PORT of OLYMPIA
Serving All of Thurston County

Commission Meeting
Monday, November 23, 2026
4:00 p.m.

Percival Plaza – Olympics Room
626 Columbia Street NW, Suite 1-B
Olympia, WA 98501

The meeting agenda is available on the Port's website as of November 18, 2026.
https://www.portolympia.com/commission

AGENDA

A. Call to Order

B. Pledge

C. Approval of Agenda

D. Executive Director Report

E. Public Comment
NOTE: Guidelines for public comment can be found in the Commission Rules in Resolution 2026-02 Article VI.
- *Comments should be directed to Commission*: Comments should be directed to the Commission as a whole and should not include comments about individual Port staff or members of the public.
- *Courtesy*: All speakers (members of the public, Port staff, and Commissioners) shall be courteous in language and demeanor and shall confine remarks to those facts that are germane and relevant to the question or issue under discussion.

F. Commission Response to Public Comment / Follow-Up to Public Comment

G. Consent Calendar
1. Olympia Hangar #2 Lease Amendment
2. Minutes: October 19, 2026 Work Session; and November 9, 2026 Executive Session

H. Action Calendar
1. 2027 Budget, Capital Investment Plan and Tax Levy Approval: Alex Smith, Executive Director and Brent Barnes, Director of Enterprise Services
2. Airport FBO Building Surplus and Sale, Vesper Aviation Ground Lease, and Glacier Aviation Lease Termination: Mike Reid, Director of Community and Economic Development

I. Action/Other Calendar
   1. None

J. Advisory Calendar
   1. Commission Governance Resolutions – Revised Drafts: Alex Smith, Executive Director

K. Commissioner Reports
   1. POCAC Attendees Report Out
   2. General Reports

L. Additional Public Comment
   This time is devoted to individuals who could not arrive at or register for the meeting earlier. Public comment at this time is for those members of the public who did not submit public comment previously during the current meeting.

M. Other Business
   1. None

N. Meeting Announcements

O. Executive Session pursuant to RCW 42.30.110(1)(g) to review the performance of a public employee. *The executive session is expected to last approximately 60 minutes with no action to be made or decisions to follow.*

P. Adjourn

Attendance and Public Comment Hybrid Meeting Information

Attend Remote or In-Person
The public are welcome to attend the meeting in person, or may view or listen to the meeting using one of the following platforms:

In-Person:	Percival Plaza – Olympics Room 626 Columbia Street NW, Suite 1-B Olympia, WA 98501
Zoom:	Go to http://www.zoom.us/join and enter Webinar ID 839 4555 2820 and Passcode 009286. *Instructions and access details (a link to the meeting) will be emailed to you once a short registration form is complete. (Check Spam or Junk folder and move Zoom link email to your Inbox to view/access link.)*
YouTube:	www.youtube.com/@portofolympia1922
Phone:	Call (253) 215-8782, listen for the prompts and enter Webinar ID 839 4555 2820 and Passcode 009286.

Verbal Public Comment
Those wishing to provide verbal public comment may do so in-person or by Zoom:

In-Person:	Use the sign-up sheet located at the meeting location.
Virtual / via Zoom:	**Must pre-register** using the following Zoom link no later than five (5) minutes after the meeting has commenced: https://us06web.zoom.us/webinar/register/WN_C6Ko0OI8RdO9cnyFVxQwFw *Instructions and access details (a link to the meeting) will be emailed to you once registration is complete. (Check Spam or Junk folder and move Zoom link email to your Inbox to view/access link.) Registration for remote/virtual verbal public comment closes six (6) minutes after the meeting has commenced.*

Written Public Comment
Written public comment may be submitted to commissioncoordinator@portolympia.com by 12:00 p.m. on the date of the meeting. All written comments will be compiled and sent to the Commissioners prior to the meeting.

COVER MEMO	
Briefing Date:	November 23, 2026
Staff Contact/Title:	Warren Hendrickson, Director of Operations, Acting Airport Senior Manager, 360-528-8074, warrenh@portolympia.com
Subject:	Olympia Hangar Project #2 LLC Lease Amendment No. 7
Purpose:	☐ Information Only ☒ Decision Needed

Type of Agenda Item:

- Consent Calendar. Approval requested.

Tenant Overview:

Lease Name:	Olympia Hangar Project #2 LLC
Leased Address:	7849 Old Highway 99 SE, Olympia Regional Airport
Lease Type:	Ground Lease
Lease Effective Date:	April 25, 2005
Original Term:	30 years (5/1/2005 – 4/30/2035)
Amended Terms:	Term extended to 4/30/2048 by Amendment No. 3 in 2013 One 10-year option
Use:	Maintenance shop space, aircraft storage, line service, aviation maintenance, and charter operations.

Background:

The Port entered into a Ground Lease with Earl Pearson d/b/a Pearson Air, Inc. on April 25, 2005 for approximately 46,440 sq ft (1.066 acres) at the Olympia Regional Airport for aviation uses.

The lease was assigned to Pearson & Pearson dba Pearson Leasing in 2009, then to Dan Pearson and to Olympia Hangar Project #2 LLC by assignments dated March 20, 2013.

The lease has been amended six times:

- No. 1 (2008) adjusted rent and surety;
- No. 2 (2012) adjusted the premises boundary;
- No. 3 (2013) extended the term to April 30, 2048 and added one 10-year option;
- No. 4 (2014) revised the premises exhibit;
- No. 5 (2017) revised the rent calculation, including a 6% escalation every three years beginning July 1, 2017;
- No. 6 (June 22, 2026) revised the exhibit to 46,392 sq ft, set rent at $1,415.31/month effective July 1, 2026, set surety at $19,164.48, updated the

notice address, and required Tenant to deliver a formal boundary line survey by September 30, 2026.

Tenant has fully complied with the Amendment 6 requirement and delivered the formal boundary line survey to the Port in a timely manner: "Olympia Hangars Project #2 Survey - Updated 2026."

This Amendment No. 7:

1. Replaces Exhibit D with the 2026 Survey, establishing a slightly increased premises area to approximately 47,223 sq ft, with this survey now controlling over any prior description, and acknowledges that Tenant's survey obligation under Amendment No. 6 is satisfied; and
2. Effective January 1, 2027, sets Monthly Minimum Ground Rent at $1,440.30 plus LET, based on $0.366/sq ft/year x 47,223 sq ft ($17,283.62/yr); and
3. Moves the every-third-year 6% escalation from a July 1 to a January 1 cycle, next occurring January 1, 2030 and every third year thereafter through April 30, 2048; and
4. Provides that if the extension option is exercised, rent commencing May 1, 2048 shall comply with the then-current Commission policy and rates but not less than the rent in effect April 30, 2048; and
5. Escalates surety in the same manner as rent.

All other lease terms remain in full force and effect.

Summary and Annual Financial Impact:

- Current monthly lease payment effective 7/1/2026:
  - $1,415.31 plus LET ($181.73)
  - Annual: $16,983.72
- Monthly payment effective 1/1/2027:
  - $1,440.30 plus LET ($184.93)
  - Annual: $17,283.60
- Increase: $24.99/month; $299.88/year, reflecting the additional 831 square feet of premises confirmed by the 2026 survey (47,223 less 46,392 square feet)
- Surety:
  - $19,164.48 currently
  - $19,502.76 effective 1/1/2027, escalating as required with increasing rent

- Future scheduled rent table:
    - 1/1/2030 $1,526.72
    - 1/1/2033 $1,618.32
    - 1/1/2036 $1,715.42
    - 1/1/2039 $1,818.35
    - 1/1/2042 $1,927.45
    - 1/1/2045 $2,043.09
    - 1/1/2048 through end of term 4/30/2048: $2,165.65
- Option term 5/1/2048 through 4/30/2058), if selected:
    - Then-current Commission rate, no less than the 4/30/2048 rent

Alignment with Vision 2050:

This amendment supports Vision 2050:

- Airport Functions Goal: Maximize the economic and community value of the Olympia Regional Airport in accordance with FAA Master Plan regulations.
    - This lease amendment retains an established aviation tenant providing aircraft storage, maintenance and charter services, and supports the airport's role as an aeronautical services hub.

Environmental Considerations:

The premises are located at the Olympia Regional Airport. The amendment makes no change to use or improvements and does not create new environmental impacts. Tenant remains subject to the lease's hazardous substances, storage tank license and compliance provisions. and to the Airport's Rules and Regulations and Minimum Standards for Commercial Activities.

Alternatives Considered

1. Approve Olympia Hangar Project #2 LLC Lease Amendment No. 7.

Result: The leased premises are accurately defined by the 2026 survey, rent and surety reflect the confirmed square footage at the current Commission rate, and the escalation schedule is simplified to a January 1 cycle through the end of the term.

2. Do not approve Olympia Hangar Project #2 LLC Lease Amendment No. 7.

Result: The amendment terminates for lack of ratification; the premises remain as described by the Amendment No. 6 exhibit (46,392 square feet), rent is reduced below the actual square footage (the Port forgoes rent on the additional 831 square feet confirmed by survey), and rent remains on the July 1 escalation cycle.

Staff Recommendation:
Approve Lease Amendment No. 7 as presented, authorizing Executive Director Alex Smith to execute the lease document on behalf of the Port.

Documents Attached:
Copy of Lease Amendment No. 7 (including Exhibit D, 2026 Survey)

LEASE AMENDMENT NO. 7

PORT OF OLYMPIA GROUND LEASE

OLYMPIA REGIONAL AIRPORT

THIS LEASE AMENDMENT NO. 7 ("Amendment") is made this ____ day of _____, 2026, by and between the PORT OF OLYMPIA, a Washington municipal corporation (hereinafter referred to as the "Port"), as Lessor, and OLYMPIA HANGAR PROJECT #2 LLC, a Washington limited liability company (hereinafter referred to as "Tenant"), as Lessee.

WITNESSETH:

WHEREAS, the Port and Tenant's predecessor in interest entered into a Ground Lease dated April 25, 2005 ("Lease"), covering certain premises owned by the Port and leased to EARL PEARSON d/b/a PEARSON AIR, INC. ("Pearson Air") for the storage, minor repair, and preventive maintenance of aircraft; and

WHEREAS, the Port and Pearson Air amended the Lease by Lease Amendment No. 1 dated August 18, 2008, for the purpose of adjusting the rent and subsequently adjusting the surety requirement accordingly; and

WHEREAS, Pearson Air assigned all of its right, title and interest in and to the Lease and the premises to PEARSON & PEARSON, dba PEARSON LEASING ("P&P") by Assignment of Lease dated November 23, 2009; and

WHEREAS, the Port and P&P amended the Lease by Lease Amendment No. 2 dated July 19, 2012, for the purpose of amending the Lease Exhibit "D" to reflect a boundary adjustment and adjusting the rent and the surety requirement accordingly; and

WHEREAS, the Port and P&P amended the Lease by Lease Amendment No. 3 dated March 13, 2013, for the purpose of extending the lease term and providing for an option to extend the term; and

WHEREAS, P&P assigned all of its right, title and interest in and to the Lease and the premises to DAN PEARSON by Assignment dated March 20, 2013, and Dan Pearson assigned all of his right, title and interest in and to the Lease and the premises to Tenant by Assignment dated March 20, 2013; and

WHEREAS, the Port and Tenant amended the Lease by Lease Amendment No. 4 dated August 14, 2014, for the purpose of revising the leased premises with a new Exhibit "D," subsequently adjusting the rent and surety requirement accordingly; and

WHEREAS, the Port and Tenant amended the Lease by Lease Amendment No. 5 dated April 3, 2017, for the purpose of revising the manner in which the rent is calculated and adjusted, including a six percent (6%) rent escalation effective July 1, 2017, and every three (3) years thereafter; and

WHEREAS, the Port and Tenant amended the Lease by Lease Amendment No. 6 dated June 22, 2026, for the purpose of revising the lease exhibit, revising the term of the parking lot improvements, revising the rental rate, adjusting the surety amount, and updating the notice

address, and in which Tenant agreed to complete a formal boundary line survey with legal description and provide it to the Port; and

WHEREAS, Tenant has delivered the boundary line survey entitled "Olympia Hangars Project #2 Survey," updated 2026 (the "2026 Survey"), and the Port and Tenant now desire to amend the Lease for the purpose of adopting the 2026 Survey as the exhibit depicting the leased premises, revising the rental rate, and revising the rent escalation schedule.

NOW THEREFORE, IT IS HEREBY MUTUALLY AGREED that the Lease between the parties shall be amended as follows:

1. Paragraph 1, LEASE SUMMARY, LEASED PREMISES, shall be amended as follows:

   Exhibit "D" Revised Leased Premises attached to Lease Amendment No. 6 is deleted in its entirety and replaced with the 2026 Survey, attached hereto and incorporated herein as Exhibit "D" Revised Leased Premises (2026 Survey). The Leased Premises consist of approximately 47,223 square feet, as depicted and described in the 2026 Survey. In the event of any conflict between the 2026 Survey and any prior description or depiction of the Leased Premises, the 2026 Survey shall control.

   The Port acknowledges that delivery of the 2026 Survey satisfies Tenant's boundary line survey obligation under paragraph 1 of Lease Amendment No. 6.

2. Paragraph 1, LEASE SUMMARY, RENT, shall be amended as follows:

   Effective January 1, 2027, the Monthly Minimum Ground Rent shall be One Thousand Four Hundred Forty Dollars and Thirty Cents ($1,440.30), plus applicable Washington State Leasehold Excise Tax ("LET"), calculated at the current rate of $0.366 per square foot per year applied to 47,223 square feet (47,223 sq ft x $0.366 = $17,283.62 per year, or $1,440.30 per month).

   The six percent (6%) escalation under paragraph 1 of Lease Amendment No. 5 shall next occur on January 1, 2030, and on January 1 of every third (3rd) year thereafter through the expiration of the initial term on April 30, 2048. On each escalation date, the Monthly Minimum Ground Rent shall increase by six percent (6%) of the Monthly Minimum Ground Rent payable immediately before that date. The July 1 escalation schedule under Lease Amendment No. 5 shall no longer apply.

   If Tenant exercises its option to extend under Lease Amendment No. 3, then, effective May 1, 2048, the Monthly Minimum Ground Rent, all rental adjustments, and the times at which they are made shall be determined under the Port Commission policy and rates then in effect, provided that the Monthly Minimum Ground Rent at the start of the extension term shall not be less than the Monthly Minimum Ground Rent in effect on April 30, 2048.

Dates	Rent	LET	Surety
1/1/27-12/31/29	$1,440.30	$184.93	$19,502.76
1/1/30-12/31/32	$1,526.72	$196.03	$20,673.00
1/1/33-12/31/35	$1,618.32	$207.79	$21,913.32
1/1/36-12/31/38	$1,715.42	$220.26	$23,228.16
1/1/39-12/31/41	$1,818.35	$233.48	$24,621.96
1/1/42-12/31/44	$1,927.45	$247.48	$26,099.16
1/1/45-12/31/47	$2,043.09	$262.33	$27,665.04
1/1/48-04/30/48	$2,165.65	$278.07	$29,324.64

3. Paragraph 1, LEASE SUMMARY, SURETY, shall be amended as follows: The Surety will escalate at the same time and at the same manner as the rent as shown in the above chart.

THE REST AND REMAINDER OF THE LEASE shall remain in full force and effect, and is affirmed and ratified by the signatures of the parties.

SIGNATURES ON NEXT PAGE

LESSOR: PORT OF OLYMPIA

By: _____

Alexandra K. Smith, Executive Director

TENANT/LESSEE: OLYMPIA HANGAR PROJECT #2 LLC

By: Jeffry J Powell

Jeffry J. Powell, Managing Member

STATE OF WASHINGTON)

) ss

COUNTY OF THURSTON)

I certify that I know or have satisfactory evidence that ALEXANDRA K. SMITH is the person who appeared before me, and said person acknowledged that she signed this instrument, on oath stated that she was authorized to execute the instrument and acknowledged it as the Executive Director of the Port of Olympia, a municipal corporation, to be the free and voluntary act of such party for the uses and purposes mentioned in this instrument.

DATED this 4th day of November, 2026.

Lael Gesswein

Print Name: Lael Gesswein

NOTARY PUBLIC in and for the State of Washington, residing at Tumwater, WA

My appointment expires: August 7th 2030

LAEL GESSWEIN
NOTARY PUBLIC
STATE OF WASHINGTON
COMM # 202160
APPOINTMENT EXPIRES August 07, 2030

STATE OF WASHINGTON)

) ss

COUNTY OF THURSTON)

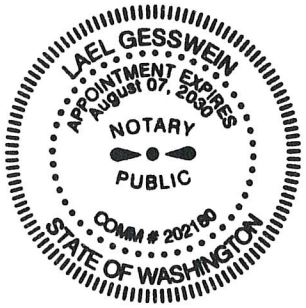
I certify that I know or have satisfactory evidence that JEFFRY J. POWELL is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the Managing Member of Olympia Hangar Project #2 LLC, a Washington limited liability company, to be the free and voluntary act of such party for the uses and purposes mentioned in this instrument.

DATED this 4th day of November, 2026.

Print Name: Lael Gesswein

NOTARY PUBLIC in and for the State of Washington, residing at Tumwater, WA

My appointment expires: August 7th 2030



RATIFICATION PROVISION

This Amendment No. 7 shall be subject, as a condition subsequent, to ratification by the Port of Olympia Commission within thirty (30) days after the date set forth on Page 1. This Amendment No. 7 shall be effective and binding on the parties until such time, and thereafter if ratified. If this Amendment No. 7 is not ratified as required herein, then it shall terminate and be of no further force and effect. The undersigned confirms that this Amendment No. 7 was ratified by the Port of Olympia Commission on _____, 2026.

PORT OF OLYMPIA COMMISSION

By: _____

Its: President

STATE OF WASHINGTON)

) ss

COUNTY OF THURSTON)

On this ____ day of _____, 2026, personally appeared before me _____, to me known to be the President of the Port of Olympia Commission, the municipal corporation named in the within Amendment No. 7, and said person acknowledged that he/she signed the same on its behalf, as he/she is so authorized to do, as the free and voluntary act and deed of such party for the uses and purposes therein mentioned. In witness whereof, I have hereunto set my hand and seal the day and year above written.

_____

Printed Name: _____

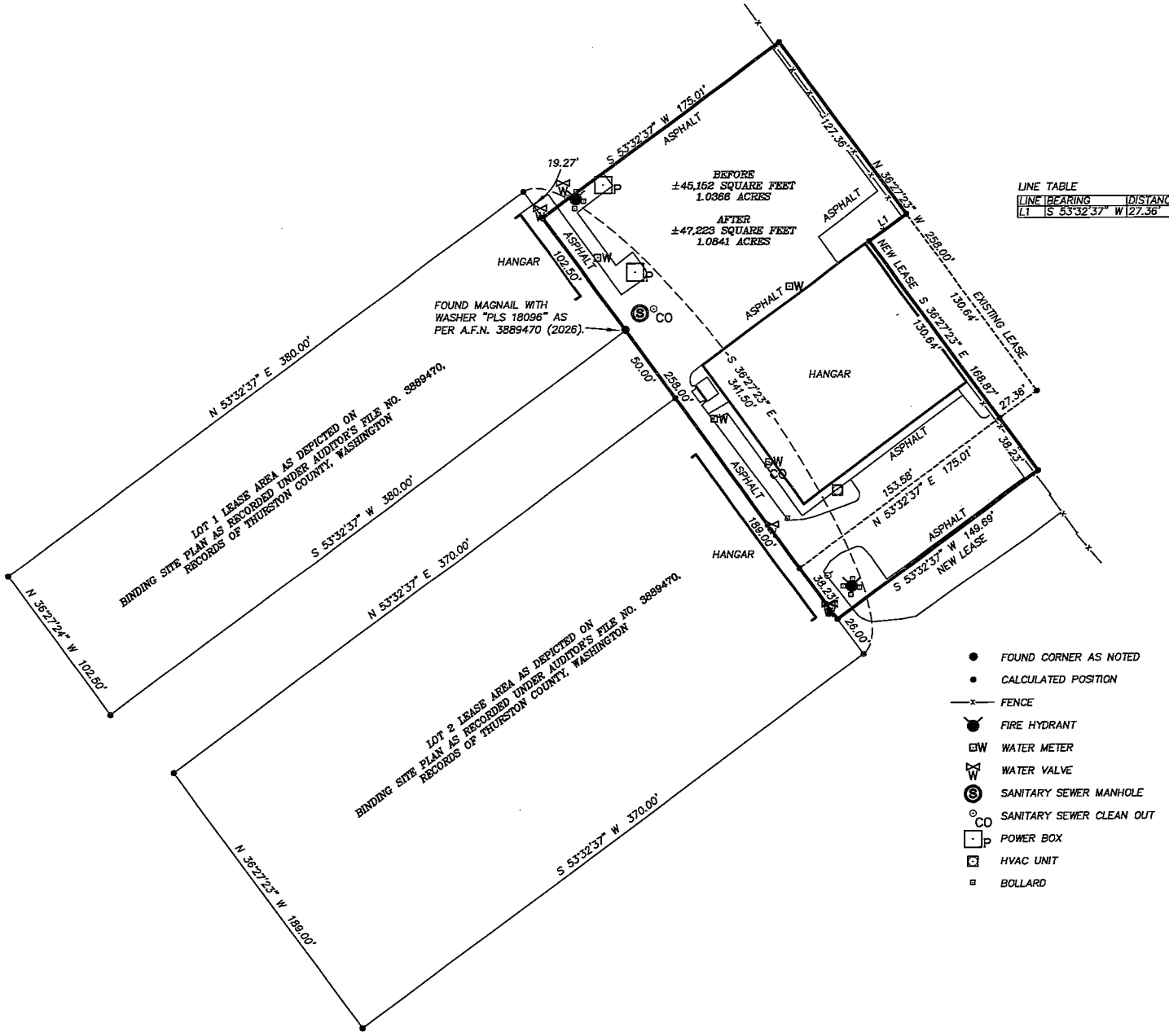
Notary Public in and for the State of Washington, residing at _____

My commission expires: _____

EXHIBIT D

REVISED LEASED PREMISES (2026 SURVEY)

Revised Lease Area: approximately 47,223 square feet


BEFORE
±45,152 SQUARE FEET
1.0366 ACRES
AFTER
±47,223 SQUARE FEET
1.0841 ACRES
HANGAR
ASPHALT
FOUND MAGNAIL WITH WASHER "PLS 18096" AS PER A.F.N. 3889470 (2026).
LOT 1 LEASE AREA AS DEPICTED ON BINDING SITE PLAN AS RECORDED UNDER AUDITOR'S FILE NO. 3889470, RECORDS OF THURSTON COUNTY, WASHINGTON
LOT 2 LEASE AREA AS DEPICTED ON BINDING SITE PLAN AS RECORDED UNDER AUDITOR'S FILE NO. 3889470, RECORDS OF THURSTON COUNTY, WASHINGTON
NEW LEASE
EXISTING LEASE
S 53°32'37" W 175.01'
N 36°27'23" W 259.00'
N 53°32'37" E 380.00'
S 53°32'37" W 380.00'
N 53°32'37" E 370.00'
S 53°32'37" W 370.00'
N 36°27'24" W 102.50'
N 36°27'23" W 189.00'
S 36°27'23" E 341.50'
S 36°27'23" E 168.87'
N 53°32'37" E 175.01'
S 53°32'37" W 149.69'
LINE TABLE
LINE | BEARING | DISTANCE
L1 | S 53°32'37" W | 27.36'
FOUND CORNER AS NOTED
CALCULATED POSITION
FENCE
FIRE HYDRANT
WATER METER
WATER VALVE
SANITARY SEWER MANHOLE
SANITARY SEWER CLEAN OUT
POWER BOX
HVAC UNIT
BOLLARD

Commission Special Meeting/Work Session Minutes
Monday, October 19, 2026

Call to Order
Commission President Jasmine Vasavada called the Commission Special Meeting/Work Session of October 19, 2026, to order and open to the public at 4:02 p.m., at the Percival Plaza at 626 Columbia Street NW, Suite 1B, Olympics Room, in Olympia, Washington 98501.

Present
Commissioners: Jasmine Vasavada – President, Sarah Montano – Vice President, Joel Hansen – Secretary, Jerry Toompas and Krag Unsoeld.

Staff: Alex Smith, Executive Director; Megan Lin, General Counsel; Warren Hendrickson, Director of Operations/Acting Airport Senior Manager; Mike Reid, Director of Community and Economic Development; Jon Wolf, Interim Director of Environmental Planning and Programs/Environmental Manager; and Missy Goodell, Commission Coordinator.

Guest: Paul Brewster, Planning Manager, Thurston County Regional Planning Council (TRPC).

Approval of Agenda
Commissioner Montano moved to approve the agenda. Commissioner Unsoeld seconded the motion. Motion passed unanimously.

Peninsula Master Plan
Paul Brewster, Planning Manager with Thurston County Regional Planning Council (TRPC), provided background to this presentation: In May 2025 the Port and TRPC executed a master interlocal agreement (No. 2025-1000) for planning and data services. TRPC's first task order (August 2025, not to exceed $50,000) was to review past plans, define the planning area, engage partners, and prepare a scope of work for a Port Peninsula Master Plan. The Commission was briefed at an October 2025 kickoff, TRPC interviewed each Commissioner in the first quarter of 2026, and at the May 18, 2026, Work Session the Commission completed a policy foundation and priority-setting exercise, sorting 21 Vision 2050 actions into what carries forward, what to explore, and what is out of scope. The Commission reshaped its goals at its August 12, 2026, retreat.

In the August 12, 2026, retreat, the Commission identified three goals: 1) Preserve and enhance Thurston County's working waterfront and connection to trade; 2) Strengthen and expand maritime recreation as a signature regional amenity; and 3) Transform the Port Peninsula into a premier destination for Thurston County and the region.

Goals 2 and 3 address a Community Waterfront Plan, and Goal 1 addresses a Working Waterfront.

Staff and TRPC propose splitting Port Peninsula planning into two complete plans, organized by purpose. The Community Waterfront Plan covers Northpoint, Swantown Marina, the Market District

and Port Plaza, and the East Bay District (about 57 acres and 5,746 feet of shoreline) and advances Commission Goals 2 and 3. The Working Waterfront Plan covers the Marine Terminal and Swantown Boatworks (about 85 acres) and advances Goal 1; it would follow as its own effort, with a target start in 2028 and budget to be determined. Each plan would have its own specialized scope, consultant team, analysis needs, metrics of success, and Commission adoption.

The Community Waterfront Plan would run about 13 months, from December 2026 to December 2027, and answer six questions: reuse of the historic KGY Station; the balance of lease revenue and public access on the developable sites; improvements and operating models for plazas and gathering spaces; Billy Frank Jr. Trail and water access; the walking connection between the trail, the Farmers Market, and Percival Landing; and a long-term parking strategy. All options will be planned to fit alongside Marine Terminal and Boatworks operations, and the work will be coordinated with the City of Olympia's Downtown Olympia Waterfront Vision.

It was suggested to perform a statistical survey.

Paul and Mike asked the Commission for direction:

- Does the commission support splitting peninsula planning into two complete plans?
- Does the commission agree the community waterfront plan should go first?
- Feedback on the community Waterfront Plan scope ahead of approval of the scope and $450,000 budget in November.

The Commission agreed with the above-proposed direction from staff.

It was also agreed that a FAQ sheet should be prepared with frequently asked questions, providing comprehensive answers to those questions and making that information readily available on the Port's and TRPC's websites.

- Next steps/schedule:
  - October 19, 2026, Commission support and feedback;
  - November to December 2026, draft and launch the RFP for the technical consultant team, with responses by the end of the year;
  - January 2027, consultant team on board;
  - December 2027, Commission action on the Community Waterfront Plan.

This is a briefing; no motion is requested. Staff requests the Commission's support for splitting Port Peninsula planning into two complete plans, beginning with the Community Waterfront Plan, and the Commission's feedback on the Community Waterfront Plan scope of work ahead of anticipated approval of the scope and $450,000 budget in November 2026.

Port of Olympia Community Advisory Committee (POCAC) Tasks

Alex Smith shared that on June 8, 2026, the Commission passed Resolution 2026-05 updating the rules governing the Port of Olympia Community Advisory Committee (the POCAC). The Resolution provides for a 15-member POCAC, with a goal of having three members from each of the Port of Olympia election districts. Each Commissioner appoints three POCAC members.

The Resolution also calls for tasks to be assigned to the POCAC by the Commission. Commissioners requested an opportunity to discuss potential tasks for the POCAC in advance of the "new" POCAC's first meeting on October 20th.

The existing "Public Amenities" subcommittee developed a task and has utilized the task form for discussion. The name of the task is "Quicker, Cheaper, Faster Public Waterfront Improvements." It was explained that the Port is seeing more use of its public waterfront for public events. There are small improvements that could be made to make events better by making the property more functional for supporting those type of activities.

Project for Public Spaces is a nonprofit that encourages owners and stewards of public spaces to experiment with rapidly deployed, low-cost placemaking improvements to reduce risk and analysis paralysis.

The Public Amenities Subcommittee proposed evaluating and auditing public events held in publicly accessible areas of the Port Peninsula, such as the Port Plaza and Northpoint area, by interviewing event planners and organizers from this year. The goal is to identify low-cost and rapid improvements that could make the property more functional for supporting these kinds of activities.

Examples of suggestions could include a water dispensing system, wifi booster, event restroom trailer contract, clearer signage identifying event parking, etc. The deliverable would be a set of recommended small scale and simple investments (targeted at under $10,000 apiece) that the Port can make over time to make their public spaces more functional for hosting events and activities.

Adjournment

There being no further business to come before the Port of Olympia Board of Commissioners, the Monday, October 19, 2026, Commission Special Meeting/Work Session was adjourned at 5:59 p.m.

PORT OF OLYMPIA COMMISSION

_____

Jasmine Vasavada, President

_____

Joel Hansen, Secretary

DRAFT

Commission Executive Session Minutes
Monday, November 9, 2026

Call to Order – Special Meeting
Commission President Jasmine Vasavasa called the Commission Executive Session of November 9, 2026, to order and open to the public at 6:39 p.m., at the Percival Plaza at 626 Columbia Street NW, Suite 1B, Olympics Room, in Olympia, Washington 98501.

Present
Commissioners: Jasmine Vasavada – President, Sarah Montano – Vice President, Joel Hansen – Secretary, Jerry Toompas, and Krag Unsoeld.

Staff: Alex Smith, Executive Director; Megan Lin, General Counsel; Mike Reid, Director of Community and Economic Development; and Warren Hendrickson, Director of Operations and Interim Airport Senior Manager.

Executive Session
At 6:39 p.m., Commission President Jasmine Vasavada announced that the Commission would recess into a closed Executive Session until 7:39 p.m. to discuss with legal counsel representing the Port (1) pending litigation to which the Port is a party, and (2) the legal risks of a proposed action, where public discussion is likely to result in an adverse legal or financial consequence to the Port.

At 7:39 p.m., Commissioner Vasavada extended the executive session 15 minutes.

At 7:55 p.m., Commissioner Vasavada returned the meeting to order and stated that the Commission was in executive session until 7:55 p.m. No decisions were made and no action was taken.

Adjournment
There being no further business to come before the Port of Olympia Board of Commissioners, the Monday, November 9, 2026, Commission Meeting/Executive Session was adjourned at 7:55 p.m.

PORT OF OLYMPIA COMMISSION

_____
Jasmine Vasavada, President

_____
Joel Hansen, Secretary

DRAFT

COVER MEMO

Briefing Date:	November 23, 2026
Staff Contact/Title:	Alex Smith, Executive Director, 360.528.8001, alexs@portolympia.com)
Subject:	2027 Budget, Capital Investment Plan and Tax Levy Approval Requested
Purpose:	☐ Information Only ☒ Decision Needed

Overview:
This is an action item.

This is the conclusion of the 2027 Budget development schedule designed to present the 2027 Port Budget and 2027 Capital Investment Plan (CIP) to the Commission for approval. Staff also seek Commission approval for the tax levy for 2027.

Background:
The 2027 Budget cycle is designed to ensure opportunities for Commission review and feedback on the proposed 2027 budget and CIP, and to provide opportunities for public comment on the draft budget prior to it being presented to the Commission for adoption.

The draft budget and CIP were presented to the Commission at public meetings on:

- October 5th,
- October 6th,
- October 13th, October 26th, and
- A public hearing on the draft budget and CIP, pursuant to RCW 53.35.030, was held November 9th.

Throughout the budget cycle, staff shared options for different tax levy rates with the Commission, and the Thurston County Treasurer provided a presentation to the Commission on the tax levy and how it is calculated. The Commission agreed

to incorporating an increase of 1% plus new construction as the Port's 2027 tax levy, which is reflected in the draft budget and the draft tax levy resolution.

Changes that have been made to the 2027 budget since the November 9th presentation are attached as Exhibit A.

Documents Attached:

- Exhibit A – Changes Since November 9th
- Budget Resolution 2026-08
- Tax Levy Resolution 2026-09

Next Steps/Timeframe: The remaining steps include:

- Filing the adopted budget and tax levy with Thurston County before December 1, 2026.

EXHIBIT A

PORT of OLYMPIA

CHANGES TO BUDGET DOCUMENT SINCE NOVEMBER 9, 2026:

MAIN CHANGES

Item	Before	Now
Airport revenue / direct expenses	$3,784,165 / $2,509,816	**$3,791,365 / $2,477,816**
Airport net operating loss	$(1,008,395)	**$(969,195)**
Marine Terminal G&A	1,405,356	**1,403,499**
Government Services	2,181,988	**2,189,060**
Net margin after G&A	$37,215	**$78,272**
Operations deficit	$(3,539,120)	**$(3,498,063)**
Net non-operating	$10,716,815	**$10,709,743**
Total net income	**$7,177,695**	**$7,211,680**
Ending cash (statutory)	$16,159,982	**$16,377,467**

Table 5: Appendix B, Airport

- **Short-term space rental:** added T-Hangars at $40 daily and Executive Hangars at $60 daily.
- **Fuel fees:** the box is now "Fuel Flowage/Electric Aircraft Charging Fees." It adds the Electric Aircraft Charging Fee at $0.05 per KWH, and the fuel farm pad fee reads "$1,200 per pad per year plus leasehold excise tax."
- **Other Rates:** added Ground Rent – Airport Land/Aeronautical ($0.48 per square foot per year), Aircraft Launch Vehicle Parking Fee ($5 per day) and Aircraft Impound Fee ($100).
- **Wording:** the labor, lift truck and landing fee lines now match the spreadsheet.
- **Table 6: Marine Terminal and Properties:** the Airport Land-Aeronautical ground rent row now reads "See Schedule of Proprietary Type User Charges – Airport."

EXHIBIT A

Table 8: Appendix C, Memberships

- **Washington Public Ports Association:** $29,300 is now $36,372, which brings Government Services to $181,742.
- **Tumwater Downtown Association:** added under Government Services. The spreadsheet has no amount for it, so it shows "–".
- **Grand total: $201,769**.

PORT OF OLYMPIA
Resolution 2026-08

A Resolution of the Port of Olympia Commission authorizing, providing for acceptance, approval, and adoption of the Final 2027 Annual Operating Budget including annual User Rates and Fees and Capital Investment Plan pursuant to RCW 53.35.045.

WHEREAS, a Preliminary 2027 Annual Operating Budget and Capital Investment Plan was prepared and presented in a public meeting of the Port of Olympia Commission on October 5, October 6, October 26, November 9, and November 23, 2026.

WHEREAS, public notices were published in a newspaper of general circulation in Thurston County on October 26, and November 2, 2025 proclaiming the availability of the Proposed Final 2026 Annual Operating Budget and Capital Investment Plan to taxpayers at the Port office and announcing a public hearing on the Final Budget on November 10, 2025, all in accordance with RCW 53.35.030 and 53.35.045; and

WHEREAS, a public hearing was held on November 9, 2026 at 4:00 P.M., in person and virtually after proper notice for a regular meeting of the Port Commission in the daily newspaper of general circulation in Thurston County was given, and the Port Commission heard from all persons desiring to be heard on the matter of the Final Budget all in accordance with RCW 53.35.030 and RCW 53.35.045.

NOW, THEREFORE, IT IS RESOLVED by the Port of Olympia Commission as follows:

1. The Final Annual Budget for Port Operations & Capital Investment Plan for 2027, appended hereto as part of this Resolution is accepted and approved.

2. The Port's 2027 Final Annual Budget for Port Operations & Capital Investment Plan shall include schedules of all user rates and fees charged by the Port; and further,

3. The Port Commission's adoption of the Final Annual Budget for Port Operations & Capital Investment Plan shall serve as of the 2027 annual update to the Port's user rates and fees.

This resolution shall become effective immediately upon its adoption and repeals any prior resolutions on this matter.

ADOPTED by a majority of the members of the Port Commission of the Port of Olympia, a majority being present and voting on this Resolution at a regular Commission meeting on November 23, 2026, as attested to by the signatures below of the Commissioners physically present this 23th day of November, 2026.

PORT OF OLYMPIA COMMISSION

_____
Jasmine Vasavada, President

_____
Sarah Montno, Vice President

_____
Joel Hansen, Secretary

Department of Revenue
Washington State

Ordinance / Resolution No. 2026-09

RCW 84.55.120

WHEREAS, the Commission (Governing body of the taxing district) of Port of Olympia (Name of the taxing district) has met and considered its budget for the calendar year 2027; and,

WHEREAS, the districts actual levy amount from the previous year was $ _____ (Previous year's levy amount); and,

WHEREAS, the population of this district is ☒ more than or ☐ less than 10,000; and now, therefore, (Check one)

BE IT RESOLVED by the governing body of the taxing district that an increase in the regular property tax levy is hereby authorized for the levy to be collected in the 2027 (Year of collection) tax year.

The dollar amount of the increase over the actual levy amount from the previous year shall be $ _____ which is a percentage increase of 1.000 (Percentage increase)% from the previous year. This increase is exclusive of additional revenue resulting from new construction, improvements to property, newly constructed wind turbines, solar, biomass, and geothermal facilities, and any increase in the value of state assessed property, any annexations that have occurred and refunds made.

Adopted this 23 day of November, 2026.

_____ _____

_____ _____

_____ _____

If additional signatures are necessary, please attach additional page.

This form or its equivalent must be submitted to your county assessor prior to their calculation of the property tax levies. A certified budget/levy request, separate from this form is to be filed with the County Legislative Authority no later than November 30th. As required by RCW 84.52.020, that filing certifies the total amount to be levied by the regular property tax levy. The Department of Revenue provides the "Levy Certification" form (REV 64 0100) for this purpose. The form can be found at: http://dor.wa.gov/docs/forms/PropTx/Forms/LevyCertf.doc.

To ask about the availability of this publication in an alternate format, please call 1-800-647-7706. Teletype (TTY) users may use the Washington Relay Service by calling 711. For tax assistance, call (360) 534-1400.

COVER MEMO	
Briefing Date/Time:	November 23, 2026
Staff Contact/Title:	Mike Reid, Community and Economic Development Director, 360.764.5395, miker@portolympia.com)
Subject:	Airport FBO Building Surplus and Sale, Vesper Aviation Ground Lease, and Glacier Aviation Lease Termination
Purpose:	☐ Information Only ☒ Decision Needed

Type of Agenda Item:

- Action

Background:

Glacier Aviation has operated the Fixed Base Operator (FBO) at Olympia Regional Airport and done business with the Port since 2004 under three Port leases: Hangar 51, the FBO Building, and Airlift NW. Its owners are retiring and selling the business to OLM Hangar and FBO LLC, a Washington limited liability company doing business as Vesper Aviation. This is a change in operator, not a change in function or activities.

The transaction has three linked parts: a new 30-year Ground Lease with Vesper that replaces Glacier's three leases; the sale of the Port-owned FBO building improvements under a Purchase and Sale Agreement (PSA), which under RCW 53.08.090 requires the Commission first to declare the building surplus and then to authorize its sale; and the termination of Glacier's leases. The Port keeps fee title to all of the land. The Commission received advisory briefings on October 26 (Surplus) and November 9 (Lease and Sale Transactions) 2026, and the attached documents reflect that feedback.

Summary and Financial Impact:

The attached Ground Lease, PSA (Exhibit G to the Lease), Termination and Surrender Agreement, and resolutions contain the full terms. Highlights:

- **Ground Lease:** About 2.85 acres for 30 years, with two 10-year renewal options that Vesper may exercise only if it is not in default. First-year rent is $67,260 ($0.59 per square foot), triple-net, increasing 15% every five years, plus Leasehold Excise Tax. Lease security is $75,896.18.
- **Use:** Aeronautical use is primary, subject to the Port's Minimum Standards. The Lease approves no new development and states that it grants no right to build a Major Improvement.
- **Improvements, three levels of approval (Sections 18.1 and 19.1):**

    - **Minor alterations:** Non-structural work costing $50,000 or less in any 12 months that does not affect the building envelope, roof, foundation, or building systems and needs no building permit. No Port approval is needed; Vesper notifies the Port within 30 days.
    - **Port-approved alterations:** All other work short of a Major Improvement, such as a roof replacement, system upgrades, or façade work, needs the Executive Director's written approval.
    - **Major Improvements:** A new building, an increase in building footprint or floor area, demolition, added hangar units or apron, or a change to the FAA-approved Airport Layout Plan needs approval by the Port Commission at a public meeting. Approval may come with conditions, including a lease amendment addressing rent, term, or security.
    - **For all levels:** Port approvals may not be unreasonably withheld, conditioned, or delayed, and they do not replace SEPA review, City of Tumwater permits, or FAA review. Rebuilding after a fire or other casualty to the same footprint and use is a Port-approved alteration.
- **FBO building sale:** $102,000 for the building improvements only, with a deed restriction limiting use to aeronautical, aviation-related, or complementary purposes. Closing occurs within 30 days after rent begins. If the sale does not close, the Lease terminates.
- **Surplus declaration:** The Executive Director has certified under RCW 53.08.090 that the FBO building is no longer needed for port district purposes (attached). Resolution No. 2026-10 declares the building surplus to the Port's needs and finds its sale in the public interest. The land stays in Port ownership, the building remains a fixed base operator facility under the Port's Comprehensive Scheme of Harbor Improvements and Airport Master Plan Update, and the building reverts to the Port when the ground lease ends, so no amendment to the Comprehensive Scheme is required.
- **Authorization of sale:** Resolution No. 2026-11 authorizes the sale of the building to OLM Hangar and FBO LLC at fair market value and authorizes the Port's managing officials to sign the PSA and related documents.
- **Glacier termination:** Glacier's three leases end on the day Vesper's Lease begins, so FBO service continues without a break. Glacier conveys its hangars and fuel tanks directly to Vesper, and the Port settles Glacier's final rent, taxes, and fees before returning its security.
- **Community value:** The transaction keeps about 15 aviation jobs, a flight school that graduates about 10 career pilots a year, and Airlift Northwest's Olympia air medical base in place under a current lease.

- **Financial impact:** First-year rent of $67,260 compares with $55,035 under Glacier's three leases today, and base rent over the initial term totals about $2.94 million. The building sale brings $102,000 in one-time airport revenue, building maintenance costs move to Vesper, and the transaction requires no Port capital outlay.

Affected Parties:

Vesper Aviation and Glacier Aviation; pilots, aircraft owners, and flight students, whose services continue without interruption; Airlift Northwest, which operates its Olympia air medical base on the leasehold; and neighboring airport tenants who share access and parking.

Alignment with Vision 2050:

- **Goal 6, Maximize the economic and community value of the Olympia Regional Airport in accordance with airport master plan and FAA regulations.** The Commission unanimously adopted this goal for the airport at its July retreat. The transaction keeps FBO, fueling, flight training, and air medical services in place under a current lease with stronger FAA and operating provisions.
- **Goal 9, Develop a long-term finance strategy.** The Lease provides escalating ground rent for 30 years and shifts building maintenance and capital costs to the tenant.

Environmental Considerations and Review:

The Port has determined that the transaction is categorically exempt under WAC 197-11-800(5) because the property stays in the same aeronautical and FBO use. Any future construction will receive its own SEPA review when proposed.

Alternatives Considered:

- **Approve the transaction (recommended).** Keeps FBO services in place, replaces three older leases with one current lease, and secures long-term ground rent.
- **Ground lease only, with the Port keeping the FBO building.** The Port would keep the building's maintenance and capital costs.
- **Decline the transaction.** Glacier's sale would likely not go forward, putting its services and jobs at risk, and the Port would still need to resolve two holdover leases.

Staff Recommendation:

Staff recommend that the Commission take two separate actions, in this order:

Motion 1: Move to adopt Resolution No. 2026-10, declaring the FBO building improvements at 7645 Old Highway 99 SE no longer needed for port district purposes and surplus to the Port's needs under RCW 53.08.090.

Motion 2: Move to (1) adopt Resolution No. 2026-11, authorizing the sale of the FBO building improvements to OLM Hangar and FBO LLC; (2) approve the Ground Lease with OLM Hangar and FBO LLC, including the FBO Building Purchase and Sale Agreement attached as Exhibit G; (3) approve the Termination and Surrender Agreement with Glacier Aviation, Inc.; and (4) authorize the Executive Director to execute these documents and take all actions necessary to complete the transaction.

Document(s) Attached:

- Certification of Surplus Property under RCW 53.08.090, Executive Director, November 16, 2026
- Resolution No. 2026-10, Declaring the Airport FBO Building Surplus
- Resolution No. 2026-11, Authorizing the Sale of the Airport FBO Building
- Ground Lease with OLM Hangar and FBO LLC, with Exhibits A through G (Exhibit G is the FBO Building PSA)
- Termination and Surrender Agreement with Glacier Aviation, Inc.

PORT of OLYMPIA
Serving All of Thurston County

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360.528.8000 | F: 360.528.8090 | portolympia.com

November 16, 2026

MEMORANDUM

From: **Alex Smith, Executive Director**
To: **Port of Olympia Commissioners**
Subject: **RCW 53.08.090 Surplus Property Certification**

Consistent with RCW 53.08.090, the 1,700 square foot office building located on Olympia Regional Airport property tax parcel number **38400000200 – described as 7645 Old Highway 99 SE, Tumwater, WA 98501** (and otherwise known as Glacier Aviation, a fixed base operator), including all of its attached improvements and infrastructure, is no longer needed for Port district purposes.

Consistent with RCW 53.08.090, a resolution will be brought to the Port Commission to include the following:

1. The building and associated improvements attached thereto are no longer needed for Port district purposes and are surplus to the Port's needs, and the sale of such real property to OLM Hangar and FBO LLC, doing business initially as Glacier Aviation and eventually as Vesper Aviation, is in the public interest.

2. Given that the land underlying this building and its attached improvements and infrastructure shall remain in Port ownership, the negotiated transfer of this building for appropriate consideration shall remain subject to the Port's Comprehensive Scheme of Harbor Improvements (CSHI). No amendment to the CSHI is required.

PORT OF OLYMPIA COMMISSION
Resolution 2026-10

A Resolution of the Port of Olympia to surplus real property located on Olympia Regional Airport in the City of Tumwater, Thurston County.

WHEREAS, the Port of Olympia owns certain improvements consisting of an approximately 1,700 square foot office building located on Olympia Regional Airport property, tax parcel number 38400000200 – described as 7645 Old Highway 99 SE, Tumwater, WA 98501 (otherwise known as Glacier Aviation, a fixed base operator), including all of its attached improvements and infrastructure (the "Building"), but not including the underlying land; and

WHEREAS, OLM Hangar and FBO LLC, doing business initially as Glacier Aviation and eventually as Vesper Aviation, wishes to purchase the Building as a condition of its ground lease with the Port of Olympia, and to use the Building in a manner consistent with its existing use as a fixed base operator and flight training facility, as well as incidental uses directly related thereto; and

WHEREAS, the Port wishes to sell the Building to OLM Hangar and FBO LLC for the uses stated above; and

WHEREAS, the Building is no longer needed for Port of Olympia port district purposes, is surplus to the Port's needs, and the sale of the Building is in the public interest; and

WHEREAS, the land underlying the Building shall remain in Port ownership, the Building remains a fixed base operator facility under the Port's Comprehensive Scheme of Harbor Improvements (CSHI) and Airport Master Plan Update (which lists airport facilities by function), the Building will revert to the Port upon termination of the OLM Hangar and FBO LLC ground lease, and no amendment to the CSHI is required;

NOW, THEREFORE, be it resolved that:

The Building is hereby found and determined to be no longer needed for Port of Olympia port district purposes and to be surplus to the Port's needs, and the sale of such Building is in the public interest.

ADOPTED this 23rd day of November 2026, by the Port of Olympia Commission.

_____
Jasmine Vasavada, President

_____
Sarah Montano, Vice President

_____
Joel Hansen, Secretary

_____
Krag Unsoeld

_____
Jerry Toompas

PORT OF OLYMPIA COMMISSION
Resolution 2026-11

A Resolution of the Port of Olympia authorizing the sale of real property located on Olympia Regional Airport in the City of Tumwater, Thurston County.

WHEREAS, the Port of Olympia owns certain improvements consisting of an approximately 1,700 square foot office building located on Olympia Regional Airport property tax parcel number 38400000200 – described as 7645 Old Highway 99 SE, Tumwater, WA 98501 (otherwise known as Glacier Aviation, a fixed base operator), including all of its attached improvements and infrastructure (the "Building"); the Building does not include the underlying land; and

WHEREAS, OLM Hangar and FBO LLC, doing business initially as Glacier Aviation and eventually as Vesper Aviation, wishes to purchase the Building as a condition of its ground lease with the Port of Olympia, and to use the Building in a manner consistent with its existing use as a fixed base operator and flight training facility, as well as incidental uses directly related thereto; and

WHEREAS, the Port wishes to sell the Building to OLM Hangar and FBO LLC for the uses stated above; and

WHEREAS, the Port Commission has by resolution found and determined that the the Port's ownership of the Building is no longer needed for Port district purposes and is surplus to the Port's needs, and that the sale of such Building is in the public interest; and

WHEREAS, the land underlying the Building shall remain in Port ownership, the Building remains a fixed base operator facility under the Port's Comprehensive Scheme of Harbor Improvements (CSHI) and Airport Mater Plan (which lists facilities by function), the Building will revert to the Port upon termination of the OLM Hangar and FBO LLC ground lease, and no amendment to the CSHI is required.

"WHEREAS, the purchase price of $102,000.00, calculated at $60.00 per square foot based on the Thurston County Assessor's assessed value per square foot of a comparable FBO office building at the Olympia Regional Airport, represents not less than the fair market value of the Property"

NOW, THEREFORE, be it resolved that:

The proposed sale of the Building to OLM Hangar and FBO LLC is in the public interest. The Port is authorized to sell the Building as described herein at its fair market value to OLM Hangar and FBO LLC, and the managing officials of the Port are hereby authorized to act on behalf of the Port to negotiate any and all additional agreements as may be necessary or appropriate in connection with the sale of such Building and to execute and deliver the Purchase And Sale Agreement negotiated by the parties and any and all additional documents, instruments and certificates, and to take any and all action as may be necessary, appropriate or required to carry

out the terms and provisions of this resolution and the agreements to be entered into between the Port and OLM Hangar and FBO LLC pursuant thereto.

ADOPTED this 23rd day of November 2026, by the Port of Olympia Commission.

_____
Jasmine Vasavada, President

_____
Sarah Montano, Vice President

_____
Joel Hansen, Secretary

_____
Krag Unsoeld

_____
Jerry Toompas

PORT OF OLYMPIA GROUND LEASE

OLYMPIA REGIONAL AIRPORT

THIS LEASE ("Lease") is entered into by and between the **PORT OF OLYMPIA**, a Washington municipal corporation ("Port"), and **OLM HANGAR AND FBO LLC, a Washington limited liability company** ("Tenant"), effective as of the **[___]** day of **[Month]**, **[Year]** (the "Effective Date").

Port and Tenant are collectively referred to as the "Parties" and individually as a "Party."

RECITALS

A. Port is the owner and operator of the Olympia Regional Airport (the "Airport"), located in Tumwater, Thurston County, Washington.

B. Port has received federal financial assistance for the development and improvement of the Airport and is subject to certain obligations, assurances, and conditions imposed by the Federal Aviation Administration ("FAA") as a condition of such assistance, including the grant assurances set forth in 49 U.S.C. § 47107 and applicable FAA orders and advisory circulars (collectively, the "FAA Grant Assurances").

C. This Lease is entered into subject to and in compliance with all applicable FAA Grant Assurances, and Tenant acknowledges that its rights and obligations under this Lease are subject thereto.

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

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1. LEASE SUMMARY

The following is a summary of certain basic terms and conditions of this Lease. Each summary item below is further defined and supplemented by the referenced Paragraph or Exhibit elsewhere in this Lease. See Section 1.17 below regarding conflicting provisions.

1.1 Tenant

Name: **OLM Hangar and FBO LLC**

Entity Type: **Washington limited liability company**

Mailing Address: **600 1st Avenue, Suite 330, PMB 74172, Seattle, WA 98104**

Phone: **(971) 300-6780**

Email: **jon.wenrich@vesperaviation.com**

Entity Duration Requirement. If Tenant is a corporation, limited liability company, partnership, or other entity, Tenant represents and warrants that its organizational documents provide for a duration that extends at least through the expiration of the full Term of this Lease (including all Extension Terms). If at any time during the Term Tenant's organizational documents do not provide for such duration, Tenant shall promptly amend its organizational documents to extend its duration through the expiration of the Term. Tenant's failure to maintain entity duration through the Term shall constitute a default under this Lease.

1.2 Premises

The Premises consist of approximately 2.85 acres (124,000 square feet) of land at the Olympia Regional Airport, Tumwater, Thurston County, Washington, comprising Site 1 (Lease Area, approximately 114,000 square feet) and Site 2 (Stormwater Area, approximately 10,000 square feet), together with all improvements thereon, as more particularly described and depicted on Exhibit A and incorporated herein by this reference (the "Premises"). The Premises are currently being professionally surveyed and the square footage set forth herein will be conformed to the survey.

The Premises are subject to all easements, covenants, conditions, restrictions, and reservations of record, as well as the terms and conditions of all applicable federal, state, and local laws, regulations, and ordinances.

1.3 Term

The initial term of this Lease shall be **thirty (30) years** (the "Initial Term"), beginning on the Effective Date and ending on the **[___]** day of **[Month]**, **[Year]**, unless sooner terminated in accordance with the terms hereof.

The commencement of the Initial Term is conditioned upon Port's receipt of all of the following:

(a) First month's Rent as set forth in Section 1.6 below;

(b) Lease Security as set forth in Section 1.11 below; and

(c) A certificate of insurance evidencing the coverage required under Paragraph 15 and Section 1.13 of this Lease.

1.4 Option to Extend Term

Provided Tenant is not then in default of any term or condition of this Lease beyond applicable notice and cure periods, Tenant shall have two (2) option(s) to extend the term of this Lease for additional period(s) of ten (10) years each (each an "Extension Term"), upon the same terms and conditions set forth herein, except as the Rent may be adjusted as provided in Section 1.7 below.

Tenant shall exercise each option to extend by delivering written notice to Port not less than one hundred eighty (180) days prior to the expiration of the then-current Term.

In the event Tenant fails to deliver the extension notice within the time period specified above, Tenant's right to exercise such extension option shall lapse; provided, however, that Port may, in its sole discretion, accept a late extension notice delivered within sixty (60) days after the deadline, and such late acceptance shall not constitute a waiver of Port's right to enforce strict compliance with this Section in connection with any subsequent extension option. Nothing in this Section obligates Port to accept a late extension notice.

The option to extend shall not be exercisable by Tenant if Tenant is in default beyond applicable notice and cure period as set forth under this Lease at the time of exercise or at the time the Extension Term would otherwise commence.

Upon exercise of each option to extend, the Minimum Monthly Ground Rent shall be revised to the then-current Commission-adopted rate per square foot, subject to the provisions of Section 37 herein.

1.6 Minimum Monthly Ground Rent

Tenant shall initially pay to Port minimum monthly ground rent in the amount of $5,605.00 per month (based on $0.59 per square foot per year on the 114,000 square foot Lease Area (Stormwater Area at $0.00), for a total of $67,260.00 per year per square foot per year) ("Minimum Monthly Ground Rent" or "Rent"), plus applicable Leasehold Excise Tax (currently 12.84%), payable in advance on the first day of each calendar month during the Term, subject to the rent adjustments and escalations set forth in Section 1.7 below.

In addition to the Minimum Monthly Ground Rent, Tenant shall pay all applicable concession fees, tariffs, and charges as established by the Port from time to time in accordance with the Port's Minimum Standards for Aeronautical Activities at Olympia Regional Airport, as may be amended (the "Minimum Standards").

In addition to the Minimum Monthly Ground Rent and Leasehold Excise Tax, Tenant shall pay all insurance, utilities, maintenance, and other expenses required under this Lease.

1.7 Rent Adjustments

The Minimum Monthly Ground Rent shall be increased every five (5) years, effective on each fifth (5th) anniversary of the Rent Commencement Date, by an amount equal to three percent (3%) of the annual rent for each of the immediately preceding five (5) years; in no event shall any adjustment decrease the Rent.

1.10 Rent Commencement Date

Rent shall commence upon the Effective Date (the "Rent Commencement Date").

1.11 Lease Security

Per Paragraph 7 of this Lease, in accordance with RCW 53.08.085, Tenant shall provide Lease Security in an amount equal to one (1) year's Rent plus applicable Leasehold Excise Tax, with an initial amount of $75,896.18 ($67,260.00 plus 12.84% Leasehold Excise Tax). The Lease Security shall be posted no later than the Effective Date.

The form and terms of the Lease Security shall be as set forth in Paragraph 7. The Lease Security shall be maintained throughout the Term and shall be adjusted as the Rent is adjusted pursuant to Section 1.7 above.

1.12 Permitted Use

Tenant shall use the Premises solely for the following permitted use(s): operation of an aviation business campus, with aeronautical activities as the primary use, including a mix of offices and hangars hosting businesses such as a Fixed Base Operator, helicopter/flight training school, emergency flight services, special-event space, and other aeronautical-related and aeronautically-supported businesses as defined in and subject to the Minimum Standards for Aeronautical Activities at Olympia Regional Airport, attached hereto as **Exhibit F** and incorporated herein by this reference (the "Minimum Standards"). Recurring special-event use is expressly permitted subject to the following paragraph and shall remain subordinate in priority to aeronautical operations. Tenant shall not use or permit the use of the Premises for any purpose other than the permitted use(s) set forth above without the prior written consent of Port, which consent may be withheld in Port's sole discretion.

Tenant may use Hangar 51 and other portions of the Premises for special events, without a separate agreement for each event, provided that aeronautical use of the Premises remains the primary use and special-event use remains subordinate in priority to aeronautical operations. Special-event use shall not interfere with, restrict, or adversely affect aeronautical operations, airfield safety, applicable 14 CFR Part 77 surfaces, Airport security, or TSA requirements. Special-event use shall be subject to the Port's applicable fees and charges established at fair market value and consistent

with applicable law and FAA Grant Assurances. Tenant shall provide the Port with reasonable notice of the dates and times when the hangar or leasehold will be used for event purposes, and will, within ninety (90) days following the Effective Date, provide the Port with an event parking plan to be used by Tenant during such events. Tenant shall comply, and shall cause all event participants, invitees, vendors, and contractors to comply, with the Minimum Standards, Airport Rules and Regulations, applicable permits, insurance requirements, and all other applicable laws and Port requirements. The Port may impose reasonable conditions necessary to maintain compliance with FAA Grant Assurances and other federal obligations and may restrict or disallow any specific event that would jeopardize such compliance or airport safety or security. Overflow event parking that exceeds the capacity of the leasehold requires a separate overflow-parking license agreement obtainable from the Port's Property Manager. The Port may require a separate agreement or additional conditions for any unusually large or higher-risk event.

1.13 Insurance

Per Paragraph 15 of this Lease, Tenant shall, at Tenant's sole cost and expense, procure and maintain throughout the Term the insurance coverages specified below. All policies shall: (a) name the Port of Olympia as an additional insured; (b) provide thirty (30) days' written notice prior to cancellation or material change; (c) be issued by insurers licensed in Washington State with an A.M. Best rating of A- (Excellent) or better; and (d) be on an occurrence basis.

INSURANCE REQUIREMENTS BY ACTIVITY:

Aircraft Fueling Services (commercial activities):

- Commercial General Liability: $1,000,000 per occurrence / $1,000,000 aggregate
- Pollution Liability (fueling/USTs): $1,000,000 per claim / $1,000,000 aggregate
- Workers' Compensation: Statutory limits

Aircraft Maintenance Services (commercial activities):

- Commercial General Liability: $1,000,000 per occurrence / $1,000,000 aggregate
- Hangarkeepers Liability: $1,000,000 per occurrence
- Products/Completed Operations: $1,000,000 aggregate
- Workers' Compensation: Statutory limits

Aircraft Storage (commercial and non-commercial activities):

- Commercial General Liability: $1,000,000 per occurrence / $1,000,000 aggregate
- Hangarkeepers Liability (if storing aircraft for others): $1,000,000 per occurrence

- Workers' Compensation: Statutory limits (if employing staff)

Flight Training Services (commercial activities):

- Commercial General Liability: $1,000,000 per occurrence / $1,000,000 aggregate
- Aircraft Liability: $1,000,000 per occurrence / $100,000 per passenger seat
- Workers' Compensation: Statutory limits

Charter/Air Taxi (Part 135) Operations (commercial activities):

- Commercial General Liability: $2,000,000 per occurrence / $2,000,000 aggregate
- Aircraft Liability: $2,000,000 per occurrence / $300,000 per passenger seat
- Workers' Compensation: Statutory limits

All Other Commercial Aeronautical Activities:

- Commercial General Liability: $1,000,000 per occurrence / $1,000,000 aggregate
- Workers' Compensation: Statutory limits

Automotive/Airside Operations:

- Automobile Liability (CSL): $1,000,000 per occurrence

Pollution Liability Insurance: Because Tenant's operations involve Hazardous Substances (as defined in Paragraph 28) and aviation fuel storage tanks, Tenant shall maintain Pollution Legal Liability of not less than $1,000,000 per claim / $1,000,000 aggregate, covering bodily injury, property damage, cleanup, and defense costs for pollution conditions on, under, or migrating from the Premises. Such coverage shall include releases from Tenant's storage tanks and fuel-handling equipment and pre-existing, unknown conditions. If written on a claims-made basis, Tenant shall maintain the coverage or an equivalent tail for not less than five (5) years after expiration or earlier termination of this Lease.

Umbrella/Excess Liability: Tenant shall maintain Umbrella/Excess Liability of not less than $1,000,000 per occurrence / $1,000,000 aggregate, following form over and providing excess limits above Tenant's underlying Commercial General Liability, Aircraft Liability, Automobile Liability, and Pollution Legal Liability policies. If any underlying policy excludes aviation or pollution risks, Tenant shall obtain separate aviation and/or pollution excess coverage in the required amount.

General Policy Requirements:

Tenant shall require all subtenants, sublessees, licensees, and concessionaires operating on or from the Premises to maintain insurance coverages no less than those required of Tenant under this Section, or as otherwise required by Port, and to provide certificates of insurance to Port prior to commencing any operations on the Premises.

Tenant shall deliver to Port certificates of insurance evidencing the required coverages annually, and upon request by Port. Port may, in its reasonable discretion, but not more than one (1) time per calendar year, require Tenant to procure and maintain additional insurance coverages or higher limits of coverage based on changes in Tenant's operations, changes in industry standards, updates to the Olympia Regional Airport Minimum Standards for Commercial Operations, or other relevant factors; provided, however, that Port shall exercise such right in a fair and nondiscriminatory manner as to all similarly situated tenants at the Airport. In no event shall Port require Tenant to maintain insurance coverages or limits in excess of those required by Port of other similarly situated tenants at the Airport with comparable operations and risk profiles.

1.14 Commissions and Fees

In the absence of any agreement between the Parties to the contrary, each Party represents and warrants to the other that it has not been represented by, or introduced to the other by, any broker or agent, and each Party hereby agrees to indemnify, defend, and hold the other harmless from and against any and all fees, commissions, costs, expenses (including reasonable attorneys' fees), obligations, and causes of action arising against or incurred by the other Party by reason of any claim for a real estate commission or a fee or finder's fee by reason of any contract, agreement, or arrangement with, or services rendered at the request of, the indemnifying Party.

1.15 Lease Modification and Transfer Fee

Per the Port Commission Fee Schedule, as may be amended from time to time, Tenant shall pay a non-refundable administrative fee for each request for assignment, sublease, transfer, amendment, or other modification of Tenant's interest under this Lease or the terms thereof. The minimum lease modification fee deposit shall be $650 (or such greater amount as may be established in the Port Commission Fee Schedule).

In addition to the handling fee deposit, and up to a maximum amount of Two Thousand Five Hundred and 00/100 Dollars ($2,500.00), Tenant shall pay all of Port's reasonable costs and expenses actually incurred in connection with the review, processing, and documentation of the requested assignment, sublease, transfer, amendment, or modification, including without limitation reasonable attorneys' fees, staff time, and third-party consultant costs. Such costs shall be payable upon demand by Port, regardless of whether the requested transaction or modification is ultimately approved.

All fees and costs required under this Section shall be in addition to any other fees, costs, or expenses required under this Lease or the Port Commission Fee Schedule.

1.16 Additional Provisions

The following additional terms and conditions shall apply to Tenant's use and occupancy of the Premises and operations at Olympia Regional Airport:

Landing Fees. Tenant shall collect transient aircraft landing fees at the rate specified by Port Resolution, as adopted or amended from time to time. Tenant shall submit a monthly landing fee report and remit collected fees to Port within ten (10) days of the last day of each month. Tenant shall retain ten percent (10%) of collected fees as an administrative processing fee.

Airport Security. Tenant shall comply with all applicable airport security requirements, including TSA regulations, and shall control access to the Premises and the Airport Operations Area at all times. Vehicle and pedestrian gates shall remain locked at all times.

Fueling Operations. Tenant shall comply with all applicable fueling laws, regulations, and industry standards, including NFPA 407, applicable FAA Advisory Circulars, and API Standards, and shall obtain and maintain all required permits.

Throughput Fee Methodology. Tenant shall pay a fuel throughput fee at the per-gallon rate established by Port Resolution, as amended from time to time, on all fuel sold or dispensed from the Premises. Tenant shall submit monthly throughput reports and payment by the tenth (10th) day of each month for the preceding month. Tenant shall maintain accurate fuel transaction records for at least three (3) years, subject to Port audit upon reasonable notice. Tenant is solely responsible to the Port for accurate reporting and timely payment of throughput fees regardless of whether Tenant or a subtenant dispenses the fuel.

For the avoidance of doubt, the throughput fee is calculated solely on fuel sold or dispensed to customers from the Premises (whether by Tenant or a subtenant), and does not apply to fuel purchased or received by Tenant or delivered into the fuel farm tanks.

Fuel Delivery Notification. Tenant and Port shall collaborate so that Tenant's Jet A and avgas fuel provider(s) give the Port independent notice of every fuel delivery to Tenant's fuel farm, on the provider's invoice letterhead, including the date of delivery, fuel type, gallons delivered, and the dollar amount of all taxes applied (broken out individually—state fuel excise tax, state sales/use tax, Hazardous Substance Tax, Petroleum Products Tax, Oil Spill Response Tax/Fees, and local sales/use taxes). Such invoices shall serve as the basis for fuel flowage fees remitted by Tenant at the then Commission-approved rates.

Fuel Tank Maintenance. Tenant shall maintain all fuel storage tanks and associated equipment in compliance with all applicable laws and industry standards. Tenant shall cause at least one annual inspection by a qualified inspector and shall provide Port with inspection reports within seven (7) days.

Fuel Tank Ownership and Operation. This Lease includes the existing tenant's rights to own and operate the Jet A and Avgas fuel tanks located at fuel tank spaces 1, 2, 5 and 6 of

the Port's above-ground storage tank (AST) fuel farm in the northwest corner of the Airport. Such fuel-tank operations shall be operated, maintained, inspected, and replaced as necessary in accordance with all applicable regulations, including the City of Tumwater Municipal Code, FAA Order 1050.15C, NFPA 407, NFPA 30, 40 CFR Part 112, 29 CFR 1910.106, UL 142, UL 2085, and API 650, and: (a) Tenant's current SPCC Plan shall be provided to the Port; (b) Tenant's fuel-farm and fuel-delivery-vehicle employee training plan shall be provided to the Port; (c) Fuel farm inspection and training records shall be made available to the Port on request; (d) AST tanks shall be maintained without visible rust, and shall be evaluated for repainting at Tenant's expense ten (10) years from last repainting and annually thereafter until repainted, restarting a ten-year cycle; and (e) Fuel-tank signage beyond regulatory requirements shall require advance written Port approval.

Transition to Unleaded Avgas and Sustainable Aviation Fuel. Tenant shall cooperate with Port in the transition to unleaded aviation gasoline as required by law, shall comply with Port directives regarding timing and procedures, and shall bear all costs of necessary equipment modifications; provided that Tenant shall not be required to incur any material capital costs or expenses under the paragraph unless the Port requires other similarly situated tenants to incur materially equal costs and expenses. Tenant further acknowledges the aviation industry's transition to Sustainable Aviation Fuel (SAF) and unleaded avgas, and commits to supporting and providing such fuels at the earliest practicable date, in collaboration with the Port, and shall not refuse to offer such fuels when the Port determines they are commercially available and practicable.

Transition to Electric and Hydrogen Aircraft. Tenant acknowledges the aviation industry's transition to electric- and/or hydrogen-powered aircraft and commits to supporting and serving such aircraft when operations commence at Olympia Regional Airport.

Snow and Ice Control. Tenant shall be responsible for snow and ice removal on the Premises, including all walkways, parking areas, and access roads within the Premises. Tenant shall not deposit snow or ice on taxiways, runways, aprons, or any other Airport property outside the Premises without Port's prior written consent.

Aircraft Deicing. Aircraft deicing and anti-icing operations are not currently permitted at the Airport. Tenant shall not conduct or permit any such operations on the Premises or elsewhere at the Airport except as authorized by the Port in writing or under any deicing plan, policy, rule, or program the Port may adopt from time to time (each, a "Port Deicing Program"), and then only in compliance with such authorization or Port Deicing Program, the Port's stormwater permits, and all applicable laws. Tenant shall bear all costs of any facilities, equipment, containment, or other measures required for Tenant's deicing operations. Tenant shall indemnify the Port against any discharge, fine, or penalty arising from any deicing activity by Tenant or its subtenants, agents, employees, contractors, or invitees.

Aircraft Parking. Tenant shall park or store aircraft only within the Premises or in areas designated by Port. No aircraft shall be parked on any Taxilane, Taxiway, or Object Free Area. Disabled, derelict, or abandoned aircraft shall not be parked on the Premises or Airport without Port's prior written consent.

Transient Aircraft Parking. Tenant acknowledges that the Port's transient aircraft parking areas lie outside the leasehold and are available on a first-come, first-served basis. Tenant shall not interfere with any other Fixed Base Operator's use of such parking areas.

Vehicle Parking. Tenant shall park vehicles only within the Premises or in areas designated by Port. Event parking that exceeds the amount capable of fitting inside the leased Premise will require an additional license agreement. An annual license agreement for overflow parking can be obtained by contacting the Port's Property Manager. Parking and storage of non-aeronautical or non-operational vehicles inside the Air Operations Area is prohibited. Tenant shall comply with all Port rules and regulations regarding vehicle operations on the Airport.

Rental Vehicles. If Tenant becomes an authorized rental vehicle location, such rental vehicles shall be parked only on leasehold property.

Aircraft High Power Run-Ups. Tenant shall conduct high-power run-ups only in areas and during hours designated by Port, and shall comply with all noise abatement procedures.

Equipment Storage. All equipment and materials shall be stored within the Premises in a neat, orderly, and safe manner. Storage outside the Premises requires Port's prior written approval, requested at least thirty (30) days in advance.

Signage. All signage on the Premises shall be subject to the requirements of Paragraph 19.2 and Port's signage standards and guidelines as may be established from time to time. Upon expiration or earlier termination of this Lease, Tenant shall remove all signage from the Premises and shall repair any damage to the Premises caused by the installation or removal of signage, all at Tenant's sole cost and expense.

Development/Expenses. Tenant is responsible for all costs associated with development of the parcel and, from execution of this Lease through the remainder of the Term, for all expenses related to the property, including maintenance of all stormwater facilities, campus landscaping, and striping of drive lanes, parking lots, and access points. All development shall meet all applicable local, city, and state codes.

Port Cooperation. The Port shall cooperate with Tenant and its business partners as reasonably necessary to obtain permits and complete due diligence to finalize the transaction and proceed with contemplated site activity.

Lease Negotiations. Tenant shall have the right to negotiate with potential tenants regarding leasing and/or assigning portions of the project, subject to the assignment and sublease provisions of Paragraph 26 of this Lease and Port consent.

Public Records. Upon execution of the Lease and Purchase and Sale Agreement by the Parties and ratification by the Port Commission, such documents, reports, studies, and this Lease will become public records.

1.17 Conflicting Provisions

In the event of any conflict between the terms and conditions set forth in this Paragraph 1 and the terms and conditions set forth elsewhere in this Lease, the terms and conditions of this Paragraph 1 shall govern and control.

1.18 Disposition of Improvements

IMPORTANT NOTICE TO TENANT: Upon the expiration or earlier termination of this Lease, title to all improvements on the Premises (excluding Tenant's personal property, trade fixtures, and Tenant-installed fuel storage tanks) shall automatically pass to and vest in the Port, without compensation to Tenant. See Paragraph 20 for full terms. Tenant is advised to review Paragraph 20 carefully and to factor the disposition of improvements into its business planning, including maintenance obligations during the final years of the Lease Term.

In the event Tenant elects to extend the Term of this Lease as provided in Paragraph 1.4 herein, the Parties may negotiate, as part of the extension terms, Tenant's obligation to make specified capital improvements to the Premises (e.g., frontage improvements, facade upgrades, paving, landscaping, building improvements or upgrades, and/or other capital improvements to the Premises or adjacent Port property) in exchange for Port's agreement to extend the Term in lieu of exercising Port's right to take title to certain improvements upon expiration**.**

2. PREMISES

The Port hereby leases to Tenant, and Tenant hereby leases from the Port, the Premises described in Paragraph 1, **LEASE SUMMARY** above.

3. TERM

This Lease shall be for the term specified in Paragraph 1, **LEASE SUMMARY** above, commencing on the Effective Date (also referred to herein as the "Commencement Date") and expiring on the date specified in Section 1.3 above (the "Expiration Date"), unless sooner terminated in accordance with the provisions of this Lease.

4. RENT

4.1 Net Lease

This Lease shall be a triple-net lease. Except as otherwise specifically provided herein, Tenant shall pay all costs, expenses, and obligations of every kind and nature whatsoever relating to the

Premises that may arise or become due during the Term. Any amounts required to be paid by Tenant hereunder (other than Minimum Monthly Ground Rent), together with every fine, penalty, interest, and cost that may be added for nonpayment or late payment thereof, shall constitute additional rent ("Additional Rent"). Minimum Monthly Ground Rent and Additional Rent are collectively referred to as "Rent."

4.2 Payment of Rent

Rent shall be payable monthly in advance on or before the first (1st) day of each calendar month during the Term, without prior notice or demand and without deduction, offset, or abatement of any kind. All Rent shall be payable in lawful money of the United States at such place as the Port may from time to time designate in writing.

4.3 Late Payment

Net payment of Rent is due within thirty (30) days of the invoice date. Any payment received after that date shall incur a penalty of $50.00, which penalty shall double for each additional thirty (30) days that the payment remains outstanding. If Tenant is late in paying Rent for three (3) consecutive months, the Port may, at its sole option, require Tenant to pay Rent quarterly in advance. Assessment of the late penalty and/or conversion to quarterly payment shall not limit or prevent the Port from exercising any other right or remedy available under this Lease or at law.

5. ACCEPTANCE OF PREMISES

Except as specifically set forth herein, Tenant accepts the Premises in their present "as-is" condition, in accordance with RCW 53.08.085, without any representations or warranties by the Port as to the condition, suitability, or fitness of the Premises for any particular purpose. Tenant shall be solely responsible for ensuring that the Premises and any improvements thereon comply with all applicable building codes, zoning ordinances, environmental regulations, and other governmental requirements.

Tenant acknowledges that this Lease is entered into on a "triple-net" basis, and Tenant shall be responsible for all costs and expenses associated with the Premises during the Term, including but not limited to insurance, utilities, maintenance, repairs, and leasehold excise tax, except as otherwise expressly provided herein.

7. LEASE SECURITY

As a condition of this Lease, Tenant shall provide and maintain throughout the Term a bond / irrevocable letter of credit / cash deposit / other form of security in the amount and form set forth in Section 1.11 of this Lease, consistent with RCW 53.08.085, guaranteeing the full and faithful performance of all Tenant's obligations under this Lease. Such security shall be auto-renewable and shall provide that it may not be cancelled or materially modified without at least ninety (90)

days' prior written notice to the Port. The form and amount of the Lease security shall be subject to periodic revision by the Port Commission at its reasonable discretion and in accordance with applicable laws.

8. POSSESSION

If the Port is unable to deliver possession of the Premises on the Commencement Date, Rent shall abate on a pro rata basis until possession is delivered, and the Expiration Date shall be extended. The Port shall not be liable for any damage caused to Tenant by reason of any delay in delivering possession. If possession is not delivered within thirty (30) days after the Commencement Date, Tenant may terminate this Lease upon written notice to the Port, and neither party shall have any further liability to the other. If Tenant takes early possession of the Premises with the Port's written consent prior to the Commencement Date, Tenant shall comply with all terms and conditions of this Lease during such early-possession period and shall pay Rent on a pro rata basis from the date of early possession through the Commencement Date.

9. USE OF PREMISES

Tenant shall use the Premises solely for the permitted use(s) set forth in Section 1.12 of the Lease Summary, including the expressly permitted recurring special-event use described there, and for no other purpose without the prior written consent of Port. For clarity, special-event use is governed by Section 1.12, including the requirement that aeronautical use remain primary and special-event use remain subordinate in priority to aeronautical operations, monthly advance reporting in lieu of per-event agreements, compliance with the Minimum Standards, Airport Rules and Regulations, applicable permits and insurance requirements, applicable fair-market-value Port fees and charges, overflow-parking licensing, and Port's rights to impose conditions or restrict events as necessary for FAA, safety, security, and operational compliance. Tenant shall comply with the Minimum Standards for Aeronautical Activities at Olympia Regional Airport (Exhibit F) and all applicable federal, state, and local laws, regulations, and ordinances, including without limitation FAA regulations and the Airport's Rules and Regulations as may be amended from time to time.

Tenant shall operate and maintain the Premises in a first-class manner and shall conduct continuous operations thereon throughout the Term. Tenant shall not permit any activity on the Premises that creates a nuisance, unreasonable noise, vibration, odor, or other disturbance to neighboring tenants or the public.

All signs, advertisements, and displays installed on the Premises shall be subject to the Port's prior written approval in accordance with Section 19.2 of this Lease and shall comply with the Airport Rules and Regulations and the Minimum Standards for Aeronautical Activities attached hereto as **Exhibit F**, as they may be amended from time to time.

Tenant shall not cut, remove, or harvest any timber, minerals, gravel, topsoil, or water from the Premises without the prior written consent of the Port.

Tenant shall comply with all applicable stormwater management regulations, including maintaining any required stormwater treatment and detention facilities serving the Premises. See also Section 28(o) of this Lease and Section 8 of Exhibit C for additional stormwater requirements.

Tenant shall comply with the binding site plan applicable to the Airport, as it may be amended.

The primary purpose of all leasehold property shall be aeronautical use, subject to Port and FAA inspection at any time to ensure compliance with all governing FAA regulatory guidance.

Aircraft brokerage, aircraft sales, and restaurant sales are subject to percentage rent to the Port and shall require a lease amendment defining the terms and conditions before commencement of such activities. Incidental sales of aviation supplies and aviation-related equipment, gear, apparel, snacks, and beverages are not subject to percentage rent.

10. REQUIREMENTS AS TO IMPROVEMENTS

Tenant shall construct all improvements on the Premises in accordance with the specifications, plans, and schedule set forth in **Exhibit C** attached hereto and incorporated herein by reference. Prior to commencing construction, and in the event that a survey does not already exist, Tenant shall, at Tenant's sole cost and expense, obtain a survey of the Premises prepared by a licensed surveyor and shall provide a copy thereof to the Port.

All improvements, construction, alterations, and development on the Premises shall be consistent with the Airport Layout Plan ("ALP") as approved by the FAA and as may be amended from time to time. No construction or alteration shall commence on the Premises until Port has confirmed that the proposed construction or alteration is consistent with the then-current ALP. In the event the ALP is amended after the commencement of this Lease, Port shall provide Tenant with written notice of any amendment that materially affects the Premises, and Tenant shall, at Tenant's sole cost and expense, bring any non-conforming improvements into compliance with the amended ALP within a reasonable time as determined by Port, unless Port determines in its sole discretion that such non-conformity may remain for the duration of the Term.

11. RIGHTS-OF-WAY

The Port hereby grants to Tenant non-exclusive easements and rights-of-way over, across, and through Port-owned property for utilities, pipelines, railroads, and roads as are reasonably necessary for the use and enjoyment of the Premises, subject to such reasonable rules, regulations, and conditions as the Port may establish from time to time.

12. RESERVATION OF RIGHTS

The Port hereby reserves unto itself continuous, perpetual easements over, under, across, and through the Premises for the installation, maintenance, repair, and replacement of utilities, roads, drainage facilities, and other infrastructure serving the Airport or adjacent Port properties. The Port may grant such easements to third parties, including public and private utility providers. The Port shall exercise its rights under this Paragraph in a manner that does not materially interfere with Tenant's operations on the Premises. The Port reserves the right to relocate any utilities, easements, or infrastructure within the Premises as the Port deems necessary or appropriate, provided that such relocation does not materially interfere with Tenant's operations and is conducted at the Port's expense unless such relocation is necessitated by Tenant's construction or improvement activities, in which case the cost of relocation shall be borne by Tenant.

13. AIR SPACE RESERVATIONS AND USE RESTRICTIONS

There is hereby reserved to the Port, for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the surface of the Premises, together with the right to cause in such airspace such noise as may be inherent in the operation of aircraft now known or hereafter used for navigation of or flight in the air.

Tenant shall not erect or permit to be erected any structure or improvement on the Premises that exceeds the height limitations established by the FAA, applicable 14 CFR Part 77 surfaces, the Olympia Regional Airport Zoning Ordinance, the Airport Master Plan, or local zoning ordinances, as currently in effect or as may be hereafter issued or amended. Tenant shall not use or permit the use of the Premises in any manner that creates electrical, visual, or radio interference with the operation of aircraft or Airport navigational aids. The prohibited use of the Premises referred to in this Paragraph includes causing any visual obstruction or radio or similar emission that may tend to interfere with the operations at the Olympia Regional Airport.

If the Premises are located within the approach zone to the Olympia Regional Airport, Tenant shall be subject to substantial use restrictions for the benefit of the Airport and its uses, and Tenant may not sublease any portion of such property until the sublessee has received written permission from the Port as to the nature and extent of the intended use. Tenant acknowledges that noise from both flight and non-flight operations may be generated from activities at the Olympia Regional Airport and by other tenants of the Port. Tenant takes the Premises subject to such conditions, whether now existing or hereafter arising, and hereby waives all claims (including, without limitation, claims for damages, nuisance, or injunctive relief) relating thereto; provided, however, that Tenant does not waive any right to have applicable statutes and regulations regarding noise enforced.

14. UTILITIES AND SERVICES

Tenant shall pay, before delinquency, all charges for utilities and services furnished to or used on the Premises, including but not limited to water, sewer, electricity, natural gas, telephone, internet, garbage and refuse collection, recycling, stormwater management fees, security services, and fire

and police protection. Tenant shall also pay all connection fees, hook-up charges, and deposits required by utility providers.

If any utility or service is furnished to the Premises through a consolidated meter or service point shared with other tenants or Port facilities, Tenant shall pay its pro rata share of such utility or service charges as reasonably determined by the Port.

Waste Facility/Dumpster. Billing responsibility for the site's waste facility/dumpster shall transfer to Tenant upon lease execution. Shared use with tenant(s) on immediately adjacent parcels is required and shall be documented in a separate written cost-sharing agreement, a copy of which shall be provided to the Port.

15. INDEMNIFICATION / LIABILITY INSURANCE

15.1 Indemnification

(a) The Port, its commissioners, officers, employees, and agents (the "Port Parties") shall not be liable for any injury (including death) to any persons or for damage to any property, regardless of how such injury or damage is caused, sustained, or alleged to have been sustained by Tenant or by others (including but not limited to all persons directly or indirectly employed by Tenant or its subtenants or their agents, contractors, subcontractors, suppliers, customers, licensees, or invitees) as a result of any condition (including existing or future defects in the Premises) or occurrence (including failure or interruption of utility service) whatsoever related in any way to the Premises, the areas adjacent thereto, and the Olympia Regional Airport.

(b) Tenant hereby covenants and agrees to indemnify, defend (with attorneys reasonably satisfactory to the Port), protect, and hold the Port harmless against and from any and all damages, losses, liabilities, obligations, penalties, claims, litigation, demands, defenses, judgments, suits, proceedings, costs, disbursements, or expenses of any kind or nature whatsoever (including, without limitation, reasonable attorneys' and experts' fees and disbursements) which may at any time be imposed upon, incurred by, or asserted or awarded against the Port arising from or in connection with the loss of life, personal injury, and/or damage to property occasioned by any act or omission of Tenant or its subtenants or their employees, agents, contractors, subcontractors, suppliers, customers, licensees, or invitees, or arising from or out of any occurrence in or upon the Premises.

(c) Tenant specifically and expressly waives any immunity it may have under industrial insurance, RCW Title 51, solely for the purposes of this indemnification and only to the extent necessary to render the Parties' indemnity obligations enforceable. This waiver was mutually negotiated by the Parties.

(d) The indemnification obligations set forth in this Paragraph 15 shall survive the expiration or earlier termination of this Lease.

(e) The provision set forth in this Section 15.2 in favor of or to the benefit of the Port shall not be applicable to the gross negligence or willful misconduct of any Port Parties.

15.2 Subtenant Insurance Compliance

Tenant shall be responsible for ensuring that all subtenants, assignees, and other occupants of the Premises maintain continuous insurance coverage in accordance with the requirements of this Lease and in such additional amounts as the Port may require. Tenant's failure to ensure such continuous compliance shall constitute a default under this Lease. The Port's approval of any subtenant's insurance shall not limit, modify, or reduce Tenant's obligations under this Paragraph.

16. WAIVER OF SUBROGATION

Tenant hereby waives any and all rights of recovery, claims, actions, or causes of action against the Port, its commissioners, officers, employees, and agents for any loss or damage to the Premises, improvements, or personal property of Tenant that is covered by (or would have been covered by, had Tenant maintained the insurance required under this Lease) insurance required to be maintained by Tenant under this Lease, regardless of the cause of such loss or damage (including the negligence of Port). This waiver shall apply to the extent of the insurance proceeds actually received or that would have been received had the required insurance been maintained. Tenant shall cause its insurer(s) to include a waiver of subrogation endorsement on all applicable insurance policies. This waiver shall be inapplicable to the extent that it would invalidate any insurance coverage required under this Lease.

17. TAXES

Tenant shall pay, before delinquency, all taxes, assessments, and governmental charges of every kind and nature levied or assessed against the Premises, improvements thereon, or Tenant's operations, including but not limited to:

(a) Leasehold Excise Tax. Tenant shall pay the leasehold excise tax imposed under RCW Chapter 82.29A, as now or hereafter amended, on the full lease consideration.

(b) Real Estate Taxes. Tenant shall pay all real property taxes, including any taxes levied on the leasehold interest or improvements on the Premises.

(c) LID/ULID Assessments. Tenant shall pay all local improvement district (LID) and utility local improvement district (ULID) assessments levied against the Premises.

(d) Personal Property and Rental Taxes. Tenant shall pay all taxes on personal property located on the Premises and any taxes imposed on rental income derived from the Premises.

Notwithstanding the foregoing, Tenant shall not be required to pay any general income tax imposed on the Port's overall income.

18. MAINTENANCE AND REPAIR

Tenant shall, at Tenant's sole cost and expense, keep and maintain the Premises and all improvements thereon in a neat, clean, safe, sanitary, and first-class condition and in compliance with all applicable codes, ordinances, and regulations. Tenant accepts the Premises in their present condition and shall keep the Premises free and clear of all liens and encumbrances arising from Tenant's use, occupancy, or construction activities. Without limiting the generality of the foregoing, Tenant shall be responsible for all facility, infrastructure, pavement, stormwater, and grounds maintenance within the leasehold (inside and outside the aeronautical use area), including:

(a) **Buildings and Systems.** Maintain all glass, electrical systems, plumbing, drains, and mechanical equipment in good working order and repair, and replace worn-out, damaged, or obsolete improvements and building components as necessary to maintain the Premises in first-class condition;

(b) **Pest Control.** Provide pest and vermin control as needed to keep the Premises free of infestation;

(c) **Landscaping and Trees.** Maintain all landscaping and perform tree trimming in accordance with the Tumwater Municipal Code;

(d) **Non-Airfield Pavement.** Inspect all parking lots and drive areas outside the aeronautical use area annually for cracks, apply crack-seal treatment as required, and provide the Port with annual inspection and recommended-maintenance reports; apply sealcoat treatment every three to five (3–5) years consistent with the annual maintenance recommendation; and maintain striping as necessary. Within twelve (12) months of lease execution, Tenant shall crack seal, seal coat, and restripe the Airlift NW leasehold parking lot;

(e) **Airfield Pavement.** Maintain and treat airfield pavement in the aeronautical use area to a minimum Pavement Condition Index (PCI) of 75 or better, in accordance with WSDOT Aviation Division standards;

(f) **Stormwater Facilities.** Maintain all stormwater ponds and facilities serving the Premises; and

(g) **Groundskeeping; Snow and Ice.** Perform all groundskeeping within the leasehold, including snow and ice removal, subject to the Snow and Ice Control provision in Section 1.16.

If Tenant fails to maintain the Premises as required herein, the Port may, after providing reasonable written notice and an opportunity to cure, enter the Premises and perform such maintenance, repair, or restoration work as the Port deems necessary. The cost of such work shall constitute Additional Rent payable by Tenant within thirty (30) days after demand, without offset or deduction. Tenant accepts the Premises in their present condition and shall keep the Premises free and clear of all

liens and encumbrances arising from Tenant's use, occupancy, or construction activities. Any dispute arising under this Paragraph shall be resolved in accordance with Paragraph 38.18.1**.**

18.1 Minor Alterations

For purposes of this Section, **"Minor Alterations"** means alterations, additions, or improvements that:

(a) do not exceed $50,000 in aggregate cost during any twelve (12) month period;

(b) are non-structural in nature;

(c) do not affect the building envelope, exterior façade, roof, foundation, or load-bearing elements;

(d) do not affect the electrical, plumbing, HVAC, or fire suppression systems; and

(e) do not require a building permit from the City of Tumwater or Thurston County.

All other alterations shall be subject to Section 19.1.

19. ALTERATIONS AND IMPROVEMENTS / SIGNAGE

19.1 Alterations and Improvements

(a) Minor Alterations. Tenant may make Minor Alterations (as defined in Section 18.1) without the Port's prior written approval. Tenant shall give the Port written notice of any Minor Alteration within thirty (30) days after completion.

(b) Port-Approved Alterations. Except for Minor Alterations and Major Improvements, Tenant shall not make any alterations, additions, or improvements to the Premises without the prior written approval of the Port's Executive Director or designee, which approval shall not be unreasonably withheld, conditioned, or delayed.

(c) Major Improvements. "Major Improvement" means any of the following: (i) construction of any new building; (ii) any increase in the footprint or gross floor area of any existing building or structure; (iii) demolition of any building or structure, in whole or in substantial part; (iv) any improvement that increases the number of aircraft hangar units or bays, or adds aircraft parking or apron area; or (v) any improvement that requires a change to the FAA-approved Airport Layout Plan.

Tenant shall not commence any Major Improvement without the prior approval of the Port, including the approval of the Port Commission at a public meeting, which approvals shall not be unreasonably withheld, conditioned, or delayed. Tenant's request shall include preliminary plans, scope of work, estimated cost, schedule, and a description of any anticipated change in aviation activity on the Premises. The Commission may approve, approve with conditions, or deny the request, subject in all cases to the foregoing reasonableness standard. Conditions may include a

written amendment to this Lease addressing rent, term, Lease Security, insurance, or disposition of improvements, provided that any such conditions shall be reasonable and reasonably related to the applicable Major Improvement.

(d) No Implied Right to Develop. Nothing in this Lease, including Sections 1.12 and 1.16 and Exhibit C, grants Tenant a right to construct any Major Improvement or obligates the Port to approve one.

(e) Other Approvals Not Waived. Port or Commission approval under this Section does not satisfy or waive any requirement for environmental review under SEPA, City of Tumwater permits, or FAA review, including any Airport Layout Plan change.

(f) Casualty Restoration. Restoration under Paragraph 22 to substantially the same footprint, gross floor area, height, and use as the damaged improvement is governed by subsection (b), not subsection (c).

(g) As-Built Drawings and Removal. Tenant shall submit as-built drawings to the Port within sixty (60) days of completion of any approved alteration or improvement. The Port may, at the time of approval, require Tenant to remove any or all such alterations, additions, or improvements and restore the Premises to their original condition upon expiration or earlier termination of this Lease.

Exterior paint colors and building materials should remain consistent with character of surrounding aviation related businesses and facilities. Requests to modify outside of this standard would need to be submitted to Port for approval.

Any dispute arising under this Section shall be resolved in accordance with Paragraph 38.

Exterior Lighting. Within twelve (12) months of lease execution, Tenant shall install exterior lighting to safely illuminate parking lots within the leasehold, including illumination of the leasehold electric gate and keycard control providing airfield-controlled access. Such lighting shall be shielded to avoid distraction to adjacent ramp aircraft operations, and all installations shall comply with 14 CFR Part 77 and the City of Tumwater Municipal Code.

19.2 Signage

All signs, banners, awnings, and other advertising displays on or about the Premises shall be subject to the Port's prior written approval and shall comply with all applicable City of Tumwater sign codes, permits or approval, and any covenants, conditions, and restrictions (CC&Rs) applicable to the Premises.

20. DISPOSITION OF IMPROVEMENTS

(a) Removal of Personal Property. Within 45 days after the expiration or earlier termination of this Lease, Tenant shall, at Tenant's sole cost and expense, remove all of Tenant's personal property, trade fixtures, and equipment from the Premises. Tenant shall restore the surface of the

Premises to a condition reasonably satisfactory to the Port, including removal of foundations, restoration of the surface of the ground to a properly graded, filled, compacted, level, and uniform condition, and removal of all debris, in accordance with all applicable law and all provisions of this Lease, including but not limited to Paragraph 28, **HAZARDOUS SUBSTANCES**. Any personal property not removed within such period shall be deemed abandoned and shall become the property of the Port.

(b) Title to Improvements. Upon the expiration or earlier termination of this Lease, title to all improvements on the Premises (excluding personal property, trade fixtures, and Tenant-installed fuel storage tanks) shall automatically pass to and vest in the Port, without compensation to Tenant and without the necessity of any further action by either party. Tenant shall execute and deliver to the Port a quitclaim deed or other instrument of conveyance for such improvements within thirty (30) days after written request by the Port. Tenant shall surrender the Premises and all improvements in good order, condition, and repair, reasonable wear and tear excepted, and shall deliver to the Port all operation and maintenance manuals, warranties, and as-built drawings relating to such improvements.

(c) Port Election to Require Removal: Notwithstanding the foregoing, Port may, by written notice to Tenant delivered not less than one hundred eighty (180) days prior to the expiration of the Term (or within thirty (30) days following any earlier termination), elect to require Tenant to remove any or all improvements from the Premises at Tenant's sole cost and expense, and to restore the Premises to a condition reasonably satisfactory to Port, including removal of foundations, grading, and revegetation. Such removal and restoration shall be completed within ninety (90) days following the expiration or termination of this Lease. In the event Port elects to require removal, title to the improvements designated for removal shall not pass to Port.

IMPORTANT NOTICE TO TENANT: The disposition of improvements provisions in this Paragraph 20 and Section 1.18 of the Lease Summary represent a material economic term of this Lease. Tenant's obligation to surrender improvements in good condition at the end of the Term is a continuing obligation throughout the Term and is not contingent upon Port's exercise of any inspection or notice right under this Section.

(d) Dispute Resolution. Any dispute arising under this Paragraph 20, including but not limited to disputes regarding the characterization of property as personal property or improvements, shall be resolved in accordance with Paragraph 38.

21. INSPECTION

Port and its authorized representatives shall have the right to enter and inspect the Premises at any reasonable time during normal business hours for any purpose related to the administration and enforcement of this Lease. Nothing contained in this Paragraph shall be deemed to impose any obligation upon Port to inspect the Premises or to be construed as creating any liability on the part

of Port for failure to inspect the Premises or for failure to detect any condition that may exist thereon.

During the last twelve (12) months of the Term, Port shall have the right to place and maintain upon the Premises "For Rent" or "For Lease" signs of reasonable size and to show the Premises to prospective tenants at reasonable times.

22. RESTORATION

(a) Fire/Casualty Insurance. Tenant shall, at its sole cost and expense, maintain fire and extended coverage insurance on all improvements located on the Premises in an amount equal to the full replacement cost thereof, insuring one hundred percent (100%) of the value of such improvements. The amount of such insurance shall be adjusted annually to reflect current replacement cost. Such policy or policies shall contain a waiver of subrogation endorsement in favor of Port. Port shall be named as an additional insured and as loss payee on all such policies. Tenant shall provide Port with certificates of insurance evidencing such coverage prior to the Commencement Date and upon each renewal thereof. All such policies shall contain a provision requiring not less than thirty (30) days' prior written notice to Port before cancellation or material modification. Tenant shall be solely responsible for insurance covering Tenant's own furniture, fixtures, equipment, and personal property located on the Premises.

(b) Repair and Restoration. In the event of damage to or destruction of any improvements on the Premises by fire or other casualty, Tenant shall commence repair or restoration within sixty (60) days of such damage or destruction and shall complete such repair or restoration within one (1) year thereafter. Tenant shall, at its election, restore the improvements either to their original condition or in accordance with modified plans and specifications approved in writing by Port, and, if the modified plans constitute a Major Improvement, by the Port Commission under Section 19.1(c). All insurance proceeds received on account of such damage or destruction shall be applied to the cost of such repair or restoration. In the event the insurance proceeds are insufficient to cover the full cost of repair or restoration, Tenant shall pay any shortfall from Tenant's own funds. Failure to commence or complete repair or restoration within the time periods specified herein shall constitute a default under this Lease. In the event of such default, all insurance proceeds shall be paid to Port, who may, at its sole option, repair, restore, or remove the damaged improvements.

(c) Termination Option. Notwithstanding the foregoing, in the event the cost of repair or restoration exceeds the available insurance proceeds and the remaining term of this Lease is insufficient to allow Tenant to obtain financing for such excess cost, either party shall have the option to terminate this Lease. Such termination option shall be exercised, if at all, by written notice to the other party within thirty (30) days of the date of such damage or destruction.

(d) Dispute Resolution. Any dispute arising under this Paragraph 22, including but not limited to disputes regarding the cost of repair or restoration, the sufficiency of insurance proceeds, or the exercise of the termination option, shall be resolved in accordance with Paragraph 38 of this Lease.

23. DEFAULTS

Time is of the essence with respect to each and every provision of this Lease.

Monetary Default. Tenant shall be in default under this Lease if Tenant fails to pay any Rent or other sum due hereunder within fifteen (15) days after written notice from Port that such payment is past due.

Non-Monetary Default. Tenant shall be in default under this Lease if Tenant fails to perform or observe any other term, covenant, or condition of this Lease within thirty (30) days after written notice from Port specifying such failure; provided, however, that if such failure cannot reasonably be cured within thirty (30) days, Tenant shall not be in default if Tenant commences such cure within such thirty (30) day period and thereafter diligently pursues such cure to completion.

Reinstatement Fee. In the event Tenant cures a default after the expiration of the applicable cure period but before Port has exercised its right to terminate this Lease, Tenant shall pay to Port a reinstatement fee equal to $500 (or such greater amount as may be established in the Port Commission Fee Schedule), in addition to all past-due amounts, late penalties, and costs. Payment of the reinstatement fee shall not constitute a waiver of Port's right to terminate this Lease for any subsequent default or for any other uncured default.

Re-Entry. Upon any default by Tenant and the expiration of the applicable cure period, Port shall have the right to re-enter the Premises and take possession thereof. Port may remove Tenant's personal property from the Premises.

Personal Property Removal and Sale. Any personal property of Tenant remaining on the Premises after re-entry by Port shall be stored by Port at Tenant's expense for a period of thirty (30) days. If Tenant fails to claim and remove such personal property within such thirty (30) day period, Port may sell such personal property at public or private sale. The proceeds of any such sale shall be applied in the following order: (i) costs of sale, including reasonable attorney's fees; (ii) costs of storage; (iii) amounts due to Port under this Lease; and (iv) the balance, if any, to Tenant.

Deficiency Liability. Tenant shall remain liable for any deficiency between the amounts due under this Lease and the amounts recovered by Port through re-entry, sale of personal property, or re-letting of the Premises.

Acceleration. Upon any default that results in termination of this Lease, Port shall have the right to accelerate all Rent and other sums due for the remainder of the Lease Term, discounted to present value at the rate of five percent (5%) per annum. The accelerated amount shall be reduced by any amounts the Port collects from reletting the Premises for the remainder of the Term. No late payment penalty under Section 4.3 shall accrue on any amount from and after termination of this Lease.

Late Payment. All past-due amounts under this Lease shall accrue late payment penalties as set forth in Section 4.3 of this Lease (a $50 penalty, doubling every thirty (30) days the amount remains outstanding), in lieu of interest, applied from the date the amount became past due.

Cumulative Remedies. The remedies set forth in this Paragraph 23 shall be cumulative and in addition to any and all other remedies available to Port at law or in equity. No election by Port to pursue any remedy shall be deemed a waiver of any other remedy.

24. ADVANCES BY PORT

In the event Tenant fails to perform any non-monetary obligation under this Lease and such failure continues beyond the applicable cure period, Port may, but shall not be obligated to, cure such default on behalf of Tenant at Tenant's sole cost and expense. All sums expended by Port in curing any such default, together with late payment penalties set forth in Section 4.3 of this Lease from the date of expenditure until repaid, shall constitute additional Rent under this Lease and shall be due and payable upon demand.

25. HOLDING OVER

In the event Tenant remains in possession of the Premises after the expiration or termination of this Lease without the prior written consent of Port, such holding over shall create a month-to-month tenancy at a rental rate equal to 150 percent of the then-current Rent. All other terms, covenants, and conditions of this Lease shall continue to apply during any such holdover period. Such month-to-month tenancy may be terminated by either party upon thirty (30) days' prior written notice to the other party.

26. ASSIGNMENT OR SUBLEASE

Tenant shall not assign, transfer, mortgage, pledge, hypothecate, or encumber this Lease, or any interest therein, nor sublease the Premises or any part thereof, without the prior written consent of Port, which consent shall not be unreasonably withheld, conditioned, or delayed.

Notwithstanding the foregoing, Tenant may assign this Lease for security purposes to a bona fide institutional lender solely as security for a loan, subject to and in accordance with the terms and conditions set forth in Exhibit D attached hereto and incorporated herein by this reference.

Change of Control. Any transfer, sale, assignment, or other disposition of more than fifty percent (50%) of the ownership interest in Tenant (whether in a single transaction or in a series of related transactions) shall be deemed an assignment of this Lease for purposes of this Paragraph 26 and shall require the prior written consent of Port.

Required Sublease Language. Any sublease of all or any portion of the Premises shall contain the following provision:

"This sublease is subject and subordinate to that certain Ground Lease dated [Lease Date] between the Port of Olympia, as Port/Landlord, and [Tenant Name], as Tenant (the 'Ground Lease'). This sublease shall terminate upon termination of the Ground Lease. Subtenant shall comply with all applicable terms and conditions of the Ground Lease. In the event of any conflict between the terms of this sublease and the terms of the Ground Lease, the terms of the Ground Lease shall control. Subtenant acknowledges that it has received a copy of the Ground Lease and is familiar with the terms thereof. Subtenant agrees to attorn to Port upon termination of the Ground Lease and, at Port's election, to enter into a new lease with Port upon substantially the same terms as this sublease for the remaining term hereof."

No assignment or sublease shall release Tenant from any obligation under this Lease. Tenant shall remain primarily liable for the performance of all terms, covenants, and conditions of this Lease notwithstanding any assignment or sublease.

In connection with any sublease, and in addition to the Port's prior written consent required above, Tenant shall provide the Port with the sublease tenant's name and contact information.

27. COMPLIANCE WITH PORT REGULATIONS/ALL LAWS

Tenant shall comply at all times with all rules, regulations, and policies adopted by the Port Commission, including but not limited to the Port's Minimum Standards for Commercial Aeronautical Activities and Commercial Operations, the Airport Rules and Regulations, and all applicable fees, tariffs, and charges, as each may be amended from time to time (including all future revisions).

Tenant shall, at its sole cost and expense, comply with all applicable federal, state, and local laws, statutes, ordinances, rules, regulations, and orders, including but not limited to all environmental laws and regulations, the Americans with Disabilities Act (ADA), and all building, fire, health, and safety codes and regulations.

Tenant shall indemnify, defend, and hold harmless Port from and against any and all claims, damages, losses, costs, and expenses (including reasonable attorney's fees) arising from or related to Tenant's failure to comply with any applicable law, regulation, or Port rule.

Tenant shall be solely responsible for obtaining and paying for all inspections, permits, licenses, and certificates required in connection with Tenant's use and occupancy of the Premises.

Port reserves the right, in its sole discretion, to adopt, amend, modify, or repeal any rules, regulations, policies, minimum standards, fees, tariffs, and charges (collectively, "Port Rules") applicable to the Airport and/or the Premises from time to time, in accordance with applicable law. or amendment of Port Rules shall not constitute a breach of this Lease, give rise to any right of abatement or offset against Rent, or give rise to any claim by Tenant against Port, provided that

Port Rules are applied in a reasonable and nondiscriminatory manner consistent with applicable law and FAA Grant Assurances.

28. HAZARDOUS SUBSTANCES

(a) Definition of "Hazardous Substances." As used in this Lease, "Hazardous Substances" shall mean any substance, material, or waste that is regulated, classified, or otherwise characterized under any federal, state, or local environmental law as hazardous, toxic, contaminating, polluting, or otherwise dangerous to human health or the environment, including but not limited to: petroleum and petroleum products, asbestos and asbestos-containing materials, polychlorinated biphenyls (PCBs), radioactive materials, flammable or explosive substances, pesticides, herbicides, and any substance defined as a "hazardous substance" under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA), 42 U.S.C. § 9601 et seq., the Resource Conservation and Recovery Act (RCRA), 42 U.S.C. § 6901 et seq., the Washington Model Toxics Control Act (MTCA), RCW 70A.305, or any other applicable environmental law.

(b) Definition of "Other Property." As used in this Lease, "Other Property" shall mean any real or personal property, whether owned by Port, Tenant, or any third party, that is or may be contaminated, affected, or impacted by Hazardous Substances as a result of operations conducted on or from the Premises, including but not limited to adjoining or nearby properties, groundwater, surface water, soil, air, and any other environmental media.

(c) Permits and Approvals. Tenant shall not commence any activity on the Premises involving the use, generation, storage, treatment, transport, or disposal of Hazardous Substances without first obtaining all permits, licenses, and approvals required under applicable federal, state, and local environmental laws and regulations, and without first providing Port with copies of all such permits, licenses, and approvals.

(d) Compliance with Environmental Laws. Tenant shall comply with all applicable federal, state, and local environmental laws, statutes, ordinances, rules, regulations, and orders in connection with Tenant's use and occupancy of the Premises. Tenant shall not use, generate, manufacture, produce, store, release, discharge, or dispose of any Hazardous Substances on, under, or about the Premises, or transport any Hazardous Substances to or from the Premises, without the prior written consent of Port.

(e) Reporting Obligations. Tenant shall comply with the following reporting requirements:

(i) Tenant shall comply with all reporting, manifest, labeling, and record-keeping requirements imposed by applicable environmental laws and regulations in connection with any Hazardous Substances on the Premises.

(ii) Tenant shall make all records relating to Hazardous Substances on the Premises available to Port for inspection and copying within five (5) business days of Port's written request.

(iii) Tenant shall respond in writing to any written report or inquiry from Port regarding Hazardous Substances on the Premises within five (5) business days of receipt thereof.

(iv) Tenant shall allow Port and its authorized representatives access to the Premises at all reasonable times for the purpose of inspecting, sampling, testing, and monitoring Hazardous Substances and environmental conditions on the Premises.

(v) Tenant shall comply with all applicable standards, guidelines, and best management practices for the management and handling of Hazardous Substances.

(f) No Release of Potentially Responsible Parties. Nothing contained in this Lease shall be construed as releasing, waiving, or discharging any claim, demand, or cause of action that Port may have against any potentially responsible party under any applicable environmental law.

(g) Notification and Remediation. Tenant shall immediately notify Port in writing of: (i) any release, discharge, or threatened release of Hazardous Substances on, under, or from the Premises; (ii) any notice, order, or directive received from any governmental agency relating to Hazardous Substances on the Premises; and (iii) any claim, action, or proceeding relating to Hazardous Substances on the Premises. Tenant shall, at its sole cost and expense, promptly investigate, remediate, and restore the Premises and any Other Property affected by any release of Hazardous Substances caused by or arising from Tenant's use or occupancy of the Premises, in accordance with all applicable environmental laws and to the satisfaction of Port and all applicable governmental agencies.

(h) Non-Compliance; Port's Right to Act. In the event Tenant fails to comply with any provision of this Paragraph 28, Port shall have the right, but not the obligation, to enter the Premises and take such action as Port deems necessary or appropriate to cure such non-compliance, including but not limited to investigation, remediation, removal, and cleanup of Hazardous Substances. All costs and expenses incurred by Port in connection with any such action, together with late payment penalties set forth in Section 4.3 of this Lease, shall constitute additional Rent under this Lease and shall be due and payable upon demand.

(i) Indemnification. Tenant shall indemnify, defend, and hold harmless Port and its commissioners, officers, employees, agents, and representatives from and against all claims, damages, losses, liabilities, costs, and expenses (including reasonable attorneys' fees and reasonable investigation, monitoring, remediation, and cleanup costs) arising from or relating to any Hazardous Substances on, under, at, or from the Premises or any Other Property, but only to the extent caused or exacerbated by Tenant or a Tenant Party during the Lease Term, or any violation of applicable Environmental Law by Tenant or a Tenant Party. Tenant shall have no responsibility or liability for Hazardous Substances that (i) existed on, under, at, or were migrating to or from the Premises as of the Commencement Date, including Hazardous Substances documented in the Environmental Baseline, except to the extent exacerbated by Tenant or a Tenant Party after the Commencement Date, or (ii) are released by Port, a Port Party, or any third party that is not a Tenant Party. Port shall indemnify, defend, and hold harmless Tenant and its officers,

directors, members, managers, employees, agents, and representatives from and against all claims, damages, losses, liabilities, costs, and expenses (including reasonable attorneys' fees and reasonable investigation, monitoring, remediation, and cleanup costs) arising from or relating to (A) Hazardous Substances existing on, under, at, or migrating to or from the Premises as of the Commencement Date, including Hazardous Substances documented in the Environmental Baseline, except to the extent exacerbated by Tenant or a Tenant Party after the Commencement Date, or (B) Hazardous Substances released by Port or any Port Party. Tenant's obligations with respect to the Stormwater Area are limited to those expressly set forth in Paragraphs 18(f), 28(o), and Exhibit C (including maintenance of stormwater ponds and facilities and landscaping). Accordingly, Tenant shall have no responsibility or indemnification obligation for Hazardous Substances released, discharged, or disposed of in the Stormwater Area by Port, a Port Party, or any third party that is not a Tenant Party. "Tenant Party" means Tenant and its subtenants, licensees, contractors, agents, employees, invitees, and customers. "Port Party" means the Port Parties as defined in Section 15.1 herein.

(j) Obligations Unconditional; Survival. Tenant's obligations under this Paragraph 28 shall be unconditional and shall not be limited, reduced, or otherwise affected by any insurance maintained by Tenant or Port. Tenant's obligations under this Paragraph 28 shall survive the expiration or earlier termination of this Lease.

(k) Removal Upon Termination. Upon the expiration or earlier termination of this Lease, Tenant shall remove all Hazardous Substances and hazardous materials from the Premises in accordance with all applicable environmental laws. In the event Tenant has not completed such removal prior to the expiration or termination date, Tenant shall be deemed to be holding over pursuant to Paragraph 25 until such removal is complete. Tenant shall, at its sole cost and expense, obtain and provide to Port a certification from the applicable Health Department or other governmental agency confirming that the Premises are free of Hazardous Substances and are in compliance with all applicable environmental laws.

(l) Environmental Baseline. The "Environmental Baseline" is defined as (a) that certain Phase I Environmental Site Assessment performed by NV5 dated September 14, 2026 under work number 20260122-02; and/or (b) a photographic and narrative record of the condition of the Premises. The Environmental Baseline shall be attached to this Lease as an addendum or maintained in the Lease file and shall serve as the reference for the rights and obligations of Tenant and the Port under this Section 28.

(m) End-of-Term Environmental Assessment. In the event that Tenant is in violation of Paragraph 28 any time during the Term then, not earlier than twelve (12) months and not later than six (6) months prior to the expiration of the Term (including any Extension Term), or within thirty (30) days following any earlier termination of this Lease, Port may require that Tenant, at Tenant's sole cost and expense, cause to be prepared a Phase I Environmental Site Assessment of the Premises conforming to ASTM E1527-21 (or the then-current ASTM standard), conducted by an independent environmental consultant approved by Port (such approval not to be unreasonably

withheld). If the Phase I ESA identifies recognized environmental conditions, Tenant shall, at Tenant's sole cost and expense, cause to be prepared a Phase II Environmental Site Assessment of the Premises, including sampling and analysis as recommended by the Phase I consultant. Tenant shall provide copies of all environmental assessment reports to Port within ten (10) business days of receipt. If the environmental assessments identify contamination attributable to Tenant's use or occupancy of the Premises (as determined by comparison to the environmental baseline established under Section (l) of this Paragraph), Tenant shall remediate such contamination in accordance with the requirements of this Paragraph prior to the expiration or termination of this Lease, or, if remediation cannot be completed prior to expiration or termination, Tenant shall be deemed to be holding over pursuant to Paragraph 25 until such remediation is complete, and Tenant's obligations under this Paragraph shall survive such expiration or termination.

(n) Compliance with Port's SPCC Plan. Tenant shall comply with the Port's Spill Prevention, Control, and Countermeasure Plan ("SPCC Plan") for Olympia Regional Airport, as may be amended from time to time. Tenant shall maintain a current copy of the SPCC Plan at Tenant's principal place of business on the Premises and shall ensure that all of Tenant's employees, agents, contractors, and subtenants with access to the Premises are familiar with the applicable provisions thereof. Tenant shall cooperate with Port in periodic updates and revisions to the SPCC Plan, including providing information regarding Tenant's fuel storage, handling, and transfer operations. If Tenant's operations require Tenant to prepare its own facility-specific SPCC Plan under 40 CFR Part 112, Tenant shall prepare and maintain such plan, provide a copy to Port, and ensure that Tenant's plan is consistent with and complementary to the Port's SPCC Plan.

(o) Stormwater Management. (a) Tenant shall comply with all applicable federal, state, and local stormwater laws, regulations, permits, and standards, including without limitation the Western Washington Phase II Municipal Stormwater Permit (or any successor permit) and the Port's Stormwater Management Plan, as may be amended from time to time. (b) Tenant shall implement and maintain best management practices ("BMPs") to prevent pollutants from entering the stormwater system from the Premises, including but not limited to spill prevention and response measures, proper storage of materials, and containment of all wash water and other non-stormwater discharges. (c) Tenant shall obtain and maintain all stormwater permits required for Tenant's operations and construction activities on the Premises, and shall provide copies of all such permits and compliance reports to Port upon request. (d) Tenant shall cooperate with Port in fulfilling Port's obligations as a permittee under the Municipal Stormwater Permit, including providing access for inspections and cooperating with Port's illicit discharge detection and elimination (IDDE) program. (e) Tenant shall indemnify and hold Port harmless from and against any claims, penalties, fines, or costs arising from Tenant's failure to comply with applicable stormwater requirements.

(p) **Habitat Conservation Plan**. Tenant acknowledges that future airport development will be governed in part by a USFWS-approved Bush Prairie Habitat Conservation Plan, and Tenant shall comply with all provisions and best practices thereof affecting its leasehold.

29. STORAGE TANK LICENSES

Tenant shall not install, maintain, or operate any storage tank on the Premises with a capacity in excess of one hundred ten (110) gallons without first obtaining a license from Port in accordance with the Port's storage tank license requirements and applicable law, which consent to such license not to be unreasonably withheld, conditioned or delayed by Port. Tenant shall maintain insurance covering any such storage tank in such amounts and with such coverage as required by Port and applicable law. Tenant shall comply with all applicable federal, state, and local laws, statutes, ordinances, rules, and regulations governing the installation, maintenance, operation, and removal of storage tanks. Tenant shall provide Port with copies of all inspection results and reports relating to any storage tank on the Premises within five (5) days of receipt thereof.

Tenant shall pay, as Additional Rent, all fees and charges for the occupancy and use of fuel tank spaces 1, 2, 5 and 6 of the Olympia Regional Airport Fuel Facility, and all storage tank license fees and charges, in each case as established in the Port's adopted Airport rates and charges schedule or by Port Resolution, as amended from time to time. Such fees are in addition to, and not in lieu of, the flowage fee.

30. INSPECTIONS AND NOTICE OF CHANGE

Tenant agrees that inspections may be required by the Port at the Tenant's expense to assure compliance with Paragraphs 28, **HAZARDOUS SUBSTANCES**, and 29, **STORAGE TANK LICENSES**. Such inspections shall be made once every five (5) years or at any time the Port reasonably believes a problem may exist.

Tenant shall provide Port with an annual identification of all hazardous materials and Hazardous Substances used, stored, generated, or present on the Premises, including the type, quantity, and location of such materials, in a form and format reasonably acceptable to Port.

31. EMINENT DOMAIN

In the event the entire Premises, or such substantial portion thereof as to render the remaining portion untenantable for Tenant's intended use, shall be taken or condemned by any governmental authority under the power of eminent domain, this Lease shall terminate as of the date of such taking or condemnation.

In the event of a partial taking or condemnation that does not render the Premises untenantable, this Lease shall continue in full force and effect, and the Rent shall be proportionally reduced to reflect the reduction in the area of the Premises.

All condemnation proceeds and awards shall belong to and be the property of Port, except that Tenant shall be entitled to make a separate claim against the condemning authority for Tenant's relocation costs and for the value of Tenant's personal property taken.

Port shall have the right to take the Premises, or any portion thereof, for port purposes upon not less than six (6) months' prior written notice to Tenant, in accordance with RCW 53.08.010 and Title 8 RCW.

32. INSOLVENCY

Port shall have the right to terminate this Lease upon written notice to Tenant if any of the following events shall occur: (i) a receiver, trustee, or custodian is appointed for Tenant or for all or substantially all of Tenant's assets; (ii) Tenant files a voluntary petition in bankruptcy or is adjudicated bankrupt or insolvent under any federal or state bankruptcy or insolvency law; (iii) an involuntary petition in bankruptcy is filed against Tenant and is not dismissed within sixty (60) days of filing; (iv) Tenant becomes insolvent or admits in writing its inability to pay its debts as they become due; (v) Tenant makes a general assignment for the benefit of creditors; or (vi) Tenant's interest in this Lease is attached, sequestered, or otherwise subjected to execution or levy by any creditor of Tenant.

33. PROMOTION OF PORT COMMERCE

Tenant shall cooperate with Port in the promotion and development of commerce through Port facilities. Tenant shall utilize Port facilities for the conduct of Tenant's business to the extent reasonably practicable. Tenant shall provide Port with such information, data, and reports regarding Tenant's operations on the Premises as Port may reasonably request from time to time.

Tenant acknowledges the historic annual airshow (generally held in June) and commits to being an active participant, including the temporary use of its leasehold space in close collaboration with the airshow sponsoring organization, consistent with longstanding past practice.

34. ATTORNEY'S FEES AND COSTS

In the event of any litigation or mediation arising out of or related to this Lease, the prevailing party shall be entitled to recover from the non-prevailing party all reasonable attorney's fees, costs of court, mediation fees, and collection costs incurred in connection therewith.

35. NONDISCRIMINATION (SERVICES)

This covenant is a covenant running with the land. Tenant, for itself, its successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree that Tenant shall not discriminate against any person on the basis of race, creed, color, national origin, sex, age, or disability in the furnishing of services or activities conducted on the Premises.

Tenant shall comply with all requirements of 49 CFR Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, as may be amended from time to time.

Noncompliance with this provision shall constitute a material breach of this Lease.

36. NONDISCRIMINATION (SERVICES, CONSTRUCTION, USE)

Tenant shall not discriminate on the basis of race, color, or national origin in the construction of any improvements on the Premises, in the provision of services on the Premises, or in the use of the Premises. Tenant shall comply with all requirements of 49 CFR Part 21, as may be amended from time to time. Port shall have the right to enforce this provision through any and all remedies available at law or in equity.

FAA Nondiscrimination Clause. In accordance with federal requirements, Tenant shall include the following four-part nondiscrimination clause in all agreements and contracts relating to the Premises:

(1) Tenant, for itself, its personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree that (a) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise subjected to discrimination in the use of said facilities; (b) that in the construction of any improvements on, over, or under such land and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise subjected to discrimination; and (c) that Tenant shall use the Premises in compliance with all other requirements imposed by or pursuant to 49 CFR Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation.

(2) That in the event of breach of any of the above nondiscrimination covenants, Port shall have the right to terminate this Lease and to re-enter and repossess said land and the facilities thereon, and hold the same as if said Lease had never been made or issued.

(3) That Tenant shall include the provisions of paragraphs (1) and (2) above in every sublease, agreement, or contract by which Tenant grants a right or privilege to any person, firm, or corporation to render accommodations or services to the public on the Premises.

(4) That Tenant shall furnish its services on a fair, equal, and not unjustly discriminatory basis to all users thereof and shall charge fair, reasonable, and not unjustly discriminatory prices for each unit or service; provided that Tenant may be allowed to make reasonable and nondiscriminatory discounts, rebates, or other similar types of price reductions to volume purchasers.

37. RENT ADJUSTMENT; APPRAISAL PROCEDURE

(a) Published Rate. Except as specifically set forth herein, Rent shall be adjusted in accordance with the Airport rates and charges schedule adopted by the Port Commission by resolution, as amended from time to time, and applied uniformly to similarly situated tenants ("Published Rate").

Port shall give Tenant written notice of any adjustment not less than sixty (60) days before its effective date.

(b) Tenant Objection. Within [thirty (30) days after receiving notice, Tenant may object in writing, stating the basis for its objection. The parties shall confer in good faith for thirty (30) days. If they don't resolve the objection, Tenant may request an appraisal under this Section by written notice within fifteen (15) days after the conference period ends. If Tenant doesn't timely object or request an appraisal, the Published Rate is conclusive.

(c) Appraiser. The appraisal shall be performed by an independent appraiser who holds the MAI designation from the Appraisal Institute and has at least ten (10) years of experience appraising airport or aviation-related properties or ground leases in the Pacific Northwest. The parties shall mutually select the appraiser; if they cannot agree within fifteen (15) days, Port shall select from a list of three qualified appraisers proposed by Tenant.

(d) Valuation Standard. The appraiser shall determine the fair market annual rental value of the Premises as unimproved land, excluding Tenant's improvements. The appraiser shall assume the Premises are subject to the use restrictions and other terms of this Lease, the Airport's rules and regulations, and the Port's federal obligations. The appraiser shall consider ground rental rates at comparable airports and other relevant market data. If the appraiser uses fee simple land sales, the appraiser shall convert them to a rental value using a market-supported rate of return. The appraiser shall not discount value because the Premises are owned by a municipal corporation.

(e) Effect. Tenant shall pay the Published Rate while the appraisal is pending. The appraisal shall be submitted to the Port Commission. If the appraised rental value is within ten percent (10%)of the Published Rate, the Published Rate shall stand. Otherwise, the Commission shall consider the appraisal in establishing the rate for the Premises, and any resulting change shall be reconciled retroactively to the adjustment date. [In no event shall rent be reduced below the rent in effect immediately before the adjustment.

(f) Costs. Tenant shall bear the cost of the appraisal if the Published Rate stands. Otherwise, the parties shall share the cost equally.

38. DISPUTE RESOLUTION

(a) Negotiation. The Parties shall attempt in good faith to resolve any dispute arising out of or relating to this Lease through direct negotiation between authorized representatives of the Parties. Either Party may initiate negotiation by delivering written notice to the other Party describing the dispute in reasonable detail. The Parties shall meet within fifteen (15) days of such notice and shall negotiate in good faith for a period of not less than thirty (30) days.

(b) Mediation. If the dispute is not resolved through negotiation within thirty (30) days, either Party may initiate mediation by delivering written notice to the other Party. Mediation shall be conducted in Thurston County, Washington, by a single mediator mutually agreed upon by the

Parties, or if the Parties cannot agree, appointed by the Thurston County Superior Court. The mediation shall be completed within sixty (60) days of the mediator's appointment unless extended by mutual agreement. The costs of the mediator shall be shared equally by the Parties; each Party shall bear its own attorneys' fees and costs in connection with the mediation.

(c) Litigation. If the dispute is not resolved through mediation, either Party may pursue its remedies at law or in equity in the Thurston County Superior Court or, if federal jurisdiction exists, in the United States District Court for the Western District of Washington. The Parties consent to the exclusive jurisdiction and venue of such courts.

(d) Provisional Remedies. Nothing in this Section shall preclude either Party from seeking injunctive relief or other provisional remedies from a court of competent jurisdiction where such relief is necessary to prevent irreparable harm, preserve the status quo, or protect the Party's interest in the Premises.

(e) Continuation of Performance. Pending final resolution of any dispute, the Parties shall continue to perform their respective obligations under this Lease to the extent not in dispute.

39. JOINT AND SEVERAL LIABILITY

If Tenant consists of more than one person or entity, each such person or entity shall be jointly and severally liable for all obligations of Tenant under this Lease.

40. INVALIDITY / SEVERABILITY

If any provision of this Lease or the application thereof to any person or circumstance shall be invalid or unenforceable to any extent, the remainder of this Lease and the application of such provision to other persons or circumstances shall not be affected thereby and shall continue in full force and effect. The parties shall negotiate in good faith a replacement provision that is valid and enforceable and that comes as close as possible to expressing the intention of the invalid or unenforceable provision.

41. WAIVER

No waiver of any default or breach of this Lease shall be implied from any acceptance of Rent or any omission by either Party to take action on account of such default. No waiver of any default shall affect or alter this Lease, and this Lease shall continue in full force and effect with respect to any other then-existing or subsequent default. No waiver of any provision of this Lease shall be effective unless in writing and signed by the waiving Party. No waiver of any default shall constitute a waiver of any subsequent default, whether of the same or a different nature.

42. BINDER

This Lease shall be binding upon and inure to the benefit of the heirs, executors, administrators, successors, and permitted assigns of the respective parties hereto.

43. NOTICES

All notices, demands, requests, consents, approvals, and other communications required or permitted under this Lease shall be in writing and shall be delivered by one or more of the following methods: (a) United States certified mail, return receipt requested, postage prepaid; (b) nationally recognized overnight courier; or (c) personal delivery. Notices shall be addressed as follows:

To Port:

Port of Olympia

606 Columbia Street NW, Suite 300

Olympia, WA 98501

To Tenant:

OLM Hangar and FBO LLC

600 1st Avenue, Ste 330, PMB 74172

Seattle, WA 98104

With a copy to:

Buchalter LLP

Attn: Ian Taylor

600 University Street, Suite 3100

Seattle, WA 98101

Any such notice shall be deemed given on the date of mailing as evidenced by the postmark, on the date of deposit with a nationally recognized overnight courier, or on the date of personal delivery, as applicable.

Notices may also be delivered by electronic mail to the email addresses set forth below; provided, however, that notice by electronic mail shall be effective only if: (i) the sender receives an electronic confirmation of delivery (e.g., read receipt or reply acknowledgment); or (ii) the electronic mail is followed within two (2) business days by a copy sent by one of the other methods specified in this Section. Electronic mail notice shall be deemed received on the date the recipient confirms receipt or, if confirmation is not received, on the date the follow-up notice is deemed received under the applicable method.

Port Email: miker@portolympia.com; meganl@portolympia.com

Tenant Email: jon.wenrich@vesperaviation.com; itaylor@buchalter.com

Either Party may change its notice address or email address by delivering written notice to the other Party in accordance with this Section.

44. REAL ESTATE COMMISSIONS AND FEES

Real estate commissions and fees, if any, shall be as set forth in Paragraph 1 of this Lease.

45. QUIET ENJOYMENT

Port covenants that Tenant, upon paying Rent and all other sums due hereunder and performing all of Tenant's obligations under this Lease, shall peaceably and quietly have, hold, and enjoy the Premises for the Term, subject to the terms and conditions of this Lease, the Port's reserved rights, all applicable laws and regulations, the Minimum Standards, the Airport Rules and Regulations as may be amended from time to time, and all FAA Grant Assurances. This covenant shall not limit or restrict Port's exercise of any right expressly reserved to Port under this Lease, including without limitation the right to grant easements, make improvements to the Airport, adopt or amend rules and regulations, and exercise the rights reserved under Paragraphs 11, 12, and 13 of this Lease.

46. FORCE MAJEURE

Neither Party shall be liable for any failure or delay in performing its obligations under this Lease (other than the payment of Rent) to the extent such failure or delay results from force majeure events, including but not limited to acts of God, war, terrorism, pandemic, epidemic, government orders or regulations, fire, flood, earthquake, labor disputes, supply chain disruptions, or other causes beyond the reasonable control of the affected Party. The affected Party shall give prompt written notice to the other Party of the nature and expected duration of any such force majeure event. The time for performance of the affected obligation shall be extended by a period equal to the duration of the force majeure event.

47. ESTOPPEL CERTIFICATES

Each Party shall, within twenty (20) business days after receipt of a written request from the other Party, execute and deliver to the requesting Party (or to any lender, prospective assignee, or other third party designated by the requesting Party) an estoppel certificate in the form attached hereto as Exhibit E (or in such other form as may be reasonably required), certifying:

(a) That this Lease is in full force and effect and has not been modified (or, if modified, stating the nature of such modifications);

(b) The dates to which Rent and other charges have been paid;

(c) Whether either Party is in default under this Lease and, if so, the nature and extent of such default;

(d) The commencement date and expiration date of the Term (including any exercised renewal options); and

(e) Such other matters as may be reasonably requested.

Any estoppel certificate delivered pursuant to this Section may be relied upon by the requesting Party and any lender, prospective assignee, or other third party to whom it is addressed.

48. MEMORANDUM OF LEASE

Upon the request of either Party, the parties shall execute and acknowledge a Memorandum of Lease in recordable form, setting forth the names of the parties, a description of the Premises, the Term (including commencement and expiration dates and any renewal options), and such other provisions as either Party may reasonably request. The Memorandum of Lease shall be recorded in the real property records of Thurston County, Washington, at Tenant's sole cost and expense. Upon the expiration or earlier termination of this Lease, Tenant shall execute and deliver to Port, within ten (10) days after Port's written request, a quitclaim deed or other instrument in recordable form releasing and terminating the Memorandum of Lease of record.

49. GOVERNING LAW; ENTIRE AGREEMENT

This Lease shall be governed by and construed in accordance with the laws of the State of Washington, without regard to its conflicts of law principles. Any action or proceeding arising under or in connection with this Lease shall be brought in the Thurston County Superior Court or, if federal jurisdiction exists, in the United States District Court for the Western District of Washington, and each Party hereby consents to the exclusive jurisdiction and venue of such courts.

This Lease, including all Exhibits attached hereto and incorporated herein by reference, constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior negotiations, representations, warranties, commitments, offers, and agreements, whether written or oral. No oral modification of this Lease shall be binding. This Lease shall not be amended or modified except by a written instrument signed by both parties.

50. SUBORDINATION TO FAA AND GOVERNMENT AGREEMENTS

This Lease shall be subordinate to the provisions of any existing or future agreements between the Port and the United States government relative to the operation or maintenance of the Airport, the execution of which has been or shall be required as a condition precedent to the expenditure of federal funds for the development of the Airport. The Port reserves the right to lease the Airport, or any part thereof, to the United States government during any period of war or national emergency. Any provision of this Lease that is determined to be in conflict with such government agreements shall be deemed modified to the extent necessary to comply therewith.

Compliance with FAA Grant Assurances. Tenant acknowledges that the Airport has been developed with federal financial assistance and that Port is obligated to comply with certain grant assurances imposed by the FAA pursuant to 49 U.S.C. § 47107 and applicable FAA orders and advisory circulars. Tenant shall comply with all applicable FAA Grant Assurances, including without limitation the prohibitions against exclusive rights (49 U.S.C. § 47107(a)(4)), the requirements for nondiscriminatory access and services, and the prohibition against revenue diversion (49 U.S.C. § 47107(b)). Port's enforcement of any FAA Grant Assurance shall not constitute a breach of this Lease or give rise to any claim by Tenant against Port.

NON-EXCLUSIVE RIGHTS. Nothing in this Lease shall be construed as granting Tenant an exclusive right to conduct any aeronautical activity at the Airport. Port reserves the right to grant leases, licenses, and permits to other persons, firms, or entities for similar or identical aeronautical activities at the Airport, subject to space availability and compliance with the Minimum Standards. Tenant acknowledges that the Airport is subject to federal obligations prohibiting the grant of exclusive rights for aeronautical activities pursuant to 49 U.S.C. § 47107(a)(4) and FAA Advisory Circular 150/5190-6, and that this Lease shall be interpreted consistently therewith. Any provision of this Lease that is determined to grant or have the effect of granting an exclusive right in violation of 49 U.S.C. § 47107(a)(4) shall be void and of no force or effect to the extent of such violation.

SELF-FUELING AND SELF-SERVICE RIGHTS. Tenant acknowledges that aircraft owners and operators have the right to fuel and service their own aircraft with their own employees and equipment ("Self-Fueling" and "Self-Service"), subject to Port's reasonable rules and regulations and the Minimum Standards, and as required by 49 U.S.C. § 47107(a)(6) and (a)(22) and FAA Advisory Circular 150/5190-6. Tenant shall not unreasonably interfere with, restrict, or impose unreasonable conditions upon the exercise of Self-Fueling and Self-Service rights by aircraft owners and operators on or through the Premises or the Airport. Nothing in this Lease shall be construed to grant Tenant the right to prohibit or restrict Self-Fueling or Self-Service activities that are conducted in accordance with applicable law, Port rules and regulations, and the Minimum Standards.

51. RESERVATION OF GOVERNMENTAL IMMUNITY. Nothing in this Lease shall be construed as a waiver of any governmental immunity, defense, or limitation of liability to which the Port may be entitled under applicable federal, state, or local law, including but not limited to the discretionary immunity doctrine and the provisions of RCW 4.96.

52. FBO BUILDING PURCHASE AND SALE

(a) **Identification of FBO Building**. The FBO building located at 7645 Old Hwy 99 SE, Tumwater, WA 98501, together with the backup generator facility and all associated equipment (the "FBO Building"), is situated on the FBO Office parcel within the Premises. The sale of the FBO Building to Tenant includes the backup generator facility and all associated equipment, and from and after Closing, responsibility for the same shall be Tenant's. For transparency, the Parties

acknowledge that the generator also provides backup power to what is currently the airport office, which will become future Port leasehold property. The Port conveys only the FBO Building improvements to Tenant; the Port retains fee title to all underlying land, including the FBO Building parcel.

(b) **Concurrent Purchase and Sale**. Concurrently with execution of this Lease, the Parties shall enter into a Purchase and Sale Agreement (Improvements Only) for the FBO Building, attached as Exhibit G (the "FBO PSA"). The purchase price is $102,000.00 (calculated at $60.00 per square foot). Title to the FBO Building shall be conveyed by Quit Claim Deed (Improvements Only), conveying only the existing structures and improvements as of the deed date and not any future improvements, with the underlying real property remaining vested in the Port.

(c) **Closing Mechanics**. Closing of the FBO Building sale shall occur within thirty (30) days after the Rent Commencement Date of this Lease, subject to ratification by the Port Commission. Purchaser shall be entitled to possession of the FBO Building on the Lease Commencement Date. The conveyance is on an AS-IS, WHERE-IS basis without Port warranty. Purchaser shall indemnify the Port for all matters arising after Closing. The Port being a government entity, the transfer is exempt from real estate excise tax (WAC 458-61A-205).

(d) **Deed Use Restriction**. The Quit Claim Deed conveying the FBO Building shall contain a use restriction limiting the FBO Building to aeronautical or aviation-related or complementary uses.

(e) **Cross-Reference to FBO PSA**. The terms and conditions of the FBO Building sale are set forth in the FBO PSA attached as Exhibit G. In the event of any conflict between this Lease and the FBO PSA regarding the FBO Building sale, the FBO PSA shall govern as to the sale.

(f) **Failure to Close**. In the event the FBO PSA fails to close, this Lease shall terminate. 7

IN WITNESS WHEREOF, the parties have executed this Ground Lease as of the date first written above.

PORT:

PORT OF OLYMPIA,

a Washington municipal corporation

By: _____

Name: Alexandra K. Smith

Title: Executive Director

Date: _____

APPROVED BY THE PORT OF OLYMPIA COMMISSION:

By: _____

Name: Jasmine Vasvada

Title: Commission President

Date: _____

TENANT:

OLM HANGAR AND FBO LLC, a Washington limited liability company

By: _____

Name: Jonathan M. Wenrich

Title: Manager

Date: _____

Approved as to Form:

_____

Port General Counsel

EXHIBIT A — PREMISES

(Legal Description and Site Plan)

Legal Description

The Premises demised under this Lease are described as follows:

The final legal description shall be based on the professional survey and shall identify only Site 1 (Lease Area, approximately 114,000 square feet) and Site 2 (Stormwater Area, approximately 10,000 square feet), comprising approximately 124,000 square feet (2.85 acres), and shall expressly exclude parcels 4, 6, and 7 and the L-shaped stormwater piece depicted in Mike Reid's September 8, 2026 email.

Site Plan

The site plan shall depict only Site 1 (Lease Area, approximately 114,000 square feet) and Site 2 (Stormwater Area, approximately 10,000 square feet), and shall expressly show parcels 4, 6, and 7 and the L-shaped stormwater piece depicted in Mike Reid's September 8, 2026 email as excluded from the Premises.

Tax Parcel and Acreage

Thurston County Tax Parcel No.: **[INSERT TAX PARCEL NUMBER]**

Approximate Acreage: **2.85** acres, more or less.

The Premises are subject to all easements, encumbrances, covenants, conditions, restrictions, and rights-of-way of record, including but not limited to utility easements, aviation easements, and any other matters that would be disclosed by an accurate survey or inspection of the Premises.

EXHIBIT B — RENT SCHEDULE AND ADDITIONAL RENT COMPONENTS

Ground Rent

Site ID	Parcel Description	Size (Sq. Ft.)	Annual Rent	Monthly Rent	Price Per Sq. Ft.	Rent Commencement Date
Site 1	Lease Area	114,000 sq. ft.	$67,260.00	$5,605.00	$0.59	Rent Commencement Date
Site 2	Stormwater Area	10,000 sq. ft.	$0.00	$0.00	$0.00	Rent Commencement Date
TOTALS		**124,000 sq. ft.**	**$67,260.00**	**$5,605.00**		

Additional Rent Components

Leasehold Excise Tax: Tenant shall pay the Washington State Leasehold Excise Tax (currently 12.84% of taxable rent) as required by RCW 82.29A. The Leasehold Excise Tax is in addition to the Minimum Monthly Ground Rent and is subject to change by the Washington State Legislature.

If the Leasehold Excise Tax rate increases in the future, the Port is required to collect the additional amount pursuant to RCW 53.08.085.

Throughput/Fuel Flowage Fee: Tenant shall pay a throughput/fuel flowage fee as established in the Port's adopted Airport rates and charges schedule or by Port Resolution, as amended from time to time.

Landing Fees: Tenant shall collect and remit landing fees on behalf of Port at the rate as established in the Port's adopted Airport rates and charges schedule or by Port Resolution, as amended from time to time.

EXHIBIT C — APPROVED IMPROVEMENTS AND CONSTRUCTION REQUIREMENTS

Tenant shall comply with the following requirements with respect to the design, construction, and completion of any Improvements on the Premises:

1. Port Approval Process. Prior to commencement of any construction on the Premises, Tenant shall submit preliminary plans and specifications to the Port for the Port's review and written approval. No construction shall commence until the Port has approved the preliminary plans and specifications in writing. Except as provided in Section 19.1(c) of the Lease, the Port's approval shall not be unreasonably withheld, conditioned, or delayed, provided the proposed Improvements are consistent with the permitted uses under this Lease and applicable airport regulations.

2. Preliminary Plans. Preliminary plans shall include, at a minimum: (a) site plans showing the location and footprint of all proposed Improvements; (b) architectural drawings and elevations; (c) utility plans showing connections to water, sewer, electrical, gas, and telecommunications; (d) grading and drainage plans; and (e) stormwater management plans demonstrating compliance with all applicable local, state, and federal stormwater regulations.

3. Final Plans. Final plans and specifications shall be stamped by a professional engineer and/or licensed architect registered in the State of Washington. Final plans shall demonstrate compliance with all applicable building codes, fire codes, zoning ordinances, and airport regulations. Tenant shall submit final plans to the Port no later than sixty (60) days prior to the anticipated commencement of construction.

4. Engineering and Architectural Requirements. All Improvements shall comply with all applicable federal, state, and local codes, regulations, and standards, including without limitation: (a) FAA Advisory Circular 150/5300-13A (Airport Design), as may be amended, supplemented, or superseded, and all other applicable FAA advisory circulars and orders; (b) the City of Tumwater Municipal Code, including all building, zoning, and land use regulations; (c) the International Building Code as adopted by the State of Washington; (d) all applicable fire codes and regulations; and (e) all applicable environmental regulations and permit conditions.

5. Certificates of Compliance. Tenant shall obtain all permits, licenses, and approvals required for the construction of the Improvements from all governmental authorities having jurisdiction. Upon completion of construction, Tenant shall deliver to the Port copies of all certificates of

occupancy, certificates of completion, and final inspection approvals issued by the applicable governmental authorities.

6. Diligent Completion. Tenant shall commence construction within **[90]** days of issuance of all required permits and shall diligently prosecute construction to completion within **[___]** months thereafter. If Tenant fails to commence or complete construction within the time periods specified herein, the Port may, at its option, terminate this Lease upon thirty (30) days' written notice to Tenant, unless the delay is caused by force majeure events as described in this Lease.

7. Utility Installations. Tenant shall be responsible for all utility connections and installations at Tenant's sole cost and expense. All utility installations shall be coordinated with the Port and shall comply with the Port's standards and specifications for utility connections at Olympia Regional Airport. Upon completion of utility installations, Tenant shall provide the Port with as-built drawings in both hard copy and electronic format showing the location and specifications of all utility connections and infrastructure.

In the event that Tenant's construction or improvement activities require the relocation of existing utility lines, easements, or infrastructure, such relocation shall be at Tenant's sole cost and expense, and Tenant shall coordinate all such relocations with the Port and the applicable utility providers. All contractual arrangements with any municipal supplier or utility provider with respect to the improvements or utility installations shall not be entered into by Tenant without first obtaining the Port's approval.

8. Stormwater. Tenant shall construct and maintain approved stormwater treatment and infiltration facilities in accordance with all applicable requirements. All stormwater management requirements shall be met within the Premises. Aircraft ramp areas shall be equipped with full-length trench drains with compost filters or oil/water separators to prevent petroleum products and other contaminants from entering the stormwater system. Pervious surfaces may be utilized if approved by the City of Tumwater. Tenant shall obtain all required stormwater permits and shall be solely responsible for compliance with the terms and conditions thereof.

9. Construction Indemnification. Tenant shall defend, indemnify, and hold harmless the Port, its commissioners, officers, employees, and agents from and against any and all claims, demands, losses, damages, liabilities, and expenses (including reasonable attorneys' fees) arising out of or related to the construction of Improvements on the Premises. Tenant shall keep the Premises and all Improvements free and clear of all liens arising out of construction activities. In the event any lien is filed, Tenant shall cause such lien to be released of record within thirty (30) days of notice thereof. Tenant shall have the right to contest any such lien in good faith, provided Tenant deposits

with the Port cash or a surety bond in an amount equal to one hundred fifty percent (150%) of the amount of the contested lien as security for payment thereof.

The Port shall not be liable for any damages in connection with the approval or disapproval of any plans or specifications, any construction by Tenant on the Premises, or any mistake in judgment, negligence, or omission in exercising its rights and responsibilities hereunder. The Port's approval of plans and specifications shall not constitute the assumption of any responsibility by the Port for the accuracy, efficacy, or sufficiency thereof.

EXHIBIT D — CONSENT TO FINANCING (LEASEHOLD DEED OF TRUST)

PORT'S CONSENT AND AGREEMENT

This Consent and Agreement (this "Consent") is made as of **[DATE]**, by and among the PORT OF OLYMPIA, a Washington municipal corporation ("Port"), **[TENANT NAME]** ("Tenant"), and **[LENDER NAME]** ("Lender").

WHEREAS, the Port and Tenant have entered into that certain Airport Ground Lease dated as of the date set forth therein (the "Lease") for premises located at Olympia Regional Airport; and

WHEREAS, Tenant desires to obtain financing from Lender secured by Tenant's leasehold interest in the Premises and the Improvements thereon; and

WHEREAS, Lender has requested that the Port execute this Consent as a condition of such financing;

NOW, THEREFORE, in consideration of the mutual covenants herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Consents. The Port hereby consents to the assignment of Tenant's leasehold interest under the Lease to Lender for security purposes, as contemplated by Paragraph 26 of the Lease. Such assignment shall not release Tenant from any obligations under the Lease.

2. Lease Status. The Port hereby certifies that the Lease is in full force and effect and has not been modified, amended, or supplemented except as follows: [INSERT ANY MODIFICATIONS OR STATE "NONE"].

3. Non-Default. To the best of the Port's knowledge, no uncured default exists under the Lease as of the date of this Consent, and no event has occurred which, with the giving of notice or the passage of time, or both, would constitute a default under the Lease.

4. Right to Foreclose. Lender may foreclose its security interest in the leasehold estate and take possession of the Premises and Improvements in accordance with applicable law. The Port shall

recognize any purchaser at a foreclosure sale (including Lender) as the successor tenant under the Lease, subject to all terms and conditions of the Lease.

5. Surrender and Material Modification. The Port shall not accept a voluntary surrender of the Lease by Tenant, nor shall Tenant voluntarily surrender the Lease, nor shall the Port agree to any material modification of the Lease (including but not limited to modifications affecting rent, term, permitted use, or assignment rights), without the prior written consent of Lender, so long as Lender's security interest remains in effect. The Port shall provide Lender at least thirty (30) days' prior written notice of any proposed material modification.

6. Notice of Default. The Port shall give Lender concurrent written notice of any default by Tenant under the Lease. Lender shall have thirty (30) days after receipt of such notice to cure any monetary default, and sixty (60) days after receipt of such notice to cure any non-monetary default (or such longer period as may be reasonably necessary to effect a cure, provided Lender has commenced the cure within such sixty (60) day period and is diligently pursuing the same to completion). If the nature of the non-monetary default is such that possession of the Premises is required to cure the default, Lender shall have a reasonable period of time to obtain possession of the Premises (including by foreclosure or appointment of a receiver) and thereafter to cure such default with reasonable diligence. Port shall not terminate the Lease for a non-monetary default so long as Lender is diligently pursuing a cure in accordance with this Section.

7. Lender's Cure Rights. The Port shall accept performance by Lender of any obligation of Tenant under the Lease as if such performance were made by Tenant, and such performance by Lender shall be deemed to cure the applicable default.

8. Assumption. Any transferee of the leasehold interest pursuant to foreclosure or deed in lieu of foreclosure may assume the Lease by delivering written notice of assumption to the Port. Upon such assumption, Tenant shall be released from all further liability under the Lease accruing after the effective date of such assumption.

9. Right to Assign. Lender, or any purchaser at a foreclosure sale, may assign the Lease to a qualified transferee, subject to the Port's prior written consent, which consent shall not be unreasonably withheld, conditioned, or delayed, provided the proposed transferee demonstrates the financial capacity and operational qualifications to perform Tenant's obligations under the Lease and to comply with all applicable airport regulations and Minimum Standards. Any such assignment shall be subject to all terms and conditions of the Lease.

10. Insurance and Condemnation Proceeds. All insurance proceeds and condemnation awards shall be applied in accordance with the applicable provisions of the Lease. Lender may participate in the application and disbursement of such proceeds as its interest may appear.

11. Litigation Participation. Lender shall have the right, at its own expense, to participate in any legal proceedings or other actions affecting the Lease or the Premises, including but not limited to condemnation proceedings, bankruptcy proceedings, and any litigation between the Port and Tenant regarding the Lease.

12. Interpretation. This Consent shall be construed and interpreted under the laws of the State of Washington. This Consent shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

13. Notices. All notices under this Consent shall be in writing and shall be delivered in accordance with the notice provisions of the Lease, addressed as follows:

To Port:

[INSERT PORT ADDRESS]

To Tenant:

[INSERT TENANT ADDRESS]

To Lender:

[INSERT LENDER ADDRESS]

IN WITNESS WHEREOF, the parties have executed this Consent and Agreement as of the date first written above.

PORT OF OLYMPIA

By: _____

Name: _____

Title: _____

Date: _____

TENANT:

[TENANT NAME]

By: _____

Name: _____

Title: _____

Date: _____

LENDER:

[LENDER NAME]

By: _____

Name: _____

Title: _____

Date: _____

EXHIBIT E — FORM OF LESSOR ESTOPPEL CERTIFICATE

FORM OF LESSOR ESTOPPEL CERTIFICATE

(Ground Lease — Port of Olympia)

Date: [DATE]

To: [LENDER NAME AND ADDRESS]

Re: Ground Lease dated **[DATE]**, between the Port of Olympia ("Lessor" or "Port") and **[TENANT NAME]** ("Tenant"), covering approximately **[SIZE]** at the Olympia Regional Airport, Thurston County, Washington (the "Lease")

The Port of Olympia, as Lessor under the above-referenced Lease, hereby certifies to the above-named Lender as follows:

1. Lease Status; Entire Agreement.

The Lease is in full force and effect and has not been modified, amended, or supplemented except as follows: **[LIST ANY AMENDMENTS OR STATE "NONE"]**. The Lease, together with any amendments listed above, constitutes the entire agreement between Lessor and Tenant with respect to the Premises. A true and complete copy of the Lease (and all amendments, if any) is attached hereto or has been delivered to Lender.

2. Improvements.

The following Improvements have been constructed on the Premises: **[DESCRIBE IMPROVEMENTS OR STATE "NONE"]**. To Lessor's knowledge, all Improvements have been constructed in substantial compliance with the Lease requirements and all applicable governmental approvals. The estimated value of the Improvements is $**[___]**.

3. Term and Renewal.

The initial Term of the Lease commenced on **[COMMENCEMENT DATE]** and shall expire on **[EXPIRATION DATE]**. The Lease provides for **[NUMBER]** renewal option(s) of **[LENGTH]** each. As of the date hereof, **[NUMBER]** renewal option(s) remain(s) unexercised.

4. Rent.

The current Minimum Monthly Ground Rent is $**[___]** per month ($**[___]** per annum). Rent has been paid through **[DATE]**. No rent has been prepaid more than one (1) month in advance. The Leasehold Excise Tax is currently **[___]**% and is paid by Tenant in addition to rent. Tenant has no outstanding rent credits, offsets, or abatements except as follows: **[LIST OR STATE "NONE"]**.

5. Default Status.

To the best of Lessor's knowledge, (a) no default by Tenant currently exists under the Lease; (b) no default by Lessor currently exists under the Lease; and (c) no event has occurred which, with the giving of notice or the passage of time, or both, would constitute a default under the Lease by either party. Lessor has not delivered any notice of default to Tenant that remains uncured.

6. No Litigation.

To the best of Lessor's knowledge, there is no pending or threatened litigation, administrative proceeding, or governmental investigation affecting the Lease, the Premises, or Tenant's use thereof, except as follows:

[LIST OR STATE "NONE"]

7. No Termination or Surrender.

Lessor has not received any notice from Tenant of Tenant's intent to terminate or surrender the Lease. Lessor has not issued any notice of termination to Tenant. There are no pending condemnation proceedings affecting the Premises of which Lessor is aware.

8. Security Interest/Leasehold Deed of Trust.

Lessor acknowledges that Tenant has informed Lessor of Tenant's intent to grant a leasehold deed of trust (the "Leasehold Deed of Trust") in favor of **[LENDER NAME]** ("Lender") encumbering Tenant's leasehold interest under the Lease and Tenant's interest in the Improvements. To Lessor's knowledge, no other security interest, leasehold mortgage, or deed of trust currently encumbers Tenant's leasehold interest except as follows: **[LIST OR STATE "NONE"]**.

9. Reliance.

Lessor acknowledges that Lender shall rely on the certifications set forth in this Estoppel Certificate in connection with Lender's decision to extend financing to Tenant secured by the Leasehold Deed of Trust. Lessor acknowledges that the certifications herein shall inure to the benefit of Lender, its successors, and assigns.

10. Qualifications and Limitations.

The certifications set forth in this Estoppel Certificate are made to Lessor's actual knowledge as of the date hereof, without independent investigation or inquiry, and are subject to the following qualifications:

(a) Nothing herein shall be construed to modify or amend any term of the Lease;

(b) Lessor makes no representation or warranty as to the accuracy of any information provided by Tenant to Lender;

(c) Lessor reserves all rights under the Lease and applicable law; and

(d) **[ANY ADDITIONAL QUALIFICATIONS]**.

11. Governing Law.

This Estoppel Certificate shall be governed by and construed in accordance with the laws of the State of Washington, without regard to its conflict of laws principles.

12. Authorization.

The undersigned represents and warrants that the undersigned is duly authorized to execute and deliver this Estoppel Certificate on behalf of the Port of Olympia and that no further action or approval is required for such execution and delivery.

IN WITNESS WHEREOF, the undersigned has executed this Estoppel Certificate as of the date first written above.

PORT OF OLYMPIA

By: _____

Name: _____

Title: _____

Date: _____

NOTARY ACKNOWLEDGMENT

STATE OF WASHINGTON

COUNTY OF THURSTON

On this **[DAY]** day of **[MONTH]**, **[YEAR]**, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared **[NAME]**, to me known to be the **[TITLE]** of the Port of Olympia, the municipal corporation that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said municipal corporation, for the uses and purposes therein mentioned, and on oath stated that said person was authorized to execute said instrument.

WITNESS my hand and official seal hereto affixed the day and year first above written.

_____

Notary Public in and for the State of Washington

Residing at: **[CITY, COUNTY]**

My commission expires: **[DATE]**

EXHIBIT F — MINIMUM STANDARDS FOR AERONAUTICAL ACTIVITIES

[THE MINIMUM STANDARDS FOR AERONAUTICAL ACTIVITIES AT THE OLYMPIA REGIONAL AIRPORT, AS ADOPTED BY THE PORT OF OLYMPIA COMMISSION AND AS AMENDED FROM TIME TO TIME, ARE INCORPORATED HEREIN BY THIS REFERENCE. THE CURRENT VERSION OF THE MINIMUM STANDARDS IS AVAILABLE ON THE PORT'S WEBSITE AND FROM THE AIRPORT DIRECTOR UPON REQUEST.]

The Port of Olympia has adopted Minimum Standards for Aeronautical Activities at Olympia Regional Airport pursuant to its authority under RCW 53.08.220 and applicable federal regulations. Tenant shall comply with such Minimum Standards as they exist on the date of this Lease and as they may be amended from time to time during the Term.

In the event of any conflict between the Minimum Standards and the terms of this Lease, the terms of this Lease shall control unless the Minimum Standards impose a higher or more stringent requirement, in which case the Minimum Standards shall govern.

EXHIBIT G — PURCHASE AND SALE AGREEMENT FOR FBO BUILDING (IMPROVEMENTS ONLY)

[The FBO PSA, modeled on the Clean Water Center 206 Tumwater Blvd PSA/Quit Claim Deed (recorded 02/28/2024), will be attached hereto. Key terms: Purchase Price: $102,000.00 ($60.00 per square foot). Closing: within thirty (30) days of Rent Commencement Date. Conveyance: Quit Claim Deed (Improvements Only). Use Restriction: aeronautical or aviation-related or complementary uses. Included: backup generator facility and all associated equipment. As-Is/Where-Is conveyance; Purchaser indemnification of Port post-Closing; REET exempt per WAC 458-61A-205.]

TERMINATION AND SURRENDER AGREEMENT

(Glacier Aviation, Inc. – Airlift NW Lease, Hangar 51 Lease and FBO Lease)

THIS **TERMINATION AND SURRENDER AGREEMENT** (this "Agreement") is made this _____ day of _____, 20____ (to be effective at the same time the new lease of the premises to **OLM HANGAR AND FBO LLC**, a Washington limited liability company, becomes effective) by and between the **PORT OF OLYMPIA**, a Washington municipal corporation, Lessor, hereinafter referred to as "the Port," and **Glacier Aviation, Inc.**, a Washington corporation, hereinafter referred to as "Tenant", on the following terms and conditions:

RECITALS

A. The Port and Tenant are parties to the following leases at the Olympia Regional Airport, each as amended and more particularly described on Exhibit "A" (each a "Lease" and together the "Leases"): (i) the ground lease for the Airlift NW hangar site at 7637 Old Highway 99 SE (the "Airlift NW Lease"); (ii) the ground lease for the Hangar 51 site at 7651 Old Highway 99 SE (the "Hangar 51 Lease"); and (iii) the space lease for the FBO office and adjacent land at 7645 Old Highway 99 SE (the "FBO Lease"). The property leased under the Leases is referred to as the "premises."

B. The Airlift NW Lease expired August 31, 2026. By letter dated August 26, 2026 (the "Holdover Letter"), the Port consented to Tenant's month-to-month holdover of the Airlift NW premises through December 31, 2026, at $1,717.77 per month plus leasehold excise tax.

C. The FBO Lease, as extended by Lease Amendment No. 10 dated September 6, 2024, expired December 31, 2024, and Tenant continues to occupy the FBO premises month-to-month with the Port's consent at $1,978.82 per month plus leasehold excise tax. The Hangar 51 Lease expires January 31, 2029.

D. Tenant is selling its fixed base operation business to OLM HANGAR AND FBO LLC, a Washington limited liability company ("OLM"). The Port and OLM are entering into a new ground lease of the premises and adjoining property (the "OLM Lease") and a purchase and sale agreement for the FBO building improvements. The term of the OLM Lease begins only when the Port has received OLM's first month's rent, Lease Security, and certificate of insurance.

E. Tenant and the Port desire to terminate the Leases, and Tenant's right to lease the premises, at the same time the OLM Lease becomes effective.

AGREEMENT

NOW, THEREFORE, the parties agree as follows:

1. **Termination.** The Port and Tenant hereby agree that the Leases, and all of Tenant's right to lease the premises described in Exhibit "A" (including any option, right of first refusal, or extension right), are terminated at 11:59 p.m. Pacific Time on the date the OLM Lease becomes effective, which is the date on which (a) the OLM Lease has been signed by the Port and OLM and approved or ratified by the Port Commission, and (b) the Port has received from OLM the first month's rent, the Lease Security, and the certificate of insurance required by the OLM Lease (the "Termination Date"). The Port will give Tenant written notice of the anticipated Termination Date at least fifteen (15) days in advance and will confirm the Termination Date in writing within two (2) business days after it occurs. Tenant's obligations in Sections 3, 4 and 5 must be completed by the Termination Date; they are for the Port's benefit and may be waived only in a writing signed by the Port's Executive Director.

2. **Leases Remain in Force; Holdover; Outside Date.** Unless and until the Termination Date occurs, the Leases remain in full force and effect, and Tenant remains fully obligated under the Leases and any amendments thereto, including payment of rent, leasehold excise tax, landing fees, and fuel flowage fees and maintenance of the insurance and lease security the Leases require. The Port extends its consent to Tenant's month-to-month holdover of the Airlift NW and FBO premises, on the existing terms of those Leases, through the earlier of the Termination Date or sixty (60) days after the Outside Date, and the holding-over rent under Section 24 of those Leases will not apply during that period. If the Termination Date has not occurred by March 31, 2027 (the "Outside Date"), as it may be extended in a writing signed by the Port's Executive Director, either party may end this Agreement by written notice given before the Termination Date, and the Leases will continue in accordance with their terms.

3. **Hangars.** Before the Termination Date, and with the Port's prior written consent, Tenant shall convey the hangars and other improvements it owns on the premises directly to OLM by recorded deed or signed bill of sale, free of liens created by or through Tenant, and shall deliver a copy to the Port. Each conveyance shall provide that OLM takes the improvements subject to the OLM Lease, including its disposition of improvements provisions, and without any right or claim against the Port. Any consideration between Tenant and OLM is solely their matter. If any hangar or other improvement has not been so conveyed and the Port waives that requirement in writing, title to it vests in the Port on the Termination Date under the disposition of improvements provisions of the applicable Lease, without compensation, and Tenant shall deliver a quitclaim deed and bill of sale to the Port on request.

4. **Fuel Tanks.** On the Termination Date, Tenant surrenders to the Port all of its rights under the FBO Lease (including Lease Amendments No. 2, No. 5 and

No. 6) or any other agreement to occupy or use fuel tank spaces at the Olympia Regional Airport Fuel Facility, including any right of first refusal for fuel tank spaces 3 and 4. These rights are not assignable to OLM, whose rights will arise solely under the OLM Lease. Before the Termination Date, Tenant shall convey the fuel tanks and related equipment it owns at fuel tank spaces 1, 2, 5 and 6 directly to OLM by signed bill of sale, free of liens created by or through Tenant, and deliver a copy to the Port. Tenant shall transfer any remaining fuel product to OLM under a separate agreement between them, pay fuel flowage fees on all fuel delivered through the Termination Date, and deliver to the Port copies of its current Spill Prevention, Control, and Countermeasure Plan and its tank inspection and maintenance records. Any storage tank license issued under the Leases is cancelled on the Termination Date.

5. **Surrender.** On or before the Termination Date, Tenant shall (a) surrender the premises to the Port broom clean, free of occupants (unless the Port and OLM agree otherwise in writing), and in the condition required by the Leases, ordinary wear and tear excepted; (b) remove its personal property, trade fixtures, and signs, or deliver proof that they have been transferred to OLM; (c) end any sublease, hangar or tie-down rental, or other occupancy agreement for the premises; (d) close out or transfer its utility and service accounts and pay all charges through the Termination Date; and (e) deliver to the Port all keys, access cards, and gate codes, together with the as-built drawings, permits, assignable warranties, and maintenance records for the improvements remaining on the premises. The parties will walk through the premises together at least ten (10) days before the anticipated Termination Date. Personal property left on the premises after the Termination Date is deemed abandoned and may be removed at Tenant's cost. If Tenant fails to surrender any premises as required, Tenant will be a holdover tenant without the Port's consent under the applicable Lease and shall indemnify the Port for resulting losses, including any claim by OLM or by any occupant claiming under Tenant.

6. **Final Accounting; Lease Security.** Rent and other periodic charges will be prorated through the Termination Date. Within fifteen (15) days after the Termination Date, the Port may audit and reconcile all amounts payable by Tenant under the Leases through the Termination Date, including rent, leasehold excise tax, transient aircraft landing fees (net of Tenant's ten percent (10%) administrative fee), fuel flowage fees, and other charges, and will deliver a statement to Tenant. Tenant shall pay any amount owed within fifteen (15) days after delivery. Tenant shall keep its lease security in force until released, and the Port will return any remaining lease security within thirty (30) days after applying it to amounts owed and receiving the items required by Sections 4 and 5. Amounts attributable to the period before the Termination Date that are discovered later, including leasehold excise tax

assessed by the Washington Department of Revenue, remain owed. Neither party will pay the other a termination fee.

7. **Release.** Upon termination as described herein, Tenant hereby waives, disclaims, surrenders, and relinquishes all current and future right, title, and interest in and to the premises described above, and releases the Port and its commissioners, officers, employees, and agents from all claims arising out of the Leases, the premises, the Holdover Letter, or Tenant's occupancy, including any claim for compensation for improvements, relocation, or termination and any claim for contribution or cost recovery under environmental laws. The Port releases Tenant from its obligations under the Leases arising after the Termination Date, but not from (a) any rent, tax, fee, or other charge attributable to the period before the Termination Date; (b) any environmental condition arising during Tenant's occupancy; (c) Tenant's indemnity obligations under the Leases; (d) any alteration made without the Port's required approval; or (e) Tenant's obligations under this Agreement.

8. **Survival.** Tenant shall comply with all terms and conditions of the Leases regarding the condition of the premises upon termination and other matters regarding Tenant's obligations upon termination, including its indemnity obligations and its obligations under the hazardous substances provisions of the Leases for conditions arising during its occupancy, and all such provisions shall survive this termination.

9. **Authority; Encumbrances.** Tenant represents, covenants, and warrants that it is a Washington corporation in good standing; that it is the only Tenant under the Leases; that it has the power and authority to enter into this Agreement; that it owns the hangars and fuel tanks described in Sections 3 and 4 and has the right to convey them; that, except as disclosed to the Port in writing before signing, no other person or entity has any interest in or to the Tenant's interest in the Leases or the premises or any improvements located thereon or appurtenant thereto, and Tenant has not done or permitted to be done any act or thing by reason of which the Leases or premises is now or may at any time in the future become encumbered in any way; that no litigation, governmental proceeding, or insolvency proceeding is pending or threatened that affects the Leases or Tenant's ability to perform this Agreement; and that it has no knowledge of any release of hazardous substances at the premises during its occupancy that has not been reported to the Port. Before the Termination Date, Tenant shall deliver any lender consent and lien release the Port requires. These representations, covenants, and warranties shall be deemed to be made as of the effective date of the termination and shall survive the termination of the Leases.

10. **Cooperation and Transition.** Each party will sign such further instruments as the other reasonably requests to carry out this Agreement. Before the Termination Date, Tenant will cooperate with the Port and OLM in an orderly

transition of FBO services, fueling operations, and airport access, and will give the Port, OLM, and their consultants reasonable access to the premises, on reasonable advance notice, for inspections, surveys, and environmental assessments, including any Phase II investigation. Former officers and employees of Tenant may be employed by OLM after the Termination Date under a separate arrangement; from and after the Termination Date, all operations on the premises are conducted solely by OLM under the OLM Lease, and Tenant has no right to occupy or operate on the premises.

11. **General Provisions.** This Agreement is governed by the laws of the State of Washington, with venue in Thurston County Superior Court, and the prevailing party in any action to enforce it may recover its reasonable attorneys' fees and costs. This Agreement is the entire agreement of the parties on its subject matter, supersedes the Holdover Letter to the extent inconsistent, and may be amended only in a writing signed by both parties. Notices shall be given as provided in the FBO Lease. Tenant may not assign this Agreement, and OLM is not a third-party beneficiary of it. This Agreement is subordinate to the Port's obligations to the United States under its federal grant agreements and assurances, does not grant or preserve any exclusive right prohibited by federal law, and does not waive any governmental immunity available to the Port. This Agreement may be signed in counterparts and by electronic signature.

TENANT:	LESSOR:
GLACIER AVIATION, INC.	PORT OF OLYMPIA, a Washington municipal corporation
By: _____ Michael S. Thielen	By: _____ Alexandra K. Smith
Its: President	Its: Executive Director
Date: _____	Date: _____
	Approved as to form: _____ Port General Counsel

STATE OF WASHINGTON)
) ss
COUNTY OF THURSTON)

On this _____ day of _____, 20___ , personally appeared before me _____, to me known to be the Executive Director at the Port of Olympia, the municipal corporation named in the within and foregoing **Termination and Surrender Agreement**, and acknowledged to me that he/she signed the same on its behalf, as he/she is so authorized to do, as his/her free and voluntary act and deed for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the day and year first above written.

_____
Print Name: _____
NOTARY PUBLIC in and for the State of Washington,
residing at _____
My commission expires: _____

STATE OF WASHINGTON)
) ss
COUNTY OF _____)

On this _____ day of _____, 20___, personally appeared before me _____, to me known to be the _____ at the entity named in the within and foregoing **Termination and Surrender Agreement** and acknowledged to me that he signed the same on its behalf, as he is so authorized to do, as his free and voluntary act and deed for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the day and year first above written.

_____
Print Name: _____
NOTARY PUBLIC in and for the State of Washington,
residing at _____
My commission expires: _____

RATIFICATION

This **Termination and Surrender Agreement** shall be subject, as a condition subsequent, to ratification by the Port of Olympia Commission within thirty (30) days after the date set forth on Page 1. This Agreement shall be effective and binding on the parties until such time (and thereafter if ratified), the Executive Director having the authority to sign this Agreement and bind the Port to all of its material terms. If this Agreement is not ratified, it shall terminate and be of no further force and effect, and the Leases will continue in accordance with their terms. Tenant acknowledges that this Agreement will become a public record upon ratification. The undersigned confirms that this Agreement was ratified by the Port of Olympia Commission on _____.

Port of Olympia Commission

By: _____

Its: _____

Date: _____

STATE OF WASHINGTON)
) ss
COUNTY OF THURSTON)

On this _____ day of _____, 20___ , personally appeared before me _____, to me known to be the President of the Port of Olympia Commission, the municipal corporation named in the within and foregoing **Termination and Surrender Agreement,** and acknowledged to me that he signed the same on its behalf, as he is so authorized to do, as his free and voluntary act and deed for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the day and year first above written.

_____
Print Name: _____
NOTARY PUBLIC in and for the State of Washington,
residing at _____
My commission expires: _____

EXHIBIT "A"
LEASES AND PREMISES

Airlift NW Lease
Original lease: Ground Lease dated September 19, 1991 between the Port and RODAN, Inc. (as recited in Lease Amendment No. 7)
Assignment to Tenant: Lease Assignment, RODAN, Inc. to Glacier Aviation, Inc., dated on or about October 9, 2006
Amendments: Lease Amendments #1 through #7 (dated on or about 11/13/1991, 3/27/1992, 10/18/2001, 9/5/2002, 9/7/2006, 9/30/2008 and 9/18/2014)
Premises: 7637 Old Highway 99 SE, Tumwater, WA; approximately 34,721 sq. ft. (0.797 acres), with hangar
Status: Term expired August 31, 2026; month-to-month holdover with the Port's consent; $1,717.77 per month plus leasehold excise tax

Hangar 51 Lease
Original lease: Ground Lease dated February 5, 1999 between the Port and ProAir Aviation, Inc.
Assignments: ProAir Aviation, Inc. to Glacier Jet Center, Inc. (July 31, 2000); Glacier Jet Center, Inc. to Airborne Properties, LLC (July 29, 2002); Assignment of Lease, Acceptance and Consent, Airborne Properties, LLC to Glacier Aviation, Inc., dated October 13, 2008 (Airborne remains jointly and severally liable)
Amendments: Lease Amendments No. 1 (3/19/2002), No. 2 (5/6/2002), No. 3 (3/5/2009) and No. 4 (9/18/2014)
Premises: 7651 Old Highway 99 SE, Tumwater, WA; approximately 26,571.6 sq. ft. (0.61 acres), with Hangar 51
Status: Term through January 31, 2029; $889.63 per month plus leasehold excise tax

FBO Lease
Original lease: Space Lease dated March 27, 2012 between the Port and Glacier Aviation, Inc.
Amendments: Lease Amendments No. 1 through No. 10 (May 13, 2013 through September 6, 2024), including No. 2 (December 17, 2013) (fuel tank spaces), No. 5 (February 18, 2015) (right of first refusal, fuel tank spaces 3 and 4), and No. 10 (September 6, 2024) (term through December 31, 2024)
Premises: 7645 Old Highway 99 SE, Tumwater, WA; approximately 56,475 sq. ft. of land and 1,700 sq. ft. of office space; fuel tank spaces 1, 2, 5 and 6
Status: Term expired December 31, 2024; month-to-month with the Port's consent; $1,978.82 per month plus leasehold excise tax; lease security $26,794.81

COVER MEMO	
Briefing Date/Time:	November 23, 2026
Staff Contact/Title:	Alex Smith, Executive Director (360) 528-8001, alexs@portolympia.com
Subject:	Commission Governance Resolutions – Revised Drafts
Purpose:	☒ Information Only ☐ Decision Needed

Type of Agenda Item:
Advisory Only

Background:
On November 16, 2026, the Commission held a work session to discuss three related governance documents: (1) a draft Delegation of Authority to the Executive Director; (2) potential revisions to Resolution 2026-02, the Rules Governing the Transaction of Port Commission Business; and (3) potential revisions to Resolution 2021-03, the Code of Governance and Conduct for Port Commissioners. The work session was a briefing only, and no action was taken.

November 16 Work Session and Commission Direction:
At the work session, staff presented the draft documents along with a series of discussion questions and options, many of which were shown in brackets in the work session drafts. The Commission discussed, among other things:

- Delegation of Authority: roles, lobbyist approval, a Delegated Actions Report, and annual review;
- Commission Rules: meeting schedule, agenda order and public comment, Town Halls, and approval pathways; and
- Code of Conduct: Commissioner communications and social media guidance.

The Commission provided direction on a number of these items. Staff has incorporated that direction into the revised drafts attached to this memo.

How the Revised Drafts Were Prepared:
The work session drafts of the Rules Resolution and the Code of Conduct Resolution included a number of staff-suggested edits and bracketed options. Because the Commission did not discuss or adopt all of the changes shown in those drafts, staff

reverted both resolutions to their original, currently adopted text and then revised them using tracked changes to reflect only:

1. Ideas the Commission discussed and agreed upon at the November 16 work session; and
2. Minor edits for legal purposes, such as conforming the Rules to the Open Public Meetings Act (chapter 42.30 RCW).

Advisory Only – No Action at This Meeting:
This item is presented on November 23, 2026 for advisory purposes only. No action or vote will be taken at this meeting. The Commission and the public will have the opportunity to review the revised drafts, ask questions, and provide comment. Staff anticipates bringing the resolutions back for formal adoption at the December 12, 2026 Commission meeting.

What This Changes and Why:
The proposed Rules changes are intended to give the public more time to review items, better information, and more meaningful input before the Commission makes decisions. For the Commission and the public, the key changes are:

- Schedule: two meetings a month, a regular meeting on the first Wednesday and a work session on the third Wednesday, at 5:30 p.m. rather than 4:00 p.m., so more community members can attend after the workday.
- Longer review period: agendas and initial materials posted seven (7) business days (typically 10 calendar days) before each meeting instead of two, with final materials, identifying any changes, posted two days before. State law requires only 24 hours.
- Public comment after advisories: the public hears the details of proposals before commenting, and comment always occurs before any Commission vote.
- Clear approval pathways: published criteria for when items go on the consent agenda, receive advisory and action at the same meeting, or receive advisory and action at separate meetings. The Commission may always defer a decision for more deliberation, research, or public comment.

Summary of Documents Presented:

1. **Draft Delegation of Authority to the Executive Director:** Restates in one document, at a high level, the roles and responsibilities of the Commission and the Executive Director. It delegates no new authority and reaffirms existing policies and resolutions. The one clarified limit is that Commission approval is required for any lobbyist or government-relations consultant regardless of

contract amount (Section II.A.12). Tracked revisions since the work session provide that the Commission will have input into the selection of the Chief Financial Officer and General Counsel; that, at the Commission's request, the Executive Director will provide a quarterly Delegated Actions Report on the consent agenda listing material delegated actions; and that the Commission may review the Delegation and Exhibit A annually.

2. **Exhibit A to the Delegation (Delegated Thresholds):** A summary reference chart of the dollar and other limits on the Executive Director's authority under existing adopted policies and resolutions. It does not change any delegation, and the underlying policies control in a conflict. It has not changed from the November work session.
3. **Draft Resolution 2026-XX Adopting Delegation of Authority:** The mechanism for formally adopting the Delegation and Exhibit A.
4. **Revised Commission Rules (Resolution 2026-02):** A tracked-changes revision of the Rules Governing the Transaction of Port Commission Business that would supersede Resolution 2026-02. It implements the meeting changes described above. Legal edits conform the Rules to the Open Public Meetings Act, including notice of rescheduled meetings, executive session announcements, and minutes.
5. **Revised Code of Governance and Conduct (Resolution 2021-03):** A tracked-changes revision of the Code of Governance and Conduct for Port Commissioners that would repeal and replace Resolution 2021-03. The revisions add two items: if a Commissioner requests work requiring significant staff time, the Executive Director may ask whether to place the item on a Commission agenda; and Commissioners may send emails on weekends and outside business hours but will not expect a response until the next business day.

Financial Impact:
None.

Alignment with Vision 2050:
These governance documents support the Vision 2050 Administration Goal to improve the Port's ability to make decisions, resolve issues, and achieve its objectives and mission. They advance Action 46 (Evaluate and implement governance structure improvements) and Action 43 (Strengthen communication and trust between Commission and staff).

Environmental Considerations and Review:
N/A

Alternatives Considered:
The Commission considered options for each document at the November 16 work session. Options the Commission did not agree upon have not been carried forward.

Staff Recommendation:
Advisory only; no action requested. Staff requests Commission feedback on the revised drafts. Staff anticipates that the Commission will consider adoption of the Delegation of Authority resolution, the revised Rules resolution, and the revised Code of Conduct resolution at the December 14, 2026 Commission meeting.

Documents Attached:
1. Draft Delegation of Authority to the Executive Director
2. Exhibit A to Delegation of Authority (Delegated Thresholds)
3. Draft Resolution 2026-XX Adopting Delegation of Authority
4. Revised Commission Rules (Resolution 2026-02), with tracked changes
5. Revised Code of Governance and Conduct (Resolution 2021-03), with tracked changes

Port of Olympia Commission

Delegation of Authority to the Executive Director (Draft)

Preamble

The Port of Olympia (the "**Port**") is a municipal corporation of the State of Washington created to foster trade, economic development, environmental stewardship, and community benefit within Thurston County and the South Sound region. The Port operates with both governmental and commercial powers and is committed to transparency, accountability, equity, and responsible stewardship of public resources.

All authority of the Port is vested in the Port Commission acting as a public body where majority rules. By this Delegation of Authority ("**Delegation**"), the Commission delegates specific responsibilities and authorities to the Executive Director, establishes clear governance and management roles, and provides a framework for effective, timely, and accountable operations.

Section I. Objectives of the Delegation

A. **Clarity and Alignment**

1. The Commission is the legislative body of the Port of Olympia. The Commission governs the Port, directs all intergovernmental policy functions and oversees the Executive Director.
2. The Commission's purpose, with the advice and assistance of the Executive Director, is to develop the Port's overall vision, strategies, objectives, policy directives, long range plans, major programs, and budgets.
3. The Executive Director manages day-to-day operations, executes Commission-adopted policies and plans, and advises and makes recommendations to the Commission.

B. **Transparency and Accountability**

This Delegation specifically allows for the development and adoption of Commission policies to guide the Port's efforts in pursuit of its strategic objectives. The Commission policies:

1. Provide high-level guidance about how the Port does its work based on public values and applicable laws, rules and regulations;
2. Inform operational policies regarding specific functions at the Port and set appropriate limits; and

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3. Establish clear decision thresholds and reporting expectations to ensure public accountability, legal compliance, and effective internal controls.

C. **Strategic Execution**

The Delegation supports implementation of the Port of Olympia's strategic plans and Commission priorities through measurable objectives, performance reporting, and regular communication.

D. **Empowered Management**

Clear responsibilities and authorities will enable the Commission and the Executive Director to work in concert and be effective.

Section II. Roles and Responsibilities

A. Commission Responsibilities

Individual Commissioners have no authority to direct Port staff or to commit the Port. Governing as an elected body, the Commission shall:

1. Develop, adopt, and refine the long-term goals of the Port and review mid-term strategic objectives and performance metrics.
2. Develop, adopt, and amend Commission policies.
3. Represent the Port to the public and other governmental entities, acting as a body or through Commissioners designated by Commission action, consistent with the Code of Governance and Conduct (Resolution 2021-03).
4. Establish the Port's positions regarding public policy, legislation, regulation, and strategic direction, including adoption of the Port's legislative agenda, which may include annual review of the Port's adopted strategic plan.
5. Appoint and regularly evaluate the performance of the Executive Director.
6. Adopt and amend the annual operating and capital budgets, annual salary and benefit proposals, annual property tax levy, the Comprehensive Scheme of Harbor Improvements, and the Capital Investment Plan.
7. Approve major programs and projects above the limits in Exhibit A (Delegated Thresholds); authorize all acquisitions of real property; ratify long-term leases, assignments of long-term leases, and long-term agreements that impose a financial obligation on the Port for improvements, as provided in Policy 1101; and approve other real property transactions above the limits in Exhibit A (Delegated Thresholds).

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8. Make decisions to declare Port property surplus, as follows: (a) all real property surplus decisions; and (b) personal property above the per-item value limit and conditions set by the Commission in its annual surplus property resolution.
9. Consider and approve collective bargaining agreements.
10. Consider and authorize Interlocal Agreements.
11. Oversee audit functions, legal matters reserved to the Commission, and Port indebtedness.
12. Approve the engagement of any lobbyist, government-relations firm, or other consultant retained to advocate the Port's positions before legislative or other governmental bodies, regardless of contract amount.
13. Consider and approve the settlement of any legal claims or litigation, in consultation with General Counsel, above the thresholds in Exhibit A (Delegated Thresholds).
14. Review and approve the Port's environmental policies.
15. Consider and establish industrial development districts and utilities.
16. Recognize and exercise individual and collective fiduciary duty to protect and enhance the Port through the exercise of the duty of care, loyalty, and sound business judgment, and enforce upon itself and its members such measures as deemed reasonably necessary to govern with excellence.
17. Reserve to itself all authority not expressly delegated herein or in other Port policies and/or resolutions.

B. Executive Director Responsibilities

Serving the Commission and managing the Port, the Executive Director shall:

1. Implement Commission policies, strategic plans, and adopted budgets.
2. Direct and supervise all Port operations, enterprises, and staff.
3. Prepare and recommend budgets, programs, projects, and policy proposals.
4. Execute contracts, agreements, leases, and other documents within delegated authority, as set forth in Exhibit A (Delegated Thresholds).
5. Negotiate collective bargaining agreements and administer Commission-approved final agreements.
6. Represent the Port to tenants, customers, business partners, and stakeholders in operational matters, and in legislative and intergovernmental policy matters, consistent with positions and direction adopted by the Commission.

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7. Establish internal administrative, financial, and operational policies, consistent with Commission directives and applicable law.
8. Report regularly to the Commission on strategic objectives, performance indicators, risks, and emerging issues.
9. Determine the organizational structure of the organization, except that the Commission will provide input into the selection of the Chief Financial Officer and General Counsel positions.
10. Establish operational, administrative, monetary and contractual policies, delegations, rules, tariffs, regulations and procedures in accordance with this Delegation, Commission policies, and applicable laws and regulations.
11. Apply for and accept grants and other funds from federal, state or local governments within delegated limits.
12. Prepare and submit applications for permits, regulatory approvals, entitlements and other authorizations associated with facilities and projects, and ensure compliance with subsequent permit obligations.
13. Negotiate and obtain appropriate policies of insurance to cover Port property, liability, employee coverage, and other areas appropriately included within a comprehensive insurance program.
14. Waive the Port's attorney-client privilege only after consultation with the Commission and upon the recommendation of General Counsel. This authority may not be delegated, and no other staff member or individual Commissioner may waive the privilege.
15. Carry out additional responsibilities as may be further delegated or directed by the Commission acting by motion or resolution in a public meeting.

At the request of the Commission, the Executive Director shall provide a quarterly Delegated Actions Report, as a consent agenda item, listing material delegated actions taken since the prior report. Materiality will be determined by the Executive Director, subject to Commissioner input. The Commission may review this Delegation and the Exhibit A (Delegated Thresholds) annually.

Section III. Commission Policies Governing Delegated Authority

In addition to this Delegation, the specific authorities delegated to the Executive Director, and the matters reserved to the Commission, are addressed in greater detail in other Commission and Executive Director policies that have already been adopted and are in effect. These include the Contracts and Acquisitions Policies adopted by Resolution 2019-06 (Policies 1001, 1002, 1004, 1005, 1006, 1007, 1008, 1009, and 1010, with Policy 1004 as amended by Resolution 2022-16); the Real Property Policies adopted by Resolution 2019-07 (Policies 1101, 1102, 1103, 1104, 1105, 1107, and 1108); the Financial Policies adopted

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by Resolution 2015-16 (Policies 1201 through 1206); the Environmental Policy adopted by Resolution 2013-17 (Policy 1301); the Executive Policies adopted by Resolution 2021-04, including Policies 101, 102, 124, 501, 502, 601, 604, and 801; the delegation of banking signature authority in Resolution 2019-02; and the Commission's annual surplus personal property resolution. Each of these policies and resolutions is incorporated into this Delegation by reference and reaffirmed, and, except as expressly provided in Section II.A.12 (Commission approval of lobbyists and government-relations consultants regardless of contract amount), this Delegation does not amend, expand, or repeal any of them. The principal limits on the Executive Director's authority under those policies are summarized in Exhibit A (Delegated Thresholds).

Section IV. General Interpretation

1. **Statutory References**: References to law mean the cited statute as amended or succeeded.
2. **Dollar Limits**: All monetary thresholds are inclusive of taxes and may be amended by Commission action. Work may not be divided into units, phases, or separate contracts for the purpose of avoiding a threshold.
3. **Interpretation**: Questions regarding the interpretation of administrative policies and procedures shall be directed to the Executive Director, consistent with existing Commission resolutions. Any question whether a matter is reserved to the Commission or delegated to the Executive Director under this Delegation shall be resolved by the Commission; pending that resolution, the matter shall be treated as reserved to the Commission.
4. **Conflicts**: In the event of a conflict between this Delegation and an existing Commission resolution or adopted Commission policy, the provision that reserves authority to the Commission or imposes the lower dollar threshold shall control.

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Exhibit A – Delegated Thresholds (last updated October 29, 2026)

Summary reference only. This Exhibit shows what the Executive Director may do without prior Commission approval under existing adopted resolutions and policies. It does not create, expand, or reduce any delegation. In the event of any conflict between this Exhibit and the underlying policy or resolution, the underlying policy or resolution controls.

Type of Action	Specific Authority / Action	Threshold or Other Limits	Source
Contracts & Procurement	**General consultant services**	• Up to $49,999: ED • $50,000–$199,999: Commission authorizes before execution (roster process recommended as best practice) • $200,000 and above: formal competitive solicitation required by statutE	*Policy 1001 (Res. 2019-06)*
	Architectural & engineering (A/E) services (specific rule controls over general consultant rule)	• Up to $25,000: ED (roster process recommended as best practice) • $25,001–$99,999: ED only if competitively procured (including by roster); otherwise Commission authorizes before execution • $100,000 and above: Commission authorizes before execution • $200,000 and above: formal competitive solicitation required by statute	*Policy 1001 (Res. 2019-06)*
	Personal services	• Up to $25,000 for non-operational/project: ED • $25,001–$49,999 non-operational/project: Commission authorizes before execution. • Up to $49,999 for operational: ED • $50,000 and above: general consultant rule applies. [Note: Lobbyists require Commission approval at any amount.]	*Policy 1001 (Res. 2019-06)*
	Consultant amendments	Up to aggregate 10% of Commission's last approved total	*Policy 1001 (Res. 2019-06)*
	Small works roster	• $10,000–$300,000: ED authorizes and executes • Commission authorizes any change order if revised total exceeds $300,000 • Port staff in-house work up to $40,000	*Policy 1002 (Res. 2019-06)*
	Public works	• Contracts up to $300,000 • Change orders allowed until revised total exceeds $300,000, or 10% over the last Commission-approved amount	*Policy 1004 (Res. 2019-06; amended Res. 2022-16)*

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Type of Action	Specific Authority / Action	Threshold or Other Limits	Source
	Purchased services	• Up to $300,000/yr or budgeted amount • Max two 1-yr extensions	*Policy 1005 (Res. 2019-06)*
	Emergency public works	May waive bidding; notify Commission within 48 hrs; ratify at next meeting	*Policy 1006 (Res. 2019-06)*
	Open order contracts	Limits follow contract type; 24-month initial term, limited renewals	*Policy 1007 (Res. 2019-06)*
	Accept grants	If in budget/CIP, or new Port contribution up to $300,000; not if grantor requires Commission action	*Policy 1008 (Res. 2019-06)*
	Federal Aviation Administration (FAA) Disadvantaged Business Enterprise (DBE) program	Administer DBE participation on FAA-funded airport projects per 49 CFR Part 26	*Policy 1010 (Res. 2019-06)*
Legal Services & Claims	**Retain counsel/experts**	When necessary; general counsel in consultation with Commission	*Policy 1009 (Res. 2019-06)*
	Settle litigation	Amount in controversy as stated in the pleadings up to $100,000; counsel certification	*Policy 1009 (Res. 2019-06)*
	Settle non-litigated claims	Up to $25,000 from current operating revenue; counsel certification; monthly report; excludes receivables. Claims that may exceed $25,000 must be reported promptly to the Commission.	*Policy 1009 (Res. 2019-06)*
	Waive attorney-client privilege	After Commission consultation, on counsel's recommendation; non-delegable	*Policy 1009 (Res. 2019-06)*
Real Property	**Leases/use agreements**	ED may execute: • Land/space up to 1 yr; • Retail/flex up to 3 yrs; • Technical amendments (no change in use, premises or term, or decrease in financial return); • Other agreements (licenses, operating agreements, MOUs, letters of intent, easements, use agreements, licenses and permits ancillary to normal Port operations). Commission approval required for: • Long-term leases (land/space over 1 yr; retail/flex over 3 yrs) • Assignments of long-term leases • long-term agreements imposing a Port financial obligation for improvements	*Policy 1101 (Res. 2019-07)*

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Type of Action	Specific Authority / Action	Threshold or Other Limits	Source
	Airport hangar/marina tenant agreements	ED can execute short-term leases for airport hangars, marina slips, storage, and special events. [Note: "short-term" not defined.]	*Policy 1101 (Res. 2019-07)*
	Release lease security	Only if not in default and substitute provided	*Policy 1101 (Res. 2019-07)*
	Close acquisitions	Commission approval always required; price paid up to 10% over appraisal, within budget	*Policy 1102 (Res. 2019-07)*
	Sell surplus real property	Commission approval always required; surplus determination also required for all	*Policy 1103 (Res. 2019-07)*
	Broker commissions/finder's fees	No dollar limit; General Counsel approves form; fair market rates	*Policy 1104 (Res. 2019-07)*
	Real estate sale proceeds (reinvestment fund)	Proceeds from property sales are reserved for buying other real estate and infrastructure. ED tracks the proceeds and may invest them with other Port funds if accounted for separately and credited their share of earnings.	*Policy 1105 (Res. 2019-07)*
	Commemorative naming of Port property	ED sets criteria, convenes a Naming Review Team, and recommends. Commission has final approval. Business-unit marketing is not covered.	*Policy 1107 (Res. 2019-07)*
	Real estate investment & development	ED may direct staff to pursue projects consistent with the Comprehensive Scheme and Strategic Plan; property purchases still follow Policy 1102.	*Policy 1108 (Res. 2019-07)*
Financial Administration	**Signature authority**	ED sets staff limits; no purchase over adopted budget/CIP	*Policy 801 (Res. 2021-04)*
	Banking	ED manages accounts; designates signers	*Res. 2019-02*
	Surplus personal property	ED authority up to annual per-item limit; certify to Commission;	*Annual surplus resolution*
	Insurance program	ED can approve changes; report promptly	*Policy 124 (Res. 2021-04)*
	Financial policies	ED can administer; no stand-alone dollar delegation	*Policies 1201–1206 (Res. 2015-16)*
Personnel / Travel	**Approve travel**	Up to $15,000/trip; excludes Commissioners	*Policy 601 (Res. 2021-04)*
	Organization & admin policies	ED can set structure; create procedures; keep Commission apprised	*Policies 101, 102 (Res. 2021-04)*

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Type of Action	Specific Authority / Action	Threshold or Other Limits	Source
Other	**Environmental policies**	ED creates procedures and administrative policies to implement the Environmental Policy and answers interpretation questions. Policy commits the Port to environmental compliance, consistent management, transferable institutional knowledge, and continuous improvement; it sets no dollar thresholds or additional delegations.	*Policy 1301 (Res. 2013-17)*

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PORT OF OLYMPIA COMMISSION
RESOLUTION 2026-[__]

A RESOLUTION OF THE PORT OF OLYMPIA COMMISSION ADOPTING A DELEGATION OF AUTHORITY TO THE EXECUTIVE DIRECTOR AND EXHIBIT A (DELEGATED THRESHOLDS), AND REAFFIRMING EXISTING COMMISSION POLICIES AND RESOLUTIONS GOVERNING DELEGATED AUTHORITY

WHEREAS, the Port of Olympia (the "**Port**") is a municipal corporation of the State of Washington organized under Title 53 RCW, and all authority of the Port is vested in the Port Commission (the "**Commission**") acting as a public body; and

WHEREAS, RCW 53.12.270 authorizes the Commission to delegate to the Port's managing official, the Executive Director, such administrative authority as the Commission deems appropriate; and

WHEREAS, the Commission has previously delegated authority to the Executive Director and reserved authority to itself through policies and resolutions, including the Contracts and Acquisitions Policies adopted by Resolution 2019-06 (with Policy 1004 as amended by Resolution 2022-16), the Real Property Policies adopted by Resolution 2019-07, the Financial Policies adopted by Resolution 2015-16, the Environmental Policy adopted by Resolution 2013-17, the Executive Policies adopted by Resolution 2021-04, the delegation of banking signature authority in Resolution 2019-02, and the Commission's annual surplus personal property resolution (collectively, the "**Existing Policies**"); and

WHEREAS, the Commission wishes to restate in one document, at a high level, its existing delegations and to delineate the roles and responsibilities of the Commission and the Executive Director, to summarize the principal limits on delegated authority, and to promote transparency, accountability, and effective operations; and

WHEREAS, the Commission reviewed the proposed Delegation of Authority to the Executive Director and Exhibit A (Delegated Thresholds) at its work session on November 16, 2026, and the matter was considered at a regular meeting of the Commission held in compliance with the Open Public Meetings Act, chapter 42.30 RCW;

NOW, THEREFORE, BE IT RESOLVED by the Port Commission of the Port of Olympia as follows:

Section 1. Adoption. The Delegation of Authority to the Executive Director attached as Attachment 1, including Exhibit A (Delegated Thresholds) (together, the "**Delegation**"), is hereby adopted.

Section 2. Reaffirmation of Existing Policies. The Existing Policies are incorporated into the Delegation by reference and are hereby reaffirmed. Except as expressly provided in Section II.A.12 of the Delegation (Commission approval of lobbyists and government-relations consultants regardless of contract amount), nothing in this Resolution or the Delegation amends, expands, or repeals any Existing Policy.

Section 3. Conflicts. In the event of a conflict between the Delegation and any Existing Policy or other Commission resolution, the provision that reserves authority to the Commission or imposes the lower dollar threshold shall control, as provided in Section IV.4 of the Delegation.

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Section 4. Amendment. The Delegation, including the dollar thresholds in Exhibit A, may be amended only by resolution of the Commission adopted in a public meeting.

Section 5. Reserved Authority. All authority not expressly delegated to the Executive Director in the Delegation or in other Port policies or resolutions is reserved to the Commission.

Section 6. Ratification. Any action taken by the Executive Director consistent with the authority set forth in the Delegation and the Existing Policies before the effective date of this Resolution is hereby ratified and confirmed.

Section 7. Severability. If any section or provision of this Resolution or the Delegation is held invalid, the remainder shall not be affected.

Section 8. Effective Date. This Resolution shall take effect immediately upon adoption.

ADOPTED by a majority of the members of the Port Commission of the Port of Olympia at a regular meeting held on the ____ day of _____, 2026, and duly authenticated in open session by the signatures of the Commissioners voting in favor thereof.

PORT OF OLYMPIA COMMISSION

By: _____
Name: Jasmine Vasavada
Title: Commission President
Date: _____

By: _____
Name: Sarah Montano
Title: Commission Vice President
Date: _____

By: _____
Name: Joel Hansen
Title: Commission Secretary
Date: _____

Attachment 1: Delegation of Authority to the Executive Director, with Exhibit A (Delegated Thresholds)

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PORT OF OLYMPIA COMMISSION
RESOLUTION 2026-XX~~02~~

A RESOLUTION OF THE PORT OF OLYMPIA COMMISSION ADOPTING RULES GOVERNING THE TRANSACTION OF PORT COMMISSION BUSINESS AND SUPERSEDING RESOLUTION ~~2025-03~~ 2026-02

WHEREAS, the Port of Olympia Commission seeks to adopt rules governing the transaction of Port Commission business as required by RCW 53.12.245;

AND WHEREAS, this Resolution supersedes Port of Olympia Commission Resolution 202~~5~~6-0~~3~~2;

NOW, THEREFORE, BE IT RESOLVED that the Port of Olympia Commission hereby adopts the Rules set forth below, which shall be effective upon adoption.

ARTICLE I
Preamble

These Rules will govern the transaction of business by the Port of Olympia Commission.

ARTICLE II
Organization of the Commission

A. The Commission will annually elect a President, Vice-President, and Secretary.

B. The Commission will elect officers at its first regular meeting at the beginning of each calendar year. The term will run for one (1) year beginning when elected and terminate at the election of a successor. Vacancies in an office may be filled at any regular or special meeting of the Commission.

ARTICLE III
Duties of Officers

A. The President shall:

Preside at all meetings of the Commission and during executive sessions of the Commission in a manner consistent with these Rules; sign all resolutions, contracts, and other instruments on behalf of the Commission as authorized by the Commission; perform all such other duties as are incident to the office or are properly required by the Commission; meet with the Executive Director and other Commissioners to prepare and review agendas as specified in this Resolution; and, when needed, authorize the issuance of notices for regular and special meetings of the Commission as provided for in these Rules.

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B. The Vice-President shall:

During the absence or disability of the President, exercise all the functions of the President; and have such powers and discharge such duties as may be assigned from time to time by the Commission.

C. The Secretary shall:

Ensure the recording of the minutes, motions and resolutions adopted by the Commission by Port of Olympia staff; and otherwise perform such further duties as are incident to the office and as are properly required by the Commission.

D. Temporary Absence:

Any Commissioner who shall be elected to act for an incumbent elected officer during the temporary absence or disability of such officer shall exercise all the functions of the incumbent officer, but only during the continuance of the absence or disability of such official.

ARTICLE IV
Meetings

A. Meetings Schedule:

The Commission will adopt a calendar with its year-long schedule for its regular meetings at its first regular meeting of the calendar year, or the soonest meeting possible thereafter. The Commission will post its calendar to provide notice of all meetings on its website at *http://www.portolympia.com* in accordance with the Open Public Meetings Act (Ch. 42.30 RCW). The Commission schedule shall include a recess of approximately two-weeks the second half of the month in August and December. Accordingly, the Commission schedule should reflect one regular meeting in both August and December. The Commission's regular and special meetings shall be open and public except as otherwise provided by these Rules.

B. Regular Meetings:

The Port of Olympia Commission regular meetings are scheduled on the ~~second and fourth Monday evenings~~first Wednesday of each month at ~~4:00 p.m.~~5:30 p.m. at the Port of Olympia, Percival Plaza, 626 Columbia Street NW, Suite 1-B, Olympia, Washington, unless specified otherwise. Any regular meeting held at a time or place other than as stated in this Section, or rescheduled to a different date, shall be noticed as a special meeting in accordance with RCW 42.30.080. If a regular meeting falls on a holiday, it shall be held on the next business day (RCW 42.30.070). The Port will post the location of all regular meetings on its website at *http://www.portolympia.com* prior to each meeting date in compliance with the notice requirements of the Open Public Meeting Act. Regular meetings shall be open and public except as otherwise provided by these Rules.

C. Work Sessions:

The Port of Olympia Commission holds work sessions the ~~third Monday~~third Wednesday of each month at ~~4:00 p.m.~~5:30 p.m. at the Port of Olympia, Percival Plaza, 626 Columbia Street NW, Suite 1-B, Olympia, Washington, unless specified otherwise.

The purpose of work sessions is:

1. To provide an opportunity for the Commissioners to informally discuss Port issues and exchange ideas without the structure of a regular business meeting.

   a. Consistent with this purpose, the Commissioners may propose topics for future work sessions during the "Other Business" agenda item at a regular business meeting. .

2. To provide an opportunity for staff to present topics for preliminary feedback that may be considered later at a regular or special business meeting.

3. To provide an opportunity for the Executive Director to update the Commission on business, operational, and strategic issues for informal discussion. The Executive Director will coordinate with Port staff and Commissioners to add agenda items to work sessions.

The President will identify topics for work sessions with input from Commissioners and the Executive Director. Although the Commission may legally take action at a work session consistent with the Open Public Meetings Act (Ch. 42.30 RCW), it will strive to limit action during work sessions to extraordinary, exigent, or emergency circumstances where action is necessary prior to the Commission's next scheduled regular meeting. In the event action ~~is taken during a work session, a period~~is proposed during a work session, the posted agenda will identify that possibility, and a period for public comment will be added to the agenda, ~~after Commission discussion and prior~~after the staff presentation and prior to action being taken.

Meeting materials for work sessions will be provided and made available to the public consistent with these Rules.

D. Special Meetings:

Special meetings of the Commission may be called by the President or the agreement of a majority of the Commission. If the Commission calls a special meeting, the President will notify the Executive Director and Commission Coordinator of the proposed meeting date and business to be transacted at the special meeting. Notice of a requested special meeting under this provision must be provided sufficiently in advance of the requested special meeting date to allow the Port to provide the required twenty-four (24)-hour written notice of the meeting and to provide adequate public notice of the meeting and agenda, as required under the Open Public Meetings Act.

Special meetings shall be open and public except as otherwise provided by these Rules. A special meeting is limited to matters identified in the notice. The Commission may hold an executive session during a special meeting with appropriate notice.

E. Executive Sessions:

An executive session is understood to mean the part of a regular or special meeting of a governing body that is closed to the public. The Commission may meet in an executive session, which shall be closed to the public, during a regular or special meeting for any of the purposes permitted by the Open Public Meetings Act (RCW 42.30) and other laws. Such purposes include, but are not limited to, the following:

1. The consideration of matters affecting national security (RCW 42.30.110(1)(a));

2. The selection of a site or the acquisition of real estate by lease or purchase, when public knowledge regarding such consideration would cause a likelihood of increased price (RCW 42.30.110(1)(b));

3. The sale or lease of real estate when public knowledge regarding such consideration would cause a likelihood of decreased price (RCW 42.30.110(1)(c));

4. Review of negotiations on the performance of publicly bid contracts when public knowledge would cause a likelihood of increased costs (RCW 42.30.110(1)(d));

5. The appointment, employment, or dismissal of a public officer or employee; provided that, final action setting that salary, discharging or disciplining an employee, or interviewing or appointing a candidate to elective office shall be at an open public meeting (RCW 42.30.110(1)(g) and (h));

6. The hearing of complaints or charges brought against such officer or employee unless such officer or employee requests a public hearing (RCW 42.30.110(1)(f));

7. That portion of a meeting during which the Commission is planning or adopting the strategy or position to be taken by the Commission during the course of any collective bargaining, professional negotiations, or grievance or mediation proceedings, or reviewing the proposals made in such negotiations or proceedings while in progress (RCW 42.30.140(4)(b~~a~~)), and;

8. Communications with legal counsel respecting active or threatened agency enforcement action~~,~~; litigation or potential litigation to which the Port, the Commission, and/or a Commissioner or Port employee acting in an official capacity is, or is likely to become, a party; or legal risks of a proposed action or current practice when public knowledge regarding the discussion is likely to result in an adverse legal or financial consequence to the Port (RCW 42.30.110(1)(i)). Port legal counsel is required to attend executive sessions called for this purpose.

The Commission may invite Port staff or others with some relationship to the matter being discussed, or who provide assistance to the Commission, to the executive session.

To avoid inconvenience to the public during regular meetings, the Commission will endeavor to hold executive sessions immediately prior to a regular meeting of the Commission and, if possible, at the same location or in close proximity to the location of the regular meeting. Notwithstanding this provision, the Commission may enter into executive session during any meeting for any purpose consistent with the Open Public Meetings Act.

Before convening in executive session, the President or presiding commissioner shall publicly announce the purpose and the time duration for executive session. The executive session may be extended to a stated later time by public announcement of the presiding officer. The announced purpose shall be entered in the minutes (RCW 42.30.110(2)). No final action shall be taken in executive session.

The public meeting will be reconvened following an executive session. Items discussed in the executive session will be considered during the meeting, as appropriate and required by law.

Commissioners will not take notes during executive session using an electronic device such as, but not limited to, a computer, tablet, or cell phone. Commissioners may take handwritten notes during executive session; however, all handwritten notes will be provided to the Executive Director at the conclusion of the executive session for appropriate retention.

F. Adjournment or Continuation to a Special Meeting:

Adjournment or continuation to a special meeting, if necessary, shall be pursuant to notice as required by law.

G. Commissioner Town Hall Guidelines:

A Commissioner Town Hall is a forum convened by an individual Commissioner who desires to meet with members of the public for informal discussion of subjects related to Port business. Individual Commissioners may hold Commissioner Town Halls subject to compliance with the following guidelines:

1. Location and Staffing. A Commissioner Town Hall may be held in a Port facility or meeting room, or other public meeting place in Thurston County. Port staff will not be required to attend a Commissioner Town Hall.

2. Minutes and Recording. The Port will not create or retain minutes or recordings of Commissioner Town Hall sessions.

3. Public Notice. The Port will publish the times and locations of scheduled Commissioner Town Halls on the Port's website, online calendar, and will be sent to the e-mail

distribution list for distribution of Commission agenda and meeting materials. Times and locations for Commissioner Town Halls will also be included as part of Port meeting announcements made at the conclusion of regular Commission meetings.

4. Scheduling. Requests to schedule Commissioner Town Hall sessions must be submitted to the Commission Coordinator no later than seven (7) days prior to the Commissioner's desired meeting date. Scheduling is subject to the availability of Port facilities.

5. Attendance by Other Commissioners. Attendance of more than two (2) Commissioners at a scheduled individual Commissioner Town Hall creates a quorum of the Commission and requires compliance with the Open Public Meetings Act. To ensure the Port's compliance with the Open Public Meetings Act, Commissioners shall not attend Commissioner Town Hall sessions being held by other Commissioners without five (5) days' advance notice to the Commission Coordinator.

6. Limitations on Use. Commissioner Town Hall sessions may not be used for campaign purposes. Further, to ensure compliance with RCW 42.52.180 governing use of public resources for political campaigns, individual Commissioners may not hold Commissioner Town Hall sessions as defined in this section during any period of the Commissioner's active candidacy for re-election to the Commission or other elected office. The term of "active candidacy" for purposes of this limitation shall run from the date the Commissioner becomes a "Candidate" as defined in RCW 42.17.005(7) and its implementing regulations until the results of the primary, general, or special election on which the Commissioner appears as a candidate on a ballot are certified pursuant to RCW 29A.60.190.

H. Quorum:

Three (3) Commissioners shall constitute a quorum for the convening of a meeting.

I. Cancellation of a Meeting:

The President may direct the cancellation of a regularly scheduled Commission meeting.

J. Administration of Meetings:

Meetings shall be conducted in accordance with these Rules.

K. Commissioner Remote Attendance:

From time to time, a Commissioner may not be able to attend a Board of Commissioners meeting in person. The Commission recognizes the benefits of fullest practicable attendance and participation by its members. Attendance from remote locations is intended to be an alternative and infrequently used method for participation by Commissioners. Attendance by remote communication may occur as follows:

1. Consistent with these rules, any Commissioner may attend a meeting via remote communication to the extent permitted by the Washington Open Public Meetings Act, Ch. 42.30 RCW, as it now exists or as it may be amended in the future.

2. A Commissioner planning to attend via remote communication must provide notice to the Executive Director and Commission Coordinator at least ~~24 hours~~2 hours prior to the scheduled meeting. The notice must indicate the Commissioner's intent to attend via remote communication and the reason(s) why the Commissioner cannot attend the meeting in person.

3. A Commissioner may not attend remotely unless satisfactory equipment is available at the physical location of the meeting. Satisfactory equipment means any telephone or other communications device equipped with a speaker junction capable of broadcasting the Commissioner's voice clearly and sufficiently enough to be heard by those in attendance at the meeting and allowing a Commissioner attending remotely to hear discussion at the meeting.

4. During any meeting that a Commissioner is attending via remote communication, the Commission President or presiding officer shall state for the record that a particular Commissioner is attending via remote communication and the reasons for such attendance.

5. Commissioners attending via remote communication may participate and vote during the meeting as if they were physically present at the meeting.

6. Commissioners attending via remote communication shall comply with all rules and procedures as if they were physically present at the meeting.

7. In the case of executive sessions, the Commission may permit participation from remote location(s) only when the Commission is confident in the security of such remote communications.

L. Commissioner Absence and Excusal:

Each Commissioner is responsible for requesting to be excused from regular or special meetings of the Port Commission to avoid causing an inadvertent vacancy in the office according to RCW 53.12.140. A Commissioner who is unable to attend a regular or special meeting will notify the Commission Coordinator no later than two (2) hours before the scheduled start of the meeting, if feasible to do so, to request excusal. The Commission Coordinator will inform the President (or other officer presiding over the meeting) of the Commissioner's excusal request prior to the meeting. The President (or presiding officer) shall note the Commissioner's request for excusal on the record for the minutes and shall also state for that purpose whether the Commissioner's absence is or is not excused. Alternatively, during the initial portion of any meeting, as noted in Article V below, the Commission may act on the Commissioner's excusal request by motion as provided for in Article VI.

M. The Commission shall automatically excuse the absence of a Commissioner resulting from attendance to other Port business.

ARTICLE V
Order of Business

A. The President of the Commission and the Executive Director determine the placement of items on the Agenda for the Commission. ~~The Commission shall vote~~The Commission may vote to add agenda items to the list for a future work session or regular meeting and allow for the President and Executive Director to schedule the item as appropriate.

B. Agenda items will ordinarily be scheduled using the following criteria:

(1) Two meetings (advisory, then action): items that raise significant public interest or risk, set new policy, involve budgets, the levy, the Comprehensive Scheme, or the Capital Investment Plan, or are novel or precedent-setting;

(2) Same meeting (advisory and action): other items, provided that the agenda posted seven (7) business days before the meeting identifies the item as "Advisory and Possible Action," all material terms must be included in the advisory, public comment occurs after the presentation and before the vote, and the Commission may call staff back to answer questions raised in public comment; and

(3) Consent agenda: routine matters only.

The Commission may move to defer final action for further deliberation, research, or public comment, and may hold an item for a later meeting if its material terms change significantly after the initial notice.

C. Regular meetings will ordinarily follow the below prescribed format:

1. Call to Order
2. Pledge
3. Approval of Agenda
4. Special recognition (if needed)
5. Executive Director's Report
6. Litigation Report (as needed)

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7. Agenda advisory items, including items noticed as "Advisory and Possible Action"
    a. Staff presentations, if needed
    b. Commission discussion

8. Public comment
    a. Commission statement on nature of public comment
    b. The general public comment period is the time for public comments on any item on the agenda, or any other topic related to Port business.

9. ~~Opportunity for Commission Response/Follow Up to Pub~~Commissioner Closes Public Comment

10. Partner Spotlight

11. ~~1~~Consent Calendar
    a. Approval of minutes
    b. Warrants and vouchers
    c. Any warrant or voucher exceeding $200,000 will be listed with the amount and the payee
    d. Other consent items, including, but not limited to: (1) items for which an Advisory was given at a preceding Commission meeting and for which there were no Commission concerns or requests for additional information; and (2) pro forma contract or lease updates.
    e. Should any Commissioner wish to move an item on the consent calendar to be an "Action" item, he or she can make a motion to do so during the "Approval of Agenda" portion of the meeting. If a majority of the Commission votes in favor, the item will be moved from the consent calendar.

12. Agenda action items
    a. Staff presentations, if needed
    ~~a.~~b. For "Advisory and Possible Action" items presented under item 7 above, Commission may ask staff to address further questions, including questions raised in public comment.
    ~~b.~~c. Action by motion, vote, or resolution

    ~~c.~~
~~b. Action by motion, vote or resolution~~
~~13. Agenda advisory items~~
~~a. Staff presentations, if needed~~
~~b.~~
13. ~~Commission discussion~~Commissioner Reports

14. Additional Public Comment: This time is devoted to individuals who could not arrive at or register for the meeting earlier. It will be conducted in both an in-person and

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virtual format. The Commission President will ask for participants to raise their hand to indicate they want to speak.

a. Commission statement on nature of public comment
b. The general public comment period is the time for public comments on any item on the agenda, or any other topic related to Port business.
c. Public comment at this time is for those members of the public who did not submit public comment previously during the current meeting.

15. Other business (during this period, Commissioners may also raise and discuss new issue(s), request to add such issue or issues to a future work session agenda or send the issue or issues to the POCAC for review), and

16. Future meeting announcements

17. Adjourn.

D. The Commissioners may agree to change the order of business set forth above at any time.

E. All proceedings of the Commission will be by consensus, motion, or resolution recorded in minutes and books maintained for that purpose, which shall be publicly available.

F. If any vote is unanimous then it shall be so recorded. A record of the vote on any resolution or motion shall be made by a roll call vote of "yea" or "nay" in the minutes of the Commission. The proceedings of the Commission shall be conducted in such a manner and such dispatch as may be mutually agreeable to the Members of the Commission. Robert's Rules of Order shall be applied for the governing of any proceeding, and thereupon no resolution shall be considered or other action taken, until the same has been duly moved, seconded and carried. All resolutions passed by the vote of the Commissioners present at any meeting shall be deemed to have been moved, seconded and passed in due form.

G. Any Commissioner, the Port Attorney or the Executive Director may make a point of order if necessary.

ARTICLE VI
Guidelines for Public Comment at Meetings

A. General Procedures: The following general procedures are applicable to public comment at Commission meetings. ~~There is one~~ Pportion of the regular Commission meeting agenda are set aside for public comment. ~~This is~~These are ~~the~~ opportunities~~y~~ for members of the public to comment on agenda items before the Commission or any other topic related to Port business, subject to the following procedures:

1. The public comment period ~~held at the beginning of the meeting~~held following staff advisory presentations will generally be limited to 30 minutes;

2. Each commenter will be allowed three (3) minutes for individual comment; commenters may not yield some or all the allotted three (3) minutes resulting in a longer comment period for another commenter. If a commenter is interrupted during the allotted three (3) minutes, the commenter shall be allowed to continue speaking beyond the three (3) minute timer for a period equivalent to the interruption;

3. If there are more than ten (10) commenters who wish to make public comments during the general public comment period, then the Commission reserves the right to defer additional general public comment to proceed with meeting business, and instead hold an additional general public comment period prior to the conclusion of the meeting;

4. The subject of public comments not directed to a specific agenda item or items must be related to Port business; and

5. The President will enforce these requirements and shall be allowed to curtail any individual public comment that exceeds allotted time, is beyond the reasonable scope of Port business, is overly repetitive or lengthy, or includes disruptive behavior as defined in Section VI-D below.

B. Procedures for Providing Public Comment at In-Person Meetings: The Port will provide a sign-in sheet for those who wish to provide ~~general comment at the beginning of regular~~general comment at regular in-person Commission meetings. The sign-in period for public comment will begin when the public meeting space opens and will close when the meeting is called to order. Commenters must provide their legal name on the sign-in sheet in order to be called, and may not wear costume masks that obscure the entirety of their face to address the Commission. Commenters may wear face coverings as per public health requirements and/or recommendations. To comment virtually, commenters must pre-register no later than five minutes after the meeting begins using a Zoom link published in the meeting agenda. Those who pre-register will be called to comment by the Commission President during the public comment period. Commenters must provide their legal name.

C. Procedures for Providing Public Comment at Virtual Meetings: Those who wish to provide verbal public comment at a Virtual Meeting must, no later than five minutes after the meeting begins, pre-register using a Zoom link published in the meeting agenda. The Commission President will call those who registered in advance by name to provide comment. After all who have signed up are called, the Commission President may accept further public comment by asking participants to raise their virtual hands to indicate they want to comment.

D. Procedures for Providing Written Comment (In-Person and Virtual Meetings). Members of the public may also provide the Commission with written comment by sending the written comments via email to the Commission Coordinator or by using the form on the Port's website (www.portolympia.com) from the time and date the agenda is published to the public through 12:00 noon the day of the meeting. The Commission Coordinator will compile the public

comments received by the above-referenced deadline and forward the compiled public comments to the Commission prior to the related meeting.

E. Use of Electronic Media During Public Comment: Commenters may use electronic media (such as presentations or video) to present information to the Commissioners during the public comment period at regular Commission meetings, subject to the following limitations:

1. Electronic media to be used during public comment must be related to Port business.

2. Commenters must abide by the three (3) minute time limit when using electronic media and should select and edit presentations accordingly. Commenters may not yield some or all their allotted three (3) minutes resulting in a longer presentation time for another commenter.

3. To protect the integrity of Port information systems, electronic media or a link to internet-based information must be e-mailed to the Commission Coordinator at *CommissionCoordinator@portolympia.com* no later than noon on the day of the Commission meeting when the electronic media is to be used. To be accepted for presentation, email submissions must include (i) the name of the individual who will be providing public comment; (ii) the author of the electronic media being submitted; and (iii) a brief description of the content of the electronic media.

4. Commenters may not use jump drives, external drives, or other direct connection to Port information systems to present electronic media to the Commission during public comment. Links to internet-based information must be accessible using the Port's web browser. The Port will not be responsible for resolving compatibility issues related to electronic media submitted for public comment.

5. The Commission Coordinator will review all timely submitted electronic media prior to the Commission meeting to determine that the content is functional and viewable. Prior to the meeting, the Commission Coordinator will provide the President with a report identifying the electronic media submittals received, if any. The report will include the commenter's name, the author of the electronic media, and the brief description of content provided with the submittal.

6. The President will enforce the above guidelines and shall be allowed to preclude commenters from using electronic media that fails to comply with submittal guidelines, guidelines for public comment, or otherwise contains information unrelated to Port business.

F. Limitations on Use of Public Comment for Campaigning or Advertising: No person may use public comment periods for the purpose of campaigning or promoting a campaign, whether for an election or ballot proposition. In addition, no person may use public comment periods for the purpose of commercial advertising. These limitations do not prevent or preclude any person addressing the Commission from expressing views or opinions over matters related to the Port's

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business or within the Commission's jurisdiction. In addition, these limitations do not prohibit individuals or organizations from promoting public events.

G. Comments to be Directed to Commission: Comments should be directed to the Commission as a whole and should not include comments about individual Port staff or members of the public.

Courtesy: All speakers (members of the public, Port staff, and Commissioners) shall be courteous ~~in language and demeanor~~ and shall ~~confine remarks to those facts that are germane and relevant to the question or issue under discussion~~keep remarks relevant to the topic under discussion.

H. Disruptive Behavior: Disruptive behavior includes, but is not limited to: speaking beyond the allocated time limit; preventing members of the public from hearing or viewing the discussion of the Commission, whether by standing or holding a banner or sign in a manner that obstructs view of or passage through the meeting room; speaking in a volume louder than low, conversational tone when not recognized by the President for public comment; and any threatening or harassing comments or behavior, whether directed at any or all Commissioners, Port of Olympia staff, or members of the public.

I. Curtailing Public Comment and Disruptive Behavior: The President has discretion to curtail public comment and Disruptive Behavior which violates these guidelines.

1. The President will first request that the individual follow these guidelines. If an individual fails to comply with the President's request, the President may deem the individual out of order and direct that the individual be removed from the Commission meeting. If the individual is engaging in Disruptive Behavior that is threatening or harassing, the President may direct the individual be removed from the Commission meeting regardless of whether the threatening or harassing behavior occurs during the public comment portion of the Commission meeting. If the individual presents a threat to those present at the meeting, the President may request assistance from law enforcement or security in removing the individual.

2. If an individual or group of individuals disrupts the orderly conduct of a meeting and the President cannot restore order, the Open Public Meetings Act (RCW 42.20.050) also allows the President to adjourn the meeting and reconvene it at another location selected by a majority of the Commission. In such a session, the Commission may only take final action on matters appearing on the agenda.

J. Security: In order to promote the safety and efficiency of Commission meetings, the President may request the presence of additional security for meetings expected to address sensitive and/or controversial subjects.

ARTICLE VII

Motions

A. Except as otherwise required by these Rules, the Commission shall transact its business by motion, which may be made by any Commissioner in attendance.

B. Voting on all motions shall be either "yea," "nay," or "abstain." Robert's Rules of Order shall be applied for the governing of any proceeding, and thereupon no motion shall be considered or other action taken, until the same has been duly moved, seconded and carried. All motions passed by the vote of the Commissioners present at any meeting shall be deemed to have been moved, seconded and passed in due form.

Concurrence of three (3) Commissioners shall be necessary and shall be sufficient for the passage of any motion unless otherwise required by Robert's Rules of Order.

C. Commissioners may vote by motion to direct the Executive Director's work.

D. Commissioners shall vote on all motions unless required to abstain due to an actual or apparent conflict of interest under Chapter 42.52 RCW and Port of Olympia Commission Resolution 2021-03, which sets ethical standards for Port Commissioners.

ARTICLE VIII
Resolutions

A. All matters which, in the judgment of the Commission, are of a legislative character shall be embodied in the form of resolutions. Text of the proposed resolutions shall be provided prior to the public meeting as set forth in these Rules.

B. Voting on all resolutions shall be either "yea," "nay," or "abstain." Robert's Rules of Order shall be applied for the governing of any proceeding, and thereupon no resolution shall be considered or other action taken, until the same has been duly moved, seconded and carried. All resolutions passed by the vote of the Commissioners present at any meeting shall be deemed to have been moved, seconded and passed in due form.

C. Resolutions shall be numbered consecutively by the year in which they are enacted and the original copy of each resolution shall be duly authenticated in open session by the signatures of the Commission President, Vice-President and Secretary, which shall serve to attest to a majority of the Commission members voting in favor of the Resolution. Adopted resolutions shall be filed, published on the Port's website, and recorded in minutes and a book or books kept for such purposes, which shall be public records.

ARTICLE IX
Minutes

A. Port staff will prepare draft action minutes of each meeting and distribute them to Commissioners for their review as to accuracy of actions taken. The goal will be to provide

concise and complete minutes for Commission review no later than thirty (30) days after the subject meeting. The minutes must contain a record of motions, agenda and agenda changes, participants, and actions taken. The minutes may include a summary of each topic's staff presentation and discussion. Minutes of all regular and special meetings, except executive sessions, shall be recorded and open to public inspection (RCW 42.30.035), and shall include the announced purpose of any executive session (RCW 42.30.110(2)).

B. The Commission Coordinator will send the draft minutes to Commissioners as soon as possible following each meeting and will include a date for Commissioners to return corrections. Commissioners will individually send any corrections back to the Commission Coordinator. If a substantive correction is offered to the draft minutes, the Commissioner offering the correction will include a reference to the place in the Commission video timeline from where the correction originates. The Commission Coordinator will prepare a final draft incorporating corrections. The Executive Director will complete a final review of the draft.

C. In most cases, minutes will be presented for approval at the next regular business meeting. Approval of the minutes will be included in the Consent Agenda.

D. Written public comments submitted directly to Commissioners or to the Commission Coordinator ~~pursuant to Article VI.A.3~~ will not be appended to or included in the minutes. The minutes will reflect the names of commenters only.

E. When the Commission has approved the minutes of a meeting, the minutes as approved shall represent the final and considered determination of the Commission as to the motions and actions set forth therein. Following their approval, minutes shall be signed by the Commission President and Secretary.

ARTICLE X
Publication of Meeting Materials

A. Agendas, reports, cover memos, ~~and any supporting~~and initial supporting materials will ordinarily be posted on the Port's website no later than 3:00 p.m. ~~two (2) business days before a meeting, which will be the preceding Thursday before a regular Monday business meeting or work session.~~seven (7) business days before a meeting. Final materials and presentations, identifying any changes since the initial posting, will be posted no later than 3:00 p.m. two (2) business days before the meeting. Agendas and materials for special meetings of the Commission called pursuant to Art. IV(D) of this Resolution will be posted no later than 3:00 pm two (2) business days before a meeting as a rule; however, consistent with the Open Public Meetings Act, in no event will agendas for special meetings be posted later than 24 hours prior to the scheduled meeting.

Meeting materials posted on the Port's website may be modified at any time subsequent to posting and prior to the meeting based upon changes to the agenda or to reflect updates to posted materials.

It is the responsibility of Staff to prepare materials for presentations including PowerPoint slides, maps, or other materials for presentation to the Commission. Commissioners will not provide supplementary materials to be considered for inclusion in the meeting materials packet. The exception to this rule is when a Commissioner has information to share regarding a committee they serve on behalf of the Port. For that exception, the Commissioner must submit the proposed materials to the Commission Coordinator for inclusion by no later than 3:00 pm ~~the preceding Thursday before a Monday meeting~~seven (7) business days before the meeting.

B. Members of the public may request to be included on a voluntary e-mail list for distribution of Commission agenda and meeting materials. The Port will e-mail the agenda and a link to the meeting materials to those on this voluntary e-mail list on ~~the same day the materials are posted~~the same day the initial and final materials are posted on the Port's website.

C. The Port will provide a hard copy of the agenda and/or meeting materials, if requested, by visiting the Port's administrative office during the Port's regular business office hours.

D. Meeting videos supplement efficient written meeting minutes documenting action taken by the Commission. Video recordings for regular Port meetings held on or after February 18, 2016, will be published and retained on the Port's website, to be readily and available for viewing. This is subject to system capacity and budget authorization by the Commission. Video recordings will be maintained and archived at the Washington State Archives pursuant to applicable state records retention schedules.

ARTICLE XI
Amendment of Rules

These Rules may be amended by Resolution.

ADOPTED by a majority of the members of the Port Commission of the Port of Olympia, a majority being present and voting on this Resolution at a regular Commission meeting on ~~January~~ December __~~26~~, 2026, as attested to by the signatures below of the Commissioners this __~~26~~th day of ~~January~~December, 2026.

PORT OF OLYMPIA COMMISSION

_____
Jasmine Vasavada, President

_____
Sarah Montano, Vice President

_____
Joel Hansen, Secretary

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PORT OF OLYMPIA COMMISSION
RESOLUTION 2021-XX~~03~~

A RESOLUTION OF THE PORT OF OLYMPIA COMMISSION ESTABLISHING A CODE OF GOVERNANCE AND CONDUCT FOR PORT COMMISSIONERS AND REPEALING RESOLUTION ~~S 2008-16, 2015-19, AND 2016-02~~2021-03

WHEREAS, adoption of a Code of Governance and Conduct for Port Commissioners promotes and strengthens the faith and confidence of the people of Thurston County in their elected Port Commissioners, and assists the Commissioners in the performance of their public duties; and

WHEREAS, the Port Commission believes that the Port of Olympia should hold its Commissioners to the highest moral and ethical standards; and

WHEREAS, the members of the Port Commission wish to commit themselves to a written Code of Governance and Conduct; and

WHEREAS, the Port Commission previously adopted a Code of Ethics for Commissioners through the adoption of Resolution No. 2021-03; ~~2008-16 and a Commission Code of Conduct through the adoption of Resolution No. 2015-19, as amended by Resolution 2016-02;~~ and

WHEREAS, the Port Commission now wishes to repeal these prior resolutions and adopt a consolidated Code of Governance and Conduct for Commissioners.

NOW, THEREFORE, BE IT RESOLVED by the Port Commission of the Port of Olympia as follows:

1. The attached Code of Governance and Conduct for Port Commissioners is hereby adopted.

2. Resolution No. ~~2008-16 and Resolution No. 2015-19, as amended by Resolution 2016-02, are~~2021-03 hereby repealed.

ADOPTED by the Port Commission of the Port of Olympia at a duly noticed meeting thereof, held this ____ day of ~~June~~December, 202~~6~~1, and duly authenticated in open session by the signatures of the Commissioners voting in favor thereof and the seal of the Port Commission.

PORT OF OLYMPIA COMMISSION

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PORT OF OLYMPIA CODE OF GOVERNANCE AND CONDUCT FOR PORT COMMISSIONERS

PREAMBLE

It is assumed and expected that a Commissioner will act in accordance with applicable federal, state, and local laws, and will strive to avoid even the appearance of impropriety in the conduct of his/her/their office. Upon election or appointment, Port Commissioners will review, at a minimum, Chapter 42.20 RCW, Misconduct of Public Officers; Chapter 42.23 RCW, Code of Ethics for Municipal Officers – Contract Interests; Chapter 42.30 RCW, Open Public Meetings Act; Chapter 42.36 RCW, Appearance of Fairness Doctrine, and Chapter 42.52 RCW, Ethics in Public Service. This Code of Governance and Conduct ("Code") is intended to implement and supplement, where necessary, these established legal standards.

Ultimately, ethics are a matter of honesty, common sense, and judgment. Neither this nor any other code can be an adequate substitute for those attributes.

Commissioners are elected officials entrusted with public confidence, and ultimately questions involving a Commissioner's behavior are a matter to be judged by the electorate. Our intent is to establish a sustainable model of appropriate behaviors to build public trust, confidence, and credibility and maintain and enhance the Port of Olympia's effectiveness.

Section 1
General Standards of Conduct

A. A Port Commissioner shall not transact any business of the Port Commission or act on behalf of the Port Commission with respect to any matter that requires Port Commission approval, without first obtaining the Port Commission's approval pursuant to a public vote of the Port Commission or other Port Commission direction as provided in a meeting open to the public.

B. A Port Commissioner shall abide by the Port of Olympia's policies of equal opportunity and non-discrimination and is prohibited from engaging in unlawful sexual or non-sexual harassment, workplace violence or retaliation against whistleblowers.

C. A Port Commissioner shall not use Port of Olympia resources for personal benefit. Incidental, limited or occasional use of Port resources, especially electronic media, are acceptable so long as the use is not for personal gain or benefit.

D. A Port Commissioner shall not use his/her/their position to secure special privileges or exemptions.

E. A Port Commissioner shall not knowingly use his/her/their office for personal or family gain or profit.

F. A Port Commissioner shall not disclose confidential information gained because of the Port Commissioner's position, nor may the Port Commissioner otherwise use such information for personal or family gain or benefit.

G. A Port Commissioner shall not accept employment or engage in business or professional activities that the Port Commissioner might reasonably expect would require or induce him/her/them to disclose confidential information acquired because of the Port Commissioner's position.

H. Except for incidental electronic and telephone communication, Port Commissioners shall not use public resources that are not available to the public in general, such as Port staff time, equipment, supplies or facilities, for other than a Port purpose.

I. If a Port Commissioner participates in litigation contrary to an official Port position or action as adopted or ratified by a majority of the Port Commission, the Commissioner shall recuse himself/herself/themself and not participate in any vote, deliberation, or executive session, or receive confidential information regarding further consideration or action in that matter once litigation regarding the matter has been served or filed. The fact that a Commissioner voted in opposition or expressed his/her/their opinion in opposition to the official action or position of the Port prior to the filing or service of litigation shall not, by itself, be sufficient to trigger the need for future recusal or nonparticipation.

J. Once litigation has been served or filed to which the Port is a party, communication by Commissioners regarding the case with anyone other than Port staff or the Port's Legal Counsel is discouraged. Commissioners shall not in their official capacity make any comment, provide any information, or otherwise involve themselves in the matter without the assistance and advice of the Port's Legal Counsel.

K. Topics discussed by the Port Commission during executive sessions must not be discussed outside of the executive session except with duly authorized participants (i.e. the Executive Director, Port Staff assigned to the matter, and Port Legal Counsel). Port Commissioners shall keep all executive session information and discussions confidential to ensure that the Port's interests are not compromised.

L. The standards of conduct for Ethics in Public Service established in RCW 42.52 are hereby adopted and incorporated by reference into this Code and shall be applicable to Port Commissioners to the fullest extent allowed by law.

Section 2
General Standards of Governance

A. We will serve the interests of all the citizens of Thurston County and the interests of the entire Port organization. We recognize these responsibilities to the whole to be greater than;

1. Any loyalty to a particular constituency a Commissioner may have as an elected official.

2. Any loyalty based on public perception or affiliations.

B. We will build and maintain the trust amongst ourselves and between the public and the Port Commission to ensure an environment conducive to effective governance by:

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1. Conducting the Port's business with social and fiduciary responsibility that fosters and maintains public trust.

2. Being honest and transparent with the public in all our actions recognizing that effective governance does require confidentiality in some matters.

3. Setting the highest standard of personal and organizational ethics.

4. Conducting our public meetings and hearings in a respectful and open manner and insisting that others at the meeting act in the same manner.

5. Focusing on governance as opposed to management.

6. Focusing on issues rather than personalities and insisting that others at our meetings do the same.

7. Communicating honestly in all written and interpersonal interactions, never intentionally misleading or misinforming the public or each other.

8. Seeking to understand and appreciate each other's perspective and find commonality of purpose.

9. Respecting the decisions of the Port Commission and not undermining those decisions.

10. Recognizing that Commissioners may express their view of the vote on an issue while underscoring that the decision of the Port Commission has been made and will move forward.

11. Coming prepared to meetings, reading materials in advance and, where possible, engaging staff with questions prior to the meetings.

12. Making every reasonable effort to protect the integrity and promote the positive image of the Port, the Commission, and the Commissioners.

13. Annually reviewing our performance as a Commission in achieving the goals described herein.

C. We will not attempt to exercise individual authority over the organization. We recognize that this undermines the effectiveness of the Commission and the Port of Olympia. We note that the Commission has hired an Executive Director to manage the day-to-day business of the Port and that the Executive Director is accountable to the Port Commission. In support of this:

1. We will not attempt to assume personal responsibility for managing or resolving operational problems or complaints;

2. We will not personally direct any part of the operational organization;

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3. We will not personally, without Commission direction, seek to represent the interest of the Port to our customers, tenants or other governments;

4. We recognize that it is important for individual Commissioners to be able to obtain information and review Port records; however, we will follow the established process to obtain that information or review the records;

5. If we request work that would require significant staff time, we understand that the Executive Director may ask the requesting Commissioner whether to place the item on a Commission agenda;

~~5.~~6. We will not individually publicly express negative judgments about a particular staff member or their performance, recognizing that those opinions are best expressed individually with the Executive Director or, if appropriate, discussed amongst ourselves as the Commission determines;

~~6.~~7. We will preserve public records under our control and promptly refer any request for access to Port records to the Executive Director;

8. Understanding that some Commissioners work full-time jobs in addition to serving as Commissioners, we may send emails on weekends and outside business hours but will not expect a response until the next business day;

~~7.~~9. We will treat Port employees with respect, using appropriate tone and language, when personal interaction is involved; and

~~8.~~10. We will provide periodic and appropriate evaluations of the Executive Director.

Section 3
Violations and Enforcement

The Commission and each of its Commissioners are committed to faithful compliance with the provisions of this Code. We recognize that the failure to deal with deliberate or continuing violations of this Code risks the loss of public confidence in the Port and in the Commission's ability to govern effectively. Therefore the Commission establishes the following procedures in the event of an allegation of a Commissioner's willful and/or continuing violation of this Code:

1. The Commission may conduct its own investigation of the allegation or, in its sole discretion, direct Port Legal Counsel or the Executive Director to retain an outside investigator to investigate the allegation and provide a written report to the Commission for review.

2. The Commission may discuss the allegation and/or the results of any investigation performed into the allegation in executive session between the alleged offending Commissioner and the Commission as provided for in RCW 42.30.110(l)(f), if appropriate.

3. If the Commission determines the alleged violation(s) of this Code are well

founded, and that the circumstances of the alleged violation(s) warrant enforcement action, the Commission may take appropriate action in public session. Appropriate action may include, but is not limited to, further Commission discussion, a verbal warning, a written warning, a letter of censure, and/or removal by the Commission from one or more leadership or committee positions to which the offending Commissioner has been appointed (such as removal from President or Vice President standing, and removal from representing the Port on local or community boards and committees).

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