

RV PARK EXPANSION AGREEMENT AND LICENSE

This RV Park Expansion Agreement (this “**Agreement**”) between the City of Hermiston, Oregon (“**Hermiston**”), and Amazon Data Services, Inc. (“**Amazon**”), is dated as of the Effective Date (defined on the signature page below). Hermiston and Amazon are each a “**Party**” and collectively, the “**Parties**.”

RECITALS

WHEREAS, Hermiston owns or intends to acquire real property located at or near 1705 E Airport Road Hermiston, Oregon (the “**Site**”), for the development and operation of a recreational vehicle park (the “**Project**”);

WHEREAS, Hermiston will provide and be responsible for the Work (defined in Section 2.1 below) to complete the Project;

WHEREAS, Amazon desires a license to use a portion of the Project comprised of one hundred (100) parking spaces in the locations agreed upon within one hundred twenty (120) days after Amazon’s receipt of the first set of Submittal Documents (defined in Section 2 below), for the parking of vehicles belonging to Amazon’s employees, invitees, visitors, and guests as more specifically set forth herein (the “**Parking Spaces**”);

WHEREAS, Hermiston is willing to grant a license to Amazon to use the Parking Spaces on the terms and conditions set forth herein;

WHEREAS, in exchange for Amazon’s right to use the Parking Spaces, Amazon will contribute Eight Million and 00/100 Dollars (\$8,000,000.00) for the Work; and

WHEREAS, Hermiston and Amazon wish to set forth their understanding and agreement relating to the Project Site selection, Work, Project, Parking Spaces, and the License (defined in Section 4 below).

NOW, THEREFORE, in consideration of the mutual terms and conditions set forth in this Agreement, and for other good and valuable consideration, the receipt of which is hereby acknowledged, the Parties agree as follows:

1. Site Selection.

1.1 Unless the Alternative Site is approved by Amazon pursuant to Section 1.2, the Project Site will be 1705 E Airport Road Hermiston, Oregon, as shown on Exhibit A attached hereto.

1.2 If Hermiston wishes to acquire property adjacent to the Eastern Oregon Trade and Event Center as an alternative site for the Project (the “**Alternative Site**”), Hermiston must identify with particularity the Alternative Site and submit such Alternative Site to Amazon for review and approval no later than August 1, 2025. If Amazon approves the Alternative Site proposed by Hermiston, Hermiston must proceed to close on acquisition of the Alternative Site within one (1) month following Amazon’s written approval of such Alternative Site. If Amazon does not approve

the Alternative Site, Hermiston must proceed with the Project on the initially identified Project Site.

1.3 In either case, Parties shall work together to update and attach a legal description and map showing the location of the Project Site (or Alternative Site, if approved) as Exhibit A to this Agreement no later than September 1, 2025 (“**Final Site Selection**”).

1.4 Amazon shall have no obligation to make any payments prior to Final Site Selection.

2. Construction of Recreational Vehicle Park.

2.1 Hermiston’s Work. Hermiston will provide all design, permitting, labor, materials, equipment, construction, work, and services required to complete the Project, including, without limitation:

2.1.1. Site preparation, grading, clearing, and excavation;

2.1.2. Installation, extension, and connection of all necessary utilities, drainage, sewer, water, electric, gas, and communication lines and connections;

2.1.3. Construction or improvements of roads, parking areas, sidewalks, curbs, and landscaping;

2.1.4. Construction of RV pads, hookups, pedestals, and meters;

2.1.5. Construction of amenities such as restrooms, showers, laundry, clubhouse, and other accessory areas;

2.1.6. Construction of signage, fencing, lighting, and security systems;

2.1.7. Obtaining all necessary permits, licenses, inspections, rezones, and approvals for the Project;

2.1.8. Providing all labor, materials, equipment, tools, and supplies;

2.1.9. Complying with all applicable laws, codes, regulations, and standards;

2.1.10. Coordinating with any contractors or subcontractors working on the Project;

2.1.11. Cleaning up the work site and removing all debris and waste; and

2.1.12. Performing any other work reasonably required by Amazon or any permitting jurisdiction to complete the Project (together, these responsibilities are referred to herein as the “**Work**”).

The Work shall be performed in a good and workmanlike manner, in accordance with the best practices of the industry, Hermiston shall be solely responsible for the quality and safety of the Work and for correcting any defects or deficiencies at its own expense.

2.2 Project.

The Project is to install an RV park of at least 100 spaces available for the parking of vehicles belonging to Amazon's employees, invitees, visitors, and guests that will be licensed to Amazon along with the construction of additional RV facilities available for the use of the Eastern Oregon Trade and Event Center.

2.3 Schedule of Work. Hermiston shall provide the Work pursuant to the Milestone Schedule attached hereto as Exhibit B ("**Milestone Schedule**").

2.3.1. Hermiston shall notify Amazon thirty (30) days before the clearing and grading of the site and/or extension of necessary utilities, which shall be on a date no later than November 15, 2025 ("**Project Commencement Date**"),

2.3.2. Hermiston shall notify Amazon thirty (30) days before the Project will be Substantially Complete, which shall be on a date no later than June 15, 2026 ("**Project Completion Date**"). Amazon shall respond to Hermiston within thirty (30) days either confirming or denying that the Project is Substantially Complete. If Amazon disagrees as to whether the Project is Substantially Complete, it shall specify the deficiencies in the Project rendering it incomplete in such notice. As used herein, "**Substantially Complete**" or "**Substantial Completion**" of the Work shall mean that the Project is sufficiently complete in accordance with the approved plans and specifications for the Project, such that it can be safely and effectively used for its intended purpose by the public and Amazon. This includes, but is not limited to:

- (a) All parking spaces are fully constructed and accessible.
- (b) Utility connections (water, electricity, sewage) are fully operational and compliant with Umatilla County and the City of Hermiston regulations.
- (c) Roadways and pathways within the Project are completed and safe for use.
- (d) Amenities (e.g., restrooms, showers, laundry facilities) are functional and meet health and safety standards.
- (e) The Project has passed all necessary inspections and obtained all required certifications and permits from relevant authorities, confirming that the park meets local, state, and federal regulations.
- (f) Any remaining work is of a minor nature and does not interfere with the use and enjoyment of the Project by its users, a punchlist of these minor items has been prepared, and Hermiston has committed to completing the punchlist items within a specified timeframe.

2.3.3. Hermiston shall promptly notify Amazon of any anticipated or actual delay in the Work and the reasons and remedies for such delay. The Parties shall work together

to reasonably update the Milestone Schedule as necessary to reflect the actual progress, changes, or delays to such schedule.

2.4 Approval of Site Plans; Parking Spaces Location. Hermiston shall timely provide Amazon with the Project site plans, including but not limited to the site plan required to demonstrate compliance with Hermiston Code of Ordinances § 157.147, and any other documents that may have the effect of fixing, modifying or changing the location of the Parking Spaces or impacting the terms of the License (each a “**Submittal Document**” and collectively, the “**Submittal Documents**”), in compliance with the Milestone Schedule. Amazon shall have fourteen (14) days to review and provide written notice of approval or disapproval of the applicable Submittal Document(s). If Amazon delivers written notice of disapproval of the applicable Submittal Document(s), then Hermiston shall resubmit the revised Submittal Document to Amazon within fourteen (14) days after receipt of Amazon’s notice. Once Submittal Documents are fully approved by Amazon, no material changes shall be made to the same that could impact the location of the Parking Spaces or the terms of the License, except with the prior written consent of Amazon. Design and engineering specifications shall be consistent with the City of Hermiston regulations and adequate for Amazon’s operations and use of the Project.

2.4.1. With respect to the initial site plan for the Project, the Parties shall work together to identify the location of the Parking Spaces that will be subject to the License set forth in Section 4. After the initial site plan is finalized in accordance with the process for approving Submittal Documents set forth above, the Parties shall attach a copy of the site plan showing the location of the Parking Spaces as Exhibit C to this Agreement. Unless the parties negotiate, agree, and execute an amendment to this Agreement replacing Exhibit C, the Parties shall not change the agreed-upon location of the Parking Spaces.

3. Amazon Payment Schedule.

3.1 In exchange for Hermiston’s Work on the Project and the License, Amazon shall pay the following amounts directly to Hermiston:

3.1.1. One Million Five Hundred Thousand and 00/100 Dollars (\$1,500,000.00) upon Final Site Selection (“**First Payment**”).

3.1.2. One Million Five Hundred Thousand and 00/100 Dollars (\$1,500,000.00) on the Project Commencement Date (“**Second Payment**”).

3.1.3. Two Million and 00/100 Dollars (\$2,000,000.00) on March 2, 2026 (“**Third Payment**”).

3.1.4. Three Million and 00/100 Dollars (\$3,000,000.00) on the Project Completion Date (“**Final Payment**”).

3.2 Hermiston will deliver documents created or obtained in connection with the Work with full and unrestricted access to all cost control records, procurement records, and purchase orders related to the Work, as Amazon may request from time to time. Hermiston will retain all of the above documents for one (1) year after the Project Completion Date.

3.3 If Hermiston fails to meet any of the milestones triggering the Second or Third Payments and the Parties are unable to negotiate a modification to the amounts or schedule for such payments, Amazon shall not be obligated to make any further payments under this Agreement, except for those payments already made or due for milestones that have been successful completed and approved.

3.4 If Hermiston fails to meet the Project Completion Date due to circumstances or events reasonably within Hermiston's control, the Parties agree that Amazon would suffer substantial damages and that it would be difficult or impossible to ascertain the exact amount of such damages, and that the liquidated damages set forth in this section are a reasonable estimate of each Parties' losses and is not a penalty. Therefore, Hermiston agrees to pay Amazon Two Thousand and No/100 Dollars (\$2,000.00) per day for each day that the Work is delayed beyond the Project Completion Date, as liquidated damages and not as a penalty. Amazon may deduct the liquidated damages from the Final Payment. The liquidated damages provided herein shall be Amazon's sole monetary remedy for delay but shall not preclude Amazon from pursuing other rights and remedies available under this Agreement or applicable law. Circumstance or events that are not reasonably within Hermiston's control include, but are not limited to delays or failures caused by (1) acts of God, natural disasters, war, terrorism, civil unrest, labor strikes, pandemics, or other force majeure events, (2) acts of third parties that are not under Hermiston's direction or control, where such delay or failure could not have been mitigated through the exercise of reasonable care and diligence on Hermiston's part; and (3) any other act, omission, condition or event that Hermiston could not have prevented, avoided, or overcome through the exercise of reasonable care and diligence.

4. License. Upon Substantial Completion of the Work, Hermiston grants to Amazon a temporary and revocable exclusive license ("**License**") for use of the Parking Spaces by Amazon's employees, agents, contractors, invitees, visitors, and guests ("**Amazon Users**") upon the terms and conditions set forth in this Section 4.

4.1 Term. Unless sooner terminated pursuant to the provisions of this Section 4 of this Agreement, the License shall be for a term of ten (10) years, beginning on Substantial Completion of the Project ("**Initial Term**"). Upon expiration of the Initial Term, this License shall automatically renew for successive renewal terms of five (5) years each (each a "**Renewal Term**") and together with the "**Initial Term**" the "**Term**"), unless either Party provides written notice of its intention not to renew at least ninety (90) days prior to the end of the then-current Term.

4.2 Permitted Use.

4.2.1. Amazon Users shall have the same access to and use of the RV park, including all common amenities and services, as any other renter or user who pays a daily or monthly rate, subject to the same rules, regulations, and policies of the Project ("**Permitted Use**").

4.3 Parking Spaces.

4.3.1. As set forth above in Section 2.4, the location of the Parking Spaces shall be mutually agreed upon by the Parties.

4.3.2. Amazon shall have no obligation to ensure the Parking Spaces are occupied during the Term, and Amazon's failure to use the Parking Spaces shall not be deemed an abandonment or vacation and shall not be a breach of this Agreement or give rise to any rights and remedies available at law, in equity, or otherwise; provided however, that Hermiston may rent unoccupied Parking Spaces to non-Amazon Users, subject to an understanding that such rentals shall be strictly on a daily basis, there is no guarantee that the same Parking Space will be available for rental on subsequent days, and the rental term will not be extended if an Amazon User requires use of the Parking Space.

4.3.3. If one or any of the Parking Spaces become unavailable for any reason during the Term, for a time period greater than thirty (30) days, including, without limitation, for maintenance, repairs, or other operational needs, Hermiston shall provide Amazon with the same number of alternate parking spaces for the duration of such unavailability ("Alternate Space(s)"). Hermiston shall make reasonable efforts to notify Amazon in writing at least thirty (30) days in advance of any planned unavailability of the Parking Spaces and the Parties shall mutually agree upon the location of the Alternate Space(s). In cases of emergency or unforeseen circumstances, Hermiston shall, as soon as possible, notify Amazon and provide Alternate Space(s).

4.3.4. During the Initial Term, if a significant number of Parking Spaces, defined as twenty (20) or more Parking Spaces, is repeatedly unavailable for Amazon Users, despite their then-present intent to use the Parking Spaces, indicating a pattern suggesting that this condition is likely to persist for the foreseeable future, Amazon shall give notice of such pattern to Hermiston. If Hermiston is unable to provide long-term Alternate Spaces, the Parties shall promptly meet to agree upon an amended Exhibit C to reflect a reduction in the number of Parking Spaces and Hermiston shall reimburse Amazon the proportionate cost of renting the Parking Spaces that are unavailable, which shall be \$20/day for each unavailable Parking Space for the remaining portion of the Initial Term, starting from the date of Amazon's notice.

4.4 Termination. In addition to opting not to renew the Term within ninety (90) days prior to the end of the Initial Term or applicable Renewal Term, as described in Section 4.1, Hermiston reserves the limited right to terminate the License without penalty if Hermiston determines that the License is no longer consistent with Hermiston's present or planned use of the Project or the public interest; provided however, if Hermiston terminates within the Initial Term, it must reimburse Amazon \$20/day for each Parking Space for the remaining portion of the Initial Term, starting from the date of Hermiston's termination.

4.5 Maintenance and Repairs. Amazon User's use of the Parking Spaces shall be consistent with and equivalent to the rights and obligations of any other renter or user of the Project. Hermiston will retain responsibility to maintain the Parking Spaces in a clean, safe, and operable condition, including making any necessary repairs.

4.6 No Real Property Right. This License does not constitute a real property right.

4.7 Surrender of Possession. Amazon shall, upon the termination of the License, peacefully quit and surrender the Parking Spaces in as good condition as when Amazon took possession, except for reasonable wear and tear and damage by casualty or condemnation.

4.8 Damage or Destruction; Eminent Domain. If any of the Parking Spaces shall be damaged or destroyed by fire or other casualty, or if the whole or any portion of the Parking Spaces shall be taken by any public authority under the power of eminent domain, or purchased by the condemnor in lieu thereof, then Hermiston shall endeavor to provide an equal number of Alternate Spaces.

4.9 Costs and Attorneys' Fees. If there is litigation between the Parties concerning the License (including any litigation or other proceeding in Bankruptcy Court), the prevailing Party shall be entitled to recover from the losing Party the cost and expenses of such action, including reasonable collection fees, attorneys' fees, and court costs, including but not limited to those incurred at and in preparation for discovery (including depositions), arbitration, trial, appeal, and review.

4.10 No Third Party Beneficiaries; Employees. This License and its terms and provisions are between Hermiston and Amazon only. Nothing herein shall or is intended to confer upon any person other than the Parties any rights, remedies, obligations, or liabilities. Notwithstanding the foregoing, the Parties acknowledge that during Term, the Project will be occupied by invitees of each Party and that each Party's invitees will be entitled to the use and enjoyment of all shared facilities located on the Project.

5. **Notices.** All notices for this Agreement, including the License, will be given in writing, will refer to this Agreement, or License, if applicable, and will be personally delivered or sent by registered or certified mail (return receipt requested) to the addresses and recipients set forth on the signature page. Any Party may, from time to time, change its notice address by giving the other Party notice of the change in accordance with this Section.

6. **Indemnification.** Each Party (the "**Indemnifying Party**") agrees to indemnify, defend and hold harmless the other Party and such other Party's mortgagees, lenders, officers, employees and agents (the "**Indemnified Party**") against any and all losses, direct or indirect damages (including consequential damages), claims, expenses, and other liabilities, including, without limitation, attorneys' fees, resulting from or arising out of (i) any negligent act or negligent failure to act on the part of the Indemnifying Party or anyone else engaged in doing work for the Indemnifying Party, or (ii) any breach of this Agreement by the Indemnifying Party. This indemnification shall not apply to losses, damages, claims, expenses and other liabilities to the extent caused by any negligent or willful act or omission on the part of the Indemnified Party. In no event shall Amazon or any of its members, officers, directors or employees be liable (in contract or in tort, involving negligence, strict liability, or otherwise) to any other Party or their contractors, suppliers, employees, members and shareholders for indirect, incidental, consequential or punitive damages resulting from the performance, non-performance or delay in performance under this Agreement. **6.**

Insurance. During construction, Hermiston will carry, or cause its contractors or consultants to carry, commercial general liability and worker's compensation insurance for all of its employees working at the Project in accordance with the laws of the State of Oregon. For evidence of Amazon's policies, Hermiston is directed to Amazon's memorandum of insurance at

www.amazon.com/insurance. Each Party waives its right against the other for any of, or damage to, the waiving Party's property (including any right to recover any deductibles or self-insured retentions), to the extent the loss or damage is or would be covered by the insurance required above, except to the extent the loss or damage arises from the gross negligence or willful misconduct of the non-waiving Party (or anyone acting under or on behalf of the non-waiving party). Each Party will cause its insurance company to waive any subrogation rights for property damage.

8. Waiver. All rights and remedies set forth in this Agreement are cumulative, non-exclusive, and in addition to such other rights and remedies as may be available at law, in equity, or otherwise. No delay in enforcement or failure by a Party to insist on strict performance of any term or condition of this Agreement will be deemed a waiver thereof, or a waiver of any right to performance of the same or any similar or other term or condition in the future; without limiting the foregoing, any waiver must be in a writing signed by such Party to be enforceable.

9. Successors; Amendment. Subject to any assignment, this Agreement will be binding upon Hermiston and Amazon and their representatives, successors, and assigns, jointly and severally, and will inure to the benefit of Hermiston and Amazon and their representatives, successors, and assigns. No amendment to, addition to, or other modification of this Agreement will be admissible, enforceable, or effective unless it is set forth in a writing duly executed by the Party against whom the amendment, addition, or other modification is sought to be enforced.

10. Assignability. Neither Amazon nor Hermiston may assign this Agreement without the written consent of the other Party, except that Amazon may, without the consent of Hermiston, assign this Agreement (i) to any of its affiliates, or (ii) in connection with any merger, consolidation, reorganization, sale of all or substantially all of its assets, or any similar transaction.

11. Warranties and Disclaimers. Each of the undersigned represents and warrants that they are authorized to enter into this Agreement and bind Hermiston or Amazon, as the case may be, to the terms and conditions hereof, and that upon mutual execution and delivery, this Agreement will be binding upon and enforceable against Hermiston and Amazon in accordance with its terms. Amazon will not provide and expressly disclaims any warranty or guarantees for the design, construction, operation, and performance of the Project. Hermiston acknowledges that it has not relied in any way upon Amazon to design, construct, or operate the Project.

12. Confidentiality. Hermiston will comply with its Nondisclosure Agreement dated February 8, 2008 with the understanding that this document will be a public document and subject to all Oregon Public Record Law.

13. Interpretation; Incorporation of Recitals and Exhibits; No Severability; Counterparts. The headings used in this Agreement are strictly for convenience and may not be considered in interpreting this Agreement. Words in this Agreement that impart the singular connotation will be interpreted as plural, and words that impart the plural connotation will be interpreted as singular, as the identity of the Parties or objects referred to may require. The words "include," "includes," and "including" mean include, includes, and including "without limitation" and "without limitation by specification." The words "hereof," "herein," and "hereunder" and words of similar import refer to this Agreement as a whole and not to any particular provision of

this Agreement. Any provisions of this Agreement prohibited or rendered unenforceable by any law shall be ineffective only to the extent of such prohibition or unenforceability without invalidating the remaining provisions of this Agreement. In such event, the remainder of this Agreement will remain valid and enforceable. Upon such determination that any term or other provision is prohibited or rendered unenforceable, the Parties will negotiate in good faith to modify this Agreement so as to maintain the original intent of the Parties as closely as possible in an acceptable manner to the end that rights and obligations contemplated under this Agreement are fulfilled to the greatest extent possible. Nothing in this Agreement will be interpreted to create any right or liability with respect to any person or entity not a signatory to this Agreement. The Parties incorporate by reference the Recitals set forth above and the Exhibits attached hereto, all of which are made a part of this Agreement with the same force and effect as though fully set forth herein. This Agreement may be executed in counterparts and delivered electronically.

14. Termination. Unless otherwise specified in this Section 4, this Agreement will automatically terminate two (2) years following Substantial Completion of the Work. If either Party defaults in fulfilling the conditions or terms of this Agreement, the non-defaulting Party may, at its option, terminate this Agreement, and all obligations of the Parties will cease and terminate except where such rights, license, privileges, and obligations expressly or impliedly survive termination; provided, however, that the Parties agree to attempt to mutually resolve disputes prior to terminating the Agreement, including through amendments or exhibits thereto. Notwithstanding anything to the contrary herein, the License shall be operative and survive the expiration or earlier termination of this Agreement and termination of the License shall specifically be governed by Section 4.

15. Waiver of Consequential Damages. Notwithstanding any provision in this Agreement to the contrary, neither Party will be liable to the other Party for consequential damages, such as lost profits or interruption of the other Party's business.

16. Governing Law; Venue. This Agreement is governed by the substantive applicable laws of the State of Oregon, excluding its conflicts of law provisions. Any dispute arising under, in connection with, or incident to this Agreement or about its interpretation will be resolved exclusively in the state or federal courts located in Umatilla County, Oregon. Each of the Parties irrevocably submits to those courts' venue and jurisdiction. The Parties waive all defenses of lack of personal jurisdiction and forum non-conveniens. A final judgment in any such suit or action may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by applicable law.

17. WAIVER OF JURY TRIAL. AMAZON AND HERMISTON WAIVE ANY RIGHT TO TRIAL BY JURY OR TO HAVE A JURY PARTICIPATE IN RESOLVING ANY DISPUTE, WHETHER SOUNDING IN CONTRACT, TORT, OR OTHERWISE, BETWEEN COUNTERPARTY ARISING OUT OF THIS AGREEMENT OR ANY OTHER INSTRUMENT, DOCUMENT, OR AGREEMENT EXECUTED OR DELIVERED IN CONNECTION HERewith OR THE TRANSACTIONS RELATED HERETO.

[Signature Page Follows]

Hermiston and Amazon have executed this Agreement on the dates set forth below, to be effective as of the later of the dates shown below (the “**Effective Date**”).

HERMISTON:

AMAZON:

By _____
Print Name _____
Its _____
Date Signed: _____

By _____
Print Name _____
Its _____
Date Signed: _____

To Hermiston:
City of Hermiston
Attention: Byron Smith/City Manager
180 NE 2nd Street
Hermiston, OR 97838

To Amazon:
c/o Amazon.com, Inc.
Attention: Real Estate Manager (AWS)
(PDX202)
P.O. Box 81226 Seattle, WA 98108-1226

With a copy of legal notices to:
City of Hermiston
Attention: City Attorney
180 NE 2nd Street
Hermiston, OR 97838

With a copy of to:
c/o Amazon.com, Inc.
Attention: General Counsel (AWS Real Estate)
(PDX202)
P.O. Box 81226 Seattle, WA 98108-1226

With copies to:
legal-us-realestate@amazon.com

Exhibit A

Legal Description and Map of the Project Site

[TO BE INSERTED]

Exhibit B

Milestone Schedule

August 1, 2025	Last Day for Hermiston to propose Alternative Site
September 1, 2025	Last Day for Hermiston to close on the Alternative Site (if approved), and for Parties to update and finalize Exhibit A (Site Legal Description and Map)
May 13, 2025	Begin Full Design Engineering
	Hermiston to provide Amazon the draft Site Plan for review
	Parties to finalize Site Plan, including identifying of Amazon Parking Spaces and attach as Exhibit C [120 days after draft is provided]
September 1, 2025	Release Bid Documents
October 27, 2025	Select/Approve Contractor
November 15, 2025	Begin Construction
June 15, 2026	Complete Construction

Exhibit C

Site Plan, Including Identification of Amazon Parking Spaces

[TO BE INSERTED]