Schmitten Property Purchase and Sale Agreement

September 8, 2020
Purpose of Presentation

• Request Board of Commissioners approve purchase of approximately 7 acres of land in Cashmere to secure the location of the current smolt trap for hatchery monitoring and evaluation
History

Lease w/Schmitten for Smolt Trap operation

- Fulfills obligations for Rocky Reach and Rock Island Licenses
- Expires December 31, 2022
- Schmitten is selling property and will not renew lease
- Potential future substation pending feasibility and public outreach

Purchase Terms:

- Appr. 7 acres for $613,000 (Appraised Value)
  - Additional consideration:
    » Share road improvement costs up to a District cap of $25k
## Evaluation of Alternatives

<table>
<thead>
<tr>
<th>Alternatives</th>
<th>Probability of Success</th>
<th>Ease of Permitting</th>
<th>Rough Cost Estimate</th>
<th>Ease of Access</th>
<th>Data Continuity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchase Schmitten Property</td>
<td>HIGH</td>
<td>HIGH</td>
<td>$613,000*</td>
<td>HIGH</td>
<td>HIGH</td>
</tr>
<tr>
<td>Relocate to West Monitor Bridge</td>
<td>LOW</td>
<td>LOW</td>
<td>$662,500</td>
<td>LOW</td>
<td>MEDIUM</td>
</tr>
<tr>
<td>Relocate to Main Street Monitor Bridge</td>
<td>LOW</td>
<td>LOW</td>
<td>$825,000</td>
<td>LOW</td>
<td>LOW</td>
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<tr>
<td>Purchase WSDOT Property</td>
<td>MEDIUM</td>
<td>LOW</td>
<td>$645,625</td>
<td>LOW</td>
<td>LOW</td>
</tr>
</tbody>
</table>

*Appraised value and agreed upon purchase price*
• PSA provides for:
  – Lease of orchard back to Schmitten
    • During term of lease Schmitten responsible for all costs associated with the well that serves ag housing located on leased area
  – Well Maintenance Agreement
  – Road Maintenance Agreement

• Due diligence underway
  – Environmental review
  – Water rights review
    • PSA provides for division of water rights, if present
Next Steps

• Due diligence complete by September 25
• Seller desires to execute the Agreement by October 1, but PSA allows 90-day due diligence period
Questions?
Purpose of RST

• Operate February-August Annually
• Collect, enumerate, and PIT tag sockeye*, spring chinook*, steelhead*, summer chinook*, coho*, bull trout, and lamprey
• Data acquired is used to inform effectiveness of hatchery supplementation program; required component of HCP monitoring and evaluation requirements

*indicates HCP plan species