

# PORT OF SHELTON

## Resolution 10-04

### **A Resolution Regarding the Option to Ground Lease and Ground Lease between ADAGE LLC and the Port of Shelton**

**WHEREAS**, the Port of Shelton Commission has considered and provided an opportunity for public review and comment on an Option to Ground Lease with ADAGE LLC, a Delaware limited liability company as the Optionee, and with Mason County Port District No. 216, also known as and doing business as the Port of Shelton, as the Lessor; and

**WHEREAS**, the Port of Shelton Commission discussed and approved the Option to Ground Lease at its regularly scheduled Board Meeting of August 17, 2010; and

**WHEREAS**, the Option to Ground Lease provides and identifies that ADAGE LLC (“ADAGE”) is considering Port property as a site for the purpose of constructing and operating a woody biomass fueled electric power generation facility (the “ADAGE Facility”); and

**WHEREAS**, ADAGE and the Port agree that ADAGE shall have the right and option to lease the Property (as defined in the Option to Ground Lease) under the terms of the Option to Ground Lease and, upon exercise by ADAGE of the option granted to it in the Option to Ground Lease, enter into the Ground Lease; and

**WHEREAS**, the Commission has determined that it is in the Port’s best interests that, prior to the execution of the Ground Lease with ADAGE or an Optionee Affiliate (as defined in the Ground Lease), ADAGE or such Optionee Affiliate shall have applied for and obtained necessary permits and approvals as needed in order to commence the construction of the ADAGE Facility, issued by the United States Government and its regulatory agencies, the State of Washington and its regulatory agencies, Mason County and its rules and regulations, the City of Shelton and its rules and regulations and the Port of Shelton and its rules and regulations,

**NOW, THEREFORE BE IT RESOLVED**, by the Port of Shelton Commission that the execution, delivery and performance of the Option to Ground Lease by the Port of Shelton is approved; and

**FURTHER RESOLVED**, that, prior to the execution of the Ground Lease with ADAGE or an Optionee Affiliate, all review under the State Environmental Policy Act and all permits required or needed for the commencement of construction of the ADAGE Facility shall have been applied for and obtained by ADAGE or an Optionee Affiliate with and through any and all appropriate governmental entities, which such governmental entities may include, but are not limited to, the following:

1. The Federal Aviation Administration;
2. The Bonneville Power Administration;


3. The Washington State Department of Ecology;
4. The Washington State Department of Transportation;
5. The Olympic Region Clean Air Authority;
6. The Mason County Department of Community Development;
7. The Mason County Public Utilities District No. 3;
8. The Mason County Department of Public Works; and
9. The Mason County Fire Marshall; and

**FURTHER RESOLVED**, that upon satisfaction of the condition set forth in the immediately preceding resolution, and in accordance with the terms of the Option to Lease, the Port of Shelton is authorized and directed to enter into, execute, deliver and perform the Ground Lease, with such changes to complete any blanks or bracketed items as may be determined to be necessary and appropriate by the then Executive Director of the Port of Shelton.

**ADOPTED** by the Port of Shelton Commission, at a regular meeting thereof held this 17th day of August, 2010.

PORT OF SHELTON  
BOARD OF COMMISSIONERS

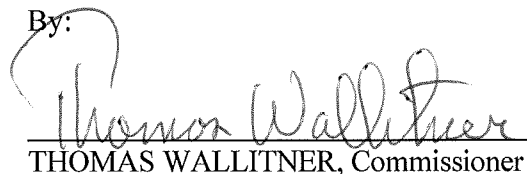
By:

  
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JAY HUPP, Commissioner

By:

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JACK MILES, Commissioner

By:

  
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THOMAS WALLITNER, Commissioner