Washington State Department of Agriculture

2026 Supplemental Capital Request

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Washington State Department of Agriculture

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STATE OF WASHINGTON
DEPARTMENT OF AGRICULTURE
P.O. Box 42560 • Olympia, Washington 98501 • (360) 902-1800

DATE: September 15, 2025

TO: K.D. Chapman-See, Director
Office of Financial Management

FROM: Derek I. Sandison, Director DIS

SUBJECT: 2026 Supplemental Operating Budget

Attached please find the Department of Agriculture's 2026 Supplemental Operating Budget submittal. This supplemental session we have limited our requests to our highest priority needs to meet core agency activities.

We have one critical pest eradication request and two critical cannabis related maintenance requests focused on protecting human health, along with two placeholder requests. Our top ask continues to be Japanese Beetle eradication in Central Washington (and now SeaTac in King County). The threat to our $12.8 billion agricultural industry is significant if work is not done to prevent future spread of this pest. While current funding is sufficient for spongy moth eradication, additional resources may be needed if federal support declines or infestations increase. Similarly, our rapid response team in the food safety division is at risk of losing federal funding in 2026, which may require state support to maintain statutory protections for human and animal food supplies.

In addition, we are submitting a capital budget request to replace the aging facility that houses our fruit tree certification lab at Washington State University (WSU), Prosser campus. Building a new lab on the Prosser campus, with industry and local financial support, will provide a long-term, cost-effective solution that ensures continued collaboration and service to Washington's agricultural industry.

We appreciate the opportunity to submit this information and look forward to working with you and your staff in developing the budget recommendation to the Governor.

cc: Matthew Hunter
Jason Ferrante
Natasha Roberts

OFM

495 - Department of Agriculture
Ten Year Capital Plan by Project Number
2025-27 Biennium
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Version: 1B WSDA Capital 2026 Supp Budget

Report Number: CBS001
Date Run: 9/15/2025 1:28PM

Project by Project Number

Project by Account-EA Type	Estimated Total	Prior Expenditures	Current Expenditures	Reapprop 2025-27	New Approp 2025-27	Estimated 2027-29	Estimated 2029-31	Estimated 2031-33	Estimated 2033-35
40000002 WSDA Plant Services Lab, Prosser									
057-1 State Bldg Constr-State	10,980,000				2,186,000	8,794,000			

Total Account Summary

Account-Expenditure Authority Type	Estimated Total	Prior Expenditures	Current Expenditures	Reapprop 2025-27	New Approp 2025-27	Estimated 2027-29	Estimated 2029-31	Estimated 2031-33	Estimated 2033-35
057-1 State Bldg Constr-State	10,980,000				2,186,000	8,794,000			

Project Number: **40000002**
Project Title: **WSDA Plant Services Lab, Prosser**

Description

Project Phase Title: Prosser Lab Design Phase
Starting Fiscal Year: 2026
Project Class: Program Improvement (State-Owned)
Agency Priority: 0

Project Summary

WSDA is proposing to begin the Design Phase of building a new 6,200 square foot laboratory building on land WSDA currently leases from Washington State University (WSU) on the Irrigated Agriculture Research & Extension Center (IAREC) campus in Prosser, Washington. The proposed laboratory building would provide a new safe structure and combine several existing lab and office spaces spread apart currently in old worn-out buildings on this same campus. A DES evaluator noted one of the buildings currently housing the plant pathology labs was in such poor condition that DES would move to condemn the structure if WSDA was not actively planning a new facility. This laboratory arm of WSDA's Plant Services Certification Programs is an essential component of monitoring and preventing pest and disease outbreaks within the multi-billion-dollar tree-fruit, grape, potato and other agricultural industries in Washington State.

Project Description

Identify the problem or opportunity addressed. Why is the request a priority? This narrative should identify unserved/underserved people or communities, operating budget savings, public safety improvements or other backup necessary to understand the need for the request. For preservation projects, it is helpful to include information about the current condition of the facility or system.

Background:
The proposed new lab building will replace the current outdated and unsafe lab and office spaces housing various parts of the WSDA Plant Services Program currently housed in old WSU buildings from the 1940s-1950s on IAREC. These labs support the viability of Agriculture in Washington State. A new properly designed and organized lab and office space is needed to maintain the integrity of these labs and their essential functions to support agriculture, a major driver of the economy in Washington State. The labs described in more detail below include the WSDA nematology lab, plant pathology and molecular analysis labs that test for pests, viruses, and diseases in plants that provide clean plant materials for orchards and cropland across the state. We will describe the services provided to Washington, the problem and why this request is a priority in this section.

Fruit Tree Certification Program, labs, greenhouse and orchard history
Healthy, disease-free planting stock is recognized as the cornerstone of Washington's $2.45 billion apple, pear, and cherry fruit production system (production values from 2023 USDA National Agriculture Statistics Service (NASS) . The Washington State Department of Agriculture (WSDA) Fruit Tree Certification Program (established in Chapter 15.13 Revised Code of Washington (RCW)] has a long history of service to the fruit tree nursery industry of Washington State. WSDA's Fruit Tree Certification Program has been co-located at the WSU IAREC campus since 1955.
To ensure healthy planting stock, WSDA collaborates with Washington State University (WSU) and the federally funded Clean Plant Center Northwest (CPCNW) at IAREC. The CPCNW is a National Clean Plant Network center that maintains virus-tested fruit trees in foundation blocks (defined below) . Close communication and collaboration between the WSDA, WSU, and CPCNW scientists is required to maintain virus free foundation plants. Maintaining clean foundation plants is essential to the Washington State Tree Fruit Industry and its economic viability for domestic and international trading. In recognition of this partnership, WSU has extended WSDA's current long-term lease of 7.5 acres on IAREC land, (H-8 lease) through June 30, 2036. This lease will be updated to provide long-term viability of this new lab to be built here and provide these needed facilities for WSDA Plant Services mission. The H-8 property also houses the WSDA fruit tree indexing greenhouse (approximately 5,000 ft.2), equipment storage building, and seed tree orchard.
The CPCNW Foundation tree blocks are the virus-tested and certified original trees managed by the CPCNW, which supplies nurseries with clean registered plant materials. Registered nurseries use these plant materials to create their own on site mother block trees. These mother block trees serve as the budwood source for millions of certified grafted fruit trees planted in commercial orchards each year.
WSDA-certified trees give Washington growers access to foreign markets for nursery stock, which must meet rigorous international pest freedom requirements. Our program is unique among state departments of agriculture, with only three other

Description

states having similar certification programs (OR, CA and SC). We are part of an interdependent, regional certified nursey system, sharing clean rootstocks with Oregon and California certification programs. The plant pathology and molecular labs map, monitor, test, and index over 90,000 registered mother trees held at nurseries around the state. Our program is funded entirely by assessments on sales of fruit trees by Washington growers, who are deeply engaged in the long-term success of the program.

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Plant Services Nematology Lab
Of equal importance is WSDA's nematology laboratory, which currently serves the state's potato industry, but could also provide these services to other crops as needed in the future. Washington state is the second leading producer of potatoes in the nation producing over 100 billion pounds per year, and the industry relies on the WSDA nematology lab to meet both domestic growing standards, and export market requirements. Commercial seed potato growers in Washington are required to plant certified seed potatoes under Chapter 16-482 Washington Administrative Code (authorized under Chapter 17.24 RCW). The WSDA seed potato certification program provides clean planting stock and ensures tubers are free from nematodes, which can spread disease and destroy fields for years. Commercial potato growers must certify their crops are free from nematodes when shipping to Canada, Mexico and other international destinations. The WSDA nematology lab tests potato fields to provide this certification . The production value of the potato industry in Washington is approximately $1.16 billion (2023 USDA NASS) annually , and the net economic value for processing, employment and related industries is much greater. WSDA's nematology lab plays a pivotal role in the success of the potato industry, and they have voiced strong support for a new WSDA lab/office building on IAREC campus. Seed crop growers, grain shippers, nurseries and forest products exporters also rely on the WSDA nematology lab.

Problem:

Currently, WSDA Plant Services staff are housed in leased lab and office space in Hamilton Hall (circa 1950's) and the East Building (1940's era warehouse building not intended to support staff) on IAREC. Major inefficiencies, and safety issues are present in the current facilities. A Washington Department of Enterprise Services (DES) evaluation of the East Building in 2024 noted the partially finished structure dating to the 1940s lacks sufficient lighting, egress signage, guard rails on low sloping roofs and missing ground fault circuit interrupter (GFIC) outlets, which are required for electrical code and an essential safety requirement for a wet lab. The building has exposed plumbing throughout and lacks ceilings in passageways. Mold is present in lab storage areas, and the building is not ADA compliant. The DES evaluator noted the East Building was in such poor condition. DES would move to condemn the structure if WSDA was not actively planning a new facility (DES Evaluation and multiple photos of Hamilton Hall and East Building lab and work areas attached).

The East Building houses the WSDA nematology lab, and plant pathology and molecular analysis labs, which tests for pests, viruses, and diseases in plants. These labs support the needs of the fruit tree, wine grape, potato, and nursery industries. The agency's molecular lab, sited in Hamilton Hall, faces challenges as well. It is very small (approximately 250 square feet), with no room for adding workstations or upgraded equipment. Due to inadequate counter space, key lab equipment must be stacked on top of each other. The lab needs counter space for sample preparation, spacing between lab analysis equipment for safety and heat distribution, and adequate air filtration and separation of processes to reduce risk of sample contamination. The wiring in Hamilton Hall is insufficient for modern lab equipment, deep freezer, temperature sensitive sample storage, computers, and testing devices.

WSDA's offices, labs and the indexing greenhouse on the Prosser campus are scattered across hundreds of yards and require a significant amount of staff time walking, carrying materials and plants, tracking down supplies in multiple storage areas squirreled wherever there's a little spare storage space which creates gross inefficiencies and worker safety issues. Many hours are spent in transit rather than allowing for more time for lab analyses, QA/QC (quality accuracy and quality control), sampling and caring for indexed trees.
The currently leased office spaces are in very old WSU buildings that are not wired for direct access to WSDA's network. Thus,

Description

WSDA staff must rely on third party software (CITRIX) to provide a secure software platform for remote access to WSDA's network, which makes the network slow and makes communication and file access difficult and inefficient. By combining all workspace into one lab/office building, wiring for WSDA local network and WATECH access we expect a significant increase in staff safety, productivity, organization, data security and customer service for our client nurseries and industries.

What will the request produce or construct (i.e., predesign or design of a building, construction of additional space, etc.)? When will the project start and be completed? Identify whether the project can be phased, and if so, which phase is included in the request. Please provide detailed cost backup.

We are submitting the total estimated costs for the project to build WSDA's Plant Services plant certification labs on the WSU IAREC campus. However, this 2026 supplemental request is only requesting the initial funding for the design phase of this project. To date WSDA has already invested approximately $85,000 in the pre-design phase, utilizing fruit tree nursery assessment local funds (RCW 15.13.310 and WAC 16-401-050).
The funding requested will allow WSDA to maintain momentum to complete the build in a reasonable amount of time within near-to-current estimated costs. WSDA will submit an updated request next year for the 2027-29 biennium to continue with the construction phase and completion of this build by end of FY29 or the following biennium at latest, assuming a lack of delays. Please see the C-100 for the detailed costs and timeline.

Scott Hulbert, Acting Dean of WSU's College of Agriculture, Human and Natural Resource Sciences (CAHNRS) has approved WSDA's plan to build this new building on the land WSDA currently leases from the WSU IAREC in Prosser. He understands that this means WSU will eventually own the building, but that WSDA will fund and oversee its construction through this capital request. New leasing requirements will be worked out collaboratively between WSU and WSDA during or after the design and/or construction phase of this process.
How would the request address the problem or opportunity identified in question 1? What would be the result of not acting?
The new lab/office space would provide WSDA staff with a safe and efficient workspace to perform critical services for multiple industries. Adequate and efficient lab space would allow WSDA to meet the present and future diagnostic needs of a wide variety of industry stakeholders that rely on the agency for certification of their agricultural products, including fruit trees, potatoes, seed crops, grains, forest products, and more.

For example, WSDA is helping Washington's cherry growers combat Little Cherry Disease, which has caused market losses of approximately $115 million to date for cherry growers. The disease is best addressed through clean planting stock, which places the WSDA fruit tree certification program at the center of the solution. Starting in 2026, WSDA will be required to conduct annual molecular testing of 3,000 mother trees in the certification program for Little Cherry Disease. This massive increase in molecular testing is barely possible in our current space. The program also tests 9,000 samples for other pathogens. Consolidating, modernizing and expanding our labs is key to helping cherry growers in Washington, and will also benefit other agricultural industries and exporters.
The result of inaction could lead to WSDA's current plant services lab space being condemned by the DES. If this were to happen, the nematology lab, pathology lab, and the molecular lab prep space would have no place to operate, because the IAREC station is already at full capacity. The labs would need to shut down while WSDA finds new space for them, making certification of fruit tree and other plant materials required in RCW 15.13 and RCW 15.14 impossible.

What alternatives were explored? Why was the recommended alternative chosen? Be prepared to provide detailed cost backup. If this project has an associated predesign, please summarize the alternatives the predesign considered.
WSDA considered renovating the East Building at the WSU Prosser IAREC station where the current nematology lab, plant pathology lab and molecular prep space are housed. The Department of Enterprise Services (DES) completed an evaluation/feasibility study of that structure in 2024. The DES report assessed the condition of the foundation, the walls, the HVAC system, plumbing, and electrical systems, and identified several health and worker safety issues needing attention. The partially finished structure dates to the 1940s; based on initial date of construction, asbestos may be present in the flooring and pipe insulation, which would require removal and abatement.

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The DES report provided a cost estimate to renovate and construct a modern lab and office space in the East Building, noting it would be comparable to the cost of constructing an entirely new building.
From the DES report (Conclusion, page 13):
"…To meet the requirements of the proposed occupancy and current building codes, alterations to the building will be substantial. Principal systems requiring replacement and upgrade are the HVAC system and building exterior shell including vapor barriers and insulation. Costs for the alteration should be anticipated to be on the order of magnitude similar to constructing an entirely new building."
"…The mechanical system will need to be replaced in its entirety. Extensive modifications and hazardous materials abatement will be required to make the building suitable for the intended laboratory use.
The lower floor is constrained by three below grade walls and difficult to arrange for the proposed program. Below grade walls do not have accommodation for natural light and means of egress. The condition limits the arrangement for spaces to meet program requirements."
Although a C-100 was not completed for this alternative, The full DES report is attached.

Other alternatives the agency considered:
1. *Moving into a different building on the WSU Prosser IAREC campus*
The campus is already at full capacity and there is no extra building space available, so this is not a viable option.

2. Moving to a vacant building at a WSU-owned property in Othello, Washington
All of WSDA's plant services certification work depends on efficient daily access to the mature foundation blocks of trees and seed orchards at IAREC. They also depend on daily access to the WSDA owned and operated 5,000 square foot, state-of-the-art, bio-indexing greenhouse (built in 2015 using $500,000 of funds from the fruit tree certification program) at IAREC that is part of the CPCNW.
Although WSU has another property in Othello that might have space to house a new lab building, it would be virtually impossible to run the labs in Othello, while the greenhouse and foundation tree blocks remain at IAREC. Re-establishing new mature seed orchards at the Othello research property would take over 20 years and would cost many millions of dollars. Additionally, the cost to rebuild the recently built bio-indexing greenhouse would likely cost more than the original $500,000, a waste and duplication of already expended state dollars. Lastly, establishing the labs in Othello would require management of two separate spaces, increasing the number of FTE's to maintain all of the plants and transport plants and samples constantly across the over 70 miles one way between sites. Establishing a new orchard costs up to $30,000 per acre. Then there is the new annual cost for 20 years of irrigating, fertilizing, providing pest control, thinning, pruning and harvesting of two seed orchards until the new orchard is viable to replace and serve as the new foundation block. The costs and risk to Washington agriculture to attempt to move the foundation block and greenhouse away from CPCNW and IAREC would be astronomical. In addition, given today's erratic and unpredictable markets, increasing drought conditions, water shortages, and increasing invasive pest populations make this alternative inviable.

Which clientele would be impacted by the budget request? Where and how many units would be added, people or communities served, etc.
A new lab and office facility at the Prosser WSU campus would benefit Washington state nurseries and tree fruit growers, the wine grape industry, potato growers, and other agricultural producers who depend on certified disease-free and pest-free plant material.

WSDA's fruit tree certification program monitors and tests 90,000 registered mother trees at certified nurseries that supply growers, helping to sustain the $2.45 billion apple, pear and cherry fruit industry. Grapevine certification stock ensures healthy stock to support the success of Washington's wine grape producers, and the economic benefits they provide to the state. The annual economic impact of the potato industry in Washington is estimated to be $1.2 billion while employing 12,500 people. WSDA's nematology lab plays a pivotal role in the success of the potato industry, and they have voiced support for a new WSDA lab/office building on the WSU Prosser IAREC campus in a letter attached to this proposal..
Revitalizing WSDA's lab and office space at the WSU Prosser IAREC station would also benefit the Prosser/Grandview/Sunnyside communities. Five full-time permanent employees that live locally in Benton County staff the WSDA Fruit Tree Certification Program. In addition, WSDA employs local residents during the peak workload of the summer season. Typically, 5-7 young people from the nearby communities fill these seasonal jobs, where they assist in the collection

Description

and preparation of 12,000 fruit tree samples for testing. These are considered high quality summer jobs, where young people are introduced to scientific concepts such as fruit tree virology and how to work in field and laboratory settings. Having a modern, safe and adequate lab building would improve the experience for younger seasonal employees and keep them interested in the possibilities of working in a scientific and/or agricultural field.
WSDA program staff often engage in Prosser community events, such as setting up display tables at an annual Halloween event for local youth. Children can look through a WSDA microscope at nematodes and see their resemblance to “monsters.” This popular event is something the community looks forward to and it presents WSDA an opportunity to introduce local youth to science and science careers.

WSDA also regularly hosts high school groups who tour the greenhouse and labs. We explain Washington state agriculture, show the work that our laboratories do, and hopefully inspire them to want to learn more. Having a modern, consolidated lab space would only enhance these opportunities to engage with the local communities.

D**oes this project or program leverage non-state funding? If yes, how much by source? If the other funding source requires cost share, also include the minimum state (or other) share of project cost allowable and the supporting citation or documentation.**
The WSDA Fruit Tree Certification Program spent approximately $85,000 in local funds for a feasibility study, pre-design and architectural estimates to build a new lab/office building at the WSU Prosser IAREC station. These local funds, collected under WAC 16-401-050 (authorizing statute- RCW 15.13.310), support the certification program through an annual assessment of one percent on the gross sale price of the wholesale market value for all fruit trees, fruit tree related ornamental trees, fruit tree seedlings and fruit tree rootstock sold within the state or shipped from the state by any licensed nursery dealer. The Fruit Tree Certification fund has a balance of approximately $2.3 million as of July 2025. If the fund retains this healthy balance, WSDA believes it could contribute at least $500,000 towards this lab build project. This contribution estimate is based on the recent loss of two key nurseries and the unpredictability of agricultural commodity markets. The program will contribute all they can, but have to reserve enough to maintain current staffing and program core duties from this funding as well.

The Washington State Potato Commission has offered to work with other agricultural entities to raise funding for this new WSDA Plant Services lab on the Prosser campus. Tree fruit growers, nurseries, and exporters and potato growers in Washington state all recognize the critical work that WSDA’s nematology and fruit tree certification programs do to support their industries.

Describe how this project supports the agency’s strategic master plan or would improve agency performance. Reference feasibility studies, master plans, space programming and other analyses as appropriate.

The construction of a new WSDA lab/office space at the WSU Prosser IAREC station aligns with the WSDA Strategic Plan in multiple areas:

<u>WSDA Mission:</u>
Serve the people of Washington through protection, preservation and enhancement of Washington’s agricultural economy. Through service, regulation and advocacy, the Washington State Department of Agriculture supports the equitable viability and vitality of agriculture for current and future generations of Washingtonians.
A new WSDA Plant Services Lab would give the agency capacity to test hundreds of thousands of registered mother trees in a safe and modern facility, and expand testing for little cherry disease, using the latest scientific techniques. Ensuring that tree fruit and grapevine growers have access to healthy, virus-tested planting stock, and potato growers can certify crops to be free of nematodes for export supports the viability of Washington Agriculture.

WSDA’s plant services lab actively engages with the community, providing seasonal employment opportunities, community

Description

engagement events, and collaboration with local schools to share knowledge and career inspiration.

WSDA Values:
1. *Agencywide values linked to the work we do*
2. Collaborative, respectful and diverse partnerships.
A new, modern and safe lab/office space on the WSU Prosser IAREC campus would allow WSDA to continue its close partnership and collaboration with WSU scientists and staff, and the federally supported CPCNW. This collaboration is valuable for the production of clean, healthy planting stock for the tree fruit, grapevine and hops industries in Washington. Growers using WSDA-certified plant material have an advantage in the marketplace, since using virus-tested, disease-free material can result in longer lasting, more productive orchards, vineyards and hop yards that require less pest management over time.

WSDA's certification program is unique among state departments of agriculture, with only three other states having similar certification programs. We are part of an interdependent, regional certified nursery system, sharing clean rootstocks with Oregon and California certification programs.

WSDA Principles: *The nature of what we do*
- Use timely and relevant science and data to make informed decisions.
- Anticipate the future through innovative approaches.

A new lab/office space in Prosser would allow WSDA to meet the current and future needs of agricultural industry, while applying the latest testing technology in the field of plant virology. The WSDA labs are not currently able to incorporate new technology such as High Throughput Sequencing and are struggling to carry out molecular testing due to inadequate and dispersed lab space. The tree fruit, grapevine, potato, and other agricultural industries that rely on WSDA for pest and disease testing expect the agency to use the best available science to detect virus and nematode pathogens, and to evolve and shift practices as new technology becomes available. Historically, WSDA has collaborated with WSU on research, and has also undertaken its own experiments in virology to better understand insect vectors and seed to tree virus transmission pathways. It's critical that WSDA's lab space supports continued collaboration and best available science for molecular, plant pathology, and nematode analysis.

WSDA Priority 1: *Ensure Washington's Agricultural System is Equitable, Resilient, and Prosperous*

- Support the health and viability of Washington's food and agricultural businesses.
- Strengthening the economic viability of small and diversified farms and ranches.
- Provide phytosanitary certifications to increase both domestic and international export of many plants.

The WSDA Prosser labs clearly contribute to the health and viability of agricultural businesses in Washington. As noted, the tree fruit, grapevine, hops and potato industries all depend on WSDA testing their crops for virus and nematode pathogens to meet domestic and international plant health standards. Many export markets for these crops require freedom from systemic pathogens, which can only be met through testing by a regulatory agency, such as WSDA. The agricultural industries that WSDA serves are large in total economic importance, but are made up of hundreds of smaller, family-owned farms. This is especially true for the nursery businesses that WSDA works with. All of the certification and testing work that WSDA does in Prosser, contributes to the economic viability of these small family farms and nurseries.

WSDA Priority 4: P*rotect Washington's Animals and Plants from Invasive Species and Diseases*

- (4.5) Protect Washington's plant products by preventing the establishment of high-risk invasive insects, terrestrial insects and snails, plant diseases and noxious weeds.

Project Number: **40000002**
Project Title: **WSDA Plant Services Lab, Prosser**

Description

Plant protection is why the WSDA labs and certification programs at the WSU Prosser IAREC station exist. Protection of fruit trees, grapevines and potatoes through certification and testing, allows growers to produce crops that are free of pests and systemic pathogens which can cause significant economic damage. A new, modern lab that is capable of detecting the latest pathogens is an essential next step for WSDA to continue fulfilling our mission to maintain a viable agricultural industry in Washington.

WSDA Priority 6: *Attract, Inspire and Retain an Engaged and Diverse Agency Workforce*

- (6.4) Prioritize employee health and safety and take concrete steps to support employee wellness and mental health.

The current lab and office space within the East Building on the WSU Prosser IAREC campus is in poor condition and creates health and safety concerns for employees, as described previously. This proposal is the first step in working to build a workspace that meets building code requirements, Americans with Disabilities Act (ADA) accessibility requirements, and National Institutes for Occupational Safety and Health (NIOSH) requirements for laboratory facilities safety.

This is also one of the reasons not described above for why the alternative worksite at WSU's Othello campus would not be feasible. If operations were to be relocated to Othello, which is over 70 miles from Prosser, this would risk a loss of retention for the highly skilled and educated WSDA staff who currently work at the Prosser location.

Does this decision package include funding for any Information Technology related costs including hardware, software (to include cloud-based services), contracts or staff? If yes, a prompt requests a complete IT addendum attachment. See Operating Budget Instructions for additional requirements.)

This request does not include cost estimates for IT server capacity and other necessary infrastructure to directly connect staff to the WSDA network, because this will be determined during the design phase. The requirements and resources to implement them will be planned within the next year. The Construction phase request to be submitted for the 2027 legislative session will include these details, and the IT Addendum will be completed.

I**f the project is linked to the Puget Sound Action Agenda, describe the impacts on the Action Agenda, including expenditure and FTE detail.** See HEAL Act and Puget Sound Recovery in the Operating Budget Instructions. NA

How does this project contribute to meeting the greenhouse gas emissions limits established in RCW 70A.45.050, Clean Buildings performance standards in RCW 19.27A.210, or other statewide goals to reduce carbon pollution and/or improve energy efficiency? Please elaborate.

This project's design is committed to implementing greenhouse gas emission reduction strategies identified in the State Agency Climate Leadership Action Act (RCW 70A.45), to slow the impacts of climate change and ensure project designs incorporate energy efficiency opportunities. At minimum, this building will be designed to exceed the current state building code for energy efficiency to the greatest extent possible. The building will include solar ready design, energy saving dedicated outdoor air system(DOAS), heat exchange HVAC system design, locally sourced materials, above code required insulation, LED lighting throughout, high efficiency mechanical equipment, window shading treatments, design for natural lighting strategies, specification of low emissive materials, and specification of systems that reduce embodied energy requirements with construction processes. The building envelope (architectural term which means: the physical barrier that separates the interior of a building from the external environment, playing a crucial role in energy efficiency, climate control, and occupant comfort) contributes significantly to a building's energy performance and energy efficiency, and several systems will be evaluated to determine the best solution while balancing short and long-term costs.

Project Number: **40000002**
Project Title: **WSDA Plant Services Lab, Prosser**

Description

How is your proposal impacting equity in the state? Which communities are impacted by this proposal? Include both demographic and geographic communities. How are disparities in communities impacted? (From Jay Carmony, WSDA HEAL Act Coordinator).
Equity Impacts
Benefit highlights:

Investment in surrounding community through capital construction:
research based living wage careers;
youth employment opportunities; and
by certifying pest and disease-free plant stock, the lab supports viability of agricultural practices with fewer chemical inputs.

The construction of a new WSDA lab/office space at the WSU Prosser IAREC station would benefit the Prosser/Grandview/Sunnyside communities with a capital investment form Washington State. A modern building would better support the five full-time living wage careers with benefits and help retain the high-quality permanent staff that make up WSDA Fruit Tree Certification Program. The current staff live within the nearby local communities , adding to the local economy in several ways. In addition, WSDA employs residents from nearby communities during the peak workload of the summer season. Typically, five to seven younger people from the nearby communities fill these seasonal jobs, where they assist in the collection and preparation of 12,000 fruit tree samples for testing. These are high quality summer jobs, where young people learn more about scientific concepts such as fruit tree virology and how to work in field and laboratory settings. Having a modern, safe and adequate lab in a modernized building would improve the experience of these young people and help potentially keep them interested in the possibilities of working in agriculture and the scientific field.

Populations: of 2020 census data, Benton County has 206,873.

WA DOH Health disparities map: rank of 7 overall.

Vulnerable populations : (overall ranking of 7):

Ranking of 10 due to: l*ow birth weight, No high school diploma, primary language other than English, Ozone concentration exposure.*

Geographic: Lower Yakima River Valley, five miles north Prosser WA, Benton County. 4 mi away from Prosser, WA, an Overburdened Community.

Demographics: Median age of 36 years, with over 20% of households speaking languages other than English. 9.9% foreign born residents, below state average poverty rate of 11.9% (WA State 10.3%), median income of $82,304, below state average of $94,605 . Benton County has a 3-year average of 4.7% unemployment, slightly higher than WA state average, around 4.5% Neighboring Yakima County and Franklin County, both part of Distressed area, has 5.8% and 5.2% respectively. (Distressed areas list | Employment Security Department)

Is there additional information you would like decision makers to know when evaluating this request?

495 - Department of Agriculture
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Version: 1B WSDA Capital 2026 Supp Budget

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Project Number: 40000002
Project Title: WSDA Plant Services Lab, Prosser

Description

This capital budget request will benefit multiple agricultural stakeholders in Washington, including:
Washington state nurseries and tree fruit growers, by helping to sustain the $2.45 billion apple, pear and cherry fruit industry. A new, modern facility would increase lab capacity for fruit tree certification program stakeholders, allowing WSDA to meet the current and future diagnostic needs of this important industry.

Washington state is the second leading producer of potatoes in the nation, and the $3.24 billion industry here relies on the WSDA nematology laboratory to meet both domestic growing standards, and markets for export. A new, modern lab would benefit potato growers and exporters with faster turn-around times for sample testing, since lab capacity would increase. The state nematologist would also have sufficient space to incorporate new detection methods as those become available.

The benefits of increased testing capacity would extend to seed crop growers, grains shippers, and forest products exporters who rely on the WSDA nematology lab. All combined, the total value of Washington state crops that need nematode certification for export is over $500 million.

As envisioned, a new lab building would be a regional certification hub, serving the fruit tree and grapevine industries, and their associated certification programs in the future. Having a single lab facility that houses WSDA staff conducting molecular, plant pathology, and nematology testing for multiple agricultural stakeholders would increase efficiency for everyone.

[Place references to support letter attachments here.]

Location
City: Prosser **County:** Benton **Legislative District:** 015

Project Type
Major Projects-New Facilities

Growth Management impacts
No GM impacts. This building will be built on the WSU IAREC Campus. Similar to labs already operating on this campus.

New Facility: No

Funding

Acct Code	Account Title	Estimated Total	Expenditures Prior Biennium	Expenditures Current Biennium	2025-27 Fiscal Period Reapprops	2025-27 Fiscal Period New Approps
057-1	State Bldg Constr-State	10,980,000				2,186,000
	Total	**10,980,000**	**0**	**0**	**0**	**2,186,000**

Acct Code	Account Title	Future Fiscal Periods 2027-29	2029-31	2031-33	2033-35
057-1	State Bldg Constr-State	8,794,000			
	Total	**8,794,000**	**0**	**0**	**0**

Operating Impacts

No Operating Impact

Project Number: **40000002**
Project Title: **WSDA Plant Services Lab, Prosser**

Operating Impacts

Narrative

There are no operating impacts; future maintenance costs anticipated after building construction is completed will be covered by WSDA in the Plant Services' Local Accounts.

WASHINGTON STATE POTATO COMMISSION
108 INTERLAKE ROAD, MOSES LAKE, WA 98837
PH: 509 765-8845 FAX: 509 765-4853 WWW.POTATOES.COM

August 13, 2025

Subject: Support for WSDA's New Laboratory in Prosser, Critical for the Potato Industry

On behalf of Washington's potato growers, I am writing to express strong support for the Washington State Department of Agriculture's request for $10.9 million in capital budget funds to construct a new, modern laboratory on the Washington State University Irrigated Agriculture Research and Extension Center (IAREC) campus in Prosser.

The WSDA Nematology Program, housed in Prosser, plays a critical role in protecting Washington's $8.8 billion in annual economic impact and 33,000 jobs. Each year, our fresh and chip potato fields must be tested for nematodes of concern to meet international growing standards maintaining access to export markets around the world. The program's lab is essential to securing those markets and without timely, accurate testing, we risk losing access to countries who demand strict phytosanitary certification.

Currently, the WSDA nematology lab operates in a deteriorating 1940s-era storage building with significant health and safety issues, as identified by the Department of Enterprise Services. This building is not ADA compliant, has mold in storage areas, exposed plumbing, and could be condemned. If that happens, growers will face dangerous delays in testing, which could disrupt planting, harvest schedules, and export shipments.

A new, modern laboratory will:

- **Increase capacity and speed** – Faster turnaround times for nematode sample testing mean growers can make timely planting and shipping decisions.
- **Preserve export markets** – Our potato exports depend on WSDA certification. Without it, millions of dollars in market value are at risk.
- **Enable innovation** – The state nematologist will have the space and technology to adopt new detection methods, helping us stay ahead of emerging pest threats.
- **Support other industries** – Seed crop growers, grain shippers, and forest product exporters, representing over $500 million in crops, also rely on this lab's testing.

Washington is the second-largest potato producer in the United States. The future of our industry depends on efficient, reliable, and science-based testing. This investment is not

just a building, it's a safeguard for the economic health of our farms, our rural communities, and the state's agricultural economy.

We urge the Legislature to fully fund WSDA's request for a new Prosser laboratory and protect the infrastructure that keeps Washington potatoes competitive in the global marketplace.

Thank you for your consideration and your continued support of Washington agriculture.

Respectfully,

Matt Harris
Assistant Executive Director & Director of Governmental Affairs
Washington State Potato Commission

Washington State Tree Fruit Association
105 S. 18th Street, Suite 116 - Yakima, WA 98901 - 509-452-8555

Director K.D. Chapman-See
Office of Financial Management
302 Sid Snyder Avenue SW, Suite 300
Olympia, WA 98504

Dear Director Chapman-See,

I am writing on behalf of members of the Washington State Tree Fruit Association (WSTFA) in support of the Washington State Department of Agriculture's (WSDA) request for $10.9 million in capital budget funds to build a new, modern lab facility on the Washington State University Irrigated Agriculture Research and Extension Center (WSU IAREC) campus in Prosser, Washington, to house the Fruit Tree Certification and Nematology Programs.

WSTFA represents the growers, packers, and marketers of tree fruits including apples, pears, and cherries. Washington state is first in the nation in the production of all three of these crops, generating an annual farm gate value of $2.45 billion. These growers depend on the testing and certification work performed by WSDA's Tree Fruit Certification Program to ensure that nurseries participating in the program are supplying healthy, virus-tested fruit trees. WSDA monitors and tests 90,000 registered mother trees at these nurseries, including conducting annual molecular testing of 3,000 *Prunus* mother trees for Little Cherry Disease. This work is critical to ensuring that plant pests and diseases are not introduced or spread in our state.

As important as this work is to our state's growers, the agency's leased lab space in Prosser for these programs is far from adequate. The current structure was identified in 2024 by the Department of Enterprise Services (DES) as having health and life safety issues, including exposed plumbing throughout, lack of ceilings in passageways, mold in lab storage areas and it is not ADA compliant. DES has stated that the building could be condemned, leading to the displacement of these important programs. No alternative building exists for WSDA on the WSU Prosser campus, since space is already at capacity. A new, modern facility would increase lab capacity for fruit tree certification program stakeholders, allowing WSDA to meet the current and future diagnostic needs of this important industry.

WSDA had already been working toward building a new lab facility and, using local funds, a pre-design was completed in 2020 for a 6,200 square foot facility to be sited next to the Fruit Tree Certification Program's indexing greenhouse on 7.5 acres of leased ground at the WSU Prosser campus. The goal was to start construction in 2021, but COVID delayed construction and inflation has since increased construction costs significantly. WSDA considers it a critical need to build a new modern lab in Prosser and is seeking capital budget funds for the project. The agency is taking a phased approach, and during the 2026 supplemental legislative session will ask for funding to complete the full design, and associated steps. Capital budget funds for the construction of the actual building will be sought during the 2027 legislative session.

The new building would be a regional certification hub, and a single lab facility that houses WSDA staff conducting molecular, ELISA, and nematology testing for multiple agricultural stakeholders would increase capacity and efficiency. For these reasons, we encourage your support for this proposal in the state's capital budget.

Sincerely,

Jon DeVaney
President

CC: Robyn Williams, Budget Director, OFM

WASHINGTON WINEGROWERS®
ADVANCING OUR INDUSTRY

August 29, 2025

Scott Brooks
Program Manager
Plant Services Program
Washington State Department of Agriculture
sbrooks@agr.wa.gov

Dear Mr. Brooks:

On behalf of Washington Winegrowers Association I am writing to express support for full capital budget funding for the Washington State Department of Agriculture (WSDA)'s proposed laboratory facility in Prosser, Washington, currently estimated at $10.9 million. This new facility is essential to ensuring that Washington's agricultural commodities have access to modern diagnostic and certification services they need to remain competitive, efficient, and environmentally responsible. Not only has this project been a longtime goal of the Washington State Department of Agriculture, it has also become even more critical to our state's agriculture support system because the current building's condition could result in displacing WSDA's ELISA and Nematology testing labs.

The winegrape industry benefits from services offered at the Prosser laboratory. Nematology testing is one example—vineyards rely on accurate and timely detection of nematodes to ensure healthy rootstock and optimal yields. The lab's diagnostics can support decisions for vineyard management and planting, safeguarding crop health and long-term vineyard viability.

More broadly, the WSDA lab infrastructure increases efficiency across all agricultural sectors by minimizing delays in testing, reducing the risk of disease and pest spread, and ensuring that Washington agriculture meets rigorous national and international standards. The loss of this lab space and the interruption of its current work, which significantly impacts tree fruit growers, nurseries, potato growers, seed growers, grains shippers and forest product exporters, would create an exponential negative effect for all the other industries and communities that support, connect to, and rely on those agricultural foci.

A new laboratory space is urgently needed to accommodate modern diagnostic tools, attract and retain top scientific talent, and meet the current and future needs of Washington agriculture—including the increasingly technical winegrape industry.

I urge the Legislature to fully fund the $10.9 million project in the capital budget so that WSDA can continue to provide the high level of service our industries depend on. This investment will directly support the competitiveness, productivity, and sustainability of Washington agriculture for decades to come.

Thank you for your leadership and support of Washington's agricultural future.

Sincerely,

Sara Higgins
Executive Director

PO Box 716
Cashmere, WA 98815

phone: (509) 782-8234
Wawinegrowers.org

Mike & Brian's Nursery, Inc
P.O. Box 1849
Zillah, WA. 98953
Office: 509-877-1151
Fax: 509-865-1402

August 28, 2025

Re: Support for WSDA Capital Budget Request – New Lab Facility at WSU Prosser

To Whom It May Concern:

As a Washington tree fruit nursery, we are writing in support of the Washington State Department of Agriculture's request for $10.9 million in capital budget funding to build a new laboratory facility on the WSU Prosser campus.

The WSDA Fruit Tree Certification Program is essential to our industry. Each year, nurseries like ours rely on WSDA's testing to ensure that the trees we provide to growers are healthy, virus-tested, and meet certification standards. These services safeguard the long-term health of Washington's apple, pear, and cherry orchards and help sustain a fruit industry valued at more than $2 billion.

Currently, WSDA's certification and testing labs are housed in outdated facilities with significant health and safety concerns. Without a modern, permanent facility, there is a real risk that these critical programs could be disrupted. A new lab at Prosser will provide the space and infrastructure needed to maintain reliable testing capacity now and into the future.

We strongly support WSDA's capital budget request and urge your approval of funding for this important project. The success of Washington's fruit tree nurseries—and the growers we serve—depends on it.

Sincerely,

Bennett Mayo
President
Mike & Brian's Nursery

BAILEY
NURSERIES

9855 NW Pike Road
Yamhill, Oregon 97148

P: 503.662.3244 - F: 503.662.3778
BAILEYNURSERIES.COM

Director K.D. Chapman-See
Office of Financial Management
302 Sid Snyder Avenue SW, Suite 300
Olympia, WA 98504

Dear Director Chapman-See,

Tree fruit growers in Washington depend on the testing and certification work performed by WSDA's Tree Fruit Certification Program to ensure that nurseries participating in the program are supplying healthy, virus-tested fruit trees. WSDA monitors and tests 90,000 registered mother trees at these nurseries, including conducting annual molecular testing of 3,000 *Prunus* mother trees for Little Cherry Disease. This work is critical to ensuring that plant pests and diseases are not introduced or spread in our state.

As important as this work is to our state's growers, the agency's leased lab space in Prosser for these programs is far from adequate. The current structure was identified in 2024 by the Department of Enterprise Services (DES) as having health and life safety issues, including exposed plumbing throughout, lack of ceilings in passageways, mold in lab storage areas and it is not ADA compliant. DES has stated that the building could be condemned, leading to the displacement of these important programs. No alternative building exists for WSDA on the WSU Prosser campus, since space is already at capacity. A new, modern facility would increase lab capacity for fruit tree certification program stakeholders, allowing WSDA to meet the current and future diagnostic needs of this important industry.

WSDA had already been working toward building a new lab facility and, using local funds, a pre-design was completed in 2020 for a 6,200 square foot facility to be sited next to the Fruit Tree Certification Program's indexing greenhouse on 7.5 acres of leased ground at the WSU Prosser campus. The goal was to start construction in 2021, but COVID delayed construction and inflation has since increased construction costs significantly. WSDA considers it a critical need to build a new modern lab in Prosser and is seeking capital budget funds for the project. The agency is taking a phased approach, and during the 2026 supplemental legislative session will ask for funding to complete the full design, and associated steps. Capital budget funds for the construction of the actual building will be sought during the 2027 legislative session.

The new building would be a regional certification hub, and a single lab facility that houses WSDA staff conducting molecular, ELISA, and nematology testing for multiple agricultural stakeholders would increase capacity and efficiency. For these reasons, we encourage your support for this proposal in the state's capital budget.

Ross Dumdi

Bailey Nursery West Coast Operation Manager

BRANDT'S
FRUIT TREES, LLC

1330 N 16th Ave Suite A
Yakima, WA 98902
Tel: 509-248-4315
Fax: 509-248-4421
E-mail: bftnursery@brandtsfruittrees.com

8/19/2025

RE: Letter of Support

To Whom It May Concern,

I write this letter today to express Brandt's Fruit Trees, LLC's (BFT) support for the Washington State Department of Agriculture's (WSDA) new lab facility to be located in Prosser, WA.

BFT relies heavily on the WSDA's ability to test and monitor potentially harmful viruses and diseases within our nursery blocks that allow us to provide clean and safe plant material to growers not only in Washington State, but throughout North America.

WSDA's current facility is antiquated and needs replacing.

BFT is in full support of funding for a completely new structure that would allow the WSDA to continue their important work for the industry as a whole.

Sincerely,

Kevin Brandt
Vice-President / COO

NORTHWEST NURSERY IMPROVEMENT INSTITUTE
2340 Lee Road, Prosser, WA 99350 509-303-0185 nwnurseryii@gmail.com www.nniifruittrees.org

August 19, 2025

K.D. Chapman-See, Director
Washington State Office of Financial Management
P.O. Box 43113
Olympia, WA 98504-3113

Dear Director Chapman-See:

We are an association of nurseries in the Pacific Northwest that produce apple, pear, cherry, peach, apricot, and plum trees for commercial orchards in Washington State and across the nation and to some foreign markets. Our members have relied heavily on Washington State Department of Agriculture Plant Services Program of Fruit Tree Registration and Certification for over 60 years in efforts to deliver disease-free trees to grower customers.

Times have changed. New technology now allows quick detection of the multitude of virus and virus-like agents that affect these fruit trees. Virus testing used to be conducted in fields and greenhouses and take months, and in some cases, years to complete. Diagnostic assays now are accomplished in one or two days using advance laboratory techniques.

For this reason, it is becoming imperative that the WSDA's Fruit Tree Registration and Certification Program move to advanced laboratory facilities. Currently, the WSDA lab is housed in the antiquated East Building at Washington State University's Irrigated Research and Extension Center (IAREC) near Prosser, WA. There is growing concern about the condition of this building, which may lead WSU to remove it, leaving WSDA without this important service facility.

The Program is important for both domestic and export markets for certified fruit trees, for the introduction of new cultivars free of virus and virus-like agents, and to assist nurseries in delivering plants free of these pathogens. Additionally, the ongoing spread of Western-X phytoplasma in Washington cherry orchards makes the lab's diagnostic services absolutely critical for that industry to survive this pandemic.

For some time, the Program's staff has studied building a dedicated lab facility near its greenhouse complex on the IAREC campus. We think the time to build it is now. New technology is demanding better facilities, condition of the building where the lab is now housed is on the pathetic side of dilapidated, and the services provided to the fruit tree industry are more critical than ever.

Please give positive consideration towards funding a modern laboratory facility for this valuable program.

Sincerely,

Bill Howell, Managing Director

cc: Robyn Williams, OFM Budget Director

September 1, 2025

OFM Director K.D. Chapman-See
OFM Budget Director Robyn Williams
Washington State Office of Financial Management
P.O. Box 43113
Olympia, WA 98504-3113

Dear Directors Chapman-See and Williams:

I am pleased to lend my strong support for the Washington State Department of Agriculture's 2026 capital budget request, seeking funds to build a plant health diagnostic laboratory on the Washington State University Irrigated Agriculture Research and Extension Center (WSU-IAREC) campus in Prosser.

Prior to my current role as director of Integrated Plant Health Strategies LLC, I spent 40 years working with and representing fruit growers and allied industry personnel in the Pacific Northwest at the regional, national and international levels. I am keenly aware of the challenges that the fruit tree industry faces in maintaining planting stock that is free of harmful viruses, virus-like organisms and associated vectors. Clean plant material is critical not only for fruit growers in Washington and across the country but also to facilitate a two-way trade in propagative material which enables U.S. growers to access improved genetics regardless of its national origin.

However, the materials and methods used to certify the health status of fruit tree planting stock are changing. Modern molecular testing protocols are extremely sensitive and have the potential to much more accurately determine the disease and pest status of plants in the certification program, but WSDA needs to have adequate facilities to fully adopt these technologies. You are no doubt aware of the advanced age and sub-par condition of the facilities that currently house the certification program labs at WSU-IAREC. In that light alone, the need for new facilities cannot be overstated.

The urgency for improved facilities at Prosser is further underscored by the threat of little cherry disease, which is caused by a combination of viruses and a phytoplasma and has the potential to decimate entire orchards. This challenge has led fruit growers to call for the

Washington State Department of Agriculture's fruit tree certification program to expand its capacity to test planting stock source trees. Establishing a new facility will enable the WSDA to meet this essential demand.

If I can provide additional information to support this capital request, please do not hesitate to contact me.

Sincerely,

Mike Willett
Integrated Plant Health Strategies LLC
218 N 27th Ave.
Yakima, Washington 98902
509.969.0245 mobile
michael.james.willett@gmail.com

WSDA Plant Services Lab: Photos of Current Facilities

Figure 1: East Building, view from front of building

Figure 2: East Building, view from behind building

Figure 3: East Building entrance to access lab

Figure 4: East Building, ELISA Lab

Figure 5: East Building, exposed HVAC

Figure 6: East Building, exposed plumbing in unfinished space near ELISA Lab

Figure 7: East Building, preparation area for ELISA lab

Figure 8: East Building, Nematology Lab

Figure 9: East Building, Nematology Lab prep area

Figure 10: Hamilton Hall, Molecular-Serological Lab, view 1

Figure 11: Hamilton Hall, Molecular Serological Lab, view 2

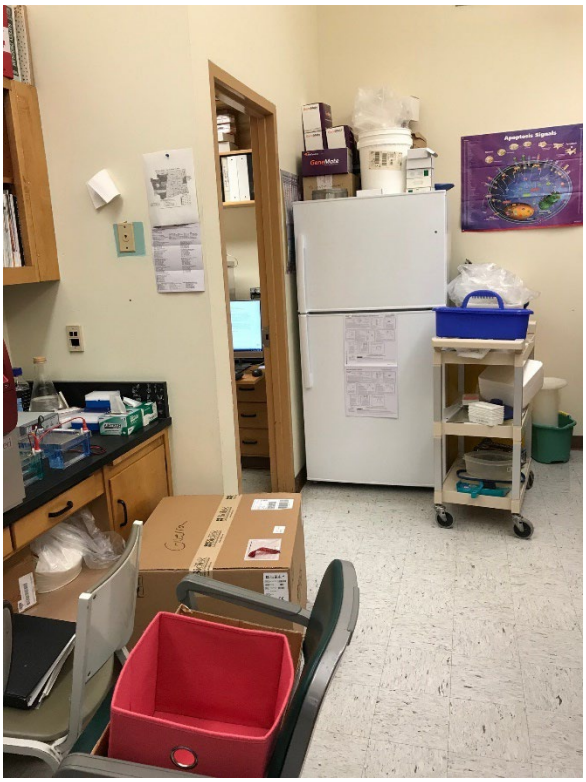

Figure 12: Hamilton Hall, Molecular Lab, limited counter space, view 1

Figure 13: Hamilton Hall, Molecular Lab, limited counter space, view 2

Figure 14: Hamilton Hall, Gel Preparation Room

Figure 15: Argus computer stationed in indexing greenhouse due to limited lab space

STATE OF WASHINGTON
AGENCY / INSTITUTION PROJECT COST SUMMARY

Updated June 2025

Agency	Washington State Department of Agriculture
Project Name	Tree Certification Lab/Office consolidation
OFM Project Number	DES No. 2025-042. Pre-Design was 2019-238 A (1)

Contact Information	
Name	Indy Dehal
Phone Number	509-838-8568
Email	idehal@alscarchitects.com

Statistics			
Gross Square Feet	6,200	MACC per Gross Square Foot	$1,006
Usable Square Feet	4,575	Escalated MACC per Gross Square Foot	$1,095
Alt Gross Unit of Measure			
Space Efficiency	73.8%	A/E Fee Class	A
Construction Type	Laboratories (Research)	A/E Fee Percentage	10.31%
Remodel	No	Projected Life of Asset (Years)	
Additional Project Details			
Procurement Approach	DBB	Art Requirement Applies	Yes
Inflation Rate	3.16%	Higher Ed Institution	No
Sales Tax Rate %	8.70%	Location Used for Tax Rate	Prosser
Contingency Rate	5%		
Base Month (Estimate Date)	July-25	OFM UFI# (from FPMT, if available)	
Project Administered By	DES		

Schedule			
Predesign Start	January-20	Predesign End	June-20
Design Start	July-26	Design End	July-27
Construction Start	October-27	Construction End	December-28
Construction Duration	14 Months		

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Project Cost Summary

Total Project	$10,137,577	Total Project Escalated	$10,980,290
		Rounded Escalated Total	$10,980,000

Amount funded in Prior Biennia	**$0**
Amount in current Biennium	**$10,980,000**
Next Biennium	**$0**
Out Years	**$0**

Acquisition			
Acquisition Subtotal	**$0**	**Acquisition Subtotal Escalated**	**$0**

Consultant Services			
Predesign Services	$0		
Design Phase Services	$487,963		
Extra Services	$878,536		
Other Services	$361,730		
Design Services Contingency	$86,411		
Consultant Services Subtotal	**$1,814,640**	**Consultant Services Subtotal Escalated**	**$1,919,147**

Construction			
Maximum Allowable Construction Cost (MACC)	$6,235,720	Maximum Allowable Construction Cost (MACC) Escalated	$6,790,412
DBB Risk Contingencies	$0		
DBB Management	$0		
Owner Construction Contingency	$623,572		$680,380
Non-Taxable Items	$0		$0
Sales Tax	$596,758	Sales Tax Escalated	$649,959
Construction Subtotal	**$7,456,050**	**Construction Subtotal Escalated**	**$8,120,751**

Equipment			
Equipment	$498,858		
Sales Tax	$43,401		
Non-Taxable Items	$0		
Equipment Subtotal	**$542,258**	**Equipment Subtotal Escalated**	**$591,659**

Artwork			
Artwork Subtotal	**$54,628**	**Artwork Subtotal Escalated**	**$54,628**

Agency Project Administration			
Agency Project Administration Subtotal	$0		
DES Additional Services Subtotal	$245,000		
Other Project Admin Costs	$0		
Project Administration Subtotal	**$245,000**	**Project Administration Subtotal Escalated**	**$267,320**

Other Costs			
Other Costs Subtotal	**$25,000**	**Other Costs Subtotal Escalated**	**$26,785**

Project Cost Estimate			
Total Project	**$10,137,577**	Total Project Escalated	**$10,980,290**
		Rounded Escalated Total	**$10,980,000**

Funding Summary

	Project Cost (Escalated)	Funded in Prior Biennia	Current Biennium 2025-2027	2027-2029	Out Years
Acquisition					
Acquisition Subtotal	$0		$0		**$0**
Consultant Services					
Consultant Services Subtotal	$1,919,147		$1,919,147		**$0**
Construction					
Construction Subtotal	$8,120,751			$8,120,751	**$0**
Equipment					
Equipment Subtotal	$591,659			$591,659	**$0**
Artwork					
Artwork Subtotal	$54,628			$54,628	**$0**
Agency Project Administration					
Project Administration Subtotal	$267,320		$267,320		**$0**
Other Costs					
Other Costs Subtotal	$26,785			$26,785	**$0**
Project Cost Estimate					
Total Project	**$10,980,290**	**$0**	**$2,186,467**	**$8,793,823**	**$0**
	$10,980,000	**$0**	**$2,186,000**	**$8,794,000**	**$0**
	Percentage requested as a new appropriation		**20%**		

What is planned for the requested new appropriation? (*Ex. Acquisition and design, phase 1 construction, etc.*)

This supplemental budget is for Phase 1 of this project - Design Phase - funding through June 30, 2027 .

WSDA is proposing to begin Phase 1 of this lab build project - Design phase as soon as this capital budget request is approved. The cost of Phase 1 is intended to

What has been completed or is underway with a previous appropriation?

There was no previous appropriation. However, WSDA did pay for Pre-Design with fruit tree certification local funds prior to this capital budget request.

Insert Row Here

What is planned with a future appropriation?

Not anticipated.

Insert Row Here

Cost Estimate Details

Acquisition Costs					
Item	**Base Amount**		**Escalation Factor**	**Escalated Cost**	**Notes**
Purchase/Lease					
Appraisal and Closing					
Right of Way					
Demolition					
Pre-Site Development					
Other					
Insert Row Here					
ACQUISITION TOTAL	**$0**		**NA**	**$0**	

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Cost Estimate Details

Consultant Services				
Item	**Base Amount**	**Escalation Factor**	**Escalated Cost**	**Notes**
1) Pre-Schematic Design Services				
Programming/Site Analysis				
Environmental Analysis				
Predesign Study				
Other				
Insert Row Here				
Sub TOTAL	**$0**	**1.0305**	**$0**	Escalated to Design Start
2) Construction Documents				
A/E Basic Design Services	$487,963			69% of A/E Basic Services
Other				
Insert Row Here				
Sub TOTAL	**$487,963**	**1.0466**	**$510,703**	Escalated to Mid-Design
3) Extra Services				
Civil Design (Above Basic Svcs)	$35,000			
Geotechnical Investigation	$20,000			
Commissioning	$150,000			
Site Survey	$20,000			
Testing	$50,000			
LEED Services	$125,000			A/E Team
Voice/Data Consultant	$10,000			
Value Engineering	$75,000			$50k 3rd party, $25k A/E
Constructability Review	$75,000			$50k 3rd party, $25k A/E
Environmental Mitigation (EIS)	$10,000			Testing
Landscape Consultant	$35,000			
NREC Review	$5,000			
Lab Consultant	$90,000			
ELCCA, Energy Modeling	$45,000			
Building Permit	$93,536			1.5% of MACC
Archeological Survey	$20,000			
Conformed Set for Construction	$20,000			
Sub TOTAL	**$878,536**	**1.0466**	**$919,476**	Escalated to Mid-Design
4) Other Services				
Bid/Construction/Closeout	$219,230			31% of A/E Basic Services
HVAC Balancing	$20,000			
Staffing				
As-Built Documentation	$20,000			
Enveolpe Testing	$20,000			
Special Inspections	$50,000			
Document Reproduction	$5,000			
Advertising	$2,500			
Reimbursables	$25,000			

Sub TOTAL	**$361,730**	**1.0911**	**$394,684**	Escalated to Mid-Const.
5) Design Services Contingency				
Design Services Contingency	$86,411			
Other				
Insert Row Here				
Sub TOTAL	**$86,411**	**1.0911**	**$94,284**	Escalated to Mid-Const.
CONSULTANT SERVICES TOTAL	**$1,814,640**		**$1,919,147**	

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Cost Estimate Details

Construction Contracts				
Item	**Base Amount**	**Escalation Factor**	**Escalated Cost**	**Notes**
1) Site Work				
G10 - Site Preparation	$117,082			
G20 - Site Improvements	$279,590			
G30 - Site Mechanical Utilities	$149,738			
G40 - Site Electrical Utilities	$132,902			
G60 - Other Site Construction				
Other				
Insert Row Here				
Sub TOTAL	**$679,312**	**1.0714**	**$727,815**	
2) Related Project Costs				
Offsite Improvements				
City Utilities Relocation				
Parking Mitigation				
Stormwater Retention/Detention				
Other				
Insert Row Here				
Sub TOTAL	**$0**	**1.0714**	**$0**	
3) Facility Construction				
A10 - Foundations	$230,829			
A20 - Basement Construction	$0			
B10 - Superstructure	$474,400			
B20 - Exterior Closure	$933,362			
B30 - Roofing	$203,978			
C10 - Interior Construction	$405,397			
C20 - Stairs	$0			
C30 - Interior Finishes	$318,929			
D10 - Conveying	$0			
D20 - Plumbing Systems	$396,901			
D30 - HVAC Systems	$1,082,685			
D40 - Fire Protection Systems	$44,380			
D50 - Electrical Systems	$552,128			
F10 - Special Construction	$0			
F20 - Selective Demolition	$0			
General Conditions	$403,001			
E10 - Equipment	$164,547			Provided by GC
E20 - Casework & Furnishings	$345,871			Provided by GC
Sub TOTAL	**$5,556,408**	**1.0911**	**$6,062,597**	
4) Maximum Allowable Construction Cost				
MACC Sub TOTAL	**$6,235,720**		**$6,790,412**	
	$1,006		*$1,095 per GSF*	

This Section is Intentionally Left Blank

7) Owner Construction Contingency				
Allowance for Change Orders	$311,786			
Allowance for Change Orders	$311,786			5% of MACC
Insert Row Here				
Sub TOTAL	**$623,572**	**1.0911**	**$680,380**	
8) Non-Taxable Items				
Other				
Insert Row Here				
Sub TOTAL	**$0**	**1.0911**	**$0**	
9) Sales Tax				
Sub TOTAL	**$596,758**		**$649,959**	
CONSTRUCTION CONTRACTS TOTAL	**$7,456,050**		**$8,120,751**	

Green cells must be filled in by user

Cost Estimate Details

Equipment					
Item	**Base Amount**		**Escalation Factor**	**Escalated Cost**	**Notes**
1) Equipment					
E10 - Equipment	$311,786				
E20 - Furnishings	$187,072				
F10 - Special Construction					
Other					
Insert Row Here					
Sub TOTAL	**$498,858**		**1.0911**	**$544,304**	
2) Non Taxable Items					
Other					
Insert Row Here					
Sub TOTAL	**$0**		**1.0911**	**$0**	
3) Sales Tax					
Sub TOTAL	**$43,401**			**$47,355**	
EQUIPMENT TOTAL	**$542,258**			**$591,659**	

Green cells must be filled in by user

Cost Estimate Details

Artwork					
Item	**Base Amount**		**Escalation Factor**	**Escalated Cost**	**Notes**
1) Artwork					
Project Artwork	$54,628				0.5% of total project cost for new construction
Higher Ed Artwork	$0				0.5% of total project cost for new and renewal construction
Other					
Insert Row Here					
ARTWORK TOTAL	**$54,628**		**NA**	**$54,628**	

Green cells must be filled in by user

Cost Estimate Details

Project Management					
Item	**Base Amount**		**Escalation Factor**	**Escalated Cost**	**Notes**
1) Agency Project Management					
Agency Project Management	$0				
Additional Services	$245,000				Assumes a mix of local/capital funds
Other					
Insert Row Here					
Subtotal of Other	*$0*				
PROJECT MANAGEMENT TOTAL	**$245,000**		**1.0911**	**$267,320**	

Green cells must be filled in by user

Cost Estimate Details

Other Costs					
Item	**Base Amount**		**Escalation Factor**	**Escalated Cost**	**Notes**
Mitigation Costs					
Hazardous Material Remediation/Removal					
Historic and Archeological Mitigation	$25,000				
Other					
Insert Row Here					
OTHER COSTS TOTAL	**$25,000**		**1.0714**	**$26,785**	

Green cells must be filled in by user

C-100 (2026)
Additional Notes

Tab A. Acquisition
Insert Row Here

Tab B. Consultant Services
Value Engineering and Constructability Review: Assume $100k for consultant, $50k for A/E Team Add Service.
Insert Row Here

Tab C. Construction Contracts
E-10 & E-20 on this Tab is intended as fixed equipment in the construction contract.
A design contingency of 15% included in the MACC.
D-50 Electrical Systems includes the UPS and Backup Generator.
Additional 5% of owner contingency added for unforeseen conditions

Tab D. Equipment
E-10 (5% of MACC) & E-20 (3% of MACC) on this Tab is intended for WSDA FFE Budget.
Insert Row Here

Tab E. Artwork
Insert Row Here

Tab F. Project Management
DES management fee included based on a mix of local/state funds.
Insert Row Here

Tab G. Other Costs
Assumed Archaeological mitigation for construction.
Insert Row Here

Life Cycle Cost Analysis - Project Summary

Agency	WSDA
Project Title	Prosser Lab

Existing Description	Limited Use Only

Lease Option 1 Description	Lease lab space in surrounding area

Lease Option 2 Description	Lease lab space in surrounding area

Ownership Option 1 Description	Construct new lab on WSU land

Ownership Option 2 Description	Purchase/Remodel an existing facility

Ownership Option 3 Description	

Lease Options Information	**Existing Lease**	**Lease Option 1**	**Lease Option 2**
Total Rentable Square Feet	1,166	6,000	6,000
Annual Lease Cost (Initial Term of Lease)	$ 7,920	$ 450,000	$ 450,000
Full Service Cost/SF (Initial Term of Lease)	$ 6.79	$ 75.00	$ 75.00
Occupancy Date	n/a	7/1/2027	7/1/2027
Project Initial Costs	n/a	$ 1,046,500	$ 1,354,500
Persons Relocating	6	6	6
RSF/Person Calculated	194	1,000	1,000

Ownership Information	**Ownership 1**	**Ownership 2**	**Ownership 3**
Total Gross Square Feet	6,200	6,000	-
Total Rentable Square Feet	4,575	6,000	-
Occupancy Date	12/31/2027	7/1/2027	
Initial Project Costs	$ 15,000	$ -	$ -
Est Construction TPC ($/GSF)	$ 1,833	$ 1,295	$ -
RSF/Person Calculated	763	1,000	1,000

Financial Analysis of Options

	Display Option?	Yes	Yes	Yes	Yes	No	No	No	Yes	No	No	No	Yes	No	No	No
	Financial Comparisons	**Existing Lease**	**Lease 1**	**Lease 2**	**Ownership 1**				**Ownership 2**				**Ownership 3**			
Years	**Financing Means**	**Current**	**Current**	**Current**	**GO Bond**	**COP**	**COP Deferred ***	**63-20**	**GO Bond**	**COP**	**COP Deferred**	**63-20**	**GO Bond**	**COP**	**COP Deferred**	**63-20**
20	20 Year Cumulative Cash	$ 196,432	$ 12,044,869	$ 10,651,586	$ 14,873,991				$ 10,750,064				$ -			
	20 Year Net Present Value	$ 178,930	$ 10,987,509	$ 9,810,671	$ 13,614,108				$ 9,836,880				$ -			
	Lowest Cost Option (Analysis Period)	**1**	**4**	**2**	**5**				**3**							

The best NPV result for the 20 year analysis period is the Existing Lease option using Current financing. This option becomes the best financial alternative in 2025.

	Financial Comparisons	**Existing Lease**	**Lease 1**	**Lease 2**	**Ownership 1**				**Ownership 2**				**Ownership 3**			
Years	**Financing Means**	**Current**	**Current**	**Current**	**GO Bond**	**COP**	**COP Deferred ***	**63-20**	**GO Bond**	**COP**	**COP Deferred**	**63-20**	**GO Bond**	**COP**	**COP Deferred**	**63-20**
30	30 Year Cumulative Cash	$ 355,457	$ 21,411,403	$ 19,459,205	$ 20,347,194				$ 14,705,083				$ -			
	30 Year Net Present Value	$ 307,313	$ 18,547,292	$ 16,902,815	$ 18,088,096				$ 13,068,859				$ -			
	Lowest Cost Option (30 Years)	**1**	**5**	**3**	**4**				**2**							

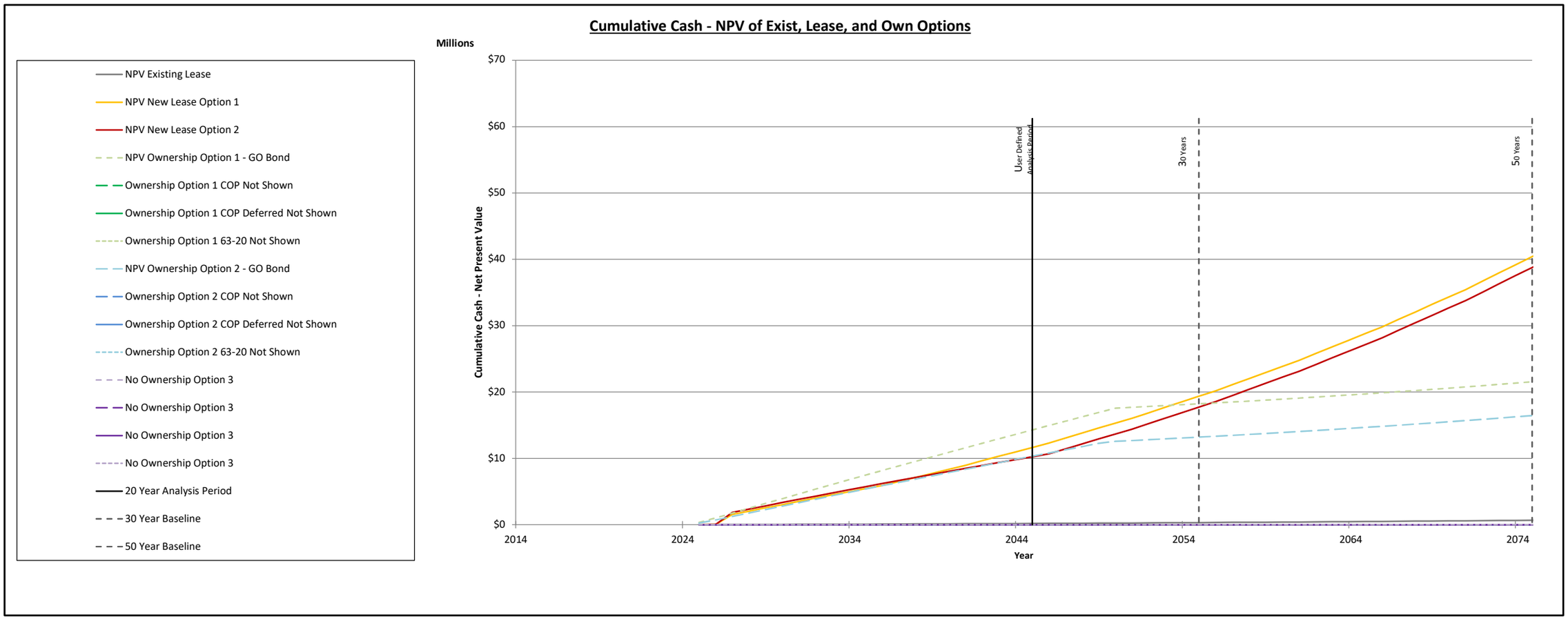
The best NPV result for the 30 year analysis period is the Existing Lease option using Current financing. This option becomes the best financial alternative in 2025.

	Financial Comparisons	**Existing Lease**	**Lease 1**	**Lease 2**	**Ownership 1**				**Ownership 2**				**Ownership 3**			
Years	**Financing Means**	**Current**	**Current**	**Current**	**GO Bond**	**COP**	**COP Deferred ***	**63-20**	**GO Bond**	**COP**	**COP Deferred**	**63-20**	**GO Bond**	**COP**	**COP Deferred**	**63-20**
50	50 Year Cumulative Cash	$ 851,003	$ 50,598,869	$ 48,646,672	$ 24,955,503				$ 19,228,333				$ -			
	50 Year Net Present Value	$ 657,612	$ 39,174,516	$ 37,530,038	$ 21,345,524				$ 16,266,162				$ -			
	Lowest Cost Option (50 Years)	**1**	**5**	**4**	**3**				**2**							

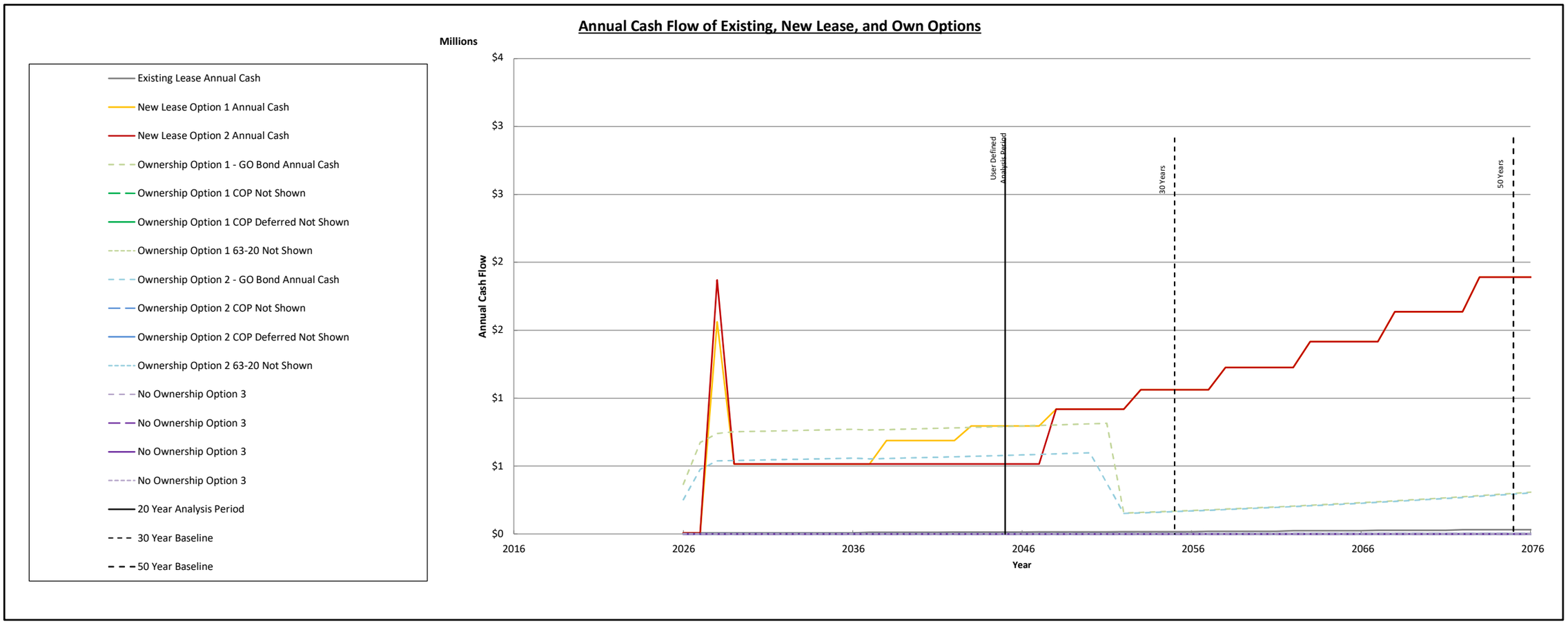
The best NPV result for the 50 year analysis period is the Existing Lease option using Current financing. This option becomes the best financial alternative in 2025.

** - Defers payment on principle for 2 years while the building is being constructed. See instructions on Capitalized Interest.*

Cumulative Cash - NPV of Exist, Lease, and Own Options



Annual Cash Flow of Existing, New Lease, and Own Options



Financial Assumptions

Date of Life Cycle Cost Analysis:	7/9/2025
Analysis Period Start Date	7/1/2025
User Input Years of Analysis	20

All assumptions subject to change to reflect updated costs and conditions.

	Lease Options			Ownership Option 1			Ownership Option 2			Ownership Option 3		
	Existing Lease	**Lease Option 1**	**Lease Option 2**	**GO Bond**	**COP**	**63-20**	**GO Bond**	**COP**	**63-20**	**GO Bond**	**COP**	**63-20**
Inflation / Interest Rate	2.929%	2.929%	2.929%	3.709%	3.809%	3.959%	3.709%	3.809%	3.959%	3.709%	3.809%	3.959%
Discount Rate	0.854%	0.854%	0.854%	0.854%	0.854%	0.854%	0.854%	0.854%	0.854%	0.854%	0.854%	0.854%
Length of Financing	N/A	N/A	N/A	25	25	25	25	25	25	25	25	25

See Financial Assumptions tab for more detailed information

COP Deferred and 63-20 Financing defer the payment on principle until construction completion.

New Lease Assumptions

Real Estate Transaction fees are 2.5% of the lease for the first 5 years and 1.25% for each year thereafter in the initial term of the lease.

Tenant Improvements are estimated at $150 per rentable square foot.

IT infrastructure is estimated at $15000 per person.

Furniture costs are estimated at $7000 per person and do not include new workstations.

Moving Vendor and Supplies are typically estimated at $300 per person.

Default Ownership Options Assumptions

Assumes a 2 month lease to move-in overlap period for outfitting building and relocation.

Assumes surface parking.

The floor plate of the construction option office building is 6,200 gross square feet.

The estimated total project cost for construction is $1310.40 per square foot.

See the Capital Construction Defaults tab for more construction assumptions.