



*Working Together to Enhance the Economic Vitality of North Central Washington*

**Chelan Douglas Regional Port Authority**

**Confluence Technology Center  
285 Technology Center Way, Wenatchee WA  
Methow & Teanaway River Rooms  
or  
Zoom Virtual Conference Room Option**

**Meeting Agenda  
April 26<sup>th</sup>, 2022  
9:00 am**

**I. CALL TO ORDER**

*\*Note: When the Chelan Douglas Regional Port Authority meeting is called to order, the Port of Chelan County and Port of Douglas County meetings are simultaneously called to order.*

**II. INTRODUCTIONS**

**III. CONFLICT OF INTEREST**

**IV. CONSENT AGENDA**

**CDRPA:** Approval of Meeting Minutes of April 12<sup>th</sup>, 2022 Meeting; Approval of Special Meeting Minutes of April 19<sup>th</sup>, 2022 Meeting; and March 2022 Commission Calendar.

**V. PUBLIC PRESENTATIONS**

- SoCo Crossing Update – Flint Hartwig & Ellyn Freed
- Travis Hornby – Pybus Public Market

**VI. POCC COMMISSIONER DISTRICT 3 INTERVIEWS**

- Allen R Steele 10:30 to 11:15
- Richard DeRock 11:15 to 12:00

**VII. POCC ACTION ITEMS**

- (1) Purchase & Sale Agreement with Microsoft – Malaga Property
- (2) Purchase & Sale Agreement with Louws Truss, Inc. – Cashmere Mill District Property
- (3) Purchase & Sale Agreement with Marsha Hays – Malaga Property

**VIII. CDRPA ACTION ITEMS**

- (4) Purchase & Sale Agreement with Microsoft – Malaga Property/Approval
- (5) Purchase & Sale Agreement with Louws Truss, Inc. – Cashmere Mill District Property/Approval
- (6) Purchase & Sale Agreement with Marsha Hays – Malaga Property/Approval
- (7) ALSC Architects Agreement – G.A. Terminal Building Project

**IX. CDRPA INFORMATIONAL ITEMS (Board may act on any items listed)**

- Recap Army National Guard Visit
- Business Lead – Confluence Technology Center Property
- Chelan County PUD 5th Street RFP
- Van Well – Phase I Environmental Site Assessment

**X. MISCELLANEOUS STAFF REPORTS**

- CEO
- Director of Finance & Administration
- Director of Airports
- Director of Economic & Business Development
- Public Works & Capital Projects Manager
- Property & Maintenance Manager
- CTC Manager

**XI. PUBLIC COMMENT**

**XII. REVIEW CALENDAR OF EVENTS**

**XIII. ITEMS FROM BOARD OF DIRECTORS**

- XIV. EXECUTIVE SESSION:** An Executive Session may be called during the meeting. The purpose must be announced and is limited by RCW 42.30.110. Examples include: (1) to discuss with legal counsel litigation, potential litigation and/or legal risks (RCW 42.30.110(1)(i)); (2) to consider the acquisition of real estate by lease or purchase when public knowledge regarding such consideration would cause a likelihood of increased price (RCW 42.30.110(1)(b)); and (3) to consider the minimum price at which real estate will be offered for sale or lease when public knowledge regarding such consideration would cause a likelihood of decreased price (final action selling or leasing public property shall be taken in a meeting open to the public)(RCW 42.30.110(1)(c)); and (4) to evaluate the qualifications of an applicant for public employment or to review the performance of a public employee(RCW 42.30.110(1)(g))

**XV. ADJOURN**

**PLEASE NOTE:** The agenda is tentative only. The Board of Directors may add, delete, or postpone items and may take action on any item not on the agenda (This does not apply during a Special Meeting). The Directors may also move agenda items during the meeting. If you wish to address the Regional Port Authority on a non-agenda or an agenda item, please raise your hand to be recognized by the President. When you have been recognized, give your name and address before your comments. The Board of Directors are committed to maintaining a meeting atmosphere of mutual respect and speakers are encouraged to honor this principal.

The Port Authority office is ADA compliant. Please contact the Administrative Office at 509-884-4700 at least three (3) days in advance if you need any language, hearing or physical accommodation.



**Board of Directors  
Chelan Douglas Regional Port Authority  
Meeting Minutes  
April 12, 2022  
9:00 am**

**Present:**

**Directors:**

JC Baldwin, Director (Zoom)  
Rory Turner, Director  
Donn Etherington, Director

Jim Huffman, Director  
W. Alan Loeb sack, Director  
Mark Spurgeon, Director

**Staff:**

Jim Kuntz, Chief Executive Officer  
Trent Moyers, Director of Airports  
Quentin Batjer, Legal Counsel  
Bobbie Chatriand, Administrative Assistant  
Esther McKivor, Acct. Specialist (Zoom)  
Ron Russ, Property & Maintenance Mgr. (Zoom)  
Laura Camarillo Reyes, Admin. Assistant (Zoom)  
Stacie de Mestre, Public Works & Capital PM (Zoom)

Monica Lough, Director of Finance  
Ron Criddlebaugh, Director of Econ. Dev.  
Bealinda Tidd, Acct. Specialist (Zoom)  
Sarah Deenik, Comm. Specialist  
Craig Larsen, Business Dev. Manager  
Tricia Degnan, CTC Mgr. (Zoom)

**Guests:**

Erik Howe, RH2 (Zoom)  
Emily Thompson, Wen. World  
Michoan Spoeltra, Absher Construction (Zoom)  
Tal Glass, Mead & Hunt (Zoom)  
Steven Wilkenson, Wenatchee Chamber (Zoom)  
Chris Mansfield, T.O. Engineers (Zoom)

Stacy Shewell, OAC Services (Zoom)  
Kyle Lamb, KPQ (Zoom)  
Nate Bergstrom, Audi Const, LLC (Zoom)  
David Schwab, Citizen  
Donald Flick, Cascade Soaring (Zoom)

**The Chelan Douglas Regional Port Authority Board Meeting was called to order at 9:00 am.**

**Director Baldwin attended via ZOOM; Director Spurgeon filled in for her as Vice President.**

**Introductions were made.**

**Conflict of Interest: None**

**CDRPA CONSENT AGENDA:**

The Chelan Douglas Regional Port Authority Consent Agenda consisting of Minutes of March 22<sup>nd</sup>, 2022 Meeting and the March 29<sup>th</sup>, 2022 Tri-Commission Meeting, and Check Register Pages #2022-09 - #2022-13, including Electronic Transfers.

**Motion No.**

Moved by:

Seconded by:

**03-14-22 CDRPA**

W. Alan Loeb sack

Jim Huffman

To approve the Chelan Douglas Regional Port Authority Consent Agenda consisting of Minutes of March 22<sup>nd</sup> 2022 Meeting and the March 29<sup>th</sup>, 2022 Tri-Commission Meeting, and Check Register Pages #2022-09 - #2022-13, including Electronic Transfers.

Motion passed 6-0.

**POCC CONSENT AGENDA:**

To approve the Port of Chelan County Consent Agenda consisting of Check Register Page #2022-02.

**Motion No.**  
Moved by:  
Seconded by:

**03-15-22 POCC**  
Rory Turner  
Donn Etherington  
To approve the Port of Chelan County Consent Agenda consisting of Check Register Page #2022-02.

Motion passed 3-0.

**CDRPA INFORMATION ITEMS:**

**David Schwab-Naming of US Highway 97**

Army Veteran David Schwab discussed his petition and requested a letter of support from Commissioners to rename a portion of US Highway 97 that is within the boundaries of Douglas County to "World War II Veterans Memorial Highway".

**Motion No.**  
Moved by:  
Seconded by:

**03-16-22 CDRPA**  
Jim Huffman  
Rory Turner  
To compose a letter of support from Commissioners to rename a portion of US Highway 97 that is within the boundaries of Douglas County.

Motion passed 6-0.

**PRESENTATION:**

**MALSR Project update – T.O Engineering/Mead & Hunt**

Chris Mansfield from T.O. Engineers along with Tal Glass from Mead & Hunt discussed the MALSR Project to include the proposed project layout, schedule, and cost.

**CDRPA ACTION ITEMS:**

**Authorization to enter into a Cooling Water Disposal Evaluation with RH2 Engineering for the GBI Property in Malaga.**

Kuntz & de Mestre presented a proposal to determine feasibility of a cooling water disposal system on the GBI property.

**Motion No.**  
Moved by:  
Seconded by:

**03-17-22 CDRPA**  
Rory Turner  
W. Alan Loeb sack  
To authorize the CEO to enter into a Cooling Water Disposal Evaluation with RH2 Engineering for the GBI Property in Malaga, in the amount of \$45,813 as presented.

Motion passed 6-0.

**Authorization to enter into a General Engineering Services with RH2 Engineering for Malaga water system improvements to Lojo Property.**

Kuntz & de Mestre presented a proposal to proceed with the engineering to upgrade the Malaga Water System to serve the Port owned Lojo Property.

**Motion No.**  
Moved by:  
Seconded by:

**03-18-22 CDRPA**  
Jim Huffman  
W. Alan Loeb sack  
To authorize the CEO to enter into a General Services Agreement with RH2 Engineering for Malaga water system improvements to the Lojo Property in the amount of \$404,012, as presented.

Motion passed 6-0.

**Revised Operating Policy- Airport Terminal Building Parking Lot.**

Lough presented a revised Operating Policy for the Airport Terminal Building Parking Lot.

**Motion No.**                                **03-19-22 CDRPA**  
*Moved by:*                                 *W. Alan Loeb sack*  
*Seconded by:*                             *Rory Turner*  
*To approve the revised Operating Policy for the Airport Terminal Building Parking Lot, as presented.*

*Motion passed 6-0*

**Executive Flight Fueling System Repairs & Improvements – Change Order.**

Russ presented a proposed change order for the Executive Flight Fueling System Repairs.

**Motion No.**                                **03-20-22 CDRPA**  
*Moved by:*                                 *Rory Turner*  
*Seconded by:*                             *Jim Huffman*  
*To approve the Executive Flight Fueling System Repairs & Improvements COP#2 and increase the overall budget to \$75,000.*

*Motion passed 6-0.*

**Authorization to Bid Waterville Airport Lighting Project & submit grant to WSDOT Aviation Division, with a 10% Regional Port match.**

Kuntz & de Mestre presented a proposal to authorize the CEO to bid the Waterville Airport Lighting Project and to submit a grant to the WSDOT Aviation Division.

**Motion No.**                                **03-21-22 CDRPA**  
*Moved by:*                                 *W. Alan Loeb sack*  
*Seconded by:*                             *Rory Turner*  
*To authorize the CEO to proceed with bidding the Waterville Airport Lighting Project and to submit a WSDOT Aviation Grant pledging a 10% Regional Port match.*

*Motion passed 6-0.*

**Director Spurgeon called for a 10-minute break at 10:35 am, meeting reconvened at 10:45 am.**

**CDRPA INFORMATIONAL ITEMS (Continued):**

- **Congressionally Directed Spending Requests FY23.** Congress has approved the return of congressional directed spending (earmarks). Kuntz discussed which projects to submit to each congressional member. The Board concurred with a list of projects to submit.
- **Cashmere Mill District – Land Appraisal Results.** Discussion ensued regarding the recent Cashmere Mill District Land Appraisal and what the future holds for this land.
- **Lineage Property – Going forward Strategy.** de Mestre discussed the Lineage property, specifically the section that SoCo is trying to purchase. There was much discussion regarding the SoCo purchase of the building and their financing of the Lineage Building. Also discussed was putting the property back on the market if SoCo is not able to acquire financing. As for the middle section of the Lineage

property, it was decided to wait until the SoCo decision was made, prior to proceeding with any improvements.

- **Recap – Partnership Breakfast & Lunch Events.** Kuntz gave a brief recap of attendance and the overall experience of the recent Partnership Breakfast and Lunch events.
- **Alaska Airlines Fall Schedule – Pangborn Airport.** There was much discussion regarding the upcoming Fall schedule change for Alaska Airlines and the impact that it will have on the community with having only one flight per day. It was mutually agreed by all commissioners that the Port Authority should continue forward with all current Pangborn projects that will add the much-needed upgrades to the airport for future use.
- **Greater Wenatchee Irrigation District Update.** Ron Russ provided an update on the status of the GWID meter installation process.
- **Airport Apron Rehabilitation Project Update.** de Mestre provided an update on the airport apron rehab project. The project is on schedule and will be soon entering PHASE II. She shared pictures of the Glycol collection system that has recently been installed.

#### **MISC STAFF REPORTS:**

##### **Kuntz provided information and updates including:**

- Flywheel Investment Conference coming up on May 18-19

##### **Moyers provided information and updates including:**

- Airlift NW Operations/National Guard Hangar plans.
- Terminal Apron project is going well. Runway Closure potentially slated for July. Looking into options that would avoid the closure.
- Aviation Day date and possible event name change.
- FBO new employee started.
- Insurance claim is possible for perimeter fence destroyed by driver with no insurance.

##### **Lough provided information and updates including:**

- Announced Esther McKevor's retirement this summer and the search for her replacement is underway.

##### **de Mestre provided information and updates including:**

- Recent updates from the new carpet installation at the Port offices.

##### **Cridlebaugh/Larsen provided information and updates including:**

- Frito Lay possible build sites and what would be the best option for them.

##### **Russ provided information and updates including:**

- Orondo River Park preparation updates. The park will open Friday, April 15<sup>th</sup>.

**PUBLIC COMMENT** – An opportunity for public comment was provided; however, no public comments were received.

**REVIEW CALENDAR OF EVENTS:** The deadline for the Commission vacancy applications, the Army National Guard visit, as well as other pertinent dates that are coming up were discussed.

**ITEMS FROM BOARD OF DIRECTORS:** Board of Directors provided various updates.

**EXECUTIVE SESSION:**

An Executive Session was called at 12:35 pm for 45-minutes to discuss with legal counsel matters affecting Real Estate.

Meeting reconvened in Regular Session and was immediately adjourned at 1:15pm with no action taken.

Signed and dated this 26<sup>th</sup> day of April 2022.

**CHELAN DOUGLAS REGIONAL PORT AUTHORITY**

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JC Baldwin, Director

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Jim Huffman, Director

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Donn Etherington, Director

\_\_\_\_\_  
Mark Spurgeon, Director

\_\_\_\_\_  
Rory Turner, Director

\_\_\_\_\_  
W. Alan Loeb sack, Director



**Board of Directors**  
**Chelan Douglas Regional Port Authority**  
**Special Meeting Minutes**  
**April 19<sup>th</sup>, 2022**  
**1:00 pm**

**Present:**

**Directors**

JC Baldwin, Director  
W. Alan Loebsock, Director  
Rory Turner, Director

Jim Huffman, Director  
Donn Etherington, Director  
Mark Spurgeon, Director

**Staff**

Jim Kuntz, Chief Executive Officer  
Trent Moyers, Director of Airports  
Stacie de Mestre, Capital Projects Mgr.  
Bobbie Chatriand, Admin. Assistant  
Bealinda Tidd, Accounting Specialist (Zoom)  
Sarah Deenik, Communications Coord.

Monica Lough, Dir. of Finance & Admin.  
Ron Cridlebaugh, Dir. of Economic Dev.  
Craig Larsen, Business Dev. Mgr.  
Quentin Batjer, Legal Counsel  
Ron Russ, Property & Maint. Mgr (Zoom)  
Colby Goodrich, FBO Mgr

**Guests**

Erik Howe, RH2  
Kyle Lamb, KPQ (Zoom)  
Chris Mansfield, T.O. Engineering (Zoom)  
Emily Thornton, Wenatchee World

Camille Koenig, Horizon Airlines (Zoom)  
Steven Wilkenson, WVC (Zoom)  
Waleed Muhammad, WVC (Zoom)

**The Chelan Douglas Regional Port Authority (CDRPA) Special Meeting was called to order at 1:00 pm. The meeting was held at Confluence Technology Center and via Zoom as previously posted in the required Public Meeting Notice.**

**Introductions were made.**

**Hangar Pad Site Fee Schedule/Contractor Yards Packet**

Jim Kuntz discussed the preliminary analysis of the Airside Hangar Development, Phase I and Phase II. This included the locations of hangars, hangar sizes, contractor pads, new road placement as well as a new taxiway.

Monica Lough discussed overall project costs and a proposed capital allocation fee for each lot. The Board determined the contractor yards were not financially feasible to pursue.

**Commissioner Turner excused himself from the meeting and any further POCC Candidate discussion at 2:20pm.**

**EXECUTIVE SESSION:**

An Executive Session was called at 2:20pm for 15-minutes to discuss with legal the qualifications of Commissioner applications and the legal requirements of appointing the position.

The meeting reconvened in Regular Session at 2:35pm.



**POCC Commission Candidates**

The Board announced both applicants, Allen Steele and Richard DeRock, would be interviewed for the POCC District 3 Commissioner vacancy at the April 26<sup>th</sup> Board meeting. Discussion ensued regarding the length of interviews and the extent of interview questions.

The meeting adjourned at 2:40pm with no action taken.

Signed and dated this 26<sup>th</sup> day of April 2022.

**CHELAN DOUGLAS REGIONAL PORT AUTHORITY**

\_\_\_\_\_  
JC Baldwin, Director

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Jim Huffman, Director

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Donn Etherington, Director

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Mark Spurgeon, Director

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Rory Turner, Director

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W. Alan Loeb sack, Director



# Memo

**To:** Board of Directors

**From:** Jim Kuntz

**Date:** 4/21/22

**Re:** Purchase & Sale Agreement - Microsoft

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Attached is the Purchase & Sale Agreement with Microsoft for your review. Legal Counsel will be available on Tuesday for further discussion.

PURCHASE AND SALE AGREEMENT

by and

between

PORT OF CHELAN COUNTY, a Washington municipal corporation,

as “Seller”

and

MICROSOFT CORPORATION, a Washington corporation

as “Buyer”

For the Property located in Chelan County, Washington  
(APN: 222135100060, 222135100071, and 222135100072)

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#### List of Exhibits

Exhibit A	Legal Description of Property
Exhibit B	Form of Deed
Exhibit C	Form of General Assignment
Exhibit D	Form of Title Affidavit
Exhibit E	List of Reports Delivered to Buyer

Exhibit F      List of Water Rights Documents  
Exhibit G      Approved Title Exceptions



## PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT (this “Agreement”) is dated as of the Effective Date by and between PORT OF CHELAN COUNTY, a Washington municipal corporation (“Seller”), and MICROSOFT CORPORATION, a Washington corporation (“Buyer”). This Agreement is made with reference to the following recitals:

### **Recitals**

A. Seller owns the Property (as defined below). The Property is largely vacant and orchard land; however, the Property is improved with certain permanent houses, outbuildings and mobile homes.

B. Seller wishes to sell, and Buyer wishes to buy, the Property on the terms and conditions of this Agreement.

### **Agreement**

**NOW, THEREFORE**, in consideration of the foregoing promises, and for other good and valuable consideration, receipt and sufficiency of which are hereby acknowledged, Seller and Buyer hereby agree as set forth below.

#### Section 1. Definitions and Rules of Construction.

1.1 Definitions. The following capitalized terms shall have the meanings given to such terms in this section.

Access Agreement: The Right of Entry Agreement between Seller and Buyer executed by the parties before execution of this Agreement, as has been and may be amended from time to time.

Approved Title Exceptions: As defined in Section 6.1.

Business Day: Any day except a Saturday, Sunday or local or federal holiday on which banks are closed in the county in which the Property is located.

Confidentiality Agreement: The Non-Disclosure Agreement between Seller and Buyer dated June 6, 2021.

Closing: Either the Phase I Closing or Phase II Closing, as applicable.

Closing Date: Either the Phase I Closing Date or the Phase II Closing Date, as applicable.

Deed: Either the Phase I Deed or the Phase II Deed, as applicable.

Development Agreement: As defined in Section 9.11.

Due Diligence Payment: As defined in Section 9.13.

Due Diligence Reports: As defined in Section 9.13.

Deposit: (x) Prior to the Phase I Closing, collectively, the Phase I Deposit and the Phase II Deposit and (y) following the Phase I Closing, the Phase II Deposit.

Effective Date: The date as of which both Buyer and Seller have executed this Agreement, as evidenced by the dates shown under their respective signatures below.

Escrow Holder: First American Title Insurance Company, 920 Fifth Avenue, Suite 1200, Seattle, Washington 98104, Attn: Laura Lau (206-615-3017).

Hazardous Materials: Any hazardous or toxic substance, material or waste, pollutants or contaminants, as defined, listed or regulated now or in the future by any Law regulating, relating to or imposing liability or standards of conduct concerning any environmental conditions, health or industrial hygiene, including without limitation, (a) chlorinated solvents, (b) petroleum products or by-products, (c) asbestos and asbestos-containing materials, (d) polychlorinated biphenyls, and (e) lead-based paint.

Inspection Period: The period commencing on the Effective Date and expiring at 5:00 p.m. on June 1, 2022.

Laws: As to any person, all federal, state and local laws, ordinances, rules and regulations, final and binding determinations of a court, and determinations of any governmental authority applicable to the Property.

Leases: Collectively, the orchard lease or management agreements for the Phase II Property involving Carlos A. Torres, an individual, and all leases or occupancy agreements for the Permanent Houses or mobile homes located on the Property.

Malaga Water District: Malaga Water District, a Washington municipal corporation.

Mobile Home Removal: As defined in Section 9.10.3.

Peace Officers Association Agreements: Collectively, (i) Waterline and Water Storage Tank Cost and Maintenance Agreement by and between Everett A. Melton and Imogene Melton, his wife, Calvin E. Melton and Elizabeth Melton, his wife, and Daniel Curtis and Darlene Curtis, his wife, and the Chelan-Douglas County Peace Officers Association recorded on December 18, 1981 as Instrument Number 832033 and (ii) License Agreement by and between Everett A. Melton and Imogene Melton, his wife, Calvin E. Melton and Elizabeth Melton, his wife, and Daniel Curtis and Darlene Curtis, his wife, and the Chelan-Douglas County Peace Officers Association recorded on December 18, 1981 as Instrument Number 832034.

Permanent Houses: As defined in Section 9.12.

Permitted Exceptions: Collectively, the Phase I Permitted Exceptions and the Phase II Permitted Exceptions.

Phase 1 Water Agreements: As defined in Section 9.11.

Phase I Water Service: As defined in Section 9.11.

Phase I Assignment of Water Rights: One or more Washington State Department of Ecology Form ECY 040-1-61 and such other instruments or assignments reasonably required by Buyer and reasonably acceptable to Seller to effectively transfer Seller's interest in the Water Rights pertaining to the Phase I Property to the Buyer.

Phase I Closing: The consummation of the purchase and sale of the Phase I Property.

Phase I Closing Date: June 15, 2022 or such earlier date as Buyer may designate in a notice to Seller (but not sooner than ten (10) Business Days after delivery of such notice).

Phase I Deed: A bargain and sale deed conveying title to the Phase I Property to Buyer subject only to the Phase I Permitted Exceptions, in substantially the form of Exhibit B.

Phase I Deposit: The amount of One Hundred Ninety-Five Thousand and 00/100 Dollars (\$195,000.00).

Phase I General Assignment: A general assignment between Seller and Buyer in substantially the form of Exhibit C and assigning Seller's right, title and interest in the Intangibles relating to the Phase I Property.

Phase I Permitted Exceptions: As defined in Section 6.2.

Phase I Property: That portion of the Property identified on Exhibit A as the "Lojo Property".

Phase I Purchase Price: As defined in Section 3.1.

Phase I Title Affidavit: An affidavit reasonably acceptable to Seller in favor of the Title Company, an example of which is attached as Exhibit D, with respect to the Phase I Property.

Phase I Title Policy: As defined in Section 6.2.

Phase II Assignment of Water Rights: One or more Washington State Department of Ecology Form ECY 040-1-61 and such other instruments or assignments reasonably required by Buyer and reasonably acceptable to Seller to effectively transfer Seller's interest in the Water Rights pertaining to the Phase II Property to the Buyer.

Phase II Closing: The consummation of the purchase and sale of the Phase II Property.

Phase II Closing Date: November 18, 2022 or such earlier date as Buyer may designate in a notice to Seller (but not sooner than ten (10) Business Days after delivery of such notice), provided that the earlier date, if designated by Buyer, may not be before the Removal Date.

Phase II Deed: A bargain and sale deed conveying title to the Phase II Property to Buyer subject only to the Phase II Permitted Exceptions, in substantially the form of Exhibit B.

Phase II Deposit: The amount of Eighty Thousand and 00/100 Dollars (\$80,000.00).

Phase II General Assignment: A general assignment between Seller and Buyer in substantially the form of Exhibit C and assigning Seller's right, title and interest in the Intangibles relating to the Phase II Property.

Phase II Permitted Exceptions: As defined in Section 6.2.

Phase II Property: Collectively, (i) that portion of the Property identified on Exhibit A as the "Curtis Property" and (ii) that portion of the Property identified on Exhibit A as the "Torres Property."

Phase II Purchase Price: As defined in Section 3.1.

Phase II Title Affidavit: An affidavit reasonably acceptable to Seller in favor of the Title Company, an example of which is attached as Exhibit D, with respect to the Phase II Property.

Phase II Title Policy: As defined in Section 6.2.

Purchase Price: Collectively, the Phase I Purchase Price and the Phase II Purchase Price.

Removal Date: The date on which (x) all of the Leases have been terminated or expired by their terms and the Tenants have vacated the Property, and (y) Seller has completed the Mobile Home Removal.

Removal Deadline: November 17, 2022.

Survey: An ALTA/NSPS survey of the Land and Improvements to be obtained by Buyer.

Survival Period: The period of time from Closing through and including the day that is twelve (12) months after the Phase II Closing Date.

Tenants: collectively, Carlos A. Torres, an individual, and any other tenants or other occupants of the mobile homes, Permanent Houses and any other leased premises under the Leases.

Termination Agreement: As defined in Section 9.10.2.

Termination Fee: As defined in Section 9.10.2.

Title Company: First American Title Insurance Company.

Title Policy: Either the Phase I Title Policy or the Phase II Title Policy, as applicable.

Water District Agreement: As defined in Section 9.11.

Water Rights: The water, water rights and water stock related to and appurtenant to the Property including, without limitation, the applications, permits and certificates more particularly described on Exhibit F.

Section 2. Purchase and Sale of the Property. In consideration of their mutual covenants set forth in this Agreement, Seller agrees to sell to Buyer, and Buyer agrees to purchase from Seller, for the Purchase Price and on the terms and conditions set forth in this Agreement, all of Seller's right, title and interest in and to the Property.

2.1 The Property. The Property is defined as all of the following (collectively, the "Property"):

2.1.1 The real property described in Exhibit A, together with all rights, covenants, interests, privileges and easements appurtenant thereto; all minerals, oil, gas and other hydrocarbon substances thereon; all development rights, subsurface rights, air rights, the Water Rights thereto; and all easements, rights-of-way, abutting or adjoining strips and gores, and other appurtenances used in connection with the beneficial use and enjoyment of such real property (collectively, the "Land").

2.1.2 All structures, fixtures, equipment and improvements located on the Land, including utility systems, orchards, irrigation systems, wells and fencing (collectively, the "Improvements"). The Improvements include the Permanent Houses located on the Phase I Property as of the Phase I Closing, or located on the Phase II Property as of the Phase II Closing, and exclude any Mobile Homes.

2.1.3 All of Seller's right, title and interest in and to all permits (including permits relating to the Water Rights), licenses, approvals and authorizations issued to Seller by any governmental authority in connection with the ownership of the Property, excluding any business licenses issued to Seller (collectively, the "Intangibles").

2.2 Excluded Property. Except as set forth in this Agreement, no tangible personal property is included in the Property; provided, however, that any tangible personal property that remains (x) on the Phase I Property after the Phase I Closing or (y) on the Phase II Property after the Phase II Closing, shall be deemed abandoned and to not have any monetary value.

Section 3. Purchase Price.

3.1 Purchase Price.

The purchase price for the Phase I Property is Six Million Five Hundred Sixty-Eight Thousand Eight Hundred Forty-Eight and 00/100 Dollars (\$6,568,848.00) (the "Phase I Purchase Price"), payable in immediately available funds at the Phase I Closing. Not later than noon, on the Phase I Closing Date, Buyer shall deposit with the Escrow Holder the Phase I Purchase Price, less the Phase I Deposit, as adjusted by Buyer's share of closing costs and prorations.

The purchase price for the Phase II Property is Two Million Six Hundred One Thousand Four Hundred Three and 20/100 Dollars (\$2,601,403.20) as may be increased pursuant to the terms of Sections 9.10.2 and 9.10.3 (the "Phase II Purchase Price"), payable in immediately available funds at the Phase II Closing. No later than noon, on the Phase II Closing Date, Buyer shall deposit with Escrow Holder the Phase II Purchase Price, less the Phase II Deposit, as adjusted by Buyer's share of closing costs and prorations.

3.2 The Deposit. Within thirty (30) days following full execution of this Agreement, Buyer will deliver funds in the amount of the Deposit to Escrow Holder to be held as earnest money.

The Deposit shall be applicable to the Purchase Price. The Deposit shall be nonrefundable, except that:

(a) the Deposit shall be refunded to Buyer in the event that:

(i) one of Buyer's Phase I Conditions Precedent is not satisfied within the time period applicable to such condition;

(ii) the Phase I Closing fails to close due to a default on the part of Seller; or

(iii) the transaction terminates as provided in Section 6.1 (Title Commitment), Section 7.3 (Changes in Representations and Warranties), Section 9.10 (Leases), Section 9.11 (Phase I Water Service), or Section 10 (Condemnation) prior to the Phase I Closing; and

(b) the Phase II Deposit shall be refunded to Buyer in the event that:

(i) one of Buyer's Phase II Conditions Precedent is not satisfied within the time period applicable to such condition;

(b) the Phase II Closing fails to close due to a default on the part of Seller; or

(c) the transaction terminates as provided in Section 7.3 (Changes in Representations and Warranties), Section 9.10 (Leases), or Section 10 (Condemnation) after the Phase I Closing.

The Deposit shall be held in an interest bearing account, with interest being included with the Deposit and going to the benefit of the party entitled to the Deposit at the applicable Closing or other termination of this Agreement.

#### Section 4. Escrow; Closing.

4.1 Escrow. Buyer and Seller hereby appoint the Escrow Holder to hold the escrow and conduct the Closing under this Agreement. Buyer and Seller shall provide to Escrow Holder such instructions as may be necessary or convenient to implement this Agreement and close the transaction contemplated by this Agreement, provided that the same are consistent with the provisions of this Agreement.

4.2 Closing; Closing Date. The Phase I Closing shall take place on the Phase I Closing Date and the Phase II Closing shall take place on the Phase II Closing Date.

4.3 Buyer's Phase I Deliveries. At or before the Phase I Closing, Buyer shall cause to be delivered into Escrow the following items:

4.3.1 Funds in the amount of the Phase I Purchase Price, less the amount of the Phase I Deposit, as adjusted by Buyer's share of closing costs and prorations, as provided in this Agreement;

4.3.2 The Real Estate Excise Tax Affidavit with respect to the Phase I Property, executed by Buyer;

4.3.3 The Phase I General Assignment, executed by Buyer;

4.3.4 The Development Agreement, executed by Buyer; and

4.3.5 The Phase I Assignment of Water Rights, executed by Buyer.

4.4 Seller's Phase I Deliveries. At or before the Phase I Closing, Seller shall cause to be delivered into Escrow the following documents:

4.4.1 The Phase I Deed, properly executed and acknowledged by Seller, and the Real Estate Excise Tax Affidavit with respect to the Phase I Property, executed by Seller;

4.4.2 An affidavit by Seller to the effect that Seller is not a foreign person under Section 1445 of the Internal Revenue Code of 1986, as amended, executed by Seller;

4.4.3 The Phase I General Assignment, executed by Seller;

4.4.4 The Development Agreement executed by Seller;

4.4.5 The Phase I Assignment of Water Rights, executed by Seller; and

4.4.6 The Phase I Title Affidavit.

4.5 Buyer's Phase II Deliveries. At or before the Phase II Closing, Buyer shall cause to be delivered into Escrow the following items:

4.5.1 Funds in the amount of the Phase II Purchase Price, less the amount of the Phase II Deposit, as adjusted by Buyer's share of closing costs and prorations, as provided in this Agreement;

4.5.2 The Real Estate Excise Tax Affidavit with respect to the Phase II Property, executed by Buyer;

4.5.3 The Phase II General Assignment, executed by Buyer; and

4.5.4 The Phase II Assignment of Water Rights, executed by Buyer.

4.6 Seller's Phase II Deliveries. At or before the Phase II Closing, Seller shall cause to be delivered into Escrow the following documents:

4.6.1 The Phase II Deed, properly executed and acknowledged by Seller, and the Real Estate Excise Tax Affidavit with respect to the Phase II Property, executed by Seller;

4.6.2 An affidavit by Seller to the effect that Seller is not a foreign person under Section 1445 of the Internal Revenue Code of 1986, as amended, executed by Seller;

4.6.3 The Phase II General Assignment, executed by Seller;

4.6.4 The Phase II Assignment of Water Rights, executed by Seller; and

4.6.5 The Phase II Title Affidavit.

4.7 Proof of Authority. Buyer and Seller each shall deliver such evidence of authority and authorization to enter into this Agreement and consummate the transactions contemplated by this Agreement, and such evidence of power and authority of the individual(s) executing and delivering any instruments, documents, or certificates hereunder to act for and bind such party, as reasonably may be required by the Title Company.

4.8 Other Documents. Buyer and Seller shall deliver such other documents and instruments as are reasonably required to consummate this transaction in accordance with this Agreement, including without limitation closing statements.

4.9 Possession. Seller shall deliver exclusive possession of the Phase I Property to Buyer at Phase I Closing, subject only to the Phase I Permitted Exceptions. Seller shall deliver exclusive possession of the Phase II Property to Buyer at the Phase II Closing, subject only to the Phase II Permitted Exceptions.

4.10 Phase I Disbursement and Other Actions. At the Phase I Closing, Escrow Holder promptly shall undertake all of the following in the manner indicated:

4.10.1 Recording. Cause the Phase I Deed and any other documents that the parties may mutually direct to be recorded in the official real property records of the county in which the Property is located and obtain conformed copies thereof for distribution to Buyer and Seller.

4.10.2 Funds. Disburse the Phase I Purchase Price to Seller, net of the total amount chargeable to Seller as the result of prorations and credits pursuant to this Agreement.

4.10.3 Title Policy. Direct the Title Company to issue the Phase I Title Policy to Buyer in accordance with Section 6.2.

4.10.4 Disbursement of Documents to the Parties. Disburse to each party the counterpart documents per the instructions of the parties.

4.11 Phase II Disbursement and Other Actions. At the Phase II Closing, Escrow Holder promptly shall undertake all of the following in the manner indicated:

4.11.1 Recording. Cause the Phase II Deed and any other documents that the parties may mutually direct to be recorded in the official real property records of the county in which the Property is located and obtain conformed copies thereof for distribution to Buyer and Seller.



4.11.2 Funds. Disburse all funds deposited with Escrow Holder by Buyer as follows:

4.11.2.1 Disburse the Phase II Purchase Price to Seller, net of the total amount chargeable to Seller as the result of prorations and credits pursuant to this Agreement.

4.11.2.2 Disburse the remaining balance of the funds, if any, to Buyer promptly following the Closing.

4.11.3 Title Policy. Direct the Title Company to issue the Phase II Title Policy to Buyer in accordance with Section 6.2.

4.11.4 Disbursement of Documents to the Parties. Disburse to each party the counterpart documents per the instructions of the parties.

## Section 5. Conditions Precedent to Closing.

5.1 Buyer's Phase I Conditions. For Buyer's benefit (and waivable only by Buyer, at any time), the following are conditions precedent to Buyer's obligation to consummate the transactions described in this Agreement relating to the Phase I Closing (collectively, "Buyer's Phase I Conditions Precedent") and must be satisfied or waived by the date or within the time period indicated (or if no time period is specified, then not later than the Phase I Closing Date):

### 5.1.1 Due Diligence.

5.1.1.1 Inspection Period. From the date hereof through and including the end of the Inspection Period, Buyer, in its sole discretion and at its expense, shall have the opportunity to inspect and approve the physical condition and use of the Property, the economic feasibility of ownership of the Property and any other matters relating to the Property as Buyer elects to undertake (collectively, the "Inspections"), including without limitation, access, utility services, zoning, engineering and soils and environmental conditions (the "Inspection Condition"). The Inspection Condition must be satisfied or waived by the end of the Inspection Period.

If for any reason whatsoever Buyer determines that the Property is unsuitable for its purposes in its sole and absolute discretion and notifies Seller of such decision before the end of the Inspection Period, then this Agreement shall terminate. If Buyer does not provide written notice to Seller of its approval of this condition by the end of the Inspection Period, the Inspection Condition shall not be satisfied and this Agreement shall terminate. In the event of either such termination, Escrow Holder shall promptly return the Deposit to Buyer. If Buyer provides written notice to Seller of its approval of the Inspection Condition by the end of the Inspection Period, the Inspection Condition shall be considered to have been satisfied and the Deposit shall not be refundable to Buyer by reason of the Inspection Condition.

5.1.1.2 Access to Property. Upon the Effective Date and until the Closing Date or earlier termination of this Agreement, Buyer and its authorized consultants, contractors, engineers, surveyor, employees, and agents shall have the right to enter onto the Property for purposes of undertaking further Inspections prior to Closing. The conduct of Inspections on the Property shall be governed by the Access Agreement, which shall be deemed

to extend through the Phase I Closing or Phase II Closing, as applicable to such Property, or earlier termination of this Agreement.

5.1.1.3 Reports. To the extent not previously delivered, within three (3) Business Days after the Effective Date, Seller will deliver to Buyer copies of all reports about the physical and environmental condition of the Property and the operation and ownership of the Property that have been prepared at the request of Seller or that are in Seller's possession or control, including the reports listed on Exhibit E (the "Reports"). Seller disclaims any responsibility for the accuracy of any information contained in the Reports, and Buyer acknowledges that it uses the Reports at its own risk. The use of the Reports is subject to the Confidentiality Agreement.

5.1.2 Title Policy. On the Phase I Closing Date, the Title Company is prepared to issue the Phase I Title Policy to Buyer effective as of the Phase I Closing Date in accordance with Section 6.2 of this Agreement.

5.1.3 Representations and Warranties. On the Phase I Closing Date, Seller's representations and warranties contained in Section 7.1 are true and correct, as if made as of the Phase I Closing Date, except as provided in Section 7.3.

5.1.4 Seller's Performance. Seller has duly and timely performed each material obligation to be performed by Seller under this Agreement before the Phase I Closing.

5.1.5 Property Condition. The Property is in the materially the same condition as it was during the Inspection Period, except as provided in Sections 9.10 and 9.12.

5.1.6 Moratoria. Other than such moratorium, prohibitions or other measures, rules, regulations or restrictions as were in effect at the end of the Inspection Period, there is no moratorium, prohibition or any other measure, rule, regulation or restriction, the effect of which would be to preclude development of the Phase I Property for Buyer's intended project, including the issuance of any building or other permit or the construction or occupancy of the Phase I Property.

5.1.7 Phase 1 Water Service. Not later than the end of the Inspection Period, Buyer, Seller and the Malaga Water District have agreed on the form of the Phase 1 Water Agreements pursuant to Section 9.11, and have delivered copies of the fully signed Water District Agreements to Escrow Holder.

5.2 Seller's Phase I Conditions. For Seller's benefit (and waivable only by Seller, at any time), the following are conditions precedent to Seller's obligation to consummate the transactions described in this Agreement relating to the Phase I Closing and must be satisfied or waived by the date or within the time period indicated (or if no time period is specified, then not later than the Phase I Closing Date):

5.2.1 Buyer's Performance. Buyer has duly and timely performed each material obligation to be performed by Buyer under this Agreement before the Phase I Closing.

5.2.2 Buyer's Representations and Warranties. Buyer's representations and warranties set forth in Section 7.2 are true and correct as if made as of the Phase I Closing Date, except as provided in Section 7.3.

5.2.3 Phase 1 Water Service. Not later than the end of the Inspection Period, Buyer, Seller and the Malaga Water District have agreed on the form of the Phase 1 Water Agreements pursuant to Section 9.11, and have delivered copies of the fully signed Water District Agreements to Escrow Holder.

5.3 Buyer's Phase II Conditions. For Buyer's benefit (and waivable only by Buyer, at any time), the following are conditions precedent to Buyer's obligation to consummate the transactions described in this Agreement relating to the Phase II Closing (collectively, "Buyer's Phase II Conditions Precedent") and must be satisfied or waived by the date or within the time period indicated (or if no time period is specified, then not later than the Phase II Closing Date):

5.3.1 Phase I Closing. The Phase I Closing occurred.

5.3.2 Title Policy. On the Phase II Closing Date, the Title Company is prepared to issue the Phase II Title Policy to Buyer effective as of the Phase II Closing Date in accordance with Section 6.2 of this Agreement.

5.3.3 Representations and Warranties. On the Closing Date, Seller's representations and warranties contained in Section 7.1 are true and correct, as if made as of the Phase II Closing Date, except (i) as provided in Section 7.3 and (ii) as they relate to the Phase I Property or the Phase I Closing.

5.3.4 Seller's Performance. Seller has duly and timely performed each material obligation to be performed by Seller under this Agreement before the Phase II Closing.

5.3.5 Property Condition. The Phase II Property is in the materially the same condition as it was during the Inspection Period, except as provided in Sections 9.10 and 9.12.

5.3.6 Moratoria. Other than such moratorium, prohibitions or other measures, rules, regulations or restrictions as were in effect at the end of the Inspection Period, there is no moratorium, prohibition or any other measure, rule, regulation or restriction, the effect of which would be to preclude development of the Phase II Property for Buyer's intended project, including the issuance of any building or other permit or the construction or occupancy of the Phase II Property.

5.3.7 Mobile Homes. Not later than the Removal Deadline, pursuant to Section 9.10, Seller has caused the Removal Date to occur.

5.3.8 Permanent Houses. Not later than the Phase II Closing Date, pursuant to Section 9.12, the Permanent Houses located on the Phase II Property are vacant and no person or entity has any right or claim to occupy the Phase II Property except as set forth in the Approved Title Exceptions.

5.4 Seller's Phase II Conditions. For Seller's benefit (and waivable only by Seller, at any time), the following are conditions precedent to Seller's obligation to consummate the transactions described in this Agreement relating to the Phase II Closing and must be satisfied or waived by the date or within the time period indicated (or if no time period is specified, then not later than the Phase II Closing Date):

5.4.1 Buyer's Performance. Buyer has duly and timely performed each material obligation to be performed by Buyer under this Agreement before the Phase II Closing.

5.4.2 Buyer's Representations and Warranties. Buyer's representations and warranties set forth in Section 7.2 are true and correct as if made as of the Phase II Closing Date, except (i) as provided in Section 7.3 and (ii) as they relate to the Phase I Property or the Phase I Closing.

## Section 6. Evidence of Title.

6.1 Title Policy. Before the Effective Date, Buyer received preliminary title commitments for extended coverage ALTA owner's policies of title insurance (collectively, the "Commitment"), together with copies of the documents forming the basis of the exceptions, issued by the Title Company and a Survey. As of the Effective Date, Buyer hereby approves of the exceptions contained in the Commitment and listed on Exhibit G attached hereto (collectively, the "Approved Title Exceptions").

If, after the Effective Date, the Title Company amends the Commitment by adding a new title exception (or by changing an existing title exception), or any update to the Survey reveals any new matters affecting title (each, a "New Title Matter"), Buyer shall be entitled to give a written notice (a "Title Objection Notice") of Buyer's objection to Seller with respect to such New Title Matter within five (5) Business Days after receipt of the amendment or update. The failure of Buyer to give a Title Objection Notice prior to the expiration of such five (5) Business-Day period shall be deemed to constitute Buyer's disapproval of the New Title Matter.

If Buyer disapproves or is deemed to have disapproved of any title or survey matter, then Seller may, but shall have no obligation, within five (5) Business Days after its receipt of a Title Objection Notice or Buyer's deemed disapproval of a New Title Matter, to elect to remove the disapproved matter by giving Buyer written notice of those disapproved title matters that Seller agrees to remove by the Closing Date. The failure of Seller to respond to a Title Objection Notice or a deemed disapproved New Title Matter by the end of such five (5) Business-Day period shall be deemed to constitute Seller's election not to remove or cure the disapproved title matter.

If Seller does not timely elect to remove any disapproved title or survey matters (or is deemed to have elected to not remove any disapproved matters), then Buyer shall have the right, upon delivery of notice to Seller within three (3) Business Days after Seller's election or deemed election to not cure a disapproved title or survey matter, to either (1) waive Buyer's prior disapproval, in which event the disapproved title or survey matter shall be deemed approved and shall thereafter be a Permitted Exception, or (2) terminate this Agreement, whereupon Seller and Buyer shall be relieved of any further obligations under this Agreement except with respect to the provisions that expressly survive termination. Buyer's failure to take either one of the actions

described in clauses (1) and (2) above shall be deemed to be Buyer's election to confirm its prior disapproval of the title or survey matters and to terminate this Agreement. If Buyer elects (or is deemed to have elected) to terminate this Agreement under this section, Escrow Holder shall promptly return the Deposit to Buyer.

Notwithstanding anything herein to the contrary, and regardless of whether Buyer objects with respect thereto, Seller agrees to cause to be released from title not later than the Closing Date, at Seller's sole cost and expense, any mortgages, deeds of trust, security agreements, financing documents, delinquent tax liens, judgment liens, mechanics' or materialmen's liens, all other monetary encumbrances (excluding non-delinquent real property taxes) on title to the Property and all claims to fee title or leasehold or other possessory interests in the Property, other than those arising under a Permitted Exception.

6.2 Issuance of Policy. At the Phase I Closing, the Title Company must be irrevocably committed to issue an extended coverage 2006 ALTA owner's title insurance policy with respect to the Phase I Property (the "Phase I Title Policy") in the amount of the Phase I Purchase Price insuring Buyer and subject only to (a) a lien for real property taxes, not then delinquent; (b) the Approved Title Exceptions relating to the Phase I Property; and (c) matters affecting the condition of title to the Property resulting from the actions or activities of Buyer or created by or with the written consent of Buyer (collectively, the "Phase I Permitted Exceptions"). At the Phase II Closing, the Title Company must be irrevocably committed to issue an extended coverage 2006 ALTA owner's title insurance policy with respect to the Phase II Property (the "Phase II Title Policy") in the amount of the Phase II Purchase Price insuring Buyer and subject only to (a) a lien for real property taxes, not then delinquent; (b) the Approved Title Exceptions relating to the Phase II Property; and (c) matters affecting the condition of title to the Property resulting from the actions or activities of Buyer or created by or with the written consent of Buyer (collectively, the "Phase II Permitted Exceptions").

## Section 7. Representations and Warranties.

7.1 Seller. Seller represents and warrants that as of the Effective Date and as of Closing:

7.1.1 Seller is a municipal corporation validly existing under the laws of the State of Washington. Seller has obtained the approval of the Chelan Douglas Regional Port Authority to proceed with this transaction. Seller has the legal power, right and authority to enter into this Agreement and the documents required to be executed by Seller under this Agreement and to consummate the transaction contemplated by this Agreement. All requisite (corporate, partnership, limited liability company or otherwise) action has been taken by Seller in connection with executing this Agreement and the documents required hereby. No consent of any other party is required for the performance by Seller of its obligations hereunder.

7.1.2 Seller owns good and indefeasible fee simple title to the Property and there are no adverse or other parties in possession of the Property, or of any part thereof, except for (i) as permitted under the Leases and (ii) as set forth in the Permitted Exceptions.

7.1.3 To Seller's Knowledge, there are no pending or threatened (in writing) actions, suits, arbitrations, claims, investigations or legal, administrative or other proceedings (a) with respect to or in any manner affecting the Property, including any condemnation action, proceeding to impose an assessment district, zoning change proceeding or development moratorium; or (b) to which Seller is or may be a party by reason of Seller's ownership, use, or operation of the Property. The Seller advises that the County is evaluating the formation of an urban growth area around and near Malaga, Washington, which might include the Property.

7.1.4 Other than the Leases and any matters identified in the Permitted Exceptions (which include the Peace Officers Association Agreements), to Seller's Knowledge there are no leases, subleases, rental agreements, licenses or other agreements for the lease or occupancy of any portion of the Property.

7.1.5 Other than as set forth in the Permitted Exceptions, Seller is not a party to any agreements with respect to the ownership, operation, maintenance or repair of the Property that would encumber the Property or bind Buyer after Closing.

7.1.6 Seller has not received any written notices from any governmental authority with respect to any violation or alleged violation of any Law relating to the use, condition or operation of the Property, which violation remains uncured.

7.1.7 Seller has not initiated and is not a party to any appeals of the valuation of the Property for tax purposes or the taxes payable with respect to the Property, and there are no pending disputes with respect to taxes on the Property.

7.1.8 No bankruptcy, insolvency, rearrangement or similar action involving Seller, whether voluntary or involuntary, is pending or, to Seller's Knowledge, threatened against Seller in writing by a third party.

7.1.9 No construction or other work is being done (or has been done in the last ninety (90) days) on the Property by third parties at the request of Seller, which work if unpaid could result in a lien on the Property; except for due diligence work undertaken by Seller pursuant to the Due Diligence Reports.

7.1.10 Seller has not used, generated, manufactured, produced, stored, released, discharged or disposed of on, under, above or about the Property or transported to or from the Property, any Hazardous Material in violation of Laws nor, has Seller allowed any other person or entity to do so in violation of Law. To Seller's Knowledge, and except as set forth in the Reports and Section 9.5, no Hazardous Materials have been used, generated, manufactured, produced, stored, released, discharged or disposed of on, under, above or about the Property in violation of Law nor transported to or from the Property in violation of Law by any entity or person or from any source. To Seller's Knowledge, (i) no underground storage tanks are or were located on the Property and (ii) no wells are or were located on the Property except those related to the Water Rights.

7.1.11 To Seller's Knowledge, the Reports are all of the reports, records and documents in Seller's possession or control concerning the physical (including environmental)

condition and use of the Property. Seller has provided true, correct and complete copies of the Reports to Buyer. The delivery of the Reports is subject to Section 5.1.1.3.

7.1.12 Neither Seller, nor any of its directors, officers, agents, or other authorized persons acting on its behalf (a) is directly or indirectly 50% or more owned, individually or in the aggregate, by, or (b) is acting on behalf of, one or more individuals or entities that are currently on any of the lists of sanctioned, prohibited, or restricted parties maintained by (1) the U.S. Department of the Treasury, Office of Foreign Assets Control (“OFAC”); or (2) the U.S. Department of Commerce, Bureau of Industry and Security, or the U.S. State Department, or any similar list of restricted parties maintained by the U.S. government. Seller is in compliance with all applicable anti-corruption and anti-bribery laws of the jurisdiction in which the Property is located, including the U.S. Foreign Corrupt Practices Act and the U.K. Bribery Act.

7.1.13 Seller has properly reported and paid prior to the delinquency date all property taxes with respect to the Property and there are no tax liens on the Property other than for property taxes based on the value of the Property as of 2021. The Property is not subject to any property, sales tax, or other tax agreements (including abatement agreements or special valuation agreements) with any taxing jurisdiction or appraisal district.

7.1.14 Except as disclosed in the Reports, to Seller’s Knowledge, (a) there are no endangered or threatened species or protected natural habitat, flora or fauna located on the Property; (b) the Property does not contain any wetlands, whether or not delineated or designated as such by any governmental authority; and (c) the Property does not contain any graves, cemeteries or burial grounds, or any buildings, foundations or other material or contents of archeological or historical significance.

7.1.15 Seller is not in default under any easements, covenants, conditions, restrictions, declarations or other encumbrances on title to the Property.

7.1.16 Seller is the owner of the mineral rights in the subsurface of the Property and there are no current mineral leases or surface use agreements with respect to the Property. During Seller’s ownership of the Property, to Seller’s Knowledge, there have been no exploration, drilling, or production activities involving the surface of the Property.

7.1.17 To Seller’s Knowledge Seller is the owner of the Water Rights appurtenant to the Property. To Seller’s knowledge, the Water Rights have not been the subject of any enforcement action or threatened in writing enforcement action from any regulatory body or government agency. Seller does not need to utilize any other property to exercise the Water Rights. To Seller’s knowledge, other than as set forth in the Peace Officers Association Agreements, no party has any right or any claim to the Water Rights.

The term “Seller’s Knowledge” as used herein means the actual knowledge of James Kuntz, the Executive Director of the Chelan-Douglas Regional Port Authority, as manager of Seller. Seller represents and warrants to Buyer that the individuals named above are the persons affiliated with Seller that are most knowledgeable about the subject matters of the foregoing representations. The foregoing representations and warranties shall be deemed re-made as of Closing except to the extent modified pursuant to Section 7.3.

7.2 Buyer. Buyer represents and warrants that as of the Effective Date and as of the Closing:

7.2.1 Buyer is a corporation validly existing under the laws of the State of Washington. Buyer has the legal power, right and authority to enter into this Agreement and the documents required to be executed by Buyer under this Agreement and to consummate the transactions contemplated by this Agreement. All requisite action (corporate, partnership, limited liability company or otherwise) has been taken by Buyer in connection with the entering into this Agreement and the documents required hereby. No consent of any other party is required for the performance by Buyer of its obligations hereunder.

7.2.2 No bankruptcy, insolvency, rearrangement or similar action involving Buyer, whether voluntary or involuntary, is pending.

7.2.3 Neither Buyer, nor any of its directors, officers, agents, or other authorized persons acting on its behalf (a) is directly or indirectly 50% or more owned, individually or in the aggregate, by, or (b) is acting on behalf of, one or more individuals or entities that are currently on any of the lists of sanctioned, prohibited, or restricted parties maintained by (1) OFAC; or (2) the U.S. Department of Commerce, Bureau of Industry and Security, or the U.S. State Department, or any similar list of restricted parties maintained by the U.S. government. Buyer is in compliance with all applicable anti-corruption and anti-bribery laws of the jurisdiction in which the Property is located, including the U.S. Foreign Corrupt Practices Act and the U.K. Bribery Act.

The foregoing representations and warranties shall be deemed re-made as of Closing except to the extent modified pursuant to Section 7.3.

7.3 Changes in Representations and Warranties. The foregoing representations and warranties are to be made by the parties as of the date hereof and as of the Closing Date. If after the Effective Date and before the Closing Date a party making a representation and warranty (the “Representing Party”) becomes aware of facts that would cause such representation and warranty to be untrue or incomplete, the Representing Party shall notify the other party (the “Nonrepresenting Party”) in writing within three (3) Business Days after discovery of the new facts, and include copies of documents or materials, if any, related to such new facts. If a representation and warranty can no longer be accurately made by the Representing Party and (a) this is due to a state of facts first arising after the Effective Date; (b) it is not intentionally caused by the Representing Party; or (c) such new state of facts materially and adversely affects a right, remedy or obligation of the Nonrepresenting Party under this Agreement, prevents a party from performing as required herein, or, in the case of Buyer, materially and adversely affects Buyer’s intended use of the Property (including a material increase in the costs of Buyer’s intended use of the Property) or materially decreases the value of the Property, then the Nonrepresenting Party may by written notice to the Representing Party elect to terminate this Agreement. In such event, Escrow Holder shall promptly return the Deposit to Buyer and neither party shall have any further obligations hereunder (except for the obligations expressly stated herein to survive). Such election must be exercised within five (5) Business Days after the Nonrepresenting Party receives the written notice of the new facts from the Representing Party as provided above. During such 5-Business Day period, however, the parties shall negotiate in good faith about possible solutions to address the change in facts (e.g., proposals for courses of actions to cure the issue or price



adjustments). A breach of a representation or warranty intentionally caused by the Representing Party will constitute a default for purposes of Article 12 below.

7.4 Survival. The representations and warranties of each set forth in Section 7.1 or 7.2, as the same may be updated pursuant to Section 7.3, shall survive Closing through the end of the Survival Period. The Nonrepresenting Party shall have the right to bring an action against the Representing Party on the breach of a representation or warranty hereunder, but only on the following conditions: (1) the Nonrepresenting Party gives written notice of such breach to Representing Party specifying in detail the representation or warranty alleged to have been breached and the amount of damages suffered thereby before the end of the Survival Period and files such action on or before the date ninety (90) days after expiration of the Survival Period, and (2) the Nonrepresenting Party shall not have the right to bring a cause of action for a breach of a representation or warranty unless the damage to the Nonrepresenting Party on account of such breach (or all such breaches cumulatively) equals or exceeds 0.1% of the Purchase Price. Furthermore, the maximum aggregate liability of a Representing Party with respect to the breach of any or all of the representations and warranties made by such party contained in either Section 7.1 (as to Seller) or Section 7.2 (as to Buyer) is and shall be three percent (3%) of the Purchase Price. The foregoing limitation on liability shall not apply to any damages or violations arising from (i) the fraud or intentional misrepresentation of a Representing Party, (ii) the tax representations in Section 7.1.7 (Tax Appeals) and Section 7.1.13 (Property Taxes Paid), and (iii) the representations in Sections 7.1.12 and 7.2.3 (Compliance).

#### Section 8. As Is Sale; Release.

8.1 As Is Sale. Buyer acknowledges that the Purchase Price has been negotiated to reflect the current condition of the Property, “as is” and “where is.” Buyer agrees that:

8.1.1 Buyer will have been afforded the opportunity to examine and investigate to Buyer’s full satisfaction the physical condition of the Property, the Reports, the Water Rights and all other matters that in Buyer’s judgment affect Buyer’s ownership of the Property and Buyer’s willingness to enter into this Agreement prior to Closing.

8.1.2 Buyer has not relied and will not rely on, and Seller is not liable for or bound by, any express or implied warranties, guaranties, statements, representations or information pertaining to the Property, its use, compliance with Law or otherwise relating thereto made or furnished by Seller or any agent representing or purporting to represent Seller, to whomever made or given, directly or indirectly, verbally or in writing, except the representations and warranties of Seller as specifically set forth in this Agreement or the Deed or other documents to be delivered by Seller at Closing.

8.1.3 If a Closing occurs, Buyer shall accept the portion of the Property conveyed therein “as is” and “where is” with all faults at Closing and, except as set forth in Section 7.1 (as limited by Section 7.4), the Deed and any other documents to be delivered by Seller at Closing, without any representations or warranties, express or implied or statutory of any kind whatsoever by Seller, any agent or other representatives of Seller.

8.2 Buyer's Release. Except with respect to the representations and warranties and the obligations of Seller set forth in this Agreement, the Deed or any other document delivered by Seller at such Closing, and except as set forth in Section 8.3, effective as of the applicable Closing with respect to the Property conveyed therein, Buyer hereby waives, releases, and discharges any claim it has, might have had, or may have against Seller and its shareholders, members, partners, officers, employees and agents (collectively, the "Seller Parties") with respect to (a) the condition of the Property as of the Closing Date; (b) the physical, environmental, economic, or legal condition or compliance of the Property as of the Closing Date with regard to any Law affecting the Property; or (c) any other state of facts that exists as of the Closing Date with respect to the Property. Buyer acknowledges that factual matters now unknown to it may have given or may hereafter give rise to causes of action, claims, damages, losses and expenses that are presently unknown, unanticipated and unsuspected. Buyer agrees that it hereby intends to release, discharge, and acquit Seller from any such unknown causes of action, claims, demands, debts, controversies, damages, costs, losses and expenses that are included in the waivers and matters released as set forth in this section. This section shall survive the termination of this Agreement or the Closing and shall not be deemed to have merged into any of the documents executed or delivered at Closing. To the extent required to be operative, the disclaimers or warranties contained herein are "conspicuous" disclaimers for purposes of any legal requirement.

8.3 Release Exclusions. The foregoing release in Section 8.2 shall not act to release Seller from a breach of any representation, warranty or obligation expressly contained in this Agreement (as limited by Section 7.4), the Deed or any documents delivered by Seller at such Closing. Such waivers and releases shall also not apply with respect to (a) any acts or omissions of Seller Parties that occur after Closing; (b) any breach by Seller of any lease or license with any tenants or licensees of the Property during the period of Seller's ownership; or (c) the fraud or intentional misrepresentation of any Seller Party. In addition, notwithstanding anything in this Section 8 to the contrary, upon Closing, Buyer reserves all its rights and defenses against any non-parties to this Agreement other than the Seller Parties, including but not limited to the right to seek cost recovery or contribution under any statute or common law (including those regarding the presence, investigation or cleanup of any Hazardous Materials on, at, under, around or migrating from the Property). Further, notwithstanding anything in this Section 8 to the contrary, the waivers and releases contained in this Section 8 shall not release claims by Buyer for contribution with respect to third party claims alleging an act or omission by any Seller Party, including those in violation of Law with respect to the Property by any Seller Party. Nothing in this Section 8 shall require Buyer to indemnify, defend or hold any Seller Party harmless with respect to the matters released and waived herein.

8.4 Survival. The provisions of this Section 8 shall survive Closing.

Section 9. Closing Obligations. Until the applicable Closing with respect to the Property conveyed therein, the following obligations shall apply to Seller (which for purposes of this Section 9 include Seller's agents and representatives) and/or Buyer (which for purposes of this Section 9 includes Buyer's agents and representatives, as indicated below):

9.1 Operations. Seller shall cause the Property to be maintained in the ordinary course of business consistent with its past practices for the Property and deliver the Property at Closing

in substantially the same condition it was on the date of Buyer's inspection of the Property, reasonable wear and tear excepted, except as provided in Sections 9.10 and 9.12.

9.2 Notices. Seller shall provide to Buyer, immediately upon the receipt thereof, (a) all written notices relating to the Property received by Seller from any governmental authority, insurance company or vendor, which notices are of a type not normally received in the ordinary course of Seller's business, or that are notices with respect to taxes or that may have a material effect upon the Property or result in a change in a representation or warranty made by Seller hereunder, and (b) notice of the occurrence after the date of Buyer's inspection of the Property of a casualty event or other damage affecting the Property.

9.3 No New Leases or Contracts. Seller shall not enter into any leases, licenses or other agreements for the occupancy of the Property that would encumber the Property or bind Buyer after the Closing. Without the prior written consent of Buyer, Seller will not or enter into any new contracts that would bind Buyer after the Closing.

9.4 Knowledge of Material Events. As required by Section 7.3, Seller or Buyer shall notify the other within three (3) Business Days after such party obtains knowledge of any fact or event that renders its representations and warranties hereunder untrue or incomplete.

9.5 Hazardous Materials. Seller shall not use, generate, manufacture, produce, store, release, discharge or dispose of on, under, above or about the Property, or transport to or from the Property, any Hazardous Materials or authorize any other person or entity to do so, except for normal quantities of Hazardous Materials used in the ordinary course of operating or maintaining the Property, so long as they are used in accordance with all Laws.

9.6 No Encumbrance. Seller shall not convey or voluntarily encumber the Property or any interest therein or any part thereof, or contract to do so, including the granting or recording of any easements, covenants, restrictions, declarations or other matters affecting title to the Property, without the prior written consent of Buyer.

9.7 Violations of Law. As between Buyer and Seller, Seller shall be financially responsible for any violations of Law due to Seller's acts or omissions relating to the Property during the period that Seller owned the Property and before the Closing Date.

9.8 Not Market. Seller shall not (and shall not permit any of its employees, agents or representatives to) market or offer for sale or lease the Property, or deal or negotiate with, accept offers or back-up offers from, any persons or entities for the purchase or lease of the Property.

9.9 No Improvements; No Dumping. Seller shall not construct or allow the placement of additional buildings or improvements on the Property. Seller shall not dump or dispose of soils or other materials on the Property.

9.10 Leases .

9.10.1 Seller shall use commercially reasonable efforts to cause the Removal Date to occur not later than the Removal Deadline. If any of the Tenants continues to occupy the Property any time after the Removal Deadline, then Seller shall not be in default and Buyer may

terminate this Agreement as to the Phase II Closing, whereupon Escrow Holder shall promptly return the Phase II Deposit to Buyer and neither party shall have any further obligations hereunder (exception for the obligations expressly stated herein to survive).

9.10.2 Seller will commence negotiations with each Tenant to enter into a surrender and/or termination agreement (each, a “Termination Agreement”) pursuant to which such Tenant may agree to an earlier termination of its Lease and surrender of the leased premises thereunder in exchange for a fee to be paid by Seller (each, a “Termination Fee”). Seller shall provide copies of each proposed Termination Agreement to Buyer and shall not enter into any Termination Agreement without Buyer’s prior written consent.

Seller shall be responsible for the payment of all Termination Fees. At the Phase II Closing, the Phase II Purchase Price shall be increased by the amount paid by Seller for any Termination Fee made pursuant to a Termination Agreement to Tenants, provided that Buyer approved of the amount of the Termination Fee before it was offered by Seller to such Tenant. Buyer’s obligation to reimburse Seller for any Termination Fees paid by Seller and previously approved by Buyer shall survive the early termination of this Agreement.

9.10.3 Following the early termination, or expiration pursuant to its terms, of each Lease, if any mobile home improvements and fixtures related to the Leases (not more than seven (7) in total) remain on the Phase II Property, Seller shall demolish and remove all such improvements and fixtures associated with the mobile homes (the “Mobile Home Removal”). At the Phase II Closing, Buyer shall reimburse Seller for any costs associated with the Mobile Home Removal, provided that Buyer approved of the estimated cost of the Mobile Home Removal before it was commenced by Seller and the final cost of the Mobile Home Removal does not exceed more than five percent (5%) of such estimate. Buyer’s obligation to reimburse Seller for the cost of the Mobile Home Removal paid by Seller and previously approved by Buyer shall survive the early termination of this Agreement.

9.11 Phase 1 Water Service. Prior to the expiration of the Inspection Period, Buyer and Seller shall, in cooperation with the Malaga Water District, evaluate the location, configuration and estimated cost of local system improvements to provide water service to the Property (the “Phase 1 Water Services”) and the form of (i) a development agreement between Buyer and Seller pursuant to which Seller will construct, or enter into contracts to construct, such local system improvements to the existing water and pipeline related facilities for potable water connecting the Property to the Malaga Water District facilities (the “Development Agreement”) and (ii) an agreement between Seller and the Malaga Water District pursuant to which the Malaga Water District agrees to accept and operate the Phase I Water Services (the “Water District Agreement”, and together with the Development Agreement, the “Phase 1 Water Agreements”). The Development Agreement will (i) include the specifications and capacities of the Phase 1 Water Services together with a schedule and milestones for construction and delivery and (ii) provide for the reimbursement by Buyer to Seller for all actual costs incurred in connection with the design, permitting, bidding, construction and inspection of the Phase 1 Water Services in excess of grant funds received by the Seller from the State of Washington that may be applied toward the Phase I Water Services. If the parties fail to reach an agreement on the location, configuration and estimated cost of the Phase 1 Water Service and the forms of the Phase 1 Water Agreements prior to the expiration of the Inspection Period, then Buyer or Seller may terminate this Agreement,

whereupon Escrow Holder shall promptly return the Deposit to Buyer and neither party shall have any further obligations hereunder (exception for the obligations expressly stated herein to survive). In addition, Buyer and Seller will continue to work cooperatively in discussions with Malaga Water District and other regional utility providers regarding (i) additional water services and (ii) wastewater facilities to support additional future development at the Property.

9.12 Permanent Houses. Buyer acknowledges that there are houses and outbuildings located on Property (collectively, the “Permanent Houses”). At the Phase II Closing, Seller shall deliver the Phase II Property with the Permanent Houses remaining on the Phase II Property vacant but shall have no obligation to demolish the Permanent Houses.

9.13 Due Diligence Reports. Buyer and Seller acknowledge that prior to the Effective Date Seller has performed certain due diligence activities associated with the Property and that reports related to the due diligence activities have been provided to Buyer (the “Due Diligence Reports”). Within thirty (30) days following full execution of this Agreement, Buyer will deliver funds in the amount of Two Hundred Seventy-Five Thousand Eighty-Five and 00/100 Dollars (\$275,085.00) to Escrow Holder to be delivered to Seller by Escrow Holder on or before June 15, 2022, whether or not the Phase I Closing occurs as reimbursement for the due diligence activities and the Due Diligence Reports (the “Due Diligence Payment”). The parties agree that the Due Diligence Payment shall be the only compensation or reimbursement due to Seller in connection with Seller’s due diligence activities and the Due Diligence Reports.

9.14 Water Rights. Seller shall cooperate in Buyer’s efforts to obtain such historical usage and ownership information regarding the Water Rights as Buyer may reasonably require to transfer, modify or place the Water Rights into trust in accordance with any state or local programs, including, without limitation, providing any historical usage reports or metering information Seller may have in its possession, if any, or requesting such information from any previous user or owner of the Water Rights or Property. Seller’s obligations pursuant to this Section 9.14 shall survive the Closing.

## Section 10. Condemnation.

10.1 Phase I Condemnation. If before the Phase I Closing Date Seller receives written notice of the initiation of any condemnation or eminent domain proceedings that might result in the taking of all of the Property, then this Agreement shall terminate effective on Seller’s receipt of such notice. If such condemnation proceeding proposes to take less than all of the Property, and the portion of the Property to be taken (a) has a value in excess of ten percent (10%) of the Purchase Price; (b) would take or adversely affect any right of access to the Property; or (c) would adversely affect Buyer’s planned development, design, and layout of improvements on the Property (including, without limitation, utilities serving the Property), Buyer may:

10.1.1 Terminate this Agreement by written notice to Seller whereupon the parties shall proceed in accordance with Section 12.3 for a termination that is not the fault of either party; or

10.1.2 Proceed with the Closing, in which event Seller shall assign to Buyer in writing at Closing all of Seller's right, title and interest in and to any award made in connection with such condemnation proceedings.

10.2 Phase II Condemnation. If before the Phase II Closing Date Seller receives written notice of the initiation of any condemnation or eminent domain proceedings that might result in the taking of all of the Phase II Property, then this Agreement shall terminate effective on Seller's receipt of such notice. If such condemnation proceeding proposes to take less than all of the Phase II Property, and the portion of the Phase II Property to be taken (a) has a value in excess of ten percent (10%) of the Phase II Purchase Price; (b) would take or adversely affect any right of access to the Phase II Property; or (c) would adversely affect Buyer's planned development, design, and layout of improvements on the Phase II Property (including, without limitation, utilities serving the Phase II Property), Buyer may:

10.2.1 Terminate this Agreement by written notice to Seller whereupon the parties shall proceed in accordance with Section 12.3 for a termination that is not the fault of either party; or

10.2.2 Proceed with the Closing, in which event Seller shall assign to Buyer in writing at Closing all of Seller's right, title and interest in and to any award made in connection with such condemnation proceedings.

10.3 Notice. Seller shall promptly notify Buyer in writing of the commencement or occurrence of any condemnation proceedings affecting any portion of the Property.

Section 11. Costs and Prorations. At each Closing, each party shall pay its share of costs, expenses and prorations as provided in this section.

11.1 Costs and Expenses. At each Closing, Seller shall pay (a) the premium for the standard portion of the Title Policy related to such Closing; (b) one-half of all escrow fees and costs; (c) Seller's share of prorations; (d) all real estate transfer taxes; and (e) except as otherwise expressly provided herein, any additional costs and charges customarily charged to sellers of vacant land in accordance with common escrow practices in the county in which the Property is located.

At each Closing, Buyer shall pay for (i) the premiums for the extended coverage portion or additional title insurance coverage or endorsements for the Title Policy related to such Closing; (ii) the costs of the Survey; (iii) any recording charges for the Deed; (iv) one-half of all escrow fees and costs; (v) Buyer's share of prorations; (vi) for the Phase II Closing, Buyer's allocation of costs associated with the Mobile Home Removal in accordance with Section 9.10.3, (vii) for the Phase II Closing, Buyer's obligation to reimburse Seller for the Termination Fees in accordance with the terms of Section 9.10.2; and (viii) except as expressly provided herein, any additional costs and charges customarily charged to buyers of vacant land in accordance with common escrow practices in the county in which the Property is located.

Buyer and Seller shall each pay their own legal and professional fees and fees of its consultants. If the transaction is terminated by either party on account of default by the other, the defaulting party shall pay all escrow and title costs billed by the Escrow Holder.

11.2 Prorations. The intent of the parties is that Seller shall bear all expenses of ownership of the Property attributable to the period of its ownership and Buyer shall bear all such expenses and receive all such income attributable to the period of its ownership. In furtherance of the foregoing, all nondelinquent ad valorem real property taxes and assessments payable with respect to the Property (“Taxes”) shall be prorated as of the applicable Closing Date in accordance with Section 11.4. Utilities and permit costs shall be prorated as of 11:59 p.m. on the applicable Closing Date. All other costs and expenses shall be allocated between Buyer and Seller in accordance with the customary practice in the county in which the Property is located.

11.3 Rollback Taxes. Seller agrees to be responsible for and to pay all rollback property taxes or other taxes assessed or becoming due and payable by virtue of any change in land use or ownership and applicable or allocable to any period of time prior to or at Closing, if any (the “Rollback Taxes”). This includes all such taxes assessed during or with respect to any period of time prior to the Closing, regardless of whether such taxes become due after the Closing Date. Seller hereby agrees to indemnify, defend and hold Buyer harmless of and from any and all claims, costs and expenses relating to such Rollback Taxes, or any other property taxes relating to the Property on or before the Closing, including without limitation, reasonable attorneys’ fees incurred by Buyer.

11.4 Property Taxes. Nondelinquent Taxes payable in the then current tax year shall be prorated as of the applicable Closing Date. If a Closing Date occurs before the amount of Taxes is known for the then current tax year, the proration Taxes shall be upon the basis of the tax rate for the preceding year applied to the latest assessed valuation. Any difference in Taxes for the year of sale actually paid by Buyer shall be adjusted between the parties within thirty (30) days after Taxes for the year of sale are known. Any personal property taxes for any of Seller’s personal property shall remain the obligation of Seller and not be prorated.

11.5 Post-Closing Reconciliation; Survival. If any proration made under this Section 11 is incorrect for any reason, then either party shall be entitled to an adjustment to correct such error. Any item that cannot be finally prorated because of the unavailability of information shall be tentatively prorated on the basis of the best data then available and reprorated when the information is available. Notwithstanding anything to the contrary herein, all reprorations contemplated by this Agreement shall be completed within one year after the Phase II Closing. The covenants in this Section 11 shall survive Closing.

## Section 12. Enforcement of this Agreement; Termination for Failure of Condition.

12.1 Default by Seller. This Agreement pertains to the conveyance of real property, the unique nature of which is hereby acknowledged by the parties. Consequently, if Seller refuses or fails without legal excuse to convey the Property to Buyer as required by this Agreement, or otherwise defaults in its obligations hereunder, then Buyer shall be entitled to pursue the following remedies (but without impairing express rights to attorneys’ fees and costs and indemnities herein):

(a) Provided such action is brought within one hundred twenty (120) days after Buyer obtains actual knowledge of Seller’s default, seek specific performance of Seller’s obligations under this Agreement. Buyer shall not be required to deposit or deliver the Purchase Price as a condition to any action for specific performance of this Agreement. In such event, Buyer

shall be entitled to purchase the Property on the terms of this Agreement but shall not be entitled to monetary damages (except for attorney's fees and costs in accordance with Section 28); or

(b) (i) terminate this Agreement, whereupon neither party shall have any further rights, duties or obligations hereunder except as otherwise provided herein, (ii) receive a return of the Deposit, (iii) obtain a reimbursement from Seller of Buyer's third-party out-of-pocket costs incurred in connection with Buyer's potential acquisition of the Property (including, but not limited to, legal fees, costs of environmental testing, inspection costs and other third party costs) in an amount not to exceed Fifty Thousand and 00/100 Dollars (\$50,000), and (iv) receive payment of Buyer's attorney's fees and costs in accordance with Section 28. Notwithstanding the foregoing, if the remedy of specific performance is not available solely as a result of Seller voluntarily transferring the Property to other than Buyer in violation of this Agreement, Seller shall be liable to Buyer for Buyer's actual damages (not subject to the cap set forth in the preceding clause (iii)).

(c) Nothing in this Section 12.1 is intended to terminate any obligations that by their terms expressly survive a termination of this Agreement.

12.2 Default by Buyer. If Buyer fails without legal excuse to complete the purchase of the Property, Seller shall as its sole and exclusive remedy (but without impairing express rights to attorneys' fees and costs and indemnities herein), be entitled to (a) terminate this Agreement, whereupon neither party shall have any further rights, duties or obligations hereunder except as otherwise provided herein; (b) receive payment of Seller's attorney's fees and costs in accordance with Section 28, and (c) receive from Buyer as liquidated damages the Deposit. In no event shall Seller be entitled to specific performance against Buyer for such failure. If the Closing fails to occur by reason of Buyer's default, Seller agrees that the damages that it would suffer thereby are difficult or impossible to determine. The parties agree that the Deposit is a reasonable estimate of such damages and shall be and constitute valid liquidated damages, and not a penalty, considering all circumstances that exist on the date of this Agreement, including: (1) the relationship of the foregoing sum to the range of harm that could reasonably be anticipated; and (2) the anticipation that proof of actual damages would be impracticable or extremely difficult to determine. This provision is not intended to apply to obligations that survive a termination of this Agreement.

12.3 Termination for Failure of Condition. If any of the conditions set forth in Section 5.1 or Section 5.2 are not satisfied or waived by the date provided in such condition, the party entitled to benefit of such condition shall have the right to terminate this Agreement and the escrow provided for herein by giving written notice of such termination to the other party and to Escrow Holder. In the event of such termination (unless the failure of the condition is caused by a default by the other), all escrow and title charges shall be divided equally between the parties and this Agreement will be of no further force and effect. In such event, the parties shall have no further liability under this Agreement except as expressly set forth herein for matters expressly stated to survive termination of this Agreement.

If this Agreement is terminated because of the failure of a condition, all documents delivered to Escrow Holder shall be returned to the depositing party, and the Deposit shall be returned to Buyer.



For the avoidance of doubt, if any condition set forth in Section 5.1, Section 5.2, Section 5.3 or Section 5.4 in favor of a party is not satisfied because of the other party's default hereunder, the party entitled to the benefit of such condition shall have all rights and remedies available under this Article 12.

Section 13. Notices. All notices, demands, requests, consents and approvals that may, or are required to, be given by any party to any other party hereunder shall be in writing and shall be deemed to have been duly given if (a) delivered personally, (b) sent by a nationally recognized overnight delivery service, (c) electronically transmitted via email with receipt confirmed, or (d) if mailed or deposited in the United States mail and sent by registered or certified mail, return receipt requested, postage prepaid to:

If to Seller: Port of Chelan County  
One Campbell Parkway, Suite A  
East Wenatchee, WA 98802  
Attn: James A. Kuntz, Executive Director  
Phone: (509) 884-4700  
Email: jim@cdrpa.org

With copies to: Ogden Murphy Wallace, P.L.L.C.  
1 Fifth Street, Suite 200  
P.O. Box 1606  
Wenatchee, WA 98807-1606  
Attn: Peter A. Fraley  
Phone: (509) 662-1954  
Email: pfraley@omwlaw.com

If to Buyer: Microsoft Corporation  
One Microsoft Way  
Redmond, WA 98052  
Attn: Shawn Salimian  
Email: landnotice@microsoft.com

With copies to: Microsoft Corporation  
CELA – CO+I  
One Microsoft Way  
Redmond, WA 98052  
Attn: Corporate, External & Legal Affairs  
Email: mciocela@microsoft.com

And to: K&L Gates LLP  
925 Fourth Avenue, Suite 2900  
Seattle, WA 98104  
Attn: Shannon Skinner  
Email: Shannon.Skinner@klgates.com

All notices shall be deemed given on the day such notice is delivered (or if refused, the date of such refusal) or transmitted by email (provided that confirmation of email transmission is before 5:00 p.m. on a Business Day, and, if after such time, then on the next Business Day) or on the third Business Day following the date such notice is mailed in accordance with this Section. Any notice given by counsel to a party shall have the same effect as if given by such party. The above addresses and phone numbers may be changed by written notice to be provided the other party in accordance with this Section 13; provided, however, that no notice of a change of address shall be effective until actual receipt of such notice. All notices may be given either by a party or by such party's attorneys.

Section 14. Tax Deferred Exchange. Either party may convey or receive a conveyance of the Property described herein as part of an IRC Section 1031 Tax Deferred Exchange. Either party may assign its contract rights (but not its obligations) hereunder and in related and/or affiliated agreements to a qualified intermediary, as part of, and in furtherance of, such tax deferred exchange. In such event, the other party agrees to assist and cooperate in such exchange for the benefit of the exchanging party at no cost, expense or liability to the other party, and further agrees to execute any documents (subject to the reasonable approval of the other party's legal counsel) as are reasonably necessary in connection with such exchange at the exchanging party's sole expense; provided that such cooperation shall not impose upon the non-exchanging party any obligation or cost beyond those arising under this Agreement or with respect to any related or affiliated agreements, other than de minimis or ministerial obligations. If a party wishes to do an exchange as provided in this section, it shall notify the other party and provide any documents that it requests the other party to sign at least ten (10) Business Days before the Closing Date. Nothing contained in this Section 14 shall release the exchanging party of any of its obligations or liabilities under this Agreement, whether arising before, at or after Closing.

Section 15. Time of Essence. Time is of the essence of each and every provision of this Agreement.

Section 16. Governing Law; Jurisdiction. The construction, validity, meaning and effect of this Agreement shall be determined in accordance with the laws of the State in which the Property is located. In the event any action is brought to enforce any of the provisions of this Agreement, the parties agree to be subject to the jurisdiction in the State in which the Property is located.

Section 17. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Any electronic signature to this document or to any other certificate, agreement or document related to this transaction, shall have the same legal validity and enforceability as a manually executed signature or use of a paper-based record-keeping system to the fullest extent permitted by applicable law, including the federal Electronic Signatures in Global and National Commerce Act, any state electronic signatures and/or records act, or any similar state law based on the Uniform Electronic Transactions Act. The parties hereto waive any objection to the contrary. Without limiting the foregoing, the parties consent to the use of remote notarization if such notarial act is performed in accordance with the laws of the state governing the notarial act. "Electronic signature" as used herein includes (a) any electronic symbol or process attached to, or associated with, a contract or other record and adopted by a person with the intent to sign,

authenticate or accept such contract or record (including any signature affixed by Adobe Sign), and (b) any facsimile or .pdf signature.

Section 18. Rules of Construction. The captions in this Agreement are inserted for convenience of reference and in no way define, describe or limit the scope or intent of this Agreement or any of the provisions hereof. All references to “Sections” without reference to a document other than this Agreement, designate sections of this Agreement. The words “herein,” “hereof,” “hereunder,” and other words of similar import refer to this Agreement as a whole and not to any particular Section, unless specifically designated otherwise. The use of the term “including” shall mean “including but not limited to.” No determination by a court of competent jurisdiction that any term or provision of this Agreement is invalid or otherwise unenforceable shall invalidate or render unenforceable any other term or provision of this Agreement and all remaining provisions shall be enforced in accordance with their terms. No rules of construction against the drafter of this Agreement shall apply in any interpretation or enforcement of this Agreement or any documents or certificates executed pursuant hereto. Any deletion of language from this Agreement prior to its execution by Buyer and Seller shall not be construed to raise any presumption, canon of construction or implication, including, without limitation, any implication that the parties intended thereby to state the converse of the deleted language.

Section 19. Assignability. Buyer may assign its rights under this Agreement to any entity controlling, controlled by, or under common control with Buyer without Seller’s prior written consent, and upon such assignment the original Buyer will be released from all obligations under this Agreement.

Section 20. Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective legal representatives, successors and permitted assigns.

Section 21. Modifications; Waiver. No waiver, modification amendment, discharge or change of this Agreement shall be valid unless the same is in writing and signed by the party against which the enforcement of such modification, waiver, amendment, discharge or change is sought.

Section 22. Entire Agreement. This Agreement contains the entire agreement, including all of the exhibits attached hereto, between the parties relating to the transactions contemplated hereby and all prior or contemporaneous agreements, understandings, representations or statements, oral or written, are superseded hereby.

Section 23. Survival. The terms of this Agreement that are expressly stated herein to survive Closing or termination of this Agreement, including those contained in Section 8 (As-Is, Release), Section 9.14 (Water Rights), Section 11 (Costs and Prorations), Section 26 (Brokers), Section 28 (Attorneys’ Fees), Section 29 (Confidentiality; Press Releases) and the Access Agreement, shall survive the termination or expiration of this Agreement and shall survive the Closing. In addition, Section 7 (Representations and Warranties) shall survive Closing for the Survival Period except as otherwise provided in Section 7.4. The Access Agreement shall survive in accordance with its terms, as the same maybe modified by this Agreement. Except for the foregoing provisions, all other agreements of the parties contained in this Agreement shall

terminate upon Closing. Notwithstanding the foregoing, for avoidance of doubt, all representations, warranties and obligations contained in the Deed or any documents delivered by Seller or Buyer at Closing shall survive Closing and shall not terminate at Closing. Seller acknowledges that information about the Property is not confidential information of Seller after the Closing.

Section 24. No Personal Liability of Officers or Directors; No Consequential Damages.

24.1 Seller. Buyer acknowledges that this Agreement is entered into by Seller as a legal entity and Buyer agrees that no individual officer, member, shareholder, employee or representative of Seller shall have any personal liability under this Agreement.

24.2 Buyer. Seller acknowledges that this Agreement is entered into by Buyer as a legal entity and Seller agrees that no individual officer, director, member or representative of Buyer shall have any personal liability under this Agreement.

24.3 Consequential Damages. The parties acknowledge and agree that neither party be liable to the other party under this Agreement for any indirect or consequential damages, including but not limited to claims for loss of use, rents, anticipated profit or business opportunity, or business interruption or emotional distress.

Section 25. No Third Party Rights. Nothing in this Agreement, express or implied, is intended to confer upon any person, other than the parties hereto and their respective successors and assigns, any rights or remedies under or by reason of this Agreement.

Section 26. Brokers. Seller and Buyer represent each to the other that each has had no dealings with any broker, finder or other party concerning Buyer's purchase of the Property. Each party agrees to indemnify and hold the other harmless from all loss, cost, damage or expense (including reasonable attorney's fees) incurred by the indemnified party as a result of any claim arising out of the acts of the indemnifying party for a commission, finder's fee or similar compensation made by any broker, finder or any party who claims to have dealt with the indemnifying party. The indemnities contained in this Section 26 shall survive the Closing or the termination of this Agreement.

Section 27. Computation of Time. In the computation of any period of time hereunder, the day of the act or event from which the period of time runs shall be excluded and the last day of such period shall be included. If any deadline hereunder falls on a day that is not a Business Day, then the deadline will be deemed extended to the next following Business Day. All times stated herein are by reference to the time zone in which the Property is located (i.e., Pacific Time).

Section 28. Attorneys' Fees. If any legal action or other proceeding is brought for the enforcement of this Agreement (including, without limitation, enforcement of any obligation to indemnify, defend or hold harmless), or because of an alleged dispute, default or misrepresentation in connection with any of the provisions of this Agreement, the substantially prevailing party shall be entitled to recover the reasonable attorneys' fees (including those in any bankruptcy or insolvency proceeding), accountants' and other experts' fees and all other fees, expenses and costs incurred in connection with that action or proceeding, in addition to any other relief to which it may be entitled.

Section 29. Confidentiality; Press Releases.

29.1 Generally. This Agreement, all documents referenced herein, and the transaction provided for herein shall be subject to the Confidentiality Agreement to the extent permitted under Washington State laws pertaining to public entities, public records disclosure, and open public meetings. Neither party shall terminate the Confidentiality Agreement before Closing or earlier termination of this Agreement notwithstanding any provision in the Confidentiality Agreement permitting a party to terminate it. In addition, notwithstanding provisions of the Confidentiality Agreement that may serve to limit such disclosure, Buyer and Seller shall have the right to disclose information concerning Buyer's proposed acquisition and intended development to the extent necessary in discussions with utility providers and governmental authorities having jurisdiction over the Property or required to provide Seller's approval to enter into the transactions contemplated by this Agreement (including their consultants). Buyer understands and agrees that this Agreement has been presented, considered, and approved in an open public meeting and is a public record subject to disclosure under Washington State law.

29.2 Press Releases. Neither Seller nor Buyer shall at any time issue a press release regarding this sale and purchase unless such release has received the prior approval of the other party. Nothing herein otherwise prevents a Party from responding to inquiries from the press or other media representatives.

Section 30. Further Assurances. The parties hereto agree to execute and deliver all such further assignments, endorsements and other documents and take all such further action as any party hereto may reasonably request from time to time in order to effectuate the terms, purposes and intent of this Agreement.

[signatures on following page]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date of the last signature below.

**SELLER:**

PORT OF CHELAN COUNTY, a Washington  
municipal corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**BUYER:**

MICROSOFT CORPORATION, a Washington  
corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_  
Date: \_\_\_\_\_

## EXHIBIT A

### Legal Description of Property

#### **Curtis Property**

LOTS 3 AND 4 OF MELTON-CURTIS SHORT PLAT SUBDIVISION NO. 650, AS RECORDED UNDER AUDITOR'S NO. 811106, RECORDED MARCH 17, 1980, BEING A PORTION OF THE WEST HALF OF THE NORTHEAST QUARTER OF SECTION 35, TOWNSHIP 22 NORTH, RANGE 21, E.W.M., CHELAN COUNTY, WASHINGTON.

#### **Lojo Property**

THAT PORTION OF SECTION 35, TOWNSHIP 22 NORTH, RANGE 21 E.W.M., SITUATE IN THE COUNTY OF CHELAN, STATE OF WASHINGTON, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

ALL OF THE NORTHEAST QUARTER OF SAID SECTION 35 LYING SOUTHERLY OF CHELAN COUNTY HIGHWAY NO. 1, EXCEPT THE WESTERLY 1130 FEET OF SAID SUBDIVISION.

#### **Torres Property**

LOT 2, AS DESCRIBED IN AND DELINEATED ON MELTON-CURTIS SHORT PLAT NO. 650, RECORDED MARCH 17, 1980, UNDER AUDITOR'S NO. 811106, BEING A PORTION OF THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 35, TOWNSHIP 22 NORTH, RANGE 21, E.W.M., CHELAN COUNTY, WASHINGTON;

**EXHIBIT B**

**Form of Deed**

After Recording Return To:  
K&L Gates LLP  
925 Fourth Avenue, Suite 2900  
Seattle, WA 98104  
Attn: Shannon Skinner

---

**BARGAIN AND SALE DEED**

**Grantor:** PORT OF CHELAN COUNTY,  
a Washington municipal corporation

**Grantee:** MICROSOFT CORPORATION,  
a Washington corporation

**Abbrev. Legal Description:** [ \_\_\_\_\_ ]  
Complete legal description on Exhibit A.

**Assessor's Tax Parcel ID#:** [ \_\_\_\_\_ ]

For and in consideration of Ten and no/100 Dollars, and other valuable consideration, PORT OF CHELAN COUNTY, a Washington municipal corporation, Grantor, does hereby bargain, sell, and convey to MICROSOFT CORPORATION, a Washington corporation, Grantee, the following described real property situated in Chelan County, Washington:

See Exhibit A attached hereto, TOGETHER WITH all improvements, fixtures, oil, gas and mineral rights and all appurtenances thereon or thereto.

Grantor further conveys and quitclaims to Grantee all of its right, title and interest in and to the water, water rights and water stock appurtenant to the above described property as of the date this Deed is recorded.

[Signature follows]



Dated \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_.

**GRANTOR:**

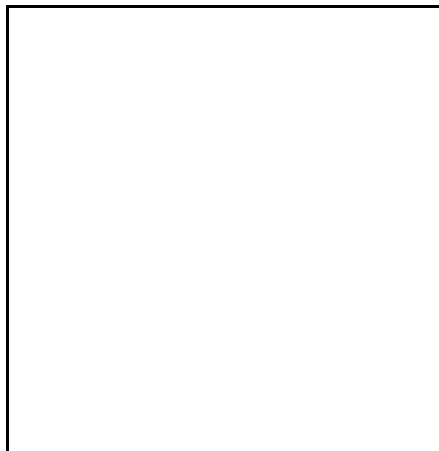
PORT OF CHELAN COUNTY,  
a Washington municipal corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

STATE OF \_\_\_\_\_

COUNTY OF \_\_\_\_\_

This record was acknowledged before me on \_\_\_\_\_, 20\_\_ by  
\_\_\_\_\_ as \_\_\_\_\_ of PORT OF CHELAN COUNTY, a Washington  
municipal corporation.



(Stamp)

\_\_\_\_\_  
(Signature of notary public)

\_\_\_\_\_  
(Title of office)

My Commission Expires: \_\_\_\_\_  
(Date)

Exhibits

- Exhibit A: Legal Description
- Exhibit B: Permitted Exceptions

**EXHIBIT A TO DEED**

Legal Description

*[To be added.]*

## EXHIBIT C

### Form of General Assignment

#### GENERAL ASSIGNMENT

This General Assignment is entered into as of \_\_\_\_\_, 20\_\_ (the "Effective Date") by and between PORT OF CHELAN COUNTY, a Washington municipal corporation ("Seller"), and MICROSOFT CORPORATION, a Washington corporation ("Buyer"). Seller and Buyer are parties to that certain Purchase and Sale Agreement dated \_\_\_\_\_, 20\_\_ (the "Purchase Agreement") for the sale of property located in Chelan County, Washington described in the Purchase Agreement (the "Property"). Capitalized terms used herein shall have the meanings given in the Purchase Agreement. Pursuant to the Purchase Agreement, for valuable consideration, the sufficiency and the receipt of which is hereby acknowledged, Seller hereby grants, bargains, sells, conveys, transfers and assigns to Buyer the following personal property (the "Personal Property"):

- (1) All of Seller's right, title and interest in and to all assignable existing permits, licenses, approvals and authorizations issued by any governmental authority in connection with the Property [*, including those listed on Exhibit A attached hereto--insert list of particular items if available*] (collectively, the "Intangibles").

This General Assignment is made without recourse or warranty whatsoever except that Seller owns the Personal Property free and clear of all liens, exceptions, and encumbrances except the lien for property taxes not yet delinquent.

*[Remainder of page left intentionally blank; signature page follows.]*

**SELLER:**

PORT OF CHELAN COUNTY, a Washington  
municipal corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**BUYER:**

MICROSOFT CORPORATION, a Washington  
corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_  
Date: \_\_\_\_\_

**Exhibit A to General Assignment**  
**List of Intangible Property**

*[if applicable; if no list available, then delete]*

**EXHIBIT D**

**Form of Title Affidavit**

[to be inserted]

## EXHIBIT E

### List of Reports Delivered to Buyer

	<b>STUDIES/REPORTS FROM SELLER</b>	<b>PREFERRED FORMAT</b>	<b>ALTERNATE FORMAT</b>
1	Zoning Map	PDF	WEB LINK
2	Zoning Code	PDF	WEB LINK
3	CC&Rs (if applicable)	PDF	
4	Water Supply Quality Report/Chemical Profile	PDF	
5	Cultural Resources Review (Artifacts, etc.)	PDF	
6	Environmental Assessments/Surveys	PDF	
7	Previous Environmental or Land Use Decisions and Conditions	PDF	
8	Wetlands Inventory	PDF	
9	Endangered Species Habitat Assessment	PDF	
10	Boundary & Topographic Survey	ACAD	PDF
11	Current Title Report together with underlying documents	PDF	WEB LINK
12	Plat Documents (if applicable)	ACAD	PDF
13	Water and Wastewater Capacity/System Info	PDF	
14	Electrical Capacity/System Info	PDF	
15	Preliminary Utility Availability Letters (if available)	PDF	
16	AHJ Approvals/Permits List	PDF	WEB LINK
17	Water/Electrical Distribution Reliability Data	PDF	
18	List of Utility Purveyors and Contact Info	PDF	Word
19	AHJ and List of Contacts/Info	PDF	Word
20	All leases and service/management agreements (including any proposed agreements), relating to the Property		Word
21	The most recent tax bills relating to the Property	PDF	Word
22	Copies of all documents, materials, reports, inspection reports, insurance claims, materials and correspondence which pertain to the ownership, operation, management or physical or legal condition of the Property, including any development	PDF	Word

agreements, TIF, latecomer and reimbursement agreements and any information relating to utility or LID districts present or planned.

- |    |  |     |      |
|----|--|-----|------|
| 23 | Significant tree inventory/survey  | PDF | Word |
| 24 | Staff Report of Chelan County Department of Community Development, Hearing Date: January 19, 2022. |     |      |



## EXHIBIT F

### List of Water Rights Documents<sup>1</sup>

Phase I

Phase II

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<sup>1</sup> To include tag number of exempt well from Reports

## EXHIBIT G

### Approved Title Exceptions

#### Lojo Property

1. General and special taxes and assessments for the fiscal year 2022 are exempt. If the exempt status is terminated an additional tax may be levied. A.P. No.: 222135100060.
2. Easement, including terms and provisions contained therein:  
Recording Information: 196572  
In Favor of: Puget Sound Power and Light Company, a Corporation  
For: Electric transmission and/or distribution system
3. Easement, including terms and provisions contained therein:  
Recording Information: 201953  
In Favor of: Puget Sound Energy, Inc., a Washington corporation  
For: Electric and/or gas transmission and/or distribution system
4. Easement, including terms and provisions contained therein:  
Recording Information: 581326  
In Favor of: Public Utility District No. 1 of Chelan County  
For: Electric transmission and/or distribution system
5. Reservations contained in Warranty Deed:  
Executed By: Aluminum Company of America  
Recorded: November 12, 1976  
Recording Information: 766399
6. Easement, including terms and provisions contained therein:  
In Favor of: Public Utility District 1 of Chelan County  
Purpose: Electric transmission and/or distribution system  
Recorded: August 08, 1996  
Recording No.: 968080007
7. Items disclosed by Survey by S&F Land Services, dated September 15, 2021, job no. 2021-424-01.

#### Curtis Property

1. Reservations contained in Warranty Deed:  
Executed By: Aluminum Company of America  
Recorded: December 16, 1976  
Recording Information: 767532
2. Waterline and Water Storage Tank Cost and Maintenance Agreement and the terms and conditions thereof:  
Between: Everett A. Melton and Imogene Melton, his wife, Calvin E. Melton and Elizabeth Melton, his wife, Daniel Curtis and Darlene Curtis, his wife  
And: The Chelan-Douglas County Peace Officers Association, a Washington non-profit corporation  
Recording Information: 832033
3. License Agreement, including terms and provisions contained therein:

Recording Information: 832034

In Favor of: Chelan-Douglas County Peace Officers Association, a Washington non-profit corporation

For: Purpose of inspection, maintenance and repair of the waterline and storage tanks

4. Easement, including terms and provisions contained therein:

In Favor of: Public Utility District 1 of Chelan County

Purpose: Electric transmission and/or distribution system

Recorded: July 22, 1994

Recording No.: 9407220046

5. Items disclosed by Survey by S&F Land Services, dated January 11, 2022, job no. 2021-424-01.

Torres Property

1. Reservations contained in Warranty Deed:

Executed By: Aluminum Company of America

Recorded: December 16, 1976

Recording Information: 767532

2. Easement:

In Favor Of: Public Utility District 1 of Chelan County

Purpose: Electric transmission and/or distribution system

Recorded: August 19, 1981

Recording No.: 828060

3. Waterline and Water Storage Tank Cost and Maintenance Agreement and the terms and conditions thereof:

Between: Everett A. & Imogene Melton, his wife

And: Calvin E. & Elizabeth Melton, his wife and Daniel & Darlene Curtis, his wife

Recording Information: 832033

4. License Agreement, including terms and provisions contained therein:

Recording Information: 832034

In Favor of: Chelan-Douglas County Peace Officers Association, a Washington non-profit corporation

For: Purpose of inspection, maintenance and repair of the waterline and storage tanks

5. Easement, including terms and provisions contained therein:

In Favor Of: Public Utility District 1 of Chelan County

Purpose: Electric transmission and/or distribution system

Recorded: October 29, 1984

Recording No.: 8410290041

6. Easement, including terms and provisions contained therein:

In Favor Of: Public Utility District 1 of Chelan County

Purpose: Electric transmission and/or distribution system

Recorded: November 28, 1994

Recording No.: 9411280067

7. Items disclosed by Survey by S&F Land Services, dated January 12, 2022, job no. 2021-424-01.

# Memo

**To:** Board of Directors

**From:**  Jim Kuntz

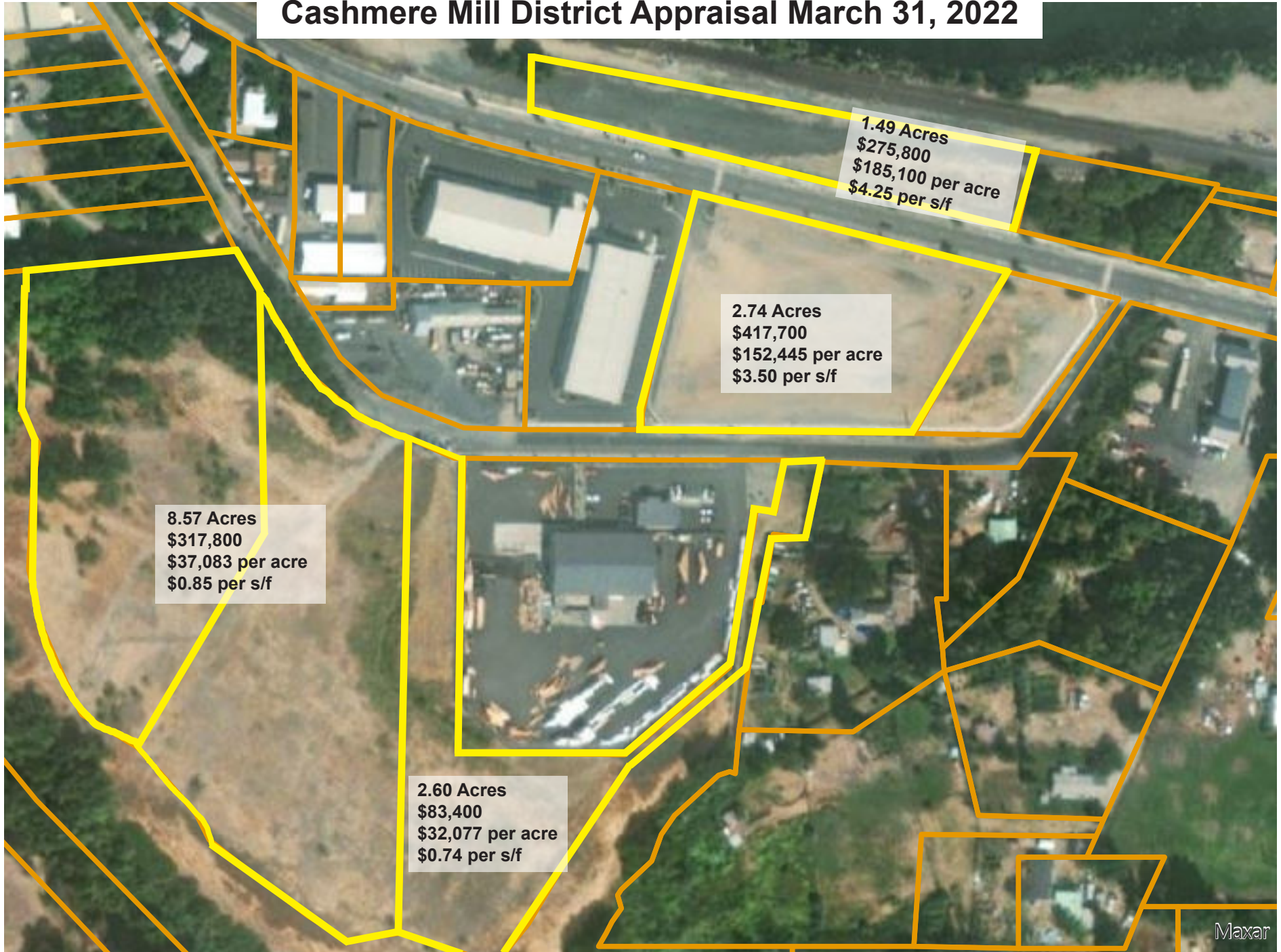
**Date:** 4/21/22

**Re:** Purchase & Sale Agreement – Cashmere Mill District  
Property

---

At Tuesday's meeting, I am asking for your approval to enter into a purchase & sale agreement with Louws Truss, Inc. for the 2.6 acres near their property in Cashmere. Attached is a map showing appraised values as of March 31, 2022.

# Cashmere Mill District Appraisal March 31, 2022



# Memo

**To:** Board of Directors

**From:**  Jim Kuntz

**Date:** 4/21/22

**Re:** Purchase & Sale Agreement – Marsha Hays

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Attached is the Purchase & Sale Agreement with Marsha Hays for your review.

## PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT (hereinafter "Agreement"), made this date, is by and between the PORT OF CHELAN COUNTY, a Washington municipal corporation ("Purchaser"), and MARSHA HAYS, as her separate estate ("Seller"). Individually the Purchaser and Seller may be referred to herein as a "Party" or collectively as the "Parties."

1. **Agreement/Property.** Seller agrees to sell and Purchaser agrees to purchase Seller's interest in real property located in the county of Chelan, state of Washington and more particularly described as follows (the "Property"):

The West one-third of the East two thirds of the East half of the Northwest quarter of Section 35, Township 22 North, Range 21 E.W.M., EXCEPT that portion thereof lying Northerly of the Southerly right of way of the existing county road.

TOGETHER WITH a 1995 Champion mobile home.

Together with all water rights, permits, claims, shares in public or private irrigation districts or companies, rights to water and the like appurtenant to or associated with the above-described property.

Subject to a Life Estate Lease Agreement recorded April 2, 2018, under Auditor's File No. 2475365, records of Chelan County, Washington ("Life Estate").

The Parties agree that the above legal description will be revised to be consistent with preliminary commitment for title insurance (please see Section 5.2, below).

Assessor's Parcel No. 222135240000 (Mobile Home No. 9904586).

The Property is commonly known as 5101 Malaga Alcoa Highway, Malaga, Washington 98828.

2. **Earnest Money.** Purchaser shall pay to Central Washington Title Services, Inc. earnest money in the amount of Thirty Four Thousand and No/100 Dollars (\$34,000.00), within five (5) business days of the effective date of this Agreement. Earnest money shall be in the form of a check made payable to Central Washington Title Services, Inc. and credited to the purchase price at Closing, as defined herein. The earnest money is non-refundable, except as set forth in Section 5.2 (Title), Section 9 (Feasibility Contingency) and Section 14 (Default), below.

3. **Purchase Price.** The total purchase price shall be Six Hundred Eighty Five Thousand Six Hundred Fifty and No/100 Dollars (\$685,650.00 US), payable in cash at Closing, as defined herein.

4. **Deed.** At Closing, the Seller shall sign, execute, and deliver a Statutory Warranty Deed for the Property to Purchaser and/or Closing agent, subject to those matters set forth in Section 5, below.

5. **Title.**

5.1 The following shall not be considered encumbrances or defects of title (hereafter "Permitted Exceptions"):

5.1.1 Rights reserved in federal patents or state deeds, and building or use restrictions general to the area;

5.1.2 Existing easements, conditions, restrictions, covenants, and matters of record not materially impacting Purchaser's intended use of the Property;

5.1.3 General real estate taxes, special assessment, or other levies assessed against the Property not due and payable;

5.2 Seller shall make available to Purchaser a preliminary commitment for title insurance ("Title Commitment") issued by Central Washington Title Services, Inc. Purchaser shall give written notice to Seller within thirty (30) calendar days of Purchaser's actual receipt of the Title Commitment of any defects or encumbrances, other than Permitted Exceptions specified in Section 5.1, in Seller's title to which Purchaser objects (the "Objection"). Seller shall exercise reasonable good faith to attempt to remove matters to which an objection is made. If Seller is unable to cure the defects objected to by Purchaser within twenty (20) calendar days after receipt of the Objection, unless the time is extended in writing, then Purchaser may elect, as its exclusive remedy, either to waive such defects, or to terminate this Agreement and receive a refund of the earnest money.

5.3 Seller shall deliver to Purchaser at or within a reasonable period following Closing, a standard owner's policy of title insurance (the "Title Policy") containing no exceptions other than the customary form printed exceptions ("Standard Exceptions"), the exceptions in Section 5.1 (Permitted Exceptions), the exceptions listed in the Title Commitment that Purchaser has accepted pursuant to Section 5.2, if any ("Accepted Exceptions"). Seller shall pay the cost of the Title Policy at Closing.

5.4 If this transaction does not close, and this Agreement is terminated, the Purchaser shall be responsible for the cancellation or other fee associated with the Title Commitment.

6. **Representations of Seller.** Effective as of the date of this Agreement and as of the date of Closing, Seller represents, and warrants to Purchaser, as follows:

6.1 That Seller is not aware of any material facts adversely affecting the Property which have not been disclosed in writing to the Purchaser.

6.2 There are no underground storage tanks beneath the Property.



**6.3** That Seller shall maintain the Property in its present or better condition until Closing.

**6.4** That the Property contains no leased or encumbered personal property or fixtures.

**6.5** That there are no petroleum products or hazardous substances located, used, or spilled on the Property in violation of or exceeding the limits established by any local, state or federal law.

**6.6** That the well and septic system serving the Property have been routinely serviced and maintained, and are in good working order, free of defects.

**6.7** That Seller owns good and marketable title to the Property. There are no adverse or other parties in possession of the Property, or of any party thereof, except for the Life Estate.

**6.8** There are no pending or threatened (in writing) actions, suits, arbitrations, claims, investigations or legal, administrative or other proceedings (a) with respect to or in any manner affecting the Property, including any condemnation action, proceeding to impose an assessment district, zoning change proceeding or development moratorium; or (b) to which Seller is or may be a party by reason of Seller's ownership, use, or operation of the Property.

**6.9** There are no leases, subleases, rental agreements, licenses or other agreements for the lease or occupancy of any portion of the Property, except for the Life Estate.

**6.10** Seller has not received any written notices from any governmental authority with respect to any violation or alleged violation of any law relating to the use, condition or operation of the Property, which violation remains uncured.

**7. Disclosure Statement.** Seller shall provide Purchaser a complete and signed disclosure statement as required by Chapter 64.06 RCW within ten (10) calendar days of the effective date of this Agreement for Purchaser's review.

**8. Modification/Waivers.** To be effective and binding upon the Parties hereto, all modifications or waivers of any condition of this Agreement shall be in writing and signed by the Parties.

**9. Feasibility Contingency.** Purchaser (its agents, contractors, consultants, agents and business prospects, hereafter "Representatives") shall have one hundred twenty (120) days from the effective date of this Agreement to review the feasibility of purchasing the Property and to conduct whatever inspections and investigations the Purchaser or the Representatives deem appropriate. The Purchaser may conduct a "phase 1, environmental assessment", or its equivalent, and Seller agrees to cooperate and provide the necessary information reasonably requested by Purchaser and its consultants to complete said environmental assessment. The Purchaser and the Representatives shall have the right to enter the Property to conduct inspections and investigation, provided that Purchaser shall be solely responsible for restoring the Property to the condition that existed prior to said entry. The Purchaser shall be

responsible for any and all damage caused to the Property arising from or related to said inspection and investigation and agrees to indemnify and hold the Seller harmless in this regard. At any time during the one hundred twenty (120) day feasibility period, the Purchaser may provide a written notice to Seller waiving this contingency. This contingency shall be deemed to have failed if Purchaser does not timely provide the written notice to Seller waiving this contingency; in which event, this Agreement shall terminate and be of no further force or effect between the Parties, and the earnest money shall be refunded to the Purchaser.

**10. Life Estate Contingency.** During the feasibility contingency set forth in Section 9, above, Seller and Purchaser shall attempt, in good faith, to terminate the Life Estate and replace it with a lease agreement having a duration no longer than two years from Closing and allowing the Purchaser to have full access to the Property, except for the area surrounding the residence associated with the Life Estate. If the Parties are unable to replace the Life Estate with a lease agreement on terms satisfactory to the Purchaser, then the Purchaser may terminate this Agreement prior to the expiration of 120 day feasibility period set forth in Section 9, above, by providing the Seller a written notice of termination. In the event the notice of termination is timely provided, then this Agreement shall terminate and be of no further force or effect between the Parties. If the Purchaser provides a waiver of the feasibility contingency in Section 9, above, then such waiver shall also be deemed to be a waiver of the contingency set forth in this Section 10.

**11. Time for Closing - Responsibilities of Parties – Costs.** The Closing of this transaction shall occur at Central Washington Title Services, Inc., upon the satisfaction of all contingencies, but, in no event, later than thirty days following the Seller's waiver of the contingency set forth in Section 9, above. The Purchaser and Seller shall deposit with Central Washington Title Services, Inc. all instruments, documents and monies necessary to complete the sale in accordance with this Agreement. The Purchaser and Seller agree to each pay one-half of the Closing fee. The Parties shall pay their own attorney's fees. Seller will pay for the cost of the Title Policy and the real estate excise tax. Purchaser shall pay for the preparation of the Statutory Warranty Deed and Excise Tax Affidavit to be prepared by Purchaser's attorney. Each party shall pay the prorated portion of real property taxes and irrigation assessments (based on the irrigation season) for the current year based on the date of Closing. Other items shall be paid according to the practice in Chelan County, Washington. For the purpose of the prorations, Purchaser will be deemed to be in title to the Property beginning at 12:01 a.m. on the closing date.

**11.1** Title to the Property is held by Marsha Hays, a married person dealing in her separate property. The Seller shall be responsible for taking whatever steps may be required by the title company to confirm how title is vested, including quitclaim deeds necessary to confirm title is held as separate property. If Seller fails to take the steps required by the title company to convey the Property to the Purchaser as set forth in this Agreement, then Seller shall be in default.

12. **Date of Closing.** For purposes of this agreement, the “date of Closing” or “Closing” shall be construed as the date upon which all appropriate documents are recorded and the proceeds of this sale are available for disbursement to Seller.

13. **Possession.** Seller shall deliver possession to Purchaser on Closing, subject to the terms and conditions of the Life Estate (or the replacement lease agreement).

14. **Default.** Time is of the essence of this Agreement. If the Seller defaults (that is, fails to perform the acts required of it) in its contractual performance herein, the earnest money, without deduction or off-set, shall be refunded to the Purchaser, and Purchaser may bring suit for equitable relief, including specific performance, and seek damages arising from Seller’s Default. If the Purchaser defaults, the earnest money, upon demand, shall be forfeited and paid to Seller as Seller’s sole and exclusive remedy.

15. **Independent Counsel.** Seller acknowledges, understands and agrees that Purchaser is represented by Ogden Murphy Wallace, P.L.L.C. Seller is represented by Bromiley Mackay Williams, PLLC.

16. **Brokerage Fees.** Parties represent that they have not incurred finder’s fees, broker’s fees or commissions, or similar obligations in connection with the Property which is the subject of this Agreement. Seller agrees to indemnify and hold the Purchaser, its agents, representatives, and advisors harmless from any claims or any such fees or commissions and all costs and expenses for defending any alleged claim therefor (including costs and attorney’s fees on appeal, if any) arising out of the acts of the Seller, its agents or employees. Purchaser agrees to indemnify and hold the Seller, its agents, representatives, and advisors harmless from any claims or any such fees or commissions and all costs and expenses for defending any alleged claim therefor (including costs and attorney’s fees on appeal, if any) arising out of the acts of the Purchaser, its agents or employees.

17. **Risk of Loss.** If prior to Closing, improvements on the Property shall be destroyed or materially damaged by fire or other casualty, this Agreement, at option of Purchaser, shall become null and void. If Purchaser elects to continue, all insurance proceeds, if any, shall be payable to Purchaser.

18. **Notices.** Notice hereunder shall be in writing and may be mailed or delivered. If mailed, such notices shall be sent postage prepaid, certified or registered mail, return receipt requested, and the date marked on the return receipt by the United States Postal Service shall be deemed to be the date on which the Party received the notice. Notices shall be mailed or delivered as follows:

TO PURCHASER:

Port of Chelan County  
One Campbell Parkway, Suite A  
East Wenatchee, WA 98802  
Attn: James M. Kuntz, Executive Director

TO SELLER:

Marsha Hays  
161 Lane 3  
Thermopolis, WY 82443

19. **Governing Law and Venue.** This Agreement shall be governed by and interpreted in accordance with Washington law. Any litigation arising out of or in connection with this Agreement shall be conducted in Chelan County, Washington.
20. **Successors.** This Agreement shall be binding upon and shall inure to the benefit of the respective successors, heirs and assigns of each of the Parties.
21. **Encumbrance During Interim.** Seller may not financially encumber the Property prior to Closing, unless the encumbrance is discharged or satisfied at Closing.
22. **Survival.** Except for Section 6, which shall survive Closing as binding representations and warranties of the Seller, the terms and conditions of this Agreement shall not survive Closing and shall merge with the recordation of the Statutory Warranty Deed.
23. **Attorney's Fees.** If any suit or proceeding is instituted by the Seller or the Purchaser arising from or related to this Agreement, including, but not limited to, filing of suit or requesting an arbitration, mediation or alternative dispute resolution process (collectively "proceedings"), and appeals and collateral actions relative to such suit or proceedings, each Party shall be responsible for its own attorney fees and costs incurred.
24. **Counterpart/Facsimile/E-mail.** This Agreement may be executed separately or independently in any number of counterparts and may be delivered by manually signed counterpart, facsimile, e-mail or other electronic means. Each and all of these counterparts shall be deemed to have been executed simultaneously and for all purposes to be one document, binding as such on the parties. The facsimile, e-mail or electronic transmission of any signed original document, and retransmission thereof, shall be the same as delivery of an original. At the request of either party, or the closing agent, the parties will confirm facsimile, e-mail or electronically transmitted signatures by signing an original document.
25. **Corporate Authority; Binding Signatures.** Each of the individuals executing this Agreement on behalf of Purchaser or Seller warrant that they are an authorized signatory of the entity for which they are signing, and have sufficient authority to execute this Agreement.

26. **General Provisions.** Time is of the essence. There are no verbal agreements which modify this Agreement. This Agreement constitutes the full understanding between Seller and Purchaser. Any and all modifications of this Agreement must be in writing and signed by both Parties in order to be binding on the Parties. Purchaser's rights under this Agreement may not be assigned. The "effective date of this Agreement" shall mean the date of the last signature set forth below.

DATED: \_\_\_\_\_

DATED: 4-20-22 \_\_\_\_\_

PURCHASER:

SELLER:

PORT OF CHELAN COUNTY

HAYS

By: \_\_\_\_\_  
James M. Kuntz, Executive Director

  
\_\_\_\_\_  
Marsha Hays



Parcel/PID/Owner/Address



Power Line Easement  
Approx. 4.75 Acres

Life Estate

23 Acres  
Zoned RR5  
Assessed Value  
\$121,868

Topographical  
Constraints  
Approx. 4.41 Acres

# Memo

To: **Board of Directors**

From: **Stacie de Mestre**

Date: **April 21, 2022**

Re: **PMA GA Terminal Building – Professional Services Agreement – ALSC Architects**

---

**On March 29, 2022 the following four firms submitted statements of qualifications in response to a request for qualifications for architectural services for the Pangborn Memorial Airport General Aviation Terminal Building:**

- **The DOH Associates**
- **Forte Architects**
- **ALSC Architects**
- **Livermore Architecture & Engineering, Inc**

**Staff reviewed the qualifications and selected ALSC Architects based on their creative approach to the project (see Attachment A for concept renderings they submitted) as well as their aviation and adaptive reuse experience.**

**Staff has negotiated the attached (Attachment B) scope and fee estimate totaling \$474,258.00 for design and additional services plus reimbursable expenses. An alternate, in the amount of \$35,000, has been proposed for ALSC to assist in the design, specification, and procurement assistance for furniture, fixtures, and equipment. All professional services contracts are billed on a time and materials**

**basis. Please see Attachment C for ALSC's standard billing rates. It should be noted that all subconsultants will be marked up 10%.**

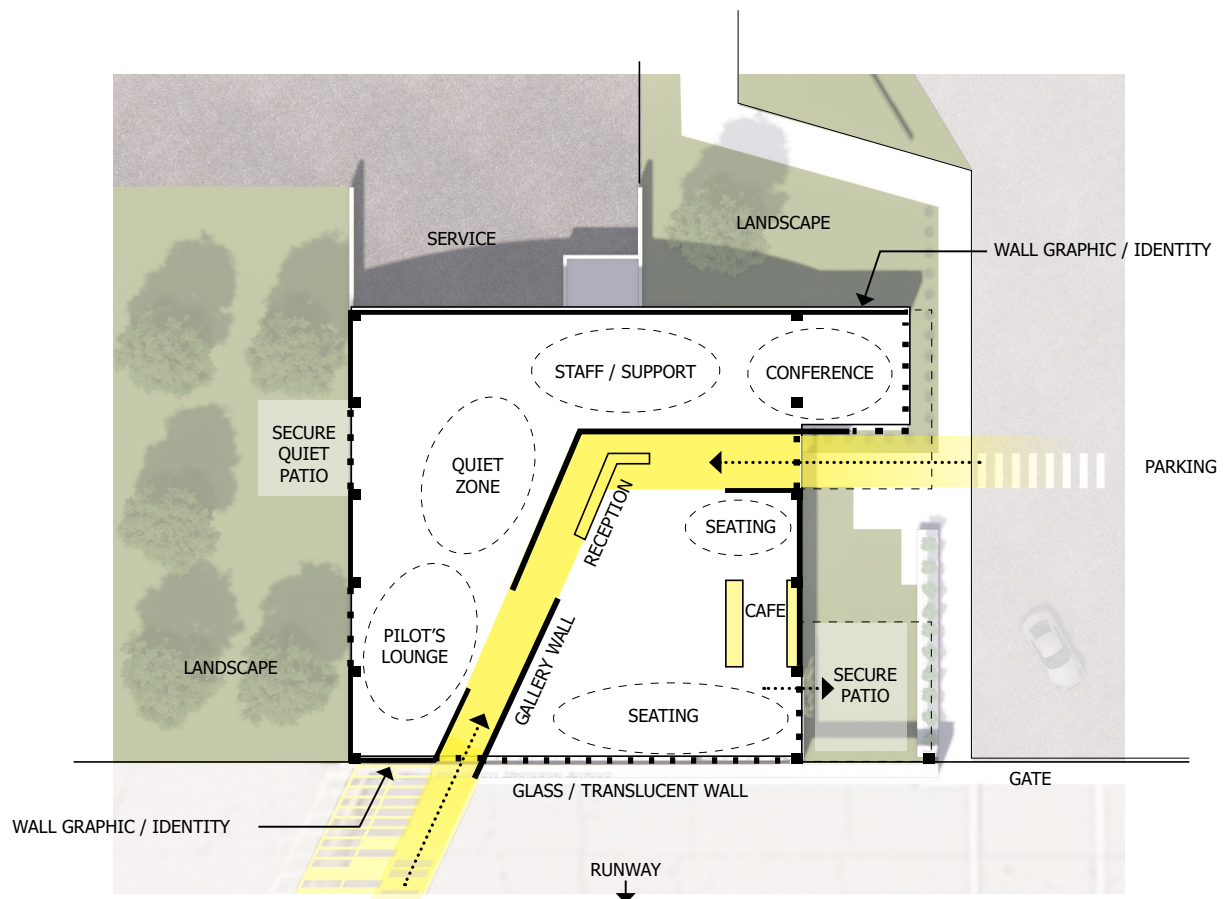
**Construction costs for the adaptive reuse of the GA terminal were initially estimated at \$3,500,000.**

**Staff is seeking Board approval to issue a professional services agreement to ALSC Architect's in the amount not to exceed \$474,258. Staff is recommending that a decision on the alternate for FF&E services be made at a later date.**



### “THE REACH”

Enhance Identity from Runway and Street

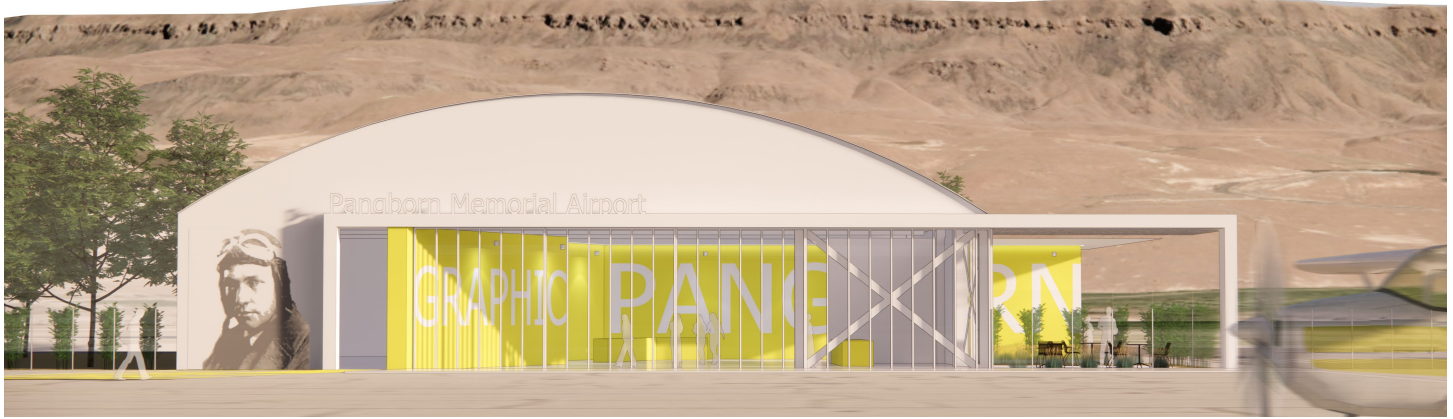


### “THE REACH”

Conceptual Planning

# "THE REACH"

## Conceptual Building Elevations



PILOT'S PATIO

ENTRY

GLASS / TRANSLUCENT WALL

SHADE PATIO / VIEWING



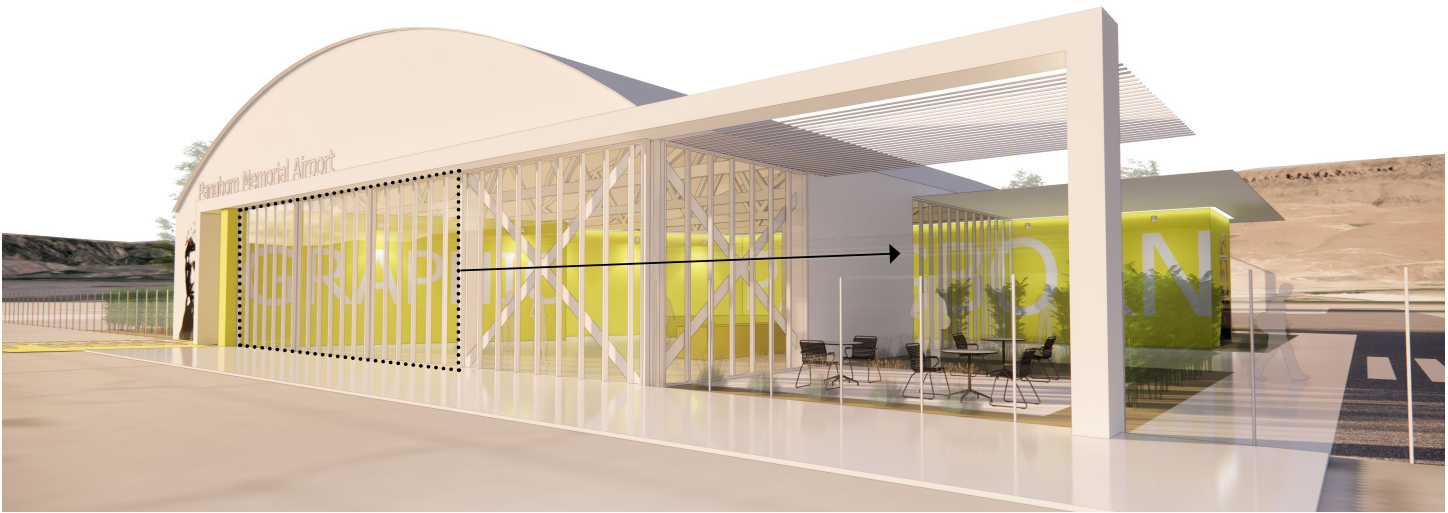
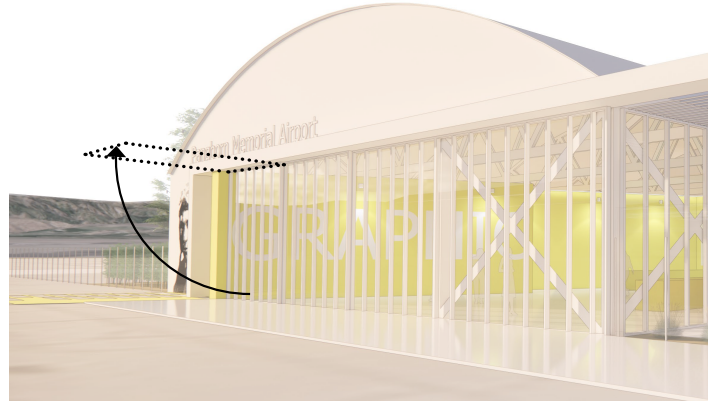
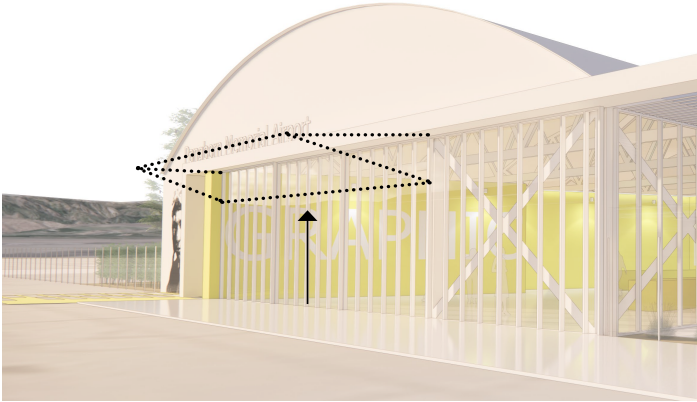
SHADE PATIO / VIEWING

ENTRY

IDENTITY GRAPHIC

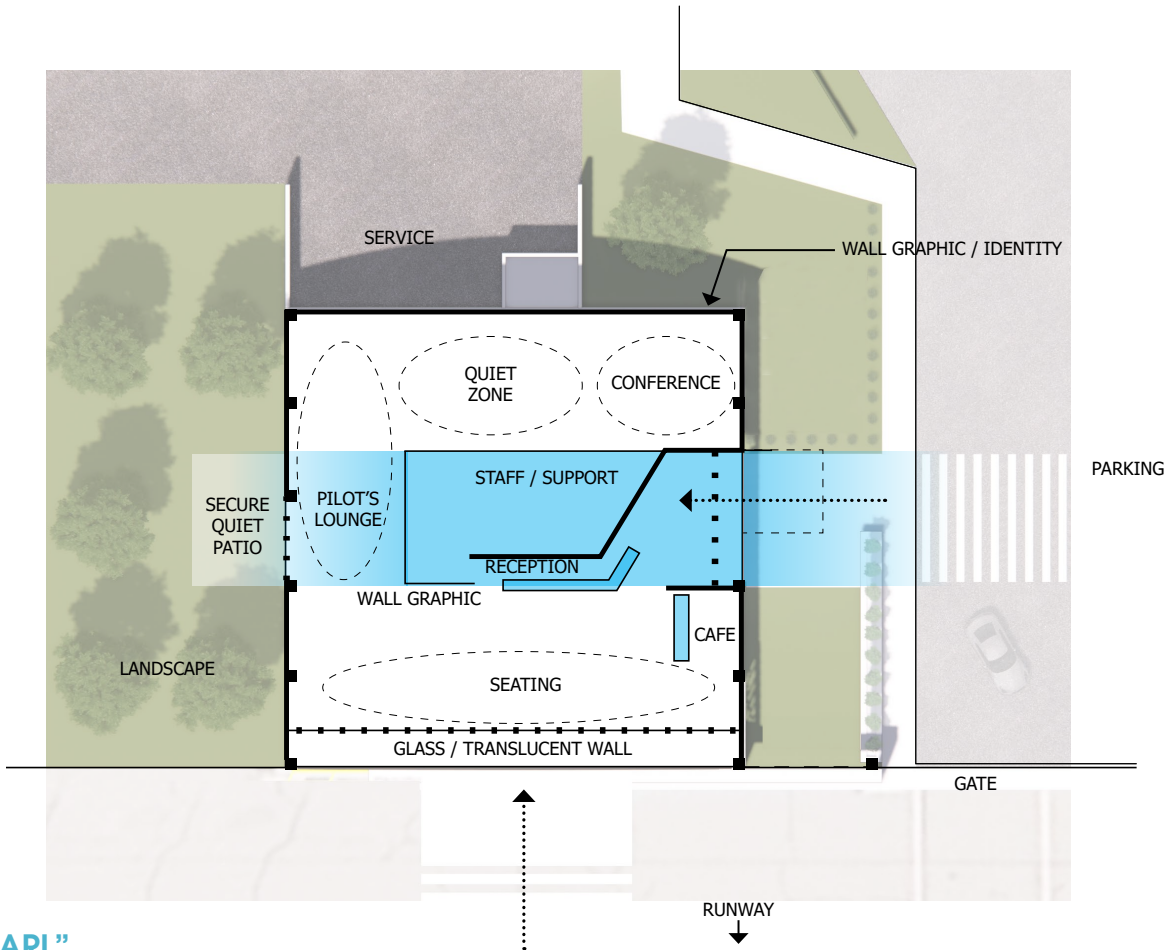
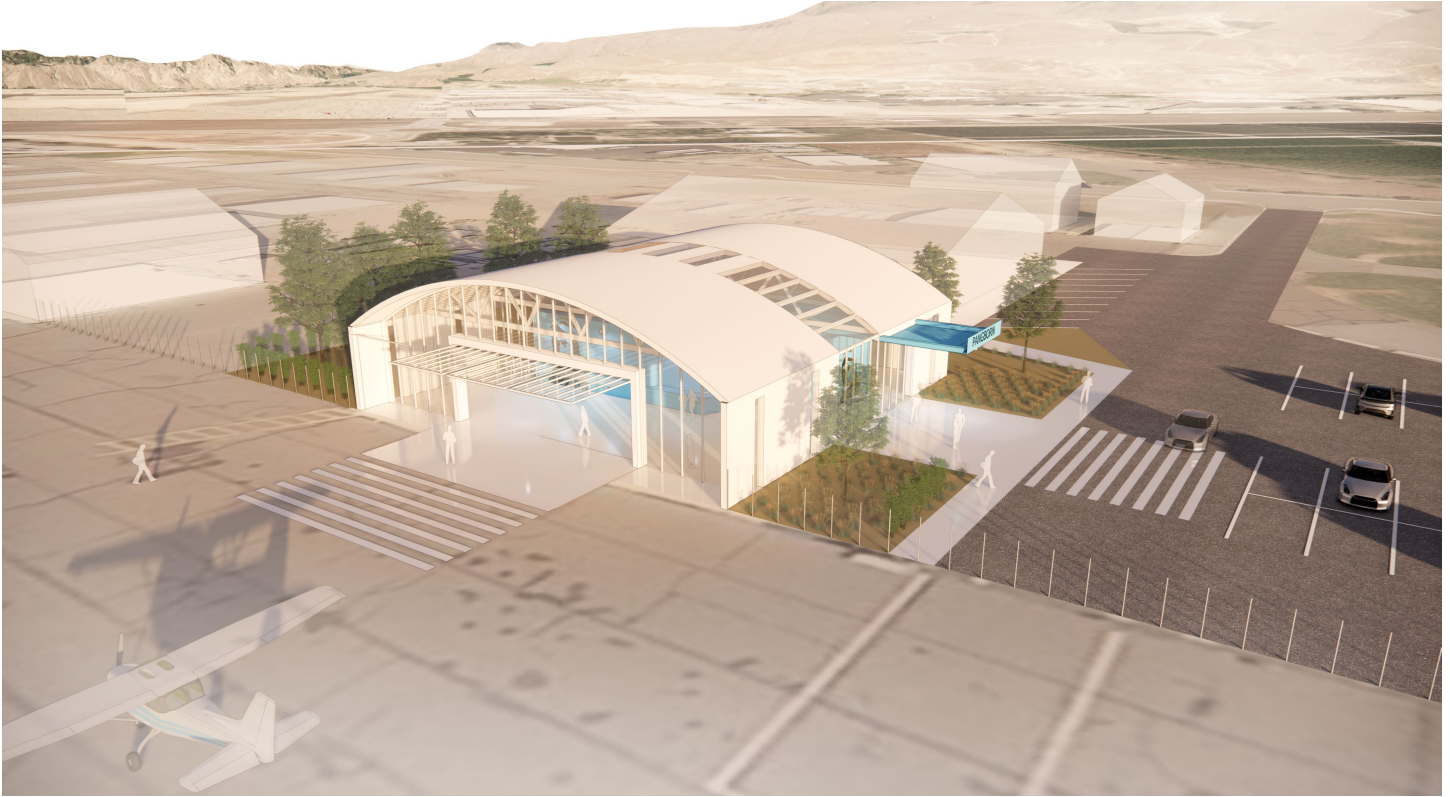
# “THE REACH”

Operable Door Study - Connectivity With Pangborn



# "THE PEARL"

Identity Within Existing Building Draws Visitors Inside



# "THE PEARL"

Conceptual Planning

# “THE PEARL”

## Conceptual Building Elevations



PILOT'S PATIO

ENTRY

GLASS / TRANSLUCENT WALL

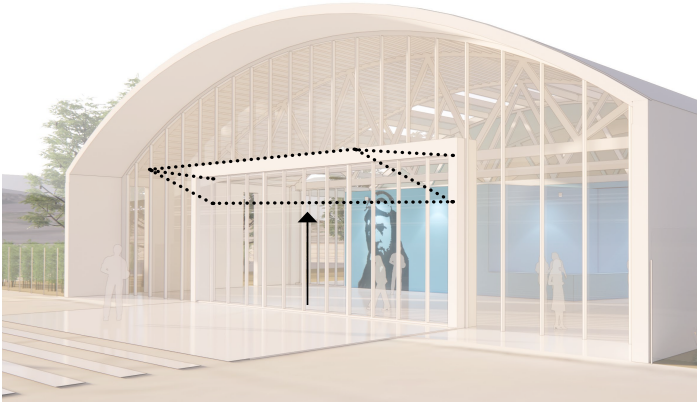


PATIO / VIEWING

ENTRY

IDENTITY GRAPHIC

**“THE PEARL”**  
Operable Door Study



ATTACHMENT B

Pangborn Memorial Airport General Aviation Terminal Building  
 Fee Calculation Summary  
 4/21/2022

ALSC Architects, P.S.

Notes

**DESIGN**

<b>MACC (Building)</b>		<b>\$3,500,000</b>	
<b>State Fee Schedule, Schedule B Fee Percentage - Basic Services:</b>	9.15%	<b>\$320,250</b>	Per OFM State of WA A/E fee schedule
<b>Remodel:</b>	1.50%	<b>\$52,500</b>	Per OFM State of WA A/E fee schedule
SD	18%	\$67,095	
DD	20%	\$74,550	
CD's	31%	\$115,553	
Bidding	2%	\$7,455	
Const Admin	27%	\$100,643	
Closeout	2%	\$7,455	
		<b>Sub-Total: Basic Service Fee</b>	
		<b>\$372,750</b>	
<b>Additional Services:</b>			
Branding Design/Wayfinding Signage/Graphics		\$22,500	
Landscape Architecture		\$25,000	
WSEC Services - Energy Controls		\$2,000	
LEED Consultant & Certification, Coordination, Registration		\$0	Not Included
Enhanced Commissioning During Design		\$0	Not Included
SEPA/CUP/Special Permits		\$0	Not Included
AV & Surveillance Design		\$0	Not included
Prepare Conformed set of Drawings for construction		\$10,000	
Prepare Conformed set of Record Drawings based on GC redlines		\$10,000	
		<b>Total Additional Services</b>	
		<b>\$69,500</b>	
		10% MU on Consultant Added Services	
		<b>\$3,650</b>	
		<b>Sub-Total: Additional Services</b>	
		<b>\$73,150</b>	
<b>TOTAL (Basic+Additional)</b>		<b>\$445,900</b>	
<b>Reimbursable Expenses:</b>			
Printing, Postage (Bidding Document Printing by Owner)		\$5,000	
Travel (Assume 72 round trips, 335 miles, \$.585 per mile)		\$14,110	
Per Diem (72 round trips, \$59)		\$4,248	
Consultant Allowance		\$5,000	
		<b>Sub-Total: Reimbursable Expenses</b>	
		<b>\$28,358</b>	
<b>Alternate service:</b>			
FF&E Services - ALSC		<b>\$35,000</b>	Includes design, specification, procurement assistance



We bring our clients' stories to life.

**SPOKANE**

203 N. Washington  
Ste. 400  
Spokane, WA  
99201  
P 509.838.8568

[alscarchitects.com](http://alscarchitects.com)

**2022 HOURLY RATES**

<b><u>CATEGORY</u></b>	<b><u>RATE</u></b>
PRINCIPAL	\$220.00
SENIOR PROJECT MANAGER	\$150.00
PROJECT MANAGER	\$135.00
PROJECT ARCHITECT II	\$125.00
ARCHITECTURAL DESIGNER II	\$125.00
PROJECT ARCHITECT I	\$115.00
INTERIOR DESIGNER	\$105.00
INTERN ARCHITECT/DRAFTSMAN	\$90.00
CLERICAL	\$70.00



4/14/2022

Dan Feil

2115 N. Ashland Ave.

East Wenatchee, WA 98802

Mr. Joe Sprague

Alaska Air Group, Inc.

16300 International Boulevard

Sea Tac, WA 98188

Re: Horizon Flights Pangborn Airport

Dear Mr. Sprague

As a frequent user of Horizon and Alaska Air I am concerned about a proposed reduction in flights in and out of Pangborn Airport.

The convenience of remaining and using the Alaska system will be seriously impacted since a flight originating in Seattle will offer many airline alternatives. I believe one of the strengths of Alaska Air is the feeder system, especially in the northwest and Alaska, I think that any changes will seriously impact the benefits accrued to the airline from the feeder system.

Any change in the morning and evening flights will virtually make the air travel from Wenatchee to Seattle not feasible and will require ground transportation to Seattle plus increased cost. There is, at least for my travels and many others, no benefit or need to have only a mid-day departure and arrival.

Thank you for your consideration and Horizon's great past service.

Sincerely,

A handwritten signature in black ink that reads "Dan Feil". The signature is written in a cursive style with a large, looping initial "D".

Dan Feil

## Public Records Request Form

Requestor Name \*

Brooklyn Holton

Mailing Address

5452 Wohlers Road Cashmere WA 98815

Phone \*

4252206293

Fax

Email Address \*

connect@firmfoundationscc.com

Specify Documents Requested \*

ALL DOCUMENTS PERTAINING TO THE "CHELAN COUNTY PUBLIC UTILITY DISTRICT FIFTH STREET CAMPUS REDEVELOPMENT" REQUEST FOR PROPOSAL AND THE "CHELAN COUNTY PUBLIC UTILITY DISTRICT FIFTH STREET CAMPUS REDEVELOPMENT" REQUEST FOR PROPOSAL ADDENDUM 2.

Pursuant to RCW 42.56.070 (9), the Regional Port Authority is not authorized to provide access to lists of individuals for commercial purposes. Is the list of individuals being requested for commercial purposes? \*

- Yes
- No
- Not Applicable

**DISCLAIMER:** Inspection and copy of identifiable Regional Port Authority documents or a response to this request shall be provided promptly and not to exceed five (5) working days. Staff will promptly notify their supervisor or designee of any anticipated delay and the reason for the delay. Should the requested information be deemed exempt from disclosure, the requester shall be notified in writing. The Regional Port Authority charges \$.15 per page for standard black and white photocopies; however, the Regional Port Authority may elect to use a commercial copying center. The Regional Port Authority charges out-of-pocket costs for nonstandard copies (color copies, blueprints, or photographs), out-of-pocket costs for outside services, and out-of-pocket costs for postage/shipping.

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Google Forms

CHELAN DOUGLAS  
**Regional Port**  
AUTHORITY

One Campbell Parkway, Suite A | East Wenatchee, WA 98802 | Phone: 509.884.4700 | Fax: 509.662.5151 | [www.cdrpa.org](http://www.cdrpa.org)

---

April 15, 2022

Brooklyn Holton  
5452 Wohlers Road  
Cashmere, WA 98815  
Email: [connect@firmfoundationscc.com](mailto:connect@firmfoundationscc.com)

Re: Public Record Request Dated April 14, 2022

Dear Ms. Holton:

This letter acknowledges receipt of your public records request to the Chelan Douglas Regional Port Authority (“CDRPA”) on April 14, 2022 (“Request”). The CDRPA is interpreting your Request under Chapter 42.56 RCW, which is the current Washington Public Records Act. *See* RCW 42.56.020.

You have requested the following:

*All documents pertaining to the “Chelan County Public Utility District Fifth Street Campus Redevelopment” Request for Proposal and the “Chelan County Public Utility District Fifth Street Campus Redevelopment” Request for Proposal Addendum 2.*

Pursuant to RCW 42.56.520, the CDRPA is notifying you that it anticipates fulfilling your Request by **May 20, 2022**. This time is necessary to locate records that may be responsive to your Request, and to determine whether any exemptions might apply to those records. Please be advised that the CDRPA may also need to notify third parties of your Request before it discloses certain records. This anticipated date is only an estimate and may need to be revised as the CDRPA processes the Request.

As may be necessary, the CDRPA may respond to your Request on an installment basis pursuant to RCW 42.56.080. Additionally, the CDRPA may contact you for clarification regarding your Request.

Sincerely,



Sarah Deenik  
Public Records Officer

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**BOARD OF DIRECTORS**

Donn Etherington, Commissioner, Chelan County Dist. 1 | Jim Huffman, Commissioner, Douglas County Dist. 1 | JC Baldwin, Commissioner, Chelan County Dist. 2  
W. Alan Loeb sack, Commissioner, Douglas County Dist. 2 | Mark Spurgeon, Commissioner, Douglas County Dist. 3 | Rory Turner, Commissioner, Chelan County Dist. 3

### CTC Meeting Center Revenue

	<u>Q1 2022</u>	<u>Q1 2021</u>	<u>Q1 2020</u>	<u>Q1 2019</u>
January	\$ 7,280.66	\$ 140.00	\$ 9,504.35	\$ 10,088.42
February	\$ 13,388.76	\$ 175.00	\$ 11,263.03	\$ 9,830.21
March	\$ 9,322.23	\$ 6,079.24	\$ 15,523.71	\$ 20,696.16
<b>1st Qtr Total</b>	<b>\$ 29,991.65</b>	<b>\$ 6,394.24</b>	<b>\$ 36,291.09</b>	<b>\$ 40,614.79</b>
	<u>Q2 2022</u>	<u>Q2 2021</u>	<u>Q2 2020</u>	<u>Q2 2019</u>
April		\$ 7,033.14	\$ -	\$ 16,936.67
May		\$ 4,493.45	\$ 418.00	\$ 37,688.47
June		\$ 4,369.26	\$ 2,302.78	\$ 13,294.77
<b>2nd Qtr Total</b>		<b>\$ 15,895.85</b>	<b>\$ 2,720.78</b>	<b>\$ 67,919.91</b>
	<u>Q3 2022</u>	<u>Q3 2021</u>	<u>Q3 2020</u>	<u>Q3 2019</u>
July		\$ 4,359.46	\$ -	\$ 18,618.12
August		\$ 6,770.08	\$ 1,207.40	\$ 18,383.73
September		\$ 729.08	\$ 1,144.00	\$ 14,042.10
<b>3rd Qtr Total</b>		<b>\$ 11,858.62</b>	<b>\$ 2,351.40</b>	<b>\$ 51,043.95</b>
	<u>Q4 2022</u>	<u>Q4 2021</u>	<u>Q4 2020</u>	<u>Q4 2019</u>
October		\$ 27,146.90	\$ 1,247.50	\$ 38,908.17
November		\$ 8,135.96	\$ 509.50	\$ 16,470.41
December		\$ 6,759.49	\$ 2,586.10	\$ 9,814.57
<b>4th Qtr Total</b>		<b>\$ 42,042.35</b>	<b>\$ 4,343.10</b>	<b>\$ 66,330.75</b>
	<u>YTD 2022</u>	<u>YTD 2021</u>	<u>YTD 2020</u>	<u>YTD 2019</u>
<b>YTDTotal</b>	<b>\$ 29,991.65</b>	<b>\$ 76,191.06</b>	<b>\$ 45,706.37</b>	<b>\$ 225,909.40</b>

CHELAN DOUGLAS  
**Regional Port**  
AUTHORITY

One Campbell Parkway, Suite A | East Wenatchee, WA 98802 | Phone: 509.884.4700 | Fax: 509.662.5151 | [www.cdrpa.org](http://www.cdrpa.org)

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April 15, 2022

RE: Leffler Field  
Manson Park & Recreation District

Dear Grant Review Committee:

The Chelan Douglas Regional Port Authority is the lead economic development agency in Chelan & Douglas Counties. We are writing in support of the Manson Park & Recreation District's efforts. I appreciate the leadership Manson Parks has shown in moving forward with the clean-up and revitalization of Leffler Field. I am confident that the recreational and economic impacts of the proposed project will greatly benefit the Manson community, and Chelan County, as a whole.

Leffler Field is adjacent to Highway 150, the main arterial into downtown Manson. The redevelopment of Leffler Field will significantly enhance the outdoor recreation opportunities offered within the most densely populated area of Manson. This will undoubtedly have a positive impact on the economic health of Manson, and in turn, the surrounding areas of Chelan County.

I sincerely appreciate your consideration of the District's grant application. If you have questions, please do not hesitate to contact me.

Warm Regards,



Jim Kuntz  
Chief Executive Officer  
Chelan Douglas Regional Port Authority  
[jim@cdrpa.org](mailto:jim@cdrpa.org)  
509.884.4700

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**BOARD OF DIRECTORS**

Donn Etherington, Commissioner, Chelan County Dist. 1 | Jim Huffman, Commissioner, Douglas County Dist. 1 | JC Baldwin, Commissioner, Chelan County Dist. 2  
W. Alan Loeb sack, Commissioner, Douglas County Dist. 2 | Mark Spurgeon, Commissioner, Douglas County Dist. 3 | Rory Turner, Commissioner, Chelan County Dist. 3



## COLVILLE TRIBAL FEDERAL CORPORATION

729 Jackson St  
Omak, WA 98841  
(509) 422-7795

April 4, 2022

Letter of Support from the Colville Tribal Federal Corporation for Chelan Airport Improvement Project

### **Agnes Fisher ~ Planner SEA 637**

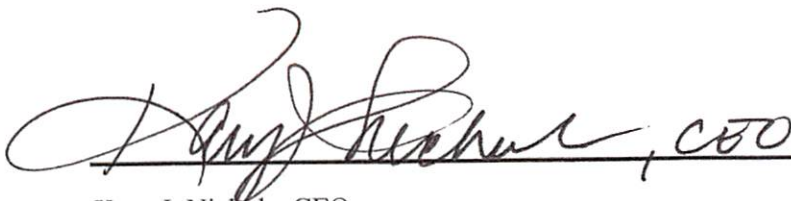
Federal Aviation Administration  
Seattle Airports District Office  
Northwest Mountain Region Airports Division  
2200 S. 216th Street, Des Moines, WA 98198  
Tel: (206)-231-3984

Dear Ms. Fisher,

The leadership of the Colville Tribal Federal Corporation is in full support of the City of Chelan and the Chelan, Douglas Port District's efforts to expand and improve the Lake Chelan (S10) Airport. We plan to grow our operations in the Chelan area, to include an expansion of our facility in Manson, WA, just up the Lake from Chelan.

The Colville Tribal Federal Corporation believes that the increased capacity and capability of an improved and expanded Chelan Airport would have a significant, positive impact on our operations and greatly benefit the people of our organization and the region. This increase in the airport's capabilities would help our facilities by attracting visitors from both around Washington State and the Northwest, leading to a larger customer base and increased revenue. This increase would mean hiring more employees, not only for our operation but also for supporting businesses in the Lake Chelan area. The overall economic impact for our people and the region would be significant.

The Colville Tribal Federal Corporation stands ready to support this effort in any way we can that will help to ensure its success. Please don't hesitate to contact us with any questions you may have. Thanks for any assistance you can offer to move this important project forward.



Kary J. Nichols, CEO

4-4-22

Date:



**DAILY JOURNAL OF COMMERCE**  
Helping Business do Business Since 1893

April 4, 2022

## Developer sought for 7.5-acre site in downtown Wenatchee

By [EMMA HINCHLIFFE](#)

A/E Editor

The Chelan County Public Utility District is seeking a developer for 7.5 acres in Wenatchee's central business district. The site is currently home to the PUD's headquarters (Fifth Street Campus), which it will vacate in mid-to late-2023. The PUD owns the land, at 327 N. Wenatchee Ave.

The current campus consists of five buildings that house the PUD's administration, customer service departments, fleet services, technicians, fish and wildlife personnel, and warehousing operations. The buildings vary from a three-story office building to a heavy-timber warehouse dating back to the early 1900s.

A request for proposals was issued on March 3 to identify potential developers. The PUD is looking for a developer who will turn the site “into an attractive, pedestrian-friendly, interconnected, mixed-use development.”

The ideal development would embody the small-town feel of Wenatchee and include a diversity of uses. Building types should be human-scale with varied height, setbacks and step-backs, and attractive facades. This development may include retail/restaurant space, office space, housing, small business production space, and/or space for arts and entertainment.

“We've already had interest from a variety of potential users — from relocation of the local YMCA to microbreweries, retail entities, mixed-use residential developers and more,” said Dan Frazier, director of the PUD's Shared Services Division, in a press release. “This opportunity is a collaboration with the Regional Port Authority, the Downtown Wenatchee Association, the Wenatchee Valley Chamber and the City of Wenatchee. We all have an interest in seeing a project that captures the potential for this incredible piece of real estate in the heart of the Valley's economic hub. We want to see the full potential for this site realized in a project that is in keeping with the vision and values of the local community,” Frazier concluded.

Proposals are due by April 14, semi-finalists will be notified on May 19, and a potential developer will be selected by May 31. The RFP is at <http://www.cdrpa.org/5thstretrfp>.

This opportunity comes at a time when Wenatchee has been seeing significant growth. Building permits are currently up 110% above 2020 levels in Chelan County. Commercially, the area has also seen big gains. Microsoft applied for a permit in 2021 to construct a 244,000-square-foot facility close to Pangborn Airport in East Wenatchee, and reportedly, the company has two more large buildings on the drawing board that are ready to be submitted for permits. Construction is well underway on the first building.



Photo courtesy of Chelan County PUD [\[enlarge\]](#)

**The site is on the northern edge of Wenatchee's central business district — often referred to as “the downtown gateway.”**



“The pace of commercial development in Chelan and Douglas counties equals the demand in the residential sector,” Regional Port Authority Executive Director Jim Kuntz said in the press release. “We’ve got multiple large-scale projects in the works.”

---

**Emma Hinchliffe can be reached by [email](#) or by phone at (206) 622-8272.**

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## Chelan Douglas Regional Port Authority Calendar of Events

Updated 4/22/22

<i>Date</i>	<i>Day</i>	<i>Event / Location / Time</i>	<i>Attends</i>	<i>RSVP arrangements if applicable</i>
<b>2022</b>				
<b>April 2022</b>				
April 25	Monday	Public Presentation by Port staff for Commissioner Finalists	staff	
April 26	Tuesday	CDRPA Board Meeting; 9:00 am	Board of Directors; staff	
April 26	Tuesday	Commission Vacancy Interviews at CDRPA Board Meeting		
April 27	Wednesday	DC Community Leadership Advisory Meeting - CTC; 2:30p (4th Weds)	Board of Directors; staff	
<b>May 2022</b>				
May 4-6	Wed-Friday	WPPA Spring Meeting; Skamania Lodge	Baldwin, Spurgeon, J. Kuntz	Rooms booked ; Registration booked
May 9-11	Mon-Wed	WAMA 2022 Annual Conference; Sun Mt. Lodge, Winthrop	Moyers	
May 10	Tuesday	CDRPA Board Meeting; 9:00 am	Board of Directors; staff	
May 11	Wednesday	NCWEDD Meeting	Commissioner Huffman	
May 12	Thursday	CDTC Board Meeting 9:00 AM	Commissioner Baldwin	
May 17	Tuesday	Wenatchee Valley Chamber Board Meeting; 6:30 am	Commissioner Spurgeon & Etherington	
May 18	Wednesday	NCW Tech Alliance Board Meeting; 3:00 PM		
May 19	Thursday	NCW Tech Alliance Flywheel Conference; Conv. Center	Commissioner Baldwin	CDRPA has a booth reserved
May 24	Tuesday	CDRPA Board Meeting; 9:00 am	Board of Directors; staff	
May 25	Wednesday	DC Community Leadership Advisory Meeting - CTC; 2:30p (4th Weds)		
May 30	Monday	Memorial Day Holiday Office Closed		
<b>June 2022</b>				
June 5-8	Sun-Tuesday	AAAE 94th Annual Conference; Seattle	Baldwin, Etherington, Spurgeon, Huffman, J. Kuntz, Moyers	Rooms and Conference conference booked
June 8-10	Wed-Friday	WPPA Finance Seminar; Campbells Resort	Baldwin, M. Lough	M. Lough Registered
June 8	Wednesday	NCWEDD Meeting	Commissioner Huffman	
June 9	Thursday	CDTC Board Meeting 9:00 AM	Commissioner Baldwin	
June 14	Tuesday	CDRPA Board Meeting; 9:00 am	Board of Directors; staff	
June 15	Wednesday	NCW Tech Alliance Board Meeting; 3:00 PM		

## Chelan Douglas Regional Port Authority Calendar of Events

Updated 4/22/22

<i>Date</i>	<i>Day</i>	<i>Event / Location / Time</i>	<i>Attends</i>	<i>RSVP arrangements if applicable</i>
June 21	Tuesday	Wenatchee Valley Chamber Board Meeting; 6:30 am	Commissioner Spurgeon & Etherington	
June 22	Wednesday	DC Community Leadership Advisory Meeting - CTC; 2:30p (4th Weds)		
June 28	Tuesday	CDRPA Board Meeting; 9:00 am	Board of Directors; staff	
<b>July 2022</b>				
July 4	Monday	4th of July Holiday Office Closed		
July 12	Tuesday	CDRPA Board Meeting; 9:00 am	Board of Directors; staff	
July 13	Wednesday	NCWEDD Meeting	Commissioner Huffman	
July 14	Thursday	CDTC Board Meeting 9:00 AM	Commissioner Baldwin	
July 19	Tuesday	Wenatchee Valley Chamber Board Meeting; 6:30 am	Commissioner Spurgeon & Etherington	
July 20	Wednesday	NCW Tech Alliance Board Meeting; 3:00 PM		
July 26	Tuesday	CDRPA Board Meeting; 9:00 am	Board of Directors; staff	
July 27	Wednesday	DC Community Leadership Advisory Meeting - CTC; 2:30p (4th Weds)		
<b>August 2022</b>				
August 6	Saturday	Wings n' Wheels / Aviation Day		
August 9	Tuesday	CDRPA Board Meeting; 9:00 am	Board of Directors; staff	
August 10	Wednesday	NCWEDD Meeting	Commissioner Huffman	
August 11	Thursday	CDTC Board Meeting 9:00 AM	Commissioner Baldwin	
August 16	Tuesday	Wenatchee Valley Chamber Board Meeting; 6:30 am	Commissioner Spurgeon & Etherington	
August 17	Wednesday	NCW Tech Alliance Board Meeting; 3:00 PM		
August 23	Tuesday	CDRPA Board Meeting; 9:00 am	Board of Directors; staff	
August 24	Wednesday	DC Community Leadership Advisory Meeting - CTC; 2:30p (4th Weds)		
<b>September 2022</b>				
September 5	Monday	Labor Day Office Closed		
September 8	Thursday	CDTC Board Meeting 9:00 AM	Commissioner Baldwin	
September 13	Tuesday	CDRPA Board Meeting; 9:00 am	Board of Directors; staff	
September 14	Wednesday	NCWEDD Meeting	Commissioner Huffman	
Septembr 20	Tuesday	Wenatchee Valley Chamber Board Meeting; 6:30 am	Commissioner Spurgeon & Etherington	
September 21	Wednesday	NCW Tech Alliance Board Meeting; 3:00 PM		

## Chelan Douglas Regional Port Authority Calendar of Events

Updated 4/22/22

<i>Date</i>	<i>Day</i>	<i>Event / Location / Time</i>	<i>Attends</i>	<i>RSVP arrangements if applicable</i>
September 27	Tuesday	CDRPA Board Meeting; 9:00 am	Board of Directors; staff	
September 27-29	Tues - Thurs	NW AAAE - Jackson Hole, WY	Trent Moyers	
September 28	Wednesday	DC Community Leadership Advisory Meeting - CTC; 2:30p (4th Weds)		
<b>October 2022</b>				
October 11	Tuesday	CDRPA Board Meeting; 9:00 am	Board of Directors; staff	
October 12	Wednesday	NCWEDD Meeting	Commissioner Huffman	
October 13	Thursday	CDTC Board Meeting 9:00 AM	Commissioner Baldwin	
October 18	Tuesday	Wenatchee Valley Chamber Board Meeting; 6:30 am	Commissioner Spurgeon & Etherington	
October 19	Wednesday	NCW Tech Alliance Board Meeting; 3:00 PM		
October 25	Tuesday	CDRPA Board Meeting; 9:00 am	Board of Directors; staff	
October 26	Wednesday	DC Community Leadership Advisory Meeting - CTC; 2:30p (4th Weds)	Cancel???	
October 26	Wednesday	Partner Breakfast; Convention Center; 7:30am-9am	Center Confirmed	
October 27	Thursday	Ec. Dev. Lunch; Convention Center; 11:30am-1pm	Center Confirmed	
<b>November 2022</b>				
November 8	Tuesday	CDRPA Board Meeting; 9:00 am	Board of Directors; staff	
November 9	Wednesday	NCWEDD Meeting	Commissioner Huffman	
November 10	Thursday	CDTC Board Meeting 9:00 AM	Commissioner Baldwin	
November 15	Tuesday	Wenatchee Valley Chamber Board Meeting; 6:30 am	Commissioner Spurgeon & Etherington	
November 16	Wednesday	NCW Tech Alliance Board Meeting; 3:00 PM		
November 22	Tuesday	CDRPA Board Meeting; 9:00 am	Board of Directors; staff	
November 23	Wednesday	DC Community Leadership Advisory Meeting - CTC; 2:30p (4th Weds)		
November 24	Thursday	Thanksgiving/Office Closed		
November 25	Friday	Thanksgiving/Office Closed		
<b>December 2022</b>				
December 8	Thursday	CDTC Board Meeting 9:00 AM	Commissioner Baldwin	
December 13	Tuesday	CDRPA Board Meeting; 9:00 am	Board of Directors; staff	
December 14	Wednesday	NCWEDD Meeting	Commissioner Huffman	

## Chelan Douglas Regional Port Authority Calendar of Events

Updated 4/22/22

<i>Date</i>	<i>Day</i>	<i>Event / Location / Time</i>	<i>Attends</i>	<i>RSVP arrangements if applicable</i>
December 20	Tuesday	Wenatchee Valley Chamber Board Meeting; 6:30 am	Commissioner Spurgeon & Etherington	
December 21	Wednesday	NCW Tech Alliance Board Meeting; 3:00 PM		
December 23	Friday	Christmas Eve Holiday Observed Office Closed	?	
December 26	Monday	Christmas Day Holiday Observed Office Closed	?	
December 27	Tuesday	CDRPA Board Meeting; 9:00 am	Board of Directors; staff	
December 28	Wednesday	DC Community Leadership Advisory Meeting - CTC; 2:30p (4th Weds)		
<b>2023</b>				
<b>January 2023</b>				
January 2	Monday	New Years Day 2023 Observed Office Closed	?	