

235 Sunset Avenue  
Wenatchee, WA 98801



(509) 663-8161 ph  
www.wenatcheeschools.org

## Lease of Agricultural Property

Wenatchee School District  
235 Sunset Avenue  
Wenatchee WA 98801  
(509) 663-8161

January 08, 2019

The Wenatchee School District is here by giving notice to provide sealed bids to lease surplus agricultural property. The property is located at 1611 Okanogan Avenue in Wenatchee, is 34 acres in total size and contains the following approximate areas and fruit tree varieties:

24-acres in Anjou Pears and 4-Acres in Bartlett Pears for a total of 28 acres.

5-acres in Rainier Cherries and 1-acre in Bing Cherries for a total of 6 acres.

The Wenatchee School District urges interested parties to inspect the property within 45 days from this notice and contact the Wenatchee School District with any questions using the contact information noted above. Pursuant to RCW 28A.335.040, the above surplus agricultural property will be available for public bid to lease at 3pm January 25, 2019, forty-five (45) days after publication of this notice.



## 2.0 INSTRUCTIONS TO BIDDERS

The enclosed forms and Legal Advertisement contained in this bid package constitute an integral part of the lease of agricultural property to all interested bidders.

All interested bidders shall be required to follow the timetable and the instructions contained within this bid package.

**Sealed bids marked "Bid to Lease Agricultural Property" shall be submitted by 3pm (PST) on Friday, January 25, 2019 for a public bid opening to:**

Wenatchee School District  
235 Sunset Avenue  
Wenatchee WA 98801

**\*Note:** Bids should be hand delivered to the address above. All parcel packages to the District are routed through District warehouse and therefore may be delayed.

### SCHEDULE

1. Advertisement in the Wenatchee World and on the Districts website, December 11, 2018 and December 16, 2018.
2. Inspection Period: Anytime during daylight hours) or by appointment during normal business hours Monday thru Friday 8am to 3:30pm prior to bid day.
3. Bid submittal deadline and public bid opening is **3pm (PST) on Friday January 25, 2018.**
4. Successful bidders must complete and sign all bid documents including the lease agreement and proposed lease terms contained within the bid documents and be prepared to assume proper maintenance and responsibility of the agricultural property upon Wenatchee School Board approval of winning bid.



### 3.0 LEGAL ADVERTISEMENT

#### **NOTICE OF BID TO LEASE** **AGRICULTURAL PROPERETY**

**Bid Due:** 3pm January 25, 2019

**Owner:** Wenatchee School District No. 246, 235 Sunset Ave., Wenatchee WA 98801.

District Office (509)663-8161

**Sealed Bid Information: Obtain official bid lease packet information on Wenatchee School District website:**

<https://www.wenatcheeschools.org/facilities>

**Notes: Direct questions to Gregg Herkenrath, Director of Facilities and Capital Projects at 509-663-8161 or by email:**

[herkenrath.gregg@wenatcheeschools.org](mailto:herkenrath.gregg@wenatcheeschools.org)

The Wenatchee School District is here by giving notice to provide sealed bids to lease surplus agricultural property. The property is located at 1611 Okanogan Avenue in Wenatchee, is 34 acres in total size and contains the following approximate areas and fruit tree varieties:

**24-acres in Anjou Pears and 4-Acres in Bartlett Pears** for a total of 28 acres.

5-acres in Rainier Cherries and 1-acre in Bing Cherries for a total of 6 acres.

The Wenatchee School District urges interested parties to inspect the property within 45 days from this notice and contact the Wenatchee School District with any questions using the contact information noted above. Pursuant to RCW 28A.335.040, the above surplus agricultural property will be available for public bid to lease at 3pm January 25, 2019, forty-five (45) days after publication of this notice.



#### 4.0 LEASE OF AGRICULTURAL PROPERTY BID FORM

It is understood that the Wenatchee School District is leasing the agricultural property as is and there is no warranty, expressed or implied as to the condition or any part thereof. All permits required, known or unknown, are the sole responsibility of the bidder. Bidders must assume full responsibility of the agricultural property upon School Board approval of signed lease.

\_\_\_\_\_  
Name of Bidder:

\_\_\_\_\_  
Address:

(\_\_\_\_) \_\_\_\_\_ (\_\_\_\_) \_\_\_\_\_ \_\_\_\_\_  
Telephone: Fax: Email:

Signature:

\_\_\_\_\_  
(Sole Bidder or Authorized Representative of Company)

\_\_\_\_\_  
Date

**The attached Orchard Lease document is to be completed by bidder including the bidders proposed terms (briefly described below):**

1. Term: Proposed commencement date of Lease proposed by bidder.
2. Rent: Percentage of annual net income to District proposed by bidder

**\*\*SEE ATTACHED\*\***

1. Orchard Lease Document (pages 1-10)
2. Exhibit "A" and "B" : Legal descriptions of agricultural property (pages 1-3)
3. Exhibit "C" : WSU Tree Fruit Extension Tree Inspection Letter (page 1)
4. Exhibit "D" : Memorandum of Lease (pages 1-4)

## ORCHARD LEASE

THIS ORCHARD LEASE (hereinafter "Lease"), made this \_\_\_\_ day of \_\_\_\_\_, 20\_\_, between Wenatchee School District No. 246, a municipal corporation, hereinafter referred to as "Landlord," and \_\_\_\_\_, hereinafter after referred to as "Tenant". Landlord and Tenant are sometimes hereinafter after collectively referred to as "Parties" or individually as "Party".

WITNESSETH:

### RECITALS

WHEREAS, Landlord owns certain real property, together with any improvements, including but not limited to irrigation systems, cherry trees, and pear trees, located thereon, situated in Chelan County, Washington, which is more particularly described in **Exhibit A and B**, attached hereto and incorporated herein by this reference (hereinafter the "Property");

WHEREAS, Landlord and Tenant desire to enter into a Lease Agreement for the Property, pursuant to the terms herein;

NOW, THEREFORE, for and in consideration of the mutual promises, covenants and conditions hereinafter set forth and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Parties agree as follows:

### AGREEMENT

1. Incorporation of Recitals. The foregoing Recitals are incorporated herein by this reference.
2. Lease. The Landlord does hereby lease to Tenant and the Tenant does hereby lease from Landlord the Property, subject to the covenants, agreements, terms, provisions, and conditions of this Lease.
3. Term. The term of this Lease shall be for a period of five (5) years commencing on \_\_\_\_\_, 20\_\_\_\_ and terminating on \_\_\_\_\_, 20\_\_\_\_ at midnight.

This lease shall automatically renew itself beginning \_\_\_\_\_, 20\_\_ for another five-year term, unless either Party notifies the other in writing on or before the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ of the Party's desire to terminate the Lease.

4. Rent. Tenant shall pay Landlord as rent for the Property a crop-share each year calculated as follows:

- a. Landlord shall receive \_\_\_\_% of the annual net income from all fruit grown and harvested on the Property.
- b. The "annual net income" shall be defined as that return from the sale of all fruit grown and harvested on said orchard, after payment of all expenses of warehousing, packing, selling, growing and harvesting, are paid in full per calendar year.
- c. If there shall be no annual net income, then Landlord shall not receive a rent payment for that year. Landlord shall not share in any income losses of Tenant.
- d. Rehabilitation, replanting, or repair of the orchard, trees, irrigation system, equipment or structures on the premises, shall not be considered expenses that are deducted for returns in calculating "annual net income." Such expenses shall be at the sole expense of and payable by Tenant.
- e. Tenant shall pay any rent due to Landlord no later than February 15<sup>th</sup> of each year based upon the annual net income of the prior year.

5. Condition of Property.

- a. Except as specifically set forth in this Lease, no representations or warranties of any kind, express or implied, have been made or are made and no responsibility has been or is assumed, by Landlord or by any employee, board member, officer, or agent acting or purporting to act on behalf of Landlord as to the condition or state of repair of the Property, or the value, expense of operation or income potential thereof. Tenant shall accept the property in the condition in which it exists on the commencement of the term of this Lease, including but not limited to the tree infections as detailed in Inspection Letter attached hereto as **Exhibit C** and incorporated herein by this reference, a copy of which Tenant received in the bidding process.
- b. Tenant shall be responsible, at Tenant's expense, for any penalties that may occur under any existing grower's agreement Tenant may have with another

individual or firm, and Tenant shall indemnify and hold harmless Landlord from any cost, expense, or claim therefrom.

6. Maintenance and Use. Tenant shall not knowingly use or occupy or permit the Property, or any part thereof to be used or occupied, in a manner which violates any laws, rules or regulations, or makes void or voidable any insurance, or constitutes waste or nuisance, or causes structural damage to the buildings, fences or other improvements on the Property, keeping the same in as good condition and repair as when Tenant has taken possession, ordinary wear and tear excepted. Any cost incurred by Tenant in complying with any laws, rules, or regulations concerning the condition or use of the Property shall be borne solely by Tenant.

7. Operation of Property. Tenant shall operate the Property as follows:

- a. The Property consists of a growing and bearing orchard and during the pendency of this Lease, Tenant shall, in proper season, farm and care for the orchard and trees growing on the Property, and shall prepare the ground, care for the trees by pruning, thinning, spraying, fertilizing, cultivating, and irrigating said orchard and trees in a first-class, farmerlike manner according to the best methods of agriculture as found in the Chelan-Douglas County area without unnecessary interruptions or delays and shall furnish all labor, machinery, supplies, equipment, and everything necessary to the orchard operation except as herein provided. Tenant shall harvest the crops on the Property in a first-class, farmerlike manner.
- b. Tenant shall use commercially reasonable efforts to preserve all trees on the Property from injury by shock or otherwise. Tenant shall not remove or pull out any trees on the Property without first having obtained the written consent of Landlord.
- c. Tenant shall pay all the usual and ordinary expenses and costs of growing, cultivating, fertilizing, and harvesting of the crops from the orchard on the Property, including pruning, propping, mowing, fertilizing, thinning, spraying, weed control.
- d. Tenant shall pay all packing, marketing, storage, and assessments for the fruit grown on the Property and all usual and ordinary costs after said fruit reaches the warehouse.
- e. Tenant shall comply with all federal, state and local environmental laws. In particular, the Tenant shall abide by all state and federal laws concerning application of chemicals (including, without limitation, herbicides, pesticides and fertilizers). Tenant shall employ all means appropriate to ensure that well or ground water contamination does not occur and shall be

responsible to follow all applicator's licensing requirements. Tenant shall be legally and financially responsible for all chemical/fertilizer problems that arise from his actions.

- f. Any and all irrigation systems are a part of the Property, and no part of the irrigation system, or any additions thereto, shall be removed from the Property during the term of the Lease without the written permission of the Landlord. No improvements to the Property or replacements to the Property shall be removed from the Property during the term of the Lease without the written permission of the Landlord.

8. Pesticides. Tenant shall keep all reports of use of agricultural chemicals, pesticides, insecticides and the like required by any governmental agency and such records shall be available to the Landlord. Tenant shall notify Landlord in writing ten (10) business days prior to the use of any pesticides, insecticides, or other agricultural chemicals, so that Landlord may provide public notice of such use if required by law.

9. Farm Equipment not Included in Lease. Landlord shall not be obligated to provide or furnish any machinery or farm equipment of any kind for the care, maintenance and operation of the orchard and Property. Tenant shall furnish all labor, machinery, supplies, equipment, and everything necessary to the orchard operation, including, but not limited to, any ladders, picking bags or equipment of any kind, spray equipment, heating pots, or any and all other equipment necessary or needed to operate the orchard, to care for the same and grow, cultivate and harvest the crop therefrom.

10. Labor. Tenant shall pay for all help and labor necessary and needed to grow, thin, pick, or harvest the crops grown on the Property or in caring for the orchard and the Property. Tenant shall pay all such workmen when their wages are due so that no labor lien shall attach to the orchard or premises, and in the event such workmen should file labor liens on the orchard or premises, Tenant shall release, indemnify, and hold Landlord harmless from liability for payment of these lien claims or any costs incurred by said employees in the enforcement thereof.

11. Taxes, Assessments, Water, and Expenses of Production and Harvesting. During the term of this Lease, Landlord shall pay all real property taxes for the Property. Tenant shall pay for the costs of fertilizer during the term of this Lease, and Tenant shall furnish Landlord copies of all receipts relating to the fertilizer expenses. Tenant shall assume and pay all other expenses incidental to the growing, cultivating and harvesting of the crops, including, but not limited to, smudging, spray materials, insecticides, picking and thinning costs, and any other expenses that may be incurred in order to properly care for the property, orchard and fruit crops growing or to be grown thereon. Tenant shall pay for all assessments and water charges levied against the Property during the term of this Lease. Tenant shall pay such expenses in a timely manner so as to prevent the filing or claim of a lien by any person against the Property.



12. Utility Services. During the term of this Lease, Tenant shall pay all utility charges for all public or private utility services in connection with the operation of the orchard on the Property, including but not limited to water district dues and assessments, utility charges for storage buildings, worker cabins, and pumps, and protective services at any time rendered to or in connection with the Property or any part thereof. Tenant shall comply with all contracts relating to such services, and will do all other things required for the maintenance and discontinuance of all such services.

13. Liens. Tenant shall not suffer or create any liens of any kind against the Property. Tenant shall discharge any mechanic or labor liens or any other liens which may be filed against the Property at Tenant's own cost. Tenant shall release, indemnify, and hold Landlord harmless Landlord from claims of all liens and expenses, including by not limited to costs incurred for attorney's fees in defending the Property against liens, other charges, costs of growing, harvesting or marketing, or other operational expenses or liabilities incurred by Tenant.

14. Assignment - Subletting. Tenant shall not have any right to sell, assign or transfer this Lease, or any interest therein, or to sublet the Property, or to put any other person in possession thereof or any part thereof, without first obtaining written consent of Landlord, nor shall this Lease be assignable by operation of law.

15. Waste. Tenant shall not commit, permit or suffer any waste, damage or destruction to the Property, or any part thereof.

16. Insurance. During the term of this Lease, Tenant shall, at its sole cost and expense, keep and maintain comprehensive public liability insurance in full force and effect with limits of not less than One Million Dollars (\$1,000,000) per occurrence for bodily injury and property damage stemming from the use or occupancy of the Property, naming Landlord and other Parties designated by Landlord as additional insureds, as their interests may appear. Tenant shall deliver to Landlord copies of all public liability insurance policies. Such policies shall be accompanied by evidence of payment of all premiums to the insurance companies including evidence of current payment if on an installment basis. All insurance shall be issued by good and reputable insurance companies licensed to transact business in the State of Washington. Each policy shall contain an agreement by the insurer that said policy will not be canceled for any cause without at least sixty (60) days prior written notice from the insurer to Landlord. In addition, Tenant shall, at its sole cost and expense, keep and maintain in full force and effect worker's compensation and unemployment compensation insurance for its employees and shall further keep in full force and effect any and all other forms and types of insurance required by any local, state or federal agency.

Tenant hereby waives all rights of recovery and causes of action which Tenant has or may have and which may arise hereafter against the Landlord, whether caused by negligence or otherwise, for any damage to the Property or business if such damage is covered by insurance. Tenant agrees to maintain and provide evidence of multi-peril crop insurance at the maximum available limits, if requested by Landlord.

17. Release and Indemnity. Landlord shall not be liable in any way or to any extent or at all, for or on account of any injury or damage to any property or person at any time on the Property. Tenant shall release, indemnify and hold harmless Landlord its agents, board members, employees and volunteers from any liability, loss, property damage, bodily injury or costs, including but not limited to attorney's fees, that might occur arising out of or related to the maintenance and operation of the Property, whether such liability arises by contract or tort. Tenant shall be responsible for payment of fines for safety violations.

18. Inspection and Right of Entry. Landlord, or their agents, at any reasonable time, shall have the right to enter upon the Property and inspect the condition of the Property or determine whether or not the fruit trees, premises and crops are being properly cared for and may consult with Tenant regarding repairs, improvements and inspections. Landlord may also show the Property to prospective purchasers, tenants and/or financial institutions at reasonable times. Nothing in this Lease shall prevent Landlord from selling the Property.

19. Condemnation. If at any time during the term of this Lease, title to the whole or substantially all of the Property shall be taken in condemnation proceedings or by any right of eminent domain, this Lease shall terminate on the date of such taking and the rent shall be apportioned and paid to the date of such taking. For purposes of this paragraph, "substantially all of the Property" shall be deemed to have been taken if the untaken portion cannot be practically and economically used or converted for use by Tenant for the purposes for which the Property were being used immediately prior to such taking. In the event of condemnation of less than the whole or substantially all of the Property, the rent or term of this Lease shall not be deducted or affected in any way, and the rent payable during the balance of the term of this Lease following condemnation shall be reduced proportionately.

20. Financing. It is expressly agreed by the parties that Landlord is not obligated in any way to assist or aid Tenant in the financing of the growing of fruit crops upon said premises or caring for the orchard during the duration of this Lease and it shall be the sole obligation of Tenant to provide or obtain financing as may be necessary.

21. Breach and Forfeiture. It is agreed that the full and prompt performance of the terms and conditions of this Lease is of the essence and should Tenant be in default of any of the same and such default has continued for thirty (30) days after written notice by Landlord setting forth the particular default claimed, this Lease shall, at the option of Landlord, be forfeited and in such event it is expressly agreed that Landlord may enforce such forfeiture pursuant to the unlawful detainer statutes of the State of Washington, and Tenant hereby waives all defenses as to the non-applicability of such statutes. It is further agreed that after service of notice as above set forth, an additional condition to avoid forfeiture shall be payment by Tenant of Landlord's costs and expenses, including attorney's fees for the preparation and service of such notice. Nothing contained herein shall release or diminish Tenant's obligation to pay rent for the full term of this

Lease save such amount as Landlord recovers as rent from any subsequent tenant during the term of this Lease.

As an additional and not alternative remedy, optional with Landlord, should Tenant be in default hereunder other than a default in the payment of rent, Landlord may cure or correct the same and the costs of such action by Landlord shall immediately be due and payable from Tenant, together with interest on said sum at the rate of twelve percent (12%) per annum, and the non-payment of said sum by Tenant shall be adequate grounds for Landlord to invoke the other remedies as provided for in this paragraph.

In the event Landlord terminates and ends the Lease, and enters upon the Property and takes possession of the same, together with any crops thereon, the interest of Tenant in any of said crops, together with any rights of Tenant to compensation for labor performed by them up to the time of forfeiture, shall be forfeited to Landlord. In the event of re-entry, the liability of Tenant for the rent or other charges shall not be extinguished for the balance of the term of the Lease; Tenant shall make good to Landlord any deficiency arising from a re-entry and re-letting of the Property at lesser rentals and other charges than herein provided. Tenant shall pay any such deficiencies each month as the amount is ascertained by Landlord. Landlord may re-let the Property on such terms as may seem advisable and for a term expiring either before or after the expiration date of this Lease.

All remedies herein provided to Landlord shall be in addition and not to the exclusion of other remedies provided by law.

22. Legal Relationships. Tenant, its agents, employees, or volunteers are not employees of Landlord. This Lease creates only a landlord/tenant relationship; no joint venture, partnership or other joint undertaking. Neither of the Parties shall have any rights to make any representations or incur any obligations on behalf of any other Party.

23. Amendment, Modification, or Waiver. No amendment to this Lease shall be binding upon either Party unless set forth in writing or confirmation signed by both Parties hereto. No purported oral modification, waiver or rescission of this Lease by an employee or agent of the Parties shall operate as a modification, waiver, or rescission of any of the provisions of this Lease. No course of prior dealing, usage or trade or course of performance shall be used to modify, supplement or explain any terms of this Lease.

24. Attorney Fees. In the event of any litigation arising out of the performance of this Lease, the prevailing party shall be entitled to a reasonable attorney fee in addition to other costs and disbursements allowed by law. Venue of any action shall lie in Chelan County, Washington.

25. Binding Effect. This Lease and all terms and conditions and covenants hereof shall be binding upon and shall inure to the benefit of the Parties hereto, their heirs, assigns, successors, and legal representatives.



30. Recapture. If during the term of this Lease, Landlord needs the property for school purposes, then Landlord shall have the right to recapture the property and to terminate the Lease by giving Tenant ninety (90) days prior written notice.

If Landlord terminates the Lease by recapture before Tenant has removed the current crop, then Landlord shall reimburse to Tenant all reasonable and necessary growing costs incurred by Tenant to the date of termination in growing the current crop.

31. Records. Tenant shall prepare, maintain and make available to the Landlord upon timely request all records, reports and other documents establishing crop production and all other information required to determine "annual net income" as that term is used in this Lease. The Landlord shall have the right, if it so desires, to audit the Tenant's books and records to verify the accuracy of any determination as to "annual net income" under this Lease.

32. Leasehold Excise Tax. In addition to the rent herein provided, Tenant shall pay to the Landlord, for transmittal to the Department of Revenue, State of Washington, the leasehold excise tax, if any, imposed upon publicly owned lands by the laws of the State of Washington, Chapter 82.29A RCW.

IN WITNESS WHEREOF, the parties have caused this Lease to be executed as of the day and year first above written.

LANDLORD:  
WENATCHEE SCHOOL DISTRICT NO. 246

TENANT:

By \_\_\_\_\_  
\_\_\_\_\_(Name)

By \_\_\_\_\_  
\_\_\_\_\_(Name)

GUARANTY

The undersigned, who is/are the \_\_\_\_\_ of \_\_\_\_\_, hereby absolutely and unconditionally guarantee payment when due, whether by acceleration or otherwise, of the foregoing Orchard Lease, and all obligations and liabilities due and to become due to Landlord from Tenant under said Lease, together with all interest thereon, and all attorney's fees, costs and expenses of collection incurred by the Landlord in enforcing any such obligations and liabilities.



## EXHIBIT A

### **PARCEL "A"**

The south half of the Northwest quarter of the Northwest quarter of the southeast quarter of Section 15, Township 22 North, Range 20, E.W.M., Chelan County, Washington, EXCEPT right of way conveyed to Wenatchee Canal Company by instrument recorded March 30, 1905, in Volume 60, Page 557, AND EXCEPT county road, known as Okanogan Avenue, along West line of said premises.

### **PARCEL "B"**

The Southwest quarter of the Southwest quarter of the Northeast quarter of Section 15, Township 22 North, Range 20 E.W.M., Chelan County, Washington, EXCEPT the West 15 feet for road, AND EXCEPT tract described as follows, to-wit:  
Beginning at center of said section, thence East along the East and West centerline of said section, a distance of 265 feet; thence North, parallel to the North and South centerline of said section, a distance of 285 feet; thence West, parallel to the East and West centerline of said section, a distance of 265 feet to an intersection with the North and South centerline of said section; thence South along the North and South centerline of said section, a distance of 285 feet to the Point of Beginning.

### **PARCEL "C"**

The North half of the Northwest quarter of the Northwest quarter of the Southeast quarter of Section 15, Township 22 North, Range 20, E.W.M., Chelan County, Washington, EXCEPT the Northerly 132 feet thereof, AND EXCEPT the right of way for the county road, known as Okanogan Avenue, along the Westerly side thereof, AND EXCEPT right of way conveyed to Wenatchee Canal Company by instrument recorded May 30, 1905, Volume 60, page 557.

### **PARCEL "D"**

A parcel of land in the Northwest quarter of the Southwest quarter of the Northeast quarter of Section 15, Township 22 North, Range 20 E.W.M., Chelan County, Washington, described as follows:  
Beginning at the Southwest corner of said subdivision and running thence North along the West line thereof a distance of 111.65 feet; thence running South  $88^{\circ}07'30''$  East a distance of 390.14 feet; thence running South a distance of 111.65 feet to the South line of said subdivision; thence North  $88^{\circ}07'30''$  West along the South line a distance of 390.14 feet to the Point of Beginning, containing one acre, EXCEPTING therefrom the West 15 feet for county road purposes.

**PARCEL "E"**

That part of the Northwest quarter of the Southwest quarter of the Northeast quarter of Section 15, Township 22 North, Range 20 E.W.M., Chelan County, Washington, described as follows: Beginning at a point on the West line of said subdivision which is 111.65 feet North of the Southwest corner thereof and run thence South  $88^{\circ}07'30''$  East 390.14 feet; thence turn left and run North parallel with the said West line of said subdivision 111.65 feet; thence turn left and run North  $88^{\circ}07'30''$  West 240.14 feet; thence turn left and run South parallel with the said West line of said subdivision 65 feet; thence turn right and run North  $88^{\circ}07'30''$  West 150 feet to said West line of said subdivision; thence turn left and run South on said West line 46.65 feet, to the point of beginning,

EXCEPT the most Westerly 15 feet for Okanogan Avenue.



**EXHIBIT B**

Lot 1 as delineated on Henry Virnig Short Plat No. 3148, Chelan County, Washington, recorded October 23, 1995 in Book SP-13 of Short Plats, page 10.

# Exhibit "C"



WSU Tree Fruit  
Extension

December 17, 2018

Dear Gregg Herkenrath,

In regard to the school district's property at Okanogan and Crawford.

I visited the property and walked a few sections of the block. Most trees seem to have some level of infection with 1 to 20 strikes (infections) per tree in about 90% of trees, with an average of around 6 strikes per tree.

Most of the infections appear to be on flower clusters and one-year old wood with a few having cankers which extend into the older wood and scaffolds. A large percentage of trees are Anjou's and so it is not surprising that many of the cankers have stopped before extending to far into the tree.

It is critical that the infections and cankers be cut out of the block so that the bacteria does not spread to other orchards. Although this block is somewhat isolated bees can move the bacteria over relatively long distances.

From a small survey of orchardists effected by fire blight last year the cost of cutting out blight can be quite costly. It ranged from 2 to 64 hours per acre which cost between \$27 to \$864 per acre at \$13.50 per acre. In the next couple of years there will also be additional costs to the grower who takes it on in terms of sprays as there will be a lot of bacteria/inocula in the orchard for a few years until they get the situation under control.

If you can find someone willing to do the work of cutting out the fire blight and managing intensively it is likely worth keeping the block as upon an initial look it does not look like you will lose a large number of trees to the pathogen. However, if you can not find someone to take on the extra challenge it will be important to remove the block before springtime when those cankers will start to ooze bacteria.

I hope this information is helpful but please keep in mind that while I looked through the block I was not able to look at all sections or trees and so this is a cursory assessment.

Sincerely,

A handwritten signature in black ink, appearing to read 'Tianna DuPont'.

Tianna DuPont

Tree Fruit Extension Specialist  
WSU Tree Fruit Research and Extension Center  
(509) 293-8758  
tianna.dupont@wsu.edu

Return Address:  
Danielle R. Marchant  
Davis Arneil Law Firm, LLP  
617 Washington Street  
Wenatchee, WA 98801

**EXHIBIT "D"**

MEMORANDUM OF LEASE

Reference numbers of related documents: N/A
Grantors/Landlord: 1. WENATCHEE SCHOOL DISTRICT NO. 246
Grantees: 1.
Legal Description: 1. S 1/2 of NW 1/4 of NW 1/4 of SE 1/4 of Sec 16, T22N, R20, EWM; SW 1/4 of SW 1/2 of NE 1/4 of Sec 15, T22N, R20, EWM; N 1/2 of NW 1/4 of NW 1/4 of SE 1/4 of Sec 15, T22N, R20, EWM; NW 1/4 of SW 1/4 of NE 1/4 of Sec 15, T22N, R20, EWM; 2. Lot 1, Henry Virnig Short Plat No. 3148 3. Additional legal description is on Exhibits "A" and "B"
Assessor's Property Tax Parcel Account Number(s): _____

THIS MEMORANDUM OF LEASE, dated effective the \_\_\_ day of \_\_\_\_\_, 20\_\_\_, is between Wenatchee School District No. 246, a municipal corporation (hereinafter called "Landlord") and \_\_\_\_\_ (hereinafter called "Tenant").

1. Lease. Landlord hereby leases to Tenant, upon the terms and conditions of the Orchard Lease between the parties (hereinafter called the "Lease") of even date herewith, which terms and conditions are incorporated by this reference, a portion of the real property, situated in Chelan County, Washington, legally described as follows:

See Exhibits A and B, which are attached hereto and incorporated herein by this reference.

2. Term. The term of this Lease shall be five (5) years, commencing on \_\_\_\_\_, 20\_\_\_, and terminating on \_\_\_\_\_, 20\_\_\_.

3. Special Provisions. Reference is made to Section 30 of the Lease, in which Landlord shall have a right to recapture the property. That Section provides:

MEMORANDUM OF LEASE

Page 1



DATED this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

\_\_\_\_\_  
(signature)

\_\_\_\_\_  
(printed or typed name)

NOTARY PUBLIC, State of Washington

My Commission Expires \_\_\_\_\_

STATE OF WASHINGTON )

) ss.

County of Chelan )

I certify that I know or have satisfactory evidence that Brian Flones is the person who appeared before me and said person acknowledged that he signed this instrument, on oath stated that he is authorized to execute the instrument and acknowledged it as the Superintendent and Secretary of the Board of Directors of Wenatchee School District No. 246 to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

\_\_\_\_\_  
(signature)

\_\_\_\_\_  
(printed or typed name)

NOTARY PUBLIC, State of Washington

My Commission Expires \_\_\_\_\_

STATE OF WASHINGTON )

) ss.

County of Chelan )

I certify that I know or have satisfactory evidence that \_\_\_\_\_ is the person who appeared before me and said person acknowledged that he signed this instrument, on oath stated that he is authorized to execute the instrument and acknowledged it as the \_\_\_\_\_ to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED this \_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_.

\_\_\_\_\_  
(signature)

\_\_\_\_\_  
(printed or typed name)

NOTARY PUBLIC, State of Washington

My Commission Expires \_\_\_\_\_