

PUBLIC ACCESS TRAIL EASEMENT

This PUBLIC ACCESS TRAIL EASEMENT AGREEMENT (the “Agreement”) is dated as of FEBRUARY 10, 2014, by NORTHWEST AGGREGATES CO. (“Grantor”), an Oregon corporation and wholly-owned subsidiary of Glacier Northwest, Inc., and the CITY OF DUPONT, a Washington municipal corporation (“Grantee”).

RECITALS

A. Grantor is the fee owner of the real property described in EXHIBIT A attached hereto (the “Burdened Property”). Grantor has obtained the necessary permits and approvals to conduct mining and related activities on approximately 142 acres of the Burdened Property (“Mine Area”), as depicted in EXHIBIT B. Grantor has entered into a Conservation Easement with the City of DuPont for approximately 45 acres of the Burdened Property (“Open Space Area”), as also depicted in EXHIBIT B.

B. Grantor’s predecessor in interest entered into a Settlement Agreement dated December 25, 1994 for Lone State Northwest DuPont Project among the Washington State Department of Ecology, Grantee, Lone Star Northwest, Inc, Weyerhaeuser Real Estate Company, the Nisqually Delta Association, the Black Hills Audubon Society, the Washington Environmental Council, the National Audubon Society, People for Puget Sound, the Tacoma Audubon Society, the Seattle Audubon Society and the Anderson Quality of Life Committee (the “Settlement Agreement”). When Grantor submitted a permit application to mine additional property near the Burdened Property, the other parties to the 1994 Settlement Agreement objected, and invoked a mediation process provided under that Agreement.

C. At the conclusion of the mediation process, the parties to the 1994 Settlement Agreement entered into a new Settlement Agreement with an effective date of February 2, 2012 (hereafter “2012 Settlement Agreement”), which addressed the process for consideration of Grantor’s applications to mine the Burdened Property and other nearby property. A condition of the 2012 Settlement Agreement requires Grantor to execute a public trail easement over the Open Space Area in the general vicinity of and above the 175-foot contour elevation of the Open Space Area. This trail easement would not be open to public use until the completion of mining and reclamation of the Mine Area.

D. To fulfill the requirements in the 2012 Settlement Agreement for a public access trail over a portion of the Open Space Area of the Burdened Property, Grantor desires to grant an easement to Grantee for the purposes and on the terms and conditions described herein.

AGREEMENT

1. Grant of Easement. Grantor transfers, grants, quitclaims and conveys to Grantee a nonexclusive easement in gross for public access (the "Easement") across and over a 15-foot wide trail corridor running the length of the Open Space Area in a north-south direction in the general vicinity of and above the 175-foot contour elevation ("Easement Area"). The precise location of the 15-foot-wide Easement Area will be determined by the City prior to the commencement of any trail construction activities, at which point the City may require Grantor, at Grantor's sole cost, to prepare and record a legal description of the Easement Area as an amendment to this Agreement.

2. Purpose of Easement. Grantee, its employees, agents and contractors, shall have the right to use the Easement Area to provide a public access trail (the "Trail") above and along the Puget Sound shoreline area and to maintain the Trail (as hereinafter defined) located within the Easement Area. Grantee, its employees, agents and contractors, and members of the public, shall have the right to use the Easement Area for a public access trail subject to the terms and conditions hereof. All use of the Easement Area and the Trail shall be limited to walking, , and passive recreational uses. Motorized vehicles, including motorbikes and off-road vehicles, shall be prohibited in the Easement Area (other than vehicles used by Grantee, its employees, agents and contractors, to maintain the Trail or provide emergency assistance to Trail users). No horses or pack animals shall be permitted in the Easement Area. Camping and fires, and fireworks of any kind, shall not be permitted within the Easement Area. Members of the public may not use the Easement Area for access or any purpose until Grantor has completed all mining activities permitted by Grantee for the Burdened Property, and all tasks required under the reclamation permit issued for the Burdened Property by the Washington Department of Natural Resources ("DNR") pursuant to RCW 78.44.081 have been completed by Grantor, its successor(s) in interest or DNR, as applicable. Grantee may not begin Trail construction until the earlier of receipt of Grantor's written permission to commence Trail construction, or the completion of reclamation as outlined above. Moreover, as required under Condition 10(h) of the Site Plan Approval granted by the City of DuPont Hearing Examiner 2013 (City File No. LU 12-02) for the Mine Area, the public shall not be allowed access to the Easement Area until a "No Further Action" determination is obtained from the Washington Department of Ecology indicating that any remediation plan and protections for human health and the environment were successfully implemented under the Model Toxic Control Act

3. Construction/Maintenance/Repair of the Trail and Restrictions on Open Space Use. Except as provided in Section 4 below, Grantee shall be responsible for any necessary construction and/or surfacing of the Trail, and for any required maintenance or repairs thereto, including but not limited to re-surfacing, installation of drainage culverts beneath the Trail, removal of wash or slide materials on the trail surface, vegetation management, and/or removal of brush and fallen trees. Grantee shall also be responsible for installing signage and fencing along the Trail as reasonably necessary to inform the public that use of any portion of

the Open Space Area outside the Easement Area is prohibited, except as specifically authorized under the terms of the Conservation Easement.

4. **Grantor's Use of Easement Area.** Grantor reserves the right to use the Easement Area for any purpose not inconsistent with the rights granted by this Agreement. If such use by Grantor results in the need for maintenance or repair of the Trail, Grantor shall be responsible for such and shall promptly perform or cause to be performed such maintenance or repair at Grantor's sole cost.

5. Term. The rights granted by this Agreement shall continue in perpetuity.

6. Recreational Use Immunity. Grantor and Grantee intend that, to the fullest extent possible under Washington's Recreational Use Statutes, RCW 4.24.200-.210, Grantor and Grantee shall not be liable for injuries to the other, and neither Grantor nor Grantee shall be liable for injuries to any member of the public, where such injuries are incurred as a result of use of the Trail or Easement Area by Grantor, Grantee, their respective officers, employees, agents or contractors, or member of the public consistent with RCW 4.24.200 -.210. In the event that Grantor and Grantee are named in a claim, suit or cause of action for injuries or damages arising out of use of the Trail, Grantor and Grantee shall cooperate in defense thereof by exchanging information, documents and/or evidence as necessary.

7. Settlement Agreement. Grantee accepts the Easement granted herein and agrees that it satisfies the conditions set forth in Section 3.5.3 of the 2012 Settlement Agreement as those sections concern the Burdened Property.

8. Notice. Any notice permitted or required to be given by either party to this Agreement shall be given in writing and may be effected by certified United States mail, with return receipt requested, properly addressed, postage prepaid, by reputable overnight delivery service, or by personal delivery, as follows:

With a copy to:

Senior Vice President/Materials Group
2025 E. Financial Way
Glendora, CA 91741

If to Grantee: City of DuPont
Attn: City Administrator
1700 Civic Drive
DuPont, WA 98327303
Attn: City Administrator

or to such other address or to such other person's attention of which notice was given in accordance with this section. Notice shall be deemed effective upon three (3) days after being properly delivered as described above.

9. Attorneys' Fees and Costs. If either party shall bring an action to enforce the terms of this Agreement, in any such action the prevailing party shall be entitled to an award of its reasonable attorneys' fees and reasonable costs. Said costs and attorneys' fees shall include, without limitation, costs and attorneys' fees incurred in any appeal or in any proceedings under any present or future federal bankruptcy, forfeiture or state receivership or similar law.

10. Governing Law, Jurisdiction and Venue. This Agreement shall be governed by Washington law. Jurisdiction and venue for any action to interpret or enforce this Agreement shall be in the Superior Court of the State of Washington in and for Pierce County.

11. Binding Effect; Successors and Assigns. Grantee shall not have the right to assign, apportion, or otherwise transfer any or all of its rights, benefits, privileges, and interests arising herein without the written consent of Grantor, which consent shall not be unreasonably withheld or delayed. Without limiting the generality of the foregoing, the rights and obligations of the parties shall inure to the benefit of and be binding upon their respective successors and assigns and shall be deemed to run with the land. This Agreement may be amended or modified only by written instrument, executed and acknowledged by the parties hereto or their successors or assigns, recorded with the Recording Department of the Pierce County Auditor.

12. Headings. The headings used herein are for convenience only and are not to be used in interpreting this Agreement.

13. Entire Agreement. This Agreement contains the entire agreement of the parties and supersedes any prior written or oral agreements with respect to the matters described herein.

14. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed the original, but which together shall constitute one and the same instrument.

GRANTOR:

NORTHWEST AGGREGATES CO.,
an Oregon corporation

By:

By: Doug Anderson
Name: Doug Anderson
Title: Vice President

GRANTEE:

City of DuPont,
a Washington municipal corporation

By: Michael Grayum
Name: MICHAEL GRAYUM
Title: Mayor

STATE OF Washington)
COUNTY OF King) ss.
)

I certify that I know or have satisfactory evidence that Doug Anderson is the person who appeared before me, and said person acknowledged that he/she signed this instrument, on oath stated that he/she was authorized to execute the instrument and acknowledged it as the Public Access Trail Easement of Northwest Aggregates Co., to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: 2/10/14



(Use this space for notarial stamp/seal)

Mary A. McKenna
Notary Public
Print Name Mary McKenna
My commission expires 8-19-16

STATE OF WASHINGTON)
) ss.
COUNTY OF PIERCE)

I certify that I know or have satisfactory evidence that Michael Grayum is the person who appeared before me, and said person acknowledged that s/he signed this instrument, on oath stated that s/he was authorized to execute the instrument and acknowledged it as the Public Access Trail Easement of the City of DuPont, a Washington municipal corporation, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: 3-19-14



(Use this space for notarial stamp/seal)

Tiffany Graves
Notary Public
Print Name Tiffany Graves
My commission expires 4-29-17

Public Access Trail Easement

Exhibit A

PARCEL A:

GOVERNMENT LOTS 3 AND 4, THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 14, TOWNSHIP 19 NORTH, RANGE 1 EAST OF THE WILLAMETTE MERIDIAN, IN PIERCE COUNTY, WASHINGTON.

TOGETHER WITH ALL TIDELANDS OF THE SECOND CLASS ABUTTING THEREON TO THE LINE OF EXTREME LOW TIDE.

EXCEPT FROM SAID UPLANDS AND TIDELANDS THAT PORTION CONVEYED TO PORT TOWNSEND SOUTHERN RAILROAD BY DEED RECORDED UNDER RECORDING NUMBER 218041.

ALSO EXCEPT FROM SAID UPLANDS AND TIDELANDS THOSE PORTIONS CONVEYED TO THE NORTHERN PACIFIC RAILWAY COMPANY BY DEEDS RECORDED UNDER RECORDING NUMBERS 309855 AND 385162.

PARCEL B:

THE NORTH 600 FEET OF GOVERNMENT LOT 1, FRACTIONAL SECTION 22, TOWNSHIP 19 NORTH, RANGE 1 EAST OF THE WILLAMETTE MERIDIAN, IN PIERCE COUNTY, WASHINGTON.

TOGETHER WITH ALL TIDELANDS OF THE SECOND CLASS ABUTTING THEREON TO THE LINE OF EXTREME LOW TIDE.

EXCEPT FROM SAID UPLANDS AND TIDELANDS THOSE PORTIONS CONVEYED TO THE NORTHERN PACIFIC RAILWAY COMPANY BY DEEDS RECORDED UNDER RECORDING NUMBERS 309855 AND 385162.

EXCEPT THAT PORTION, IF ANY, LYING WEST AND SOUTHWEST OF THE FOLLOWING DESCRIBED LINE:

BEGINNING AT THE NORTHEAST CORNER OF GOVERNMENT LOT 2; THENCE NORTH 01°56'19" EAST 784.39 FEET TO A MONUMENT; THENCE CONTINUING NORTH 01°56'19" EAST 80.61 FEET; THENCE NORTH 58°00'00" WEST.

PARCEL C:

THE NORTH 600 FEET OF THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER OF AND THE NORTH 600 FEET OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 23, TOWNSHIP 19 NORTH, RANGE 1 EAST OF THE WILLAMETTE MERIDIAN.

SEE NEXT PAGE

SITUATE IN THE COUNTY OF PIERCE, STATE OF WASHINGTON.

PARCEL D:

THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 14, TOWNSHIP 19 NORTH, RANGE 1 EAST OF THE WILLAMETTE MERIDIAN.

SITUATE IN THE COUNTY OF PIERCE, STATE OF WASHINGTON.

PARCEL E:

GOVERNMENT LOT 1, FRACTIONAL SECTION 15, TOWNSHIP 19 NORTH, RANGE 1 EAST OF THE WILLAMETTE MERIDIAN.

TOGETHER WITH ALL TIDELANDS OF THE SECOND CLASS ABUTTING THEREON TO THE LINE OF EXTREME LOW TIDE.

EXCEPT FROM SAID UPLANDS AND TIDELANDS THOSE PORTIONS CONVEYED TO THE NORTHERN PACIFIC RAILWAY COMPANY BY DEEDS RECORDED UNDER RECORDING NUMBERS 309855 AND 385162.

SITUATE IN THE COUNTY OF PIERCE, STATE OF WASHINGTON.

Exhibit B

