

Memo

To: Board of Directors

From: Stacie de Mestre

Date: December 13, 2023

Re: CMI Lease – CTC Third Floor

Please see attached for the draft lease agreement between the CDRPA and CMI Orchards for the third floor of the Confluence Technology Center. General terms of the lease are as follows:

- Initial 10-year term with two 5-year extensions.
- 3% annual rent adjustment.
- Landlord to perform up to \$1,500,000 of general interior improvements with tenant matching 50% of the cost. Any improvements in excess of \$1,500,000 will be the sole responsibility of tenant.
- Rent commences upon substantial completion of improvements.
- Non-designated use of 80 parking stalls.
- Use of CTC conference rooms at 20% discount plus two meetings per year in the Quad Room at no cost.

Staff is seeking Board approval to execute the lease agreement with CMI Orchards assuming there are no substantial changes to the business terms during negotiations.

COMMERCIAL LEASE AGREEMENT

THIS LEASE AGREEMENT ("Lease") made and entered into effective as of ___ day of _____, 2023, by and between the CHELAN DOUGLAS REGIONAL PORT AUTHORITY, a municipal corporation, ("Landlord") and CMI ORCHARDS, INC., a Washington corporation ("Tenant"), sometimes referred to as the "Parties".

RECITALS

- A. The Port of Chelan County (the "Port") owns real property legally described on Exhibit "A", which is attached hereto and incorporated herein by this reference (the "Land") and the improvements located on the Land commonly referred to as the Confluence Technology Center ("CTC"). The Land and the CTC are collectively referred to as the "Property".
- B. Notwithstanding the Port's ownership of the Property, the Port has delegated to the Chelan Douglas Regional Port Authority ("CDRPA", also referred to herein as the Landlord) the authority to negotiate and sign leases, and to otherwise manage and operate the Property on behalf of the Port.
- C. Tenant desires to lease 21,617 square feet within CTC as depicted on Exhibit "B", which is attached hereto and incorporated herein by this reference (hereafter, the "Premises"). The Premises include exclusive use of the third floor of the CTC, except that the Landlord has access to and use of the elevators, stairwells, mechanical rooms and building system maintenance closets located within the third floor as depicted on Exhibit "B".
- D. The Premises include the following amenities shared in common with other tenants of the CTC: parking, landscaping, and certain utilities and services, as more fully described herein.
- E. The Parties now wish to set forth the terms pursuant to which Tenant will lease the Premises from Landlord, on the terms and conditions stated herein.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing recitals which are incorporated into the Agreement by reference, and for other good and valuable consideration, the Parties agree as follows:

1. **Recitals and Exhibits.** The above-referenced recitals and all exhibits attached hereto are incorporated herein by this reference as binding commitments of the Parties.
2. **Premises.** Landlord hereby leases to Tenant, and Tenant leases from Landlord, upon the terms and conditions included in this Lease, the Premises. The Landlord covenants with Tenant

that the title to the Property is clear of any claims by third parties that would interfere with the Tenant's use and possession of the Premises.

2.1 Parking Stalls. Tenant will have use of up to 80 stalls on a non-designated basis in the east and back parking lots on the Property.

2.2 Conference Room Use. Subject to availability, Tenant shall have the use of the large conference room in the main floor of the CTC (commonly referred as the Quad Room) two (2) times per year, at no cost to Tenant for the room rental (all other standard costs apply); provided that each use shall not exceed one-day and shall occur during normal business hours of the CTC (as determined by the Landlord). Each use of the large conference room shall be scheduled by Tenant with the Landlord no less than sixty (60) days before the desired date of use. Tenant shall receive a twenty percent (20%) discount on any room rental fees set by Landlord for meeting room space Landlord makes available in the CTC.

3. Term of Lease. The original term of this Lease shall be for a term commencing the effective date of this Lease and ending August 31, 2034, unless modified or sooner terminated pursuant to the terms of this Lease (see Section 6).

3.1 Option to Extend. The Tenant shall have the option to extend this Lease for two (2) additional five (5) year terms (each an "Extension Term"). To exercise the option to extend this Lease, Tenant must provide Landlord written notice at least one hundred eighty (180) days, but not more than three hundred sixty (360) days prior to the expiration of the initial term, or any Extension Term (the "Extension Notice"). Failure to timely provide the Extension Notice may, at the option of the Landlord, result in the termination of the Lease at the end of the then-current term. Landlord shall not be obligated to accept Tenant's exercise of its option under the Extension Notice, if at either the time the Extension Notice is given or at the end of the then-expiring term, (i) an event of default exists under this Lease, or (ii) an event has occurred or failed to occur or a condition exists, which with or without notice or the passage of time, or both, would constitute an event of default under this Lease, or (iii) the Tenant has defaulted in the payment of rent or any other sum due under this Lease on more than two (2) occasions during the current term, even if Tenant timely cures the default as provided in Section 15.1, below.

The terms of the Lease will remain in effect during any Extension Term, except that the Rent will be as determined under Section 4, below.

4. Rent. Commencing on the Completion Date (as defined in Section 6.6, below), Tenant shall pay Landlord monthly rent in the amount of Forty Three Thousand Two Hundred Thirty Four and No/100 Dollars (\$43,234.00) ("Base Rent") in lawful money of the United States. The Base Rent shall be paid in advance on or before the first day of each month of the Lease term and any renewal thereof, subject to Section 4.1, below.

4.1 Annual Rent Adjustment. Effective September 1, 2025, and on the same date each year thereafter (the "adjustment date"), including each year of an Extension Term, if the Lease is extended as set forth in Section 3.1 above, the Base Rent shall increase by three percent (3%) over

the prior year's Base Rent. For example, the Base Rent commencing September 1, 2026 shall be \$45,866.95.

4.2 Additional Rent. In addition to Base Rent, the Tenant shall pay Landlord a monthly amount equal to Additional Rent, as defined in Section 6.4, below. The Additional Rent shall be paid in lawful money of the United States and paid in advance on or before the first day of each month for a period of ninety-six (96) months. Additional Rent shall not be subject to the annual rent adjustment in Section 4.1, above.

4.3 Leasehold Tax. In addition to all other charges called for in this Lease, including Base Rent and Additional Rent, Tenant shall pay to Landlord each month such sums as may be required by law, and from which Tenant is not exempt, for payment of leasehold tax or required by the state of Washington or other tax entity, as such laws now exist or as they may hereafter be amended, such leasehold tax currently being 12.84%. The Tenant acknowledges that leasehold tax required by the state of Washington will be collected on the Base Rent and the Additional Rent.

4.4 Late Charge and Costs. If any payment to be made by Tenant is not received by Landlord within ten (10) days after the date it is due, Tenant agrees to pay a late charge of ten percent (10%) of the amount of said payment for each month the payment remains unpaid. The late charge is due immediately, without notice, and is in addition to all of Landlord's rights in this Lease. If Landlord elects to provide written notice of delinquency or other violation of the Lease, Tenant agrees to pay Landlord's cost and attorneys' fees reasonably incurred in providing such notice in addition to the late charge and all other payments and obligations called for herein.

4.5 Pro Rata Rent. In the event the Completion Date occurs on a date other than the first day of the month, Tenant shall pay a pro-rated amount of Base Rent, in advance, on the Completion Date, based on the number of days left in the month. Additional Rent shall not be pro-rated and the first payment of Additional Rent, in full, shall be made on the Completion Date, and subsequent payments of Additional Rent shall be made on the first day of the month as set forth in Section 4.2, above.

5. Net Lease. The Parties intend that this Lease be net to the Landlord. Except as otherwise specifically set forth herein this Lease, Tenant shall be solely responsible to pay all costs and expenses, including those associated with any installation, maintenance, replacement, repair or otherwise associated with the Premises. Tenant's obligations include, but are not limited to the costs and expenses associated with upkeep, interior window cleaning for the Premises (the entire third floor of the CTC), Tenant Utilities, janitorial services, and the like associated with the Premises. The term "Tenant Utilities" as used herein shall include telephone, cable, and fiber. Should Landlord incur any expense associated with the matters described herein, Tenant shall immediately reimburse Landlord for such expense upon Landlord's written demand therefor (see Section 4.4)

5.1 Security Deposit. Upon execution of this Lease, the Tenant shall deposit and maintain with Landlord a security deposit in the amount of Forty Thousand and No/100 Dollars (\$40,000.00) in the form of cash or other deposit acceptable to Landlord. The security deposit

shall be held by Landlord as security for the full and faithful performance by Tenant of each and every term, covenant and condition of the Lease, and not as a prepayment of rent. The security deposit shall be placed in an account of Landlord's choice and the interest, if any, that accrues on said account, shall belong to the Landlord.

5.1.1 If Tenant breaches any of the terms of this Lease, including but not limited to the obligation to pay Base Rent and Additional Rent, Landlord may, at Landlord's option, make demand upon such security and immediately apply the proceeds thereof toward the damages or expenses incurred by or sums owed to Landlord pursuant to this Lease, without notice to Tenant. The application of the security deposit to any Tenant obligation under this Lease does not cure the breach of this Lease and does not preclude the Landlord from exercising any other remedy available to Landlord under this Lease, or otherwise. Within sixty (60) days of the end of the Tenant's term (or any extension thereof, if applicable) the Landlord shall return the then current balance of the security deposit to the Tenant, less any offset, for the Tenant's failure to fully and faithfully perform Tenant's obligations under the Lease.

6. Landlord Improvements.

6.1 Interior Improvements to the Premises. The Parties have identified certain general purpose improvements to be completed by Landlord ("Landlord's Improvements"), subject to the terms and conditions of this Section 6. Landlord shall construct and complete the Landlord Improvements in accordance with the plans and specifications therefor ("Plans and Specifications") to be prepared by the Bernado Will architectural firm (the "Architect"). A general description of the elements to be addressed in the Plans and Specifications is attached hereto as Exhibit "C" and incorporated herein by this reference.

6.2 Plans and Specifications. Landlord shall retain the Architect to prepare the Plans and Specifications for Landlord's Improvements. The Landlord and Tenant shall cooperate and meet, as needed, to develop the Plans and Specifications. The final form of the Plans and Specifications must be approved by both the Landlord and Tenant. In the event the Parties are unable to agree on the final form of the Plans and Specifications, they agree to submit the outstanding matters to mediation as set forth in Section 6.7, below. Upon approval of the Plans and Specifications, the Architect shall prepare an estimate of probable costs for the construction of the Landlord's Improvements (which is a portion of the Total Cost, as defined below). In the event the estimate of Total Cost prepared by the Architect based on the approved Plans and Specification exceeds \$1.5 million, then Tenant shall immediately deposit the sum in excess of \$1.5 million as security for Tenant's obligation to reimburse the Landlord for the Landlord's Improvements (see Section 6.4, below).

6.3 Building Permit; Bidding.

6.3.1 Upon approval the Plans and Specifications, the Landlord shall prepare and submit for a building permit with the City of Wenatchee. Any material changes to the Plans and Specifications occurring during the review process associated with the building permit shall be approved by both Landlord and Tenant. In the event the Parties are unable to agree on the

revisions to the Plans and Specifications to advance the processing of the building permit, the matter shall be submitted to mediation as set forth in Section 6.7, below. In the event the Landlord is not able to obtain a building permit based on the Plans and Specifications, as may be revised, then this Lease shall terminate and be of no further force or effect the Tenant shall pay the Landlord for 50% of the costs incurred by Landlord through the date of the notice of termination is provided by Landlord to Tenant.

6.3.2 At any time after the approval of the Plans and Specifications, but no later than the date a building permit for the Landlord's Improvements is issued, the Architect shall prepare bid documents and the Landlord shall advertise and bid the Landlord's Improvements, based on the Plans and Specification, according to public works laws of the state of Washington. Upon receipt of the bids, the Landlord and Tenant shall meet and confer regarding the impact to the Total Cost. If the impact to the Total Cost, as a result of the bid received from the apparent low bidder, results in an increase of more than 10% of the estimate of Total Cost prepared pursuant to Section 6.2, then (i) the Parties shall meet and confer on whether to accept the bid submitted by the apparent low bidder, or (ii) either Party may elect to have the Landlord reject all bids. In the event of a rejection of all bids, the Parties will meet and confer to revise the Plans and Specifications and the process in Sections 6.2 and 6.3 shall be repeated one more time. If, as a result of the second bid, and the Total Cost based on the apparent low bidder during the second bid exceeds the second, estimated Total Cost prepared in Section 6.2 by more than 10%, then the Tenant shall elect to (a) terminate this Lease by providing written notice to Landlord and, in this event, the Tenant shall pay the Landlord for 50% of the costs incurred by Landlord through the date of the notice of termination; or (b) authorize the Landlord to award of the bid and proceed with the construction of the Landlord Improvements.

6.4 Cost Allocation. All design and engineering fees, permitting costs, construction administration, costs related to construction contracts, and all other construction related expenses incurred by Landlord associated with the Landlord's Improvements ("Total Cost") shall be shared on an equal basis with Landlord paying 50% and the Tenant paying 50%; provided, however, that the Landlord contribution toward the Total Cost is capped at \$750,000 and Tenant shall be solely responsible for the Total Costs in excess of \$1.5 million.

6.4.1 After bids are received to construct the Landlord's Improvements, then the Total Cost shall be updated based on the apparent low bidder. In the event the updated Total Cost exceeds \$1.5 million, then Tenant shall immediately deposit the sum in excess of \$1.5 million as security for Tenant's obligation to reimburse the Landlord for the Landlord's Improvements (after accounting for any sums deposited as set forth in Section 6.2, above).

6.4.2 Notwithstanding Sections 6.2 and 6.4.1 above, the Tenant remains responsible for all costs in excess of \$1.5 million and shall pay the Landlord for said costs in excess of \$1.5 million within 10 days of a written demand therefore (after accounting for any sums deposited as set forth in Sections 6.2 and 6.4.1, above).

6.4.3 On or before the Completion Date, the Landlord shall provide Tenant a written summary of the final Total Cost.

6.4.3.1 If the final Total Cost is less than \$1.5 million, then (a) one half of the Total Cost shall be divided by 96 and the resulting amount shall be collected as "Additional Rent" pursuant to Section 4, above; and (b) any funds deposited as security pursuant to Sections 6.2 and 6.4.1 shall be refunded to Tenant, without interest, within 30 days following the delivery of the summary of the final Total Cost, unless the Tenant disputes the summary.

6.4.3.2 If the final Total Cost is equal to or greater than \$1.5 million, then (a) the Additional Rent shall be \$7,812.50 (\$750,000 divided by 96) and collected pursuant to Section 4, above, and (b) the Tenant shall pay the Landlord for all sums in excess of \$1.5 million as set forth in Section 6.4.2, above, after taking into account the funds deposited as security pursuant to Sections 6.2 and 6.4.1, above; provided that if the funds on deposit exceed the amount owed by Tenant pursuant to Section 6.4.2, then the excess shall be refunded to Tenant, without interest, within 30 days following the delivery of the summary of the final Total Cost, unless the Tenant disputes the summary.

6.5 Final Inspection; Punchlist. The Architect, Landlord and Tenant shall perform a walk-through of the Premises and inspect the Landlord's Improvements near the conclusion of construction of the Landlord's Improvements, as determined by Landlord. The Architect shall, if applicable, prepare a punchlist, which may include Tenant's reasonable input provided during the walk-through, of any minor items remaining to be completed based on the Plans and Specifications, which Landlord shall promptly require its contractor to diligently prosecute to completion. The Landlord shall notify Tenant, in writing, when the work identified on the punch list has been completed.

6.6 Completion Date. Landlord shall diligently have its contractor prosecute the completion of the Landlord Improvements in a good and workmanlike manner, in accordance with the Premises Plans and Specifications and in compliance with all applicable governmental requirements, including all required permits, licenses, approvals and building codes until the Landlord's Improvements are Substantially Completed. Landlord shall keep Tenant reasonably apprised of the progress of the Landlord Improvements and the expected date of delivery of possession of the Premises to Tenant. The term "Substantially Completed," as used in this Section 6, is herein defined to mean that the Landlord Improvements have passed the inspection of any applicable government authorities and a certificate of occupancy has been issued. The date that the Landlord delivers the certificate of occupancy to the Tenant shall be the "Completion Date"; provided however, in the event there are any outstanding issues to resolve as a result of the punch list process in Section 6.5 when the certificate of occupancy is delivered to Tenant, then the Completion Date shall be the date that Landlord delivers written notice to the Tenant that the work identified on the punch list has been completed. The Landlord makes no representations or warranties regarding the timing of Completion Date and it shall not be a breach of this Lease if the Completion Date occurs later than anticipated by the Landlord or Tenant. Neither Party shall have

any liability and no damages, of any kind or nature, shall accrue against either Party as a result of the actual Completion Date. The Parties jointly accept all risk associated with permitting delays, construction disputes, delays of any kind, supply chain disruptions, and the like that will impact the Completion Date. The Tenant waives all claims against Landlord of any kind or nature, in law or in equity, associated with the ultimate Completion Date being unknown and subject to multiple variables.

6.7 Mediation. In the event the Parties are unable to reach agreement regarding the Plans and Specifications, and revisions thereof during the building permit process, or as a result of a re-bid of the contract to construct the Landlord's Improvements (see Sections 6.2 and 6.3.1), then the Parties agree to immediately submit the matter to mediation before a disinterested mediator familiar with commercial construction projects (the mediator may be an architect or engineer, or other disinterested mediator). The Parties agree that the mediation shall not last longer than one-day and that the Landlord and Tenant shall each pay one-half of the costs incurred with the mediator. Any agreement reached during mediation shall be reduced to writing and signed by the Parties and the process in this Section 6 shall resume. In the event the Parties are unable to reach agreement during the mediation, then this Lease shall terminate and be of no further force or effect between the Parties, and, in this event, the Tenant shall pay the Landlord for 50% of the costs incurred by Landlord through the date of mediation.

7. Tenant Improvements. Tenant shall not make any tenant improvements or alterations to the Premises without the prior written consent of the Landlord. Landlord shall not unreasonably withhold Landlord's consent to any improvements or alterations, provided, however that Landlord is not obligated to approve any changes, which, in the opinion of the Landlord's consultants, might jeopardize the structural integrity of the Premises, increase the costs of re-letting the Premises, increase the responsibilities of the Landlord relative to maintenance and repair, or make the Premises less functional to the next occupant.

7.1 Design plans must be submitted to Landlord, in advance, for review and approval for each alteration or improvement requested by Tenant. Approval for structural changes must be approved in advance by Landlord's engineer. Tenant shall bear Landlord's reasonable costs of investigation for requested changes, including engineer's and other expert's fees.

7.2 All such approved changes, shall be at the Tenant's sole cost and expense; and Tenant shall use a licensed and bonded contractor or contractors for such alterations. Tenant's contractor shall name the Landlord as an additional insured with policy terms and limits reasonably acceptable to Landlord. Tenant agrees that any alterations or improvements made shall not abate the rent. In the performance of such work, Tenant agrees to comply with all laws and ordinances and to hold Landlord harmless from any damage, loss or expense caused by work performed by Tenant.

7.3 Any approved alterations or improvements of the Premises shall become at once a part of the realty and belong to the Landlord, except trade fixtures supplied and paid for by the Tenant (subject to the Tenant's duty to remove as set out in this Lease), and Section 7.4 below.

7.4 At Landlord's written request to remove some or all of the approved alterations and improvements, which shall be delivered to Tenant no later than twenty (20) days after the termination or expiration of the Lease, Tenant shall remove the approved improvements or alterations identified by Landlord in its written request and restore the Premises to the condition that existed upon the Completion Date, except for normal wear and tear, within thirty (30) days of the date of the written request from Landlord. If Landlord does not submit the request, then Tenant shall have no obligation to remove approved improvements or alterations (see Section 17).

7.5 Tenant shall keep the Premises free from any liens and shall indemnify and hold Landlord harmless and defend it from any liens or encumbrances, damage, loss or expense arising out of any work performed or materials furnished by or at the direction of Tenant, or otherwise, to the Premises.

8. Utilities.

8.1 Tenant shall make all arrangements and be solely responsible for Tenant Utilities (as defined in Section 5).

8.2 Landlord shall be responsible for the costs associated with electrical, water and sewer service provided to the CTC, parking lot maintenance, garbage, elevator maintenance, building insurance, and outside window cleaning.

8.3 Landlord maintains a security badge system for the CTC to regulate access to certain areas within the CTC. Tenant shall use Landlord's security system, which will require that everyone accessing the Premises must be badged. The initial badge for each person is at the cost of the Landlord. All replacement badges for lost or damaged security badges shall be at the cost of the Tenant, according to the rules and regulations of the Landlord for the CTC. If Tenant further secures the space on the third floor of the CTC, then Landlord shall be provided access keys or badges for entry for emergency purposes and as otherwise allowed under this Lease. Tenant must greet guests, visitors and the like on the main floor for the CTC.

8.4 Landlord does not warrant that any utility services or systems will be free from interruption. The Landlord shall not be liable to Tenant for any loss or damage caused by or resulting from any variation, interruption, or failure of heat, cooling, ventilation, or electricity or any other utility services or systems due to any cause, other than Landlord's negligent or willful acts. No temporary interruption or failure of utility services due to the making of repairs, alterations, or improvements, or due to accident, strike or conditions or events beyond Landlord's control shall be deemed an eviction of Tenant or relieve Tenant from any of Tenant's obligations under this Lease.

9. Repair and Maintenance.

9.1 By Tenant. Tenant shall, at its own cost and expense during the term of this Lease, keep and maintain the Premises, in a good condition and state of repair, at least comparable to that which existed as of the Completion Date. Tenant shall make or cause to be made, as and

when the same become necessary, all nonstructural, interior, replacements, maintenance, repairs and restorations necessary to the Premises, including cracked or broken glass, interior window cleaning, paint, carpet, plumbing (including but not limited to the restrooms included as part of the Premises), electrical (including all lighting for the Premises) and mechanical (except the HVAC system, which shall be maintained and repaired by Landlord). All replacements, repairs and restorations required of Tenant shall be done in a good and workmanlike manner and of a quality, kind and appearance at least equal to the original work and shall be installed or completed by licensed and bonded contractors, and in compliance with all standards and requirements of law, licenses and municipal ordinances. Except as stated in Section 9.2, Landlord shall have no obligation to do any repairs or maintenance associated with the Premises.

9.2 By Landlord. Landlord shall maintain and repair the exterior structure of the CTC, the roof, roof membrane, foundation and load bearing and exterior walls. Landlord shall be responsible for all parking lot and snow removal, exterior . Notwithstanding anything to the contrary in this paragraph, any maintenance or repair to the Premises necessitated by the negligence or wrongful act of the Tenant, its agents, employees, officers, guests, invitees, or representatives, shall be the responsibility of the Tenant.

10. Use. Tenant shall use the Premises for office space. The Tenant shall not use or permit the use of the Premises for any unlawful or immoral activity, nor suffer nor permit on the Premises any nuisance or offensive object, matter or activity. Tenant shall comply with Landlord's Rules and Regulations, as they currently exist or are hereafter adopted or amended, from time to time. Landlord shall provide a copy of the Rules and Regulations to Tenant. To the extent of a conflict between this Lease and the Rules and Regulations, this Lease shall control.

10.1 Signs. Tenant may request placement of one exterior sign on the CTC subject to any applicable laws, code or ordinances. Landlord shall review the request and approve, deny, or condition the approval of the exterior sign, which decision is committed to the sole discretion of the Landlord. Tenant shall be solely responsible for installing its sign, maintaining its signs in good condition and repair and restoring any damage caused by the removal of such sign at the end of this Lease. In the event a pylon or monument is made available by the Landlord and Tenant desires a sign place thereon, then the Tenant shall have the sign prepared, consistent with Landlord's instructions, and the Landlord shall install Tenant's sign on the pylon or monument and invoice the Tenant for the actual costs incurred associated with said installation. Tenant shall also be responsible for the actual costs incurred by Landlord if the sign needs to be replaced or removed.

11. Tenant Covenants. Tenant shall, at Tenant's sole cost and expense:

11.1 Refrain from any use which would be reasonably offensive to the Landlord, other tenants, owners or users of adjoining premises, or which would tend to create a nuisance or interfere with the use of the CTC.

11.2 Keep and maintain the Premises, improvements or other materials placed on the Premises in a safe, clean and orderly manner.

11.3 Comply with all laws, orders and regulations of Federal, State and municipal authorities, including any rules and regulations adopted by the Landlord, and any future amendments thereto.

11.4 Comply with all health, safety and security codes applicable to the use of the Premises and shall comply with any direction of any public officer, pursuant to law, which shall impose any duty upon the Landlord or the Tenant with respect to the Premises.

11.5 Obtain all licenses or permits which may be required for the conduct of Tenant's business within the terms of this Lease, or for the making of repairs, alterations, improvements, or additions, and the Landlord, at Tenant's expense and when reasonably necessary, will join the Tenant in applying for all such permits or licenses.

12. Tenant's Acceptance: AS-IS NO WARRANTY. Except as to the specific representations of Landlord regarding the construction of the Premises, Tenant accepts the Premises in AS-IS condition without representation or warranty, of any kind or nature, based solely on Tenant's own inspection, occupancy and investigation of the Premises. Tenant releases Landlord from any responsibility for any representation that may have been made to the Tenant about the Premises that is not specifically set out in this Lease Agreement. In no event shall the Landlord be liable for any defect in such property or the Premises, any service thereto, or the Premises' lack of fitness for Tenant's use.

13. Management of Lease and Property. As set forth in the Recitals, the POCC has delegated certain authority to the CDRPA. So long as the delegation to the CDRPA remains in effect, the CDRPA shall be the "Landlord" for purposes of this Lease. If the delegation to the CDRPA terminates, then the Port shall automatically become the Landlord for purposes of this Lease without the approval or consent of the Tenant. Nevertheless, Tenant shall name the Port and CDRPA, their officers, officials, employees, and volunteers as additional insureds as required by Section 20, below, and agrees to indemnify the Port to the same extent as the Landlord as set forth in Section 21 of the Lease Agreement. So long as the delegation to the CDRPA remains in effect, the Tenant shall look to the CDRPA for the performance of all obligations under this Lease and agrees that the Port shall have no liability arising from the CDRPA's actions or inactions under the Lease. The CDRPA represents and warrants that it has full authority to execute this Lease and to act on behalf of the Port with respect to the Lease.

14. Right of Entry. The Landlord and its representatives may enter the Premises, at a mutually agreeable time upon providing reasonable notice to Tenant, for the purpose of inspecting the Premises, performing any work which the Landlord elects or is required to undertake or which is made necessary by reason of the Tenant's default under the terms of this Lease, exhibiting the Premises for sale, lease or mortgage financing, or posting notices of non-responsibility under any mechanic's lien law. In the event the Parties cannot agree, the

Landlord may enter the Premises upon providing reasonable notice to Tenant. In case of emergency or fire, Landlord may enter the Premise at any time without notice or Tenant.

15. Default and Re-Entry.

15.1 If Tenant defaults in any payment due under the terms of this Lease (including rent), and such default is not cured within ten (10) calendar days after written notice from Landlord, or within thirty (30) calendar days after written notice from Landlord if the default is other than the payment of money, Landlord may terminate this Lease and re-enter the Premises; or Landlord may, without terminating this Lease, re-enter said Premises, and relet the whole or any part of the Premises upon as favorable terms and conditions as the market will allow for the balance of the Lease term.

15.2 Notwithstanding any re-entry, the liability of the Tenant for the full amounts payable by the Tenant under this Lease shall not be extinguished for the balance of the Lease or renewal term. Tenant shall make good to Landlord any deficiency arising from a reletting of the Premises at a lesser rental or on different economic terms plus the reasonable costs and expenses of re-letting the Premises including, but not limited, to commissions, advertising, attorney's fees, and the costs of renovating or altering the Premises.

15.3 At Landlord's sole option, the deficiency between the amount to be received by the relet and the amount to be received if Tenant had fulfilled the Lease may be reduced to present cash value based on a six percent (6%) yield, and be declared due and owing, at any time after is the Premises are relet. Tenant shall pay such amount upon demand. If Landlord elects this remedy, Landlord shall have no other remedy against Tenant for Rent. Alternatively, Tenant shall pay any deficiency caused by Tenant's default each month. The ability of Landlord to re-enter and relet shall not impose upon Landlord the obligation to do so.

15.4 The above remedies shall be in addition to and shall not preclude any other remedy available to Landlord under applicable law, including, but not limited to, all equitable remedies.

15.5 Each of the following events is a default by Tenant and a breach of this Lease:

15.6 Any failure by Tenant to make any payment required to be made by Tenant on or before the time the payment is due beyond any applicable cure period.

15.7 The abandonment or vacation of the Premises by the Tenant.

15.8 A failure by Tenant to observe and perform any provision of this Lease or any other lease or agreement between Tenant or any subsidiaries of Tenant and Landlord which is to be observed or performed by the Tenant or any subsidiary of Tenant beyond any applicable cure period.

15.9 The appointment of a receiver to take possession of all or substantially all the assets of the Tenant.

15.10 A general assignment by Tenant for the benefit of creditors.

15.11 Any action taken or suffered by Tenant under any insolvency or bankruptcy act. If Tenant becomes insolvent, bankrupt, or if a receiver, assignee, or other liquidating officer is appointed for the Tenant's business, Landlord may cancel this Lease, subject to Section 365 of Bankruptcy Code, 11 U.S.C. 365.

16. Landlord's Cure of Tenant's Default. If the Tenant shall be in default hereunder, the Landlord may cure such default on behalf of the Tenant, in which event the Tenant shall reimburse the Landlord for all sums paid to effect such cure, together with interest at the rate of twelve percent (12%) per annum and reasonable attorney's fees. In order to collect such reimbursement, the Landlord shall have all the remedies available under this Lease for a default in the payment of rent.

17. Vacating Upon Termination; Restoration. Tenant covenants and agrees that upon the expiration of the Lease or upon the termination of the Lease, Tenant shall at once peacefully surrender and deliver the whole of the above-described Premises together with all improvements, except trade fixtures, thereon to the Landlord or Landlord's agents or assigns as follows: within thirty (30) days following the expiration or termination of the Lease, the Tenant shall restore the Premises to the condition that existed upon the Completion Date to the reasonable satisfaction of the Landlord, except for reasonable wear and tear and approved alterations and improvements that Landlord has not requested the Tenant to remove as provided in Section 7.

18. Damage or Destruction. All damage or injury done to the Premises by Tenant, or by Tenant's employees, agents, invitees, or licensees shall be paid for by Tenant.

18.1 Option to Repair. If the Premises are destroyed or damaged by fire or any other casualty to the extent that all or a part of the Premises is rendered untenable, or if the uninsured cost of repairing the damage to the Premises exceeds \$50,000, either Landlord or Tenant may terminate this Lease by notice in writing to the other within sixty (60) days after the destruction or damage. Notwithstanding the foregoing, Landlord may, in Landlord's sole discretion, agree in writing within thirty (30) days after the destruction to pay the uninsured portion of the cost of repair, in which case the Lease shall not terminate. The notice shall be effective thirty (30) days after receipt. This provision shall not affect the Tenant's duty to repair set forth in this Section 18, or elsewhere in this Lease.

19. Hold Harmless and Indemnity.

19.1 The Tenant shall indemnify, defend and hold the Landlord harmless from and against any and all claims, demands, cause of actions, suit or judgments, including attorney's fees, costs and expenses incurred in connection therewith and in enforcing the indemnity, for deaths or injuries to persons or for loss of or damage to property arising out of or in connection with the negligent or wrongful acts of Tenant, its agents, employees, officers, guests, representatives and invitees, or the condition of the Premises (except for matters for which the Landlord is

responsible), or the use and occupancy of the Premises by Tenant; or by Tenant's non-observance or non-performance of any law, ordinance or regulation applicable to the Premises; or incurred in obtaining possession of the Premises after a default by the Tenant, or after the Tenant's default in surrendering possession upon expiration or earlier termination of the term of the Lease, or enforcement of any covenants in this Lease; provided, however that this clause shall not apply in the event the loss or damage arises from the sole negligence of the Landlord. This includes, without limitation, any liability for injury to the person or property of Tenant, its agents, officers, employees, or invitees. **The Tenant specifically waives any immunity provided by Washington's Industrial Insurance Act. This indemnification covers claims by Tenant's own employees.**

19.2 In the event of any claims made to, or suits filed against Landlord, for which the above indemnity applies, Landlord shall give Tenant prompt written notice thereof and may demand that the Tenant defend or settle the same.

19.3 Tenant, as a material part of the consideration to be tendered to Landlord, waives all claims against Landlord for (a) damages to goods, wares, and merchandise, in upon or about the Premises arising from any cause or condition, and (b) loss of business, expectancy or consequential damages arising from any reason, cause, or condition.

20. Insurance.

20.1 Tenant's Property. Tenant is responsible for insuring all property, personal property, inventory made or owned by Tenant.

20.2 Minimum Scope and Limit of Insurance. Tenant shall procure and maintain for the duration of the Lease insurance against claims for injuries to persons or damages to property which may arise from or in connection with the Tenant's operation and use of the Premises and common areas. The cost of such insurance shall be borne by the Tenant, and coverage shall be at least as broad as:

20.3 Commercial General Liability (CGL). Insurance Services Office Form CG 00 01 covering CGL on an "occurrence" basis, including products and completed operations, property damage, bodily injury and personal and advertising injury with limits no less than \$1,000,000 per occurrence and a general aggregate limit of not less than \$2,000,000. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.

20.4 Property Insurance. Property insurance against all risks of loss to any improvements or betterments to the full replacement cost with no coinsurance penalty provision.

If the Tenant maintains broader coverage and/or higher limits than the minimums shown above, the Landlord requires and shall be entitled to broader coverage and/or higher limits maintained. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the Landlord.

20.5 Other Insurance Provisions. The insurance policies are to contain, or be endorsed to contain, the following provisions:

20.5.1 Additional Insured Status. The Landlord, its officers, officials, employees, and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the Tenant, including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the Tenant's insurance (at least as broad as ISO Form CG 20 10.)

20.5.2 Primary Coverage. For any claims related to this Lease, the Tenant's insurance coverage shall be primary insurance coverage at least as broad as ISO CG 20 01 04 13 as respects the Landlord, its officers, officials, employees, or volunteers shall be excess of the Tenant's insurance and shall not contribute with it.

20.5.3 Notice of Cancellation. Each insurance policy required above shall provide that coverage shall not be cancelled, except with notice to the Landlord.

20.5.4 Waiver of Subrogation. Tenant hereby grants to Landlord a waiver of any right to subrogation which any insurer of said Tenant may acquire against the Landlord by virtue of the payment of any loss under such insurance. Tenant agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the Landlord has received a waiver of subrogation endorsement from the insurer.

20.5.5 Acceptability of Insurers. Insurance is to be placed with insurers authorized to conduct business in the state with a current A.M. Best's rating of no less than A: VII, unless otherwise acceptable to the Landlord.

20.5.6 Verification of Coverage. Tenant shall furnish the Landlord with original Certificates of Insurance including all required amendatory endorsements (or copies of the applicable policy language effecting coverage required by this clause) and a copy of the Declaration and Endorsement Page of the CGL policy listing all policy endorsements to Landlord. However, failure to obtain the required documents prior to the work beginning shall not waive the Tenant's obligation to provide them. Landlord reserves the right to require complete, certified copies of all required insurance policies, including endorsements, required by these specifications, at any time.

Landlord maintains an "all risk" or equivalent policy of property insurance for the Property. The Tenant shall reimburse Landlord for the cost of such insurance consistent with Section **Error! Reference source not found.**

The Tenant agrees that if Tenant does not take out and maintain such insurance, Landlord may (but shall not be required to) procure such insurance on Tenants behalf and

charge Tenant the premiums together with a twenty-five percent (25%) handling charge, payable upon demand.

20.5.7 Special Risks or Circumstances. Landlord reserves the right to modify these requirements at any time, including limits, based on the nature of the risk, prior experience, insurer, coverage, the passage of time, or other special circumstances.

21. Presence and Use of Hazardous Substances. Tenant shall refrain from causing or permitting any Hazardous Substance (as hereinafter defined) to be brought upon, kept or used in or about the Premises by Tenant, its agents, employees, contractors or invitees. "Hazardous Substance" means any hazardous or toxic substance, material or waste, including, but not limited to, those substances, materials, and wastes designated by the United States Environmental Protection Agency as Hazardous Substances (40 CFR Part 302) and amendments thereto, petroleum products, or other such substances, materials and wastes that are or become regulated under any applicable local, state, or federal law, regulation, statute or ordinance.

21.1 Tenant's Obligations. With respect to any Hazardous Substance brought upon, kept or used in or about the Premises by Tenant, its agents, employees, contractors, or invitees, Tenant shall:

21.1.1 Comply promptly, timely, and completely with all governmental requirements for reporting, keeping and submitting manifests, and obtaining and keeping current identification numbers;

21.1.2 Within ten (10) days of Landlord's request, submit written reports to Landlord regarding Tenant's use, storage, treatment, transportation, generation, disposal or sale of Hazardous Substances and provide evidence reasonably satisfactory to Landlord of Tenant's compliance with the applicable governmental regulation;

21.1.3 Allow Landlord or Landlord's agents or representatives to come on the Premises at all reasonable times, after reasonable notice, to check Tenant's compliance with all applicable governmental regulations regarding Hazardous Substances;

21.1.4 Comply with minimum levels, standards or other performance standards or requirements which may be set forth or established for certain Hazardous Substances (if minimum standards or levels are applicable to Hazardous Substances present on the Premises, these levels or standards shall be established by an on-site inspection by the appropriate governmental authorities and shall be set forth in an addendum to this Lease);

21.1.5 Comply in all material respects with all governmental rules, regulations and requirements regarding the proper and lawful use, sale, transportation, generation, treatment and disposal of Hazardous Substances; and

21.1.6 Landlord shall have the right, at reasonable times and upon reasonable notice to Tenant, to inspect the Premises to monitor Tenant's compliance with this Section. Landlord shall pay and be responsible for the costs of its own inspection. Notwithstanding the foregoing, if an inspection reveals the use or presence of Hazardous Substances requiring clean-up or other action that Tenant has not previously notified Landlord of, then Tenant shall pay, as part of the clean-up cost incorporated in Section 21.2 below, Landlord's actual costs, including reasonable attorney's fees and costs, incurred in making or providing for such inspection and any follow-up inspections.

21.2 Indemnification for Hazardous Substances; Landlord's Rights and Remedies.

21.2.1 Tenant shall be fully and completely liable to Landlord for any and all clean-up costs and any and all charges, fees, penalties (civil and criminal) imposed by any governmental authority with respect to Tenant's use, disposal, transportation, generation and/or sale of Hazardous Substances, in or about the Premises.

21.2.2 In addition to the indemnification set forth in Section 19, Tenant shall indemnify, defend, and hold Landlord harmless from any and all claims, judgments, damages, penalties, fines, costs, liabilities, or losses (including, without limitation, diminution in value of the Premises, damages for the loss or restriction on use of rentable or usable space or of any amenity of the Premises, and sums paid in settlement of claims, attorneys' fees, consultant fees, and expert fees) which arise during or after the lease term as a result of contamination by Hazardous Substance as a result of Tenant's use or activities, or of Tenant's agents or contractors. This indemnification of Landlord by Tenant includes, without limitation, costs incurred in connection with any investigation of site conditions or any cleanup, remedial, removal, or restoration work required by any federal, state, or local governmental agency or political subdivision because of Hazardous Substance present in the soil or ground water on or under the Premises. Without limiting the foregoing, if the presence of any Hazardous Substance on the Premises caused or permitted by Tenant or its agents or contractors results in any contamination of the Premises, Tenant shall promptly take all actions, at its sole expense, as necessary to return the Premises to the condition existing prior to the release of any such Hazardous Substance to the Premises; provided that Landlord's approval of such action shall first be obtained, which approval shall not be unreasonably withheld so long as such actions would not potentially have any material adverse effects on the Premises. The foregoing indemnity shall survive the expiration or earlier termination of this Lease.

21.3 Default Regarding Hazardous Substances. Upon Tenant's material default under this Section 21.3, in addition to the rights and remedies set forth elsewhere in this Lease, Landlord shall be entitled to the following rights and remedies:

21.3.1 At Landlord's option, to terminate this Lease immediately; and

21.3.2 Recover any and all damage associated with the default, including, but not limited to clean-up costs and charges, civil and criminal penalties and fees, and any and all damages and claims asserted by third parties together with reasonable attorneys' fees and costs.

22. Condemnation. If the Premises are taken by any public authority under the power of eminent domain, this Lease shall terminate as of the date of possession by said public authority, subject to the terms of this Section 22.

22.1 Partial Taking. A condemnation or taking by public authority shall not be grounds for terminating this Lease unless twenty-five percent (25%) or more of the Premises is taken. In the event of a partial taking which does not result in the termination of this Lease, rent shall be proportionately abated based on the amount of Premises made unusable.

22.2 Award. No award for any partial or entire taking shall be apportioned. However, the Tenant will not be required to give or assign the Landlord any interest in any award made to the Tenant for the taking of personal property and fixtures belonging to the Tenant or for the interruption or damage to Tenant's business or for relocation.

23. No Right to Assign or Encumber. The Tenant shall not assign, sublet, or encumber the Premises or any part thereof, without the Landlord's prior written consent.

24. Holdover. If Tenant, with the implied or expressed consent of Landlord, shall holdover after the expiration of the term of this Lease, Tenant shall remain bound by all the terms and conditions of this Lease, except that the monthly rent shall be increased by twenty-five percent (25%) over the amount due the last month of the Lease, unless otherwise agreed by the Parties in writing.

25. Brokerage Commission. Each party represents that they have incurred no finder's fee, broker's fees or commissions of similar obligation to any person in connection with the transaction which is the subject of this Agreement, and agree to indemnify the other and the other's agents, representatives, and advisors and hold them harmless from any claims for any such fees or commissions and all costs and expenses for defending any alleged claim therefore (including costs and attorney's fees on appeal, if any) arising out of the acts of the indemnifying party or its agents or employees.

26. Successors and Assigns. The covenants and conditions herein contained, including the provision as to assignments, apply to and bind the heirs, successors, executors, administrators and assigns of the parties hereto.

27. Attorney's Fees. In the event it is necessary for either party to retain the services of an attorney to enforce the provisions of this contract, to pursue an unlawful detainer action, or in the event of litigation regarding the terms of this contract, the substantially prevailing party shall be entitled to recover from the other its costs and reasonable attorney's fees in addition to other relief.

28. TIME. TIME IS OF THE ESSENCE IN THIS LEASE.

29. Non-Waiver of Covenants. The Landlord's failure to insist upon the strict performance of any provision of this Lease shall not be construed as depriving the Landlord the right to insist

on strict performance of such provision in the future. The subsequent acceptance of rent, whether full or partial payment, by the Landlord shall not be deemed a waiver of any preceding breach by the Tenant of any term, covenant, or condition of this Lease, other than the failure of the Tenant to pay the particular part of the rent accepted, regardless of the Landlord's knowledge of the proceeding breach at the time of the acceptance of that part of the rent.

30. Savings. Nothing in this Lease shall be construed so as to require the commission of any act contrary to law, and wherever there is any conflict between any provisions of this Lease and any statute, law, public regulation or ordinance, the latter shall prevail, but in such event, the provisions of this Lease affected shall be curtailed and limited only to the extent necessary to bring it within legal requirements.

31. Incorporation. This agreement represents the entire agreement of the parties. Unless set forth herein in writing, neither party shall be bound by any statements or representations made and each agrees that there are no such statements or representations being relied upon in making this Lease.

32. Governing Law. This Lease shall be governed by the law of the State of Washington and venue for any action arising from this Lease shall be Chelan County, Washington.

33. Amendment. No alteration, changes or amendments to this Lease will be binding upon either party unless in a writing signed by both Parties.

34. Notices. Any notices to be given hereunder shall be in writing and effective if personally served upon the other party or if mailed by registered or certified mail, return receipt requested, to the addresses set forth next to the party's signature. Notices mailed shall be deemed given on the date of mailing. If any notice to Tenant is returned as undelivered/unclaimed, then ANY NOTICE HEREIN MAY BE PROVIDED BY LANDLORD AND SHALL BE DEEMED SERVED ON TENANT UPON POSTING THE NOTICE ON THE PREMISES.

Notices shall be given to the following addresses, or such other addresses as the Parties may designate in writing to the other, in conformity with the terms of this Section 34:

Landlord:
Chelan Douglas Regional Port Authority
Attn: Chief Executive Officer
One Campbell Parkway, Suite A
East Wenatchee, WA 98802

Tenant:
CMI Orchards, Inc.
Attn: _____

In witness whereof, the Parties have executed this Lease to be effective the date first written above.

LANDLORD:

TENANT:

CHELAN DOUGLAS REGIONAL PORT AUTHORITY

CMI ORCHARDS, INC.

By: _____
James M. Kuntz, Chief Executive Officer

By: _____

Name: _____

Title: _____

STATE OF WASHINGTON)
)ss.
County of _____)

I certify that I know or have satisfactory evidence that James M. Kuntz is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the Chief Executive Officer of Chelan Douglas Regional Port Authority to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: _____, 2023.

_____(Printed name)
NOTARY PUBLIC, state of Washington
My appointment expires _____

STATE OF WASHINGTON)
)ss.
County of _____)

I certify that I know or have satisfactory evidence that _____ the person who appeared before me, and said person acknowledged that he signed this instrument on oath stated that he was authorized to execute the instrument and acknowledged it as the _____ of CMI Orchards, Inc. to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: _____, 2023.

_____(Printed name)
NOTARY PUBLIC, state of Washington
My appointment expires _____

EXHIBIT "A"
Legal Description of Property

TRACT D ref. BLA 2003-033, AFN 2140596
parcel # 23-20-28-1-1-0550

A tract of land situated in the Northeast quarter of Section 28, Township 23 North, Range 20 East, W.M., Chelan County, Washington, more particularly described as follows:

Commencing at the north quarter corner of said Section 28; thence North 89°35'29" East 375.56 feet along the North line thereof to the intersection of Penny Road and Chester Kimm Avenue; thence South 00°59'45" East along the center line of Chester Kimm a distance of 721.00 feet; thence North 89°00'15" East 549.55 feet to the True Point of Beginning; thence South 00°59'29" East 189.83 feet; thence North 89°31'23" East 43.51 feet; thence South 00°59'29" East 77.02 feet; thence North 89°31'24" East 269.17 feet; thence South 00°00'00" West 45.00 feet; thence North 89°31'24" East 45.00 feet; thence South 00°00'00" West 147.40 feet; thence North 89°31'24" East 78.50 feet to the Westerly railroad Right-of-Way; thence along said Right-of-Way North 39°40'29" East 559.12 feet; thence leaving said Right-of-Way North 50°19'31" West 60.00 feet; thence South 89°00'15" West 751.68 feet to the True Point of Beginning.

SUBJECT TO easements, restrictions and reservations of record.

EXHIBIT "B"
Depiction of Premises

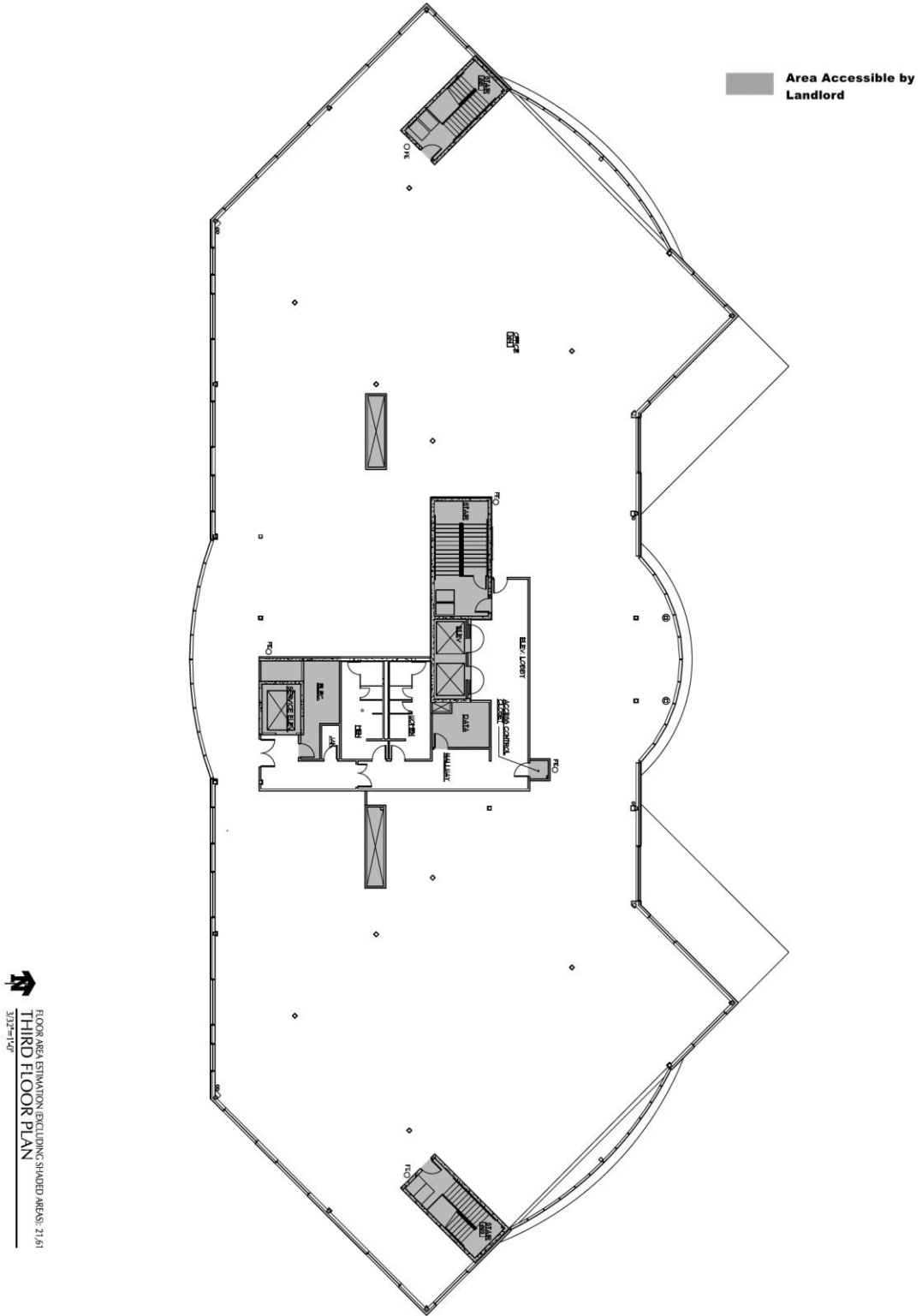


EXHIBIT C
General Description of Landlord's Improvements

Install drop ceiling
Drywall exterior walls
Frame/drywall offices
Frame/drywall Conference Room
Frame/drywall Kitchen/Break Room
Carpet
Paint
Lighting Package
Electrical Package
HVAC for Premises
Evaluate feasibility of expanding Bathrooms

Memo

To: Board of Directors

From: Jim Kuntz

Date: December 13, 2023

Re: Legal Counsel – 2024 Hourly Rates

The current hourly rate for Regional Port Legal Counsel work is \$310 per hour. I am proposing a 3.9% adjustment for 2024 to \$322 per hour.

Please note our public agency rate is discounted. Private sector legal work in the greater Wenatchee area can exceed \$400 per hour.

A portion of the Regional Port's legal fees are now being reimbursed by the businesses we are assisting. As an example, Microsoft reimburses the Regional Port for all legal fees related to the infrastructure work in Malaga.

In those unique circumstances where the Regional Port has a "Reimbursement Agreement" in place with a private business that includes reimbursement for legal fees, I believe our legal counsel should be able to charge their private sector rate.

Memo

To: Board of Directors

From: Ron Russ

Date: December 14, 2023

Re: Authorization to Award Contract for USFS Building Carpet Replacement

Pursuant to the requirements of the USFS lease for the CWICC/Rappel Base facility, the CDRPA must replace all the carpet in the facility every 10 years. The carpet in the dispatch area was replaced in 2022. The approved 2024 capital budget included \$95,000 to replace the balance of the carpet and the hard surface flooring in two small rooms.

Staff have solicited bids from qualified contractors on the CDRPA's Small Works Roster and have received two responsive and responsible bids. The low bidder is Standard Paint and Flooring.

Staff request board authorization to award a small public works contract to Standard Paint and Flooring for \$56,004.27, including WSST and to establish an overall project budget of \$65,000.

CDRPA maintenance personnel will be painting most of the interior concurrent with the flooring project.

BID TABULATION

Project: USFS Building Carpet Replacement

Bid Due: December 14, 2023 at 10:00 am

Project Location: 3796 Airport Way, East Wenatchee, WA

Contract #: 2023-65

Opened By: Ron Russ



Recorded By: Laura Camarillo Reyes

Bidder Name City, State	Item 1	Item 2	Sales Tax (8.3%)	Total Bid
Standard Paint & Flooring Wenatchee, WA	\$42,283.56	\$9,428.60	\$4,292.11	\$56,004.27
The Floor Factory Wenatchee, WA	\$43,156.15	\$11,878.10	\$4,567.84	\$59,602.09
			\$0.00	\$0.00
			\$0.00	\$0.00

MICROSOFT INTERNAL ROUTING FORM
Microsoft Corporation (cc 1010)

Important Notes:

- If **DECLINING** to sign, please provide reason for declining.
- This form and associated Contract/Change Order formalizes approval from the Authorized Microsoft SAP PS PR/PO SAFE Approver, based upon MS Corporate Policy, and/or Microsoft Authorized Signor.
- The Supplier Authorized Signor and Microsoft Authorized Signor will e-sign the contractual document (i.e., signature line on the contract).
- **International Transactions:** SAP PS PR/PO SAFE approves Internal Routing form Only; Country Authorized Signatory executes contract.
- **Wet Signature:** Internal approval required before execution of contract.

Routing Order	Microsoft Internal Approver(s)	Approver Name	Signature	Date Signed
1	Regional Development Lead	Sid Janga	 <small>Sid Janga (Dec 8, 2023 12:00 CST)</small>	08-Dec-2023
2	CELA	Sam Winninghoff (CELA)	 <small>Sam Winninghoff (CELA) (Dec 8, 2023 12:24 PST)</small>	08-Dec-2023

CONTRACT VALUE: 9,500,000.00

CURRENCY: USD

COMPASS: NON-PO-0000864

Processed By: Lisa Chong

US ROUTING: WET SIGNATURE REQUIRED - Routing to Capture Internal Approval Only

INTERNATIONAL ROUTING: WET SIGNATURE REQUIRED - Document will be wet signed by Country Authorized Signatory upon Internal Approval

SECOND ADDENDUM TO PHASE 1 DEVELOPMENT AND REIMBURSEMENT AGREEMENT

THIS SECOND ADDENDUM TO PHASE 1 DEVELOPMENT AND REIMBURSEMENT AGREEMENT (“**Second Addendum**”) is made this date by and between the Chelan Douglas Regional Port Authority (“**CDRPA**”), and Microsoft Corporation, a Washington corporation (“**Developer**”), sometimes collectively referred to as the “**Parties**” or individually as a “**Party**.”

RECITALS

- A. Effective June 24, 2022, the Parties entered into the Phase 1 Development and Reimbursement Agreement (the “**Agreement**”). The Parties subsequently entered a First Addendum to Phase 1 Development and Reimbursement Agreement amending Section 4 of the Agreement. The Agreement and the First Addendum are collectively referred to herein as the “**Agreement**”.
- B. All defined terms in this Second Addendum shall have the same meaning as set forth in the Agreement.
- C. The CDRPA has encountered challenges in the course of implementing the Agreement. As a result of these challenges, the CDRPA’s consultant, RH2, has issued a revised Tech Memorandum.
- D. The challenges have also resulted in delays. Additionally, CDRPA has determined that it is necessary to incur certain additional costs related to the Agreement, which Developer is willing reimburse.
- E. The Parties agree to amend the Agreement to reflect the status of the Phase 1 Improvements.

AGREEMENT

Now therefore, in light of the above Recitals, which are incorporated herein by this reference as part of the agreement of the Parties, and in consideration of the mutual covenants set out below, the Parties agree as follows:

1. **Revised Tech Memorandum.** The Agreement incorporates and relies on prior Technical Memoranda prepared by RH2 Engineering, attached as Exhibits “A” and “B” to the Agreement (collectively, the “**Prior Tech Memos**”). Attached to this Second Addendum as Exhibit “X” is an updated Tech Memorandum prepared by RH2 Engineering dated November 21, 2023 (“**Updated Tech Memo**”). The Parties agree that (a) in the event of a conflict between the Updated Tech Memo and the Prior Tech Memos, that the information contained in the Updated Tech Memo shall control; and (b) in the event of a conflict between the Agreement and this Second Addendum, the terms and conditions of this Second Addendum shall control. Project numbers used in Exhibit “X” or in this Second Addendum correspond to the Project numbers identified in the Updated Tech Memo.
2. **Specific Project Revisions.** For ease of reference, the following describes the revisions made by the Updated Tech Memo to the Phase 1 Improvements. To the extent of any conflict between this Section 2 and the Updated Tech Memo, the Updated Tech Memo shall control.

- a. **Projects 1 and 2.** Project 1 in the Prior Tech Memos contemplated the drilling of two test wells for exploration of water sources. However, only a single test well has been drilled and testing on the drilled well is not complete. Although the CDRPA has evaluated numerous sites for the possible location of a second test well, it has been unsuccessful in securing access or a right of entry to construct a test well and perform the testing. As such, the Updated Tech Memo separates the first and second test wells into Projects 1A and 1B respectively. Because Project 2 of the Prior Tech Memos contemplated the drilling of monitoring wells to support the Project 1 test wells, the Updated Tech Memo similarly divides Project 2 into Projects 2A and 2B. Projects 1B and 2B remain outstanding; the CDRPA shall continue to seek agreements, yet to be negotiated, with private or public property owners for the placement and testing of a second test well, together with the monitoring well(s) contemplated by Project 2B.
- b. **Projects 3A and 3B.** Projects 3A and 3B of the Prior Tech Memos contemplated the geotechnical exploration of and acquisition of property rights to a suitable site for one or two domestic water reservoirs. CDRPA's previously identified sites for the reservoir associated with Projects 3A and 3B were not viable for a variety of reasons. However, the CDRPA has entered into a contract to purchase an alternative reservoir site and access easement (collectively referred to as the "**Ford Property**"). The purchase of the Ford Property is subject to a number of significant, outstanding contingencies, including a boundary line adjustment, and the creation of the parcel for the reservoir as a legal lot of record. The acquisition of the Ford Property is currently scheduled to occur no later than February 29, 2024, assuming the contingencies are satisfied or waived and the acquisition actually closes, which would constitute the completion of Project 3B. The Ford Property involves more property than originally anticipated, along with an access easement (the additional costs are reflected in the revised Phase 1 Budget, see Paragraph 5 of this Second Addendum). The Parties agree that Project 3A includes design, geotechnical exploration, preliminary site work, permitting (including a conditional use permit) and additional investigation, including securing the pipeline route to and from the Ford Property (the additional costs are reflected in the revised Phase 1 Budget, see Paragraph 5 of this Second Addendum) A geotechnical exploration for the Ford Property has been completed and found to be satisfactory.
- c. **Project 4.** The scope of Project 4 is modified as set forth in the Updated Tech Memo.
- d. **Project 14.** Project 14 of the Prior Tech Memos contemplated the design and construction of two production wells resulting from the test wells constructed in Project 1. This Project will be broken into two Projects identified in the Updated Tech Memo as Project 14A (the first production well) and Project 14B (the second production well). Real property rights necessary to complete Project 14A are in place (the location of the first production well is located on real property owned by the District). The construction of the first production well (Project 14A) is pending the completion of the well test (Project 1A) and authorization from the Malaga Water District to proceed with the construction of the first production well (see Section 2(a)(iii) of Agreement). As noted above, Projects 1B and 2B are outstanding, thus the status of Project 14B (the second production well) is unresolved.

3. **Completion Deadlines.** The Completion Deadline, as defined in the Agreement, is January 1, 2024, subject to Sections 2(a) and 4 of the Agreement. The Parties agree to modify the time frames in the Agreement as follows:

- a. It is anticipated that the construction of Project 4 will be completed prior to December 31, 2023 and that the improvements associated with Project 4 will be transferred to the Malaga Water District ("District") by January 31, 2024.
- b. Projects 1A and 2A as to the first test well will be completed by December 31, 2023. If the CDRPA and District approve the long-term test results of the first test well (located on District property) and agree to proceed with the first production well (Project 14A), then the Developer agrees that this satisfies the condition in Section 2(a)(iii) of the Agreement as to Project 14A, and the CDRPA shall proceed with the development of Final Plans for Project 14A and complete construction thereof on or before December 31, 2024. If testing of the first production well yields inadequate results, as determined by the District or the CDRPA, then the parties will negotiate a new timeline for Project 14A, which shall be set forth in a future addendum signed by the Parties.
- c. As to Projects 1B and 2B, the CDRPA shall continue investigating a second test well site, attempt to secure the real property interests and conduct the test at a second well site (which is not yet identified) prior to December 31, 2024 (the additional costs to evaluate and secure a second test well site are reflected in the revised Phase 1 Budget, pursuant to Paragraph 5 of this Second Addendum). The timelines for Project 14B are not established. Proceeding with Project 14B is conditioned on approval of Projects 1B and 2B by the District consistent with Section 2(a)(iii) of the Agreement. If the real property interests are secured for the second test well and test results associated with the second test well are satisfactory and documented pursuant to Section 2(a)(iii) of the Agreement on or before December 31, 2024, then the CDRPA shall develop Final Plans for Project 14B and complete the construction of Project 14B on or before December 31, 2025.
- d. As to Projects 3A and 3B, it is anticipated that closing to secure the Ford Property and associated access easement for the future reservoir site (to be owned by the District) will occur not later than February 29, 2024. Project 3A shall be completed upon issuance of a Conditional Use Permit to construct the reservoir on the Ford Property, provided the terms and conditions of the Conditional Use Permit are acceptable to the CDRPA, the District and Developer. It is anticipated that the Conditional Use Permit will be issued by June 30, 2024. The actual construction of the reservoir is outside the scope of the Agreement and this Second Addendum and will be the subject of a separate, future reimbursement agreement.
- e. Nothing herein amends the limitations set forth in Section 2(a) and Section 4 of the Agreement (as amended by the First Addendum), and the failure of the CDRPA to complete any of the Projects mentioned above in this Paragraph 3 of the Second Addendum, shall not be a default of the Agreement, as amended, and shall not impact

the Developer's reimbursement obligations set forth in the Agreement, as amended by the Second Addendum. Nothing in the Agreement or this Second Addendum shall be construed as obligating or otherwise requiring the CDRPA to acquire any real property interests, including acquisition through the exercise of eminent domain.

4. **Final Plans.** The Agreement anticipated a singular approval step associated with the Final Plans for the Phase 1 Improvements; however, there will be multiple Final Plans, one for every Project that involves a construction contract bid pursuant to the Public Works Laws of Washington State (e.g. if approved as set forth above, Final Plans will be developed for Project 14A, the first production well). The Final Plans for Project 4 have already been approved by the District. The Final Plans for each Project involving a construction contract bid pursuant to the Public Works Laws of Washington State will need to be reviewed and approved by the CDRPA and the District using the plan approval process outlined in the Interlocal Agreement.

5. **Revised Phase 1 Budget.** The Parties agree to update the Phase 1 Budget to reflect the status of the Phase 1 Improvements and this Second Addendum. The CDRPA and Developer agree that an additional line item in the amount of \$300,000 shall be included in the Phase 1 Budget to address the administrative costs incurred by the CDRPA associated with the Agreement, as amended by this Second Addendum. The Parties agree that the Phase 1 Budget attached hereto as Exhibit "Y" and incorporated herein by this reference, shall replace the Phase 1 Budget attached as Exhibit "C" to the Agreement. The Parties also agree that the updated budget attached hereto as Exhibit "Y" does not change the Project Cap as specified in the Agreement.

6. **Grant.** The CDRPA received a Notice of Award from the Washington State Department of Commerce dated May 13, 2023, related to the Malaga Industrial Park Waterline Extension Project in the amount of \$1,498,650 (after accounting for the administrative fee charged by the Department of Commerce). Conditioned on entering a Grant Agreement with the Department of Commerce for the above stated amount, the CDRPA will apply all of the grant funds it receives from the Department of Commerce toward the allowable components of the Phase 1 Improvements ("**Grant Agreement**"). Other than the amount of the grant funds that may be available to the CDRPA under the Grant Agreement (\$1,498,650, rather than \$1,400,000), Section 9 of the Agreement shall remain in effect. The revised Phase 1 Budget attached as Exhibit "Y" indicates a revised budget that exceeds the Project Cap if the Grant Agreement is not entered and the grants funds are not available for the Projects. In the event the Department of Commerce does not enter the Grant Agreement or provides a Grant Agreement that reduces the funds available to the CDRPA for the Phase 1 Improvements, then the CDRPA shall be under no obligation to expend any funds in excess of the Project Cap.

7. **Updated Project Map.** An updated project map is attached hereto as Exhibit "Z", which reflects the current status of the Projects associated with the Phase 1 Improvements.

8. **Amendment of ILA.** CDRPA shall diligently pursue and negotiate an amendment to the ILA addressing the matters addressed herein. Entering the amendment to the ILA is a condition to the effectiveness of this Addendum.

9. Except as modified by this Addendum, the Parties hereby affirm and ratify all terms and conditions of the Agreement. In the event of a conflict between the terms of the Agreement, and this Addendum, the terms and conditions associated with this Addendum shall control. The effective date of this Addendum shall be the date of the last signature below. This Addendum may be executed separately or independently in any number of counterparts and may be delivered by manually signed counterpart, facsimile, e-mail or other electronic means. Each and all of these counterparts shall be deemed to have been executed simultaneously and for all purposes to be one document, binding as such on the Parties. The facsimile, e-mail or electronic transmission of any signed original document, and retransmission thereof, shall be the same as delivery of an original. At the request of either Party, the Parties will confirm facsimile, e-mail or electronically transmitted signatures by signing an original document.

DATED: 08-Dec-2023

CHELAN DOUGLAS REGIONAL
PORT AUTHORITY

By: 
James M. Kuntz (Dec 8, 2023 13:37 PST)
James M. Kuntz, Chief Executive Officer

DATED: 08-Dec-2023

MICROSOFT CORPORATION

By: 
Anuraj Jhaji (Dec 8, 2023 14:14 PST)

Name: Anuraj Jhaji

Title: Partner DCD - AMERs

EXHIBIT "X"
Updated Technical Memorandum

RH2 TECHNICAL MEMORANDUM

Client: Chelan Douglas Regional Port Authority (CDRPA) on behalf of the Malaga Water District (MWD)

Project: Microsoft (MSFT) Water System Improvements

Project File: RPA 20.0026.17

Composed by: Erik Howe P.E.

Subject: MWD Phase 1 Water System Projects - Update

Date: November 21, 2023



The purpose of this memorandum is to update the scope and status of the MWD Water System Projects as they have evolved since the previous Phase 1 memo dated June 8, 2022. Projects 1, 2, and 14 have been separated into A and B projects for ease of tracking progress.

Original Project 1: Installation and testing of two test well casings and appurtenances to determine if a sufficient aquifer for domestic water supply is available. The project assumes 12-inch diameter casings up to 300 feet deep.

Updated Project 1A: Installation and testing of test well no. 1 to determine if a sufficient aquifer for domestic water supply is available. The installation of a 12-inch diameter casing to 200 feet deep on MWD property near their existing Well 5 was completed on May 3, 2023. Refer to the RH2 Test Well No. 1 Completion Summary memorandum dated July 20, 2023, for initial test results. Long-term testing is anticipated to be completed by January 1, 2024. The cost of the first well is higher than originally anticipated mainly due to finding a suitable location and the ability to complete long-term pump testing.

Updated Project 1B: Installation and testing of test well no. 2 to determine if a sufficient aquifer for domestic water supply is available. The project assumes a 12-inch diameter casing up to 300 feet deep. Two sites have been identified for the second test well and are under consideration. The design team is working with the property owners and anticipates final site selection by January 1, 2024. Installation and testing of test well no. 2 to be completed by December 31, 2024.

Original Project 2: Installation of two monitoring wells each to support the two Project 1 test wells (4 monitoring wells total). The project assumes 6-inch diameter casings up to 300 feet deep.

Updated Project 2A: Installation of monitoring wells to support test well no. 1. One test well was drilled, and existing wells nearby will be utilized for monitoring during the long-

term test. The revised budget shows a cost of zero because the cost for this monitoring well was incorporated into Project 1A for contracting purposes.

Updated Project 2B: Installation of monitoring wells to support test well no. 2. Existing wells may be used as monitoring wells where available but are not assumed. The current budget assumes up to 3 monitoring wells.

Original Project 3A: Conduct geotechnical exploration of a site to determine suitability to construct one or two domestic water reservoirs. The assumed site is the MWD existing Zone 1 Reservoir site.

Updated Project 3A: Conduct a feasibility analysis to include geotechnical exploration, land use permitting, conceptual design, and evaluation of infrastructure needed to incorporate the new reservoir into the MWD system. The site is intended to allow one or two domestic water reservoirs to be constructed. The cost of this project is higher than anticipated because multiple sites were explored and eliminated before identifying the preferred site. The preferred site is located south of Meadows Lake, on parcel no. 222132700070.

Original Project 3B: Purchase and/or otherwise procure real property and/or easements for construction of the reservoir(s), drainage pond, and related appurtenances. No less than two acres for the reservoir(s) and one acre for the pond are currently assumed for supporting two reservoirs up to 80-foot diameter each, though the specific sizes will be determined in a future phase. Additional acreage may be needed depending on the stability of future excavation slopes to be determined in Phase 3A.

Updated Project 3B: Purchase and/or otherwise procure real property and/or easements for construction of the reservoir(s), drainage pond, and related appurtenances. The revised budget reflects the current purchase and sale agreement with the property owner for 4.8 acres of land acquisition. 4.2 acres will be purchased in fee title, and 0.6 acres will be purchased as an easement. The original budget assumed two acres. Two 80-foot diameter reservoirs are anticipated, though the specific sizes will be determined in a future phase. The anticipated closing date on the property is February 16, 2024.

Projects 1A, 1B, 2A, 2B, 3A, and 3B are exploratory efforts to support future water system projects and do not provide any water supply, transmission, or storage capacity.

Original Project 4: Construct approximately 4,700 feet of 18-inch diameter watermain along the Malaga/Alcoa Highway from Saturday Avenue to the project site.

Updated Project 4: Construct approximately 4,700 feet of 18-inch diameter transmission and 6-inch recirculation water mains along the Malaga/Alcoa Highway from Saturday Avenue to the MSFT project site. Construct a temporary recirculation pump station near the intersection of Saturday Avenue and Malaga/Alcoa Highway to provide water circulation during low use periods. Construct approximately 5,500 feet of 2-inch waterline along Saturday Avenue and Dixie Lane for recirculation, refer to the RH2 Recirculation System for Water Quality memorandum dated January 9, 2023, previously presented to CDRPA and MSFT for additional information. This project is anticipated to be completed by November 30, 2023.

Following completion of Project 4 it is anticipated that the MWD's water system will be able to supply

the following to the property. Pressure is referenced at an elevation of 825 feet above mean sea level.

- Up to 900 gallons per minute (gpm) peak instantaneous demand to the property for up to 30 minutes continuously, once per day, at no less than 60 pounds per square inch (psi). 60 psi is the minimum pressure stated by MSFT that is needed to fill their onsite storage tanks.
- Up to 290 gallons per minute (gpm) peak instantaneous demand to the property for up to two hours continuously, once per day, at no less than 70 psi. 290 gpm is the peak instantaneous demand estimated by MSFT for one building.
- Up to 175 gpm average flow over 24 hours during the maximum normal (non-emergency) MWD water use day of the year at no less than 75 psi. 175 gpm is the limit of the MWD's existing water supply (well) capacity less existing and forecasted MWD customer demands as discussed in the RH2 May 3, 2022 Technical Memorandum.
- Up to 1,500 gpm at 20 psi for two hours for firefighting to the property, no more than once every two days.

Original Project 14: Assuming favorable outcomes of Project 1 and Project 2, approved by the MWD and CDRPA in writing, construct two domestic water production well facilities. The minimum capacity currently assumed (though not guaranteed) is 300 gpm for each well.

Updated Project 14: To meet State of Washington and MWD supply criteria, both wells must each provide at least 542 gpm to meet MSFT's requested Maximum Daily Demand. If either cannot meet this capacity, additional projects may be needed. No investigation of projects that may resolve this issue has been performed.

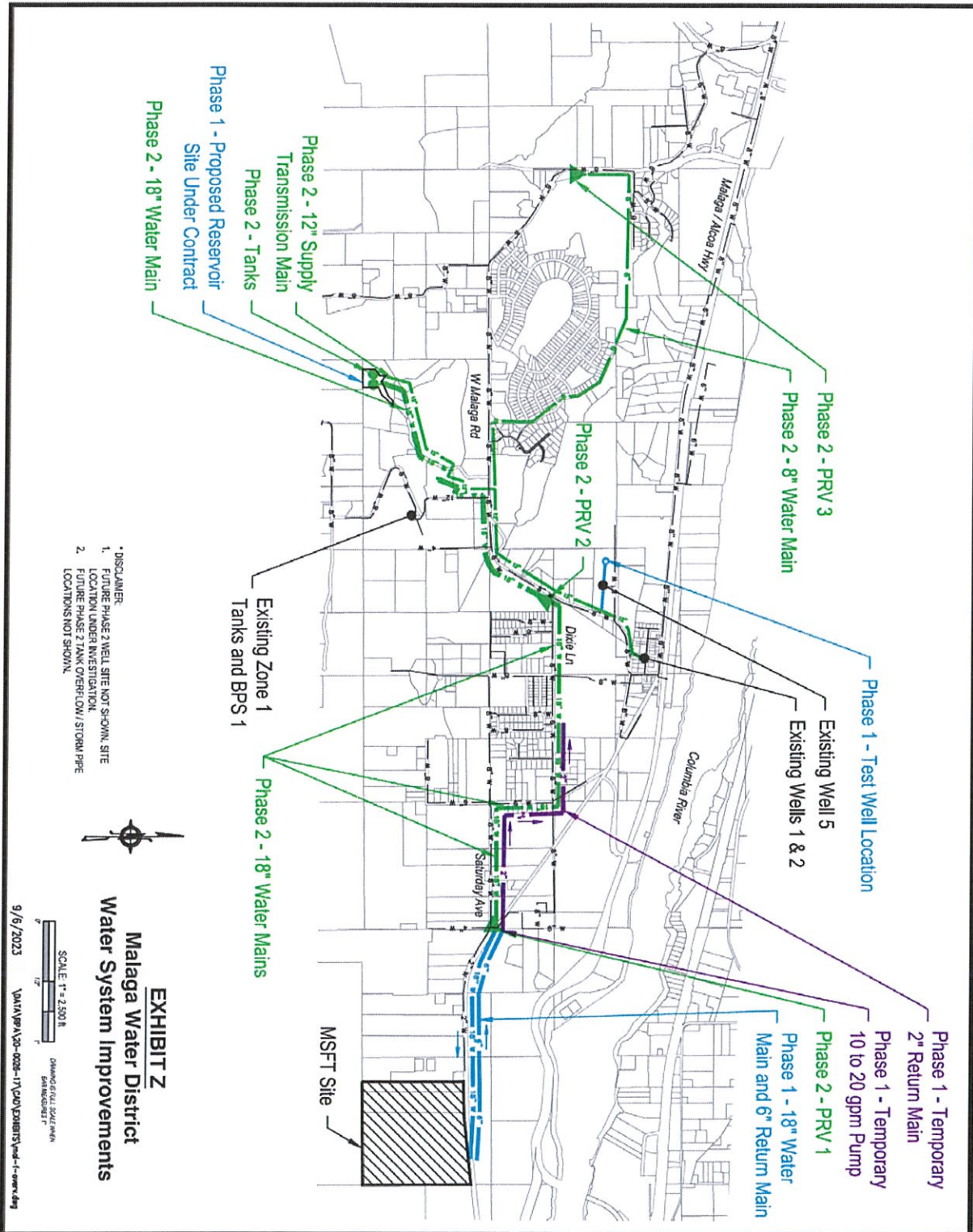
Assuming favorable outcomes of Project 1 and Project 2 for each well location, and approval by MWD, CDRPA, and MSFT in writing, convert each test well to domestic water production well facilities. The minimum capacity currently assumed (though not guaranteed) is 542 gpm for each well to provide the full amount of MSFT's projected maximum day water use if one well is out of service. These projects will be designed and constructed as two separate projects. Sizing of production well pumps depend on the results of the test well projects. The original cost for this project was for one production well, the budget has been revised to include two.

Updated Project 14A: Pending results of Project 1A and approval by MWD, CDRPA, and MSFT to proceed with the scope described in paragraph 2 of Updated Project 14. Assuming approval to proceed is received by January 15, 2024, completion is anticipated by December 31, 2024.

Updated Project 14B: The CDRPA is working with MWD and RH2's local hydrogeologist to determine a suitable site for Project 1B. Pending results of Project 1B and approval by MWD, CDRPA, and MSFT to proceed with the scope described in paragraph 1 of Updated Project 14. Exhibits from the May 17, 2022 Technical Memorandum show conceptual well locations on MWD and MSFT property. A production well on the Microsoft property is not feasible, therefore a budget for land acquisition costs has been added for the second site. Completion is anticipated by December 31, 2025.

Following completion of Project 14, it is anticipated that the MWD's water supply will increase by the amount achieved from the new wells.

EXHIBIT "Z"
Malaga Water District Water System Improvements




P.17435 Quincy Land AZ5 Chelan Douglas Regional Port Authority Phase 1 Development and Reimbursement Agreement Amendment 2


Final Audit Report


2023-12-08

Created:	2023-12-07
By:	Microsoft CO+I Land and Energy Contracting (COILandEnergy@microsoft.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAAYooAt0Nd9CdwK7YuuLCjtzvEnpU7Y1wX

"P.17435 Quincy Land AZ5 Chelan Douglas Regional Port Authority Phase 1 Development and Reimbursement Agreement Amendment 2" History


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 Signer jim@cdrpa.org entered name at signing as James M. Kuntz
2023-12-08 - 9:37:40 PM GMT- IP address: 96.46.29.227

 Document e-signed by James M. Kuntz (jim@cdrpa.org)
Signature Date: 2023-12-08 - 9:37:42 PM GMT - Time Source: server- IP address: 96.46.29.227

 Agreement completed.
2023-12-08 - 9:37:42 PM GMT



TECHNICAL MEMORANDUM

Client: Chelan Douglas Regional Port Authority
Project: Local Water System Improvements to LOJO Property
Project File: RPA 0200026.17.0300
Project Manager: Erik Howe, PE
Composed by: Adam Neff, LHG
Reviewed by: Andrew B. Dunn, LHG; Ryan Peterson, PE
Subject: Test Well No. 1 Long-Term Test Results
Date: December 12, 2023



ADAM RUSSELL NEFF

Signed: 12/12/2023

Background

This technical memorandum documents the results of a long-term constant rate pump test conducted on the 12-inch-diameter Test Well No. 1 (TW1; Unique Well Tag ID BPT 103) for the Chelan Douglas Regional Port Authority (Port). This well is part of a series of water system improvement projects for the Malaga Water District (MWD) started in 2022 to support the construction of several data centers by Microsoft Corporation (MSFT). Short-term well testing conducted by Empire Well Drilling in May 2023 revealed an apparent transmissivity of 610,000 gallons per day per foot (gpd/ft) based on pumping at 1,200 gallons per minute (gpm) with 3.4 feet of drawdown (RH2, 2023). However, due to a physical limitation of the disposal area to accept water, the well could only be pumped for 3 hours. Based on the positive results of the short-term test, a long-term test was planned for later in the year to further stress the underlying aquifer and attempt to identify potential boundary conditions.

To facilitate aquifer parameter measurements during the subsequent long-term constant rate test, a 2-inch-diameter monitoring well (Unique Well Tag ID BPT 102) was installed 100 feet north of TW1. The location is intended to be between TW1 and the nearest non-MWD-owned wells, with the intent that potential impairment concerns should be fully captured.

Constant Rate Test

The pump test was intended to run continuously for 10 days at 1,200 gpm. This duration is longer than industry standards with the intent that the potentially limiting aquifer boundary conditions should be revealed. The contract required redundant flow metering and frequent water level measurement throughout the test period.

The Port contracted with Selland Construction (Selland) to perform this long-term constant rate test. The test included over 6,000 feet of 10-inch-diameter, above-grade, lay-flat pipe installed primarily along the County right-of-way to convey water from TW1 and discharge that water into Meadow Lake, approximately 1 mile south of TW1. The discharge structure in the lake included two well screens to dissipate energy and prevent erosion of the lake shore and bed.

Irrigation Technology & Control (ITC) was the pump subcontractor. ITC installed a 125-horsepower (hp) vertical line shaft turbine pump and motor powered by a diesel generator and controlled by a variable frequency drive. An inline check valve was installed directly downstream from the pump discharge head. Two external strap-on sonic flow meters (SoundWater Cypress Ultrasonic) were used for redundancy. They were off set approximately 6 feet along the pipe and 180 degrees radially. These meters were verified to be accurate (Appendix A).

Testing

Testing started at 9:20 a.m. on November 8, 2023. The pumping rate was incrementally increased, starting at 400 gpm, then 600 gpm, then 800 gpm as the discharge pipe filled finally reaching approximately 1,200 gpm at 9:55 a.m. The test continued at a constant rate until 9:10 a.m. on November 12th, at which point the generator shut down due to a high fuel level alarm. Selland was able to resolve the alarm issue and restart the pump that same day at 12:46 p.m. The test continued until the pump shut down again at 6:24 a.m. on November 16th due to the same high fuel alarm issue. The pump was restarted over an hour later at 7:32 a.m. Selland attempted to troubleshoot the high fuel alarm issue that same day, resulting in an additional short shutdown between 2:13 and 2:33 p.m. The test was continued beyond the initially identified 10 days due to these various stoppages. Ultimately, testing was stopped at 2:27 p.m. on November 20th due to concerns of the rising water level in Meadow Lake from the managing irrigation district.

Pumping Well Results

Static water level measurements prior to pumping indicated that the potentiometric surface was 129.11 feet below the top of the well casing, which is 3 feet above ground surface, or approximately 617.89 feet elevation (static water level). The ground elevation at the wellhead was assumed to be 744 ft (Google Earth); this value should be verified in the future. Water levels were monitored via a pressure transducer data logger set to record measurements every minute and was provided by the Contractor. The transducer was calibrated to a precision of approximately 0.1 feet.

The water level responded immediately to the increased flow rate as the pump was turned on and increased to 1,200 gpm. The results in Charts 1, 2, and 3 show there may be some noise in the data, fluctuations in both the water level and flow rate, which are typical at these flow rates.

Chart 1
TW1 Water Levels – Initial Drawdown

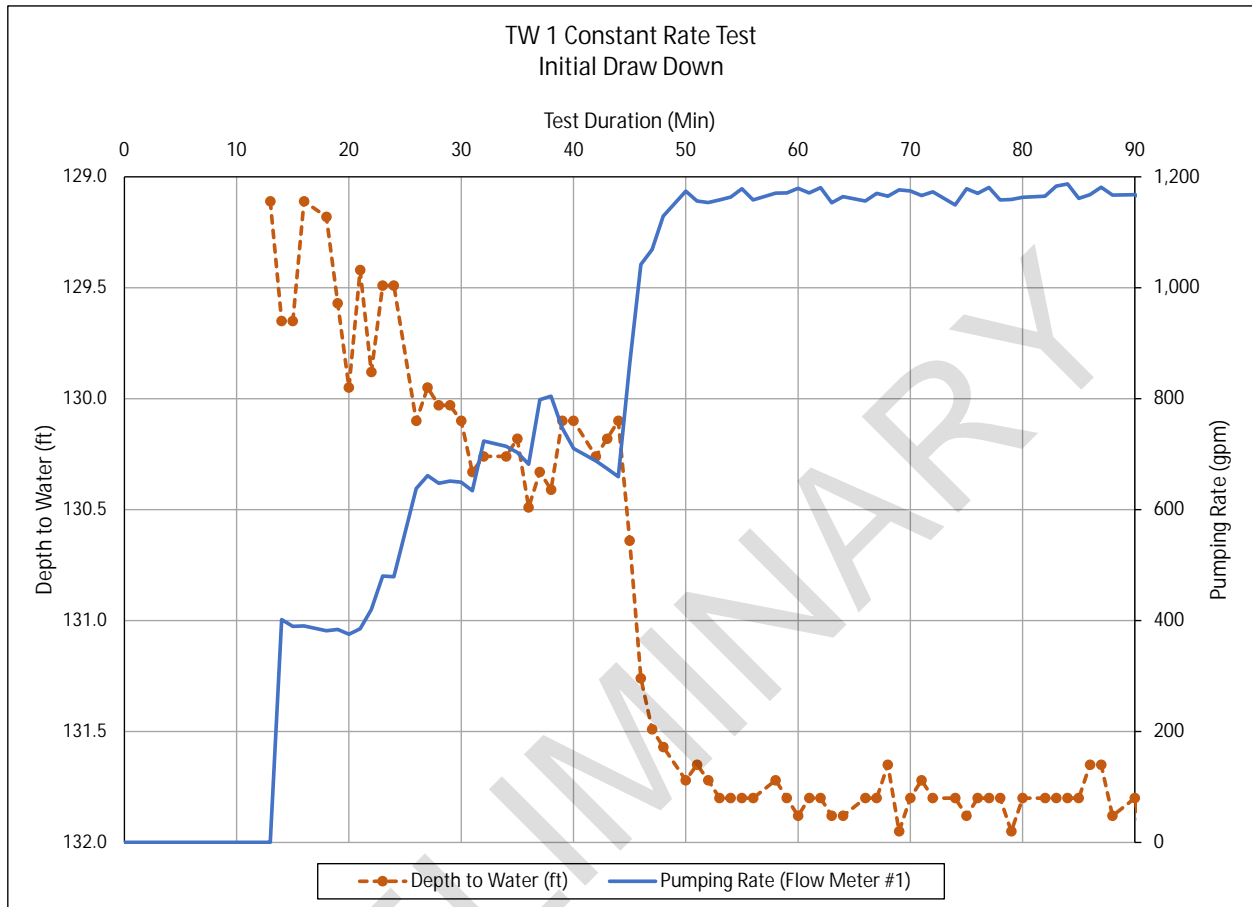
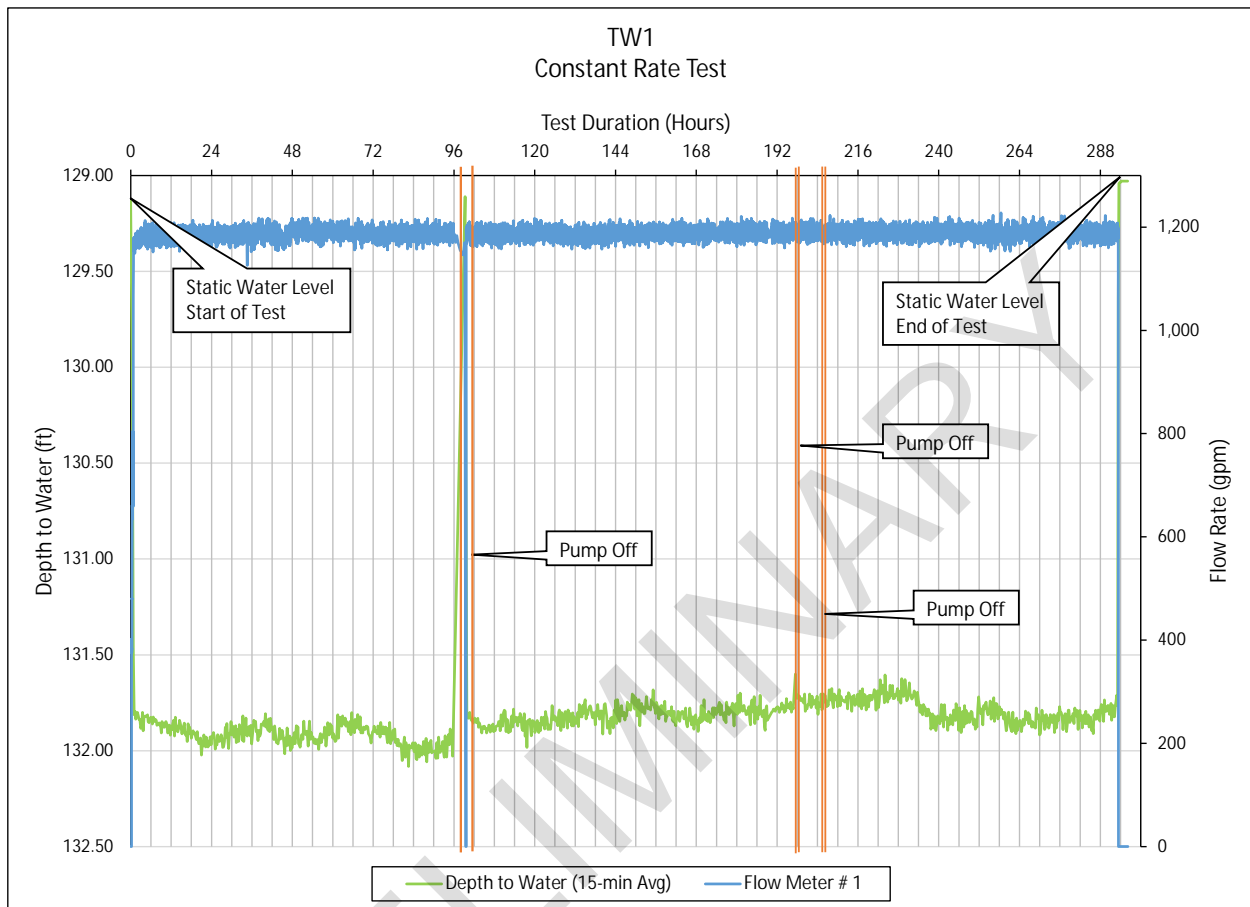


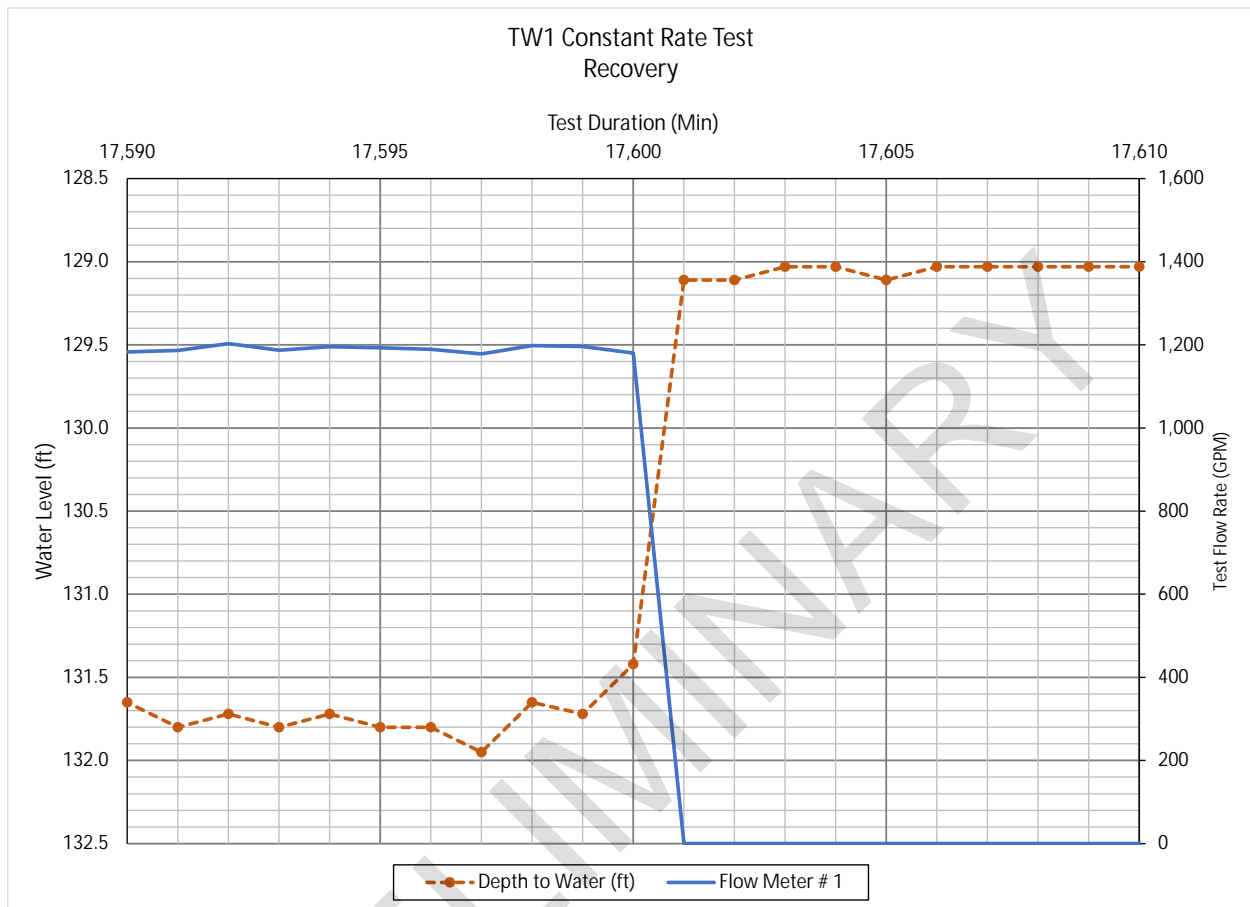
Chart 2
 TW1 Water Levels – Summary



Once 1,200 gpm was reached, the pumping water level showed a drawdown of 2.75 feet that varied by less than 0.5 feet over the duration of the test. The trend observed is indicative of an aquifer that is hydraulically connected to a recharge boundary (Columbia River). The fluctuations observed suggest there are other factors contributing to the aquifer water level beyond the TW1 pumping rate.

The water level was compared to the operation of MWD Well No. 5, located approximately 700 feet to the east. There was no apparent correlation between MWD Well No. 5 pumping rate/frequency and the water level in TW1. However, there appears to be influence from the operations of the Rock Island pool of the Columbia River (Chelan County Public Utility District; PUD). This correlation is best seen in the monitoring well water level (Chart 4).

Chart 3
TW1 Water Levels – Recovery

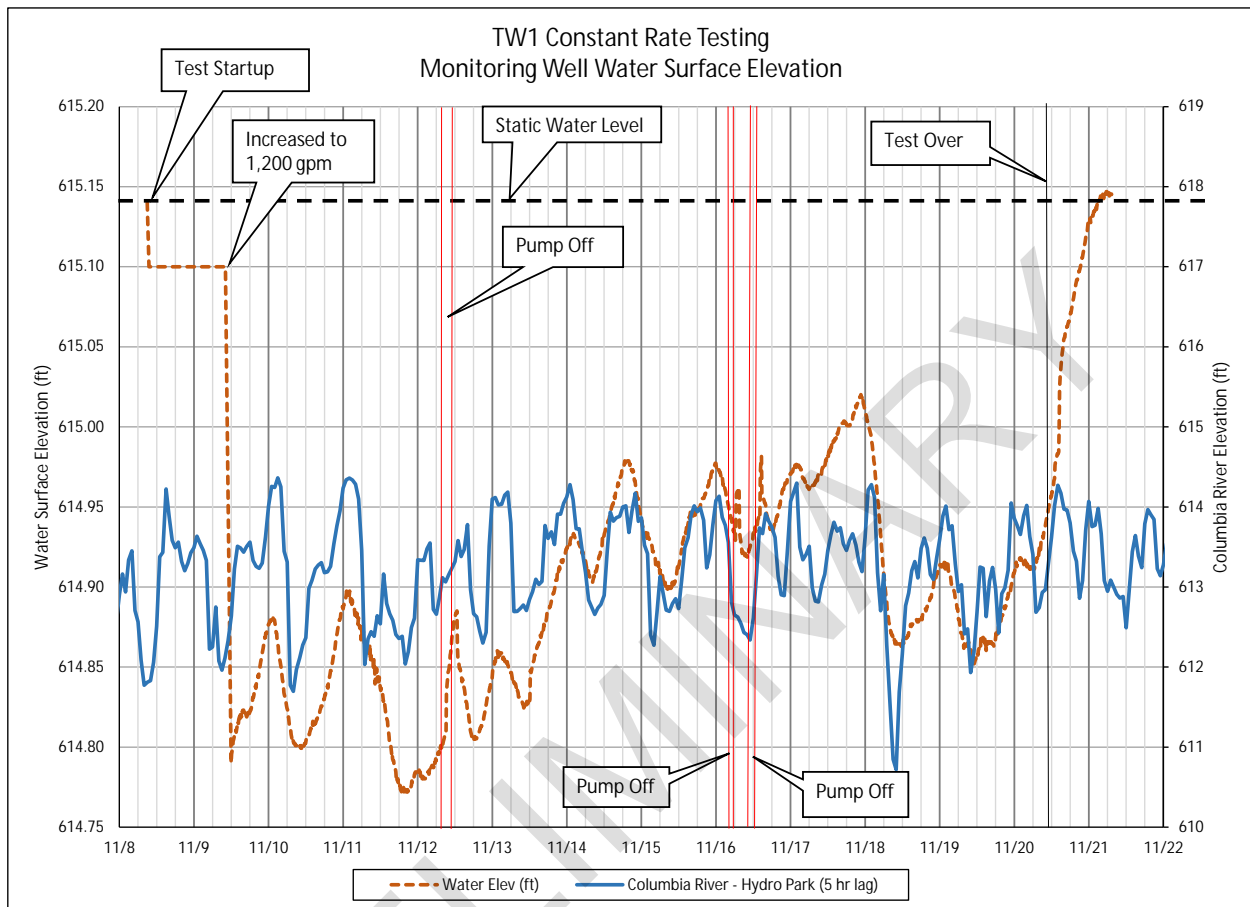


TW1 mostly recovered in 1 minute, with complete recovery in less than 5 minutes. This is consistent with the initial drawdown observations.

Monitoring Well Results

The water level was initially collected via hand measurements using an electronic well sounder. A pressure transducer was installed approximately 4 hours after the start of the pump test. The transducer was set to record measurements every 10 minutes with a precision of 0.0014 feet.

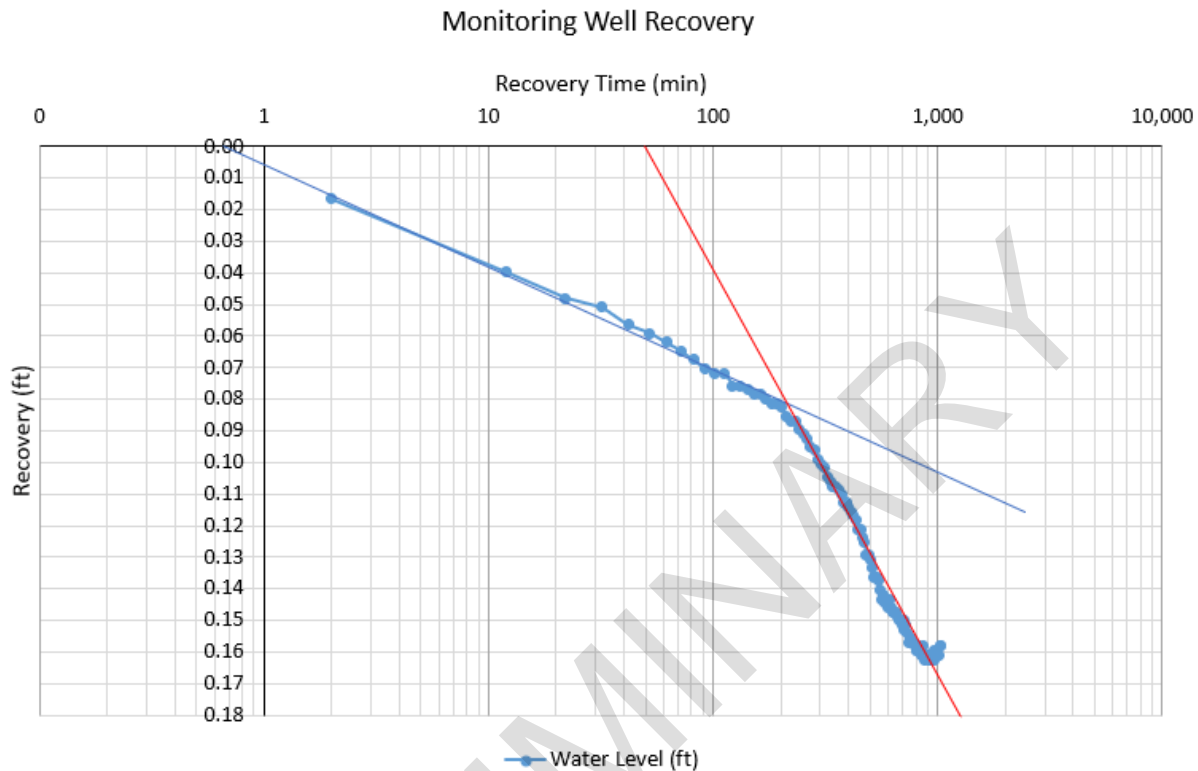
Chart 4
 Monitoring Well Water Levels



Because the monitoring well is not subject to active pumping, and because the equipment installed allowed for more precise measurements, the aquifer’s response to pumping is more apparent. All three periods when the pump was off are obvious due to the rapid water level response (recovery). Recovery appears to be fast, but not as fast as the pumping well, implying some artificial recharge (e.g., leakage back down the pump column) impacting TW1.

There is another signal that also is impacting the water level. Comparing the starts and stops of MWD Well No. 5, there is no noticeable correlation. However, there is a correlation with the Columbia River surface elevation after applying a 5-hour lag to the data (Chelan County PUD Hydropark boat ramp river gauge). This supports the hydraulic connection of the aquifer to the Columbia River, which represents a recharge boundary condition.

Chart 5
 Monitoring Well Recovery Levels



The monitoring well recovery data shows two trends. The initial recovery period between 0 to 200 minutes has one recovery trend (blue), while the 200-to-900-minute period has a steeper and more aggressive recovery trend (red). It is unclear what is causing this change in recovery pattern.

This recovery data can be used to determine both aquifer transmissivity and storage coefficient. Using the above time-recovery plot and the equations presented in *Groundwater and Wells* (Driscoll, 1986), two sets of aquifer properties can be estimated based on the two trends graphed based on the equations that follow.

$$\text{Transmissivity (T)} = (264 * Q) / \Delta s$$

Where:

$$Q = 1,200 \text{ gpm};$$

$$\Delta s \text{ (Blue Trend)} = \text{Recovery over a logarithmic cycle}; 0.07 - 0.038 = 0.032 \text{ feet};$$

$$\Delta s \text{ (Red Trend)} = \text{Recovery over a logarithmic cycle}; 0.17 - 0.04 = 0.13 \text{ feet};$$

$$T \text{ (Blue)} = 9,900,000 \text{ gpd/ft}; \text{ and}$$

$$T \text{ (Red)} = 2,440,000 \text{ gpd/ft}.$$

$$\text{Storativity (S)} = (0.3 * T * t'_0)/r^2$$

Where:

T = Transmissivity (above);

t'₀ = Time when recovery projects to hit zero; 0.8 min (Blue trendline); 50 min (Red trendline);

r = 100 feet;

S (Blue) = 0.165; and

S (Red) = 2.5 (not physically possible¹).

These values can then be applied to the Cooper-Jacobs solution to the Theis equation to verify if the aquifer parameters estimate a similar drawdown pattern to that observed during the test. Using a storage coefficient of 0.165 and both the 9,900,000 gpd/ft and 2,440,000 gpd/ft transmissivity, it is expected to see drawdown within the monitoring well range from 0.14 to 0.44 feet. An actual drawdown range of 0.12 to 0.37 feet was observed, with fluctuations attributed to the connection to the Columbia River.

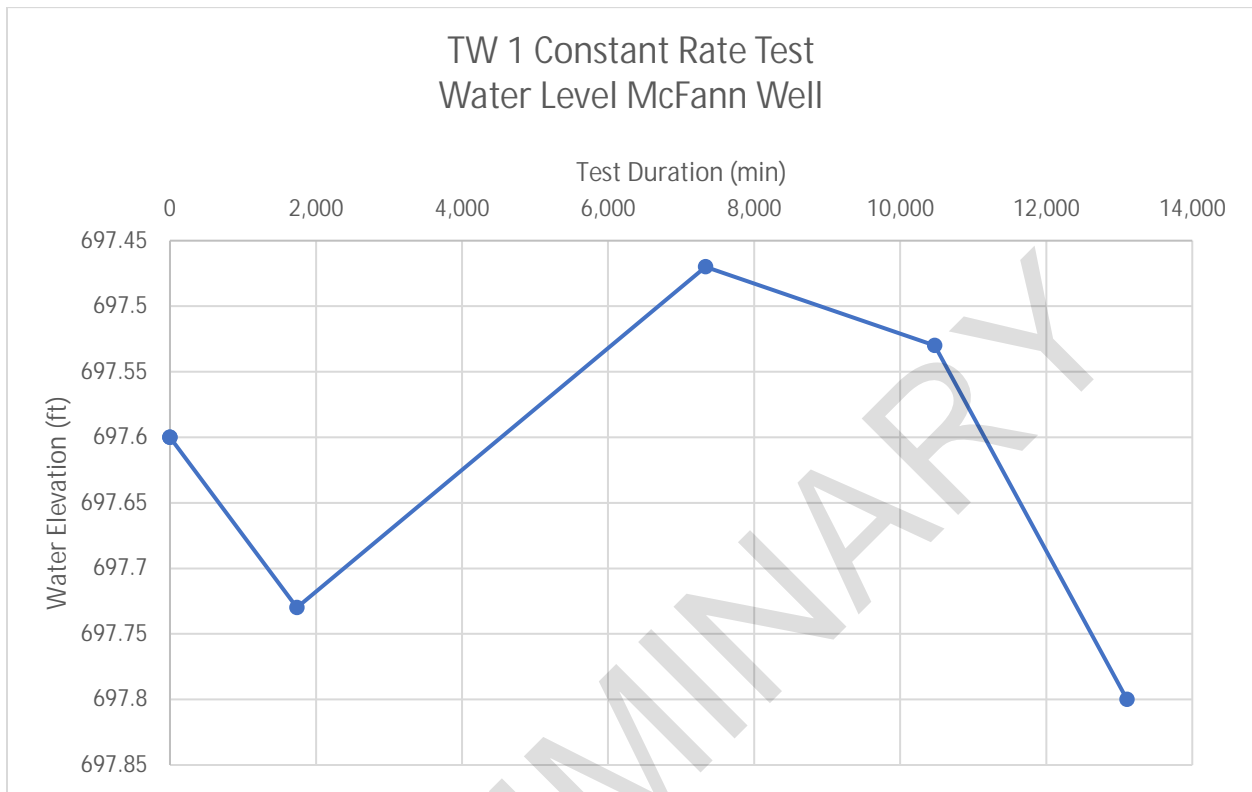
However, in both cases (two transmissivities), the drawdown within TW1 should have been 0.29 to 1.08 feet with 100-percent efficient screen, not the 3.5 feet observed. The additional 2.5 feet likely are due to friction losses at the screen.

McFann Well

The nearest non-MWD well, owned by the McFanns, was periodically monitored during the pump test. It is a 6-inch exempt well drilled in 1983 to supply water to the McFann household and a minor amount of outdoor irrigation. It was completed to 67 feet below the existing ground surface, which is similar to the ground surface at TW1, within sands and gravels. This well also was monitored during the short-term step test. Results from the step test showed that the water level in the McFann Well is independent of pumping TW1, which is supported by the geological evidence found during drilling of TW1 (Chart 6). The McFann Well is completed to a depth of 66 feet with a static water level of approximately 698 feet. The lithology of TW1 described in the *Technical Memorandum: Test Well No. 1 Completion Summary* (RH2, 2023), shows an approximately 17-foot-thick clay layer (between 637 feet and 654 feet) between the apparent base of the aquifer tapped by the McFann Well and the aquifer TW1 withdraws from (502 feet to 601 feet).

¹ The storage coefficient in an unconfined aquifer is the portion of the volume of an aquifer that can be drained due to a decrease in hydraulic head and roughly approximates the porosity of the aquifer.

Chart 6
McFann Well Water Levels



Results from the constant rate test support the findings from the step test that the McFann Well is located within a different (higher) aquifer.

Water Quality Results

Water samples were collected at the end of both the short-term step test as well as the long-term constant rate test and ran for the suite of analytes required for a new municipal water source. The results were below detection limits, except for those presented in Table 1. The 11/21/2023 results are not yet available. Complete water quality results are provided in Appendix A.

Table 1
 Water Quality Results

Analyte	5/22/2023 Result	11/21/2023 Result	Maximum Contaminant Level
Radium 228	0.829 pCi/L		5 pCi/L
Iron	0.257 mg/L		0.3 mg/L
Barium	0.0654 mg/L		2 mg/L
Fluoride	0.145 mg/L		4 mg/L
Nitrate-N	2.71 mg/L		10 mg/L
Total Nitrite/Nitrate	2.61 mg/L		10 mg/L
Manganese	0.00141 mg/L		0.05 mg/L
Chloride	21.9 mg/L		250 mg/L
Sulfate	52.6 mg/L		250 mg/L
Zinc	0.00953 mg/L		5 mg/L
Copper	0.00116 mg/L		1.3 mg/L
Total Dissolved Solids	480 mg/L		500 mg/L
Hardness	274 mg CaCO ₃ /L		--
Conductivity	748 µmhos/cm		700 µmhos/cm

pCi/L = picocuries per liter
 mg/L = milligrams per liter
 CaCO₃/L = calcium carbonate per liter

Preliminary Pump Sizing

Specific pump sizing will be performed during the production well design. Assuming a 10-inch (nominal) impellor bowl, a speed of 1,780 rotations per minute, and a review of pump curves from multiple pump brands, the maximum capacity may be up to 1,500 gpm at approximately 470 feet of lift, requiring up to a 250 hp motor. Higher speed pumps can produce more flow but at dramatically lower mechanical life expectancy.

Conclusions

Based on the data collected and analysis performed, TW1 appears to be completed within a productive, unconfined aquifer that is hydraulically connected to the Columbia River.

The specific capacity of the well, which represents the approximate amount of water that can be withdrawn from the well with each additional foot of drawdown, is 440 gpm/foot.

No evidence of the aquifer being bounded was observed during this testing.

The pump intake should be placed near the top of the screen at a depth of approximately 185 feet below the top of the casing to maximize available drawdown.

The maximum design rate of the screen, assuming the industry standard entrance velocity of 0.1 foot per second, is 3,200 gpm. Pumping above this rate is not advised. Frictional losses may increase the realized drawdown within the well enough to prevent this theoretical withdrawal rate.

The lack of significant drawdown within the monitoring well located 100 feet away indicates there should be no impairment to other water users tapping this same aquifer. For water users within the upper aquifer, the water level data from the McFann Well collected during the TW1 pumping test shows that pumping TW1 had no effects on the upper aquifer.

Attachments

1. Appendix A – Flow Meter Accuracy Evaluation
2. Appendix B – Water Quality Reports
3. Appendix C – Well Logs

PRELIMINARY

References

- Driscoll, F.G. (1986). *Groundwater and Wells*. Johnson Division.
- Gresens, R. L. (1983). *Geology of the Wenatchee and Monitor Quadrangles, Chelan and Douglas Counties, Washington*. Washington State Department of Natural Resources (DNR), Division of Geology and Earth Resources. Bulletin 75.
- RH2 Engineering, Inc. (2023). *Technical memorandum: Test Well No. 1 Completion Summary*.
- Tabor, et al. (1982). *Geologic map of the Wenatchee 1:100,000 Quadrangle, Central Washington*. Prepared for the United States Geological Survey (USGS) Miscellaneous Investigations Series MAP I-1311.

PRELIMINARY

PRELIMINARY

Appendices

PRELIMINARY

Appendix A

Flow Meter Accuracy Evaluation

Malaga Long Term Well Test 1

Flow Meter Accuracy Evaluation

Ryan Peterson, PE

Two identical SoundWater Cypress Ultrasonic flow meters were used during the long-term test. The flow meters were mounted on opposing sides of the 10-inch steel discharge pipe, approximately 2 feet from each other, and approximately 10 to 15 feet downstream of the pump head. The flow meter manufacturer recommends straight pipe at least 15 pipe diameters upstream and 5 pipe diameters downstream. A butterfly valve is approximate 4 to 6 feet downstream of the meters. These lengths are estimated from photos, see Figure 1. The flow meters appear to have been installed as recommended.

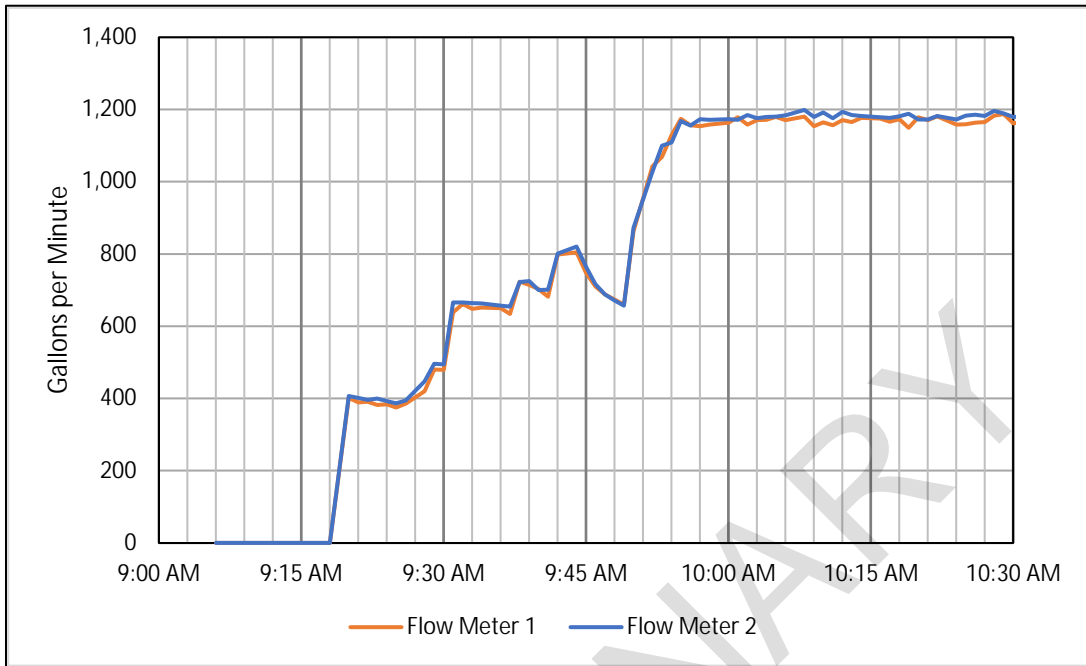
Figure 1



On November 9th, RH2 Engineering read the flow meter screen during the test to check settings. The 4.65 feet per second velocity and 1,196 gpm flow shown on the screen correlate to a pipe inside diameter of 10.25-inches, which is the dimension of 10-inch schedule 20 steel pipe.

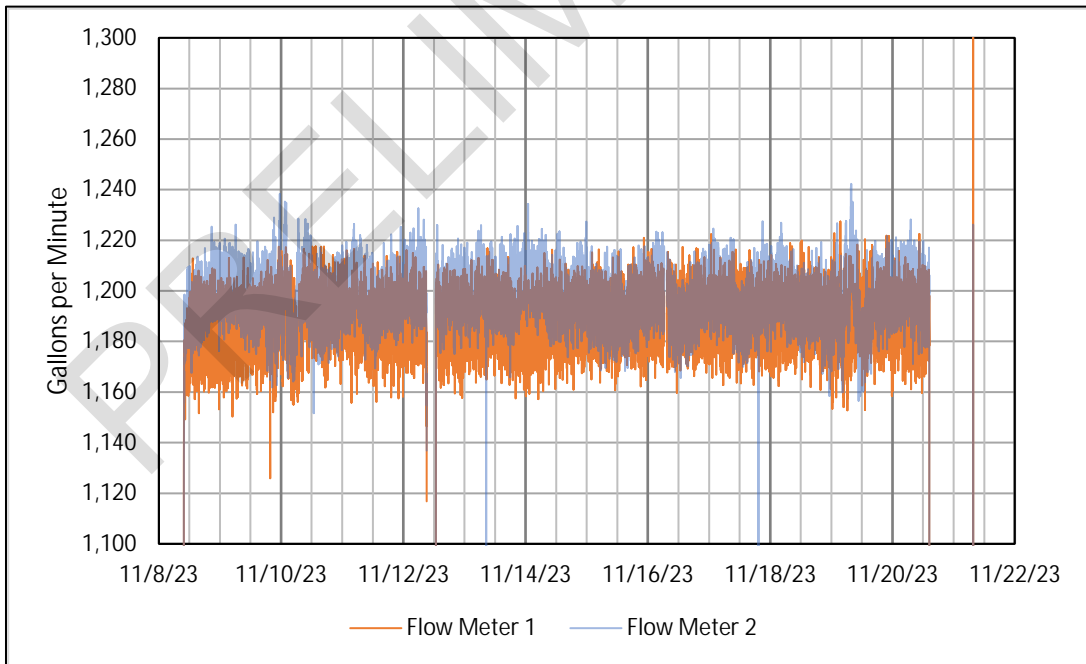
With the pump running at full speed, the flow meter readings averaged within 1.5-percent of each other over 12 days. Readings for the initial flow ramp-up are shown on Figure 2.

Figure 2



Readings for the test duration are shown on Figure 3.

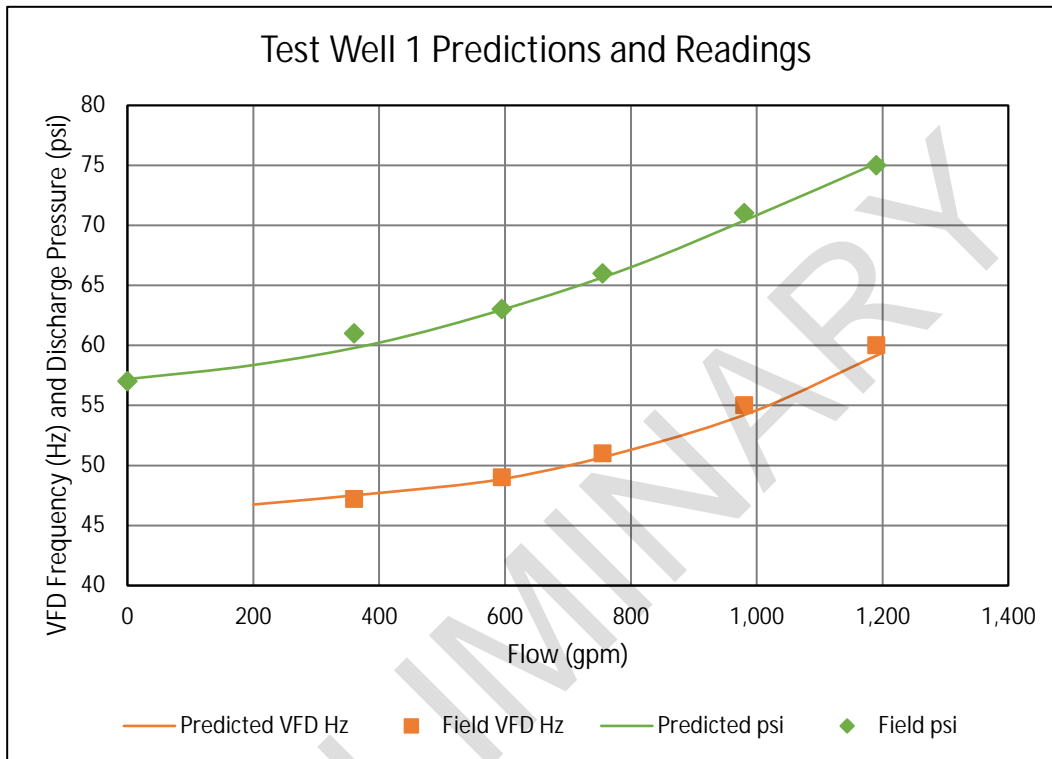
Figure 3



To evaluate if the flow meters are reading correctly, on November 21st RH2 performed tests to compare predictions to field readings. The variable frequency drive (VFD) frequency output and pipe discharge pressure were predicted by calculating at varying flow rates. The VFD in the field was then set at five different points with the resulting flow and pressure measured. Pressure was measured just downstream

of the flow meters and prior to the butterfly valve using a pressure gauge provided by RH2. Figure 3 shows the comparison of the predictions to the field measurements. The results are within the accuracy expected of the equipment. Based on these results, RH2 considers the flow meters to have reasonable accuracy.

Figure 4



PRELIMINARY

Appendix B

Water Quality Reports

PRELIMINARY

Appendix C

Well Logs

WATER WELL REPORT



Type of Work:

Construction
Decommission Original installation NOI No.

Proposed Use: Domestic Industrial Municipal
Dewatering Irrigation Test Well Other

Construction Type: New well Alteration
Method: Driven Jetted Cable Tool
Deepening Other Dug Air- Mud-Rotary

Dimensions: Diameter of boring 12 in., to 242 ft.
Depth of completed well 242 ft.

Table with columns: Casing, Liner, Diameter, From, To, Wall Thickness, Steel, PVC, Welded, Thread

Perforations: Yes No
Type of perforator used
No. of perforations
Size of perforations in. by in.
Perforated from ft. to ft. below ground surface

Screens: Yes No
K-Packer Depth 184 ft.
Manufacturer's Name ALLOY SCREEN
Type 304SS Model No. 10PSAMW
Diameter 10 in. Slot size 60 in. from 190.6 ft. to 215 ft.
Diameter 10 in. Slot size 100 in. from 215.7 ft. to 239 ft.

Sand/Filter pack: Yes No
Size of pack material in.
Materials placed from ft. to ft.

Surface Seal: Yes No To what depth? 18 ft.
Material used in seal BENTONITE
Did any strata contain unusable water? Yes No
Type of water? Depth of strata
Method of sealing strata off

Pump: Manufacturer's Name Type:
H.P. Pump intake depth: ft. Designed flow rate: gpm

Water Levels: Land-surface elevation above mean sea level 737 ft.
Stick-up of top of well casing +3 ft. above ground surface
Static water level 127.8 ft. below top of well casing Date 5-31-2023
Artesian pressure lbs. per square inch Date
Artesian water is controlled by (cap, valve, etc.)

Well Tests:
Was a pumping test performed? No Yes by whom? EMPIRE
Yield 1200 gpm with 3.44 ft. drawdown after 4 hrs.
Yield gpm with ft. drawdown after hrs.
Yield gpm with ft. drawdown after hrs.
Recovery data (time = zero when pump is turned off - water level measured from well top to water level)
Time Water Level Time Water Level Time Water Level
Date of pumping test 5-22-23
Bailer test gpm with ft. drawdown after hrs.
Air test 500+ gpm with stem set at 240 ft. for 1 hrs. Date 12-30-2022
Artesian flow gpm
Temperature of water NA °F Was a chemical analysis made? Yes No

Notice of Intent No. WE51249

Unique Ecology Well ID Tag No. BPT-103

Site Well Name (if more than one well): MWD WELL 6

Water Right Permit/Certificate No. G4-25734P

Property Owner Name MALAGA WATER DISTRICT

Well Street Address ALKALI WY

City MALAGA County CHELAN

Tax Parcel No. 222128420050

Was a variance approved for this well? Yes No

If yes, what was the variance for?

Location (see instructions on page 2): WWM or EWM

NW 1/4 of the NW 1/4; Section 28 Township 22N Range 21E

Latitude (Example: 47.12345) 47.3693

Longitude (Example: -120.12345) -120.2072

Driller's Log/Construction or Decommission Procedure

Formation: Describe by color, character, size of material and structure, and the kind and nature of the material in each layer penetrated, with at least one entry for each change of information. Use additional sheets if necessary.

Table with columns: Material, From, To. Rows include COBBLE - SAND, SAND - CLAY, SAND - GRAVEL H20, CLAY, CLAY - SILT, SAND - GRAVEL H20, SAND - CLAY, BROWN CLAY, HARD SANDSTONE, COBBLES - SAND, GRAVEL - SAND H20, GRAVEL - SAND - SILT H20, GRAVEL - H20, WEATHERED BLACK/BROWN BASALT H20, HARD BLACK BASALT, BROKEN BASALT H20.

WELL CONSTRUCTION CERTIFICATION: I constructed and/or accept responsibility for construction of this well, and its compliance with all Washington well construction standards. Materials used and the information reported above are true to my best knowledge and belief.

Driller Trainee PE - Print Name DANIEL WATERMAN
Signature Daniel Waterman
License No. 3169
IF TRAINEE: Sponsor's License No.
Sponsor's Signature

Drilling Company EMPIRE WELL DRILLING LLC
Address PO BOX 3854
City, State, Zip WENATCHEE, WA 98807
Contractor's
Registration No. EMPIRWD876MN Date 5-31-2023

Resource Protection Well Report

Submit one well report per well installed. See page two for instructions.

Type of Work:

- Construction
 Decommission \Rightarrow Original NOI No. RE24545

Ecology Well ID Tag No. BPT-102

Site Well Name MALAGA VICINTY PROJECT

Consulting Firm EMPIRE WELL DRILLING LLC

Was a variance approved for this well/boring? Yes No

If yes, what was the variance for? _____

WELL CONSTRUCTION CERTIFICATION: I constructed and/or accept responsibility for construction of this well, and its compliance with all Washington well construction standards. Materials used and the information reported are true to my best knowledge and belief.

- Driller Trainee Engineer

Name (Print Last, First Name) LODDER, PAUL

Driller/Engineer/Trainee Signature Paul Lodder

License No. 2792

Company Name EMPIRE WELL DRILLING LLC

If trainee box is checked, sponsor's license number: _____

Sponsor's signature _____

Notice of Intent No. RE24545

Type of Well:

- Resource Protection Well Injection Point
 Remediation Well Grounding Well
 Geotechnical Soil Boring Ground Source Heat Pump
 Environmental Boring Other _____
 Soil- Vapor- Water-sampling

Property Owner CDRPA

Well Street Address ALKALI WY

City MALAGA County CHELAN

Tax Parcel No. 2221284220050

Location (see instructions): WWM or EWM

NW 1/4-1/4 NW 1/4, Section 28 Town 22N Range 21E

Latitude (Example: 47.12345) 47.369609

Longitude (Example: -120.12345) -120.207089

(WGS 84 Coordinate System)

Borehole diameter 6 inches Casing diameter 2 inches

Static water level 127 ft below top of casing Date 5-25-2023

Above-ground completion with bollards Flush monument

Stick-up of top of well casing _____ ft above ground surface

Start Date 5-24-23 Completed Date 5-25-23

Construction Design	Well Data	Driller's Log
	<p> DRILL 6" TO 242 FT INSTALL 6" STEEL CASING 242FT INSTALL 10" - 2" SCREEN PVC WITH BOTTOM CAP AT 240 TO 230 FT INSTALL 2" PVC FROM 230 TO 0 FT INSTALL GRAVEL PACK FROM 240 FT TO 200 FT INSTALL BENTONITE SEAL FROM 200 FT TO SURFACE LOCKING PLUG INSTALLED LOCKING WELL CAP INSTALLED WELL TAG INSTALLED </p>	<p> Driller's Log COBBLE - SAND 0 TO 28 SAND - CLAY 28 TO 35 SAND - GRAVEL H20 35 TO 39 CLAY 39 TO 58 CLAY SILT 58 TO 66 SAND - GRAVEL H20 66 TO 85 SAND - CLAY 85 TO 98 BROWN CLAY 98 TO 102 HARD SANDSTONE 102 TO 143 COBBLES - SAND 143 TO 156 GRAVEL - SAND H20 156 TO 174 GRAVEL - SAND - SILT H20 174 TO 187 GRAVEL H20 187 TO 209 WEATHERED BASALT H20 209 TO 219 HARD BLACK BASALT 219 TO 223 BROKEN BASALT H20 223 TO 242 </p>

MEMORANDUM OF AGREEMENT

BETWEEN THE FEDERAL AVIATION ADMINISTRATION

AND THE WASHINGTON STATE DEPARTMENT OF ARCHAEOLOGY AND HISTORIC PRESERVATION

REGARDING THE PROPOSED GENERAL AVIATION TERMINAL BUILDING REHABILITATION AT PANGBORN MEMORIAL AIRPORT IN DOUGLAS COUNTY, WASHINGTON

WHEREAS, the Federal Aviation Administration (FAA) is considering funding for rehabilitation of the General Aviation (GA) terminal (the undertaking) at the Pangborn Memorial Airport (EAT) in Douglas County, Washington, pursuant to 49 USC § 47107(a)(16), FAA Order 5100.38D, Airport Improvement Program Handbook ; and

WHEREAS, the undertaking consists of rehabilitation of the GA terminal (preliminary building image included in Appendix A); and

WHEREAS, the FAA has determined that this undertaking is subject to the National Environmental Policy Act (NEPA) as well as the National Historic Preservation Act (NHPA) and its implementing regulations under Section 106, 36 CFR Part 800 (as amended); and

WHEREAS, the FAA is the lead agency complying with NEPA; Section 106 of the NHPA as amended, and the regulations implementing Section 106 of the NHPA (36 CFR Part 800); and Government-to-Government consultation under Executive Order 13175; and

WHEREAS, the Chelan Douglas Regional Port Authority is the entity proposing rehabilitation of the terminal building at Pangborn Memorial Airport; and

WHEREAS, the FAA has defined the undertaking's area of potential effect (APE), as defined at 36 CFR part 800.16(d), as shown on the layout provided in Appendix A; and

WHEREAS, the FAA has determined that the undertaking may have an adverse effect on the GA terminal (Property ID #721677), which is eligible for the National Register of Historic Places (NRHP) under Criteria C, and has consulted with the Washington State Department of Archaeology and Historic Preservation (DAHP) pursuant to 36 CFR Part 800, regulations implementing Section 106 of the National Historic Preservation Act (16 USC Section 470f); and

WHEREAS, the FAA has consulted with the Confederated Tribes and Bands of the Yakama Nation, Confederated Tribes of the Colville Reservation, and the Confederated Tribes of the Warm Springs Reservation of Oregon, in accordance with Section 106 of the NHPA and its implementing

regulations 36 CFR Part 800 regarding the effects of the undertaking on historic properties and Executive Order 13175 regarding government-to-government consultation; and

WHEREAS, the FAA received no responses from any of the Tribes aside from one offer for a potential offsite mitigation option; and

WHEREAS, the FAA has consulted with Chelan Douglas Regional Port Authority regarding the effects of the undertaking on the GA Terminal building and has invited them to sign this MOA as a concurring party; and

WHEREAS, in accordance with 36 CFR Section 800.6(a)(1), the FAA has notified the Advisory Council on Historic Preservation (Council) of its adverse effect determination with specified documentation regarding the GA Terminal (Property ID #721677) and the Council has chosen not to participate in the consultation pursuant to 36 CFR Section 800.6(a)(1)(iii);

NOW, THEREFORE, the FAA, the DAHP State Historic Preservation Officer (SHPO), and the Chelan Douglas Regional Port Authority agree that the undertaking shall be implemented in accordance with the following stipulations in order to take into account the effect of the undertaking on historic properties.

STIPULATIONS

The FAA shall ensure that the following measures are carried out:

I. ADAPTIVE RE-USE

The rehabilitation of the GA Terminal building will maintain the approximate shape/style of the vaulted barrel roof and adaptively re-use the majority of the Concrete Masonry Unit walls to retain historical architectural elements of the building.

II. EDUCATIONAL SIGNAGE

Permanent commemorative plaque(s) acknowledging the history of the building following project completion will be publicly displayed. A conceptual rendering of the interpretive display's location inside of the GA Terminal building can be found in Appendix A, along with proposed text to be displayed on the plaque. The DAHP will be given the opportunity to review and provide comment on the content and proposed design of the plaque(s) before they are finalized.

III. EMBODIED CARBON REPORT

FAA will produce an Embodied Carbon Report (Report) (Appendix B) calculating the carbon savings of adaptively re-using the GA Terminal Building versus demolition and construction of a new building. The DAHP will be given the opportunity to review and provide comment on the Report prior to its finalization.

IV. PRESS RELEASE

FAA will create and distribute a Press Release about the GA Terminal Building project, touting the environmental benefits of its adaptive re-use, which will be informed by the Report in Stipulation III. The DAHP will be given the opportunity to review and provide comment on the content of the Press Release prior to distribution to the media.

V. MONITORING AND REPORTING

The Chelan Douglas Regional Port Authority will notify the FAA when it completes the GA terminal rehabilitation including mitigation as described above. Upon confirmation that the rehabilitation and mitigation are complete, the FAA will notify the DAHP.

VI. UNANTICIPATED DISCOVERIES AND EFFECTS

- A. A Plan for Discovery of Unanticipated Cultural Resources can be found in Appendix C of this MOA. If proposed project activities encounter a previously unknown cultural resource, or if project activities directly or indirectly affect a known resource in an unanticipated manner, the terms of this Plan will be followed.
- B. Design and initiation of data recovery or other mitigation measures will be implemented as expeditiously as possible. If data recovery is deemed necessary, it will be based upon a Data Recovery Plan developed in consultation with the DAHP. In the event a dispute arises with regard to appropriate mitigation measures, the FAA will consult with the Council in accordance with Stipulation IX to resolve the issue.

VII. DISCOVERY OF HUMAN REMAINS

If construction or other project personnel identify what they believe to be human remains, they will immediately halt construction at that location and notify the East Wenatchee Police Department and the Douglas County Coroner in accordance with Washington Code Title 68, Chapter 68.50, Section 68.50.645. The Coroner has five (5) business days to determine if the remains represent a crime scene or if the remains must be removed in order to determine if they are a crime scene. No one else has the authority to make this determination or remove any evidence or remains. The Coroner should make every reasonable effort to accomplish the determination without disturbing the remains. Upon determination that the remains are not related to a crime, the Coroner must notify the Washington State Department of Archaeology and Historic Preservation (DAHP) within two (2) business days. DAHP will notify the appropriate local cemeteries, the landowner (if this has not already occurred), and the Tribes. The State Physical Anthropologist must then determine if the remains are Indian or non-Indian within two (2) business days from the Coroner's notification that the remains were not related to a crime. If the remains are determined to be Indian, DAHP must notify the Tribes within two (2) business days. The affected Tribes have five (5) business days to respond to DAHP as to their interest in the remains. The FAA will consult with all signatories to the MOA to determine if and when construction activities in the location of the discovery may resume.

VIII. DURATION

This agreement will be null and void if its terms are not carried out within five (5) years from the date of its execution. Prior to such time, the FAA may consult with the other signatories to reconsider the terms of the agreement and amend in accordance with Stipulation X below.

IX. DISPUTE RESOLUTION

Should any signatory to this MOA object at any time to any actions proposed or the manner in which the terms of this MOA are implemented; the FAA shall consult with such party to resolve the objection. If the FAA determines that such objection cannot be resolved, the FAA will:

- A. Forward all documentation relevant to the dispute, including the FAA's proposed resolution, to the ACHP. The ACHP shall provide the FAA with its advice on the resolution of the objection within thirty (30) days of receiving adequate documentation. Prior to reaching a final decision on the dispute, the FAA shall prepare a written response that takes into account any timely advice or comments regarding the dispute from the ACHP and signatories, and provide them with a copy of this written response. The FAA will then proceed according to its final decision.
- B. If the ACHP does not provide its advice regarding the dispute within the thirty (30) day time period, the FAA may make a final decision on the dispute and proceed accordingly. Prior to reaching such a final decision, the FAA shall prepare a written response that takes into account any timely comments regarding the dispute from the signatories to the MOA, and provide them and the ACHP with a copy of such written response.
- C. The FAA's responsibility to carry out all other actions subject to the terms of this MOA that are not the subject of the dispute remain unchanged.

X. AMENDMENTS

This MOA may be amended when such an amendment is agreed to in writing by all signatories. The amendment will be effective on the date a copy signed by all of the signatories is filed with the ACHP.

XI. TERMINATION

- A. If any signatory to this MOA determines that its terms will not or cannot be carried out, that party shall immediately consult with the other signatories to attempt to develop an amendment per Stipulation X, above. If within thirty (30) days (or another time period agreed to by all signatories) an amendment cannot be reached, any signatory may terminate the MOA upon written notification to the other signatories.
- B. Once the MOA is terminated, and prior to work continuing on the undertaking, the FAA must either (a) execute an MOA pursuant to 36 CFR § 800.6 or (b) execute a PA pursuant to 36 CFR § 800.14 or (c) request, take into account, and respond to the comments of the ACHP under 36 CFR 800.7. The FAA shall notify the signatories as to the course of action it will pursue.
- C. Execution of this MOA and implementation of its terms evidence that the FAA has taken into account the effects of this undertaking on historic properties and afforded the ACHP an opportunity to comment.

SIGNATORIES:

UNITED STATES OF AMERICA
FEDERAL AVIATION ADMINISTRATION



Digitally signed by WARREN DEWAYNE FERRELL
Date: 2023.11.28 11:14:29 -08'00'

Date: 11/28/2023

Warren D. Ferrell
Seattle Airports District Office Manager

WASHINGTON STATE HISTORIC PRESERVATION OFFICER

_____ Date _____

Dr. Allyson Brooks, Ph.D.
State Historic Preservation Officer

CHELAN DOUGLAS REGIONAL PORT AUTHORITY

_____ Date _____

Trent Moyers
Director of Airports

LIST OF APPENDICES:

Appendix A: Project Background and Description

Appendix B: Embodied Carbon Report

Appendix C: Plan for Discovery of Unanticipated Cultural Resources

APPENDIX A

TO THE MEMORANDUM OF AGREEMENT REGARDING THE PROPOSED GENERAL AVIATION (GA) TERMINAL BUILDING REHABILITATION AT PANGBORN MEMORIAL AIRPORT (EAT) IN DOUGLAS COUNTY, WASHINGTON

Project Background and Description

The Airport is owned and operated by the Chelan-Douglas Regional Port Authority which is governed by an elected board of directors. The Airport is located southeast of Wenatchee, Washington. This unincorporated area of Douglas County is located in the north-central part of Washington State near the confluence of the Columbia and Wenatchee rivers and the eastern foothills of the Cascade Range. Airport property covers approximately 700 acres and is surrounded mainly by agricultural and rural residential land uses. The Airport is approximately one mile north of the Columbia River.

The project (Undertaking) involves the rehabilitation and adaptive re-use of the Airport's existing General Aviation (GA) Terminal building to address structural damage, design deficiencies, and potentially hazardous conditions in order to meet the needs of existing and future users. The GA Terminal building is located north of Taxiway A, near the eastern/central portion of the Airport property boundary, as shown in Figure 1. Figure 2 shows a photo of the current GA Terminal building, and an architectural rendering of the proposed rehabilitation of the GA Terminal building in the same general footprint. Construction is anticipated to begin in the spring/summer of 2024.

The Undertaking is needed to sufficiently serve the traveling public, aircraft pilots and staff, and Airport staff. Several deficiencies currently exist associated with the GA Terminal building that require immediate attention. Some of the known conditions include an overstressed roof, dilapidated building exterior, lack of ADA access, poor insulation, poor ventilation and heating, insufficient power, outdated lighting, plumbing and septic problems, and stormwater conveyance problems. Additionally, the building contains asbestos, which may be potentially hazardous.

Components of the Undertaking include, but are not limited to, a pilot's lounge, public lounge, restrooms, locker rooms, showers, quiet rooms, offices, conference room, vestibule, and exterior improvements. Figure 3 shows a conceptual rendering of a commemorative plaque that will be displayed within the GA Terminal building that will acknowledge the history of the building. All Airport improvements will comply with FAA design safety standards and recommendations for airport design, as well as County and State jurisdiction codes and regulations.

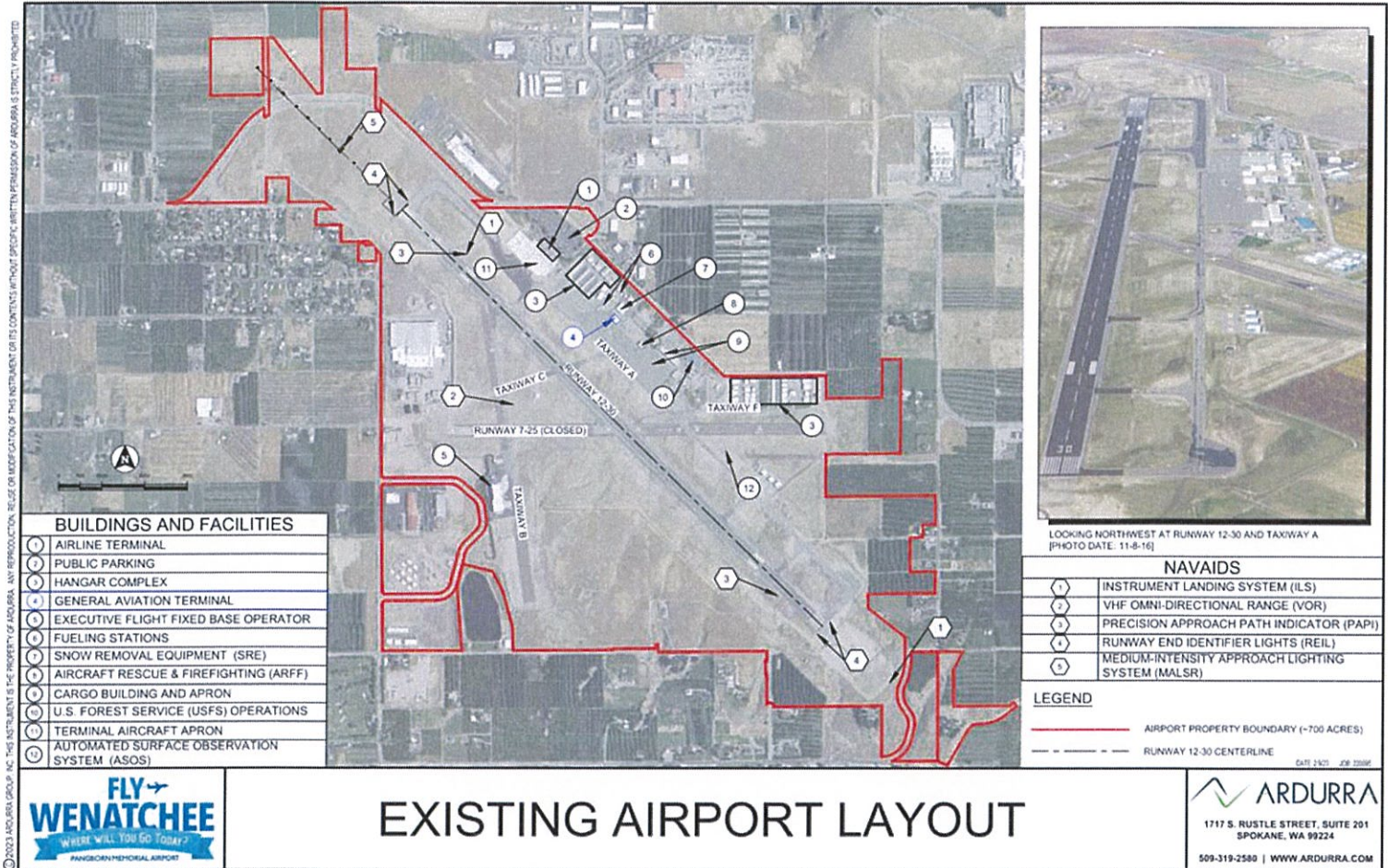


Figure 1: Existing Airport Layout.



Figure 2: Existing GA Terminal building (above) and an architectural rendering of the rehabilitated building (Proposed Action).



Figure 3: Conceptual rendering of the inside of the GA Terminal building with the commemorative plaque on display.

Proposed Plaque Text:

THIS PROPERTY WAS ELIGIBLE FOR LISTING ON THE
NATIONAL REGISTER OF HISTORIC PLACES
BY THE UNITED STATES
DEPARTMENT OF THE INTERIOR

THE PANGBORN MEMORIAL AIRPORT GENERAL AVIATION TERMINAL WAS CONSTRUCTED AS AN AIRCRAFT HANGAR IN 1956 AND REPRESENTED THE DISTINCTIVE CHARACTERISTICS AND METHODS OF CONSTRUCTION OF AIRCRAFT HANGARS OF THAT TIME, QUALIFYING IT UNDER CRITERION C TO BE ELIGIBLE FOR LISTING ON THE NATIONAL REGISTER OF HISTORIC PLACES. THE HANGAR POSSESSED A VAULTED BARREL ROOF, CONCRETE BLOCK WALLS, AND PLYWOOD SIDING AND BATTENS. IT WAS BROUGHT INTO SERVICE IN 1956, REMODELED IN 1966, AND UNDERWENT ADDITIONAL IMPROVEMENTS IN 1967 AND 1968. THE STRUCTURE SERVED AS A FIXED-BASE OPERATOR BUILDING CONDUCTING REPAIR SERVICES, FLIGHT TRAINING, AND AS A PILOT LOUNGE. SINCE THE EARLY 2000'S, OPERATIONS PROVIDED THESE SAME SERVICES PLUS CONCIERGE SERVICE, CAR RENTAL ARRANGEMENTS, AND AVGAS AND JET FUEL SUPPLY SERVICES.

IN 2024, THE AIRPORT UNDERTOOK REHABILITATION OF THE GENERAL AVIATION TERMINAL TO MEET THE NEEDS OF EXISTING AND FUTURE USERS THROUGH A SAFE, FUNCTIONAL, ACCESSIBLE, AND ENERGY-EFFICIENT FACILITY. THE REHABILITATION PROVIDED NEW SAFETY AND UTILITY SYSTEMS WHILE UTILIZING THE HISTORIC DESIGN OF THE VAULTED BARREL ROOF WHICH YOU SEE TODAY, ADAPTIVELY RE-USING MUCH OF THE ORIGINAL CONCRETE BLOCK WALLS, AND SHOWCASING THE AESTHETIC AND SETTING OF THE STRUCTURE AND AIRPORT. THE AIRPORT INTENDED THAT THESE ARCHITECTURAL DESIGN DECISIONS WOULD ALLOW THE MEMORY OF THE GENERAL AVIATION TERMINAL TO BE EXPERIENCED AND ENJOYED BY CURRENT AND FUTURE USERS.

APPENDIX B

TO THE MEMORANDUM OF AGREEMENT REGARDING THE PROPOSED GENERAL AVIATION (GA) TERMINAL BUILDING REHABILITATION AT PANGBORN MEMORIAL AIRPORT (EAT) IN DOUGLAS COUNTY, WASHINGTON

Embodied Carbon Report

Per Stipulation III of the MOA, an Embodied Carbon Report (attached) was generated using the Carbon Avoided Retrofit Estimator (CARE) tool. Using quantitative data for the existing building and proposed improvements, the tool compared the metric tons of carbon dioxide equivalent (CO₂e) impacts over 25 years related to the proposed rehabilitation of the GA Terminal Building versus replacing it with a new building. The total emissions associated with rehabilitation of the GA Terminal Building are estimated at 880 metric tons of the CO₂e, versus 910 metric tons of CO₂e from constructing a new building. This equals an estimated reduction of 30 metric tons of CO₂e over 25 years.

General Aviation Terminal Building Rehabilitation...

General Information

PROJECT LOCATION

Country	USA
State/Province	WA
Postal Code	98802

CLIMATE INFORMATION

Heating Degree Days	N/A
Cooling Degree Days	N/A

MODEL INFORMATION

Modeled Timeframe	25
-------------------	----

ELECTRICITY GRID EMISSIONS

Default

Existing Building

BUILDING CHARACTERISTICS

Total Floor Area	6400 ft ²
Floors Above Grade	1
Floors Below Grade	0
Type of Structure	Hybrid
Window-to-Wall Ratio	0.35

OPERATIONAL ENERGY AND EMISSIONS

Existing Building EUI	37.4 kBtu/ft ² -yr
Existing Building Emissions Intensity	4 kgCO _{2e} /ft ²

Existing Operational Emissions Intensity

4.0 kgCO_{2e}/ft²-yr

BUILDING USE

Primary Use	Transportation Terminal
Floor Area	6400 ft ²
Secondary Use	N/A
Floor Area	N/A

Building Reuse

BUILDING CHARACTERISTICS

Does the Reuse include an addition?	Yes
Total Floor Area Reused	6400 ft ²
Reused Floors Above Grade	1
Reused Floors Below Grade	0
Total Floor Area of Addition	485 ft ²
Addition Floors Above Grade	0
Addition Floors Below Grade	0

BUILDING USE

Will there be a change of use in the Existing Reused Building?	No
--	----

REUSED FLOOR AREA

Primary Use	Transportation Terminal
Floor Area	6400 ft ²
Secondary Use	N/A
Floor Area	N/A

ADDITION

Primary Use	Transportation Terminal
Floor Area	485 ft ²
Secondary Use	N/A
Floor Area	N/A

OPERATIONAL ENERGY AND EMISSIONS

Establish Baseline

Reuse Baseline EUI	37.4 kBtu/ft ² -yr
Reuse Baseline Emissions Intensity	4 kgCO ₂ e/ft ²

Set Target - Reuse

Reuse: Target reduction in energy use	0%
Reuse EUI Target	37.4 kBtu/ft ² -yr
Installing all electric systems and equipment?	No

Set Target - Addition

Does addition have a distinct EUI target?	No
Addition: Target reduction in energy use	N/A
Addition EUI Target	37.4 kBtu/ft ² -yr
Installing all electric systems and equipment?	No

Set Target - Renewables

Percentage of electricity produced by on-/off-site renewables	N/A
---	-----

Reuse Operational Emissions Intensity

4.0 kgCO₂e/ft²-yr

EMBODIED EMISSIONS

	EMBODIED EMISSIONS INTENSITY
Structural System Reuse	14.5 kgCO ₂ e/ft ²
Extent of Structural Reinforcement or Replacement	80%
Lateral Upgrade	No
Envelope Reuse	4.7 kgCO ₂ e/ft ²
Exterior Walls	Replace Half
Windows/Glazing	Minor
Roofing	Major
Insulate Walls	Yes
Interior Reuse	3.5 kgCO ₂ e/ft ²
Extent of Restore/Refurbish Finishes	50%
Extent of New Finishes	50%
Extent of Rebuilding/Reconfiguration	50%
Mechanical, Electrical, Plumbing Systems Reuse	4.1 kgCO ₂ e/ft ²
Major	
Addition	
Hybrid	
Modifiers	
No modifiers	
Reuse Embodied Emissions Intensity	27.0 kgCO ₂ e/ft ² -yr

New Building

BUILDING CHARACTERISTICS

Total Floor Area	6885 ft ²
Floors Above Grade	1
Floors Below Grade	0

BUILDING USE

Primary Use	Transportation Terminal
Floor Area	6885 ft ²
Secondary Use	N/A
Floor Area	N/A

OPERATIONAL ENERGY AND EMISSIONS

Establish Baseline

New Building EUI Baseline	37.4 kBtu/ft ² -yr
New Building Baseline Emissions Intensity	4 kgCO ₂ e/ft ²

Set Target

Target reduction in energy use	N/A
New Building EUI Target	37.4 kBtu/ft ² -yr
Installing all electric systems and equipment?	No
Percentage of electricity produced by on-/off-site renewables	0%

New Building Operational Emissions Intensity

4.0 kgCO₂e/ft²-yr

EMBODIED EMISSIONS

Hybrid

Modifiers

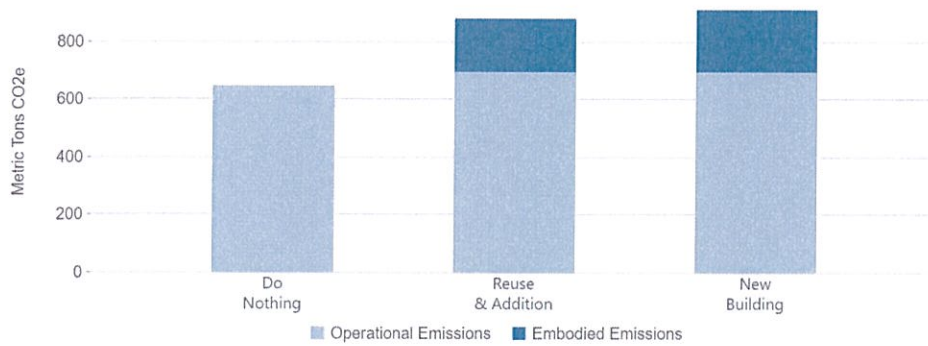
High Performance Mechanical, Electrical, Plumbing System

New Building Embodied Emissions Intensity

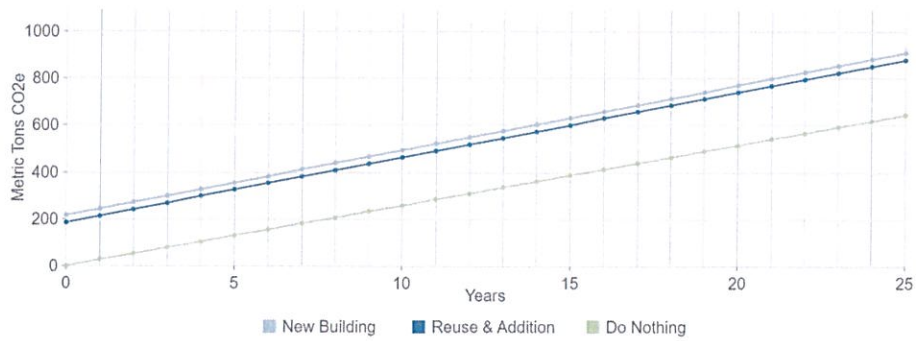
31.4 kgCO₂e/ft²-yr

Results

Total Added Embodied & Operational Emissions over 25 Years



Cumulative Emissions Over Time



	DO NOTHING	REUSE & ADDITION	NEW BUILDING
Embodied Emissions (Metric Tons CO2e, cradle to gate)	N/A	186	216
Operational Emissions (Metric Tons CO2e / 25 years)	645	694	694
Total Emissions (Metric Tons CO2e / 25 years)	645	880	910
Total Emissions Intensity (kgCO ₂ e/ft ² / 25 years)	101	128	132

APPENDIX C

TO THE MEMORANDUM OF AGREEMENT REGARDING THE PROPOSED GENERAL AVIATION (GA) TERMINAL BUILDING REHABILITATION AT PANGBORN MEMORIAL AIRPORT (EAT) IN DOUGLAS COUNTY, WASHINGTON

Plan for Discovery of Unanticipated Cultural Resources

Cultural resources can be found during any ground-disturbing activity. If a monitor is onsite, he/she may determine if the discovery should trigger the procedures described in this document. If no monitor is onsite, all excavation and work in the area must stop, and the procedures as described below must be followed. If in doubt, follow the procedures outlined in this document. Unanticipated discoveries can vary and include evidence or remnants of historic-era and precontact activities by humans. Cultural resources can include, but are not limited to:

- Stone flakes, arrowheads, stone tools, bone or wooden tools, baskets, beads;
- Historic building materials such as nails, glass, metal such as cans, barrel rings, farm implements, ceramics, bottles, marbles, beads;
- Layers of discolored earth resulting from hearth fire;
- Structural remains such as foundations;
- Shell Middens; and
- Human skeletal remains and/or bone fragments which may be whole or fragmented.

In the event that previously unknown cultural resources are discovered within the Area of Potential Effects from construction activities of the undertaking, or should those activities directly or indirectly impact known historic properties in an unanticipated manner, the following actions, at a minimum, will be initiated by the FAA, or a representative duly authorized to perform these tasks:

1. All activities will halt in the immediate vicinity of the discovery and all actions that might adversely affect the property will be redirected to an area at least 200 feet from the point of discovery.
2. The FAA and the Chelan Douglas Regional Port Authority will be notified immediately (within 24 hours), and the FAA will notify the Washington Department of Archaeology and Historic Preservation (DAHP) and any Indian tribe that might attach religious and cultural significance to the affected property.
 - a. If not already onsite, a professional archaeologist who meets the Secretary of the Interior's qualifications (36 CFR Part 61) will be called in within 48 hours to assess the discovery.

3. Upon arriving at the site of the discovery, the professional archaeologist shall assess the resource. The assessment shall include:
 - a. The nature of the resource (e.g., number and kinds of artifacts, presence/absence of features). This may require screening of already disturbed deposits, photographs of the discovery, Global Positioning System (GPS) data, and other necessary documentation. The archeologist will have basic archaeological excavation tools on hand.
 - b. The spatial extent of the resource. This may require additional subsurface examination, mapping or inspection, as is appropriate to the resource.
 - c. The nature of deposition/exposure. This may require interviews with construction personnel and with other persons having knowledge about the resource or the expansion of existing disturbance to establish the characteristics of the deposits.
4. The professional archaeologist will complete a brief summary of the assessment and submit the report to the FAA, Chelan Douglas Regional Port Authority, and the DAHP within 10 days of fieldwork for further instruction. The FAA will also notify any Indian Tribe that might attach religious and cultural significance to the affected property.
5. The FAA will consult with the Chelan Douglas Regional Port Authority, the DAHP, and any Indian tribe that might attach religious and cultural significance to the affected property to determine if and when construction activities in the location of the discovery may resume.
6. After consultation, the FAA will issue appropriate determinations of eligibility of any resources discovered and a determination of effect before construction in the location of the discovery may resume. Consistent with 36 CFR § 800.13(b)(3) (Post-review discoveries) Tribes and the DAHP will have 72 hours to respond to the determinations.
7. If unanticipated discoveries are made due to the undertaking, a technical report will be written at the end of the project by the on-site professional archaeologist and will be submitted within four months to the DAHP by the FAA. Reports dealing with sensitive information regarding sacred areas or other similar resources of historical or cultural importance to Native Americans will be reviewed only by those who have responsibility for National Register eligibility determinations or management concerns of such properties.
8. Report and documentation efforts shall conform with the Secretary of the Interior's Standards and Guidelines for Archaeology and Historic Preservation (48 FR. 44716-44740), as well as with all applicable standards, guidelines, and forms for historic preservation, including Historic American Buildings Survey/Historic American Engineering Record/Historic American Landscapes Survey (HABS/HAER/HALS) guidance, and guidance established by the DAHP.

9. Points of Contact:

FAA: Amanda Ogden, SEA ADO - (206) 231-4130

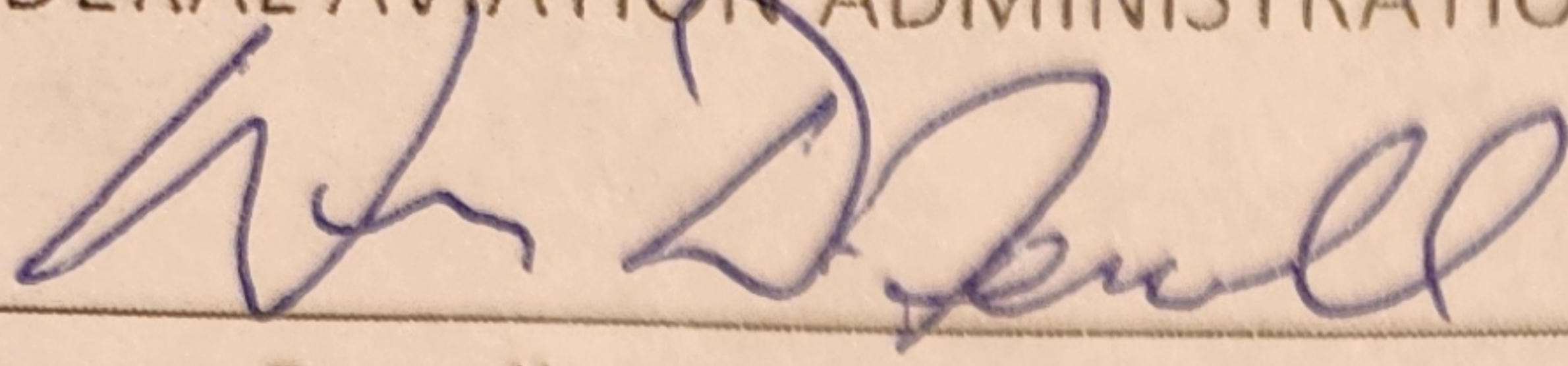
Chelan Douglas Regional Port Authority (CDRPA): Trent Moyers, Director of Airports - (509) 884-4700

CDRPA Consultant, Ardurra: Vince Barthels, Environmental Services Manager – (509) 951-9564

DAHP: Maureen Elenga, Architectural Historian – Transportation Project Reviewer – (360) 972-4539

SIGNATORIES:

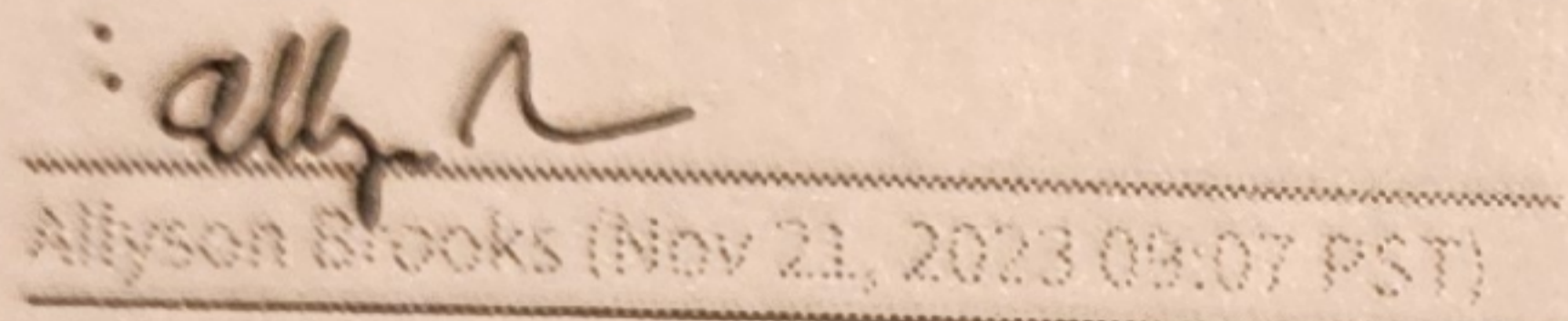
UNITED STATES OF AMERICA
FEDERAL AVIATION ADMINISTRATION



Date 11/30/23

Warren Ferrell
Seattle Airports District Office Manager

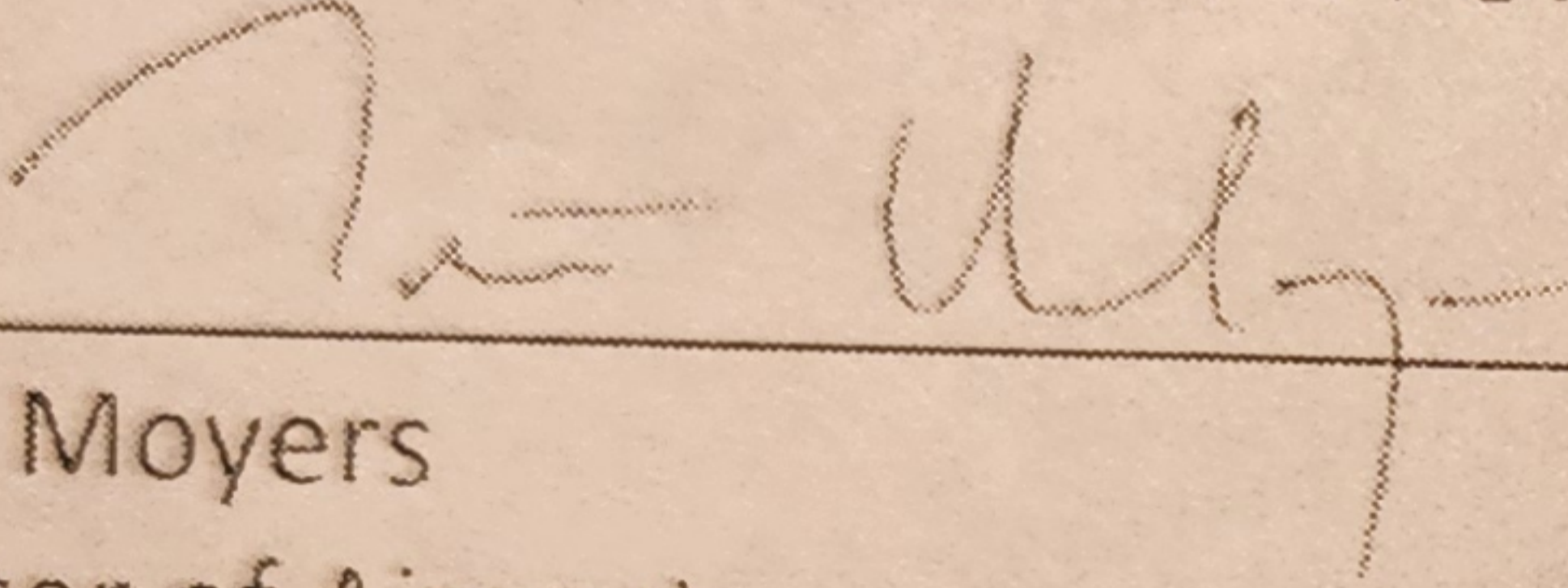
WASHINGTON STATE HISTORIC PRESERVATION OFFICER


Allyson Brooks (Nov 21, 2023 09:07 PST)

Date Nov 21, 2023

Dr. Allyson Brooks, Ph.D.
State Historic Preservation Officer

CHELAN DOUGLAS REGIONAL PORT AUTHORITY



Date Nov 16, 2023

Trent Moyers
Director of Airports

LIST OF APPENDICES:

Appendix A: Project Background and Description

Appendix B: Embodied Carbon Report

Appendix C: Plan for Discovery of Unanticipated Cultural Resources

Chelan airport to undergo an Environmental Assessment for proposed expansion

December 11, 2023

by Richard Uhlhorn



The current Chelan Airport is being considered for a major expansion project that will allow larger aircraft to land and to correct a number of safety issues. (File photo by Richard Uhlhorn)

The City of Chelan held two meetings (December 5 and 6) to update the progress J.U.B. Engineers has made on the proposed Chelan Airport expansion project slated to commence construction in 2027 upon approvals by the Federal Aviation Administration (FAA).

J.U.B is in the process of conducting an Environmental Assessment (EA). Currently the existing airport has a number of safety issues that need correction. A draft EA is expected to be completed by the summer of 2024 with a final delivered in the Fall. The Draft EA will be sent out to the general public with a 30-day comment period.

The FAA has already approved expanding the airport runway to 4,400 feet and when 116 acres of land is acquired an FAA grant totaling \$24 million dollars would be available. The State would add \$500,000 and both the Chelan and Port of Chelan County would added another \$500,000 split between them.



Mark Napier – J.U.B Engineer’s consultant for the Chelan Airport expansion project.

“We will hold an Open House to hopefully select an airport (expansion) design of 3,500 feet or 4,400 feet,” Mark Napier – J.U.B. Engineers, told a large audience of property owners and hanger owners surrounding the airport. “There is enough traffic to justify a 4,400 foot long runway,” he added.

The acquisition of property will take place after a determination of value has been accomplished by a certified appraiser. His/her work will be checked by another appraiser after which offers and negotiations with property owners will commence.

The expansion, when concluded, will allow larger aircraft like 10 person Cessna Citations to land at the Chelan Airport. This could lead to more business, recreational and medical flights using the airport.



A number of concerned property owners surrounding the airport showed up at 9 a.m. meeting in the Chelan Airport Lounge to see a presentation on the proposed airport expansion and to ask questions regarding the 116 acres that will be acquired.

One person remarked that adding 115 flights to Chelan for the \$24 million expansion “was not a whole lot of bang for our buck.”

The economic impacts are also in question at this early stage. At the Tuesday, December 5, City Workshop, Councilman Tim Hollingsworth asked if there was or will be a cost-benefit analysis conducted? Wade Farris – city administrator replied that the expansion would impact tourism and it was time to look into the future. Councilman John Olson added that if the Colville Confederated Tribes go forward with their plans to build a 400 to 500 unit Hotel/Casino in Manson, it would definitely increase air traffic.



Trent Moyers, director of airports from Pangborn Airport was also on hand at both meetings to answer questions.

Teresa Ferrell-Pascoe remarked that it was a lot of money. “It is not going to benefit everyone in the Valley,” she said. Another property owner added that people have concerns on how these decisions are made. “I would like to be informed. That’s not too much to ask.”

One of the orchardists stated that farmers don’t look at land, “We look 20 years down the road.” He then suggested that they rezone the property to commercial so they can recover some of their losses from the expansion.

Trent Moyers, director of airports from Pangborn stated that the FAA has its own environmental team to help the project move forward.

Hollingsworth asked the big question for the community. “How valuable is our airport to our community.”

It’s a question that will be answered down the road when the draft EA is finished this coming summer and J.U.B Engineers holds an Open House on the subject of expansion for the entire community to weigh in.

Chelan Douglas Regional Port Authority - Lease Report
Leases & Renewals - Reporting Period NOVEMBER 2023 | CDRPA Related
Meeting: DECEMBER 19, 2023

New Leases					
Tenant	Building or Land	SQFT or Acres	Starting	Term	Base Rent/Month
R Shack BBQ & Catering	Pangborn Restaurant	2,175 sq ft	11/1/2023	11/1/2023 - 10/31/2024	\$360.50

Lease Renewals					
Renewal Signed	Tenant	Building or Land	SQFT or Acres	Term	Base Rent/Month
11/6/2023	Mike & Sherri Nevers	Orchard/Shed Parcel # 22211530017	3 Acres	1/1/2024 - 12/31/2024	\$3,914.31 Annually

Tenants Moving Out					
Tenant	Building or Land	SQFT or Acres	Ending	Base Rent/Month	
None Reported for this Period					

Executive Director's Authority to Sign Leases

Lease terms of five years duration or less.

Lease payments of \$5,000 per month or less.

Chelan Douglas Regional Port Authority - Lease Report
Leases & Renewals - Reporting Period NOVEMBER 2023 | CTC Related
Meeting: DECEMBER 19, 2023

New Leases					
Tenant	Building or Land	SQFT or Acres	Starting	Term	Base Rent/Month
None Reported for this Period					

Lease Renewals					
Renewal Signed	Tenant	Building or Land	SQFT or Acres	Term	Base Rent/Month
None Reported for this Period					

Tenants Moving Out					
Tenant	Building or Land	SQFT or Acres	Ending	Base Rent/Month	
None Reported for this Period					

Executive Director's Authority to Sign Leases

Lease terms of five years duration or less.

Lease payments of \$5,000 per month or less.

Chelan Douglas Regional Port Authority - Lease Report
Leases & Renewals - Reporting Period NOVEMBER 2023 | AVIATION Related
Meeting: DECEMBER 19, 2023

New Leases					
Tenant	Building or Land	SQFT or Acres	Starting	Term	Base Rent/Month
None Reported for this Period					

Lease Renewals					
Renewal Signed	Tenant	Building or Land	SQFT or Acres	Term	Base Rent/Month
None Reported for this Period					

Tenants Moving Out					
Tenant	Building or Land	SQFT or Acres	Ending	Base Rent/Month	
None Reported for this Period					

Executive Director's Authority to Sign Leases

Lease terms of five years duration or less.

Lease payments of \$5,000 per month or less.

Chelan Douglas Regional Port Authority

Current Available Space for Lease

Meeting: December, 19 2023

Current Available Space for Lease		
Space Available	SQFT or Acres	Details
CTC South Suite #108	1070 sq ft \$25 per sq ft 2023 \$26 per sq ft 2024	Unfurnished & Windowless
CTC Suite #133	290 sq ft \$25 per sq ft 2023 \$26 per sq ft 2024	Unfurnished
CTC Suite #110	319 sq ft \$25 per sq ft 2023 \$26 per sq ft 2024	Furnished with TWO work-stations
CTC South Suite #103	138 sq ft \$25 per sq ft 2023 \$26 per sq ft 2024	Unfurnished
CTC Suite LL2	9,240 sq ft \$14 per sq ft 2023	Unfurnished / TI Needed
CTC Third Floor	20,155 sq ft \$28 per sq ft 2023	"Pending Lease" Unfurnished / TI Needed
Cashmere Mill District Building B	3,056 sq ft	Demising wall may be needed
Kelly Property Barn Chelan, WA	7,200 sq ft	Barn

Chelan Douglas Regional Port Authority

Space Available Soon for Lease

Meeting: December 19, 2023

Current Available Space for Lease		
Space Available	SQFT or Acres	Details
CTC – South Suite #107	126 sq ft \$25 per sq ft 2023 \$26 per sq ft 2024	Available Mid-November 2023 Unfurnished
CTC Suite LL1	9,430 sq ft \$14 per sq ft 2023	Available March 1, 2024 Unfurnished
CTC Suite #201	9,855 sq ft \$28 per sq ft 2023	<i>“Temporary CMI and CDRPA Office”</i>
IB-5	38,119 sq ft	Available March 1, 2024
CTC Suite #202	8,810 sq ft \$28 per sq ft 2023	<i>“Future CDRPA Admin Office”</i>

Note: : For CTC Spaces, if less than the full floor is leased a building load factor of 13% will be added to the square feet.

2023 CDRPA Calendar of Events

DECEMBER 2023

Date:	Time:	Event:	Location:	Attending:
19-Dec	12:00pm	WVCC Board Meeting	Wenatchee Valley Chamber of Commerce	Commissioners Spurgeon & Etherington
19-Dec	9:00am	CDRPA Special Meeting	CTC	Board of Directors; Staff
20-Dec	12:00pm	CDRPA Holiday Party	Executive Flight	Board of Directors; Staff
25-Dec	All Day	Christmas - Office Closed	All Offices	CDRPA Staff
26-Dec	9:00am	Cancelled: CDRPA Board Meeting	CTC	Board of Directors; Staff
26-Dec	All Day	Christmas - Office Closed	All Offices	CDRPA Staff

2024 CDRPA Calendar of Events

JANUARY 2024

Date:	Time:	Event:	Location:	Attending:
1-Jan	All Day	New Years Day - Office Closed	All Offices	CDRPA Staff
9-Jan	9:00am	CDRPA Board Meeting	CTC	Board of Directors; Staff
11-Jan	9:00am-11:00am	CDTC Board Meeting	CTC	Commissioner DeRock
15-Jan	All Day	MLK Day - Office Closed	All Offices	CDRPA Staff
16-Jan	12:00pm	WVCC Board Meeting	Wenatchee Valley Chamber of Commerce	Commissioners Spurgeon & Etherington
19-Jan	1:30pm-3:00pm	Chelan County Leadership Meeting	CTC	Jim Kuntz
23-Jan	9:00am	CDRPA Board Meeting	CTC	Board of Directors; Staff

FEBRUARY 2024

Date:	Time:	Event:	Location:	Attending:
1-Feb	TBD	WPPA 2024 Port Day Reception	TBD	
2-Feb	All Day	WPPA 2024 Port Day	TBD	
8-Feb	9:00am-11:00am	CDTC Board Meeting	CTC	Commissioner DeRock
13-Feb	9:00am	CDRPA Board Meeting	CTC	Board of Directors; Staff
19-Feb	All Day	President's Day - Office Closed	All Offices	CDRPA Staff
20-Feb	12:00pm	WVCC Board Meeting	Wenatchee Valley Chamber of Commerce	Commissioners Spurgeon & Etherington
24-25 Feb	All Day	Northwest Aviation Conference & Trade Show	Puyallup, WA	Trent Moyers
27-Feb	9:00am-3:00pm	ADO Best Practices Meeting	Olympia, WA	Sarah Deenik
27-Feb	9:00am	CDRPA Board Meeting	CTC	Board of Directors; Staff

MARCH 2024

Date:	Time:	Event:	Location:	Attending:
12-Mar	9:00am	CDRPA Board Meeting	CTC	Board of Directors; Staff
14-Mar	9:00am-11:00am	CDTC Board Meeting	CTC	Commissioner DeRock
14-Mar		WVCC 2024 Annual Banquet	Wenatchee Valley Convention Center	
19-Mar	12:00pm	WVCC Board Meeting	Wenatchee Valley Chamber of Commerce	Commissioners Spurgeon & Etherington
26-Mar	9:00am	CDRPA Board Meeting	CTC	Board of Directors; Staff

APRIL 2024

Date:	Time:	Event:	Location:	Attending:
9-Apr	9:00am	CDRPA Board Meeting	CTC	Board of Directors; Staff
16-Apr	12:00pm	WVCC Board Meeting	Wenatchee Valley Chamber of Commerce	Commissioners Spurgeon & Etherington
17-19 April	All Day	2024 Flywheel Investment Conference	Wenatchee Convention Center	
23-Apr	9:00am	CDRPA Board Meeting	CTC	Board of Directors; Staff

MAY 2024

Date:	Time:	Event:	Location:	Attending:
9-May	9:00am-11:00am	CDTC Board Meeting	CTC	Commissioner DeRock
14-May	9:00am	CDRPA Board Meeting	CTC	Board of Directors; Staff
15-17 May	All Day	WPPA 2024 Spring Meeting	Skamania Lodge - Stevenson, WA	
21-May	12:00pm	WVCC Board Meeting	Wenatchee Valley Chamber of Commerce	Commissioners Spurgeon & Etherington
27-May	9:00am	Memorial Day - Office Closed	All Offices	CDRPA Staff
28-May	9:00am	CDRPA Board Meeting	CTC	Board of Directors; Staff

JUNE 2024

Date:	Time:	Event:	Location:	Attending:
11-Jun	9:00am	CDRPA Board Meeting	CTC	Board of Directors; Staff
13-Jun	9:00am-11:00am	CDTC Board Meeting	CTC	Commissioner DeRock
18-Jun	12:00pm	WVCC Board Meeting	Wenatchee Valley Chamber of Commerce	Commissioners Spurgeon & Etherington
22-Jun	All Day	Community Dedication Celebration - Army National Guard	Executive Flight	Board of Directors; Staff
25-Jun	9:00am	CDRPA Board Meeting	CTC	Board of Directors; Staff
26-28 Jun	All Day	WPPA 2024 Finance & Administration Seminar	AC Hotel by Marriot - Vancouver, WA	Lough

JULY 2024

Date:	Time:	Event:	Location:	Attending:
4-Jul	All Day	Independence Day - Office Closed	All Offices	CDRPA Staff
9-Jul	9:00am	CDRPA Board Meeting	CTC	Board of Directors; Staff
11-Jul	9:00am-11:00am	CDTC Board Meeting	CTC	Commissioner DeRock
11-12 Jul	All Day	WPPA 2024 Directors Seminar	McMenamins Kalama Harbor Lodge	
16-Jul	12:00pm	WVCC Board Meeting	Wenatchee Valley Chamber of Commerce	Commissioners Spurgeon & Etherington
23-Jul	9:00am	CDRPA Board Meeting	CTC	Board of Directors; Staff

AUGUST 2024

Date:	Time:	Event:	Location:	Attending:
8-Aug	9:00am-11:00am	CDTC Board Meeting	CTC	Commissioner DeRock
13-Aug	9:00am	CDRPA Board Meeting	CTC	Board of Directors; Staff
20-Aug	12:00pm	WVCC Board Meeting	Wenatchee Valley Chamber of Commerce	Commissioners Spurgeon & Etherington
27-Aug	9:00am	CDRPA Board Meeting	CTC	Board of Directors; Staff

SEPTEMBER 2024

Date:	Time:	Event:	Location:	Attending:
2-Sep	All Day	Labor Day - Office Closed	All Offices	CDRPA Staff
10-Sep	9:00am	CDRPA Board Meeting	CTC	Board of Directors; Staff
12-Sep	9:00am-11:00am	CDTC Board Meeting	CTC	Commissioner DeRock
17-Sep	12:00pm	WVCC Board Meeting	Wenatchee Valley Chamber of Commerce	Commissioners Spurgeon & Etherington
19-20 Sep	All Day	WPPA 2024 Environmental Seminar	Marcus Whitman Hotel & Conference Center, Walla Walla	
24-Sep	9:00am	CDRPA Board Meeting	CTC	Board of Directors; Staff

OCTOBER 2024

Date:	Time:	Event:	Location:	Attending:
8-Oct	9:00am	CDRPA Board Meeting	CTC	Board of Directors; Staff
10-Oct	9:00am-11:00am	CDTC Board Meeting	CTC	Commissioner DeRock
15-Oct	12:00pm	WVCC Board Meeting	Wenatchee Valley Chamber of Commerce	Commissioners Spurgeon & Etherington
22-Oct	9:00am	CDRPA Board Meeting	CTC	Board of Directors; Staff
24-25	All Day	WPPA 2024 Small Ports Seminar	Campbell's Resort - Lake Chelan	
NOVEMBER 2024				
Date:	Time:	Event:	Location:	Attending:
12-Nov	9:00am	CDRPA Board Meeting	CTC	Board of Directors; Staff
14-Nov	9:00am-11:00am	CDTC Board Meeting	CTC	Commissioner DeRock
19-Nov	12:00pm	WVCC Board Meeting	Wenatchee Valley Chamber of Commerce	Commissioners Spurgeon & Etherington
26-Nov	9:00am	CDRPA Board Meeting	CTC	Board of Directors; Staff
28-Nov	All Day	Thanksgiving Holiday - Office Closed	All Offices	CDRPA Staff
29-Nov	All Day	Thanksgiving Holiday - Office Closed	All Offices	CDRPA Staff
DECEMBER 2024				
Date:	Time:	Event:	Location:	Attending:
10-Dec	9:00am	CDRPA Board Meeting	CTC	Board of Directors; Staff
11-13 Dec	All Day	WPPA 2024 Annual Meeting	Hyatt Regency - Bellevue	
12-Dec	9:00am-11:00am	CDTC Board Meeting	CTC	Commissioner DeRock
17-Dec	12:00pm	WVCC Board Meeting	Wenatchee Valley Chamber of Commerce	Commissioners Spurgeon & Etherington
24-Dec	All Day	Christmas - Office Closed	All Offices	CDRPA Staff
25-Dec	All Day	Christmas - Office Closed	All Offices	CDRPA Staff