Application for Use of State-owned Aquatic Lands

Applicant Name: Icicle Acquisition Subsidiary, LLC DBA American Gold Seafoods
County: Clallam County
Water Body: Port Angeles Harbor
Type of Authorization - Use: Harbor Area Lease – aquaculture support area
Authorization Number: 20-087303
Term: 12 years
Description: This agreement will allow the continued use of State-owned aquatic lands for the sole purpose of storage area and an existing 500sf building used as break room and office space for supporting the fish pen operation. It is located in Port Angeles Harbor, in Clallam County, Washington.

Date of Public Notice: 5/9/11
APPLICATION FOR AUTHORIZATION TO USE STATE-OWNED AQUATIC LANDS

The Applicant may not begin work on the project area until the State Department of Natural Resources (DNR) grants a Use Authorization.

I. SUBMISSION OF APPLICATION

DNR will review your application and post it on the DNR Leasing and Land Transactions website as public information. Instructions:

- Fill out the application by computer or by hand in blue or black ink.
- Send the completed form to the appropriate district office in the table below.
- Enclose a $25.00 non-refundable application processing fee with the application. This fee is not required for local, state, and other government agencies.
- DNR will notify applicants in writing if the application is accepted for further review, and may reject the application at any time prior to the signed execution of a use authorization.
- Your project may require regulatory permits. Please do not apply for regulatory permits until you have discussed your proposal with your designated land manager.

For additional information, contact the office that serves your county:

<table>
<thead>
<tr>
<th>Aquatic Lands Offices</th>
<th>Counties Served</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rivers District</td>
<td>All of Eastern Washington, Grays Harbor, and Pacific counties, Thurston (fresh water only), Lewis, Wahkiakum, Cowitz, Clark, and Skamania counties</td>
</tr>
<tr>
<td>Orca Straits District</td>
<td>Island, Skagit, Snohomish, San Juan, and Whatcom counties</td>
</tr>
<tr>
<td></td>
<td>Jefferson and Clallam counties</td>
</tr>
<tr>
<td>Shoreline District</td>
<td>King, Pierce, Kitsap, Thurston (marine waters), and Mason counties</td>
</tr>
</tbody>
</table>

FOR OFFICIAL USE ONLY  Support staff: Application Fee Received [ ]  [ ]  [ ]  [ ]  [ ]  [ ]
Land Manager: [ ] New Application  [ ] Renewal Application
Land Manager: Type: (20, 21, 22, 23, 31, 51)
Land Records: New Application Number [ ]  [ ]  [ ]  [ ]  [ ]  [ ]  [ ]
Trust [ ]  [ ]  [ ]  [ ]  [ ]  [ ]  [ ]  County [ ]  [ ]  [ ]  [ ]
AQR Plate No. [ ]  [ ]  [ ]  [ ]  [ ]  [ ]  [ ]  [ ]  [ ]

Washington State Department of Natural Resources • Application for Use of State-owned Aquatic Lands • February 2011 1 of 9
II. APPLICANT INFORMATION - person or entity responsible for the project

Date of Application: 4/18/11

Name of the person or entity that the Use Authorization should be issued to:
  Icicle Acquisition Subsidiary, LLC DBA American Gold Seafoods

<table>
<thead>
<tr>
<th>Applicant’s Address:</th>
<th>City: Anacortes</th>
<th>State: WA</th>
<th>Zip Code: 98221</th>
</tr>
</thead>
<tbody>
<tr>
<td>PO Box 669</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Telephone: 
Contact: K

Department of Revenue Tax Registration Number (Unified Business Identifier) Required:
UBI 602-825-648

Which of the following applies to Applicant? Check one and attach the written authority - bylaws, power of attorney, etc.

<table>
<thead>
<tr>
<th>Corporation □</th>
<th>Limited Partnership □</th>
<th>General Partnership □</th>
</tr>
</thead>
<tbody>
<tr>
<td>State of Registration:</td>
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</tr>
<tr>
<td>Sole Proprietorship □</td>
<td>Marital Community □</td>
<td>Government Agency □</td>
</tr>
<tr>
<td>□ Spouse:</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Other X (Please Explain) **Washington Limited Liability Company**

Has DNR previously authorized this site or is it currently under an agreement with DNR?
Yes □ Agreement Number:  
No X  Don’t Know □

III. AGENT INFORMATION - Person authorized to represent the applicant about the project, if applicable

Agent’s Name and Organization:

Agent’s Relationship to Applicant:

<table>
<thead>
<tr>
<th>Address:</th>
<th>City:</th>
<th>State:</th>
<th>Zip Code:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>

Telephone:  
Fax:  
E-Mail: 

Department of Revenue Tax Registration Number (Unified Business Identifier) is Required:

Which of the following applies to Agent? Check one and attach written authority to sign - bylaws, power of attorney, etc.

<table>
<thead>
<tr>
<th>Corporation □</th>
<th>Limited Partnership □</th>
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<td>Government Agency □</td>
</tr>
<tr>
<td>□ Spouse:</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
IV. LOCATION

| On what body of water is the state property? | County: Clallam | Government Lot: |
| Port Angeles Harbor | | |
| Section: Out Lot 8 | Township: 31 | |
| Range: 6 | East □ or West X | |

Note: DNR requires a legal property survey before they approve a use authorization. You do not need to furnish a survey now. The DNR survey requirements are included on this form.

Physical description of Project Area (For example, marsh, tidal flats adjacent to the Chehalis River, etc.): Upland property with adjacent water access to Port Angeles Harbor.

Name of owner(s) of uplands, shorelands, and/or tidelands shoreward and adjacent to the Property:
State of Washington, Department of Natural Resources

| Address: 670 Ediz Hook | City: Port Angeles | State: WA | Zip Code: 98362 |
| Phone Number: 360.293.9448 | Fax Number: 360.293.0558 | E-mail: |

Note: DNR may require proof of ownership, or authorization to use the adjacent tideland, shoreland, or upland property, except for established Harbor Areas.

Attach a copy of the deed if you own the adjacent upland property.
County parcel numbers for adjacent upland, and/or tideland properties: n/a

V. USE OF PROPERTY

Describe the proposed use of the Property in detail:
Property is to be used as the primary land based support facility for the adjacent finfish aquaculture net pen facility. Fish feed, nets, and other support material are brought to and from the farm site using this property. Property is directly associated with the nearby finfish aquaculture operation owned by American Gold Seafoods.

Do you plan to sublease the Property? Yes □ No X If yes, submit a copy of the sublease.

Do you know the current and past uses of the site? Please describe them here.
The property has been used by the associated net pen aquaculture company for several years. The property was rented to the fish pen operations by the City of Port Angeles several years ago.
Do you know of any toxic or hazardous substances on the site or past situations that could have caused contamination? Yes ☐ No X. If yes, please explain:

### VI. IMPROVEMENTS

Additions within, on, or attached to the land, or anything considered a fixture (RCW 79.105.060(6)). Examples include: pilings, dolphins, piers, wharves, buildings, pipelines and cables, and structures for bridges.

What improvements currently exist on the site? DNR may require photos. There is a small building on the property that is owned by American Gold Seafoods. The building is approximately 500 sq.ft. and is used as office space for supporting the fish pen operation and a crew break room. There are some temporary storage sheds also on the property.

If there are improvements currently on the site, describe their condition. The building is in moderately good shape.

Will you remove or remodel any of the existing improvements? Yes ☐ No X

Do you plan to construct any improvements? If yes, please describe:
There are currently no plans other than maintenance and repair of existing structures.

Is there any fill material on the site? Yes X No ☐ If yes, please describe:
Ediz Hook was constructed from fill material and the placement of large bull rock at some point in history. Applicant is unsure of entire history of specific property. Improvements were already existing when the company began renting the property.

Describe any habitat mitigation any permitting agency requires of you and where on this project it will occur: n/a

All answers and statements are true and correct to the best of my knowledge.

<table>
<thead>
<tr>
<th>Applicant name (please print): Dennis J. Guhlke</th>
<th>Title: President &amp; CEO</th>
</tr>
</thead>
<tbody>
<tr>
<td>Applicant Signature:</td>
<td>Date:</td>
</tr>
<tr>
<td></td>
<td>April 18, 2011</td>
</tr>
</tbody>
</table>
Authorized Agent name (please print): | Title: 
---|---

Authorized Agent signature: | Date: 
---|---

For the Applicant’s convenience, the following pages 5 through 8 contain some information on potential permit and survey requirements.

**LOCAL, STATE, AND FEDERAL REGULATORY PERMITS**
- Do not apply for regulatory permits until you discuss your proposal with your DNR land manager. DNR may require terms or conditions that could affect your project and the permits.
- DNR must have copies of all government regulatory permits or waivers before they issue a Use Authorization.
- For permit assistance, contact the Office of Regulatory Assistance (ORA) at 1-800-917-0043 or via e-mail at help@ora.wa.gov.

**DNR may require all or some of the following:**

**Joint Aquatic Resource Permit Application (JARPA)** - This one form is used to apply for all of the following individual permits. It is on the website of the Office of Regulatory Assistance at [www.ora.wa.gov](http://www.ora.wa.gov):

1. **Section 10 Permit** - The US Army Corps of Engineers requires this for any work in or affecting navigable waters, e.g., floats, docks, piers, dredging, pilings, bridges, overhead power lines.
2. **Shoreline Substantial Development, Conditional Use, Variance Permit or Exemption** - Local governments issue these, and they are required for work or activity in the 100-year flood plain, or within 200 feet of the Ordinary High Water mark (OHW) of certain waters.
3. **Hydraulic Project Approval** - Required by the Department of Fish and Wildlife for projects that include work to use, divert, obstruct, or change the natural flow or bed of any fresh or salt water.
4. **Section 404 Permit** - The US Army Corps of Engineers requires this if your project discharges or excavates any dredged or fill material waterward of the Ordinary High Water mark or the Mean Higher High Tide Line in tidal areas.
5. **Section 401 Water Quality Certification** - Required by the Department of Ecology if they require a Section 404 permit.

**NPDES (National Pollutant Discharge Elimination System Permit)** - Required by the Department of Ecology by authority from the Federal Environmental Protection Agency for projects that include the discharge of fluid on or into surface water.
SEPA (State Environmental Policy Act) Checklist and Environmental Assessments - When you submit a permit application to any agency, if the project is not exempt, the lead agency requires you to fill out an environmental checklist to determine the environmental impacts of the project.
REQUIREMENTS FOR RECORDS OF SURVEY FOR LEASES AND EASEMENTS

Records of Survey are required for easements and leases granted by the department for:

- County roads
- Highways
- Basements across high value lands
- Easements across transition lands
- Drainage or irrigation easements
- Aquatic land uses: exemptions are provided for recreational docks and mooring buoys per RCW 79.105.430 and for those permits issued as a Right of Entry
- Other grants as determined by the department based upon site specific considerations

The applicant is responsible for:

- All costs and work associated with creating, submitting, revising and recording the Record of Survey
- Submitting a preliminary Record of Survey for review and approval by the department prior to approval of the agreement.
- Recording the final Record of Survey with the county auditor’s office.
- Submitting a digital copy in AutoCAD.DWG or DXP (drawing exchange format) of the final survey.
- Submitting two full size copies and one 8 ½ X 11” copy and of the recorded survey including the auditor’s recording information to the department.

A Record of Survey must:

1. Be produced by a licensed surveyor.
2. Meet the requirements of Title 58 RCW and Chapter 332-130 WAC.
3. Include the name of the applicant, the purpose of the easement or lease and the DNR easement or lease number.
4. Clearly show easement or lease boundaries with distances and directions of all boundary lines.
5. Show the easement or lease area to an accuracy of (±□) 0.5% of the total area or (±□) 10 square feet, whichever is greater.
6. (Not required for aquatic lands lease across the bed of Puget Sound or the Pacific Ocean) Indicate the acreage encompassed by the lease or easement within each quarter-quarter section or government lot.
7. Show distances and directions from two or more controlling corners of a recorded subdivision, recorded survey or government survey (GLO) corners.
8. Be related by meridian and coordinate to the Washington Coordinate System NAD’83(1991) by closed ties to NGS Control monuments, or the extension thereof. The designation of the control stations used shall appear on the plat.
9. Include a narrative legal description describing the servient estate (grantor’s parcel) on the Record of Survey.
10. Show a detailed plan of improvements to be constructed or already existing on the easement or lease area. All improvements must be shown in sufficient detail to determine what they are used for and to ensure they are entirely within the easement area.
11. Show the location of any proposed utility.
12. (linear lease or easement) Show the lineal footage along the centerline.
13. (linear lease or easement) Show the complete alignment information and width including any necessary curve data.
A Record of Survey must (continued):

14. (Easements or leases crossing a section line or state ownership boundary, not required for aquatic lands lease across the bed of Puget Sound or the Pacific Ocean) Provide ties to the centerline of an easement along the section or subdivision line from the nearest appropriate Public Land Survey System (PLSS) section corner, quarter section or subdivision corner, where the easement enters and leaves the section or state ownership.

15. (Easements or leases falling entirely within one section and not crossing a section line or state ownership boundary) Provide ties from both end points of the linear easement to PLSS corners or other subdivision corners shall be provided.

16. (A lease which encroaches on a previously leased site) Show the boundary for the senior lease in the vicinity of the proposed lease shall also be shown, together with ties between the two leases sufficient to determine the full extent of the encroachments.

Additional Requirements for Communication Site Leases

17. Show ties to the corners of previously monumented communication sites adjacent to, or in the immediate vicinity of the proposed communication site.

18. Show access to the site.

19. Mark the corners of the communication site, as described and granted, with substantial permanent magnetically locatable monuments. The monuments shall be in place and obviously marked on the ground after the construction of installations and improvements.

20. Show the center of any communication site tower by Washington Plane Coordinates, NAD83 (1991), or latitude and longitude. NAD83 datum must be used to determine global location coordinates and must be in decimal degrees. Coordinates must have at least five decimal places to the right of the decimal point and include a negative longitude.

21. On all communication sites where towers or beam paths are shown, an elevation is required at the base of the tower.

22. Show the tower height, and the height of the antenna or microwave dish and any beam path used shall have the diameter and tilt thereof shown.

23. The elevation shall be derived from an established benchmark in the vicinity of the site, or an elevation designated by the state Department of Natural Resources.

Additional Requirements for Aquatic Land Uses

24. The lease of aquatic lands is often subject to preference rights. Applicants and surveyors should carefully determine the direction, and show details of the proration of coves and irregular shoreline.

25. (lease sites which contain existing or proposed structures and improvements that are classified as a non water-dependent or a water oriented use as described within RCW 79.105.060 and WAC 332-30-106) Provide the square footage of each structure and improvement.

26. Where applicable, the survey of aquatic lands must show the location of the following lines for:

   a. Tidal areas -Government meander line, the original and current locations of line of mean high tide, line of mean low tide, and line of extreme low tide. The survey must include the name of tidal bench mark(s) used or describe the alternate method employed for determining a Tidal Datum. Lease areas which contain tidelands and bedlands at a minimum must show the location of the line of extreme low tide crossing the lease area. Lease areas containing bedlands exclusively may be required to show the relationship to the line of extreme low tide and the ~18 foot contour line only.

   b. Lakes -Government meander line, line of ordinary high water (original ordinary high water if the lake has experienced artificial raising or lowering of the water level), and line of ordinary low water (include source of data) and line of navigability if established.

   c. Rivers - Line of ordinary high water and line of ordinary low water (include source of data) and line of navigability if established.
d. Lots and blocks of platted tide lands or shore lands, inner and outer harbor lines, waterway lines, street boundaries, any local construction limit lines, any dredge or fill areas, and easements of record within the lease site.

c. All lines must be shown in sufficient detail to compute and show the area of each area of State-owned bedlands, tidelands, shore lands, harbor area, or waterways included within the proposed lease site.

Include any other data necessary for the complete understanding of the information shown on the survey. If, in the opinion of the department, such information is lacking, the survey may be rejected.

Record of Survey Revisions:

27. Any differences between the as-built road and the regulation plat must be reflected in a revised Record of Survey and recorded with the county by the applicant.

28. When any portion of the completed improvements are located outside of the granted lease site, the as-built locations must be reflected in a revised Record of Survey and legal description. In this instance, a new application for an amended lease site may be required if the as-built location creates adverse impacts. In the case of linear leases across the bed lands of the sound or the ocean, an as-built Record of Survey and a revised legal description of the linear lease must be provided.

Survey Information updated July 2002
I, SAM REED, Secretary of State of the State of Washington and custodian of its seal, hereby issue this

CERTIFICATE OF FORMATION

to

ICICLE ACQUISITION SUBSIDIARY, LLC

a/an WA Limited Liability Company. Charter documents are effective on the date indicated below.

Date: 4/23/2008

UBI Number: 602-825-648

APPID: 1140567

Given under my hand and the Seal of the State of Washington at Olympia, the State Capital

Sam Reed, Secretary of State
CERTIFICATE OF FORMATION
OF
ICICLE ACQUISITION SUBSIDIARY, LLC

Pursuant to Title 25 of the Revised Code of Washington, the undersigned does hereby submit this Certificate of Formation for the purpose of forming a limited liability company.

Section 1. Name
The name of the limited liability company is Icicle Acquisition Subsidiary, LLC.

Section 2. Duration
The limited liability company shall have perpetual existence.

Section 3. Registered Agent and Office
The name of the initial registered agent is G & D, Inc. and the initial registered office, which address is identical to the business office of the registered agent in Washington, is Pier 70, 2801 Alaskan Way, Suite 300, Seattle, Washington 98121-1128.

Section 4. Principal Place of Business
The address of the principal place of business of the limited liability company is 4019 - 21st Avenue West, Seattle, Washington 98119.

Section 5. Management
Management of the limited liability company is vested in its sole Member.

Section 6. Limited Liability Company Agreement
The Company's limited liability company agreement shall be this Certificate of Formation.

Execution of Certificate:
The name and address of the organizer executing this Certificate is G & D, Inc., Pier 70, 2801 Alaskan Way, Suite 300, Seattle, Washington 98121-1128.


G & D, INC., Organizer

By: ____________________________
   Patrick J. Franke
   Its: Assistant Secretary
CONSENT TO SERVE AS REGISTERED AGENT
FOR
ICICLE ACQUISITION SUBSIDIARY, LLC

The undersigned, G & D, Inc., hereby consents to serve as registered agent in the State of Washington for the above named Company. The undersigned understands that as agent for the Company it will be its responsibility to accept service of process on behalf of the Company; to forward license renewals and all other mail to the Company; and to immediately notify the office of the Secretary of State in the event of its resignation or of any change in the registered office address of the Company.


G & D, INC.

By:  
Brenda A. Strauch
Its: Assistant Secretary

Street Address:

Pier 70
2801 Alaskan Way, Suite 300
Seattle, Washington 98121-1128
20-087303
Icicle Acquisition LLC
Clallam County
Port Angeles Harbor

Vicinity Map

Every attempt was made to use the most accurate and current geographic data available. However, due to multiple sources, scales, and the currency of the data used to develop this map Washington Department of Natural Resources cannot accept responsibility for errors and omissions in the data. Furthermore, this data is not survey grade information and cannot be substituted for an official survey. Therefore, there are no warranties that accompany this material.

Legal Description
Gov outlot 7 within S34, T31N, R06W, WM

Prepared By: BAKR Date: 5/5/2011