardless of the fact that the lease expired. But if you don't mind will you do the research on it. Call them up and see if they sold the property...or just find out the status of what the lessee wants to see happen. Keep me posted. Thanks for the support Karen.

Courtney S. Wasson
Aquatics Land Manager
South Puget Sound Region
Department of Natural Resources
(360) 825-1631

>>> Karen Zirkle 03/16/01 02:40PM >>>
hello there,

There is a file here for Wilkin's Distributing Co. there was a request to cancel in 1996 and then expired in 1998 need to look to see if they need to get rid of any improvements and we can just archive it. It is lease 22-002716 if you think I can handle the site visit let me know.

Thanks Karen

HISTORY SHEET

LEASE NO. 22-602716

COUNTY PARCEL NO.

NAME

STATE TAX ID NO.

ADDRESS

PHONE NO. 360·876·4801

DATE	INIT	COMMENTS
3/20/01	KZ	called to speak to someone @ Wilkins – left message
3/22/01	KZ	Bill Vivian (800)876·4855. Contact for Williams Distributing Co. left message w/regard to lease.
3/28/01	KZ	Talked to Roger Jensen he new about "the Bremerton dock" he had worked with Neil Cox to close out the lease did sediment sampling, removed pipes & chained off only the dock which is under coastguard zone taker status. They sold the working part of Wilkins distributing but they still own & are now called Nordic Property Inc. Address & phone # for Roger Jensen (contact) P.O. Box 84 Port Orchard 98366 (360) 895·1051 office (b) (6) cel is easier to reach.
5/14/01	KZ	Brad & I went to the site & took picture, looks as though it's only a rec-dock should be easy to close file
5/17/01	KZ	Called & left a message to send us results of soil sample so we can archive.
6/12/01	KZ	called & talked to Mr. Jensen 2x today. Dave K. & I decided that he needed to remove improvements because there is virtually no use that we could use it for. They are trying to sell the property & would like to see if these people want to buy it. In order to do that we would have to put the agreement in holdover & collect back rent then assign it. Roger seemed to think Thompsons could take the dock out for less than that. He is going to see what negotiating company wants to do & get back to me. Roger is also going to check shoreline permits to see if they can even take it out right now.

FILE HISTORY SHEET

HIST.FRM [Rev. 1/95]

LEASE # 22-002716 Cnty Parcel # _____

NAME Wilkins Distributing Co. State Tax ID # _____

ADDRESS P.O. Box 147 PHONE # 876-4313

Port Orchard Wa 98366 Roger Jensen

DATE	INIT	COMMENTS
10/5/88	[illegible]	lease & cover letter to typing
11/2	[illegible]	to Bob/[illegible] review & for sign
12/23	[illegible]	talked with Roger Jensen. he said they
		are waiting for "Bond" - should have it shortly
		will send executed document etc; didn't
		realize they owed since 1/25/85 because
		they weren't using it and acquired it through
		a court decision - However, I informed
		him that we backdated to expiration of
		old lease, so there was no time gap. He
		understood - told him we would be billing
		them in a couple wks for '89-90 payment.
1/26/89	[illegible]	rec'd signed documents, security & payment.
		To Bob/[illegible] for final execution.
		- send letter - need rental for next year
		1/25/89 - to - 1/25/1990 I.B. after execution
3/21		revised legal to include area beyond outer
		harbor line per State's request - back for
		final signature
4/6		complete final AIM's + I.B. '89 to '90
		735.17 + PDI
12/5/90	RWP	THE USE OF THE LEASEHOLD IS FOR OFFLOADING
		FUEL BARGES. THE SUBSOURCE (0160-MARINA) SHOULD
		BE CHANGED TO REFLECT THE ACTUAL USE.
10-14-91	BOP	REVALUE LTR TO WP. ALL H_2O DEPENDENT
		USES ARE NOW USING (0160 - WATER DEPENDENT USE).
11-12-91	BOP	GOT A CALL FROM BILL BRUMAN / WILKINS DIST. CO.
		HE WILL INCREASE SAVINGS DEPOSIT & SUBMIT REV.
4/22/95	KS	jacket organized & RTA updated.

MLM File History
11/28/84

FORMS 25

DNR-00034005

LEASE ROUTING SLIP

Lease No. 22-002716

Lessee Wilkins Distributing Co.

Lease Manager Jerry Boswell
Lacey

[ ] Marci - Initial AIMS entry
Screen Print Initial AIMS

[ ] Misi - New file attachments
Application letter
Pull old file for re-lease

[ ] Mgr. - Corps and SMA permits
Document preparation
Rentals and SEPA compliance
Transmittal letter

[ ] - Typing - Document
Transmittal letter

[ ] - Proofing and proof stamp

[ ] Mgr. - Review document

YES NO
[ ] [ ] - Clause changes

- Clauses Changed: _____

_____

[ ] DeMeyer - Review

[ ] Misi - Send out doc/letter/bonds
Change ERI to 7
- Log on calendar
File in vault

[ ] Misi - Document/money/bond returned
Change ERI to 8
AMFD or Print NR49
File and documents to Mgr.

[ ] Mgr. - Review file & documents
Prepare final AIMS set-up

[ ] Boyle / Stearns / DeMeyer - For final signature & notary

[ ] Misi - Send doc/trans-let to lessee
Final AIMS
Change STAT to 2
Remove old lease from AIMS
Old Lease No. _____
Enter on update plates list

[ ] Finance - Accounting update

[ ] - File in vault

[ ] Jim - Update plates

- Include small area beyond quite-bank-line.
- not included in legal description, however, otherwise changed for one clause of 20.

_____

Jerry Lacey

DNR-00034006

ACCOUNTS RECEIVABLE SUBSIDIARY LEDGER FOR AIMS APPLICATIONS 07-25-90

AIMS HISTORY

CONTROL #	NAME OF APPLICANT	APPLICATION	START-END	ACCT	AR/D/U	TERM
22-002716	WILKINS DISTRIBUTING CO	01-25-1968	02-01-1998	1141	13 0 0	

DATE	DOCU #	TYPE	SUBS	DEBIT	CREDIT	BALANCE	INVOICE	RECEIPT	BILDUE
381026	140320	IB	0160	735.17		735.17	140320		881125
381026	140321	IB	9089	94.40		829.57	140321		881125
390120	275681	CR	0160		735.17	94.40	140320	275681	
390120	275681	CR	9089		94.40	.00	140321	275681	
390410	148189	IB	0160	810.62		810.62	148189		890125
390410	148189	IB	9089	104.08		914.70	148189		890125
390427	281274	CR	0160		810.62	104.08	148189	281274	
390427	281274	CR	9089		104.08	.00	148189	281274	
391106	156940	MB	0160	843.28		843.28	156940		900125
391106	156940	MB	9089	108.28		951.56	156940		900125
391120	293293	CR	0160		843.28	108.28	156940	293293	
391120	293293	CR	9089		108.28	.00	156940	293293	

ACCOUNTS RECEIVABLE SUBSIDIARY LEDGER FOR AIMS APPLICATIONS 07-25-90

CONTROL #	NAME OF APPLICANT	APPLICATION	START-END	ACCT	AR/D/U	TERM
22-002716	WILKINS DISTRIBUTING CO	01-25-1988	02-01-1998	1141	13 0 0	

PAYMENTS RECEIVED OTHER THAN FOR BILLINGS

DATE	DOCU #	TYPE	SUBS	DEBIT	CREDIT	ACCT	SUSPNS	APPLIED
880927	001517	JC	6025		25.00	1300		

ACCOUNTS RECEIVABLE SUBSIDIARY LEDGER FOR AIMS APPLICATIONS 07-25-90

CONTROL #	NAME OF APPLICANT	APPLICATION	START-END	ACCT	AR/D/U	TERM
22-002716	WILKINS DISTRIBUTING CO	01-25-1988	02-01-1998	1141	13 0 0	

ACCOUNT PAYMENT HISTORY WITH DELINQUENT REPORT SUMMARY

DATE LAST DEL	2ND	3RD	4TH	5TH
05-03-89	01	01	01	01*

R99 22002716

Ron T. - 3/7
Should we not include a complete & accurate legal description? SB *

EPARTMENT OF NATURAL RESOURCES
OLYMPIA, WASHINGTON 98504

ROUTING SLIP
(TO EXECUTIVE MANAGEMENT)

ROUTE TO: DATE: 3/7/89

James A. Stearns

OK SP
SB
3/27

REQUESTED BY:

Larry Ledgerwood

ACTION REQUESTED:

Approval _____ Signature X For Your Information _____

Comments Wilkins Distributing Co. - Brem. H.A.

RJ 3/25/89

RJ 3/24/89

Date Needed _____

RETURN TO:

Aquatic Lands

SUMMARY AND BACKGROUND INFORMATION:

- This is a re-lease of #22-002452 - Rec'd rent payment + security with signed documents.
- the lease includes a small area beyond the outer-harbor line which is not included in the legal description; however, it is charged for in the rental.
- no controversy's

9/82 * - revised legal to include area beyond outer harbor line!
Please return to me after execution! Need to instant bill for

DNR-00034008

STATE OF WASHINGTON
DEPARTMENT OF NATURAL RESOURCES
Brian J. Boyle
Commissioner of Public Lands
Olympia, Washington 98504

HARBOR AREA LEASE NO. 22-002716

BY THIS LEASE, by and between the STATE OF WASHINGTON, acting by and through the Department of Natural Resources, hereinafter called the Lessor, and WILKINS DISTRIBUTING COMPANY, INC., hereinafter called the Lessee, the Lessor leases to the Lessee on the terms and conditions as hereinafter set forth, the following described harbor area situate in Kitsap County, Washington, to wit:

All Harbor Area in front of Tract 23 and the West half of Pennsylvania Avenue (Daly's Avenue) in the plat of Joseph Daly's Garden Tracts in Lot 1, Section 14, Township 24 North, Range 1 East, W.M., between two lines extending across the Harbor Area at right angles to the outer harbor line, and continuing 40 feet, more or less, beyond the outer harbor line, one of said lines passing through the point of intersection of the centerline of Pennsylvania Avenue with the inner harbor line and the other through the point of intersection of the West line of said Tract 23 with the inner harbor line.

Said Harbor Area is as shown on the official maps of Bremerton Tidelands on file in the Office of the Commissioner of Public Lands at Olympia, Washington.

SECTION 1 OCCUPANCY

1.1 Term. This lease shall commence on the 25th day of January 1988 and continue to the 1st day of February 1998.

SECTION 2 USE OF PREMISES

2.1 Permitted Use. The Lessee shall have use of the leased premises for the purpose of off-loading fuel barges as shown on the attached exhibit and approved by the Lessor: Exhibit A - drawing.

SECTION 3 PAYMENT

3.1 Rent.

(1) Annual Rent. Initial annual rent in the amount of $735.17, and subsequent annual rent, as determined by the Lessor in accordance with Chapter 221, Laws of 1984 (RCW 79.90.450 - .902), or as amended by subsequent legislation, is due and payable in advance by the Lessee to the Lessor and is the essence of this lease, and is a condition precedent to the continuance of this lease or any rights thereunder. Payment is to be to the Department of Natural Resources, Olympia, Washington 98504.

(2) Inflation Adjustment. After payment of the initial rent, annual rent shall be adjusted each year thereafter according to the change in the Producer Price Index, as provided by regulations of the Department of Natural Resources.

(3) Interest Penalty for Past Due Rent Balances. A one percent charge, per month, shall be due to the Lessor, from the Lessee, on any rent balance which is more than thirty days past due.

3.2 Leasehold Tax. The Lessee shall pay to the Lessor at Olympia, Washington 98504, the leasehold tax, if applicable, as set forth in Chapter 61, Laws of 1976, 2nd Ex. Sess., or as may be amended. The tax shall be due and payable at the same time the rental charged herein is due and payable. Failure to pay said tax when due and payable shall be considered a breach of the provisions of this lease and the Lessor shall be entitled to all remedies they are entitled to by law, and the remedies provided herein for a breach of a provision of this lease. Any delinquent taxes shall be a debt to the Lessor and in the event the Lessor is subject to any penalties or interest because of the failure of the Lessee to pay such taxes, such penalties and interest shall be payable by the Lessee to the Lessor and shall be considered a debt to the Lessor. In the event the Lessor suffers any costs of whatsoever nature, including attorney fees, or other costs of litigation in collecting said tax, such costs shall be payable by the Lessee and shall be considered a debt due and owing to the Lessor by the Lessee.

DNR-00034009

3.3 Revaluation of Rent. The Lessor shall at the end of the first four year period of the lease term and at the end of each subsequent four year period of the lease term, determine the annual rental in accordance with RCW 79.90.480 or as amended by subsequent legislation.

SECTION 4 RESERVATIONS AND CONDITIONS OF USE

4.1 Discrimination. The Lessee covenants and agrees that in the performance of this lease agreement, the Lessee shall conduct its activities in a manner that will assure fair, equal and non-discriminatory treatment of all persons regardless of race, creed, sex, marital status or ethnic origin. Notwithstanding any exemption contained in state or federal law, the Lessee shall comply with all federal and state laws, rules or regulations concerning hiring and employment and assuring the service of all patrons, customers, members or invitees without discrimination as to any person's race, creed, sex, marital status or ethnic origin.

4.2 Improvements. No improvement in addition to those authorized by the Permitted Use clause herein, shall be placed upon the harbor area without the prior written authorization of the Lessor. Authorized improvements constructed or placed on the leased premises during the term of this lease by the Lessee, unless otherwise specified, are the property of the Lessee. Upon the cancellation or expiration of this lease, the Lessee agrees to sever, remove and dispose of those improvements on the premises designated by the Lessor within six months from date of termination or expiration. In those cases where the Lessor requires removal of improvements and such action is not taken by the Lessee, the Lessee agrees that the Lessor may remove such improvements and charge the Lessee for cost of removal and disposal. All improvements allowed to remain on the area herein described, upon termination or expiration of this lease, shall be the property of the Lessor.

4.3 Unauthorized Improvements. All improvements made on or to the premises without the written consent of the Lessor shall immediately become the property of the Lessor. The Lessor may, at its option, require the Lessee to remove and dispose of any or all improvements, and in those instances where such action is not taken by the Lessee, the Lessor may remove such improvements, charging the Lessee for the cost of the removal and disposal, and cancel the lease.

4.4 Entry. The Lessor shall have access to the premises at all reasonable times for the purpose of securing compliance with the terms and conditions of this lease.

4.5 Access. The Lessor reserves the right of access to and across the leasehold premises for all purposes and further reserves the right to grant easements and other land uses on the premises to others when the easement or other land uses applied for will not unduly interfere with the use to which the Lessee is putting the premises or interfere unduly with the approved plan of development for the premises. No easement or other land uses shall be granted to third parties until payment for damages to the leasehold have been paid to the Lessee or a waiver of damages is signed by the Lessee.

4.6 Restrictions on Use. In connection with use of the premises, the Lessee shall:

(1) Conform to applicable laws, regulations, permits, or order of any public authority affecting the premises and the use thereof, and correct at the Lessee's own expense any failure of compliance created through the Lessee's fault or by reason of the Lessee's use.

(2) Remove no valuable material without prior written consent of the Lessor.

(3) Not make, or suffer to be made, any filling in of the leased area or any deposit of rock; earth; ballast; refuse; garbage; waste matter; chemical, biological or other toxic wastes; hydrocarbons, any other pollutants; or other matter within such area except as approved in writing by the Lessor.

4.7 Regulations. The Lessor shall have the right to regulate, under rules established by it, maintenance and design requirements of all improvements, rates of wharfage, dockage and other tolls to be imposed by the Lessee upon commerce for any of the purposes for which leased harbor areas may be used, and to change such regulations and rates from time to time.

SECTION 5 REQUIREMENTS

5.1 Assignment and Sublease. This lease, or any portion thereof, may not be assigned, mortgaged, sublet or otherwise transferred without the prior written consent of the Lessor. In granting such consent the Lessor reserves the right to change the terms and conditions of this lease as it may affect the assignee. Further, if the Lessee is a corporation or partnership and if at any time during the term of this lease any part or all

of the corporate shares or partnership interests of the Lessee shall be transferred by sale, assignment, bequest, inheritance, operation of law, or other disposition so as to result in a change in the present control of the corporation or partnership by the person or persons now owning a majority of the shares, or change in the holding of the corporate or partnership interest, the same shall constitute an assignment of this lease and as such shall require prior written consent of the Lessor. Failure to obtain written approval of any assignment defined in this lease shall be grounds for cancellation.

5.2 Maintenance.

(1) The Lessee, at its sole cost and expense, shall at all times keep, or cause all improvements regardless of ownership to be kept, in as good condition and repair as originally constructed or as hereafter put, except for reasonable use.

(2) The Lessee shall not allow debris or refuse to accumulate on the leased premises, caused either by itself or any person on the premises. Failure to comply with this provision shall be cause to permit the Lessor to remove the debris and refuse and collect the cost of such removal from the Lessee and/or cancel this lease.

(3) The Lessee may, following thirty days' notice to the Lessor, and after obtaining any required federal, state, or local permits, dredge the leased area as needed to maintain the water depths normal to the property. Specific written approval by the Lessor and payment for material is required for improvement dredging. In the event materials from improvement dredging are sold or deposited on privately owned property for improvement purposes, such material shall be paid for at the Lessor's appraisal.

5.3 Condition of Premises and Liability. The premises have been inspected by the Lessee and are accepted in their present condition. The Lessee agrees to defend and hold Lessor harmless from any and all claims suffered, or alleged to be suffered on the premises, or arising out of operations on the premises.

5.4 Assessments. The Lessee shall pay all the annual payments on all assessments that may be legally charged, whether or not such assessments have been levied against the leasehold or the Lessor by the assessing agency.

5.5 Insolvency of the Lessee. If the Lessee becomes insolvent, bankrupt, a receiver appointed, or his interest is transferred by operation of law, the Lessor may cancel this lease at its option. Insolvency as used herein, will mean the inability of the Lessee to meet obligations as they come due.

SECTION 6 MISCELLANEOUS

6.1 No Partnership. The Lessor is not a partner nor a joint venturer with the Lessee in connection with the business carried on under this lease and shall have no obligation with respect to the Lessee's debts or other liabilities.

6.2 Non-Waiver. Waiver by either party of strict performance of any provisions of this lease shall not be a waiver of, nor prejudice the party's right to require strict performance of the same provision or of any other provision in the future.

6.3 Attorneys' Fees. If suit or action is instituted in connection with any controversy arising out of this lease, the prevailing party shall be entitled to recover, in addition to costs, such sum as the court may adjudge reasonable as attorneys' fees.

6.4 Succession. Subject to the limitations as stated in paragraph 5.1 on transfer of the Lessee's interest, this lease shall be binding upon, and inure to the benefit of the parties, their respective successors and assigns.

6.5 Notices. Any notice required or permitted under this lease shall be given when actually delivered or when deposited in the United States mail addressed as follows: To the Lessor: Department of Natural Resources, Mail Stop QW-21, Olympia, Washington 98504. To the Lessee: At the address given by the Lessee in the signature block, or as shown on later official documents of record with this lease.

6.6 Liens.

(1) No person shall have the right to file or place any lien of any kind or character upon the land or improvements within the leasehold premises without the prior written consent of the Lessor.

(2) In the event unauthorized liens or other charges are placed on the leasehold premises, including land or improvements, arising out of the Lessee's actions directly or indirectly, the Lessee shall immediately cause such liens or charges to be discharged. The Lessor may forthwith cancel this lease if the Lessee fails to discharge such liens or charges after ten days' notice to do so by the Lessor. The Lessee shall pay and indemnify

the Lessor for all costs, damages or charges of whatsoever nature, including attorneys' fees necessary to discharge such liens or charges, whether such costs, damages or charges are incurred prior or subsequent to any cancellation of this lease.

6.7 Default. If the Lessee shall violate or default any of the covenants and agreements contained herein, including the obligation to pay rent, then the Lessor may cancel this lease provided that the Lessee has been notified of the violation or default thirty days prior to such cancellation and such violation or default has not been corrected within such time. In the event the Lessor elects to cancel this lease, all improvements located thereon shall become the property of the state of Washington.

6.8 Lessor's Right to Cure Defaults.

(1) If the Lessee fails to perform any requirements or obligations under this lease, the Lessor shall have the option to correct any default of this lease by the Lessee after thirty days' written notice to the Lessee. All of the Lessor's expenditures to correct the default shall be reimbursed by the Lessee on demand, with interest at the rate of one percent per month accrued from the date of expenditure by the Lessor.

(2) In the event any violation or breach of the provisions of this lease is causing damage to the leasehold premises or the Lessee is utilizing the leasehold premises in a manner not permitted by the provisions of this lease, or in any case damages are occurring to the leasehold premises, the Lessor may immediately enter upon the leasehold premises and take such action as necessary to cease such damages or use. In the event the damage to the leasehold is occurring the Lessee shall be liable for all costs incurred by the Lessor if the Lessor acts to cure such damages. The Lessor, at its option may send notice to the Lessee of such violations and the Lessee shall immediately cease such use or violation and correct and remedy such violations.

6.9 Security. The Lessee shall furnish a surety bond in such amount as may be determined by the Lessor from time to time in accordance with Title 79 RCW, as amended, as a guarantee of the faithful performance of the conditions and terms prescribed in this lease. Security other than a surety bond may be substituted if first approved in writing by Lessor. The amount of the surety bond as of the date of this lease shall be $1,500.00.

6.10 Litigation. In the event this lease, its terms, its use, its occupation or it in any way becomes a matter of litigation, the Lessor shall be notified of such litigation within fifteen days after such litigation is begun. Failure to notify the Lessor of such action shall be cause for cancellation or termination of this lease.

The Lessee expressly agrees to all covenants herein, and binds himself for the payment hereinbefore specified.

Executed this 27th day of March, 1989.

STATE OF WASHINGTON
DEPARTMENT OF NATURAL RESOURCES

James A. Stearns
JAMES A. STEARNS, Supervisor

Signed this 19th day of Jan., 1989.

WILKINS DISTRIBUTING COMPANY, INC.

D S Jensen Pres.

PO Box 147
Port Orchard, WA 98366

22-002716
BV5 2716.1

DNR-00034012

CERTIFICATE OF ACKNOWLEDGEMENT
JAMES A. STEARNS

STATE OF WASHINGTON)
) ss.
County of Thurston)

I certify that I know or have satisfactory evidence that James A. Stearns
JAMES A. STEARNS

signed this instrument, and oath stated that he was authorized to execute the instrument and acknowledged it as the Supervisor of the Department of Natural Resources, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: 3/22/89

Ann M. Reiter
Notary Public in and for the
State of Washington

My appointment expires 2-1-93

(Seal or stamp)

CERTIFICATE OF ACKNOWLEDGEMENT

STATE OF WASHINGTON)
) ss.
County of Kitsap)

I certify that I know or have satisfactory evidence that Roger A. Jensen
name of person

signed this instrument, and oath stated that (he/she/they) (was/were) authorized to execute the instrument and acknowledged it as the President
(type of authority, e.g., officer, trustee,

~~be~~ of Wilkins Distributing Co., Inc.
partner, marital community, etc.) (name of party (ies) on behalf of whom instrument was

to be the free and voluntary act of such party (ies) for the
instrument was executed)

uses and purposes mentioned in the instrument.

Dated: 19 Jan. 89

Dermot A. Lorn
Notary Public in and for the
State of Washington

My appointment expires 5-1-90

(Seal or stamp)

22-002716

DNR-00034013

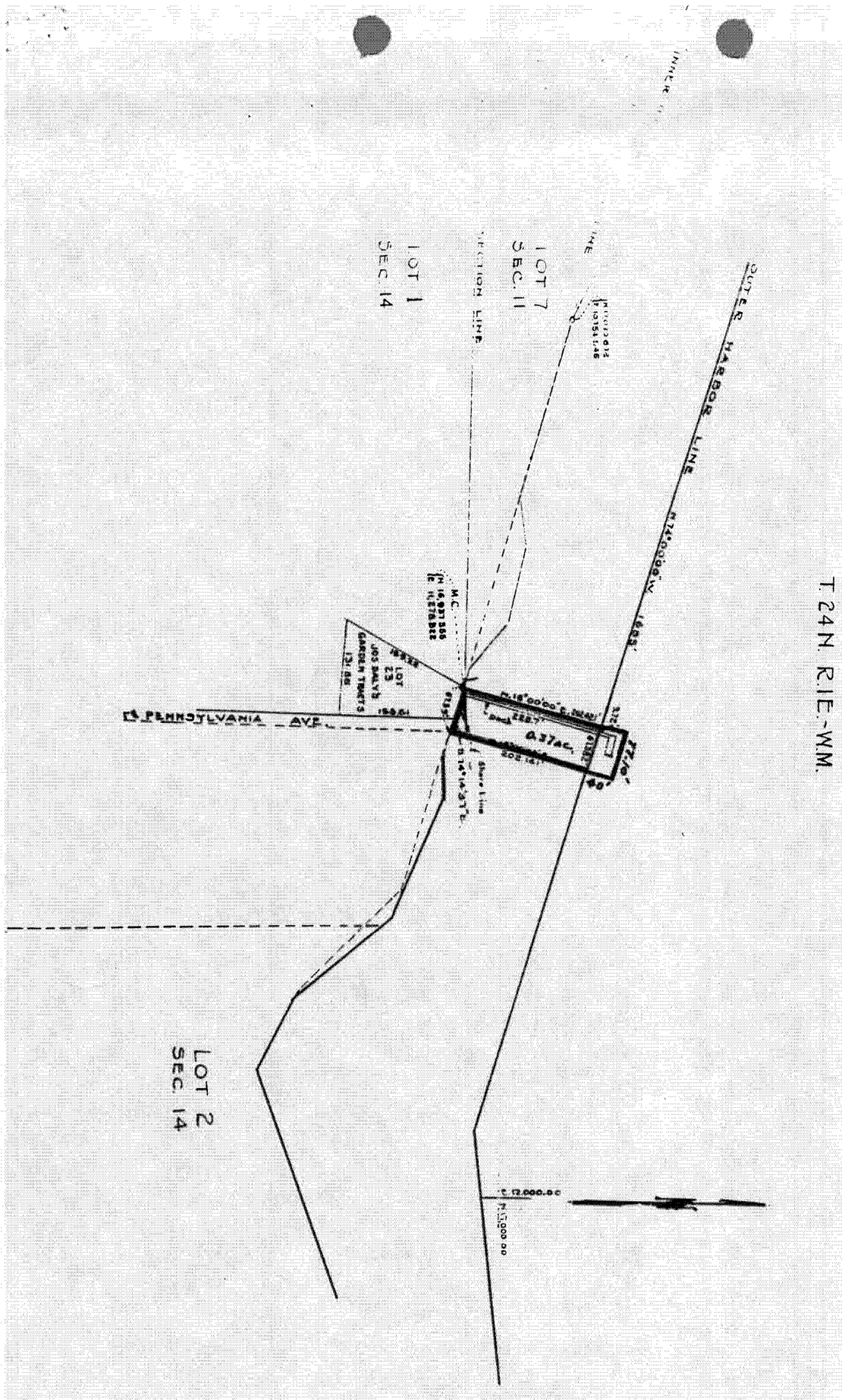

EXHIBIT "A"

All harbor area in front of tract 23 and the west half of Pennsylvania Avenue (Daly's Avenue) in the plat of Joseph Daly's Garden Tracts in Lot 1, Section 14, Township 24 North, Range 1 East, W.M., between two lines extending across the harbor area at right angles to the outer harbor line, one of said lines passing through the point of intersection of the center line of Pennsylvania Avenue with the inner harbor line and the other through the point of intersection of the west line of said Tract 23 with the inner harbor line.

Said harbor area is as shown on the official maps of Bremerton Tide Lands on file in the office of the Commissioner of Public Lands at Olympia, Washington.

CERTIFICATE OF ACKNOWLEDGMENT FOR BANK

STATE OF) WASHINGTON
) ss.
County of) KITSAP

On this 13 day of NOVEMBER, 1991, personally appeared before me A.E. BLOSSEY, to me known to be the VICE PRESIDENT of the corporation 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/she was) (they were) authorized to execute said instrument for said corporation and that the seal affixed is the corporate seal of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

SEAL

Elaine Gilbert
NOTARY PUBLIC in and for the
state of Washington
My commission expires 4-15-94

ELAINE GILBERT NOTARY PUBLIC STATE OF WASHINGTON MY COMMISSION EXPIRES 4-15-94

CERTIFICATE OF ACKNOWLEDGMENT FOR ASSIGNEE

STATE OF)
) ss.
County of)

On this 13 day of NOVEMBER, 1991 personally appeared before me WILLIAM BELLMAN, to me known to be the SECRETARY of the corporation 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/she was) (they were) authorized to execute said instrument for said corporation and that the seal affixed is the corporate seal of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

SEAL

Elaine Gilbert
NOTARY PUBLIC in and for the
state of Washington
My commission expires 4-15-94

ELAINE GILBERT NOTARY PUBLIC STATE OF WASHINGTON MY COMMISSION EXPIRES 4-15-94

SAVINGS ACCOUNT ASSIGNMENT/PF/SAVINGS.FRM (F33)
Rev. 03/09/90

STATE OF WASHINGTON
DEPARTMENT OF NATURAL RESOURCES
SAVINGS ACCOUNT ASSIGNMENT FORM

Date: November 13, 1991

Brian J. Boyle
Commissioner of Public Lands
Department of Natural Resources
Olympia, WA 98504

RE: Agreement No. (b) (6) (Lease of Public Aquatic Lands) between the state of Washington and WILKINS DISTRIBUTING CO. INC., hereinafter "Assignor." This assignment is for the purpose of fulfilling the surety requirements of Assignor as required under the above numbered Agreement. The Assignor does hereby assign, transfer, and set over unto the state of Washington all rights, title, and interest in and to the principal sum of TWO THOUSAND ($ 2,000.00) of (Savings Account) (Certificate of Deposit) number (b), hereinafter "Account," with full power and authority to demand and receive said principal sum.

It is understood and agreed that KITSAP BANK, hereinafter "Bank," holds said Account in its possession and agrees to hold $ 2,000.00 until a written release of this assignment from the state of Washington is received. It is further understood that this assignment is subject to judgments under the above-numbered lease agreement and upon written demand the Bank shall release unto the state of Washington this assignment not to exceed said amount. The Bank is authorized in the state of Washington to renew or manage this assignment so long as the principal sum is guaranteed. All interest accrued from said interest bearing instrument shall be retained by the Assignor. This Account also covers Lease Agreement No(s). XXX.

Signed and dated this 13, day of NOVEMBER, 19 91.

(Assignor Signature)

Acceptable: The undersigned hereby accepts the foregoing Assignment of (Savings Account) (Certificate of Deposit) No. (b).

BANK ACCEPTANCE: KITSAP BANK

(Signature of Bank Officer)

A.E. BLOSSEY VICE PRESIDENT
(Name and Title)

NOVEMBER 13, 1991
(Date)

P.O. BOX 9,
(Address and Branch)

PORT ORCHARD, WA 98366-0009

(206) 876-7810
(Telephone)

Department of Natural Resources Approval:
Date: 12-05-91

, Lease Administrator
Division of Aquatic Lands

PLEASE COMPLETE ACKNOWLEDGEMENT SECTION ON REVERSE

CERTIFICATE OF ACKNOWLEDGMENT FOR BANK

STATE OF) WASHINGTON
) ss.
County of) KITSAP

On this 13 day of NOVEMBER, 19 91, personally appeared before me A.E. BLOSSEY, to me known to be the VICE PRESIDENT of the corporation 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/she was) (they were) authorized to execute said instrument for said corporation and that the seal affixed is the corporate seal of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

ELAINE GILBERT NOTARY PUBLIC STATE OF WASHINGTON COMMISSION EXPIRES 4-15-94

SEAL

Elaine Gilbert
NOTARY PUBLIC in and for the
state of Washington
My commission expires 4-15-94

CERTIFICATE OF ACKNOWLEDGMENT FOR ASSIGNOR

STATE OF)
) ss.
County of)

On this 13 day of NOVEMBER, 19 91, personally appeared before me WILLIAM BELLMAN, to me known to be the SECRETARY of the corporation 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/she was) (they were) authorized to execute said instrument for said corporation and that the seal affixed is the corporate seal of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

ELAINE GILBERT NOTARY PUBLIC STATE OF WASHINGTON COMMISSION EXPIRES 4-15-94

SEAL

Elaine Gilbert
NOTARY PUBLIC in and for the
state of Washington
My commission expires 4-15-94

SAVINGS ACCOUNT ASSIGNMENT/PF/SAVINGS.FRM (F33)
Rev. 03/09/90

STATE OF WASHINGTON
DEPARTMENT OF NATURAL RESOURCES
SAVINGS ACCOUNT ASSIGNMENT FORM

Date: NOVEMBER 13, 1991

Brian J. Boyle
Commissioner of Public Lands
Department of Natural Resources
Olympia, WA 98504

RE: Agreement No. (b) (6) (Lease of Public Aquatic Lands) between the state of Washington and WILKINS DISTRIBUTING CO. INC., hereinafter "Assignor." This assignment is for the purpose of fulfilling the surety requirements of Assignor as required under the above numbered Agreement. The Assignor does hereby assign, transfer, and set over unto the state of Washington all rights, title, and interest in and to the principal sum of TWO THOUSAND ($ 2,000.00) of (Savings Account) (Certificate of Deposit) number (b) (6), hereinafter "Account," with full power and authority to demand and receive said principal sum.

It is understood and agreed that KITSAP BANK, hereinafter "Bank," holds said Account in its possession and agrees to hold $ 2,000.00 until a written release of this assignment from the state of Washington is received. It is further understood that this assignment is subject to judgments under the above-numbered lease agreement and upon written demand the Bank shall release unto the state of Washington this assignment not to exceed said amount. The Bank is authorized in the state of Washington to renew or manage this assignment so long as the principal sum is guaranteed. All interest accrued from said interest bearing instrument shall be retained by the Assignor. This Account also covers Lease Agreement No(s). XXX.

Signed and dated this 13 day of NOVEMBER, 1991.

(Assignor Signature)

Acceptable: The undersigned hereby accepts the foregoing Assignment of (Savings Account) (Certificate of Deposit) No. (b).

BANK ACCEPTANCE: KITSAP BANK

(Signature of Bank Officer)

A.E. BLOSSEY VICE PRESIDENT
(Name and Title)

NOVEMBER 13, 1991
(Date)

P.O. BOX 9
(Address and Branch)

PORT ORCHARD, WA 98366-0009

(206) 876-7810
(Telephone)

Department of Natural Resources Approval:
Date: 12-05-91

, Lease Administrator
Division of Aquatic Lands

PLEASE COMPLETE ACKNOWLEDGEMENT SECTION ON REVERSE

STATE OF WASHINGTON
DEPARTMENT OF NATURAL RESOURCES
SAVINGS ACCOUNT ASSIGNMENT FORM

Date: January 13, 1989

Brian Boyle
Commissioner of Public Lands
Department of Natural Resources
Olympia, WA 98504

RE: Agreement No. [redacted] (Lease of Public Aquatic Lands) between the State of Washington and Wilkins Dsitributing Co. Inc., hereinafter "Assignor." This assignment is for the purpose of fulfilling the surety requirements of Assignor as required under the above numbered Agreement. The Assignor does hereby assign, transfer, and set over unto the State of Washington all rights, title, and interest in and to the principal sum of FIFTEEN HUNDRED ($ 1,500.00) of (Savings Account), (Certificate of Deposit) number (b) (6), hereinafter "Account," with full power and authority to demand and receive said principal sum.

It is understood and agreed that Kitsap Bank, hereinafter "Bank," holds said Account in its possession and agrees to hold $ 1,500.00 until a written release of this assignment from the State of Washington is received. It is further understood that this assignment is subject to judgments under the above-numbered lease agreement and upon written demand the Bank shall release unto the State of Washington this assignment not to exceed said amount. The Bank is authorized by the State of Washington to renew or manage this assignment so long as the principal sum is guaranteed. All interest accrued from said interest bearing instrument shall be retained by the Assignor. This Account also covers lease agreeement number(s) XXX.

Signed and dated this 18th day of January, 19 89.

Assignor signature [signature] Pres.
Wilkins Distributing Co., Inc.

Acceptable: The undersigned hereby accepts the foregoing assignment of (Savings Account), (Certificate of Deposit) No. (b) (6).

BANK ACCEPTANCE: KITSAP BANK

[signature]
Signature of Bank Officer

A.E. Blossey Vice President
Name and title

January 13, 1989
Date

P.O. Box 9,
Address and Branch

Port Orchard, WA 98366-0009

(206) 876-7810
(Phone)

Department of Natural Resources Approval:

Date

LEASE ADMINISTRATOR
Division of Aquatic Lands

Please complete acknowledgment section on reverse

(4-24-85) F33

DNR-00034019

NOTARY FOR BANK

State of Washington,)
) ss.
County of Kitsap)

On this day personally appeared before me A.E. Blossey

_____ to me known to be the individual(s) described in and who executed the within and foregoing instrument, and acknowledged that HE _____ signed the same as HIS free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this 18th day of January 19 89.

Notary Public in and for the State of Washington
residing at Port Orchard

NOTARY FOR ASSIGNOR

State of Washington,)
) ss.
County of Kitsap)

On this day personally appeared before me Roger Jensen

_____ to me known to be the individual(s) described in and who executed the within and foregoing instrument, and acknowledged that HE _____ signed the same as HIS free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this 18th day of January 19 89.

Notary Public in and for the State of Washington
residing at Port Orchard

STATE OF WASHINGTON
DEPARTMENT OF NATURAL RESOURCES
SAVINGS ACCOUNT ASSIGNMENT FORM

Date: January 13,1989

Brian Boyle
Commissioner of Public Lands
Department of Natural Resources
Olympia, WA 98504

RE: Agreement No. (b) (6) (Lease of Public Aquatic Lands) between the State of Washington and Wilkins Distributing Co. Inc., hereinafter "Assignor." This assignment is for the purpose of fulfilling the surety requirements of Assignor as required under the above numbered Agreement. The Assignor does hereby assign, transfer, and set over unto the State of Washington all rights, title, and interest in and to the principal sum of FIFTEEN HUNDRED ($ 1,500.00) of (Savings Account), (Certificate of Deposit) number (b) (6), hereinafter "Account," with full power and authority to demand and receive said principal sum.

It is understood and agreed that Kitsap Bank, hereinafter "Bank," holds said Account in its possession and agrees to hold $ 1,500.00 until a written release of this assignment from the State of Washington is received. It is further understood that this assignment is subject to judgments under the above-numbered lease agreement and upon written demand the Bank shall release unto the State of Washington this assignment not to exceed said amount. The Bank is authorized by the State of Washington to renew or manage this assignment so long as the principal sum is guaranteed. All interest accrued from said interest bearing instrument shall be retained by the Assignor. This Account also covers lease agreeement number(s) XXX.

Signed and dated this 18th day of January, 19 89.

Assignor signature [signature] Pres.
Wilkins Distributing Co. Inc.

Acceptable: The undersigned hereby accepts the foregoing assignment of (Savings Account), (Certificate of Deposit) No. (b) (6).

BANK ACCEPTANCE: KITSAP BANK

[signature]
Signature of Bank Officer

A.E. BLOSSEY VICE PRESIDENT
Name and title

January 13, 1989
Date

P.O. Box 9,
Address and Branch

Port Orchard, WA 98366-0009

(206) 876-7810
(Phone)

Department of Natural Resources Approval:

Date

LEASE ADMINISTRATOR
Division of Aquatic Lands

Please complete acknowledgment section on reverse

(4-24-85)

F33

NOTARY FOR BANK

State of Washington,)
) ss.
County of Kitsap)

On this day personally appeared before me A.E. Blossey

_____ to me known to be the individual(s) described in and who executed the within and foregoing instrument, and acknowledged that HE _____ signed the same as HIS free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this 18th day of January 19 89.

Notary Public in and for the State of Washington
residing at Port Orchard

NOTARY FOR ASSIGNOR

State of Washington,)
) ss.
County of Kitsap)

On this day personally appeared before me Roger Jensen

_____ to me known to be the individual(s) described in and who executed the within and foregoing instrument, and acknowledged that HE _____ signed the same as HIS free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this 18th day of January 19 89.

Notary Public in and for the State of Washington
residing at Port Orchard

STATE OF WASHINGTON
DEPARTMENT OF NATURAL RESOURCES
SAVINGS ACCOUNT ASSIGNMENT FORM

Date: January 13, 1989

Brian Boyle
Commissioner of Public Lands
Department of Natural Resources
Olympia, WA 98504

RE: Agreement No. (b) (6) (Lease of Public Aquatic Lands) between the State of Washington and WILKINS DISTRIBUTING CO. INC., hereinafter "Assignor." This assignment is for the purpose of fulfilling the surety requirements of Assignor as required under the above numbered Agreement. The Assignor does hereby assign, transfer, and set over unto the State of Washington all rights, title, and interest in and to the principal sum of FIFTEEN HUNDRED ($ 1,500.00) of (Savings Account), (Certificate of Deposit) number (b) (6), hereinafter "Account," with full power and authority to demand and receive said principal sum.

It is understood and agreed that Kitsap Bank, hereinafter "Bank," holds said Account in its possession and agrees to hold $ 1,500.00 until a written release of this assignment from the State of Washington is received. It is further understood that this assignment is subject to judgments under the above-numbered lease agreement and upon written demand the Bank shall release unto the State of Washington this assignment not to exceed said amount. The Bank is authorized by the State of Washington to renew or manage this assignment so long as the principal sum is guaranteed. All interest accrued from said interest bearing instrument shall be retained by the Assignor. This Account also covers lease agreeement number(s) XXX.

Signed and dated this 13th day of January, 19 89.

Assignor signature [signature] Pres.
WILKINS DISTRIBUTING CO., INC.

Acceptable: The undersigned hereby accepts the foregoing assignment of (Savings Account), (Certificate of Deposit) No. (b) (6).

BANK ACCEPTANCE: KITSAP BANK

[signature]
Signature of Bank Officer

A.E. BLOSSEY VICE PRESIDENT
Name and title

January 13, 1989
Date

P.O. Box 9,
Address and Branch

Port Orchard, WA 98366-0009

(206) 876-7810
(Phone)

Department of Natural Resources Approval:

Date

LEASE ADMINISTRATOR
Division of Aquatic Lands

Please complete acknowledgment section on reverse

(4-24-85) F33

NOTARY FOR BANK

State of Washington,)
) ss.
County of Kitsap)

On this day personally appeared before me A.E. Blossey

_____ to me known to be the individual(s) described in and who executed the within and foregoing instrument, and acknowledged that HE _____ signed the same as HIS free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this 18th day of January 19 89.

Notary Public in and for the State of Washington
residing at Port Orchard

NOTARY FOR ASSIGNOR

State of Washington,)
) ss.
County of Kitsap)

On this day personally appeared before me Roger Jensen

_____ to me known to be the individual(s) described in and who executed the within and foregoing instrument, and acknowledged that HE _____ signed the same as HIS free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this 18th day of January 19 89.

Notary Public in and for the State of Washington
residing at Port Orchard

E-6127

TRUSTEE'S DEED

8807120025

Grantor, JOHN S. PETERSON, the duly appointed and qualified Trustee in Bankruptcy for (b) (6) [redacted] husband and wife, proceedings in the United States Bankruptcy Court for the Western District of Washington, Bankruptcy Case No. 88-00575, for and in consideration of the sum of $15,000.00 and other valuable consideration, does hereby

GRANT, CONVEY AND QUITCLAIM unto WILKINS DISTRIBUTING CO., INC. its successors, administrators, and assigns, all of the interest of the Grantor in and to the real property in Kitsap County, Washington, the legal description of which is attached hereto as Exhibit "A" and incorporated herein by reference, to have and to hold the premises herein granted into the Grantee, its successors and assigns forever.

This conveyance is authorized by Order Authorizing Sale of Real Property Free and Clear of Liens entered on June 14, 1988 by Hon. Thomas T. Glover, Bankruptcy Judge, U.S. Bankruptcy Court for the Western District of Washington, in Case No. 88-00515.

IN WITNESS WHEREOF the undersigned hereto sets his hand and seal this 1st day of ~~June~~ July, 1988.

FILED FOR RECORD
REQ. OF LAND TITLE COMPANY
JUL 1 1988 AM 8:00
KAREN FLYNN
KITSAP COUNTY AUDITOR
DEPUTY

JOHN S. PETERSON
Trustee in the Bankruptcy of (b) (6) [redacted]

STATE OF WASHINGTON)
COUNTY OF KITSAP

I certify that I know or have satisfactory evidence that JOHN S. PETERSON signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as Trustee in Bankruptcy of James Willard Bennett and Dorothea Mae Bennett, husband and wife, to be his free and voluntary act for the uses and purposes mentioned in the instrument.

DATED: 7-1-88

REEL 167 PG 182

NOTORY PUBLIC in and for the State of Washington, residing at: Chelan

My Commission expires: 10-21-91

Original client no Peterson 1/25/88

Return to:
CUSKIRK & ANDERSON
Attorneys at Law
Spinnaker Building, Suite 204
4110 Kitsap Way
Bremerton, WA 98312

NO. 4140
KITSAP COUNTY
TRANSACTION EXCISE TAX
PAID JUL 11 1988
AMOUNT
COUNTY TREASURER

DNR-00034025

PARCEL I:

All of Tract 1, Joseph Daly's Garden Tracts in Government Lot 1, Section 14, Township 24 North, Range 1 East, W.M., in Kitsap County, Washington, according to plat recorded in Volume 4 of Plats, Page 11, in Kitsap County, Washington, and more particularly described as follows:
Beginning at the Southwest corner of Tract 1, Joseph Daly's Garden Tracts; thence North 00°22' West 240.19 feet along the West line of said Tract and its production to the Inner Harbor line of Port Washington Narrows according to Official Harbor Line Maps on file at State Land Commissioner's Office, Olympia, Washington; thence along said Inner Harbor Line South 74°14'37" East 14.29 feet; thence along said Inner Harbor line North 85°30' East 58.46 feet; thence along said Inner Harbor Line South 67°30' East 66.71 feet to its intersection with the production of the East line of said Tract 1; thence South 00°22' East 215.33 feet along said East line of said Tract 1 and the production thereof; thence along the South line of said Tract 1, South 89°58'30" West 133.50 feet to the Point of Beginning.

EXHIBIT "A"

REEL467FR1824

8807120025

instrument.

DATED: 7-1-88

REEL467FR1823

Laura Bennett
NOTORY PUBLIC in and for the State of Washington, residing at: Clallam

My Commission expires: 10-21-91

Original client
Ms Peterson 1/25/88

Return to:
GUSKIRK & ANDERSON
Attorneys at Law
Spinnaker Building, Suite 204
4110 Kitsap Way
Bremerton, WA 98312

NO. 4140
KITSAP COUNTY
TRANSACTION EXCISE TAX

PAID JUL 11 1988

AMOUNT Waive
COUNTY TREASURER

Blombergs easement over McCurley prop

Sold to ↓
(b) (6)

Sold to ↓
Wilkins

Wilkins now owns these easement rights

8011210135

ASSIGNMENT OF EASEMENT RIGHTS

THEODORE C. BLOMBERG and MARIAN J. BLOMBERG, husband and wife, are the owners of certain easements for access, operation, maintenance, installation, removal, repair and servicing of a certain oil dock, and underground oil and gasoline supply lines, more particularly described on Exhibit "A" attached hereto, and which run over, across and under the following described real property:

> That portion of Lot 1, Supplement Plat of Bayview Garden Tracts, as recorded in Volume 5 of Plats, Page 19, and Lot 23, Plat of Joseph Daly's Garden Tracts, records of Kitsap County, described as follows:
>
> Beginning at the Northeast corner of Thompson Drive being 120.25 feet more or less North of the Southwest corner of said Lot 1; thence South along the East margin of Thompson Drive 74.00 feet; thence South 89°49'45" East, parallel to the South line of said Lot 1 and the Easterly projection thereof 280.00 feet more or less to the East line of said Lot 23; thence Northerly, along the East line of said Lot 23, a distance of 88.00 feet more or less to the Northeast corner of said Lot 23; thence Northwesterly along the Northerly line of said Lot 23, a distance of 47.21 feet to the East line of said Lot 1; thence North 26°33'54" East, along the Easterly line of said Lot 1, a distance of 34.29 feet more or less to the Northeast corner of said Lot 1; thence North 73°14'39" West along the Northerly line of said Lot 1, a distance of 285.12 feet to the Northwest corner of said Lot 1; thence South along the West margin of said Lot 1, 125.59 feet more or less to a point 39.00 feet West of the point of beginning; thence East 39.00 feet to the point of beginning;
> TOGETHER WITH tidelands of the first class abutting and in front of said property.
> EXCEPT the South 8.00 feet thereof.
> Situate in Kitsap County, Washington.

The BLOMBERGS desire to transfer said easement rights to SERVICE FUEL CO., INC., a Washington corporation, in conjunction with the transfer of the assets of LEWY'S, INC. oil department being purchased by SERVICE FUEL CO., INC.

Therefore, in consideration of the mutual covenants contained in that certain Purchase Agreement dated November 1, 1980, wherein LEWY'S, INC. is selling the assets of its oil department to SERVICE FUEL CO., INC., LEWY'S, INC. hereby assigns to SERVICE FUEL CO., INC. the following easement rights:

8011210136 KM216711829

DNR-00034027

All rights of [illegible], inc, [illegible] to that [illegible] Private Co[illegible] [illegible] wherein [illegible] C. [illegible] husband and wife, are [illegible] and MARGARET M. McCOWAN, husband and wife, [illegible] Purchasers, recorded under Kitsap County Auditor's File No. 7911170052, and affecting the above described real property, a copy of which is attached hereto as Exhibit "A" and incorporated herein by this reference as though fully set forth.

DATED this 6th day of November, 1980.

Theodore C. Blomberg
THEODORE C. BLOMBERG

Marian J. Blomberg
MARIAN J. BLOMBERG

STATE OF WASHINGTON)
: ss.
COUNTY OF KITSAP)

On this day personally appeared before me THEODORE C. BLOMBERG and MARIAN J. BLOMBERG, to me known to be the individuals described in and who executed the within and foregoing instrument, and acknowledged that they signed the same as their free and voluntary act and deed for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 6th day of November 1980.

Notary Public in and for the State of Washington, residing at Bremerton.

8011210136

NR216R1830

DNR-00034028

Blomberg sold prop to McConkey & withdrew connection to dock, etc (see Addendum A) and retained access easement

Bennett sold & sold Wilkins

7912170052

REAL ESTATE CONTRACT
(FORM A 1964)

FILED FOR RECORD
REQ OF
DEC 1 ... 8 00
KITSAP ... DEPUTY

This contract made and entered into this 11th day of December, 1979

between THEODORE C. BLOMBERG and MARIAN J. BLOMBERG, husband and wife,

hereinafter called the seller, and F. PAUL McCONKEY and MARGARET M. McCONKEY, husband and wife,

hereinafter called the purchaser, witnesseth that the seller agrees to sell to the purchaser and the purchaser agrees to purchase from the seller the following described real estate situated in the County of Kitsap State of Washington

Attached herewith

That portion of Lot 1, Supplemental Plat of Bayview Garden Tracts, as recorded in Volume 5 of Plats, Page 19, and Lot 23, Plat of Joseph Daly's Garden Tracts, records of Kitsap County, described as follows:
Beginning at the Northeast corner of Thompson Drive being 120.25 feet more or less North of the Southwest corner of said Lot 1; thence South along the East margin of Thompson Drive 74.00 feet; thence South 89°49'45" East, parallel to the South line of said Lot 1 and the Easterly projection thereof 280.00 feet more or less to the East line of said Lot 23; thence Northerly, along the East line of said Lot 23, a distance of 80.00 feet more or less to the Northeast corner of said Lot 23; thence Northwesterly along the Northerly line of said Lot 23, a distance of 47.21 feet to the East line of said Lot 1; thence North 26°33'54" East, along the Easterly line of said Lot 1, a distance of 34.29 feet more or less to the Northeast corner of said Lot 1; thence North 75°14'39" West along the Northerly line of said Lot 1, a distance of 285.12 feet to the Northwest corner of said Lot 1; thence South along the West margin of said Lot 1, 125.59 feet more or less to a point 30.00 feet West of the point of beginning, thence East 30.00 feet to the point of beginning;
EXCEPT the South 8 feet thereof;
TOGETHER WITH tidelands of the first class abutting and in front of said property;

WH191A1707

NO. 9223
KITSAP COUNTY
TRANSACTION EXCISE TAX
PAID DEC 14 1979
AMOUNT 1300
COUNTY TREASURER
BY

The terms and conditions of this contract are as follows: The purchaser agrees to pay the sum of

ONE HUNDRED THIRTY THOUSAND AND NO/100---------- $ 130,000.00

TWENTY THOUSAND AND NO/100---------- $ 20,000.00

ONE THOUSAND AND NO/100---------- $ 1,000.00

or more of purchase price on or before the 17th day of January 1980

and ONE THOUSAND AND NO/100---------- $ 1,000.00 **

* December 17, 1984 AT WHICH TIME THIS CONTRACT IS PAYABLE IN FULL

or more of purchase price on or before the 17th day of December 1979 with interest at the rate of ten per cent per annum from the 17th day of December 1979 which interest shall be deducted from each installment payment and the balance of each payment shall be credited to principal.

All payments to be made hereunder shall be made at 4643 Marine Drive Place; Bremerton, Washington 98310 or at such other place as the seller may direct in writing.

** OR, AT PURCHASER'S OPTION, ANNUAL PAYMENTS OF $12,000.00, OR MORE, INCLUDING INTEREST AT THE RATE OF 10% PER ANNUM COMPUTED ON DIMINISHING BALANCE, FIRST PAYMENT DUE ON OR BEFORE DECEMBER 17, 1980.

IT IS UNDERSTOOD THAT SELLER WILL NOT UNREASONABLY WITHHOLD COOPERATION IN FUTURE DEVELOPMENT OF PROPERTY.

ADDITIONAL TERMS AND CONDITIONS INCLUDED IN ADDENDUM "A" ATTACHED HEREWITH AND BY REFERENCE MADE A PART HEREOF.

As referred to in this contract "date of closing" shall be December 17, 1979.

(1) The purchaser assumes and agrees to pay before delinquency all taxes and assessments levied against said real estate and all liens and encumbrances thereon, whether now or hereafter levied or assessed, and if by the terms of this contract the purchaser is to assume any mortgage or other encumbrance or has assumed payment of all or agreed to pay subject to any terms or assumption hereof, the purchaser agrees to pay the same before delinquency.

(2) The purchaser agrees that if the purchaser shall at any time fail to make payment of any taxes, assessments, or other charges or liens, the seller may at his option make such payment or payments, and the actual cash sum thereof shall be added to the unpaid balance of the purchase price and shall be payable on demand with interest at the rate of ten per cent per annum from the date of such payment by the seller.

(3) The purchaser agrees that full or partial performance by the seller of any covenant or agreement contained herein or in any other contract between the seller and the purchaser shall not be construed as a waiver of any succeeding default by the purchaser of any covenant or agreement herein or in any other contract between the seller and the purchaser.

(4) The purchaser assumes all risk of loss or damage to said real estate or any part thereof from any cause, and of the taking of said real estate or any part thereof for public use, or damage thereto by condemnation, and no such loss or damage or taking or failure of consideration for any part of said real estate shall be deemed to impair the validity of this contract in any respect or to relieve the purchaser from the prompt payment of reasonable payments of principal and interest on the unpaid balance of the purchase price, or from any other obligation of the purchaser hereunder. In the event of such loss or damage or taking, the purchaser shall be entitled to the proceeds of any insurance or condemnation award to the extent of the unpaid principal and interest owing to the seller at the time such payment is made, and the purchaser shall be credited with such payment. In the event of such loss or damage or taking, the purchaser shall be credited with such payment. In the event of such loss or damage or taking, the purchaser shall be credited with such payment. In the event of such loss or damage or taking,

Question of location of lateral boundary lines of said tidelands.
Easement for sewer pipes; Auditor's File Nos. 305862 and 305863.
Easement for sewer;Auditor's File Nos. 308382 and 353788.
Easement for sewer;Auditor's File No. 665812.
Easement for sewer pipes; Superior Court Cause No. 26012; Auditor's File No. [illegible]
Deed and Perpetual Easement; Auditor's File No. 336749.

IN WITNESS WHEREOF the parties hereto have executed this instrument as of the date [illegible] written above

Paul McCarty (SEAL)
Margaret McCarty (SEAL)
Theodore C. Blomberg (SEAL)
Marian J. Blomberg (SEAL)

STATE OF WASHINGTON,
County of Kitsap } ss.

On this day personally appeared before me Theodore C. Blomberg and Marian J. Blomberg to me known to be the individual S described in and who executed the within and foregoing instrument, and acknowledged that they signed the same as their free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 13th day of December 1979

Notary Public in and for the State of Washington
residing at Bremerton, Washington

SAFECO TITLE INSURANCE COMPANY

SAFECO

Filed for Record at Request of

E 31009

NAME Park Shore Real Estate, Inc.

ADDRESS P. O. Box 1

CITY AND STATE Port Orchard, WA. 98366

7912170052

THIS SPACE RESERVED FOR RECORDER'S USE

KE191A1709

ADDENDUM "A"

1. IT IS UNDERSTOOD AND AGREED that the dock facilities, pipelines, valves and all other appurtenant oil handling equipment installed on the property or adjacent or abutting thereto is not included in this sale.

2. Purchasers are aware that there are existing oil and gasoline supply lines owned by the sellers and also that there are supply lines leased by sellers to Atlantic Richfield Oil Company which cross the property, being sold, from the existing dock facilities and which lie within the easterly 110 feet of the herein described property, the exact location not known at the time of sale.

3. Sellers reserve unto themselves, their successors, assigns and or lessees an easement to allow access to the dock existing on the first class tidelands abutting the property described in this contract for the purpose of loading and off-loading operations and also reserve an easement over the easterly 110 feet as measured parallel to the East boundary of the property, described in the contract of sale providing for the operation, maintenance, installation, removal, repair and servicing of those underground oil and gasoline supply lines and this easement shall be five feet in width, two and a half feet on each side of the centerline of said pipelines as existing in the area described.

4. As a further consideration of the contract of sale, there shall be a provision that if any of the oil and gasoline supply lines owned by sellers or by others and their maintenance provided by lease would be relocated, all expenses of such relocations shall be that of the purchasers.

5. In the event that any fence is erected by the purchasers along the south boundary of the property described between Pennsylvania and Thompson Streets, it shall provide for a walk-through gate for access to the pipelines, dock and other facilities available to sellers, their successors and assigns and lessees.

DATED this _____ day of December, 1979.

Paul McCarty — PURCHASER
Theodore C. Blomberg — SELLER
Margaret McCarty — PURCHASER
Marian J. Blomberg — SELLER

KE191A1710

7912170052

RECEIVED
SEP - 1 1988
DEPARTMENT OF NATURAL RESOURCES

STATE OF WASHINGTON
DEPARTMENT OF NATURAL RESOURCES
BRIAN J. BOYLE
COMMISSIONER OF PUBLIC LANDS

APPLICATION TO LEASE PUBLICLY OWNED AQUATIC LANDS

NO WORK CAN BE STARTED ON LEASE AREA UNTIL A LEASE IS GRANTED

Date: 8-30-88

1. Lease to be issued to Wilkins Distributing Co. Inc.

2. P.O. Box 147 Port Orchard WA 98366
(Address) (City) (State) (Zip)

3. a) Desired use of lease area Commercial - Fuel Barges

b) Is or will the area be subleased? No If yes, submit copy of sublease.

4. Application is for (a) New Lease ____ (b) Re-lease of number HA ~~2432~~ 2452

Include photographs(s) showing improvements in relation to proposed lease boundaries and other structures. P.G.L. LOT-1, OF ~~#3~~ LOT-#23 JO S. DALY'S GARDEN TRACTS + W½ of Pennsylvania Ave

5. Section 14 Township 24 N Range 1 E County Kitsap

6. Please complete the following and attach the requested information to this application. Refer to the instructions on the reverse side. **Failure to furnish the following information will cause your application to be returned.**

a) Supply name and address of owner of property abutting desired lease area.

b) Prepared Exhibit A as specified on back.

c) U.S. Army Corps of Engineers Public Notice Number GRANDFATHERED.

d) Shoreline Substantial Development Permit Number NA.

e) SEPA Checklist or Declaration of Non-Significance from lead Agency.

f) Application fee of $25.00 made payable to Department of Natural Resources. It is non-refundable in the event this application is rejected.

7. If leasehold will be used for business purposes, please provide your Washington State Department of Revenue Tax Registration # C 182-1399.

8. Which of the following applies to the name desired on the lease:

- [x] Corporation
- [ ] General Partnership
- [ ] Limited Partnership
- [ ] Individual [ ] Married [ ] Single
- [ ] Governmental Agency
- [ ] Other

All answers and statements are true and complete to the best of my knowledge.

Applicant Roger A. Jensen
Please Print

Signed R A Jensen Pres.
(Applicant or authorized signature)

Title President

Company Wilkins Distributing Co.

Telephone 876-4313

(For Office Use Only)
Amount Rec'd ____ Date ____
App. No. HA-2716
Trust Harbor area Init. ____
County Kitsap AL Plate No. 5
(4/8/87) 9-8-88

DNR-00034031

22-002716

neal
Reg
Only ✓

GeoScience Management, Inc. *Environmental Consulting Services*

18608 89th Avenue N.E. • Bothell, Washington 98011 • Telephone (206) 481-4538 • FAX (206) 402-1388

August 1, 1997

Mr. Neal Cox
Washington State Department of Natural Resources
Southern Puget Sound Region
Aquatic Resources Division
P.O. Box 68
Enumclaw, WA 98022-0068

Re: Sediment Sampling for Termination of Aquatic Lands Lease No. 22-002716

Dear Mr. Cox:

On behalf of Nordic Properties, Inc., f/k/a Wilkins Distributing Company, Inc., this letter transmits the site plan showing the proposed sediment sampling locations which you requested for the above-referenced site. If these locations are acceptable to you, please let us know as soon as possible so that we may schedule field work.

Please contact me at your earliest convenience if you have any questions.

Sincerely,

Howard W. Small

Howard W. Small, R.G., C.P.G.
Project Manager

Attachment:

d:\\projfile\nordic\cox-3.doc

cc: Roger Jensen - Nordic Properties, Inc.

T.24 N. R.1E.-W.M.

MAP NOT TO SCALE
DRAWN FROM "EXHIBIT A" HARBOR AREA
LEASE No. 22-002716

(ATTACHMENT TO SEDIMENT SAMPLING WORK PLAN PREPARED BY GEOSCIENCE MANAGEMENT, INC. DATED MAY 27, 1997.)

FIGURE 1
PROPOSED SEDIMENT SAMPLING LOCATIONS
NORDIC PROPERTIES f/k/a WILKINS DIST. CO.
AQUATIC LANDS LEASE
No. 22-002716

22-002716

Neal
Region
Olympia

GeoScience Management, Inc. *Environmental Consulting Services*

18608 89th Avenue N.E. • Bothell, Washington 98011 • Telephone (206) 481-4538 • FAX (206) 402-1388

June 20, 1997

Mr. Neal Cox
Washington State Department of Natural Resources
Southern Puget Sound Region
Aquatic Resources Division
P.O. 68
Enumclaw, WA 98022-0068

Re: Sediment Sampling for Termination of Aquatic Lands Lease No. 22-002716

Dear Mr. Cox:

On behalf of Nordic Properties, Inc., f/k/a Wilkins Distributing Company, Inc., this letter transmits the Work Plan, for your review and concurrence, to perform sediment sampling and analysis at the above-referenced property located in Bremerton, Washington. The scope of work described in the attached Work Plan is based on Mr. Tim Goodman's January 15, 1997 memorandum to you, and your subsequent May 8, 1997 letter to Mr. Roger Jensen describing the environmental requirements for Nordic Properties, Inc. to terminate the lease.

We plan to perform the work in early July 1997. Please contact me at your earliest convenience if you have any questions.

Sincerely,

Howard W. Small

Howard W. Small, R.G., C.P.G.
Project Manager

Attachment:

c:\\projfile\nordic\cox-2.doc

cc: Roger Jensen - Nordic Properties, Inc.

OLYMPIA COPY

GeoScience Management, Inc. *Environmental Consulting Services*

18608 89th Avenue N.E. • Bothell, Washington 98011 • Telephone (206) 481-4538 • FAX (206) 402-1388

May 27, 1997

Mr. Roger Jensen
Nordic Properties, Inc.
P.O. Box 84
Port Orchard, Washington 98366

Re: Work Plan for Sediment Sampling, Aquatic Lands Lease 22-002716, Bremerton, Washington

Dear Roger:

Per our discussion on May 13, 1997, this Work Plan describes the scope of work for GeoScience Management, Inc. (GSM) to collect two sediment samples from property currently under an aquatic lands lease with the Department of Natural Resources (DNR). The property is located at the west end of Pennsyvania Avenue, in Bremerton, Washington. The aquatic lands lease, number 22-002716, dated March 27, 1989, is between DNR and Wilkins Distributing Company, Inc. The scope of work described below is based on Mr. Tim Goodman's January 15, 1997 memorandum to Mr. Neil Cox of DNR, and Mr. Cox's subsequent May 8, 1997 letter to you describing the environmental requirements for Nordic Properties, Inc., f/k/a Wilkins Distributing Company, Inc. to terminate the lease.

Task 1 - Prepare Site Safety and Operations Plan

A site specific Site Safety and Operations Plan (SSOP) will be prepared for conducting field work at the site. The SSOP will describe appropriate health and safety measures which will be employed while performing work, and will conform to the requirements of appropriate state and federal regulations for conducting this type of work.

Task 2 - Sediment Sample Collection

As requested by DNR, two shallow sediment samples will be collected from off the end of the dock. Samples will be collected from the upper few inches of sediment using a small Van-Veen sampler (0.025 cubic yard capacity). The sampler will be cleaned using a stiff-bristle brush, tap water and laboratory-grade soap, and rinsed with tap water between each sampling event. Retrieved sediment will be placed into laboratory-prepared glass jars, stored in a chilled cooler, and transported to North Creek Analytical, Inc. (NCA), a state-certified analytical laboratory, for chemical analyses. In accordance with DNR's letter, the samples will be analyzed for only those fuel compounds handled by Nordic Properties, Inc. at the site: gasoline; diesel (diesel #2); and stove oil (equivalent to diesel #1 or kerosene). Consequently, NCA will perform analyses for gasoline and benzene, toluene, ethylbenzene and xylenes (gasoline/BTEX, Methods WTPH-G and EPA 8020), and diesel (Method WTPH-D, including diesel #'s 1 and 2).

Task 3 - Prepare Report

The results of our work will be summarized in a brief letter report, and will include laboratory results and a site plan showing the approximate sampling locations. I appreciate the opportunity to be of service to Nordic Properties, Inc. Please call me at your earliest convenience if you have any questions.

Sincerely,
GeoScience Management, Inc.

Howard W. Small

Howard W. Small, R.G., C.P.G.
Project Manager

WASHINGTON STATE DEPARTMENT OF
Natural Resources

BRIAN BOYLE
Commissioner of Public Lands

OLYMPIA, WA 98504

September 13, 1988

Wilkins Distributing Co., Inc.
PO Box 147
Port Orchard, WA 98366

Dear Sir or Madam:

Your application to re-lease state-owned aquatic lands lease No. 22-002452 for commercial fuel barges has been filed under Application No. 22-002716. Please refer to this number in any future correspondence concerning this application.

We will be getting back to you as time permits. If you have any questions, please call Terry Roswall at (206) 586-6371.

Sincerely,

Virginia Bell

Virginia Bell
Division of Aquatic Lands

gb
c: 22-002452
22-002716

Equal Opportunity/Affirmative Action Employer

WASHINGTON STATE DEPARTMENT OF
Natural Resources

JENNIFER M. BELCHER
Commissioner of Public Lands
KALEEN COTTINGHAM
Supervisor

May 8, 1997

Wilkins Distributing Company
Mr. Roger Jenson
PO Box 84
Port Orchard, WA 98366

Subject: Aquatic Land Lease No. 22-002716 - Termination

Dear Mr. Jenson:

Enclosed is a memo from Tim Goodman relating to marine sediments for the termination of Aquatic Lands Lease No. 22-002716.

It is recommended at a minimum a Phase I Site Assessment be conducted at the site. The results of the Phase I Site Assessment could lead to a Phase II if there is reasonable evidence that practices of the current lessee may have impacted the lease area.

The lessee may elect to skip the Phase I Site Assessment and sample sediments in the lease area.

If you have any questions or concerns, I may be reached at (360) 825-1631.

Sincerely,

Bonnie B. Bunning
Region Manager

Neal Cox SB

Neal Cox, Land Manager
South Puget Sound Regional Office

Enclosure

c: Howard Small

bc: Region File
Olympia File

Reference Code: 22-002716
sk/Cox/sps1/22002716.gen

SOUTH PUGET SOUND REGION
950 FARMAN ST N ▮ PO BOX 68 ▮ ENUMCLAW, WA 98022-0068 ▮ *FAX: (360) 825-1672* ▮ *TTY: (360) 825-6381* ▮ *TEL: (360) 825-1631*
Equal Opportunity/Affirmative Action Employer
RECYCLED PAPER

LL 2/16 Neal Region Olympia

GeoScience Management, Inc. *Environmental Consulting Services*

18608 89th Avenue N.E. • Bothell, Washington 98011 • Telephone (206) 481-4538 • FAX (206) 402-1388

November 18, 1996

Mr. Neal Cox
Washington State Department of Natural Resources
Southern Puget Sound Region
Aquatic Resources Division
P.O. 68
Enumclaw, WA 98022-0068

Re: Termination of Aquatic Lands Lease No. 22-002716

Dear Mr. Cox:

On behalf of Wilkins Distributing Company, Inc., this letter requests that the above-referenced Aquatic Lands Lease be terminated as soon as possible. The current lease extends through February 1, 1998, and the 1997 rental fee for the lease will be due in January 1997. In accordance with our telephone conversation on November 11, 1996, I understand that you will need to schedule a site visit to view the condition of the property and any property improvements. Wilkins would very much appreciate your expediting the lease termination process.

As we discussed, Wilkins leased the tidelands easement and began operations in 1988. They refurbished an existing wooden dock and used the dock for off-loading fuel oil (heating oil, equivalent to diesel #1) from barges. In 1993, all transfer piping was removed and Wilkins ceased operations on the property. During the lease period, Wilkins did not have any documented or reported releases of fuel at or in the vicinity of the dock. No other petroleum products were handled at the facility.

Please contact Roger Jensen to schedule the site visit. If you have questions regarding the information in this letter, please call me at your earliest convenience.

Sincerely,

Howard W. Small

Howard W. Small, R.G., C.P.G.
Project Manager

c:\\projfile\nordic\cox-l.n14

cc: Roger Jensen - Nordic Properties, Inc.

OLYMPIA COPY

RECEIVED
NOV 25 1996
DNR-SPS

WASHINGTON STATE DEPARTMENT OF
Natural Resources

JENNIFER M. BELCHER
Commissioner of Public Lands

KALEEN COTTINGHAM
Supervisor

September 8, 1995

Wilkins Distributing Co., Inc.
PO Box 147
Port Orchard, WA 98366

CERTIFIED MAIL

Subject: Rent Revaluation for Aquatic Lands Lease No. 22-002716

Dear Lessee:

Your rent has been revalued for the next 4-year period beginning January 25, 1996. This revaluation was conducted in accordance with Subsection 3.3 of your aquatic lands lease and the rent calculation methods established by the legislature in Chapter 79.90 RCW. Because the assessed value of the upland parcel used to value your lease has increased, your annual rent has increased as well. Your base rent of $1,029.23 will increase to $1,172.56 plus leasehold tax of $150.56 for a total payment due of $1,323.12.

A rental billing for your rent from January 25, 1996 to January 24, 1997 will follow under a separate cover. Bills are computer generated and mailed out approximately four weeks before the bill is due. All amounts past due will be charged compound interest at the rate of one percent (1%) per month, beginning February 25, 1996.

If you wish to appeal the amount of rent identified above, you must follow the procedure outlined in WAC 332-30-128 (copy enclosed). This procedure requires that within thirty (30) calendar days of your receipt of this letter, the department must have received your written request for review of rent containing all the requirements identified in the regulation. Please address your request to Craig E. Partridge, Manager, Department of Natural Resources, Aquatic Resources Division, PO Box 47027, Olympia, Washington 98504-7027. In the event you wish to deliver your appeal in person, our street address is Department of Natural Resources, Aquatic Resources Division, 1111 Washington Street SE, First Floor, Olympia, Washington 98504.

If you have any questions, please contact me at (360) 902-1084.

Sincerely,

Neal Cox

Neal Cox, Land Manager
Aquatic Resources Division

Enclosure
c: Dan Barth

Reference Code: 22-002716
ww20/cox/22002716/

WASHINGTON STATE DEPARTMENT OF
Natural Resources

Mailed 3/27/92

BRIAN BOYLE
Commissioner of Public Lands

OLYMPIA, WA 98504

March 27, 1992

BILLING REMINDER

WILKINS DISTRIBUTING CO
PO BOX 147
PORT ORCHARD WA 98366

Dear Lessee:

Under your agreement with us, No. 22-002716, **$1,161.37** was due on January 01, 1992.

At this time our records do not show that payment has been received and this amount is now past due. Please be advised, that this delinquent account has been placed in default status and charged interest at the rate of 1% per month for the period of January 01, 1992 to March 25, 1992 a total of **$ 20.68.** Interest will continue to accrue at the rate of 1% per month until payment is received.

"This letter is your billing statement". Please make payment in the amount of **$ 1,182.05.**

If you have any questions contact Brad Pruitt, your lease administrator, at (206) 586-6386.

c: 2nd Notice, File 22002716

DIRECT PAYMENT TO: **DEPARTMENT OF NATURAL RESOURCES**
DIVISION OF FINANCIAL SERVICES
PO BOX 47041
OLYMPIA WA 98504-7041

dlr\c:wordproc\2nd\2ndint.ltr
22002716.int

Equal Opportunity/Affirmative Action Employer

WASHINGTON STATE DEPARTMENT OF
Natural Resources

BRIAN BOYLE
Commissioner of Public Lands

OLYMPIA, WA 98504

October 14, 1991

Wilkins Distributing Company
PO Box 147
Port Orchard, WA 98366

Subject: Rent Revalue and Bond Adjustment for Lease No. 22-002716

Dear Lessee:

Your lease has been revalued as per said Lease Agreement.

It has been determined that the annual base rental, commencing as of January 25, 1992, shall be $1,029.23 a year (plus leasehold tax) for the next four (4) years. During this period the rent will be adjusted yearly to account for inflation. At the end of this time a new annual rent will be established.

This letter is only a notice of rent adjustment. A billing statement will follow under separate cover. Bills are printed by the computer and mailed out approximately two weeks before the bill is due. The anniversary date is usually the due date for annual bills. All amounts 30 days past due will be charged interest at the rate of 1 percent per month.

Additionally, the department has noticed that your surety has dropped below the standard (two times the annual rent).

As provided by Clause 6.9 of your lease, you are required to provide a surety bond in the amount of $2,000.00. Your $1,500.00 Certificate of Deposit is still in effect under No. 01-852078-28. The balance of your surety should amount to $2,000.00.

Security, other than a bond, may be provided in the form of a Savings Account Assignment, Certificate of Deposit, Cash Deposit, or a Bank Letter of Credit. Forms are enclosed for your use.

Please provide the required security in the amount of $2,000.00 on or before January 25, 1992. A Notice of Bond Renewal will also satisfy this requirement. Send to: Department of Natural Resources, Division of Aquatic Lands, Mail Stop QW-21, Olympia, Washington 98504.

Please contact me at (206) 586-6386, if you have any questions.

Sincerely,

Brad Pruitt

Brad Pruitt, Lease Administrator
Division of Aquatic Lands

Enclosure

c: fiscal

WASHINGTON STATE DEPARTMENT OF
Natural Resources

BRIAN BOYLE
Commissioner of Public Lands

OLYMPIA, WA 98504

March 29, 1989

Wilkins Distributing Company, Inc.
PO Box 147
Port Orchard, WA 98366

Dear Sir/Madam:

Enclosed is a final copy of Harbor Area Lease, No. 22-002716, for your records.

If you should have any questions, feel free to contact Larry Ledgerwood at (206) 586-6373.

Sincerely,

Marci Savage

Marci Savage
Division of Aquatic Lands

ms
Enc.
c: 22-002716

MS2716

Equal Opportunity/Affirmative Action Employer

WASHINGTON STATE DEPARTMENT OF
Natural Resources

BRIAN BOYLE
Commissioner of Public Lands

OLYMPIA, WA 98504

December 21, 1988

BILLING REMINDER

Wilkins Distributing Company
PO Box 147
Port Orchard, WA 98366

Dear Sir/Madam:

Under your agreement with us, No. 22-002716, $829.57 was due on 11/25/88.

At this time our records do not show that payment has been received and this amount is now past due. Please be advised, that delinquent accounts place the agreement in default status and will be charged interest at the rate of 1% per month.

If you have any questions contact Terry Roswall, your lease administrator, at (206) 586-6371.

c: File #22-002716
Inv. #140321
M. Wendling, Financial

Equal Opportunity/Affirmative Action Employer

WASHINGTON STATE DEPARTMENT OF
Natural Resources

BRIAN BOYLE
Commissioner of Public Lands

October 26, 1988

OLYMPIA, WA 98504

Mr. Roger A. Jensen, President
Wilkins Distributing Company, Inc.
PO Box 147
Port Orchard, WA 98366

Dear Mr. Jensen:

Please date and sign all copies of the enclosed lease, No. 22-002716.

Return them, along with your first year's rent payment as follows:

Annual rent (1/25/88 to 1/25/89)	$735.17
Leasehold tax	94.40
Total due	$829.57

To:

Department of Natural Resources
Division of Aquatic Lands
Mail Stop QW-21
Olympia, WA 98504

Also enclosed are acknowledgment forms. These must be signed, notarized and returned with the enclosed documents. We will return a final copy of the executed lease document to you.

All aquatic leases must be bonded to help ensure compliance with the terms of the lease. The amount of your surety bond is $1,500.00. Please have the enclosed bond forms completed by your bonding company and return them with the copies of the lease.

Please contact me at (206) 586-6373 if you have any questions.

Sincerely,

Larry T. Ledgerwood

Larry T. Ledgerwood, Lease Administrator
Division of Aquatic Lands

bv
c/enc: M. Wendling, Fiscal
22-002716
Inv #140320 and 140321

BV5 2716

Equal Opportunity/Affirmative Action Employer

WATER-DEPENDENT RENT CALCULATION WORKSHEET

1. Lease Number Wilkins Distributing
2. Name 22-002716
3. County
4. Previous Rent
5. UBI ___/___/___/
6. DNR ___/___/___/
7. Use[1]
8. Acres
9. Current Revaluation Assessment Date 1996

	10. County Parcel No.	11. Upland Value	12. Acres/ Sq. Ft.	13. Upland Value/Acre	14. Aquatic Value @ 30%	15. Aquatic Lease Acres	16. Lease Area Value	17. Rent @ 7%
1.	CPN 3741,000-022-0101	83,000	.55 23,958.0sqFt	3.46 sqFt	1.04	16,117.20	16,761.89	1173.33
2.								
3.				45272		.37		
4.								

Remarks: Is the new water-dependent rent more than a 50 percent increase from the previous rent? Yes_____ No _____
If yes, do not increase annual rents by more than 50 percent each year.

Tax Levy Code

PPI Adjustments (Used only for Revaluations and PPI Adjustment Years)

85-86 + 2.375% 1.02375
86-87 - 0.483% 0.99517
87-88 - 2.914% 0.97086
88-89 + 2.365% 1.02635
89-90 + 3.990% 1.03990
90-91 + 4.958% 1.04958
91-92 + 3.654% 1.03654
92-93 + 0.170% 1.00170
93-94 + 0.601% 1.00601
94-95 + 1.450% 1.01450
95-96 + 1.262% 1.01262

TRUST DIST. % OF RENT

NAV.
15 %____ $_____

FC Tide/Shore
20 %____ $_____

SC Tide/Shore
21 %____ $_____

Harbor Area
25 %____ $_____

Date_____ By_____

WD Rent Calculation Worksheet Document (1wdrent.cal (Rev. July 19, 1995)

If use is log storage, the rent is $253.63 per acre for July 1, 1994 to July 1, 1995. No parcel numbers are needed.

PROGRAM: RMS255P2

STATE OF WASHINGTON
DEPARTMENT OF NATURAL RESOURCES
REVENUE MANAGEMENT SYSTEM
AGREEMENTS NOT CREATING RECURRING BILLS

DATE: 12 26 1995
PAGE: 1

AGRMT	ACT MGR	GRP	ORDER	FROM	TO	MOS	SCH ADJ DATE	BB #	RB #	MESSAGE
22 002716	AQUA	LEAS	BB05842	01/24/1997		12	01/25/1996	0	0	BILLING PERIOD EXCEEDS THE BILLING CYCLE
22 002716	AQUA	LEAS	BB05842			0		0	0	NO BILL CREATED. RB'S TURNED OFF.

-4

RMS AGREEMENT DISTRIBUTION & CHARGE DATA RMS601M8

ACTION: I AGRMT ID: 22 002716 ACCT MGR: AQUA GRP: LEAS ADDED _3 26 1992
CUST NAME: WILKINS DISTRIBUTING CO____ ID: DNR 000 001 621 UPDATED _3 26 1992
START DATE: _1 25 1988 END DATE: _2 _1 1998 USER ID BPKK490

MANAGEMENT BENEFICIARY DATA

TR	RATIO	CO	RATIO	CO	RATIO	CO	RATIO	CO	RATIO	CO	RATIO	CO	RATIO	LN TOT
25	1.000	18	1.000											1.000

+ 1.000 EFFECTIVE DATE: _3 26 1992

CHARGE DATA

RATE	START DATE	INTERVAL(MO)	SCHED ADJ DATE	TOWN
.1284	_1 25 1993	12	_1 25 1996	

COMMODITY ID	LHT	ANNUAL AMT	IDX
TRANS	Y	1029.22	P

PF: 1=BCK 2=FWD 5=UPD 6=LOC 7=IDX DT 11=HELP 12=RTN 13=NXT EF DT 17=VIEW CMDTY
RMS611N1 002 W: RMS255P1 HAS TURNED OFF THE RECURRING BILLS ON THIS AGRMT.

RMS AGREEMENT DISTRIBUTION & CHARGE DATA RMS601M8

ACTION: I AGRMT ID: 22 002716 ACCT MGR: AQUA GRP: LEAS ADDED _3 26 1992
CUST NAME: WILKINS DISTRIBUTING CO____ ID: DNR 000 001 621 UPDATED _3 26 1992
START DATE: _1 25 1988 END DATE: _2 _1 1998 USER ID BPKK490

MANAGEMENT BENEFICIARY DATA

TR	RATIO	CO	RATIO	CO	RATIO	CO	RATIO	CO	RATIO	CO	RATIO	CO	RATIO	LN TOT
25	1.000	18	1.000											1.000

+ 1.000 EFFECTIVE DATE: _3 26 1992

CHARGE DATA

RATE	START DATE	INTERVAL(MO)	SCHED ADJ DATE	TOWN
.1284	_1 25 1993	12	_1 25 1996	

COMMODITY ID	LHT	ANNUAL AMT	IDX
TRANS	Y	1029.22	P

PF: 1=BCK 2=FWD 5=UPD 6=LOC 7=IDX DT 11=HELP 12=RTN 13=NXT EF DT 17=VIEW CMDTY
RMS611N1 002 W: [redacted]

WATER-DEPENDENT RENT CALCULATION WORKSHEET

1. Lease Number 22-002716
2. Name Wilkins Distributing Co.
3. County Kitsap
4. Previous Rent 1,029.23
5. UBI __/__/__/
6. DNR __/__/__/
7. Use[1]
8. Acres 0.37 AC
9. Current Revaluation Assessment Date 1995

monke	10. County Parcel No.	11. Upland Value	12. Acres/ Sq. Ft.	13. Upland Value/Acre	14. Aquatic Value @ 30%	15. Aquatic Lease Acres	16. Lease Area Value	17. Rent @ 7%
1.	3741-000 022-0101	83,000	.55	150,909.09	45,272.73	0.37	16,750.90	1,172.56
2.								
3.								
4.								

Remarks: Is the new water-dependent rent more than a 50 percent increase from the previous rent? Yes_____ No X
If yes, do not increase annual rents by more than 50 percent each year.

PPI Adjustments (Used only for Revaluations and PPI Adjustment Years)

85-86 + 2.375% 1.02375
86-87 - 0.483% 0.99517
87-88 - 2.914% 0.97086
88-89 + 2.365% 1.02635
89-90 + 3.990% 1.03990
90-91 + 4.958% 1.04958
91-92 + 3.654% 1.03654
92-93 + 0.170% 1.00170
93-94 + 0.601% 1.00601
94-95 + 1.450% 1.01450
95-96 + 1.262% 1.01262

TRUST DIST. % OF RENT

NAV.
15 %____ $_____

FC Tide/Shore
20 %____ $_____

SC Tide/Shore
21 %____ $_____

Harbor Area
25 %____ $_____

Date 96-8-6 By Neal Cro

WD Rent Calculation Worksheet Document (1wdrent.cal (Rev. July 19, 1995)

If use is log storage, the rent is $253.63 per acre for July 1, 1994 to July 1, 1995. No parcel numbers are needed.

A/R INQUIRY - OPEN ITEM DETAIL AAR140
PAGE:

CUSTOMER: DNR 000 001 621 SUFFIX : 002716 A-M: AQUA GRP: LEAS
WILKINS DISTRIBUTING CO CRED RESP: XX
EST LIC: CONSOL NO:
TRN TYPE: AGE: STATUS: SEQ: OPENITEM SHOW: XREF NEXT NO:
ACCT BALANCE O/I CNT FUTURE CURRENT PAST DUE

S TRN REF NUMBER ITM DT DUE DT AMOUNT ST DL A DAYS

3=SUMMARY, 5=CLOSED SUM, 9=ACCT AGING, 13=CUST SELECT
CAR14062 NO OPEN ITEM RECORDS FOUND FOR THIS CUSTOMER CMD:

CLOSEOUT SUMMARY AAR150
BY CUSTOMER PAGE: 1

SEL TYPE: DATA: FROM DATE: TO DATE:
CUSTOMER: DNR 000 001 621 SUFFIX: 002716 ACCTMGR: AQUA GROUP: LEAS

S	CUSTOMER	SUFFIX	A-M	GRP	REFERENCE NO	DATE	ITEM AMOUNT	TRAN CD	
?	DNR 000 001 621	002716	AQUA	LEAS	24231	040192	1,182.05	PAY	92-93
?	DNR 000 001 621	002716	AQUA	LEAS	27460	012593	1,163.35	PAY	93-94

3=SUMMARY, 4=OPEN ITEM DTL, 9=ACCT AGING, 13=CUST SELECT END OF PAGING DATA
CMD:

		Use*	Acres
Lease Number	22-002716	OFF-LOADING	.37 AC
Name	WILKINS		
County	KITSAP DISTRIBUTING Co. INC	FUEL BARGES	
Previous Rent	$ 735.17		
Assessment Date	1991		

COUNTY* PARCEL #	UPLAND VALUE	ACRES/ SQ. FT.	UPLAND VALUE/ ACRE	AQUATIC VALUE @ 30%	AQUATIC LEASE ACRES	LEASE AREA VALUE	RENT Before 7-1-89 5% 7-1-89 7-1-90 6% AFTER 7-1-90 - 7%
1. 3711-000-001-0003							
2.	$355,000.00	2.68	$132,462.69/AC	$39,738.80/AC	.37 AC	$14,703.35	$1,029.2
3.							
4.				Total		$1,029.23 ANNUALLY	(1R)

IS THE NEW RENT MORE THAN A 50% INCREASE FROM THE PREVIOUS RENT? YES ____ NO ✓

IF YES DO NOT INCREASE THE ANNUAL RENTS BY MORE THAN 50% EACH YEAR.

TRUST DIST. OF RENT	
15 Bed-T	$
[redacted]	
17 Bed-SH	$
[redacted]	
[redacted]	$
20 1st T	$
21 2nd T	$
23 1st S	$
24 2nd S	$
25 H.A.	$
28 4th Blm Tow	$
29 4th Blm Tow Tidelands	$

DATE 10-14-91

BY BBP

PPI ADJUSTMENTS

85-86 + 2.375% 1.02375
86-87 - 0.483% .99517
87-88 - 2.914% .97086
88-89 + 2.635% 1.02635
89-90 + 4.030% 1.0403
90-91 + 4.958% 1.04958

Lease Number 22-002716
Name Wilkins Distributing Co. Inc.
County Kitsap 876-7160
Previous Rent $ 585.00
Assessment Date 1987

Use*	Acres
Off-loading of Fuel	0.37AC.
Barges	

COUNTY* PARCEL#	UPLAND VALUE	ACRES/ SQ. FT.	UPLAND VALUE/ ACRE	AQUATIC VALUE @ 30%	AQUATIC LEASE ACRES	LEASE AREA VALUE	RENT @ 5%
1. 3711-000-001-0003	$355,000	2.68AC	$132,462.68	$39,738.80	0.37	$14,703.36	$735.17
2.			3.04□'				
3.							
4.				Total		$735.17	(FR)

If the difference between the Previous rent and the Formula rent is greater than $100, and greater than 33%, then use the stairstep formula as follows.

Stairstep Decrease 1st Yr. = PR - .33(PR-FR)**

Prev. Rent	=	$.
Formula Rent	=	-$.
Difference	=	$.
Multiplyer		x.33
Adjustment	=	$.
Prev. Rent - Adj.	=	$.
Rounded to		$ .00

Stairstep Increase 1st Yr. = PR + .33(FR-PR)**

Formula Rent	=	$.
Prev. Rent	=	-$.
Difference	=	$.
Multiplyer	=	x .33
Adjustment	=	$.
Prev. Rent + Adj.	=	$.
Rounded to		$ .00

Rent from _____ to _____

TRUST DIST. OF RENT	
15	$
16	$
17	$
18	$
19	$
20	$
21	$
23	$
24	$
25	$ 735.17
28	$
29	$

* If use is log storage the rent is $171 per acre. No parcel #'s needed.
** Rents for second year of stairstep dependent on annual inflation rate.

Date: 10/20/88
By: [illegible]

Includes small area beyond outer harbor line; not included in lease description but charged

see exhibit

Forms 7

DNR-00034051

The *preparer* of the *transaction screen questionnaire* must complete and sign the following statement.
(For definition of *preparer* and *user*, see 5.3 or 3.3.25 of ASTM E 1528-93.)

This questionnaire was completed by:

Name _____

Title _____

Firm _____

Address _____

_____

Phone number _____

Date _____

If the preparer is different than the user, complete the following:

Name of user _____

User's address _____

_____

User's phone number _____

Preparer's relationship to site _____

Preparer's relationship to user _____
(for example, principal, employee, agent, consultant)

Copies of the completed questionnaire have been filed at:

_____

_____

_____

Copies of the completed questionnaire have been mailed or delivered to:

_____

_____

_____

Preparer represents that to the best of the preparer's knowledge the above statements and facts are true and correct and to the best of the preparer's actual knowledge, no material facts have been suppressed or misstated.

Signature _____ Date _____

Signature _____ Date _____

Signature _____ Date _____

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This document is an excerpt of E 1528-93: Standard Practice for Environmental Site Assessments: Transaction Screen Process, which is under the jurisdiction of ASTM Committee E-50 on Environmental Assessment and is the direct respnsibility of Subcommittee E 50.02 on Commercial Real Estate Transactions. This questionnaire represents only items 5.1 through 6.1 of E 1528-93 and should not be construed as being the complete standard. It is necessary to refer to the full standard prior to using this questionnaire. For the complete standard, or to order additional copies of this questionnaire, contact ASTM Customer Service at (215) 299-5585.

ENVIRONMENTAL SITE ASSESSMENT TRANSACTION SCREEN QUESTIONNAIRE

This document is an excerpt of E 1528-93: Standard Practice for Environmental Site Assessments: Transaction Screen Process, which is under the jurisdiction of ASTM Committee E-50 on Environmental Assessment and is the direct respnsibility of Subcommittee E 50.02 on Commercial Real Estate Transactions. This questionnaire represents only items 5.1 through 6.1 of E 1528-93 and should not be construed as being the complete standard. It is necessary to refer to the full standard prior to using this questionnaire. COPYRIGHT© 1993 AMERICAN SOCIETY FOR TESTING AND MATERIALS, Philadelphia, PA. PCN: 13-515280-65. For the complete standard, or to order additional copies of this questionnaire, contact ASTM Customer Service at (215) 299-5585.

5. Introduction to Transaction Screen Questionnaire

5.1 *Process*——The *transaction screen process* consists of asking questions contained within the *transaction screen questionnaire* of *owners* and *occupants* of the *property*, observing site conditions at the *property* with direction provided by the *transaction screen questionnaire*, and, to the extent *reasonably ascertainable*, conducting limited research regarding certain *government records* and certain *standard historical sources*. The questions asked of *owners* when conducting *site visits* are the same questions as those asked of *occupants*.

5.2 *Guide*——The *transaction screen questionnaire* is followed by a guide designed to assist the person completing the *transaction screen questionnaire*. The guide to the *transaction screen questionnaire* is set out in Sections 7 through 10 of this practice. The guide is divided into three sections: Guide for Owner/Occupant Inquiry, Guide to Site Visit, and Guide to Government Records/Historical Sources Inquiry.

5.2.1 To assist the *user*, its employee or agent, or the *environmental professional* in preparing a report, the guide repeats each of the questions set out in the *transaction screen questionnaire* in both the guide for *owner/occupant inquiry* and the guide to *site visit*. The questions regarding *government records/historical sources inquiry* are also repeated in the guide to that section.

5.2.2 The guide also describes the procedures to be followed to determine if reliance upon the information in a prior *environmental site assessment* is appropriate under this practice.

5.2.3 A *user*, his employee or agent, or *environmental professional* conducting the *transaction screen process* should not use the *transaction screen questionnaire* without reference to, or familiarity from prior usage with, the guide.

5.3 *User and Preparer*——The *user* conducting the *transaction screen process* is the party seeking to perform *appropriate inquiry* with respect to the *property*. The *user* may delegate the preparation of the *transaction screen questionnaire* to an employee or agent of the *user* or may contract with a third party to prepare the questionnaire on behalf of the *user*. The person preparing the questionnaire is the *preparer*, who may be either the *user* or the person to whom the *user* has delegated the preparation of the *transaction screen questionnaire*.

5.4 *Exercise of Care*——The *preparer* conducting the transaction screen process should use good faith efforts in determining answers to the questions set forth in the *transaction screen questionnaire*. The *user* should take time and care to check whatever records are in the *user's* possession. The *preparer* should ask all persons to whom questions are directed to give answers to the best of the respondent's knowledge. As required by Section 9601(35)(B) of CERCLA, the *user* or *preparer* should discuss with a responsible person in authority in the *user's* organization (if any) any specialized knowledge or experience relating to *hazardous substances* on the *property* and the *preparer* should understand such information.

5.5 *Knowledge*——The owner or occupant of the *property* to which portions of the *transaction screen questionnaire* are directed should have sufficient knowledge and experience with respect to the *property* or in the *owner's* or *occupant's* particular business to understand the purpose and use of the *transaction screen questionnaire*. All answers should be given to the best of the *owner's* or *occupant's actual knowledge*.

5.5.1 While the person conducting the *transaction screen process* has an obligation to ask the questions set forth in the *transaction screen questionnaire*, in many instances the parties to whom the questions are addressed will have no obligation to answer them. The *user* is only required to obtain information to the extent it is *reasonably ascertainable*.

5.5.2 If the preparer asks the questions set forth in the *transaction screen questionnaire*, but does not receive any response or receives partial responses, the questions will be deemed to have been answered provided the questions have been asked, or were attempted to be asked, in person or by telephone and written records have been kept of the person to whom the questions were addressed and their responses, or the questions have been asked in writing sent by certified or registered mail, return receipt requested, postage prepaid, or by private, commercial overnight carrier and no responses have been obtained after at least two follow-up telephone calls were made or written request was sent again asking for responses.

5.5.3 The *transaction screen questionnaire* and the *transaction screen guide* sometimes include the phrase "to the best of your knowledge." Use of this phrase shall not be interpreted as imposing a constructive knowledge standard when it is not included or as imposing anything other than an *actual knowledge* standard for the person answering the questions, regardless of whether it is used. It is sometimes included as an assurance to the person being questioned that he or she is not obligated to search out information he or she does not currently have in order to answer the particular question.

5.6 *Conclusions Regarding Affirmative or Unknown Answers*——If any of the questions set forth in the *transaction screen questionnaire* are answered in the affirmative, the *user* must document the reason for the affirmative answer. If any of the questions are not answered or the answer is unknown, the *user* should document such nonresponse or answer of unknown and evaluate it in light of the other information obtained in the *transaction screen process*, including, in particular, the *site visit* and the government records/historical sources inquiry. If the *user* decides no further inquiry is warranted after receiving no response, an answer of unknown or an affirmative answer, the *user* must document the reasons for any such conclusion.

5.6.1 Upon obtaining an affirmative answer, an answer of unknown or no response, the *user* should first refer to the guide. The guide may provide sufficient explanation to allow a *user* to conclude that no further inquiry is appropriate with respect to the particular question.

5.6.2 If the guide to a particular question does not, in itself, permit a *user* to conclude that no further inquiry is appropriate, then the *user* should consider other information obtained from the *transaction screen process* relating to this question. For example, while on the site performing a *site visit*, a person may find a storage tank on the *property* and therefore answer Question 10 of the *transaction screen questionnaire* in the affirmative. However, during or subsequent to the *owner/occupant inquiry*, the *owner* may produce evidence that substances now or historically contained in the tank (e.g., water) are not likely to cause contamination.

5.6.3 If either the guide to the question or other information obtained during the *transaction screen process* does not permit a *user* to conclude no further inquiry is appropriate with respect to such question, then the user must determine, in the exercise of the *user's* reasonable business judgment, based upon the totality of unresolved affirmative answers or answers of unknown received during the *transaction screen process*, whether further inquiry may be limited to those specific issues identified as of concern or should proceed with the full *Phase I Environmental Site Assessment*.

5.7 *Presumption*——A presumption exists that further inquiry is necessary if an affirmative answer is given to a question because the answer was unknown or no response was given. In rebutting this presumption, the *user* should evaluate information obtained from each component of the *transaction screen process* and consider whether sufficient information has been obtained to conclude that no further inquiry is necessary. The *user* must determine, in the exercise of the *user's* reasonable business judgment, the scope of such further inquiry: whether to proceed with a *Phase I Environmental Site Assessment* prepared in accordance with Practice E 1527 or a lesser inquiry directed at specific issues raised by the questionnaire.

5.8 *Further Inquiry Under Practice E 1527*——Upon completing the *transaction screen questionnaire*, if the *user* concludes that a *Phase I Environmental Site Assessment* is needed, the *user* should proceed with such inquiry with the advice and guidance of an *environmental professional*. Such further inquiry should be undertaken in accordance with Practice E 1527.

5.9 *Signature*——The *user* and the *preparer* of the *transaction screen questionnaire* must complete and sign the questionnaire as provided at the end of the questionnaire.

6. Transaction Screen Questionnaire

6.1 *Persons to be Questioned*——The following questions should be asked of (*1*) the current *owner* of the *property*, (*2*) any major *occupant* of the *property* or, if the *property* does not have any major *occupants*, at least 10% of the *occupants* of the *property*, and (*3*) in addition to the current *owner* and the *occupants* identified in (*2*), any *occupant* likely to be using, treating, generating, storing or disposing of *hazardous substances* or *petroleum products* on or from the *property*. A major *occupant* is any occupant using at least 40% of the leasable area of the property or any anchor tenant when the *property* is a shopping center. In a multifamily property containing both residential and commercial uses, the *preparer* does not need to ask questions of the residential *occupants*. The *preparer* should ask each person to answer all questions to the best of the respondent's *actual knowledge* and in good faith. When completing the *site visit* column, the *preparer* should be sure to observe the *property* and any buildings and other structures on the *property*. The guide provides further details on the appropriate use of this questionnaire.

Description of Site: Address:

_____

_____

_____

Question	Owner			Occupants (if applicable)			Observed During Site Visit		
1. Is the *property* or any *adjoining property* used for an industrial use?	Yes	No	Unk[1]	Yes	No	Unk	Yes	No	Unk
2. To the best of your knowledge, has the *property* or any *adjoining property* been used for an industrial use in the past?	Yes	No	Unk	Yes	No	Unk	Yes	No	Unk
3. Is the *property* or any *adjoining property* used as a gasoline station, motor repair facility, commercial printing facility, dry cleaners, photo developing laboratory, junkyard or landfill, or as a waste treatment, storage, disposal, processing, or recycling facility?	Yes	No	Unk	Yes	No	Unk	Yes	No	Unk
4. To the best of your knowledge, has the *property* or any *adjoining property* been used as a gasoline station, motor repair facility, commercial printing facility, dry cleaners, photo developing laboratory, junkyard or landfill, or as a waste treatment, storage, disposal, processing, or recycling facility?	Yes	No	Unk	Yes	No	Unk	Yes	No	Unk
5. Are there currently, or to the best of your knowledge have there been previously, any damaged or discarded automotive or industrial batteries, or pesticides, paints, or other chemicals in individual containers of greater than 5 gal (19 L) in volume or 50 gal (190 L) in the aggregate, stored on or used at the *property* or at the facility?	Yes	No	Unk	Yes	No	Unk	Yes	No	Unk
6. Are there currently, or to the best of your knowledge have there been previously, any industrial *drums* (typically 55 gal (208 L)) or sacks of chemicals located on the *property* or at the facility?	Yes	No	Unk	Yes	No	Unk	Yes	No	Unk
7. Has *fill dirt* been brought onto the *property* that originated from a contaminated site or that is of an unknown origin?	Yes	No	Unk	Yes	No	Unk	Yes	No	Unk
8. Are there currently, or to the best of your knowledge have there been previously, any *pits, ponds, or lagoons* located on the *property* in connection with waste treatment or waste disposal?	Yes	No	Unk	Yes	No	Unk	Yes	No	Unk
9. Is there currently, or to the best of your knowledge has there been previously, any stained soil on the *property*?	Yes	No	Unk	Yes	No	Unk	Yes	No	Unk
10. Are there currently, or to the best of your knowledge have there been previously, any registered or unregistered storage tanks (above or underground) located on the *property*?	Yes	No	Unk	Yes	No	Unk	Yes	No	Unk
11. Are there currently, or to the best of your knowledge have there been previously, any vent pipes, fill pipes, or access ways indicating a fill pipe protruding from the ground on the *property* or adjacent to any structure located on the *property*?	Yes	No	Unk	Yes	No	Unk	Yes	No	Unk
12. Are there currently, or to the best of your knowledge have there been previously, any flooring, drains, or walls located within the facility that are stained by substances other than water or are emitting foul odors?	Yes	No	Unk	Yes	No	Unk	Yes	No	Unk

[1] Unk = "unkown" or "no response"

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Question	Owner			Occupants (if applicable)			Observed During Site Visit		
13. If the *property* is served by a private well or non-public water system, have contaminants been identified in the well or system that exceed guidelines applicable to the water system or has the well been designated as contaminated by any government environmental/health agency?	Yes	No	Unk	Yes	No	Unk	Yes	No	Unk
14. Does the *owner* or *occupant* of the *property* have any knowledge of *environmental liens* or governmental notification relating to past or recurrent violations of environmental laws with respect to the *property* or any facility located on the *property*?	Yes	No	Unk	Yes	No	Unk	Yes	No	Unk
15. Has the *owner* or *occupant* of the *property* been informed of the past or current existence of *hazardous substances* or *petroleum products* or environmental violations with respect to the *property* or any facility located on the *property*?	Yes	No	Unk	Yes	No	Unk	Yes	No	Unk
16. Does the *owner* or *occupant* of the *property* have any knowledge of any *environmental site assessment* of the *property* or facility that indicated the presence of *hazardous substances* or *petroleum products* on, or contamination of, the *property* or recommended further assessment of the *property*?	Yes	No	Unk	Yes	No	Unk	Yes	No	Unk
17. Does the *owner* or *occupant* of the *property* know of any past, threatened, or pending lawsuits or administrative proceedings concerning a release or threatened release of any *hazardous substance* or *petroleum products* involving the *property* by any *owner* or *occupant* of the *property*?	Yes	No	Unk	Yes	No	Unk	Yes	No	Unk
18. Does the *property* discharge *wastewater* on or adjacent to the *property* other than storm water into a sanitary sewer system?	Yes	No	Unk	Yes	No	Unk	Yes	No	Unk
19. To the best of your knowledge, have any *hazardous substances* or *petroleum products*, unidentified waste materials, tires, automotive or industrial batteries or any other waste materials been dumped above grade, buried and/or burned, on the *property*?	Yes	No	Unk	Yes	No	Unk	Yes	No	Unk
20. Is there a transformer, capacitor, or any hydraulic equipment for which there are any records indicating the presence of PCBs?	Yes	No	Unk	Yes	No	Unk	Yes	No	Unk

Government Records/Historical Sources Inquiry
(See guide. Section 10 of ASTM E 1528-93)

21. Do any of the following Federal government record systems list the *property* or any *property* within the circumference of the area noted below:

National Priorities List (NPL) —within 1.0 mile (1.6 km)?	Yes	No
CERCLIS List—within 0.5 mile (0.8 km)?	Yes	No
RCRA TSD Facilities—within 1.0 mile (1.6 km)?	Yes	No

22. Do any of the following state record systems list the *property* or any *property* within the circumference of the area noted below:

List maintained by state environmental agency of *hazardous waste* sites identified for investigation or remediation that is the state agency equivalent to *NPL*—within approximately 1.0 mile (1.6 km)?	Yes	No	
List maintained by state environmental agency of sites identified for investigation or remediation that is the state equivalent to *CERCLIS* within 0.5 mile (0.8 km)?		Yes	No
Leaking Underground Storage Tank (LUST) List—within 0.5 mile (0.8 km)?	Yes	No	
Solid Waste/Landfill Facilities—within 0.5 mile (0.8 km)?	Yes	No	

23. Based upon a review of *fire insurance maps* or consultation with the local fire department serving the *property*, all as specified in the guide, are any buildings or other improvements on the *property* or on an *adjoining property* identified as having been used for an industrial use or uses likely to lead to contamination of the *property*? Yes No N/A

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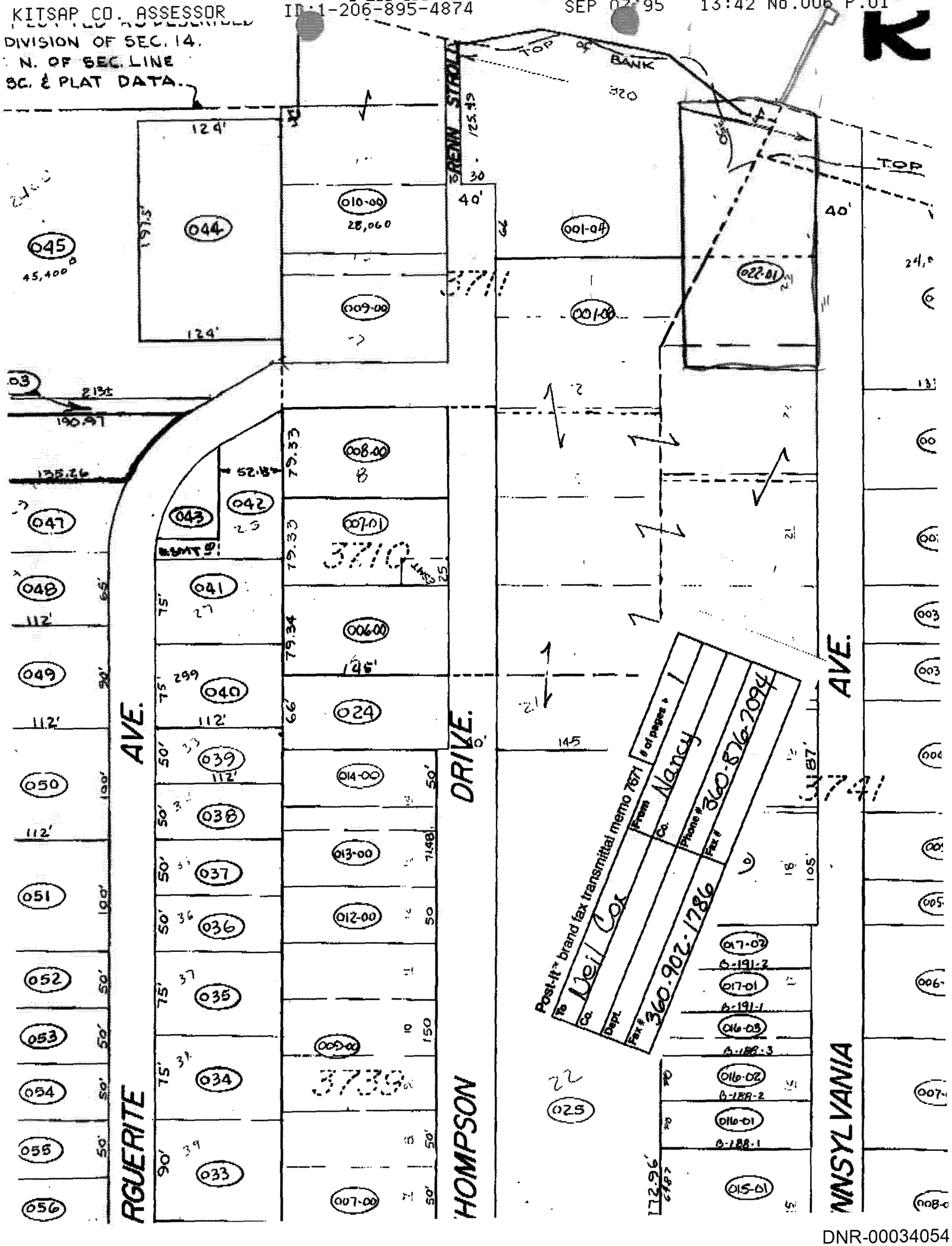
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