THE PORT
CAMAS–WASHOUGAL

PRELIMINARY AGENDA FOR REGULAR MEETING **August 19, 2026**

I. OPEN SESSION **12:00 PM**

PUBLIC COMMENT: ITEMS ON THE AGENDA
Speakers are asked to keep their comments to less than 3 minutes. Please feel free to submit comments in writing to the Executive Director. If you have questions in your public comment, staff will follow up with you after the meeting.

City of Camas/City of Washougal Updates

CONSENT ITEMS
All matters listed under Consent Items have been distributed to each member of the Commission for review, are considered routine, and will be enacted by the motion of the Commission with no separate discussion. If a separate discussion is desired, that item may be removed from the Consent Items and placed under Action Items by request.

A. Approval of Minutes of the Regular Meeting on August 5, 2026.
B. Approval of Checks

NEW BUSINESS/DISCUSSION ITEMS

C. Lease 54-40: Building 14, Bays 1 & 2- Deputy Director Marlo Maroon
D. Lease: Elwell Building 4- Deputy Director Marlo Maroon
E. 2nd Quarter Financials- Director of Finance Krista Cagle
F. Custom Energy Contract- Environmental Project Manager Jennifer Taylor
G. Building 11 Insulation- Environmental Project Manager Jennifer Taylor

PUBLIC COMMENT
Speakers are asked to keep their comments to less than 3 minutes. Please feel free to submit comments in writing to the Executive Director. If you have questions in your public comment, staff will follow up with you after the meeting.

ACTION ITEMS

H. Lease 54-40: Building 14, Bays 1 & 2
I. Custom Energy Contract
J. Building 11 Insulation

STAFF REPORTS & COMMENTS

COMMISSIONER REPORTS & DISCUSSION

II.EXECUTIVE SESSION

24 South "A" Street, Washougal WA 98671
Phone: (360) 835-2196 Fax: (360) 835-2197
Email: https://portcw.com/contact-us/

THE PORT
CAMAS–WASHOUGAL

RCW 42.30.110 (1)©
The Executive Session is scheduled for 20 minutes. No decisions will be made.

ADJOURN

Regular business and meetings that may be attended by members of the Commission:

Date	Meeting
August 20, 2026	ICC Summer Social Event
August 21, 2026	Camas-Washougal Local Connections
*August 26, 2026	Chamber Luncheon
August 27, 2026	Airport Advisory Committee Meeting
*August 27, 2026	Wheels & Wings
* August 31, 2026	Annual Port Planning Meeting

(*Denotes events in which two (2) or more Commissioners may attend)

Join the meeting on the Conference Call Line: (253) 215-8782

Meeting ID: 837 2694 3053

Passcode: 527994 or via this video link:

https://us06web.zoom.us/j/83726943053?pwd=S05tP4p89ISCXazZdd0T9sAGJ93vza.1

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MINUTES OF THE REGULAR COMMISSION MEETING
PORT OF CAMAS-WASHOUGAL
August 5, 2026
By: Mackenzey Thomason, Administrative Assistant

A Regular Meeting of the Commissioners of the Port of Camas-Washougal was held in person and virtually on Wednesday, August 5, 2026, at 12:00 p.m.

PRESENT: Commissioner Cassi Marshall, Commissioner Brad Richardson, Commissioner Larry Keister, Executive Director Trang Lam, Director of Finance Krista Cagle, Leasing Administrator Jessica Warta, Business Development & Leasing Manager Derek Jaeger, Port Attorney Carolyn Lake, Administrative Assistant Mackenzey Thomason, and members of the public. The public has access through a designated Zoom conference call line or video link.

At 12:00 p.m., following the Pledge of Allegiance, Commissioner Keister called to open the Regular Session public meeting to order. The meeting is being recorded, and the chat function has been turned off.

PUBLIC COMMENT #1 (Items on the Agenda):
No comments.

City Updates:
Camas City Council Mahsa Eshghi:
Eshghi explained that the City of Camas is considering changing its form of government. There will be an open house held on August 11 at 5 pm at the Camas School District board room for the public to attend and give opinions. Eshghi noted that Camas Days was held on July 25, which was a great event and roughly 14,000 people attended.

Washougal City Council David Szyplinksi:
Szyplinksi thanked the Port for signing on to the joint response to the Quarry project looking to take place in Skamania County. Szyplinksi noted there will be a Community Chest-run car show at 54-40 Brewing this weekend.

CONSENT ITEMS
Minutes & Checks
The minutes from the Regular Meeting on July 15, 2026; electronic payments; and the issuance of general fund checks 10953-10987, totaling $1,437,387.25, were presented for approval. Commissioner Richardson made a motion, seconded by Commissioner Marshall, and the consent items were carried unanimously.

NEW BUSINESS/DISCUSSION
Lease ADS: Rail Spur- Lease Administrator Jessica Warta:
Lam provided an introduction and stated that the Port started the rail system rate methodology conversation last year as part of a greater effort for cost recovery. Lam stated that, most recently, this topic came up in an executive session to reaffirm. Lease Administrator Warta explained

Advanced Drainage Systems has been a Port tenant since 1999, and they manufacture stormwater solutions and employ roughly 65 people. Warta explained ADS has multiple leases with the Port, including a 12-acre ground lease. Warta explained the Port set the rail lease to expire August 31, 2030, to align with their primary 12-acre ground lease expiration date. Warta explained the current monthly track use fee is $0.63 and is set to go up to $0.71 per lineal foot. Warta noted that the estimated annual revenue will be $11,643 and the agreement has an optional 3-year extension. Rates will be determined at that point in time. Approval will be requested during action items.

Resolution 8-26- Approval to submit Community Economic Revitalization Board (CERB) Grant application- Executive Director Trang Lam:

Lam explained that in May, Deputy Director Maroon presented to the Commission regarding the Economic Impact Study. At that time, the Commission approved the project scope with the understanding that a portion of the elements would be funded through Port and CERB grant funding. Lam explained that per the grant application process, a Commission resolution is required to authorize the Port to submit a grant application, using the template provided by Commerce. The application process will run through September, and we will be notified of the award decision following that period. Approval will be requested during action items.

PUBLIC COMMENT #2:

No comments.

ACTION ITEMS

Lease ADS: Rail Spur

Commissioner Keister requested formal approval of the Lease ADS: Rail Spur, presented as a discussion item. Upon motion by Commissioner Marshall, seconded by Commissioner Richardson, and carried unanimously, the Lease ADS: Rail Spur is effective as of August 5, 2026.

Resolution 8-26- Approval to submit Community Economic Revitalization Board (CERB) Grant application

Commissioner Keister requested formal approval of Resolution 8-26 - Approval to submit Community Economic Revitalization Board (CERB) Grant application, presented as a discussion item. Upon motion by Commissioner Richardson, seconded by Commissioner Marshall, and carried unanimously, Resolution 8-26- Approval to submit Community Economic Revitalization Board (CERB) Grant application is effective as of August 5, 2026.

STAFF REPORTS & COMMENTS

Executive Director Trang Lam:

Lam exclaimed that the Port had a strong month of July, and she thanked Port staff for their work on the many successful events. Lam noted that last Friday's summer concert was a great success and reflected a strong partnership with Parkersville, with an additional event held the same day. Lam thanked Commissioner Richardson for serving as the event’s MC. Lam shared that the Airport Master Plan Open House was also a success, with approximately 50 attendees and 42 formal sign-ins. Lam thanked the Commissioners for attending and engaging with stakeholders; the questions asked were thoughtful and reflect growing community engagement, and the Port is building trust around this project. Lam explained that for those who were unable to attend, the Port has extended the survey period through Friday, August 14, and will promote this via social media along with a general comment option on the webpage. Lam stated that third time's the

charm: after applying in this cycle and earlier in the year, the Port has now been awarded the Industrial Symbiosis Technical Assistance Grant, one of only seven organizations selected. Lam noted this kicks off a 10-month process to evaluate the initiative. Lam stated that there is significant work ahead, but it's an excellent opportunity for the Port to serve as a leader in this space. Lam stated she is also serving on the Comprehensive Economic Development Strategy Advisory Committee, led by Greater Portland Inc (GPI), alongside the Port of Camas-Washougal's sister port, the Port of Vancouver, which also sits on the board along with CREDC. As Ambassador on this project, Lam is providing a list of organizations and businesses in East Clark County for the upcoming roundtable discussions, scheduled for late August. Lam explained that Maroon is attending the Washington Economic Development Association Conference in Pasco this week. This is the first time the Port has had a position dedicated to this focus, and the Port and the City of Washougal are attending the conference. Separately, the Port of Pasco have launched an industrial symbiosis initiative, and Maroon plans to tour their program. Lam stated the next Marina Advisory Committee will be held on August 13, and the next Airport Advisory Committee will be on August 27. Followed by the Port's "Wheels & Wings" event the same day later in the afternoon.

Director of Finance Krista Cagle:
Cagle reminded the Commissioners that there is a tabling event on August 19, noting that two of them are currently signed up to attend and asked them to stagger their attendance times. Cagle noted she is currently working on the 2027 budget and assisting Maroon with conducting rate research for the Advisory committees.

Business Development & Leasing Manager Derek Jaeger:
Jaeger noted staying safe with the poor air quality from wildfire smoke.

COMMISSIONER REPORTS & DISCUSSION
Commissioner Richardson:
Richardson thanked staff for the assistance putting together the open house for the Airport Master Plan. Richardson noted amazing attendance. Richardson explained that he attended the last Local Connections meeting on Mt. Norway. Richardson stated he connected with local businesses over the Port's Summer concert. Richardson stated it was nice to speak with a gentleman about the economic impact study that the Port is currently conducting. Richardson congratulated the Port team for the Industrial Symbiosis grant award and explained that the Port's priorities are working in unison.

Commissioner Marshall:
Marshall stated the Airport Master Plan open house was a great event and exceeded her expectations. Marshall also added that the Port's summer concert last Friday was well attended. Marshall shouted out Director of Facilities Plantenberg's team for their hard work. Marshall explained she spent time at all the tables lined up at the concert, and all had great information. Marshall thanked the Port's accounting staff for the thoughtful rollout of the new payroll system. Marshall shared excitement about the Industrial Symbiosis grant.

Commissioner Keister:
Keister explained that he attended the WPPA Commissioners Seminar. Keister stated there was a presented segment called "What's on your mind," and Keister spoke about the Port's

accomplishments being Hyas Point and seeing the Airport Master Plan as a challenge. Keister explained there was a presentation from WPPA's attorney regarding the Comprehensive Scheme of Harbor Improvements and what is required before the Port spends money on improvements. Keister also spoke about the wage gap and people leaving rural areas. Keister stated he is concerned about workforce housing.

The Regular meeting was adjourned at 12:30 p.m.

STAFF REPORT

COMMISSION MEETING DATE: August 19, 2026

ITEM TITLE: Lease – Building 14, Bays 1 & 2 – 54-40 Brewing Company, LLC

DEPARTMENT: Business Development

SUBMITTED BY: Marlo Maroon, Deputy Director | Jessica Warta, Lease Administrator

STAFF RECOMMENDATION: Request Commission Approval of New Five-Year Lease with 54-40 Brewing Company, LLC

SUMMARY: 54-40 is a locally owned brewery with brewery production and a tap room employing 5 full-time staff and 6 part-time staff. After initially leasing 7,500 square feet in 2015, 54-40 expanded its leased premises to 11,250 square feet in 2018, all in Building 14.

54-40 is now requesting to downsize leased space back to 7,500 square feet. Because of this request, the existing renewal option is no longer applicable, necessitating a new lease agreement.

BUDGET IMPACT:
The proposed five-year lease gradually increases rent to reach fair market value by the end of the term. In year one, base rent would rise from $0.60 to $0.77 per square foot, a 26% increase, followed by annual increases of 5% to 7%. This phased approach avoids an immediate jump to market rates. The existing security deposit of $4,393.72 would carry over to the new lease, and an additional $3,679.08 would be collected in equal installments of $306.59 over 12 months, bringing the total deposit to $8,072.80. This is our standard deposit equal to last month's rent, including leasehold tax.

The total value of the five-year lease is $386,769.61.

Annual lease revenue is summarized below. Amounts reflect base rent only and exclude leasehold tax.

Year 1: $69,300.00 annually / $5,775.00 per month
Year 2: $73,111.50 annually / $6,092.63 per month
Year 3: $77,132.63 annually / $6,427.72 per month
Year 4: $81,374.93 annually / $6,781.24 per month
Year 5: $85,850.55 annually / $7,154.21 per month

STRATEGIC PLAN or OTHER PLANS:
This lease supports strategic objective OR3 by helping stabilize the Port's real estate portfolio through predictable long-term revenue.

SUSTAINABILITY IMPLICATIONS:
N/A

DIVERSITY, EQUITY & INCLUSION IMPLICATIONS:
This lease supports equitable access by retaining a long-standing small business tenant and promoting transparency and consistency in lease pricing.

LEASE
BUILDING 14

THIS LEASE is made and entered into this day by and between the PORT OF CAMAS-WASHOUGAL, a municipal corporation organized and existing under the laws of the state of Washington, hereinafter called "Lessor", and 54-40 BREWING COMPANY, LLC, a Washington limited liability corporation authorized to engage in business and engaging in business in the State of Washington, hereinafter called "Lessee" ("Lease").

W I T N E S S E T H:

Section 1. **PREMISES LEASED:** For and in consideration of the payment by Lessee of the rentals hereinafter specified, and performance by Lessee of the covenants and obligations hereinafter provided to be kept and performed by Lessee, Lessor does hereby lease, demise and let unto Lessee, Lessor's Industrial Building No. 14, Bays 1 & 2 (approximately 7,500 sf), and adjoining yard area, located at 3801 S Truman St, Washougal, Clark County, Washington 98671, as shown in Exhibit "A" attached hereto and incorporated by this reference (hereinafter called the "Premises"). Lessee shall, in addition, have a right-of-way in common with others over and across private roads and streets giving access to the leased Premises, which right-of-way shall terminate in the event such private roads and streets are dedicated to the public.

Section 2. **TERM:** The term of this Lease shall commence on September 1, 2026, ("Commencement Date") and shall terminate on August 31, 2031. Upon the commencement of this Lease, the prior lease between Lessor and Lessee shall automatically terminate and this Lease shall be the only lease governing the Premises from and after the Commencement Date of this Lease, provided that any obligations of Lessee that accrued prior to such termination and any obligations that survive termination of the prior lease shall not be terminated and shall survive

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such termination.

Lessee shall give Lessor written notice ninety (90) days prior to the expiration of the then-current term regarding Lessee's intent to extend the Lease or vacate the premises upon expiration of the then-current term. The absence of timely notice from Lessee will be deemed to be notice that Lessee intends to vacate the Premises upon expiration of the then current term.

If Lessee holds over after the expiration or termination of the term with Lessor's consent such tenancy shall be deemed to be a holdover tenancy on a month-to-month basis. All other terms, covenants, and conditions of the Lease shall remain in effect, except that rent shall be increased by the same percentage as at the beginning of the last lease year. If Lessee holds over after the expiration or termination of the term without Lessor's consent, then such tenancy shall be deemed a holdover tenancy on a month-to-month basis, on the terms, covenants, and conditions of this Lease in effect at the expiration or termination of the term, except that rent shall be increased to 200% of the rent last payable under this Lease. This section does not grant any right to Lessee to holdover, and Lessee is liable to Lessor for any and all damages and expenses of Lessor as a result of any holdover.

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Section 3. **POSSESSION:** Lessee shall have the right to possession of the Premises pursuant to this Lease commencing on the Commencement Date of the Lease term.

Section 4. **RENT:** Lessee shall pay to Lessor, without any notice or demand, and without setoff or deduction, in addition to taxes, assessments and other charges required to be paid hereunder by Lessee, rent for the Premises in the following monthly rent:

Rent for September 1, 2026 – August 31, 2027:	$5,775.00 per month
Rent for September 1, 2027 – August 31, 2028:	$6,092.63 per month
Rent for September 1, 2028 – August 31, 2029:	$6,427.72 per month
Rent for September 1, 2029 – August 31, 2030:	$6,781.24 per month
Rent for September 1, 2030 – August 31, 2031:	$7,154.21per month

In addition to the rental amounts specified above, Lessee shall pay to Lessor with each monthly rental payment the Washington State Leasehold Tax on the leased Premises, which tax is currently 12.84% of the monthly rental payment. Rental payments are payable in advance on the 1st day of each month during the term of this Lease.

Lessee agrees to pay a late charge, in an amount equal to 7% of the monthly rental payment then due with any rental or leasehold tax payment which is not received in full by Lessor by the tenth day of the month.

Section 5. **PREPAID RENT AND SECURITY DEPOSIT:** Upon execution of this Lease, and in lieu of a lease bond otherwise required pursuant to RCW 53.08.085, Lessee shall deposit with Lessor the first month's base rent and leasehold excise tax totaling $6,516.51, plus $3,679.08 towards the total Security Deposit (the "Security Deposit"), to be paid in twelve (12) equal installments of $306.59 each. Lessee previously had $4,393.72 on deposit (the "Existing Security Deposit"). Upon completion of all installments, the total Security Deposit shall be $8,072.80. The Security Deposit shall be held by Lessor upon the following terms and conditions:

A. The Security Deposit is given to secure Lessee's performance of all obligations under this Lease, including without limitation, the payment of rent under Section 4, the use requirements of Section 10, and the utility provisions of Section 7.

B. Lessor shall maintain the security deposit as part of its general funds and not in a separate account for this deposit, with all interest attributable to the Lessor only.

C. Upon the expiration or sooner termination of this Lease, Lessee shall only be entitled to return of said Security Deposit if all conditions of this Lease have been complied with,

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and the leased Premises has been returned to Lessor in its original and sound condition, free of debris, refuse, contamination and other materials and in accordance with Section 13. Lessor shall have the right to deduct all costs and damages resulting from Lessee's breach of any portions of this Lease from the security deposit, and any interest thereon, to the maximum amount held by Lessor. Lessee shall be entitled to a refund of all or any portion of the security deposit which is not necessary to compensate Lessor for Lessee's breach, ninety (90) days from Lessee's vacation of the Premises.

D. Nothing herein shall be construed to limit Lessor's right to seek other remedies, as authorized by law or this Lease, for damages to the leased Premises or violation of this Lease.

Section 6. **LEASE BOND:** Intentionally omitted

Section 7. **TAXES AND UTILITIES:**

Lessee shall pay all charges and assessments for or related to electricity, water, sewer, garbage disposal, phone, cable, and any and all other utilities and services which shall, during the term of this Lease, be charged or imposed upon the Premises.

Lessee shall pay all taxes, assessments, and other expenses arising from Lessee's possession of the Premises, or operation of Lessee's business on the Premises, or are required because of Lessee's operations to make the property conform to government regulations, or which are imposed upon Lessee or Lessor due to the existence of this Lease.

Lessee shall pay and discharge promptly, as the same becomes due and before delinquency, the taxes, assessments and other charges as described herein Lessee shall pay, upon demand, the taxes, assessments and other charges on behalf of Lessor, or if this is not permitted by law, Lessee shall reimburse Lessor for the amount of any such tax, assessment and other

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charge paid by Lessor, provided that Lessee shall have the right to contest any such tax or assessment at its own expense.

Section 8. **LIENS:** Lessee shall keep the Premises free and clear of all liens, including mechanic's, materialmen's, or other liens for work or labor done, and liens for services, materials, appliances and power performed, contributed, furnished or used or to be used in or about the Premises, or in connection with any operations of Lessee, or any alteration, improvement, repair, or addition which Lessee may make, permit, or cause to be made or any work or construction by, for, or permitted by Lessee on or about the Premises. Lessor shall not be responsible for liens caused by Lessee's activities on the Premises.

Nothing in this Lease shall be deemed or construed in any way as constituting the consent or request of Lessor, express or implied, by inference or otherwise, to any contractor, subcontractor, laborer, or materialman, for the performance of any labor or the furnishing of any materials for any specific improvement, alteration to, or repair of the Premises or any part thereof, nor as giving Lessee any right, power, or authority to contract for or permit the rendering of any services or the furnishing of any materials that would give rise to the filing of any lien against the Premises or any part thereof.

In the event that any lien, charge, or order for the payment of money described as the responsibility of Lessee in this section is filed against Lessor or any portion of the Premises, Lessee shall, at its own cost and expense, cause the same to be discharged of record or bonded within sixty (60) days after notice from Lessor to Lessee, in the manner provided in Section 26, of the filing thereof; and Lessee shall indemnify and save harmless Lessor against and from all costs, liabilities, suits, penalties, claims, and demands, including reasonable counsel fees, resulting therefrom.

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Section 9. **CONTESTING LIENS AND TAXES:** Lessee may contest any lien set forth in Section 8 or any tax, assessment, or other charge which Lessee shall pay under Section 7, provided that Lessee notifies Lessor, in the manner provided in Section 26, of their intention to do so within sixty (60) days of the filing of such lien or within thirty (30) days of receipt of notice of such tax, assessment, or other charge; and provided further that Lessee posts a bond or other security with Lessor, prior to the contest, in an amount equal to the amount of the contested lien or tax, assessment, or other charge.

Within sixty (60) days of the determination of its validity, Lessee shall satisfy and discharge any remaining lien, or pay and discharge any remaining assessment, or other charge, and all penalties, interest, and costs in connection therewith. Satisfaction and discharge shall not be delayed until execution is had on any judgment rendered, nor shall satisfaction, payment and discharge be delayed until sale is made of the whole or any part of the Premises on account thereof. Any such delay shall be a default of Lessee under this Lease.

In the event of any such contest, Lessee shall protect and indemnify Lessor against all loss, expense, and damage resulting therefrom.

Section 10. **USE OF PREMISES:** Lessee covenants and agrees as follows:

A. To actively and continuously use the Premises throughout the term of this Lease solely for operation of a production brewery with a tasting room, including service of food, and for Lessee's business operations and other uses incidental or related thereto. Lessee's use and all equipment utilized by Lessee within the Premises shall fully comply with all local, State, and/or federal requirements and, in addition, Lessee shall have procured in advance all necessary permits or authorizations for such use from any local, state or federal agency, including, but not limited to, approval for the intended use from the Camas-Washougal Fire .

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Department and City of Washougal Building Department prior to occupancy. Lessee shall not use the Premises for other purposes without Lessor's prior written consent.

B. To use the adjoining front yard area for employee and guest parking, and to use the adjoining rear yard area for shipping and receiving of equipment and other goods in the course of Lessee's business, and temporary short-term staging of goods and equipment in connection with such shipping and receiving operations. Except as expressly permitted in this section, no equipment or other goods shall be stored in the rear yard area beyond the time reasonably necessary for a shipping or receiving operation. Except as expressly permitted in this section, Lessee shall not use any yard area for overnight parking, or storage of any vehicles, campers, boats, or trailers, or containers, sheds, or drums, or any other storage of any other thing whatsoever. Lessee shall at all times keep all yard areas area in good, clean, neat, orderly, and safe condition, free of any debris, and free of any material deemed objectionable by Lessor.

C. Not to use or occupy the Premises, or permit the Premises to be used or occupied, for other than legal purposes, or in a manner which shall violate any certificate of occupancy in force relating to any building or improvement hereafter erected thereon;

D. To conform to and abide by all lawful rules, laws and regulations in connection with the use of said Premises and the operation of Lessee's business thereon, and not to permit said Premises to be used in violation of any lawful rule, law, regulation or other authority; and

E. Not to commit or permit any waste of the leased Premises nor commit or permit the maintenance or commission of any nuisance on the Premises.

Section 11. **NO REPRESENTATION:** Lessee has leased the Premises after an

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opportunity for examination thereof and of the subsurface conditions beneath the same, and without any representation on the part of Lessor, except that Lessor states that it has no knowledge of any release of hazardous materials or the presence of any hazardous materials on the Premises as of the date of the commencement of the Lease term. As used in this Lease, the term "hazardous substances" or "hazardous materials" means any hazardous or toxic substances, materials or waste, including but not limited to those substances, materials, and wastes listed in the United States Department of Transportation Hazardous Materials Table (49 CFR 172.101) or by the Environmental Protection Agency as hazardous substances (40 CFR Part 302) and amendments thereto, or such substances, materials and wastes as are or become regulated under any applicable local, state or federal law. Subject to Lessor's obligations under this Lease, Lessee assumes the sole responsibility for the condition, operation, maintenance and management of the leased Premises.

Section 12. **IMPROVEMENTS**:

A. Lessee shall not make any changes, alterations, or improvements to the leased Premises or surrounding yard area ("Tenant Improvements") without the written consent of the Lessor being first obtained, which shall not be unreasonably withheld, conditioned or delayed. All Tenant Improvements shall be performed by Lessee at its cost, and in compliance with all applicable law, including but not limited to all applicable building permit processes.

In the event Lessor consents to a proposed Tenant Improvement, such consent shall include Lessor's written determination as to whether Lessee shall be required to remove said improvement at the expiration or termination of this Lease. In the event no such written determination exists as to any proposed Tenant Improvement made during the course of this Lease, then at the expiration or other termination of this Lease, all such improvements for which

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shall remain upon the Premises, shall upon Lessor's determination, as determined in its sole and absolute discretion be either (1) removed and all damage caused to the Premises by the removal be repaired by Lessee at its sole cost and expense, or (2) become the property of Lessor, provided that if such improvement must be removed from the Premises, the Lessor will provide the Lessee with at least sixty (60) days' notice of such requirement.

All machinery, fixtures, portable buildings and equipment installed by Lessee and which are adapted only for the special use of Lessee, shall be considered to be trade fixtures and may be removed at the termination of this Lease by Lessee. Lessee shall at its own expense repair all damage caused by the removal of trade fixtures, and shall restore the Premises to its same condition as immediately prior to such removal.

Section 13. **REPAIR AND MAINTENANCE:** Lessor shall maintain the roof, outer walls, structural members, exterior plumbing, and landscaping on the Premises at its own expense. Lessee shall be responsible for the cost of any repairs made pursuant to this paragraph which are caused by the intentional or negligent acts of its employees, agents or licensees. Lessee shall complete all repairs within 90 days by a Lessor approved contractor or utilize Lessor maintenance staff at the Lessor contract rate. Lessee agrees to reimburse Lessor for said repairs immediately upon demand.

Lessor shall have no liability to Lessee for incidental damages or property damage suffered by Lessee as a result of its failure to maintain or repair those portions of the Premises described above, its only obligation being to maintain or repair such portions of the Premises. Lessee agrees to promptly notify Lessor of the need for exterior or structural repairs upon becoming aware of such need.

Except as provided above, Lessee agrees to maintain the Premises and all improvements

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in a good state of repair and at the termination of this Lease to return the Premises and all improvements and adjoining yard area to Lessor in as good state and condition as the same are in at the time Lessee commences occupying same, reasonable wear and tear from the normal use thereof and fire or other casualty being excepted. Lessee agrees to keep all adjoining yard areas at all times in good, clean, neat, orderly, and safe condition, free from any debris, and free from any material deemed objectionable by Lessor.

Section 14. **INDEMNITY:** Lessee shall indemnify, save harmless, and defend with legal counsel acceptable to Lessor from and against any and all liability, claims, damage, penalties, or judgments arising from any loss, injury, death or damage to person or property sustained by any person in or about the Premises resulting from the act or omission of Lessee, Lessee's officers, agents, employees, contractors, and sublessees, or of any occupant, visitor, or user of any part of Lessee's Premises, or arising in any way from Lessee's use of the Premises. Lessee further covenants and agrees to indemnify, defend with legal counsel acceptable to the Port, and hold Lessor harmless against the claims of all and every person whomsoever arising out of or in any way connected with Lessee's occupation or use of the Premises, except for claims by Lessor's employees or agents for injuries sustained during the course of employment through no fault of Lessee. Lessee shall pay all attorney's fees and other expenses incurred by Lessor in defending any and all suits which may be brought against Lessor or in which Lessor may be impleaded with others upon any of the aforementioned matters, except as may result from the acts set forth in the paragraph immediately below.

Lessor shall indemnify and hold harmless Lessee and its members, managers, directors, officers, employees, and agents, from and against any and all losses, claims, and damages arising from Lessor's gross negligence or intentional misconduct. Except for the gross negligence or

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intentional misconduct of Lessor or its agents, or employees, Lessor shall not be responsible for or liable for, and Lessee, notwithstanding that joint or concurrent liability may be imposed upon Lessor by a statute or court decision, hereby waives all claims against Lessor for any damage or injury to any person or to any property on or about the Premises subject to this Lease, including liability for costs, attorney's fees and reasonable expenses arising out of said claims.

Lessee covenants and agrees to reimburse Lessor for all costs or expenses of repair or replacement of any of Lessor's property damaged or destroyed as a result of Lessee's use or occupation of the Premises or use of Port property or facilities. Lessee further covenants and agrees to carry liability insurance protecting itself and Lessor from all liability arising out of this Section 14. The provisions of this section shall survive the expiration or earlier termination of this Lease.

Section 15. **INSURANCE:**

A. Lessee shall procure at its sole cost and expense and keep in effect from the date of this Lease and at all times until the end of the term either Comprehensive General Liability insurance or Commercial General Liability insurance applying to the use and occupancy of the Premises and the business operated by Lessee (or any other occupant) on the Premises and providing coverage against all Lessee's liabilities pursuant to this Lease. Such coverage shall have a minimum combined single limit of liability of at least One Million Dollars ($1,000,000.00) and such limit shall be increased from time to time to such amount as may be mutually acceptable to Lessor and Lessee in their reasonable judgment. All such policies shall be written to apply to all bodily injury, property damage, personal injury and other covered loss, however occasioned, occurring during the policy term; shall be endorsed to provide that such coverage shall be primary; and that any insurance maintained by Lessor shall be excess insurance

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only.

B. Lessee shall furnish Lessor with acceptable evidence that the insurance is in effect and in amounts sufficient to satisfy this section. All insurance policies required by this Section shall provide that they shall not be reduced, canceled or substantially amended or modified as to terms without thirty (30) days advance written notice to Lessor. All insurance policies required to be carried under this Lease shall be with recognized insurance carriers, having an A- rating from A. M. Best Company or like or similar rating from an equally recognized rating company acceptable to Lessor, and shall name Lessor as an additional insured. All such insurance shall provide for severability of interests; shall provide that an act or omission of one of the named insured shall not reduce or avoid coverage to the other named insureds; and shall afford coverage for all claims based on acts, omissions, injury and damage, which claims occurred or arose (or the onset of which occurred or arose) in whole or in part during the policy period. Such coverage shall be endorsed to waive the insurer's rights of subrogation against Lessor and Lessee if such waiver can be obtained at reasonable cost.

Lessee shall deliver to Lessor on or before the date on which the term commences, and thereafter at least ten (10) days before the expiration dates of expiring policies, certified copies of its insurance policies, or a certificate evidencing the same issued by the insurer thereunder, showing that all premiums have been paid for the full policy period; and in the event Lessee shall fail to procure such insurance, or to deliver such policies or certificates and such failure continues for two (2) business days, Lessor may, at its option and in addition to Lessor's other remedies in the event of a default by Lessee hereunder, procure the same for the account of Lessee, and the cost thereof shall be paid to Lessor within ten (10) days following written demand therefor.

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Section 16. **HAZARDOUS SUBSTANCES- LESSEE'S OBLIGATIONS:** Lessee shall not, without Lessor's prior written consent, keep on or about the leased Premises, for use, disposal, treatment, generation, storage or sale, any substances designated as, or containing components designated as hazardous, dangerous, toxic or harmful (collectively referred to as "hazardous substances"), and/or which are subject to regulation by any federal, state or local law, regulation, statute or ordinance. With respect to any hazardous substances, Lessee shall:

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

B. Submit to Lessor true and correct copies of all reports, manifests and identification numbers at the same time as they are required to be and/or submitted to the appropriate governmental authorities;

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

D. Allow Lessor or Lessor's agents or representatives to come on the leased Premises during regular business hours, and after hours with three (3) hours advance notice to Lessee, except in an emergency, in which immediate case access shall be allowed to check Lessee's compliance with all applicable governmental regulations regarding hazardous substances;

E. Comply with minimum levels, standards or other performance standards or requirements which may be set forth or established for certain hazardous substances (if minimum

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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); and

F. Comply with all governmental rules, regulations and requirements regarding the proper and lawful use, sale, transportation, generation, treatment and disposal of hazardous substances.

Any and all costs incurred by Lessor and associated with Lessor's special or non-routine inspection of Lessee's Premises and Lessor's monitoring of Lessee's compliance with this section, and including Lessor's attorneys' fees and costs, shall be additional rent and shall be due and payable to Lessor immediately upon demand by Lessor. However, Lessor shall solely bear the expense of inspections made on a routine basis, without reasonable cause to believe that Lessee is in violation of this section.

Lessee shall be fully and completely liable to Lessor for any and all cleanup costs and any and all other charges, fees, penalties (civil and criminal) imposed by any governmental authority with respect to Lessee's use, disposal, transportation, generation and/or sale of hazardous substances, in or about the leased Premises.

Lessee shall indemnify, defend and save Lessor harmless from any and all of the costs, fees, penalties and charges assessed against or imposed upon Lessor (as well as Lessor's attorneys' fees and costs) as a result of Lessee's use, disposal, transportation, generation and/or sale of hazardous substances.

Upon Lessee's default under this section, in addition to the rights and remedies set forth elsewhere in this Lease, Lessor shall be entitled to the following rights and remedies:

A. At Lessor's option, to terminate this Lease immediately; and

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B. To recover any and all damage associated with the default, including, but not limited to cleanup costs and charges, civil and criminal penalties and fees, loss of business and sales by Lessor and other lessees of the leased Premises, and any and all damages and claims asserted by third parties and Lessor's attorneys' fees and costs.

The provisions of this section shall survive the expiration or earlier termination of this Lease.

Section 17. **ASSIGNMENT/SUBLETTING:** Lessee shall not assign this Lease nor sublet the whole or any part of the Premises without the prior written consent of Lessor, in its sole and absolute discretion. Any such assignment or sublease shall not relieve Lessee from the responsibility of paying the rentals accruing under this Lease or from keeping and performing all other obligations herein imposed upon and assumed by it. It is understood and agreed that any consent by Lessor to any assignment or subletting by Lessee shall not be considered or construed to be a consent to any subsequent assignment or subletting nor as a waiver of the right of Lessor to refuse to consent to any subsequent assignment or subletting.

Section 18. **QUIET ENJOYMENT:**

A. Lessee, upon paying the rent and all other sums and charges to be paid by it as herein provided, and observing and keeping all covenants, warranties, agreements, and provisions of this Lease on its part to be kept, shall quietly have and enjoy the Premises during the Lease term, subject to the provisions herein, without hindrance by Lessor.

B. Lessor warrants that it has fee simple title to the Premises and the power and authority to execute this Lease and to carry out and perform all covenants to be performed by it hereunder.

Section 19. **ACCESS:** Lessor or Lessor's employees and designees shall have the right

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to enter upon the Premises at all reasonable times to examine the Premises and to exhibit the Premises to prospective purchasers, and prospective lessees, and Lessor shall at all times be provided a key for independent access to the Premises. Any persons other than Lessor or Lessor's employees who need access to the building will at Lessee's request sign a reasonable non-disclosure agreement before entering the building, except in an emergency.

Section 20. **CURE BY LESSOR:** If Lessee shall default in the performance of any provision under this Lease, Lessor, at its option, may perform the same for the account and at the expense of Lessee. Upon notification to Lessee of the cost thereof to Lessor, Lessee shall promptly reimburse Lessor the amount of that cost, plus interest at the rate of twelve (12%) percent per annum from the date of incurring of such cost to the date of repayment. In the event of such default by Lessee, Lessor may enter upon the Premises for the purpose of causing such provisions to be fulfilled. Such entry shall not be deemed an eviction of Lessee. Lessor's action hereunder shall not be deemed a waiver of Lessee's default. Lessor, at its option, without relinquishing any remedy or right, may separately commence proceedings against Lessee for reimbursement of Lessor and for any other remedies for breach of this Lease.

Section 21. **BANKRUPTCY AND INSOLVENCY:** If, after the commencement of the Lease term:

A. Lessee then having the title to the leasehold estate created hereunder shall while having such title be adjudicated a bankrupt or adjudged to be insolvent; or

B. A receiver or trustee shall be appointed for Lessee's property and affairs; or

C. Lessee shall make an assignment for the benefit of creditors or shall file a petition in bankruptcy or insolvency or for reorganization or shall make application for the appointment of a receiver; or

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D. Any execution or attachment shall be issued against Lessee or any of Lessee's property, whereby the Premises or any buildings or improvements thereon shall be taken or occupied or attempted to be taken or occupied by someone other than Lessee, except as may herein be permitted, and such adjudication, appointment, assignment, petition, execution, or attachment shall not be set aside, vacated, discharged, or bonded within ninety (90) days after the issuance of the same, then a default hereunder shall be deemed to have occurred so that the provisions of Section 22 hereof shall become effective and Lessor shall have the rights and remedies provided therein. Notwithstanding anything to the contrary hereinabove contained, upon the occurrence of a default pursuant to this Section 21, if the rent due and payable hereunder shall continue to be paid and the other covenants, provisions and agreements of this Lease on Lessee's part to be kept and performed shall continue to be kept and performed, no event of default shall have been deemed to have occurred and the provisions of Section 22 hereof shall not become effective.

Section 22. **DEFAULT:**

A. In the event any one or more of the following events shall have occurred and shall not have been remedied as hereinafter provided:

1. The occurrence of any event set forth in Section 24 hereof, without the curing of same within thirty (30) days after receipt by Lessee of notice in writing from Lessor; or

2. The filing of a petition by or against Lessee for adjudication as a bankrupt, or for reorganization or agreement, or for any similar relief, under the Bankruptcy Code as now or hereafter amended; or

3. Lessee's failure to pay any installment of rent when the same shall be due and payable and the continuance of such failure for a period of three (3) business days after

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receipt by Lessee of notice in writing from Lessor, in the manner provided in Section 26; or

4. Lessee's failure to perform any of the other covenants, provisions, and agreements herein contained on Lessee's part to be kept or performed and the continuance of such failure without the curing of same for a period of ten (10) business days after receipt by Lessee of notice in writing from Lessor specifying in detail the nature of such failure, or Lessee shall not cure said failure as provided in Paragraph B of this Section 22, then Lessor may, at its option, give to Lessee written notice of election to terminate the Lease term upon a date specified in such notice, which date shall not be less than twenty (20) business days (Saturdays, Sundays and legal holidays excluded) after the date of receipt by Lessee of such notice from Lessor. Upon the date specified in said notice, the term and estate hereby vested in Lessee shall cease and any and all other right, title, and interest of Lessee hereunder shall likewise cease without further notice or lapse of time, as fully and with like effect as if the entire Lease term had elapsed, but Lessee shall continue to be liable to Lessor as provided herein. Simultaneously with the sending of the notice to Lessee, as hereinabove provided, Lessor shall send a copy of such notice to any sublessee of the Premises or portions thereof that Lessor may select, in writing from time to time, and any additional persons or parties having an interest in the Premises that Lessor may select, in writing, from time to time. The curing of any default within the above time limits by any of the aforesaid parties or combination thereof, shall constitute a curing of any default hereunder with like effect as if Lessee had cured the same hereunder.

B. In the event that Lessor gives notice of a default of such a nature that it cannot be cured within the period prescribed in Paragraph A4 of this Section 22, then such default shall not be deemed to continue, so long as Lessee, after receiving such notice, proceeds to cure the default as soon as reasonably possible and continues to take all steps necessary to complete the

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same within a period of time which, under all prevailing circumstances, shall be reasonable. No default under Paragraph A4 of this Section 22 shall be deemed to continue if and so long as Lessee shall be proceeding to cure the same in good faith.

C. In the event that any default of Lessee shall be cured in any manner hereinabove provided, such default shall be deemed never to have occurred and Lessee's right hereunder shall continue unaffected by such default.

D. Upon any termination of the Lease term pursuant to Paragraph A of this Section 22, or at any time thereafter, Lessor may, in addition to and without prejudice to any other rights and remedies Lessor shall have at law or in equity, re-enter the Premises and recover possession thereof and dispossess any or all occupants of the Premises in the manner prescribed by statute relating to summary proceedings, or similar statutes; but Lessee in such case shall remain liable to Lessor as provided herein.

E. In case of any such default, re-entry, termination and/or disposition by summary proceedings:

1. The rent shall become due thereupon and be paid up to the time of such re-entry, termination and/or disposition;

2. Lessor may re-let the Premises or any part thereof, either in the name of Lessor or otherwise, for a term which may, at Lessor's option, be less than or exceed the period which would otherwise have constituted the balance of the term of this Lease and may grant concessions or free rent, but such re-letting shall not be construed as an acceptance of a surrender of the leasehold interest; and

3. Lessee or the representatives of Lessee shall also pay Lessor as liquidated damages for the failure of Lessee to observe and perform Lessee's covenants herein

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contained any deficiency between the rent hereby collected on account of the lease of the Premises for each month of the period which would otherwise have constituted the balance of the lease term. In computing liquidated damages, there shall be added to the said deficiency such reasonable expenses and counsel fees as Lessor may incur in connection with the default and re-letting. Any suit brought to collect the amount of the deficiency for any month shall not prejudice in any way the rights of Lessor to collect the deficiency for any subsequent month by a similar proceeding.

Lessor, at its option, may make such alterations, repairs, replacements, and/or decorations in the Premises as Lessor, in Lessor's sole judgment, considers advisable and necessary for the purpose of re-letting the Premises; and the making of such alterations, repairs, replacements, and/or decorations shall not operate or be construed to release Lessee from liability hereunder. Lessor agrees to mitigate in good faith all damages and to re-let the Premises in the event of any default specified herein.

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Section 23. **WAIVERS:** Failure of Lessor to complain of any act or omission on the part of Lessee, no matter how long the same may continue, or the receipt of rent by Lessor with knowledge of any breach or default of this Lease by Lessee, shall not be deemed to be a waiver by Lessor of any of its rights herein. No waiver by Lessor at any time, express or implied, of any breach of any provision of this Lease shall be deemed a waiver of any subsequent breach of the same or any other provision. Failure of Lessor to insist upon strict performance or to exercise any option herein conferred in any one or more instances in the event of default shall not be construed to be a waiver or relinquishment of any such or any other right herein extended to the Lessor.

Section 24. **GOVERNMENTAL REGULATIONS:** During the Lease term, Lessee

shall, at its own cost and expense, promptly observe and comply with all present and future laws, ordinances, requirements, orders, directives, rules and regulations of the federal, state, county, town, and city governments and of all other governmental authorities affecting the Premises or appurtenances thereto or any part thereof whether the same are in force at the commencement of the Lease term or may in the future be passed, enacted, or directed, and Lessee shall pay all costs, expenses, liabilities, losses, damages, fines, penalties, claims, and demands, including reasonable counsel fees, that may in any manner arise out of or be imposed because of the failure of Lessee to comply with the covenants of this Section 24.

Section 25. **NOTICE OF LITIGATION AND COUNSEL FEES:**

A. Within ten (10) days of Lessee having knowledge of any litigation or other proceeding that shall be commenced against Lessee or against the Premises to secure or recover possession thereof or that may affect the interests of Lessor in the Premises, Lessee shall give written notice thereof to Lessor.

B. In the event any party shall bring suit to compel performance of or to recover for any breach of any covenant, agreement or condition of this Lease, the prevailing party in said action shall be entitled to recover from the other party costs and reasonable attorney's fees.

C. Notwithstanding anything to the contrary hereinabove contained, in the event that Lessor is made a party to litigation against the Lessee, relating to the Premises, or against the Premises commenced by a third party, wherein Lessor is not at fault, Lessee shall pay, upon demand, all of Lessor's counsel fees and costs.

Section 26. **NOTICES:** Every notice, consent or other communication authorized or required by this Lease shall be deemed to be sufficient if in writing, and sent postage prepaid by registered or certified mail, return receipt requested, directed to the other party at the address

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listed below, or at such other address as the other party may designate by notice given from time to time in accordance with this section. In the event a party notifies the other in writing of a change of address in accordance with this section, said address shall substitute for the address listed below for all subsequent notices. Notices shall be deemed effective when personally served, or upon delivery or refusal of delivery by the addressee if mailed in the manner provided by this section:

Lessor:	Port of Camas-Washougal 24 So. "A" Street Washougal, WA 98671
Lessee:	54-40 Brewing LLC 3532 P Street Washougal, WA 98671 Attn: Bolton Minister

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Section 27. **RIGHTS CUMULATIVE:** The rights, powers, and remedies of Lessor, as provided herein, shall be deemed to be cumulative, and no one of them shall be exclusive of any other, or of any other right, power, or remedy allowed by law.

Section 28. **TIME OF THE ESSENCE:** Time and punctual and exact performance and observation by Lessor and Lessee of the provisions herein are of the essence of this Lease.

Section 29. **SEVERABILITY:** In the event that any provision of this Lease shall be declared invalid by any court of competent jurisdiction, such provisions shall be severed from this Lease, and such declaration shall not affect the remainder of this Lease. This Lease shall remain in full force and effect for the balance of its Lease term.

Section 30. **INTERPRETATION:** Whenever the singular number is used herein, the same shall include the plural, and vice versa, as the context shall require. The section headings

used herein are for reference and convenience only. Upon any sale or assignment of the interest of either Lessor or Lessee herein, their respective successors in interest shall, during the term of this ownership of their respective estates herein, be deemed to be Lessor or Lessee, as the case may be.

Section 31. **SUCCESSORS:** All of the terms, conditions, covenants and agreements of this Lease shall extend to and be binding upon Lessor, Lessee, and their respective heirs, personal representatives, successors and assigns, and upon any person coming into ownership or possession of any interest in the Premises by operation of law, or otherwise, and shall be construed as covenants running with the land.

Section 32. **ENTIRE AGREEMENT:** This Lease constitutes and shall be construed as the entire agreement of the parties. No oral statement shall have any force or effect. This Lease shall not be modified or canceled except by writing subscribed by Lessor and Lessee.

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SIGNATURES ARE ON NEXT PAGE

IN WITNESS WHEREOF, the parties have executed this lease in duplicate as of the _____ day of _____, 2026.

LESSOR:	LESSEE:
PORT OF CAMAS-WASHOUGAL	54-40 BREWING COMPANY, LLC
By:_____	By:_____
Trang Lam, Executive Director	Bolton Minister

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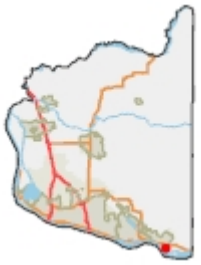
Exhibit A

54-40 Brewing LLC - Building 14 Bays 1 & 2 - 3801 S Truman Street, Washougal, WA





Legend

- Taxlots
- Main Track
- Minor Track
- All Roads
  - Interstate
  - State Route
  - Arterial
  - Forest Arterial
  - Minor Collector
  - Forest Collector
  - Private or Other
- All Roads
  - Interstate or State Route
  - Arterial
  - Collector
  - Private or Other

Notes:

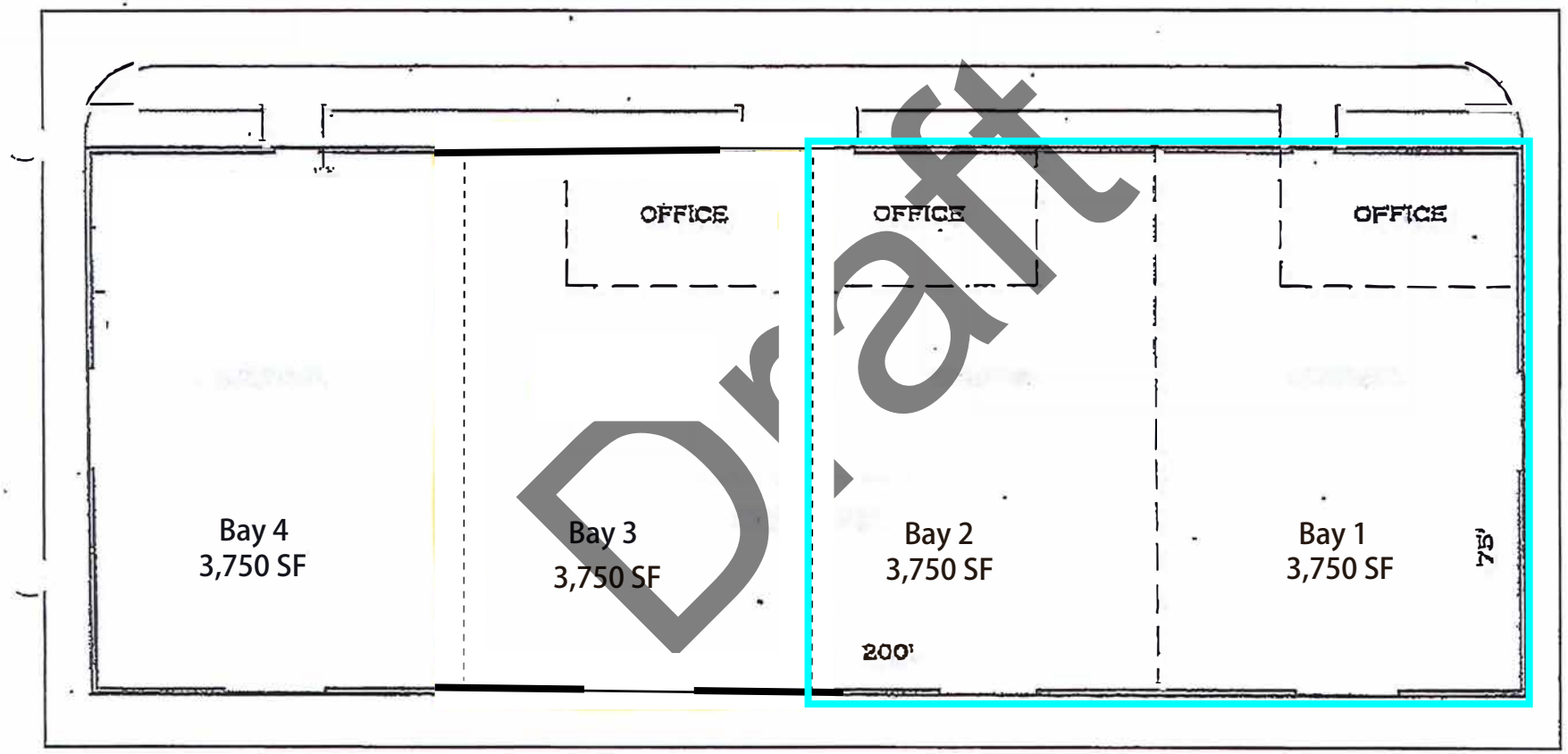
188.0 0 94.00 188.0 Feet

WGS_1984_Web_Mercator_Auxiliary_Sphere
Clark County, WA. GIS - http://gis.clark.wa.gov

This map was generated by Clark County's "MapsOnline" website. Clark County does not warrant the accuracy, reliability or timeliness of any information on this map, and shall not be held liable for losses caused by using this information. Taxlot (i.e., parcel) boundaries cannot be used to determine the location of property lines on the ground.

PORT OF CAMAS - WASHOUGAL
BUILDING 14

Exhibit A



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STAFF REPORT

COMMISSION MEETING DATE: August 19, 2026

ITEM TITLE: Lease – Building 4 – Elwell Corporation

DEPARTMENT: Business Development

SUBMITTED BY: Marlo Maroon, Deputy Director | Jessica Warta, Lease Administrator

STAFF RECOMMENDATION: Request Commission Approval of New One-Year Lease with Elwell Corporation

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SUMMARY:
Elwell Corporation is a locally owned company that sources and develops products for the RV and Marine industries. They currently employ approximately 25 people.

Elwell initially leased privately owned space within the Steigerwald Industrial Park before expanding into Port-owned Building 10 (5,300 square feet) in 2021 and additional expansion into Port-owned Building 4 (12,000 square feet) in 2022 to accommodate business growth.

Due to changing market conditions, Elwell consolidated operations in 2023, terminating its lease for Building 10 and continuing occupancy of Building 4.

Elwell's lease for Building 4 expired on August 31, 2025. There was a two-year option that was not exercised due to market concerns; instead, the Port allowed them to go month-to-month for one year. The new lease for approval today terminates the existing lease and supersedes it with a new lease for a one-year term that matches the original lease option that if exercised would terminate on August 31, 2027.

BUDGET IMPACT:
The proposed one-year lease runs from September 1, 2026, to August 31, 2027. Base rent will increase from $0.91 to $0.93 per square foot, representing a 3% increase and aligning with current market rates.

The existing security deposit of $12,694.44 will remain in place and carry over to the new lease. This is our standard deposit equal to last month's rent, including leasehold tax.

This lease does not include renewal options, and if Elwell decides to enter into a new lease next year, it will be the Port's standard three-to five-year term.

The total value of the one-year lease is $134,520.80.

Annual lease revenue is summarized below. Amounts reflect base rent only and exclude leasehold tax.

Year 1: $134,520.80 annually / $11,210.07 per month

STRATEGIC PLAN or OTHER PLANS:
This lease supports strategic objective OR3 by helping stabilize the Port's real estate portfolio through consistent leasing practices and terms.

SUSTAINABILITY IMPLICATIONS:
N/A

DIVERSITY, EQUITY & INCLUSION IMPLICATIONS:
Real Estate lease rates and terms methodology are consistent for all commercial tenants.

LEASE
BUILDING 4

THIS LEASE is made and entered into this day by and between the PORT OF CAMAS-WASHOUGAL, a municipal corporation organized and existing under the laws of the state of Washington, hereinafter called "Lessor", and ELWELL CORPORATION, a corporation organized and existing under the laws of the state of Washington, authorized to engage in business and engaging in business in the State of Washington, at 531 S. 28th Street, Washougal, WA 98671, hereinafter called "Lessee" ("Lease").

R E C I T A L S

WHEREAS, Lessor and Lessee entered into that certain lease dated July 28, 2022, regarding the Premises located at Lessor's Industrial Building No. 4, located at 531 S. 28th Street, Washougal, WA 98671 in Clark County, Washington, as shown in Exhibit "A", attached hereto and incorporated herein by this reference (herein called the "Premises"), said lease is collectively referred to as the "Existing Lease"; and

WHEREAS, the Existing Lease expired on August 31, 2025 and although the Existing Lease included an option to extend the term of the Existing Lease, this option was not exercised by Lessee, and Lessee instead entered into a month-to-month arrangement until the present; and

WHEREAS, the Parties desire to terminate the Existing Lease and to supersede it with a new lease arrangement upon the terms and conditions set forth in this Lease;

NOW, THEREFORE, for the consideration set forth herein, the Parties agree as follows:

W I T N E S S E T H:

Section 1. **PREMISES LEASED:** For and in consideration of the payment by Lessee of the rentals hereinafter specified, and performance by Lessee of the covenants and obligations

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hereinafter provided to be kept and performed by Lessee, Lessor does hereby lease, demise and let unto Lessee, Lessor's Industrial Building No. 4, (approximately 12,000 sf), and adjoining yard area, located at 531 S. 28th St, Washougal, Clark County, Washington 98671, as shown in Exhibit "A" attached hereto and defined as the leased Premises. Lessee shall, in addition, have a right-of-way in common with others over and across private roads and streets giving access to the leased Premises, which right-of-way shall terminate in the event such private roads and streets are dedicated to the public.

Section 2. **TERM:** The term of this Lease shall commence on September 1, 2026 ("Commencement Date") and shall terminate on August 31, 2027.

Upon the commencement of this Lease, the prior lease and any month-to-month leasing arrangement between Lessor and Lessee shall automatically terminate, and this Lease shall be the only lease governing the Premises from and after the Commencement Date of this Lease, provided that any obligations of Lessee that accrued prior to such termination and any obligations that survive termination of the prior lease and month-to-month lease arrangement shall not be terminated and shall survive such termination.

Lessee shall give Lessor written notice ninety (90) days prior to the expiration of the then current term regarding Lessee's intent to extend the Lease or vacate the premises upon expiration of the then current term. The absence of timely notice from Lessee will be deemed to be notice that Lessee intends to vacate the Premises upon expiration of the then current term.

If Lessee holds over after the expiration or termination of the term with Lessor's consent such tenancy shall be deemed to be a holdover tenancy on a month-to-month basis. All other terms, covenants, and conditions of the Lease shall remain in effect, except that rent shall be increased by the same percentage as at the beginning of the last lease year. If Lessee holds over

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after the expiration or termination of the term without Lessor's consent, then such tenancy shall be deemed a holdover tenancy on a month-to-month basis, on the terms, covenants, and conditions of this Lease in effect at the expiration or termination of the term, except that rent shall be increased to 200% of the rent last payable under this Lease. This section does not grant any right to Lessee to holdover, and Lessee is liable to Lessor for any and all damages and expenses of Lessor as a result of any holdover.

Section 3. **POSSESSION:** Lessee shall have the right to possession of the Premises pursuant to this Lease commencing on the Commencement Date of the Lease term.

Section 4. **RENT:** Lessee shall pay to Lessor, without any notice or demand, and without setoff or deduction, in addition to taxes, assessments and other charges required to be paid hereunder by Lessee, rent for the Premises in the following monthly rent:

Rent for September 1, 2026 – August 31, 2027: $11,210.07 per month

In addition to the rental amounts specified above, Lessee shall pay to Lessor with each monthly rental payment the Washington State Leasehold Tax on the leased Premises, which tax is currently 12.84% of the monthly rental payment. Rental payments are payable in advance on the 1st day of each month during the term of this Lease.

Lessee agrees to pay a late charge, in an amount equal to 7% of the monthly rental payment then due with any rental or leasehold tax payment which is not received in full by Lessor by the tenth day of the month.

Section 5. **PREPAID RENT AND SECURITY DEPOSIT:** Upon execution of this Lease, and in lieu of a lease bond otherwise required pursuant to RCW 53.08.085, the parties acknowledge that Lessor currently holds a security deposit under a prior lease in the amount of

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Twelve Thousand Six Hundred and Ninety-Four and 44/100 Dollars ($12,694.44) (the "Existing Security Deposit"). The Existing Security Deposit shall be transferred and applied to this Lease without interruption.

The Security Deposit shall be held by Lessor upon the following terms and conditions:

A. The Security Deposit is given to secure Lessee's performance of all obligations under this Lease, including without limitation, the payment of rent under Section 4, the use requirements of Section 10, and the utility provisions of Section 7.

B. Lessor shall maintain the security deposit as part of its general funds and not in a separate account for this deposit, with all interest attributable to the Lessor only.

C. Upon the expiration or sooner termination of this Lease, Lessee shall only be entitled to return of said Security Deposit if all conditions of this Lease have been complied with, and the leased Premises has been returned to Lessor in its original and sound condition, free of debris, refuse, contamination and other materials and in accordance with Section 13. Lessor shall have the right to deduct all costs and damages resulting from Lessee's breach of any portions of this Lease from the security deposit, and any interest thereon, to the maximum amount held by Lessor. Lessee shall be entitled to a refund of all or any portion of the security deposit which is not necessary to compensate Lessor for Lessee's breach, ninety (90) days from Lessee's vacation of the Premises.

D. Nothing herein shall be construed to limit Lessor's right to seek other remedies, as authorized by law or this Lease, for damages to the leased Premises or violation of this Lease.

Section 6. **LEASE BOND:** Intentionally omitted

Section 7. **TAXES AND UTILITIES:**

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Lessee shall pay all charges and assessments for or related to electricity, water, sewer, garbage disposal, phone, cable, and any and all other utilities and services which shall, during the term of this Lease, be charged or imposed upon the Premises.

Lessee shall pay all taxes, assessments, and other expenses arising from Lessee's possession of the Premises, or operation of Lessee's business on the Premises, or are required because of Lessee's operations to make the property conform to government regulations, or which are imposed upon Lessee or Lessor due to the existence of this Lease.

Lessee shall pay and discharge promptly, as the same becomes due and before delinquency, the taxes, assessments and other charges as described herein Lessee shall pay, upon demand, the taxes, assessments and other charges on behalf of Lessor, or if this is not permitted by law, Lessee shall reimburse Lessor for the amount of any such tax, assessment and other charge paid by Lessor, provided that Lessee shall have the right to contest any such tax or assessment at its own expense.

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Section 8. **LIENS:** Lessee shall keep the Premises free and clear of all liens, including mechanic's, materialmen's, or other liens for work or labor done, and liens for services, materials, appliances and power performed, contributed, furnished or used or to be used in or about the Premises, or in connection with any operations of Lessee, or any alteration, improvement, repair, or addition which Lessee may make, permit, or cause to be made or any work or construction by, for, or permitted by Lessee on or about the Premises. Lessor shall not be responsible for liens caused by Lessee's activities on the Premises.

Nothing in this Lease shall be deemed or construed in any way as constituting the consent or request of Lessor, express or implied, by inference or otherwise, to any contractor, subcontractor, laborer, or materialman, for the performance of any labor or the furnishing of any

materials for any specific improvement, alteration to, or repair of the Premises or any part thereof, nor as giving Lessee any right, power, or authority to contract for or permit the rendering of any services or the furnishing of any materials that would give rise to the filing of any lien against the Premises or any part thereof.

In the event that any lien, charge, or order for the payment of money described as the responsibility of Lessee in this section is filed against Lessor or any portion of the Premises, Lessee shall, at its own cost and expense, cause the same to be discharged of record or bonded within sixty (60) days after notice from Lessor to Lessee, in the manner provided in Section 26, of the filing thereof; and Lessee shall indemnify and save harmless Lessor against and from all costs, liabilities, suits, penalties, claims, and demands, including reasonable counsel fees, resulting therefrom.

Section 9. **CONTESTING LIENS AND TAXES:** Lessee may contest any lien set forth in Section 8 or any tax, assessment, or other charge which Lessee shall pay under Section 7, provided that Lessee notifies Lessor, in the manner provided in Section 26, of their intention to do so within sixty (60) days of the filing of such lien or within thirty (30) days of receipt of notice of such tax, assessment, or other charge; and provided further that Lessee posts a bond or other security with Lessor, prior to the contest, in an amount equal to the amount of the contested lien or tax, assessment, or other charge.

Within sixty (60) days of the determination of its validity, Lessee shall satisfy and discharge any remaining lien, or pay and discharge any remaining assessment, or other charge, and all penalties, interest, and costs in connection therewith. Satisfaction and discharge shall not be delayed until execution is had on any judgment rendered, nor shall satisfaction, payment and discharge be delayed until sale is made of the whole or any part of the Premises on account

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thereof. Any such delay shall be a default of Lessee under this Lease.

In the event of any such contest, Lessee shall protect and indemnify Lessor against all loss, expense, and damage resulting therefrom.

Section 10. **USE OF PREMISES:** Lessee covenants and agrees as follows:

A. To actively and continuously use the Premises throughout the term of this Lease solely for conducting its business operations within the recreational vehicle and marine industries, including the sourcing, development, marketing, sale, distribution, storage, and support of products and technical services in the course of the Lessee's business. Lessee's use and all equipment utilized by Lessee within the Premises shall fully comply with all local, State, and/or federal requirements and, in addition, Lessee shall have procured in advance all necessary permits or authorizations for such use from any local, state or federal agency, including, but not limited to, approval for the intended use from the Camas-Washougal Fire Department and City of Washougal Building Department prior to occupancy. Lessee shall not use the Premises for other purposes without Lessor's prior written consent.

B. To use the adjoining front yard area for employee and guest parking, and to use the adjoining rear yard area for shipping and receiving of equipment and other goods in the course of Lessee's business, and temporary short-term staging of goods and equipment in connection with such shipping and receiving operations. In addition, Lessee may utilize the fenced rear yard area designated yellow in Exhibit A as overnight storage. Except as expressly permitted in this section, no equipment or other goods shall be stored in the rear yard area beyond the time reasonably necessary for a shipping or receiving operation. Except as expressly permitted in this section, Lessee shall not use any yard area for overnight parking, or storage of any vehicles, campers, boats, or trailers, or containers, sheds, or drums, or any other storage of

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any other thing whatsoever. Lessee shall at all times keep all yard areas area in good, clean, neat, orderly, and safe condition, free of any debris, and free of any material deemed objectionable by Lessor.

C. Not to use or occupy the Premises, or permit the Premises to be used or occupied, for other than legal purposes, or in a manner which shall violate any certificate of occupancy in force relating to any building or improvement hereafter erected thereon;

D. To conform to and abide by all lawful rules, laws and regulations in connection with the use of said Premises and the operation of Lessee's business thereon, and not to permit said Premises to be used in violation of any lawful rule, law, regulation or other authority; and

E. Not to commit or permit any waste of the leased Premises nor commit or permit the maintenance or commission of any nuisance on the Premises.

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Section 11. **NO REPRESENTATION:** Lessee has leased the Premises after an opportunity for examination thereof and of the subsurface conditions beneath the same, and without any representation on the part of Lessor, except that Lessor states that it has no knowledge of any release of hazardous materials or the presence of any hazardous materials on the Premises as of the date of the commencement of the Lease term. As used in this Lease, the term "hazardous substances" or "hazardous materials" means any hazardous or toxic substances, materials or waste, including but not limited to those substances, materials, and wastes listed in the United States Department of Transportation Hazardous Materials Table (49 CFR 172.101) or by the Environmental Protection Agency as hazardous substances (40 CFR Part 302) and amendments thereto, or such substances, materials and wastes as are or become regulated under

any applicable local, state or federal law. Subject to Lessor's obligations under this Lease, Lessee assumes the sole responsibility for the condition, operation, maintenance and management of the leased Premises.

Section 12. **IMPROVEMENTS**:

A. Lessee shall not make any changes, alterations, or improvements to the leased Premises or surrounding yard area ("Tenant Improvements") without the written consent of the Lessor being first obtained, which shall not be unreasonably withheld, conditioned or delayed. All Tenant Improvements shall be performed by Lessee at its cost, and in compliance with all applicable law, including but not limited to all applicable building permit processes.

In the event Lessor consents to a proposed Tenant Improvement, such consent shall include Lessor's written determination as to whether Lessee shall be required to remove said improvement at the expiration or termination of this Lease. In the event no such written determination exists as to any proposed Tenant Improvement made during the course of this Lease, then at the expiration or other termination of this Lease, all such improvements for which shall remain upon the Premises, shall upon Lessor's determination, as determined in its sole and absolute discretion be either (1) removed and all damage caused to the Premises by the removal be repaired by Lessee at its sole cost and expense, or (2) become the property of Lessor, provided that if such improvement must be removed from the Premises, the Lessor will provide the Lessee with at least sixty (60) days' notice of such requirement.

All machinery, fixtures, portable buildings and equipment installed by Lessee and which are adapted only for the special use of Lessee, shall be considered to be trade fixtures and may be removed at the termination of this Lease by Lessee. Lessee shall at its own expense repair all damage caused by the removal of trade fixtures, and shall restore the Premises to its same

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condition as immediately prior to such removal.

Section 13. **REPAIR AND MAINTENANCE:** Lessor shall maintain the roof, outer walls, structural members, exterior plumbing, and landscaping on the Premises at its own expense. Lessee shall be responsible for the cost of any repairs made pursuant to this paragraph which are caused by the intentional or negligent acts of its employees, agents or licensees. Lessee shall complete all repairs within 90 days by a Lessor approved contractor or utilize Lessor maintenance staff at the Lessor contract rate. Lessee agrees to reimburse Lessor for said repairs immediately upon demand.

Lessor shall have no liability to Lessee for incidental damages or property damage suffered by Lessee as a result of its failure to maintain or repair those portions of the Premises described above, its only obligation being to maintain or repair such portions of the Premises. Lessee agrees to promptly notify Lessor of the need for exterior or structural repairs upon becoming aware of such need.

Except as provided above, Lessee agrees to maintain the Premises and all improvements in a good state of repair and at the termination of this Lease to return the Premises and all improvements and adjoining yard area to Lessor in as good state and condition as the same are in at the time Lessee commences occupying same, reasonable wear and tear from the normal use thereof and fire or other casualty being excepted. Lessee agrees to keep all adjoining yard areas at all times in good, clean, neat, orderly, and safe condition, free from any debris, and free from any material deemed objectionable by Lessor.

Section 14. **INDEMNITY:** Lessee shall indemnify, save harmless, and defend with legal counsel acceptable to Lessor from and against any and all liability, claims, damage, penalties, or judgments arising from any loss, injury, death or damage to person or property sustained by any

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person in or about the Premises resulting from the act or omission of Lessee, Lessee's officers, agents, employees, contractors, and sublessees, or of any occupant, visitor, or user of any part of Lessee's Premises, or arising in any way from Lessee's use of the Premises. Lessee further covenants and agrees to indemnify, defend with legal counsel acceptable to the Port, and hold Lessor harmless against the claims of all and every person whomsoever arising out of or in any way connected with Lessee's occupation or use of the Premises, except for claims by Lessor's employees or agents for injuries sustained during the course of employment through no fault of Lessee. Lessee shall pay all attorney's fees and other expenses incurred by Lessor in defending any and all suits which may be brought against Lessor or in which Lessor may be impleaded with others upon any of the aforementioned matters, except as may result from the acts set forth in the paragraph immediately below.

Lessor shall indemnify and hold harmless Lessee and its members, managers, directors, officers, employees, and agents, from and against any and all losses, claims, and damages arising from Lessor's gross negligence or intentional misconduct. Except for the gross negligence or intentional misconduct of Lessor or its agents, or employees, Lessor shall not be responsible for or liable for, and Lessee, notwithstanding that joint or concurrent liability may be imposed upon Lessor by a statute or court decision, hereby waives all claims against Lessor for any damage or injury to any person or to any property on or about the Premises subject to this Lease, including liability for costs, attorney's fees and reasonable expenses arising out of said claims.

Lessee covenants and agrees to reimburse Lessor for all costs or expenses of repair or replacement of any of Lessor's property damaged or destroyed as a result of Lessee's use or occupation of the Premises or use of Port property or facilities. Lessee further covenants and agrees to carry liability insurance protecting itself and Lessor from all liability arising out of this

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Section 14. The provisions of this section shall survive the expiration or earlier termination of this Lease.

Section 15. **INSURANCE:**

A. Lessee shall procure at its sole cost and expense and keep in effect from the date of this Lease and at all times until the end of the term either Comprehensive General Liability insurance or Commercial General Liability insurance applying to the use and occupancy of the Premises and the business operated by Lessee (or any other occupant) on the Premises and providing coverage against all Lessee's liabilities pursuant to this Lease. Such coverage shall have a minimum combined single limit of liability of at least One Million Dollars ($1,000,000.00) and such limit shall be increased from time to time to such amount as may be mutually acceptable to Lessor and Lessee in their reasonable judgment. All such policies shall be written to apply to all bodily injury, property damage, personal injury and other covered loss, however occasioned, occurring during the policy term; shall be endorsed to provide that such coverage shall be primary; and that any insurance maintained by Lessor shall be excess insurance only.

B. Lessee shall furnish Lessor with acceptable evidence that the insurance is in effect and in amounts sufficient to satisfy this section. All insurance policies required by this Section shall provide that they shall not be reduced, canceled or substantially amended or modified as to terms without thirty (30) days advance written notice to Lessor. All insurance policies required to be carried under this Lease shall be with recognized insurance carriers, having an A- rating from A. M. Best Company or like or similar rating from an equally recognized rating company acceptable to Lessor, and shall name Lessor as an additional insured. All such insurance shall provide for severability of interests; shall provide that an act or omission

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of one of the named insured shall not reduce or avoid coverage to the other named insureds; and shall afford coverage for all claims based on acts, omissions, injury and damage, which claims occurred or arose (or the onset of which occurred or arose) in whole or in part during the policy period. Such coverage shall be endorsed to waive the insurer's rights of subrogation against Lessor and Lessee if such waiver can be obtained at reasonable cost.

Lessee shall deliver to Lessor on or before the date on which the term commences, and thereafter at least ten (10) days before the expiration dates of expiring policies, certified copies of its insurance policies, or a certificate evidencing the same issued by the insurer thereunder, showing that all premiums have been paid for the full policy period; and in the event Lessee shall fail to procure such insurance, or to deliver such policies or certificates and such failure continues for two (2) business days, Lessor may, at its option and in addition to Lessor's other remedies in the event of a default by Lessee hereunder, procure the same for the account of Lessee, and the cost thereof shall be paid to Lessor within ten (10) days following written demand therefor.

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Section 16. **HAZARDOUS SUBSTANCES- LESSEE'S OBLIGATIONS:** Lessee shall not, without Lessor's prior written consent, keep on or about the leased Premises, for use, disposal, treatment, generation, storage or sale, any substances designated as, or containing components designated as hazardous, dangerous, toxic or harmful (collectively referred to as "hazardous substances"), and/or which are subject to regulation by any federal, state or local law, regulation, statute or ordinance. With respect to any hazardous substances, Lessee shall:

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

B. Submit to Lessor true and correct copies of all reports, manifests and identification numbers at the same time as they are required to be and/or submitted to the appropriate governmental authorities;

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

D. Allow Lessor or Lessor's agents or representatives to come on the leased Premises during regular business hours, and after hours with three (3) hours advance notice to Lessee, except in an emergency, in which immediate case access shall be allowed to check Lessee's compliance with all applicable governmental regulations regarding hazardous substances;

E. 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); and

F. Comply with all governmental rules, regulations and requirements regarding the proper and lawful use, sale, transportation, generation, treatment and disposal of hazardous substances.

Any and all costs incurred by Lessor and associated with Lessor's special or non-routine inspection of Lessee's Premises and Lessor's monitoring of Lessee's compliance with this section, and including Lessor's attorneys' fees and costs, shall be additional rent and shall be due

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and payable to Lessor immediately upon demand by Lessor. However, Lessor shall solely bear the expense of inspections made on a routine basis, without reasonable cause to believe that Lessee is in violation of this section.

Lessee shall be fully and completely liable to Lessor for any and all cleanup costs and any and all other charges, fees, penalties (civil and criminal) imposed by any governmental authority with respect to Lessee's use, disposal, transportation, generation and/or sale of hazardous substances, in or about the leased Premises.

Lessee shall indemnify, defend and save Lessor harmless from any and all of the costs, fees, penalties and charges assessed against or imposed upon Lessor (as well as Lessor's attorneys' fees and costs) as a result of Lessee's use, disposal, transportation, generation and/or sale of hazardous substances.

Upon Lessee's default under this section, in addition to the rights and remedies set forth elsewhere in this Lease, Lessor shall be entitled to the following rights and remedies:

A. At Lessor's option, to terminate this Lease immediately; and

B. To recover any and all damage associated with the default, including, but not limited to cleanup costs and charges, civil and criminal penalties and fees, loss of business and sales by Lessor and other lessees of the leased Premises, and any and all damages and claims asserted by third parties and Lessor's attorneys' fees and costs.

The provisions of this section shall survive the expiration or earlier termination of this Lease.

Section 17. **ASSIGNMENT/SUBLETTING:** Lessee shall not assign this Lease nor sublet the whole or any part of the Premises without the prior written consent of Lessor, in its sole and absolute discretion. Any such assignment or sublease shall not relieve Lessee from the

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responsibility of paying the rentals accruing under this Lease or from keeping and performing all other obligations herein imposed upon and assumed by it. It is understood and agreed that any consent by Lessor to any assignment or subletting by Lessee shall not be considered or construed to be a consent to any subsequent assignment or subletting nor as a waiver of the right of Lessor to refuse to consent to any subsequent assignment or subletting.

Section 18. **QUIET ENJOYMENT:**

A. Lessee, upon paying the rent and all other sums and charges to be paid by it as herein provided, and observing and keeping all covenants, warranties, agreements, and provisions of this Lease on its part to be kept, shall quietly have and enjoy the Premises during the Lease term, subject to the provisions herein, without hindrance by Lessor.

B. Lessor warrants that it has fee simple title to the Premises and the power and authority to execute this Lease and to carry out and perform all covenants to be performed by it hereunder.

Section 19. **ACCESS:** Lessor or Lessor's employees and designees shall have the right to enter upon the Premises at all reasonable times to examine the Premises and to exhibit the Premises to prospective purchasers, and prospective lessees, and Lessor shall at all times be provided a key for independent access to the Premises. Any persons other than Lessor or Lessor's employees who need access to the building will at Lessee's request sign a reasonable non-disclosure agreement before entering the building, except in an emergency.

Section 20. **CURE BY LESSOR:** If Lessee shall default in the performance of any provision under this Lease, Lessor, at its option, may perform the same for the account and at the expense of Lessee. Upon notification to Lessee of the cost thereof to Lessor, Lessee shall promptly reimburse Lessor the amount of that cost, plus interest at the rate of twelve (12%)

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percent per annum from the date of incurring of such cost to the date of repayment. In the event of such default by Lessee, Lessor may enter upon the Premises for the purpose of causing such provisions to be fulfilled. Such entry shall not be deemed an eviction of Lessee. Lessor's action hereunder shall not be deemed a waiver of Lessee's default. Lessor, at its option, without relinquishing any remedy or right, may separately commence proceedings against Lessee for reimbursement of Lessor and for any other remedies for breach of this Lease.

Section 21. **BANKRUPTCY AND INSOLVENCY:** If, after the commencement of the Lease term:

A. Lessee then having the title to the leasehold estate created hereunder shall while having such title be adjudicated a bankrupt or adjudged to be insolvent; or

B. A receiver or trustee shall be appointed for Lessee's property and affairs; or

C. Lessee shall make an assignment for the benefit of creditors or shall file a petition in bankruptcy or insolvency or for reorganization or shall make application for the appointment of a receiver; or

D. Any execution or attachment shall be issued against Lessee or any of Lessee's property, whereby the Premises or any buildings or improvements thereon shall be taken or occupied or attempted to be taken or occupied by someone other than Lessee, except as may herein be permitted, and such adjudication, appointment, assignment, petition, execution, or attachment shall not be set aside, vacated, discharged, or bonded within ninety (90) days after the issuance of the same, then a default hereunder shall be deemed to have occurred so that the provisions of Section 22 hereof shall become effective and Lessor shall have the rights and remedies provided therein. Notwithstanding anything to the contrary hereinabove contained, upon the occurrence of a default pursuant to this Section 21, if the rent due and payable

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hereunder shall continue to be paid and the other covenants, provisions and agreements of this Lease on Lessee's part to be kept and performed shall continue to be kept and performed, no event of default shall have been deemed to have occurred and the provisions of Section 22 hereof shall not become effective.

Section 22. **DEFAULT:**

A. In the event any one or more of the following events shall have occurred and shall not have been remedied as hereinafter provided:

1. The occurrence of any event set forth in Section 24 hereof, without the curing of same within thirty (30) days after receipt by Lessee of notice in writing from Lessor; or

2. The filing of a petition by or against Lessee for adjudication as a bankrupt, or for reorganization or agreement, or for any similar relief, under the Bankruptcy Code as now or hereafter amended; or

3. Lessee's failure to pay any installment of rent when the same shall be due and payable and the continuance of such failure for a period of three (3) business days after receipt by Lessee of notice in writing from Lessor, in the manner provided in Section 26; or

4. Lessee's failure to perform any of the other covenants, provisions, and agreements herein contained on Lessee's part to be kept or performed and the continuance of such failure without the curing of same for a period of ten (10) business days after receipt by Lessee of notice in writing from Lessor specifying in detail the nature of such failure, or Lessee shall not cure said failure as provided in Paragraph B of this Section 22, then Lessor may, at its option, give to Lessee written notice of election to terminate the Lease term upon a date specified in such notice, which date shall not be less than twenty (20) business days (Saturdays, Sundays and legal holidays excluded) after the date of receipt by Lessee of such notice from Lessor.

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Upon the date specified in said notice, the term and estate hereby vested in Lessee shall cease and any and all other right, title, and interest of Lessee hereunder shall likewise cease without further notice or lapse of time, as fully and with like effect as if the entire Lease term had elapsed, but Lessee shall continue to be liable to Lessor as provided herein. Simultaneously with the sending of the notice to Lessee, as hereinabove provided, Lessor shall send a copy of such notice to any sublessee of the Premises or portions thereof that Lessor may select, in writing from time to time, and any additional persons or parties having an interest in the Premises that Lessor may select, in writing, from time to time. The curing of any default within the above time limits by any of the aforesaid parties or combination thereof, shall constitute a curing of any default hereunder with like effect as if Lessee had cured the same hereunder.

B. In the event that Lessor gives notice of a default of such a nature that it cannot be cured within the period prescribed in Paragraph A4 of this Section 22, then such default shall not be deemed to continue, so long as Lessee, after receiving such notice, proceeds to cure the default as soon as reasonably possible and continues to take all steps necessary to complete the same within a period of time which, under all prevailing circumstances, shall be reasonable. No default under Paragraph A4 of this Section 22 shall be deemed to continue if and so long as Lessee shall be proceeding to cure the same in good faith.

C. In the event that any default of Lessee shall be cured in any manner hereinabove provided, such default shall be deemed never to have occurred and Lessee's right hereunder shall continue unaffected by such default.

D. Upon any termination of the Lease term pursuant to Paragraph A of this Section 22, or at any time thereafter, Lessor may, in addition to and without prejudice to any other rights and remedies Lessor shall have at law or in equity, re-enter the Premises and recover

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possession thereof and dispossess any or all occupants of the Premises in the manner prescribed by statute relating to summary proceedings, or similar statutes; but Lessee in such case shall remain liable to Lessor as provided herein.

E. In case of any such default, re-entry, termination and/or disposition by summary proceedings:

1. The rent shall become due thereupon and be paid up to the time of such re-entry, termination and/or disposition;

2. Lessor may re-let the Premises or any part thereof, either in the name of Lessor or otherwise, for a term which may, at Lessor's option, be less than or exceed the period which would otherwise have constituted the balance of the term of this Lease and may grant concessions or free rent, but such re-letting shall not be construed as an acceptance of a surrender of the leasehold interest; and

3. Lessee or the representatives of Lessee shall also pay Lessor as liquidated damages for the failure of Lessee to observe and perform Lessee's covenants herein contained any deficiency between the rent hereby collected on account of the lease of the Premises for each month of the period which would otherwise have constituted the balance of the lease term. In computing liquidated damages, there shall be added to the said deficiency such reasonable expenses and counsel fees as Lessor may incur in connection with the default and re-letting. Any suit brought to collect the amount of the deficiency for any month shall not prejudice in any way the rights of Lessor to collect the deficiency for any subsequent month by a similar proceeding.

Lessor, at its option, may make such alterations, repairs, replacements, and/or decorations in the Premises as Lessor, in Lessor's sole judgment, considers advisable and necessary for the

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purpose of re-letting the Premises; and the making of such alterations, repairs, replacements, and/or decorations shall not operate or be construed to release Lessee from liability hereunder. Lessor agrees to mitigate in good faith all damages and to re-let the Premises in the event of any default specified herein.

Section 23. **WAIVERS:** Failure of Lessor to complain of any act or omission on the part of Lessee, no matter how long the same may continue, or the receipt of rent by Lessor with knowledge of any breach or default of this Lease by Lessee, shall not be deemed to be a waiver by Lessor of any of its rights herein. No waiver by Lessor at any time, express or implied, of any breach of any provision of this Lease shall be deemed a waiver of any subsequent breach of the same or any other provision. Failure of Lessor to insist upon strict performance or to exercise any option herein conferred in any one or more instances in the event of default shall not be construed to be a waiver or relinquishment of any such or any other right herein extended to the Lessor.

Section 24. **GOVERNMENTAL REGULATIONS:** During the Lease term, Lessee shall, at its own cost and expense, promptly observe and comply with all present and future laws, ordinances, requirements, orders, directives, rules and regulations of the federal, state, county, town, and city governments and of all other governmental authorities affecting the Premises or appurtenances thereto or any part thereof whether the same are in force at the commencement of the Lease term or may in the future be passed, enacted, or directed, and Lessee shall pay all costs, expenses, liabilities, losses, damages, fines, penalties, claims, and demands, including reasonable counsel fees, that may in any manner arise out of or be imposed because of the failure of Lessee to comply with the covenants of this Section 24.

Section 25. **NOTICE OF LITIGATION AND COUNSEL FEES:**

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A. Within ten (10) days of Lessee having knowledge of any litigation or other proceeding that shall be commenced against Lessee or against the Premises to secure or recover possession thereof or that may affect the interests of Lessor in the Premises, Lessee shall give written notice thereof to Lessor.

B. In the event any party shall bring suit to compel performance of or to recover for any breach of any covenant, agreement or condition of this Lease, the prevailing party in said action shall be entitled to recover from the other party costs and reasonable attorney's fees.

C. Notwithstanding anything to the contrary hereinabove contained, in the event that Lessor is made a party to litigation against the Lessee, relating to the Premises, or against the Premises commenced by a third party, wherein Lessor is not at fault, Lessee shall pay, upon demand, all of Lessor's counsel fees and costs.

Section 26. **NOTICES:** Every notice, consent or other communication authorized or required by this Lease shall be deemed to be sufficient if in writing, and sent postage prepaid by registered or certified mail, return receipt requested, directed to the other party at the address listed below, or at such other address as the other party may designate by notice given from time to time in accordance with this section. In the event a party notifies the other in writing of a change of address in accordance with this section, said address shall substitute for the address listed below for all subsequent notices. Notices shall be deemed effective when personally served, or upon delivery or refusal of delivery by the addressee if mailed in the manner provided by this section:

Lessor: Port of Camas-Washougal
24 So. "A" Street
Washougal, WA 98671

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Lessee: Elwell Corporation
Attn: Ken Elwell, CEO
680 S. 28th St, Suite C
Washougal, WA 98671

Section 27. **RIGHTS CUMULATIVE:** The rights, powers, and remedies of Lessor, as provided herein, shall be deemed to be cumulative, and no one of them shall be exclusive of any other, or of any other right, power, or remedy allowed by law.

Section 28. **TIME OF THE ESSENCE:** Time and punctual and exact performance and observation by Lessor and Lessee of the provisions herein are of the essence of this Lease.

Section 29. **SEVERABILITY:** In the event that any provision of this Lease shall be declared invalid by any court of competent jurisdiction, such provisions shall be severed from this Lease, and such declaration shall not affect the remainder of this Lease. This Lease shall remain in full force and effect for the balance of its Lease term.

Section 30. **INTERPRETATION:** Whenever the singular number is used herein, the same shall include the plural, and vice versa, as the context shall require. The section headings used herein are for reference and convenience only. Upon any sale or assignment of the interest of either Lessor or Lessee herein, their respective successors in interest shall, during the term of this ownership of their respective estates herein, be deemed to be Lessor or Lessee, as the case may be.

Section 31. **SUCCESSORS:** All of the terms, conditions, covenants and agreements of this Lease shall extend to and be binding upon Lessor, Lessee, and their respective heirs, personal representatives, successors and assigns, and upon any person coming into ownership or possession of any interest in the Premises by operation of law, or otherwise, and shall be construed as covenants running with the land.

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Section 32. **ENTIRE AGREEMENT:** This Lease constitutes and shall be construed as the entire agreement of the parties. No oral statement shall have any force or effect. This Lease shall not be modified or canceled except by writing subscribed by Lessor and Lessee.

SIGNATURES ARE ON NEXT PAGE

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IN WITNESS WHEREOF, the parties have executed this lease in duplicate as of the _____ day of _____, 2026.

LESSOR:	LESSEE:
PORT OF CAMAS-WASHOUGAL	ELWELL CORPORATION
By:_____	By:_____
Trang Lam, Executive Director	Ken Elwell, CEO

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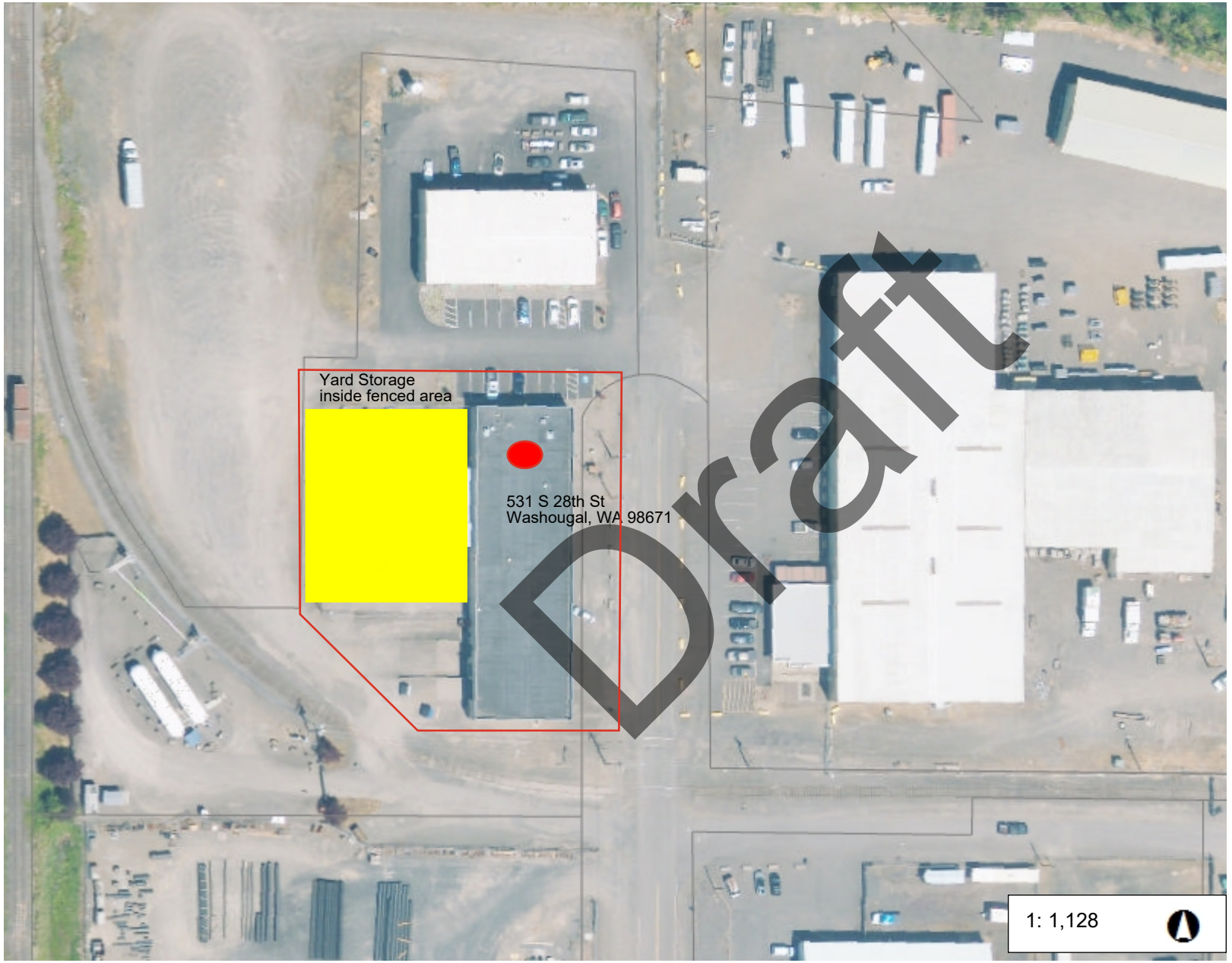
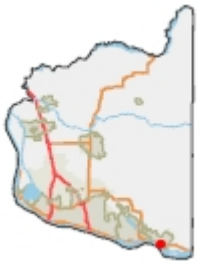
EXHIBIT A

Building 4: 531 S 28th Street, Washougal, WA 98671





Legend

- Taxlots

Notes:

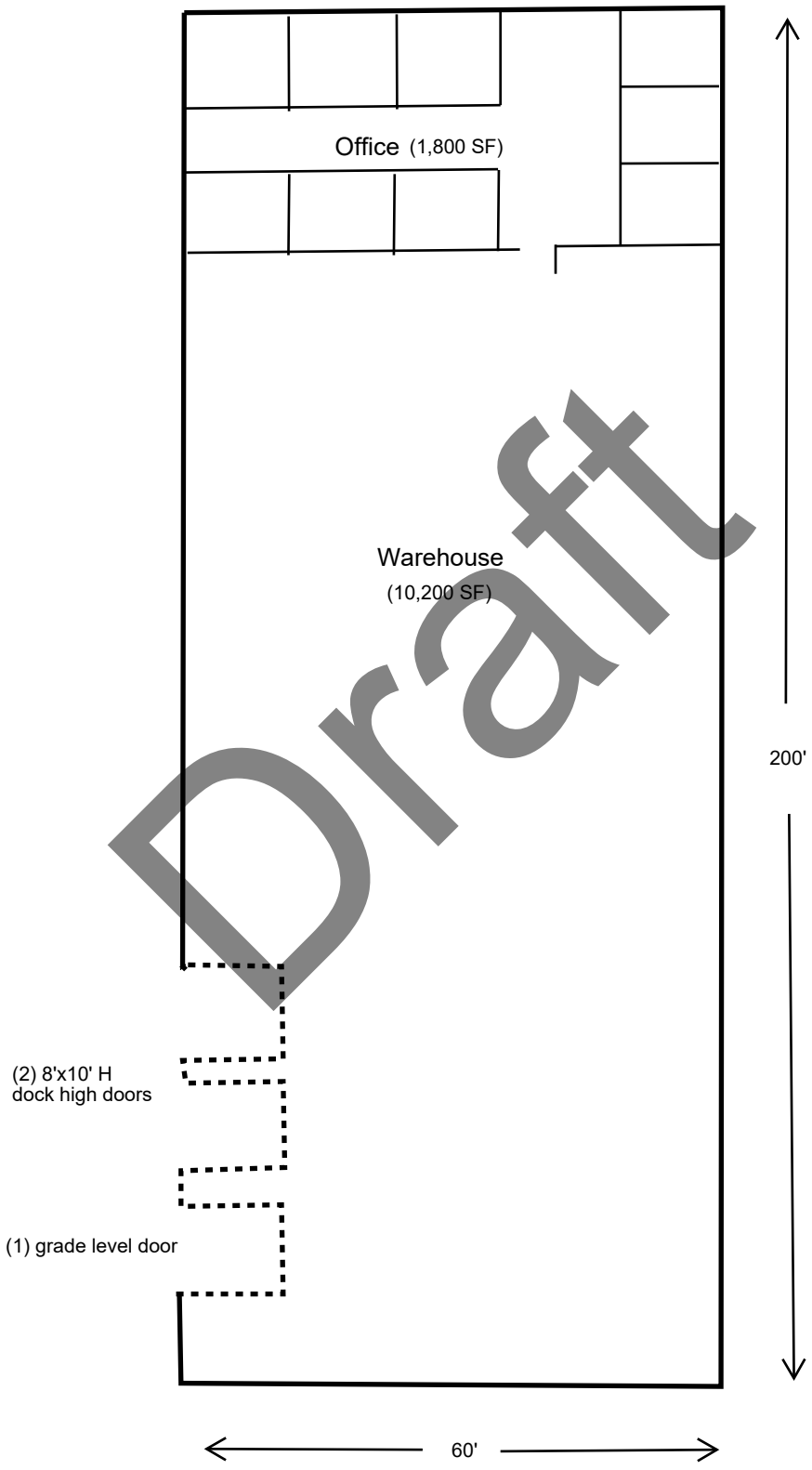
188.0 0 94.00 188.0 Feet

WGS_1984_Web_Mercator_Auxiliary_Sphere
Clark County, WA. GIS - http://gis.clark.wa.gov

This map was generated by Clark County's "MapsOnline" website. Clark County does not warrant the accuracy, reliability or timeliness of any information on this map, and shall not be held liable for losses caused by using this information. Taxlot (i.e., parcel) boundaries cannot be used to determine the location of property lines on the ground.

EXHIBIT A

Buidling 4 - 531 S. 28th St. Washougal, WA 98671



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STAFF REPORT

COMMISSION MEETING DATE: August 19, 2026

ITEM TITLE: WA DES Agreement with Custom Energy for Clean Building Compliance

DEPARTMENT: Projects

SUBMITTED BY: Jennifer Taylor, Environmental /Project Manager

STAFF RECOMMENDATION: Funding Approval for DES Agreement

SUMMARY:
The WA Department of Enterprise Services (DES) Energy Program offers Energy Services Performance Contracting (ESPC) Project Management Services and utilizes pre-qualified energy service companies (ESCO). The Port signed an Interagency Agreement with DES in January 2026 to obtain energy program services to manage our WA State Clean Building Performance Standards (CBPS) compliance. The Port received a proposal from Custom Energy to complete all the benchmarking and reporting required for our Tier 2 buildings (20,000 to 50,000 sq. feet). DES requires certification of funding approval and appropriation for the work; and execution of an Energy Services Authorization Agreement, which is an authorization to proceed with Custom Energy.

BUDGET IMPACT:
Clean Building compliance assessment was included in the 2026 planning budget for $77,000. The cost is $68,140 plus the DES services fee of $7,800 for a total cost to the Port of $75,940. The Port may be eligible for Tier 1 Early Adopter Incentives totaling $59,100 and Custom Energy will handle the application process.

STRATEGIC PLAN or OTHER PLANS:
This project aligns with strategic plan goal OR5.

SUSTAINABILITY IMPLICATIONS:
This process will establish a baseline for WA State Clean Building Performance and meet Dept. of Commerce reporting requirements prior to the Tier 2 compliance deadline of July 2027.

DIVERSITY, EQUITY & INCLUSION IMPLICATIONS:
Custom Energy is a Woman-Owned, Small Business Enterprise. Custom Energy is also Washington's only qualified WBE Energy Services Company.

STATE OF WASHINGTON

DEPARTMENT OF ENTERPRISE SERVICES

1500 Jefferson St. SE, Olympia, WA 98501
PO Box 41476, Olympia, WA 98504-1476

ENERGY SERVICES AUTHORIZATION NO. 2027-011 A (1)
Detailed Investment Grade Energy Audit & Energy Services Proposal Agreement
Port of Camas-Washougal
IGA – Port of Camas-Washougal CBPS Compliance Audit
July 29, 2026
MAIN ENERGY SERVICES AGREEMENT NO. 2025-535 D (4)

The Owner and the Energy Services Company (ESCO) named below do hereby enter into this Authorization under terms described in the following sections:

Authorization to Proceed
Compensation for Energy Services
Project Conditions
Scope of Work
Schedule for Completion
Civil Rights
Non-Discrimination

I. AUTHORIZATION TO PROCEED:

Energy Services Company:

HE Solutions dba Custom Energy
12825 E. Mirabeau PKW., Suite 202
Spokane, WA 99216
Telephone No. (509) 540-3289
E-Mail mike@custom-energy.com

Owner:

Port of Camas-Washougal
acting through the
Department of Enterprise Services
Energy Program
PO Box 41476
Olympia, WA 98504

By _____
Name _____
Title _____
Date _____

By _____
Name Kirsten G. Wilson, PE
Title Energy Program Manager
Date _____

State of Washington Contractor's License No. CUSTOEC772NJ
State of Washington Revenue Registration No. 605 285 836

II. COMPENSATION FOR ENERGY SERVICES:

Basic Services	**COMPENSATION**
Energy Audit and Energy Services Proposal	$ 68,140.00
Grand Total (plus WSST as applicable)	**$ 68,140.00**

III. PROJECT CONDITIONS:

The Project Conditions contained in the Main Energy Services Agreement will be used unless specifically changed herein. The cost effectiveness criteria for this project are per the HE Solutions dba Custom Energy proposal dated June 2, 2026.

IV. SCOPE OF WORK:

Per the ESCO proposal dated June 2, 2026 conduct a Detailed Investment Grade Energy Audit *only* of Port of Camas-Washougal, IGA - Port of Camas-Washougal CBPS Compliance Audit to identify cost effective energy conservation measures. Measures will include items that save energy, water and other resources. The Cost Effectiveness Criteria for this project shall be as established in the Main Energy Services Agreement or as modified in Section III above.

V. SCHEDULE FOR COMPLETION

Final completion of the Energy Audit within 56 calendar days after Authorization to Proceed.

VI. CIVIL RIGHTS

Contractor represents and warrants that Contractor complies with all applicable requirements regarding civil rights. Such requirements prohibit discrimination against individuals based on their status as protected veterans or individuals with disabilities and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity, or national origin.

VII. NON-DISCRIMINATION

1. Nondiscrimination Requirement. During the term of this Contract, Contractor, including any subcontractor, shall not discriminate on the bases enumerated at RCW 49.60.530(3). In addition, Contractor, including any subcontractor, shall give written notice of this nondiscrimination requirement to any labor organizations with which Contractor, or subcontractor, has a collective bargaining or other agreement.

2. Obligation to Cooperate. Contractor, including any subcontractor, shall cooperate and comply with any Washington state agency investigation regarding any allegation that Contractor, including any subcontractor, has engaged in discrimination prohibited by this Contract pursuant to RCW 49.60.530(3).

3. Default. Notwithstanding any provision to the contrary, Agency may suspend Contractor, including any subcontractor, upon notice of a failure to participate and cooperate with any state agency investigation into alleged discrimination prohibited by this Contract, pursuant to RCW 49.60.530(3). Any such suspension will remain in place until Agency receives notification that Contractor, including any subcontractor, is cooperating with the investigating state agency. In the event Contractor, or subcontractor, is determined to

have engaged in discrimination identified at RCW 49.60.530(3), Agency may terminate this Contract in whole or in part, and Contractor, subcontractor, or both, may be referred for debarment as provided in RCW 39.26.200. Contractor or subcontractor may be given a reasonable time in which to cure this noncompliance, including implementing conditions consistent with any court-ordered injunctive relief or settlement agreement.

4. Remedies for Breach. Notwithstanding any provision to the contrary, in the event of Contract termination or suspension for engaging in discrimination, Contractor, subcontractor, or both, shall be liable for contract damages as authorized by law including, but not limited to, any cost difference between the original contract and the replacement or cover contract and all administrative costs directly related to the replacement contract, which damages are distinct from any penalties imposed under Chapter 49.60, RCW. Agency shall have the right to deduct from any monies due to Contractor or subcontractor, or that thereafter become due, an amount for damages Contractor or subcontractor will owe Agency for default under this provision.

2027011Aagrrw

CUSTOM ENERGY

Port of Camas-Washougal

Clean Buildings Performance Standards Compliance Services

06-02-2026

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06-30-2026

Jennifer Taylor
Port of Camas-Washougal

RE: Clean Building Performance Standards (CBPS) Compliance Services

Dear Jennifer:

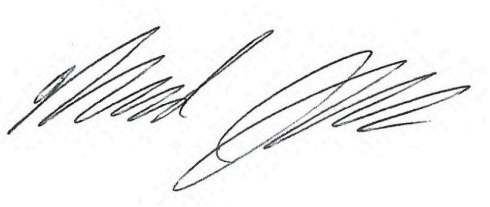
Custom Energy was founded with a unique approach to assisting building owners in navigating the Washington State Clean Buildings Performance Standards (CBPS), often without the need for large capital projects. The attached information showcases our distinctive areas of expertise, abilities, and qualifications, all specifically tailored for Port of Camas-Washougal.

We have successfully delivered turnkey CBPS compliance services for dozens of clients, including school districts, counties, and privately held companies. Our ability to provide comprehensive energy solutions and our dedication to exceeding client expectations have earned us selection via the Statement of Qualifications (SOQ) process by multiple public agencies, including the City of Spokane, Franklin County, Skagit County, Okanogan County, and Klickitat County.

As a **Woman-Owned, Small Business Enterprise** (#W2F0028912), **Custom Energy is also Washington State's only qualified WBE Energy Services Company (ESCO)**. We have successfully helped our clients apply for and receive Energy Efficiency Grants (EE-024), Clean Buildings Performance Grants (CBPG-024), and other grant and incentive programs to offset the cost of energy audits and improvements required by the CBPS.

We are excited about the opportunity to bring our expertise, experience, and dedication to your organization. We look forward to collaborating with you to create a more energy-efficient and sustainable future. Please feel free to reach out if you have any additional questions for our team.

Sincerely,



Michael James, PE, CEM, LEED AP
Vice President
Custom Energy
mike@custom-energy.com



Aimee Livingston
Business Development Manager
Custom Energy
aimee@custom-energy.com

PROJECT TIMELINE AND LOGISITICS

CUSTOM ENERGY

PROJECT TIMELINE

The anticipated project duration is eight weeks from Notice to Proceed to Submission to Commerce. We cannot guarantee approval timeline as it is dependent upon Commerce.

Month 1

- Data Gathering
- Project Setup and Kickoff
- Site Walk all 6 Buildings
- Verify 4 Exempt Buildings
- Verify Benchmarking,
- Submit Draft EMP and O&M deliverables
- Review with Owner

Month 2

- Submit Final EMP & O&M Deliverables
- Formal Portal Submission
- Incentive Application submission

Month 3

- Compliance Approval from Commerce
- Incentive Approval from Commerce

ROLES AND RESPONSIBILITIES

Upon signed contract Custom Energy will establish dates to complete site walks:

- Site Visits (10 buildings, approximately 60 minutes each for non-exempt buildings):
  - Port of Camas-Washougal to provide access to building mechanical rooms, roof top units and HVAC equipment for documentation
  - Project Developer will conduct site walks
  - Energy Engineer assist with site walk documentation and CBPS documentation development draft and final documentation review
- Draft Reviews with Port of Camas-Washougal
- Jake Landsiedel (*Qualified Person)*- Oversight of Final Documents Delivered and approved by Port of Camas-Washougal
- Daniel Funke *(Qualified Person)* -Submission to the Portal, Submission for Tier 2 Early Adopter Incentive

PROJECT TIMELINE AND LOGISTICS

CUSTOM ENERGY

TIER 1 MEETS EUIT AND TIER 2 COMPLIANCE DOCUMENTATION

PROJECT DELIVERABLES

The following deliverables apply to all buildings outlined in the Pricing chart on page 5.

Deliverable 1: EMP Document & Tracking Tool

- Energy Management Plan (EMP) Document in accordance with CBPS Requirements
- Energy Management Plan (EMP) Tracking Tool in accordance with CBPS Requirements

Deliverable 2: O&M Plan Document & Tracking Tool

- Operations & Management (O&M) Document in accordance with CBPS Requirements
- Operations & Management (O&M) Tracking Tool in accordance with CBPS Requirements

Deliverable 3: Completed CBPS Forms A-C and Form H

- Form A – Clean Building Performance Standards (CBPS) Application
- Form B – Energy Use Intensity (EUI) Template
- Form C – Energy Star Portfolio Manager (ESPM)
- Form H- Exemption Form

Deliverable 4: ESPM Benchmarking

- Benchmarking in Energy Star Portfolio Manager (ESPM)

Deliverable 5: SAW Portal Setup & CBPS Submission through Compliance Acceptance

- Successfully connect Energy Star Portfolio Manager (ESPM) with the Portal
- Ensure all information and data in the Portal is accurate and complete
- Submit a successful Clean Buildings Compliance application through the Portal
- All additional Department of Commerce / State Agency reporting or data input / tracking required under the CBPS

Deliverable 6: Tier 2 Early Adopter Incentive

- Prepare and Submit Tier 2 Early Adopter Incentive application to Commerce on Port of Camas-Washougal's behalf

COST EFFECTIVE CRITERIA

The Washington State Clean Buildings Performance Standard (CBPS) requires covered Tier 2 buildings between 20,000 and 50,000 square feet to complete energy benchmarking, establish and implement an Operations and Maintenance (O&M) Program, and develop an Energy Management Plan. Compliance with these requirements provides benefits that extend beyond regulatory obligations by supporting informed decision-making and improving overall building performance.

The Port of Camas-Washougal recognizes the value of these assessments and planning activities in advancing long-term capital planning, reducing energy consumption and operating costs, supporting greenhouse gas reduction goals, extending the useful life of building systems, and identifying opportunities for future infrastructure modernization. The resulting data and documentation will provide a framework for ongoing energy management and continuous improvement across the Port's facilities portfolio.

Custom Energy will manage and execute all required CBPS compliance activities on behalf of the Port of Camas-Washougal, ensuring that program requirements are completed accurately, efficiently, and in accordance with state deadlines. By utilizing an experienced consultant, the Port minimizes staff workload, reduces compliance risk, and benefits from industry best practices for benchmarking, energy management planning, and operations and maintenance program development.

In addition, Custom Energy will prepare and submit the Tier 2 Early Adopter Incentive application on the Port's behalf. While incentive approval cannot be guaranteed, successful participation may provide financial assistance that further improves the overall cost-effectiveness of the project and offsets a portion of compliance-related expenses.

Overall, this project delivers value through regulatory compliance, improved operational efficiency, enhanced asset management, reduced energy and maintenance costs, support for the Port of Camas-Washougal's sustainability objectives, and the potential to secure available incentive funding.

FEE SCHEDULE & PRICING

FEE SCHEDULE

Custom Energy will invoice monthly based on progress up to the milestone completion percentages listed below. Payment terms are net 30 from the date of invoice. Fee is lump-sum and will be invoiced in accordance with the Pricing table below. This proposal expires on 07-02-2026, after that a re-quote would be required.

The Owner and Custom Energy agree that the following milestones represent certain levels of completion for the EMP, O&M, and Compliance Forms.

- Site Walk: 50% completion
- Draft documents submitted to Owner: 90% completion
- Final documents submitted to Owner: 100% completion

PRICING (FULL TURN KEY)

Based on the possibility of funding options we have provided pricing per building as listed below.

Building Name	Square Feet	Tier	EMP	O&M Plan	Forms A-C	Forms H	Fee/Building
Building 15	21,600	2	$3,487	$3,487	$2,092	$0	$9,066
Building 17	24,300	2	$3,487	$3,487	$2,092	$0	$9,066
Building 18	49,200	2	$3,954	$3,954	$1,977	$0	$9,885
Building 19	28,000	2	$0	$0	$0	$2,924	$2,924
Building 20	49,900	2	$3,954	$3,954	$1,977	$0	$9,885
Building 3 (Exempt)	30,000	2	$0	$0	$0	$2,924	$2,924
Building 6 (Exempt)	20,650	2	$0	$0	$0	$2,924	$2,924
Building 7 (Exempt)	20,650	2	$0	$0	$0	$2,924	$2,924
MV-7 Lifestyle Wake	22,000	2	$3,487	$3,487	$2,092	$0	$9,066
Westlie Ford	30,000	2	$3,384	$4,061	$2,031	$0	$9,476

*Custom Energy cannot guarantee receipt of grants or incentives.

Total Price	**$68,140**
Tier 2 Early Adopter Incentive*	**-$59,100**
DES Fee	**$7,800**
Total Cost to Port of Camas-Washougal	**$16,840**

STATE OF WASHINGTON
DEPARTMENT OF ENTERPRISE SERVICES
1500 Jefferson St. SE, Olympia, WA 98501
PO Box 41476, Olympia, WA 98504-1476

July 29, 2026

TO: Trang Lam, Port of Camas-Washougal

FROM: Rachel Whitezel, Contracts Specialist, (360) 239-4134

RE Agreement No. 2027-011 A (1)
IGA - Port of Camas-Washougal CBPS Compliance Audit

IAA No. K10311

HE Solutions dba Custom Energy

SUBJECT: Funding Approval

The Dept. of Enterprise Services (DES), Energy Program, requires funding approval for the above referenced contract documents. The amount required is as follows:

ESCO Audit	$ 68,140.00
DES Energy Project Management Serv. (IAA Fee)	$ 7,800.00
Total Funding	**$ 75,940.00**

In accordance with the provisions of RCW 43.88, the signature affixed below certifies to the DES Energy Program that the above identified funds are appropriated, allotted or that funding will be obtained from other sources available to the using client/agency. The using/client agency bears the liability for any issues related to the funding for this project.

***Agency / State Board Project No.* _____**

By _____ _____
Name / Title **Date**

Please sign and return this form to the Energy Program. If you have any questions, please call me.

2027011AagrFundrw

STAFF REPORT

COMMISSION MEETING DATE: August 19, 2026

ITEM TITLE: Building 11 Insulation Public Works Contract

DEPARTMENT: Projects

SUBMITTED BY: Jennifer Taylor, Environmental/Project Manager & Nichole Chambers, Contract Manager

STAFF RECOMMENDATION: Recommend Award of Contract

SUMMARY:
Insulation in the ceiling of Building 11 is in good condition but does not meet current R-value standards. Bids were solicited from the small works roster for the Building 11 insulation retrofit project. Three bids were received on July 30, 2026. The lowest responsible bidder was Spray On Foam and Coatings, Inc. at $54,124.95.

BUDGET IMPACT:
This project was included in the 2026 Capital budget under the energy efficiency allocation for $50,000. The balance of this contract, $4,124.95, would come from the Port's contingency funds.

STRATEGIC PLAN or OTHER PLANS:
This project aligns with strategic goal OR-5, supporting the strategy to integrate the Port decarbonization plan across planning activities, assets, and operations.

SUSTAINABILITY IMPLICATIONS:
The project involves installation of R-21 insulation and vapor barrier over the existing R-21 in the ceiling of the 12,000 square feet warehouse space. This retrofit will bring the building into compliance with current standards and may reduce heating costs by up to 50%.

DIVERSITY, EQUITY & INCLUSION IMPLICATIONS:
N/A

PUBLIC WORKS
CONTRACT AGREEMENT

This contract is made and entered into by and between the Port of Camas-Washougal, hereinafter referred to as the "PORT", and the below named firm, hereinafter referred to as "CONTRACTOR".

Name (Contractor):	Spray On Foam and Coatings, Inc.
Project Name:	Building 11 Insulation
Port Project Number:	SPI-726S
Mailing Address:	PO Box 133
	Brush Prairie, WA 98606
Phone:	360.573.3131
WA State UBI Number:	600 417 957

In consideration of the commitments and conditions contained herein, including those set forth in Attachment "A" and any Exhibits hereto, incorporated herein as though fully set forth, the PORT and CONTRACTOR do agree as follows:

SCOPE OF WORK

CONTRACTOR to provide labor, materials and equipment for the Building 11 Insulation project in accordance with the CONTRACTOR'S proposal. The work will be performed in accordance with the Request for Quote (RFQ) documents dated July 16, 2026.

PERIOD OF PERFORMANCE

The period of performance under this contract will be from August 19, 2026, or date of execution, whichever is later, through November 30, 2026.

TERMINATION

The effective dates of this Agreement are as specified. Anything to the contrary herein notwithstanding, PORT or CONTRACTOR may terminate this agreement 30 days prior written notice to the other party. In the event of termination, all finished and unfinished work prepared by the CONTRACTOR pursuant to this Contract shall be provided to the PORT. In the event the PORT terminates this Contract prior to completion without cause, the CONTRACTOR may complete such analyses and records as may be necessary to place its files in order, and as mutually agreed to by the parties. The CONTRACTOR shall be entitled to receive just and equitable compensation for satisfactory work completed prior to the date of termination, not to exceed the total compensation set forth herein.

COMPENSATION

1. As full compensation for the performance of its obligations of this Agreement and the services to be provided, the PORT shall pay CONTRACTOR the maximum amount as specified in this Agreement. Such payment shall be the total compensation for all work performed under this Agreement, including but not limited to all labor, materials and supplies, incidental expenses, subcontractor's fees, reimbursable expenses, and equipment expenses.

2. This will be accomplished on a Lump Sum Basis and will not exceed $54,174.70, which includes WA State sales tax at 8.9% (effective July 1, 2026), without prior written approval from the Port.

3. To be eligible for payment, CONTRACTOR shall submit detailed numbered invoices showing description of work items being invoiced, work order number, title of project, total authorized, total current invoice, and balance of authorization. All invoices shall note "Prevailing wages have been paid in accordance with the approved Intent." Invoices shall be sent directly to the attention of Accounts Payable, at 24 South A Street, Washougal, WA 98671. Payment shall be made through the Port's ordinary payment process and shall be considered timely if made within 30 days of receipt of a properly completed invoice.

4. The PORT may withhold payment to the CONTRACTOR for any work not completed to the PORT'S satisfaction, until such time as the CONTRACTOR modifies such work to the satisfaction of the PORT.

5. All payments shall be subject to adjustment for any amounts, upon audit or otherwise, determined to have been improperly invoiced.

6. In the event CONTRACTOR incurs cost in excess of the sum stated above, CONTRACTOR shall pay such excess from its own funds, and the PORT shall not be required to pay any part of such excess, and CONTRACTOR shall have no claim against the PORT on account thereof.

7. Prevailing wages must be paid, rates are published on the WA Department of Labor & Industry (L&I) website at: https://www.lni.wa.gov/licensing-permits/public-works-projects/prevailing-wage-rates/. The project will be performed in Clark County. The Port

also has a hard copy of the rates available on request. Per RCW 39.12 Section 5 (2) a copy of certified payroll records shall be filed with the Department of L&I using its online system.

CHANGE ORDERS

A Change Order is a written order signed by the PORT and the CONTRACTOR and issued after execution of the Contract, authorizing a change in the Work and/or adjustment in the date of contract closing. The amount of the Contract and the closing date can be changed only by Change Order. The PORT, without invalidating the Contract, may order changes in the Work within the general scope of the Contract consisting of additions, deletions or other revisions, and the amount of the Contract shall be adjusted accordingly. Any addition or deletion requiring an adjustment to the cost or date of the contract must be approved by both parties by Change Order prior to execution.

PAYMENT & PERFORMANCE BONDS

CONTRACTOR shall, at the time of delivery of this contract, furnish duly executed bonds, upon forms furnished or approved by the PORT, signed by an approved surety or sureties authorized to do business in the State of Washington, in the full amount of the contract price plus change orders, conditioned upon the faithful performance of the contract by the CONTRACTOR within the time prescribed therein. Such bond shall provide that the surety or sureties will agree to protect and indemnify the PORT against any direct or indirect loss that shall be suffered or claimed by reason of any or all of the following:

A. The failure of the CONTRACTOR or any of the CONTRACTOR'S employees, subcontractors or agents to faithfully perform the said contract, or
B. The failure of the CONTRACTOR to pay all laborers, mechanics, subcontractors, agents, material men, and all persons who shall supply such CONTRACTOR, subcontractor or agents with provision or supplies for carrying on such work.

At any time and as often as may be deemed necessary, the PORT may require any or all sureties or any surety company to appear and qualify themselves upon the bond. Whenever such surety or sureties are deemed by the PORT to have become insufficient, the PORT may demand in writing that the CONTRACTOR furnish additional surety in an amount not exceeding that originally required as may be deemed necessary considering the work remaining to be done. No further payments will be made on the contract until such additional surety a required is furnished.

RETAINAGE (Check one option)

[ ] Retainage Held by Port: Contractor specifically acknowledges that five percent (5%) of all payments that would otherwise be payable to Contractor shall be subject to retainage pursuant to the requirements of RCW 60.28.011. Upon completion of the work by Contractor

under the terms of this agreement and upon final acceptance by the Port, the Port will make final payment to Contractor of the balance due. Payment will be made within thirty (30) days of receipt of (1) all approved "Affidavits of Wages Paid" by the Contractor and subcontractors and (2) all certificates of release from the Washington State Department of Labor and Industries, Department of Revenue, and Employment Security to release the retainage.

[ ] Retainage Held by Port: For projects under $150,000, IN LIEU OF PROVIDING PAYMENT AND PERFORMANCE BONDS, Contractor specifically acknowledges that ten percent (10%) of all payments that would otherwise be payable to Contractor (authorized under RCW 39.08.010) shall be subject to retainage pursuant to the requirements of RCW 60.28.011.

PORT OF CAMAS-WASHOUGAL	**SPRAY ON FOAM AND COATINGS, INC.**
BY: _____	BY: _____
NAME: Trang Lam	NAME: Nick Urban
TITLE: Executive Director	TITLE: Vice President
DATE: _____	DATE: _____

Attachment A
Standard Terms

1. Representatives

   The Port's Project Manager and Contractor's Representative for this Agreement are as specified. Alternate representatives may be appointed by either party with written notice to the other party.

2. Key Personnel

   The Contractor's key personnel, as described in Contractor's selection submittals, shall remain assigned for the duration of the Project unless otherwise agreed to by the Port.

3. Contract Administration, Records, and Right to Audit

   All communications with the Port will be through the Port's Project Manager. The Project Manager shall provide Contractor with all information and documents pertinent to the services Contractor is to perform.

   Until the expiration of six years after the term of this Agreement, Contractor agrees to maintain accurate records of all work done in providing services specified by the Agreement and to deliver such records to the Port upon termination of the Agreement or otherwise as requested by the Port.

   Upon the Port's request, Contractor shall make available to the Port all accounts, records, and documents related to the Scope of Work for the Port's inspection, auditing, or evaluation during normal business hours as reasonably needed by the Port to assess performance, compliance, and/or quality assurance under this Agreement.

4. Relationship of Parties

   Contractor, is and shall be at all times during the term of this Contract, an independent Contractor, and not an employee of the Port Nothing contained herein shall be deemed to create a relationship of employer and employee or of principal and agent.

   This Agreement shall be for the sole benefit of the parties hereto, and nothing contained herein shall create a contractual relationship with, or create a cause of action in favor of, a third party against either party hereto.

5. Conflict of Interest

   No officer, employee or agent of the Port who exercises any function or responsibilities in connection with the planning and carrying out of the program to which this Agreement pertains, nor any member of the immediate family of any such officer, employee or agent shall have any personal financial interest, direct or indirect, in this Agreement, either in fact or in appearance. Contractor further covenants that in performance of this Agreement, no person having any such interest shall be employed.

6. Compliance with Laws

   Contractor shall, during the term of this Agreement, comply with all local, state, tribal and federal laws and regulations applicable to the project, including building codes, environmental protections, and permitting regulations existing at the time this Agreement was executed and those regarding employee safety, health, the workplace environment, and employment eligibility verifications as required by the Immigration and Naturalization Service.

   Contractor certifies that it has, or shall obtain prior to starting work under this Agreement, all licenses, registrations, permits and/or any other authorization required under federal, state, local or tribal law to perform the work as defined in this Agreement. Contractor agrees to indemnify and hold the Port harmless from and against any claims or demands made or brought against the Port and for costs (including, but not limited to attorneys' fees and costs), the Port incurs due to the Contractor's failure to: (1) comply with all applicable laws and regulations, and/or (2) have or maintain the required licenses, registrations, permits and/or other authorizations, as required by this Agreement.

   In the event Contractor fails to pay any taxes, assessments, penalties, or fees imposed by any governmental body, including a court of law, then Contractor authorizes the Port to deduct and withhold or pay over to the appropriate governmental body those unpaid amounts upon demand made to the Port by the governmental body. Any such payments shall be deducted from Contractor's total compensation.

   The Port shall furnish Contractor with the information required by the Hazard Communication standard for materials preexisting on the project site. Contractor will ensure that this information is made available to the Contractor's personnel and subcontractors, and incorporated into the contract documents as appropriate.

7. Ownership of Work

The services to be performed by Contractor shall be deemed instruments of service for purposes of the copyright laws of the United States. The Port has ownership rights to the plans, specifications, and other products prepared by the Contractor. Contractor shall not be responsible for changes made in the plans, specifications or other products by anyone other than the Contractor. Contractor shall have free right to retain, copy and use any tangible materials or information produced but only for its own internal purposes. Use of documents or other materials prepared under this Agreement for promotional purposes shall require the Port's prior consent.

8. Standard of Care

Contractor shall perform its work to conform to generally accepted professional standards. Contractor shall be responsible for the professional quality, technical adequacy and accuracy, timely completion and coordination of all plans, designs, drawings and specifications prepared under this Agreement. Contractor shall, without additional compensation, correct or revise any errors or omissions in such work.

9. Disclosure

All information developed by the Contractor and all information made available to the Contractor by the Port, and all analyses or opinions reached by the Contractor shall be confidential and shall not be disclosed by the Contractor without the written consent of the Port.

10. Deliverables

All tangible materials produced as a result of this Agreement shall be prepared as specified by the Port's Project Manager. Delivery of materials produced shall consist both of the tangible materials and one copy of any computer file used in the creation of the tangible product submitted electronically in a PDF format or other format specified by the Port. Deliverable drawings shall be prepared in accordance with the Port's "Contractor Drawing Submittal Procedure" and "Technical Specification Development Procedure". The Port may offset from the Contractor's fee expenses incurred by the Port in correcting drawings or specifications not prepared in accordance with the Port's procedure.

11. Indemnification

Contractor shall indemnify, defend, and hold harmless the Port, its officials, officers, agents, and employees from any and all claims, damages, lawsuits, liabilities, losses, liens, expenses and costs arising out of the subject matter of this Agreement; provided that this provision shall not apply to the extent that damage or injury results from the fault of the Port, or its officers, agents, or employees. The term "fault" as used herein shall have the same meaning as set forth in RCW 4.22.015, as that statute may be amended.

Should a court of competent jurisdiction determine that this Agreement is subject to RCW 4.24.115, then, in the event of liability for damages arising out of bodily injuries or damages to property caused by or resulting from the concurrent negligence of the Contractor and the Port, its officers, officials, employees and volunteers, the Contractor's liability hereunder shall be only to the extent of the Contractor's negligence.

It is further specifically and expressly understood that the indemnification provided herein constitutes the Contractor's waiver of immunity under Industrial Insurance, Title 51 RCW, solely for the purposes of this indemnification. CONTRACTOR RECOGNIZES THAT THIS WAIVER WAS THE SUBJECT OF MUTUAL NEGOTIATION.

The indemnification shall extend to and include attorney's fees and the cost of establishing the right of indemnification hereunder in favor of the Port. This indemnification shall survive the termination of this Agreement.

12. Insurance

Contractor shall obtain and keep in force during the terms of the Agreement, or as otherwise required, the following insurance with companies or through sources approved by the State Insurance Commissioner pursuant to RCW 48.

a. Worker's Compensation and Employer's Liability insurance as required by the State.

b. Commercial General Liability insurance in the amount of at least $1,000,000 per occurrence; $2,000,000 general aggregate.

c. Automobile Public Liability Insurance coverage with total liability limits for Bodily Injury Liability and Property Damage Liability in the amount of $1,000,000 per accident.

d. All policies shall be issued by a company having an A. M. Best rating of A:VI or better. Each insurance policy shall be endorsed to state that coverage shall not be suspended, voided, canceled or reduced in coverage or limits except after 45 days prior written notice has been given to the Port. The Port shall be named as an additional insured on all policies on ISO Form CG 20 10 Form B. The certificates of insurance shall specify the project name, project number, and contract number.

e. The Contractor must furnish the Port with verification of insurance and endorsements prior to any release of funds.

f. Contractor shall ensure that each subconsultant of every tier obtain at a minimum the same insurance coverage and limits as stated herein for the Contractor. Upon request from the Port, the Contractor shall provide evidence of such insurance.

13. Competitive Specification

If the scope of work includes development of specifications:

Contractor shall provide for the maximum use of materials, equipment, construction methods and products that are readily available through competitive procurement, or through standard or proven production techniques.

Contractor shall not produce a design or specification which would be restrictive or written in a manner as to contain proprietary requirements other than those based on performance, unless such requirements are necessary to demonstrate a specific outcome or to provide for necessary interchangeability of parts and equipment. Contractor shall justify in writing the use of any sole source. Where brand names are identified, they shall be followed by the salient product performance characteristics and the words "or approved equal" so that comparable quality or utility may be determined.

14. Time

Time is of the essence in the performance by the Contractor of the services required by this Agreement. The Contractor shall complete its services within the milestones set forth in the project schedule. At the end of each month the Contractor shall submit a copy of the current schedule and a written narrative description of the work accomplished, identifying scheduled milestones and the status thereof. The Contractor shall also address issues, which may result in completion beyond the established schedule or budget.

If the time allotted for completion of Contractor's services is exceeded through no fault of Contractor, additional time to complete performance may be allowed if written notice of the cost and estimated length of the delay is given to the Port within forty-eight (48) hours of Contractor's learning of the delay. Contractor will provide such additional supporting data as the Port may require in a timely manner. The sole remedy in the event of a delay, whatever its cause, is an extension of time for performance.

The Port may suspend this Agreement, at its sole discretion, upon one week's advance notice to Contractor. Such notice shall indicate the anticipated period of suspension. Any reimbursement for expenses incurred due to the suspension shall be limited to Contractor's reasonable expenses, and shall be subject to verification. Contractor shall resume performance of services under this Agreement without delay when the suspension period ends.

15. Assignability

Contractor shall not assign any interest in this Agreement and shall not transfer any interest in the Agreement to any party without prior written consent of the Port.

16. Disputes

If a dispute arises relating to this Agreement and cannot be settled through direct discussions, the parties agree to endeavor to settle the dispute through a mediation firm acceptable to both parties, the cost of which shall be divided equally. The Port reserves the right to join any dispute under this Agreement with any other claim in litigation or other dispute resolution forum, and the Contractor agrees to such joinder, so that all disputes related to the project may be consolidated and resolved in one forum. Venue for any litigation shall be the Clark County Superior Court of the state of Washington and the prevailing party shall be entitled to recover its costs and reasonable attorney fees.

17. Non-Discrimination

During the term of this Agreement, the Contractor shall not create barriers to open and fair opportunities to participate in Port contracts or to obtain or compete for contracts and subcontracts as sources of supplies, equipment, construction and services. During the performance of this Agreement, neither the Contractor nor any party subcontracting under the authority of this Agreement shall discriminate nor tolerate harassment on the basis of race, color, sex, religion, nationality, creed, marital status, sexual orientation, age, or the presence of any sensory, mental, or physical disability in the employment or application for employment or in the administration or delivery of services or any other benefits under this Agreement.

The selected Contractor shall comply fully with all applicable federal, state and local laws, ordinances, executive orders and regulations that prohibit such discrimination including RCW Chapter 49.60. The Contractor further agrees to comply with all applicable civil rights statutes and implementing regulations.

The Contractor shall cause the foregoing provision to be inserted in all subcontracts for any work covered by this Agreement so that such provisions shall be binding upon such third parties,

18. Safety.

Contractor expressly agrees that it shall be solely responsible for supervising its employees, that it shall comply with all rules, regulations, orders, standards and interpretations promulgated pursuant to the Occupational Safety and Health Act of 1970 [and to the Occupational and Safety Health Act of the State of Washington, including but not limited to training, provision of personal protective equipment, adherence to all appropriate lock out/tag out procedures, and providing all notices, material safety data sheets, labels, etc. required by the right-to-know standard.

19. Governing Law and Venue.

Washington law shall govern the interpretation of this Agreement. Clark County shall be the venue of any mediation, arbitration or litigation arising out of this Agreement.

20. Waiver.

A waiver of failure by either party to enforce any provision of this Agreement shall not be construed as a continuing waiver of such provision(s), nor shall the same constitute a waiver of any other provision of this Agreement.

21. Severability and Survival.

If any term, condition or provision of this Agreement is declared void or unenforceable or limited in its application or effect, such event shall not affect any other provisions hereof and all other provisions shall remain fully enforceable. The provisions of this Agreement, which by their sense and context are reasonably intended to survive completion, expiration of cancellation of this Agreement, shall survive termination of this Agreement.

22. Equal Opportunity to Draft.

The parties have participated and had an equal opportunity to participate in the drafting of this Agreement, and the Exhibits, if any, attached. No ambiguity shall be construed against any party upon a claim that that party drafted the ambiguous language.

23 Captions.

The captions used herein are for convenience only and are not a part of this Agreement and do not in any way limit or amplify the terms and provisions hereof.

24. Concurrent Originals.

This Agreement may be signed in counterpart originals.

25. Entire Agreement.

This Agreement represents the entire and integrated understanding between the Port and Contractor and may be amended only by written instrument signed by both the Port and Contractor. All previous or contemporaneous agreements, representations or promises and conditions relating to the subject matter of this Agreement are superseded hereby.

26. Authority to Enter Into This Agreement

The undersigned Contractor representative, by his/her signature below, represents and warrants that he/she is duly authorized to execute this legally binding Agreement for and on behalf of Contractor and further represents and warrants that he/she acknowledges reading this Agreement, understands it and agrees to be bound by its Terms and Conditions.