Application for Use of State-owned Aquatic Lands

Applicant Name: Granite Ridge
County: Chelan County
Water Body: Lake Chelan
Type of Authorization - Use: Lease – Community Marina
Authorization Number: 20-081043
Term: 12 years

Description: This agreement will allow the use of State-owned aquatic lands for the sole purpose of a community marina. It is located on Lake Chelan, in Chelan County, Washington.
GRANITE RIDGE LLC
84 Slip Private Marina
Lake Chelan - Chelan County

VICINITY MAP

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

Lease No. 20-081043
A-1 Marina Location

Coordinate System: Washington State Plane South
Projection: Lambert Conformal Conic
Datum: NAD83 HARN
D.N.R. LEASE EXHIBIT NO. 20-081043
FOR
GRANITE RIDGE, LLC.

LEGAL DESCRIPTION OF LEASE AREA

THAT PORTION OF GOVERNMENT LOT 3, SECTION 11, TOWNSHIP 27 N., RANGE 22 E., CHelan COUNTY, WASHINGTON COVENANTED BY THE BED OF LANE CHelan Lying IN FRONT OF GOVERNMENT LOT 3, SAID SECTION 11, DESCRIBED AS FOLLOWS:

Commenced at a 2.5 INCH BRASS CAP MARKING THE EAST CORNER OF Said Section 11, FROM WHICH THE EAST SIDEline CORNER OF Said Lot 3. A 2.5 INCH BRASS CAP BEARING NORTH 82° 21’ 56” TO THE TRUE POINT OF BEGINNING THENCE NORTH 82° 21’ 56” TO THE TRUE POINT OF BEGINNING. THENCE EAST 200.00 FEET. THENCE SOUTH 82° 21’ 56” TO 149.30 FEET. THENCE WEST 149.30 FEET. THENCE SOUTH 82° 21’ 56” TO THE TRUE POINT OF BEGINNING.

LEGEND

1. CALIBRATED POINT NOT SET OR FOUND
2. FOUND 2 1/2 INCH BRASS CAP
3. FOUND BRASS/CAP AS NOTED

DATUM INFORMATION

VERTICAL DATUM IS THE LAKE CHelan VERTICAL DATUM (F.L.PD.3 = 150’) HORIZONTAL DATUM IS AGS83 (1983) AS BASED UPON ODE REO TO WGS PUBLISHED CONTROL.

NOTES

LEASE PURPOSE: A LEASE FOR MINING

BASIS OF BEARINGS:

WASHINGTON STATE PLANE, ONE NORTH DOME BASE ON DENVER OR MARKIANO'S 1963 ALGORITHMS. ASTRONOMICAL NORTH BEARINGS APPROXIMATELY N 00°00’00”

EQUIPMENT & PROCEDURES

LOCAL TOTAL STATION
LOCAL GEODETIC GPS SYSTEM
INTEGRATED AUTOMATED CONTROLS, ESTABLISHED BY RADIO-DIRECTIONAL GPS SOLUTIONS WITH A PRECISION OF 10 CM ACCURACY.

ADJUSTMENTS PERFORMED BETWEEN TWO CONTROL, TO OBTAIN ADDITIONAL SITE SPECIFIC DATA AND FOR CORRECT MONUMENTATION. ADDITIONAL SURVEY ADJUSTMENTS WERE MADE TO MEET LOCAL LEAST SQUARES AT CONDITIONS.

DATES OF SURVEY: INITIAL CONTROL PERFORMED FEBRUARY, 2009

AUDITOR'S INDEX SKETCH

SECTION 11

TOWNSHIP 27N, RANGE 22E, W.M.,
CHelan COUNTY, WA

SURVEYOR'S CERTIFICATE

This map correctly represents a survey made by me, in accordance with the requirements of the survey recording act at the request of
GRANITE RIDGE, LLC.
IN FEBRUARY, 2009

COUNTY AUDITOR

RECORD OF SURVEY

A PORTION OF
GOVT LOT 3
SECTION 11, TWP. 27 N., RGN. 22 E.W.
CHelan COUNTY, WASHINGTON

SHEET 1 OF 1

http://www.erlandson.com
SPECIALIST: SURVEYORS PLANNING COMPANY
ERLANOSEN 350-350-3234
SPECIALIST: SURVEYORS PLANNING COMPANY
ERLANOSEN 350-350-3234
I. SUBMISSION OF APPLICATION

NO WORK CAN BE STARTED ON THE PROJECT AREA UNTIL A USE AUTHORIZATION HAS BEEN GRANTED BY THE DEPARTMENT OF NATURAL RESOURCES

Enclose a $25.00 non-refundable application processing fee with the application (this fee is not required for local, state, and other government agencies). This application form will be reviewed by the Department of Natural Resources upon receipt at the address given below. Applicants will be notified in writing if the application will be accepted for further review. However, this application may be rejected at any time before signed execution of a use authorization.

APPLICATION MUST BE SIGNED IN BLUE OR BLACK PEN

Please send the completed application form to your region land manager at:

Department of Natural Resources
[Region/District Address]

Southeast Region
713 Bowers Rd
Ellensburg, WA 98926-9341
509-925-8510

II. APPLICANT INFORMATION

Date of Application: 3/20/07

Authorization to be Issued To (how name is to appear in the lease document): Granite Ridge LLC

Address: PO Box 969
City: Chelan   State: WA   Zip Code: 98816
Telephone Number: 509 682-4424   FAX Number: 360 397-0407

Applicant's Representative: Ryan Walker

Relationship to Applicant: Authorized Agent

Address: 151 South Wuthen Street, Ste 101
City: Wenatchee   State: WA   Zip Code: 98801
Telephone Number: 509 663-6300

FAX Number: 509 6641882

If Property will be used for business purposes,
Applicants' Washington Department of Revenue Tax
*Registration Number
(Unified Business Identifier)
is Required:

Form Date: June, 2005

FOR OFFICIAL USE ONLY

Land Manager: Type:   (20, 21, 22, 23, 31, 51)
Land Manager: □ New Application □ Renewal Application
Land Manager: Initials   (A) Aquatic Program Manager Initials
Support: Application Fee Received $25.00 Date 4/10/07

Land Records: New Application Number 20-081043
Land Records: Trust 15 County 04 AQR Plate No. SSO4-021
Note 8

4/24: ISSUE # Application for Authorization to Use SOAL

1 of 8
Which of the following applies to Applicant (Check One and Attach written authority to sign - bylaws, power of attorney, etc):

- Corporation
- General Partnership
- Sole Proprietorship
- Limited Partnership
- Marital Community
- Other

(State of Registration): WA Government Agency
(State of Registration): 
(Spouse): 
(Please Explain): 

Has the site use been authorized before or is it currently under lease: Yes( ) No ( ) Don’t Know

III. LOCATION

The Body of Water on which the state property is located: Lake Chelan
County in which the state property is located: Chelan
Government Lot 27, Section 11, Township 27, Range 22 E/W

A LEGAL PROPERTY SURVEY INCLUDING THE LEGAL DESCRIPTION AND OTHER INFORMATION ABOUT THE PROPERTY IS REQUIRED TO OBTAIN A USE AUTHORIZATION. THE SURVEY REQUIREMENTS ARE DESCRIBED IN SECTION VII, PROPERTY SURVEY OF THIS FORM. THE SURVEY PLAT WILL BE ATTACHED TO THE LEASE AS EXHIBIT A. (DO NOT HAVE THIS SURVEY CONDUCTED UNTIL YOU HAVE BEEN NOTIFIED IN WRITING THAT THE APPLICATION HAS BEEN ACCEPTED FOR PROCESSING.)

Physical description of Project Area (For example, Marsh, Tidelands adjacent to the Chelahis River, etc.): The Project would occur over and in Lake Chelan

Name of Owner(s) of Uplands, Shorelands, and/or Tidelands shoreward and adjacent to the Property:
Name: Granite Ridge LLC
Address: PO Box 969
City: Chelan State: WA Zip Code: 98816 Phone Number: 509 682-4424

EXCEPT FOR PROPERTY LOCATED WITHIN ESTABLISHED HARBOR AREAS, PROOF OF OWNERSHIP, OR AUTHORIZATION TO USE THE ADJACENT TIDELAND, SHORELAND, OR UPLAND PROPERTY MAY BE REQUIRED. IF THE APPLICANT IS THE OWNER OF THE ADJACENT LAND, ATTACH A COPY OF THE DEED OR CONTRACT OF SALE.

County Parcel No(s). for adjacent properties, upland, and/or adjacent tideland properties: 272211-597-550

IV. USE OF PROPERTY

1. Describe, in detail, the proposed use of the Property:

A 96’ slip community dock for use by the residents of Granite Ridge would be constructed on Lake Chelan. The proposed dock would extend approximately 340 ft waterward from the OHWM (Sheets 3-4, 8-10). An 8 ft x 33 ft fixed pile pier would be constructed immediately downlake of the existing pump house (the pump house would be removed and a submersible pump would be installed in the lake). The pier would be supported by 4 piles and a 15 ft x 12 ft C.I.P. concrete shore abutment. A 4 ft x 80 ft gangway would connect the pier to the dock at approximately the 1079

Form Date: June, 2005 2 of 8 Application for Authorization to Use SOAL
contour of the lake. The water level of the gangway would overlap the dock approximately 8 ft and rest directly on it within grooves, which will allow the gangway to move with the fluctuating lake level. The gangway would be placed by crane and connected to the dock and pier by hand-held power tools. The dock would float on the lake at all lake levels and would extend approximately 227 ft waterward of the end of the gangway and would be approximately 242 ft wide. The 96 single berth slips would each be 10 ft x 20 ft with 3 ft x 20 ft walkways in between them. The dock would be constructed of Unideck walkway floats and would have stops to keep the floats off the lakebed in the event of extremely low water. The floats would be constructed with steel framing per site specific loads. The steel framing would be covered with removable concrete panels to form the walkway. Floation would be provided by fully encapsulated foam. The dock would be secured by 36, 18 inch diameter piles. All piles (pier and float) would be installed using a barge-mounted vibratory hammer.

2. Is or will the Property be subleased to another party? □ Yes ☒ No (If yes, submit a copy of the sublease agreement.)

3. What are the current and past uses of the site? The current and past use of the property is open water.

4. Do you have any knowledge of contamination of the site by toxic or hazardous substances, or of past uses or practices that might have lead to contamination by such substances? If so, please explain: No

5. Do you know if any fill material has been placed on the property in question? If yes, please explain: No

**PHYSICAL IMPROVEMENTS ARE STRUCTURES PLACED ON THE LAND THAT CANNOT BE REMOVED WITHOUT DAMAGE TO THE LAND. EXAMPLES OF SUCH STRUCTURES INCLUDE PILINGS, DOLPHINS, PIERS, WHARVES, PILING-SUPPORTED BUILDINGS, STRUCTURES BUILT ON FILL OR CONCRETE FOUNDATIONS, BURIED PIPELINES AND CABLES, AND SUPPORT STRUCTURES FOR BRIDGES.**

**V. IMPROVEMENTS**

1. What physical improvements currently exist on the site? (Photos may be required.) There are no physical improvements on the site.

2. If there are physical improvements currently on the site, who owns them? N/A

3. If there are physical improvements currently on the site, describe their condition: N/A

4. Which, if any, of the existing physical improvements will be removed, remodeled, or reconstructed? N/A

5. Describe any physical improvements that the applicant is proposing to construct on the site: A 96 slip community dock for use by the residents of Granite Ridge would be constructed on Lake Chelan. The proposed dock would extend approximately 340 ft waterward from the OHWM (Sheets 3-4, 8-10). An 8 ft x 33 ft fixed pile pier would be constructed immediately.

Form Date: June, 2005

3 of 8 Application for Authorization to Use SOAL
Has any fill material been placed on the site? If Yes, please describe: No

VI. LOCAL, STATE, AND FEDERAL REGULATORY PERMITS
COPIES OF ALL GOVERNMENT REGULATORY PERMITS ARE REQUIRED BEFORE ISSUANCE OF A DNR USE AUTHORIZATION. YOUR PROJECT MAY REQUIRE SOME OR ALL OF THESE PERMITS.

Please include the following permit applications, permits, or waivers with the application:

**JARPA (Joint Aquatic Resource Permit Application)**
This one form is used to apply for all of the following individual permits, please check appropriate box(s):

1. ☑ **Section 10 Permit** (Required by the US Army Corps of Engineers 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** (Issued by Local Government, and is required for work or activity in the 100 year floodplain, or within 200 feet of the Ordinary High Water mark of certain waters; and which included any one of the following: dumping, drilling, dredging, filing, placement or alteration of structures or any activity which substantially interferes with normal public use of the waters.)

3. ☑ **Hydraulic Project Approval** (Required by the Department of Fish and Wildlife if the project includes work that will use, divert, obstruct, or change the natural flow or bed of any fresh or salt water of the state.)

4. ☑ **Section 404 Permit** (Required by the US Army Corps of Engineers if your project will discharge or excavate 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 a Section 404 permit is required.)

**NPDES (National Pollutant Discharge Elimination System Permit)**
Required by the Department of Ecology under delegated 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 will ask you to fill out an environmental checklist. Based on checklist answers and the reviewers knowledge of the project site, agency personnel will determine the types of impacts the project may have on the environment. The agency assessments may be the following forms: Determination of Nonsignificance, Determination of Significance, scoping documents, draft or final Environmental Impact Statements (EIS) or others prepared for the purpose of compliance.

Describe any habitat mitigation required by any of the permitting agencies identified above and identify where such mitigation is proposed to occur: The compensatory mitigation for the proposed community dock would be accomplished by the placement of LWDP
Form Date: June, 2005
structures waterward of the OHWM, as described by the Washington State Department of Fish and Wildlife. The LWD structures would be comprised of a total of 111 woody mature fruit trees with limbs and rootwads anchored. Each LWD structure would consist of 3 trees, 8-10 ft high, cabled together and anchored to the lakebed with either screw anchors or boulders with cables, which would provide approximately 7,104 sq ft of aquatic habitat (Sheets 3-4, 11). Thirty-three 3-tree LWD structures would be placed in between the proposed community dock and the shoreline immediately landward of the 1079 contour on property owned by Granite Ridge LLC. No mitigation is proposed to be installed on state owned aquatic lands.

VII. PROPERTY SURVEY

STATE OF WASHINGTON DEPARTMENT OF NATURAL RESOURCES
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
- Easements across high value lands
- Easements across transition lands
- Utilities
- Upland leases
- Communication sites
- Drainage or irrigation easements
- Railroads
- 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 DXF (drawing exchange format) of the final survey.
- Submitting two full size copies and one 8 ½ X 11” copy 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.

Form Date: June, 2005
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 linear footage along the centerline.

13. (Linear lease or easement) Show the complete alignment information and width including any necessary curve data.

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 obvious 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 having an accuracy of and showing 3 decimals of a second.

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 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.

**Additional Requirements for Aquatic Land Uses (cont.):**

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

e. 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 Requirements updated July 2002.

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

Applicant  
Darren J. Talley  
(Please Print)

Signed  
Darren J. Talley  
(Applicant or Authorized Signature)

Title  
Managing Member  

Company  
Granite Ridge LLC  

Date  
3/14/09

For additional information contact one of the following region offices:
<table>
<thead>
<tr>
<th>Region</th>
<th>Address</th>
<th>Phone</th>
<th>TTY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Southeast Region</td>
<td>713 Bowers Rd, Ellensburg, WA 98926-9341</td>
<td>509-925-8510</td>
<td>509-925-8527</td>
</tr>
<tr>
<td>Olympic Region</td>
<td>411 Tillicum Ln, Forks, WA 98331-9797</td>
<td>360-374-6131</td>
<td>360-374-2819</td>
</tr>
<tr>
<td>Pacific Cascade Region</td>
<td>P.O. Box 280, 601 Bond Rd, Castle Rock, WA 98611-0280</td>
<td>360-577-2025</td>
<td>360-577-2025</td>
</tr>
<tr>
<td>Northwest Region</td>
<td>919 N Township St, Sedro-Woolley, WA 98284-9333</td>
<td>360-856-3500</td>
<td>360-856-1371</td>
</tr>
<tr>
<td>South Puget Sound Region</td>
<td>950 Farman Ave N, Enumclaw, WA 98022</td>
<td>360-825-1631</td>
<td>360-825-6381</td>
</tr>
</tbody>
</table>