KITTITAS COUNTY
DEPARTMENT OF PUBLIC WORKS

AGENDA STAFF REPORT

AGENDA DATE:	August 2, 2016
ACTION REQUESTED:	Approve & sign an Addendum to Lease with Stephen T. Moore.

BACKGROUND:	On February 23, 2012, Kittitas County received a letter from Paul MacMichael stating that he had sold his private hangar located at Bowers Field to Stephen Moore. The letter also requested that the remainder of his lease term be assigned to Stephen Moore. A letter on February 23, 2012 was also received from Stephen Moore stating he had purchased Paul MacMicheal's hangar and requested the County assign Mr. MacMichael's lease remainder to him. Per RCW 36.34.180 the county is required to renegotiate these long-term leases every 5 years. As of August 1, 2016, this lease is up for renegotiation. According to Paragraph #3 "Adjustment of Rental" the County has the right to increase rental rates provided that the annual rental rate shall not increase more than 5% of the previous years. We are proposing to increase the rental rate at 5%. They are currently at $.066 per square foot, and the increase will be at $.069 per square foot. In monetary amounts this means an increase of $22.67 per year.
INTERACTION:	Public Works; Stephen Moore
RECOMMENDATION:	Motion to Approve and Sign an Addendum to Lease with Stephen T. Moore.
HANDLING:	Return 2 originals to Public Works
ATTACHMENTS:	Addendum to Lease; Lease Assignment; Letters of Request; Original MacMichael Lease
LEAD STAFF:	Mark Cook Public Works Director

ADDENDUM TO LEASE

THIS ADDENDUM TO LEASE is made and dated this ____ day of _____, 2016, by and between **KITTITAS COUNTY**, a municipal corporation in the State of Washington, hereinafter referred to as the **LESSOR**, and **STEPHEN T. MOORE,** and hereinafter referred to as the **LESSEE.**

W I T N E S S E T H:

WHEREAS, LESSOR and LESSEE entered into a Assignment of Lease (prior lessee-Paul MacMichael) on March 6, 2012, a copy of which is attached hereto and by this reference incorporated herein; and

WHEREAS, according to Paragraph 3 "Adjustment of Rental", it states "After the fifth year, the Lessor shall have the right to increase rental rates as outlined above. After the tenth year, the Lessor shall have the right to increase rental rates, provided that the annual rate shall not increase to more than 5% of the previous year's annual rental rate, effective at the beginning of the tenth, fifteenth and twentieth years of this lease.

NOW, THEREFORE, IT IS HEREBY AGREED by and between the parties to a change in rental rates and contract terms as follows:

1) "Paragraph #2 – Rent" – Rental Rates for 8/01/2016 thru 7/31/2021 Term.

8/01/16 – 7/31/21 Term	**Previous Rental Rate ($.066 per Sq. Ft)**	**Rental Rate ($.069 per Sq. Ft.) Not Including Leasehold Tax***
	$453.32	
8/01/16 – 7/31/17		$475.99
8/01/17 – 7/31/18		$475.99
8/01/18 – 7/31/19		$475.99
8/01/19 – 7/31/20		$475.99
8/01/20 – 7/31/21		$475.99
8/01/21	Renegotiate	Renegotiate

All other terms and conditions of the aforementioned lease shall remain the same.

IN WITNESS WHEREOF, the Lessor and Lessee have signed their names and affixed their seals the day and year first above written.

LESSOR:

BOARD OF COUNTY COMMISSIONERS
KITTITAS COUNTY, WASHINGTON

_____
Obie O'Brien, Chairman

Attest:

☐ Clerk of the Board- Julie Kjorsvik

☐ Deputy Clerk of the Board- Mandy Buchholz

_____

_____
Paul Jewell, Vice-Chairman

_____
Laura Osiadacz, Commissioner

LESSEE:

_____
Stephen T. Moore, Lessee

7/15/2016
Date Signed

ASSIGNMENT OF LEASE

This Assignment of Lease (Assignment) is entered into on this 6th day of March, 2012, between PAUL MACMICHAEL (Assignor), STEPHEN T. MOORE (Assignee), and KITTITAS COUNTY, a political subdivision of the State of Washington, Kittitas County.

RECITALS

Paul MacMichael entered into a Lease on the 6th day of August, 1996, with Kittitas County for the lease of Lot H-41 of the Kittitas County Airport Binding Site Plan through July, 2021. A copy of said Lease is attached hereto as Exhibit A and is hereinafter referred to as the "Lease".

On February 23, 2012, Kittitas County received notification from Paul MacMichael that he sold his hanger to Stephen T. Moore and requested the remainder of his lease term be assigned to Mr. Moore. Paragraph 19 of the Lease allows for this.

On February 23, 2012, Kittitas County received a letter of request from Stephen T. Moore that the remainder of Paul MacMichael's lease be assigned to him since he purchased Mr. MacMichael's hangar.

The Kittitas County Board of Commissioners determine that it was in the best interest of the County to authorize the assignment of the Lease, as extended, to STEPHEN T. MOORE.

I. ASSIGNMENT

In consideration of the mutual promises and covenants set forth herein, Assignor assigns transfers, and conveys to Assignee all right, title, and interest in the Lease, and Assignee accepts from Assignor all right, title, and interest subject to the terms and conditions set forth in this Assignment.

II. ASSUMPTION OF OBLIGATIONS

Assignee hereby accepts this assignment and, for the benefit of Assignor and County, expressly assumes and agrees to perform and fulfill all the terms, covenants, conditions, and obligations of Assignor as lessee under the Lease, including the making of all payments due to or payable on behalf of County under the Lease as they become due and payable.

III. INDEMNITY

Assignor indemnifies Assignee from and against any loss, cost, or expense, including attorney fees and court costs relating to the failure of Assignor to fulfill Assignor's obligations under the Lease accruing prior to March 6, 2012. Assignee indemnifies Assignor from and against any loss, cost, or expense, including attorney fees and court costs relating to the failure of Assignee to fulfill obligations under the Lease accruing subsequent to March 6, 2012.

IV. CONTINGENCY

Notwithstanding anything to the contrary herein, this Assignment shall be contingent upon the receipt of the consent of the County as evidenced by its execution of the Consent of Landlord set forth below.

V. SUCCESSORS AND ASSIGNS

This Assignment shall be binding on and inure the benefit of the parties hereto, and their respective heirs, successors and assigns.

VI. COUNTERPARTS.

This Agreement may be executed in multiple counterparts, each of which shall be deemed an original.

VII. GOVERNING LAW

This Assignment shall be governed by and construed in accordance with laws of the State of Washington.

VIII. AUTHORITY

Each person signing hereunder warrants that they have the capacity and the authority to sign this Assignment on behalf of the respective person or entity which is being represented.

IX. MODIFICATION

This Assignment may be modified only by a written agreement signed by all the parties.

X. WAIVER

If any party waives any term or provision of this Assignment at any time, that waiver will only be effective for the specific instance and specific purpose for with the waiver was given. If any party fails to exercise or delays exercising any of its rights or remedies under this Assignment, that party retains the right to enforce that term or provision at a later time.

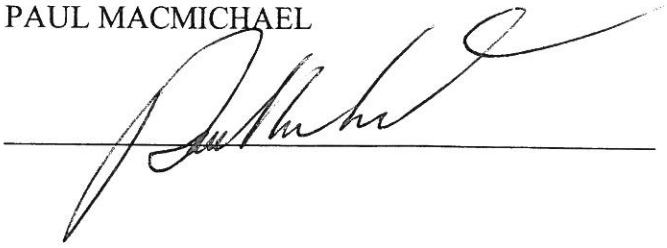
XI. SEVERABILITY

If any court determines that any provision of Assignment is invalid or unenforceable, any invalidity or unenforceability will affect only that provision and will not make any other provision of this Assignment invalid or unenforceable and shall be modified, amended or limited only to the extent necessary to render it valid and enforceable.

Executed as of the date first above written.

ASSIGNOR:

PAUL MACMICHAEL



ASSIGNEE:

STEPHEN T. MOORE



CONSENT OF LANDLORD

Kittitas County, as Landlord under the Lease, hereby consents to the within and foregoing Assignment pursuant to the terms and conditions therein set forth.

KITTITAS COUNTY

By: 

Alan Crankovich, Chair 3/16/12

Its: Boc Chair

210 Fieldstone Ct
Ellenburg, WA 98926
(509) 933-3789
strjmoore@fairpoint.net
February 10, 2012

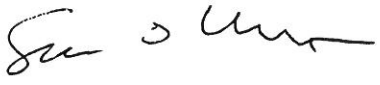
Ms. Kelly Carlson, Manager
Bowers Field Airport
Kittitas County Public Works Department
411 N. Ruby St, Ste 1
Ellensburg, WA 98926

Dear Ms. Carlson:

This letter is to inform you that I am purchasing Paul MacMichael's hangar on Lot H-41 at Bowers Field Airport and request that the remainder of his lease with the County be transferred to me on February 24, 2012.

If you have any questions or concerns, please let me know at the phone, email, or address above.

Sincerely,



Stephen T. Moore

4222 Juniper Dr W
University Place, WA 98466
(253) 566-1971
copterplt@juno.com
February 10, 2012

Ms. Kelly Carlson, Manager
Bowers Field Airport
Kittitas County Public Works Department
411 N. Ruby St, Ste 1
Ellensburg, WA 98926

Dear Ms. Carlson:

This letter is to inform you that I am selling my hangar on Lot H-41 at Bowers Field Airport to Stephen Moore and request that the remainder of my lease with the County be transferred to him on February 24, 2012.

If you have any questions or concerns, please let me know at the phone, email, or address above.

Sincerely,

Paul MacMichael

THIS AMENDMENT TO LEASE is made and dated this 9th day of July, 2011, by and between Kittitas County, a municipal corporation in the State of Washington, hereinafter referred to as the LESSOR, and PAUL MAC MICHAEL, and hereinafter referred to as the LESSEE.

WITNESSETH:

WHEREAS, LESSOR and LESSEE entered into a Lease on August 6, 1996, a copy of which is attached hereto and by this reference incorporated herein; and

WHEREAS, according to Paragraph 3 "Adjustment of Rental", it states " After the fifth year, the Lessor shall have the right to increase rental rates as outlined above. After the tenth year, the Lessor shall have the right to increase rental rates, provided that the annual rate shall not increase to more than 5% of the previous years annual rental rate, effective at the beginning of the tenth, fifteenth and twentieth years of this lease.

NOW, THEREFORE, IT IS HEREBY AGREED by and between the parties to a change in rental rates and contract terms as follows:

1) "Paragraph #2 – Rent" – Rental Rates for 8/01/2011 thru 7/31/2016 Term.

8/01/11 thru 7/31/16 Term	Rental Rate ($.066 per Sq Ft)	Leasehold Tax	Total Per Year
8/01/11 - 7/31/12	$ 453.32	$ 58.21	$ 511.53
8/01/12 – 7/31/13	$ 453.32	$ 58.21	$ 511.53
8/01/13 - 7/31/14	$ 453.32	$ 58.21	$ 511.53
8/01/14 - 7/31/15	$ 453.32	$ 58.21	$ 511.53
8/01/15 - 7/31/16	$ 453.32	$ 58.21	$ 511.53
8/01/16	Renegotiate	Renegotiate	Renegotiate

All other terms and conditions of the aforementioned lease shall remain the same

IN WITNESS WHEREOF, the Lessor and Lessee have signed their names and affixed their seals the day and year first above written.

COUNTY COMMISSIONERS SEAL ATTEST KITTITAS COUNTY WASHINGTON

Clerk of the Board

LESSOR:

BOARD OF COUNTY COMMISSIONERS
KITTITAS COUNTY, WASHINGTON

Paul Jewell, Chairperson

Alan Crankovich, Vice-Chair

Obie O'Brien, Commissioner

LESSEE:

Paul MacMichael

4 aug 2011
Date

ORIGINAL

KITTITAS COUNTY AIRPORT
DEPARTMENT OF PUBLIC WORKS

ADDENDUM TO LEASE

THIS ADDENDUM TO LEASE is made and dated this 5th **day of** September **2006,** by and between **Kittitas County**, a municipal corporation in the State of Washington, hereinafter referred to as the **LESSOR**, and **PAUL MAC MICHAEL,** and hereinafter referred to as the **LESSEE.**

WITNESSETH:

WHEREAS, LESSOR and LESSEE entered into a Lease on August 6, 1996, a copy of which is attached hereto and by this reference incorporated herein; and

WHEREAS, according to Paragraph 3 "Adjustment of Rental", it states " After the fifth year, the Lessor shall have the right to increase rental rates as outlined above. After the tenth year, the Lessor shall have the right to increase rental rates, provided that the annual rate shall not increase to more than 5% of the previous years annual rental rate, effective at the beginning of the tenth, fifteenth and twentieth years of this lease.

NOW, THEREFORE, IT IS HEREBY AGREED by and between the parties to a change in rental rates and contract terms as follows:

1) **"Paragraph #2 – Rent" – Rental Rates for 8/01/2006 thru 7/31/2011 Term.**

8/01/06 thru 7/31/11 Term	Rental Rate ($.063 per Sq Ft)	Leasehold Tax	Total Per Year
8/01/06 - 7/31/07	$ 432.72	$ 55.56	$ 488.28
8/01/07 – 7/31/08	$ 432.72	$ 55.56	$ 488.28
8/01/08 - 7/31/09	$ 432.72	$ 55.56	$ 488.28
8/01/09 - 7/31/10	$ 432.72	$ 55.56	$ 488.28
8/01/10 - 7/31/11	$ 432.72	$ 55.56	$ 488.28
8/01/11	Renegotiate	Renegotiate	Renegotiate

2) **"Paragraph #5 – Fire Protection Assessment" – will read as follows:**

In addition to any rental herein provided, the Lessee shall pay a fee *which shall be in lieu of taxes for fire protection services*. The annual rate shall be based upon the annual fire assessment determined by the Kittitas County Assessor and Fire District #2 to be calculated on January 1st of the current year. The assessment shall be due and payable concurrently with the lease payment or through Personal Property Taxes.

All other terms and conditions of the aforementioned lease shall remain the same

IN WITNESS WHEREOF, the Lessor and Lessee have signed their names and affixed their seals the day and year first above written.

COUNTY COMMISSIONERS KITTITAS COUNTY WASHINGTON ATTEST SEAL

Clerk of the Board

LESSOR:

BOARD OF COUNTY COMMISSIONERS
KITTITAS COUNTY, WASHINGTON

ABSENT

David B. Bowen, Chairperson

Alan Crankovich, Vice-Chair

Perry D. Huston, Commissioner

LESSEE:

Paul MacMichael

25 Aug 06

Date

ORIGINAL

LEASE

THIS LEASE made and entered into this 6th day of August, 1996, by and between **Kittitas County**, a municipal corporation in the State of Washington, hereinafter referred to as the **LESSOR**, and **PAUL MacMICHAEL,** hereinafter referred to as the **LESSEE**.

WITNESSETH:

The Lessor hereby agrees to lease to the Lessee, and the Lessee hereby agrees to lease from the Lessor, the following described real property situated at the Kittitas County Airport (Bowers Field), Kittitas County, Washington, to-wit:

That portion of the Southwest 1/4 of the Southeast 1/4 of Section 24, Township 18 North, Range 18 East, W.M., located at the Kittitas County Airport (Bowers Field), said property being within Kittitas County, State of Washington, and described as follows:

Beginning at the intersection of Bowers Road and Piper Road; thence North 88°12'30" East along the centerline of Bowers Road 1568.40 feet; thence North 1°47'30" West 30.00 feet to the northerly right-of-way of said Bowers Road and the True Point of Beginning.

From the True Point of Beginning North 88°12'30" East for 65.00 feet; thence North 01°47'30" West for 105.67 feet; thence South 88°12'30" West for 65.00 feet; thence South 01°47'30" East for 105.67 feet to the Point of Beginning.

Containing 6868.55 sq.ft., more or less

This lease is made in accordance with RCW 36.34.

TERM: The term of this lease shall be for twenty-five (25) years and will commence on the 1st day of August, 1996, and terminate on the last day of July, 2021, except as provided hereunder.

This lease may be extended in five year increments following completion of the 25th year subject to the such terms and conditions as may be established by, and at the sole discretion of, the Lessor. Failure to comply with the terms of this Lease by the Lessee may be sole cause for non-renewal or termination of this Lease by the Lessor, and such other remedies as are available to the Lessor.

RENT: Rent shall be paid in advance on an annual basis, with the first payment due on or before the 1st day of August of each year beginning in 1996, and continuing thereafter until termination of this lease. The rental for each year shall be as follows:

Rental Periods	Annual	Monthly
08/01/96 to 7/31/01	$343.44	$28.62
08/01/01 to 7/31/06	$412.11	$34.34
08/01/06 to 7/31/11	To be negotiated	
08/01/11 to 7/31/16	To be negotiated	
08/01/16 to 7/31/21	To be negotiated	

Alternatively, the lease payment may be paid in monthly installments equal to 1/12 of the annual lease amount. Said monthly installments shall be paid in advance and are due no later than the 25th day of each foregoing month.

ADJUSTMENT OF RENTAL: After the fifth year, the Lessor shall have the right to increase rental rates, as outlined above. After the tenth year, the Lessor shall have the right to increase rental rates, provided that the annual rental rate shall not increase to more than 5% of the previous year's annual rental rate, effective at the beginning of the tenth, fifteenth and twentieth year of this lease..

The appraised value of land and improvements shall be as determined by the Kittitas County Assessor according to the last previous appraisal.

If the Lessee does not agree with the proposed rental rates for the subsequent five year term, the Lessee may request arbitration. If the Lessee elects to arbitrate, the Lessee shall select one arbitrator and the Lessor shall select one arbitrator and the two so chosen shall select a third arbitrator. The arbitrators shall have the authority to increase the rent or continue the previous rental rate, and both parties shall be bound by the decision of the arbitrators. The cost of arbitration shall be borne by the Lessee.

LEASEHOLD TAX: In addition to any rental herein provided, the Lessee shall pay to the Lessor the leasehold tax as set forth by the State of Washington in Chapter 61, Laws of 1976, Second Executive Session (R.C.W. 82.29A) or as amended. The tax shall be due and payable at the same time the rental charged herein is due and payable.

FIRE PROTECTION ASSESSMENT: In addition to any rental herein provided, the Lessee shall pay an annual fee which shall be in lieu of taxes for fire protection services, a sum equal to $1.00 (plus any special levies of the Fire District which has received voter approval) per $1,000.00 of appraised value of land and improvements of the leased premises. The value of the leased premises shall be determined by the Kittitas County Assessor. This fee shall be due annually each and every year during the term and shall be due and payable on the 1st day of March of each year. In the event the premises are leased for only a portion of a year, the amount shall be prorated.

UTILITIES: The Lessee shall pay for extension of and all utility services supplied to the premises. Any such extensions shall be subject to the advance review of the Lessor.

PURPOSE: The Lessee shall utilize the premises primarily for an aircraft hangar for non-commercial aircraft storage and maintenance at least seven (7) months out of each calendar year. The land and any improvements are for non-commercial uses only, Lessee shall not conduct any type of commercial activity from said premises, without first obtaining the prior written approval of the Department of Public Works.

RULES AND REGULATIONS: The Lessee agrees to comply with all pertinent rules and regulations of the federal, state and local governments, as well as the rules, regulations, ordinances, and minimum standards of the Kittitas County Airport (Bowers Field), as are presently in effect and may in the future be adopted. The rules, regulations, ordinances and minimum standards of the Kittitas County Airport (Bowers Field) are made a part of this Agreement and shall have the same effect as though written herein. A copy of the Kittitas County Airport Standards is on file in the office of the Kittitas County Department of Public Works.

CONSTRUCTION: The Lessee shall have the right, during the term of this lease, to construct and maintain an aircraft hangar and a concrete apron between the structure and the existing asphalt apron. Any structure constructed in the leased area shall have a minimum setback of 15-feet from the west leased line, and 5 feet from the east leased line and at least 10 feet from the north and south leased lines. Prior to construction, the Lessee shall submit a written plan and specifications for the construction work, including any proposed extension of utilities, and said improvements shall not be constructed without said plans having first been approved, in writing, by the Lessor's Director of Public Works and the Director of the Building Department. (Building color to be approved by the Dept. of Public Works. Lessee has prior approval to use "white".)

All buildings and other improvements made upon the leased property shall belong to and become the property of the County at the expiration of the term of this lease, except that in the event of the termination of this lease, the Lessee may remove said building and other improvements at the Lessee's option, or shall remove the said buildings and other improvements if directed in writing by the Lessor. All costs for such removal, including costs to remove debris from the site, repair any damages, and provide tie offs for utility connections to the satisfaction of the Lessor, shall be the sole responsibility of the Lessee.

In the event the Lessee exercises such option or is otherwise directed to remove said building and improvements, the work shall be completed within thirty (30) days of the termination of the lease. The Lessee shall provide the Lessor notice in writing at least 30 days prior to the termination of the Lessee's intent for such removal. In the event notice is not given, or the Lessee fails to complete such removal within the prescribed time limits, the building and other improvements shall become the property of the Lessor and any removal costs shall be assessed the Lessee.

REPAIRS: The maintenance and repair of the proposed hangar structure and other improvements shall be the responsibility of the Lessee, including utilities within the leased area.

The Lessee further agrees that it will not commit waste and that it will keep said premises in a safe, sanitary, neat, presentable, and otherwise good condition, and in general shall comply with all the applicable governmental rules, ordinances and regulations as may be required or imposed by such authorities on said premises and shall comply with any direction pursuant to law of any public officer or officers who shall be empowered to enforce local, state and federal rules, regulations and ordinances upon the Lessee with respect to the said premises or the use, occupancy, or control thereof and shall not suffer any improper or offensive use of said premises.

AREA MAINTENANCE: Lessee shall, during the term of this lease, maintain the area between the building and boundary line of said lease to the satisfaction of the Lessor. The area shall be kept free of all debris, weeds and brush for the term of this lease. Lessee shall reimburse the Kittitas County Weed Authority or Kittitas County Department of Public Works for any costs incurred in the event that the County Weed Authority or Kittitas County Department of Public Works undertakes noxious weed or vegetation control measures.

INSURANCE: The Lessee shall obtain and maintain in force during the term of this agreement a liability insurance policy, which provides protection for bodily injury (including death) and property damage. Said insurance shall provide coverage by the Lessee to any employees or permittees of the Lessee, and shall name the Lessee as coinsured.

Pursuant to Resolution No. 88-73, or as may be amended hereafter, liability insurance policy shall have the following provisions, at a minimum:

1. Premises and leased area liability coverage in an amount not less than $100,000 - bodily injury; $300,000 - property damage; $300,000 - each occurrence.
2. Provide for not less than thirty (30) days in advance a written notice to Kittitas County regarding any material change of termination of the policy.

Lessee hereby releases Lessor of and from every and all right, claim and demand that Lessee may hereafter have against Lessor, its successors or assigns, arising out of or in connection with any loss or losses occasioned by fire and such items as are included under the normal extended coverage clauses of insurance policies, and does hereby waive all rights of subrogation in favor of insurance carriers against Lessor arising out of any losses occasioned by fire and such items as are included under the normal extended coverage clauses of fire insurance policies, and sustained by Lessee in or to the said premises and leased area.

The Lessee shall provide the Lessor with a copy of said policy.

AIRPORT TRAFFIC: It is understood and agreed that the Lessee's use of said premises and leased area shall not in any manner interfere or restrict the use of aircraft

landings, take-offs, or storage of aircraft as the airport is presently constructed. Lessee shall comply with all rules and regulations of the Federal Aviation Administration, Washington State Department of Transportation Aeronautics Division, and the Kittitas County Airport Standards.

HUNTING: Hunting or discharging of firearms will not be permitted on or from said premises or leased area.

NOTICES: Any notice given by one party to the other in connection with this agreement shall be in writing and shall be sent by certified or registered mail, return receipt requested as follows:

1. If to Lessor, addressed to:

   Kittitas County Department of Public Works
   205 W. Fifth, Room 108
   Ellensburg, Washington 98926

2. If to Lessee, addressed to:

   Paul MacMichael
   4222 Juniper Drive
   University Place, WA 98466

Notice shall be deemed to have been received on the date of receipt as shown on the return receipt.

Notice need be sent to but one Lessee where the Lessee is more than one person.

ATTORNEY FEES: In case Lessor shall bring suit to recover any rent due hereunder, or for breach of any provision of this lease, or to recover possession of the leased premises, or if Lessee shall bring any action for any relief against Lessor, declaratory or otherwise, arising out of this lease, the prevailing party shall recover reasonable attorney fees which shall be determined and taxed by the court as part of the costs of such action.

RIGHTS OF THE U.S. GOVERNMENT: The Lessor holds title to the property herein leased, partially by virtue of a deed from the United States Government. A copy of said deed is available for inspection at the office of the Kittitas County Department of Public Works, hereto and made a part of this instrument as though fully set forth herein. Lessee agrees that it will do nothing which will cause the Lessor to be in violation of the terms of said deed. Lessee furthermore agrees that it has had ample opportunity to review said deed and is aware of all of the terms and conditions therein.

AFFIRMATIVE ACTION: The Lessee assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E., to insure that no person shall, on the grounds of race, creed, color, national origin or sex, be excluded from participating in

any employment activities covered in 14 CFR Part 152, Subpart E. The Lessee assures that no person shall be excluded on these grounds from participating in, or receiving the services or benefits of, any program or activity covered by this subpart. The Lessee assures it will require that its covered suborganizations provide assurance to the Lessor that they similarly will undertake affirmative action programs and that they will require assurances from their suborganizations as required by 14 CFR Part 152, Subpart E, to the same effect.

ASSIGNMENT: The Lessee shall not assign this lease nor sublet any portion thereof without first obtaining the written consent of the Lessor.

HOLD HARMLESS: The Lessee hereby indemnifies and agrees to hold harmless the Lessor from any and all claims or demands whatsoever arising out of any loss, damage, or injury to persons or property resulting from the Lessee's use or occupancy of said premises and leased area, or caused by the acts or neglect of the Lessee, his agents or employees.

BANKRUPTCY: It is further agreed and understood that in case of the insolvency or bankruptcy of the Lessee, or any assignment for the benefit of creditors or the appointment of a receiver for the Lessee, this lease shall be immediately forfeited and shall be of no further force and effect, and that the Trustee in Bankruptcy, Receiver, or Assignee for the benefit of creditors shall not have any rights whatsoever in the demised premises.

DEFAULT: In the event the Lessee shall fail to comply with any of Lessee's commitments, duties or responsibilities under this lease, or any of its conditions or terms as herein stated, the Lessor may terminate this lease by giving thirty (30) days written notice of the conditions or terms being violated. If said failures are not corrected within the thirty (30) day period, this lease may be terminated and the Lessor shall be entitled to peaceably retake possession of the premises, provided the Lessee shall have the right to remove improvements as herein provided.

WAIVER: No assent, express or implied, by the Lessor to any breach of any of Lessee's covenants, agreements, conditions or terms hereof shall be deemed or taken to be a waiver of any succeeding breach of any covenant, agreement, condition or term hereof.

VENUE. In the event of any litigation between lessor and lessee arising out of this lease, the venue for such action shall lie in Kittitas County, notwithstanding any contrary provision of the Revised Code of Washington.

APPLICABILITY The covenants, agreements, terms and conditions contained in this lease shall apply to and be binding upon Lessor and Lessee and their respective heirs, executors, administrators, successor and assigns.

IN WITNESS WHEREOF, the Lessor and Lessee have signed their names and affixed their seals the day and year first above written.

LESSOR:

BOARD OF COUNTY COMMISSIONERS
KITTITAS COUNTY, WASHINGTON

ATTEST: COMMISSIONERS COUNTY SEAL KITTITAS COUNTY, WASHINGTON

Clerk of the Board

Approved as to form:

10/28/93

Prosecuting Attorney

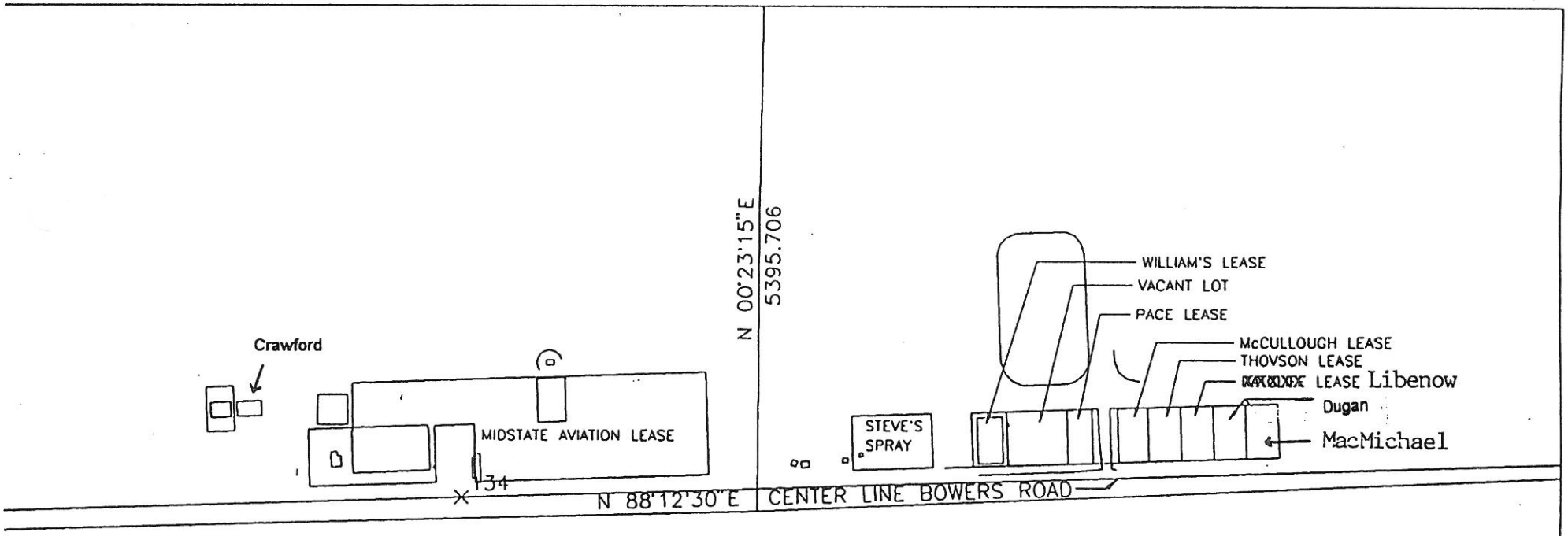
Chairperson

Donald E Sorenson
Commissioner

Mary Seubert
Commissioner

LESSEE:

Paul MacMichael 9 aug 96 0900 hr



DEPARTMENT OF PUBLIC WORKS

KITTITAS COUNTY

ELLENSBURG, WASHINGTON

AIRPORT LEASE MAP

SHEET 1 OF 1 DRAWN BY: JP

SCALE: 1" = 100' DATE: 2/16/95

SURVEY: FDB