

FOURTH AMENDMENT TO LEASE
BETWEEN
THE NORTHWEST SEAPORT ALLIANCE
AND
NORTHLAND SERVICES, INC.
AT
TERMINAL 115

THIS FOURTH AMENDMENT is made as of _____, 2023, and amends the Lease dated January 14, 2003 and subsequently amended (together with all amendments, "Lease") by and between THE NORTHWEST SEAPORT ALLIANCE, a Washington port development authority ("NWSA"), as agent/licensee for the PORT OF SEATTLE, a Washington municipal corporation, ("the Port") and NORTHLAND SERVICES, INC., a Washington corporation ("Lessee", and collectively, "the Parties").

W I T N E S S E T H :

WHEREAS, the parties entered into a term lease agreement dated January 14, 2003, hereinafter called the "Basic Lease," covering certain premises and activities by Lessee at Terminal 115, Seattle, Washington; and

WHEREAS, the parties entered into a First Amendment to the Basic Lease effective November 11, 2003, hereinafter called the "First Amendment"; and

WHEREAS, the parties entered into a Second Amendment to the Basic Lease effective May 26, 2005, hereinafter called the "Second Amendment"; and

WHEREAS, the parties entered into a Third Amendment to the Basic Lease effective January 1, 2020, hereinafter called the "Third Amendment"; and

WHEREAS, In accordance with Section 6 of the Third Amendment amending subparagraph 9 (d) (3) to the Basic Lease, the Lessee obtained a qualified structural engineer to assess the Unimproved Section of the Dock (Exhibit B-3), which was provided by PND Engineering, Inc. on July 15, 2021 and attached as Exhibit B-4 ("Dock Inspection Report"); and

WHEREAS, The Dock Inspection Report proposed a near-term alternative to the asphalt and ballast removal or structural strength restoration options set forth in Section 6 of the Third Amendment ("Required Dock Work"), and recommended evaluating and monitoring the condition of the Unimproved Section of Dock on a two-year inspection cycle ("Biennial Inspections"), and not allowing live loads (e.g., bulk, vehicles, containers) due to the condition of the piles; and

WHEREAS, a rent abatement was provided to Lessee as described in Section 6 of the Third Amendment in the amount of \$765,136.80 was provided to Northland to put towards one of the two options (Rent Abatement). As part of the consideration for the Rent Abatement under the Lease, Lessee completed the Biennial Inspection at a cost to Lessee of approximately \$200,000 in 2021 and Lessee will continue to be responsible for Biennial Inspections as an ongoing Lessee expense; and

WHEREAS, upon review of the Dock Inspection Report, Lessor and Lessee now seek to extend the deadlines to perform the Required Dock Work of the Unimproved Sections of Dock as set forth in this Fourth Amendment and add language incorporating NWSA Tariff No 300 Item No. 800.000 Clean Truck Program for future implementation of the Clean Truck Program for NWSA domestic terminals.

NOW THEREFORE, in consideration of their mutual promises, the parties hereby agree as follows:

1. Section 6 of the Third Amendment amending subparagraph 9 (d) (3) of the Basic Lease is hereby deleted in its entirety and replaced with the following:

"9 (d) (3) In accordance with the July 1, 2021 Dock Inspection Report of the Unimproved Sections of the Dock:

- a) Biennial Dock Inspections: Beginning July 1, 2021, Lessee shall conduct a Biennial Inspection of the Unimproved Sections of the Dock by June 30 of every other year during the term of this Lease ("Inspection Deadline") and shall provide a report of the Biennial Inspection to Lessor no later than 30-days after each Inspection Deadline.
- b) Biennial Dock Repairs: Lessee shall conduct any repairs necessary to stabilize the Unimproved Sections of the Dock as indicated in the Biennial Inspections at Lessee's sole cost and expense ("Biennial Dock Repairs"). Biennial Dock Repairs are separate from and not be considered part of the Required Dock Work.
- c) Required Dock Work: Lessee shall complete, at Lessee's sole cost and expense, one of the following Required Dock Work activities and provide written notice to Lessor of the commencement of such work as a result of the Biennial Inspections. Lessee shall provide Lessor with notice of substantial completion of the Required Dock Work on or before December 31, 2032, except the Parties may reasonably extend the substantial completion date by written mutual agreement of the Parties contingent upon the Biennial Inspections for the Required Dock Work, but in any case, such extension shall not to exceed the base term of the Basic Lease ("Required Dock Work Deadline"):
 - (i) Remove the asphalt and ballast from all of the Unimproved Sections of the Dock.Or:
 - (ii) Restore the structural strength to all of the Unimproved Sections to not less than 250 p.s.f. with a design life of not less than 50 years, as determined by a qualified structural engineer licensed to practice in Washington state.
- d) Rent Abatement: In the event Lessee does not complete the Required Dock Work by the Required Dock Work Deadline, Lessee shall reimburse Lessor the full amount of the rent abatement, in the total amount of \$765,136.80 escalated by CPI as of January 1, 2020, within 60-days after the Required Dock Work Deadline.

2. Section 43 Environmental Standards of the Basic Lease is amended to add a new subsection h. as follows:

- h) Clean Truck Program. Lessee shall comply with NWSA Tariff No. 300 Item No. 800.000 Clean Truck Program ("Clean Truck Program"), as currently in effect or as hereafter amended, issued, or replaced, which is hereby incorporated by reference. In the event the NWSA dissolves, Lessee shall continue to comply with this tariff item until Lessor notifies Lessee that an applicable Port of Seattle tariff item will apply in place of NWSA Tariff 300 Item No. 800.000, Gate Scanners (RFID) for Clean Truck Program. Lessor and Lessee acknowledge as of the date of this Amendment, the Clean Truck Program applies only to international marine cargo terminals. Upon the Clean Truck Program being effective for both international and domestic terminals, Lessee shall comply with NWSA Tariff 300 Item No. 800.000.

3. Except as expressly amended herein, all provisions of the Lease shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Fourth Amendment as of the day and year first above written.

LESSOR
NORTHWEST SEAPORT ALLIANCE
as agent for the Port of Seattle

LESSEE
NORTHLAND SERVICES, INC.

By _____
Its _____

By Courtney A. Billings
Its Authorized Agent & Attorney

Notary to Fourth Amendment to Lease
with Northland Services, Inc.
at Terminal 115.

STATE OF WASHINGTON)
) ss
COUNTY OF KING)

On this _____ day of _____, 20____, before me personally appeared _____, to me known to be the _____ of THE NORTHWEST SEAPORT ALLIANCE, the port development authority that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that s/he was authorized to execute said instrument.

In Witness Whereof I have hereunto set my hand and affixed my official seal the day and year first above written.

(Signature)

(Print Name)

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

My Commission expires: _____

STATE OF WASHINGTON)
) ss
COUNTY OF KING)

On this 24th day of March, 2023, before me personally appeared Everett Billingslea, to me known to be the Authorized Agent & Attorney of the Northland Services Inc., the individual/entity that executed the within and foregoing instrument as Lessee, and acknowledged said instrument to be the free and voluntary act and deed of said individual/entity, for the uses and purposes therein mentioned, and on oath stated that s/he was authorized to execute said instrument.

In Witness Whereof I have hereunto set my hand and affixed my official seal the day and year first above written.



Chelsey Okino
(Signature)

Chelsey Okino
(Print Name)

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

My Commission expires: 3/24/2025

EXHIBIT B-3

- UNIMPROVED SECTION OF THE DOCK -

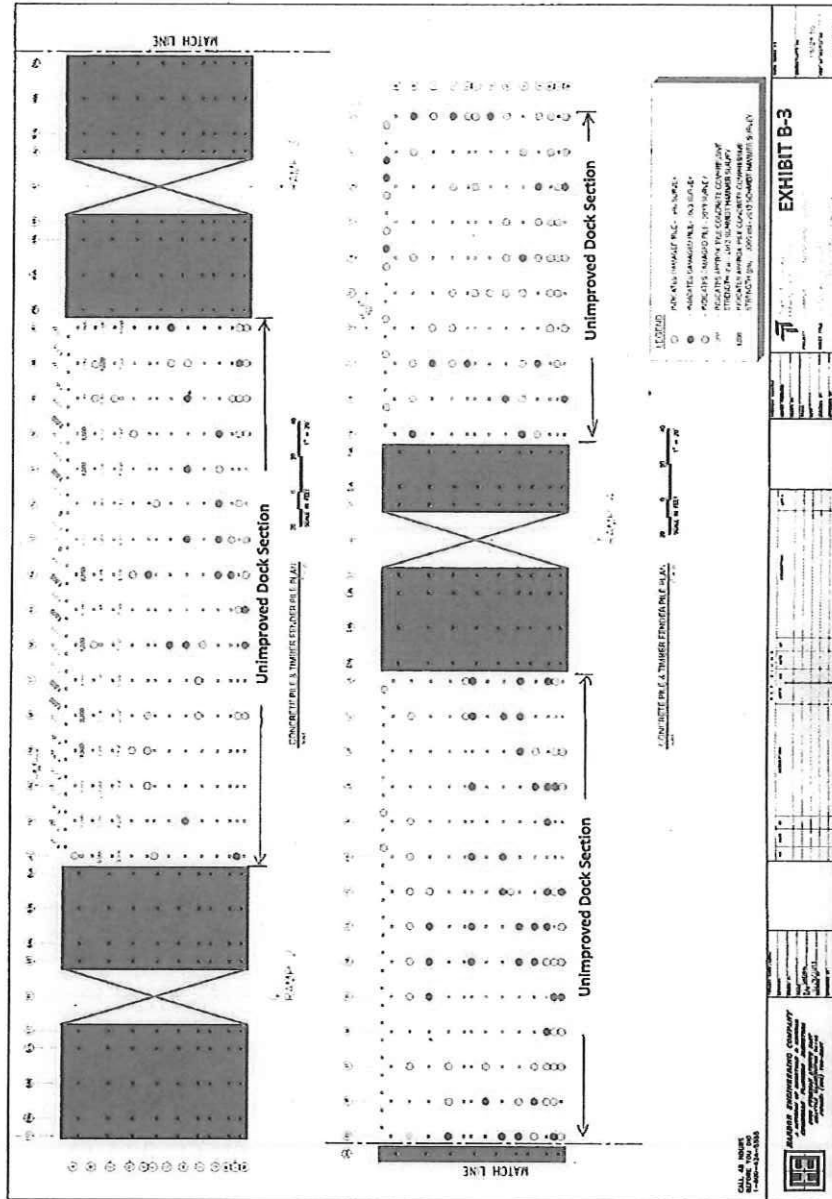


EXHIBIT B-4
- DOCK INSPECTION REPORT -



July 15, 2021

204020.02

Rod DeWalt
Real Estate and Facilities
Lynden, Inc.
18000 International Blvd, Suite 800
SeaTac, WA 98188-4205

Subject: T115 Original Berths – Ballast Removal Alternative, Core Samples

Dear Mr. DeWalt:

This memo presents an alternate approach to the structural restoration or removal of the asphalt and ballast deck surfacing from the T115 original berths 2, 3, and 4 on the Duwamish Waterway in Seattle, WA.

PND understands that Lynden is required to provide structural restoration or removal of the asphalt and ballast deck as a part of the lessee agreement of the facility. PND also understands that the option for ballast removal was based on the recommendation from the 2013 Harbor Consulting Engineers' (HCE) Condition Assessment Report on the facility.

A third alternative to structural restoration or asphalt/ballast removal should be considered based on the updated condition assessment report in February 2020. This alternative is to develop an on-going monitoring program based on current waterfront facility standards to monitor the original T115 Berths 2, 3, and 4 for signs of deterioration or imminent collapse and use additional testing to compare to the testing performed by HCE in 2013. The pile core sample testing has been complete as a part of PND's work as described here within.

2020 Inspection Overview

PND Engineers and Global Diving and Salvage performed a waterfront facility condition assessment of Berths 2, 3, and 4 in February 2020. This condition assessment included an above deck, below deck, and underwater inspection of the superstructure and piles. The condition assessment was performed in accordance with the ASCE MOP 130 Condition Assessment for Waterfront Facilities and included a Level I inspection of all structural elements above mudline and a Level II inspection on 10% of the piles.

Other than the asphalt deck, the concrete superstructure, including precast concrete deck panels and concrete piles caps were in overall good condition. There were no signs of structural distress in these superstructure elements.

The concrete piles were serious condition. A percentage of concrete piles did show signs of deterioration consistent with Delay Ettringite Formation (DEF). Between original berths 2, 3, and 4; 524 vertical concrete octagonal piles were inspected. Of these piles, 68% show minor or no indication of deterioration, 11% showed moderate deterioration, 10% showed major deterioration, and 11% showed signs of severe deterioration. When comparing with previous inspections from 1990, 2003, and 2013; 17 piles showed new signs of moderate, major, or severe deterioration with most of the new

1736 Fourth Avenue S., Suite A SEATTLE, WASHINGTON 98134 | phone: 206.624.1387 | fax: 206.624.1388

observations falling under the moderate deterioration category. However, 76 of the piles identified previously as having major damage were classified as minor in the February 2020 inspection.

The ASCE MOP 130 developed in 2015 provides a more systematic method for evaluating and categorizing the deterioration of piles and this may be the cause for the reclassification of the piles. Previous inspection reports evaluated piles in a binary manner: either 'no major damage' or 'major damage'. The result of this current classification is that condition of more of the piles fall under the minor deterioration category even with the additional time lapse since the 2013 inspection.

Testing and Inspection Alternative

As a near term alternative to structural upgrades or asphalt/ballast removal, PND proposes testing and a schedule of inspections to evaluate and monitor the condition of the original T115 Berths 2, 3, and 4.

For testing, PND followed up the 2020 inspection with a verification of the pile concrete strengths using concrete core cylinder tests. This was done to verify the Schmidt Hammer testing performed by HCE in 2013. HCE performed a series of Schmidt Hammer tests on piles near shore on Berth 2. This method of testing is intended to test the concrete hardness and is only correlated to the concrete strength. The validity of the Schmidt Hammer test is limited to the surface of the concrete piles where DEF effects are most severe. PND is not aware of any previous concrete core strength testing that has been performed on piles. Therefore, on June 25th, 2021 three core samples were taken from a section of 16.5-inch octagonal concrete pile on shore at T115. The cylinder compression tests were conducted by Mayes Testing. The pile section what was cored matches the photo of the pile section tested for DEF in 2003 by KPFF.

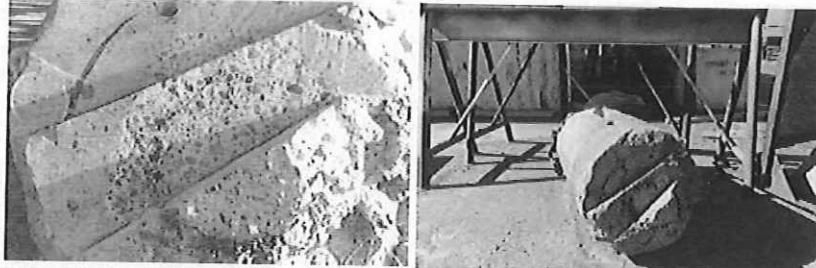


Figure 1a (left 2003) and 1b (right 2021): Pile sample cored in June 2021. Original DEF core hole highlighted in 2021 pile section.

The corrected concrete strength for the three concrete core samples averaged 8636 psi (8840 psi max, 8400 min). The results are included in Attachment A. These cylinder strength test results are significantly higher than the results of the Schmidt Hammer tests which informed the 2013 recommendation to remove the ballast and asphalt from the original berths' surface. Using the concrete strengths from the core samples, the berth would be able to support the dead loads for the berths using the HCE evaluation of the piles.

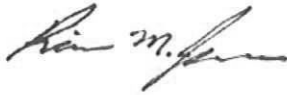
PND has classified the original T115 Berths 2, 3, and 4 in serious condition. Based on this rating and the aggressive environment on the Duwamish River, ASCE MOP 130 recommends a maximum inspection interval of two years and after a major event such as an earthquake. We recommend a two-

year above and underwater inspection cycle to monitor the condition of the Berths and evaluate any loss of support from the piles.

PND does not recommend allowing live loads (e.g., bulk, vehicles, containers) at this time due to the serious condition of the piles.

Please let me know if you have any questions.

Sincerely,
PND Engineers, Inc. | Seattle Office



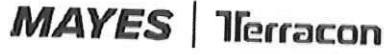
Rian M. Johnson, P.E., S.E.

Cc: Jon Burdick | Lynden, Inc.

Attachment A: Concrete Core Cylinder Test Results

P | N | D

Attachment A



20225 Cedar Valley Rd Ste 110
Lynnwood, WA 98036-6365
425-742-9360

CONCRETE CORE COMPRESSIVE STRENGTH TEST REPORT

Report Number: M7211357.0001A
Service Date: 06/29/21
Report Date: 07/07/21
Task:

Client PND Engineers, Inc. Attn: Rian Johnson 1736 4th Ave S Seattle, WA 98134	Project Port of Seattle Terminal 115 Concrete Pile Testing 6110 W Marginal Way Seattle, WA
Laboratory Number: 5898	Project No. M7211357

SAMPLE DESCRIPTION

Three (3) concrete cores received on 6/29/21

TEST RESULTS

Compressive Strength of Hardened Concrete ASTM C39 and ASTM C42

Cylinder ID	Date Tested	Length as Received (in)	Length after Capping (in)	Average Diameter (in)	Cross sectional Area (in ²)	L/D	Correction Factor	Ultimate Load (lbs)	Corrected Compressive Strength	Type of Fracture	Density (lbs/ft ³)
1	7/7/21	7.54	6.21	3.70	10.75	1.678	0.974	95,710	8670	3	151.3
2	7/7/21	7.55	6.38	3.71	10.78	1.722	0.978	92,640	8400	3	145.9
3	7/7/21	8.77	7.08	3.71	10.78	1.911	1.000	95,290	8840	4	151.4

Moisture condition at time of testing: Air dry

Tested By: Jesse Kane

Report Distribution

- (1) PND Engineers, Inc., Rian Johnson
- (1) Lynn Transport Inc, Rod DeWalt
- (1) Mayes Testing Engineers, Inc, Kevin Graham
- (1) Mayes Testing Engineers, Inc, Melinda Barzer

Reviewed By: *Zenaida Revilla*

Zenaida Revilla
Laboratory Manager

The tests were performed in general accordance with applicable ASTM, AASHTO, or DOT test methods. This report is exclusively for the use of the client indicated above and shall not be reproduced except in full without the written consent of our company. Test results transmitted herein are only applicable to the actual samples tested at the location(s) referenced and are not necessarily indicative of the properties of other apparently similar or identical materials.