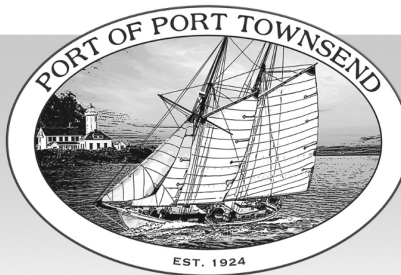


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**Commission Meeting
1st Monthly Meeting Agenda
December 13, 2023, 1:00 p.m.**

Point Hudson Pavilion Building, 355 Hudson Street, Port Townsend, & via Zoom
<https://zoom.us/> – or call (253) 215-8782 – and use Webinar ID: 862 6904 3651, Password:
911887

- I. Call to Order / Pledge of Allegiance
- II. Approval of Agenda
- III. Public Comments None
- IV. Consent Agenda
 - A. Approval of Business Meeting Minutes from November 21, 2023 3-5
 - B. Approval & Ratification of Warrants 6-17
 - C. State of Washington, Department of Fish & Wildlife Lease #SRL 23-0098 at Point Hudson 18-89
 - D. A Hangar Condominium Association at JCIA Land Lease Amendment No. 2 90-123
 - E. Aurora Aircraft Maintenance & Restoration Lease & Contract for Fuel Operations at JCIA Amendment No. 1 124-154
 - F. Northwest Maritime Center PH Land Lease Amendment No. 1 155-184
 - G. Resolution #808-23 Declaring Certain Items Surplus and Authorizing their Sale and/or Disposal 185-188
- V. First Reading
 - A. 2024 Organizational Topics 189-210
- VI. Second Reading
- VII. Regular Business
 - A. 2024 Legislative Priorities with Insight Strategic Partners None
 - B. Point Hudson Jetty Project Update None
 - C. Jefferson County International Airport (JCIA) A3 Taxiway Connector Project Update None
- VIII. Staff Comments
- IX. Commissioner Comments
- X. Next Public Workshop and Regular Business Meeting:
Wednesday, January 10, 2024 at Pavilion Building and via Zoom with 9:30 a.m. Workshop and Regular Business Meeting at 1:00 p.m.
- XI. Executive Session – None
- XII. Adjournment

<u>Informational Items</u>	211
• YTD October 2023 Financial Report/Detail.....	212-221
• Contract Update/Lease Brief	222-228
• Amendments to Port Rules:	
○ 8.02.030 Group Reservations	230-231
○ 4.04.250 Business moorage.....	232
○ 4.04.050 Fees – Moorage waiting and reassignment applications	233
• Commission Meeting Schedule	234-236

PORT COMMISSION REGULAR BUSINESS MEETING – Tuesday, November 21, 2023

The Port of Port Townsend Commission met for a regular business session at the Point Hudson Pavilion Building, 355 Hudson Street, Port Townsend, and also online via Zoom.

Present: Commissioners Hasse, Hanke, and Petranek
 Executive Director Eron Berg
 Executive Director Eric Toews
 Director of Finance and Administration Abigail Berg
 Director of Capital Projects & Port Engineer Klontz
 Operations Manager Chris Sparks
 Harbormaster Kristian Ferrero
 Capital Projects Manager Dave Nakagawara
 Port Recorder Joanna Sanders
 Via Zoom: Attorney Seth Woolsen

- I. CALL TO ORDER & PLEDGE OF ALLEGIANCE (Rec. 00:00:00)
 Commissioner Petranek called the meeting to order at 1:00 p.m.
- II. APPROVAL OF AGENDA (Rec. 00:01:27)
The agenda was amended by unanimous consent with a noted change to the Consent Agenda to remove the State of Washington, Department of Fish and Wildlife Lease from the Consent Agenda. The item would be postponed for discussion and action until December 13.
- III. PUBLIC COMMENTS (Rec. 00:02:52)
 Eric Taylor commented on the good work by Precision Approach on the taxiway project.
- IV. SPECIAL PRESENTATION: Pacific Marine Expo Drawing for 75-Ton and 300-Ton Lifts (Rec. 00:06:41)
 The following were the winners of the drawings: Tanner Darr for a 75-ton round trip lift and Kyle Norton won the 300-ton round-trip lift.
- V. CONSENT AGENDA (Rec. 00:05:35)
 - A. Approval of Workshop and Regular Business Meeting Minutes from November 8, 2023
 - B. Approval & Ratification of Warrants
 Warrant #067573 in the amount of \$10,000.00 is declared void.
 Warrant #067687 in the amount of \$814.54
 Warrant #067688 in the amount of \$10,000
 Warrant #067689 through #067739 in the amount of \$339,925.50
 Warrant #067740 in the amount of \$10,797.30
 Warrant #067741 through #067743 and Electronic Payments in the total amount of \$130,426.50
 Electronic Debit in the amount of \$10,080.69
 - C. Authorization to Sign the Proof of Property Loss for \$95,000 to Settle the Insurance Claim with Enduris on the 2018 Boat Haven Breakwater Storm Damage

The Consent Agenda was approved as amended with the removal of the State of Washington, Department of Fish & Wildlife Lease #SRL 23-0098 at Point Hudson

VI. SECOND READING ~ none)

VII. FIRST READING ~ none

VIII. REGULAR BUSINESS (Rec. 00:10:12)

A. Short's Farm Planning Process

Executive Director Eron Berg reviewed the members selected for the Farm Steering Committee.

Deputy Director Eric Toews reported that the agreement with the University of Washington School of Urban Planning is in process. Meetings will be held at the Washington State University office in Port Hadlock.

B. Quarter 3, 2023 Financial Report (Rec. 00:16:06)

Director of Finance and Administration Abigail Berg reported on projects currently in process or planned, cash balances, notes on expenditures and debt service. Financial reporting was delayed due to the 2024 budget process, as well as changes to the reporting to better reflect changes in cash. Operating revenues are up 7% over last year. Expenditures are up 7.6% for the same period last year and up 4.6% according to budget.

Commissioners: Questions related to capital expenditures to date, including those associated with the San Juan Grocery; draws on the line of credit in 2023; noted decrease in launch ramp revenues. It is impressive that revenues are up by \$60,000.

Staff responses: Additional expenses likely before year end. Cancelled crab fishing and shorter salmon fishing season. Selling more annual versus daily launch passes. Other increases were attributed to increased insurance premiums for additional FTEs.

C. Point Hudson Jetty Project Update (Rec. 00:32:57)

Director of Capital Projects & Port Engineer Matt Klontz reported the pile driving has gone smoothly. In the next few weeks, the new jetty structure will take shape. In-water work will be completed by January 15, substantial completion by March 1, and physical completion by March 15.

D. Jefferson County International Airport (JCIA) A3 Taxiway Connector Project Update (Rec. 00:41:54)

Director of Capital Projects & Port Engineer Matt Klontz showed photos of paving, stormwater work and plans for installing signage.

IX. STAFF COMMENTS (Rec. 00:45:39)

Director of Finance and Administration Abigail Berg announced a new marina billing system for taking reservations called CampLife. Implementation would start at Point Hudson, and if successful there is a plan to move away from Molo at the other marinas. She addressed

questions about credit card fees, ease in processing, users setting up their own accounts, and insurance to cover breeches of data.

Operations Manager Chris Sparks reported the moorage/yard staff have moved into the new building and only cosmetic changes remain to be completed. Next week, some sandbags will be placed in the boat haven/boat yard in anticipation of storm surges in conjunction with high tides.

Director of Capital Projects & Port Engineer Matt Klontz commented on the great work by Chris Sparks and maintenance crew on the new moorage/yard office.

Harbormaster Kristina Ferrero echoed kudos on the visioning and maintenance staff's hard work on the moorage/yard office. January 16 is the first day 2024 RV reservations would be available. ParkMobile is another phone software that may be deployed for parking in the Back Forty and Landfall areas.

X. COMMISSIONER COMMENTS (Rec. 01:01:17)

Commissioner Hasse spoke about how pleased she is with the farm steering committee applicants as well as living in a peaceful place with democracy.

Commissioner Hanke expressed congratulations on getting the moorage/yard office completed and about the great work occurring at the airport.

Commissioner Petranek reported on the good discussion on the Growth Management Act at the November 16 Intergovernmental Collaborative Group meeting. She is in favor of starting early on setting the next agenda. *Our Working Waterfront* featured Mystic Connecticut Seaport Students and Brian Dafforn, owner and captain of the halibut school *Polaris*.

XI. Next Public Workshop & Regular Business Meeting (Rec. 01:07:39):

Tuesday, December 5-8 Washington Public Ports Association meeting in Vancouver, Washington. Wednesday, December 13, 2023 Commission Workshop at 9:30 a.m. and Regular Business Meeting and 1:00 p.m. at the Pavilion Building & via Zoom.

XII. EXECUTIVE SESSION - None

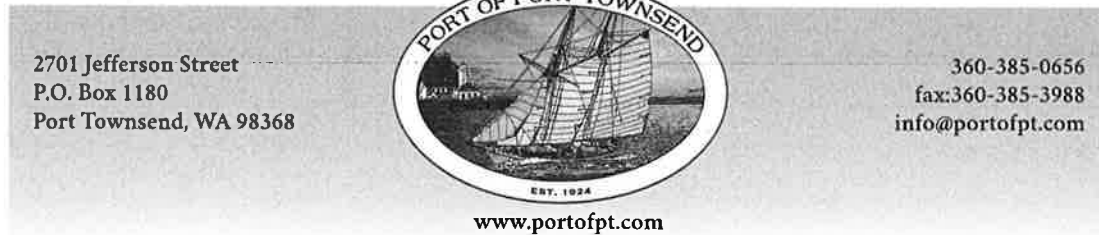
XIII. ADJOURNMENT (Rec. 01:08:53): meeting adjourned at 2:10 p.m., there being no further business before the Commission.

ATTEST:

Pamela A. Petranek, President

Peter W. Hanke, Secretary

Carol L. Hasse, Vice President



WARRANT APPROVAL

We, the undersigned, as Commissioners and Auditing Officer of the Port of Port Townsend, in Jefferson County, Washington, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered or the labor performed as described herein, and that the claims is a just, due and unpaid obligation of the Port of Port Townsend, that I am authorized to authenticate and certify to said claim and that this claim, in Warrant No **067744** generated on November 29th, 2023 in the amount of **\$1,068.52 is ratified.**

Signed and Authenticated on this **13th** day of **December**, 2023.

For: **Accounts Payable**

Commissioner Pam Petranek

Commissioner Carol Hasse

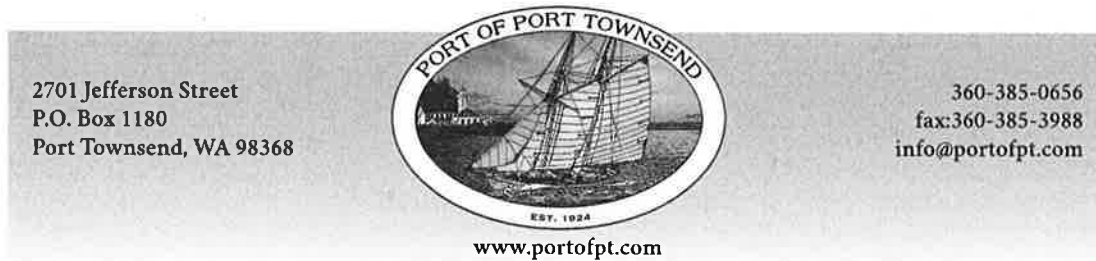
Commissioner Pete W. Hanke

S. Abigail Berg, Director of Finance
And Administration

Port of Port Townsend (PTA)

				Bank Code: W - WARRANTS PAYABLE			
Check Number	Check Date	Vendor	Invoice Number	Invoice Date	Invoice Amount	Discount Applied	Payment Amount
0000067744	11/29/2023	HOS030	Dayton Hostetter CLAIM & DAMAGES	11/29/2023	1,068.52	0.00	1,068.52
				Report Total:	1,068.52	0.00	1,068.52

Check Entry Number: 001



WARRANT/ELECTRONIC PAYMENT APPROVAL

We, the undersigned, as Commissioners and Auditing Officer of the Port of Port Townsend, in Jefferson County, Washington, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered or the labor performed as described herein, and that the claims are just, due and unpaid obligations against the Port of Port Townsend, that we are authorized to authenticate and certify to said claim and that payment of these claims, in Warrant No 067745 through No. 067750 generated on November 30, 2023 in the amount of \$34,391.16 and Electronic Payment in the amount of \$214,534.37, for a total amount of \$248,925.53 is ratified.

Signed and Authenticated on this 13th day of December, 2023.

For: Payroll and Benefits

Commissioner Pam Petranek

Commissioner Carol Hasse

Commissioner Pete W. Hanke

S. Abigail Berg, Director of Finance
And Administration

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WARRANT APPROVAL

We, the undersigned, as Commissioners and Auditing Officer of the Port of Port Townsend, in Jefferson County, Washington, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered or the labor performed as described herein, and that the claims is a just, due and unpaid obligation of the Port of Port Townsend, that I am authorized to authenticate and certify to said claim and that this claim, in Warrant No **067751** generated on December 1st, 2023 in the amount of **\$8,718.58 is ratified.**

Signed and Authenticated on this **13th** day of **December**, 2023.

For: Accounts Payable

Commissioner Pam Petranek

Commissioner Carol Hasse

Commissioner Pete W. Hanke

S. Abigail Berg, Director of Finance
And Administration

Port of Port Townsend (PTA)

Bank Code: W - WARRANTS PAYABLE						
Check Number	Check Date	Vendor	Invoice Number	Invoice Date	Invoice Amount	Discount Applied
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			23-61749	11/30/2023	8,718.58	0.00
						8,718.58
				Report Total:	8,718.58	0.00
						8,718.58

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WARRANT APPROVAL

We, the undersigned, as Commissioners and Auditing Officer of the Port of Port Townsend, in Jefferson County, Washington, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered or the labor performed as described herein, and that the claims is a just, due and unpaid obligation of the Port of Port Townsend, that I am authorized to authenticate and certify to said claim and that these claims, in Warrant No 067752 through No. 067840, are approved for payment in the amount of \$726,706.88 on this 13th day of December, 2023.

For: **Accounts Payable**

Commissioner Pam Petranek

Commissioner Carol Hasse

Commissioner Pete W. Hanke

S. Abigail Berg, Director of Finance
And Administration

Port of Port Townsend (PTA)

Bank Code: W - WARRANTS PAYABLE							
Check Number	Check Date	Vendor	Invoice Number	Invoice Date	Invoice Amount	Discount Applied	Payment Amount
0000067752	12/13/2023	A1C050	A-1 Coupling				Check Entry Number: 001
			K41124-001	12/1/2023	25.33	0.00	25.33
0000067753	12/13/2023	ADL050	Ironclad Environmental				Check Entry Number: 001
			207985-0006	11/17/2023	2,134.38	0.00	2,134.38
0000067754	12/13/2023	ADM002	Admiral Ship Supply Inc.				Check Entry Number: 001
			11/30/23 STATEMENT	11/30/2023	630.40	0.00	630.40
0000067755	12/13/2023	ALD050	Alden Associates				Check Entry Number: 001
			0075456-IN	11/29/2023	1,776.14	0.00	1,776.14
0000067756	12/13/2023	APE030	Aperture EQ				Check Entry Number: 001
			2349	12/1/2023	1,831.25	0.00	1,831.25
0000067757	12/13/2023	ARR010	Arrow Lumber Port Townsend				Check Entry Number: 001
			11/28/23 STATEMENT	11/28/2023	925.16	0.00	925.16
0000067758	12/13/2023	BER010	William Berninger				Check Entry Number: 001
			11/2023	11/30/2023	48.14	0.00	48.14
0000067759	12/13/2023	BET070	Tracy Betts				Check Entry Number: 001
			2023 UNIFORM EXP	12/5/2023	396.81	0.00	396.81
0000067760	12/13/2023	BOL020	Brittany Bolling				Check Entry Number: 001
			2023 UNIFORM EXP	12/4/2023	300.00	0.00	300.00
0000067761	12/13/2023	CAR001	Carl's Building Supply				Check Entry Number: 001
			11/30/23	11/30/2023	12,695.29	0.00	12,695.29
0000067762	12/13/2023	CAR035	Giuseppe Carraturo				Check Entry Number: 001
			2023 PME	11/15/2023	82.55	0.00	82.55
0000067763	12/13/2023	CED005	CED				Check Entry Number: 001
			5948-1045655	11/15/2023	169.32	0.00	169.32
			5948-1046086	11/21/2023	108.80	0.00	108.80
			5948-1046431	11/29/2023	381.09	0.00	381.09
Check 0000067763 Total:					659.21	0.00	659.21
0000067764	12/13/2023	CEN035	CenturyLink				Check Entry Number: 001
			11/8/23 STATEMENTS	11/8/2023	427.68	0.00	427.68
0000067765	12/13/2023	CHM030	CSD Attorneys at Law				Check Entry Number: 001
			10/2023 STATEMENT	11/30/2023	2,208.00	0.00	2,208.00
0000067766	12/13/2023	CIT001	City Of Port Townsend				Check Entry Number: 001
			11/2023 STATEMENTS	11/30/2023	10,799.39	0.00	10,799.39
0000067767	12/13/2023	COO050	Cooper Fuel				Check Entry Number: 001
			12/1/23 STATEMENT	12/1/2023	3,590.60	0.00	3,590.60
0000067768	12/13/2023	COU035	Coultas Construction Managment Solutions, LLC				Check Entry Number: 001
			23-11P	12/1/2023	25,500.00	0.00	25,500.00
0000067769	12/13/2023	COW020	Cowling and Co. LLC				Check Entry Number: 001
			1139	8/31/2023	17,338.50	0.00	17,338.50
			1173	9/30/2023	43,021.59	0.00	43,021.59
Check 0000067769 Total:					60,360.09	0.00	60,360.09
0000067770	12/13/2023	CUR065	Robert & Melinda Curtis				Check Entry Number: 001
			REFUND 9/29/23	9/29/2023	84.50	0.00	84.50
0000067771	12/13/2023	DAP020	Carol Dapogny				Check Entry Number: 001
			REFIND 11/17/23	11/17/2023	106.33	0.00	106.33
0000067772	12/13/2023	DIR070	DirecTV				Check Entry Number: 001
			075436554X231128	11/28/2023	436.25	0.00	436.25
0000067773	12/13/2023	DLL010	D L Logos				Check Entry Number: 001
			4500	12/1/2023	1,444.57	0.00	1,444.57
			4504	12/6/2023	38.46	0.00	38.46

Port of Port Townsend (PTA)

Bank Code: W - WARRANTS PAYABLE						
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0000067774	12/13/2023	ECO040	EcoLube Recovery LLC			Check Entry Number: 001
			13519111623	11/16/2023	89.00	0.00 89.00
0000067775	12/13/2023	ERL050	Nancy Erley			Check Entry Number: 001
			REFUND 11/27/23	11/27/2023	284.09	0.00 284.09
0000067776	12/13/2023	FAM001	Ferguson Enterprises #3007			Check Entry Number: 001
			2093847	12/4/2023	1,722.84	0.00 1,722.84
0000067777	12/13/2023	FAS020	Fastenal			Check Entry Number: 001
			WAPOR95730	11/29/2023	103.27	0.00 103.27
0000067778	12/13/2023	FER030	Kristian Ferrero			Check Entry Number: 001
			EMP APP	11/17/2023	239.42	0.00 239.42
			PME 2023	11/16/2023	428.96	0.00 428.96
Check 0000067778 Total:					668.38	0.00 668.38
0000067779	12/13/2023	FOX020	Dennis Fox			Check Entry Number: 001
			REFUND 11/7/23	11/7/2023	108.05	0.00 108.05
0000067780	12/13/2023	GIR001	Giraffe Gutters			Check Entry Number: 001
			11/10/2023	11/10/2023	894.62	0.00 894.62
			11/14/23	11/14/2023	1,662.68	0.00 1,662.68
Check 0000067780 Total:					2,557.30	0.00 2,557.30
0000067781	12/13/2023	GOO002	Good Man Sanitation			Check Entry Number: 001
			11/2023 STATEMENTS	12/4/2023	2,771.28	0.00 2,771.28
0000067782	12/13/2023	GRE070	Great American Insurance Group			Check Entry Number: 001
			A00497549	11/26/2023	1,000.00	0.00 1,000.00
0000067783	12/13/2023	GUA080	Guardian Security Systems, Inc.			Check Entry Number: 001
			1439149	12/1/2023	184.86	0.00 184.86
			1439150	12/1/2023	114.56	0.00 114.56
			1439151	12/1/2023	278.21	0.00 278.21
			1439152	12/1/2023	545.50	0.00 545.50
			1439153	12/1/2023	196.38	0.00 196.38
			1439154	12/1/2023	204.24	0.00 204.24
Check 0000067783 Total:					1,523.75	0.00 1,523.75
0000067784	12/13/2023	HAL030	Colin Hall			Check Entry Number: 001
			REFUND 11/8/23	11/8/2023	535.48	0.00 535.48
0000067785	12/13/2023	HAN025	Darren Hanson			Check Entry Number: 001
			REFUND 11/7/23	11/7/2023	104.48	0.00 104.48
0000067786	12/13/2023	HAN090	William Hankins			Check Entry Number: 001
			REFUND 11/8/23	11/8/2023	280.00	0.00 280.00
0000067787	12/13/2023	HAS020	Carol Hasse			Check Entry Number: 001
			11/2023 EXPENSE	11/30/2023	32.62	0.00 32.62
0000067788	12/13/2023	HEI070	Richard Heim			Check Entry Number: 001
			2023 UNIFORM EXP	11/27/2023	407.25	0.00 407.25
0000067789	12/13/2023	HEN002	Henery Hardware			Check Entry Number: 001
			763146	10/26/2023	42.54	0.00 42.54
			763149	10/26/2023	42.57	0.00 42.57
			763198	10/27/2023	47.97	0.00 47.97
			763201	10/27/2023	22.11	0.00 22.11
			763353	10/30/2023	11.98	0.00 11.98
			763358	10/30/2023	84.71	0.00 84.71
			763452	10/31/2023	8.28	0.00 8.28

Port of Port Townsend (PTA)

Bank Code: W - WARRANTS PAYABLE						
Check Number	Check Date	Vendor	Invoice Number	Invoice Date	Invoice Amount	Discount Applied Payment Amount
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			763475	11/1/2023	69.74	0.00 69.74
			763517	11/1/2023	50.19	0.00 50.19
			763573	11/2/2023	28.76	0.00 28.76
			763746	11/6/2023	27.26	0.00 27.26
			763758	11/6/2023	44.71	0.00 44.71
			763776	11/6/2023	60.16	0.00 60.16
			763797	11/6/2023	32.72	0.00 32.72
			763820	11/7/2023	13.92	0.00 13.92
			763836	11/7/2023	78.88	0.00 78.88
			763846	11/7/2023	41.40	0.00 41.40
			763893	11/8/2023	72.96	0.00 72.96
			763914	11/8/2023	242.15	0.00 242.15
			763931	11/8/2023	44.67	0.00 44.67
			763942	11/8/2023	124.36	0.00 124.36
			763965	11/9/2023	5.86	0.00 5.86
			763967	11/9/2023	65.41	0.00 65.41
			764135	11/13/2023	50.16	0.00 50.16
			764138	11/13/2023	13.08	0.00 13.08
			764169	11/13/2023	20.72	0.00 20.72
			764212	11/14/2023	91.62	0.00 91.62
			764263	11/15/2023	27.26	0.00 27.26
			764282	11/15/2023	63.27	0.00 63.27
			764332	11/16/2023	44.70	0.00 44.70
			764348	11/16/2023	41.45	0.00 41.45
			764368	11/16/2023	27.26	0.00 27.26
			764371	11/16/2023	54.06	0.00 54.06
			764376	11/16/2023	52.29	0.00 52.29
			764396	11/17/2023	75.61	0.00 75.61
			764419	11/17/2023	15.25	0.00 15.25
			764421	11/17/2023	15.67	0.00 15.67
			764429	11/17/2023	29.64	0.00 29.64
			764446	11/17/2023	5.01	0.00 5.01
			764448	11/17/2023	8.28	0.00 8.28
			764453	11/17/2023	51.46	0.00 51.46
			764502	11/20/2023	62.17	0.00 62.17
			764522	11/20/2023	47.43	0.00 47.43
			764553	11/20/2023	62.77	0.00 62.77
			764566	11/20/2023	28.34	0.00 28.34
			764567	11/20/2023	54.44	0.00 54.44
			764582	11/21/2023	79.54	0.00 79.54
			764589	11/21/2023	29.40	0.00 29.40
			764605	11/21/2023	16.54	0.00 16.54
			764608	11/21/2023	30.30	0.00 30.30
			764626	11/21/2023	70.89	0.00 70.89
			764637	11/21/2023	23.54	0.00 23.54
			764672	11/22/2023	24.30	0.00 24.30
Check 0000067789 Total:					2,512.47	0.00 2,512.47
0000067790	12/13/2023	HEN007	Henery Hardware & Building Supply			Check Entry Number: 001
			11/25/23 STATEMENT	11/25/2023	1,962.78	0.00 1,962.78

Port of Port Townsend (PTA)

Bank Code: W - WARRANTS PAYABLE							
Check Number	Check Date	Vendor	Invoice Number	Invoice Date	Invoice Amount	Discount Applied	Payment Amount
0000067791	12/13/2023	HRA030	HRA VEBA Trust				Check Entry Number: 001
			YA20407 BB 12/23	12/13/2023	812.42	0.00	812.42
			YA20407 KF 12/23	12/13/2023	852.72	0.00	852.72
Check 0000067791 Total:					1,665.14	0.00	1,665.14
0000067792	12/13/2023	HUN045	John Hunt				Check Entry Number: 001
			REFUND 11/2/23	11/2/2023	69.20	0.00	69.20
0000067793	12/13/2023	JAM040	Jamestown Networks				Check Entry Number: 001
			INV-10277	12/1/2023	530.00	0.00	530.00
0000067794	12/13/2023	KAN070	Tony Kanaly				Check Entry Number: 001
			REFUND 11/8/23	11/8/2023	74.00	0.00	74.00
0000067795	12/13/2023	KEN010	Kendrick Equipment				Check Entry Number: 001
			U51281	7/12/2023	3,893.12	0.00	3,893.12
0000067796	12/13/2023	KLO050	Matthew Klontz				Check Entry Number: 001
			11/2023 EXP	11/28/2023	191.09	0.00	191.09
0000067797	12/13/2023	KPF050	KPFF				Check Entry Number: 001
			495152	11/13/2023	31,451.50	0.00	31,451.50
0000067798	12/13/2023	LES050	Les Schwab				Check Entry Number: 001
			37900577439	11/13/2023	576.85	0.00	576.85
0000067799	12/13/2023	MUR002	Murrey's Disposal Co. Inc.				Check Entry Number: 001
			12/1/23 STATEMENTS	12/1/2023	9,381.43	0.00	9,381.43
0000067800	12/13/2023	NAT020	National Fisherman				Check Entry Number: 001
			INV201823076	11/30/2023	2,350.25	0.00	2,350.25
0000067801	12/13/2023	NOR095	North Olympic Peninsula Resource				Check Entry Number: 001
			659	12/5/2023	1,650.00	0.00	1,650.00
0000067802	12/13/2023	OES001	OESD 114				Check Entry Number: 001
			9992400231	11/30/2023	4,526.80	0.00	4,526.80
0000067803	12/13/2023	OLY001	Olympic Equipment Rentals Inc				Check Entry Number: 001
			349300	11/14/2023	67.63	0.00	67.63
			649301	11/14/2023	15.25	0.00	15.25
Check 0000067803 Total:					82.88	0.00	82.88
0000067804	12/13/2023	OLY002	The Home Depot Pro Institutional				Check Entry Number: 001
			773435375	11/1/2023	892.22	0.00	892.22
			774676225	11/8/2023	922.46	0.00	922.46
			775607237	11/14/2023	2,128.00	0.00	2,128.00
			775827447	11/15/2023	432.36	0.00	432.36
			776964637	11/22/2023	801.84	0.00	801.84
Check 0000067804 Total:					5,176.88	0.00	5,176.88
0000067805	12/13/2023	PAC004	Pacific Office Equipment Co				Check Entry Number: 001
			12/1/23 STATEMENT	12/1/2023	961.97	0.00	961.97
0000067806	12/13/2023	PAC075	Pacific Fishing LLC				Check Entry Number: 001
			11716	11/20/2023	1,269.00	0.00	1,269.00
0000067807	12/13/2023	PAP020	Pape Machinery				Check Entry Number: 001
			9055955	11/14/2023	671.54	0.00	671.54
			9058571	11/25/2023	673.36	0.00	673.36
			9059375	11/27/2023	39.08	0.00	39.08
			9059378	11/27/2023	193.24	0.00	193.24
Check 0000067807 Total:					1,577.22	0.00	1,577.22
0000067808	12/13/2023	PEN005	Peninsula Fire				Check Entry Number: 001
			70427	11/15/2023	359.98	0.00	359.98

Port of Port Townsend (PTA)

Bank Code: W - WARRANTS PAYABLE							
Check Number	Check Date	Vendor	Invoice Number	Invoice Date	Invoice Amount	Discount Applied	Payment Amount
0000067809	12/13/2023	PET020	Peters Marine Services				Check Entry Number: 001
			335271	11/17/2023	193.76	0.00	193.76
0000067810	12/13/2023	PET025	Petrack Lock & Safe				Check Entry Number: 001
			21832	12/6/2023	11.00	0.00	11.00
0000067811	12/13/2023	PET065	Pam Petranek				Check Entry Number: 001
			10/2023 EXP	11/29/2023	257.98	0.00	257.98
			11/2023 EXP	11/29/2023	99.56	0.00	99.56
			9/2023 EXP	11/29/2023	68.12	0.00	68.12
Check 0000067811 Total:					425.66	0.00	425.66
0000067812	12/13/2023	PHI045	Martin Phipps				Check Entry Number: 001
			11/2023 EXP	11/27/2023	218.11	0.00	218.11
0000067813	12/13/2023	PHI070	Ralph Phillips				Check Entry Number: 001
			8/14/23 CLAIM	8/14/2023	1,615.00	0.00	1,615.00
0000067814	12/13/2023	PIT001	Pitney Bowes Global Fin. Svcs.				Check Entry Number: 001
			3318355152	11/29/2023	537.17	0.00	537.17
0000067815	12/13/2023	POR005	Port Townsend Leader				Check Entry Number: 001
			113689	11/22/2023	91.38	0.00	91.38
0000067816	12/13/2023	POR065	Port of Port Townsend				Check Entry Number: 001
			HASSE PH TO BH	11/30/2023	1,090.96	0.00	1,090.96
0000067817	12/13/2023	PUD005	PUD #1 of Jefferson County				Check Entry Number: 001
			11/17/23 STATEMENT	11/17/2023	45.83	0.00	45.83
			11/22/2023 STMNT	11/22/2023	409.48	0.00	409.48
			11/22/23 STATEMENT	11/22/2023	560.00	0.00	560.00
Check 0000067817 Total:					1,015.31	0.00	1,015.31
0000067818	12/13/2023	QUI001	Quill Corporation				Check Entry Number: 001
			35610768	11/9/2023	511.78	0.00	511.78
			84403, 08071	11/7/2023	413.26	0.00	413.26
Check 0000067818 Total:					925.04	0.00	925.04
0000067819	12/13/2023	REI002	Reid Middleton Co				Check Entry Number: 001
			2311068	11/17/2023	5,906.50	0.00	5,906.50
0000067820	12/13/2023	ROL010	Aubri Rollins				Check Entry Number: 001
			11/23 UNIFORM EXP	11/27/2023	115.72	0.00	115.72
0000067821	12/13/2023	SAF001	Safeway, Inc.				Check Entry Number: 001
			11/21/23 STATEMENTS	11/21/2023	2,542.77	0.00	2,542.77
0000067822	12/13/2023	SAN035	Joanna Sanders				Check Entry Number: 001
			11/2023 EXP	11/30/2023	9.04	0.00	9.04
0000067823	12/13/2023	SEC010	Security Services				Check Entry Number: 001
			132443	12/1/2023	202.30	0.00	202.30
0000067824	12/13/2023	SET015	Seton Construction				Check Entry Number: 001
			PAY EST #2	12/7/2023	465,973.63	0.00	465,973.63
0000067825	12/13/2023	SHO010	Shold Excavating Inc				Check Entry Number: 001
			78142	11/28/2023	225.92	0.00	225.92
0000067826	12/13/2023	SNE020	S-Net Communications				Check Entry Number: 001
			197703	12/1/2023	597.67	0.00	597.67
0000067827	12/13/2023	SON050	Sonsray Machinery LLC				Check Entry Number: 001
			PSO106660	11/13/2023	510.41	0.00	510.41
0000067828	12/13/2023	SOU045	Sound Maintenance, Inc				Check Entry Number: 001
			1661	11/15/2023	730.95	0.00	730.95
0000067829	12/13/2023	SOU055	Sound Publishing, Inc				Check Entry Number: 001
			PDN987511	11/18/2023	165.29	0.00	165.29

Port of Port Townsend (PTA)

Bank Code: W - WARRANTS PAYABLE							
Check Number	Check Date	Vendor	Invoice Number	Invoice Date	Invoice Amount	Discount Applied	Payment Amount
0000067830	12/13/2023	SUN020	Sunrise Coffee				Check Entry Number: 001
			20231336	11/21/2023	68.95	0.00	68.95
0000067831	12/13/2023	TER030	Terrapin Architecture PC				Check Entry Number: 001
			23-334	12/4/2023	11,541.54	0.00	11,541.54
0000067832	12/13/2023	TWI001	Spectra Laboratories - Kitsap				Check Entry Number: 001
			23-08765	11/17/2023	98.00	0.00	98.00
			23-09068	11/27/2023	72.00	0.00	72.00
			23-09211	11/30/2023	900.00	0.00	900.00
Check 0000067832 Total:					1,070.00	0.00	1,070.00
0000067833	12/13/2023	ULI040	ULINE				Check Entry Number: 001
			10093008	12/1/2023	986.25	0.00	986.25
			170132899	10/25/2023	4,164.37	0.00	4,164.37
			170939505	11/14/2023	7,914.11	0.00	7,914.11
			170964102	11/14/2023	2,472.33	0.00	2,472.33
			171147080	11/20/2023	1,332.92	0.00	1,332.92
Check 0000067833 Total:					16,869.98	0.00	16,869.98
0000067834	12/13/2023	VER001	Verizon Wireless, Bellevue				Check Entry Number: 001
			9949388889	11/15/2023	586.68	0.00	586.68
			9949388891	11/15/2023	52.85	0.00	52.85
Check 0000067834 Total:					639.53	0.00	639.53
0000067835	12/13/2023	WA0503	State of Washington-Dept.of				Check Entry Number: 001
			FY 2024	9/7/2023	2,100.00	0.00	2,100.00
0000067836	12/13/2023	WAS003	Washington Public Ports Assn.				Check Entry Number: 001
			023-669	11/13/2023	50.00	0.00	50.00
0000067837	12/13/2023	WAV040	Wave Broadband				Check Entry Number: 001
			043328901-0010504	11/23/2023	104.67	0.00	104.67
0000067838	12/13/2023	WES006	Westbay Auto Parts, Inc.				Check Entry Number: 001
			11/25/23 STATEMENT	11/25/2023	1,188.56	0.00	1,188.56
0000067839	12/13/2023	WES060	West Marine Pro				Check Entry Number: 001
			004494	11/16/2023	122.99	0.00	122.99
			004495	11/16/2023	57.80	0.00	57.80
			004497	11/16/2023	95.71	0.00	95.71
			004770	11/27/2023	128.14	0.00	128.14
			004824	11/28/2023	75.68	0.00	75.68
Check 0000067839 Total:					480.32	0.00	480.32
0000067840	12/13/2023	WRI035	Jim Wright				Check Entry Number: 001
			REFUND 11/16/23	11/16/2023	538.86	0.00	538.86
Report Total:					726,706.88	0.00	726,706.88

PORT OF PORT TOWNSEND

AGENDA COVER SHEET

MEETING DATE	December 13, 2023
AGENDA ITEM	<input checked="" type="checkbox"/> Consent <input type="checkbox"/> First Reading <input type="checkbox"/> Second Reading <input checked="" type="checkbox"/> Regular Business
AGENDA TITLE	IV. C. State of Washington, Department of Fish & Wildlife Lease #SRL 23-0098
STAFF LEAD	Eric Toews, Deputy Director
REQUESTED	<input checked="" type="checkbox"/> Action <input checked="" type="checkbox"/> Discussion
ATTACHMENTS	<ul style="list-style-type: none"> A. Staff Memo B. State of Washington, Department of Fish & Wildlife Lease #SRL 23-0098 C. Exhibit A –Washington State Department of Enterprise Services Real Estate Services Leased Space Requirements D. Exhibit B – State of Washington, Department of Fish & Wildlife Leased Premises Exhibit

PORT OF PORT TOWNSEND

INFORMATIONAL MEMO

DATE: 12/13/2023
TO: Port Commission
FROM: Eric Toews, Deputy Director, and Sue Nelson, Lease and Contracts Administrator
SUBJECT: State of Washington, Department of Fish & Wildlife Lease #SRL 23-0098

ISSUE: Should the Commission authorize the Executive Director to execute a new building and land lease agreement with Washington State Department of Enterprise Services for the Department of Fish and Wildlife to continue occupancy of what is known as the “Hospital Building” at Point Hudson?

BACKGROUND & DISCUSSION:

On February 25, 2019, the Port and the Washington Department of Fish and Wildlife (acting through the Washington State Department of Enterprise Services (DES)) entered into a five (5) year Lease Agreement for 4,818 square feet of space in the “Hospital Building” at Point Hudson together with land for twenty (20) parking stalls for agency vehicles and storage (i.e., 15 parking stalls and 5 storage stalls). This current lease agreement expires March 31, 2024.

Earlier this year, DES Real Estate staff approached Port staff and expressed their desire to negotiate a new term lease for the premises. We have negotiated a new five (5) year lease with DES which would commence on April 1, 2024 and terminate on March 31, 2029.

As was the case with the current lease, DES requires that certain maintenance items be addressed before the new monthly rent of \$10,166.08 will take effect (see proposed lease paragraph 21). Most of these maintenance items will be addressed prior to the commencement of the new lease. However, exterior painting of the structure will likely be delayed until late spring of 2024. Once this punch list item has been resolved, the new monthly rent of \$10,166.08 will take effect. Until then, then the current rent of \$8,430.97 per month will continue to prevail.

MOTION: None required. Approval of this item on the Consent Agenda authorizes the Executive Director to execute the lease with Washington State Department of Enterprise Services for the State of Washington Department of Fish & Wildlife.

ATTACHMENTS

- State of Washington, Department of Fish & Wildlife Lease #SRL 23-0098
- Exhibit A – Washington State Department of Enterprise Services Real Estate Services Leased Space Requirements
- Exhibit B – State of Washington, Department of Fish & Wildlife Leased Premises Exhibit

AFTER RECORDING RETURN TO:

Department of Enterprise Services
Real Estate Services
P. O. Box 41468
Olympia, Washington 98504-1468

Lease No. SRL 23-0098
Project No. 22-03-072

(Port Townsend) TKL/ams
Page 1 of 11
Date: July 18, 2023

LEASE

THIS LEASE is made and entered into between Port of Port Townsend, a municipal corporation whose address is Post Office Box 1180, Port Townsend, Washington 98368, for its heirs, executors, administrators, successors, and assigns, hereinafter called the Lessor, and the STATE OF WASHINGTON, Department of Fish and Wildlife, acting through the Department of Enterprise Services, hereinafter called the Lessee.

WHEREAS, the Department of Enterprise Services is granted authority to lease property under RCW 43.82.010;

WHEREAS, the Lessor and Lessee deem it to be in the best public interest to enter into this Lease;

NOW, THEREFORE, in consideration of the terms, conditions, covenants and performances contained herein, IT IS MUTUALLY AGREED AS FOLLOWS:

LEASED PREMISES

1. The Lessor hereby leases to the Lessee the following described premises:

Tax Parcel Number: 001013001

Common Street Address: 375 Hudson Street, Port Townsend, Washington 98368

Approximately 4,818 BOMA usable square feet of office space located at 375 Hudson Street, Port Townsend, Washington 98368 together with twenty-two (22) parking stalls; legally described as follows:

SECTION 01, TOWNSHIP 30 N., RANGE 01 W' BEGINNING AT THE NW CORNER OF BLK 99, ORIGINAL TOWNSITE OF PT TOWNSEND; THENCE EASTERLY ALONG THE SOUTHERNLY LINE OF CLAY ST 1195', MORE OR LESS, TO THE INNER HARBOR LINE; THENCE ALONG SAID INNER HARBOR LINE S33*05'E193.5', MORE OR LESS, TO AN ANGLE POINT THERIN; THENCE CONTINUEING ALONG SAID INNER HARBOR LINE S3*15'E1200'; THENCE S42*32'W551.2', MORE OR LESS, TO AN INTERSECTION WITH THE S LINE OF BLK 3, ORIGINAL TOWNSITE OF PT TOWNSEND; THENCE WESTERLY ALONG SAID S

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Lease No. SRL 23-0098

July 18, 2023

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LINE 89.3', MORE OR LESS, TO THE E LINE OF JACKSON ST; THENCE NORTHERNLY ALONG SAID E LINE OF JACKSON ST, 1392' TO THE POINT OF BEGINNING. EXCEPTING A TRACT CONTINUING 0.03' OF AN ACRE, LYING IN FORMER HUDSON ST, BETWEEN BLKS 1 & 2 KNOWN AS "LIGHTHOUSE TRACT" TAX 8 VOL 103, PG 39; situate in Port Townsend, Jefferson County, Washington.

USE

2. The premises shall be used by the Department of Fish and Wildlife and/or other state agencies for the following purpose(s): office space. Office use includes associated office activities, such as trainings, conferences, retreats, open public meetings, health and wellness activities, and office related parties and social events.

TERM

3. TO HAVE AND TO HOLD the premises with their appurtenances for the term beginning April 1, 2024 and ending March 31, 2029.

RENTAL RATE

4. The Lessee shall pay rent to the Lessor for the premises at the following rate:

Ten Thousand One Hundred Sixty-six Dollars and Eight Cents

\$10,166.08 per month

Payment shall be made at the end of each month upon submission of properly executed vouchers.

4.1. The Lessee shall not be required to pay the rental rate referenced in Section 4 above until all of the work requested by Lessee in Additional Lease Provisions Section(s) 21 has been completed by Lessor. Until all such work is completed and approved by Lessee, the rate of \$8,430.97 per month, as required under SRL 17-0116 shall be paid. There will be no reimbursement to Lessor of the difference in rent for the period of time the lease rate was reduced.

INCENTIVES

5. [Intentionally deleted]

EXPENSES

6. During the term of this Lease, Lessor shall pay all real estate taxes, all property assessments, insurance, exterior window washing, landscape and irrigation water, and maintenance and repair as described below, together with exterior bulbs and tubes, natural gas, electricity, stormwater, water, sewer, garbage collection, recycling, and elevator service (if any).

6.1. Lessee shall pay for only interior bulbs and tubes, interior window washing, and janitorial services.

MAINTENANCE AND REPAIR

7. The Lessor shall maintain the premises in good repair and tenantable condition during the continuance of this Lease, except in case of damage arising from the negligence of the Lessee's agents or employees. For the purposes of maintaining and repairing the premises, the Lessor reserves the right at reasonable times upon reasonable notice to enter and inspect the premises and to make any necessary repairs to the building. Lessor's maintenance and repair obligations shall include, but not be limited to, the mechanical, electrical, interior lighting (including replacement of ballasts, starters, fluorescent tubes, light bulbs, LED fixtures and lighting elements, as required), plumbing, heating, ventilating

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Lease No. SRL 23-0098

July 18, 2023

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and air-conditioning systems (including replacement of filters as recommended in equipment service manual); floor coverings; window coverings; elevators (including communications systems); inside and outside walls (including windows and entrance and exit doors); all structural portions of the building (including the roof and the watertight integrity of same); porches, stairways; sidewalks; exterior lighting; parking lot (including snow removal, cleaning and restriping as required); wheel bumpers; drainage; landscaping and continuous satisfaction of all governmental requirements generally applicable to similar office buildings in the area (example: fire, building, energy codes, indoor air quality and requirements to provide architecturally barrier-free premises for persons with disabilities, etc.).

7.1. Lessor shall as part of maintenance provide de-icing and snow and debris removal service. At a minimum, Lessor shall treat or remove, before normal business hours and at other times as soon as practical thereafter, debris, snow and/or ice from the parking lot and all sidewalks and entrances. Without prior notice, Lessor shall apply de-icer and/or sand as necessary to any sidewalks and entrances to avoid unsafe conditions; snow removal in parking lots to take place when an excess of 2 inches of snow occurs; provided, any icy or dangerous conditions must be addressed. This provision does not create any third parties beneficiary rights, including but not limited to rights in any member of the public or state employees, to enforce this provision, rely upon it, or to reference it in any legal action.

ASSIGNMENT/SUBLEASE

8. Except for sublet for use by other State agencies per the "USE" section herein, the Lessee may not assign this Lease or sublet the premises without the prior written consent of the Lessor, which consent shall not be unreasonably withheld or delayed. Lessor shall respond to approve or disapprove a request for consent within thirty (30) days of receipt of the request. If such response is not received within thirty days, it will be considered approved and Lessee will proceed with sublease. Lessee shall not permit the use of the premises by anyone other than the Lessee, such assignee or sublessee, and the employees, agents and servants of the Lessee, assignee, or sublessee.

RENEWAL/CANCELLATION

9. The Lease may, at the option of the Lessee, be renegotiated for an additional five (5) years.

PAYMENT

10. Any and all payments provided for herein when made to the Lessor by the Lessee shall release the Lessee from any obligation therefor to any other party or assignee.

COMPLIANCE WITH STATE/FEDERAL LAWS

11. Lessor is responsible for complying with all applicable provisions of the Americans With Disabilities Act of 1990, and all amendments and regulations thereto and the Washington State Law Against Discrimination, Chapter 49.60 RCW, as well as the regulations adopted thereunder, with respect to the Leased Premises.

FIXTURES

12. The Lessee, upon the written authorization of the Department of Enterprise Services, shall have the right during the existence of this Lease with the written permission of the Lessor (such permission shall not be unreasonably withheld), to make alterations, attach fixtures, and erect additions, structures or signs, in or upon the premises hereby leased. Such alterations, fixtures, additions, structures and signs shall be authorized only by the Department of Enterprise Services. Performance of any of the rights authorized above shall be conducted in compliance with all applicable governmental regulations, building codes, including obtaining any necessary permits. Any fixtures, additions, or structures so placed in or upon or attached to the premises shall be and remain the property of the Lessee and may be removed therefrom by the Lessee upon the termination of this Lease. Any damage caused by Lessee's removal of any of the above items shall be repaired by the Lessee. Any improvements that the Lessee does not remove within

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Lease No. SRL 23-0098

July 18, 2023

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30 days after the termination of the Lease shall become the property of the Lessor, and the Lessee shall have no responsibility to remove them, pay for removal, or repair any damage caused by their removal by another. This provision shall survive termination of the Lease.

REMODEL

13. [Intentionally deleted]

ALTERATIONS/IMPROVEMENTS

14. In the event the Lessee requires alterations/improvements during the term of this Lease, any renewals and/or modifications thereof, the Lessor shall have the right to provide such services. If required by state law, the Lessor shall pay prevailing rate of wage to all workers, laborers or mechanics employed to perform such work as well as comply with the rules and regulations of the Department of Labor & Industries. If the Lessee considers Lessor's proposed costs for alterations/ improvements excessive, Lessee shall have the right, but not the obligation, to request and receive at least two independent bids; and the Lessee shall have the right at its option to select one alternative contractor whom the Lessor shall allow to provide such services for the Lessee in compliance with the Lessor's building standards and operation procedures.

PREVAILING WAGE

15. Lessor agrees to pay the prevailing rate of wage to all workers, laborers, or mechanics employed in the performance of any part of this Lease when required by state law to do so, and to comply with the provisions of Chapter 39.12 RCW, as amended, and the rules and regulations of the Department of Labor and Industries and the schedule of prevailing wage rates for the locality or localities where this Lease will be performed as determined by the Industrial Statistician of the Department of Labor and Industries, are by reference made a part of this Lease as though fully set forth herein.

15.1. Pursuant to RCW 39.04.260, the prevailing rate of wage is statutorily required to be paid to workers on the project for all work, construction, alteration, repair, or improvement, other than ordinary maintenance, that the state causes to be performed by a private party through a contract to lease at least 50% of the project by a state agency. Lessor acknowledges and agrees that a contract to lease is only created by this mutually acceptable written Lease, and any written amendments thereto, being executed by Lessor, the Director of the Washington State Department of Enterprise Services or his or her designee, and approved as to form by the Office of the Attorney General.

DISASTER

16. In the event the leased premises are destroyed or injured by fire, earthquake or other casualty so as to render the premises unfit for occupancy, and the Lessor(s) neglects and/or refuses to restore said premises to their former condition, then the Lessee may terminate this Lease and shall be reimbursed for any unearned rent that has been paid. In the event said premises are partially destroyed by any of the aforesaid means, the rent herein agreed to be paid shall be abated from the time of occurrence of such destruction or injury until the premises are again restored to their former condition, and any rent paid by the Lessee during the period of abatement shall be credited upon the next installment(s) of rent to be paid. It is understood that the terms "abated" and "abatement" mean a pro rata reduction of area unsuitable for occupancy due to casualty loss in relation to the total rented area.

NO GUARANTEES

17. It is understood that no guarantees, express or implied, representations, promises or statements have been made by the Lessee unless endorsed herein in writing. And it is further understood that this Lease shall not be valid and binding upon the State of Washington, unless same has been approved by the Director of the Department of Enterprise Services of the State of

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Washington or his or her designee and approved as to form by the Office of the Attorney General. Any amendment or modification of this Lease must be in writing and signed by both parties.

ENERGY CONSERVATION

18. Lessor has conducted an energy walk-through survey of the leased premises using the DES walk-through survey form. The survey is for the purpose of identifying improvements to maintenance and operating conditions and procedures that would conserve energy. The Lessor shall provide DES with a copy of the completed walk-through form and as soon as practicable thereafter, implement identified improvements to energy conservation maintenance and operating procedures.

REIMBURSEMENT FOR DAMAGE TO PREMISES

19. The Lessee hereby agrees to reimburse the Lessor for damages caused by the negligence of its employees and agents, but in no event shall this section be construed as diminishing the Lessor's duty to make repairs as set forth in preceding sections of this Lease, or as making Lessee responsible for the repair of normal wear and tear.

HAZARDOUS SUBSTANCES

20. Lessor warrants to his/her knowledge that no hazardous substance, toxic waste, or other toxic substance has been produced, disposed of, or is or has been kept on the premises hereby leased which if found on the property would subject the owner or user to any damages, penalty, or liability under any applicable local, state or federal law or regulation.

Lessor shall indemnify and hold harmless the Lessee with respect to any and all damages, costs, attorneys' fees, and penalties arising from the presence of any hazardous or toxic substances on the premises, except for such substances as may be placed on the premises by the Lessee.

ADDITIONAL LEASE PROVISIONS

21. It is agreed that the Lessor shall, at Lessor's sole cost and expense, on or before April 1, 2024, complete in a good and workmanlike manner, in accordance with state Leased Space Requirements, Edition 1.0 and addenda, if any, attached hereto and incorporated herein by reference as Exhibit "A", the following items:

NOTE: Where work may disrupt and/or negatively impact Lessee's staff and their work, please contact Lessee at least sixty (60) days prior to anticipated start date in order to minimize disruptions.

EXTERIOR:

- a. **Roof:** Verify that all roof assemblies are clean, no leaks, in good repair and free draining (no ponding). Roof drain systems, scuppers, gutters, and downspouts are free of debris, clean and free flowing. Ensure all runoff water is directed away from the building, sidewalks, and doorways.
 - i. Noted moss buildup on roof. Remove moss and treat, as needed, to prevent/inhibit growth.
- b. **Building Exterior:** Clean all exterior finishes of grime, algae and failing sealants; apply finish coatings and sealants as needed to retain finishes.
 - i. Exterior paint is peeling and deteriorated.
 - ii. Back deck and stairs paint is chipped, peeling and in poor condition.
- c. **Windows:** Clean storm windows, windows, and frames.
 - i. Noted film on windows due to salt environment. Lessor to provide semi-annual clean of all first-floor windows. And annual cleaning of all second-floor windows.

Please Initial

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INTERIOR:

- d. **Paint:** Provide and apply touchup paint to the below listed areas. Where touch up will be evident, paint to natural breaks to blend finishes. Lessor shall remove and reinstall all furniture and partitions and shall, where necessary, Lessee shall remove all personal items, computers, and associated lessee equipment.
 - i. 2nd floor: Office 203 and corridor between offices.
 - ii. 1st floor: Office adjacent to lab, noted peeling paint. Repair wall and repaint this office.
- e. **Flooring - Carpet:** Utilize a professional, commercial cleaning service to pre-treat stains and clean all carpet. Repair all damaged carpet. Where cleaning or repair does not provide a neat, consistent appearance, replace individual carpet tiles with materials matching existing. Lessor to remove and re-install furniture where necessary to facilitate this work. Lessee to remove all personal items, computers, and associated lessee equipment.
- f. **Pest Control:** Engage the services of a certified pest control vendor to eliminate insect/rodent activity.
- g. **Accessibility:** Verify the incorporation of all required and negotiated accessibility features throughout the entirety of this leased facility, including site access.
- h. **Heating Ventilation and Air Conditioning:** (23 00 00 HVAC, 1.5 System Performance, 1.6 Controls) Verify that the HVAC system serving this space is performing within LSR "system performance" standards.
 - i. Clean all HVAC supply and return air diffusers and grilles.
 - ii. Professionally clean/service all building exhaust fans, ensure proper ventilations and air movement. (1.9 Building Exhaust System)
- i. **Light Fixtures:** Noted lighting is slow to illuminate throughout this facility. Provide an electrician to determine cause and effect repairs to remedy this condition.
 - i. Replace fixtures as they fail with LED.
 - ii. Immediately replace burnt tubes, bulbs, and fixtures.
 - ii.i Repair/replace "Exit" light at top of stairs, not illuminated.

CANCELLATION/SUPERSESSION

22. This Lease cancels, supersedes, or replaces SRL 17-0116 dated February 25, 2019, and all modifications thereto effective April 1, 2024.

DUTY TO CURE

23. Upon receiving notice of a condition requiring a cure, the party obligated to effect the cure shall initiate and complete cure or repair of such condition within a reasonable time. A condition requiring cure includes, without limitation: (1) a condition for which the Lease requires either party to undertake repair/ replacement and/or other maintenance of the Premises, (2) a condition where either has failed to maintain a service or utility account in good standing as required by the Lease, and (3) any other condition resulting from a party's failure to carry out any obligation under the Lease, including without limitation obligations for rent, charges, improvements, alterations, and/or deferred maintenance, and remediation of damages for which a party is responsible under the Lease. Premises include all fixtures and equipment provided within the Premises by the Lessor.

The term "reasonable time" as used within this section of the Lease shall mean as soon as reasonably possible but no longer than thirty (30) days, unless either (1) an emergency condition exists requiring an immediate cure to promptly begin without delay, usually within hours and to be complete within 24 hours to the extent reasonably possible in light of the nature of the condition and circumstances, or (2) a non-emergency condition exists that is not reasonably possible to cure within 30 days with due diligence

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and the breaching party provides the level of cure or preparation for cure that is reasonably possible to do with due diligence within 30 days.

If an emergency or non-emergency condition exists that is not reasonably possible to completely cure within 24 hours or 30 days, respectively, the party obligated to cure shall so notify the other party within 24 hours or 30 days, respectively. Such notice shall explain why the cure is not reasonably possible with due diligence to complete within 24 hours (if an emergency) or 30 days (if a non-emergency) and provide the earliest date that the work can be completed as soon as reasonably possible. It is not a justifiable ground for delay that the party obligated to effect the cure does not have available funding to accomplish the cure or that a preferred contractor has limited availability if other contractors can satisfactorily perform the work sooner at reasonable cost.

The term “emergency condition” shall mean a condition requiring a cure that (i) prevents or substantially disrupts the Lessee from using all or a substantial part of the premises, or (ii) causes or substantially threatens to cause injury to persons or damage to property or raises a substantial danger to the health or safety of any persons on or using the premises.

Notice under the Duty to Cure and Self Help sections may be by the means allowed in the Notice section, but in addition includes actual notice/awareness that Lessor or Lessee has of a condition independent of any such notice. In addition to the above, when an emergency condition exists, notice may be in-person, oral, email, telephone, or through other means that places the information before the Lessor or Lessee of which he or she would reasonably be expected to learn or notice.

SELF HELP

24. If the party obligated to effect the cure does not cure within the time required by this Lease, the other party may cure all or part of the default after providing notice to the party obligated to effect the cure of its intent to perform such cure, and, if applicable, recover the costs incurred in curing the default. If the nonbreaching party is the Lessee, the Lessee may deduct all reasonable costs incurred from rent or other charges owed to Lessor. If the nonbreaching party is the Lessor, Lessor will submit properly executed vouchers and proof of payment to Lessee and Lessee shall remit payment to Lessor within thirty (30) days or as soon as is practicable. A party's costs incurred to cure include, but are not limited to, all reasonable out-of-pocket expenses, payment of unpaid utility or services charges for which the other party is responsible, and all administrative costs the non-breaching party reasonably incurs and documents in performing or arranging for performance of the cure.

The nonbreaching party is under no obligation to cure some or all of the default of the breaching party. To the extent that the nonbreaching party does not cure the default, the nonbreaching party may pursue its legal and contractual remedies against the breaching party. The nonbreaching party's failure to cure the breaching party's default does not waive the nonbreaching party's rights to relief. Nothing herein removes or lessens either party's obligation to mitigate damages.

If the Lessee elects to cure using self-help in part or whole, the Lessor shall defend, save, and hold harmless the Lessee, its authorized agents and employees, from all claims, actions, costs, damages or expenses of any nature whatsoever arising out of or in connection with such cure, except where RCW 4.24.115 is applicable and injuries and/or damages are caused by the sole negligence of the Lessee, its agents, or employees. If RCW 4.24.115 is applicable and liability for damages arises out of bodily injury to persons or damages to property and is caused by or results from the concurrent negligence of the Lessee, its agents, or employees, Lessor's liability, including the duty and cost to defend, hereunder shall apply only to the extent of the negligence of Lessor, its agents, or employees.

DEFAULT LEADING TO TERMINATION

25. If either party fails to initiate and complete cure of a condition requiring cure within a reasonable time after receiving notice of such condition, the nonbreaching party may initiate a default leading to termination of the Lease by providing written notice to the breaching party of the continuing breach. If the breaching party does not complete the cure of the breach within 60

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days after receiving such written notice initiating default leading to termination, the nonbreaching party may at such time, or at a later date if the cure has still not been completed, declare a termination by default by so notifying the breaching party. Cure of a condition after a valid notice of termination by default is provided, but before termination, shall void a valid notice of termination of the Lease.

If a termination by default is declared or a court so orders, the date of termination shall be determined based on the earliest reasonable date that the Lessee may move and relocate from premises or as agreed by the parties. The determination shall be made in light of available funding for the move, the date at which suitable replacement premises can be fully available, and the time reasonably needed to plan and complete the move.

CONDEMNATION

26. If any of the premises or the Building, as may be required for the reasonable use of the premises, are taken by eminent domain, this Lease shall automatically terminate as of the date Lessee is required to vacate the premises and all rentals shall be paid to that date. In case of a taking of a part of the premises, or a portion of the Building not required for the reasonable use of the premises, at Lessee's determination, then the Lease shall continue in full force and effect and the rental shall be equitably reduced based on the proportion by which the floor area of the premises is reduced, such rent reduction to be effective as of the date possession of such portion is delivered to the condemning authority. Lessor reserves all rights to damages and awards in connection therewith, except Lessee shall have the right to claim from the condemning authority the value of its leasehold interest and any relocation benefits.

MONTH TO MONTH TENANCY

27. If Lessee remains in possession of the premises after the expiration or termination of the Lease term, or any extension thereof, such possession by Lessee shall be deemed to be a month-to-month tenancy, terminable as provided by law. During such month-to-month tenancy, Lessee shall pay all rent provided in this Lease or such other rent as the parties mutually agree in writing and all provisions of this Lease shall apply to the month-to-month tenancy, except those pertaining to term and option to extend.

SUBORDINATION

28. So long as Lessor has fully performed under the terms of this Lease, Lessee agrees to execute, within ten (10) days of written request by Lessor, the state's standard Tenant Estoppel and Subordination Agreements which have been approved as to form by the Office of the Attorney General. A \$400.00 processing fee will be assessed for processing these documents.

CAPTIONS

29. The captions and section headings hereof are inserted for convenience purposes only and shall not be deemed to limit or expand the meaning of any section.

INTEGRATED DOCUMENT

30. This Lease and the exhibits hereto constitute the entire agreement between the parties with respect to the lease of Premises and supersedes all prior and contemporaneous agreements and understandings between the parties hereto relating to the subject matter hereof.

NOTICES

31. Wherever in this Lease written notices are to be given or made, except for alternative means of notice provided for the Duty to Cure and Self Help sections, the notices shall sent by certified mail to the address listed below unless a different address shall be designated in writing and delivered to the other party.

Please Initial

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LESSOR: Port of Port Townsend
Post Office Box 1180
Port Townsend, Washington 98368

LESSEE: Department of Enterprise Services
Real Estate Services
1500 Jefferson Street S.E., 2nd Floor
Post Office Box 41468
Olympia, Washington 98504-1468

SRL 23-0098

EXHIBITS

32. The following exhibits described herein and attached hereto, are fully incorporated into this Lease by this reference:

- a) Exhibit A: The Leased Space Requirements
- b) Exhibit B: Parking

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Please Initial

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IN WITNESS WHEREOF, the parties subscribe their names.

Port of Port Townsend

STATE OF WASHINGTON

By: _____

Department of Fish and Wildlife

Printed Name: _____

Acting through the Department
of Enterprise Services

Title: _____

Date: _____

Richard J. Bushnell, Assistant Director
Real Estate Services

Date: _____

RECOMMENDED FOR APPROVAL:

Trevor Lybbert, Property and Acquisition Specialist
Real Estate Services

Date: _____

APPROVED AS TO FORM:

By: _____
Assistant Attorney General

Date: _____

Please Initial

____ / ____

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STATE OF _____)
) ss.
 County of _____)

On this ____ day of _____, 20____ before me personally appeared _____ and said person(s) acknowledged that _____ signed this instrument, and on oath stated that _____ was authorized to execute the instrument and acknowledged it as the _____ of _____ to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

In Witness Whereof I have hereunto set my hand and affixed my official seal the day and year first above written.

(Affix notary seal in box)

 Notary Public in and for the State of Washington,
 Residing at _____
 My commission expires _____

STATE OF WASHINGTON)
) ss.
 County of Thurston)

I, the undersigned, a Notary Public, do hereby certify that on this ____ day of _____, 20____, personally appeared before me RICHARD J. BUSHNELL, Assistant Director, Real Estate Services, Department of Enterprise Services, State of Washington, to me known to be the individual described in and who executed the within instrument, and acknowledged that he signed and sealed the same as the free and voluntary act and deed of the Department, for the purposes and uses therein mentioned, and on oath stated that he was duly authorized to execute said document .

In Witness Whereof I have hereunto set my hand and affixed my official seal the day and year first above written.

(Affix notary seal in box)

 Notary Public in and for the State of Washington,
 Residing at _____
 My commission expires _____

Please Initial

____ / ____



Washington State Department of **Enterprise Services**

REAL ESTATE SERVICES

LEASED SPACE REQUIREMENTS

This document contains general information and performance standards for State leased facilities administered by the Department of Enterprise Services, Real Estate Services. Revisions to this document will be approved and issued by RES in the form of version sequences, the first being Edition 1.0.

REVISION HISTORY			
EDITION	ISSUE DATE	CHANGE SUMMARY	AUTHOR
LSR 2005	N/A	N/A	N/A
LSR 1.0	10/02/2019	Update to current CSI format; update code references; update Bid Cost Breakdown; add New Space Addendum with minimum requirements worksheet.	Regina M. Leccese; RES



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GENERAL INFORMATION

1.0 INTRODUCTION

1.1 PURPOSE

The Leased Space Requirements (LSR) is a document providing general information and performance requirements for leased space procured by the State of Washington, Department of Enterprise Services (DES), Real Estate Services (RES), as authorized by Chapter 43.82.010 of the Revised Code of Washington, "State Agency Housing." In combination with RES provided drawings, specifications, and any RES-approved addenda attached as Exhibits to the Lease.

This document and supporting forms may be accessed electronically at the following website:

https://des.wa.gov/about/forms-publications/forms#Real_Estate

1.2 ORGANIZATION

The LSR is organized as follows:

General Information: This section includes definitions of terms that apply within this document and procedural standards for completing new space and alterations of existing space.

Specifications: This section utilizes the Construction Specifications Institute's (CSI) 32-division format for describing the minimum standards and performance requirements for all procedures, materials, and systems utilized in the leased space.

Bid Cost Breakdown - provided on the web page referenced above.

2.0 DEFINITIONS

2.1 ADDENDUM

NEW SPACE ADDENDUM: a RES-approved document describing the minimum requirements for leased space, including both qualitative and quantitative features. This document is an integral part of the Advertisement for Space. Related project costs shall be itemized on the Bid Cost Breakdown in the "Cost to Lessor" column.

AGENCY ADDENDUM (New Leased Space projects): a RES-approved document describing items or conditions for new space that vary from the requirements delineated in the NEW SPACE ADDENDUM. This document is an integral part of the Advertisement for Space. Related project costs shall be itemized on the Bid Cost Breakdown in the "Cost to Lessor" column.

2.2 ADDITIONAL TENANT IMPROVEMENTS

Project requirements that exceed the minimum requirements delineated in the NEW SPACE ADDENDUM to the Leased Space Requirements. , Lessor shall itemize these costs on the Bid Cost Breakdown Form (BCB) in the "Cost to Agency" column.

2.3 ALTERATIONS

The modification of existing tenant improvements or construction of new tenant improvements in existing leased space, which includes leased space after new construction is complete. Tenant improvements include all of the constructed structures, additions, and

fixtures and equipment provided in the leased space, regardless of who paid for the item, unless otherwise provided in the Lease.

2.4 APPROVAL

The itemized costs will be reviewed by the Project Team and authorized by the RES Design Professional.

2.5 AUTHORITY HAVING JURISDICTION (AHJ)

The local code enforcement/permitting agency and its representative officials.

2.6 AUTHORITY TO PAY (ATP)

A document prepared by the RES Design Professional and approved by the RES Design and Construction Program Manager authorizing the Lessee to make payment on the construction costs.

2.7 BID COST BREAKDOWN FORM (BCB)

The Bid Cost Breakdown form is submitted by the Lessor to the RES Design Professional after evaluating the RES/Agency approved drawings. The form is designed to identify costs borne by the Lessor, and costs borne by the State Agency for additional tenant improvements. The BCB form is available online at https://des.wa.gov/about/forms-publications/forms#Real_Estate.

2.8 CHANGE ORDERS

RES-approved modifications (additions or subtractions/deletions) to the project's scope of work after signing of the Construction Bid Cost Breakdown Form and execution of the Lease.

2.9 CONSTRUCTION DOCUMENTS

Drawings and specifications prepared and signed by a licensed Architect and/or Engineer retained by the Lessor. Construction documents include the contract for construction between the Lessor and its General Contractor.

2.10 DESIGN PROFESSIONAL

The RES Design Professional is the Architect, Facility Planner, or Construction Project Coordinator responsible for creation of the drawings, specifications, and addenda as required to document the scope of work for tenant improvements. (See PLANS and ADDENDUM). Additional responsibilities and authority of the RES Design Professional are found throughout the LSR.

2.11 EXISTING CONDITIONS

Where existing conditions are indicated on RES-approved plans, they represent work to remain unchanged in the project.

2.12 LEASE

The term "Lease" means the original Lease including all amendments, exhibits, attachments, and addenda that are part of the Lease or any amendment.

2.13 NEW LEASED SPACE

The term "new leased space" means space that is leased for the first time by a state agency, acting through DES (hereafter, a "state agency lease"). Both existing space and newly constructed space may be new leased space. New leased space does not include back-to-

back state agency leases or state agency leases separated by less than one year from the end date of the prior state agency lease and the commencement date of a new state agency lease.

2.14 NOTICE TO PROCEED

For new leased space, the executed lease will serve as notice to proceed with the required tenant improvements. For alterations to existing space not associated with a new lease or renewal, the RES Design Professional will issue a Notice to Proceed letter accompanied by a signed Bid Cost Breakdown form.

2.15 PLANS and/or DRAWINGS

Where “plans” and/or “drawings” are referenced herein, they refer to RES-approved plans and drawings. The RES-approved drawings will include RES and Lessee approval signatures, and become a lease exhibit. RES plans are not intended to be used for permitting or construction, but to establish the complete scope of work for tenant improvements.

2.16 PROJECT TEAM

The State’s Project Team consists of the RES Lease Agent, the RES Design Professional, the Agency Facility Planner and a local representative of the Lessee. The team’s responsibility is to facilitate, approve, and administer the project, from lease negotiations to final acceptance of the built facility and execution of the Lease. The approval of any directives for any phase of the project originates with this group. The Project Team works directly with the Lessor or Lessor’s designee to implement all phases of the project. Only the RES Design Professional may authorize Change Orders, approve the work, and release the Authority to Pay to the Lessee for Tenant Improvement (TI) construction costs and Change Orders.

2.17 PUNCH LIST

An itemized listing of incomplete work and/or deficiencies, which the Lessor is obligated to resolve based on the project’s scope of work, as observed and documented by the RES Design Professional. Authority to Pay will only be issued after all punch list work is completed and approved by the RES Design Professional.

2.18 REVIEW

Examination by the RES Design Professional to determine if a product or material submittal or project construction is consistent with the Lease Space Requirements and project plans. Review by the RES Design Professional does not supplant the need for review of shop drawings and submittals by a licensed engineer or design professional for conformance of products, materials or systems with the construction documents.

2.19 SUBSTANTIAL COMPLETION

As determined by the RES Design Professional, substantial completion is achieved subsequent to the punch list inspection and receipt of the Certificate of Occupancy or the final signed-off building permit.

3 GENERAL REQUIREMENTS

3.1 CODE COMPLIANCE

All spaces leased to the State of Washington shall meet or exceed the requirements of all applicable State and Local governing codes in place as of the date of issuance of the relevant

building permit by the AHJ in compliance with Washington Administrative Code (WAC) Title 51. These requirements include, but are not necessarily limited to, the most current edition of the State Building Code, containing the Washington State Regulations for Accessibility, all Accessibility regulations per Washington State Amendments to the International Building Code (IBC), and the Washington State Energy Code (WSEC). All improvements required to meet these codes and regulations are the financial responsibility of the Lessor.

3.2 SUSTAINABILITY

This document specifies current sustainable products, practices and elements; however, further efforts toward sustainability are encouraged.

Projects requiring compliance with specific LEED™ (US Green Building Council's Leadership in Energy and Environmental Design) sustainability criteria will be identified in the project Request for Proposal advertisement and will include a project-specific RES Addendum that will define requirements for complying with LEED™.

3.3 LIFE CYCLE COST ANALYSIS

RCW 39.35 and 39.35B require a Life Cycle Cost Analysis as part of renovation or construction of publicly-owned or leased buildings having 25,000 square feet or more of usable space. The Life Cycle Cost Analysis shall be completed by the Lessor and submitted to RES prior to completion of the preliminary drawing phase, and shall be used to help select building systems that will both conserve energy and reduce operating costs. Refer to the Department of Enterprise Services Division of Engineering & Architectural Services' publication: Energy Life Cycle Cost Analysis, Guidelines for Public Agencies for information and format (website: <https://www.des.wa.gov/services/facilities-leasing/energy-program/energy-life-cycle-cost-analysis>).

3.4 ACCESSIBILITY

New construction of buildings, which provide leased facilities to the State of Washington, shall meet the accessibility requirements under the applicable State building codes and the Americans with Disabilities Act Accessibility Guidelines (ADAAG). Alterations to existing facilities shall meet the requirements under the applicable version of the International Existing Building Code (IEBC), the requirements of the local jurisdiction, and any governing State Statute.

1. On all as-built drawings or proposal drawing submittals, the Lessor shall clearly delineate the location of existing and proposed accessible parking, public transportation stop(s), and the accessible routes of travel from each to the main entrance of the proposed leased space. On multi-building sites, accessible routes of travel between buildings shall also be shown. (Reference A2.3)
2. All accessible pedestrian curb cuts shall be located and constructed perpendicular to each street served, eliminating diagonal curb cuts (those that direct people towards the center of street intersections).
3. All accessible entries shall be as close as practicable to the adjacent finished grade and accessible parking.
4. On single-owner multi-building sites, there shall be accessible routes of travel to and between all buildings.

5. Accessible stations at reception and service counters shall be integrated within the main service counter.
6. Public interior corridors leading to tenant-leased spaces shall be a minimum of 72" wide. Primary circulation hallways within tenant-leased spaces shall be a minimum of 60" wide.
7. Declaration of non-conformance with any of the Accessibility requirements listed above shall be brought to the attention of the RES Design Professional and Leasing Agent.

3.5 AS-BUILT DRAWING SUBMITTALS

Lessor shall provide to the RES Design Professional accurate drawings of existing or proposed buildings and site prior to the commencement of the programming and planning. These drawings shall delineate the most current building information and physical configuration (including mechanical and electrical), and be submitted electronically in both pdf and a format compatible with AutoCAD.

Any revisions required during the course of the project based on the submission of inaccurate or incomplete information to the State shall be resolved through the review and approval process and at the direction of the RES Design Professional, and accomplished at the sole cost of the Lessor.

3.6 PREPARATION OF PLANS AND SPECIFICATIONS

New Space: lease exhibit plans, along with Leased Space Requirements and any Addenda, will be prepared, approved, and issued by RES for each State-leased facility requiring buildout for new space. Changes to these documents are not permitted without written approval from the RES Design Professional.

Unless otherwise provided in the Lease, the Lessor, at his sole cost and expense, is responsible for all construction documents required by the Authority Having Jurisdiction, which may include plans and specifications prepared by a licensed Architect and/or Engineer (see LSR A1.9 Construction Documents). Obtaining the building permit is the sole responsibility of the Lessor, including all permitting costs.

Mid-term Alterations: For Tenant requested alterations during the term of the Lease, RES shall prepare scoping documents including floor plans and other drawings; these will be submitted with the Leased Space Requirements and any Addenda, with a Request for Costs to the Lessor. Upon approval of costs, the RES Design Professional will issue a Notice to Proceed with the work.

The Lessor, at the cost of the Lessee, is responsible for all construction documents required by the Authority Having Jurisdiction, which may include plans and specifications prepared by a licensed Architect and/or Engineer. It is the Lessor's sole responsibility to obtain all permits for tenant improvements; the Tenant is responsible for the cost of permitting for mid-term alterations.

3.7 DECLARATION OF NON-CONFORMANCE WITH LEASED SPACE REQUIREMENTS

For existing facilities that do not meet 100% of a project's governing Leased Space Requirements at the time of lease inception or renewal, in order to qualify for consideration as a potential State-leased facility in response to a RES Advertisement for Space or market search, the Lessor shall provide RES with an itemized summary of all such building deficiencies. As part of this summary, estimate the monetary impact to bring each deficiency

into compliance. RES will then determine if the deficiency is of a magnitude that will prevent a State tenant from occupying the proposed facility. Non-negotiable compliance items include life-safety, indoor air quality, and accessibility.

Any issue or item that has not been specifically identified as being Non-Compliant as stated above will be assumed to be in compliance with Leased Space Requirements. Subsequent discovery of previously undisclosed non-compliant issues and their resulting impact on the project will be addressed and resolved at the sole cost and expense of the Lessor.

3.8 SUBMISSION OF COSTS

The Lessor shall submit a signed itemized construction bid, detailing costs for the Work to accomplish the RES-approved plans and specifications. Those costs shall be submitted on the Bid Cost Breakdown form, or other format approved by the RES Design Professional. RES will approve or reject all additional Tenant Improvement costs. Additionally, RES reserves the right to request alternate bids. If agreement between the Lessor and the State cannot be reached, the State reserves the right to reject the proposal.

Submission of bids by the Lessor, and their subsequent acceptance and approval by RES, constitute an obligation by the Lessor to provide all materials and perform all work required to complete the buildout of the proposed leased facility according to the RES-approved drawings and specifications in their entirety, whether or not specific items have been called out on the Bid Cost Breakdown. The Lessor's submitted bid will be accepted and approved as all-inclusive for all issues delineated or referenced on the RES-approved documents. Items not included by the Lessor on the BCB are not subject to subsequent payment from the State.

Any cost submittal, change, interpretation of requirements, or revision to the work must be authorized by the RES Design Professional.

All cost submittals shall be itemized by the Lessor as listed below:

	Itemized summary of the work (labor and materials only) with associated
costs	
	Total of Cost of the Work ("Project Cost Subtotal")
	Total Project Mark-Up*
State sales tax	
	Lessor's total ("Total Project Cost")

** Total Project Mark-up shall include General Contractor's overhead and profit, Lessor's management fee, B&O, Builders Risk, Prevailing Wage documentation, General Conditions, etc., and shall not exceed 15%.*

4 BUILDING MEASUREMENTS

4.1 BOMA REQUIREMENTS

Unless otherwise provided in the Lease, the most current version at the effective date of the lease of the "Office Buildings: Standard Methods of Measurement" (ANSI/BOMA Z65.1 or its replacement, if one is designated) shall be the criteria for determining the leased square footage for all office and warehouse space leased to the State of Washington.

For all projects, the Lessor shall provide itemized square footage calculations of "USABLE AREA" (USF or usable square feet), and "RENTABLE AREA" (RSF or rentable square feet). RSF is

used for financial calculations as part of the selection process and in the lease contract executed with the successful proposer, regardless of whether the state occupies 100% of the building, unless specified otherwise in the Request for Proposal advertisement. USF is used for space programming and built space metrics.

4.2 LOAD FACTOR

The load factor is a multiplier obtained by dividing the rentable area by the usable area; it quantifies the efficiency of a particular space. A load factor may also be used to adjust a USF measurement to an RSF measurement.

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00 00 00 PROCUREMENT AND CONTRACTING REQUIREMENTS

00 20 00 INSTRUCTIONS FOR PROCUREMENT

1.1 PREVAILING WAGES

Lessor and Lessor's Contractor shall pay Prevailing Wages or applicable Federal Wages to all workers, laborers, or mechanics employed in the performance of any part of the Work in accordance with RCW 39.12 and the rules and regulations of the Department of Labor and Industries (L&I). Lessor agrees to comply with the provisions of RCW 39.12 as required under RCW 39.04.260 unless specifically exempted by the Department of Labor and Industries. Submit all compliance paperwork directly to L&I, who makes all determinations regarding the applicability of Prevailing Wage. When prevailing wage is applicable, the Lessor shall provide to the RES Design Professional at the conclusion of the project certification of full compliance with L&I's prevailing wage regulations in order to receive the final project payment. For additional information, visit L&I's website at

<http://www.lni.wa.gov/TradesLicensing/PrevailingWage/default.asp>

END OF Division 00 00 00

01 00 00 GENERAL REQUIREMENTS

01 10 00 SUMMARY

1.1 GENERAL

The following are the State's minimum quality standards for construction materials, assemblies and equipment. The Department of Enterprise Services, Real Estate Services (RES) will release to the Lessor final approved plans and performance specifications (LSR) reflecting each project's requirements. All items required to provide a complete, operational and fully functional facility meeting all approved codes shall be included as part of this project unless stated otherwise. These specifications are generic and apply to a broad range of projects. Some items may not be required on all projects (such as plumbing fixtures when the project involves only minor interior alterations). Provide all materials and accessories for complete, proper installation and operation of products described in the contract documents, even if not specified in this document. Final determination of applicable requirements is the sole responsibility of the RES Design Professional.

1.2 PROJECT DOCUMENTS

These specifications, including any addenda, along with RES-approved drawings, summarize the project requirements. Changes to these documents may only be made in writing by the RES Design Professional. Omissions and discrepancies between construction drawings, specifications, site conditions, and code requirements shall be brought to the attention of RES. The RES Design Professional will clarify the intent of the drawings and program requirements and assist in resolving conflicting issues. The RES-approved drawings will include RES and Lessee approval signatures and BOMA area calculations in the lower right hand corner of the sheet.

01 20 00 PRICE AND PAYMENT PROCEDURE

01 23 00, 01 25 00 ALTERNATES AND SUBSTITUTION PROCEDURES

1.1 ALTERNATES/SUBSTITUTIONS AND MATERIALS

The State will consider formal requests from the Lessor for substitution of products, systems or materials in place of those specified. Construction methods or materials other than those mentioned herein may be acceptable if, with the RES Design Professional's written approval, they provide equal or better quality, appearance, safety and function.

Lessor will provide a written statement to RES that they have investigated the proposed product and method and determined that it is equal or superior to that specified. Submit to RES Design Professional a copy of the manufacturer's literature indicating product description, performance and test data, reference standards and samples (if requested). Provide a complete, detailed description of proposed alternate construction methods. Provide a minimum of 10 working days for all substitutions to be reviewed for approval by the RES Design Professional. Approval of the proposed substitution must be in writing from the RES Design Professional (see Section 01 33 00 for submittal requirements).

Lessor shall coordinate installation of accepted substitution into work, making such changes as may be required for work to be complete in all respects. Lessor is responsible for coordinating all work resulting from substitutions and is not relieved of any responsibilities for the project under the contract. Lessor is responsible for any cost increase associated with substitutions.

01 26 00 CONTRACT MODIFICATION PROCEDURES

1.1 CHANGE ORDERS

CHANGES AND REVISIONS

Any change or revision to the work that would result in additional cost to the State must be proposed in writing to RES. The RES Design Professional must authorize in writing any proposed change or revision to the work. Tenant agencies have no authority to direct the Lessor or Lessor's Contractor to make changes to the Work; nor may they make payments for unauthorized work.

CHANGE ORDERS

Tenant Agencies may at any time request additions, deletions, revisions, or other changes in the Work. If any proposed change or revision to the work would result in additional cost to the State, it must be submitted in writing to RES and shall be incorporated into Change Order.

All Change Order cost submittals must conform to the format required under item 3.8 Submission of Costs. If the proposal is accepted, the RES Design Professional will issue written Notice to Proceed.

01 29 00 PAYMENT PROCEDURES

Upon satisfactory completion of the project, as delineated in Section 01 77 00, the RES Design Professional will issue to the Lessee an Authority to Pay for all RES-approved non-amortized costs.

1.1 AUTHORIZATION OF PROJECT PAYMENTS

The Lessor shall submit to the RES Design Professional (not the Lessee) invoices reflecting all project costs incurred by the State. The RES Design Professional will then issue an Authority to Pay (ATP) to the Lessee for their direct payment to the Lessor. The release of any ATP is at the discretion of the RES Design Professional.

Up to 80% of all RES-approved additional tenant improvement costs or change order costs may be payable to the Lessor subsequent to the RES Design Professional's determination of Substantial Completion. The balance of all RES-approved costs is payable to the Lessor upon the RES Design Professional's determination that the Lessor has satisfactorily resolved all punch list items.

01 30 00 ADMINISTRATIVE REQUIREMENTS

01 31 00 PROJECT MANAGERMENTS AND COORDINATION

1.1 General Communications

All instructions to the Lessor will be given by the RES Design Professional. RES Design Professional's verbal instructions must be confirmed in writing. Minor clarification may be confirmed in meeting minutes or site visit reports. Promptly inform the RES Design Professional of deviations from the established schedule, dimensional irregularities, code concerns, etc. Contractor/superintendent shall be readily available by mobile device during normal business hours. Provide telephone number(s) to the RES Design Professional.

01 33 00 SUBMITTAL PROCEDURES

1.1 PRODUCT SUBMITTALS

Submit, as pertains to the tenant occupied space finishes, complete product specifications, literature, and all material, color and finish samples to RES Design Professional for approval and/or selection. Allow 10 working days for submittals to be reviewed by RES Design Professional. Provide a minimum of 2 submittal packages for review unless electronic submittals are acceptable to the RES Design Professional. Submit together all colors and materials that occur in the same room or rooms. Provide shop drawings where appropriate. Coordinate with Tenant pre-approved color board, if applicable.

Mechanical equipment submittals shall include, but not be limited to, HVAC equipment, fans, air conditioning units, duct lining, controls zoning layout and the controls. The submittals shall indicate the equipment operating point, sound data and pressure drop information.

1.2 SAFETY DATA SHEETS (SDS)

Provide Safety Data Sheets for the following building materials if utilized in preparation of the leased space: insulation, PVA sealer, gypsum wallboard, paint, ceiling tile, carpet, base, carpet/base adhesive, floor patching compounds and sealers, and millwork, and as requested by the RES Design Professional. Maintain copies of SDS at facility location.

01 40 00 QUALITY REQUIREMENTS

01 41 00 REGULATORY REQUIREMENTS

01 41 13 CODES

If access, fire, life-safety, health hazards, or structural deficiencies are detected either before or after occupancy, they shall be corrected by the Lessor at his sole cost and expense. Lessor is responsible for all new construction meeting applicable code requirements.

01 41 26 PERMIT REQUIREMENTS

Lessor shall procure permits, pay all associated fees, and meet all city and/or county requirements as required for completion of the project. Provide copies of the final signed-off building permit and/or the final Certificate of Occupancy to the RES Design Professional at closeout.

01 43 00 QUALITY ASSURANCE

All project work shall be completed in accordance with sound engineering practices, good trade workmanship, and utilizing new or quality used materials, clean and free from blemishes.

01 50 00 TEMPORARY FACILITIES AND CONTROLS

01 51 00, 01 52 00 TEMPORARY UTILITIES AND CONSTRUCTION FACILITIES

1.1 TEMPORARY FACILITIES AND UTILITIES

Lessor shall provide and pay for all temporary construction facilities and utilities.

01 57 00 TEMPORARY CONTROLS

01 57 19 TEMPORARY ENVIROMENTAL CONTROLS

Maintain acceptable indoor air quality in occupied portions of State-leased buildings undergoing renovation projects, by observing the following:

- A. Schedule work with Lessee as not to interfere with its mission and or workflow. When possible schedule work which results in excessive smells, noise, or dust in tenant agencies off hours.
- B. The size of the area in which renovation is to occur and the scope of the project may necessitate the temporary relocation of the tenants during the construction period. This will be mutually agreed upon and arranged by RES staff and the Lessee.
- C. To prevent construction dust and fumes from infiltrating the building's mechanical system and thereby affecting indoor air quality, the area where renovation is to be performed shall be separated and sectioned off from the remaining space by temporary partitions or plastic sheeting.

If the mechanical system is operational during construction, a MERV 8 filter(s) shall be used. Immediately prior to occupancy, the filter shall be changed to a clean MERV 13. If the building mechanical system cannot accommodate a MERV 13 filter, alert the RES Design Professional and default to a clean MERV 8.

D. The mechanical system serving the entire space where renovation occurs may need to be turned off during renovation; if so, outside air shall be introduced to this space by means of auxiliary fans. Maintain a slight negative pressure in the construction area. Heating units shall be utilized as required.

E. All finish materials, including preparatory products, shall be non-VOC (volatile organic compound) type products. (See Section 01 33 00, 1.2)

01 70 00 EXECUTION AND CLOSEOUT REQUIREMENTS

01 74 00 CLEANING AND WASTE MANAGEMENT

01 74 23 FINAL CLEANING

Prior to the RES Design Professional's final punch list inspection, perform the following cleaning services throughout the leased facility and in areas directly serving the facility. All finishes are to be cleaned according to manufacturer's recommendations.

Maintain the facility in a properly cleaned condition until commencement of rent or tenants begin their move-in process, whichever occurs first, except for items specifically noted in the RES Design Professional's punch list letter.

- A. Clean and sweep all parking areas, driveways, and sidewalks. Remove all construction debris and equipment.
- B. Wash all interior and exterior glazing; clean window and relite frames of all debris.
- C. Repair, patch, touch up, and/or replace marred surfaces, restoring to a like-new condition. Provide touch-up painting of all walls, corners, columns, soffits, and other paintable surfaces, achieving a blemish-free condition.
- D. Vacuum, prepare and clean all finished floor materials and surfaces per manufacturer's recommendations.
- E. Remove grease, dust, dirt, stains, labels, fingerprints, etc. from exposed surfaces.
- F. Clean all HVAC supply and return air diffusers and grilles, ducts, blowers, coils, fixtures, equipment and piping. Replace disposable air filters and clean permanent filters.
- G. Flush water systems (see Section 22 40 00, 1.1).

01 77 00 CLOSEOUT PROCEDURES

1.1 CERTIFICATIONS, WARRANTIES AND SUBMITTALS

Subsequent to the RES Design Professional's determination of Substantial Completion and their approval of initial occupancy by the Lessee, and prior to final inspection or acceptance of the facility by RES, provide the following to the RES Design Professional:

- 1) Permanent Certificate of Occupancy or final signed-off building permit
- 2) As-built drawings (see Section 01 78 00, 1.2)

- 3) Operations & Maintenance manuals (see Section 01 78 00 1.1)
- 4) Domestic water potability certification (see Section 22 44 00, 1.1)
- 5) Safety Data Sheets (SDS) (see Section 01 33 00, 1.2)

Submit written certifications to the RES Design Professional on the respective subcontractor's or consultant's letterhead, signed by the licensed designer/engineer for this project, addressing and specifically stating compliance with the following issues:

- A. The HVAC (mechanical) system serving this leased facility has been installed and is operating in accordance with the RES-approved plans and specifications, is clean (all filters have been changed just prior to tenant occupancy), properly balanced, fully operational, and will perform satisfactorily to meet the State's requirements, including the Washington State Energy Code and International Mechanical Code.
- B. The electrical system (receptacles, equipment connections, etc.) has been installed and is operating in accordance with the RES-approved plans and specifications, and all circuitry and receptacles are configured and functioning as intended by their design.

01 78 00 CLOSEOUT SUBMITTALS

1.1 OPERATING INSTRUCTIONS / MAINTENANCE MANUALS

Provide Operations & Maintenance manuals for all facility systems, equipment, hardware, finish materials for which the tenants have the responsibility to clean (example: carpet, resilient flooring) or the ability to control, revise, or alter settings or the like at their discretion (example: cypher locks, electronic access systems, thermostats, special HVAC units, special lighting controls). All information contained in these manuals shall be neat, clean, readable, and orderly.

Specific information to be contained in these manuals include:

- A. Names and phone numbers of repair/maintenance contacts.
- B. Simplified operating instructions, and complete emergency instructions in case of system failure or natural disaster.
- C. All warranties/guarantees.
- D. Manufacturer's recommendations for continued care, including method and frequency of cleaning and maintenance.
- E. Reduced-scale zone map for the completed HVAC system and its controls.
- F. HVAC system balance report that indicates conformance with the designed system.

Provide walk-thru training (conducted by the appropriate personnel of the respective disciplines) for the designated Lessee facility manager covering the HVAC controls and all other major building systems/equipment/ hardware.

1.2 PROJECT RECORD / AS-BUILT DRAWINGS

As the job progresses, the Lessor shall keep at the project site an accurately marked-up set of Contract Documents showing all changes and deviations from the original RES-approved drawings. Upon completion of project, the Lessor shall transfer all changes and deviations indicated on their project sets to a permanent as-built drawing set. All such information shall be neatly and clearly drawn and described with technical accuracy. Lessor shall provide CAD as-built drawings to the RES Design Professional, and one "red-lined" markup of the State-approved plans in electronic format.

END OF DIVISION 01 00 00

02 00 00 EXISTING CONDITIONS

02 20 00 ASSESSMENT

1.1 SITE CONDITIONS

The Lessor is responsible for investigation and determination of all existing site conditions and requirements.

Provide right-of-way construction and site drainage as required by authorities having jurisdiction. All new utilities required for this project shall be underground and meet all local regulations. Existing above-ground utilities may be retained unless local code requires modification.

END OF DIVISION 02 00 00

06 00 00 WOOD, PLASTIC AND COMPOSITES

06 10 00 ROUGH CARPENTRY

1.1 DESCRIPTION OF THE WORK

Provide carpentry work, all materials and items required for complete installation of products including anchors, fasteners and other necessary accessories. Anchor materials solidly in manner directed and in accordance with highest industry standards. Provide blocking as required for products specified elsewhere. (See also Section 09 20 00)

06 20 00 FINISH CARPENTRY

1.1 MATERIALS AND FINISHES

Provide all materials and items required for complete installation of products, including hardware, anchors, fasteners, and other necessary accessories. Finish wood with stain and minimum 2 coats semi-gloss finish. Provide solid hardwood, hardwood veneer, plastic laminate-surfaced plywood or medium-density fiberboard, or other non-VOC material.

1.2 EQUIPMENT BOARDS

Provide (2) nominal 4'x8'x ¾" fire-retardant treated plywood on walls of voice/data distribution rooms or as otherwise noted on the RES approved plan. Mount bottom no lower than 24" above floor, top no

higher than 84" above floor. Alternate design may be indicated on RES approved drawing or specified by RES Design Professional. Mount on wallboard, masonry, or concrete. Existing equipment boards may be reused if treated with flame retardant coating.

1.3 PARTITION CLOSURE TRIM: TERMINATIONS AT EXTERIOR WINDOWS

Provide sound resistant wood or metal closing trim at walls meeting window mullions or window glazing. Match depth and type of windowsill material and finish wall ends. Styrofoam closures are not acceptable. Submit proposed method to RES Design Professional for review.

1.4 CHAIR RAIL

Chair rail shall be clear hardwood, 5/4 x 6 with eased edges and clear finish. Confirm mounting height with RES design professional. Mount chair rail using scarf joints, blind nailing, and mitered corners, with no exposed end grain. Alternate chair rail materials or products may be used with approval of RES design professional.

06 40 00 ARCHITECTURAL WOODWORK

06 41 00 ARCHITECTURAL MILLWORK

1.1 GENERAL

Furnish and install millwork at the locations shown on the RES approved drawings and as specified, complete with hardware. Provide shop drawings for service/reception counters and/or other specialty millwork to RES Design Professional for review and approval. Provide adequate blocking, bracing and attachment. Shelves shall support minimum 25 pounds per lineal foot without sagging. Provide (1) shelf for every 14", adjustable in 1" increments with wall-mounted aluminum standards and brackets.

1.2 RESTROOM VANITY COUNTERS

Provide wall-mounted countertop with drop in sink. Finish per cabinet specifications.

1.3 COFFEE BAR AND LUNCHROOM CABINETS

See plan for sink location and special features. Design shall be accessible per local building codes. Provide 4" x 4" toe space and base to match room base. Provide plastic laminate-faced countertop with 4" high (min) plastic laminate back and side splashes. Provide plastic laminate-faced plywood, medium-density fiberboard, or other non-VOC material, for cabinet faces with matching edges for all exposed-to-view surfaces; white melamine finish may be provided for interior surfaces and surfaces not exposed to view. Provide accessible stainless steel "D" pulls, or RES approved alternate, and adjustable self-closing hinges.

06 41 16 Plastic-Laminate-Clad Architectural Cabinets**1.1 DESCRIPTION OF THE WORK**

Provide 1/16" thick, high-pressure plastic laminate where shown on the drawings or as specified. Provide quality materials such as Wilsonart, Formica, Nevamar, or as approved by the RES Design Professional. Locations may include countertops, edges, splashes, window sills, cabinet faces, wainscot where indicated on drawings, toilet partitions and/or doors. See Sections 09 00 00, 1.2 and 10 21 00 for related requirements.

END OF DIVISION 06 00 00

07 00 00 THERMAL AND MOISTURE PROTECTION**07 20 00 THERMAL PROTECTION****07 21 00 THERMAL INSULATION**

Provide thermal insulation for roof, walls, floor, and so forth, as required by the Washington State Energy Code. Attach all insulation to permanent structure. Material laid on ceiling tile to achieve thermal insulation value is not acceptable.

07 30 00 , 07 40 00, 07 50 00 ROOFING**1.1 NEW CONSTRUCTION AND REPLACEMENT ROOFING**

Provide complete assembly meeting all manufacturer's requirements for minimum 20-year guarantee. Use compatible materials. All low-sloped roofs shall have a reflective coating (or use a light-colored roofing material which shall be kept clean and in good repair to maintain its effectiveness. Design roof with positive slope; control run-off with adequately sized rainwater leaders and storm water system. Protect all openings against water infiltration with curbs, minimum of 6" high. Control runoff away from sidewalks and entries.

1.2 EXISTING ROOFING

Provide roof assemblies in good repair, free of leaks and prolonged standing water (longer than 48 hours). Control runoff away from sidewalks and entries.

07 90 00 JOINT PROTECTION**07 91 00 PREFORMED JOINT SEALS; 07 92 00 JOINT SEALANTS**

1.1 All interior sealants, adhesives and compound products used shall be non-toxic, low-odor and solvent-free, and shall be antimicrobial with no hazardous vapors and containing no carcinogenic materials. All exterior sealants shall be as recommended by the manufacturer for substrate compatibility. Provide all necessary items required for complete sealant installation.

END OF DIVISION 07 00 00

08 00 00 OPENINGS

08 10 00 DOORS AND FRAMES

1.1 GENERAL

Provide commercial-grade products. Replace all warped doors. Replace any existing door that cannot be restored to like-new condition. All replacement doors to match existing.

08 11 00 METAL DOORS AND FRAMES

1.1 SIZE AND CONSTRUCTION (EXTERIOR)

Unless otherwise specified doors shall be 3'-0" minimum width, 7'-0" high or match existing, 1- $\frac{3}{4}$ " thick flush, 18 gauge minimum, galvanized and insulated. Frames shall be galvanized, welded, insulated, weather stripped, 16 gauge minimum, and reinforced for hardware.

1.2 SIZE AND CONSTRUCTION (INTERIOR)

Unless otherwise specified doors shall be 3'-0" minimum width, 7'-0" high or match existing, 1- $\frac{3}{4}$ " thick, 18 gauge minimum. Frames shall be hollow metal, welded or knockdown frames, 16 gauge minimum, reinforced for hardware.

1.3 INSTALLATION

Coordinate all door installation, magnetic hold-opens and electric locking requirements with the door frame supplier and the building security and access systems vendors.

08 14 00 WOOD DOORS

1.1 SIZE AND CONSTRUCTION

Unless otherwise specified doors shall be 3'-0" minimum width, 7'-0" high or match existing. All wood doors shall be hardwood veneer (North American Trees), 1- $\frac{3}{4}$ " thick solid-core. Exterior doors shall be sealed against water penetration.

1.2 FRAMES

Interior frames shall be softwood, hardwood, aluminum, or hollow metal (see Section 08 11 00), as specified in RES approved drawings. If not directly addressed in the RES approved drawings, the Lessor may select the type of frame.

1.3 INSTALLATION

Coordinate all door installation, magnetic hold-opens and electric locking requirements with the door frame supplier and the building security and access systems vendors.

08 30 00 SPECIALTY DOORS AND FRAMES

1.1 DESCRIPTION OF THE WORK

Provide structural enhancements as required or as recommended by door manufacturer to allow proper operation and to prevent sag. Sound attenuation integrity shall extend above ceiling as required to maintain the minimum STC rating from room to room, floor to ceiling, and wall to wall.

1.2 DOOR TYPES AND CONSTRUCTION

1.3 ACOUSTIC OPERABLE PANEL WALLS

Provide STC 44 minimum. Modernfold "Acousti-Seal," "Spacesaver," or Panelfold "Series 4800," or approved equal. Provide integral access door when required by code or as shown on the approved drawing. Coordinate location with RES Design Professional.

ACOUSTIC ACCORDION PARTITIONS

Provide STC 39 minimum; Modernfold "Audio-Wall," or approved equal.

08 40 00 ENTRANCES, STOREFRONTS, AND CURTAIN WALLS

08 43 13 ALUMINUM FRAMED STOREFRONTS

1.1 DESCRIPTION OF THE WORK

Provide thermally-broken commercial-quality aluminum storefronts and all appropriate accessories constituting a complete assembly. Construction shall be compatible with power operators. Where applicable, modify existing storefront doors and frames as required to accommodate specific requirements for Tenant security and access systems. See Section 08 80 00 for glazing requirements.

1.2 SIZE, COMPONENTS AND CONSTRUCTION

DOORS

Unless otherwise specified doors shall be a minimum of 3'-0" wide and 7'-0" high, or match existing, head and jamb stiles designed to receive insulated tempered glass and accommodate power operators as required.

WINDOWS

Window frames shall match door frames, heads mounted at the same level as adjacent door head heights, unless specifically noted otherwise.

1.3 MANUFACTURERS

Kawneer Company, Inc., or approved equal.

Horton Series 2000 linear drive sliding door, or approved equal.

08 50 00 WINDOWS

1.1 WALL RELITES

Frames shall match door frames, heads mounted at the same level as adjacent door head heights, unless specifically noted otherwise; non-standard sizes will be shown on the drawings. Provide fire-rated assemblies and/or safety glazing where required by code.

1.2 DOOR RELITES

Frames shall complement door frames, unless specifically noted otherwise; non-standard sizes will be shown on the drawings. Provide fire-rated assemblies and/or safety glazing where required by code.

08 70 00 HARDWARE

1.1 GENERAL REQUIREMENTS

Provide a Certified Professional Locksmith (CPL) or Architectural Hardware Consultant (AHC) to work with the RES Design Professional to oversee the coordination of all hardware applications. Provide manufacturer's heavy-duty commercial-grade hardware per schedule. Each kind of hardware (locksets, closers, hinges, etc.) shall be obtained solely from one manufacturer.

1.2 KEYING

Key all locks for specified function, operation and security. Provide construction keying to master system. Hardware supplier shall provide construction keys to contractor. Coordinate master keying system with Lessee and CPL or AHC to comply with Lessee requirement. Hardware supplier shall provide 4 sets of permanent keys to the Lessee.

1.3 BASIC HARDWARE

STANDARD DOOR HARDWARE SET (RE: SECTION B3.14)

(2) 1-1/2" BALL BEARING HINGES FOR INTERIOR OFFICE DOORS LESS THAN 7'-0"

(1) LEVER HANDLE PASSAGE SET (CYLINDER)

(1) WALL STOP

(3) SILENCERS (OR SMOKE SEAL/WEATHERSTRIP AS SPECIFIED)

1.4 HARDWARE SPECIAL REQUIREMENTS

LOCKSETS AND LATCHES

All locks and passages shall be equipped with lever hardware, except at mechanical, electrical, telephone, and janitor's rooms, where knurled knobs are acceptable. Provide interchangeable core, heavy-duty commercial, cylindrical type. Corbin-Russwin, Schlage Series ND, or equal.

HINGES

Provide ball-bearing hinges throughout. McKinney or equal. For exterior applications, all hinges to be non-ferrous hinges and pins utilizing non-removable pins where applicable.

CLOSERS

All closers shall be adjustable. Door opening force shall be adjusted per IBC. Spring hinge used as closer is not acceptable. Provide cold-weather fluid in exterior door closers where temperatures regularly drop below freezing. If exterior door does not remain closed in windy weather when closer is adjusted to code pressure, then the Lessor shall provide automatic door openers or an enclosed entry vestibule. Provide closers where called for in the door schedule, or where required by code. LCN or approved equal.

SILENCERS

Provide silencers on each door except where smoke seal or weather stripping is installed.

STOPS

Overhead stop to be concealed, Glynn Johnson 320/330 series or equal. Wall stop to be Glynn Johnson WB50 or equal. Floor stops unacceptable unless approved in writing by RES Design Professional. Provide solid blocking for all wall stops. Closer used as stop is not acceptable.

KICKPLATES

Provide door width appropriate 12" high kickplates, stainless steel, or 1/8" impact-resistant plastic, unless noted otherwise. Provide kickplates on push side of doors unless noted otherwise on the plans. Provide kickplates on all restroom, janitor, stair, entrance and exit/pathway doors, and where called for in the door schedule.

WEATHERSTRIPPING/THRESHOLDS

Weatherstrip all exterior doors with continuous vinyl at head and jambs, and door bottom weatherstripping to achieve highest protection against weather infiltration. Provide beveled, 1/2" maximum rise threshold meeting accessibility requirements at all public entrances and accessible routes.

08 71 00 ACCESS CONTROL HARDWARE**CYPHER LOCKS**

Cypher locks shall be 9-number minimum, mechanical or electronic push-button code access system. Lock shall have changeable code capacity and be capable of remaining continuously unlocked (at Tenant discretion) during business hours. Simplex or equal.

AUTOMATIC OPERATORS

When noted in the door schedule, provide an automatic operator that is actuated by a push-button or plate, and manually operable for other pedestrian traffic. Alternately, infrared sensors may be provided if appropriate for special design applications and approved by the RES Design

Professional. Provide a complete system for full operation, including field-adjustable variable time delay, opening and closing speed, control switching for security access system and locking, all appropriate connections, and complying with all accessibility requirements.

CARD KEY, DIGITAL KEYPAD, AND PROXIMITY READER SYSTEMS

When noted in the door schedule, provide a fully functional system providing access security control, complete with all components including, but not limited to, panels, door strikes, locks, buttons, readers, contacts, connections, switching, control mechanisms, and operating cards (if applicable). Verify the desired operational parameters with the RES Design Professional and Lessee, and interface all construction disciplines as appropriate. (Reference New Space Addendum section 3.11 if applicable.)

FINISH

Provide hardware with matching finishes. Match new hardware finish to remaining existing hardware. For new construction, unless noted otherwise, provide BHMA 612(US10) or 630 (US32D), or as approved by the RES Design Professional.

08 80 00 GLAZING

1.1 DESCRIPTION OF WORK AND PRODUCT QUALITY

All new exterior glazing shall meet current Washington State Energy Code requirements.

Interior glazing shall be as shown on the approved plans or in accordance with applicable codes. All window sills shall be finished with plastic laminate or other approved water-resistant material.

1.2 EXTERIOR WINDOWS & SKYLIGHTS

Provide insulated glazing manufactured and installed in appropriate frames such that the assembly resists air and moisture leaks and interior condensation. For new construction, provide thermally broken commercial frames.

END OF DIVISION 08 00 00

09 00 00 FINISHES

FINISH SCHEDULE (unless noted otherwise on plans or in Addendum)

1.1 FLOORS AND BASE

OFFICES (AND SPACES NOT LISTED BELOW)

Carpet tile and base.

RESTROOMS, SHOWER ROOMS

Slip-resistant, unglazed porcelain or ceramic tile. Sheet vinyl optional for leases not exceeding 5,000 square feet. All flooring material shall have matching cove base extending upward onto the adjacent wall at least 5".

SHOWER STALLS

Slip-resistant, unglazed porcelain ceramic tile, unless a prefabricated fiberglass pan or stall has been approved. Configuration must meet ADA requirements.

BREAK ROOMS, LUNCH ROOMS AND COFFEE BARS

Vinyl composition tile, LVT or sheet vinyl. For coffee bars, install full length of counter, including adjacent space for refrigerators, and minimum 24" out from face of base cabinet, unless shown otherwise on drawings. Provide base below cabinets to coordinate with adjacent finishes.

MECHANICAL, ELECTRICAL, VOICE/DATA DISTRIBUTION, COPY, AND JANITOR ROOMS

Vinyl composition tile and base, unless noted otherwise in the RES approved drawings.

VESTIBULES AND ENTRIES

Woven polypropylene, with base, or as shown on the plans.

1.2 WALLS**OFFICES (AND SPACES NOT OTHERWISE INDICATED)**

Gypsum wallboard; match adjacent wall texture (existing construction); provide light orange peel texture in new construction; satin or eggshell sheen paint. Provide Level III (minimum) finish.

DRINKING FOUNTAINS

Plastic laminate on adjacent walls to 48" high above finished floor, with continuous metal or matching plastic edges. Extend 18" minimum on each side of fountain. Configuration must meet ADA.

RESTROOMS, SHOWER ROOMS

Ceramic tile wainscot to the height of toilet partitions or 72" above finish floor (AFF) minimum on all walls; gypsum wallboard with semi-gloss enamel above. For leased spaces under 5,000 square feet, FRP wainscot (all walls) and sheet vinyl floors with integral base may be substituted in lieu of ceramic tile.

SHOWER STALLS

Full-height ceramic tile, unless prefabricated fiberglass enclosure has been approved.

JANITOR ROOMS AND MOP SINKS

Gypsum wallboard, with plastic laminate wainscot, Kydex Panels, Marlite FRP or equivalent to 48" high minimum above finished floor at mop sink. Extend 18" minimum on each side of sink.

1.3 CEILINGS

OFFICE AREAS AND CONFERENCE ROOMS

Acoustical tile suspended ceiling system. Office ceiling height 9'-0" minimum in all areas unless otherwise indicated. Provide 10'-0" minimum ceiling height for large open areas where the minimum room width exceeds 30'.

RESTROOMS

Provide gypsum wallboard with semi-gloss paint. Ceiling height shall be 7'-6" minimum, 8'-0" preferred.

SHOWER ROOMS

Provide gypsum wallboard with epoxy coating.

MECHANICAL, VOICE/DATA DISTRIBUTION, AND ELECTRICAL ROOM

Ceiling tile gridded ceilings are required in these room types. In lieu of ceiling tile, rooms may have floor to structure above partitions (open ceiling).

JANITOR ROOMS

Hard ceilings are required in these room types. In lieu of hard ceilings, rooms may have floor to structure above partitions (open ceiling).

09 20 00 PLASTER AND GYPSUM BOARD

09 21 00 PLASTER AND GYPSUM BOARD ASSEMBLIES

1.1 GYPSUM WALLBOARD

Provide 5/8" thick, type "X" for all dry areas, unless otherwise indicated. Install water-resistant 5/8" thick, type "X" for all toilet rooms, and similar wet areas (see Section 09 28 13 for ceramic tile applications). Screw-attach wallboard into metal studs or kiln dried wood studs. Maintain fire-resistant rating of wall/ceiling assemblies at openings. Provide galvanized metal, or plastic cornerbead and edge trim. Tape and mud joints (two coats minimum). For existing facilities, match existing adjacent wall texture.

09 22 00 SUPPORTS FOR PLASTER AND GYPSUM BOARD

For non-loadbearing walls and hard ceilings, provide wood or light gauge steel framing. For light gauge steel framing, comply with drywall manufacturer's recommendations.

Provide studs spaced at 16" on-center minimum for light gauge steel framing or 24" maximum for wood studs. Install supplementary framing, blocking and bracing at terminations in the work and for support of fixtures, equipment services, heavy trim, door stops, grab bars, toilet accessories, furnishings, adjustable shelves, chair rails, and similar construction, sized to carry weight or loading to meet all requirements for items supported.

Provide finished trim or smooth appearance where top of wall meets underside of suspended ceiling. Minimize the gap and provide "J" or "L" metal trim between top of wall and ceiling. Provide bracing to the above-ceiling support structure over doors and elsewhere as required by the building code. Frame around ducts penetrating walls to provide support for gypsum wallboard.

09 28 00 BACKING BOARDS AND UDERLAYMENTS

09 28 13 CEMENTITIOUS BACKING BOARDS

Provide Tile Council of North America (TCNA)-approved tile backer-board behind all ceramic tile applications in all wet areas: USG Durock™ or equal. Install with corrosion resistant fasteners. (See also Section 10 28 19). Install per TCNA installation recommendations.

09 30 00 TILING

09 30 13 CERAMIC TILING

1.1 DESCRIPTION OF WORK

Provide glazed ceramic tile wainscots and slip-resistant porcelain ceramic tile floors. Provide bullnosed edges or extruded aluminum transition accessories at all terminations and/or transitions to other materials, and preformed inside/outside pieces at wall corners and base. Completely seal all ceramic tile applications after installation. Provide grouting, cleaning and sealing in accordance with the tile and grout manufacturer's recommendations.

09 50 00 CEILINGS

09 51 00 ACOUSTICAL CEILINGS

1.1 DESCRIPTION OF WORK

Provide all items required for complete installation of ceiling system, including wall moldings, anchors, accessories, fasteners, etc., required by conditions of installation and/or applicable codes.

NON-FIRE-RATED TILE

Ceiling Attenuation Class (CAC, formerly STC) minimum range 35 - 39, NRC minimum range .65 - .75. Tile with lower CAC and NRC values than those specified is not acceptable. Provide in all areas except as otherwise indicated on the drawings or specifications, or as required by code. Armstrong Fine Fissured, USG Glacier, Omni or equal. Provide humidity-resistant tiles in "wet" and exterior areas.

FIRE-RATED TILE

CAC minimum range 35 - 39, NRC minimum range .60 - .70. Tile with lower CAC and NRC values is not acceptable. Install tile in accordance with tile manufacturer's requirements, all in the same direction. Provide in all areas as required. Armstrong Fine Fissured USG Glacier, Fissured, Omni or equal.

09 53 00 ACOUSTICAL CEILING SUSPENSION ASSEMBLIES

Provide rust-resistant exposed grid system for lay-in acoustical tile, fire-rated where required. Installation typical in all areas except as noted. Grid shall match acoustic tile background, white color or as specified. In no case shall the grid be attached to the mechanical ductwork. Provide seismic bracing and support as required by the building code. Provide humidity-resistant grid system for "wet" areas and laboratories.

For repair/restoration of existing grids that are discolored or rusted, provide GridMAX by Acoustic Ceiling Products, or approved equal, throughout the entire affected space.

09 60 00 FLOORING

09 65 00 RESILIENT FLOORING

1.1 DESCRIPTION OF WORK

Provide resilient flooring as shown and specified. Provide materials and items as required for complete installation of products, including fasteners, anchors, and other necessary accessories. Prepare substrate(s) per manufacturer's directions.

1.2 FINISH CONDITION

All resilient flooring areas shall be cleaned and finished according to manufacturer's recommendations just prior to Tenant occupancy.

09 65 13 RESILIENT BASE

All topset cove base shall be from continuous rolls, rubber/vinyl mix, uniform color full thickness, Johnsonite or Roppe 700 series, or approved equal. All joints to be tight-butt and sealed. 5/8" standard toe base. Provide job-formed corners from continuous rolls.

Provide vinyl or metal transition strips at floor material transitions. Finished transitions greater than 1/4" high shall be beveled or ramped per accessibility requirements.

09 65 16 VINYL SHEET FLOORING

Commercial-grade, .085" thick, .050" wear surface, Mannington Magna, Armstrong Corlon or equal. All sheet vinyl seams shall be welded in compliance with manufacturer's recommendations.

09 65 19 RESILIENT TILE FLOORING

Luxury Solid Vinyl Tile (LVT or LVP), conforming to ASTM F 1700, Class III, Types A (smooth) or B (embossed surface). Glue-down applied, 0.10" (2.5mm) thick, with 20 mil (0.5mm) wear layer. Armstrong - Natural Creations, Mannington - Nature's Paths, Mohawk - Global Entry, or equal. 15 year minimum warranty.

09 65 19.19 VINYL COMPOSITION TILE FLOORING

Minimum 12" x 12" x 1/8" thick, Mannington, Armstrong, Azrock, Tarket, or approved equal.

For slip-resistant flooring use Armstrong Stepmaster or Mannington Assurance Tile (18" x 18") or equal where slip-resistance is noted on drawings.

09 68 00 CARPETING

1.1 DESCRIPTION OF WORK

Provide preparation, substrates, and any materials required (adhesives, floor sealers, fillers, leveling compounds, seaming tapes etc.) for complete installation of carpet. Installation and products shall be per manufacturer's recommendation.

1.2 PRODUCT QUALITY

All carpet shall be from the same dye lot. Products utilizing olefin or polyester nylons are unacceptable. All carpet products shall consist of recycled content and be 100% recyclable (reference A5.6 if included in attached addendum), and shall bear the CRI Green Label Plus approval as well as a CRI Green Label Plus Indoor Air Quality Control Category & Registration Number.

09 68 13 TILE CARPETING

1.1 PRODUCTS

CARPET TILE

TYPE: Level or textured loop

TILE SIZES: per Manufacturer

YARN TYPE: 100% type 6 Nylon or type 6.6 Nylon (see MR Rating)

MODIFICATION RATIO (mr): 2 or lower

DYE METHOD: Minimum 70% Solution-dyed / Maximum 30% Yarn-dyed

FIBER AND BACKING WEAR WARRANTY: 15 years

PILE WEIGHT: 17 oz. minimum

PILE DENSITY: Minimum \pm 6,000-7,000 Moderate to Heavy Traffic (Pile thickness: ASTM D6859 or ASTM D7241 test method)

GAUGE: 1/10 minimum

STITCHES: 6.33 per inch

TUFT DENSITY: 63.3 tufts per square inch minimum

PRIMARY BACK: Polypropylene

SECONDARY BACK: Vinyl, with reinforced fiberglass scrim & integral moisture barrier

SECONDARY BACK WARRANTY: "Non-prorated Lifetime Warranty" - delamination, expanding, shrinking, cupping, and doming.

DIMENSIONAL STABILITY: Pass (AACHEN test)

NYLON TREATMENTS: Test result of 6 or less (AATCC TM175)

RESISTANCE TO DELAMINATION: Minimum 4lb/inch force, no delamination (ASTM D3936)

TUFT BIND: Must resist a minimum of 10 lb force (ASTM D1335)

MOISTURE IMPACT TEST: 10,000 cycles. All product shall pass the British Spill Test and Moisture Impact Test: 5,000 impacts at 1-psi. No penetration on backing. Products will include a permanent moisture barrier; insuring moisture cannot penetrate into the backing and subfloor.

METHENAMINE PILL TEST: Pass (ASTM D-2859)

FLAMMABILITY: Exceeds ASTM E-648 and passes DOC FF#1-70

FLOORING RADIANT PANEL TEST: Class I (Direct Glue) (ASTM E-648)

N.B.S. SMOKE CHAMBER TEST: <450 or less (ASTM E-662)

ELECTROSTATIC PROPENSITY TEST: <3.0 KV (AATCC 134)

TEXTURE APPEARANCE RETENTION RATING (TARR): Minimum 3.5 or greater 3rd party, independent tested (ATMS D5417 or ASTM D5252)

VOC EMISSIONS (per ASTM D5116): CRI green label plus certification number

1.2 ADHESIVES AND FLOOR PRIMERS

Provide non-VOC adhesives and floor primers as recommended by carpet manufacturer and as certified non-VOC by the CRI Indoor Air Quality Adhesive Testing Program.

1.3 PREPARATION

Areas to receive carpet shall be clean, dry and dust-free. Concrete subfloor moisture and heat requirements for subfloor / installation areas shall be in accordance with manufacturer's written instructions. Fill all depressions, cracks and irregularities with non-VOC Portland-based cement compound with latex binders (Ardex, Mapei, or equal), unless specifically prohibited by manufacturer, and grind all ridges and high spots smooth, to achieve a level subfloor throughout. Proceeding with carpet installation constitutes installer's acceptance of the responsibility for correction of unacceptable work due to floor conditions.

1.4 INSTALLATION

Strictly adhere to carpet manufacturer's written floor preparation and installation instructions, as well as CRI Commercial Installation Standard 104 as pertains to project scope. Manufacturer's instructions shall take precedence over CRI 104. Bind edges at floor access panels. Installation of carpet tiles should utilize the "Lift" method for work in occupied spaces.

1.5 FINISH CONDITION

During construction, protect the carpet according to manufacturer's recommendations. Just prior to Tenant occupancy, remove all debris from floors, clean carpet to appropriately eradicate all spots, dirt or adhesive, and make repairs to appropriately eliminate tears, frays, pulled tufts and stains.

1.6 WARRANTY

Provide full product and installation-labor warranty at a minimum for the term of the Lease. Warrant against failure, including loss of adhesion, improper site preparation, and poor workmanship.

09 80 00 ACOUSTIC TREATMENT

09 81 00 ACOUSTIC INSULATION

Provide full-coverage sound attenuation batts in all walls specified to receive them. Walls must be sealed for tight fit at base, ceiling and/or structure. Seal may be sill insulation, acoustic caulk, or other approved method. Provide continuous batt insulation 2' on each side of the wall above the ceiling. The assembly rating of such systems shall achieve and maintain a value of STC 45 minimum, or as noted on drawings. Submit proposed sound wall design and technical data to the RES Design Professional for review.

09 90 00 PAINTING AND COATING

09 91 00 PAINTING

1.1 DESCRIPTION OF WORK

"Paint", as herein defined, means all coating systems materials. Work includes preparation and finishing of all interior and exterior surfaces that are a part of this project. Work shall include adjacent existing surfaces that are disturbed as a result of this work. Work excluded shall be that which is normally excluded such as operating parts and code-required labels.

1.2 MATERIALS

Provide solvent-free, non-VOC paint products.

1.3 PAINTING SCHEDULE

GYPSUM WALLBOARD

Typical: 1 coat primer/sealer, 2 coats eggshell or satin paint.

Toilet rooms: 1 coat primer/sealer, 2 coats semi-gloss paint.

Shower rooms: 1 coat primer/sealer, 2 coats semi-gloss epoxy paint.

CLEAR FINISHES

Finish hardwood veneer doors and wood frames with 1 coat of stain, 2 coats of semi-gloss finish on all surfaces or manufacturers pre-finished doors.

PAINTED METAL

Paint primed hollow metal doors, frames and other prefinished ferrous metals with 2 coats of semi-gloss enamel.

UNPAINTED FERROUS METAL

Prime with one coat rust-inhibiting primer and finish with 2 coats of semi-gloss enamel.

END OF DIVISION 09 00 00

10 00 00 SPECIALTIES**10 10 00 INFORMATION SPECIALTIES****10 14 00 SIGNAGE****1.1 SITE / BUILDING / TENANT IDENTIFICATION SIGNS**

If the State agency occupies a multi-tenanted building, and the building's site sign accommodates individual tenant identification, provide agency identification on the site sign (unless waived by tenant). If the State occupies 100% of a building, provide state tenant identification on the site sign (unless waived by tenant).

If the building does not have a site sign, then provide state tenant identification on a building-mounted sign either on the exterior wall or on the windows nearest the main entry, with the design consistent with other tenant signs.

1.2 ENTRANCE DOOR SIGN

Provide a tenant identification sign located either on the glazing nearest the main entry door, on the wall nearest the main entry, or as otherwise approved by the state tenant. Provide contrasting color, white, or black vinyl, Helvetica, medium style letters, unless approved otherwise by the state tenant.

1.3 BUILDING DIRECTORIES

If the building is occupied by multiple tenants or by more than one state tenant, the Lessor shall provide a building directory located prominently in the building's main entry lobby or where most appropriate for high public visibility.

1.4 ACCESSIBILITY SIGNAGE

Provide visible and tactile international symbol of access signs, including Braille, as required by code. One sign that includes both "Men" and "Women" may be provided at unisex rooms.

1.5 ROOM SIGNS

Provide 1/8"-thick plastic sign at each room requiring identification. At all assembly occupancies (conference, training, interview and hearing rooms, etc.), as part of the room identification sign, provide a slide frame designating either "vacant" or "occupied" at the Tenant's discretion. Provide similar slide frame at all private offices to accommodate tenant-provided insert. Mount frames using double-backed foam tape. Coordinate signage location and appropriate room identification system with the Lessee and the RES Design Professional prior to fabrication. Verify with the Lessee the exact wording to be used on all signs.

10 20 00 INTERIOR SPECIALTIES

10 21 00 COMPARTMENTS AND CUBICLES

10 21 13 TOILET COMPARTMENTS

1.1 TOILET PARTITIONS AND URINAL SCREENS

Provide ceiling-mounted toilet partitions and wall-mounted urinal screens in all restrooms in the configuration shown on the approved drawing. Comply with all accessibility requirements for accessible stalls. Partitions and screens shall be phenolic resin, plastic laminate or painted steel, with steel core pilasters, stainless steel fittings, and door returns to preset positions. All brackets to have solid blocking for anchorage. Manufacturers: Bobrick, AAMCO, METPAR or equal.

In multi-stall configurations, provide a continuous stiffener bar or brace mounted at approximately 6'-6" AFF on the back side of each of the toilet partition ceiling-mounted support pilasters (on the stall side) and extending the full length of the stalls.

10 26 00 WALL AND DOOR PROTECTION

10 26 13 CORNER GUARDS

Provide screw-mounted clear plastic corner guards, minimum of 1" legs, mounted from the top of the rubber base to approximately 48" AFF.

10 28 00 TOILET, BATH AND LAUNDRY ACCESSORIES

1.1 DESCRIPTION OF WORK

Provide vandal-resistant, commercial-grade toilet room accessories, Bobrick or approved equal. Basic Requirements include: all toilet fixtures (see Section 22 22 40 00), privacy partitions and screens (see Section 10 21 13), drop in sinks, toilet paper dispensers, toilet seat cover dispensers, sanitary napkin disposal units, utility shelf, soap dispensers, towel dispensers (or hand dryers), grab bars, waste receptacles, mirrors, and 1 coat hook in each stall. Coordinate project requirements with vendor-supplied accessories.

1.2 TOILET PAPER DISPENSERS

Provide 1 for each stall, 2-roll type.

1.3 TOILET SEAT COVER DISPENSERS

Provide 1 for each toilet stall. Wall-mount above or adjacent to toilet.

1.4 SANITARY NAPKIN DISPOSALS

Provide 1 for each Women's restroom stall.

1.5 UTILITY SHELF

Provide 1 for each restroom stall, minimum 8" wide spring-operated pull-down shelf.

1.6 SOAP DISPENSERS

Provide 1 for each lavatory, 1 for each shower, and 1 for each coffee bar and lunchroom counter.

1.7 PAPER TOWEL DISPENSERS

Provide 1 for each 2 lavatories, and 1 for each coffee bar and lunchroom counter.

Electric hand dryers are an acceptable substitute in restrooms.

1.8 WASTE RECEPTACLES

Provide minimum of 1 receptacle for each restroom.

1.9 MIRRORS

Provide 1 for each lavatory, or a full-width mirror to accommodate all lavatories. Plate glass with stainless steel trim, 24" x 36" minimum individual size, with stainless steel shelf.

1.10 GRAB BARS

Provide stainless steel, 1½" diameter vertical and horizontal bars for each accessible toilet stall and each shower enclosures per applicable code requirements.

1.11 BABY CHANGING STATION

Provide 1 in each public restroom, located where shown on the drawings. Koala Bear Kare Baby Changing Station, as manufactured by JBJ Industries, Inc., or approved equal.

10 28 19 TUB AND SHOWER ENCLOSURES

1.1 GENERAL

Where indicated on the drawings, provide either an ADA acceptable fiberglass shower stall or a ceramic tile-lined shower enclosure, complete with all fixtures including fold-down seat and grab bars. Provide stainless steel shower curtain rod and 2 clothes hooks for each shower. See also Sections 09 30 13 & 22 44 00.

10 70 00 EXTERIOR SPECIALTIES

10 75 00 FLAGPOLES

10 75 16 GROUND –SET FLAGPOLES

1.1 DESCRIPTION OF WORK

Provide 30' aluminum flagpole, complete with fittings and lockable halyard control, Concord Industries, Inc. or equal. Illuminate flagpole with photocell switch-controlled light fixture. Locate flagpole and light fixture as shown on the drawings, or as approved on-site by RES Design Professional and the Lessee. Provide all appropriate support and foundation as recommended by the flagpole manufacturer.

END OF DIVISION 10 00 00

11 00 00 EQUIPMENT

1.1 GENERAL

Lessor shall provide the complete installation and maintenance of all code-required and project-specific equipment and systems, including central monitoring service, whether noted on the approved drawings or not, and ensure their proper operation.

11 80 00 FACILITY MAINTENANCE AND OPERATION EQUIPMENT

11 82 00 FACILITY SOLID WASTE HANDLING EQUIPMENT

1.1 GENERAL

Provide a refuse receptacle, location and size as recommended by local governing utility. Provide a level, concrete-paved surface with unrestricted access for garbage trucks, and locate on-site to be efficiently and safely accessible to the building tenants. Provide a 6'-0" high screened enclosure or similar visual barrier surrounding the refuse receptacle pad.

END OF DIVISION 11 00 00

12 00 00 FURNISHINGS

12 20 00 WINDOW TREATMENTS

1.1 SUMMARY OF WORK

All new window coverings shall be horizontal aluminum mini-blinds as a basic requirement, unless building standard or existing window treatments are accepted by the RES Design Professional, or other treatments are specified by the state tenant.

1.2 WINDOW BLINDS

Provide horizontal, adjustable, 1" aluminum miniblinds with manufacturer's factory finish; include integrated head rail, concealed mounting brackets and tilt wand. Alternatively, provide perforated and/or solid roller shades as indicated on the drawings. Manufacturer shall be Levolor or approved equal. Mount to provide coverage the full width and height of the affected window, and securely anchor the assembly at the window head. Perforated blinds shall be 13% open.

END OF DIVISION 12 00 00

22 00 00 PLUMBING

22 10 00 PLUMBING PIPING

1.1 SUMMARY OF WORK

All valves and piping shall be recessed, except clean-outs and flush valves. Provide access panels for individual valves as required for service and maintenance. Clean-outs shall be flush with adjacent wall or floor surfaces. Installation shall include stop valves on water supply lines to permit repair without shutting off main building supply lines. Building and tenant water supply shut-off valve shall be easily accessible and well-marked.

22 30 00 PLUMBING EQUIPMENT

1.1 INSTANT HOT WATER DISPENSER

Provide an ADA compliant instant hot water dispenser.

1.2 WATER HEATER

Provide an energy efficient water heater (or an “on-demand” unit), quick-recovery type, with an energy factor of at least 0.95. Provide the most efficient service location, sized in accordance with area and use of the building. Provide a circulation pump with 7-day programmable electronic timer with battery back-up, or additional water heaters where hot water delivery to fixtures exceeds 10 seconds. Provide 120° temperature water. Provide anti-scalding fixtures where required. Water heater shall be sized to accommodate all hot water connections within tenant spaces. Shell building water heater may be utilized for tenant spaces if capacity meets the above requirements.

1.3 PIPE INSULATION

Piping shall be thermally insulated in accordance with the State Building Code.

22 40 00 PLUMBING FIXTURES

1.1 SUMMARY OF WORK & PRODUCT QUALITY

Provide top-quality commercial-grade plumbing fixtures, including all associated trim and accessories, American Standard, Kohler, or equal. Provide low-flow water closets, urinals (or waterless urinals), and lavatories using commercial-grade carriers and flush valves. Provide floor-mounted water closets in all accessible stalls. Tank-type water closets may be acceptable at leased spaces less than 3000 square feet, or as approved in writing for the project by the RES Design Professional. Flush valves for toilets and urinals in new construction shall be infrared-activated valves. Lavatories shall also have infrared-activated or pushbutton (with automatic shutoff) faucets, and shall be provided with tempered water.

Flush water systems just prior to tenant occupancy and provide a letter of certification that the domestic water lines are clean, disinfected, and that the drinking water is potable and free of objectionable odor and taste.

Lessor shall provide and maintain hot and cold bottled drinking water dispensers on every floor if testing and treatment of on-site water does not meet potable drinking water standards.

1.2 FLOOR DRAINS

Provide self-priming floor drains with traps, 1 minimum in each restroom. Install flush with finished floor. Slope the floor within a 2' radius of the drain to effect positive drainage into the drain. Provide adjustable brass cover grille.

1.3 COFFEE BAR SINKS

Provide 1 self-rimming accessible stainless steel sink, minimum 15" wide, with accessible swivel gooseneck faucet and controls, as well as an ADA complaint instant hot water dispenser at each coffee bar (see Section 22 30 00).

1.4 LUNCHROOM SINKS

Provide 1 self-rimming accessible stainless steel sink, minimum 30" wide, with accessible swivel gooseneck faucet and controls, and an ADA compliant instant hot water dispenser at each lunchroom counter (see Section 22 30 00).

1.5 BATHROOM SINKS

Single wall mounted lavatory sink shall be American Standard, Koehler, Todo, or approved equal. Counter mounted, self-rimming sinks are also acceptable provided they use the above or equal manufacturers.

1.6 MOP SINKS

Provide 24" x 36" one-piece molded construction, floor-type mop sink. Locate where shown on the drawings.

1.7 SHOWERS

Provide showers where shown on drawings. Provide an adequate supply of tempered water (see Section 22 30 00, 1.2), and a floor drain at the drying area. Showers shall be equipped with low-flow heads.

1.8 DRINKING FOUNTAINS

Provide accessible, high-low, wall-mounted, refrigerated bottle fillers in addition to drinking fountains as required by the Building and Plumbing Code.

END OF DIVISION 22 00 00

23 00 00 HEATING VENTILATION AND AIR CONDITIONING (HVAC)

1.1 SYSTEM DESIGN, SUPERVISION AND CERTIFICATION

HVAC systems for all new office space, and remodels affecting over 3,000 square feet of State-leased space, shall have design work accomplished under the supervision of a licensed mechanical engineer.

The Lessor's engineer shall be responsible for system design, construction observation, and certification of the completed system. All projects shall meet or exceed State requirements including but not limited to the WSEC, and International Mechanical Code (IMC). The State reserves the right to hire an independent mechanical consultant to review the design and installation of the HVAC system. Modifications or changes resulting from that review required to achieve compliance with Leased Space Requirements shall be accomplished at no additional cost to the State.

For projects 5,000 SF or greater, provide a general narrative of the proposed mechanical system immediately following receipt of a letter of intent to lease. Include the following information:

- (1) Air Flow Delivery Concept: Constant Volume, Variable Air Volume (VAV), Variable Volume & Temperature (VVT), etc.
 - a. For VAV systems, series fan-powered, pressure-independent terminal units shall be used. Deviations must be approved in writing. Indicate if they will use Permanent Split Capacitor (PSC) or Electronically Commutated (ECM) motors. Indicate if/which terminal units will receive re-heat, and what the re-heat source will be (electric, hot water, etc.) Indicate if plenum or ducted return is proposed.
 - b. For VVT systems, where practical and where structure and ceiling space allow, avoid combining different exposures (north, south, east, and west) on the same unit, and avoid combining interior spaces with exterior exposures on the same unit. Avoid using VVT air handlers above 20.0 tons. All units 5.0 tons and greater must have motorized bypass. All packaged VVT air handlers with economizers must include power exhaust.
- (2) Zoning. Provide a proposed zoning map or description. If zoning is accomplished with terminal units, indicate which zone terminal units will be grouped with which central unit. This can be a highlighted floor plan with notes indicating which zone is served by which central unit.
- (3) Equipment Type. Indicate the HVAC equipment type (high performance, packaged, split system, air source, water source, gas-fired heat, DX cool, chiller, boiler, refrigerant types, supplemental heat source, etc.) Electric heat shall not be used, except as supplemental heat.
- (4) Provide DOAS (Dedicated Outdoor Air Systems) where required by Washington State Energy Code.
- (5) Equipment Features. Describe equipment features such as: tonnage, number of stages of control or modulating control – indicate for both heating and cooling, variable frequency drives, economizers, heat recovery, vibration isolation devices/techniques.
- (6) Equipment Location. Indicate the proposed location of all key HVAC equipment (roof, indoor, pad-mounted, etc.).
- (7) Filtration. Indicate the proposed level of filtration on each central unit, and all fan-powered terminal units.
- (8) Controls. Indicate if the controls are to be networked or standalone. If they are networked, state if the controls interface is to be graphical or text-based, and if there will be remote communication. Indicate if exhaust fans, pumps or other building systems will be controlled

(indoor lighting, parking lights, etc.) Projects that require an Energy Management System / Direct Digital Control (EMS/DDC) system shall have a computer-based front end with graphical interface.

Upon agreement of the initial system concept, the design shall be completed and submitted to the State for coordination of thermostat locations.

1.2 SYSTEM INSTALLATION

Install mechanical equipment and dampers to facilitate service, maintenance, and repair or replacement of equipment components. Ductwork must be sealed per Washington State Energy; duct leakage must not exceed IMC and WSEC prescribed levels.

During construction, store all mechanical equipment, ductwork, piping and insulation in a dry location on elevated dunnage. Remove dust from the inside of metal duct sections as they are erected. Cover all duct openings at the end of each workday to prevent dust migration into ducts. If a duct liner does get wet, dry duct liner within 48 hours using a forced air heater. If moist liners are detected, all affected ducts will be required to be replaced at no additional cost to the State.

1.3 CALCULATIONS AND LOADS

The heating and air conditioning load calculations shall be based on the directives of this section.

VENTILATION

Ventilation shall comply with the International Mechanical Code, and all other applicable codes.

LOAD CALCULATIONS

HVAC systems shall be sized in accordance with the Washington State Energy Code, the following values, and the ventilation rates per International Mechanical Code. Methods shall be as described in ASHRAE Fundamentals. Load calculations for each zone or piece of HVAC equipment shall be submitted to the RES Design Professional with drawings indicating the zoning layout for review and approval. Documents shall provide sufficient detail to accurately describe the intended system and shall include, but not be limited to, glazing areas, glazing orientation, zoning map, number of people, miscellaneous equipment loads, and lighting values. When adding a load to existing systems, calculations will show the existing equipment adequate to supply this load without compromising conditions in other areas.

Landlord shall provide HVAC heating and cooling capacity at minimum to maintain office conditions at 72°F ± 2°F. System shall allow for:

- 2.8 watts/square foot (w/sf) for tenant space lighting and receptacle loads (0.8 w/sf lighting and 2.0 w/sf receptacle loads), or in compliance with the WSEC whichever is more restrictive.
- Ventilation loads based on occupancy, design conditions, and Code required ventilation rates
- Building envelope loads at ASHRAE design conditions with +99% heating and 1% cooling conditions.
- Occupant loads at one occupant per 120 square feet.

1.4 SYSTEM CONFIGURATION

The HVAC supply air system shall be fully ducted. System shall provide outside air ducted directly to the air handling units at all times during occupancy. All plenum return systems must utilize plenum-rated materials as required by codes. Ductwork shall be constructed of galvanized steel installed per Sheet Metal and Air Conditioning Contractor's National Association (SMACNA) Standards. The need for fiberglass duct linings shall be minimized by design of ductwork for low velocities. Where used, fiberglass duct liner shall have a coated surface on the airstream side which prevents fiber release. Cut edges of liner materials shall be sealed in accordance with manufacturer's recommendations. Acceptable manufacturers are Owens-Corning, Schuller, Knauf, Certain-Teed, or approved equal. Flexible duct shall be factory-insulated type with vapor barrier jacket, one-inch fiber glass insulation, zinc-coated steel-spring helix reinforcement, bonded to polyester or mylar liner. The use of flexible ductwork shall be limited to runs of 8 feet. All materials shall comply with UL 181 listed with flame-spread rating not over 25, smoke-developed rating not over 50.

The use of transfer grilles is permitted to return air from rooms under 170 square feet in area, provided they consist of a pair of grilles connected with ductwork with a minimum of two bends, designed and installed to prevent sound transfer from room to room. Multiple transfers in series are not permitted.

The ratio of supply and exhaust air shall be such that the building shall be under slight positive pressure at all times. When economizers are used, controls shall be provided so that outside air is used for the first stage of cooling, supplying a maximum of 100% outside air when outdoor temperatures are sufficiently low to provide the necessary cooling.

Provide separate perimeter zones at a minimum of one zone for each exterior exposure per floor, with an additional zone for the interior. Perimeter zones shall be within 10 to 14 feet of an exterior wall or glazing. In addition, provide an individual zone for all corner offices larger than 200 SF (i.e. rooms having multiple exterior exposures). HVAC serving interior zones may not also serve exterior zones unless approved by the RES Design Professional. Provide each zone with separate temperature controls and temperature sensors. Provide separate zones for special purpose assembly rooms such as conference rooms and training rooms. The system designer shall verify cooling loads with the Project Team prior to completing design, then submit drawings showing zone and thermostat locations to RES for review and approval prior to commencement of construction.

Provide separate ventilation and cooling equipment with 24-hour air conditioning and separate controls for all voice/data distribution rooms and computer (LAN) rooms. System shall be sized to maintain a temperature range of 65° - 75° F.

Designs, including hydronic systems, shall include balance drawings and schedules, which clearly depict air volumes and flow rates for both air and water required at each register, inlet, exhaust, or tap point. Should the designs involve modifications or additions to existing systems, the designs will include such balance drawings for the entire system, not just the portion included in the rework.

1.5 SYSTEM PERFORMANCE

The following pertains to operation of HVAC systems, and should not be used as design criteria. Design conditions are covered in preceding sections on loads and design. HVAC systems shall be considered to be performing in an acceptable manner if they maintain a normal daily operating temperature of 72° F ±

2° F throughout the year, with a maximum allowable variation of $\pm 4^\circ$ F at the extreme outdoor design conditions defined by ASHRAE.

1.6 CONTROLS

Adequate controls shall be provided within the leased space to ensure satisfactory temperature control under the varying load conditions in each zone. The controls shall not be located above office equipment such as photocopiers, printers, kitchen appliances, etc. The automatic controls shall efficiently control the air temperature in all parts of the leased space and in each zone. The controls shall be completely automatic, 24-hour, 7-day programmable with override switch for easy off-hours operation. Provide commercial electronic, programmable, lock-out thermostats, or monitored Energy Management System within the leased space.

On VAV systems, Variable Frequency Drive controlled supply fans shall be used. Provide logic and programming to reset the duct static set-point such that the maximum VAV terminal unit damper is open between 85-90%.

1.7 FILTRATION

Air filters shall be rated at 25-30% average atmospheric dust spot efficiency with an average resistance rating of 90-95% when tested in accordance with current accepted industry (ASHRAE) Standards. Return air in a plenum system shall be filtered at the terminal box before entering system.

1.8 NOISE

Allowable system noise levels shall be as per Room Criteria (RC) curves in ASHRAE Systems Chapter 43. As maximums, private offices and conference rooms shall be RC 35, with open offices RC 40, and circulation, public areas, and computer rooms RC 45. Plenum return systems must restrict noise transfer to adjacent occupied areas. See Section 07 20 00, 1.2 and 09 81 00.

1.9 BUILDING EXHAUST SYSTEM

Restrooms, showers, mechanical, electrical, janitor rooms, and enclosed copy/workrooms shall receive supply or "transfer" air only and be exhausted directly* to the exterior of the building to prevent air from being recirculated to other rooms. Provide separate exhaust system for venting hazardous gasses from laboratories and similar spaces. Exhaust fans shall be installed on roof or in mechanical equipment rooms, or shall be readily accessible in-line fans (maximum sound level classification of 9.0 Sones at 0.125 inches static pressure). System/fans shall be controlled by automatic 7-day timer or local timer switch, depending on application. All exhaust shall be ducted to outside of building away from air intakes. Exhaust systems shall be interlocked with the building HVAC system controls, and operate during the same time that the building is occupied, including manual override unless RES-approved otherwise.

Intermittent or source-specific exhaust systems which do not operate continuously during the occupied mode shall be interlocked with the building HVAC system controls to provide necessary makeup air required during operation. See Division 27 00 00 for voice/data distribution and computer (LAN) rooms.

*A common exhaust system may be used to exhaust from several of these rooms provided each room is operated on the same time schedule.

23 30 00 HVAC AIR DISTRIBUTION

1.1 AIR DISTRIBUTION

The quantity of supply diffusers and return air grilles shall be sufficient to provide even-air distribution throughout the zone. They shall be located in response to the final space plan/work station layout to minimize air blowing directly on individual work stations; but in all cases each supply diffuser shall have a serving area not exceeding 250 square feet and each return air grille shall have a serving area not exceeding 1,000 square feet. Diffusers shall be appropriately sized to provide controlled multi-directional/modular core air distribution with vanes, and shall have a balancing damper minimum of 4' upstream of the grille. Diffusers shall have sound ratings at design airflows of below NC 27. Each diffuser shall have a dedicated and accessible duct-mounted volume damper. Perforated grilles on supply diffusers are not acceptable. Floor registers/diffusers are not allowed, unless part of a raised access floor system serving computer (LAN) rooms.

1.2 AIR INTAKE

Locate air intake away from exhaust outlets and from sources of odors or degraded air quality such as designated smoker areas, chimneys, plumbing vents, and the like. Locate all outside air intakes on the roof or in protected areas to prevent tampering.

END OF DIVISION 23 00 00

26 00 00 ELECTRICAL

1.1 GENERAL

Provide complete electrical power distribution system as required for mechanical and electrical equipment, standard power, isolated power, lighting system, and other equipment as indicated on the drawings and/or specified herein (see Parts A and B, or attached addendum.)

1.2 PRODUCTS AND APPLICATIONS

All products must be of the quality herein specified. All products shall be new and free from defects. All products shall be UL or Extract Transform Load (ETL) certified for the purpose for which they are used. Wires shall be attached to receptacles, switches, and fixtures by a positive clamping method that can be tightened and secured by a screw. "Stab Lock" attachment method is not acceptable.

No electrical conduit shall be more than 40% filled in cross sectional area.

26 05 00 COMMON WORK RESULTS FOR ELECTRICAL

1.1 SUMMARY OF THE WORK

Separate the mechanical power and equipment circuits from receptacle circuits, and locate in separate panels when more than one panel is used. All panel boards shall have key-controlled locking covers. Identify all circuits within panel boards by circuit directory and mark each receptacle with its appropriate circuit number with a visible, indelible typed label.

1.2 DEFINITIONS

The following definitions shall be utilized for the explanation of electrical symbols delineated on the drawings. The examples of use are typical, but can vary for different tenant agencies. Equipment should be powered as recommended by the manufacturer.

DEDICATED RECEPTACLE

The sole receptacle served by a dedicated powered circuit connected to a common ground. Only one simplex, duplex or fourplex receptacle allowed per circuit (usually 20-amp). Identify each receptacle with a red dot. Typically used for equipment and appliances: refrigerators, microwaves, vending machines, photocopiers, laser printers (verify), etc.

STANDARD RECEPTACLE

A 120v, 60Hz, single-phase, 20-amp power receptacle served from a standard branch circuit connected to a common ground. Up to six duplex receptacles may be served from a single 20-amp circuit. Typically used for task lights, desktop appliances, and general convenience.

26 05 13 MEDIUM-VOLTAGE OPEN CONDUCTORS

CONDUCTORS

Feeder and branch circuit conductors shall utilize copper conductors with THHN/THWN insulation. Minimum conductor size for power circuits shall be #12 AWG. Conductors in circuits less than 100 amps shall be sized based on 60°C NEC ampacity ratings. Branch circuit ratings shall be increased per electrical code to limit voltage drop to a maximum of 3%. Minimum branch circuit ampacity rating shall be 20 amps.

26 05 26 GROUNDING AND BONDING FOR ELECTRICAL SYSTEMS

GROUNDING

Each feeder and branch circuit raceway shall include a copper ground conductor sized per the National Electrical Code.

26 05 33 RACEWAY AND BOXES FOR ELECTRICAL SYSTEM

RACEWAYS

Branch circuit and feeder raceways for interior areas shall utilize EMT (electric metallic tubing) raceways. Provide galvanized rigid steel conduits (GRS) in areas where exposed conduits are subject to damage or in outdoor locations. Metal Clad (MC) Cables shall be allowable where installed within concealed construction. Conduit raceways shall be installed in concealed construction unless in electrical/mechanical rooms or in open to structure spaces.

PANEL BOARDS

Panel boards shall be dead front style and utilize copper or aluminum buses. Panel board covers shall be keyed and utilize door-in-door construction with continuous hinges. Overcurrent devices

shall be fully rated for the available fault current. Panel boards shall include arc flash labels with incident energy levels and available fault current per NFPA 70E.

CIRCUITING GUIDELINES

1. Assume a maximum of four computers each with up to (3) LCD monitors shall be connected to a single 20A circuit.
2. One 20A circuit shall supply a maximum of three private offices.
3. One dedicated 20A circuit shall supply conference rooms smaller than 140sf. Two dedicated 20A circuits shall supply conference rooms sized 140 to 300sf. Additional circuits shall be provided for audio-visual (AV) or similar equipment.
4. Dedicated circuits shall be provided for copiers, kitchen appliances and other specified equipment.
5. Provide cleaning/maintenance duplex receptacles throughout all areas spaced at a maximum of 40 feet. Connect six receptacles per circuit.

CONTROLLED RECEPTACLES

50% of receptacles shall be controlled within private offices, open offices, conference rooms, copy rooms, break rooms and classrooms in accordance with Washington State Energy Code. The controlled receptacles shall be controlled along with the automatic lighting in each space or zone. Provide fourplex receptacles with half of the receptacle controlled at these spaces. Include factory controlled receptacle marking per code.

POWERED SYSTEMS FURNITURE

Provide ceiling, wall or floor branch circuit feed to powered systems furniture. It is anticipated four circuit, eight wire systems will be used. Adjust guidelines for other furniture configurations. Provide one (4)-circuit supply connection to the power whip provided by furniture manufacturer. Provide four circuits for a maximum of twelve workstations. One of the receptacle circuits shall be controlled per the Washington State Energy Code, the other three shall be non-controlled. This guideline is based on two duplex receptacles per workstation; (1) controlled (labelled) (1) non-controlled. Provide one controlled circuit to connect to up to (12) workstations. Provide one non-controlled circuit for up to four workstations. Coordinate with furniture manufacturer.

FLOOR DEVICES

Provide floor box at slab on grade locations and poke thru devices at concrete decks. Provide minimum of one floor box or poke thru device at conference room tables. Provide furniture feed floor boxes or poke thru device where furniture systems are not connected from wall or ceiling (power pole). Provide floor devices at other areas as required by drawings. Floor devices shall have power and data outlets. Provide large capacity devices where needed for audio visual connectivity; equal to Wiremold EFB8 floor outlet or 8AT poke thru devices.

26 08 00 COMMISSIONING FOR ELECTRICAL SYSTEMS

COMMISSIONING REQUIREMENTS

For lighting controls which include daylight or occupant sensing controls, automatic shut-off controls, occupancy sensors, or automatic time switches; the lighting controls shall be tested to ensure that control devices, components, equipment and systems are calibrated, adjusted, and operate in accordance with approved plans and specifications. Sequences of operation shall be functionally tested to ensure they operate in accordance with approved plans and specifications. The Lessor shall provide a complete report of test procedures and results to the RES Design Professional.

26 09 00 INSTRUMENTATION AND CONTROL FOR ELECTRICAL SYSTEMS

SWITCHING

1.1 SUMMARY OF THE WORK

Switch each space enclosed by walls or ceiling-height partitions with lighting controls within that space. The controls shall be readily accessible at the point of entry/exit to personnel using the space. Provide bi-level lamp switching, alternate fixture switching or manual dimming control in accordance with WSEC.

Exceptions: The following lighting controls may be centralized in remote locations:

1. Lighting controls for spaces which must be used as a whole (such as open office areas).
2. Automatic controls, when provided in addition to manual controls, need not be accessible to the users.
3. Controls requiring trained operators.
4. Controls for safety hazards and security.

1.2 AREA CONTROLS

A master control may be installed provided the individual switches retain their capability to function independently. Circuit breakers used as switches are not acceptable.

Exceptions:

1. Warehouse areas.
2. Areas less than 5% of the building footprint for footprints over 100,000 sq. ft.

1.3 DAYLIGHT ZONE CONTROL

All day lighted areas shall be controlled per the WSEC.

1.4 AUTOMATIC SHUT-OFF CONTROLS, EXTERIOR

Exterior lighting shall be controlled in compliance with the WSEC.

1.5 AUTOMATIC SHUT-OFF CONTROLS, INTERIOR

Leased spaces shall be designed and controlled in accordance with the WSEC.

Exceptions:

1. Areas that must be continuously illuminated or illuminated in a manner requiring manual operation of the lighting.

1.6 OCCUPANCY SENSORS AND PLUG LOADS

Interior lighting and power loads for standard receptacles shall be controlled in compliance with the WSEC. Where occupancy sensors are installed, they shall be installed in unobstructed locations. Where an outlet is assigned to a plug load reduction circuit, it shall be identified with a dedicated color device or label.

1.7 AUTOMATIC TIMED SWITCHES

Automatic timed switch controls shall have a minimum 7-day clock and be capable of being set for 7 different day types per week and incorporate an automatic “shut-off” feature, which turns off all loads for at least 24 hours and then resumes normally scheduled operations. Automatic time switches shall also have program back-up capabilities which prevent the loss of program and time settings for at least 10 hours if power is interrupted.

Automatic timed switches shall incorporate a manual over-ride switching device which is readily accessible and located so that a person using the device can see the lights or areas controlled by the switch. The manual over-ride switch shall allow the lighting to remain on for no more than 2 hours and control an area not exceeding 5,000 sq. ft.

26 27 00 LOW-VOLTAGE DISTRIBUTION EQUIPMENT

1.1 FLOOR BOX SERVICE FITTINGS

Provide recessed boxes and durable flush-floor metal covers for service fittings at open office locations. Walker, Hubbell, or RES-approved equal. The covers shall accommodate carpet application for the finished appearance.

1.2 SERVICE POLES (Power Duct Posts)

When service poles are shown on RES drawings, provide 6'-0" minimum flex electrical connection in ceiling space to allow repositioning for accommodating workstation furniture. Install above-ceiling J-box in locations concurrent with the service poles shown on RES drawings. Exact service pole locations and pole installation shall be determined by furniture placement at the time of move-in by the state tenant. Poles will be provided by the Agency’s vendor. Connect the systems furniture wiring (provided by the Agency’s vendor) to the “hot boxes” after the system furniture has been installed. Receptacles, jumpers and power bars, in the furniture, shall be installed by the Lessor’s licensed electrician.

26 50 00 LIGHTING

26 51 00 INTERIOR LIGHTING

26 51 13 INTERIOR LIGHTING FIXTURES, LAMPS, AND BALLASTS

1.1 SUMMARY OF THE WORK

Provide electric lighting serving all spaces shown or referenced on the RES-approved drawings to achieve the lighting levels specified in Section 26 50 00, utilizing the fixtures specified in Section 26 51 13, and incorporating switch controls as specified in Section 26 09 00.

1.2 INSTALLATION

Fixtures shall be connected with 6'-0" minimum of flex conduit to allow repositioning to provide required illumination. Locate fixtures as required for individual desk locations.

1.3 FIXTURES, BALLASTS AND LAMPS

Provide, high-efficiency, energy-saving Light-Emitting Diode (LED) fixtures (preferred) and/or retrofit LED lamps, or fluorescent fixtures with rapid or programmed-start ballasts, except where noted otherwise below.

BALLASTS

Fluorescent ballasts shall be class P thermally-protected, low energy, high-frequency, electronic ballasts meeting ANSI requirements and the following ratings:

1. Minimum Power Factor (PF): 95% at nominal line voltage
2. Maximum Total Harmonic Distortion (THD): 10%
3. Sound Rating: A.

LAMPS

1. For general office spaces: LED or T5 (HE) lamps, with 3500^o K. (+) temperature rating and a minimum color rendering index (CRI) of 80.
2. For exit lights: LED light source with battery back-up. Exit signs must meet Energy Star requirements.

1.4 FIXTURE REQUIREMENTS FOR SPECIFIC AREAS

For general office space: provide direct/indirect lighting fixtures, either pendant or recessed. Design and layout to be coordinated with the State's Project Team.

For restrooms, utility rooms, lunchrooms, storage rooms, LAN rooms, and the like: provide standard LED or fluorescent fixtures.

For conference rooms, training rooms, waiting rooms, hallways, and other intensive-use or high profile rooms: provide a combination of fixtures utilizing at least two of the following in each application: pendant or recessed direct/indirect, can lights, wall sconces, and wall washers.

In warehouse and high-bay applications: provide high-bay LED lamp and light fixtures with 3500° K.(+) temperature rating and a minimum color rendering index (CRI) of 80.

All fluorescent fixtures shall be approved by the lamp manufacturer up to a specific ambient operating temperature of 113° F. at 240V (with the ballast inside fixture) or 122° F. at 240V (with the ballast outside fixture).

1.5 LIGHTING LEVELS

WAITING, STORAGE, RESTROOMS AND HALL AREAS

Provide a minimum of 15 average maintained foot-candles illumination in waiting, storage areas and restrooms. Hallways shall have a minimum of 15 average maintained foot-candles illumination.

OFFICES, OPEN OFFICE AREAS, ASSEMBLY AREAS

Provide a minimum of 30 average maintained foot-candles illumination at all work surface desk-level locations. Coordinate light fixture locations with workstation layout in open office areas.

WAREHOUSES

Provide a minimum of 25 average maintained foot-candles illumination measured at 36" AFF at all warehouse locations. Coordinate light fixture locations with warehouse layout.

PARKING AREAS AND PEDESTRIAN PATHWAYS

Provide 2 minimum maintained horizontal and 1 maintained vertical footcandles in parking areas and 1 minimum maintained horizontal and vertical footcandles illumination in all walking areas for pedestrian security, with complete illumination of exterior areas leading from facility/structure to parking areas.

26 52 00 EMERGENCY LIGHTING

Provide minimum emergency illumination levels of 1 footcandle along all egress pathways in accordance with building codes. Provide exit signage along all egress pathways and at exit doors. Connect emergency fixtures and exit signs to emergency circuits, or equip with emergency battery pack units. Control all emergency fixtures via adjacent fixtures as required by WSEC. When emergency circuits are utilized, connect the egress fixture from emergency and normal circuit through a UL924 device.

END OF DIVISION 26 00 00

27 00 00 COMMUNICATIONS

27 20 00, 27 20 00, 27 40 00 VOICE, DATA, AND AUDIO-VISUAL COMMUNICATIONS

1.1 GENERAL

Contractor shall coordinate with, and provide site access to, the State's Information Technology (IT) representative and with the telephone/data vendors and/or contractors. Coordinate the placement of all rough-in requirements and all State-supplied equipment that is required for a proper functioning communications and information technology system.

1.2 INSTALLATION/FITTINGS

Provide rough-in system as required for complete standard installation of equipment, cable, and accessories. Provide J-box, mud ring, and 1" conduit with bushings to ceiling access where required for wall outlets.

Provide conduit sleeves with bushings at all wall/ceiling cable penetrations. Provide conduit sleeves extending above all hard ceiling or inaccessible ceiling locations. Conduit sleeve size shall provide for 40% maximum cable fill capacity.

NOTE: J-box and conduit are required only in locations where cabling will be routed in walls or partitions. Provide standard flush-floor box service fittings for open office locations except at existing slab-on-grade. For concrete floor assemblies in multi-story facilities, monument-type floor boxes may be substituted for flush floor boxes, if approved by the RES Design Professional.

1.3 VOICE/DATA DISTRIBUTION ROOMS ("LAN" ROOM)

Do not locate the building electrical panels in, adjacent to, or on a common wall with any voice/data distribution room. Provide 2 - 120V 20-amp dedicated circuits with fourplex receptacles for telephone equipment, location as identified on plan. In addition, provide 4 - 4" diameter conduit sleeves through floors from distribution room and through floors and ceiling into the voice/data distribution rooms. (See Section 06 20 00, 1.2 for wall-mounted equipment board requirements).

Voice/data distribution rooms shall be located in spaces completely free from piping systems that do not serve the space including water systems, hydronic systems, waste systems, rain leaders, and sprinkler systems. Relocate existing building piping systems outside of voice/data distribution room locations as necessary. Do not locate piping systems serving the room directly above electronic/computer equipment.

1.4 CABLE MANAGEMENT SYSTEMS

Where specified, cable management system shall consist of trays or J-Hooks, and shall be aligned along the spine of the building, turning at 90 degrees to connect any cable rings or hangers used to secure cables from trays or J-Hooks to point of use. Coordinate the location with the Lessee.

For cable not installed in conduit, and within a plenum air-space environment, such cable shall be plenum-rated CPM ("Communications Multipurpose Cable – Plenum") or OFNP ("Optical Fiber Non-Conductive – Plenum"). All cabling shall be labeled as plenum-rated or non-plenum-rated.

END OF DIVISION 27 00 00

28 00 00 ELECTRONIC SAFETY AND SECURITY

28 30 00 ELECTRONIC DETECTION AND ALARM

28 31 00 FIRE DETECTION AND ALARM

1.1 SUMMARY OF THE WORK

Where required by code or the state tenant, provide a centrally-controlled and annunciated, non-coded, fire alarm system including audible and visual alert devices, manual pull stations, automatic heat/smoke detectors, and automatic communication to a central monitoring provider. Provide a fire alarm system designed, installed, and tested in accordance with the NFPA 72 National Fire Alarm Code and federal, state, and local codes. Provide and maintain central monitoring provider service including continuing communications systems.

END OF DIVISION 28 00 00

32 00 00 EXTERIOR IMPROVEMENTS

32 10 00 BASES, BALLASTS AND PAVING

1.1 SUMMARY

Asphalt paving and sub-base shall be of sufficient thickness to support vehicular and truck traffic without permanent deformations and deterioration. Provide complete weed kill under new asphalt paving as required by the site conditions and as required in landscaping areas.

Place catch basins and slope asphalt paving to prevent standing water and keep draining water away from pedestrian crosswalks. Provide minimum 2% - 3% cross slope to stormwater catch basins. Curb radius to be minimum of 12' at parking intersections, unless otherwise required by local ordinances. Comply with all applicable accessibility requirements.

32 13 00 RIGID PAVING

New sidewalks shall be screed, floated, and steel-troweled with a light broom finish, or to match adjacent work. Concrete shall be a minimum compressive strength of 3,000 psi.

32 17 00 PAVING SPECIALTIES

32 17 13 PARKING BUMPERS

Wheelstops shall be reinforced precast concrete, steel dowel-anchored. Position 3'-0" from curbing. (NOTE: in locations of high annual snowfall, steel dowels may be omitted, except where wheelstops are

required to protect structures or other hazards.) Integral sidewalk/wheelstop curbs are allowed as long as the remaining clear width of sidewalk meets or exceeds the minimum width for access as required by code. In such instances, allow 3'-0" for vehicle bumper overhang.

32 17 23 PAVEMENT MARKINGS

Standard parking stalls shall meet jurisdictional dimension requirements. Provide code-required accessible parking stalls. Striping shall be 4" wide. Paint international symbol on the paving surface of each accessible stall and provide required accessible sign at the head of each stall(s).

32 39 00 MANUFACTURED SITE SPECIALTIES

32 39 13 MANUFACTURED METAL BOLLARDS

Bollards shall be 6"Ø concrete-filled galvanized steel pipe. Embed minimum of 4' into ground and extend 4' above ground level. Paint exposed surface international yellow. Pre-manufactured bollards may be acceptable upon approval by RES Design Professional.

32 80 00 IRRIGATION

32 84 00 PLANTING IRRIGATION

Underground irrigation system shall include integrated time clock control, with moisture sensor, metered separately from main water meter. Provide automatic drainage system to protect system against freezing, including air blowout connections and anti-siphon valve(s). Provide low-volume drip system and/or heads

32 90 00 PLANTING

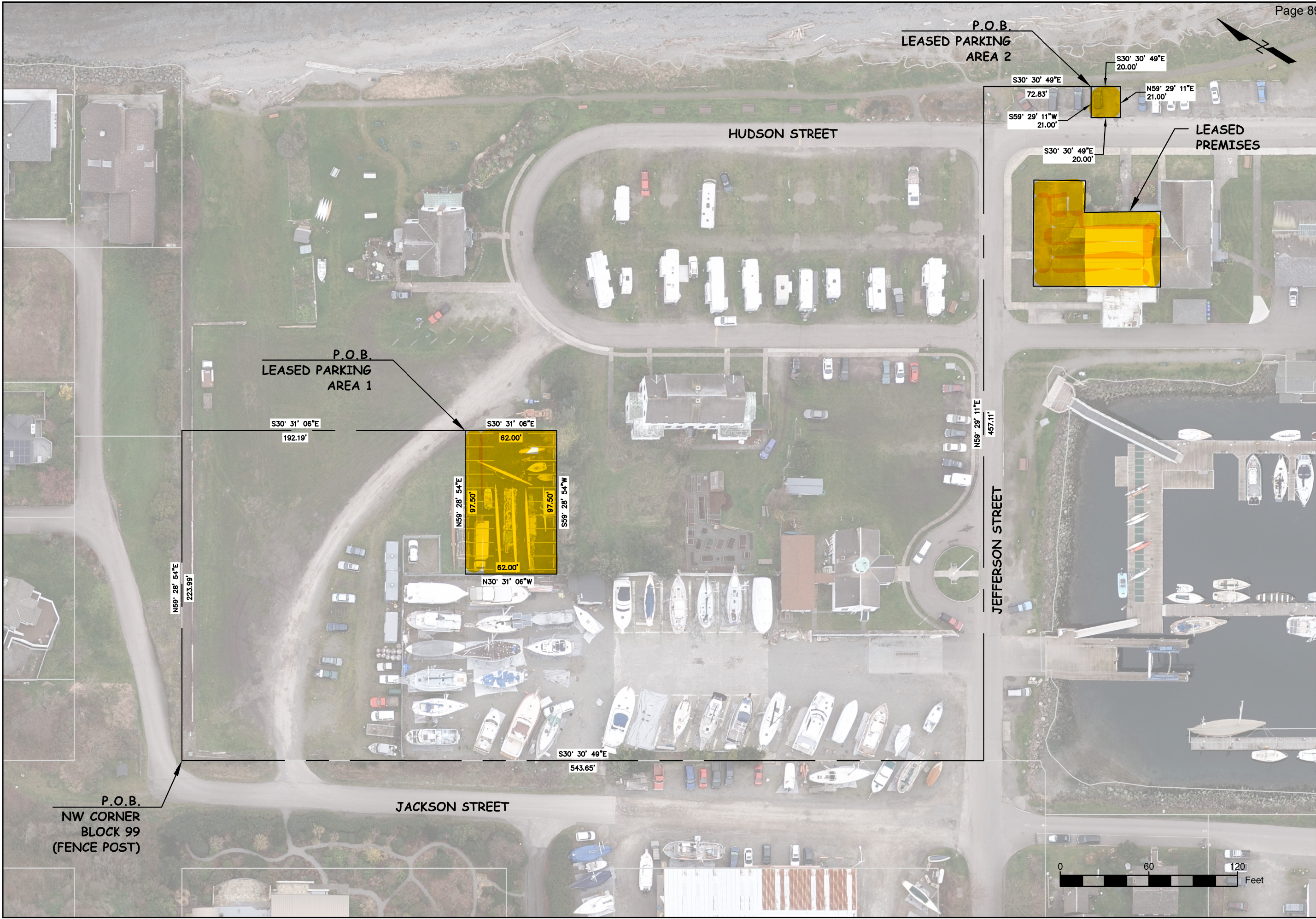
For new construction and change-of-use facilities, provide landscaping that utilizes native and adaptive species that does not require irrigation outside of drought and establishment periods. If an irrigation system is already installed the system must be separately metered. Show the location of all existing trees on the as-built submittal drawing, and appropriately protect all retained trees and shrubs during construction. Submit plans for review by RES Design Professional.

END OF DIVISION 32 00 00


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END OF LEASED SPACE REQUIREMENTS

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DATE: 3/22/2023		SCALE: NOTED		DRAWN: MK		CHECKED: EB		APPROVED: EB	
0		375 HUDSON LEASE		121323		DATE		APPD	
No.		REVISION		DATE		APPD		APPD	



MATTHEW D. KLONTZ
SURVEYOR
STATE OF WASHINGTON
LICENSE NO. 121323
PROFESSIONAL

PORT OF PORT TOWNSEND
JEFFERSON COUNTY WASHINGTON

EXHIBIT A
GRAPHIC DEPICTION OF
LEASED PREMISES

SHEET:
OF: 1

JOB NO.: -----
DWG: -----

PORT OF PORT TOWNSEND

AGENDA COVER SHEET

MEETING DATE	December 13, 2023
AGENDA ITEM	<input checked="" type="checkbox"/> Consent <input type="checkbox"/> First Reading <input type="checkbox"/> Second Reading <input checked="" type="checkbox"/> Regular Business
AGENDA TITLE	IV. D. A Hangar Condominium Association at JCIA - Amendment #2 of Land Lease with Condominium Provisions, Jefferson County International Airport
STAFF LEAD	Eric Toews, Deputy Director
REQUESTED	<input checked="" type="checkbox"/> Action <input checked="" type="checkbox"/> Discussion
ATTACHMENTS	A. Staff Memo B. A Hangar Condominium Association at JCIA Amendment No. 2 of Land Lease with Condominium Provisions, Jefferson County International Airport C. Attachment 'A' – A Hangar Condominium Association at JCIA Land Lease D. Attachment 'B' – A Hangar Condominium Association AT JCIA Assignment of Lease E. Attachment 'C' –A Hangar Condominium Association at JCIA Land Lease Amendment No. 1

PORT OF PORT TOWNSEND

INFORMATIONAL MEMO

DATE: 12/13/2023
TO: Port Commission
FROM: Eric Toews, Deputy Director, and Sue Nelson, Lease and Contracts Administrator
SUBJECT: A Hangar Condominium Association at JCIA, Amendment #2 of Land Lease

ISSUE: Should the Commission authorize the Executive Director to execute an amendment to the land lease agreement with the A Hangar Condominium Association at JCIA to correct both the legal description of the leased premises as well as the monthly rent?

BACKGROUND & DISCUSSION:

In November of 1995 the Port and Victor and Paula Gray entered into a land lease agreement with condominium provisions at the Jefferson County International Airport (JCIA) for premises currently occupied by Hangar Buildings “E” and “F”. The original term of the lease was through November 20, 2035.

In February of 1998 the lease was assigned with the Port’s consent from the Grays to the A Hangar Condominium Association at JCIA. The lease was also amended at this time to extend the term by an additional decade through November 20, 2045.

The original agreement incorporated a “metes and bounds” legal description of the premises encompassing approximately 53,201 square feet, an area much larger than that occupied by the actual hangar buildings, which together occupy approximately 19,992 square feet. Despite the fact that the leased premises are much larger than the area of actual hangar occupancy, rent has been applied only to those portions of the premises lying within the building lines of Hangars “E” and “F”.

This discrepancy was discovered by Port staff earlier this year during Commission deliberations regarding the prevailing ground lease rate to be adopted for the JCIA. Port staff met with Eric Taylor, President of the A Hangar Condominium Association, and concluded that a lease amendment was in order to definitively resolve this lingering inconsistency.

The lease amendment presented to the Commission would make plain that the premises encompass 19,992 square feet, more or less, rather than 53,201 square feet, and that rent on the reduced area is to be calculated at \$0.63 per square foot. This results in rent of \$1,263.37 per month being required through December of 2024, when the rate would be adjusted to the prevailing rate established by the Commission. Going forward, these periodic “prevailing Port rate” adjustments would be made every three (3) years throughout the remaining term of the lease. In the years when a prevailing rate adjustment is not applied, rent would be adjusted to the accumulative amount found on the CPI-U.

MOTION: None required. Approval of this item on the Consent Agenda authorizes the Executive Director to execute Lease Amendment #2 with A Hangar Condominium Association at JCIA.

ATTACHMENTS

- A Hangar Condominium Association at JCIA Amendment No. 2 of Land Lease with Condominium Provisions, Jefferson County International Airport, consisting of 6 pages;
- Attachment 'A' – A Hangar Condominium Association at JCIA Land Lease
- Attachment 'B' – A Hangar Condominium Association AT JCIA Assignment of Lease
- Attachment 'C' –A Hangar Condominium Association at JCIA Land Lease Amendment No. 1

AMENDMENT #2 OF LAND LEASE WITH CONDOMINIUM PROVISIONS JEFFERSON COUNTY INTERNATIONAL AIRPORT

THIS AMENDMENT #2 TO LAND LEASE WITH CONDOMINIUM PROVISIONS (the "Amendment") is made this ____ day of December 2023 by and between A HANGAR CONDOMINIUM ASSOCIATION at JCIA, a Washington Nonprofit Corporation ("Lessee"), and the PORT OF PORT TOWNSEND, a Washington Municipal Corporation ("Lessor" or "Port"), collectively, "the parties".

WHEREAS, the Port and Lessee's predecessors in interest, Victor O. Gray and Paula E. Gray (husband and wife), entered into that certain Land Lease with Condominium Provisions, dated November 16, 1995, and recorded on December 4, 1995 under Auditor's File Number 386808 for Premises located at the Jefferson County International Airport (JCIA), Port Townsend, Washington, which is attached hereto as Exhibit "A" and incorporated herein by this reference (the "Original Lease"); and

WHEREAS, on February 11, 1998, the Commission of the Port of Port Townsend approved that certain Assignment and Amendment of Lease, from Victor O. Gray and Paula E. Gray, Assignor, to A Hangar Condominium Association at JCIA, Assignee, recorded on April 10, 2002, under Auditor's File Number 454592, which is attached hereto as Exhibit "B" and incorporated herein by this reference (the "Assignment and Amendment"); and

WHEREAS, the Assignment and Amendment modified the Original Lease to extend the term from a forty (40) to a fifty (50) year term, ending November 20, 2045; and

WHEREAS, on January 15, 2002 the Parties entered into Lease Amendment #1 to adjust the monthly rent for the Premises, which is attached hereto as Exhibit "C" and incorporated herein by this reference ("Lease Amendment #1"); and

WHEREAS, the Original Lease, together with the Assignment and Amendment and Lease Amendment #1 constitute "the Lease"; and

WHEREAS, Paragraph #1 of the Lease incorporates a metes and bounds legal description of the Premises encompassing 53,201 square feet, more or less; and

WHEREAS, the Parties are agreed that the Leased Premises described in Paragraph #1 of the Lease should be amended to excise those portions of the Premises lying outside the foundation lines of Hangar Buildings "E" and "F", and will henceforth encompass 19,992 square feet, more or less; and

WHEREAS, the Parties are further agreed that the Rent described in Paragraph #1 of the Lease should be amended to reflect a current rent calculated at \$0.063 per square foot applied to the 19,992 square feet occupied by Hangar Buildings "E" and "F";

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. RECITALS INCORPORATED. The foregoing recitals are hereby incorporated into and made a part of this Amendment #2, including all defined terms referenced therein, with the same force and effect as if the same were herein repeated fully and at length. Capitalized terms used herein but not otherwise defined herein shall have the meanings ascribed to such terms in the Lease.

2. AMENDMENT OF PARAGRAPH 1. Paragraph 1, "LEASED PREMISES", of the Lease is hereby deleted in its entirety and the following is inserted in its place and stead:

1. LEASED PREMISES: The Port hereby leases to Lessee, and Lessee hereby hires and leases from the Port, certain real property (hereinafter "the Premises") situated in Jefferson County, State of Washington, graphically depicted in Exhibit "A" which is attached hereto and incorporated herein by this reference, and which is described as follows:

An approximately 10,112 square foot parcel of land identified as Hangar Site "E", and an approximately 9,880 square foot parcel of land identified as Hangar Site "F", located at the Jefferson County International Airport (JCIA) lying within that portion of the U.S. Military Reservation as shown on the Port of Port Townsend survey recorded in Volume 14 of Surveys, pages 91 and 92, records of Jefferson County, Washington, described as follows:

Commencing at the west quarter corner of Section 33, Township 30 North, Range 1 West, W.M., Jefferson County, Washington, as shown on said survey,

Thence North 01° 25' 03" East, a distance of 2,652.37 feet to the Northwest corner of said Section 33 as shown on said survey,

Thence 82° 59' 50" East, a distance of 1,936.82 feet to the old point of beginning,

Thence South 18° 46' 55" West, a distance of 108.00 feet,

Thence South 71° 13' 05" East, a distance of 213.00 feet,

Thence South 18° 46' 55" West, a distance of 249.77 feet,

Thence North 71° 13' 05" West, a distance of 213.00 feet,

Thence North 18° 46' 55" East, a distance of 249.77 feet to the new point of beginning.

All bearings and distances are relative to the Washington coordinate system, North Zone.

The Port hereby warrants that it has good and marketable title to the Premises and has full right and authority to execute this Ground Lease and to demise the Premises. The improvements located on the Premises are the property of Lessee until the expiration or sooner termination of this Lease.

3. AMENDMENT OF PARAGRAPH 3. Paragraph 3, "RENT", of the Lease is hereby deleted in its entirety and the following is inserted in its place and stead:

3. RENT: Lessee agrees to pay as rental for the Premises the sum of **One Thousand Two Hundred and Sixty-Three Dollars and Thirty-Seven Cents (\$1,263.37)** plus all applicable taxes. The rent for each month shall be paid to the Port in advance on or before the first day of each and every month of the lease term and shall be payable at such place as the Port may hereinafter designate. Beginning on December 1, 2024, and every three (3) years thereafter, the rental rate may be adjusted to the then prevailing rate established by the Port Commission for airport land leases. The rental rate beginning on December 1, 2025, and annually throughout the term of the Lease will be adjusted by an amount equal to the accumulative amount found on the Consumer Price Index for all urban consumers (CPI-U) for Seattle-Tacoma-Bellevue, which is compiled by the Department of Labor, Bureau of Statistics. In no event shall any rent adjustment result in a reduction in rent from the rate paid in the prior year. In the event that any installment of rent remains unpaid more than twenty (20) days after it is due, then Lessee shall also be obliged to pay a "late charge" as per the Port of Port Townsend Rate Schedule then in effect.

Except as amended hereby, all other terms and conditions of the Lease shall remain unchanged and in effect.

APPROVED this 13th day of December 2023, by the Port of Port Townsend and duly authenticated by the signature of the Executive Director.

LESSEE - A HANGAR CONDOMINIUM ASSOCIATION AT JCIA:

Eric C. Taylor, President

LESSOR – PORT OF PORT TOWNSEND:

Eron Berg, Executive Director

APPROVED AS TO FORM:

Eric Toews, Port Attorney

STATE OF WASHINGTON)
) ss.
 COUNTY OF JEFFERSON)

I certify that I know or have satisfactory evidence that ERIC C. TAYLOR 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 President of the A HANGAR CONDOMINIUM ASSOCIATION at JCIA to be the free and voluntary act of such corporation for the uses and purposes mentioned in the instrument.

GIVEN under my hand and official seal this ____ day of _____.

 Signature

 Printed Name

NOTARY PUBLIC in and for the State of Washington,
 residing at Port Townsend

My commission expires: _____

STATE OF WASHINGTON)
) ss.
 COUNTY OF JEFFERSON)

I certify that I know or have satisfactory evidence that ERON BERG 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 EXECUTIVE DIRECTOR of the PORT OF PORT TOWNSEND to be the free and voluntary act of said Port District for the uses and purposes mentioned in the instrument.

GIVEN under my hand and official seal this ____ day of _____.

 Signature

 Printed Name

NOTARY PUBLIC in and for the State of Washington,
 residing at Port Townsend

My commission expires: _____

When recorded return to

Port of Port Townsend
P O Box 1180
Port Townsend, WA 98368

386808

PORT OF PORT TOWNSEND

LAND LEASE

WITH CONDOMINIUM PROVISIONS

THIS LEASE AGREEMENT made this 16th day of November, 1995, by and between the PORT OF PORT TOWNSEND, a municipal corporation organized and existing under the laws of the State of Washington, Lessor, hereinafter referred to as "the Port," and **Victor O. Gray and Paula E. Gray, husband and wife**, hereinafter referred to as "Lessee".

Under the terms and conditions of this Lease, "Lessee" shall also mean any Condominium Owners' Association composed of condominium unit owners using and occupying the real property herein pursuant to the terms and conditions of a Condominium Declaration and Covenants, Conditions, Restrictions and Reservations, approved by the Lessor.

WITNESSETH:

That the parties hereto do mutually agree as follows:

1. LEASED PREMISES: The Port hereby leases to Lessee, and Lessee hereby hires and leases from the Port, the following described premises situated in Jefferson County, State of Washington:

That portion of the U.S. Military Reservation as shown on the Port of Port Townsend survey recorded in Volume 14 of Surveys, pages 91 and 92, records of Jefferson County, Washington, described as follows:

Commencing at the west quarter corner of Section 33, Township 30 North, Range 1 West, W.M., Jefferson County, Washington, as shown on said survey;

Thence North 01° 25' 03" East, a distance of 2,652.37 feet to the Northwest corner of said section 33 as shown on said survey

Thence 82° 59' 50" East, a distance of 1,936.82 feet to the old point of beginning;

Thence South 18° 46' 55" West, a distance of 108.00 feet;

Thence South 71° 13' 05" East, a distance of 101.07 feet to the new point of beginning for the new separated lease area.

Thence South 71° 13' 05" East, a distance of 213.00 feet
Thence South 18° 46' 55" West, a distance of 249.77 feet
Thence North 71° 13' 05" West, a distance of 213.00 feet
Thence North 18° 46' 55" East, a distance of 249.77 feet to the new point of beginning

All bearings and distances are relative to the Washington coordinate system, North Zone. Situate in the County of Jefferson, State of Washington

hereinafter called "the premises."

2. TERM: This lease shall be for a term of **40 years, beginning December 1, 1995, and ending November 30, 2035.**

Victor O. Gray and Paula E. Gray
Condominium Lease - November 1995

Page 1

RECORDED IN 556
PAGE 578
OF OFFICIAL RECORDS
REQUEST OF
Port of Port
1995 DEC -4 AM 10:24
Townsend
DONNA H. ELDRIDGE
JEFFERSON COUNTY AUDITOR
BY [Signature] DEPUTY

NO REAL ESTATE
SALES TAX REQUIRED
COUNTY TREASURER
BY [Signature] 12-4-95

VOL 540 PAGE 556

DEC -4 1995

3. RENT: Lessee agrees to pay as rental for the leased premises the sum of **Four hundred forty six and 25/100 (\$446.25), per month, plus all applicable taxes.** The rent for each month shall be paid to the Port in advance on or before the first day of each and every month of the lease term, and shall be payable at such place as the Port may hereinafter designate. The rental rate shall be adjusted every three years to the prevailing Port rate formally approved by the Port Commission for all comparable Port property. **The rental rate so determined will be adjusted annually by an amount equal to the accumulative amount found on the Consumer Price Index (CPI) for Seattle and Everett, which is compiled by the Department of Labor, Bureau of Statistics.**

4. DEPOSIT: Lessee shall, upon the execution of this lease and agreement, deposit with the Port two month's rent in the amount of **\$892.50 plus all applicable taxes.** The lease is not effective until full deposit is made with the Port.

5. USE OF PREMISES: Lessee shall use the premises for **construction, sale and operation of aircraft storage and aviation operation hangars, to be established as a leasehold condominium as more fully described in Articles No. 16.a, 39, 41.a, 41.b & 41.c hereof.**

The Lessee will construct two T-Hangar buildings and ramps for aeronautical purposes. Hangar "A" shall consist of 8 units and Hangar "B" shall consist of 9 units. Initially Hangar "A" shall include 4 undivided units for use by Port Townsend Airways, an area of no more than 6,200 square feet to be used solely by Port Townsend Airways as a Commercial light maintenance and aircraft storage hangar provided that:

1. **The location of such area shall be as identified on Exhibit "A".**
2. **Each hangar entry way does not exceed 16' in height or 50' width.**
3. **When the Corporate/FBO area prescribed by the JCIA Master Plan has been completed, Lessee shall discontinue the commercial light maintenance facility and aircraft storage within six months and shall cause the space to rent to general use aircraft storage, (including light maintenance by aircraft owner).**

All buildings and ramps to be constructed shall meet the design recommendations as specified in Advisory Circular 150/5300-13.

Lessee's design for buildings and ramps shall be subject to written approval by the Port with regards to construction materials, design, color, utilities, safety, fire, emergency equipment, elevations, and locations.

Failure of Lessee to perform this type of business or cessation of such services, or carrying on other activities without first obtaining a Lease modification with Lessor's written approval of such other activities, shall constitute cause for default under the terms of this Lease. It is further understood and agreed the Premises will not be used to store, distribute or otherwise handle flammable or dangerous materials. It is also agreed that Lessee shall be allowed to maintain a sales office with the Premises during construction and thereafter until all individual hangar units are sold to purchasers of the condominium hangar units. In addition to the foregoing, the Lessee shall meet or exceed the following Operating Standards:

- a The Lessee shall pay all costs and expenses associated and in connection with the use of the Premises and the rights and privileges therein granted, including, put not limited to, leasehold and other taxes, permit fees, license fees, and assessments lawfully levied or assessed upon the Premises or property at any time situated therein and thereof. The Lessee may, however, at its sole expense and cost, contest any tax, fee, or assessment, but shall in no event allow the same to become a lien thereof.

- b. The Lessee shall observe and obey all laws, regulations, and rules of the Airport and the federal, state, and local government which may be applicable to its operation at the Airport. This shall include the Jefferson County International Airport (JCIA) Rules and Regulations and the Statutes and Resolutions now in effect or as may be promulgated or revised in the future from time to time. The Lessee specifically acknowledges that it shall abide by and be subject to all rules and regulations which are now, or may from time to time, be formulated by the Lessor concerning the management, operation, or use of Jefferson County International Airport (JCIA). The Lessee shall keep in effect and post in a prominent place all necessary and/or required licenses or permits. ✓ *
- c. The Lessee shall allow no act, trade, occupation, or business to be carried on upon said Premises, or any use made thereof in violation of applicable law or regulation, including any regulation of the Lessor.
- d. The Lessee agrees to and shall keep the leased Premises clean and in good order, condition, and repair. The Lessee shall, at its sole cost and expense, maintain the grounds of the Premises in good order and repair and in good and safe condition and shall repair all damages caused by its occupants or invitees. The Lessor shall be the sole judge of the quality of maintenance of the grounds, and upon written notice by the Lessor to the Lessee, the Lessee shall be required to perform whatever maintenance the Lessor deems reasonably required. If the maintenance is not undertaken within ten (10) days after receipt of written notice, the Lessor shall have the right to enter upon the Premises and perform such maintenance, the cost of which shall be charged to and be borne by the Lessee and paid by the Lessee as an additional fee on the next rental due date after receipt of notice as to the amount thereof.
- e. The Lessee shall be entitled, in common with others so authorized, to the use of all facilities and improvements of a public nature which now are or may hereafter be connected with or appurtenant to the Airport, including the use of landing areas, runways, taxies, navigational aids, terminal facilities, and aircraft parking areas designated by the Lessor, all upon such rules and regulations as may be established by the Lessor from time to time hereafter.
- f. The Lessee shall have the reasonable right of ingress and egress to and from the Premises and to the public areas of the Airport in the carrying on of their activities as herein provided for; subject, however, to such rules and regulations pertaining to the use and operation of the Airport as may be established by the Lessor from time to time hereafter, which right shall extend to the Lessee's guests and invitees.
- g. The Lessee may not use Premises for any purpose other than those which are specifically authorized by this Lease and which are in accordance with the Airport Master and Layout Plan, except as approved in writing by the Lessor prior to any implementation.
- h. No improvement, including landscaping or terrain alteration, shall be erected, placed, or effected on the Premises or outside the Premises, and no alterations shall be made in the improvements and facilities constructed on the Premises without the prior written approval of the Lessor, except as otherwise provided in Section 4.3 hereof.
- i. The Lessee hereby acknowledged for themselves, their heirs, administrators, executors, successors, and assigns that the Lessee hereby grants and conveys for the use and benefit of the public a right of way over the Premises for the unobstructed passage of all aircraft ("aircraft" being defined for the purpose of this instrument as any contrivance now known or hereafter invented, used or designated for navigation of or flight in the air), by whomsoever owned and operated, in all air space above the surface of the Premises, to an infinite height above the Premises.

In addition, this easement grants the right to cause in all airspace above the Premises such noise, vibrations, fumes, dust, fuel particles, and all other effects that may be caused by the current or

future operation of aircraft landings at, or taking off from, or operating at or on JCIA. The Lessee does hereby fully waive, remise, and release any right or cause of action which they may now have or which they may have in the future against the Lessor, its successors and assigns, due to such noise, vibrations, fumes, dust, fuel particles, and all other effects that may be caused by the operation of aircraft landings at, or taking off from or operating at or on said JCIA.

In addition, this easement includes the continuing right in the Lessor to prevent the erection of or growth upon the Premises of any building, structure, tree, or other object extending into the airspace which would constitute Air Regulation Part 77 which is on file in the Lessor office. The Lessee for themselves, their heirs, administrators, executors, successors, and assigns, do hereby agree that for and during the life of this Lease they will not hereafter erect, permit the erection of, or permit or suffer to remain upon the Premises any building, structure, tree or other object extending into aforesaid airspace, and that they shall not hereafter use or permit or suffer the use of the Premises in such a manner as to create electrical interference with radio communications between any installation upon JCIA and aircraft, or to make difficult for flyers to distinguish between airport lights and others, or as to impair visibility in the vicinity of the airport or as otherwise to endanger the landing, taking off or maneuvering of aircraft.

Lessee's design for buildings and ramps shall be subject to written approval by the Port with regards to construction materials, design, color, utilities, safety, fire emergency equipment, elevations, and location. The building(s) shall be placed upon the lot at the location shown on the plot plan submitted to the Jefferson County Building Official, which must be first approved by the Lessor's Airport Manager.

The Lessee will maintain the hangars in safe and good repair throughout the term of the lease. The Lessor shall maintain and repair the ramp areas to the hangars once they have been installed by the Lessee. If for any reason, the hangars are not utilized for aeronautical purposes, the Lessee must notify the Lessor in writing as to the nature of non-aeronautical use. Such uses must be compatible with Port Policy and are subject to the express written approval by the Port Manager.

The Lessee shall not use them for any other purpose without the written consent of the Port. Lessee shall use the entire premises for the conduct of said business in a first class manner continuously during the entire term of this lease, with the exception of temporary closures for such periods as may reasonably be necessary for repairs or redecorating or for reasons beyond Lessee's reasonable control. Lessee agrees that it will not disturb the Port or any other Lessee of the Port's by making or permitting any disturbance or any unusual noise, vibration or other condition on or in the premises.

6. UTILITIES: Lessee shall be liable for, and shall pay throughout the term of this lease, all charges for all utility services furnished to the premises, including, but not limited to, light, heat, electricity, gas, water, sewerage, garbage disposal and janitorial services. In the event that the premises are part of a building or are part of any larger premises to which any utility services are furnished on a consolidated or joint basis, Lessee agrees to pay to the Port its (Lessee's) pro rata share of the cost of any such utility services, and Lessee's pro rata share of any such services may be computed by the Port on any reasonable basis, and separate metering or other exact segregation of cost shall not be required.

7. ACCEPTANCE OF PREMISES: Lessee has examined the leased premises and accepts them in their present condition.

8. MAINTENANCE AND REPAIR OF FACILITIES: Maintenance of the Premises and all improvements thereon are the responsibility of the Lessee.

- a. **Repairs:** Lessee will at all times keep the premises neat, clean and in a sanitary condition, and will replace any glass of all broken windows and doors of the building as may become cracked or broken, and except for reasonable wear and tear and damage by

fire or other unavoidable casualty, will at all times preserve said premises in as good repair as they now are or may hereafter be put to. All repairs shall be at Lessee's sole cost and expense.

- b. **Care of Premises:** The Lessor shall not be called upon to make any improvements or repairs of any kind upon said premises and said premises shall at all times be kept and used in accordance with the laws of the State of Washington and ordinances of Jefferson County, and in accordance with all directions, of any pertinent and authorized public authority, at the sole cost and expense of the Lessee. The Lessee will commit or permit no waste, damage or injury to the premises, and at Lessee's own cost and expense, will keep all drainage pipes free and open and will protect water, heating and other pipes so that they will not freeze or become clogged, and will repair all leaks, and will also repair all damages caused by leaks or by reason of the Lessee's failure to protect and keep free, open and unfrozen any of the pipes and plumbing on said premises.

Lessee shall maintain the ramps from the hangar doors to the taxiways. Lessor shall maintain the taxiways.

9. PERMITTED IMPROVEMENTS BY LESSEE: Lessee may make and install, at Lessee's own expense, such improvements as are normal and customary in connection with the activity described in paragraph 5. Lessee agrees to submit plans to and obtain written approval from Lessor before commencing any major improvements, which are for purposes hereof defined to the improvements having a cost of \$2,500 or which involve the erection or placement of any structure or any excavation or alteration of any terrain.

9a. Completion Schedule for Major Improvements by Lessee: Lessee agrees to proceed with the construction and completion of improvements in accordance with the following schedule:

- a. To present suitable plans to and obtain approval from Lessor within thirty (30) days after execution of this Lease;
- b. To present suitable plans to Jefferson County for issuance of a building permit, together with any other permits necessary for the construction of the hangar buildings within fifteen (15) days after the approval thereof by Lessor;
- c. To have construction of the hangar building substantially complete within one hundred eighty (180) days after (1) the date that the soils condition of the Premises are suitable for commencement of site work, or (2) the date of issuance of all necessary building and other permits, if any, by Jefferson County, subject to availability of electrical services to be provided by Lessor to the Premises, whichever occurs later. It is further understood that in no event shall construction commence prior to obtaining all necessary governmental approvals.

9b. Disposition of Improvements at end of Lease: Lessee shall have the right to remove all equipment, personal property and trade fixtures, which may have been placed upon the Premises by Lessee during the period of this Lease, providing that the same are removed within thirty (30) days following the termination of the Lease and that the Lease is in good standing. Title to any trade fixtures not removed from the Premises within the foregoing period of time shall, at Lessor's option, pass to Lessor without additional consideration. All buildings installed/erected upon the Premises shall become the property of the Lessor upon termination of this Lease. The Premises will be restored by Lessee to conditions prevailing at the time of initiation of the Lease normal wear excepted. Provided, however, that, anything to the contrary herein notwithstanding, upon the expiration of the term of this Lease or upon the sooner specific written request given three (3) years in advance in the case of expiration of the Lease term to have the Premises returned to it clear of all improvements (excepting Hangars A & B), clean, and

in good condition, in which event, the title to all of said improvements shall in any event remain in and with the Lessee. If the Lessor requests such removal, the Lessee shall complete the same within sixty (60) days after the termination of this Lease. If the Lessee fails to so remove said improvements within the specified time, they may be removed by the Lessor and the Lessee agrees to pay the Lessor the cost thereof upon demand.

10. INSPECTION - "FOR RENT" SIGNS: The Port reserves the right to inspect the leased premises at any and all reasonable times throughout the term of this lease: provided, that it shall not interfere unduly with Lessee's operations. The right of inspection reserved to the Port hereunder shall impose no obligation on the Port to make inspections to ascertain the condition of the premises, and shall impose no liability upon the Port for failure to make such inspections. The Port shall have the right to place and maintain "For Rent" signs in conspicuous places on the premises for thirty (30) days prior to the expiration or sooner termination of this lease.

11. POSSESSION: If the Port shall be unable for any reason to deliver possession of the premises, or any portion thereof, at the time of the commencement of the term of this lease, the Port shall not be liable for any damage caused thereby to Lessee, nor shall this lease thereby become void or voidable, nor shall the term specified herein be in any way extended, but in such event Lessee shall not be liable for any rent until such time as the Port can deliver possession: Provided, That if Lessee shall, in the interim, take possession of any portion of the premises, it shall pay as rental the full rental specified herein reduced pro rata for the portion of the premises not available for possession by Lessee: And Provided Further, That if the Port shall be unable to deliver possession of the premises at the commencement of the term of this lease, Lessee shall have the option to terminate this lease by at least thirty (30) days' written notice, unless the Port shall deliver possession of the premises prior to the effective date of termination specified in such notice. If Lessee shall, with the Port's consent, take possession of all or any part of the premises prior to the commencement of the term of this lease, all of the terms and conditions of this lease shall immediately become applicable.

12a. INDEMNIFICATION: The Port, its employees and agents shall not be liable for any injury (including death) to any persons or for damage to any property, regardless of how such injury or damage be caused, sustained, or alleged to have been sustained by the Lessee or by others as a result of any condition (including existing or future defects in the premises) or occurrence whatsoever related in any way to the premises and the areas adjacent thereto or related in any way to Lessee's use or occupancy of the premises and of the areas adjacent thereto. Lessee agrees to defend and to hold and save the Port harmless from all liability or expense of litigation) in connection with any such items of actual or alleged injury or damage.

12b. INSURANCE: Lessee agrees to maintain during the lease term liability insurance as follows, at Lessee's sole expense. All such insurance shall name the Port of Port Townsend as an additional insured, and shall be with insurance companies acceptable to the Port.

- a. Comprehensive General Liability Insurance against claims for injury or death to persons or damage to property with minimum limits of liability of \$1,000,000 combined single limit for each occurrence. Such insurance shall include but not be limited to bodily injury liability, personal injury liability, property damage liability, broad form property damage liability, contractual liability, and products/completed operations liability.
- b. Comprehensive Automobile Liability Insurance against claims for injury or death to persons or damage to property with minimum limits of liability of \$1,000,000 combined single limit for each occurrence. Such insurance shall include but not be limited to bodily injury liability, property damage liability, hired car liability, and nonowned auto liability.
- c. Workers Compensation Insurance as will protect Lessee's employees from claims under Washington Workers Compensation Act as well as all Federal Acts applicable to the Lessee's operations at the site such as but not limited to U.S. Longshoremen and

Harborworkers Act, Jones Act, and Federal Employers Liability section of the Washington Workers Compensation Policy and all Federal Acts Insurance shall not be less than \$1,000,000 for each occurrence.

The Lessee agrees to supply the Port with appropriate evidence to establish (1) that its insurance obligations as herein provided have been met, and (2) that the insurance policy or policies as herein required are not subject to cancellation without at least thirty (30) days advance written notice to the Port. Conditions (1) and (2) of above are to be met prior to occupancy.

13. WAIVER OF SUBROGATION: Lessor and Lessee hereby mutually release each other from liability and waive all right of recovery against each other for any loss from perils insured against under their respective fire insurance contracts, including any extended coverage endorsements thereto: PROVIDED, That this paragraph 13 shall be inapplicable if it would have the effect, but only to the extent that it would have the effect, of invalidating any insurance coverage of Lessor or Lessee.

14. TAXES: Lessee shall be liable for, and shall pay throughout the term of this lease, all license and excise fees and occupation taxes covering the business conducted on the premises, and all taxes on property of Lessee on the leased premises and any taxes on the leased premises or leasehold interest created by this lease agreement.

15. COMPLIANCE WITH PORT REGULATIONS AND WITH ALL LAWS: Lessee agrees to comply with all applicable rules and regulations of the Port pertaining to the building or other realty of which the premises are a part now in existence or hereafter promulgated for the general safety and convenience of the Port, its various Lessees, invitees, licensees and the general public. Lessee further agrees to comply with all applicable federal, state, and municipal laws, ordinances, and regulations. Lessee further agrees that all buildings, structures or other improvements, approved by the Port, will be properly permitted by the City and/or County. Any fees for any inspection of the premises during or for the lease term by any federal, state or municipal officer and the fees for any so-called "Certificate of Occupancy" shall be paid by Lessee.

15A. HAZARDOUS SUBSTANCES WARRANTY AND AGREEMENT: Lessee has examined the Hazardous Substance Warranty and Agreement pages 1 through 4 annexed thereto and which by this reference is incorporated herein as fully set forth herein acknowledges full understanding of its obligations under the Hazardous Substances Warranty and Agreement. Such Hazardous Substances Warranty and Agreement is incorporated herein and made a part hereof.

16. ASSIGNMENT OR SUBLEASE: Other than described in Article 16a., Lessee shall not assign or transfer this lease or any interest therein nor sublet the whole or any part of the premises, nor shall this lease or any interest thereunder be assignable or transferable by operation of law or by any process or proceeding of any court, otherwise, without the written consent of the Port first had and obtained. If Lessee is a corporation, Lessee further agrees that if at any time during the term of this lease more than one-half (1/2) of the outstanding shares of any class of stock of Lessee corporation shall belong to any stockholders other than those who own more than one-half (1/2) of the outstanding shares of that class of stock at the time of the execution of this lease or to members of their immediate families, such change in the ownership of the stock of the Lessee shall be deemed an assignment of this lease within the meaning of this paragraph. If the Port shall give its consent to any assignment or sublease, this paragraph shall nevertheless continue in full force and effect and no further assignment or sublease shall be made without the Port's consent.

16a: ASSIGNMENT OF LEASE; RELEASE OF LESSEE. The Lessee, Victor O. Gray and Paula E. Gray, husband and wife, shall be succeeded as Lessee by a Condominium Association composed of leasehold condominium unit owners. The Lessor, with the intention of discharging the business and personal liability of the Lessee VICTOR O. GRAY and PAULA E.

GRAY, their executors and administrators, shall release Lessee VICTOR O. GRAY AND PAULA E. GRAY from all liability with respect to the rent reserved by and the covenants, conditions and stipulations contained in this lease, and all actions, proceedings, claims and demands with respect to any breach, whether present or future, of any such covenants, conditions and stipulations. Said release shall occur automatically upon the formation of the condominium owners' association.

17. DEFAULTS: Time is of the essence of this agreement, and in the event of the failure of Lessee to pay the rentals or other charges at the time and in the manner herein specified, or to keep any of the covenants or agreements herein set forth to be kept and performed, the Port may elect to terminate this lease and reenter and take possession of the premises with or without process of law: Provided, however, that Lessee shall be given **thirty (30) days'** notice in writing stating the nature of the default in order to permit such default to be remedied by Lessee within said **thirty (30) day** period. If upon such reentry there remains any personal property of lessee or of any other person upon the leased premises, the Port may, but without the obligation so to do, remove said personal property and hold it for the owners thereof or may place the same in a public garage or warehouse, all at the expense and risk of the owners thereof, and Lessee shall reimburse the Port for any expense incurred by the Port in connection with such removal and storage. The Port shall have the right to sell such stored property, without notice to Lessee, after it has been stored for a period of thirty (30) days or more, the proceeds of such sale to be applied first to the cost of such sale, second to the payment of the charges for storage, and third to the payment of any other amounts which may then be due from Lessee to the Port, and the balance, if any, shall be paid to Lessee. Notwithstanding any such reentry, the liability of Lessee for the full rental provided for herein shall not be extinguished for the balance of the term of this lease, and Lessee shall make good to the Port any deficiency arising from a reletting of the leased premises at a lesser rental than that hereinbefore agreed upon. Lessee shall pay such deficiency each month as the amount thereof is ascertained by the Port. Any failure by the owners, officers, or principals of Lessee to pay rentals, storage fees, moorage or any other charges owed to the Port under separate contract shall constitute default under provisions of this agreement.

18. TERMINATION BY PORT: In the event that the Port, at its sole discretion, shall require the use of the premises for any purpose for public or private use in connection with the operation of the business of the Port, then this lease may be terminated by the Port by written notice delivered or mailed by the Port to the Lessee 60 or more days before the termination date specified in the notice. Compensation to Lessee for loss of use, cost of relocation and/or cost of improvement will be agreed by Lessee and General Manager.

19. TERMINATION FOR GOVERNMENT USE: In the event that the United States Government or any agency or instrumentality thereof shall, by condemnation or otherwise, take title, possession or the right to possession of the premises or any part thereof, the Port may, at its option, terminate this lease as of the date of such taking, and, if Lessee is not in default under any of the provisions of this lease on said date, any rental prepaid by Lessee shall, to the extent allocable to any period subsequent to the effective date of the termination, be promptly refunded to Lessee.

20. TERMINATION BECAUSE OF COURT DECREE: In the event that any court having jurisdiction in the matter shall render a decision which has become final and which will prevent the performance by the Port of any of its obligations under this lease, then either party hereto may terminate this lease by written notice, and all rights and obligations hereunder (with the exception of any undischarged rights and obligations that accrued prior to the effective date of termination) shall thereupon terminate. If Lessee is not in default under any of the provisions of this lease on the effective date of such termination, any rental prepaid by Lessee shall, to the extent allocable to any period subsequent to the effective date of the termination, be promptly refunded to Lessee.

21. SIGNS: No signs or other advertising matter, symbols, canopies or awnings shall be attached to or painted or within the leased premises, including the windows and doors thereof, without the approval of the General Manager of the Port first had and obtained. At the termination or sooner expiration of this lease, all such signs, advertising matter, symbols, canopies or awnings attached to or painted by Lessee shall be removed by Lessee at its own expense, and Lessee shall repair any damage or injury to the premises, and correct any unsightly condition, caused by the maintenance and removal of said signs, etc.

22. INSOLVENCY: If Lessee shall file a petition in bankruptcy, or if Lessee shall be adjudged bankrupt or insolvent by any court, or if a receiver of the property of Lessee shall be appointed in any proceeding brought by or against Lessee, or if Lessee shall make an assignment for the benefit of creditors, or if any proceedings shall be commenced to foreclose any mortgage or any other lien on Lessee's interest in the premises or on any personal property kept or maintained on the premises by Lessee, the Port may at its option, terminate this lease

23. WAIVER: The acceptance of rental by the Port for any period or periods after a default by Lessee hereunder shall not be deemed a waiver of such default unless the Port shall so intend and shall so advise Lessee in writing. No waiver by the Port of any default hereunder by Lessee shall be construed to be or act as a waiver of any subsequent default by Lessee. After any default shall have been cured by Lessee, it shall not thereafter be used by the Port as a ground for the commencement of any action under the provisions of paragraph 20 hereof.

24. PROMOTION OF PORT COMMERCE: Lessee agrees that throughout the term of this lease it will, insofar as practicable, promote and aid the movement of passengers and freight through facilities within the territorial limits of the Port. Lessee further agrees that all incoming shipments of commodities that it may be able to control or direct shall be made through facilities within the territorial limits of the Port if there will be no resulting cost or time disadvantage to Lessee.

25. SURRENDER OF PREMISES - ATTORNEYS' FEES: At the expiration or sooner termination of this lease, Lessee shall promptly surrender possession of the premises to the Port, and shall deliver to the Port all keys that it may have to any and all parts of the premises. In the event that the Port shall be required to bring any action to enforce any of the provisions of this lease, or shall be required to defend any action brought by Lessee with respect to this lease, and if the Port shall be successful in such action, Lessee shall, in addition to all other payments required herein, pay all of the Port's actual costs in connection with such action, including such sums as the court or courts may adjudge reasonable as attorney's fees in the trial court and in any appellate courts.

26. HOLDING OVER: If lessee shall, with the consent of the Port, hold over after the expiration or sooner termination of the term of this lease, the resulting tenancy shall, unless otherwise mutually agreed, be for an indefinite period of time on a month-to-month basis. During such month-to-month tenancy, Lessee shall pay to the Port the same rate of rental as set forth herein, unless a different rate shall be agreed upon, and shall be bound by all of the additional provisions of this lease agreement in so far as they may be pertinent.

27. ADVANCES BY PORT FOR LESSEE: If Lessee shall fail to do anything required to be done by it under the terms of this lease, except to pay rent, the Port may, at its sole option, do such act or thing on behalf of Lessee, and upon notification to Lessee of the cost thereof to the Port, Lessee shall promptly pay the Port the amount of that cost.

28. LIENS AND ENCUMBRANCES: Lessee shall keep the leased premises free and clear of any liens and encumbrances arising or growing out of the use and occupancy of the said premises by Lessee. At the Port's request, Lessee shall furnish the Port with written proof of payment of any item which would or might constitute the basis for such a lien on the leased premises if not paid.

29. NOTICES: All notices hereunder may be delivered or mailed. If mailed, they shall be sent by certified or registered mail to the following respective addresses:

To Lessor:

The Port of Port Townsend
P. O. Box 1180
Port Townsend, Washington 98368

To Lessee:

Victor O. Gray
120 Colman Drive
Port Townsend, WA 98368
Phone: 360 379-9862

or to such other respective addresses as either party hereto may hereafter from time to time designate in writing. Notices sent by mail shall be deemed to have been given when properly mailed, and the postmark affixed by the United States Post Office shall be conclusive evidence of the date of mailing.

30. JOINT AND SEVERAL LIABILITY: Each and every party who signs this lease, other than in a representative capacity, as Lessee, shall be jointly and severally liable hereunder.

31. "LESSEE" INCLUDES LESSEES, ETC.: It is understood and agreed that for convenience the word "Lessee" and verbs and pronouns in the singular number and neuter gender are uniformly used throughout this lease, regardless of the number, gender or fact of incorporation of the party who is, or of the parties who are, the actual lessee or lessees under this agreement.

32. CAPTIONS: The captions in this lease are for convenience only and do not in any way limit or amplify the provisions of this lease.

33. INVALIDITY OF PARTICULAR PROVISIONS: If any term or provision of this lease agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this lease agreement or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby and shall continue in full force and effect.

34. NON-DISCRIMINATION SERVICES: The Lessee agrees that it will not discriminate by segregation or otherwise against any person or persons because of race, creed, color, sex or national origin in furnishing, or by refusing to furnish, to such person, or persons, the use of the facility herein provided, including any and all services, privileges, accommodations, and activities provided thereby.

It is agreed that the Lessee's noncompliance with the provisions of this clause shall constitute a material breach of this lease. In the event of such noncompliance, the Port may take appropriate action to enforce compliance, may terminate this lease, or may pursue such other remedies as may be provided by law.

35. NON-DISCRIMINATION EMPLOYMENT: The Lessee covenants and agrees that in all matters pertaining to the performance of this lease, Lessee shall at all times conduct its business in a manner which assures fair, equal and non-discriminatory treatment of all persons without respect to race, creed or national origin and, in particular:

- (a) Lessee will maintain open hiring and employment practices and will welcome applications for employment in all positions from qualified individuals who are members of racial or other minorities, and
- (b) Lessee will comply strictly with all requirements of applicable federal, state or local laws or regulations issued pursuant thereto relating to the establishment of non-discriminatory requirements in hiring and employment practices and assuring the service of all patrons or customers without discrimination as to any person's race, creed, color or national origin.

36. LABOR UNREST: Lessee agrees to join with Port and use its best efforts in avoiding labor unrest, or in the event of a wildcat strike or other labor difficulty, to use its good offices in negotiating and bringing to a swift and satisfactory conclusion any kind of labor dispute that may affect the interests of the Port.

37. EASEMENTS: The Parties recognize that the Port facilities are continuously being modified to improve the utilities and services used and provided by the Port. The Port, or its agents shall have the right to enter the demised premises of the Lessee, and to cross over, construct, move, reconstruct, rearrange, alter, maintain, repair and operate the sewer, water, and drainage lines, and the electrical service, and all other services required by the Port for its use. The Port is hereby granted a continuous easement or easements that the Port believes is necessary within the lease premises of the Lessee, without any additional cost to the Port for the purposes expressed hereinabove. Provided however, that the Port by virtue of such use, does not permanently deprive the Lessee from its beneficial use or occupancy of its leased area.

In the event that the Port does permanently deprive the Lessee from such beneficial use or occupancy, then an equitable adjustment in rent, or in the cost required to modify its premises to allow the Lessee to operate its business, will be negotiated and paid by the Port to the Lessee. In the event that such entry by the Port is temporary in nature, then the Port shall reimburse the Lessee for the cost required to modify its premises for the temporary period that the Lessee is inconvenienced by such Port entry. The Port will not be responsible to the Lessee for any reduced efficiency, or loss of business occasioned by such entry.

38. OTHER TERMS:

1. The exact layout of the setback line and building position upon the Leased Premises shall be determined by Lessor based upon the results of survey and civil engineering design of the proposed T-hangar complex.
2. Lessor has engaged a qualified licensed survey firm to conduct a survey of the airport perimeter and the T-hangar complex for purposes of fixing the proposed Leased Premises and T-hangar complex. Lessee shall reimburse Lessor 25% of the cost (net of any grant funds received from state or federal sources specifically for the purpose of conducting such survey) of such survey. Spot elevations will also be taken to allow for a contour map, with the extra cost of spot elevations to be borne by Lessee.
3. Lessor has engaged a qualified, licensed engineering firm to design taxiway layout and utilities for the proposed T-hangar complex, and Lessee shall reimburse Lessor 25% of the cost (net of any grant funds received from state or federal sources specifically for the purpose of conducting such design) of such design.
4. Lessee is to obtain all necessary permits to construct the two T-hangar buildings. Lessee recognizes that some public opposition may occur.
5. Lessor will apply to the FAA for grant funds (90%) to construct taxiways, and Lessor agrees to construct connecting taxilanes prior to December 31, 1997, only if all of the following conditions are met prior to December 31, 1995: (1) receipt by Lessee of all permits required to build the T-hangar buildings (2) Lessor obtaining all required permits, including FAA approval, to install utility (water, electricity, drainage) systems and

construct taxilanes, at the T-hangar complex, and (3) receipt by Lessor of 90% grant from FAA for the purpose of constructing concrete taxilanes.

39. ASSIGNMENT AND SUBLETTING; SALE OF CONDOMINIUM UNITS.

- a. **Assignment.** This lease may be assigned by the Lessee in whole only and not in part, and only with the prior written consent of the Lessor, to an assignee such as a bank for security for money loaned or advanced to the Lessee for construction on the premises or other business purposes of the Lessee, or to an assignee other than for security purposes whose use of the premises has been approved prior to such assignment, in writing, by the Lessor.

Subject to the provisions of paragraph 5 herein, prior to an assignment other than for security purposes, the assignee must be shown to the Lessor to be of such financial standing and responsibility at the time of such assignment as to give reasonable assurance to the Lessor of prompt payment of all rents and other amounts to be paid under this lease, and of full compliance with all other terms, covenants, conditions and provisions of the lease. No such assignment may be made or be of any force or effect if at the time of such assignment the Lessee is in default in any of the terms, covenants, conditions and provisions of the lease, including default in the payment of rent; PROVIDED, HOWEVER, the assignee may cure the default(s) prior to taking possession of the premises. No such assignment for any purpose shall be of any force or effect unless the Lessor first shall in writing have consented to said assignment and has received a true copy of the proposed assignment. the Lessor may refuse to consent to such assignment for any purpose herein set forth. Such assignment shall include the then unexpired balance of the term of this lease..

The requirements of this subsection shall not apply to the sale, transfer, lease or sublease of leasehold aircraft hangar condominium units and shall not limit the ability of the Lessee to structure the sale of units and assignment of this lease as required to secure title insurance of condominium unit conveyance transactions. The Lessor's consent shall not be required for the sale, transfer, lease or sublease of individual leasehold aircraft hangar condominium units.

- b. **Rentals.** The Lessee may rent hangar space for aircraft storage or other occupancies permitted by airport rules.
- c. **Sale of Condominium Units.** The parties anticipate that the aircraft hangars will be organized, sold and owned as leasehold condominium units, as defined in paragraph 2 herein. The leasehold condominium shall be occupied by **units** defined to mean a physical portion of the condominium designated for separate ownership. The boundaries of a unit are the interior surfaces of its perimeter walls, floor, ceilings, windows and doors, as defined in RCW 64.34.204. the unit includes both the portions of the building so described, the air space so encompassed, the interior partitions, and other fixtures and improvements within the boundary of the unit. "Separate ownership" includes ownership of a leasehold condominium under a form of ownership expiring with the expiration of this lease.

Unit owners shall use and occupy the units. "Unit owner" is defined to mean a declarant or other person who owns a unit or leases a unit in a leasehold condominium under a lease that expires simultaneously with this lease. "Unit owner" means the vendee not the vendor, of a unit under a real estate contract.

The Lessee may market and sell leasehold condominium units to purchasers who will

own said units subject to this lease. The Lessee shall keep the Lessor apprised, on an annual basis, of a list of names and addresses of all condominium owners, although the failure to provide such a list shall not constitute a breach or default in any terms and conditions of this lease.

- d. **Default.** If all or any part of the leased premises are sublet or occupied by anybody other than the Lessee or members of a condominium association or condominium unit owners, the Lessor may, after default by the Lessee, collect rent and leasehold tax from any and all subLessees of occupants, and apply the net amount collected to the rent reserved herein, but no such collection shall be deemed a waiver of any agreement, term, covenant or condition hereof nor the acceptance by the Lessor of any subLessee or occupant as Lessee.

40 FEDERAL AVIATION REQUIREMENTS: Lessee agrees that its use of the Premises will be accomplished in accordance with the following covenants:

- a. Level of Service Compliance with Requirements. Lessee agrees to (A) furnish good, prompt, and efficient service adequate to meet all the demands for its service at the Airport; (B) furnish said service on a fair, equal and nondiscriminatory basis to all users thereof; (C) charge a fair, reasonable and nondiscriminatory price of each unit of sale or service, provided, that Lessee may be allowed to make reasonable and nondiscriminatory discounts, rebates, or other similar types of price reductions to volume purchasers; (D) prevent any use of the Premises which would interfere with landing or taking off of aircraft at JCIA or otherwise constitute an airport hazard; (E) prevent any operation on the Premises which would produce electromagnetic radiation of a nature which would cause interference with any air navigational or communications aid now or in the future to be installed to serve JCIA, or which would create any interfering or confusing light or cause any restrictions to visibility at the airport.
- b. Use of Airspace: Lessor retains the public right of flight for the passage of aircraft in the airspace above the surface of the real property hereinabove described, together with the right to cause in said airspace such noise as may be inherent in the operation of aircraft, now known or hereafter used for navigation of or flight in said airspace, and for use of said airspace for landing on, taking off from or operating on JCIA.
- c. Minority Businesses: Lessee understands that it is the policy of the U.S. Department of Transportation that minority business enterprises as defined in 49 CFR, Part 23, shall have the maximum opportunity to participate in the performance of this Lease as defined in 49 CFR, Section 23.5, and that this agreement is subject to 49 CFR, Part 23, as applicable. Lessee hereby assures that no person shall be excluded from participation in, denied the benefits of, or otherwise be discriminated against in connection with 49 CFR, Part 23, on the grounds of race, color, national origin, or sex.
- d. Fire Protection: Lessee understands and agrees that Lessor provides for fire protection service to the airport through an interlocal agreement with a local volunteer fire district, Jefferson County Fire Protection District No. 6. Lessee further understands and agrees that Lessor has no duty under this Lease to provide fire protection for Lessee's building, property or equipment located on or upon the Premises. It is agreed that fire protection service shall be provided to the Premises by the local volunteer fire district, and Lessee agrees to pay any service charges that may be imposed by said fire district. Lessee understands that it is Lessee's responsibility and duty to include the value of its buildings, property and equipment to appropriate County authorities for personal property tax purposes through which fire district service charges are paid. Failure of Lessee to list accurately its improvements or promptly to pay its fire district service charges when due shall be a breach of this Lease and shall be grounds for Lessor to terminate this Lease.

41a LEASEHOLD CONDOMINIUM: Lessor acknowledges that Lessee intends to create a leasehold condominium, as that term is defined in RCW 64.34.020 (21), from and with respect to the improvements to be constructed by Lessee on the Premises pursuant to Section 5 of this Lease. It is further acknowledged that upon recordation of the condominium and organization of the condominium association pursuant to RCW 64.34.300, said condominium association shall be deemed for all purposes a permitted assignee of this Lease and of all rights and obligations accruing or imposed thereunder; and that purchasers of hangar units in such condominium shall automatically be deemed subleasees; provided, however, Lessor shall reserve the right to approve the association documents and to approve the assignment of the Lease to the association.

41b. LESSOR APPROVAL OF DECLARATION: Lessee shall submit to Lessor, for its approval, a true copy of the Declaration that it intends to file for the purposes of creating such a condominium, not less than thirty (30) days prior to the date upon which Lessee desires to record such Declaration, provided, however, that failure to so act within the time frame shall not be a waiver of Lessor's right to act. Following such approval, which shall not be unreasonably withheld, Lessor shall, pursuant to RCW 64.34.220 (1), join with Lessee in signing the Declaration. The Declaration shall comply with RCW Chapter 64.34, shall provide for the creation of a unit owners' association which shall be solely responsible for dealing with Lessor, and will contain language substantially to the following effect for the protection of Lessor:

Land Lease

- a. Description of Lease. This Condominium is created from the buildings, improvements, easements and other rights and appurtenances constructed upon and belonging to the land described on the attached Exhibit "A". This land itself, which is owned by the Port of Port Townsend ("Lessor"), does not constitute a part of the Condominium. The declarant is Lessee under a forty-year lease of this land known as the "Land Lease". This Condominium Declaration is subject to and subordinate in all respects to the terms of the Land Lease. Upon the termination of the Land Lease, this Condominium shall also terminate, and title to the Units and Common Elements of the Condominium shall revert to and become the property of Lessor under the Land Lease, its successors and/or assigns.
- b. Expiration of Land Lease: The initial term of the Land Lease is for forty (40) years, terminating on the 30th day of November, 2035.
- c. No Right to Redeem Reversion: Under the Land Lease, neither the Unit Owners Association nor the Unit Owners shall have the right to redeem the reversionary interest of Lessor in all improvements upon the real property.
- d. Right to Remove Improvements: Unit Owners have no right to remove any improvement after expiration or termination of the Land Lease.
- e. Consent of Lessor: Under the Land Lease and Elsewhere in this Declaration, the consent of the Lessor to certain activities or conduct of Unit Owners and the Association is required. Where such consent is required, it must be evidenced in writing, but shall not be unreasonably withheld.
- f. Unit Owner's Association: A Unit Owner's Association shall be created and the Unit Owner's Association shall collect the proportionate rents owned on the leasehold from each unit owner. The Unit Owners' Association shall be the sole representative of the unit owners with regard to dealings with the Lessor. Failure of the Unit Owners' Association to pay rent when due and/or failure to perform any other term or condition under the Lease may result in forfeiture of the entire Lease.

41c. RECORDATION OF LEASE: The parties understand that RCW 64.34.220 requires that all leases, "the expiration or termination of which may terminate the condominium", be recorded and it is agreed that all recording cost shall be paid by Lessee.

Lease dated 16th day of November 1995, is hereby approved by the Port of Port Townsend, effective upon the receipt of deposit and liability insurance documentation from the Lessee.

LESSEE


Victor O. Gray



Paula E. Gray

PORT OF PORT TOWNSEND


Lloyd W. Cahoon, General Manager

APPROVED AS TO FORM


Craddock D. Verser, Port Attorney

STATE OF WASHINGTON
COUNTY OF JEFFERSON

I certify that I know or have satisfactory evidence that Victor O. Gray signed this instrument and acknowledged it to be his free and voluntary act for the uses and purposes mentioned in the instrument.

Dated 11/17/95
Signature of Notary Public: Rita M. Beam
My Appointment Expires: 9/20/98

STATE OF WASHINGTON
COUNTY OF JEFFERSON

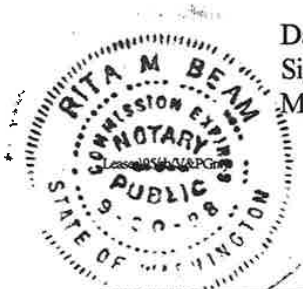
I certify that I know or have satisfactory evidence that Paula E. Gray signed this instrument and acknowledged it to be her free and voluntary act for the uses and purposes mentioned in the instrument.



Dated 11/17/95
Signature of Notary Public: Rita M. Beam
My Appointment Expires: 9/20/98

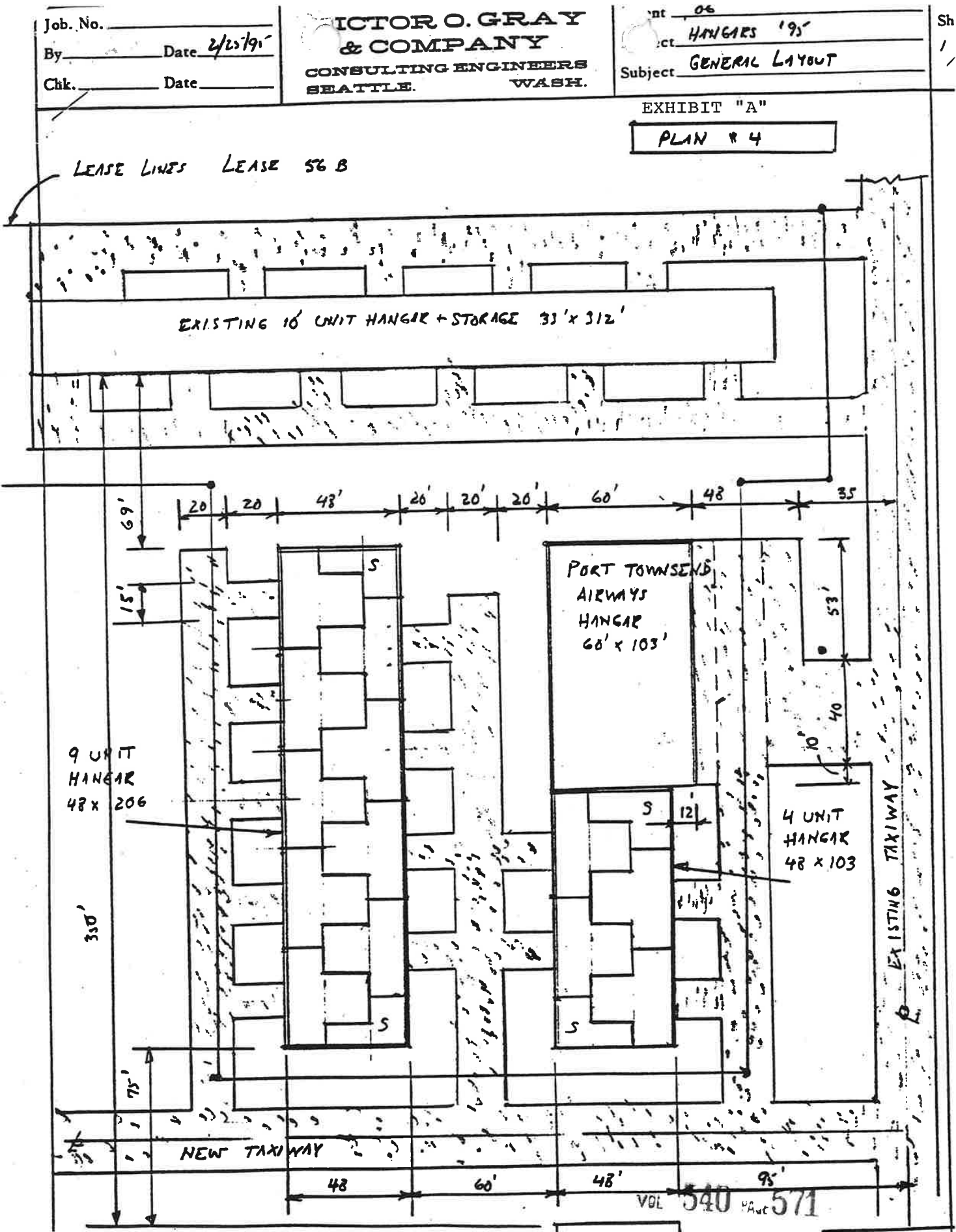
STATE OF WASHINGTON
COUNTY OF JEFFERSON

I certify that I know or have satisfactory evidence that Lloyd W. Cahoon, signed this instrument and that he is authorized to execute the instrument as the General Manager of the Port of Port Townsend and acknowledged it to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.



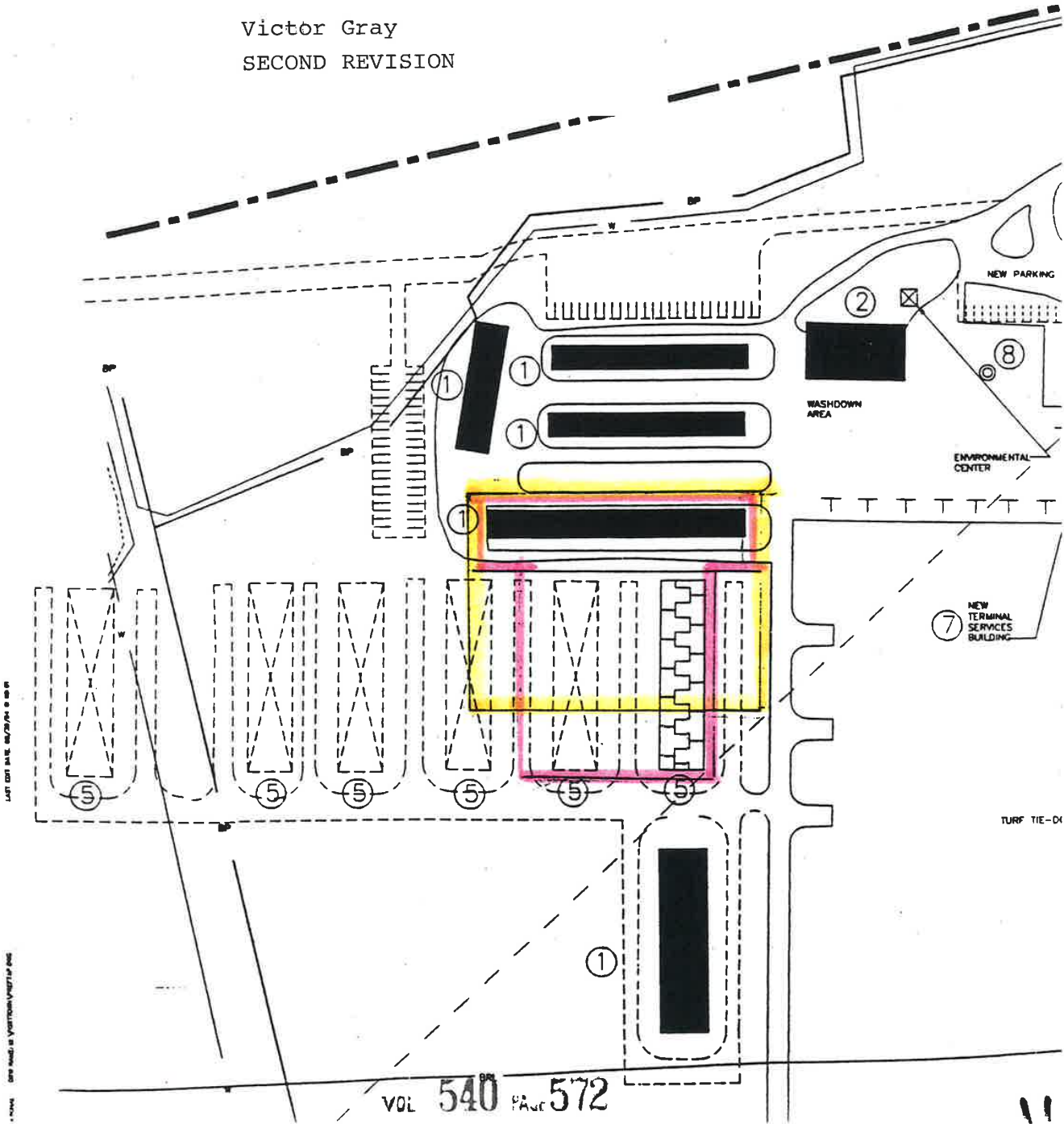
Dated: 11/17/95
Signature of Notary Public: Rita M. Beam
My Appointment Expires: 9/20/98

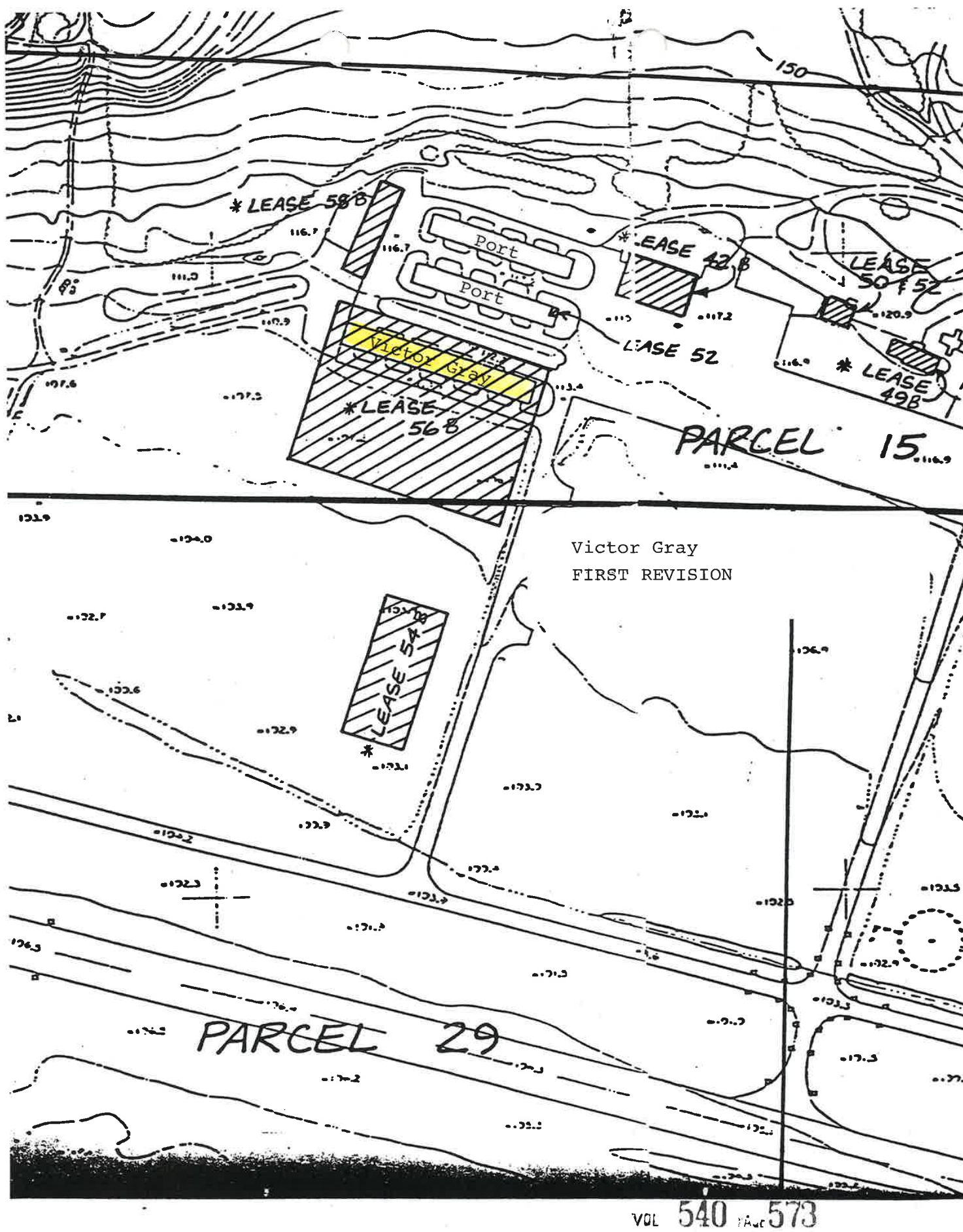
Victor O. Gray and Paula E. Gray
Condominium Lease - November 1995

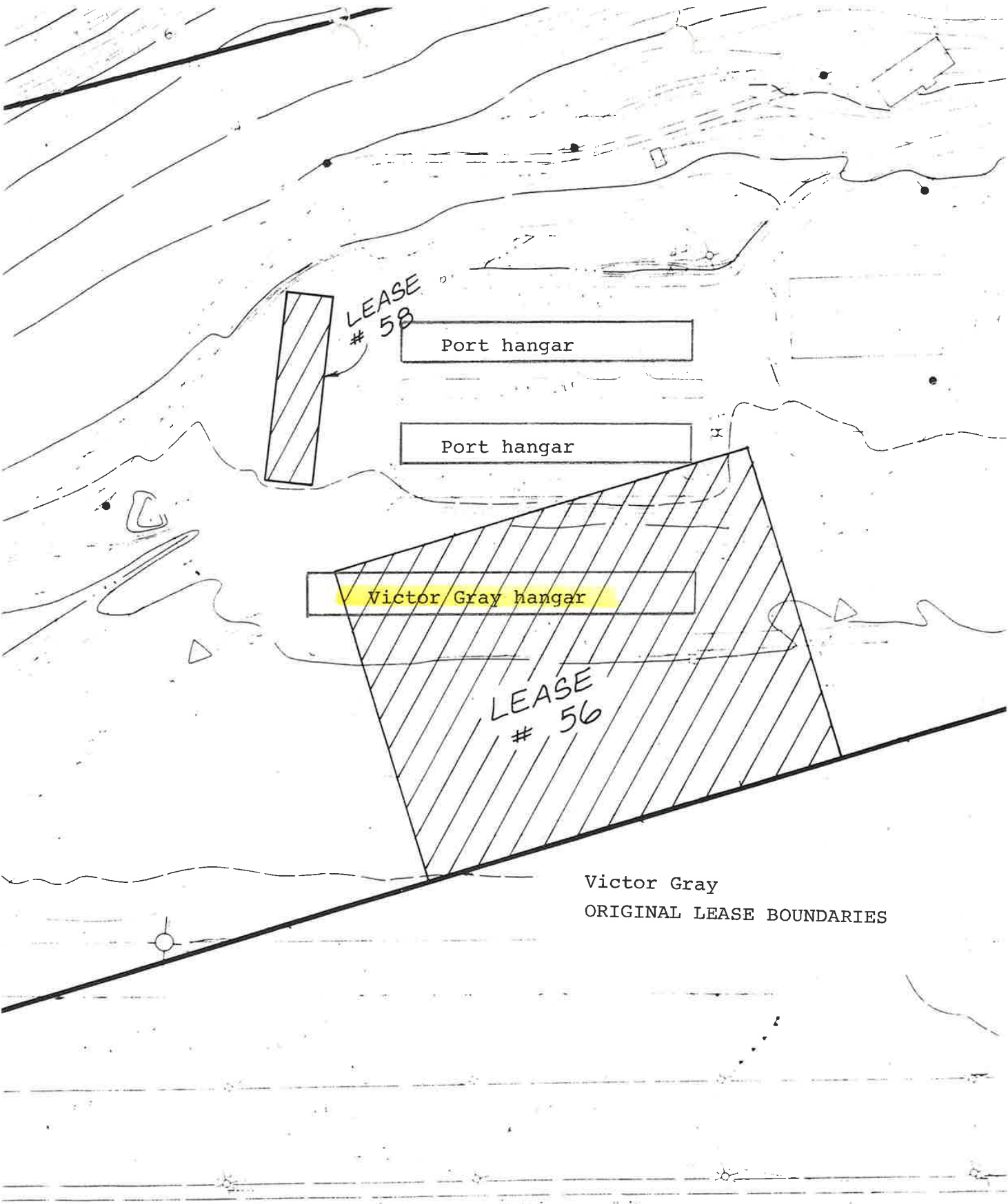


CURRENT LEASE [yellow highlight]
PROPOSED LEASE [pink highlight]

Victor Gray
SECOND REVISION







HAZARDOUS SUBSTANCES WARRANTY AND AGREEMENT

RIDER TO LEASE AGREEMENT DATED: 11/16/95
BETWEEN THE PORT OF PORT TOWNSEND AND VICTOR E. GRAY + PAULA E. GRAY

IT IS HEREBY AGREED THAT THE LEASE AGREEMENT IDENTIFIED ABOVE SHALL BE SUPPLEMENTED AND MODIFIED AS FOLLOWS:

1. **HAZARDOUS SUBSTANCES ON PREMISES.** Without the express written permission of Lessor, Lessee shall not store, use or have present on or adjacent to the premises any hazardous or toxic substances, including those substances defined as "hazardous" or "extremely hazardous" under federal or Washington State environmental statutes or regulation (including but not limited to 42 USC 9601 et seq, 40 CFR Part 302, RCW Chapter 70.105D.020 and WAC 173-340-200, and any successor statutes and regulation), except as follows: _____

2. **STORAGE AND USE OF HAZARDOUS SUBSTANCES.** Lessee agrees at all times to restrict its storage and use of substances identified in Paragraph 1 to the inside of the permanent building(s) at the premises, and specifically to those locations within such buildings(s) having concrete flooring or such other impermeable flooring as Lessor may in its sole discretion approve in writing upon request by Lessee.
- 2.A **HANDLING AND DISPOSAL.** The Lessee agrees to use said substances identified in paragraph 1 only on areas which have impermeable surfaces and or other means for preventing accidental contact by such substances with the soils upon the leasehold or its surrounding area.
3. **RELEASES OF HAZARDOUS SUBSTANCES PROHIBITED.** Lessee shall not release, dispose of, or permit a release of, any of the substances described or identified in paragraph 1 onto the premises or into the environment surrounding the premises.
4. **REGULATORY COMPLIANCE.** Lessee warrants and agrees that, during the term of this lease and any extensions thereof, it will take all steps necessary to comply with all applicable federal, state and local requirements for the containment, storage, use and disposal of any and all hazardous or toxic substances at the premises, including but not limited to obtaining and maintaining all necessary federal, state and local permits or licenses, and obtaining any required federal or state hazardous waste generator or transporter identification numbers. Lessee shall provide to Lessor a copy of each such existing permit, license, and identification number before occupancy, and shall provide a copy of any such permit, license, and identification number which Lessee may obtain in the future within seven days of receipt by Lessee.
5. **DISPOSAL OF HAZARDOUS WASTES.** In the event Lessee has occasion or need to dispose of hazardous or toxic substances or wastes, and unless otherwise agreed in writing, Lessee shall retain an independent hazardous waste disposal firm to dispose of any and all such substances at an off-site facility which has been properly approved, licensed and authorized to accept such substances. Lessee shall ensure that the disposal firm is properly licensed and in good standing with the applicable regulatory authorities for such work, and that it has all required transporter identification numbers.

6. **LESSEE'S WARRANTY OF NO CONTAMINATION.** Except as may be disclosed in Attachment No. 1 hereto, Lessee warrants and represents (1) that it has not released any toxic or hazardous substances onto the premises or into the environment in connection with its activities at the premises, (2) that it has inspected the premises and is not aware of any indication that a release of any hazardous substances has ever occurred at the premises, including prior to Lessee's occupancy, (3) that it has never been formally accused or cited, at the premises or elsewhere, for any violation of environmental laws, regulations or any hazardous waste-related governmental permit, and (4) that no claims or litigation have ever been pending against it by any person or governmental agency involving any use, storage, release or disposal of hazardous or toxic waste. If any such releases, formal accusations, citations, claims or litigation against Lessee arise during the term of this lease or any extension thereof, then Lessee shall notify Lessor in writing within seven (7) days of such event, and shall provide Lessor with a copy of each document reflecting such event.
7. **INDEMNIFICATION AND HOLD HARMLESS.** lessee shall indemnify and hold Lessor harmless with respect to any and all direct or indirect expenses, losses of damages, including all consequential damages, Attorney's fees, and litigation-related expenses and costs, incurred by Lessor which result from (1) Lessee's breach of provision of this Rider, (2) claims, actions, suites, proceedings, judgements, fines or remedial orders (including orders to clean up contamination at the premises) which arise because of Lessee's breach of this Rider, (3) Lessee's violation of environment laws or regulations, or (4) Lessee's release of a toxic or hazardous substance onto the premises or into the surrounding environment. This provision shall apply regardless of whether Lessee has been negligent or at fault for such breach, violation, or release. This obligation by the Lessee shall survive the expiration or termination of the lease agreement and the sale of the property. If Lessor so requests, Lessee shall accept the tender of defense of, and shall retain counsel of Lessor's selection and at Lessee's expense to defend, any third party claim asserted against Lessor in connection with alleged conduct by Lessee which, if true, would be in breach of the provision of this Rider.
8. **NOTIFICATION TO LESSOR OF CHANGES IN OPERATION.** Lessee agrees to notify Lessor in writing at least seven (7) days in advance of any previously undisclosed action which the Lessee plans to take which poses a material risk of a release of hazardous substance into the environment, including but not limited to material changes in Lessee's methods of hazardous waste disposal, material increases in the volume of Lessee's hazardous waste disposal, or material changes in the nature of any hazardous wastes which Lessee anticipates it will generate.
9. **COPIES OF ENVIRONMENTAL CORRESPONDENCE.** Lessee agrees to provide Lessor with copies of all past and future correspondence to or from the Washington Department of Ecology, the U.S. Environmental Protection Agency, and any other government agency which has had or may have contact with Lessee regarding environmental concerns pertaining to the premises.
10. **NOTIFICATION OF SPILLS OR RELEASES.** Lessee shall comply with all notification requirements under the applicable federal, state and local environmental statutes and regulations,

including but not limited to the timely notification of the appropriate government authorities of any spills or releases of toxic or hazardous substances into the environment or onto the premises. Lessee shall notify Lessor within 24 hours of discovery of any such spills or releases, and shall provide copies of all correspondence and documents related to such spills or releases to Lessor with seven days after receipt or creation, as the case may be.

11. **LESSOR'S REMEDY FOR BREACH OR VIOLATION.** In the event Lessee permits a release of a hazardous substance to occur at or near the premises, or breaches any provision of this Rider, Lessor shall be entitled (1) to terminate the lease agreement immediately, (2) to require Lessee to cease all operation which pose a risk of releasing a hazardous substance into the environment, and (3) to require Lessee to begin an immediate cleanup of any and all contamination at the premises to the extent necessary to achieve full compliance with the applicable environmental laws and regulations. Lessor shall be entitled to obtain immediate injunctive relief from a court of competent jurisdiction to enforce this provision. these remedies shall be in addition to, and not in substitution for, any other remedies available to Lessor under applicable law.
12. **ANNUAL DECLARATION OF COMPLIANCE** Within ten (10) days of receipt of a written request by Lessor, Lessee shall provide to lessor a declaration of Lessee's compliance or non-compliance with the applicable environmental laws and regulations and with the provisions of this Rider, in the form set forth in Attachment No. 2. Lessor anticipates that it will request such a declaration annually, approximately on the anniversary date of this Rider.
13. **INSPECTION OF PREMISES** Lessee agrees to permit and cooperate with nay on-site inspections and testing requested by Lessor, including inspections and testing conducted by consultants or engineers hired by Lessor to evaluate Lessee's compliance with the applicable environmental requirements and the provisions of this Rider. Lessor shall provide Lessee within 24 hours advance notice of Lessor's intent to conduct such inspection or testing.
14. **DESIGNATED REPRESENTATIVE RESPONSIBLE FOR COMPLIANCE.** VICTOR O. GRAY whose work telephone number is 379-9862 and whose home telephone number is 379-9862 shall be the Lessee's designated representative who shall be primarily responsible (1) for Lessee's compliance with the provision of this Rider, (2) for handling contact with Lessor pertaining to environmental compliance, and (3) for signing on behalf of Lessee the annual declaration of compliance pursuant to Paragraph 12 above. Lessee shall promptly notify Lessor of any changes in the identity or telephone numbers of the designated representative.
15. **ADDITIONAL PROVISIONS.**

LESSOR:

LLOYD W. CAHOONTitle: General ManagerDate: 11/30/95

LESSEE:

Title: LesseeDate: 11/29/95

(Attachment No. 1 to Hazardous Substances Rider)

DISCLOSURE BY LESSEE

The Lessee makes the following disclosure pursuant to Paragraph 6 of the Hazardous Substances Warranty and Agreement (Attach Additional page(s) if necessary):

1. Release(s) of Hazardous Substances by Lessee:
(If none, initial here: km)
2. Indication(s) of Contamination at Premises:
(If none, initial here: km)
3. Lessee Violation(s) of Environmental Regulations:
(If none, initial here: km)
4. Environmental Claims or Litigation Against Lessee:
(If none, initial here: km)

Lessee: VICTOR O GRAY + PAULA E GRAY

BY: VICTOR O GRAY
(Printed Name)

km
(Signature)

Title: _____/Date: 11/29/95

(Attachment No. 2 to Hazardous Substances Rider)

DECLARATION OF COMPLIANCE

VICTOR O GRAY, as the designated representative of Lessee primarily responsible for environmental compliance pursuant to Paragraph 12 of the Hazardous Substances Warranty and Agreement dated: 11/14/95, hereby declares and represents as follows on behalf of Lessee:

1. I have read, and am familiar with, Lessee's obligations and representations as set forth in the Hazardous Substances Warranty and Agreement applicable to Lessee.
2. I am not aware of, and do not believe there have been any violations by Lessee of any of the provisions in the Hazardous Substances Warranty and Agreement, or of any requirements imposed on Lessee by federal, state or local environment laws and regulations.
3. I have no reason to believe, and do not believe, that any of the representations in Paragraph 6 of the Hazardous Substances Warranty and Agreement are inaccurate as of the date indicated below.
4. Lessee has not stored, used or had present on or adjacent to the premises any hazardous or toxic substances except those which have been disclosed in writing to lessor.
5. Lessee has not released, disposed of, or permitted the release of any hazardous or toxic substances onto the premises or into the environment surrounding the premises, except as has been disclosed in writing to Lessor.

Lessee: VICTOR O GRAY + PAULA E GRAY

By: km
Signature

Title: _____/Date: 11/29/95

DSK 24Q HMA2-27

VOL 540 PAGE 578



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Page: 2 of 2
04/10/2002 10:06A
REL 10.00NO REAL ESTATE
EXCISE TAX REQUIRED
JEFFERSON COUNTY TREASURERBY: **ASSIGNMENT OF LEASE**

I, **Victor O. Gray and Paula E. Gray** (herein referred to as Assignor), husband and wife, here and hereby assign all of our right, title and interest in and to that certain Land Lease with Condominium Provisions from the **Port of Port Townsend**, dated **November 16, 1995** and recorded with the Jefferson County Auditor as follows:

File Number 386808, Vol. 540, pages 556 through 578, recorded on December 4, 1995.

to, **A Hangar Condominium Association at J.C.I.A.** (herein referred to as Assignee). The said Assignee(s) hereby assume and agrees to do and perform and be bound by all covenants, conditions, terms, stipulations, agreements, and amendments of said lease dated **November 16, 1995**.

CONCURRENT with this Assignment, the following revisions shall be made:

1. Article 29, Notices, shall be amended to read:

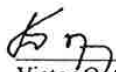
To Lessee:

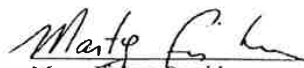
Jim Burns
Lone Star Aviation
117 Rhody Court
Chimacum, WA 98325


2. Article 2, Term, shall be amended to read, **"This lease shall be for a term of 50 years, beginning December 1, 1995 and ending November 20, 2045"**.

APPROVED this **11th day of February, 1998** by the Commission of the **Port of Port Townsend** and duly authenticated in open session by the signature of the Executive Director of the **Port of Port Townsend**.


ASSIGNOR**ASSIGNEE**



Victor O. Gray


Marty Fisher, President
A Hangar Condominium Association at
J.C.I.A.


Paula E. Gray

CONCURRED:**PORT OF PORT TOWNSEND****APPROVED AS TO FORM**


Lloyd W. Cahoon
Executive Director


Craddock D. Verser
Port Attorney

LEASE AMENDMENT NO. 1

This lease amendment made and entered into this 15th day of January, 2002 by and between the Port of Port Townsend, a municipal corporation organized and existing under the State of Washington, Lessor and A Hangar Condominium Association at J.C.I.A., Lessee, witnesseth for the consideration of the mutual benefits to be derived, do hereby amend the assignment of lease dated 11 February, 1998.

WHEREAS: Article No. 42 of lease speaks of a rate adjustment to the established adopted Port rate as adopted by the Port Commission every (3) three years.

NOW THEREFORE: The rate shall be adjusted to \$720.82 per month plus applicable taxes.

All other terms and conditions of the lease dated November 16, 1995, remain in effect.

APPROVED: this 9th day of January 2002, by the Commission of the Port of Port Townsend and duly authenticated in open session by the signature of the Executive Director.

LESSEE:

Eric C Taylor
President, A Hangar Condo Assn

PORT OF PORT TOWNSEND:

Larry Carter
Executive Director

APPROVED AS TO FORM:

[Signature]
Attorney

PORT OF PORT TOWNSEND

AGENDA COVER SHEET

MEETING DATE	December 13, 2023
AGENDA ITEM	<input checked="" type="checkbox"/> Consent <input type="checkbox"/> First Reading <input type="checkbox"/> Second Reading <input checked="" type="checkbox"/> Regular Business
AGENDA TITLE	IV. E. Aurora Aircraft Maintenance & Restoration, LLC: Amendment #1 of Lease and Contract for Operation of Fuel Service Facility at Jefferson County International Airport
STAFF LEAD	Eric Toews, Deputy Director
REQUESTED	<input checked="" type="checkbox"/> Action <input checked="" type="checkbox"/> Discussion
ATTACHMENTS	<ul style="list-style-type: none"> A. Staff Memo B. Aurora Aircraft Maintenance & Restoration, LLC, Lease Amendment #1, consisting of 6 pages; C. Attachment A – Bill of Sale, Lease, and Contract for Operation of Fuel Service Facility at JCIA, consisting of 17 pages. D. Attachment B – Assignment & Assumption of Lease and Contract of Fuel Service Facility at JCIA, consisting of 3 pages; and E. Attachment C – Assignment & Assumption of Lease and Contract for Operation of Fuel Service Facility at JCIA, Addendum #1, consisting of 2 pages.

PORT OF PORT TOWNSEND

INFORMATIONAL MEMO

DATE: 12/13/2023
TO: Port Commission
FROM: Eric Toews, Deputy Director, and Sue Nelson, Lease and Contracts Administrator
SUBJECT: Aurora Aircraft Maintenance & Restoration, LLC - Amendment #1 of Lease and Contract for Operation of Fuel Service Facility at JCIA

ISSUE: Should the Commission authorize the Executive Director to execute an amendment to the lease and contract for operation of the fuel service facility at the Jefferson County International Airport (JCIA)?

BACKGROUND & DISCUSSION: In December of 2008, the Port entered into an agreement with Thomas and Pamela Wacker to sell certain equipment, and to lease and operate the aircraft fueling service at the JCIA. In June of 2013, this lease agreement and contract for system operation was assigned to Aurora Aircraft Maintenance & Restoration (Aurora). Together with options to renew (all of which have been exercised), the original agreement established a term of fifteen (15) years which expires at midnight on December 31, 2023.

The Port is currently advancing a capital project that would replace the entire aircraft fueling system at JCIA with a new above-ground tank and fuel dispensing system. Project design work is slated to occur in 2024, with construction and replacement of the existing system occurring in 2025.

In late November, Port staff met with Scott and Nataliya Erickson of Aurora to discuss how aircraft fueling should best be managed during this intervening period (i.e., after expiration of the current agreement, but before the new system is online). It was agreed the current agreement should continue on a month-to-month basis until the new system is constructed.

The proposed amendment presented to the Commission would accomplish the following:

- Extend all applicable terms and conditions of the current arrangement indefinitely on a month-to-month basis;
- Require the Port to provide a minimum of 180 days written notice to Aurora of its intent to terminate the month-to-month arrangement; and
- Require the Port to compensate Aurora for fuel remaining in the underground storage tank (UST) on the termination date.

We expect to maintain frequent communications with Aurora during this period to ensure that they are apprised of the project timeline and anticipated agreement termination date, and to choreograph fuel deliveries to ensure uninterrupted aircraft fueling services, while minimizing the fuel in the tank on the termination date.

MOTION: None required. Approval of this item on the Consent Agenda authorizes the Executive Director to execute the amendment to the lease and contract for fuel service operation at JCIA with Aurora.

ATTACHMENTS:

- Aurora Aircraft Maintenance & Restoration, LLC, Lease Amendment #1, consisting of 6 pages;
- Attachment A – Bill of Sale, Lease, and Contract for Operation of Fuel Service Facility at JCIA, consisting of 17 pages.
- Attachment B – Assignment & Assumption of Lease and Contract of Fuel Service Facility at JCIA, consisting of 3 pages; and
- Attachment C – Assignment & Assumption of Lease and Contract for Operation of Fuel Service Facility at JCIA, Addendum #1, consisting of 2 pages.

AMENDMENT #1 OF LEASE AND CONTRACT FOR OPERATION OF FUEL SERVICE FACILITY AT JEFFERSON COUNTY INTERNATIONAL AIRPORT

THIS AMENDMENT #1 TO BILL OF SALE, LEASE AND CONTRACT FOR OPERATION OF FUEL SERVICE FACILITY AT JEFFERSON COUNTY INTERNATIONAL AIRPORT (the "Amendment") is made as this ____ day of December 2023 by and between AURORA AIRCRAFT MAINTENANCE & RESTORATION, a Washington Limited Liability Corporation ("Aurora"), and the PORT OF PORT TOWNSEND, a Washington Municipal Corporation (the "Port"), collectively referred to as "the parties".

WHEREAS, the Port and Aurora's predecessors in interest, Thomas O. Wacker and Pamela Wacker (husband and wife), entered into that certain Bill of Sale, Lease and Contract for Operation of Fuel Service at Jefferson County International Airport, dated December 23, 2008, which is attached hereto as Attachment "A" and incorporated herein by this reference (the "Original Agreement"); and

WHEREAS, on June 17, 2013, the Port of Port Townsend approved that certain Assignment and Assumption of Lease and Contract for Operation of Fuel Service Facility at Jefferson County International Airport, from Thomas O. Wacker and Pamela Wacker, Assignors, to Aurora Aircraft Maintenance & Restoration, which is attached hereto as Attachment "B" and incorporated herein by this reference (the "Assignment and Assumption"); and

WHEREAS, on August 5, 2013, the Parties entered into Addendum #1 to the Assignment and Assumption to correct a scrivener's error and to modify the form of security required under the Agreement, which is attached hereto as Attachment "C" and incorporated herein by this reference ("Addendum #1"); and

WHEREAS, the Original Agreement, together with the Assignment and Amendment and Addendum #1 constitute "the Agreement"; and

WHEREAS, paragraphs #4 and #5 of the Agreement describe the term of, and options to extend, the Agreement, and specify that the Agreement automatically terminates at midnight on December 31, 2023 if Aurora has not replaced the underground fuel storage tanks prior that date; and

WHEREAS, because the underground fuel storage tanks are not being replaced by Aurora, the Agreement will terminate on midnight on December 31, 2023; and

WHEREAS, the Port is advancing a capital improvement project to construct a new above ground, fuel storage and dispensing system, with project design work occurring in 2024, and construction planned in 2025; and

WHEREAS, pending the construction of the new fuel storage and dispensing system, the parties are agreed that the Agreement should be amended to extend indefinitely on a month-to-month basis until the new fueling system is completed,

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. RECITALS INCORPORATED. The foregoing recitals are hereby incorporated into and made a part of this Amendment #1, including all defined terms referenced therein, with the same force and effect as if the same were herein repeated fully and at length. Capitalized terms used herein but not otherwise defined herein shall have the meanings ascribed to such terms in the Agreement.

2. ADDITION OF NEW PARAGRAPH 37. The Agreement is hereby amended to include a new Paragraph 37, "Holding Over and Notice of Termination", which shall read as follows:

37. Holding Over and Notice of Termination:

a. Following the expiration of the term of this Agreement, Aurora agrees to continue operating the JCIA fueling facility indefinitely on a month-to-month basis upon the same terms and conditions as those set forth within this Agreement.

b. The month-to-month Agreement described hereinabove may be terminated by the Port by way of written notice delivered or mailed by the Port to Aurora at least 120 days before the termination date specified in the notice. In the event of such a termination, the Port shall be obligated to compensate Aurora for any fuel remaining in the underground fuel storage tank on the termination date.

Except as amended hereby, all other terms and conditions of the Agreement shall remain unchanged and in effect.

APPROVED this 13th day of December 2023, by the Port of Port Townsend and duly authenticated by the signature of the Executive Director.

AURORA AIRCRAFT MAINTENANCE & RESTORATION, LLC:

By: _____
Scott Erickson, Governing Party

And by: _____
Nataliya Yeshyrina, Governing Party

PORT OF PORT TOWNSEND:

Eron Berg, Executive Director

APPROVED AS TO FORM:

Eric Toews, Port Attorney

STATE OF WASHINGTON)
) ss.
 COUNTY OF JEFFERSON)

I certify that I know or have satisfactory evidence that SCOTT ERICKSON 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 a GOVERNING PARTY of AURORA AIRCRAFT MAINTENANCE & RESTORATION, LLC to be the free and voluntary act of said company for the uses and purposes mentioned in the instrument.

GIVEN under my hand and official seal this ____ day of _____.

 Signature

 Printed Name

NOTARY PUBLIC in and for the State of Washington,
 residing at Port Townsend

My commission expires: _____

STATE OF WASHINGTON)
) ss.
 COUNTY OF JEFFERSON)

I certify that I know or have satisfactory evidence that NATALIYA YESHYRINA is the person who appeared before me, and said person acknowledged that she signed this instrument, on oath stated that she was authorized to execute the instrument and acknowledged it as a GOVERNING PARTY of AURORA AIRCRAFT MAINTENANCE & RESTORATION, LLC to be the free and voluntary act of said company for the uses and purposes mentioned in the instrument.

GIVEN under my hand and official seal this ____ day of _____.

Signature

Printed Name

NOTARY PUBLIC in and for the State of Washington,
 residing at Port Townsend

My commission expires: _____

STATE OF WASHINGTON)
) ss.
 COUNTY OF JEFFERSON)

I certify that I know or have satisfactory evidence that ERON BERG 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 EXECUTIVE DIRECTOR of the PORT OF PORT TOWNSEND to be the free and voluntary act of said Port District for the uses and purposes mentioned in the instrument.

GIVEN under my hand and official seal this ____ day of _____.

 Signature

 Printed Name

NOTARY PUBLIC in and for the State of Washington,
 residing at Port Townsend

My commission expires: _____

**BILL OF SALE, LEASE AND CONTRACT
FOR OPERATION OF FUEL SERVICE FACILITY
AT JEFFERSON COUNTY INTERNATIONAL AIRPORT**

This Agreement is made this 23rd day of December, 2008, to become effective as of January 1, 2009, by and between the PORT OF PORT TOWNSEND, a municipal corporation of the State of Washington ("the Port) and THOMAS O. WACKER and PAMELA WACKER, husband and wife, d/b/a "Tailspin Tommy's" ("Wacker").

RECITALS

A. The Port owns and operates a general aviation airport near Port Townsend, Washington, known as Jefferson County International Airport ("JCIA"). JCIA is presently equipped with aircraft refueling facilities, which includes the real and personal property is listed in Exhibits "A" and "B" attached hereto.

B. The Port has heretofore operated the JCIA fueling facility but now wants to contract with an independent party to purchase the Equipment and to operate that service.

C. The parties now wish to reach agreement on the terms whereby Wacker will purchase the assets and equipment listed in Exhibit "A" and will lease from the Port the assets and equipment listed in Exhibit "B", and will operate, maintain and improve the fueling facilities at JCIA.

AGREEMENT

1. Purchase and Sale of Equipment. The Port hereby sells to Wacker and Wacker hereby purchases from the Port, all of the equipment listed in Exhibit "A" attached hereto (hereinafter "the purchased Equipment") and the current inventory of aviation fuel as of the date of closing, on the terms contained in this agreement. The closing date will be January 1, 2009. Wacker will pay to the Port on the closing date the sum of Ten Thousand and no/100ths Dollars (\$10,000.00) for the Purchased Equipment, plus the value of the aviation fuel, at the Port's cost, then in the JCIA tank, based upon measurements made by the Port on the closing date. Wacker acknowledges that he has had the opportunity to inspect the Purchased Equipment to his satisfaction, he takes the Purchased Equipment "as is", and the Purchased Equipment is suitable for its intended purpose. Wacker acknowledges that the Port has made no warranties regarding the condition of the Purchased Equipment. Wacker accepts all risks associated with the use and operation of the Purchased Equipment and shall be solely responsible for the maintenance, repair, replacement and operation of the Purchased Equipment throughout the term of this agreement. The Port warrants that it has good title to the Purchased Equipment and that it has full right and authority to sell the Purchased Equipment to

Wacker, and the Port will hold Wacker harmless from any claims which breach this warranty of title.

2. Lease of Other Assets. The Port hereby leases to Wacker and Wacker leases from the Port, all of the assets listed in Exhibit "B" attached hereto ("the Leased Assets"), for the term of this Agreement. Wacker acknowledges that he has had the opportunity to inspect the Leased Assets to his satisfaction, that he takes the Leased Assets "as is", and that the Leased Assets are suitable for their intended purpose. Wacker acknowledges that the Port has made no warranties regarding the condition of the Leased Assets. Wacker accepts all risks associated with the use and operation of the Leased Assets and shall be solely responsible for the maintenance, repair, replacement and operation of the Leased Assets throughout the initial term and extended terms of this agreement. All the Leased Assets and their replacements shall be surrendered to the Port at the termination of this agreement.

3. Operation of Fueling Facility. Wacker also agrees that he shall, throughout the term of this agreement, operate, manage, maintain, and control the aircraft refueling operations at JCIA, on the terms set forth in this agreement.

4. Term. This Agreement shall be effective as of the date of the Agreement and shall remain in effect for a period of five (5) years, unless sooner terminated as authorized by this Agreement.

5. Options to Extend. Provided Wacker has fully complied with this agreement throughout the initial five-year term, Wacker shall have the option of extending the term of this agreement for two additional five year terms ("the extension terms"). In the event that Wacker shall, during the initial term or the extension terms, replace the underground fuel storage tank with a new tank of the same or larger size as the current tank, then Wacker shall have the option to extend this agreement for additional five-year terms, the last such term to expire twenty-five years from the date of this agreement. Each such five-year extension option shall be exercised by giving written notice to the Port at least six months before the expiration of the prior term.

6. Payments to Port. As consideration for the granting of the JCIA fueling franchise to Wacker, and as rent for the Leased Equipment, Wacker hereby agrees that, throughout the term of this agreement and all extensions thereof, he will pay the Port, on or before the tenth day of each calendar month, a sum equal to two percent (2%) of the retail price of all fuel, including sales tax, sold to customers at JCIA during the prior calendar month, but not less than eight cents (\$0.08) per gallon. Wacker shall deliver to the Port copies of all sales records and credit card records to verify the amount of fuel sold during each month.

7. Commitment to Operate Fueling Facility. Wacker hereby agrees to operate the JCIA fueling facility in a professional manner throughout the term of this agreement, such that at least one type of high quality commonly-used aviation fuel will be available at reasonable prices to customers 24 hours per day, every day of the year,

with the exception of temporary closures for such periods as may reasonably be necessary for repairs or for reasons beyond Wacker's reasonable control. Wacker shall use the Purchased Equipment and the Leased Assets, or similar replacement equipment, for the purpose of storing, pumping and selling aviation fuel to the public at JCIA, and for the sale of related products such as lubricants and other aviation products normally sold at aviation fueling facilities. Wacker shall not use the Leased Assets for any other purpose without the written consent of the Port. No fuel shall be sold for use in automobiles or other vehicles and no fuel shall be sold for delivery to premises other than JCIA and aircraft based at or visiting JCIA. Wacker agrees that he will replace the Leased Assets, including the underground storage tanks, at his own expense, if necessary to continue the operation of the aircraft fueling facility at JCIA. Wacker agrees that he will not disturb the Port or any other tenant of the Port by making or permitting any disturbance or any unusual noise, vibration or other condition on or in the premises. Wacker acknowledges that the continuous availability of aviation fuel at JCIA is a service of paramount importance to the Port. Wacker agrees that if he fails to maintain the continuous availability of fuel or allows any unauthorized interruption in the operation of the fueling facility that the Port may immediately terminate this Agreement.

8. Use of Common Areas at JCIA. Although this agreement leases to Wacker the areas immediately surrounding the fueling facility, Wacker shall share the use of those areas with all customers at JCIA. Wacker shall also have the right to use all runways, taxiways, parking areas, and the area around the fueling facilities, in common with other persons using JCIA, for the purpose of refueling aircraft and carrying out the purposes of this agreement.

9. Utilities. Wacker shall be liable for, and shall pay throughout the term of this agreement, all charges for all utility services attributable to and necessary for the operation the fueling facilities, including, but not limited to, electricity, water, sewerage, telephone and trash disposal.

10. Surrender of Tanks at Termination of Agreement. At the expiration or earlier termination of this agreement, Wacker shall be entitled to retain ownership of all of the Purchased Equipment, but shall surrender to the Port all of the Leased Assets.

11. Condition of Fueling Area. Wacker shall, at its own expense and at all times, keep the area around the fueling facility, and the adjoining taxiways, neat, clean and presentable and in a safe and sanitary condition, free of trash and debris, and shall maintain and keep said premises in a good state of repair, and shall commit no waste of any kind. Wacker acknowledges that it is the policy of the Port to keep the premises at JCIA in a neat and orderly appearance, and Wacker shall endeavor to preserve such an appearance in the vicinity of the fueling facilities. Wacker shall remove all snow and ice from the areas adjacent to the fueling facility, so that aircraft owners may use the facility in all types of weather.

12. Alterations to Fueling Facility. Wacker shall not make alterations or improvements to the real property in the vicinity of the fueling facility, nor shall Wacker

install any new fixtures or equipment without first obtaining written approval from the General Manager of the Port, which approval shall not be unreasonably withheld. Such written approval shall also include agreement regarding disposition of the improvements upon termination of this agreement.

13. Indemnification. The Port, its employees and agents shall not be liable for any injury (including death) to any persons or for damage to any property, regardless of how such injury or damage be caused, sustained, or alleged to have been sustained by the Wacker or by others as a result of any condition (including existing or future defects in the equipment or the premises) or any occurrence whatsoever related in any way to the equipment and the areas adjacent thereto or related in any way to Wacker's use of the equipment or operation of the fueling facility. Wacker agrees to defend and to hold and save the Port harmless from all liability or expense of litigation in connection with any such items of actual or alleged injury or damage.

14. Insurance. Wacker agrees to maintain, throughout the term of this agreement and all extensions thereof, liability insurance as follows, at Wacker's sole expense. All such insurance shall name the Port of Port Townsend as an additional insured, and shall be with insurance companies acceptable to the Port.

- a. Comprehensive General Liability Insurance against claims for injury or death to persons or damage to property with minimum limits of liability of \$2,000,000 combined single limit for each occurrence. Such insurance shall include but not be limited to bodily injury liability, personal injury liability, property damage liability, broad form property damage liability, contractual liability, and products/completed operations liability.
- b. Comprehensive Business Automobile Liability Insurance against claims for injury or death to persons or damage to property with minimum limits of liability of \$1,000,000 combined single limit for each occurrence. Such insurance shall include but not be limited to bodily injury liability, property damage liability, hired car liability, and nonowned auto liability.
- c. Workers Compensation Insurance as will protect Wacker's employees from claims under Washington Workers Compensation Act as well as all Federal Acts applicable to Wacker's operations at the site, and all such insurance shall not be less than \$1,000,000 for each occurrence.

Wacker agrees to supply the Port with appropriate evidence to establish (1) that its insurance obligations as herein provided have been met, and (2) that the insurance policy or policies as herein required are not subject to cancellation without at least thirty (30) days advance written notice to the Port. Conditions a., b. and c. of above are to be met prior to occupancy.

15. Security Deposit. In order to guarantee all of his performance required under this agreement, Wacker shall post a security deposit with the Port, in the amount of

Ten thousand and no/100 dollars, (\$10,000), which shall be held by the Port and may be used to pay any payments owing to the Port which are not timely made or to remedy any default by Wacker, throughout the term of this agreement. The security deposit may be posted in cash or in a letter of credit or a bond, in form acceptable to the Port and its legal counsel.

16. Waiver of Subrogation. The Port and Wacker hereby mutually release each other from liability and waive all right of recovery against each other for any loss from perils insured against under their respective fire insurance contracts, including any extended coverage endorsements thereto: PROVIDED, That this paragraph shall be inapplicable if it would have the effect, but only to the extent that it would have the effect, of invalidating any insurance coverage of the Port or Wacker.

17. Licenses and Taxes. Wacker shall obtain all business and other licenses necessary for the business operations contemplated by this Agreement, and shall be liable for, and shall pay throughout the term of this agreement, all license and excise fees and occupation taxes covering the business conducted on the premises, and all personal property taxes levied, if any, on the Purchased Equipment and the Leased Assets, including, if applicable, all leasehold taxes.

18. Compliance with Port Regulations and All Laws. Wacker agrees to comply with all applicable rules and regulations of the Port pertaining to the JCIA, now in existence or hereafter promulgated for the general safety and convenience of the Port, its various tenants, invitees, licensees and the general public. Wacker further agrees to comply with all applicable federal, state, and municipal laws, ordinances, and regulations.

19. Hazardous Substances Warranty and Agreement. Wacker has read the Hazardous Substance Warranty and Agreement which is attached hereto as Exhibit "C" and which by this reference is incorporated herein as fully set forth. Wacker acknowledges that he fully understands his obligations under the Hazardous Substances Warranty and Agreement, and hereby covenants that he will fully comply with all provisions of that Agreement and will indemnify and hold the Port harmless from any violations of that Agreement by himself or his employees, guests, customers and invitees.

20. Assignment. Wacker shall not assign or transfer his rights under this agreement or any interest therein, nor shall this agreement or any interest thereunder be assignable or transferable by operation of law or by any process or proceeding of any court, or otherwise, without the written consent of the Port first had and obtained. If the Port shall give its consent to any assignment or transfer, this paragraph shall nevertheless continue in full force and effect and no further assignment shall be made without the Port's consent.

21. Default. Time is of the essence of this agreement, and in the event Wacker fails to pay any of the charges owing to the Port at the time and in the manner herein specified, or fails to comply with any of the covenants or agreements herein set forth, the Port may elect to terminate this agreement and take possession of the fueling

facility and operations, with or without process of law: Provided, however, that Wacker shall be given ten days' notice in writing stating the nature of the default in order to permit such default to be remedied by Wacker within said ten (10) day period. If upon such termination there remains any personal property of Wacker or of any other person upon the fueling facility premises, the Port may, but without the obligation so to do, remove said personal property and hold it for the owners thereof or may place the same in a public garage or warehouse, all at the expense and risk of the owners thereof, and Wacker shall reimburse the Port for any expense incurred by the Port in connection with such removal and storage. The Port shall have the right to sell such stored property, without notice to Wacker, after it has been stored for a period of thirty (30) days or more, the proceeds of such sale to be applied first to the cost of such sale, second to the payment of the charges for storage, and third to the payment of any other amounts which may then be due from Wacker to the Port, and the balance, if any, shall be paid to Wacker.

22. Signs. No signs or other advertising matter, symbols, canopies or awnings shall be attached to or placed in the vicinity of the fueling facility without the approval of the Executive Director of the Port, which shall not be unreasonably withheld. At the termination or sooner expiration of this agreement, all such signs, advertising matter and symbols shall be removed by Wacker at his own expense, and Wacker shall repair any damage or injury to the premises, and correct any unsightly condition, caused by the maintenance and removal of said signs, etc.

23. Insolvency. If Wacker shall file a petition in bankruptcy, or if Wacker shall be adjudged bankrupt or insolvent by any court, or if a receiver of the property of Wacker shall be appointed in any proceeding brought by or against Wacker, or if Wacker shall make an assignment for the benefit of creditors, or if any proceedings shall be commenced to foreclose any mortgage or any other lien on Wacker's property maintained on the premises, the Port may, at its option, terminate this agreement.

24. No Waiver. The acceptance of payments by the Port for any period or periods after a default by Wacker hereunder shall not be deemed a waiver of such default unless the Port shall so intend and shall so advise Wacker in writing. No waiver by the Port of any default hereunder by Wacker shall be construed to be or act as a waiver of any subsequent default by Wacker.

25. Promotion of Port Commerce. Wacker agrees that throughout the term of this agreement, he will, insofar as practicable, promote and aid the movement of passengers and freight through facilities within the territorial limits of the Port.

26. Surrender of Equipment and Premises. At the expiration or sooner termination of this agreement, Wacker shall promptly surrender possession of the Leased Assets to the Port, and shall deliver to the Port all keys, codes and other property necessary for the operation of the fueling facility.

27. Attorneys Fees. In the event that either party commences any legal action to enforce any of the provisions of this agreement, the prevailing party in such an action shall be entitled to an award of all litigation costs, including such sums as the court or courts may adjudge reasonable as attorney's fees in the trial court and in any appellate courts.

28. Advances by the Port. If Wacker shall fail to do anything required to be done by it under the terms of this agreement, the Port may, at its sole option, do such act or thing on behalf of Wacker, and upon notification to Wacker of the cost thereof to the Port, Wacker shall promptly pay the Port the amount of that cost.

29. Liens and Encumbrances. Wacker shall not have authority to encumber the fuel storage tanks without the consent of the Port, and the Port shall not even consider granting its consent unless necessary to obtain financing for the installation of new tanks. Wacker shall not allow any of the Equipment to be subject to the liens of other parties and shall promptly discharge any liens that may be claimed against the Equipment by any party.

30. Notices. All notices hereunder may be delivered or mailed. If mailed, they shall be sent by certified or registered mail to the following respective addresses:

To Lessor:

The Port of Port Townsend
P. O. Box 1180
Port Townsend, Washington 98368

To Wacker:

Thomas Wacker
300 Airport Road
Port Townsend, WA 98368
Phone:(360) 385-6394

or to such other respective addresses as either party hereto may hereafter from time to time designate in writing. Notices sent by mail shall be deemed to have been given when properly mailed, and the postmark affixed by the United States Post Office shall be conclusive evidence of the date of mailing.

31. Captions. The captions in this agreement are for convenience only and do not in any way limit or amplify the provisions of this agreement.

32. Invalidity of Certain Provisions. If any term or provision of this agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this agreement or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby and shall continue in full force and effect.

33. Non-discrimination in Services. Wacker agrees that he will not discriminate by segregation or otherwise against any person or persons because of race, creed, color, sex, sexual orientation, or national origin in furnishing, or by refusing to furnish, to such person, or persons, the use of the facility herein provided, including any and all services, privileges, accommodations, and activities provided thereby. It is agreed that the Wacker's noncompliance with the provisions of this clause shall constitute a material breach of this agreement. In the event of such noncompliance, the Port may take appropriate action to enforce compliance, may terminate this agreement, or may pursue such other remedies as may be provided by law.

34. Non-discrimination in Employment. Wacker covenants and agrees that in all matters pertaining to the performance of this agreement, Wacker shall at all times conduct its business in a manner which assures fair, equal and non-discriminatory treatment of all persons without respect to race, creed, color, sex, sexual orientation, or national origin and, in particular:

(a) Wacker will maintain open hiring and employment practices and will welcome applications for employment in all positions from qualified individuals who are members of racial or other minorities, and

(b) Wacker will comply strictly with all requirements of applicable federal, state or local laws or regulations issued pursuant thereto relating to the establishment of non-discriminatory requirements in hiring and employment practices and assuring the service of all patrons or customers without discrimination as to any person's race, creed, color or national origin.


35. Labor Unrest. Tenant agrees to join with Port and use its best efforts in avoiding labor unrest, or in the event of a wildcat strike or other labor difficulty, to use its good offices in negotiating and bringing to a swift and satisfactory conclusion any kind of labor dispute that may affect the interests of the Port.

36. Easements. The Parties recognize that the Port's facilities are continuously being modified to improve the utilities and services used and provided by the Port. The Port, or its agents shall have the right to enter the areas of the fueling facility, and to cross over, construct, move, reconstruct, rearrange, alter, maintain, repair and operate the sewer, water, and drainage lines, and the electrical service, and all other services required by the Port for its use. The Port shall have the right to relocate the fueling facility, provided that the Port pays all the costs of relocation.

WHEREFORE, the parties have executed this Agreement on the date and year first written above.

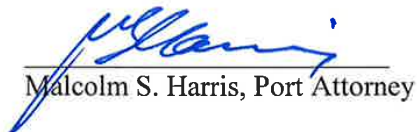
PORT OF PORT TOWNSEND

By: 
Executive Director


Thomas O. Wacker


Pamela Wacker

Approved as to Form:


Malcolm S. Harris, Port Attorney

STATE OF WASHINGTON)
) ss.
 COUNTY OF JEFFERSON)

On this day, personally appeared before me Larry Crockett, to me known to be the individual described herein, who acknowledged to me that he signed the same in his capacity as the Executive Director of the Port of Port Townsend, a municipal corporation, as the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned.

SUBSCRIBED AND SWORN to before me this 23rd day of December, 2008.



Susan M. Nelson
 (Print Name) Susan M. Nelson
 NOTARY PUBLIC in and for the State of
 Washington, residing at Port Townsend.
 My appointment expires: 11-05-12

STATE OF WASHINGTON)
) ss.
 COUNTY OF JEFFERSON)

On this day, personally appeared before me Thomas O. Wacker and Pamela Wacker, to me known to be the individuals described herein, who acknowledged to me that they signed the same as their free and voluntary act and deed for the uses and purposes therein mentioned.

SUBSCRIBED AND SWORN to before me this 23rd day of December, 2008.



Susan M. Nelson
 (Print Name) Susan M. Nelson
 NOTARY PUBLIC in and for the State of
 Washington, residing at Port Townsend.
 My appointment expires: 11-05-12

EXHIBIT "A"**List of Equipment Sold to Wacker**

One (1) Applied Technologies (Now QT Technologies) Model 3000+ Fuel Management System, including terminal head and pedestal

One (1) Site Minder Software v.X.XX for running the above system

One (1) Inform software V. 3.1, to remotely monitor Veeder-Root leak detection system

Two (2) U.S. Robotics modems

One (1) Compaq DeskPro EN computer, to run Site Minder and Inform software

97 private electronic charge cards for "house accounts."

Unused portion (approximately one-half year) of annual software support program purchased from QT Technologies. (renews in June, 2009)

Various spare parts, currently held by Port, for fuel system and electronics

EXHIBIT "B"

List of Equipment Leased to Wacker

One (1) 12,000 gallon underground fuel tank

One (1) fuel island with lighting and two grounding reels

One (1) Gas Boy fuel pump with two dispensers and hoses

One (1) Veeder-Root TLS300C leak detection system

One (1) small equipment shed attached to West side of Environmental Center at JCIA

Black top area surrounding fuel island (normal aircraft fueling area)

EXHIBIT "C"

Hazardous Substance Warranty and Agreement

HAZARDOUS SUBSTANCES WARRANTY AND AGREEMENT

RIDER TO LEASE AGREEMENT DATED: January 1, 2009
BETWEEN THE PORT OF PORT TOWNSEND AND Thomas + Pamela Wacker
**IT IS HEREBY AGREED THAT THE LEASE AGREEMENT IDENTIFIED ABOVE
SHALL BE SUPPLEMENTED AND MODIFIED AS FOLLOWS:**

1. **HAZARDOUS SUBSTANCES ON PREMISES.** Without the express written permission of Lessor, Lessee shall not store, use or have present on or adjacent to the premises any hazardous or toxic substances, including those substances defined as "hazardous" or "extremely hazardous" under federal or Washington State environmental statutes or regulation (including but not limited to 42 USC 9601 et seq, 40 CFR Part 302, RCW Chapter 70.105D.020 and WAC 173-340-200, and any successor statutes and regulation), except as follows:

2. **STORAGE AND USE OF HAZARDOUS SUBSTANCES.** Lessee agrees at all times to restrict its storage and use of substances identified in Paragraph 1 to the inside of the permanent building(s) at the premises, and specifically to those locations within such buildings(s) having concrete flooring or such other impermeable flooring as Lessor may in its sole discretion approve in writing upon request by Lessee.
- 2.A **HANDLING AND DISPOSAL.** The Lessee agrees to use said substances identified in paragraph 1 only on areas which have impermeable surfaces and or other means for preventing accidental contact by such substances with the soils upon the leasehold or its surrounding area.
3. **RELEASES OF HAZARDOUS SUBSTANCES PROHIBITED.** Lessee shall not release, dispose of, or permit a release of, any of the substances described or identified in paragraph 1 onto the premises or into the environment surrounding the premises.
4. **REGULATORY COMPLIANCE.** Lessee warrants and agrees that, during the term of this lease and any extensions thereof, it will take all steps necessary to comply with all applicable federal, state and local requirements for the containment, storage, use and disposal of any and all hazardous or toxic substances at the premises, including but not limited to obtaining and maintaining all necessary federal, state and local permits or licenses, and obtaining any required federal or state hazardous waste generator or transporter identification numbers. Lessee shall provide to Lessor a copy of each such existing permit, license, and identification number before occupancy, and shall provide a copy of any such permit, license, and identification number which Lessee may obtain in the future within seven days of receipt by Lessee.
5. **DISPOSAL OF HAZARDOUS WASTES.** In the event Lessee has occasion or need to dispose of hazardous or toxic substances or wastes, and unless otherwise agreed in writing, Lessee shall retain an independent hazardous waste disposal firm to dispose of any and all such substances at an off-site facility which has been properly approved, licensed and authorized to accept such substances. Lessee shall ensure that the disposal firm is properly licensed and in good standing with the applicable regulatory authorities for such work, and that it has all required transporter identification numbers.
6. **LESSEE'S WARRANTY OF NO CONTAMINATION.** Except as may be disclosed in Attachment No. 1 hereto, Lessee warrants and represents (1) that it has not released any toxic or hazardous substances onto the premises or into the environment in connection with its activities at the premises, (2) that it has inspected the premises and is not aware of any indication that a release of any hazardous substances has ever occurred at the premises, including prior to Lessee's occupancy, (3) that it has never been formally accused or cited, at

the premises or elsewhere, for any violation of environmental laws, regulations or any hazardous waste-related governmental permit, and (4) that no claims or litigation have ever been pending against it by any person or governmental agency involving any use, storage, release or disposal of hazardous or toxic waste. If any such releases, formal accusations, citations, claims or litigation against Lessee arise during the term of this lease or any extension thereof, then Lessee shall notify Lessor in writing within seven (7) days of such event, and shall provide Lessor with a copy of each document reflecting such event.

7. **INDEMNIFICATION AND HOLD HARMLESS.** Lessee shall indemnify and hold Lessor harmless with respect to any and all direct or indirect expenses, losses of damages, including all consequential damages, Attorney's fees, and litigation-related expenses and costs, incurred by Lessor which result from (1) Lessee's breach of provision of this Rider, (2) claims, actions, suites, proceedings, judgements, fines or remedial orders (including orders to clean up contamination at the premises) which arise because of Lessee's breach of this Rider, (3) Lessee's violation of environment laws or regulations, or (4) Lessee's release of a toxic or hazardous substance onto the premises or into the surrounding environment. This provision shall apply regardless of whether Lessee has been negligent or at fault for such breach, violation, or release. This obligation by the Lessee shall survive the expiration or termination of the lease agreement and the sale of the property. If Lessor so requests, Lessee shall accept the tender of defense of, and shall retain counsel of Lessor's selection and at Lessee's expense to defend, any third party claim asserted against Lessor in connection with alleged conduct by Lessee which, if true, would be in breach of the provision of this Rider.
8. **NOTIFICATION TO LESSOR OF CHANGES IN OPERATION.** Lessee agrees to notify Lessor in writing at least seven (7) days in advance of any previously undisclosed action which the Lessee plans to take which poses a material risk of a release of hazardous substance into the environment, including but not limited to material changes in Lessee's methods of hazardous waste disposal, material increases in the volume of Lessee's hazardous waste disposal, or material changes in the nature of any hazardous wastes which Lessee anticipates it will generate.
9. **COPIES OF ENVIRONMENTAL CORRESPONDENCE.** Lessee agrees to provide Lessor with copies of all past and future correspondence to or from the Washington Department of Ecology, the U.S. Environmental Protection Agency, and any other government agency which has had or may have contact with Lessee regarding environmental concerns pertaining to the premises.
10. **NOTIFICATION OF SPILLS OR RELEASES.** Lessee shall comply with all notification requirements under the applicable federal, state and local environmental statutes and regulations, including but not limited to the timely notification of the appropriate government authorities of any spills or releases of toxic or hazardous substances into the environment or onto the premises. Lessee shall notify Lessor within 24 hours of discovery of any such spills or releases, and shall provide copies of all correspondence and documents related to such spills or releases to Lessor with seven days after receipt or creation, as the case may be.
11. **LESSOR'S REMEDY FOR BREACH OR VIOLATION.** In the event Lessee permits a release of a hazardous substance to occur at or near the premises, or breaches any provision of this Rider, Lessor shall be entitled (1) to terminate the lease agreement immediately, (2) to require Lessee to cease all operation which pose a risk of releasing a hazardous substance into the environment, and (3) to require Lessee to begin an immediate cleanup of any and all contamination at the premises to the extent necessary to achieve full compliance with the applicable environmental laws and regulations. Lessor shall be entitled to obtain immediate injunctive relief from a court of competent jurisdiction to enforce this provision. these remedies shall be in addition to, and not in substitution for, any other remedies available to Lessor under applicable law.

12. **ANNUAL DECLARATION OF COMPLIANCE** Within ten (10) days of receipt of a written request by Lessor, Lessee shall provide to lessor a declaration of Lessee's compliance or non-compliance with the applicable environmental laws and regulations and with the provisions of this Rider, in the form set forth in Attachment No. 2. Lessor anticipates that it will request such a declaration annually, approximately on the anniversary date of this Rider.

13. **INSPECTION OF PREMISES** Lessee agrees to permit and cooperate with aNy on-site inspections and testing requested by Lessor, including inspections and testing conducted by consultants or engineers hired by Lessor to evaluate Lessee's compliance with the applicable environmental requirements and the provisions of this Rider. Lessor shall provide Lessee within 24 hours advance notice of Lessor's intent to conduct such inspection or testing.

14. **DESIGNATED REPRESENTATIVE RESPONSIBLE FOR COMPLIANCE.**
_____ whose work telephone number is _____ and whose home telephone number is _____ shall be the Lessee's designated representative who shall be primarily responsible (1) for Lessee's compliance with the provision of this Rider, (2) for handling contact with Lessor pertaining to environmental compliance, and (3) for signing on behalf of Lessee the annual declaration of compliance pursuant to Paragraph 12 above. Lessee shall promptly notify Lessor of any changes in the identity or telephone numbers of the designated representative.

15. **ADDITIONAL PROVISIONS.**

LESSOR:

LESSEE:


Larry Crockett



Title: Executive Director

Title: _____

Date: 12/23/02

Date: _____

Sales Summarized by Credit Card Cash**For Month Ended:** _____

Site: Port Townsend Jefferson County International Airport		
Sale Type:	Retail Amount	Gallons Sold
AMEX		
M/C		
VISA		
PVT		
CASH		
OTHER		
	TOTAL :	TOTAL :

METER READ:	Start of Month	End of Month	Gallons Pumped
PUMP #1			
PUMP #2			
TOTAL GALLONS:			

Flowage Fees: As per lease agreement remit whichever amount is greater to the Port of Port Townsend by the 10th of the following month.

Total \$ Sales: _____ x 2% = _____

Total Gallons: _____ x .08 = _____

NOTE: Please explain the difference between GALLONS SOLD and the TOTAL GALLONS pumped if any.

Submitted By: _____

Date: _____

**ASSIGNMENT & ASSUMPTION OF
LEASE AND CONTRACT FOR OPERATION OF FUEL SERVICE FACILITY AT JEFFERSON COUNTY
INTERNATIONAL AIRPORT**

THIS ASSIGNMENT AND ASSUMPTION OF LEASE AND CONTRACT is dated and effective as of June 1st, 2013 by and between THOMAS O. WACKER and PAMELA J. WACKER, husband and wife ("Assignor"), and AURORA AIRCRAFT MAINTENANCE & RESTORATION, a Washington Limited Liability Company ("Assignee") with a business address of 300 Airport Road, Port Townsend, Washington, 98368.

WHEREAS, Assignor is a Purchaser, Tenant and Contract Operator under that certain BILL OF SALE, LEASE AND CONTRACT FOR OPERATION OF FUEL SERVICE FACILITY AT JEFFERSON COUNTY INTERNATIONAL AIRPORT dated December 23, 2008, by and between the PORT OF PORT TOWNSEND, a Washington Municipal Corporation ("Port") and Assignor, (as modified from time to time, the "Agreement"), respecting certain aircraft refueling equipment and facilities (the "Facilities") located at the Jefferson County International Airport, Port Townsend, Washington, as more particularly described therein;

WHEREAS, Assignor desires to assign its interest in the Lease to Assignee and Assignee desires to assume Assignor's obligations under the Lease and Contract; and

WHEREAS, Paragraph 20 of the Agreement provides that the Assignor's interest in the Lease may not be assigned unless the Port grants its written consent to any such assignment,

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Assignor and Assignee agree, and the Port consents, as follows:

1. **Assignment of Lease and Contract:** Assignor does hereby transfer, assign, convey and deliver to Assignee its entire right, title and interest in the Agreement and the Facilities.
2. **Assumption of Obligations:** Assignee does hereby accept this assignment and, for the benefit of Assignor and the Port, expressly assumes and agrees to hereafter perform all of the terms, covenants, conditions and obligations of Assignor under the Agreement, which accrue from and after the date hereof. Assignee has been furnished with a copy of the Agreement which is attached hereto as Exhibit "A" (including all amendments thereto), has reviewed the Agreement, and understands all of the terms of the Agreement.
3. **Security Deposit:** In order to guarantee performance under the Agreement, Assignor shall post a security deposit with the Port, in the amount of ten thousand and no/100s dollars (\$10,000.00), which shall be held by the Port and may be used to pay any payments owing to the Port which are not timely made or to remedy any default by Assignor throughout the term of the Agreement. The security deposit may be posted in cash or in a letter of credit or a bond, in a form acceptable to the Port and its legal counsel.

4. **Indemnity:** Assignor agrees to save, indemnify, defend and hold Assignee harmless from and on account of any claims, demands, actions, losses, expenses and liabilities (including attorneys' fees) of Assignee under the Agreement on account of or arising out of any obligations and liabilities of the Assignor thereunder, arising prior to the date hereof.

Assignee agrees to save, indemnify, defend and hold Assignor harmless from and on account of any claims, demands, actions, losses, expenses and liabilities (including attorneys' fees) of Assignor under the Agreement on account of or arising out of the obligations and liabilities so assumed.


5. **Contingency:** Notwithstanding anything to the contrary herein, this Assignment shall be contingent upon the receipt of the consent of the Port as evidenced by the Port's execution of this Assignment as set forth below.

6. **Successors and Assigns:** This Agreement shall bind and inure to the benefit of the parties hereto and their respective successors and assigns.

Executed as of the date first above written.

ASSIGNOR:

THOMAS O. WACKER and PAMELA J. WACKER, husband and wife.


Thomas O. Wacker


Pamela J. Wacker

ASSIGNEE:

AURORA AIRCRAFT MAINTENANCE & RESTORATION, LLC


Scott Erickson, Owner

LESSOR'S CONSENT:

The Port of Port Townsend, as owner and holder of all right, title and interest under the Lease hereby consents to the foregoing assignment.

THE PORT OF PORT TOWNSEND
A Washington Municipal Corporation



Larry C. Crockett, Executive Director

APPROVED AS TO FORM:



Port Attorney

**ASSIGNMENT & ASSUMPTION OF
LEASE AND CONTRACT FOR OPERATION OF FUEL SERVICE FACILITY AT JEFFERSON COUNTY
INTERNATIONAL AIRPORT:**

ADDENDUM #1

THIS ADDENDUM to the above-referenced Assignment & Assumption of Lease and Contract for Operation of Fuel Service is entered into between the PORT OF PORT TOWNSEND, hereinafter referred to as the "PORT," and AURORA AIRCRAFT MAINTENANCE & RESTORATION, a Washington Limited Liability Company ("Assignee") with a business address of 300 Airport Road, Port Townsend, Washington, 98368, hereinafter referred to as "AURORA", in consideration of the mutual benefits, terms, and conditions hereinafter specified.

WITNESSETH:

1. On December 23rd, 2008, the PORT executed a certain Bill of Sale, Lease and Contract for Operation of Fuel Service Facility at the Jefferson County International Airport with Thomas O. Wacker and Pamela J. Wacker, husband and wife ("ASSIGNORS").
2. On June 15th, 2013, ASSIGNORS assigned the Lease and Contract for Operation of Fuel Service referred to in recital #1 to AURORA ("ASSIGNEE"), with the written consent of the PORT.
3. Paragraph #3 of the June 15th, 2013 Assignment Agreement requires posting of a \$10,000.00 security deposit with the PORT to be held by the PORT and used to remedy any default by AURORA. The paragraph erroneously refers to AURORA as "ASSIGNOR" rather than "ASSIGNEE", and specifies that the security must be in the form of cash, a letter of credit, or a bond.
4. The parties are agreed that the above-referenced paragraph of the Assignment Agreement should be amended to correctly refer to AURORA as the "ASSIGNEE," with a written acknowledgement furnished by AURORA's bank that a deposit of \$10,000.00 has been made by AURORA with a promise to pay the PORT upon demand by the PORT. The parties further agree that the certificate shall be short-term, cancellable only with permission from the PORT, with all interest payments on the deposit payable to AURORA.

NOW, THEREFORE:

Effective August 5th, 2013, paragraph #3 of the Assignment Agreement approved on June 15th, 2013 shall be amended to read as follows (note: deleted text shown in ~~strikeouts~~; new/amended language shown with double-underlining):

3. **Security Deposit:** In order to guarantee performance under the Agreement, ~~Assignor~~ Assignee shall post a security deposit with the Port, in the amount of ten

thousand and no/100s dollars (\$10,000.00), which shall be held by the Port and may be used to pay any payments owing to the Port which are not timely made or to remedy any default by Assignor throughout the term of the Agreement. The security deposit may be posted ~~in cash or in a letter of credit or a bond~~, in the form of a Certificate of Deposit ("CD") with a written acknowledgement furnished by AURORA's bank that a deposit of the required amount has been made by AURORA with a promise to pay the PORT upon demand by the PORT. The CD shall be short-term, cancellable only with the PORT's permission, with all interest payments on the deposit payable to AURORA a form acceptable to the Port and its legal counsel.

All other terms and conditions of the Assignment Agreement dated June 15th, 2013 shall remain in effect.

APPROVED this 5th day of August 2013 by the Port of Port Townsend and AURORA, the ASSIGNEE under the aforementioned Assignment Agreement.

AURORA/ASSIGNEE

PORT OF PORT TOWNSEND




Scott Erickson, Owner
AURORA AIRCRAFT MAINTENANCE &
RESTORATION, LLC



Larry C. Crockett, Executive Director

Approved as to Form:



Port Attorney

PORT OF PORT TOWNSEND

AGENDA COVER SHEET

MEETING DATE	December 13, 2023
AGENDA ITEM	<input checked="" type="checkbox"/> Consent <input type="checkbox"/> First Reading <input type="checkbox"/> Second Reading <input checked="" type="checkbox"/> Regular Business
AGENDA TITLE	IV. F. Northwest Maritime Center Amendment, #1, Point Hudson Land Lease
STAFF LEAD	Eric Toews, Deputy Director
REQUESTED	<input checked="" type="checkbox"/> Action <input checked="" type="checkbox"/> Discussion
ATTACHMENTS	<ul style="list-style-type: none"> A. Staff Memo B. Northwest Maritime Center: Point Hudson Land Lease, Amendment No. 1 C. Attachment 'A' - Northwest Maritime Center Point Hudson Land Lease, including Exhibit A

PORT OF PORT TOWNSEND

INFORMATIONAL MEMO

DATE: 12/13/2023
TO: Port Commission
FROM: Eric Toews, Deputy Director, and Sue Nelson, Lease and Contracts Administrator
SUBJECT: Northwest Maritime Center, Amendment #1, Point Hudson Land Lease

ISSUE: Should the Commission authorize the Executive Director to execute an amendment to the land lease agreement with the Northwest Maritime Center to allow greater flexibility regarding the character of the structure upon the premises, and to provide more time to plan, design, fund and construct such improvements?

BACKGROUND & DISCUSSION: In June of 2021 the Port and the Northwest Maritime Center (NWMC) entered into a thirty (30) year Lease Agreement for approximately 5,350 square feet of land at Point Hudson situated on the north side of Water Street across from the NWMC's main campus.

The current lease specifically requires that the NWMC construct a 3,000 square foot "maritime education classroom" upon the premises, and that they do so by no later than June 30, 2026. Earlier this year, NWMC staff approached the Port requesting amendments to the lease to provide more discretion to the NWMC as to the nature of the structure to be constructed upon the premises and additional time to construct the improvements.

Proposed Lease Amendment #1 would require construction of a structure for maritime engagement and education, rather than a 3,000 square foot maritime education classroom building. This change would provide the NWMC with greater flexibility to develop a structure that meets their program needs. Lease Amendment #1 would also delay the timeframe for construction, allowing an additional five (5) years to plan, design, fundraise for, and construct such a structure.

MOTION: None required. Approval of this item on the Consent Agenda authorizes the Executive Director to execute Point Hudson Land Lease Amendment #1 with the Northwest Maritime Center.

ATTACHMENTS

- Amendment #1 of Point Hudson Land Lease, consisting of 6 pages; and
- Exhibit "A" – Point Hudson Land Lease (Northwest Maritime Center), consisting of 22 pages.

AMENDMENT #1 OF POINT HUDSON LAND LEASE

THIS AMENDMENT #1 OF POINT HUDSON LAND LEASE is made this ____ day of December 2023, by and between the PORT OF PORT TOWNSEND, a municipal corporation organized and existing under the laws of the State of Washington, Lessor, hereinafter referred to as "the Port," and NORTHWEST MARITIME CENTER, a Washington non-profit corporation, hereinafter referred to as "Lessee", hereinafter collectively referred to as "the parties".

WHEREAS, on June 10, 2021, the Port and Lessee ("the parties") entered into a Land Lease Agreement concerning certain real property situated at the Port of Port Townsend's Point Hudson facility in Port Townsend, Washington, which is attached hereto as Exhibit "A" and incorporated herein by this reference (the "Original Lease"); and

WHEREAS, an express condition set forth in paragraph #10 of the Original Lease is that Lessee will construct an approximately 3,000 square foot classroom building on the premises, and subparagraph #10(f) of the Original Agreement requires Lessee to commence construction of said classroom building by June 30, 2026; and

WHEREAS, the parties acknowledge the difficulties associated with funding projects in the post COVID pandemic economy, Lessee's organizational capacity limits, and the challenges presented in making long-term decisions regarding the highest and best maritime-related educational use of the premises; and

WHEREAS, the parties are now agreed that the Original Lease should be amended to provide additional flexibility as to the precise nature of the structure to be constructed upon the premises, and to grant additional time to Lessee to plan, design, fund and construct such improvements,

NOW THEREFORE, effective December 13, 2023, the Parties agree that the Original Lease shall be amended as set forth below (deleted text shown in ~~strikeouts~~; new/amended language show with double underlining):

1. RECITALS INCORPORATED. The foregoing recitals are hereby incorporated into and made a part of this Amendment #1, including all defined terms referenced therein, with the same force and effect as if the same were herein repeated fully and at length. Capitalized terms used herein but not otherwise defined herein shall have the meanings ascribed to such terms in the Original Lease.

2. AMENDMENT TO PARAGRAPH 10. Paragraph #10 of the Original Lease is hereby amended as set forth below:

10. IMPROVEMENTS UPON THE PREMISES: Lessee acknowledges that it is an express condition and part of the consideration of this Lease that Lessee will construct ~~an approximately 3,000 square foot Community Classroom building on a structure for maritime engagement and education upon~~ the Premises. All decisions to construct improvements or alterations on the Premises shall reflect a reasonable review of the highest and best use of the Premises at the time construction is commenced. The Port's written approval shall be obtained before any major construction is commenced on the Premises, which shall not be unreasonably withheld, conditioned or delayed, and before any building materials have been ordered or delivered to the Premises by Lessee or under Lessee's authority. Lessee shall comply with all of the following conditions or procure the Port's written waiver of the condition or conditions specified in the waiver, which request for waiver shall not be unreasonably withheld, conditioned or denied. The Port shall have the right to post and maintain on the Premises any notices of non-responsibility provided for under applicable law, and to inspect the Premises in relation to the construction at all reasonable times.

- a. **Plans and Specifications.** Lessee shall deliver to the Port for the Port's review and approval two (2) sets of preliminary construction plans and specifications prepared by an architect or engineer licensed to practice as such in the State of Washington, including, but not limited to, preliminary grading and drainage plans, soil tests, utilities, sewer and service connections, locations of ingress and egress to and from public thoroughfares, curbs, gutters, street lighting, designs and locations for outdoor signs, storage areas and landscaping, all sufficient to enable potential contractors and subcontractors to make reasonably accurate bid estimates and to enable the Port to make an informed judgment about the design and quality of construction and about any effect on the reversion. All improvements shall be constructed within the exterior property lines of the demised Premises, PROVIDED that required work beyond the Premises on utilities, access and conditional use requirements do not violate this provision. With the plans, Lessee shall deliver to the Port the certificate of the person or persons who prepared the plans and specifications, certifying that Lessee has paid for them or waiving payment and waiving any right to a lien on the Premises.
- b. **Port Approval.** The Port reserves the right to approve or disapprove the preliminary plans and specifications. The Port shall not unreasonably withhold approval of preliminary plans and specifications but shall have the right to withhold approval if it finds that the improvements are not consistent with the highest and best use of the Premises or that the improvements are not aesthetically harmonious with the improvements constructed in the immediate vicinity. Approval or disapproval shall be communicated in the manner provided for notices, and disapproval shall be accompanied by specification of the grounds for disapproval, PROVIDED that the Port's failure to disapprove within fifteen (15) days after receipt of the plans and specifications shall be conclusively considered to be Port approval.
- c. **Required Governmental Permits.** Lessee shall procure and deliver to the Port, prior to the commencement of construction, evidence of compliance with all then

- applicable codes, ordinances, regulations and requirements for permits and approvals, including, but not limited to: a grading permit; building permits; zoning and land and shoreline use approvals, including critical areas permits; environmental (i.e., State Environmental Policy Act, RCW 43.21C) determinations, shoreline substantial development permit (SDP), and approvals from various governmental agencies and bodies having jurisdiction over the Premises.
- d. **Use of Licensed and Bonded Contractor.** Lessee shall use a licensed and bonded contractor for all improvements or alterations to the Premises. Prior to the commencement of construction, Lessee shall furnish to the Port a copy of the construction contract and shall furnish proof that the contractor has posted a construction completion and performance bond in the full value of the construction contract, naming both Lessee and the Port as beneficiaries of that bond. The contract shall give the Port the right, but not the obligation, to assume Lessee's obligations and rights under that contract if Lessee should default. The form, sufficiency and the surety of the bond shall be approved by the Port prior to commencing construction.
 - e. **Survey Required.** Lessee shall, at its own expense, obtain a survey from a licensed land surveyor, for the purposes of fully establishing and marking the exact location and bounds of the leased Premises within the Port's Point Hudson property. Prior to the commencement of any construction on the Premises by Lessee, said survey shall be submitted to the Port for review and approval, which shall not be unreasonably withheld, conditioned or delayed, and shall thereafter be attached to this Lease and incorporated within Exhibit "A".
 - f. **Construction Timeframes.** No construction activities shall be undertaken until all applicable permits have been obtained. Lessee shall apply for permits for the construction within thirty (30) days after the Port's approval of the plans and specifications and shall commence construction within ninety (90) days after the issuance of all permits, and in no event later June 30, ~~2026~~ 2031. Construction shall be completed not later than ~~six (6)~~ twelve (12) months after commencing. Lessee agrees to comply with the foregoing schedule and acknowledges that failure to proceed with and complete construction in accordance with the foregoing schedule shall be a default under this lease and shall constitute grounds for the Port to terminate this lease.
 - g. **Evidence of Regulatory Compliance.** Upon completion of construction, Lessee shall provide the Port with copies of all certificates of completion, certificates of occupancy, and as-built plans evidencing regulatory compliance.
 - h. **Protection of the Port Against Mechanic's and Materialmen's Liens and Other Costs or Claims.** Lessee shall pay or cause to be paid the total cost and expense of all works of improvement, as that phrase is defined in the applicable Washington mechanic's and materialmen's liens statutes in effect at the time when the work commences. No such payment shall be construed as rent. Lessee shall not suffer or permit to be enforced against the Premises or any part of it, any mechanic's, materialmen's, contractor's, subcontractor's, engineer's or architect's lien arising from any work on the improvement, however it may arise.

However, Lessee may, in good faith and at Lessee's own expense, contest the validity of any such asserted lien, claim or demand, provided Lessee has furnished a bond acceptable to the Port, sufficient to fully pay the asserted lien, claim or demand. Lessee shall defend and indemnify the Port against all liability and loss of any type arising out of work performed on the Premises by Lessee, together with reasonable attorney's fees and all costs and expenses incurred by the Port in negotiating, settling, defending, or otherwise protecting against such claims. All contracts with the general contractor and subcontractors for work performed on the Premises shall contain a specific acknowledgment by the general contractor and subcontractors that work on the Premises is performed at the request of Lessee only and that Lessee is the holder of only a leasehold interest in the Premises. Such contracts shall contain specific waivers in form acceptable to the Port, by which the general contractor and subcontractors specifically waive the right to assert any lien claim against the Port's fee interest in the Premises. In the event that a final judgment has been rendered against Lessee by a court of competent jurisdiction for the foreclosure of a mechanic's, materialmen's, contractor's, or subcontractor's lien claim, and if Lessee fails to stay the execution of the judgment by lawful means or to pay the judgment, the Port shall have the right, but not the duty, to pay or otherwise discharge, stay or prevent the execution of any such judgment or lien or both. Lessee shall reimburse the Port for all sums paid by the Port under this paragraph, together with all of the Port's reasonable attorney's fees and costs, plus interest on those sums, fees and costs at the rate of twelve percent (12%) per annum from the date of payment until the date of reimbursement.

All other terms and conditions of the Original Lease dated June 10, 2021, shall remain unchanged and in effect.

APPROVED this 13th day of December 2023, by the Commission of the Port of Port Townsend and duly authenticated by the signature of the Executive Director.

LESSEE - NORTHWEST MARITIME CENTER:

Jake Beattie, Chief Executive Officer

LESSOR - PORT OF PORT TOWNSEND:

APPROVED AS TO FORM:

Eron Berg, Executive Director

Eric Toews, Port Attorney

STATE OF WASHINGTON)
) **ss.**
COUNTY OF JEFFERSON)

I certify that I know or have satisfactory evidence that JAKE BEATTIE 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 the NORTHWEST MARITIME CENTER to be the free and voluntary act of said corporation for the uses and purposes mentioned in the instrument.

GIVEN under my hand and official seal this _____ day of _____.

Signature

Printed Name

NOTARY PUBLIC in and for the State of Washington,
residing at Port Townsend

My commission expires: _____

STATE OF WASHINGTON)
) ss.
 COUNTY OF JEFFERSON)

I certify that I know or have satisfactory evidence that ERON BERG 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 EXECUTIVE DIRECTOR of the PORT OF PORT TOWNSEND to be the free and voluntary act of said Port District for the uses and purposes mentioned in the instrument.

GIVEN under my hand and official seal this ____ day of _____.

 Signature

 Printed Name

NOTARY PUBLIC in and for the State of Washington,
 residing at Port Townsend

My commission expires: _____

**PORT OF PORT TOWNSEND
POINT HUDSON LAND LEASE**

THIS LEASE AGREEMENT made this 10th day of June 2021, by and between the PORT OF PORT TOWNSEND, a municipal corporation organized and existing under the laws of the State of Washington, Lessor, hereinafter referred to as "the Port," and the NORTHWEST MARITIME CENTER, a Washington Nonprofit Corporation, hereinafter referred to as "Lessee,"

WITNESSETH:

That the parties hereto do mutually agree as follows:

1. **LEASED PREMISES:** The Port hereby leases to Lessee, and Lessee hereby leases from the Port, certain real property (hereinafter "the Premises") located in Jefferson County, Washington, more particularly depicted upon Exhibit "A" which is attached hereto and incorporated herein by this reference, and which is briefly described as follows:

THE SOUTH 50 FEET OF LOTS 1 & 3, BLOCK 45, PLAT OF THE ORIGINAL TOWNSITE OF PORT TOWNSEND, AS PER VOLUME 1 OF PLATS, PAGE 1, RECORDS OF JEFFERSON COUNTY, WASHINGTON, EXCEPTING THE WEST 3 FEET OF LOT 3 THEREOF.

The Premises described above comprise approximately 5,350 square feet (50' x 107'). The Port hereby warrants that it has good and marketable fee title to the Premises and has full right and authority to execute this Land Lease and to demise the Premises.

2. **TERM:** This Lease shall be for a term of thirty (30) years, beginning on July 1, 2021, and ending on June 30, 2051.
3. **RENT:**
 - a. Lessee agrees to pay as rental for the leased Premises the sum of **One Thousand Three-Hundred and Thirty-Seven Dollars and Fifty Cents (\$1,337.50)** plus all applicable taxes.
 - b. Beginning on July 1, 2023, and every three (3) years thereafter, the rental rate may be adjusted to the fair market rental rate for the Premises based on the fair market rental rate then prevailing for comparable commercial and/or industrial premises in the Western Washington area, bearing in mind all allowable uses of the property and all services and amenities available to the Premises by virtue of its location. In the event that the parties are unable to reach agreement on the fair market rate adjustment, the rate shall be determined by arbitration before a single arbitrator

who shall be jointly selected by the parties or by the Jefferson County Court if the parties cannot agree.

- c. Except in years when a fair market rate adjustment is made as set forth in Subparagraph (b) of this Paragraph 3, above, the rental rate beginning in year two (2) and annually throughout the term of this Lease will be adjusted by an amount equal to the percentage change over the prior year found on the Consumer Price Index for all urban consumers (CPI-U) for Seattle-Tacoma-Bellevue, which is compiled by the Department of Labor, Bureau of Statistics.
 - d. In no event shall any rent adjustment under Subparagraphs (b) or (c) of this Paragraph 3 result in a reduction in rent from the rate paid in the prior year.
 - e. The rent for each month shall be paid to the Port in advance on or before the first day of each and every month of the lease term and shall be payable at the main office of the Port or at such place as the Port may hereafter designate.
4. **LATE CHARGE:** In the event that any installment of rent remains unpaid more than twenty (20) days after it is due, then Lessee shall also be obliged to pay a "late charge" as per the Port of Port Townsend Rate Schedule then in effect. This provision for a "late charge" and the Port's acceptance of payment of such charges shall not be construed as a waiver of the Port's right to declare this Lease in default if a rent payment is not paid when due.
5. **DEPOSIT:** Upon the execution of this Lease, Lessee shall deposit with the Port three month's rent in the amount of **Four Thousand Five-Hundred and Twenty-Seven Dollars and Seventy-One Cents (\$4,527.71)**. This Lease shall not be effective until full deposit of the required amount is made with the Port. If Lessee defaults in any particular the Port may use, apply or retain all or any part of the security (1) to the extent of any sum due to the Port, or (2) to make any required payment on Lessee's behalf, or (3) to compensate the Port for any expense or damage caused by Lessee's default. On the Port's demand, Lessee shall promptly pay to the Port a sum equivalent to the amount by which the security was so depleted. On the fifth (5th) anniversary of this Lease and every five (5) years thereafter, the amount of such security deposit shall be increased in the same proportion as the annual rental is increased above the basic rent charged during the first (1st) year of the lease term.
6. **USE OF PREMISES:** Lessee shall use the Premises for the conduct of maritime-related educational programs and marine-related activities. Lessee may also use the Premises for accessory and temporary uses that are clearly incidental to the uses set forth above. No other use of the Premises shall be permitted without the prior written consent of the Port. Lessee shall use the entire Premises for the conduct of said business in a first-class manner continuously during the entire term of this Lease, with the exception of temporary closures for such periods as may reasonably be necessary for repairs or for reasons beyond Lessee's reasonable control.

- 7. CONDUCT COVENANTS AND WARRANTIES:** In addition to all other covenants and warranties set forth herein, Lessee specifically represents to the Port as follows:
- a. **Quiet Conduct.** With the exception of periodic festivals and events (e.g., the annual Wooden Boat Festival) the conduct of Lessee and such others for whom Lessee is responsible shall not in any manner disturb the quiet enjoyment of other tenants, invitees or visitors in or near where the Premises are located, including common areas.
 - b. **Damage.** The conduct of Lessee and such others for whom Lessee is responsible shall not result in, or cause destruction or damage to, the Premises or any part thereof, including, but not limited to any and all common areas, or the property of other tenants, their invitees, and visitors.
- 8. UTILITIES:** Lessee shall be liable for, and shall pay throughout the term of this Lease, all charges for all utility services furnished to the Premises, including, but not limited to light, heat, electricity, gas, water, sewerage, garbage disposal and janitorial services. In the event that the Premises are part of any larger Premises to which any utility services are furnished on a consolidated or joint basis, Lessee agrees to pay to the Port its (Lessee's) pro rata share of the cost of any such utility services, and Lessee's pro rata share of any such services may be computed by the Port on any reasonable basis, and separate metering or other exact segregation of costs shall not be required.
- 9. ACCEPTANCE OF PREMISES:** Lessee has examined the leased Premises and accepts them in their present condition. Except as otherwise stated herein, the Port has made no representations regarding the suitability of the land for any improvements contemplated by Lessee. Except for the warranties of title and quiet enjoyment implied in any lease and the warranties otherwise stated herein, the Port makes no warranties whatsoever regarding the Premises and hereby specifically disclaims any and all such warranties.
- 10. IMPROVEMENTS UPON THE PREMISES:** Lessee acknowledges that it is an express condition and part of the consideration of this Lease that Lessee will construct an approximately 3,000 square foot Community Classroom building on the Premises. All decisions to construct improvements or alterations on the Premises shall reflect a reasonable review of the highest and best use of the Premises at the time construction is commenced. The Port's written approval shall be obtained before any major construction is commenced on the Premises, which shall not be unreasonably withheld, conditioned or delayed, and before any building materials have been ordered or delivered to the Premises by Lessee or under Lessee's authority. Lessee shall comply with all of the following conditions or procure the Port's written waiver of the condition or conditions specified in the waiver, which request for waiver shall not be unreasonably withheld, conditioned or denied. The Port shall have the right to post and maintain on the Premises any notices of

non-responsibility provided for under applicable law, and to inspect the Premises in relation to the construction at all reasonable times.

- a. **Plans and Specifications.** Lessee shall deliver to the Port for the Port's review and approval two (2) sets of preliminary construction plans and specifications prepared by an architect or engineer licensed to practice as such in the State of Washington, including, but not limited to, preliminary grading and drainage plans, soil tests, utilities, sewer and service connections, locations of ingress and egress to and from public thoroughfares, curbs, gutters, street lighting, designs and locations for outdoor signs, storage areas and landscaping, all sufficient to enable potential contractors and subcontractors to make reasonably accurate bid estimates and to enable the Port to make an informed judgment about the design and quality of construction and about any effect on the reversion. All improvements shall be constructed within the exterior property lines of the demised Premises, PROVIDED that required work beyond the Premises on utilities, access and conditional use requirements do not violate this provision. With the plans, Lessee shall deliver to the Port the certificate of the person or persons who prepared the plans and specifications, certifying that Lessee has paid for them or waiving payment and waiving any right to a lien on the Premises.
- b. **Port Approval.** The Port reserves the right to approve or disapprove the preliminary plans and specifications. The Port shall not unreasonably withhold approval of preliminary plans and specifications but shall have the right to withhold approval if it finds that the improvements are not consistent with the highest and best use of the Premises or that the improvements are not aesthetically harmonious with the improvements constructed in the immediate vicinity. Approval or disapproval shall be communicated in the manner provided for notices, and disapproval shall be accompanied by specification of the grounds for disapproval, PROVIDED that the Port's failure to disapprove within fifteen (15) days after receipt of the plans and specifications shall be conclusively considered to be Port approval.
- c. **Required Governmental Permits.** Lessee shall procure and deliver to the Port, prior to the commencement of construction, evidence of compliance with all then applicable codes, ordinances, regulations and requirements for permits and approvals, including, but not limited to: a grading permit; building permits; zoning and land and shoreline use approvals, including critical areas permits; environmental (i.e., State Environmental Policy Act, RCW 43.21C) determinations, shoreline substantial development permit (SDP), and approvals from various governmental agencies and bodies having jurisdiction over the Premises.
- d. **Use of Licensed and Bonded Contractor.** Lessee shall use a licensed and bonded contractor for all improvements or alterations to the Premises. Prior to the commencement of construction, Lessee shall furnish to the Port a copy of the construction contract and shall furnish proof that the contractor has posted a

construction completion and performance bond in the full value of the construction contract, naming both Lessee and the Port as beneficiaries of that bond. The contract shall give the Port the right, but not the obligation, to assume Lessee's obligations and rights under that contract if Lessee should default. The form, sufficiency and the surety of the bond shall be approved by the Port prior to commencing construction.

- e. **Survey Required.** Lessee shall, at its own expense, obtain a survey from a licensed land surveyor, for the purposes of fully establishing and marking the exact location and bounds of the leased Premises within the Port's Point Hudson property. Prior to the commencement of any construction on the Premises by Lessee, said survey shall be submitted to the Port for review and approval, which shall not be unreasonably withheld, conditioned or delayed, and shall thereafter be attached to this Lease and incorporated within Exhibit "A".
- f. **Construction Timeframes.** No construction activities shall be undertaken until all applicable permits have been obtained. Lessee shall apply for permits for the construction within thirty (30) days after the Port's approval of the plans and specifications and shall commence construction within ninety (90) days after the issuance of all permits, and in no event later June 30, 2026. Construction shall be completed not later than six (6) months after commencing. Lessee agrees to comply with the foregoing schedule and acknowledges that failure to proceed with and complete construction in accordance with the foregoing schedule shall be a default under this lease and shall constitute grounds for the Port to terminate this lease.
- g. **Evidence of Regulatory Compliance.** Upon completion of construction, Lessee shall provide the Port with copies of all certificates of completion, certificates of occupancy, and as-built plans evidencing regulatory compliance.
- h. **Protection of the Port Against Mechanic's and Materialmen's Liens and Other Costs or Claims.** Lessee shall pay or cause to be paid the total cost and expense of all works of improvement, as that phrase is defined in the applicable Washington mechanic's and materialmen's liens statutes in effect at the time when the work commences. No such payment shall be construed as rent. Lessee shall not suffer or permit to be enforced against the Premises or any part of it, any mechanic's, materialmen's, contractor's, subcontractor's, engineer's or architect's lien arising from any work on the improvement, however it may arise. However, Lessee may, in good faith and at Lessee's own expense, contest the validity of any such asserted lien, claim or demand, provided Lessee has furnished a bond acceptable to the Port, sufficient to fully pay the asserted lien, claim or demand. Lessee shall defend and indemnify the Port against all liability and loss of any type arising out of work performed on the Premises by Lessee, together with reasonable attorney's fees and all costs and expenses incurred by the Port in negotiating, settling, defending, or otherwise protecting against such

claims. All contracts with the general contractor and subcontractors for work performed on the Premises shall contain a specific acknowledgment by the general contractor and subcontractors that work on the Premises is performed at the request of Lessee only and that Lessee is the holder of only a leasehold interest in the Premises. Such contracts shall contain specific waivers in form acceptable to the Port, by which the general contractor and subcontractors specifically waive the right to assert any lien claim against the Port's fee interest in the Premises. In the event that a final judgment has been rendered against Lessee by a court of competent jurisdiction for the foreclosure of a mechanic's, materialmen's, contractor's, or subcontractor's lien claim, and if Lessee fails to stay the execution of the judgment by lawful means or to pay the judgment, the Port shall have the right, but not the duty, to pay or otherwise discharge, stay or prevent the execution of any such judgment or lien or both. Lessee shall reimburse the Port for all sums paid by the Port under this paragraph, together with all of the Port's reasonable attorney's fees and costs, plus interest on those sums, fees and costs at the rate of twelve percent (12%) per annum from the date of payment until the date of reimbursement.

11. MAINTENANCE AND REPAIR OF IMPROVEMENTS: Throughout the term of this Lease, the Lessee shall, at Lessee's sole cost and expense, maintain the Premises and all improvements in good condition and repair, and in accordance with all applicable laws, rules, ordinances, orders and regulations. Lessee shall, at its' own expense, and at all times:

- a. Keep the Premises, and the adjoining roadways and walkways, neat, clean and in a safe and sanitary condition;
- b. Keep the glass of all windows and doors thereof clean and presentable;
- c. Maintain and keep the leased Premises in a good state of repair;
- d. Not commit waste of any kind;
- e. Replace all cracked or broken glass in the Premises;
- f. Keep the electrical system and the sprinkler system and all pipes and drains clean and in a good state of repair;
- g. Protect the sprinkler system and all pipes and drains so that they will not freeze or become clogged;
- h. Remove all snow and ice from the walkways adjacent to the Premises/buildings and all snow and ice from the roofs thereof; and
- i. Make all necessary repairs to the roofs (structures or coverings), to the foundations of the buildings or structures and exterior walls of which the Premises are a part.

Except as expressly provided in Paragraph 13, Subparagraph (c), below, Lessee shall promptly and diligently repair, restore and replace as required to maintain and comply as above, or to remedy all damage to or destruction of all or any part of the improvements upon the leased Premises from any causes whatsoever. The completed work of

maintenance, compliance, repair, restoration or replacement shall be equal in value, quality and use to the condition of the improvements before the casualty giving rise to the work, except as expressly provided to the contrary in this Lease. The Port shall not be required to furnish any services or facilities or to make any repairs of any kind on or in the Premises.

12. DISPOSITION OF IMPROVEMENTS AT END OF LEASE:

- a. All improvements constructed on the Premises by Lessee as permitted by this Lease shall be owned by Lessee until expiration of the term or sooner termination of this Lease. Lessee shall not, however, remove such improvements from the Premises without the Port's prior written permission. The parties covenant for themselves and all persons claiming under them that all such improvements are real property. At the expiration of the term or sooner termination of this Lease, with respect to improvements constructed or installed on the Premises during the term of this Lease, the buildings themselves, the ceiling cranes and all electrical, plumbing, heating, air conditioning and other building systems and any drapes, carpeting, and installed appliances, but not Lessee's freely moveable personal property, or any compressors (other than for the heating and air conditioning systems), shall become the Port's property, free and clear of all claims by Lessee or any third person and Lessee shall defend and indemnify the Port against all liability and loss arising from such claims or from the Port's exercise of the rights conferred by this Paragraph 12.
- b. Notwithstanding the foregoing, the Port, in its sole and absolute discretion, may, upon written notice provided at least one (1) year prior to the expiration of this Lease, require Lessee to remove all improvements upon the Premises and to restore the Premises to their condition at the time of inception of this Lease. Should the Port elect to require the removal of all improvements upon the Premises, the Lessee shall complete the same within sixty (60) days following the expiration of this Lease. If Lessee fails to so remove said improvements within the specified time, they may be removed by the Port and Lessor expressly agrees to pay the Port the cost thereof upon demand.

13. DAMAGE TO - OR DESTRUCTION OF - IMPROVEMENTS:

- a. Except as expressly provided in Subparagraph (c) of this Paragraph 13, below, Lessee shall promptly and diligently repair, restore and replace as required to remedy all damage to or destruction of all or any part of the improvements upon the leased Premises from any causes whatsoever. The completed work of repair, restoration or replacement shall be equal in value, quality and use to the condition of the improvements before the casualty giving rise to the work. Lessee shall also promptly take all steps necessary to assure that the leased Premises shall be and

- remain safe, and that the damaged improvements do not constitute a hazard or danger to persons or property from the time of the fire or other casualty.
- b. The Port may in its discretion abate or suspend the rent in consideration of the particular hardship or incapacity of Lessee.
 - c. If not later than sixty (60) days after the occurrence of a fire or other casualty which causes substantial damage to the improvements, Lessee, using reasonable judgment and in reliance upon professional estimates and advice, determines that such full repair and/or restoration is either (i) physically impossible, or (ii) PROVIDED that Lessee has fulfilled all of the hazard insurance requirements set forth in Paragraph 19 of this Lease, the available insurance proceeds are less than eighty percent (80%) of the cost of such repair and/or restoration, then Lessee may terminate this Lease by written notice to the Port given within such sixty (60) day time period. Such termination notice shall not, however, be effective until sixty (60) days after the date upon which it is received by the Port, during which time the Port shall have the opportunity to seek an adjustment from the insurer so as to increase the amount of available insurance proceeds, arrange for such repair and/or restoration at a cost sufficiently low so as to avoid condition (ii) of the preceding sentence, or design a partial restoration of the improvements which would be sufficient to provide Lessee with improvements of reasonably equivalent quality and floor area to not less than eighty percent (80%) of the improvements as they existed immediately prior to such fire or other casualty; and in any of the foregoing cases by written notice of such action to Lessee within such additional sixty (60) day period the Port may render Lessee's termination notice null and void. If the Port shall fail to so nullify the termination notice, then this Lease shall terminate at the expiration of such sixty (60) day period after the Port's receipt of Lessee's termination notice, and any proceeds of insurance payable to Lessee on account of such fire or other hazard shall be paid as provided in Subparagraph (d) of this Paragraph 13, below.
 - d. If this Lease is early terminated under Subparagraph (c) of this Paragraph 13, above, the Port shall be entitled to the proceeds of all insurance collected, after deduction of the following: the Lessee's costs of demolition and removal of the damaged and unusable improvements, and the filling and grading of the Premises; and Lessee's then current book value for the improvements.

- 14. INSPECTION - "FOR RENT" SIGNS:** The Port reserves the right to inspect the leased Premises at any and all reasonable times throughout the term of this Lease, PROVIDED, that it shall not interfere unduly with Lessee's operations. The right of inspection reserved to the Port hereunder shall impose no obligation on the Port to make inspections to ascertain the condition of the Premises and shall impose no liability upon the Port for failure to make such inspections. The Port shall have the right to place and maintain "For

Rent" signs in conspicuous places on the Premises for one hundred and eighty (180) days prior to the expiration or sooner termination of this Lease.

15. **POSSESSION:** If the Port shall be unable for any reason to deliver possession of the Premises, or any portion thereof, at the time of the commencement of the term of this Lease, the Port shall not be liable for any damage caused thereby to Lessee, nor shall this Lease thereby become void or voidable, nor shall the term specified herein be in any way extended, but in such event Lessee shall not be liable for any rent until such time as the Port can deliver possession, PROVIDED, that if Lessee shall, in the interim, take possession of any portion of the Premises, it shall pay as rental the full rental specified herein reduced pro rata for the portion of the Premises not available for possession by Lessee, AND PROVIDED FURTHER, that if the Port shall be unable to deliver possession of the Premises at the commencement of the term of this Lease, Lessee shall have the option to terminate this Lease by at least thirty (30) days written notice, unless the Port shall deliver possession of the Premises prior to the effective date of termination specified in such notice. If Lessee shall, with the Port's consent, take possession of all or any part of the Premises prior to the commencement of the term of this Lease, all of the terms and conditions of this Lease shall immediately become applicable.
16. **INDEMNIFICATION AND HOLD HARMLESS:** The Port, its employees and agents shall not be liable for any injury (including death) to any persons or for damage to any property, regardless of how such injury or damage be caused, sustained, or alleged to have been sustained by the Lessee or by others as a result of any condition (including existing or future defects in the Premises) or occurrence whatsoever related in any way to the Premises and the areas adjacent thereto or related in any way to Lessee's use or occupancy of the Premises and of the areas adjacent thereto except to the extent attributable to the negligence or other wrongdoing of the Port or its employees, contractors or agents. Lessee agrees to defend, indemnify, and to hold and save the Port harmless from all liability and expense (including, but not limited to attorney's fees and other costs of litigation) in connection with any such items of actual or alleged injury or damage.
17. **NOTICES OF CLAIMS OR CAUSES OF ACTION:** In the event any action or proceeding is brought against the Port or Lessee for which a party seeks indemnification pursuant to the indemnification provision set forth in paragraph 16, above, the party seeking indemnification shall give the other party written notice within thirty (30) days of being served or otherwise being put on notice of such a claim or cause of action. The party receiving a demand for indemnification shall accept or reject the tender of the defense of a claim or cause of action by written notice to the other party within sixty (60) days of its receipt of the demand for indemnification. If a party accepts the defense of the tendered claim or cause of action it shall also notify the other party of the identity of the

law firm and lawyer which has been retained to represent the Port and/or the Lessee in responding to the claim or cause of action.

- 18. LIMITED WAIVER OF IMMUNITY UNDER WASHINGTON STATE INDUSTRIAL INSURANCE ACT, TITLE 51 RCW AND OTHER SIMILAR INDUSTRIAL INSURANCE SCHEMES:** For purposes of the indemnification provision set forth in paragraph 16, above, and only to the extent of claims against Lessee by the Port under such indemnification provision, Lessee specifically waives any immunity it may be granted under the Washington State Industrial Insurance Act, Title 51 RCW, The United States Longshore and Harbor Workers' Compensation Act, 33 USC §901-950, or any other similar workers' compensation schemes. The indemnification obligation under this lease shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable to or for any third party under workers' compensation acts, disability benefit acts, or other employee benefit acts. The foregoing provision was specifically negotiated and agreed upon by the parties hereto.
- 19. INSURANCE:** Lessee agrees to maintain during the lease term insurance as set forth below, at Lessee's sole expense. All such insurance shall name the Port of Port Townsend as an additional insured and shall be with insurance companies acceptable to the Port.
- a. Throughout the term of this Lease, at Lessee's sole cost and expense, Lessee shall keep or cause to be kept insured, for the mutual benefit of the Port and Lessee, all improvements located on or appurtenant to the Premises against loss or damage by fire and such other risks as are now or hereafter included in an extended coverage endorsement in common use for commercial and industrial structures, including vandalism and malicious mischief. The amount of insurance shall be sufficient to prevent either the Port or Lessee from becoming a co-insurer under the provisions of the policy, but in no event shall the amount be less than \$250,000 (herein called the "insurable value"). The Port shall not be required to carry any insurance coverage on the Premises. Lessee may include the holder of any mortgage on the leased Premises as a loss payee. The Port shall, at Lessee's cost and expense, cooperate fully with Lessee to obtain the largest possible recovery in the event of any insurance claim. Except as expressly provided in Paragraph 13, Subparagraphs (c) and (d), above, all policies of fire and extended coverage insurance required by this Lease shall provide that the proceeds shall be payable to Lessee as follows:
- i. Insurance proceeds shall be paid first to make all necessary repairs to restore the improvements to their condition prior to the insured casualty. Payments of insurance proceeds for repair, restoration or reconstruction of the improvements shall be held in a trust account approved by the Port and be disbursed monthly on architect's certificates until the work is completed and accepted.

- ii. Any insurance proceeds remaining after complying with the provisions of this Lease relating to maintenance, repair and reconstruction of improvements shall be the Lessee's sole property.
- b. Comprehensive General Liability Insurance against claims for injury or death to persons or damage to property with minimum limits of liability of \$2,000,000 combined single limit for each occurrence. Such insurance shall include but not be limited to bodily injury liability, personal injury liability, property damage liability, broad form property damage liability, and contractual liability.
- c. Comprehensive Business Automobile Liability Insurance against claims for injury or death to persons or damage to property with minimum limits of liability of \$3,000,000 combined single limit for each occurrence. Such insurance shall include but not be limited to bodily injury liability, property damage liability, hired car liability, and non-owned auto liability.
- d. Workers Compensation Insurance as required by Washington law as well as all Federal Acts applicable to the tenant's operations at the site such as but not limited to U.S. Longshoremen and Harbor Workers' Act, Jones Act, and Federal Employers Liability section of the Washington Workers Compensation Policy and all Federal Acts Insurance, with minimum limits of liability as required by such laws and in no event less than \$1,000,000 for each occurrence.

The Lessee agrees to supply the Port with appropriate evidence to establish that its insurance obligations have been met, and that the insurance policy or policies are not subject to cancellation without at least thirty (30) days advance written notice to the Port. The Lessee shall provide a complete copy of all insurance policies to the Port at the Port's request. The conditions set forth in Subparagraphs (a), (b), (c), and (d) of this Paragraph 19 shall be met prior to occupancy.

- 20. WAIVER OF SUBROGATION:** The Port and Lessee hereby mutually release each other from liability and waive all right of recovery against each other for any loss from perils insured against under their respective insurance contracts, including any extended coverage endorsements thereto, PROVIDED that this Paragraph 20 is effective only to the extent that the insurance company(ies) actually pay(s) for such injury, loss or damage, and, PROVIDED FURTHER, that this Paragraph 20 shall be inapplicable if it would have the effect, but only to the extent that it would have the effect, of invalidating any insurance coverage of the Port or Lessee.
- 21. INCREASE IN COST OF INSURANCE:** Lessee shall not use the demised Premises in such a manner as to increase the existing rates of insurance applicable to the improvements of which the Premises are a part. If it nevertheless does so, then, at the option of the Port, the full amount of any resulting increase in premiums paid by the Port with respect to the leased Premises, and to the extent allocable to the term of this Lease, may be added to the

amount of rental hereinabove specified and shall be paid by Lessee to the Port upon the monthly rental day next thereafter occurring.

- 22. HAZARDOUS SUBSTANCES WARRANTY AND AGREEMENT:** Lessee has examined the Hazardous Substance Warranty and Agreement, consisting of five (5) pages, which is attached hereto as Exhibit "B" and which, by this reference, is incorporated herein as fully set forth herein and acknowledges full understanding of its obligations under said Hazardous Substances Warranty and Agreement.
- 23. TAXES:** Lessee shall be liable for, and shall pay throughout the term of this Lease, all license and excise fees and occupation taxes covering the business conducted on the Premises, and all taxes on property of Lessee on the leased Premises and any taxes on the leased Premises or leasehold interest created by this Lease Agreement and any taxes and assessments based on the Premises or any improvements located thereon.
- 24. COMPLIANCE WITH PORT REGULATIONS AND WITH ALL LAWS:** Lessee agrees to comply with all applicable rules and regulations of the Port pertaining to the improvements or other realty of which the Premises are a part now in existence or hereafter promulgated for the general safety and convenience of the Port, its various tenants, invitees, licensees and the general public. Lessee also agrees to comply with all applicable federal, state, and local laws, rules, regulations, ordinances, permits and permit requirements, orders, and decrees of all governmental bodies having authority over the Premises, or any improvements located thereon, or any activity conducted thereon, as currently in effect or as may be hereafter amended or issued. Lessee shall defend, indemnify, and hold the Port harmless against all claims, costs (including but not limited to attorney fees), fees, fines, penalties, liabilities, losses, and damages that the Port may incur by reason of any charge, claim, litigation, or enforcement action related to any actual or claimed violation of any of the foregoing. Lessee further agrees that all improvements, approved by the Port will be properly permitted by the City of Port Townsend. Any fees for any inspection of the Premises during or for the lease term by any federal, state or municipal officer and the fees for any so-called "Certificate of Occupancy" shall be paid by Lessee.
- 25. ASSIGNMENT OR SUBLEASE:** Lessee shall not assign or transfer this Lease or any interest therein nor sublet the whole or any part of the Premises, nor shall this Lease or any interest thereunder be assignable or transferable by operation of law or by any process or proceeding of any court, otherwise, without the written consent of the Port first had and obtained. If Lessee is a corporation, Lessee further agrees that if at any time during the term of this Lease more than one-half (1/2) of the outstanding shares of any class of stock of Lessee corporation shall belong to any stockholders other than those who own more than one-half (1/2) of the outstanding shares of that class of stock at the time of the execution of this Lease or to members of their immediate families, such change in the

ownership of the stock of the Lessee shall be deemed an assignment of this Lease within the meaning of this Paragraph 25. If the Port shall give its consent to any assignment or sublease, this Paragraph 25 shall nevertheless continue in full force and effect and no further assignment or sublease shall be made without the Port's consent.

26. EASEMENTS:

- a. The parties recognize that the Port's facilities are continuously being modified to improve the utilities and services used and provided by the Port. The Port, or its agents, shall have the right to enter the demised Premises of the Lessee, and to cross over, construct, move, reconstruct, rearrange, alter, maintain, repair and operate the sewer, water, and drainage lines, and the electrical service, and all other services required by the Port for its use. The Port is hereby granted a continuous easement or easements that the Port believes is necessary within the Premises leased by the Lessee, without any additional cost to the Port for the purposes expressed hereinabove, PROVIDED, HOWEVER, that the Port by virtue of such use, does not significantly impact or deprive the Lessee from its beneficial use or occupancy of the leased Premises.
- b. In the event that the Port does significantly impact the Lessee from such beneficial use or occupancy, then there will be an equitable adjustment in rent. In the event that the Port does permanently deprive the Lessee from such beneficial use or occupancy, then the cost required to modify its Premises to allow the Lessee to operate its business will be negotiated and paid by the Port to the Lessee. In the event that such entry by the Port is temporary in nature, then the Port shall reimburse the Lessee for the cost required to modify its Premises for the temporary period that the Lessee is inconvenienced by such Port entry.

- 27. DEFAULTS:** Time is of the essence of this Lease Agreement, and in the event of the failure of Lessee to pay the rentals or other charges at the time and in the manner herein specified, or to keep any of the covenants or agreements herein set forth to be kept and performed, the Port may elect to terminate this Lease and reenter and take possession of the Premises with or without process of law, PROVIDED, however, that Lessee shall be given fifteen (15) days' notice in writing stating the nature of the default in order to permit such default to be remedied by Lessee within said fifteen (15) day period. If upon such reentry there remains any personal property of Lessee or of any other person upon the leased Premises, the Port may, but without the obligation so to do, remove said personal property and hold it for the owners thereof or may place the same in a public garage or warehouse, all at the expense and risk of the owners thereof, and Lessee shall reimburse the Port for any expense incurred by the Port in connection with such removal and storage. After such stored property has been stored for a period of thirty (30) days or more, the Port shall have the right to sell such property PROVIDED, however that Lessee shall be given fifteen (15) days' written notice of the Port's intent to sell such property. The

proceeds of such sale of stored property shall be applied first to the cost of such sale, second to the payment of the charges for storage, and third to the payment of any other amounts that may then be due from Lessee to the Port, and the balance, if any, shall be paid to Lessee. Notwithstanding any such reentry, the liability of Lessee for the full rental provided for herein shall not be extinguished for the balance of the term of this Lease, and Lessee shall make good to the Port any deficiency arising from a re-letting of the leased Premises at a lesser rental than that hereinbefore agreed upon. Lessee shall pay such deficiency each month as the amount thereof is ascertained by the Port. Any failure by the owners, officers, or principals of Lessee to pay rentals, storage fees, moorage or any other charges owed to the Port under separate contract shall constitute default under provisions of this Lease Agreement.

- 28. TERMINATION FOR GOVERNMENT USE:** In the event that the United States Government or any agency or instrumentality thereof shall, by condemnation or otherwise, take title, possession or the right to possession of the Premises or any part thereof, the Port may, at its option, terminate this Lease as of the date of such taking, and, if Lessee is not in default under any of the provisions of this Lease on said date, any rental prepaid by Lessee shall, to the extent allocable to any period subsequent to the effective date of the termination, be promptly refunded to Lessee.
- 29. TERMINATION BECAUSE OF COURT DECREE:** In the event that any court having jurisdiction in the matter shall render a decision which has become final and which will prevent the performance by the Port of any of its obligations under this Lease, then either party hereto may terminate this Lease by written notice, and all rights and obligations hereunder (with the exception of any undischarged rights and obligations that accrued prior to the effective date of termination) shall thereupon terminate. If Lessee is not in default under any of the provisions of this Lease on the effective date of such termination, any rental prepaid by Lessee shall, to the extent allocable to any period subsequent to the effective date of the termination, be promptly refunded to Lessee.
- 30. INSOLVENCY:** If Lessee shall file a petition in bankruptcy, or if Lessee shall be adjudged bankrupt or insolvent by any court, or if a receiver of the property of Lessee shall be appointed in any proceeding brought by or against Lessee, or if Lessee shall make an assignment for the benefit of creditors, or if any proceedings shall be commenced to foreclose any mortgage or any other lien on Lessee's interest in the Premises or on any personal property kept or maintained on the Premises by Lessee, the Port may at its option, terminate this Lease.
- 31. WAIVER:** No word, act or omission of the Port shall be deemed to be a waiver of any default or noncompliance by Lessee under the terms of this Lease or of any right of the Port hereunder or of any notice given by the Port hereunder unless the Port so advises

Lessee in writing. The acceptance of rental by the Port for any period or periods after a default by Lessee hereunder shall not be deemed a waiver of such default unless the Port shall so intend and shall so advise Lessee in writing. No waiver by the Port of any default hereunder by Lessee shall be construed to be or act as a waiver of any subsequent default by Lessee. After any default shall have been cured by Lessee, it shall not thereafter be used by the Port as a ground for the commencement of any action under the provisions of Paragraph 27 hereof.

- 32. PRIOR AGREEMENTS:** This Lease contains all of the agreements of the parties with respect to any matter covered or mentioned in this Lease, and no prior agreement, letter of intent or understanding pertaining to any such matter will be effective for any purpose. No provisions of this Lease may be amended or added to, except by an agreement in writing signed by the parties or their respective successors in interest.
- 33. ATTORNEYS' FEES AND COSTS:** In the event either party requires the services of an attorney in connection with enforcing or interpreting the terms of this Lease, or in the event suit is brought for the recovery of any sums due under this Lease or for the breach of any covenant or condition of this Lease, or for the restitution of the Premises to the Port or eviction of the Lessee during the lease term or after the expiration thereof, the substantially prevailing party is entitled to reasonable attorneys' fees and all costs incurred in connection therewith, including, without limitation, the fees of accountants, appraisers and other professionals, whether at trial, on appeal or without resort to suit.
- 34. VACATION OF PREMISES – HOLDING OVER:** In the event that no new lease has been negotiated and executed by the parties (or their successors) prior to the termination of this Lease, and upon written notice from the Port given at any time prior to the expiration of the term, Lessee shall promptly vacate the Premises on or before the last day of the term, leaving the Premises in the condition described in Paragraph 34, below. If Lessee holds over after the expiration or earlier termination of this Lease without the express written consent of the Port, Lessee will be a tenant at sufferance only and otherwise subject to the terms, covenants and conditions herein specified, insofar as applicable, except that the monthly rent will be one hundred twenty-five percent (125%) of the rent applicable during the last rental period under this Lease. Tenant shall also pay its share of then current additional rent, prorated on a daily basis. Acceptance by the Port of rent after the expiration or earlier termination of this Lease will not result in a renewal of this Lease. The forgoing provisions of this section are in addition to and do not affect the Port's right of re-entry or any other rights of the Port hereunder or otherwise provided by law. Lessee hereby indemnifies and agrees to hold the Port harmless from all loss, injury or liability arising from Lessee's failure to surrender the Premises upon the expiration or earlier termination of this Lease.

- 35. SURRENDER OF PREMISES:** The voluntary or other surrender of this Lease by Lessee, or a mutual cancellation thereof, will not work a merger, and will, at the option of the Port, operate as an assignment to it of any or all subleases or subtenancies. Upon the expiration or earlier termination of this Lease, Lessee shall peaceably surrender the Premises and all of the alterations and additions thereto, leave the Premises clean, in as good order, repair and condition as was provided to Lessee on the commencement date, reasonable wear and tear excepted, and Lessee shall comply with the provisions of Paragraph 12, above. The delivery of keys to any employee of the Port or to the Port's agent or any employee thereof shall not be sufficient to constitute a termination of this Lease or a surrender of the Premises.
- 36. ADVANCES BY PORT FOR LESSEE:** If Lessee shall fail to do anything required to be done by it under the terms of this Lease, except to pay rent, the Port may, at its sole option, do such act or thing on behalf of Lessee, and upon notification to Lessee of the cost thereof to the Port, Lessee shall promptly pay the Port the amount of that cost.
- 37. LIENS AND ENCUMBRANCES:** Lessee shall keep the leased Premises free and clear of any liens and encumbrances arising or growing out of the use and occupancy of the said Premises by Lessee. At the Port's request, Lessee shall furnish the Port with written proof of payment of any item that would or might constitute the basis for such a lien on the leased Premises if not paid.
- 38. NOTICES:** All notices hereunder may be personally delivered or mailed. If mailed, they shall be sent by certified or registered mail to the following respective addresses:

To Lessor:

THE PORT OF PORT TOWNSEND
P.O. Box 1180
Port Townsend, Washington 98368

To Lessee:

NORTHWEST MARITIME CENTER
c/o Executive Director
431 Water Street
Port Townsend, WA 98368
Phone: (360) 385-3628

or to such other respective addresses as either party hereto may hereafter from time to time designate in writing. Notices sent by mail shall be deemed to have been given when received or refused by the addressee.

39. **"LESSEE" INCLUDES LESSEES, ETC.:** It is understood and agreed that for convenience the word "Lessee" and verbs and pronouns in the singular number and neuter gender are uniformly used throughout this Lease, regardless of the number, gender or fact of incorporation of the party who is, or of the parties who are, the actual Lessee or Lessee under this Lease Agreement.
40. **CAPTIONS:** The captions in this Lease are for convenience only and do not in any way limit or amplify the provisions of this Lease.
41. **SEVERABILITY:** If any term or provision of this Lease Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Lease Agreement or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby and shall continue in full force and effect.
42. **NON-DISCRIMINATION SERVICES:** The Lessee agrees that it will not discriminate by segregation or otherwise against any person or persons because of race, creed, color, sex, sexual orientation, or national origin in furnishing, or by refusing to furnish, to such person, or persons, the use of the facility herein provided, including any and all services, privileges, accommodations, and activities provided thereby.
- It is agreed that the Lessee's noncompliance with the provisions of this clause shall constitute a material breach of this Lease. In the event of such noncompliance, the Port may take appropriate action to enforce compliance, may terminate this Lease, or may pursue such other remedies as may be provided by law.
43. **NON-DISCRIMINATION EMPLOYMENT:** The Lessee covenants and agrees that in all matters pertaining to the performance of this Lease, Lessee shall at all times conduct its business in a manner which assures fair, equal and non-discriminatory treatment of all persons without respect to race, creed or national origin and, in particular:
- a. Lessee will maintain open hiring and employment practices and will welcome applications for employment in all positions from qualified individuals who are members of racial or other minorities, and
 - b. Lessee will comply strictly with all requirements of applicable federal, state or local laws or regulations issued pursuant thereto relating to the establishment of non-discriminatory requirements in hiring and employment practices and assuring the service of all patrons or customers without discrimination as to any person's race, creed, color, sex, sexual orientation, or national origin.
44. **LABOR UNREST:** Lessee agrees to join with the Port and use its best efforts in avoiding labor unrest, or in the event of a wildcat strike or other labor difficulty, to use its good

offices in negotiating and bringing to a swift and satisfactory conclusion any kind of labor dispute that may affect the interests of the Port.

- 45. SUCCESSORS AND ASSIGNS:** Except as otherwise provided in this Lease, all of the covenants, conditions and provisions of this Lease are binding upon and inure to the benefit of the parties and their respective heirs, personal representatives, successors and assigns. If the Port sells or otherwise conveys its title to the Premises, then after the effective date of such sale or conveyance, the Port will have no further liability under this Lease to Lessee except as to matters of liability which have accrued and are unsatisfied as of the date of sale or conveyance, and Lessee must seek performance solely from the Port's purchaser or successor in title. The Port's successor will have all rights of the Port, as Landlord, hereunder.

Lease Agreement dated this 10th day of June 2021 is hereby approved by the Port of Port Townsend and effective upon the receipt of a deposit and insurance documentation from the Lessee.

THIS AGREEMENT HAS BEEN NEGOTIATED BETWEEN THE PARTIES AND CONTAINS A LIMITED WAIVER OF IMMUNITY UNDER TITLE 51 RCW, AND INDEMNIFICATION AND A RELEASE.

LESSEE - NORTHWEST MARITIME CENTER



Jake Beattie, Executive Director

LESSOR - PORT OF PORT TOWNSEND



Eron Berg, Executive Director

APPROVED AS TO FORM



Port Attorney

**STATE OF WASHINGTON
COUNTY OF JEFFERSON**

I certify that I know or have satisfactory evidence that JAKE BEATTIE signed this instrument and that he/she is authorized to execute the instrument and acknowledged it to be his/her free and voluntary act for the uses and purposes mentioned in the instrument.

Dated: 6/10/2021

Signature of
Notary Public: Karen JS Erickson

My Appointment Expires: 9/29/2023



**STATE OF WASHINGTON
COUNTY OF JEFFERSON**

I certify that I know or have satisfactory evidence that ERON BERG signed this instrument and that he is authorized to execute the instrument as Executive Director of the Port of Port Townsend and acknowledged it to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: 6/10/2021

Signature of
Notary Public:

Karen JS Erickson

My Appointment Expires:

9/29/2023



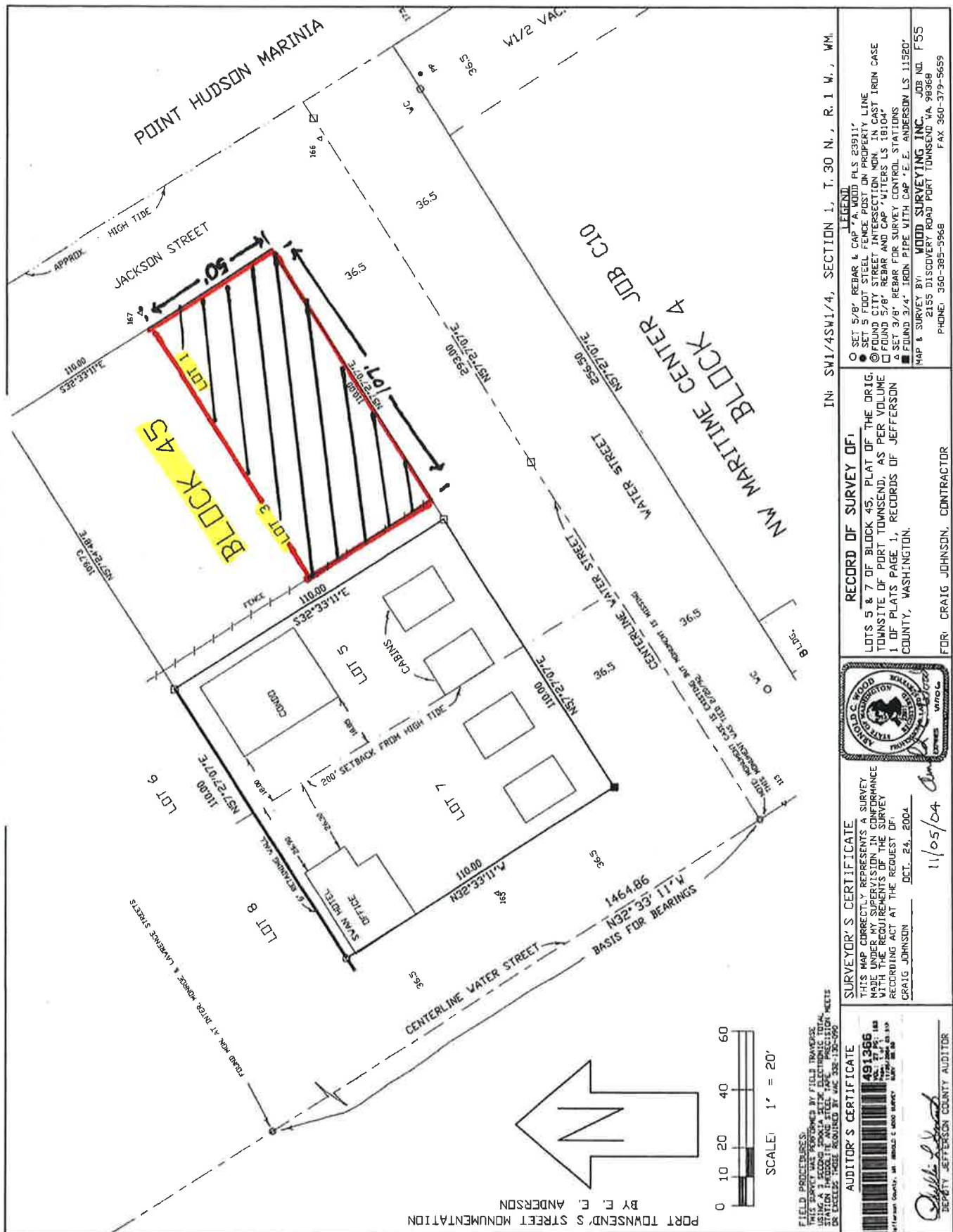
**PORT OF PORT TOWNSEND
NORTHWEST MARITIME CENTER
POINT HUDSON LAND LEASE
EXHIBIT 'A'**

LEASED PREMISES:

THE SOUTH 50 FEET OF LOTS 1 & 3, BLOCK 45, PLAT OF THE ORIGINAL TOWNSITE OF PORT TOWNSEND, AS PER VOLUME 1 OF PLATS, PAGE 1, RECORDS OF JEFFERSON COUNTY, WASHINGTON, EXCEPTING THE WEST 3 FEET OF LOT 3 THEREOF.

The premises described above comprise approximately 5,350 square feet (50' x 107'). The Port hereby warrants that it has good and marketable fee title to the premises and has full right and authority to execute this Land Lease and to demise the premises.

✓ 27 P163



PORT OF PORT TOWNSEND

AGENDA COVER SHEET

MEETING DATE	December 13, 2023		
AGENDA ITEM	<input checked="" type="checkbox"/> Consent <input type="checkbox"/> 1 st Reading <input type="checkbox"/> 2 nd Reading <input checked="" type="checkbox"/> Regular Business <input type="checkbox"/> Informational		
AGENDA TITLE	IV. G. Resolution #808-23 Declaring Certain Items Surplus and Authorizing their Sale and/or Disposal		
STAFF LEAD	Abigail Berg, Director of Finance & Administration		
REQUESTED	<input type="checkbox"/> Information <input checked="" type="checkbox"/> Motion/Action <input type="checkbox"/> Discussion		
ATTACHMENTS	<ul style="list-style-type: none"> Resolution 808-23 		

If approved as part of the consent agenda, no further action is needed.

Alternate action: Remove from the Consent Agenda. Move to approve Resolution #808-23 Declaring Certain Items Surplus and Authorizing their Sale and/or Disposal

RESOLUTION NO. 808-23

A Resolution of the Commission of the Port of Port Townsend

**DECLARING CERTAIN ITEMS SURPLUS AND AUTHORIZING THEIR SALE
AND/OR DISPOSAL**

WHEREAS: The Port of Port Townsend has in its possession certain old, outdated, and/or non-operable computer and office equipment, and a TV, as described in Exhibit A and attached to this resolution; and

WHEREAS: due to continual usage, age and inadequate capacity, this equipment is of little or no value to the Port, and is not suited for Port purposes; and

WHEREAS: such property having been certified in writing as not needed for Port purposes by the Executive Director, its managing official, a copy of said certification is marked Exhibit A and attached to this resolution;

NOW, THEREFORE BE IT HEREBY RESOLVED by the Port Commission of the Port of Port Townsend that the said property be declared surplus, and that the Executive Director is authorized to sell or dispose of the property in the best manner which he, in his discretion, shall determine, including by negotiation or informal bidding from members of the public, or direct disposal.

ADOPTED this 13th day of December 2023 by the Commission of the Port of Port Townsend and duly authenticated in open session by the signatures of the Commissioners voting in favor thereof and the Seal of the Commission duly affixed.

ATTEST:

Peter W. Hanke, III, Secretary

Pamela A. Petranek, President

Carol Hasse, Vice President

APPROVED AS TO FORM:

Port Attorney

EXHIBIT “A”**CERTIFICATE THAT CERTAIN PORT DISTRICT PROPERTY IS SURPLUS**

The undersigned, Eron Berg, Executive Director, the managing official of the Port District of the Port of Port Townsend, hereby certifies that the following property is surplus and is not needed for Port District purposes.

EQUIPMENT TO SURPLUS:

Item	Make	Model	SN/VIN
Surge Protector	Tripp Lite	550U	2138EY0BC785701870
Label Writer	Dymo	450 Turbo	1320021750283
Label Writer	Dymo	450 Twin Turbo	17501602265872
Electronic Calculator	Sharp	EL 2192R2	6D032669
Office Jet Printer	HP	821P	CN11H551SV
Office Jet Printer	HP	6954	TH68P110ZD
Office Jet Printer	HP	8600	CN3CQF4K8J
Meter Reader	Psion	WA4003 - G2	A22C6001505
Meter Reader	Psion	WA4003 - G2	A22C6001503
Computer	Apple	I-Pad 16	DYVJCOSHDFHW
Computer	Apple	I-Pad 16	DR5HQ2Z2DJHF
Computer	Apple	I-Pad 16	DYVJCIHJDFHW
Computer	Apple	I-Pad 16	DR5HWOE6DJHF
Computer	Apple	I-Pad 16	DR5HW126DJHF
Rugged Tablet	Juniper	Mesa 2	225177
Rugged Tablet	Juniper	Mesa 2	225182
Rugged Tablet	Juniper	Mesa 2	225209
Printer	EPSON	WF-7520	NKLY063337
TV Keyboard	Logitech	K400	1811SCF08ZK9
Microphone (x10)	Heil Sound	PR-20UT	No S/N
Outdoor Wireless Camera	Foscam	FI9900P	X0010AWLYN
Remote Control	Apple	Apple Remote	801DN08VAY
Overhead Microphone	Shure	Centraverse	328S31878180763
Overhead Microphone	Shure	Centraverse	328S31878181023
Ethernet Injector Power Cord	SonicWALL	802.3af	FFFFFF086116
Dual Radio	SonicWALL	Sonic Point NE	0017C5CF1A39
CC Reader	VeriFone	VX 510	215321130
Microphone Table Mounting Clamp (x9)	Neewer	C Shape	No S/N
4X4 HDMI Control Driver	J-Tech	JTD-HD4X4-HIFI	No S/N
Mic Adapter (Quick Klip) (x9)	On-Stage	QK-10B	No S/N
Wireless Handheld Microphone	Audio-Technica	10 ATW-1102	No S/N
HDIR Transmitter	Binary by Snap	B-200-1CAT-HDIR	No S/N

HDIR Transmitter	Binary by Snap	B-200-1CAT-HDIR	No S/N
Apple TV	Apple	A1469	DY4KGC98FF54
Female XLR Cable Connector (x9)	Neutrik	NC3FRX	No S/N
Male XLR Cable Connector (x9)	Neutrik	NC3FRX	No S/N
High Speed HDMI Cable 50 ft.	AmazonBasics	Redmere	No S/N
Male to Female 50ft Extension Cable x2	NavePoint	Black	No S/N
IT Wallmount Cabinet w/ Glass Door	NavePoint	12U Deluxe IT	No S/N
Network SD/USB Audio Recorder	Denon	DN-700R	80335691201210
Digital Mixer (Includes Cables)	Behringer	XR18	S180300780BRI

DATED this 13th day of December 2023.

Eron Berg, Executive Director

PORT OF PORT TOWNSEND

AGENDA COVER SHEET

MEETING DATE	December 13, 2023		
AGENDA ITEM	<input type="checkbox"/> Consent <input checked="" type="checkbox"/> 1 st Reading <input type="checkbox"/> 2 nd Reading <input checked="" type="checkbox"/> Regular Business <input type="checkbox"/> Informational		
AGENDA TITLE	V. A. 2024 Organizational Topics		
STAFF LEAD	Eron Berg, Executive Director		
REQUESTED	<input checked="" type="checkbox"/> Information <input checked="" type="checkbox"/> Motion/Action <input checked="" type="checkbox"/> Discussion		
ATTACHMENTS	<ol style="list-style-type: none"> 1. Staff Information Memo 2. 2023 Committee Assignments 3. Draft 2024 Committee Assignments 4. Draft Resolution 809-24 – Commission Meeting Procedures and Appendix A for Res. 809-24 5. Draft Resolution 810-24– Updated Delegation of Authority 		

PORT OF PORT TOWNSEND

AGENDA MEMO

DATE: 1/10/2024
TO: Commission
FROM: Eron Berg, Executive Director
SUBJECT: 2024 Organizational Topics

ISSUES

In preparation for 2024:

1. Who will serve as president, vice president and secretary for the Commission?
2. Who will serve on which committees?
3. Should the Commission adopt updated meeting procedures?
4. Should the Commission adopt the attached delegation of authority resolution?
5. When should the annual retreat be scheduled and what topics would the Commission like to have on the agenda?

BACKGROUND

All five of these topics are discussed annually. They are on your agenda today for possible action consistent with the Commission's practice of annual review, update and adoption of these organizational topics.

DISCUSSION

Commission officers: For your information is a table with detail since 2010:

YEAR	PRESIDENT	VICE PRESIDENT	SECRETARY	Exec. Director
2023	Pam Petranek	Carol Hasse	Pete Hanke	Eron Berg
2022	Pam Petranek	Carol Hasse	Pete Hanke	Eron Berg
2021	Pete Hanke	Pam Petranek	Bill Putney	Eron Berg
2020	Pete Hanke	Bill Putney	Pam Petranek	Jim Pivarnik / Eron Berg
2019	Bill Putney	Pete Hanke	Steve Tucker	Jim Pivarnik
2018	Steve Tucker	Pete Hanke	Bill Putney	Sam Gibboney / Jim Pivarnik
2017	Pete Hanke	Brad Clinefelter	Steve Tucker	Sam Gibboney
2016	Pete Hanke	Steve Tucker	Brad Clinefelter	Larry Crockett / Sam Gibboney
2015	Steve Tucker	Brad Clinefelter	Pete Hanke	Larry Crockett
2014	Steve Tucker	Brad Clinefelter	Pete Hanke	Larry Crockett

2013	Leif Erickson	Steve Tucker	Dave Thompson	Larry Crockett
2012	Leif Erickson	Steve Tucker	Dave Thompson	Larry Crockett
2011	Dave Thompson	Leif Erickson	John Collins	Larry Crockett
2010	John Collins	Dave Thompson	Leif Erickson	Larry Crockett

Committee assignments: Attached are the 2023 committee assignment sheet along with a draft 2024 assignment list with staff recommendations and requests made by commissioners.

Commission meeting procedures: A updated draft of the meeting procedures is attached and includes changes to commissioner compensation, increasing the number of meetings per year (note this change would only go into effect after intervening elections which means the first commissioners to be compensated with more meetings would be Districts 2 and 3 effective January 1, 2026).

Delegation of authority: A updated draft of delegation is attached and includes minor changes recommended by Counsel.

Annual retreat: When would the Commission like to hold an annual retreat? The list of topics that we have been tracking includes the following:

- Strategic Plan update
- Capital projects update & plan
- Short's Farm planning
- JCIA Master Planning
- Quilcene planning
- Marina usage and trends for the future

Other topics that may be of interest, either at the annual retreat, at workshop meetings or business meetings include:

- Collaborative transportation planning with Jefferson County, WSDOT and the fire district for access to and around JCIA
- Separate from the capital plan, a more detailed discussion of the Port's flood protection project

FISCAL IMPACT

None identified herein.

ATTACHMENTS

1. 2023 Committee Assignment
2. Draft 2024 Committee Assignments
3. Resolution 809-24 Commission meeting procedures
4. Draft Resolution 810-24 updated delegation of authority

RECOMMENDATIONS

1. Motion(s) to elect a President, Vice President and Secretary for the Commission to serve through 2024 or until succeeded.
2. Motion to approve the attached list of committee assignments for 2024.
3. Motion to adopt Resolution 809-24 readopting commission meeting procedures.
4. Motion to adopt Resolution 810-24 delegating administrative powers and duties to the executive director.
5. Please provide direction on the annual retreat.

**PORT OF PORT TOWNSEND
2023 COMMITTEE ASSIGNMENTS**

COMMITTEE NAME	REPS	FREQUENCY
CEO Breakfast Group	Eron Berg	Monthly
Chamber of Commerce – Jefferson County (Luncheons)	Carol Hasse	Second Mondays
Chamber of Commerce – North Hood Canal <i>Meets alternately in Quilcene and Brinnon</i>	Pete Hanke	3 rd Mondays 5:30 PM
Climate Action Committee	Carol Hasse	Quarterly
East Jefferson Underground Coordinating Council	Chris Sparks	As called
EDC Team Jefferson – Board of Directors	Pam Petranek	Monthly
EDC Team Jefferson – Public Sector Cabinet	Eron Berg	Quarterly
Food Resilience Committee - Jefferson County	Pam Petranek	As called
IMT (Incident Management Team) - Jefferson County (360) 385-9368 jcdem@co.jefferson.wa.us	Terry Taylor	1 st Wednesdays 10-Noon
Joint Growth Management Steering Committee, Jefferson Co.	Eric Toews	As called
Marine Resources Committee (MRC) - Jefferson County https://www.jeffersonmrc.org/meetings-events/	Carol Hasse	1 st Tuesdays 6-8:00
North Olympic Development Council (NODC)	Carol Hasse	4 th Thursdays 2:00-4:00 PM
North Olympic Legislative Alliance (NOLA)	Eron Berg	As called
Pacific Coast Congress of Port Managers & Harbormasters Board	Kristian Ferraro	As called
Pilots Association - Jefferson County	Pete Hanke & Eron Berg	As called
Port Townsend Marine Trades Association	Executive Director, commissioner, <i>as invited</i>	Mondays
Port Townsend Moorage Tenants Union	Eron Berg	As invited
Public Infrastructure Fund Committee (PIF) - Jefferson County	Pete Hanke	As called
Solid Waste Advisory Council- Jefferson County	Pete Hanke	As called
WAMA – WA Airport Management Association	Pete Hanke	As called
Washington Finance Officers Association	Abigail Berg	As called
Washington Public Ports Association - Board of Trustees	Carol Hasse	Spring & Annual Conferences
WPPA - Finance & Administration Committee	Abigail Berg	As called
WPPA - Legislative Committee (+ <i>All 3 Commissioners</i>)	Eric Toews	As called
WPPA - Other Committees (Aviation, Economic Development, Environmental, Marina, and Public Relations)	<i>All 3 Commissioners</i>	As called

**PORT OF PORT TOWNSEND
2024 COMMITTEE ASSIGNMENTS**

COMMITTEE NAME	REPS	FREQUENCY
CEO Breakfast Group	Eron Berg	Monthly
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EDC Team Jefferson – Public Sector Cabinet	Eron Berg	Quarterly
Food Resilience Committee - Jefferson County	Pam Petranek	As called
IMT (Incident Management Team) - Jefferson County (360) 385-9368 jcdem@co.jefferson.wa.us	Kimberlie Webber	1 st Wednesdays 10-Noon
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Pilots Association - Jefferson County	Pete Hanke & Eron Berg	As called
Port Townsend Marine Trades Association	Executive Director, commissioner, <i>as invited</i>	Mondays
Port Townsend Moorage Tenants Union	Eron Berg	As invited
Public Infrastructure Fund Committee (PIF) - Jefferson County	Pete Hanke Eron Berg, Alt.	As called
Solid Waste Advisory Council- Jefferson County	Pete Hanke	As called
WAMA – WA Airport Management Association	Pete Hanke	As called
Washington Finance Officers Association	Connie Anderson	As called
Washington Public Ports Association - Board of Trustees	Carol Hasse	Spring & Annual Conferences
WPPA - Finance & Administration Committee	Connie Anderson	As called
WPPA - Legislative Committee (+ <i>All 3 Commissioners</i>)	Eron Berg	As called
WPPA - Other Committees (Aviation, Economic Development, Environmental, Marina, and Public Relations)	<i>All 3 Commissioners</i>	As called

RESOLUTION NO. 809-24**A Resolution of the Commission of the Port of Port Townsend****READOPTING COMMISSION MEETING PROCEDURES**

WHEREAS, The Port of Port Townsend did establish and approve, in public session, “Commission Meeting Procedures” by Resolution No. 42-87 dated November 18, 1987, and;

WHEREAS, The Port of Port Townsend did rescind Resolution No.42-87, and adopted new Commission Meeting Procedures which were more efficient and beneficial for both the Commission and participating public, by Resolution No. 326-00 on July 26, 2000, and which was subsequently amended by Resolution No. 344-01 on March 14, 2001; by Resolution No. 363-02 on February 27, 2002; by Resolution No. 367-02 on March 27, 2002; by Resolution No. 390-03 on January 22, 2003; Resolution No. 392-03 on April 9, 2003; by Resolution No. 471-06 on July 26, 2006; by Resolution No. 487-07 on April 25, 2007; by Resolution No. 532-10 on January 27, 2010; by Resolution No. 553-11 on January 12, 2011; by Resolution No. 558-11 on March 23, 2011; by Resolution No. 561-11 on June 8, 2011; by Resolution No. 594-13 on May 8, 2013; Resolution No. 604-14 on January 22, 2014; by Resolution 624-15 on January 14, 2015; Resolution No. 639-16 on January 27, 2016; by Resolution No. 654-17 on January 11, 2017; Resolution No. 674-18 on January 24, 2018; by Resolution No. 675-18 on February 28, 2018; by Resolution No. 695-19 on January 24, 2019; by Resolution No. 714-20 on January 22, 2020; by Resolution 742-21 on January 13, 2021; and by Resolution 752-21 on September 8, 2021; and by Resolution 763-22 on January 12, 2022; and by Resolution 770-22 on June 8, 2022; and by Resolution 785-23 on January 11, 2023;

WHEREAS, the Port Commission wishes to modify the meeting procedures as noted in Appendix A, established on January 11, 2023, via Resolution No. 785-23;

WHEREAS, the Port Commission is authorized to set the compensation to be paid to commissioners pursuant to RCW 53.12.260(3);

WHEREAS, the Port Commission desires to increase the total amount of per diem compensation a commissioner can earn in any given year above the maximum amount set forth in RCW 53.12.260(1);

WHEREAS, the Port Commission’s action to increase the total per diem compensation a commissioner can earn in any given year does not apply to the current Commissioners’ existing terms, and only takes affect for commissioners elected to office after the date this Resolution is adopted.

NOW, THEREFORE BE IT HEREBY RESOLVED by the Port Commission of the Port of Port Townsend, that Resolution No. 770-22 shall be rescinded, and the Commission Meeting Procedures, as shown in the attached “Appendix A,” shall be adopted in their place including the increased total amount of per diem compensation a commission can earn in any given year set forth in the section titled “Commissioner’s Compensation,” which section shall only apply to a commissioner elected to office after the date this Resolution is adopted.

ADOPTED this 11th day of January 2023, by the Commission of the Port of Port Townsend and duly authenticated in open session by the signatures of the Commissioners voting in favor thereof and the Seal of the Commission duly affixed.

ATTEST:

Peter W. Hanke, Secretary

Pamela A. Petranek, President

Carol L. Hasse, Vice President

APPROVED AS TO FORM:

Port Attorney

APPENDIX A to Resolution 809-24

Port of Port Townsend Commission Meeting Procedures

The Commission Meeting Procedures have been adopted by Resolution 714-20, amending Resolutions 326-00, 344-01, 363-02, 367-02, 390-03, 392-03, 471-06, 487-07, 532-10, 553-11, 558-11, 561-11, 594-13, 604-14, 624-15, 639-16, 654-17, 674-18, 675-18, 694-19, 714-20, 742-21, 752-21, 763-22, 770-22 and 785-23. Any changes or deletions will require an amendment to the Resolution.

COMMISSION MEETINGS

TIME AND LOCATION OF MEETINGS

1. Effective January 10, 2024, with the exceptions outlined in paragraph 2 immediately below, regular business meetings of the Port of Port Townsend will occur twice a month - on the second Wednesday of each month at 1:00 p.m. and on the fourth Wednesday of each month at 5:30 p.m. in the Port's Pavilion Building, 355 Hudson Street, Port Townsend, Washington, unless otherwise indicated. Public Workshops will occur on the second Wednesday of each month at 9:30 a.m. Meeting and workshop schedules and locations are subject to change with a minimum 24-hour notice to the local newspaper and the Port's website.
2. Any meeting that falls on a holiday will be held the following regular business day. To accommodate Thanksgiving, the second meeting in November shall be held on Tuesday, November 26, 2024 at 1:00 P.M. There is no regular meeting scheduled for the second meeting (fourth Wednesday) in July, August or December.

MEETING FORMAT

1. **Regular Meetings: Are held in-person with a virtual option for commissioners, staff and public participation.**
2. **Special Meetings: Are held in-person and may not include a virtual option depending on location, internet availability and practicality of hosting a virtual option.**

RULES OF TRANSACTION OF BUSINESS

1. Order of Business shall be as follows:
 - I. Call to Order
 - II. Approval of Agenda
 - III. Public Comments Related to/not related to the agenda (limited to total of thirty (30) minutes; three (3) minutes per person)
 - IV. Consent Agenda
 - V. Special Guests & Presentations
 - VI. Second Reading (Action Items)
 - VII. First Reading (Discussion Only)
 - VIII. Regular Business
 - IX. Staff Comments
 - X. Commissioner Comments
 - XI. Next Meeting

- XII.** Executive Session (if any)
- XIII.** Adjournment
- XIV.** Informational Items

2. All matters which, in the judgment of the Commission, are of a legislative character shall be embodied in the form of Resolutions. Resolutions shall be numbered consecutively, and the original copy shall be signed by the President and Vice President and attested by the Secretary. Resolutions shall be filed by the Executive Assistant and shall be recorded in a book or books kept for such purpose, which shall be public records.
3. Organization of Workshops:
 - a. Shall have an agenda;
 - b. Will have minutes recording topics discussed either in written and/or audio format;
 - c. Will be used for discussion, with no formal action (i.e., an actual vote of the Commission on a motion, proposal, resolution, or order); and
 - d. Rules governing written and spoken input from members of the public for business meetings will not apply to workshops, but public comment will be included on the agenda and may be invited by the Commission for particular topics.
4. Organization of Regular Business Meetings:
 - a. A Call to Order will begin with the Pledge of Allegiance.
 - b. The meeting agenda shall be approved at the beginning of the meeting.
 - c. Minutes will record topics discussed and actions taken in written and audio/video format, depending on how the meeting is recorded.
 - d. Where practical, any information to be presented before the Commission for consideration will be made available to the public in advance of the meeting. This information will be part of the agenda and meeting packet posted on the Port's website pursuant to RCW 42.30.077.
 - e. Presentations will be allowed by any member of the public indicating a desire to address the Commission, of no more than three (3) minutes, (maximum of thirty minutes per meeting) for Public Comment period on any appropriate topic. Each speaker must state their name and the subject of their comment before beginning. Written comments are encouraged.
 - f. When, in the opinion of a Commissioner, significant information has been presented to the Commission which was not made available to the public in advance, or upon the request of a Commissioner to hear from the public on a particular agenda item or topic, public comment may be allowed in a fashion the presiding officer will make clear.
 - g. No public comment will be entertained once a motion for action has been called and the Commission's deliberation has begun.
 - h. Public comments submitted to the Port in writing, either through submission to publiccomments@portofpt.com or indicating that they are public comments, will be included in the meeting packet or late materials depending on when they are received.
 - i. Public comments and presentations shall adhere to common norms of civility and may be cut off by the presiding officer, if in his or her judgment these norms of civility are violated.

Disruptions of Port Commission meetings are prohibited. Disruptions include, but are not limited to the following:

- i. Failure of a speaker to comply with the allotted time established for the individual speaker's comment;
- ii. Addressing the audience, rather than the commission, by a member of the public who has been recognized by the presiding officer for public comment;
- iii. Outbursts (e.g., clapping, shouting, cheering) from members of the public who have not been recognized by the presiding officer for public comment;
- iv. Holding or placing a banner or sign in the meeting room in a way that endangers others or obstructs the free flow of meeting attendees or the view of others attending the meeting; or
- v. Behavior that intentionally disrupts or otherwise impedes the orderly conduct of Commission business.

5. Conduct of Regular Business Meetings:

- a. The Port Commission, as a governing body, is charged with making decisions that advance the mission of the Port and which are based on sound information and analysis, respect for views of the public, and each Commissioner's best disinterested judgment.
- b. With only 3 elected Commissioners, the Commission can operate with a high degree of informality and need not be bound to all the provisions spelled out in standard codes of parliamentary procedure. However, some formal procedures need to be followed to respect the rights of all 3 Commissioners to participate equally and fully in all Commission business.
- c. Some fundamental principles for conducting Commission meetings include (taken from The Standard Code of Parliamentary Procedure, by Alice Sturgis):
 - i. All Commissioners have equal rights, privileges, and obligations.
 - ii. The majority vote decides.
 - iii. The rights of the minority must be protected.
 - iv. Full and free discussion of every proposition presented for decision is an established right of the members.
 - v. Each member shall have the opportunity to speak before any member speaks twice.
 - vi. Every member has the right to know the meaning of the question before the Commission and what its effect will be.
 - vii. All meetings must be characterized by fairness and by good faith.
- d. Routine and ordinary business may be approved and/or rejected by the Commission by placing it on either the Consent Agenda, or as an item of "Regular Business". Examples of items typically placed on the consent agenda are approval of warrants, meeting minutes, lease amendments, contracts and items that have already come before the Commission.

Examples of items considered as "Regular Business" include monthly financial reports, lease agreements, significant contracts, and grant agreements. Matters of routine and ordinary business may be voted on at the same meeting at which they are introduced.

- e. To facilitate sufficient time for reflective consideration of proposals by Commissioners and members of the public and staff, all proposals for policies* which impact Port customers or

members of the public shall be voted on no sooner than the immediate next regular business meeting following introduction of the proposal. The introduction of a proposal at a Commission meeting is the “first reading” and any subsequent meeting where the proposal is considered is the “second reading”. This requirement may be waived by a unanimous vote of the Commission.

*Examples of policy actions include adoption of the budget, adoption of strategic and/or comprehensive plans.

- f. Motions do not require a second.
 - g. The presiding officer of the Commission meeting shall have the right to participate fully in the discussion and shall cast a vote on all motions.
 - h. The standard priorities and requirements for main, subsidiary, and privileged motions shall be used.
- 6. The draft agenda may be available by Friday of the week previous.
 - 7. The Executive Director or his designee would be responsible for keeping track of each issue.
 - 8. Port staff and/or general counsel may serve as parliamentarian in the event the presiding officer, commissioner or commission desire procedural assistance.

All public comments and questions should be directed to the Commissioners. If the Commissioners so desire, they may refer the question to the Executive Director, Port Attorney, and/or other Port Staff in attendance.

MINUTES

- 1. Additions and or corrections to the Minutes will be recorded and become a part of the revised and approved consent agenda. Minutes are to be available to the Commissioners prior to the meetings.
- 2. Minutes are recorded according to RCW 42.30.035.

VOUCHER APPROVAL

Voucher approval is incorporated under “Consent Agenda”. See also Resolution 737-20 for details on the issuance and approval of checks and warrants.

COMMISSIONER'S COMPENSATION

Each Commissioner shall be reimbursed or compensated for actual attendance at official meetings of the district and for other official services or duties on behalf of the district at the maximum per diem rate allowed in accordance with RCW 53.12.260(1); however, no Commissioner shall be entitled to per diem compensation for more than one hundred and twenty (120) days in any calendar year. Additionally, each Commissioner shall be compensated on a monthly basis as set forth in RCW 53.12.260(2).

RESOLUTION NO. 810-24

A Resolution of the Commission of the Port of Port Townsend

**DELEGATING ADMINISTRATIVE POWERS AND DUTIES TO THE EXECUTIVE
DIRECTOR AND DESIGNEES, REPEALING ALL PRIOR RESOLUTIONS
DEALING WITH THE SAME SUBJECT MATTER.
(SUPERSEDING RESOLUTION NO. 786-23)**

WHEREAS RCW 53.12.270 authorizes the Commission to delegate administrative powers and duties to the Executive Director, and

WHEREAS the Commission of the Port of Port Townsend has in the past adopted policy directives delegating administrative powers and duties to the Executive Director and designees for the purpose of expeditious administration of the Port, and

WHEREAS the Commission has from time to time found it necessary to amend and revise such directives due to changes in law and/or operations of the Port, and

WHEREAS the Commission now wishes to provide an updated master policy directive on the delegated administrative powers and duties of the Executive Director and designees and to repeal all prior resolutions dealing with the same subject matter;

NOW, THEREFORE, BE IT RESOLVED by the Port Commission of the Port of Port Townsend as follows:

Section 1. The master policy directive of the Commission of the Port of Port Townsend as set forth herein, is adopted for the purpose of establishing the delegated administrative powers and duties of the Executive Director and designees. This policy directive will remain in effect until January 31, 2025, unless it is extended prior to that date.

Section 2. All portions of resolutions heretofore approved by the Commission pertaining to the subject matters contained in this resolution are hereby repealed.

Section 3. The Revised Code of Washington 53.08.090 authorizes the Commission to delegate by resolution to the Executive Director the authority to sell and convey Port personal property.

Section 4. The Port Commission hereby delegates to the Executive Director the authority to undertake the management operations of the Port.

Section 5. The following policy directive on the delegated administrative powers and duties of the Executive Director is hereby adopted.

I. PREAMBLE

A. The following policy is adopted by the Commission of the Port of Port Townsend for the purpose of establishing the administrative powers and duties of the Executive Director who is responsible for Port operations. The Executive Director may delegate to Port personnel such administrative authority or reporting requirements herein established as is necessary and advisable in the efficient exercise of the Executive Director's powers and duties.

B. This policy sets forth specific delegations of power and duties from the Commission to the Executive Director. This policy shall not be interpreted to limit the duties or responsibilities of the Executive Director as those duties are determined from time-to-time by the Commission. In case of absence, the Executive Director may designate one or more senior Port staff to act in the place of the Executive Director with regard to the powers and duties herein. Subject to the limits within this delegation, the responsibility for all administration and Port operations of the Port rests with the Executive Director.

C. To implement delegations of authority to Port personnel, the Executive Director shall promulgate policy and procedural manuals, rules and procedures, monetary and budgetary directives and other such documents as personnel position descriptions, affirmative action plans, safety manuals, etc. which shall provide a clear span of authority and responsibility to the designees of the Executive Director.

D. Any Commission directives or initiatives shall be adopted only by the Commission acting as a body of the whole and shall be implemented through the Executive Director. Those directives include, but are not limited to, the separately adopted rate schedules, financial guidelines, promotional hosting policy, and standard lease policy.

~~Commission directives or initiatives shall be made through the Executive Director and shall be made only by the Commission acting as a body of the whole. Those directives include, but are not limited to, the separately adopted rate schedules, financial guidelines, promotional hosting policy, and standard lease policy.~~

~~D.E.~~ The phrase "administration and Port operations", as used herein, means the regular day-to-day business of the Port, including but not limited to, operating, maintaining, and administering all of its properties, leasehold properties, facilities services and programs; including the implementation of construction work, alterations, repairs, maintenance, and improvements of the Port's real estate and physical facilities; and, the necessary planning incidental thereto; the conduct of financial accounting and legal matters as they relate to the Port's operation; the administration of all other operations which include personnel administration (i.e., hiring, firing, salary and benefits, training, grievance procedures, task and project assignments, employee training and incentive programs, etc.); the execution and administration of contracts; publishing legal notices; moorage agreements, and, all other pertinent functions.

~~E.F.~~ The Executive Director shall inform the Commission regarding significant information, incidents, and business transactions by methods agreeable to the Commission. The Executive Director shall report to the Commission those actions as within this delegation. The Executive Director is the managing official of the Port, appointed by the Commission, and holds office as their representative. Nothing herein should be construed in any way as abrogating the duties and responsibilities of the Commission.

II. POLICY GOVERNING REAL PROPERTY

A. Lease Arrangements: All real property when available for lease shall, except as otherwise provided herein below, be leased only under an appropriately written lease instrument, approved by the Commission, and accompanied by a lease bond or other form of security in accordance with the law and the Port's Lease Policy. However, the Executive Director may execute short-term leases (terms of one year or less) subject to all of the following conditions:

1. The appropriate lease surety must be in place consistent with statutory requirements and the Port's standard form of lease, with the exception of State and Federal leases that require the use of the tenant's lease form as long as the content of the lease form does not materially change the Port's intent in its standard lease form.
2. The arrangements for short-term occupancy shall be evidenced by the Port's standard form of lease (except that any clearly inapplicable provision or provisions inconsistent with the policy herein set out shall be deleted from the standard form).
3. The amount of the rental shall be in accordance with the rental revenue standards adopted by the Commission for similar Port property of the same or similar class and type and devoted to similar uses.
4. The use to which the property may be put by the tenant shall be expressly stated and shall be in accordance with the standards of use adopted by the Commission for the same or similar Port property or properties.
5. The lease may not be renewed or otherwise extended beyond three years without Commission approval.

B. Sublease Procedures: Leases, licenses, operating agreements, and related contracts between the Port and its tenants, licensees, and other parties shall include restrictions on the subleasing and require at a minimum the prior written consent of the Port to such subleases. Subject to the provisions of the lease or agreement, the Executive Director is authorized to grant consents to subleases, which for the purposes hereof shall include sub-operating agreements and sub-licensee agreements.

C. Other Lease Documents: The Executive Director is authorized to execute the following property instruments, subject to the terms specified herein:

1. Temporary and permanent easements for purposes of utility installation and maintenance, access, rights of entry and signage only.
2. Business Licenses and Licenses to Operate.
3. Aquatic land leases with the Washington State Department of Natural Resources to accommodate leasehold property leases consistent with the Port Management Agreement.
4. Binding site plans and short plats consistent with Port master plans in order to activate leasehold interests.
5. Changes in name of responsible party to the lease if all other conditions, including primary ownership, remain the same.
6. Lease assignments for purposes of collateral, including Waiver of Landlord Lien Agreements.

7. Lease assignments for purposes of a single condominium unit conveyance (change of ownership) where there is an established condominium association as the Lessee.

8. Response to estoppels and attornments.

9. Estoppel and attornment agreements.

10. Use Permits.

11. Rental and Storage Agreements.

12. Minor amendments intended to correct errors or oversights that are consistent with the intent of the Commission approved lease.

D. Lease Enforcement and Lease Terminations: The Executive Director is authorized to enforce all terms and conditions of Port leases. The Executive Director is authorized to issue all appropriate notices of default and/or notices of termination with regard to Port leases. The Executive Director is authorized to terminate any lease under the terms and conditions therein. Upon termination, the Executive Director is authorized to take all steps necessary to retake possession of the leasehold and recover for the Port all sums due the Port pursuant to the lease and the law. The Executive Director shall keep the Commission informed with respect to lessees that are issued default notices or termination notices.

III. POLICY GOVERNING CONTRACTS FOR PERFORMANCE OF PUBLIC WORK

A. Public Work Contract Awards: The Executive Director shall have the responsibility for following all required statutory procedures in connection with all public work contracts. The Executive Director is authorized to carry out all procedures required by applicable statutes preliminary to the acts required to be performed by the Commission at an open meeting. The Executive Director may, without prior Commission approval, execute on behalf of the Port public work contracts for \$300,000 or less, so long as the expenditure is within the limits of overall budgetary authority. In addition, the Executive Director may, without prior Commission approval, execute on behalf of the Port, public work contracts for public work identified in a specific budgetary line item and where the contract price and all other charges do not exceed the amount authorized in that specific budgetary line item.

B. Emergency Public Work Contracts: When any emergency shall require the immediate execution of a public work contract, the Executive Director, pursuant to the procedures of RCW 39.04.020 (and as amended), is authorized to make a finding of the existence of such emergency and execute any public work contract necessary to respond to the existing emergency, provided that the Executive Director shall, at the first Commission meeting following the Executive Director's finding of the existence of an emergency, request Port Commission ratification of the finding of an emergency and any contract awarded or executed pursuant to this authority. From the inception of any such emergency, the Executive Director shall continuously advise the Commission of the status of the emergency situation and the progress of any such public work contracts executed to remedy the emergency. Emergency public work contracts executed pursuant to the authority herein shall contain a clause which states that the contract is subject to ratification by the Commission and that if ratification does not follow, the contract shall terminate, and the Contractor shall be compensated for his work and materials used to the time of termination.

C. Change Orders: In the instances where public work contracts have been awarded and under which the work is in progress and individual changes in plans and/or specifications are necessitated in order to properly accomplish the work, the Executive Director is authorized, without prior Commission approval, to execute individual change orders to the contract if the following conditions are met:

1. The estimated cost of the aggregate changes in plans and/or specifications and all other charges will not exceed the specific budgetary line item, or, in cases requiring Commission approval for public works contracts, the authorized amount.
2. The contract provides for issuance of change orders.

IV. **POLICY GOVERNING CONTRACTS FOR ACQUISITION OF MATERIALS, EQUIPMENT, SUPPLIES and SERVICES**

A. Items Acquired for Normal Maintenance and Operation in the Open Market: The Executive Director shall have the responsibility for following all required statutory procedures, where applicable, in connection with all contracts for the acquisition of utilities, materials, equipment, supplies, and services provided; however, where utilities, materials, equipment, supplies, and services are acquired on the open market or pursuant to published tariffs and used or are necessary in normal maintenance and operations of the Port, no prior approval shall be required but shall, where appropriate, be approved or ratified as a part of the normal warrant process, and further, provided that in all cases where a statutory requirement exists for award of contracts following competitive bidding.

B. Budgeted Acquisitions or Acquisitions of \$100,000, or less: The Executive Director may, without prior Commission approval, execute on behalf of the Port, contracts for materials, equipment, and supplies (where the acquisition does not meet the criteria of Section A above) for \$100,000 or less so long as the expenditure is within the limits of overall budgetary constraints. In addition, the Executive Director may, without prior Commission approval, execute on behalf of the Port contracts for materials, equipment, supplies, and services identified in a specific budgetary line item and where the contract price does not exceed the amount authorized in that specific budgetary line item by ten percent (10%).

1. Budgeted Acquisitions of \$25,000 or less: The Executive Director may delegate Director-level Staff the authority to execute on behalf of the Port, contracts for acquisitions identified in a specific budgetary line item where the contract price and all other charges do not exceed \$25,000.

C. Emergency Contracts for Acquisition of Materials, Equipment, Supplies, and Services: When an emergency requires the immediate acquisition of materials, equipment, supplies, and services, the Executive Director is authorized to make a finding of the existence of such emergency and execute any contract for acquisition of materials, equipment, supplies, and services (subject to the Port of Port Townsend's Purchasing Procedures) necessary to respond to the existing emergency, provided that the Executive Director shall, at the first Commission meeting following the Executive Director's finding of the existence of an emergency, request Port Commission ratification of the finding of an emergency and any contract awarded or executed pursuant to this authority. From the inception of any such emergency, the Executive Director shall continuously advise the Commission of the status of the emergency situation and the progress of any contracts executed to remedy the emergency. Emergency acquisition contracts executed pursuant to the authority herein shall contain a clause

which states that the contract is subject to ratification by the Commission and that if ratification does not follow, the contract shall terminate, and the Contractor shall be compensated for his work and materials used to the time of termination.

V. POLICY GOVERNING ADJUSTMENT AND SETTLEMENT OF CLAIMS AND PENALTIES EXCEPTING THOSE COVERED BY PARAGRAPH XIV BELOW:

A. Procedure for Settling Claims: The Executive Director shall be responsible for the implementation of necessary procedures for the settlement of all claims, either against or on behalf of the Port. Procedures in the handling of such claims shall, at a minimum, include the following:

1. For purpose of this Paragraph V, “claim” shall mean the assertion of any position, penalty, right or responsibility by or against the Port, its Commissioners or employees, but not including uncollectible accounts only to the extent as covered in Paragraph X herein.
2. No claims against the Port shall be considered unless and until proper written notice has been provided to the Port.
3. All claims for or against the Port may be processed in all respects (except for their final approval and payment) by the Executive Director or Legal Counsel.
4. Except as provided under Section B below, no claims shall be finally approved for settlement except by the Commission and no claim shall be paid except as authorized by the Commission.

B. Executive Director’s Authority to Settle Claims: The Executive Director may settle claims against the Port or claims asserted by the Port arising from operations for an amount not exceeding \$5,000. All claims when settled shall be reported to the Commission.

VI. POLICY GOVERNING ARRANGEMENTS FOR PROFESSIONAL AND CONSULTANT SERVICES

A. Procedure: The Executive Director shall be responsible for the Port’s compliance with RCW 53.19 and the initiation of appropriate procedures to obtain professional services specified RCW 39.80 (i.e.g., architectural, engineering, landscape architects and land surveyors) where deemed necessary in carrying out Port operations.

B. Executive Director’s Authority: When necessary, in the conduct of Port operations, the Executive Director may, without prior Commission approval, execute on behalf of the Port contracts for professional and consultant services for \$100,000 or less so long as the expenditure is within the limits of overall budgetary constraints and in compliance with state law. Additionally, the Executive Director may, without prior Commission approval, execute amendments to Commission authorized professional and consultant services agreements in the amount up to 10% of the contract’s value.

VII. POLICY GOVERNING TRAVEL OF EMPLOYEES AND OTHER AUTHORIZED REPRESENTATIVES OF THE PORT

A. Executive Director’s Authority: The Executive Director is authorized to approve travel by employees and/or other authorized representatives of the Port in order to effectuate

necessary Port operations, provided that the travel expenses are within the annual budget approved by the Commission.

VIII. POLICY GOVERNING STAFF AND EMPLOYEE ADMINISTRATION

A. Executive Director's Authority: The Executive Director shall have the authority to manage all personnel matters for Port employees and staff which includes hiring, firing, training, grievance procedures, managing collective bargaining agreements, including letters of agreement, employee salaries and benefits. The Executive Director shall carry out these responsibilities according to guidelines and policies to be established by the Executive Director and within overall budgetary constraints. The Commission shall approve any collective bargaining agreements and amendments thereto.

IX. POLICY GOVERNING EXECUTIVE DIRECTOR'S AUTHORITY FOR PROPERTY ACQUISITIONS AND SALES

A. Authority of the Executive Director for Acquisitions Authorized by the Commission: When the Port Commission authorizes the acquisition of real property by purchase or condemnation, the Executive Director shall take all necessary steps, including the securing of appraisals, to secure title of such property for the Port. Acquisition price of individual properties (or ownerships) shall in no case exceed the Port's appraisal by 10% (ten percent), nor shall the total price paid for all properties exceed the estimates of the Port Commission's authorization without further specific Commission authorization.

B. Execution of Documents of Sale: The sale of real property is reserved to specific Commission authorization. When the Commission authorizes the sale of real property, the Executive Director shall take all necessary steps to complete the transaction, including but not limited to, accepting deposits, opening escrow and signing all necessary documents.

X. POLICY GOVERNING DISPOSITION OF UNCOLLECTIBLE ACCOUNTS

A. Definition of "Write-off": The term "write-off" means the adjustment of the accounting records of the Port to reflect the fact that the account is uncollectible in the normal course of operations. The Executive Director may authorize Legal Counsel to initiate or continue with legal action to collect an account without regard to whether the account has been written off the accounting records of the Port.

B. Procedures: The Executive Director is authorized to establish procedures for and to write off any uncollectible account in the amount of .05% of annual operating revenues of the last complete fiscal year or less subject to the following general guidelines:

1. Prior to writing off any account receivable or uncollectible, the Executive Director shall be satisfied that every reasonable effort has been made by the Port to accomplish the collection of the account.
2. Any account in excess of .05% of annual operating revenues of the last complete fiscal year which is deemed to be uncollectible shall be referred to the Port Commission for final write-off.

XI. POLICY GOVERNING LEASE SURETY, SURETY BONDS, RENTAL DEPOSITS, AND INSURANCE POLICIES

A. Authority of the Executive Director: The Executive Director or his designee is authorized to take all necessary actions on behalf of the Commission in connection with lease surety, lease surety bonds, assignments of accounts, rental deposits, or insurance coverage required pursuant to any leases of the Port, including any of the following actions:

1. Where the lease is not in default, to release any surety, surety bond, or rental deposit where an adequate substitute surety or rental deposit has been provided.
2. To approve any surety, surety bond, rental deposit, certificate of insurance, or insurance policies submitted in fulfillment of the requirements of any lease, including substitute or replacement coverage for any terminated bond, surety, or rental insurance.
3. To approve any substitute or modification of surety or insurance coverage, and to release any surety or insurance company when substitute or replacement insurance coverage has been provided in connection with any outstanding lease of the Port.

XII. POLICY GOVERNING SALE OF PERSONAL PROPERTY

A. Sale of Property Pursuant to RCW 53.08.090: The Executive Director or his designee is authorized, pursuant to RCW 53.08.090, to sell and convey surplus personal property of the Port subject to the following conditions:

1. that the market value of such personal property does not exceed ~~\$10,000~~the maximum amount set forth in RCW 53.08.090(2)(a); and
2. that prior to any such sale or conveyance, the Executive Director shall itemize and list the property to be sold and make written certification to the Commission that the listed property is no longer needed for Port purposes; and
3. that offers for purchase are solicited from at least three (3) parties whenever possible; and
4. that any large block of such property having a value in excess of the maximum amount set forth in RCW 53.08.090(2)(a)~~\$10,000~~ shall not be divided into components of a lesser value and sold unless done so by public competitive bid; and
5. that no property which is part of the comprehensive plan of improvement or modification thereof shall be disposed of until the comprehensive plan has been modified pursuant to RCW 53.20.010 and until such property is found to be surplus to Port needs; and
6. that in no case shall surplus personal property be sold to any Port official or employee or members of their families without the specific approval of the Commission.

XIII. LITIGATION

A. Management and Supervision of Litigation: The Executive Director and the Port's Legal Counsel (appointed by the Commission) shall be responsible for the procedures necessary for management and supervision of all litigation in which the Port has an interest, direct or indirect. For purposes of this section, "litigation" shall mean the assertion or potential assertion

of any position, right or responsibility by or against the Port, including actions which have been filed in any court or any quasi-judicial or administrative forum.

B. Special Legal Services: The Executive Director, on consultation with the Port's Legal Counsel, is authorized to retain other such special counsel at fees as may be negotiated to assist in the handling of any claims, litigation, or other matters necessary to attend to the legal affairs of the Port, within overall budgetary constraints.

C. Engagement of Experts: The Executive Director may engage or cause to be engaged through Legal Counsel, such experts as may be necessary for the orderly support of claims or litigation in which the Port has a direct or indirect interest. Such engagement shall be upon authorization given by Legal Counsel after having been satisfied that such expenditure is necessary to the adequate preparation and representation of the Port's position in such litigation or claim and shall, wherever practicable, include evaluation of the litigation or claim and an estimate of the probable cost of such experts.

D. Consultation with Commission: The Executive Director will, in conjunction with the Port's Legal Counsel, consult with the Commission regarding strategy and the economic impact of litigation.

XIV. POLICY GOVERNING INTERLOCAL AGREEMENTS FOR USE OF PORT PROPERTY FOR TRAINING PURPOSES, EVENT SITE USE AGREEMENTS FOR EVENTS AND RATES WITHIN ESTABLISHED RANGES

A. Executive Director's Authority: The Executive Director is authorized to execute agreements with other public agencies for purposes of conducting training exercises or other collaborative opportunities related to police, fire, public health and safety, and environmental stewardship issues.

B. Executive Director's Authority: The Executive Director is authorized to execute event and site use agreements with organizations for events conducted by the organizations on Port property.

C. Executive Director's Authority: The Executive Director is authorized to establish rates for particular dates or seasons (i.e., low season or midweek discounted rates and peak season rates) when the Commission has established rate ranges on approved rate cards.

XV. POLICY GOVERNING APPLICATION AND ACCEPTANCE OF GRANTS

A. Authority of the Executive Director: The Executive Director or his designee is authorized to take all necessary actions on behalf of the Commission to prepare and submit applications for grants and State or Federal Legislative appropriations. The Executive Director shall notify the Commission of the amount and purpose of all grant applications and upon request shall provide copies of such applications.

B. Acceptance of Grants: The Executive Director shall consult with the Commission prior to accepting or appropriating any grant awarded to the Port and shall obtain Commission approval to accept and appropriate any grant funding or expenditure which was not specifically identified in the approved annual budget.

XVI. POLICY GOVERNING PERMIT APPLICATIONS AND NOTICES OF INTENT

A. Executive Director's Authority: The Executive Director is authorized to take all necessary actions to prepare and submit applications and notices of intent for coverage under state, local and federal regulatory permits including but not limited to, National Pollution Discharge Elimination System (NPDES) permits, Joint Aquatic Resources Permit Application (JARPA), and Hydraulic Project Approval (HPA) permits.

XVII. POLICY GOVERNING PROMULGATION OF ADMINISTRATIVE RULES AND REGULATIONS

A. Authority of the Executive Director: The Executive Director is authorized to adopt administrative rules, regulations and procedures necessary (hereinafter "rules and regulations") for the efficient operation of the Port so long as such rules and regulations are reported to the Commission and are consistent with Commission policy. All amendments to the rules and regulations established therein may hereafter be made by the Executive Director, so long as such amendments do not exceed the authority of the Executive Director, as granted elsewhere herein, and are reported to the Commission in a timely manner.

XVIII. POLICY GOVERNING AUTHORITY TO ENTER INTO NON- DISCLOSURE AGREEMENTS

A. Authority of the Executive Director: The Executive Director is authorized to enter into non-disclosure agreements on behalf of the Port of Port Townsend, provided that the non-disclosure agreement is first reviewed by legal counsel to ensure compliance with applicable law, including laws relating to public records and open public meetings.

ADOPTED by the Board of Commissioners of the Port of Port Townsend this 10th day of January 2024 and duly authenticated in open session by signatures of the Commissioners voting in favor thereof and the seal of the Commission duly affixed.

ATTEST:

Peter W. Hanke, Secretary

Pamela A. Petranek, President

Carol L. Hasse, Vice President

APPROVED AS TO FORM:

Port Attorney

PORT OF PORT TOWNSEND

AGENDA COVER SHEET

MEETING DATE	December 13, 2023		
AGENDA ITEM	<input type="checkbox"/> Consent <input type="checkbox"/> 1 st Reading <input type="checkbox"/> 2 nd Reading <input type="checkbox"/> Regular Business <input checked="" type="checkbox"/> Informational		
AGENDA TITLE	Informational Items		
STAFF LEAD	Eron Berg, Executive Director		
REQUESTED	<input checked="" type="checkbox"/> Information <input type="checkbox"/> Motion/Action <input type="checkbox"/> Discussion		
ATTACHMENTS	<ul style="list-style-type: none"> • YTD October 2023 Financial Report <ul style="list-style-type: none"> ○ Informational Memorandum ○ Financial Report ○ Notes ○ Detail • Contract/Lease Update • Amendments to Port Rules <ul style="list-style-type: none"> ○ 8.02.030 Group Reservations ○ 4.04.250 Business moorage ○ 4.04.050 Fees – Moorage waiting and reassignment applications • Port Commission Schedule 		

PORT OF PORT TOWNSEND

INFORMATIONAL MEMO

DATE: 12/4/2023
TO: Commission, Executive Staff
FROM: Abigail Berg, Director of Finance & Administration
SUBJECT: YTD October 2023 Financial Report

Attached is the YTD October 2023 financial report of Port activities. This consolidated report shows the variance between the current period as compared to the prior year and the variance to budget YTD. The following is additional detailed information not included in the attached financial report, but key in fully understanding the Port's financial status:

Jefferson County Int'l Airport	Budget/Planned	Year-to-date
Runway Rehabilitation ^(a)	\$ -	\$ 15,166
2nd Connector Taxiway - design	\$ 90,000	\$ 136,360
2nd Connector Taxiway - construction	\$ 556,000	\$ -
Pilot Terminal	\$ 133,000	\$ 1,820
FEMA - Storm Damaged Asbestos Roof ^(b)	\$ -	\$ 1,036
Boat Haven		
Main Breakwater Repairs	\$ 400,000	\$ 54,444
Stormwater Treatment Compliance	\$ 450,000	\$ 151,468
Moorage/Yard Office	\$ 150,000	\$ 211,962
Northwest Yard Expansion	\$ 200,000	\$ 11,600
West Yard Expansion	\$ 80,000	\$ 34,407
Sperry bldg. #5 TAKU	\$ 25,000	\$ 4,567
Sperry Bldg. #7 KEY CITY	\$ 25,000	\$ 926
Bldg. Fac. Presrv - Enviro Roof/Ext. Paint-Bathrm Ext. Paint	\$ 25,000	\$ 25,895
FEMA - Pavement Repairs ^(c)	\$ -	\$ 78,945
Point Hudson		
Breakwater Replacement	\$ 6,000,000	\$ 2,694,568
Bldg/Facility Preservation (Cupola Bldg. Remodel)	\$ 450,000	\$ 40,233
FEMA - PH Emergency Repairs	\$ -	\$ 101,685
Quilcene		
Herb Beck Dredge	\$ 20,000	\$ 5,586
Ramp Upgrade & Bathroom Remodel	\$ 25,000	\$ 16,987
Well Pump Electrical Repair	\$ -	\$ 24,548
Other Projects		
Portwide Dock Reno - (City Dock/Union Wharf) ^(d)	\$ 220,000	\$ 141,586
Portwide Dock Reno - (BH "D" Dock Transformer Retrofit) ^(d)	\$ 30,000	\$ 16,103
Portwide Yard/Prkg/RV Rsrfcg (Long Term Yard Rehab)	\$ 75,000	\$ 163,064
Gardiner Boat Launch w/seasonal float	\$ 110,000	\$ 59,144
Clean Vessel Boat build & pump outs	\$ -	\$ 130,850
San Juan Grocery Prop. Enviro Assessmt ^(e)	\$ 100,000	\$ 106,424
Short Farm purchase ^(f)	\$ 1,400,000	\$ 1,474,796
Water Walk feasibility ^(f)	\$ 300,000	\$ 29,243
Total	\$ 10,864,000	\$ 5,733,413

2023 Capital Purchases or Contracted Capital Services

Equipment/Vehicle replacement (total \$175,000)

(2) ½ Ton pick-up trucks	\$ 70,000	\$ 94,456
1 Ton pick-up truck	65,000	58,814
Dump trailer	25,000	0
Gator (PH)	15,000	0
Zodiac Pro boat ^(g)	0	29,106
Total Capital Purchases or Contracted Capital Services YTD	<u>\$ 175,000</u>	<u>\$ 182,376</u>

Notes to Expenditures listed above:

- (a) As of early June, all three (3) FAA grant close-outs were completed for this project. This expenditure is the final payment to Reid Middleton for that work.
- (b) Enduris has reimbursed the Port for 97%, or \$139,541, of the JCIA Storm Damaged Asbestos Roof, and FEMA will pay 90%, or \$4,500, of the insurance deductible (which was \$5,000). Costs were incurred in 2021 and 2022.
- (c) The Port was reimbursed in March 2023 by FEMA for 90% of the costs for this emergency work on the Boat Haven Pavement Repair for \$65,051. Repairs commenced in 2022.
- (d) This is a capital “program” that includes any port-wide dock renovations as needed each year. This program has \$250,000 budgeted annually for the next 5 years. Here we split the budgeted amount as was estimated for each project, though both projects did not reach those amounts.
- (e) Technically, the assessment of the San Juan Grocery property is not a capital expenditure; it is a feasibility study to determine the likelihood of further development. However, it is a project being tracked.
- (f) These are projects added since the 2023 budget was adopted in November 2022.
- (g) It was determined the Zodiac would be a better purchase for Port staff use (rather than the Gator) since the conversion of the Munson boat into the Pump-out Skiff.

Ending Cash Balances YTD	2023	2022
Reserved Cash & Investments – Other*	\$ 2,048,969	\$ 3,260,744
Reserved Cash & Investments – IDD	6,966,611	4,353,337
Unreserved Cash & Investments	<u>1,557,037</u>	<u>719,992</u>
Total Cash & Investments	<u>\$ 9,502,123</u>	<u>\$ 8,334,073</u>

*Other Reserves detail:

	<u>Current balance</u>	<u>Target balance</u>
Unemployment Reserve	\$ 10,000	na
Operating Reserve (a)	711,905	\$ 1,623,095
Boat Haven Renovation Reserve (b)	436,068	na
Emergency Reserve	500,000	\$500,000
Port-Wide Capital Reserve (c)	<u>390,996</u>	na
Total Other Reserves	<u>\$ 2,048,969</u>	

- (a) The target for the Operating Reserve is 25%, or three (3) months, of operating expenses, per current budget. The above target is based on the 2023 Operating Budget. See resolution 692-19 for more detail.

- (b) This reserve is for use on Boat Haven Moorage projects until it is extinguished. It was replaced by the Port-Wide Capital Reserve in resolution 693-19.
- (c) Resolution 693-19 did not set a target for this reserve; however, in 2024 a long-term projection will be developed for funding future projects by location.

Debt Service for the Year

2010 LTGO Bond – (83% paid A/B Dock Reconstruction, 17% paid 75 Ton Lift Pier)

June 1 – interest only	\$ 73,544	PAID
December 1 – principal and interest	408,544	

2015 LTGO Refunding Bond- (paid for Point Hudson Marina Reconstruction – 2005 LTGO Bonds refunded in 2015)

July 1 – principal and interest	523,250	PAID
December 31 – interest only	15,750	

Total Debt Service for the year \$ 1,021,088

Remaining Debt for years 2024-2029

2010 LTGO Bond – principal and interest	\$ 2,847,463	payoff December 2029
2015 LTGO Bond – principal and interest	<u>1,081,800</u>	payoff July 2025
Total	<u>\$ 3,929,263*</u>	

Port staff plans to extinguish all debt obligations two years earlier than the legal obligation, in 2027.

date	draw no.	Beginning Balance	Draw	Redemption Principal	Redemption Interest	Ending Principal Balance
Nov-22	1st draw	\$ -	\$ 2,633,967	\$ -	\$ -	\$ 2,633,967
Dec-22	2nd draw	2,633,967	1,189,677	-	-	3,823,644
Mar-23	na	3,823,644	-	423,734	16,481	3,399,910
Aug-23	na	3,399,910	-	3,399,910	26,057	-
Oct-23	3rd draw	-	335,000	-	-	335,000
	totals		\$ 4,158,644	\$ 3,823,644	\$ 42,538	335,000 *

Note: Interest payments are calculated just prior to loan due dates.

The 2021 LTGO LOC's required debt redemptions are due in March, and September each year until the end of the bond term, March 1, 2027. This debt instrument serves as a bridge between project expenditure payments, grant reimbursements, and reconciliations with the IDD Levy Reserve, as applicable. The Port plans to re-pay this debt prior to the term date in March 2027. There are no penalties for pre-payment. The interest rate on the LOC is 1.55% through March 1, 2025, and increases to 1.65% thereafter through the end of bond term.

DISCUSSION

As requested by the Commission.

FISCAL IMPACT

NA

RECOMMENDATIONS

For discussion only.

Port of Port Townsend
2023 Summary of Fund Resources & Uses with Comparison to Prior Year and Budget

	YTD Oct. 2022	YTD Oct. 2023	Variance to prior year	notes	YTD Budget 2023	Variance to Budget YTD
OPERATING REVENUES						
Boat Haven Moorage	1,686,533	1,799,372	112,839		1,750,639	48,733
Yard Operations	2,266,015	2,425,967	159,952		2,148,220	277,747
Boat Haven Properties	758,803	840,214	81,410		769,400	70,814
Pt. Hudson Marina, RV & Prop	1,376,852	1,423,752	46,900		1,414,592	9,160
Quilcene Marina & Prop	149,086	161,988	12,902		150,887	11,101
Launch Ramps	47,837	39,844	(7,993)		49,072	(9,228)
Jeff Co Intl Airport	154,377	163,920	9,543		151,609	12,311
(Incr.)/Decr. In Accounts Receivable	(21,427)	37,877	59,304		-	37,877
Total Operating Revenues	6,418,077	6,892,934	474,858	a	6,434,419	458,515
OPERATING EXPENDITURES						
Salaries & Wages	2,221,119	2,340,569	119,451		2,425,839	(85,270)
Payroll Taxes	233,404	269,102	35,698		254,878	14,224
Employee Benefits	692,013	747,401	55,388		695,659	51,742
Uniform Expense	13,554	7,515	(6,039)		9,767	(2,252)
Contract Services	234,297	360,870	126,574		258,908	101,962
Legal & Auditing	46,924	65,921	18,998		47,060	18,861
Insurance	451,482	492,726	41,244		451,442	41,284
Facilities & Operations	851,917	763,186	(88,731)		663,095	100,091
Utilities	504,312	524,265	19,953		507,344	16,921
Marketing	45,847	98,033	52,186		57,199	40,834
Economic Development	30,000	40,045	10,045		48,750	(8,705)
Travel & Training	16,482	15,170	(1,312)		23,232	(8,062)
Community Relations	682	15,649	14,967		53,183	(37,534)
Total Operating Expenditures	5,342,031	5,740,454	398,423	b	5,496,356	244,097
Net Operating Income (Expense)	1,076,045	1,152,481	76,435		938,063	214,418
Other Increases in Fund Resources						
Deposits & Retainage Collected	46,431	51,702	5,271		72,043	(20,341)
Taxes Collected	602,886	630,877	27,991		580,017	50,860
Capital Contributions/Grants	99,512	6,799,460	6,699,948		3,708,000	3,091,460
Debt Proceeds - Line of Credit	-	335,000	335,000		335,000	-
Interest	102,810	435,508	332,698		59,630	375,878
Property & other taxes	3,559,576	3,815,808	256,232		3,543,640	272,168
Misc Other Incr. in Fund Resources	105,101	186,373	81,271		50,453	135,920
Total Other Incr. in Fund Resources	4,516,315	12,254,727	7,403,411	c	8,013,783	3,905,944
Other Decr. In Fund Resources						
Deposits & Retainage Paid	87,373	36,905	(50,469)		49,164	(12,259)
Taxes Remitted	697,853	729,452	31,599		668,004	61,448
Debt Principal & Interest	601,344	4,462,975	3,861,632		596,794	3,866,181
Capital Expenses	1,188,756	5,920,372	4,731,616	d	5,920,372	-
Debt Mgmt, Issuance & Misc Exp	42,981	180,342	137,361		14,350	165,992
Election Expense	17,561	-	(17,561)		-	-
Total Other Decr. In Fund Resources	2,635,868	11,330,046	8,694,178	d	7,248,684	4,081,362
Incr. (Decr.) in Other Fund Resources	1,880,447	924,680	(1,290,767)		765,099	(175,419)
Change in Cash - Increase/(Decrease)	2,956,493	2,077,161	(1,214,331)	e	1,703,162	38,999

Port of Port Townsend
Notes to 2023 Summary of Fund Resources & Uses report
As of October 31, 2023

- (a) Overall, Operating Revenues are more than YTD October 2022 by \$474,858, or 7.4%. This variance is largely due to the increase in Yard revenues, followed by Boat Haven Moorage, and Boat Haven Properties. When compared to the YTD budget, Operating Revenues are up by \$458,515, or 7%.
- (b) Overall, Operating Expenses increased when compared to 2022 YTD by 7.5%, or \$398,423. When measuring performance against budget, Operating Expenses YTD are more by 4.4%, or \$244,097. This increase in actual over budget appears to align with the inflation we've been experiencing.
- (c) Total Other Increases in Fund Resources increased by 164%, or \$7,403,411, when compared to 2022. Of this increase, \$6.7 million, or 90%, is due to grant revenues received, to include the EDA for the Point Hudson Jetty project in the amount of \$3.114 million, \$2.4 million from the two (2) Dept. of Commerce grant reimbursements that were received in January for the jetty project (which were expected in December 2022), and almost \$600,000 is from the FAA.
- (d) Under the Other Decreases in Fund Resources category, a line for "Capital Expenses" was added to provide a more accurate picture of changes in cash year-to-date; this includes projects as well as purchases for equipment, vehicles, and land. The total for the Other Decreases in Fund Resources are more when compared to 2022 by 330%, or \$8,694,178. When reviewing this year-to-year comparison, the two significant reasons for these increases are 1.) the redemptions in March and August of the 2021 LOC that totaled just over \$3.8 million, and 2.) the addition of a Capital Expenses line to this financial statement which has a YTD variance from 2022 of \$4.7 million. This has been a very busy year for capital work and purchases.
- (e) This line description has been updated from "Net Income (Expense)" to "Change in Cash – Increase/(Decrease)." This more accurately shows the changes in cash, particularly since the Capital Expenses line (footnote d) was added. Overall, the difference in 2023 Change in Cash when compared to 2022 is a reduction of \$1.2 million, or 41%. Part of this variance is due to the redemption of the 2021 LOC for approximately \$3.8 million, and part is due to the addition of Capital Projects which shows the total YTD capital expenditures. YTD 2023 there has been more in grant funding when compared to 2022, as well as a significant increase in capital expenditures. In addition, the payment of the 2021 LOC wasn't budgeted since we cannot know the cashflow timing, just that it would be used as a bridge to the project's grant funding reimbursements.

Port of Port Townsend
2023 Summary of Fund Resources & Uses with Comparison to Prior Year and Budget

	YTD Oct. 2022	YTD Oct. 2023	Variance to prior year	notes	YTD Budget 2023	Variance to Budget YTD
OPERATING REVENUES						
PTBH - Permanent Moorage	1,056,247	1,095,327	39,080		1,084,000	11,327
PTBH - Liveaboard Fee	17,119	23,730	6,611		19,603	4,127
PTBH - Liveaboard Background Check	480	252	(228)		-	252
PTBH - Work Float/Lift Pier Usage	6,311	13,385	7,074		252	13,133
PTBH - Monthly Guest	232,017	227,857	(4,161)		253,881	(26,024)
PTBH - Nightly Guest	274,535	317,503	42,969		270,217	47,286
PTBH - Electric	77,065	90,131	13,066		87,202	2,929
PTBH - Miscellaneous Revenue	6,188	8,322	2,134		6,151	2,171
PTBH - Showers	8,379	8,406	27		10,963	(2,557)
PTBH - Restroom Key Fobs	430	284	(147)		2,200	(1,917)
PTBH - Laundry	6,669	5,813	(856)		8,273	(2,460)
PTBH - Promotional Sales	192	1,316	1,124		260	1,056
PTBH - Port Labor	(63)	-	63		2,760	(2,760)
PTBH - Kayak Racks	964	7,046	6,082		4,877	2,169
Boat Haven Moorage	1,686,533	1,799,372	112,839		1,750,639	48,733
Yard - 70/75 Ton Hoist Revenue	326,938	346,025	19,087		328,071	17,954
Yard - 70/75 Ton Yard Revenue	965,932	1,128,109	162,177		838,942	289,167
Yard - 70/75 Ton Yard Enviro Fee	65,898	67,419	1,522		66,804	615
Yard - 70/75 Ton Yard Electric	40,131	42,743	2,613		40,256	2,487
Yard - 70/75 Ton Yard Port Labor	11,913	10,776	(1,137)		9,080	1,696
Yard - 300 Ton Hoist Revenue	198,868	230,472	31,603		200,331	30,141
Yard - 300 Ton Yard Revenue	395,776	391,870	(3,906)		399,084	(7,214)
Yard - 300 Ton Yard Enviro Fee	16,169	18,989	2,820		15,792	3,197
Yard - 300 Ton Yard Electric	38,358	28,994	(9,364)		42,736	(13,742)
Yard - 300 Ton Yard Port Labor	8,048	8,762	714		6,397	2,365
Yard - L/T Storage	59,186	(393)	(59,579)		70,500	(70,893)
Yard - Blocking Rent	44,500	41,278	(3,222)		44,087	(2,809)
Yard - Off Port Property Tarp Fee	597	6,455	5,858		500	5,955
Yard - Washdown Revenue	88,371	98,010	9,639		77,851	20,159
Yard - Bilge Water Revenue	4,551	4,840	289		5,015	(175)
Yard - Liveaboard Fee	600	-	(600)		1,830	(1,830)
Yard - Enviro Violations & Clean up	(24)	184	208		340	(156)
Yard - Miscellaneous Revenue	203	421	218		604	(183)
Yard - Garbage	-	1,013	1,013		-	1,013
Yard Operations	2,266,015	2,425,967	159,952		2,148,220	277,747
PTBH Prop - Lease Revenue	688,453	774,352	85,898		699,380	74,972
PTBH Prop - Fuel Dock Lease	17,684	15,331	(2,352)		17,829	(2,498)
PTBH Prop - Garbage	3,243	3,439	196		11,914	(8,475)
PTBH Prop - Water	30,504	30,508	4		19,415	11,093
PTBH Prop - Stormwater	7,949	7,473	(476)		8,837	(1,364)
PTBH Prop - Electric	126	(2,819)	(2,945)		1,350	(4,169)
PTBH Prop - Storage Unit Revenue	10,095	10,641	546		9,850	791
PTBH Prop - Miscellaneous	675	1,234	559		825	409

Accompanying notes, and information memo are an integral part of this statement.

Summary of Fund Resources Uses, Oct. 2023

	YTD Oct. 2022	YTD Oct. 2023	Variance to prior year	notes	YTD Budget 2023	Variance to Budget YTD
PTBH Prop - Restroom Key Fobs	75	55	(20)		-	55
Boat Haven Properties	758,803	840,214	81,410		769,400	70,814
Pt Hudson - Permanent Moorage	104,232	108,378	4,146		133,347	(24,969)
Pt Hudson - Monthly Guest	93,274	12,816	(80,458)		97,427	(84,611)
Pt Hudson - Nightly Guest	198,984	210,523	11,539		198,587	11,936
City Pier & Union Wharf Usage	13,532	20,897	7,366		5,195	15,702
Cruise Ship Garbage	1,223	1,082	(141)		1,269	(187)
Pt Hudson - Monthly R.V.	66,134	53,584	(12,549)		62,044	(8,460)
Pt Hudson - Nightly R.V.	362,266	452,920	90,653		347,380	105,540
Pt Hudson - Kayak Racks	15,700	14,026	(1,674)		16,065	(2,039)
Pt Hudson - Electric	17,366	9,948	(7,419)		20,502	(10,554)
Pt Hudson - Reservation Fee	40,989	48,639	7,650		34,608	14,031
Pt Hudson - Liveaboard Fee	5,381	420	(4,961)		9,129	(8,709)
Pt Hudson - Liveaboard Backgrnd Ck	1,500	1,503	3		945	558
Pt Hudson - Showers	5,505	5,522	17		5,579	(57)
Pt Hudson - Laundry	7,492	6,686	(807)		7,254	(569)
Pt Hudson - Passenger Fee	18,893	25,647	6,755		14,568	11,079
Pt Hudson - Miscellaneous	5,710	273	(5,437)		3,088	(2,815)
Pt Hudson - Promotional Sales	1,240	1,179	(61)		1,172	7
Pt Hudson - Building Leases	364,538	389,189	24,651		369,660	19,529
Pt Hudson - Property Utilities	36,098	37,602	1,505		38,650	(1,048)
Pt Hudson - Event Facility Rev	1,200	5,042	3,842		30,675	(25,633)
Pt Hudson - Parking	15,596	17,602	2,006		17,448	154
Pt Hudson - Keys, & Key Fobs	-	276	276		-	276
Pt. Hudson Marina, RV & Prop	1,376,852	1,423,752	46,900		1,414,592	9,160
Quilcene - Permanent Moorage	56,951	64,799	7,848		54,225	10,574
Quilcene - Nightly Moorage	1,878	6,380	4,503		1,687	4,693
Quilcene - Showers	2,012	1,922	(90)		2,442	(520)
Quilcene - Electric	2,281	1,507	(774)		3,185	(1,678)
Quilcene - Kayak Rack Storage	254	-	(254)		189	(189)
Quilcene - Reservations	198	-	(198)		277	(277)
Quilcene - Recreational Ramp Fees	11,552	9,594	(1,958)		10,913	(1,319)
Quilcene - Commercial Use Fees	5,030	5,400	370		5,702	(302)
Quilcene - Miscellaneous Revenue	609	158	(452)		560	(403)
Quilcene - Lease Revenue	58,338	63,523	5,186		60,160	3,363
Quilcene - Water	9,535	7,918	(1,617)		10,752	(2,834)
Quilcene - Empty Trailer Strg	450	788	338		795	(8)
Quilcene Marina & Prop	149,086	161,988	12,902		150,887	11,101
Ramp Fees	39,114	36,767	(2,347)		42,134	(5,367)
PTBH Ramp - Commercial Use Fees	7,630	1,470	(6,160)		5,381	(3,911)
PTBH Ramp - Dinghy Float Revenue	1,093	1,608	514		1,557	51
Launch Ramps	47,837	39,844	(7,993)		49,072	(9,228)
JCIA - Lease Revenue	114,362	123,092	8,731		112,970	10,122
JCIA - Hangar Revenue	32,563	34,979	2,417		32,870	2,109
JCIA - Vehicle Parking Revenue	800	580	(220)		1,002	(422)
JCIA - Aircraft Parking	1,267	2,994	1,727		1,060	1,934
JCIA - Fuel Lease Revenue	1,791	1,670	(121)		1,495	175

	YTD Oct. 2022	YTD Oct. 2023	Variance to prior year	notes	YTD Budget 2023	Variance to Budget YTD
JCIA - Electric	1,220	-	(1,220)		1,582	(1,582)
JCIA - Miscellaneous Revenue	2,375	605	(1,770)		630	(25)
Jeff Co Intl Airport	154,377	163,920	9,543		151,609	12,311
(Incr.)/Decr. In Accounts Receivable	(21,427)	37,877	59,304		-	37,877
Total Operating Revenues	6,418,077	6,892,934	474,858	a	6,434,419	458,515
OPERATING EXPENDITURES						
Salaries & Wages	2,221,119	2,340,569	119,451		2,425,839	(85,270)
Payroll Taxes	233,404	269,102	35,698		254,878	14,224
Employee Benefits	692,013	747,401	55,388		695,659	51,742
Uniform Expense	13,554	7,515	(6,039)		9,767	(2,252)
Contract Services	234,297	360,870	126,574		258,908	101,962
Legal & Auditing	46,924	65,921	18,998		47,060	18,861
Insurance	451,482	492,726	41,244		451,442	41,284
Office/Computer Supplies	25,483	16,691	(8,793)		15,871	820
Operating Supplies	104,313	102,575	(1,738)		69,252	33,323
Enviro Materials/Supplies	17,189	4,622	(12,567)		12,921	(8,299)
Tarp Pool Expense	35,824	33,254	(2,571)		30,257	2,997
Empl Recog/Relations	7,189	3,108	(4,080)		7,650	(4,542)
Postage	5,286	3,560	(1,726)		4,305	(745)
Janitorial Supplies	17,309	18,227	918		23,138	(4,911)
Fuel & Lubricants	49,702	44,677	(5,025)		43,506	1,171
Permits & Licenses	8,684	10,231	1,547		8,213	2,018
Equipment Purchase & Rental	64,726	95,333	30,606		28,930	66,403
Claims & Damages	8,334	9,040	707		515	8,525
Membership & Dues	32,256	41,001	8,745		33,844	7,157
Bank Charges	151,695	145,456	(6,239)		135,995	9,461
Excise Tax	23,911	25,501	1,590		25,693	(192)
Miscellaneous Expense	1,021	2,479	1,458		2,238	241
Repair & Maintenance Supplies	298,996	207,431	(91,565)		220,767	(13,336)
Facilities & Operations	851,917	763,186	(88,731)		663,095	100,091
Utilities	504,312	524,265	19,953		507,344	16,921
Advertising (Legal)	9,482	9,958	476		11,822	(1,864)
Marketing	31,095	71,539	40,445		36,742	34,797
Promotion	5,270	16,536	11,266		8,635	7,901
Marketing	45,847	98,033	52,186		57,199	40,834
Economic Development	30,000	40,045	10,045		48,750	(8,705)
Travel & Training	16,482	15,170	(1,312)		23,232	(8,062)
Community Relations	682	15,649	14,967		53,183	(37,534)
Total Operating Expenditures	5,342,031	5,740,454	398,423	b	5,496,356	244,097
Net Operating Income (Expense)	1,076,045	1,152,481	76,435		938,063	214,418
Other Increases in Fund Resources						
Retainage Collected	12,456	2,400	(10,056)		6,914	(4,514)
Yard Deposits Collected	2,000	24,953	22,953		27,220	(2,267)
PTBH Prop Lease Deposits Collected	14,853	6,466	(8,388)		15,000	(8,534)
PH Prop Lease Deposits Collected	8,857	16,779	7,921		5,000	11,779
JCIA Prop Lease Deposits Collected	8,679	334	(8,345)		-	334

Accompanying notes, and information memo are an integral part of this statement.

Summary of Fund Resources Uses, Oct. 2023

	YTD Oct. 2022	YTD Oct. 2023	Variance to prior year	notes	YTD Budget 2023	Variance to Budget YTD
Quilcene Lease Deposits Collected	2,312	-	(2,312)		-	-
PH Marina/RV Deposits Collected	(2,727)	770	3,497		17,909	(17,139)
Deposits & Retainage Collected	46,431	51,702	5,271		72,043	(20,341)
Sales Tax Collected	86,149	96,373	10,224		74,908	21,465
Leasehold Tax Collected	510,633	525,562	14,929		498,970	26,592
Hotel/Motel Tax Collected	6,104	8,942	2,838		6,139	2,803
Taxes Collected	602,886	630,877	27,991		580,017	50,860
Grants - FAA	-	559,217	559,217		671,000	(111,783)
Grants - DOC - EDA	-	3,113,963	3,113,963		2,925,000	188,963
Grants - Dept. of Defense - FEMA	-	65,051	65,051		-	65,051
Grants - Fed. Indirect - Dept. of Interior	13,625	364,795	351,170		15,000	349,795
Grants - Fed. Indirect - EPA	-	105,507	105,507		-	105,507
Grants - WA State	85,887	2,590,927	2,505,040		97,000	2,493,927
Capital Contributions/Grants	99,512	6,799,460	6,699,948		3,708,000	3,091,460
Debt Proceeds - Line of Credit	-	335,000	335,000		335,000	-
ARRA Bond Interest Subsidy	32,951	32,951	-		32,000	951
Investment Interest	69,859	402,557	332,698		27,630	374,927
Interest	102,810	435,508	332,698		59,630	375,878
Operating Tax Levy	987,959	1,004,540	16,581		1,003,500	1,040
IDD Tax Levy	2,520,932	2,688,655	167,723		2,470,083	218,572
State Forest Revenues	16,447	72,522	56,074		41,300	31,222
State Timber Excise Tax	25,586	41,277	15,692		21,000	20,277
Leasehold Excise Tax	8,652	8,813	162		7,757	1,056
Property & other taxes	3,559,576	3,815,808	256,232		3,543,640	272,168
Insurance Recovery	-	140,632	140,632		-	140,632
Finance Charges	78,101	33,647	(44,454)		35,003	(1,356)
Other Non-Operating Revenues	27,001	12,093	(14,907)		15,450	(3,357)
Misc Other Incr. in Fund Resources	105,101	186,373	81,271		50,453	135,920
Total Other Incr. in Fund Resources	4,516,315	12,254,727	7,403,411	c	8,013,783	3,905,944
Other Decr. In Fund Resources						
Retainage Paid	1,970	11,384	9,414		3,903	7,481
Yard Deposits Refunded	61,922	-	(61,922)		32,900	(32,900)
PTBH Prop Lease Deposits Returned	21,126	18,048	(3,078)		7,398	10,650
PH Prop Lease Dep. Returned	1,566	6,042	4,476		4,963	1,079
JCIA Prop Lease Dep. Refunded	790	803	14		-	803
PH Deposits Refunded	-	627	627		-	627
Deposits & Retainage Paid	87,373	36,905	(50,469)		49,164	(12,259)
Sales Tax Remitted	79,421	88,922	9,501		63,852	25,070
Leasehold Tax Remitted	611,696	632,019	20,323		597,800	34,219
Hotel/Motel Tax Remitted	6,736	8,512	1,776		6,352	2,160
Taxes Remitted	697,853	729,452	31,599		668,004	61,448
Interest Pmt - 2010 LTGO Bond	80,744	73,544	(7,200)		73,544	(0)
Principal Pmt - 2015 LTGO Rfdg Bond	490,000	500,000	10,000		500,000	-
Interest Exp - 2015 LTGO Rfdg Bond	30,600	23,250	(7,350)		23,250	-
Principal Pmt - 2021 Line of Credit	-	3,823,644	3,823,644		-	3,823,644
Interest Exp - 2021 Line of Credit	-	42,538	42,538		-	42,538
Debt Principal & Interest	601,344	4,462,975	3,861,632		596,794	3,866,181

Accompanying notes, and information memo are an integral part of this statement.

Summary of Fund Resources Uses, Oct. 2023

	YTD Oct. 2022	YTD Oct. 2023	Variance to prior year	notes	YTD Budget 2023	Variance to Budget YTD
Capital Expenses	1,188,756	5,920,372	4,731,616	d	5,920,372	-
Bond Management Fees	1,141	1,420	279		1,200	220
Investment Fees	786	1,000	214		1,000	-
Other Non-Oper Exp	41,054	177,922	136,868		12,150	165,772
Debt Mgmt, Issuance & Misc Exp	42,981	180,342	137,361		14,350	165,992
Election Expense	17,561	-	(17,561)		-	-
Total Other Decr. In Fund Resources	2,635,868	11,330,046	8,694,178	d	7,248,684	4,081,362
Incr. (Decr.) in Other Fund Resources	1,880,447	924,680	(1,290,767)		765,099	(175,419)
Change in Cash - Increase/(Decrease)	2,956,493	2,077,161	(1,214,331)	e	1,703,162	38,999

PORT OF PORT TOWNSEND INFORMATIONAL MEMO

DATE: December 7, 2023

TO: Commissioners

FROM: Sue Nelson, Lease & Contracts Administrator

CC: Eron Berg, Executive Director

SUBJECT: **December 13, 2023, Commission Meeting** – Commission Update: New/Amended Contracts of \$100,000 or less, Approved by Executive Director Eron Berg, per Delegation of Authority Resolution No. 786-23

Name	Dates	Description	Amount Not to Exceed:
DSD Business Systems	12/1/2023-11/30/2024	Sage accounting system support	\$3,500 base cost
CP Communications	12/1/2023-12/31/2024	Drone photography, misc. studies, assessments & analysis	\$20,000.00
Olympic Peninsula Communications	1/1/2024-12/31/2024	Port communications	\$30,000.00
Sound Mechanical Consulting	12/5/2023-12/31/2026	On-call HVAC Services	\$100,000.00

PORT OF PORT TOWNSEND

AGENDA MEMO

DATE: 12/7/2023
TO: Commission
FROM: Sue Nelson, Lease & Contracts Administrator
SUBJECT: December 13, 2023 Lease Update

ISSUE

The purpose of this memo is to keep the Commission informed about existing, planned, and potential leases.

BACKGROUND

As of the beginning of this month the Port has 43 land leases, 40 building leases, 39 rentals.

DISCUSSION

New Agreements:

- WDFW, Point Hudson Building & Land Lease *(for approval at this meeting)*

Lease/Rental Amendments:

- A Hangar Condo Association at JCIA Lease Amendment No. 2 *(for approval at this meeting)*
- Aurora Aircraft Maintenance & Restoration, LLC Amendment No. 1, Fuel Facility Lease & Contract *(for approval at this meeting)*
- Northwest Maritime Center Lease Amendment No. 1, Point Hudson Land Lease *(for approval at this meeting)*

Exercising Options:

Assignments/Assumptions:

Terminated/Expired Agreements:

License & Use Agreements:

December Rent Increases:

- **CPI Increase (9%):** Jeffco Hangar Associates; A Hangar Condo Association at JCIA (if Lease Amendment is not approved at today's meeting); Key City Fish Co (325-B Haines Place location); Port Townsend Sailing Association; The Artful Sailor (original Armory Building shop space)
- **Market Rate Increase:** Building C Hangar Condominium Association
- **Step Increase:**
- **Recurring Annual License Fee:**

Miscellaneous:

- William Short's lease agreement for the Short farm has not been executed.
- Eric and I met with ACI to discuss ACI & Goldstar Building Assessment. Working to schedule a second meeting.
- The following leases expire in 2024, *with no remaining options*. Each hope to negotiate a new lease:
 - Best Coast Canvas (PH)-exp 7/31/24
 - ACI (10th St-BH)-exp 8/31/24
 - Brion Toss Rigging (PH)-exp 8/31/24
 - USCG (BH)-exp 8/31/24
 - Marine Resources Consultants (PH)-exp 9/30/24
 - The Artful Sailor (original shop-PH)-exp 11/30/24
 - Revision Marine (BH)-exp 12/31/24

ATTACHMENTS

1. 2023 Lease List

RECOMMENDATIONS

For information only.

Boat Haven - PROPERTY		DECEMBER 2023		
LEASE NAME	Lease Amount	Lease Expiration	NEXT CPI/MR STEP Incr.	REMARKS
Admiral Ship Supply	2,027.54	1/31/2025*	2/1/2024	*One 5-yr option available.
Andersen Machine Shop	306.77	9/30/2027	10/1/2024	Land lease.
Andersen Machine Shop	64.99	Mo/Mo	6/1/2024	228 sf additional land for storage adjacent shop. 30 day notice for increases.
Armstrong Consolidated LLC (Washington)	10,079.68	Mo/Mo	1/1/2024	30-day notice for rate increases.
Armstrong Consolidated LLC (Washington)	495.39	Mo/Mo	1/1/2024	Additional space upstairs.
Armstrong Consolidated LLC (10th St)	3,422.92	8/31/2024*	N/A	Assignment. * Exercised last 1-yr option, exp 8/31/24.
Armstrong Consolidated LLC (10th St land)	795.79	Mo/Mo	9/1/2024	Land rental-ground in front of building.
Blue Moose Café	839.78	10/31/2026*	11/1/2024	*5-yr option available. 24-mo step to market.
Crown Castle (cell tower)	16,149.96/yr	6/30/2025*	6/1/2024	*One 5-yr option remains. Pay one mo in arrears..
Crown Castle - AT&T Sub-Lease	1,000.17		9/1/2023	Annual lease renewal. 6.5% annual increase 9/2019-9/2022. Pay one mo in arrears.
Eagle Harbor Marine	274.59	Mo/Mo	9/1/2023	Land rental. 30-day notice for rent increases.
EDC Team Jefferson	911.27	Mo/Mo	7/1/2024	2nd floor Nomura Bldg (767 sf). 30-day notice for rent increases.
Fine Yacht Interiors	1,423.59	5/31/2025*	6/1/2024	*One 3-yr option remains. Exercised 2nd option 6/1/22-5/31/25. 4% max CPI
Flye, Todd dba On The Flye	397.08	1/31/2025	2/1/2024	Land lease-temporary structure. No options remain.
Goolden, Leo (Sampson Boat Co)	1,132.90	Mo/Mo	5/1/2024	30-day notice for increases. (M/V Tally Ho project-up to 2 yrs.)
Haven Boatworks	1,421.81	Mo/Mo	1/1/2024	Former J&S Bldg., Haines St. 30-day notice for rent increases.
Haven Boatworks	1,701.29	Mo/Mo	8/1/2023	Back half J&S (former Johnson Fab). Rent-free access+ LET, 7/1-7/15/23 to clean bldg.
Horus Horizon Marine LLC	1,565.48	Mo/Mo	9/1/2024	Temporary agreement, until plans are firmed for BY expansion. Boat finisher/maint.
Jefferson County (Commission Bldg)	2,012.56	9/30/2026	10/1/2024	5-yr. 180 day termination notice-either party.
Jeremy Johnson Photography	186.53	Mo/Mo	9/1/2024	2nd floor office #2F, Nomura Building.
Jochems Property Mgmt.	326.47	10/31/2026	1/1/2024	Land lease. CPI every two years, next 1/1/2024.
Katz, Alan	1,081.33	Mo/Mo	6/1/2024	Land lease, business w/temporary shelters. Amended agreement-incr land by 480 sf/
Key City Fish Co. (10th Street-seafood mrkt)	2,631.36	8/31/2028*	9/1/2024	Seafood market. One 5-yr option. Builindg & land lease. CPI-Yr2/MR-Yr 5
Key City Fish Co. (Haines PL-refrigeration)	929.31	11/30/2024*	12/1/2024	*Two 5-yr options available. CPI applied.
Kimmel's Crab Shack	2,472.02	4/30/2049	5/1/2024	Land lease.
Legato Maritime LLC	210.63	4/30/2024	N/A	Renting Nomura Bldg #2D thru 4/30/24 during Sail PT's off season.
Marine Surveys & Assessments Cooperative	1,601.70	1/31/2028*	2/1/2024	* One 5-yr option. Annual CPI/MR beg year 3 and every 3 years after.
NW Maritime Center (Marine Thrift)	665.31	1/31/2025*	2/1/2024	Exercised last 1-year option. Would like new lease at end of term.
NW School of Wooden BoatBuilding	606.22	6/30/2026*	7/1/2024	*One 5-yr option available. 25% of prevailing rate. Amend 1 adds non-exclusive kitchen use.
Octopus Gardens Diving	1,232.00	6/30/2026	7/1/2024	24 mo. stepped rent to achieve market rate.
Olympic Boat Transport LLC	54.72	Mo/Mo	2/1/2024	Relocated crane next to Pete's Marine.
Pete Stein & Compass Woodwork	107.17	Mo/Mo	6/1/2024	40'x8' land & 7'x8' land for equipment.
Pete's Marine Metals	1,706.29	7/31/2024*	8/1/2024	*One 1-yr option remaining.
Port Townsend Fuel Dock LLC	915.65	6/30/2024*	N/A	*One 5-yr term remains. 2% flowage fee pays rent.
PT Furniture Clinic	668.19	1/31/2025*	2/1/2024	*Exercised last one-year option. Would like new lease at end of term.
PT Sailing Association	700.21	11/30/2027*	12/1/2024	*5-year, 2 week +5-year option building lease, Annual CPI; MR beg. year 3 and every 3 years. CPI applied.
Port Townsend Shipwrights, Inc.	8,299.11	7/31/2050	8/1/2024	MR incr 8/1/30-every 10 yrs/ann CPI. Amend 2: Adds land from Baird bldgs purchase
PT Rigging (Kulin & Vizzini)	557.35	3/31/2030	4/1/2024	Land lease.
PT Rigging	734.40	Mo/Mo	10/1/2024	2,720 sq ft of land, abutting leasehold for rigging work and related storage.
Pt Townsend Yacht Club	295.44	2/28/2026	3/1/2027	Land lease.
Revision Marine	2,238.81	12/31/2024	1/1/2024	Bldg/Land lease.
Sail Port Townsend	208.86	Mo/Mo	5/1/2024	Seasonal use-back in Nomura Office. Off-season, will return 5/1/24.
Sands, Guy & Kim (PT Brewing Co.)	3,746.09	5/31/2026*	6/1/2024	*Two 5-yr options remain. Bldg & Land.
Sands, Guy & Kim (PT Brewing Co)	176.58	Mo/Mo	10/1/2024	600 sf outdoor dining area.
Scow Bay Boats	568.26	9/30/2026	10/1/2024	Land lease-temporary structure. Exercised only 3-year option, 10/1/23-9/30-26.
Sea J's Café (Estate of Florence Jevne)	1,220.74	Mo/Mo	6/1/2024	Mo/Mo Building & Land agreement.
Sitewise Design PLLC	174.65	Mo/Mo	6/1/2024	Mo/Mo building agreement for small office 2-H in Nomura Bldg..
Skookum Corporation	937.89	3/31/2026*	4/1/2024	Annual step increases/*one 5-yr option/renting 3,036 sf lower floor, Nomura Bldg.
Stephens Marine	56.16	Mo/Mo	2/1/2024	Temp storage of equipment. Will move to Jochems building soon.
Sunrise Coffee	207,666.00	9/30/2031*	10/1/2024	*Two 5-yr options available. Deposit balance-6 installments.
Takaki, Jennifer (Marina Café)	659.20	12/31/2026	7/1/2024	5-year lease, stepped rent to achieve MR in 18 mos. Deposit in full.
Takaki, Jennifer (Marina Café)	116.54	Mo/Mo	10/1/2024	396 sf outdoor dining ara.
The Shop Cooperative	5,979.83	5/31/2026*	6/1/2024	*One 5-yr option. Assigned from Pete Stein & Compass Woodwork.
Tree Ring, LLC	142.44	Mo/Mo	3/1/2024	New month/month agreement-small office (2-G) upstairs, Nomura Bldg.
University of WA - Sea Grant	363.44	Mo/Mo	4/1/2024	Office 2-E, Nomura Bldg. Added 100 sf storage space.
U. S. Coast Guard	5,653.93	8/31/2024		Annual leaseA29:E56 renewal & step increases. SLA 003 extends lease 10 mos thru 7/30/24. .
Welti, Rebecca	\$105.00/1xfee	7/31/24*		*5-yr option available. 24-mo step to market. A32:E59+E10

Point Hudson - PROPERTY		DECEMBER 2023		
LEASE NAME	Lease Amount	Lease Expiration	NEXT CPI/STEP Incr.	REMARKS
Best Coast Canvas	2,154.87	7/31/2024*	8/1/2024	Armory Bldg. *Exercised last 1-yr option thru 7/31/24.
Brion Toss Yacht Rigging	967.66	8/31/2024	9/1/2024	Armory Bldg. 5-yr lease, no options.
Brooks, Cindy	41.20	Mo/Mo	7/1/2024	54 sf floor in Armory Bldg thru June to work on wherry for 70/48 race
Cashin, Andrew	195.30	Mo/Mo	5/1/2024	Renting portion of Archive Room in Main Bldg
Commanders Beach House	2,391.40	4/30/2025	5/1/2024	Assignment to D & N Dionne.
Doc's Marina Grill / TNT Restaurants LLC	3,351.24	4/30/2027	5/1/2024	Last 5-yr option 5/1/22-4/30-27. Wants new 10-yr lease.
Fortune Teller Art	385.50	Mo/Mo	8/1/2024	Office #2, Main Bldg., Point Hudson. 30 day notice increases.
GatheringPlace	N/A	7/31/2004	N/A	Southern half of duplex. Leasehold exempt - Non-profit
Hanson of Port Townsend Inc.	398.94	5/31/2024*	6/1/2024	Armory Bldg. *One 1-yr option remains: 6/22 , 6/23 , 6/24.
Hudson Point Café	1,727.14	6/30/2025*	7/1/2024	Main Bldg. *One 5-yr option available.
Hudson Point Café Office #10, Main Bldg.	283.80	Mo/Mo	7/1/2024	Main Bldg. Restaurant view office.
Hudson Point Café Office #8	270.60	Mo/Mo	7/1/2024	Main Bldg. Restaurant storage, non-view office.
Hudson Point Café	117.73			Main Bldg - common area fee-restroom cleaning/stocking
Impact Naval Architects, LLC	283.80	Mo/Mo	9/1/2024	Office #1, Main Bldg. Moved from Duplex, due to upcoming renovations
Marine Resources Consultants Inc.	567.74	9/30/2024*	N/A	Armory Bldg. *Used last option.
Marine Science Center	105.00/1 x fee	auto-renew	N/A	Use of Union Wharf for "Guenther" whale display. One-time license fee.
Mark Kielty Design	283.80	Mo/Mo	8/1/2024	Main Bldg., small view office.
Mark Kielty Design	7.77			PH Main Bldg - common area fee-restroom cleaning/stocking
Northwest Maritime Center	1,444.50	6/30/2051	7/1/2024	Former Landfall site-plan to build 3000 sf classroom.
Northwest Maritime Center (Swan Hotel)	516.00/yr	auto renew	6/1/2024	License-encroachment. MR every 3-yrs. Port may term w/180-day notice
Puget Sound Express	1,157.40	12/31/2025	1/1/2024	No options remain.
Schooner Martha Foundation	838.11	12/31/2024*	1/1/2024	*One 5-yr option available.
SEA Green Partners d/b/a SEA Marine	2,508.25	4/30/2027*	5/1/2024	*One 5-yr option. Armory Bldg-Upstairs sail loft space.
Shanghai Restaurant	2,818.44	10/31/2026	11/1/2024	No options remain.
Shanghai Restaurant	174.90			PH Main Bldg - common area fee-restroom cleaning/stocking
Shannon Partners LLC (SEA Marine)	3,591.94	9/30/3038	10/1/2024	New lease. Rent increase to set amount 7/1/27; MR/5-years,CPI/annual
The Artful Sailor	604.30	11/30/2024*	N/A	Armory Bldg. *Exercised last option. CPI applied.
The Artful Sailor	468.48	Mo/Mo	3/1/2024	Armory Bldg-NW end of bldg.
U.S. Customs	3,236.16	12/20/2027	12/20/2024	Hospital Bldg. Accepted 5-yr option 12/2022 - 12/2027.
Washington Dept. of Fish & Wildlife	8,430.97	3/21/2024*	N/A	Hospital Bldg. *One 5-yr option.
Washington Dept. of Fish & Wildlife	1,649.06	Mo/Mo	11/1/2024	Cupola Annex-storage.
Washington Dept of Fish & Wildlife	15.32	Mo/Mo	6/1/2024	Small storage area in Sail Loft for spare boat motor.

JCIA - PROPERTY	DECEMBER 2023			
LEASE NAME	Lease Amount	Lease Expiration	NEXT CPI/ Step Incr.	REMARKS
A Hangar Condo Association	1,263.37	11/20/2045	12/1/2024	Land lease. Hangars 'E' & 'F'. CPI applied.
Aurora Aircraft Maint & Restoration	596.85	10/31/2026*	11/1/2024	*One 5-yr option remains.
Aurora Aircraft Maint & Restoration		12/31/2023	N/A	Fuel Concession. If Erickson replaces tank, one more 5-yr option available. Port is paid 2%/fuel sales for lease.
Broderson, Dennis	63.53	2/28/2016	3/1/2024	T-hangar pad LEASE
Browning, Scott & Lori	100.00/yr	ann. auto renew	8/1/2024	Periodic tree & shrub removal.
Dow Jeffery & Jorja	394.76	12/31/2028	8/1/2024	Land lease. Hangar 'D'.
Eber, Lorenz	80.00	Mo/Mo	1/1/2024	T-hangar pad, #T-404(P)
Erickson, Warren & Karen	189.28	7/26/2057	3/1/2024	Land lease. Hangar '4-B'.
G Hangar Condo Assoc.	610.88	6/9/2047	7/1/2024	Land lease.
Grandy, Richard	189.84	7/26/2057	3/1/2024	Land lease. Hangar '4-A'.
H-Hangar Corp., Inc.	567.84	6/22/2049	7/1/2024	Land lease.
Hangar C Group LLC	726.25	4/30/2053	12/1/2024	Settled 2/25/21: Amend #6: Ext. term. MR applied.
Hood Canal Aviation LLC/Jim Piper	189.28	7/26/2057	3/1/2024	Land lease. Hangar '4-C'.
JEFFCO Hangar Assoc., Inc.	777.74	11/30/2041	12/1/2024	11,369 sf, hangar site 'I'. CPI applied.
Jeff. Co. Airport Condo Owners Assoc.	1,939.10	7/26/2057	3/1/2024	Assignment of NW Hangar's Lease for sites #7 & 8.
K-Hangar Assoc. @ JCIA	578.34	4/25/2049	5/1/2024	Land lease.
L Hangar Condo Assoc @JCIA	667.38	10/31/2048	10/1/2024	Land lease.
LBG Development, LLC	500.00 fee	4/15/2024*	N/A	Site 1-Exer. option by 4/15/24-then rent begins/50-yr lease.
LBG Development, LLC	500.00 fee	4/15/2024*	N/A	Site 3-Exer. option by 4/15/24-then rent begins/50-yr lease.
Lemanski, Tom & Linda	80.00	Mo/Mo	3/1/2024	T-hangar pad, T-405. 2023 adopted rate applied (8¢/sf)
Morrison, Neil/Lark Leasing	189.85	4/30/2053	5/1/2024	Land lease. Hangar 'N-North'.
Morrison, Neil	189.85	4/30/2053	5/1/2024	Land lease. Hangar 'N-South'.
Northwest Custom Hangars, LLC(Ward)	500.00 fee	4/15/2024*	N/A	Site 2-Exer option by 4/15/24-then rent begins/50-yr lease
Port Townsend Aero Museum	430.98	7/31/2052*	5/1/2024	*One 25-yr option. Museum bldg- land lease.
Port Townsend Aero Museum	369.40	7/31/2052*	5/1/2024	*One 25-yr opt. Museum bldg- land lease (expan.).
Port Townsend Aero Museum	635.38	7/31/2052*	5/1/2024	*One-25 yr option. Maintenance bldg- land lease.
Port Townsend Aero Museum	252.64	4/30/2053	5/1/2024	M' Hangar. Separate land lease.
Port Townsend Aero Museum	80.00	Mo/Mo	5/1/2024	T-hangar pad, T-400(S).
Port Townsend Aircraft Services	319.47	6/30/2035*	7/1/2023	*Two 10-yr options.
Pratt Sr., David	80.00	Mo/Mo	3/1/2024	T-hangar pad, T-401(N). 2023 adopted rate applied (8¢/sf)
Puget Sound Express-J Hangar Lease	400.00	10/1/2050	10/1/2024	Assignment-Land lease to Puget Sound Express.
Roethle, Garth	80.00		4/1/2024	Purchased T-hangar from Northup Estate. #406-M
Spruce Goose	249.21	9/30/2029*	10/1/2023	*Two 5-yr options. CPI/MR apply.
Station Prairie	610.40	4/30/2072	5/1/2024	Hangar site pad #5. Amend #1 incrsd premises. CPI applied
Townshend, Brendon	63.53	2/28/2026		Assigned T-hangar pad 402-O from Daniel Scheall
Wexman, Scott & Diana Levin	275.20	3/31/2053	4/1/2024	Land lease. Hangar 'O'.

QUILCENE - PROPERTY		DECEMBER 2023		
LEASE NAME	Lease Amount	Lease Expiration	NEXT CPI/ Step Incr.	REMARKS
Canterbury, Ray	<i>fluctuates</i>	N/A		<i>Water rights.</i>
Coast Seafoods	\$5,747.69	12/31/2039	1/1/2024	Land lease.
Coast Seafoods	<i>fluctuates</i>			<i>Water.</i>
Quilcene Harbor Yacht Club	\$ 561.35	10/31/2027*	11/1/2024	*One 5-yr option. Rent + 106/hrs in-kind labor. Non-exclusive use of deck.
Quilcene Harbor Yacht Club	<i>fluctuates</i>			<i>Water.</i>
Quilcene Village Store	\$ 130.88	Mo/Mo	9/1/2024	Rental of kayak rack & ground it sits on. Mo-to-mo.

CHIMACUM - PROPERTY

DECEMBER 2023

LEASE NAME	Lease Amount	Lease Expiration	NEXT CPI/ Step Incr.	REMARKS
Short Farm - Farm Lease	\$0.00*	8/31/2024	N/A	1-year farmland lease (29,460 sf) Rent-free as per sale agreement). LET charged on entire value.
Short Farm - Residential Lease (Roger & Sandy)	0.00*	8/31/2029**	9/1/2024	2,280 sf bldg. *Rent-free, as per sale agreement, until 9/1/24 (LET charged on value until then). Beg. 9/1/24 rent @ \$1,000/mo + LET. **One 5-year option.
Short Farm - Mobile Home (William)	0.00*	8/31/2029	9/1/2024	21,632 sf, *Rent free, as per sale agreement, until 9/1/2024 (LET charged on value until then). Beg 9/1/24 rent @ \$200/mo + LET.
Short Farm - Mobile Home (Kevin)	\$0.00*	8/31/2024	N/A	6,300 sf. Rent free, as per sale agreement. (LET charged on value)



AMENDMENT TO PORT RULES & REGULATIONS

ISSUED BY: Eron Berg, Executive Director

DATED: November 28, 2023

EFFECTIVE: Immediately

SUMMARY: This amendment updates rules for group reservations at Point Hudson's RV Park.

RULE:

8.02.030 Group Reservations

A. ~~Group reservations open in the first month of each year. Group reservations open the first Tuesday in January each year. Reservations will be taken for groups for a minimum of two (2) consecutive night's stay. A group booking is defined as eight (8) or more RVs.~~

B. ~~Groups~~In order to be eligible to make a group reservation, a group must be comprised by at least eight (8) recreational vehicles (RVs) at the time of arrival, and must reserve a stay of at least two (2) consecutive nightsare defined as a minimum of 2 consecutive nights and to be no less than 8 RV's at time of arrival.

CB. ~~Reservation fees will be charged on a per Group basis on the day of initial contact, consistent with the Port's tariff. The depositreservation fee is nonrefundable and will not be applied towards the reservation balance. A reservation fee will be charged on a per RV basis on the day of initial contact, consistent with the Port's tariff. The reservation fee is nonrefundable and will not be applied towards a night's stay. Once space has been requested for the estimated number of guests, a quantity of sites will be "blocked out" in the group's name, based on the number of reservations paid, and an "estimate" of the RV sizes comprising the group.~~

DC. ~~Each group must have a single point of contact, or "group coordinator" for the purposes which include, but are not necessarily limited to: of communicatingions with the group,; executing -signing agreements on behalf of the group; and financial responsibility for the group,; financial responsibility, etc., for the group~~ A group reservation agreement packet will be emailed, faxed, or mailed to the group contact person that confirms the number of sites set aside, and outlines the requirement that a final guest list must be supplied to the Port by no later than thirty (30) days prior to the arrival date. That list must include, at a minimum, the following information:

- ~~1. The group contact person's name, address and phone number;~~
- ~~2. The size and type of RVs included in the group; and~~
- ~~3. The dates of requested stay; and~~
- ~~4. The site assignments.~~

~~ED. In the event that a group drops below eight (8) RVs/sites, the group booking will be cancelled, and the reservation fees will be forfeited. In the event that a group cancels its reservation after the final group reservation agreement is supplied to the Port, the spaces shall revert back to the reservation pool.~~



AMENDMENT TO PORT RULES & REGULATIONS

ISSUED BY: Eron Berg, Executive Director

DATED: November 28, 2023

EFFECTIVE: Immediately

SUMMARY: This amendment updates rules for business moorage, eliminating an unused surcharge.

RULE:

4.04.250 Business moorage – Conditions of approval

A. The areas designated as business moorage by the Harbormaster shall be charged at ~~25% more than the current reserve moorage rate~~ the current Permanent Moorage rate.

B. A copy of a current business license shall be provided by the business receiving moorage. Businesses may pass on charges to their clients not to exceed the amount paid to the Port.

C. Businesses shall be responsible for any utility charges. Rafting in areas that will not affect the navigation of other vessels may be allowed.

D. Businesses shall sign a liability waiver releasing the Port from any liability.

E. Business moorage will be assigned from a business waiting list.

F. Assignment of business moorage will be restricted to linear areas.

G. These areas will be charged based on designated space size or the length overall of the vessel, whichever is greater.

H. All charter vessels operating out of the Port shall be required to provide documentation of insurance covering customer liability, in addition to meeting the insurance requirements set forth in §4.02.080(B).



AMENDMENT TO PORT RULES & REGULATIONS

ISSUED BY: Eron Berg, Executive Director

DATED: November 28, 2023

EFFECTIVE: Immediately

SUMMARY: This amendment updates rules for the moorage waitlist, streamlining the renewal process

RULE:

4.04.050 Fees – Moorage waiting and reassignment applications

A. Except for undesirable moorage spaces, a non-refundable Moorage Waiting List administrative fee shall be required in order to be placed on a waiting list.

B. The wait list fee shall be renewed annually, ~~in the anniversary month of the original application~~ on January 1st within the first week of each year. If said fee is not paid by ~~the final day of the anniversary month~~ March 1st of that year, the application shall be considered abandoned, and the applicant will be removed from the waiting list with no further rights to moorage under said application. Applicants that signup on or after June 1st of the current year will not be assessed renewal fees until the second January following their list date.

C. The “Request to Move” list fee shall be a one-time fee per listing. This fee ~~is for~~ is the same amount as the original Moorage Waiting List application fee.

Port of Port Townsend
Upcoming Commission Meetings Calendar (Tentative Agenda Items)

Date/Time		Item/Topic	Location	Absent
Mon-Tues, Dec. 25-26		<i>Holiday – Port Offices Closed</i>		
Mon., Jan. 1		<i>Holiday – Port Offices Closed</i>		
Wed., Jan. 10 9:30 am	Workshop	Reports and Timeline on Sea-Level Rise and Sims Gateway PIF applications 2024 Organizational Topics – for discussion	Pav	
Wed., Jan. 10 1 pm	Meeting	Authorize Executive Director to Execute Professional Service Agreement with Macleod Reckord for the Sims Gateway and Boat Yard Expansion Project 2024 Organizational Topics (Election of Commission Officers, Committee Assignments, Review Commission Meeting Procedures, Delegation of Management Authority, Commission Annual Retreat Meeting of the Industrial Development Corporation of the Port of Port Townsend (Election of Officers, Minutes approval, review financial statement 2023) Rescind Res. 626-15 naming Abigail as Investment Officer, new resolution naming the person currently holding the position of the Director of Finance and Administration to be the Investment Officer (this on also mentions “Auditor,” but this was addressed via Motion at the 10/24 regular meeting) Rescind Res. 663-17 appointing Abigail as Agent to Receive any Claims for Damages to the Port, new resolution naming the current person holding the position of Director of Finance and Administration to be such Agent	Pav	
Mon., Jan. 15		<i>Holiday – Port Offices Closed</i>		
Wed., Jan 17 Time TBD	Meeting	Short Farm Steering Committee	WSU Kively Center	
Wed., Jan. 24 5:30 pm	Meeting	YTD Financial reports for November & December 2023	Pav	
Wed., Feb. 14 9:30 am	Workshop		Pav	
Wed., Feb. 14 1 pm	Meeting		Pav	
Wed., Feb. 21 Time TBD	Meeting	Short Farm Steering Committee	WSU Kively Center	
Wed., Feb. 28 5:30 pm	Meeting		Pav	
Wed., Mar. 13	Workshop		Pav	

**Port of Port Townsend
Upcoming Commission Meetings Calendar (Tentative Agenda Items)**

9:30 am				
Wed., Mar. 13 1 pm	Meeting		Pav	
Wed., Mar 13	Meeting	Short Farm Steering Committee	WSU Kively Center	
Wed., Mar. 27 5:30 pm	Meeting		Pav	
Wed., Apr. 10 9:30 am	Workshop		Pav	
Wed., Apr. 10 1 pm	Meeting		Pav	
Wed., Apr.17 Time TBD	Meeting	Short Farm Community Visioning Meeting	WSU Kively Center	
Wed., Apr.18 Time TBD	Meeting	Short Farm Steering Committee	WSU Kively Center	
Wed., Apr. 24 5:30 pm	Meeting		Pav	
Wed., May 8 9:30 am	Workshop		Pav	
Wed., May. 8 1 pm	Meeting		Pav	
Wed., May 15 Time TBD	Meeting	Short Farm Steering Committee	WSU Kively Center	
Wed., May 22 5:30 pm	Meeting		Pav	
Wed., May 29 Time TBD	Meeting	Short Farm Steering Committee	WSU Kively Center	
Wed., June 5	Meeting	Short Farm Steering Committee		
Wed., Jun. 12 9:30 am	Workshop		Pav	
Wed., Jun. 12 1 pm	Meeting		Pav	

Port of Port Townsend
Upcoming Commission Meetings Calendar (Tentative Agenda Items)

Wed., June 19 Time TBD	Meeting	Short Farm U of W Student Presentation	TriArea or WSU Kively Center	
Wed., June 26 5:30 pm	Meeting		Pav	
Wed., Jul. 10 9:30 am	Workshop	Short Farm		
Wed., Jul. 10 1 pm	Meeting		Pav	
Wed., Aug. 14 9:30 am	Workshop		Pav	
Wed., Aug. 14 1 pm	Meeting		Pav	
Wed., Aug. 28 5:30 pm	Meeting	Cancelled		