PORT OF ANACORTES &

P.O. BOX 297 / ANACORTES, WASHINGTON 98221-0297 U.S.A. / TELEPHONE (206) 293-3134

MAINTENANCE AGREEMENT BETWEEN PORT OF ANACORTES AND FRONTIER INDUSTRIES

THIS AGREEMENT, made the first day of November, 1985, is by and between the Port of Anacortes, hereinafter called "Port", and Mike Johnson d.b.a. Frontier Industries Inc., a Washington Corporation, hereinafter called "Frontier". Either party, at its option may terminate this Agreement by giving written notice to the other party at least thirty (30) days prior to such termination.

Whereas, Frontier has knowledge and expertise with regard to heavy equipment, maritime activity, marine terminal operation, timber lands, timber harvesting and log exports, and the Port is in need of such expertise and knowledge, and

Whereas, it is the desire of the Port that Frontier act as a consultant for such purposes, and

Whereas, Frontier will provide maintenance and repairs to Port equipment and facilities so designated by Port staff. Each maintenance or repair activity will be scheduled upon receipt of written or oral notice to Frontier by the Port. Any and all parts purchased by Frontier for such maintenance or repair activity shall be billed to the Port at cost with no markup on the purchase by Frontier. Frontier shall provide appropriate documentation of parts purchases wherever possible. Frontier shall provide estimates of the cost of maintenance and repair activity by either oral or written communication to Port staff whenever possible, prior to such activity.

COMPENSATION. The Port, upon execution of this agreement, agrees to pay Frontier Twenty Four (\$24.00) dollars per man hour for such work done at the request of the Port. Frontier shall bill the Port for expenses incurred due to travel and subsistence related to such work. The actual work shall be done by Mr. Mike Johnson, or by such other employees of Frontier, or subcontractor designated by Frontier and the Port, as such work is approved of in advance by the Port.

IN WITNESS WHEREOF, the parties have executed this agreement on the day and year first written above.

For Frontier Industries

For Port of Anacortes

DON CHILDS COMMISSIONER TOM KASSLER COMMISSIONER

KEN THIBERT

JOSEPH E. BAIER EXECUTIVE DIRECTOR