

**Chelan Douglas Regional Port Authority
Meeting Agenda
January 26th, 2021
9:00 am**

**In order to maximize social distancing related to COVID-19,
the meeting will be held remotely using Zoom Virtual Conference Room**

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 AGENDAS

CDRPA: Approval of Chelan Douglas Regional Port Authority Minutes of January 12th, 2021 Meeting; and December 2020 Commission Meeting Calendar

V. PRESENTATIONS

- SBDC Quarterly Report – Ron Nielsen & John Morosco

VI. CDRPA ACTION ITEMS

- (1) Authorization to Seek Bids – Huney Jun Improvements – Cashmere Mill District
- (2) Engineering Agreement – T.O. Engineers / Terminal Apron Reconstruction Project
- (3) Surplus Property Hearing – Cashmere Mill District Parcel C & E
- (4) Asset Allocation Memo – Fibro Property Purchase
- (5) Model – Airport Ground Lease
- (6) Alpine Aviation Default Notice

VII. CDRPA INFORMATIONAL ITEMS (Board may take action on any items listed)

- Civility in Public Service CDRPA Resolution No. 2021-02
- Chelan Airport Master Plan – Blue Ribbon Community Panel
- Giga Watt Pods – First Right to Negotiate
- Cashmere Mill District – Red Mountain Group Update

VIII. 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

IX. PUBLIC COMMENT

X. REVIEW CALENDAR OF EVENTS

XI. ITEMS FROM BOARD OF DIRECTORS

XII. 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))

XIII. 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. 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.



**Chelan Douglas Regional Port Authority
Board of Directors
SUGGESTED MOTIONS
January 26th, 2021**

IV. CONSENT AGENDAS

CDRPA CONSENT AGENDA

To approve the Chelan Douglas Regional Port Authority Consent Agenda consisting of Minutes of January 12th, 2021 Meeting; and December 2020 Commission Meeting Calendar, as presented.

V. ACTION ITEMS

CHELAN DOUGLAS REGIONAL PORT AUTHORITY

(1) Authorization to Seek Bids – Huney Jun Improvements – Cashmere Mill District

To authorize the CEO to solicit bids for Huney Jun tenant improvements at Cashmere Mill District.

(2) Engineering Agreement – T.O. Engineers Terminal Apron Reconstruction Project

To authorize the CEO to sign an Engineering Agreement with T.O. Engineers for Pangborn Memorial Airport Terminal Apron Reconstruction Project, in an amount of \$932,445.

(3) Surplus Property Hearing - Cashmere Mill District Parcels C & E

To adopt POCC Resolution No. 2021-01 amending the Port of Chelan County Comprehensive Plan to declare Cashmere Mill District Parcels C & E surplus to the needs of the Port of Chelan County.

(4) Asset Allocation Memo – Fibro

To adopt the Ownership Allocation Memo concerning a proposed real property purchase in Douglas County, WA Parcel #22210930007 (Fibro Parcel/Batterman Business Park).

(5) Model Airport Ground Lease

To approve the updated Model Ground Lease Agreement for Pangborn Airport.

(6) Alpine Aviation Default Notice

To authorize staff to proceed with legal proceedings concerning Alpine Aviation default.

(7) CDRPA Resolution No. 2021-02 Concerning Civility in Public Service

To adopt CDRPA Resolution No. 2021-02 concerning civility in public service.



Board of Directors
Chelan Douglas Regional Port Authority
Meeting Minutes
January 12th, 2021
9:00 am

Present:

Directors

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

Jim Huffman, Director (via Zoom)
*W. Alan Loeb sack, Director
Mark Spurgeon, Director (via Zoom)

Staff

*Jim Kuntz, Chief Executive Officer
*Trent Moyers, Director of Airports
Ron Criddlebaugh, Dir. of Economic Dev.
*Quentin Batjer, Legal Counsel
Cami Harris, Executive Assistant
Esther McKivor, Accounting Specialist
Tricia Degnan, CTC Manager
*Bobbie Chatriand, Administrative Assistant

*Monica Lough, Dir. of Finance & Admin.
Randy Asplund, Port Engineer
Craig Larsen, Economic Dev. Manager
Stacie de Mestre, Capital Projects Manager
Bealinda Tidd, Accounting Specialist
Laura Camarillo Reyes, CTC Assistant
*Pete Fraley, Legal Counsel
Sarah Deenik, Communications Specialist

*Commissioner Loeb sack, Jim Kuntz, Monica Lough, Trent Moyers, Quentin Batjer, Pete Fraley, and Bobbie Chatriand in person; others via Zoom.

Guests (all via Zoom):

Linda Haglund
Alan Walker
Flint Hartwig, Developer/S.P.O.R.T. Gymnastics

Mayor Bob Goedde, City of Chelan
Brian Miller, Wenatchee Police Dept.
Erik Howe, RH2

The Chelan Douglas Regional Port Authority (CDRPA) Meeting was called to order at 9:00 am. Due to the COVID-19 virus outbreak, the meeting was held at Confluence Technology Center via Zoom as previously posted in the required Public Meeting Notice.

Introductions were made.

Conflict of Interest: None

CDRPA CONSENT AGENDA:

The Chelan Douglas Regional Port Authority Consent Agenda consisting of minutes of December 22nd, 2020 Meeting; CDRPA Resolution No. 2021-01 Voiding Check No.'s 7351, 7424, 7428, and 7430; and Check Register Pages #2020-63-#2020-65, including Electronic Transfers was presented and the following action was taken:

Motion No.

Moved by:
Seconded by:

01-01-21 CDRPA

Mark Spurgeon
JC Baldwin

To approve the Chelan Douglas Regional Port Authority Consent Agenda consisting of minutes of December 22nd, 2020 meeting; CDRPA Resolution No. 2021-01 Voiding Check No.'s 7351, 7424, 7428, and 7430; and Check Register Pages #2020-63-#2020-65, including Electronic Transfers, as presented.

Motion passed 6-0.

Consultant Services Agreement Related to EPA Brownsfield Grant – Maul Foster Alongi – Kuntz reviewed the selection of Maul Foster Alongi to manage the EPA Brownsfield grant requirements and provide technical/project assistant to the Regional Port. The Board requested input on locations to be studied along with Board members serving on the Advisory Committee. The following action was taken:

Motion No.	01-05-21 CDRPA
Moved by:	Jim Huffman
Seconded by:	Mark Spurgeon
	To authorize the CEO to enter into a Consultant Services Agreement with Maul Foster Alongi related to an EPA Grant received by the Regional Port.

Motion passed 6-0.

Sick Leave Policy Update – Lough provided information on the Regional Port’s Sick Leave Policy concerning sick-time carryover balances for employees grandfathered into higher limits than those established when the Regional Port was formed. The following action was taken:

Motion No.	01-06-21 CDRPA
Moved by:	Mark Spurgeon
Seconded by:	Rory Turner
	To approve the CDRPA Sick Leave Policy update, as presented.

Motion passed 6-0.

PORT OF CHELAN COUNTY ACTION ITEMS:

Election of POCC Commissioner Officer Positions – The following action was taken:

Motion No.	01-07-21 POCC
Moved by:	JC Baldwin
Seconded by:	Rory Turner
	To nominate and approve the Port Commissioner Officer Positions for 2021 as follows: Commissioner Turner President; Commissioner Baldwin Vice President; and Commissioner Etherington Secretary.

Motion passed 3-0.

CDRPA INFORMATIONAL ITEMS (order changed):

Lineage North S.P.O.R.T. Purchase Update – Flint Hartwig updated the Regional Port Board on his progress concerning the purchase of Lineage North. Discussion ensued. Staff and legal counsel will prepare a Purchase and Sale Agreement to be brought to the Board at the next meeting.

ACTION ITEMS, CONTINUED:

POCC INDUSTRIAL DEVELOPMENT CORPORATION:

The POCC Industrial Development Corporation meeting was called to order at 10:00 am, and the following actions were taken:

The PODC Industrial Development Corporation meeting was adjourned at 10:05 am.

CDRPA INFORMATIONAL ITEMS, CONTINUED:

- **CDRPA 2021 Board Assignment Review** – The Board Assignments for 2021 were reviewed and updates made.
- **Red Mountain Group Land Purchase Offer** – Kuntz provided an update on the land purchase offer from Red Mountain Group for “Parcel C” at Cashmere Mill District. Discussions ensued. Staff will draft a response letter concerning lot size and other details regarding the purchase. More information will be provided at the next Board meeting.
- **Airport Boundary Line Adjustment Update** – Kuntz reported the Boundary Line Adjustment project continues. Randy Asplund reviewed the proposed lots.
- **Actapio Update** – Kuntz provided an update on Actapio space. Several consultant firms will be retained to help with mothballing the space and help with estimates regarding restoration.
- **IB#2 Potential Tenant Update** – Kuntz provided information on two potential tenants for IB#2.
- **Partners in Economic Development** – Kuntz and Cridlebaugh reviewed the criteria and 2021 budget for the Partners in Economic Development for Nonprofits program. The Regional Port will start accepting applications.
- **Fibro Settlement Agreement Update** – Kuntz provided an update on the Settlement Agreement with Fibro which includes a potential Regional Port property purchase near Pangborn Airport.

MISC STAFF REPORTS:

Kuntz provided information and updates including:

- Badger Mountain Brewing Lease Agreement – update on Badger Mountain Brewing Lease. Reviewed proposed tiered rent due to COVID-19, which the Board expressed support for.
- Microsoft – update on new building in Douglas County and potential interest in Chelan County.
- Giga Watt Pods – report on progress made regarding the redevelopment study and a recent meeting with an interested party to lease the pods for web hosting services. Discussion ensued and the following action was taken:

Motion No.
Moved by:
Seconded by:

01-13-21 CDRPA

Jim Huffman

Rory Turner

To authorize the CEO to negotiate and sign a first right to negotiate for up to 90 days with Mission Peak Computing, LLC., to lease the former Giga Watt site.

*Motion passed 5-0.
Commissioner Baldwin Abstained.*

- Ceramic roller manufacturing company from China interested in perhaps locating a plant in in the area. Next meeting with the company is on January 19.
- Provided information on two warehouses (East Wenatchee and Manson) and a parcel of vacant land (Cashmere). Discussion on Port's potential role in development of these properties ensued.
- MALSR - update on land acquisition.
- Salcido Enterprises update – Regional Port recently used the reserve funds in the CIAC #1 and #2 accounts to pay off the Douglas County PUD debt service.
- Chelan Airport Master Plan update.

Lough provided information and updates including:

- Audit reports were included in the packets and are posted on State website. Kuntz recognized the accounting team for the excellent audits with no findings.
- Welcome back to Sarah Deenik who recently returned from maternity leave.

Moyers provided information and updates including:

- Film crew arrived at Pangborn over the weekend.

Cridlebaugh provided information and updates including:

- Waiting on information from Department of Commerce concerning a new COVID-19 small business assistance grant that will be administered by the ADO's.

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

REVIEW CALENDAR OF EVENTS: Did not review.

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

Meeting adjourned at 12:47 pm.

Signed and dated this 26th day of January, 2021.

CHELAN DOUGLAS REGIONAL PORT AUTHORITY

JC Baldwin, Director

Jim Huffman, Director

Donn Etherington, Director

Mark Spurgeon, Director

Rory Turner, Director

W. Alan Loeb sack, Director

December 2020

Date	Meeting	Location	JCB	RT	DE	JH	MS	AL
12/2	Actapio Tour	CTC		X	X	X	X	X
12/2	District 1 Meeting	Zoom			*X			
12/2	WPPA Annual Meeting	Zoom			*X	*X		
12/3	WPPA Trustees Meeting	Zoom					X	
12/3	Pick up Binder	Executive Flight					*X	
12/3	WPPA Annual Meeting	Zoom			X			
12/4	Discuss Badger Mt. Brewing	Zoom		X				
12/7	Pick up Binder	Executive Flight	X					
12/7	Pick up Binder/Meet with J. Kuntz	Executive Flight		X				
12/7	CEO Evaluation	Home Office			X			
12/8	CDRPA Meeting	CTC/Zoom	X	X	X	X	X	X
12/8	Sign Docs/Return Binder	Executive Flight	*X					
12/9	Return Binder/Sign Docs	Executive Flight					X	
12/9	Meet w/Ceramics Mf. Business Prospect	Executive Flight				X		
12/10	KOHO Interview	Home/Phone	X				X	
12/10	CDTC Meeting	Zoom	*X				*X	
12/10	Meeting Commissioner Turner & Spurgeon/CEO Eval	La Vie En		X			*X	
12/11	Upper Valley/Commissioner Breakfast	Zoom	X					
12/15	Wa State Transportation Commission Mtg	Zoom	X					
12/15	WVCC Meeting	Zoom					X	
12/15	Review Port Plans & Agenda Items	Executive Flight						X
12/16	Wa State Transportation Commission Mtg	Zoom	X					
12/16	GWATA Board Meeting	Zoom	*X					
12/16	District 1 Meeting	Zoom			X			
12/18	Pick up Binder	Executive Flight					X	
12/18	Meeting Commissioner Turner & Spurgeon/CEO Eval	La Vie En		X			*X	
12/21	Pick up Binder	Executive Flight	X					
12/21	Pick up Binder/Meet with J. Kuntz	Executive Flight		X			X	
12/22	CDRPA Meeting	CTC/Zoom	X	X	X	X	X	X
12/22	Return Binder/Sign Docs	Executive Flight	*X					
12/28	Actapio Tour RC/JT	CTC	X					
12/29	Return Binder/Sign Docs	Executive Flight					X	
*	denotes multiple meetings on same day							

**Chelan Douglas Regional
Port Authority**

Memo

To: Board of Directors
From:  Jim Kuntz
Date: January 21, 2021
Re: Small Business Development Center Report

At Tuesday's meeting, Ron Nielsen and John Morosco will be providing a report on SBDC activities in 2020.

As a reminder, the Regional Port has a contract with WSU. They provide the staffing for a Small Business Development Center Wenatchee. We pay \$80,000 per year as our match along with providing office space. The contract ends December 31, 2021.

As the result of COVID-19 and impacts to small businesses, the SBDC has had numerous webinars in 2020. The webinars have been very popular, with subjects ranging from the Paycheck Protection Program and Business Resiliency. Participation in our two county area has been impressive:

- Chelan County 5,136 attendees
- Douglas County 2,083 attendees

During the recent State of Washington Round 3 Small Business Grant Programs, Ron & John helped out over 200 businesses apply for funding.

Please find enclosed the December 2020 client survey comments. Very positive feedback.

I have also enclosed the marketing efforts of the SBDC. They are forming close working relationships with the Chambers and Downtown Associations.

Chelan Douglas Combined

Name: Definition for Stakeholder Primary Scorecard
Cumulative to Date: 1/1/2020 - 12/31/2020
Current Value: 10/1/2020 - 12/31/2020

Data Elements	John Current Value	Cumulative to Date	Ron Current Value	Cumulative to Date
1. CASE TOTALS (Clients)				
2. Number of Clients Counseled	22	27	22	53
3. Number of New Clients	4	12	4	12
4. Company Status				
5. Pre-venture/Nascent			8	18
6. Startups			1	4
7. In Business	14	17	13	31
8. CASE TOTALS (Total Hours)				
9. All Prep + Contact Client Hours	65	173	61.2	289.4
10. New Client Hours			13.7	59.5
11. CASE TOTALS (Impacts)				
12. Capital Infusion	87,400	87,400	0	253,480
13. Number Businesses Created	0	0	0	3
14. Jobs Created/Retained (FT + PT)	0	0	0	19
15. Jobs Supported	0	0	113	243
16. CASE TOTALS (Training/Events)				
17. Number of Training Events	4	8	7	51
18. Number of Training Attendees	32	122	66	4,125
19. DEMOGRAPHICS (Type of Business)				
20. Accommodation and Food Services	4	5	3	7
21. Agriculture, Forestry, Fishing and Hunting	0	0	0	2
Arts & Entertainment	0	0		
22. Construction	1	1	3	4
Health Care	0	0	0	0
23. Manufacturing	4	4	2	3
Professional/Technical/Scientific				
24. Retail	0	2	1	7
25. Service	3	3	6	9
Tecnology	0	0		
Transportation	1	1		
26. Wholesale	0	0	0	0
27. Other	1	1	1	4
28. No Response	0	9	6	14
29. DEMOGRAPHICS (Business Ownership Gender)				
30. Male	10	12	3	10
31. Female	12	14	8	19
32. Family	6	7	3	6

33.	No Response	0	0	8	18
34.	DEMOGRAPHICS (Ethnic Background - Race)				
35.	American Indian or Alaskan Native			0	0
36.	Asian			2	2
37.	Black or African American			0	0
38.	White			18	42
39.	Native Hawaiian or Pacific Islander			0	0
40.	No Response			2	9
41.	DEMOGRAPHICS (Ethnicity)				
42.	Hispanic			2	3
43.	Non-Hispanic			14	37
44.	No Response			6	13
45.	DEMOGRAPHICS (Business Ownership Vet. Status)				
46.	Veteran	0	0	0	2
47.	Service-Disabled Veteran			1	1
48.	Non-veteran			10	23
49.	No Response			11	27
50.	COUNSELING ACTIVITY (Areas of Counseling)				
51.	Business Accounting/Budget			2	3
52.	Business Plan			0	3
53.	Buy/Sell Business			4	6
54.	Cash Flow Management			4	9
55.	COVID-19 Related			2	9
59.	Financing/Capital			3	13
62.	Human Resources/Employee Mg't			0	0
63.	International Trade			0	0
65.	Managing a Business			14	38
66.	Marketing/Sales			1	4
67.	Start-up Assistance			3	12
70.	No Response			0	0
71.	Other			22	53

2020 December Client Survey Comments

- *SBDC helped me prepare a business plan, and Balance Sheet and Financial Spread sheet with revenue projections.*
- *The advisors with SBDC have been encouraging to me over the past 12 months as I have had to adapt my business with the impact of the pandemic. Currently, I am receiving advice regarding selling the business.*
- *SBDC helped us craft a professional and effective business plan and 2-year pro-forma that helped us get funding to expand our business. Our lender commented that the details and completeness of our business plan was a contributing factor to their decision to move forward.*
- *SBDC helped me add new locations, SBDC helped me add new product lines, SBDC helped me preserve assets or wealth, SBDC helped me stay in business*
- *John Morosco has shared his wealth of experience and know-how that has assisted me to drill down on the kind of business that would be a fit for me. He is a remarkable listener and asks piercing questions*
- *I'm still in the early stages of learning about preparing financial projections for my business which I hope to use to obtain grants and/or loans. Having my WSBDC advisor (John Morosco) provided competent help at no cost to me which was 100% needed at this point in my business.*
- *John is a great asset, we hope to utilize him more once we get closer to importing.*
- *My mentor (John Morosco) has helped me write a new business plan to chart my course of business and to secure funding.*
- *John was awesome helped me start and grow my business. Let me bounce ideas off him gave very helpful feedback was professional but laid back it was comfortable to talk with. I would highly recommend for anyone starting out or already in business holds you accountable for your future!*
- *SBDC has provided valuable guidance as I put in place steps to start a new business. John has given great support to in developing my business plan*
- *Ron helped me understand the financial side of my business a tremendous amount and helped me lock down my cash flow at the beginning of the lockdown in order to weather the first few months of the COVID pandemic. Although my business did suffer some economic pitfalls because of the pandemic, it has slowly started to recover and I am optimistic that I will survive and hopefully continue to grow my business in the next few years.*
- *SBDC has often helped me organize my thoughts and always given me a reference/network. Not all counselors are knowledgeable, Ron Nielsen is a gift to the community, he has tangible experience in business and much wisdom. He is very well rounded.*
- *Ron Nielson was awesome. The seminars on PPP/EIDL were life savers. His help on relocation was incredible. I have not have as responsive a relationship with other offices. But the Wenatchee folks are on-point.*

Wenatchee SBDC Marketing

Organization	Contact	Plan	Action Date
Wenatchee Valley Chamber <ul style="list-style-type: none"> • Includes East Wenatchee and Entiat 	Shiloh Burgess- <ul style="list-style-type: none"> • Executive Director Rosa Pulido <ul style="list-style-type: none"> • Community & Membership Services 	Sent JMM introduction Sent SBA Loan and PPP Webinar Info for 10/1/2020 Sent 2021 minimum wage information Sent Webinar List Offer to present at a chamber meeting Sent information about promoting Small Business Saturday to members Sent Dept of Commerce SBDC assisting for members WVCC Hospitality Industry Roundtable Notice about fraudulent SBA emails	08/28/2020 09/18/2020 10/01/2020 10/28/2020 11/04/2020 11/13/2020 12/01/2020 12/10/2020 12/10/2020
Leavenworth Chamber	Troy Campbell – <ul style="list-style-type: none"> • Executive Director 	Sent JMM introduction Sent SBA Loan and PPP Webinar Info for 10/1/2020 Sent 2021 minimum wage information Sent Webinar List Offer to present at a chamber meeting Sent information about promoting Small Business Saturday to members Sent Dept of Commerce SBDC assisting for members Notice about fraudulent SBA emails	08/28/2020 09/18/2020 10/01/2020 10/28/2020 11/04/2020 11/13/2020 12/01/2020 12/10/2020
Lake Chelan Chamber	Mike Steele <ul style="list-style-type: none"> • Executive Director mike@lakechelan.com	Send JMM introduction Zoom meeting with Mike Sent SBA Loan and PPP Webinar Info for 10/1/2020 Sent 2021 minimum wage information Sent Webinar List Offer to present at a chamber meeting Sent information about promoting Small Business Saturday to members Sent Dept of Commerce SBDC assisting for members Notice about fraudulent SBA emails	08/28/2020 09/03/2020 09/18/2020 10/01/2020 10/28/2020 11/04/2020 11/13/2020 12/01/2020 12/10/2020

Quest – Revolving Loan Fund, (300 S. Columbia St. Wenatchee)	Jim Fletcher	Ron received a list of all businesses and contacts received and forwarded to JMM	10/16/2020
Wenatchee Downtown Association	Linda Haglund Executive Director www.wendowntown.org	Zoom Meeting to meet Linda Send Webinar List Sent information about promoting Small Business Saturday to members Sent Dept of Commerce SBDC assisting for members Request to assist member with DOC application Inna Kazulin Notice about fraudulent SBA emails	10/14/2020 10/28/2020 11/13/2020 12/01/2020 12/03/2020 12/10/2020
Wenatchee Network Group ncwbusiness.com	Doug Morger (Eagle Home Mortgage) • President	2021 market plan ?	NA
GWATA NCW Technologies Alliance	Jenny Rojanasthien • Executive Director	Sent 2021 minimum wage information TV Prep information Interview JM and RN on GWATA TV https://www.ncwlife.com/gwata-tv-sbdc/ Send Webinar List	10/01/2020 10/08/2020 10/26/2020 10/28/2020
Jim Kuntz		See Ron's List	
Banks and lending Institutions	See Jim Fletcher list	Begin contacting all bankers and lenders in the area Bank Lists in Marketing file	12/28/2020
Wenatchee Hispanic market	Next Steps	Part of the 2021 research plan to ID businesses in our market	NA
John Morosco Webinars And Appearances	COVID-19 focus	Food Service Managers Survival Guide Food Service Managers KPI's for Financial Survival Hotel & Lodging Continuity amid COVID-19 WVCC Hospitality Industry Roundtable – JM one of four panelists New – Survival Guide for Food Service Operations – Revised information	09/01/2020 09/15/2020 10/06/2020 12/10/2020 12/15/2020
Joint Meetings with PTAC	Jody O'Connor, Tri Cities	PTAC/SBDC Programs Team Workshop	09/08/2020 10/29/2020 11/19/2020

Memo

To: Board of Directors
From: Stacie de Mestre
cc: Jim Kuntz
Date: January 21, 2021
Re: Approval to Solicit Bids – Huney Jun Tenant Improvements

On November 30, 2020 the CDRPA entered into a lease agreement with Huney Jun, LLC for the remainder of building B at the Cashmere Mill District. The CDRPA agreed to perform “Landlord Improvements” valued up to \$700,000.00 prior to the tenant occupying the space. On November 30, 2020 the CDRPA authorized The DOH Associates to prepare construction drawings and specifications to complete this work. The design documents for bidding are complete – please see attached for the final floor plan detailing the improvements.

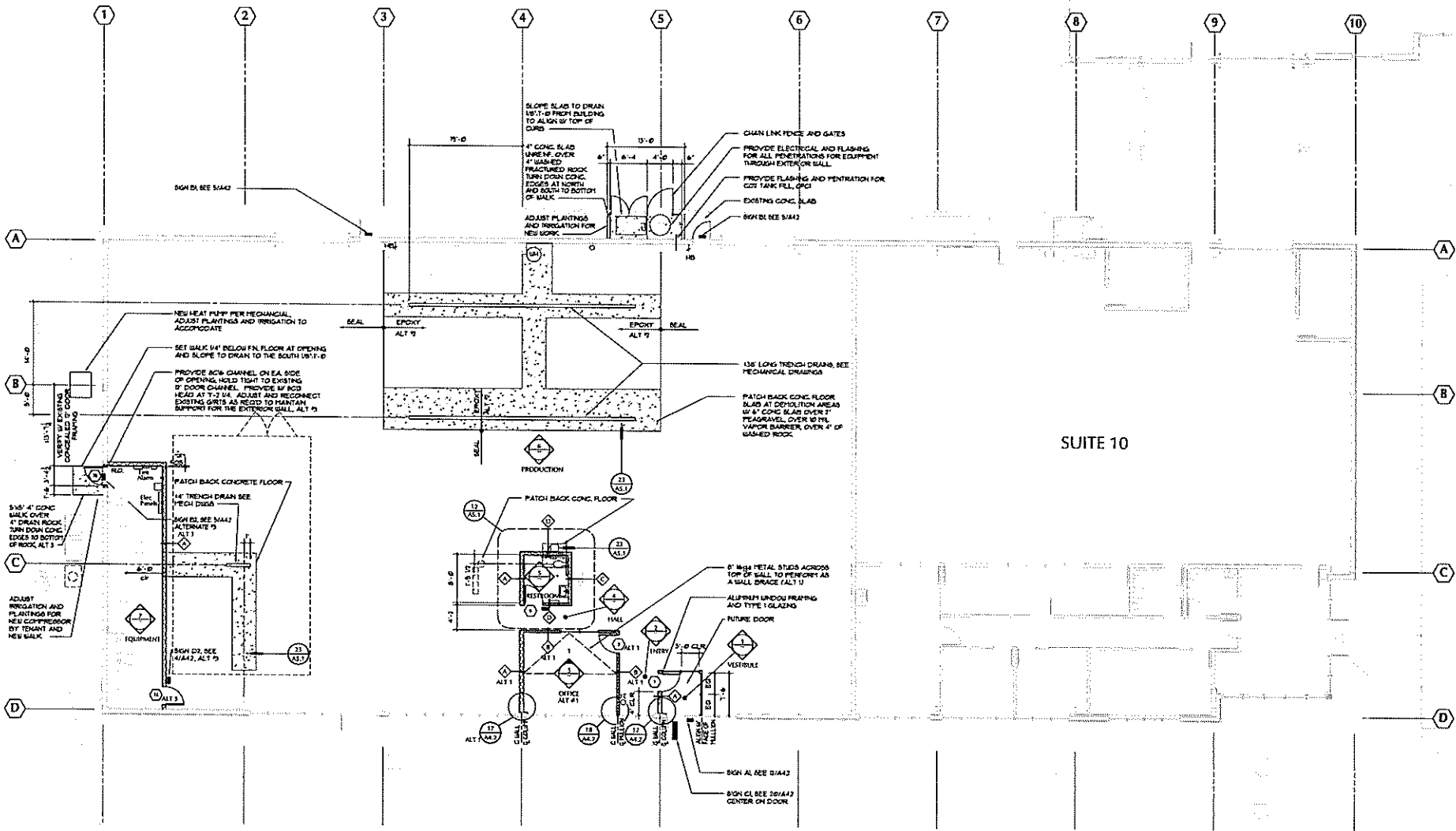
Below is the tentative bidding schedule:

Board approval to solicit bids	1/26/21
Legal Advertisement	1/28/21 and 2/4/21
Bids Due	2/17/21
Board approval to award	2/23/21

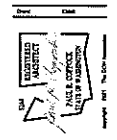
The following line items pertaining to this project were included in the CDRPA 2020 Budget:

Tenant Improvements	\$700,000.00
Utility Room Building B	\$100,000.00

Per the Delegation of Authority, Board authorization to proceed shall be obtained prior to seeking bids for projects in excess of \$100,001. Giving the current bidding environment, Staff remains optimistic that we will receive competitive bids within our budget. Board approval will be received prior to awarding the contract.

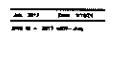


FLOOR PLAN
SCALE: 1/8" = 1'-0"



Chelan Douglas Regional Port Authority
HUNNEY JUN T.I.
Cashmere Mill District 5431 Sunset Highway, Cashmere, WA 98815

The DOH Associates, PS
ARCHITECTS and PLANNERS
7 N Wenatchee Ave Suite 500, Wenatchee, Washington 98801
Telephone (509) 662-4781 Facsimile (509) 663-3253



**Chelan Douglas Regional
Port Authority**

Memo

To: Board of Directors

From:  Jim Kuntz

Date: January 21, 2021

Re: Engineering Agreement – T.O. Engineers/Aviation Ramp Project

The FAA has requested the Regional Port proceed with getting the Airport Terminal Building Ramp Reconstruction Project designed and out to bid.

The estimated cost of construction if we go with Portland Cement Concrete is approximately \$4.5 million.

The engineering fees should be in the 20% range for this type of project from my perspective. Regional Port Staff has held firm on this percentage as engineering fees were negotiated. We rejected two separate fee proposals before we settled (subject to Board approval) on a fee of \$932,445 which is a 20.7% fee based on the estimated construction cost of \$4.5 million.

The overall total project cost in the 2021 Regional Port budget is \$5,720,000. This gives us some budget flexibility not knowing what the bidding climate will be for our project. The FAA will be providing 90% grant funding for this project.



**Pangborn Memorial Airport A/E Services
Task Order 21-01
Terminal Apron Reconstr. (Design and Construction)**

Task Order No.: 21-01

Fee Amount: \$932,445

Schedule

NTP: January 13, 2021
Deliverables: See Scope of Work dated 11/24/2020

PROJECT UNDERSTANDING

This project includes design engineering and construction management services associated with reconstruction of the Terminal Apron and glycol collection system at Pangborn Memorial Airport.

ITEMS TO BE COMPLETED BY CONSULTANT

T-O Engineers, Inc. proposes to provide services as described in the Scope of Work dated November 24, 2020 (attached).

Personnel Hour Estimate (T-O Engineers)

ITEM NO.	DESCRIPTION	Total	Principal	Project Manager	Project Engineer	El/Staff Engineer	Senior Insp	CAD	Admin
	<i>Rate per Hour</i>		\$200	\$185	\$150	\$100	\$120	\$95	\$60
1.	Project Admin. & Management	420	40	175	85	32			88
2.	Project Formulation	124	2	24	34	24	16	12	12
3.	Intermediate (60%) Design	600	28	102	158	104		156	52
4.	Design Development (90% Design)	602	26	114	136	126		152	48
5.	Construction Docs (100% Design)	140	15	32	26	30		22	15
6.	Bidding Services	68	6	14	13	12		16	7
7.	Construction Management	526	34	196	21	4	192	5	74
8.	Project Closeout	178	10	28	59	34		34	13
	<i>Estimated Hours</i>	2,658	161	685	532	366	208	397	309
	<i>Estimated Labor Expense:</i>	\$356,540.00	\$32,200	\$126,725	\$79,800	\$36,600	\$24,960	\$37,715	\$18,540
	<i>Reimbursable Expense:</i>	\$10,021.97							
	<i>Subconsultant Expense (Erlandsen):</i>	\$34,801.00							
	<i>Subconsultant Expense (Mead & Hunt):</i>	\$421,797.00							
	<i>Subconsultant Expense (Strata):</i>	\$71,609.00							
	<i>Administrative Fee (7%)</i>	\$37,676.03							

Total Estimated Expense: \$932,445.00

* The fee for services rendered will be paid on a combination of Lump Sum and Time & Materials basis, per the SOW.

Client and Consultant have made and executed this Task Order pursuant to the Agreement Dated June 6, 2017.

Jim Kuntz, CEO
Chelan Douglas Regional Port Authority

Date: _____

James R. Norvell, Regional Manager
T-O Engineers, Inc.

Date: January 6, 2021

Memo

To: Board of Directors
From: Monica Lough
cc: Jim Kuntz
Date: January 26, 2021
Re: Fibro Property Purchase

In preparation for the potential purchase of the 26 acres of Fibro property adjacent to Grant Road, staff has reviewed the policy adopted by the Board of Directors governing capital investments. For the acquisition of real property after January 1, 2020, an Ownership Allocation Memo is required to be adopted.

Staff recommends this new property be purchased and owned by the Regional Port Authority. In the event of dissolution of the Regional Port Authority, we came up with two options for allocation of ownership:

1. Allocate based on initial contributions to the Regional Port Authority:

Port of Chelan	\$9,331,153	94%
Port of Douglas	\$590,825	6%

Initial contributions by the two Port Districts tend to assign all activity to one point in time, which has fluctuated throughout the year. In addition, FAA grant proceeds received throughout 2020, which were applied to individual Port debt, would result in a larger variance.

2. Allocate based on 2021 budgeted tax receipts:

Port of Chelan	\$3,277,249	75%
Port of Douglas	\$1,092,043	25%

Since tax receipts cover the entire year of purchase, staff feels that this would be a more equitable allocation between the two Port Districts, and recommend that the Board approve the attached Ownership Allocation Memo of 75% to the Port of Chelan and 25% to the Port of Douglas.

**CHELAN DOUGLAS REGIONAL PORT AUTHORITY
OWNERSHIP ALLOCATION MEMO
REAL PROPERTY ACQUIRED AFTER JANUARY 1, 2020
DOUGLAS COUNTY, WA PARCEL #22210930007**

On November 12, 2019, the Chelan Douglas Regional Port Authority Board of Directors adopted a policy governing capital investments. Section 3 of that policy states that if there is an acquisition of real property after January 1, 2020, the Board of Directors is required to adopt an Ownership Allocation Memo as a means to allocate respective ownership interests in the property in the event of a dissolution.

The Board of Directors seeks to purchase approximately 26 acres of real property adjacent to Grant Road, identified as Douglas County, WA Assessor's Tax Parcel Number 22210930007. Funds currently held by the Chelan Douglas Regional Port Authority will be used for the entirety of the purchase. Neither the Port of Chelan nor the Port of Douglas will be issuing separate debt or entering into a joint financing plan for the capital purchase.

Because the source of funds for the purchase will not be directly from either port district, the real estate will be owned by the Chelan Douglas Regional Port Authority.

In the event of dissolution of the Chelan Douglas Regional Port Authority, the parcel will be allocated to the two Port Districts based on the percentage of 2021 budgeted tax receipts, which calculates to 25% ownership by the Port of Douglas and 75% ownership by the Port of Chelan.

Signed and dated this 26th day of January, 2021.

JC Baldwin, Director

Jim Huffman, Director

Donn Etherington, Director

Mark Spurgeon, Director

Rory Turner, Director

W. Alan Loeb sack, Director

Memo

To: Board of Directors

From:  Jim Kuntz

Date: January 21, 2021

Re: Model Ground Lease Agreement – Aviation Hangars

On our “to do” list has been updating Pangborn Airport’s Model Ground Lease Agreement for aviation hangars. The attached proposed model lease would be used whenever a private party wants to construct a hangar at the airport. We currently have a person wanting to construct a hangar, so getting this Model Lease Agreement done and approved by the Board has become a priority.

Jennifer Sands prepared this agreement. We have included the red-line version so you can see the changes made from our current agreement.

Would recommend the Board approve/adopt this new Model Land Lease Agreement.

GROUND LEASE AGREEMENT

THIS GROUND LEASE AGREEMENT is made and entered into ~~this ___ day of December, 2019, by and between Pangborn Memorial Airport, a joint venture of the Port of Chelan County and the Port of Douglas County on _____, 20___, by and between the Chelan Douglas Regional Port Authority, a municipal corporation, hereinafter referred to as "Landlord," and RIDGELINE AVIATION, LLC, operating the Pangborn Memorial Airport ("Airport") and _____~~ hereinafter referred to as "Tenant." Landlord and Tenant are sometimes hereinafter individually referred to as "Party" and collectively as "Parties."

RECITALS

- ~~A. Landlord operates Pangborn Memorial Airport ("Airport") airport and desires to enter into a Ground Lease Agreement for the use and occupancy of certain areas of the airport.~~
- ~~B. Landlord desires to accommodate and promote general aviation at the Airport. Pursuant to the terms of a separate lease, Tenant leases property from the Airport for the operation of an aviation repair, maintenance and servicing facility approved by the Pangborn Governing Board on June 6, 2017 and is seeking additional space for its approved operations.~~
- ~~C. The Parties now wish to enter into a ground lease for the hangar located at 3908 Airport Way, on the terms and conditions set forth herein.~~

AGREEMENT

~~Now, therefore~~ In consideration of the mutual terms and conditions contained in this Agreement and other good and valuable consideration, the sufficiency of which is hereby acknowledged, the Parties hereto mutually agree as follows:

1. **Premises.** The Landlord hereby leases to Tenant the following described real estate located at Pangborn Memorial Airport in Douglas County, Washington:

The hangar site known ~~as hangar 3908~~ as _____ described on Exhibit "A" (hereinafter the "Premises").

2. **Term.** The term of this Lease shall be five (5) years, from ~~December, 2019~~ 20___, through ~~December, 2024~~, subject to the option to extend under Paragraph 3.

3. **Option to Extend.** The Tenant shall have the option to extend this Lease for five (5) successive five (5) year terms (each an "extension term"), for a total cumulative extension period of 25 years beyond the original term of this Lease, provided that Tenant is not then in default under this Lease at the time of the termination of the original term or the applicable extension term. In order to exercise the option to renew this Lease, Tenant must provide Landlord written notice not more than 180 days and not less than 120 days prior to the expiration of the original term or the current extension term. Failure to timely provide the written notice may, at the option of the Landlord, result in the termination of the Lease at the end of the current term.

Landlord shall not be obligated to accept Tenant's exercise of its option to renew the term of this Lease, if at the end of the then-expiring term of this Lease, (i) an event of default exists under this Lease, or (ii) an event has occurred or failed to occur or a condition exists, which with or without notice or the passage of time, or both, would constitute an event of default under this Lease.

4. **Rent.** The Tenant shall pay yearly base rent in the amount of _____ and No/100 Dollars (\$ _____ US). Tenant shall also be responsible for payment of those costs and the leasehold excise tax described below. Rent shall be paid in advance on the 1st day of January of each year (except as set forth in Paragraph 4.3, below).

4.1 **Annual Increase.** On January 1st and on the same date each year thereafter, the annual rent shall increase by three percent (3%) over the rent for the previous year, except in years in which the annual rent is adjusted as set forth in Paragraph 4.2.

4.2 **Property Reappraisal.** Commencing January 1, 2025, the annual base rent set forth in Paragraph 4 of this Lease shall be reestablished on January 1 of every calendar year ending in a zero (0) or a five (5) ("reestablishment date") to the fair market rental rate of the Premises under the terms, conditions, and procedure set forth in this Paragraph 4.2.

4.2.1 The term "fair market rental rate" means the most probable annual lease rate in terms of money which the Premises, (which excludes those improvements owned by the Tenant), would bring if exposed for lease in the open market for similarly situated properties, with a reasonable time allowed to find a tenant, and with full knowledge of the highest and best use to which the Premises could be put consistent with the then most current Airport Master Plan, County Comprehensive Plan, and Federal Aviation Administration ("FAA") regulations.

4.2.2 Landlord shall obtain an independent appraisal of the Premises, and the amount determined by the appraisal shall be the fair market rental rate of the Premises. No later than three months prior to each reestablishment date (i.e. October 1st), Landlord shall notify Tenant of the reestablished annual base rent to be effective on the reestablishment date.

4.2.3 If the Tenant disputes the fair market rental rate set by the Landlord, the Tenant shall provide the Landlord with fifteen (15) days written notice of the dispute. The Parties shall thereafter have fifteen (15) days to agree upon the identity of a professional MAI real estate appraiser familiar with the commercial rental values at Pangborn Memorial Airport to determine the fair market rental value consistent with Paragraph 4.2.1. In the event that the Parties cannot agree upon an appraiser, then the appraiser shall be selected by the Superior Court Judge of Douglas County. The expense of the appraiser shall be shared equally by the Parties. In order to minimize expenses, said appraiser need only determine the fair market rental rate of the land and need not undertake a full-written appraisal. Further, the Landlord may rely on any appraisal undertaken for similarly situated property within the prior eight (8) months as the basis

for determining the new rent. The appraiser shall determine only the new fair market rental rate. All other disputes shall be determined in a court of law.

4.2.4 The annual increase set forth in Paragraph 4.1 shall resume in the years following each reestablishment date and shall be based on the new base rent effective on each reestablishment date.

4.3 Pro Rata Rent. In the event the Lease term commences or terminates on a date that is not the first or last day of the calendar year, respectively, Tenant shall pay a pro-rated annual installment, in advance, on the first day of the Lease term (for the remainder of the calendar year) or the 1st day of January of the last year of the Lease term, respectively, at the then current rate, based on the number of days during the first or last year of the Lease term. If the Lease term is renewed and the renewal occurs after pro-rata rent has been paid on January 1st for the remainder of the then-existing term, Tenant agrees to pay Landlord, upon such renewal, rent for the balance of the calendar year in which the renewal occurs.

4.4 Additional Rent and Fees. Tenant shall pay to Landlord the following additional amounts prior to occupancy:

Key Deposit, if applicable	\$50.00
Extra Key Charge (beyond two keys <u>or lost key</u>)	\$25.00 each key
Reimbursement to Landlord for Landlord's cost to bring electrical utility capacity to Premises	\$ _____

Badging/Security Clearance

In addition, the Landlord shall be entitled to charge and recover from the Tenant as additional rent those amounts described in Paragraph 6, Paragraph 11, and as otherwise set forth in this Agreement.

~~Note: Lost key charge will be \$25.00 per lost key.~~

4.5 No Waiver. Failure to calculate and apply the rental increase for any year shall not be considered a waiver of an increase for any succeeding year.

4.6 Acceptance of Late Rent. Landlord shall be entitled, at its sole and complete discretion, to either accept or reject a tender of payment of rent or any fee which is not paid within the time required by this Lease. In the event Landlord elects to accept a tender of payment of rent or fee after the time required by this Lease, Landlord may do so without thereby waiving Tenant's continuing obligation to make such payments when required under the terms of this Lease. Tenant hereby acknowledges that this constitutes a waiver by Tenant of any argument that by accepting a late payment of rent or fees, Landlord has waived any default which is based upon such late payment or has waived Tenant's continuing obligation to make such payments when and as required by the terms of this Lease.

4.7 Late Charge. If any payment required by this Lease is not received by the Landlord by the end of the 25th day after it is due, then Tenant agrees to pay the Landlord a late charge equal to ten percent (10%) of any such delinquent payment. In the event Landlord elects to provide written notice of delinquency or other violation of the Lease, Tenant agrees to pay Landlord's cost and attorneys' fees reasonably incurred in providing such notice in addition to the late charge and all other payments and obligations called for herein.

4.8 Leasehold Excise Tax. Tenant shall pay to the Landlord such sums as may be required by law for payment of leasehold or other tenant tax as required, imposed, assessed, or imputed by the state of Washington or other tax entity, as such laws now exist or may hereafter be amended (such leasehold tax currently being 12.84%). If leasehold tax is increased or decreased, the total amount payable to the Landlord shall increase or decrease, but the amount of rent, as adjusted herein, shall not be changed as a result of any change in the leasehold tax rate.

5. Purchase, Alteration or Recovery of Improvements by Landlord. If and Premises by Landlord. Landlord has the right at the Airport to perform or cause to be performed any work (including, but not limited to, constructing improvements, surveying, performing environmental testing, removing any hazard or obstruction, and implementing any plan, program, or action), that Landlord determines in its sole discretion to be in Landlord's best interests, including, but not limited to, within the Premises. If in connection with such work, or for any reason, the Landlord determines, in the Landlord's discretion, that the Premises (or any portion thereof) is necessary for the operation of the Airport, the Landlord shall have the option to ~~terminate the Lease and to purchase any improvements on the Premises (including those improvements constructed by Tenant) from the Tenant at a purchase price equal to the~~:

5.1 ~~5.~~ Terminate the Lease and to purchase any improvements on the Premises (including those improvements constructed by Tenant) from the Tenant at a purchase price equal to the remaining fair market value of the improvements as determined by the Landlord. The Landlord shall provide the Tenant with ninety (90) days written notice of Landlord's intent to purchase under this Paragraph, or any greater notice that may be required under FAA regulations. This Lease shall terminate and Landlord shall be entitled to possession of the Premises at the end of the period stated in the notice.

Should the Tenant dispute the purchase price, the dispute shall be resolved, and the purchase price shall be determined by appraisal, pursuant to the terms and time frames described in Paragraph 4.2.3. Landlord shall pay Tenant the proposed purchase price at the end of the 90-day period.

5.2 In the alternative, Landlord may elect to relocate such Tenant-owned improvements to another location on the Airport that is determined by Landlord. In connection with any such relocation, Landlord shall pay the reasonable costs to relocate such improvements (so long as they are not in breach of this Agreement), and the parties agree that they shall amend this Agreement to substitute such new location as the Premises herein.

5.3 Nothing under this Paragraph 5 shall be construed to waive Landlord's right to pursue any remedy for a breach of this Agreement arising from or relating to Tenant's use, occupancy, or operations at any portion of the Premises or at the Airport.

6. Net Lease. It is the Parties' intention that the rent herein specified shall be net to the Landlord. The Tenant agrees to pay, indemnify, defend, and hold the Landlord harmless from all expenses and obligation of every kind, including leasehold excise tax, personal property tax, and all other taxes and fees which may be imposed by the state of Washington or other taxing authorities, utility purveyors, insurance, maintenance and repair costs, and all other costs of any kind or nature incurred with respect to Tenant's use or occupancy of the Premises. This obligation shall specifically include Tenant's proportionate share of any stormwater, irrigation or other fees, charges or assessments of whatsoever nature imposed upon the Landlord from and after the date of this Agreement, which Landlord shall be entitled to invoice to and recover from the Tenant as additional rent.

6.1 Utilities. Unless otherwise specified herein, Landlord shall not be required to furnish to Tenant any utilities of any kind. Tenant shall be solely responsible for the cost of all utilities and shall hold the Landlord harmless therefrom, including, without limitation, costs for installation and maintenance of appropriate sewage, water ~~and~~ electrical services, waste disposal, internet, stormwater and any other utility fees, charges or services provided to the Premises.

7. Security Deposit.

7.1 Simultaneously with signing this Lease, Tenant shall deposit with Landlord a security deposit in the amount of \$_____ (an amount equal to not less than one year's rent as provided by Title 53.08.085 of the Revised Code of Washington), in the form of cash or other deposit acceptable to Landlord. The security deposit shall be held by Landlord as security for the full and faithful performance by Tenant of each and every term, covenant and condition of the Lease. The security deposit shall be placed in an account of Landlord's choice and the interest, if any, that accrues on said account, shall belong to the Landlord.

7.2 If Tenant breaches any of the terms of this Lease, including the obligation to pay rent, Landlord may, at Landlord's option, make immediate demand upon such security, without notice to Tenant, and apply the proceeds thereof toward the damages or expenses incurred by Landlord pursuant to this Lease. Such demand and application of the security deposit shall not be deemed a cure of any breach of the Lease. Nothing herein shall prevent the Landlord from pursuing any and all available remedies for a breach of the Lease.

7.3 If Tenant seeks an extension of the Lease under Paragraph 3, the Tenant hereby authorizes the Landlord to seek and obtain a credit or similar reports from any credit reporting agency or bureau or other entity.

8. Use of Premises; Purpose. Tenant shall use the Premises for the maintenance and operation of a hangar building, to be used for the parking, storage, servicing, repair and maintenance of aircraft consistent with the Landlord's rules and regulations and the standards of the Federal Aviation Administration. Tenant shall not use the Premises outside the hangar for storage or any other purpose without the express, written consent of Landlord.

Tenant acknowledges that the primary purpose of the Premises is to facilitate and support the operations of the Airport. The possession and use of the Premises is expressly conditioned upon there being no conflict between the Tenant's operations and the Airport operations. In the event of conflict, as determined by the Landlord in its sole discretion, the matter shall be resolved in favor of Airport operations. For example, conflicts may arise due to the application of Airport safety zones, and the laws and regulations adopted or administered by the Federal Aviation Administration. As a material part of the consideration to Landlord for entering this Lease, the Tenant hereby waives any and all claims arising from or associated with a conflict arising with the Airport operations.

An "aircraft" as used in this Lease shall be any aircraft that Tenant owns or leases (or that is subject to an authorized sublease) when approved in writing in advance by Landlord. Tenant shall provide proof of the ownership or lease of any aircraft upon Landlord's request. The aircraft identified at Exhibit B attached hereto and incorporated by this reference, is/are the aircraft approved by Landlord upon entering this Agreement, and Tenant shall provide the same information to Landlord in writing when requesting approval for any subsequent aircraft. A Tenant may store additional aircraft not owned or leased by Tenant upon approval by the Landlord and providing adequate Hangar-Keeper's liability insurance.

8.1 Tenant Covenants. Unless otherwise agreed to in writing by Landlord, Tenant shall:

8.1.1 Not use the Premises for any purpose except that stated in this Agreement.

8.1.2 Conform to all applicable laws and regulations of any public authority affecting the Premises and the use, including but not limited to the Federal Aviation Administration and all rules promulgated by Landlord.

8.1.3 Refrain from any use which would be reasonably offensive to the Landlord, other tenants or owners or users of adjoining premises, or which would tend to create a nuisance or interfere with the use of the Airport for general aviation purpose.

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

8.1.5 Operate in accordance with the obligations of the Landlord to the Federal government under the terms and restrictions contained in Landlord deed to part of the Airport property from the U.S. Government.

8.2 Reservation of Rights. Landlord reserves the right to take any action it considers necessary to protect the aerial approaches of the Airport against obstruction, together with the right to prevent the Tenant from erecting, or permitting to be erected, any building or other structures on the Airport which, in the opinion of the Landlord, would limit the usefulness of the Airport or constitute a hazard to aircraft. Landlord reserves the right to develop or improve the Airport as it sees fit, without interference or hindrance on the part of the Tenant.

This Lease shall be subordinate to the provisions of any existing or future agreement entered into between the Landlord and the United States to obtain federal aid for the improvement or operation and maintenance of the Airport.

8.3 Common Areas.

8.3.1 Tenant and its invitees shall have the right to use, in common with others, (i) all public Airport facilities and improvements ("Airport Public Facilities") and (ii) such public roads, ways and areas at the Airport as may be necessary for access to and from the Premises, which are now or hereafter provided by Landlord for public use. The Airport Public Facilities and other areas described in the previous sentence are referred to as the "Common Areas." No aircraft, vehicle, equipment or machinery shall be left in an inoperable condition or stored in the Common Areas by Tenant, its invitees or contractors or suppliers, without the prior written consent of Landlord. Nothing stated in this Lease shall prohibit Landlord from banning from Landlord's property any person or entity which fails to comply with applicable laws, ordinances and rules and regulations, including those adopted by Landlord.

8.3.2 In addition to any other right granted by law, Landlord, and its Director, or the Director's designee, reserve the following specific rights with respect to the Common Areas:

a. To establish reasonable rules and regulations for the use of the Common Areas;

b. To use or permit the use of the Common Areas by others to whom Landlord may grant or may have granted such rights in such manner as Landlord may from time-to-time grant;

c. To close, alter or relocate all or any portion of the Common Areas; to make repairs or changes to the Common Areas; to take any action prevent a dedication of the Common Areas or the accrual of any rights to any person or the public; and to take any action regarding the unpermitted use of the Common Areas;

d. To construct additional buildings and to alter or remove buildings or other improvements in the Common Areas and to change the layout of such Common Areas, including the right to add to or subtract from their shape and size or to change their location;

e. To exercise any of Landlord's governmental or proprietary powers over the Common Areas.

f. The right to take any action it considers necessary to protect the aerial approaches of the Airport against obstruction, together with the right to prevent the Tenant from erecting, or permitting to be erected, any building or other structures on the Airport which, in the opinion of Landlord, would limit the usefulness of the Airport or constitute a hazard to aircraft.

g. The right to develop or improve the Airport as it sees fit, without interference or hindrance on the part of Tenant.

h. The sole right to determine the level, methods and schedules of any maintenance or improvements at the Airport; and shall have the right to close the Airport whenever Landlord deems it necessary for reasons of public safety or convenience.

9. Rules, Regulations and Restrictions.

9.1 Tenant shall comply with all laws and shall observe all applicable present or future ordinances, rules and regulations, including any rules and regulations adopted by the Landlord, and any future amendments thereto (which rules and regulations may include, without limitation, an Airport Security Plan, restrictions as to storage, noise, prohibited activities, and design standards), which are made part of this Lease agreement and shall have the same effect as though written herein. Tenant understands and agrees that Landlord may amend the rules and regulations applicable to Airport property (of which the Premises is a part), and that such amendments shall be binding upon Tenant. If there is a conflict between the rules, regulations, ordinances or minimum standards of the Landlord and this Lease, the rules, regulations, ordinances, or minimum standards shall control.

9.2 Specifically, and not by way of limitation, the Tenant shall also comply with the following rules and regulations pertaining to hangar storage:

9.2.1 The use of the Premises shall be limited to operation ~~of a~~ maintenance and ~~repair facility by the Tenant,~~ and storage of aircraft ~~and routine maintenance of the aircraft stored~~ on the Premises.

9.2.2 Tenant shall not store gasoline, explosives, or hazardous substances as defined in Paragraph 22 in the Premises.

9.2.3 Tenant agrees to keep the Premises secured at all times when not in use.

9.2.4 Tenant shall keep the Premises clean and free of debris.

9.2.5 Tenant shall not park or leave an aircraft, vehicle, or other items of personal property on the pavement adjacent to the Premises, including taxilanes and areas of common use with other tenants of the Landlord.

9.2.6 ~~Except as set forth herein,~~ Tenant shall not conduct any business from the Premises, including, but not limited to, charter, rental, or instructional services, without the advance written consent of the Landlord.

9.2.7 Tenant must apply for and obtain complete an Airport Identification Badge and any other training reasonably required by the Airport prior to obtaining access to the Premises. Tenant must also successfully pass a Federal Security Threat Assessment (STA).

9.2.8 Tenant must keep all contact information and identification information of any aircraft kept in the hangar current with Landlord.

9.2.9 Tenant is not authorized to install or operate any signage outside of enclosed structures on the Premises (other than a hangar number), or at the Airport, except with the prior written approval of Landlord (which may be given or withheld in Landlord's sole discretion). Any approved signage shall be at Tenant's expense and shall comply with Rules and Regulations and laws. Tenant shall not advertise or permit others to advertise at the Airport by any means, whether or not such advertising is for profit.

9.3 In regard to the Premises, Tenant, at Tenant's sole expense, shall comply with all laws, orders and regulations of Federal, State and municipal authorities, and shall specifically comply with all health, safety and security codes applicable to the use of the Premises, and shall comply with any direction of any public officer, pursuant to law, which shall impose any duty upon the Landlord or the Tenant with respect to the Premises. The Tenant, at Tenant's sole expense, shall obtain all licenses or permits which may be required for the conduct of Tenant's business within the terms of this Lease, or for the making of repairs, alterations, improvements, or additions, and the Landlord, at Tenant's expense and when reasonably necessary, will join the Tenant in applying for all such permits or licenses.

9.4 Tenant is responsible to comply (at Tenant's sole cost) with all security measures that Landlord, the United States Transportation Security Administration, or any other governmental entity having jurisdiction may require in connection with the Airport, including, but not limited to, any access credential requirements, any decision to remove Tenant's access credentials, and any civil penalty obligations and other costs arising from a breach of security requirements caused or permitted by Tenant or Tenant's employees or agents. Tenant agrees that Airport access credentials are the property of Landlord and may be suspended or revoked by Landlord in its sole discretion at any time. Tenant shall pay all fees associated with such credentials, and Tenant shall immediately report to the Airport Director any lost credentials or credentials that Tenant removes from any employee or any of Tenant's agents.

9.5 ~~9.4~~The access to the Premises may be shared and is non-exclusive. In addition, the Tenant agrees that the access may be gated at a location determined by the Landlord, which may be relocated by Landlord, as Landlord determines, so long as Tenant continues to have reasonable access to and from the Premises.

9.6 ~~9.5~~In order to comply with Homeland Security requirements, the Landlord may install fencing, which due to topography, or other practical considerations (which considerations are committed to the sole discretion of the Landlord), may encroach into the Premises or alter the current access to the Premises. As a material part of the consideration to Landlord for entering this Lease, the Tenant hereby waives any and all claims arising from or associated with the installation or future relocation of said fence.

10. Water and Septic Systems.

The Premises is not connected to water or septic system facilities.

~~X~~ The Premises is connected to water and septic systems facilities described as follows:

The Tenant shall obtain the advance written approval from the Landlord prior to installing, maintaining or repairing any water or septic facilities associated with the Premises, which approval the Landlord is not required to give. All costs, of any kind or nature, associated with any such present and future connection or improvement shall be the responsibility of the Tenant (including, but not limited to, construction, installation, connection fees or charges, maintenance, repair, replacement, testing, etc.). The Tenant agrees to reimburse the Landlord for the actual engineering and legal costs incurred by Landlord in the review of any plans and the drafting of any documents necessary to memorialize an addendum to the Lease describing the additional improvements to the Premises. Any existing water or septic system facilities were installed by a prior tenant and the Landlord disclaims any responsibility or liability therefore, including compliance with applicable laws and regulations. As a material part of the consideration of this Lease, the Tenant hereby assumes all responsibility associated with said water and septic systems and the compliance with applicable laws and regulations, and hereby releases and waives any and all claims against ~~thee-the~~ Landlord associated with said water and septic systems.

11. Future Sewer System. In the event a comprehensive sewer system is installed to provide sewer service to the hangers, the Landlord reserves the right to require those Tenants with existing water or septic facilities to connect to said sewer system, at Tenant's sole cost and expense. In the event the Tenant does not connect to the sewer system within 90 days of Landlord's notice, then Landlord reserves the right, but not the obligation, to make such connection and to charge the costs thereof to the Tenant as additional rent.

12. Maintenance, Repair and Construction~~-and Repair.~~ The Tenant agrees to maintain the Premises and any improvements thereon in good condition and repair. The Tenant shall maintain all portions of the Premises and adjoining areas in a clean and orderly condition, free of dirt,

rubbish, and unlawful constructions, and according to the minimum standards and policies established by the Landlord from time to time.

In case of any dispute which may arise at any time between the Landlord and Tenant as to the standard of care and maintenance of the Premises, the standard and care of the Premises and the adjoining areas shall conclusively be determined by the Airport Director of the Pangborn Memorial Airport acting in good faith and exercising reasonable judgment. The Landlord, by its authorized representatives, shall have the right to enter upon the Premises at any reasonable time for the purposes of maintenance inspection conducted in a manner such that it will not unreasonably interfere with or disrupt Tenant's operation.

12.1 Construction. The Tenant may, from time to time, at its own expense, make such improvements in and about the Premises, whether structural or otherwise, and may install such machinery, equipment and facilities therein as may be considered proper and necessary in connection with the use and operation of the Premises, ~~provided, however, that all such~~ only upon compliance with this Paragraph 12.1. Tenant shall not commence any construction and improvements shall be done according to plans or improvements without first obtaining Landlord's prior written consent for all work to be conducted. Tenant shall submit plans, a schedule and a budget to Landlord when making any request to construct improvements. In addition, Landlord may request any information, request modifications, consent to or deny Tenant's request in Landlord's sole discretion. All plans, specifications and construction documents submitted for approval must be drawn up by a qualified architect or engineer and submitted in advance to the Airport Director of Pangborn Memorial Airport, which plans must have the advance written approval of the Airport Director and a building permit issued by the Douglas County Building Department prior to commencing any work. Tenant shall make no changes to the construction or improvement work without Landlord's consent.

All work shall be performed by qualified and properly licensed personnel, and shall conform to all building codes, standards, permits, plan check and inspection requirements as may be adopted by Douglas County, as well as any applicable federal or state laws, and Airport standards. No work shall commence without the issuance of a building permit issued by the Douglas County Building Department. Tenant shall complete the work within the construction schedule approved by Landlord.

All costs incurred by Landlord in reviewing the plans or ~~, if necessary,~~ assisting the Tenant in complying with FAA regulations relating to the improvement, including without limitation, the Notice of Proposed Construction or Alteration, shall be reimbursed by Tenant upon ten (10) days' notice from Landlord of the costs incurred. The exterior paint, trim, and exterior finish must be in accordance with the rules and regulations adopted from time to time by the Landlord. Tenant shall not demolish or alter any existing buildings or improvements, or parts thereof, without the express prior written consent of the Landlord.

12.2 Final Submittals. Tenant shall submit to Landlord a statement that he Premises and Tenant's improvements are free and clear of all liens, claims, or encumbrances (except as

otherwise expressly authorized herein) and shall submit a complete set of accurate “as-built” plans and specifications for Tenant’s improvements.

13. Title. The title to any such buildings or improvements placed on the Premises by the Tenant, without regard to their attachment to the underlying land, shall remain in the possession of the Tenant during the term of this Lease or any extensions thereof; provided, however, that the Tenant must comply with Paragraph 12, regarding alteration, construction or removal as to such buildings and improvements.

The Landlord and Tenant hereby agree that all personal property belonging to or placed by the Tenant on the Premises, whether such property consists of furniture, machinery, equipment, appliances, or trade fixtures shall be and remain the personal property belonging solely to the Tenant and remain subject to the Tenant’s right of removal, provided, however, that the heating, plumbing, air conditioning, lighting, and other utility fixtures shall be considered real property and may not be removed by the Tenant without the Landlord’s express prior written consent, and shall not entitle the Tenant to surrender possession of the Premises, terminate this Lease, violate any of its provisions, or cause any abatement in rent under the terms of this Lease.

14. Risk of Loss. The full risk of destruction or damage to any building, improvement, or personal property on the Premises by fire, windstorm or any other casualty rests solely with the Tenant.

15. Right of Entry. The Landlord and its representatives reserve the right to, and may, enter the Premises, ~~together with~~ including any buildings and improvements thereon, upon twenty-four (24) hours advance notice to Tenant, for the purpose of inspecting the Premises, performing any work which the Landlord elects to undertake (including but not limited to work made necessary by reason of the Tenant’s default under the terms of this Lease), or exhibiting the Premises for sale or lease. In case of emergency (as determined by Landlord in its sole discretion), Landlord may enter the Premises at any time without notice to Tenant, and the same shall not constitute a trespass upon the Premises. Tenant agrees that Landlord may discuss with Tenant’s employees any matters pertinent to Tenant’s use, occupancy, or operations at the Premises and the Airport.

16. Casualty Destruction. In the event that any building or improvement on the Premises (including underground improvements not made by the Landlord) is damaged or destroyed during the term of this Lease, Tenant shall promptly remove from the Premises and the Airport all debris. If the casualty results in more than 50% of the Premises being untenable, then Tenant shall have the option to either promptly repair and restore the building or improvements (by complying ~~within~~ with Paragraph 12, above) or ~~terminate~~ terminating this Lease. ~~If the Lease is terminated by reason of casualty destruction, the Tenant shall not be released from any obligation to pay Landlord any rent or other cost or fee provided herein accruing prior to the date of termination. For the purposes of this Paragraph, the date of termination shall be the date upon which Landlord receives written notification from Tenant of its intention not to repair and restore the damaged or destroyed building or improvements, or any date on which a default occurs, or the expiration of the Lease term, whichever first occurs.~~

If the Lease is terminated, then in addition to the removal of the debris, Tenant shall promptly restore the Premises to a level, buildable site prior to termination. Tenant shall not be released from any obligation to pay Landlord any rent or other cost or fee provided herein, or any other action required of Tenant accruing prior to the date of termination.

If this Lease is not terminated, and the Premises are tenantable despite such damage, Tenant shall not receive any abatement of Tenant's rent obligations. To the extent that any portion is rendered untenable by such damage in light of the purposes of this Agreement (as determined by Landlord in its sole discretion), Landlord may abate Tenant's rent proportionately until repairs have been substantially completed (as determined by Landlord in its sole discretion).

Tenant shall apply all proceeds made available from Tenant's insurance policies to performing its obligations under this Paragraph 16, provided, however, that Tenant's obligations shall not be limited to the proceeds payable, if such proceeds are insufficient for Tenant to comply with its obligations hereunder.

Nothing in this Paragraph shall affect any other right of Landlord provided in this Lease.

17. Insurance. Tenant shall provide its own property damage insurance.

17.1 Tenant is responsible for insuring all property, personal property, inventory, and improvements and betterments made or owned by Tenant.

17.2 From and after the commencement date of the term of this Lease, Tenant shall insure the Premises, at its sole cost and expense, against claim for bodily injury and property damage under a policy of general liability insurance, with limits of \$1,000,000.00 per occurrence, and ~~\$1,000,000.00~~ 1,000,000.00 annual aggregate. Such policy shall name Landlord as an additional named insured. Before taking possession of the Premises, the Tenant shall furnish the Landlord with a certificate evidencing the aforesaid insurance coverage. **Or** Aviation liability insurance that includes premises liability, and, if applicable, mobile equipment coverage with a combined single limit for bodily injury and property damage of not less than two million dollars (\$2,000,000) per occurrence, including, but not limited to, contractual liability coverage for Tenant's performance of the indemnity agreement set forth in Paragraph 19. If any such coverage is not available to Tenant in the form of an aircraft liability policy, Tenant shall obtain substantially similar coverage through a commercial general liability policy.

17.3 The aforementioned minimum limits of policies shall in no event limit the liability of Tenant hereunder. No policy of Tenant's insurance shall be cancelable or subject to reduction of coverage or other modification except after thirty (30) days prior written notice to Landlord by the insurer. Tenant shall, at least thirty (30) days prior to the expiration of the policies, furnish Landlord with renewals, certificates or binders.

17.4 Tenant shall insure the Premises to the full replacement value with an "all risk" or equivalent policy of property insurance, naming Landlord as insured.

17.5 The insurance shall be issued by carriers and on terms acceptable to the Landlord.

17.6 The Tenant agrees that if Tenant does not take out and maintain such insurance, Landlord may (but shall not be required to) procure such insurance on Tenant's behalf and charge Tenant the premiums together with a twenty-five percent (25%) handling charge, payable upon demand.

17.7 In addition to any insurance required of Tenant, if any insurance carrier providing coverage to Landlord increases its charge of any policy of insurance carried by Landlord as a result of this Agreement or Tenant's use, occupancy, or operations at the Airport, Tenant shall pay the amount of such increase within ten (10) days after Landlord delivers to Tenant a certified statement from Landlord's insurance carrier stating the amount of the increase attributable to Tenant.

17.8 Among Landlord's remedies, if at any time Tenant's insurance coverage is not in effect as required herein, Landlord may (but is not required to) stop all or any portion of Tenant's operations without liability to Landlord until Tenant fully restores such coverage.

18. Condemnation. If all of or any part of the Premises shall be condemned for public use by any authority superior to the Landlord, such as the state of Washington, or the United States of America, this Lease shall terminate without liability of either Party to the other.

19. Indemnity and Hold Harmless. The Tenant shall indemnify the Landlord from and against any and all claims, demands, liens, penalties, cause of actions, suit or judgments, including attorney's fees, costs and expenses incurred in connection therewith and in enforcing the indemnity, for deaths or injuries to persons or for loss of or damage to property arising out of or in connection with the condition, use occupancy or Tenant's maintenance of the Premises or common areas or any improvements thereon; or by Tenant's non-observance or non-performance of any law, ordinance or regulation applicable to the Premises; or incurred in obtaining possession of the Premises after a default by the Tenant, or after the Tenant's default in surrendering possession upon expiration or earlier termination of the term of the Lease, or enforcement of any covenants in this Lease. This includes, without limitation, any liability for injury to the person or property of Tenant, its agents, officers, employees, or invitees and includes any claim, loss or liability which may be caused or contributed to by Landlord's own actions, omissions, or negligence, in which event the Tenant shall indemnify the Landlord as set forth above to the extent of Tenant's liability.

The Tenant specifically waives any immunity provided by Washington's Industrial Insurance Act. This indemnification covers claims by Tenant's own employees.

20. Assignment of Lease/Transfer of Improvements. The Tenant shall not assign this Lease nor sublet the whole or any part of the Premises without the express prior written consent of the Landlord. In the event of a sale or transfer of any improvements or buildings located on the Premises, the Landlord may assign this Lease or elect to negotiate the terms of a new lease directly with the buyer of the improvements. The Tenant acknowledges that the Landlord may assign this Lease, or any of Landlord's rights hereunder, without Tenant's consent. Landlord will

provide Tenant notice of any assignment and Tenant agrees that Tenant shall perform its obligations under this Agreement in favor of such assignee.

21. Condition of Premises. Tenant agrees to accept the Premises and improvements thereon in their existing condition, AS-IS, WHERE-IS and with all faults, and hereby acknowledges that Tenant has fully inspected the same. No representation or warranty, expressed or implied, has been made by or on behalf of the Landlord as to such condition, or as to the fitness of the Premises. The Landlord shall not be liable for any defect in the Premises or any limitation inherent in its use.

22. Presence and Use of Hazardous Substances.

22.1 Storage and Definition. All hazardous substances shall be stored in accordance with all legal regulations regarding storage of hazardous substances and Tenant shall store on or around the Premises only those amounts of hazardous substances that are necessary for maintenance and operation of aircraft and in no case in amounts greater than permitted by any legal regulation. "Hazardous substances" shall include those substances designated as, or containing components designated as hazardous, dangerous, toxic or harmful and/or which are subject to regulation by any federal, state or local law, regulation, statute or ordinance. For purposes of this Lease, all aircraft fuels shall be considered hazardous substances.

22.2 Hazardous Substance. With respect to any hazardous substance, Tenant shall:

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

22.2.2 Submit to Landlord true and correct copies of all reports, manifests and identification numbers at the same time as they are required to be and are submitted to the appropriate governmental authorities;

22.2.3 Within five (5) days of Landlord's request, submit written reports to Landlord regarding Tenant's use, storage, treatment, transportation, generation, disposal or sale of hazardous substances and provide evidence satisfactory to Landlord of Tenant's compliance with the applicable governmental regulations;

22.2.4 Allow Landlord or Landlord's agents or representatives to enter the Premises, after reasonable notice, to check Tenant's compliance with all applicable governmental regulations regarding hazardous substances;

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

22.2.6 Comply with all governmental rules, regulations and requirements regarding the proper and lawful use, sale, transportation, generation, treatment and disposal of Hazardous Substances.

22.2.7 Landlord shall have the right, at reasonable times and upon reasonable notice to Tenant, to inspect the Premises to monitor Tenant's compliance with this Paragraph-. Tenant shall reimburse Landlord for any costs or expenses paid by Landlord to third parties (non-Landlord employees, including Landlord's retained inspectors, engineers, consultants, etc. or representatives of government entities). If an inspection reveals the use or presence of hazardous substances requiring clean-up or other action, then Tenant shall pay, as part of the clean-up costs incorporated in Paragraph 22.3 below, Landlord's actual costs, including reasonable attorney's fees and costs, incurred in making or providing for the clean-up required and any follow-up inspections.

22.3 Clean-up Costs, Default and Indemnification. With respect to any cleanup costs, default and indemnification, Tenant shall:

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

22.3.2 Indemnify, defend and hold Landlord harmless from any and all costs, fees, penalties and charges assessed against or imposed upon Landlord including Landlord's reasonable attorney's fees and costs as a result of Tenant's use, disposal, transportation, generation and/or sale of hazardous substances.

22.3.3 Upon Tenant's default under this Article, in addition to the rights and remedies set forth elsewhere in this Lease, Landlord shall be entitled to the following rights and remedies:

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

b. To recover any and all damages (including Landlord's expectancy and consequential damages) associated with the default, including, but not limited to clean-up costs and charges, civil and criminal penalties and fees, loss of business, sales and rents, by Landlord and any and all damages and claims asserted by third parties together with reasonable attorney's fees and costs.

23. Default. If the Tenant: (a) fails to timely pay any rent, payment, fee or money due hereunder; (b) fails to comply with any of the terms and covenants of this Lease in any manner whatsoever; or (c) becomes the subject of a filing in any court pursuant to any federal or state statute, of a petition in bankruptcy or insolvency, or for reorganization, or for the appointment of a receiver or trustee of all or a portion of the Tenant's property, or an assignment of the Tenant for the benefit of creditors, then the Tenant shall be in default under this Lease. Upon default, the Landlord may, upon twenty (20) days written notice to Tenant:

23.1 Terminate the Lease and declare all Tenant's rights herein forfeited. Such notice of termination shall be given to the Tenant as set forth in Paragraph ~~26.1~~27.1. Upon termination, the Landlord may immediately, without other notice of process of law, re-enter and take possession of the Premises using such force as may reasonably be necessary to move all persons and property therefrom. The Landlord shall not be liable for any damage or loss to property by reason of such forfeiture and re-entry. The Tenant agrees to pay to the Landlord a reasonable attorneys' fee and costs incurred for the purposes of enforcing any of the provision of this Lease. In addition, the Tenant shall be deemed to have forfeited its rental security or bond which shall be applied toward any damages incurred by Landlord for any such forfeiture or default.

23.2 Recover damages, immediately and, without waiting until the due date of any future rent or until the date fixed for expiration of the lease term, in the following amounts:

23.2.1 The unpaid rent and other charges due from Tenant to Landlord up to and including the date of termination; and

23.2.2 The reasonable costs of reentry and reletting including without limitation the cost of any clean up, refurbishing, removal of Tenant's property and fixtures, or any other expense occasioned by Tenant's failure to quit the Premises upon termination and to leave the Premises in the required condition, any remodeling costs, attorney fees, court costs, broker commissions, and advertising costs; and

23.2.3 All rent and charges that accrue as damages between the date of termination and the end of the term, or the relet, whichever occurs first, together with the difference between the rent and charges paid during the relet and the rent and charges that accrue as damages under this Lease.

The foregoing remedies shall be in addition to and shall not preclude any other remedy available to Landlord under applicable law.

24. Termination. Tenant covenants and agrees that upon the expiration of the Lease or any extension, or upon the termination of the Lease for any cause (including a termination prior to the end of the Term), Tenant shall at once peacefully surrender and deliver the Premises to the Landlord or the Landlord's agents or assigns. Provided Tenant is not in default at the time of termination, the Tenant shall have the election to remove any improvements, fixtures or buildings installed by the Tenant, subject to the provisions of Paragraph 13, and restore at its own expense, the Premises to the condition they were in at the inception of the Lease (including the clearing and grading of any building footings or concrete), together with the repair of any damage caused by the removal. If the Tenant does not remove the improvements, the Landlord shall have the election described in Paragraph 24.1, below

24.1 Reversion Upon Termination or Default and Landlord's Election Regarding Improvements. Upon the expiration or termination of this Lease for whatsoever reason (including a termination prior to the end of the Term), if the Tenant is then in default or if there is no default but Tenant does not remove all of the improvements under Paragraph 24, then at the

Landlord's election, any building, fixtures, or improvements then existing on the Premises shall revert as part of the Premises to the Landlord, at the Landlord's option, including any improvements which the Tenant constructed. If the Landlord elects not to accept such buildings, fixtures or improvements, then the Tenant shall restore, at its own expense, the Premises to the condition they were in at the inception of the Lease (including the clearing and grading of any building footings or concrete), together with the repair of any damage caused by the removal. If the Landlord agrees to accept the buildings and improvements at the termination of this Lease due to default, the Tenant will turn over said improvements and buildings in good condition and repair, without offset or compensation.

~~25. TIME. TIME IS OF THE ESSENCE IN THIS LEASE.~~

25. **No Encumbrance.** Tenant shall not encumber or permit the encumbrance of any real property at the Airport. Tenant shall not encumber or permit the encumbrance of any of Tenant's rights under this Agreement without Landlord's prior written consent, which Landlord is not required to give. Tenant shall not record this Agreement or any document or interest relating thereto. Any purported encumbrance of rights in violation of this Paragraph 25 is void. In connection with any consent by Landlord to an encumbrance, which Landlord is not required to give, at a minimum the following shall apply: (i) such encumbrance shall only encumber Tenant's leasehold interest for the purpose of securing financing for Tenant's authorized improvements (no other encumbrance shall be permitted); (ii) such encumbrance shall be subordinate to Landlord's interests; (iii) the lienholder must agree to maintain current contact information with Landlord and provide Landlord with concurrent copies of any notices or communications regarding a default; (iv) the lienholder must certify to Landlord that it has reviewed this Agreement and accepted provisions that may affect the lienholder, and that no loan requirements conflict with or materially erode any provisions of this Agreement; (v) any default relating to such encumbrance shall be a default of this Agreement; (vi) the lienholder must agree that upon any default, Landlord shall have a lien with first priority on all Tenant-owned improvements and other property at the Premises; and (vii) such encumbrance shall terminate prior to the termination date of this Lease and the lienholder must agree to promptly remove such encumbrance when the obligation that it secures has been satisfied. If (while such encumbrance is in effect) Tenant defaults under such encumbrance or this Agreement, and if such lienholder is in compliance with the provisions set forth in this Paragraph 25 and cures Tenant's defaults of this Agreement within twenty (20) days after the first such default, Landlord will permit such lienholder to provide a substitute tenant (which must be acceptable to Landlord in its sole discretion) for a period of up to twelve (12) months after the date when such lienholder cured all defaults so long as such lienholder fully performs this Agreement during such period. If such lienholder fails to comply with any of the foregoing requirements, such failure shall be a default of this Agreement and Landlord may at any time (but is not required to) terminate this Agreement and exercise any rights hereunder. Landlord shall have no obligation to provide any notices to any lienholder, and Landlord shall have no liability of any kind to any lienholder.

26. **Landlord's Expenses for Review and Consent.** For any action requiring Landlord's advance review and approval hereunder, including by way of example and without limitation,

Tenant's request for assignment, encumbrance, or construction/improvement consent, Landlord shall collect from Tenant in advance of any review, Landlord's estimated costs and professional fees to review the Tenant request.

Landlord shall not be required to consider any Tenant request without Tenant's submission of an amount equal to the estimated cost as determined by Landlord. If the cost of the review is less than the estimated cost, Landlord shall promptly return any balance to the Tenant. If the cost to the Landlord of the review exceeds the estimate, the Tenant shall pay such additional actual costs of Landlord's review within ten (10) days of Landlord's written request to Tenant.

27. ~~26.~~Miscellaneous Provisions.

27.1 ~~26.1~~Notices. Any notice by either Party to the other Party shall be in writing and shall be deemed to be duly given upon mailing by certified mail in a postpaid envelope addressed to the Party at the address set forth next to their signature, below. ALTERNATIVELY, ANY NOTICE HEREIN TO BE PROVIDED BY LANDLORD SHALL BE DEEMED SERVED UPON POSTING THE NOTICE ON THE PREMISES. TENANT SHALL BE RESPONSIBLE FOR MAINTAINING CURRENT CONTACT INFORMATION (ADDRESS, PHONE, AND E-MAIL). FAILURE TO MAINTAIN CURRENT CONTACT INFORMATION SHALL BE A DEFAULT UNDER THIS LEASE.

27.2 ~~26.2~~No Limitation on Landlord's Authority. Nothing stated herein shall be construed as to limit in any way the general power and right of Landlord to exercise its governmental or proprietary powers in any way, including such as may affect the Airport, the Premises, the Common Areas, or any other area under the jurisdiction of Landlord.

27.3 ~~26.3~~Amendment. This Lease may be modified only upon the Parties' mutual written consent.

27.4 ~~26.4~~Severability. If any provision of this Lease shall be declared invalid or unenforceable, the remainder of the Lease shall continue in full force and effect.

27.5 ~~26.5~~Waiver. The waiver by any Party of a breach of any provision of this Agreement shall not be deemed a continuing waiver or a waiver of any subsequent breach of this Agreement.

27.6 ~~26.6~~Interpretation. This contract has been submitted to the scrutiny of all parties and their counsel, if desired, and it shall be given a fair and reasonable interpretation in accordance with its words, without consideration to or weight given to its being drafted by any party or its counsel. Paragraph headings are for convenience only and shall not be considered when interpreting this contract. All words used in the singular shall include the plural; the present tense shall include the future tense; and the masculine gender shall include the feminine and neuter genders.

27.7 ~~26.7~~Governing Law; Attorney Fees; Venue. This Agreement shall be construed in accordance with the laws of the state of Washington. In the event of any action arising

hereunder, the prevailing party shall be granted its attorney fees and court costs. Venue for such action shall lie in Douglas County, Washington.

~~26.8 Non-Discrimination. The Tenant agrees not to discriminate in its business dealings or hiring practices on the grounds of race, color, national origin or sex.~~

27.8 Non-Discrimination. Tenant for itself, successors in interest, and assigns (to the extent successors and assigns are permitted by this Agreement), as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that: (1) no person on the grounds of race, creed, color, national origin, sex, age, or handicap shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities or any activity conducted with or benefiting from Federal assistance, (2) that in the construction of any improvements on, over, or under such land and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, (3) that Tenant shall use the Premises in compliance with all other requirements imposed by or pursuant to 49 CFR Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, as said regulations may be amended, and other applicable laws and regulations, and shall obtain such compliance from any sublessees or other parties holding lower tier agreements (to the extent the same are permitted by this Agreement).

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

27.10 26.9Entire Agreement. This Lease contains the entire agreement between the Parties.

LANDLORD:

TENANT:

PANGBORN MEMORIAL AIRPORT

By: _____

By: _____

Name: _____

Its: _____

Title: _____

Dated: _____

Dated: _____

Address for Notices:

Address for Notices:

Pangborn Memorial Airport
One Pangborn Drive
East Wenatchee, WA 98802-9233

Phone No: _____
E-mail Address: _____

STATE OF WASHINGTON)
)ss.
County of _____)

I certify that I know or have satisfactory evidence that _____ ~~Trent Moyers~~ is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as _____ ~~Airport Director of Pangborn Memorial Airport of the Chelan Douglas Regional Port Authority~~ to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: _____, ~~2019~~ 202.

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

STATE OF WASHINGTON)
)ss.
County of _____)

I certify that I know or have satisfactory evidence that _____ ~~Cass Monnin~~ is the person who appeared before me, and said person acknowledged that she/he signed this instrument, on oath stated that she/he was authorized to execute the instrument and acknowledged it as owner of _____ ~~Ridgeline Aviation, LLC~~, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: _____, ~~2019~~, _____, 202

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

EXHIBIT A

PREMISES/HANGAR SITE

EXHIBIT B

APPROVED AIRCRAFT

Tenant hereby certifies that the Aircraft hereon will be stored on the Premises that have been leased from the Landlord at Pangborn Memorial Airport and that the Tenant will notify the Landlord of any change in the status of said Aircraft.

TENANT

AIRCRAFT

Signature _____ AC NO N _____

_____ MAKE _____

Address _____ MODEL _____

_____ MODEL _____

City/State/Zip _____ YEAR _____

Telephone _____ ATTACH COPY OF A/C REGISTRATION

Memo

To: Board of Directors

From: Monica Lough

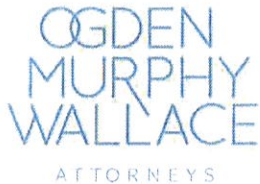
cc: Jim Kuntz
Trent Moyers

Date: January 26, 2021

Re: Alpine Aviation Default

Per the attached notice prepared by Ogden, Murphy Wallace, Alpine Aviation NW, LLC has an outstanding balance owed to the Chelan Douglas Regional Port Authority (previously to Pangborn Memorial Airport) of \$7,843.37. Our legal team is estimating it will cost approximately \$2,000 to start legal proceedings, which includes drafting the complaint and having it filed and served. The lease allows for legal fees to be recoverable, but this situation is different as the tenant gave notice of termination, but then continued to store materials for a longer time frame.

Based on the Delegation of Authority, staff is looking for guidance from the Board of Commissioners as to whether this outstanding receivable should move forward legally, which may encourage the tenant to settle, or if the preference would be to write the account off.



OGDEN MURPHY WALLACE, PLLC
1 FIFTH STREET, SUITE 200
P.O. BOX 1606
WENATCHEE, WA 98807

T 509.662.1954
F 509.663.1553

OMWLAW.COM

JENNIFER SANDS
jsands@omwlaw.com

January 31, 2020

VIA U.S. MAIL

VIA CERTIFIED, RETURN RECEIPT REQUESTED

Alpine Aviation NW, LLC
323 N Miller Street
Wenatchee, WA 98801

Re: Default under 3764 Airport Way under Space Lease Agreement

Dear Jon McCreary:

This office represents Pangborn Memorial Airport (the "Airport"). The purpose of this communication is to provide formal notice of default in the Space Lease Agreement with Pangborn Memorial Airport as Lessor, dated October 10, 2014, and assigned to Alpine Aviation NW, LLC ("Alpine") as Lessee on December 1, 2016 (the "Agreement"). On May 21, 2019, Steve Gustafson of Alpine sent an email to the Airport, providing 30 days' of Alpine's termination of the Agreement, effective June 30, 2019. However, after the June 30, 2019 termination date, Alpine continues to occupy the space and did not return possession to the Airport. Based on that occupancy, Alpine continued to be responsible for the rent payment as evidenced by Pangborn's monthly invoices and repeated communications with Alpine regarding Alpine's non-payment of those invoices.

Section 18 of the Agreement provides:

18. **Holdover.** If Lessee, with the implied or expressed consent of Lessor, shall holdover after the expiration or termination of this Lease, Lessee shall remain bound by all the terms and conditions of this Lease, except that the monthly rent shall be increased by fifty percent (50%) over the amount due the last full month of the Lease.

Following the June 30, 2019 termination, Alpine continued to store property within, and occupy, the space under the Agreement for the purposes of Section 18, and owes unpaid rent invoiced to date in the amount of \$7,843.37. The Airport was willing to accept the Agreement rent although Section 18 permits a 50% increase to that rent during the period of Alpine's holdover.

The purpose of this notice to inform Alpine that it has ten (10) days to pay the amount due as set forth in this Notice. If Alpine fails to tender to the Airport the amount of \$7,843.37 no later than February 14, 2020, the Airport will impound Alpine's personal property located within the Space at Alpine's cost. If, thereafter, Alpine does not pay the unpaid rent, together with the cost to impound and store Alpine's personal property, the Airport will sell the property as authorized under Section 12 of the Agreement and apply the proceeds to the unpaid rent. The Airport will be forced to bring suit for any remaining unpaid

January 31, 2020

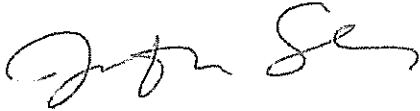
Page 2

holdover rent, including the 50% increase authorized under Section 18, together with late fees and attorneys' fees.

While it is the Airport's hope that this matter may be resolved without court action, this requires Alpine's immediate attention. The Airport looks forward to your prompt payment.

Very truly yours,

OGDEN MURPHY WALLACE, P.L.L.C.

A handwritten signature in black ink, appearing to read "Jennifer Sands". The signature is fluid and cursive, with the first name "Jennifer" written in a larger, more prominent script than the last name "Sands".

Jennifer Sands

JKS:mka

Enclosures

cc: Trent Moyers
Alpine Holdings NW, LLC

**CHELAN DOUGLAS REGIONAL PORT AUTHORITY
RESOLUTION NO. 2021-02**

**A RESOLUTION OF THE CHELAN DOUGLAS REGIONAL
PORT AUTHORITY CONCERNING A PLEDGE TO CIVILITY
IN PUBLIC SERVICE**

We, as elected and appointed public officials of the Chelan Douglas Regional Port Authority, in order to promote democracy and strong communities in our region, pledge our commitment to the following principles for civility:

- Respect the right of all Americans to hold different opinions;
- Avoid rhetoric intended to humiliate, de-legitimatize or question the patriotism of those whose opinions are different from ours;
- Strive to understand differing perspectives;
- Choose words carefully;
- Speak truthfully without accusation, and avoid distortion; and
- Speak out against violence, prejudice and incivility in all their forms, whenever and wherever they occur, within the communities we serve.

We further pledge to exhibit and encourage the kind of personal qualities that are emblematic of a civil society: gratitude, humility, openness, propriety, kindness, caring, faith, a sense of duty and service to others, and a commitment to doing what is right.

Adopted by the Board of Directors of the Chelan Douglas Regional Port Authority at a regular meeting thereof held this 26th day of January, 2021.

CHELAN DOUGLAS REGIONAL PORT AUTHORITY

JC Baldwin, Director

Jim Huffman, Director

Donn Etherington, Director

Mark Spurgeon, Director

Rory Turner, Director

W. Alan Loeb sack, Director

Chelan Airport Master Plan
Blue Ribbon Community Panel

Purpose Statement

The Chelan Airport is developing an Airport Master Plan to guide its future development over the next 20 years. The draft Master Plan provides for a significant capital outlay primarily driven by the Chelan Airport needing to come into compliance with current Federal Aviation Administration airport design standards. The Airport would be transformed from its current small General Aviation airport into an airport with more regional impacts and a broader range of aircraft types using the airport.

Questions for the Blue Ribbon Panel

1. Is the greater Chelan area best served with the draft Airport Master Plan recommendations for the Chelan Airport;

or

2. Is the greater Chelan area best served by keeping the Airport as a small General Aviation airport and minimizing capital investments?

Blue Ribbon Panel

- City of Chelan – 1 City Council Member plus 3 private sector selections.
- Regional Port Authority – 1 Regional Board Member plus 3 private sector selections.

Proposed Meetings

1st Meeting – Review Airport history, aviation forecasts, and critical aircraft design group.

2nd Meeting – Review proposed Capital Improvement Plan recommendation from the Airport Master Plan.

- JUB to provide staff support; City & Regional Port to share in this cost.
- Blue Ribbon Panel feedback by April 1, 2021.

Jim Kuntz

From: Jim Kuntz
Sent: Tuesday, January 19, 2021 9:51 AM
To: David Casem
Cc: Ron Cridlebaugh; Monica Lough; Ron Russ; Craig Larsen
Subject: Chelan Douglas Regional Port
Attachments: First Right to Negotiate 01-19-2021.pdf

David,

Please find attached a First Right to Negotiate with the Regional Port. If acceptable, please sign and send in the \$25,000. Will also need a certificate of insurance. Looking forward to work with you.

Jim Kuntz

Chief Executive Officer

One Campbell Parkway Suite A, East Wenatchee, WA 98802

☎ 509.884.4700 | Cell 509.336.5595 | www.cdrpa.org



sign a lease agreement within ninety (90) days of the effective date of this Agreement), MPC releases and waives any and all claims, of any kind or nature, against the CDRPA.

7. **General Terms.** In the event of a dispute regarding this Agreement, venue shall be in the Superior Court for Douglas County, Washington. Washington law shall govern all disputes and interpretations of this Agreement. This Agreement was mutually negotiated and shall not be construed for or against either Party.

8. **Incorporation.** This Agreement represents the entire agreement of the Parties. Unless set forth herein in writing, neither Party shall be bound by any statements or representations made and each agrees that there are no such statements or representations being relied upon in making this Agreement. This Agreement is fully integrated, incorporates all prior discussions and shall be interpreted according to its terms.

9. **Counterpart/Electronic Transmission.** This Agreement may be executed separately or independently in any number of counterparts and may be delivered by manually signed counterparts (transmitted by 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 e-mail or electronic transmission of any signed original document, and retransmission thereof, shall be the same as delivery of an original. At the request of either Party, the Parties will confirm facsimile, e-mail or electronically transmitted signatures by signing an original document.

10. **Notices.** Do be effective, any notice provided pursuant to this Agreement shall be delivered electronically as the email addresses indicated below.

CHELAN DOUGLAS REGIONAL PORT AUTHORITY

MISSION PEAK COMPUTING, LLC

By: _____
James M. Kuntz, Chief Executive Officer
Email: jim@cdrpa.com AND
ronr@cdrpa.org

By: _____
David Casem, Managing Member
Email: _____

EXHIBIT "A"
Legal Description

Parcel No. 76600001000

Lot 10, Pangborn Airport Business Park, Binding Site Plan 12-01, recorded under Auditor's File Number 3176418, records of Douglas County, Washington.

TOGETHER WITH Lot 12, Pangborn Airport Business Park, Binding Site Plan 12-01, recorded under Auditor's File Number 3176418, records of Douglas County, Washington.

Parcel No. 76600001100

Lot 11, Pangborn Airport Business Park, Binding Site Plan 12-01, recorded under Auditor's File Number 3176418, records of Douglas County, Washington.

TOGETHER WITH Lot 13, Pangborn Airport Business Park, Binding Site Plan 12-01, recorded under Auditor's File Number 3176418, records of Douglas County, Washington.

FIRST RIGHT TO NEGOTIATE

THIS FIRST RIGHT TO NEGOTIATE ("Agreement") is made and entered into this date by and between the CHELAN DOUGLAS REGIONAL PORT AUTHORITY, a Washington municipal corporation (the "CDRPA"), and MISSION PEAK COMPUTING, LLC, a limited liability company ("MPC"), sometimes collectively referred to herein as the "Parties" and individually a "Party".

RECITALS

- A. The CDRPA owns real property and improvements thereon legally described on Exhibit "A", which is attached hereto and incorporated herein by this reference (the "Property").
- B. MPC is interested in potentially leasing the Property and requests a period of time to investigate the Property, including electrical service, and to negotiate the possible lease of the Property.
- C. The CDRPA agrees to grant MPC an exclusive right to negotiate a lease and to allow MPC to perform due diligence on the terms and conditions set forth herein.

AGREEMENT

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

1. **Recitals and Exhibits.** The above-referenced recitals and all exhibits attached hereto are incorporated herein by this reference as binding commitments of the Parties.
2. **MPC First Right to Negotiate.** Subject to the terms and conditions herein, the CDRPA grants to MPC the exclusive right for a period of ninety (90) days to (a) negotiate with the CDRPA in good faith toward a mutually acceptable lease agreement for all of the Property, (b) enter upon the Property and to conduct whatever due diligence MPC deems necessary, subject to the terms and conditions set forth herein, and (c) enter a binding lease agreement with the CDRPA for all of the Property (the "Right"). The CDRPA agrees not to solicit or negotiate offers from other Parties for the Property so long as this Agreement is in effect. The Right will terminate sooner if the Agreement is terminated as set forth in Section 4, below.
3. **Consideration.** In consideration of the CDRPA granting the Right, MPC agrees to pay the CDRPA Twenty-Five Thousand and No/100 Dollars (\$25,000.00), which payment is non-refundable, except for the possibility of a partial refund as set forth in Section 4. In the event the Parties sign a lease agreement for all of the Property, this payment shall be credited toward the required security deposit set forth in the lease agreement for all of the Property (the amount of the security deposit has not been determined).

4. **Electrical Service; Due Diligence.** MPC is working with the Douglas County Public Utility District No. 2 to evaluate power service to all present and future buildings located on the Property. If MPC is not satisfied with the results of the due diligence it undertakes, including but not limited to securing power service to all present and future buildings on the Property, within sixty (60) days from the effective date of this Agreement, then MPC may terminate this Agreement by providing written notice to the CDRPA within sixty-five (65) days from the effective date of this Agreement (“Termination Notice”). In the event the Termination Notice is timely provided, this Agreement shall terminate and be of no further force or effect and the CDRPA shall return to MPC one-half (1/2) the consideration provided in Section 3, above, or Twelve Thousand Five Hundred and No/100 Dollars (\$12,500.00). In the event MPC does not timely provide the Termination Notice as provided in this Section 4, then the entire \$25,000 shall be non-refundable whether or not the Parties are successful in negotiating a lease agreement for all of the Property.

5. **MPC Right of Entry.** During the term of this Agreement, with prior notification to and approval by the CDRPA, MPC and its contractors, agents, employees, and licensees shall have the right and permission to enter upon the Property or any part thereof at all reasonable times, without interfering with the use of the Property by the CDRPA, for the purpose of making any and all tests, surveys, and such other studies and investigations of the Property as MPC may desire to make, all at MPC’s sole cost and expense; provided that there be no invasive testing to the buildings or improvements on the Property; provided further that MPC shall have the obligation to restore the Property consistent with its present condition as reasonable determined by the CDRPA. Prior to entering the Property, MPC shall name the CDRPA as an additional insured on a general commercial liability policy with limits of not less than \$2,000,000 per occurrence and provide the CDRPA with a certificate of insurance acceptable to the CDRPA. MPC agrees to indemnify, be responsible for all damages, defend and hold the CDRPA harmless from and against any and all liens, claims, loss or liability arising out of, related to, or associated with any entry onto the Property by MPC, its contractors, agents, employees, licensees, any anyone acting by and through MPC. The CDRPA and its representatives shall cooperate with MPC’s due diligence efforts regarding the Property. In the event this Agreement terminates without MPC leasing the Property, then MPC shall promptly deliver to the CDRPA a copy of all studies, reports, engineering, data, prepared for, or received by MPC with regard to the Property. The obligations described in this Section shall survive termination of this Agreement. Any actions by MPC will not interfere with the use of any adjoining property.

6. **NO ASSIGNMENT; NO LEASE.** Unless sooner terminated as provided for herein, this Agreement shall terminate ninety (90) days from the date of the last signature set forth below (the “effective date of this Agreement”). MPC may not assign this Agreement, without the advance written approval of the CDRPA, which approval may be withheld and denied in the discretion of the CDRPA. Nothing herein shall be construed as a lease agreement, a commitment to lease the Property, or a commitment to lease the Property on any particular terms and conditions (all such terms and conditions are to be negotiated). In the event of termination of this Agreement (pursuant to the early termination provided in Section 4, or if the Parties fail to

Accomplishments since our last meeting:

1. Jim Kuntz signed agreements with Gylling Consulting, Landau Associates, and Trico.
 - a. Landau Assoc. will help us explore the options for operating the existing diesel generators.
 - b. Trico will be helping prepare us for mothballing the data center, generator emissions requirements, fuel cell conversion, Grey Market of equipment, and major maintenance work for the facility.
2. Jim Kuntz reached out to Chelan County PUD to inform them that Actapio will be vacating the space as of February 28, 2021.
 - a. Jason with Actapio also informed us they contacted the PUD and requested they terminate service before midnight 02/28/2021.
3. Tricia scheduled our walk-through with the Actapio facility team. Scheduled for Monday, January 25th 9am – noon. An additional meeting may be needed and will be decided on this day.
4. Maintenance information that was requested: manuals, reset info, passwords, contacts, testing and maintenance logs will be provided on the 25th.
5. Tricia spoke with Jason about the Leak Detection Systems and confirm both systems will stay in place.
6. Jim Kuntz, Jim Gylling, and Tricia had a kickoff meeting with Mark Brunner, with Landau Assoc., planning the stages in which we would like him to move forward.
 - a. First Stage: work with Ecology to make sure the correct steps will be taken to decommission the generators.
 - b. Second Stage: mothballing the generators.
7. Mark Brunner was able to confirm with Ecology that the plan Actapio has in place for decommissioning the generators meets their requirements.
8. A letter was drafted, by Jim Gylling, to Actapio outlining the steps with the addition of draining the fuel from the tanks. Jim will sign and send to Jason Van Winkle.
9. Jim Gylling provided documents for the team to reference re: mothballing the equipment/site and a contact list for the team.
10. Jim Gylling also provided electronic versions of the Yahoo! As-builts and CTC Core & Shell drawings.

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

January 19, 2021

Jason Van Winkle
207 N. United Sakura Drive
East Wenatchee, WA 98802

RE: CTC- Actapio
Generator Mothball

Dear Jason:

The Regional Port has reviewed the state of the generators at Actapio's facility at the CTC. As you previously shared, the WA State Department of Ecology has specific guidelines to disable the generators to prevent non-permitted emission discharges. Their desire for disablement stems from Actapio's desire to allow the permit to lapse.

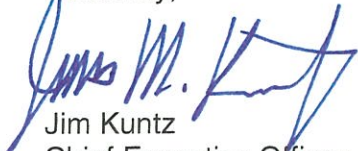
We look to Actapio to complete this process in accordance with the following (note: this list is different than the list you sent us):

- The ignition key is to be removed.
- The cables from the batteries to the ignition are to be removed.
- The cables between the batteries are to be removed.
- The keys and cables are to be stored in an appropriate spot in the main building housing the CC1 data racks, not at the generators.
- The batteries may remain in place.
- All other items, such as breakers, may remain in place.
- All diesel fuel will need to be drained from the belly/day tanks and recycled/disposed of in an approved manner.

Please work with Tricia to coordinate this work.

Thank you for your attention to this matter.

Sincerely,



Jim Kuntz
Chief Executive Officer
Chelan Douglas Regional Port Authority

Cc: Tricia Degnan

Jim Kuntz

From: Tricia Degnan
Sent: Friday, January 22, 2021 7:05 AM
To: Jim Kuntz
Subject: FW: Actapio Space - CTC Building

Jim,
To give you an idea of what the power use was on the Actapio meter over the last couple years, see below.
And, I am working with Catherine at the PUD to make sure we are set for the ownership change over on March 1st.

Tricia Degnan
CTC Building Manager

285 Technology Center Way, Suite 102, Wenatchee, WA 98801
☎ 509.661.3118 | www.ncwctc.com | www.cdrpa.org

To Date	From Date	Premise Address	City	Meter #	Days on Bill	Bill Amount	KWH Usage
12/31/2020	11/30/2020	285 Technology Center Way	Wenatchee	E1-76206	31	11373.44	3795
11/30/2020	10/31/2020	285 Technology Center Way	Wenatchee	E1-76206	30	14972.58	5360
10/31/2020	9/30/2020	285 Technology Center Way	Wenatchee	E1-76206	31	18297.55	6471
9/30/2020	8/31/2020	285 Technology Center Way	Wenatchee	E1-76206	30	21789.32	7974
8/31/2020	7/31/2020	285 Technology Center Way	Wenatchee	E1-76206	31	23161.65	8755
7/31/2020	6/30/2020	285 Technology Center Way	Wenatchee	E1-76206	31	22891.75	8531
6/30/2020	5/31/2020	285 Technology Center Way	Wenatchee	E1-76206	30	20759.57	7696
5/31/2020	4/30/2020	285 Technology Center Way	Wenatchee	E1-76206	31	20990.75	7876
4/30/2020	3/31/2020	285 Technology Center Way	Wenatchee	E1-76206	30	20307.22	7236
3/31/2020	2/29/2020	285 Technology Center Way	Wenatchee	E1-76206	31	18748.26	6953
2/29/2020	1/31/2020	285 Technology Center Way	Wenatchee	E1-76206	29	18266.78	6551
1/31/2020	1/1/2020	285 Technology Center Way	Wenatchee	E1-76206	31	19222.5	7170
12/31/2019	12/1/2019	285 Technology Center Way	Wenatchee	E1-76206	31	15319.27	7416
11/30/2019	11/1/2019	285 Technology Center Way	Wenatchee	E1-76206	30	17087.31	8744
10/31/2019	10/1/2019	285 Technology Center Way	Wenatchee	E1-76206	31	20030.51	10005
9/30/2019	9/1/2019	285 Technology Center Way	Wenatchee	E1-76206	30	23083.82	11474
8/31/2019	8/1/2019	285 Technology Center Way	Wenatchee	E1-76206	31	26977.08	13600
7/31/2019	7/1/2019	285 Technology Center Way	Wenatchee	E1-76206	31	27365	14016
6/30/2019	6/1/2019	285 Technology Center Way	Wenatchee	E1-76206	30	26817.14	13648
5/31/2019	5/1/2019	285 Technology Center Way	Wenatchee	E1-76206	31	26533.08	13598
4/30/2019	4/1/2019	285 Technology Center Way	Wenatchee	E1-76206	30	24754.92	12657
3/31/2019	3/1/2019	285 Technology Center Way	Wenatchee	E1-76206	31	23410.65	11591
2/28/2019	2/1/2019	285 Technology Center Way	Wenatchee	E1-76206	28	20769.5	10242
1/31/2019	1/1/2019	285 Technology Center Way	Wenatchee	E1-76206	31	20773.51	10570

VALOR

LAW GROUP, PS

January 13, 2020

Mr. Jim Kuntz
One Campbell Parkway Nursery, Inc.
PO Box 1339
Wenatchee, WA 98807

RE: VAN WELL NURSERY, INC.

Dear Mr. Kuntz,

Our office represents Van Well Nursery, INC. Please direct all communications regarding this matter to our attention.

First, I would like to thank you for the opportunity to respond to you, and for the appraisal that we received. Noticeably absent from the appraisal, however, was an understanding of what the business is. In particular, part of their business is to serve as a repository for rare and unusual species of trees. The removal of these trees will constitute a potential termination of an entire genetic line of trees, or at a minimum a 10 year cessation of the trees until they are propagated. There also was no valuation for the impact of the removal of the beds and the business loss.

We are requesting 30 days to meet with your appraiser, so I may explain these nuances to him in a manner that is readily digestible as well as supported by well-established business projections and financial records. We will respond to your letter on or before March 15, 2021.

Sincerely,



ALEX THOMASON
Attorney at Law

PATEROS

PO Box 637
110 W Lakeshore Drive
Pateros, WA 98846
P 509.689.3471 | F 509.689.3472

www.valorlawgroup.com
info@valorlawgroup.com



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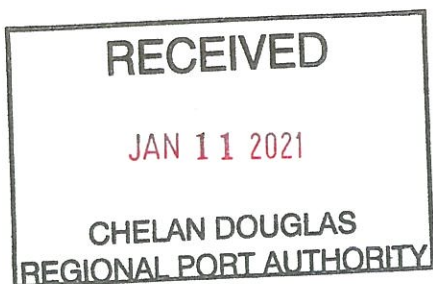


CHELAN DOUGLAS REGIONAL PORT
AUTHORITY
ATTN:MONICA LOUGH
ONE CAMPBELL PARKWAY, SUITE A
EAST WENATCHEE, WA 98802

INVESTMENT ACCOUNT NUMBER:
XXXXXXXX013

YOUR SALES REPRESENTATIVE IS:
SAFEKEEPING OPERATIONS
(800) 236-4221

STATEMENT PERIOD 12/01/2020 - 12/31/2020





Acct Name: CHELAN DOUGLAS REGIONAL PORT
 Acct Number: XXXXXXXX013

SUMMARY - USD

For period 12/01/2020 - 12/31/2020

ACTIVITY - Settled/Cleared Cash Activity

Transaction Type	Amount
Purchases	0.00
Purchase Reversals	0.00
Sales	0.00
Sale Reversals	0.00
Withdrawals	0.00
Receipts	0.00
Deliveries	0.00
Principal Reversals	0.00
Interest	11,562.50
Interest Reversals	0.00
Interest Adjustments	0.00
Maturities	0.00
Calls	0.00
Puts	0.00
Paydowns	0.00
Paydown Adjustments	0.00
Payups	0.00
Payup Adjustments	0.00
Cash Dividends	0.00
Balance Changes	0.00
Stock Dividends	0.00
Closeouts	0.00
Closeout Dividends	0.00
Net Activity	11,562.50

Your Sales Representative is: SAFEKEEPING OPERATIONS
 (800) 236-4221

Statement Contents

- *Summary
- *Activity - Settled/Cleared Cash Activity
- *Activity - Projected Activity for Next Statement Period
- *Holdings
- *Cash Flow Projections

HOLDINGS - Custody

Category	Par/Shares	Original Face	Principal Cost	Market Value
US Government Agency Securities	4,000,000.00000	4,000,000.00000	4,091,592.50	4,182,519.50
Total Custody Holdings	4,000,000.00000	4,000,000.00000	4,091,592.50	4,182,519.50



Acct Name: CHELAN DOUGLAS REGIONAL PORT	ACTIVITY - USD	Page 2
Acct Number: XXXXXXX013	Settled/Cleared Cash Activity	For period 12/01/2020 - 12/31/2020

Date Ticket	Activity	Description	Rate Maturity	Par/Shares Price/NAV	Security ID	Amount
12/09/2020 392209429	Interest	FEDERAL HOME LOAN BANK 12/09/22	1.875 12/09/2022		313381BR5	4,687.50
12/21/2020 392209428	Interest	FEDERAL HOME LOAN MTG CORP 06/19/23	2.750 06/19/2023		3137EAEN5	6,875.00
Net Activity						11,562.50



Acct Name: CHELAN DOUGLAS REGIONAL PORT

ACTIVITY - USD

Page 3

Acct Number: XXXXXXXX013

Projected Activity for Next Statement Period

Date Ticket	Activity	Description	Rate Maturity	Par/Shares Price/NAV	Security ID	Amount
01/07/2021 392209425	Interest	FEDERAL NATL MORTGAGE ASSN 01/07/25	1.625 01/07/2025		3135G0X24	4,062.50
01/21/2021 392209431	Interest	FEDERAL FARM CREDIT BANK 01/21/22	1.600 01/21/2022		3133ELHR8	4,000.00
Net Projected Activity						8,062.50



Acct Name: CHELAN DOUGLAS REGIONAL PORT

HOLDINGS AS OF 12/31/2020 - USD

Page 4

Acct Number: XXXXXXXX013

CUSTODY

Maturity	Security ID Ticket	Rate Acq Date	Description	Par/Shares Original Face	Principal Cost	Market Value NAV
US Government Agency Securities						
08/12/2021	3137EAEC9 392209432	1.125 02/20	FREDDIE MAC 3137EAEC9 08/12/21	500,000.00 500,000.00	497,876.00	503,103.50
01/21/2022	3133ELHR8 392209431	1.600 02/20	FEDERAL FARM CREDIT BANK 01/21/22	500,000.00 500,000.00	501,833.00	507,699.50
10/13/2022	3133ELGN8 392209430	1.600 02/20	FEDERAL FARM CREDIT BANK 10/13/22	500,000.00 500,000.00	502,900.00	512,885.50
12/09/2022	313381BR5 392209429	1.875 02/20	FEDERAL HOME LOAN BANK 12/09/22	500,000.00 500,000.00	506,935.00	516,800.00
06/19/2023	3137EAEN5 392209428	2.750 02/20	FEDERAL HOME LOAN MTG CORP 06/19/23	500,000.00 500,000.00	522,897.50	531,626.50
02/05/2024	3135G0V34 392209427	2.500 02/20	FEDERAL NATL MORTGAGE ASSN 02/05/24	500,000.00 500,000.00	521,402.50	535,449.50
09/13/2024	3130A2UW4 392209426	2.875 02/20	FEDERAL HOME LOAN BANK 09/13/24	500,000.00 500,000.00	532,965.00	548,243.00
01/07/2025	3135G0X24 392209425	1.625 02/20	FEDERAL NATL MORTGAGE ASSN 01/07/25	500,000.00 500,000.00	504,783.50	526,712.00
US Government Agency Securities Total				4,000,000.00000	4,091,592.50	4,182,519.50
Total Custody Holdings				4,000,000.00000	4,091,592.50	4,182,519.50



Last Pay Date Security ID Description	Ticket	Jan 21 May 21 Sep 21	Feb 21 Jun 21 Oct 21	Mar 21 Jul 21 Nov 21	Apr 21 Aug 21 Dec 21
08/12/2021 3137EAEC9 FREDDIE MAC	392209432	0.00 0.00 0.00	2,812.50 0.00 0.00	0.00 0.00 0.00	0.00 502,812.50 0.00
01/21/2022 3133ELHR8 FEDERAL FARM CREDIT BANK	392209431	4,000.00 0.00 0.00	0.00 0.00 0.00	0.00 4,000.00 0.00	0.00 0.00 0.00
10/13/2022 3133ELGN8 FEDERAL FARM CREDIT BANK	392209430	0.00 0.00 0.00	0.00 0.00 4,000.00	0.00 0.00 0.00	4,000.00 0.00 0.00
12/09/2022 313381BR5 FEDERAL HOME LOAN BANK	392209429	0.00 0.00 0.00	0.00 4,687.50 0.00	0.00 0.00 0.00	0.00 0.00 4,687.50
06/19/2023 3137EAEN5 FEDERAL HOME LOAN MTG CORP	392209428	0.00 0.00 0.00	0.00 6,875.00 0.00	0.00 0.00 0.00	0.00 0.00 6,875.00
02/05/2024 3135G0V34 FEDERAL NATL MORTGAGE ASSN	392209427	0.00 0.00 0.00	6,250.00 0.00 0.00	0.00 0.00 0.00	0.00 6,250.00 0.00
09/13/2024 3130A2UW4 FEDERAL HOME LOAN BANK	392209426	0.00 0.00 7,187.50	0.00 0.00 0.00	7,187.50 0.00 0.00	0.00 0.00 0.00
01/07/2025 3135G0X24 FEDERAL NATL MORTGAGE ASSN	392209425	4,062.50 0.00 0.00	0.00 0.00 0.00	0.00 4,062.50 0.00	0.00 0.00 0.00
		8,062.50	9,062.50	7,187.50	4,000.00
		0.00	11,562.50	8,062.50	509,062.50
		7,187.50	4,000.00	0.00	11,562.50
Total Projected Cash Flow		579,750.00			

Projections are made only on holdings paid through U.S. Bank and are not guaranteed.

COST OF LIVING INDEX - FOURTH QUARTER 2020

METRO/MICRO URBAN AREA AND STATE	100% COMPOSITE INDEX	13.89% GROCERY ITEMS	27.53% HOUSING	9.55% UTILITIES	9.20% TRANS- PORTATION	4.31% HEALTH CARE	35.52% MISC. GOODS AND SERVICES
Cedar City UT Micro							
Cedar City UT	95.2	97.9	89.4	99.6	114.5	88.0	93.2
Ogden-Clearfield UT Metro							
Ogden UT	98.3	90.8	100.3	89.3	114.2	89.9	98.9
Provo-Orem UT Metro							
Provo-Orem UT	99.5	96.8	103.1	87.2	108.8	92.1	99.5
St. George UT Metro							
St. George UT	100.1	94.6	102.0	102.6	104.2	87.0	100.5
Salt Lake City UT Metro							
Salt Lake City UT	104.6	99.4	114.7	90.2	113.8	95.7	101.3
Burlington-South Burlington VT Metro							
Burlington-Chittenden County VT	116.7	121.3	134.7	119.9	114.9	98.1	102.7
Blacksburg-Christiansburg-Radford VA Metro							
Blacksburg VA	92.2	92.7	86.7	84.9	95.3	91.2	97.5
Charlottesville VA Metro							
Charlottesville VA	106.0	103.3	114.3	101.4	89.0	110.6	105.7
Danville VA Micro							
Danville City VA	89.5	91.0	80.0	104.1	88.0	108.0	90.6
Lynchburg VA Metro							
Lynchburg VA	88.1	83.2	78.4	101.3	89.6	96.8	92.6
Martinsville VA Micro							
Martinsville-Henry County VA	86.7	93.2	71.6	87.8	88.8	95.2	93.9
Richmond VA Metro							
Richmond VA	98.4	95.0	93.1	102.0	95.5	106.6	102.6
Roanoke VA Metro							
Roanoke VA	87.4	88.2	79.0	97.6	89.5	99.6	88.9
Virginia Beach-Norfolk-Newport News VA-NC Metro							
Hampton Roads-SE Virginia VA	98.6	98.4	90.7	104.0	90.9	96.9	105.5
Washington-Arlington-Alexandria DC-VA-MD-WV Metro Div.							
Alexandria VA	136.6	111.5	219.2	95.2	97.5	103.5	107.7
Arlington VA	146.2	113.8	244.8	95.2	98.5	95.9	114.7
Winchester VA-WV Metro							
Winchester VA-WV	97.4	97.6	94.4	99.1	99.2	101.0	98.2
NonMetro US							
Lexington-Buena Vista-Rockbridge VA	90.3	92.7	77.4	103.6	92.0	99.9	94.3
Bellingham WA Metro							
Bellingham WA	122.2	111.4	129.4	86.5	148.4	113.7	124.7
Kennewick-Richland WA Metro							
Kennewick-Richland-Pasco WA	104.4	104.7	104.3	96.5	119.6	126.8	99.7
Moses Lake WA Micro							
Moses Lake WA	97.3	94.8	78.6	85.1	128.3	121.2	105.2
Mount Vernon-Anacortes WA Metro							
Mount Vernon-Skagit County WA	118.0	126.9	127.7	86.5	133.5	113.6	112.1
Olympia-Tumwater WA Metro							
Olympia WA	110.4	117.5	101.8	94.1	135.9	122.7	110.7
Seattle-Bellevue-Everett WA Metro Div.							
Seattle WA	156.0	127.9	224.1	109.5	151.6	122.7	131.8
Spokane-Spokane Valley WA Metro							
Spokane WA	106.9	100.1	100.0	101.1	111.1	121.8	113.7

COST OF LIVING INDEX - FOURTH QUARTER 2020

METRO/MICRO URBAN AREA AND STATE	100% COMPOSITE INDEX	13.89% GROCERY ITEMS	27.53% HOUSING	9.55% UTILITIES	9.20% TRANS- PORTATION	4.31% HEALTH CARE	35.52% MISC. GOODS AND SERVICES
Wenatchee WA Metro							
Wenatchee WA	105.4	99.0	107.0	78.9	115.1	124.8	108.9
Yakima WA Metro							
Yakima WA	101.5	104.5	91.0	84.1	120.5	116.2	106.3
Morgantown WV Metro							
Morgantown WV	93.0	99.2	77.4	89.3	92.1	88.2	104.4
Eau Claire WI Metro							
Eau Claire WI	96.8	96.2	85.0	105.9	98.7	114.1	101.2
Fond du Lac WI Metro							
Fond du Lac WI	98.0	109.1	79.9	103.4	96.8	115.2	104.6
Green Bay WI Metro							
Green Bay WI	89.0	95.1	74.9	97.3	94.7	103.5	92.1
Madison WI Metro							
Madison WI	107.4	110.2	111.2	99.9	103.1	125.5	104.2
Milwaukee-Waukesha-West Allis WI Metro							
Milwaukee-Waukesha WI	97.3	98.2	100.3	100.3	88.6	115.4	93.8
Wisconsin Rapids-Marshfield WI Micro							
Marshfield WI	92.2	99.6	86.8	91.6	94.8	121.1	89.5
Casper WY Metro							
Casper WY	97.8	97.9	90.9	84.6	95.9	100.5	106.9
Laramie WY Micro							
Laramie WY	91.8	100.7	79.5	85.0	91.2	94.4	99.5

**Chelan Douglas Regional Port Authority
Calendar of Events**

1/22/21

<i>Date</i>	<i>Day</i>	<i>Event / Location / Time</i>	<i>Attending</i>	<i>Cami RSVP arrangements if applicable</i>
January 26	Tuesday	CDRPA Board Meeting; 9:00 AM; Zoom		
January 27	Wednesday	Douglas County Community Leadership Advisory Committee; 2:30 pm		
February 2	Tuesday	WPPA Port Day		
February 9	Thursday	CDRPA Board Meeting; 9:00 AM; Zoom		
February 10	Wednesday	NCWEDD Meeting		
February 11	Thursday	CDTC Board Meeting 9:00 AM		
February 16	Tuesday	Wenatchee Chamber Board Meeting; 6:30 am		
February 17	Wednesday	GWATA Board Meeting; 3:00 PM		
February 23	Tuesday	CDRPA Board Meeting; 9:00 AM; Zoom		
February 24	Wednesday	Douglas County Community Leadership Advisory Committee; 2:30 pm		
March 9	Tuesday	CDRPA Board Meeting; 9:00 AM; Zoom		
March 10	Wednesday	NCWEDD Meeting		
March 11	Thursday	CDTC Board Meeting 9:00 AM		
March 16	Tuesday	Wenatchee Chamber Board Meeting; 6:30 am		
March 17	Wednesday	GWATA Board Meeting; 3:00 PM		
March 23	Tuesday	CDRPA Board Meeting; 9:00 AM; Zoom		
March 24	Wednesday	Douglas County Community Leadership Advisory Committee; 2:30 pm		
April 13	Tuesday	CDRPA Board Meeting; 9:00 AM; Zoom		
April 14	Wednesday	NCWEDD Meeting		
April 22	Tuesday	Wenatchee Chamber Board Meeting; 6:30 am		
April 21	Wednesday	GWATA Board Meeting; 3:00 PM		
April 27	Tuesday	CDRPA Board Meeting; 9:00 AM; Zoom		
April 28	Wednesday	Douglas County Community Leadership Advisory Committee; 2:30 pm		
May 11	Tuesday	CDRPA Board Meeting; 9:00 AM; Zoom		
May 12	Wednesday	NCWEDD Meeting		
May 13	Thursday	CDTC Board Meeting 9:00 AM		
May 18	Tuesday	Wenatchee Chamber Board Meeting; 6:30 am		
May 19	Wednesday	GWATA Board Meeting; 3:00 PM		
May 19-21	Wed-Friday	WPPA Spring Meeting; Davenport Hotel (tentative)		
May 25	Tuesday	CDRPA Board Meeting; 9:00 AM; Zoom		

September 22-24	Wed-Friday	WPPA Environmental Seminar; Alderbrook;not yet booked		
September 28	Tuesday	CDRPA Board Meeting; 9:00 AM; Zoom		
September 29	Wednesday	Douglas County Community Leadership Advisory Committee; 2:30 pm		
October 12	Tuesday	CDRPA Board Meeting; 9:00 AM; Zoom		
October 13	Wednesday	NCWEDD Meeting		
October 14	Thursday	CDTC Board Meeting 9:00 AM		
October 19	Tuesday	Wenatchee Chamber Board Meeting; 6:30 am		
October 20	Wednesday	GWATA Board Meeting; 3:00 PM		
October 20-22	Wed-Friday	WPPA Small Ports;Enzian; not yet booked and dates not firm		
October 26	Tuesday	CDRPA Board Meeting; 9:00 AM; Zoom		
October 27	Wednesday	Douglas County Community Leadership Advisory Committee; 2:30 pm		
November 9	Tuesday	CDRPA Board Meeting; 9:00 AM; Zoom		
November 10	Wednesday	NCWEDD Meeting		
November 16	Tuesday	Wenatchee Chamber Board Meeting; 6:30 am		
November 17	Wednesday	GWATA Board Meeting; 3:00 PM		
November 18	Thursday	CDTC Board Meeting 9:00 AM		
November 23	Tuesday	CDRPA Board Meeting; 9:00 AM; Zoom		
November 24	Wednesday	Douglas County Community Leadership Advisory Committee; 2:30 pm		
November 25	Thursday	Thanksgiving/Office Closed		
November 26	Friday	Day After Thanksgiving/Office Closed		
December 1-3	Wed-Friday	WPPA Annual Meeting; Hyatt Regency Hotel Bellevue;tentative		
December 8	Wednesday	NCWEDD Meeting		
December 9	Thursday	CDTC Board Meeting 9:00 AM		
December 14	Tuesday	CDRPA Board Meeting; 9:00 AM; Zoom		
December 15	Wednesday	GWATA Board Meeting; 3:00 PM		
December 21	Tuesday	Wenatchee Chamber Board Meeting; 6:30 am		
December 23	Thursday	Christmas Holiday Observed Office Closed		
December 24	Friday	Christmas Holiday Observed Office Closed		
December 28	Tuesday	CDRPA Board Meeting; 9:00 AM; Zoom		
December 29	Wednesday	Douglas County Community Leadership Advisory Committee; 2:30 pm		
December 31	Friday	New Years Day Observed/Office Closed		