

## LEASE AGREEMENT

This Lease is made and entered into this 19th day of April 2011 by and between Kittitas County, a political subdivision of the State of Washington, herein called "the County", and Kittitas County 4-H Council, a Washington a local sub-division of the 4-H youth development program of Washington State University Extension, herein called "Lessee."

Whereas: The County owns and operates a facility commonly known as Kittitas Valley Event Center, 512 N. Poplar, Ellensburg, WA 98926, hereinafter "Kittitas Valley Event Center"; and

Whereas: The County has space available located at the corner of Maple and 8<sup>th</sup> Ave. in the Kittitas Valley Event Center, 512 N. Poplar, Ellensburg WA 98926; and

Whereas: Under Kittitas County Code 2.81, the County can lease County property to the highest responsible bidder; and

Whereas: Under Kittitas County Code 2.81.090(9), the County is exempted from leasing the property to the highest responsible bidder when the County enters into rental agreements for the use of county property with bona fide nonprofit organizations wherein the organization is to make improvements or provide services to further a recognized county purpose; and

Whereas: The agreement may be for less than fair market rental so long as the general public is not unreasonably restricted from access to the improvements or services; and

Whereas: The Lessee is a non-profit organization under Washington law; and

Whereas: The Lessee desires to rent the available space described above to place a temporary storage unit for Kittitas County 4-H Council; and

Whereas: It is in the best interest of the County and its people for Lessee to be allowed to lease approx. 700 square feet in exchange for compensation as described below.

NOW THEREFORE, in consideration of the promises and commitments made herein, the sufficiency of which is hereby acknowledged, it is agreed as follows:

1. PREMISES. The County hereby leases to Lessee, upon the following terms and conditions, the improvements consisting of approximately 700 square feet located at 803 N. Maple, parcel # 073734, Map # 18-18-36056-6719, and part of the Kittitas Valley Events Center, 512 N. Poplar, Ellensburg WA 98926.

2. TERM. The term of this Lease shall be one year, and shall begin on the 1<sup>st</sup> day of May 2011, and end on the 30<sup>th</sup> day of April 2012. The Parties may, by mutual consent and with 30 day written notice prior to termination, elect to terminate this Lease.

During the Lease's Term, the Lessee will, upon receiving two weeks written notice from the County, temporarily relocate the items stored on the Premises. The length of the relocation time will be determined by the County, be reasonable in its time frame, and be provided in the written notice.

3. RENT. Subject to Kittitas County Code 2.81.090(9), in exchange for the County leasing the Premises to the Lessee for the purpose of storage, Lessee shall pay rent consisting of \$1/year, due at the beginning of the lease, and shall promote the Kittitas County Fair at 4-H Club meetings, 4-H Council meetings and other 4-H related activities.

4. LEASEHOLD EXCISE TAX. Lessee shall pay any applicable leasehold excise tax due pursuant to R.C.W. 82.29A to the County on or by December 31 of each year. If the State of Washington changes the leasehold excise tax or if the County imposes this tax, the tax payable by Lessee shall be correspondingly changed. If Lessee provides the County with proof of exemption from the Washington State Department of Revenue, then Lessee shall not be required to pay the leasehold excise tax.

5. USE. Lessee shall use said premises for the following purposes and no others without prior written consent of the County: Storage of Kittitas County 4-H Council equipment.

6. GENERAL TERMS AND CONDITIONS. Attached hereto as Exhibit A and incorporated herein by reference are the General Terms and Conditions. In the event of any conflict or inconsistency between the terms of this Lease and the Kittitas County General Terms and Conditions, the terms of this Lease shall control.

7. ENTIRE AGREEMENT - AMENDMENTS. This printed Lease together with the attached General Terms and Conditions, all exhibits expressly incorporated herein by reference and attached hereto shall constitute the whole agreement between the parties. There are no terms, obligations, covenants or conditions other than those contained herein. Except as otherwise provided herein, no modification or amendment of this Lease shall be valid or effective unless evidenced by an agreement in writing signed by both parties.

8. NOTICES. Required notices, except service of process, shall be given in writing to the following respective address:

To the County: Kittitas County Board of County Commissioners  
205 W 5<sup>th</sup> Ave, Ste. 108, Ellensburg WA 98926

Kittitas County Event Center  
Attn: Matt Anderson

512 N. Poplar, Ellensburg, WA 98926

To Lessee: Kittitas County 4-H Council  
507 N. Nanum St – Suite #2  
Ellensburg, WA 98926

or to such other respective addresses as either party hereto may hereafter from time to time designated in writing. Notices sent by mail shall be deemed to have been given when properly mailed.

DATED this 19<sup>th</sup> day of April 2011.

BOARD OF COMMISSIONERS  
KITITITAS COUNTY, WASHINGTON

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Paul Jewell, Chair

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Alan Crankovich, Commissioner

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Obie O'Brien, Commissioner

ATTEST:

APPROVED AS TO FORM:

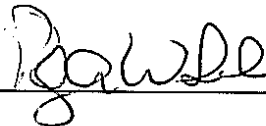
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Clerk of the Board

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Prosecuting Attorney

Kittitas County - 4H Council



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Signatory

Date: 4-15-11

Title 4-H Council President

## EXHIBIT A

### KITTITAS COUNTY GENERAL TERMS AND CONDITIONS

1. **LICENSE, TAXES AND FEES.** Lessee shall pay throughout the term of this Lease all applicable taxes and all license and excise and other applicable fees to which the Lessee, Lease, Rent, Premises or activities of the Lessee may become subject.
2. **OTHER CONSIDERATION.** Except as otherwise provided herein, no offset, reduction, or credit toward rent shall be allowed unless it is in writing and signed by the Kittitas County Board of County Commissioners
3. **NOTICE OF RENTAL ADJUSTMENT.** When it elects to adjust the rent, the County will give Lessee written notice of the adjusted rent 30 days prior to the effective date of any such adjustment. Within thirty (30) days following receipt of notice from the County, Lessee will give the County written notice of its acceptance or rejection of the adjusted rent. If Lessee does not notify the County within the thirty (30) day period, the rent as adjusted by the County will become the rent.
4. **COMPLIANCE WITH ALL LAWS AND REGULATIONS.** In using the Premises, Lessee will comply with all applicable laws, ordinances, and regulations from any and all authorities having jurisdiction. The Lessee specifically agrees to comply and pay all costs associated with achieving such compliance without any notice from the County, and further agrees that the County does not waive this section by giving notice of demand for compliance in any instance.
5. **UTILITIES.** Lessee will not be paying utilities under this Agreement.
6. **IMPROVEMENTS AND ALTERATIONS.**
  - A. Lessee shall make no alterations or improvements to or upon the Premises, or install any fixtures (other than trade fixtures which can be removed without injury to the Premises) without first obtaining written approval from the County.
  - B. Unless otherwise stipulated, all improvements or alterations erected or made on the Premises shall, upon expiration or earlier termination of this Lease, belong the County without compensation to the Lessee; however, the County shall have the option, to be exercised on expiration or earlier termination of the Lease, to require the Lessee, at Lessee's expense, to remove any or all such improvements or alterations.
7. **CONDITION OF PREMISES.** THE LESSEE HAS INSPECTED AND KNOWS THE CONDITION OF THE PREMISES AND IT IS UNDERSTOOD AND AGREED THAT THE PREMISES ARE LEASED ON AN "AS IS" AND "WITH ALL FAULTS" BASIS WITHOUT ANY OBLIGATION ON THE PART OF THE COUNTY TO MAKE

ANY CHANGES, IMPROVEMENTS, OR TO INCUR ANY EXPENSES WHATSOEVER FOR THE MAINTENANCE OR REPAIR OF THE PREMISES.

8. CONSTRUCTION DEFECTS. The County shall not be liable to the Lessee for claims or damages arising from any defect in the construction of or the present condition of the Premises, whether known or unknown, or for damage by storm, rain, or leakage or any other occurrence.

9. MAINTENANCE.

A. Lessee shall throughout the term of this Lease without cost or expense to the County, keep and maintain the leased Premises and all improvements, landscaping, fixtures, and equipment which may now or hereafter exist thereon, as a high quality community recreation center and in a neat, clean, safe and sanitary condition and shall at all times preserve the Premises in good and safe repair. Upon the expiration or sooner termination of the Lease, Lessee shall forthwith return the same in as good a condition as existed at the commencement of occupancy (ordinary wear and tear excepted).

B. If, after thirty (30) days' notice from the County, Lessee fails to maintain or repair any part of the leased Premises or any improvement, landscaping, fixtures or equipment thereon, the County may, but shall not be obligated to, enter upon the leased Premises and perform such maintenance or repair, and Lessee agrees to pay the costs thereof to the County upon receipt of a written demand. Any unpaid sums under this paragraph shall be payable as additional rent on the next rent payment date due following the written demand and will bear interest at the maximum rate allowed by Washington State Law.

10. INDEMNITY AND HOLD HARMLESS. The Lessee agrees to indemnify and hold the County harmless as provided herein to the maximum extent possible under law. Accordingly, the Lessee agrees for itself, its successors, and assigns, to defend, indemnify, and hold harmless the County, its appointed and elected officials, and employees from and against liability for all claims, demands, suits, and judgments, including costs of defense thereof for injury to persons, death, or property damage which is caused by, arises out of, or is incidental to Lessee's exercise of rights and privileges granted by this Lease Agreement, except to the extent of the County's sole negligence. The Lessee's obligations under this section shall include:

A. The duty to promptly accept tender of defense and provide defense to the County at the Lessee's own expense; and

B. Indemnification of claims made by the Lessee's own employees or agents.

In the event it is necessary for the County to incur attorney's fees, legal expenses or other costs to enforce the provisions of this section, all such fees, expenses and costs shall be recoverable from the Lessee. In the event it is determined that R.C.W. 4.24.115 applies to this Lease Agreement, the Lessee agrees to defend, hold harmless, and indemnify the County to the maximum extent permitted thereunder, and specifically for its negligence concurrent with that of the County to the full extent of Lessee's negligence. **Lessee agrees to defend, indemnify, and hold harmless the County for**

**claims by Lessee's employees and agrees to waiver of its immunity under Title 51 R.C.W., which waiver has been mutually negotiated by the parties.**

The County hereby agrees to defend, indemnify and hold Lessee harmless from and against liability to third parties for any claims, damages, demands, suits and judgments, including reasonable attorneys fees, arising from any latent structural or other design defect of the Premises that could not be reasonably discovered by Lessee.

**11. FIRE INSURANCE AND CASUALTY.**

A. The Lessee will carry fire and extended coverage insurance in an amount equal to the full insurable value of all improvements, structures, and buildings located on the premises. The policy shall include Kittitas County as an additional insured for its interest in the property. A certificate of insurance must be provided to the County.

B. In the event of the total or partial destruction of the building, structures, or facilities currently on the Premises, the Lessee shall have the obligation to reconstruct such facilities to the condition in which they existed at the inception of the Lease within six (6) months after their destruction, provided that such obligation shall be limited to the extent the costs of such reconstruction are covered by the insurance proceeds available to Lessee or with the insurance proceeds that would have been available to Lessee had Lessee maintained the insurance required hereunder.

**12. INSURANCE REQUIREMENTS.** By the date of execution of this Lease, the Lessee shall procure and maintain for the duration of this Lease, insurance against claims for injuries to persons or damages to property which may arise from, or in connection with exercise of the rights and privileges granted by this lease, by the Lessee, his agents, representatives, employees/subcontractors. The cost of such insurance shall be paid by the Lessee. Lessee hereby waives all rights of recourse, including any right to which another may be subrogated, against the County for personal injury, including death, and property damage.

**A. MINIMUM SCOPE OF INSURANCE**

The Lessee shall maintain limits for General Liability no less than \$2,000,000 combined single limit per occurrence for bodily injury, personal injury, and property damage.

**B. OTHER INSURANCE PROVISIONS.** The insurance policies required in this Lease are to contain or be endorsed to contain the following provisions:  
General Liability Policy:

1. Kittitas County, its officers, officials, employees, and agents are to be covered as additional insureds as respects liability arising out of activities performed by or on behalf of the Lessee in connection with this Lease.

2. To the extent of Lessee's negligence, the Lessee's insurance coverage shall be primary insurance as respects the County, its officers, officials, employees, and agents. Any insurance and/or self-insurance maintained by the County, its officers, officials, employees, or agents shall not contribute with the Lessee's insurance or benefit the Lessee in any way.

3. The Lessee's insurance shall apply separately to each insured against whom a claim is made and or lawsuit is brought, except with respect to the limits of the insurer's liability.

All Policies:

Coverage shall not be suspended, voided, canceled, reduced in coverage or in limits, until after forty-five (45) days prior notice - return receipt requested, has been given to the County.

C. ACCEPTABILITY OF INSURERS. Insurance is to be placed with insurers with a Bests' rating of no less than A:VIII, or if not rated with Bests' with minimum surpluses, the equivalent of Bests' surplus size VIII. If at any time, of the foregoing policies shall be or become unsatisfactory to the County, as to form or substance, or if a company issuing any such policy shall be or become unsatisfactory to the County, the Lessee shall, upon notice to that effect from the County, promptly obtain a new policy, and shall submit the same to the County, with the appropriate certificates and endorsements for approval.

D. VERIFICATION OF COVERAGE. Lessee shall furnish the County with certificate(s) of insurance and endorsement(s) required by this Lease. The certificate(s) and endorsement(s) for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The certificates and endorsements for each insurance policy are to be on forms approved by the County and are to be received and approved by the County prior to the commencement of activities associated with the Lease. The County reserves the right to require complete certified copies of all required insurance policies at any time.

13. MUTUAL RELEASE AND WAIVER. To the extent a loss is covered by insurance in force, the County and Lessee hereby mutually release each other from liability and waive all right of recovery against each other for any loss from perils insured against under their respective fire insurance policies, including any extended coverage endorsements hereto; provided that this Agreement shall be inapplicable if it would have the effect of invalidating any insurance coverage of the County or the Lessee.

14. SURRENDER OF PREMISES. At the expiration or earlier termination of this Lease, Lessee shall promptly surrender possession of the Premises to the County, and shall deliver to the County all keys that it may have to any and all parts of the Premises.

15. DEFAULT AND RE-ENTRY. If any rents above reserved or other obligations provided herein, or any part thereof shall be and remain unpaid when the same shall become due, or if Lessee shall violate or default on any of the covenants and agreements herein contained, then the County may cancel this Lease upon giving the notice required by law and re-enter said Premises using such force as may be required. Notwithstanding such re-entry by the County, the liability of the Lessee for the rent provided for herein shall not be extinguished for the balance of the term of this Lease. Notwithstanding the default provisions above, the County agrees not to exercise any of the remedies for default specified herein unless and until: (a) if the default consists of a violation to pay rent as defined in this Lease Agreement, the County has given Lessee written notice of the default and Lessee has failed to cure the default within ten (10) days of receipt of such notice; or (b) if the default consists of a violation of a covenant other than a covenant to pay rent as defined in this Lease Agreement,

holder has given Lessee at least thirty (30) days notice of such default and Lessee has failed to cure the default within such thirty (30) day period, provided no such notice must be given if the default was deliberate or immediate action is needed to protect persons or property from immanent harm, and provided further if the default is one that is capable of being cured, but cannot with due diligence be cured within thirty days, such thirty day period shall be deemed extended, to a maximum of ninety (90) days from the date of the original default, if Lessee advises the County of its intention to cure within thirty days of the original default notice and prosecutes the curing of the default with all due diligence.

16. NON-WAIVER. It is hereby agreed that no waiver of any condition or covenant in this Lease or any breach thereof, shall be taken to constitute waiver of any subsequent breach.

17. SIGNS. No sign, advertisement, notice, or other lettering will be exhibited, inscribed, painted, or affixed by Lessee on any part of the outside of the Premises without the prior written consent of the County. If Lessee violates this provision, the County may remove the sign without any liability and may charge the expense incurred by such removal to the Lessee provided, however, the County shall give Lessee written notice of Lessee's violation of this provision and Lessee shall have forty-eight (48) hours after receiving said notice to comply with the terms of this provision. All signs erected or installed by Lessee shall be subject to any federal, state or local statutes, ordinances or regulations applicable to signs. The County hereby reserves all naming rights to the Premises.

18. INSPECTION. The County reserves the right to inspect the Premises at any and all reasonable times throughout the term of this Lease, provided that the County shall not interfere unduly with Lessee's operations. The right of inspection reserved to the County hereunder shall impose no obligation on the County to make inspections to ascertain the condition of the Premises, and shall impose no liability upon the County for failure to make such inspections.

19. LIENS. It is understood and agreed that this Lease is executed and delivered upon the express condition that the Lessee will not and cannot contract any debt or debts for labor, materials, services, or otherwise which will or may become a lien against the interest of the County in the Premises, and the County hereby denies to Lessee any right, power, or authority to do any act, or contract any obligation or liability which would in any way subject the interest of the County in the Premises to any lien, claim, or demand whatsoever. Nothing in this paragraph 19 shall prevent Lessee from contracting for labor, materials or other services that have the potential to ripen into a lien on the Lessee's leasehold estate under RCW § 60.04.051; Provided, however, Lessee shall immediately take all actions necessary to remove any such levy, lien, or encumbrance.

20. ASSIGNMENT OR SUBLEASE. Lessee shall not assign or transfer this Lease or any interest therein, nor sublet the whole or any part of the Premises, nor grant an



option for assignment, transfer or sublease for the whole or any part of the Premises, nor shall this Lease or any interest thereunder be assignable or transferable by operation of law, or by any process or proceeding of any court or otherwise.

## 21. CONDEMNATION.

A. The County and Lessee will immediately notify the other in writing of the receipt of notice of any proceedings with respect to a condemnation or intent of any authority to exercise the power of eminent domain.

B. If all of the Premises are taken by any lawful authority under the power of eminent domain for a period which will end on or extend beyond the expiration of the term of this Lease, this Lease terminates as of the date condemner takes possession, and Lessee will have no claim or interest in or to any award of just compensation.

C. If part of the Premises is taken by any lawful authority under the power of eminent domain for a period which will end on or extend beyond the expiration of the term of this Lease, the County or Lessee may choose to terminate this Lease as of the date the condemner takes possession. Lessee will have no claim or interest in or to any award of just compensation or damages.

D. If temporary use of all or a portion of the Premises is taken by any lawful authority for a period which would reduce the leasehold and, consequently, would cause the Premises to be untenable for the use by Lessee for the purposes set forth in the section of this Lease titled "Use," then, at Lessee's determination, the County or Lessee may choose to terminate this Lease. If the County or Lessee elect to terminate the Lease, the Lease will terminate the date the condemner takes possession and Lessee will have no claim or interest in or to any award of just. If neither the County nor Lessee elects to terminate this Lease, the Lease will continue in full force.

E. It is understood and agreed that Lessee shall not be party to any negotiation or proceedings at law wherein the County claims compensation other than that which is defined statutorily as constituting "just compensation."

22. ANTI-DISCRIMINATION. In all services or activities and all hiring or employment made possible by or resulting from this Lease, there shall be no discrimination against any employee or applicant for employment because of sex, age (except minimum age and retirement provisions), race, color, creed, national origin, marital status, sexual orientation, or the presence of any sensory, mental, or physical handicap, unless based upon a bona fide occupational qualification. This requirement shall apply to but not be limited to the following: Employment, advertising, lay-off or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. The Lessee shall not violate any of the terms of R.C.W. 49.60, Title VII of the Civil Rights Act of 1964, or any other applicable federal, state, or local law or regulations regarding non-discrimination. Any violation of this provision shall be considered a violation of a material provision of this Lease and shall be grounds for cancellation, termination, or suspension, in whole or in part of the lease by the County, and may result in ineligibility for further County agreements. The Lessee will also comply with other anti-discrimination laws or requirements of any and all jurisdictions having authority.

23. HEIRS, AGENTS, AND ASSIGNS. Without limiting any provisions of this Lease pertaining to assignment and subletting, the provisions of this Lease bind the heirs, successors, agents and assigns of any of the parties to this Lease.

24. CAPTIONS. The captions in this Lease are for convenience only and do not in any way limit or amplify the provisions of this Lease.

25. TIME IS OF THE ESSENCE. Time is of the essence of this Lease, and in the event of the failure of Lessee to pay any charges at the time in the manner herein specified, or to keep any of the covenants or agreements herein set forth, the Lessee shall be in default.

26. CUMULATIVE REMEDIES. No provision of this Lease precludes the County from pursuing any other remedies for Lessee's failure to perform his obligations.

27. ATTORNEY'S FEES/COLLECTION CHARGES. In the event legal action is brought by either party to enforce any of the terms, conditions, or provisions of this Lease, the prevailing party shall recover against the other party in addition to the costs allowed by law, such sum as the court may adjudge to be a reasonable attorney's fee.

28. HAZARDOUS MATERIALS AND ENVIRONMENTAL COMPLIANCE.

A. DEFINITION. "Hazardous Materials" as used herein shall mean:

1. Any toxic substances or waste, sewage, petroleum products, radioactive substances, medical, heavy metals, corrosive, noxious, acidic, bacteriological or disease-producing substances; or

2. Any dangerous waste or hazardous waste as defined in:

a. Washington Hazardous Waste Management Act as now existing or hereafter amended (RCW Ch. 70.105); or

b. Resource Conservation and Recovery Act as now existing or hereafter amended (42 U.S.C. Sec. 6901 et seq.); or

3. Any hazardous substance as defined in:

a. Comprehensive Environmental Response, Compensation and Liability Act of 1980 as now existing or hereafter amended (42 U.S.C. Sec. 9601 et seq.); or

b. Washington Model Toxics Control Act as now existing or hereafter amended (RCW Ch. 70.105D); or

4. Any pollutants, contaminants, or substances posing a danger or threat to public health, safety or welfare, or the environment, which are regulated or controlled as such by any applicable federal, state or local laws, ordinances or regulations as now existing or hereafter amended.

B. Lessee shall not without first obtaining the County's prior written approval, use, generate, release, handle, spill, store, treat, deposit, transport, or dispose of any Hazardous Materials in, on, or about the Premises, or transport any Hazardous Material to or from the Premises. In the event, and only in the event, the County approves any of the foregoing, Lessee agrees that such activity shall occur safely and in compliance with all applicable federal, state, and local laws, ordinances and regulations.

C. ENVIRONMENTAL COMPLIANCE.

1. Lessee shall, at Lessee's own expense, comply with all federal, state and local laws, ordinances and regulations now or hereafter affecting the Premises, Lessee's business, or any activity or condition on or about the Premises, including, without limitation, all laws, ordinances and regulations related to Hazardous Materials and all other environmental laws, ordinances and regulations, and any other laws relating to the improvements on the Premises, soil and groundwater, storm water discharges, or the air in and around the Premises, as well as such rules as may be formulated by the County ("the Laws"). Lessee warrants that its business and all activities to be conducted or performed in, on, or about the Premises shall comply with all of the Laws. Lessee agrees to change, reduce, or stop any non-complying activity, or install necessary equipment, safety devices, pollution control systems, or other installations may be necessary at any time during the lease to comply with the Laws.

2. Lessee shall not cause or permit to occur any violation of the Laws on, under, or about the Premises, or arising from Lessee's use or occupancy of the Premises, including, but not limited to, soil and ground water conditions.

3. Lessee shall promptly provide all information regarding any activity of Lessee related to Hazardous Materials on or about the Premises that is requested by the County. If Lessee fails to fulfill any duty imposed under this paragraph within a reasonable time, the County may do so; and in such case, Lessee shall cooperate with the County in order to prepare all documents the County deems necessary or appropriate to determine the applicability of the Laws to the Premises and Lessee's use thereof, and for compliance therewith, and Lessee shall execute all documents promptly upon the County's request. No such action by the County and no attempt made by the County to mitigate damages shall constitute a waiver of any of Lessee's obligations under this paragraph.

4. Lessee shall, at Lessee's own expense, make all submissions to, provide all information required by, and comply with all requirements of all governmental authorities ("the Authorities") under the Laws.

5. Should any Authority demand that a cleanup plan be prepared and that a cleanup be undertaken because of any deposit, spill, discharge or other release of Hazardous Materials that occurs during the term of this Lease at or from the Premises and that is not the result of the acts or omissions of the County, or which arises at any time from Lessee's use of occupancy of the Premises, then Lessee shall, at Lessee's own expense, prepare and submit the required plans and all related bonds and other financial assurances; and Lessee shall carry out all such cleanup plans. Any such plans and cleanup are subject to the County's prior written approval.

#### D. INDEMNIFICATION.

1. Lessee shall be fully and completely liable to the County for any and all cleanup costs, and any and all other charges, fees, penalties (civil and criminal) imposed by any Authority with respect to Lessee's use, disposal, transportation, generation, release, handling, spillage, storage, treatment, deposit and/or sale of Hazardous Materials in or about the Premises, common area, or buildings. Lessee shall indemnify, defend, and save the County harmless from any and all of the costs, fees, penalties, and charges assessed against or imposed upon the County (as well as the County's attorney's fees and costs) by any Authority as a result of Lessee's use, disposal, transportation, generation, release, handling, spillage, storage, treatment,

deposit and/or sale of Hazardous Materials, or from Lessee's failure to provide all information, make all submissions, and take all steps required by all Authorities under the Laws.

2. Lessee shall indemnify and hold the County harmless from any and all claims, liabilities, lawsuits, damages, and expenses, including reasonable attorney's fees, for bodily injury or death, property damage, loss, or costs caused by or arising from the use, disposal, transportation, generation, release, handling, spillage, storage, treatment, deposit and/or sale of Hazardous Materials by Lessee or any of its agents, representatives or employees in, on, or about the Premises occurring during the term of the this Lease.

3 The County shall indemnify and hold Lessee harmless from any and all claims, liabilities, lawsuits, damages, and expenses, including reasonable attorney's fees, arising from third party actions brought against Lessee that are caused by or arise from the use, disposal, transportation, generation, release, handling, spillage, storage, treatment, deposit and/or sale of Hazardous Materials by the County or any of its agents, representatives or employees in, on, or about the Premises.

#### E. REPORTING REQUIREMENTS.

Lessee shall comply with the Laws requiring the submission, reporting, or filing of information concerning Hazardous Materials with the Authorities, and shall provide to the County a full copy of any such filing or report as submitted within 15 days of such submission.

#### F. RIGHT TO CHECK ON LESSEE'S ENVIRONMENTAL COMPLIANCE.

The County expressly reserves the right, and Lessee shall fully cooperate in allowing, from time to time, such examinations, tests, inspections, and reviews of the Premises as the County, in its sole and absolute discretion, shall determine to be advisable in order to evaluate any potential environmental problems.

#### G. REMEDIES.

Upon Lessee's default under this Section 28 HAZARDOUS MATERIALS AND ENVIRONMENTAL COMPLIANCE, the County shall be entitled to the following rights and remedies in addition to any other rights and remedies that may be available to the County:

1. At the County's option, to terminate this Lease immediately, notwithstanding the notice and cure provisions of described above; and/or,

2. At the County's option, to perform such response, remediation and/or cleanup as is required to bring the Premises and any other areas of the County property affected by Lessee's default into compliance with the Laws and to recover from Lessee all of the County's costs in connection therewith; and/or

3. To recover from Lessee any and all damages associated with the default, including but not limited to, response, remediation and cleanup costs and charges, civil and criminal penalties and fees, adverse impacts on marketing the Premises or any other adjacent areas of the County property, loss of business and sales by the County and other the County lessees, diminution of value of the Premises and/or other adjacent areas owned by the County, the loss of or restriction of useful space in the Premises and/or other adjacent areas owned by the County, any and all damages and claims asserted by third parties, and the County's attorney's fees and costs.

#### H. REMEDIATION ON TERMINATION OF LEASE.

Upon the expiration or earlier termination of this Lease, Lessee shall remove, remediate or clean up any Hazardous Materials on or emanating from the Premises, provided that the presence of such Hazardous Materials arises from Lessee's use or occupancy of the Premises or Lessee's acts or omissions exacerbate the cost of remediation and Lessee shall undertake whatever other action may be necessary to bring the Premises into full compliance with the Laws ("Termination Cleanup"). The process for such Termination Cleanup is subject to the County's prior written approval. If Lessee fails or refuses to commence the Termination Cleanup process, or fails to reasonably proceed toward completion of such process, the County may elect to perform such Termination Cleanup after providing Lessee with written notice of the County's intent to commence Termination Cleanup, and after providing Lessee a reasonable opportunity, which shall be not less than ninety (90) days after such notice (unless the County is given notice by a government agency with jurisdiction over such matter that Termination Cleanup must commence within a shorter time, in which case the County shall give Lessee notice of such shorter time), to commence or resume the Termination Cleanup process. If the County performs such Termination Cleanup after said notice and Lessee's failure to perform same, Lessee shall pay all of the County's costs.

I. SURVIVAL. Lessee's obligations and liabilities under this Section 28, HAZARDOUS MATERIALS AND ENVIRONMENTAL COMPLIANCE, shall survive the expiration of this Lease.

29. SEVERABILITY. If any term or provision of this Lease or the application of any term or provision to any person or circumstance is invalid or unenforceable, the remainder of this Lease, or the application of the term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected and will continue in full force.

30. VENUE. In the event that any litigation should arise concerning the construction or interpretation of any of the terms of this Lease Agreement, the venue of such action of litigation shall be in the Superior Court of the State of Washington in and for the County of Kittitas. This Agreement shall be governed by the law of the State of Washington.

31. PRIOR AGREEMENTS. This Lease Agreement embodies the entire Agreement between the County and Contractor, and supersedes any and all prior agreements, regarding the Work. No change, amendment or modification of any provisions of this Agreement shall be valid unless set forth in a written instrument signed by the party to be bound thereby.