

Amendment No. 1

Solicitation #: EBLA00X-20

TO: All Recipients of the Request for Proposals (RFP), EBLA00X-20, to operate leased agricultural land at Ebey's Landing National Historical Reserve

Any proposal must be received by the Commercial Services Office, National Park Service, 333 Bush Street, Suite 500, San Francisco, CA 94104 by 4:00 p.m. PT in order to be evaluated and considered for award of any of the three Leases. ***The deadline for proposals has been extended to October 24, 2019, 4:00 p.m. Pacific Time. If a proposal is not received by the deadline at the above address, it will not be evaluated for award of the available leases.***

In the RFP issued July 2, 2019, and the National Park Service ("Service") stated it would respond to questions about the RFP if submitted in writing and received by July 23, 2019. Questions were received in a timely manner. This Amendment 1 to the RFP is providing the following answers in response to those questions.

1. "Will the facilities be leased "as-is"? related question: Will NPS clean up any of the mess from current farming operations before new lessee takes over?"

Each of the Draft Leases provide for acceptance of premises in their "as is" condition. Please refer to the Draft Leases, EBLA002-20, EBLA003-20, and EBLA004-20, Section 3.1 for details on acceptance of premises in "as is" condition.

Farm II and Highway South are both in good condition. Farm I has a great deal of waste and recyclable materials on site. The Service may remove waste and recyclables to some degree before the new Lessee transitions into use of the grounds and facilities. The Service may also seek to repair critical systems (e.g. water and electrical), subject to availability of funding and capacity.

2. "We have a question about the NPS lease of Farm 2. In the lease it states there will be no water available from the wells for irrigation. Currently, we use the wells to irrigate a portion of Farm 2 each year to grow 20 acres of organic potatoes, a high value crop. There are water permits through the Washington State Department of Ecology (WSDOE) covering the irrigation of Farm 2. The process for perfecting these water rights involves putting the water to beneficial use which we have done by irrigating our potatoes each year. To finish perfecting the water rights it would involve contacting WSDOE and submitting our irrigation data. WSDOE would review the information and either issue a Certificate perfecting the right or ask for more information. If the lease does not allow the use of the wells for irrigation, then the water will not be put to beneficial use and WSDOE would not allow NPS to perfect the water right. Also, WSDOE may decide to rescind the permit if the water is not being used. Without a water permit the land at Farm 2 would be less valuable. Our question is, if we continue the process of perfecting the water rights, at our own expense, would we be able to continue to use the water to irrigate during the term of the lease?"

The Service is open to a Lessee perfecting water rights at its own expense. Water rights would be in the name of the Service not the Lessee, and will remain so as long as the federal government has title to the land. As background, the Washington State Department of Ecology (WSDOE) issued permit #G1-25246P in 1993 to allow appropriation of groundwater from three wells for lands associated with Farm II (EBLA003-21 lease).

The permit provides for: (a) 80.9 acre-feet per year for single domestic water supply, stock watering, manure spreading and irrigation from April through September, and (b) 16.2 acre-feet per year for single domestic water supply, stock watering, and manure spreading from October through March. (A copy of the existing water permit is available upon request).

To “prove up” the water right, the permit requires documenting the actual volume water used, measurement of static water levels twice a year, and concurrent sampling of nitrate and chloride concentrations. A minimum of two years of sampling data are likely needed to provide the baseline needed to seek a water right. The Lessee would complete these requirements at its own expense should the Lessee choose to irrigate. WSDOE may require additional inputs to make its water right determination, which may require additional expense for the Lessee as well.

WSDOE will determine if there is an acceptable, sustainable amount of groundwater withdrawal for the water right that does not affect other parties with more senior water rights. The Service encourages irrigation without use of the groundwater because groundwater-based irrigation is energy intensive and less sustainable compared to relying on crops that do not require irrigation; however it will allow the Lessee to pursue perfecting the Farm II water right with WSDOE.

3. “If NPS secures water right for Farm II lease will we be able to adjust lease terms and take advantage of water?”

Please see response to question #2.

4. “If we replace the missing roof sections at the Farm I loafing shed is that a capital improvement or maintenance?”

Each of the Draft Leases requires the Lessee to accept the premises “as is.” If the Lessee desires to repair or improve the premises, it can do so at the Lessee’s cost and with Service approval. Rent credits for some or all of the cost of repair or improvement projects are possible, and are subject to Service approval and not guaranteed. Please refer to Section 8.1 of the Draft Leases, EBLA002-20, EBLA003-20, and EBLA004-20, describes the Lessee’s responsibility for maintenance of the facilities assigned in the leases.

5. “If we invest in improvements will NPS reduce rent?”

There are no required capital improvements under the terms of the Draft Leases. If an Offeror wishes to propose capital improvements to the premises approval is required by the Service. Rent credits for capital improvements are possible but not guaranteed, and are subject to final lease negotiation and Service approval of the capital improvement project. See each of the Draft Leases, EBLA002-20, EBLA003-20, and EBLA004-20, Section 8.1 for details on maintenance responsibilities of the Lessee.

6. "Is subleasing authorized? Answered yes but NPS must approve?"

Subleases are allowed; however they must be approved by the Service first. See section 14.1 of the Draft Leases, EBLA002-20, EBLA003-20, and EBLA004-20 for information on subleasing.

7. "Is a dairy operation possible at Farm I?"

Yes, agricultural uses such as a dairy would be authorized. Refer to Section 6.1 of the Draft Lease, EBLA002-20, which describes the authorized uses of the premises.

8. "What access will be available to the HWY south property? I understand there may be some access from Main street, but there is a retention pond partially blocking this."

Access to Highway South is possible via SR20 and also via the Service's Main Street parcel, but as noted a retention pond may inhibit large and/or mobility impaired vehicles.

9. "What fixtures of farm 1 are part of the lease? I know that the Engles where claiming ownership of stalls and lockups previously. Do these items and others such as pumps come with the lease?"

Some fixtures and related property are owned by the Engles, the current Special Use Permit (SUP) holder for Farm I, and some are owned by the Service. In 2012 the Service inventoried Farm I fixtures and equipment to clarify property ownership. That inventory identified the following items as the personal property of the current SUP holder:

- Cornell 75hp manure pump
- 20hp manure pump under separator
- 180 Albers headlocks
- All equipment and fixtures in the Old Milking Parlor including stalls
- Five portable buildings including office
- Two floating manure pumps
- Six powder river gates in hay shed and any new gates
- Gasoline tank and two diesel tanks
- Molasses tank (6000 gal) and stand
- 100 ecology blocks

The Service will clarify Engle property ownership during final lease negotiations. Generally speaking, and unless enumerated above, all other equipment and fixtures will be available for use by the Lessee.

10. "What is the situation with the hay barn which sits partially on non-NPS property?"

The Farm I hay barn is partially located on Service land and adjacent private property. A reciprocal easement deed was promulgated on 10/2/2000 which authorizes use and occupancy of the hay

barn, as long as the hay barn remains standing. The Lessee shall be authorized to use the hay barn in accordance with these deed conditions.

11. "Who pays for major improvements, such as a new roof?"

The Lessee is responsible for any desired improvements or repairs on the premises, with Service approval. Rent credits may be considered but not guaranteed, and are subject to Service approval. See each of the Draft Leases, EBLA002-20, EBLA003-20, and EBLA004-20, Section 8.1 for details on maintenance responsibilities of the Lessee.

12. "What is the access to Highway South?"

Access is via state route 20 or via the Service's Main Street parcel, which is partially blocked by a storm water detention pond but still usable for small equipment and possibly larger equipment depending upon dimensions.

13. "Seeking clarification of capital expenditures versus more routine maintenance for actions such as roof and electrical repair. Put another way what is the difference between capital improvements versus repairs and maintenance."

See each of the Draft Leases, EBLA002-20, EBLA003-20, and EBLA004-20, Section 8.1 for details on repair and maintenance and capital improvement responsibilities of the Lessee. Capital improvements can include structures, fixtures, or non-removable equipment. Capital improvements may be undertaken by the Lessee at its expense and with Service approval, but new construction is not allowed under the Draft Leases. Rent credits for capital improvements are possible, but not guaranteed and are subject to Service approval.