

**City of Deer Park
City Council Agenda
September 21, 2016
7:00 p.m.**

This preliminary agenda is subject to change in order to conduct business in a timely manner.

- 1. Call to Order**
Roll Call: Mayor Robert Whisman
Councilmember's: Dee Cragun, Mary Babb, Tim Verzal,
Don Stevens and Joe Polowski
Clerk/Treasurer: Deby Cragun
- 2. Invocation**
- 3. Pledge of Allegiance & Welcome**
- 4. Approval of Agenda**
- 5. Approval of September 7, 2016 regular council meeting minutes**
- 6. New Business**
 - A. Memorandum of Understanding between the City and School District for the School Resource Deputy for the 2016-2017 School Year.
- 7. Resolutions**
 - A. Resolution 2016-007 ~ A Resolution concerning the Proposed Closure of Sections of the John Wayne Trail
- 8. Ordinances**
- 9. Consent Agenda**
 - A. Approval of Voucher Claim Check Nos. 35168 through 35203 including EFT Debits in the amount of \$432,474.11 for the first half of Sept. 2016.
 - B. Declaring Surplus Property from Airport Inventory and Approving Disposal Method.
 - C. Deer Park Municipal Airport Use Agreement ~ Chewelah Police Dept.
 - D. Deer Park Municipal Airport Lease Agreement ~ Robert Mazone
- 10. Interested Citizens: Oral Communications, Requests, Comments from Audience**
- 11. Report of Departments**
- 12. Report of Officers**
- 13. Executive Session**
- 14. Adjournment**

**City of Deer Park
City Council Minutes
September 07, 2016**

Mayor Whisman called the meeting to order at 7:03 p.m.

ROLL CALL

Mayor Whisman called roll and the following were:

Present:	Councilmember's: Dee Cragun, Mary Babb, Don Stevens, and Joe Polowski
Absent:	Tim Verzal, Excused Absent (Cragun/Babb)
Staff:	Roger Krieger
Airport Manager:	Darold Schultz, Schultz's Aviation, L.L.C.
Economic Developer	Joe Tortorelli
Fire Chief District #4	Randy Johnson
Clerk/Treasurer:	Deby Cragun
Audience: 9	

2. Invocation

Pastor Nate Ghering from Christ's Church gave the invocation.

3. Pledge of Allegiance & Welcome

4. Approval of Agenda

IT WAS MOVED BY CRAGUN, SECONDED BY POLOWSKI; MOTION CARRIED (4-0) TO APPROVE THE AGENDA AS PRESENTED.

5. Approval of August 17, 2016 regular council meeting minutes

IT WAS MOVED BY CRAGUN, SECONDED BY POLOWSKI; MOTION CARRIED (4-0) TO APPROVE THE AUGUST 17, 2016 REGULAR COUNCIL MEETING MINUTES AS PRESENTED.

6. Public Hearings

A. CDBG ~ Block Grant Program

Mayor Whisman opened the Public Hearing at 7:07 p.m.

Roger Krieger reviewed the CDBG Block Grant Program.

There was no public comment.

The Public Hearing was closed at 7:08 p.m.

7. New Business

A. CDBG Block Grant Project Approval

Roger Krieger reviewed the CDBG Block Application, and to discuss the Community's housing and development needs and potential projects for the next year and to describe the City of Deer Park's project proposed for funding consideration.

Following discussion,

IT WAS MOVED BY CRAGUN, SECONDED BY POLOWSKI, TO:

APPROVE THE CDBG BLOCK GRANT APPLICATION PREPARED BY STAFF FOR THE 2017-2018 PROGRAM YEAR

MOTION CARRIED 4-0.

8. Resolutions

No Resolutions

9. Ordinances

No Ordinances

10. Consent Agenda

Items listed below were distributed to Council Members in advance for study and were enacted with one motion.

IT WAS MOVED BY CRAGUN, SECONDED BY POLOWSKI; MOTION CARRIED (4-0) TO APPROVE THE CONSENT AGENDA.

- A. Approval of Voucher Claim Check Nos. 35130 through 35167 including EFT Debits in the amount of \$162,677.32 for the last half of August 2016.
- B. Approval of Payroll Check Nos. 12290 through 12328 (12328 was voided) including 941 Taxes in the amount of \$102,578.32 for the month of August 2016.

11. Interested Citizens: Oral Communications, Requests, Comments from Audience

Kris Barnes and Amber Williams from the Deer Park Library have scheduled another park cleanup day for Saturday September 17, 2016 at 9:00 a.m. They are hoping for a great turn out.

Jim Palmer, Sr. stated the Chamber Auction is a little over a month away and they are still in need of Auction items. Mr. Palmer also stated the Chamber has been in talks with Northwest Canopy regarding the cost of a digitized sign. After further discussion Northwest Canopy would be willing to install a digitized sign along Highway 395 for \$15,000.00 which would be a considerable discount. Mr. Palmer stated the Chamber will pay 1/3 or \$5,000.00 and they would like to City to pick up the other 2/3 or \$10,000.00. Mayor Whisman stated the Council will consider this request at Budget time.

Fire Chief Randy Johnson stated abatement for the Civic Center has started with demolition to start soon after the abatement process has been completed. The Fire District hopes to have the demolition completed before the snow flies.

Marilyn Reilly wanted to know if there was still an old white table in the Civic Center. She stated this table was an old home economics table and if it was still there she would like to find a good home for it. Mayor Whisman stated if she could find a home for the table he would make sure she acquired it.

Richie Schut stated he and other area residents were having serious internet related issues with CenturyLink and asked if the City could do something to help. Mayor Whisman stated he would see what he could do.

12. Report of Officers

Council member Stevens stated at the last meeting that he would bring in his notes from the last SWAC meeting. He stated he had remembered his notes. Council member Stevens stated there is talk on raising the tipping fees from \$96.00 to \$101.00. This increase would be used to update their current computer system. The committee also talked about recycling and that there really is no money to be made from recycling at this time.

13. Executive Session

There was no executive session

14. Adjournment

There being no further business before the Council, Mayor Whisman adjourned the meeting at 7:45 P.M.

Mayor Robert Whisman

Deby Cragun, City Clerk/Treasurer

**MEMORANDUM OF UNDERSTANDING
REGARDING ECONOMIC CONTRIBUTION BY THE
CITY TO THE SCHOOL DISTRICT FOR THE SCHOOL RESOURCE DEPUTY
FOR THE 2016-2017 SCHOOL YEAR**

Deer Park School District #414 (hereinafter the "School District") entered into an Interlocal Agreement with Spokane County and the Spokane County Sheriff (hereinafter collectively the "County") for the provision of a School Resource Deputy from September 1, 2016 through June 30, 2017 (hereinafter the "Term"), at the School District schools pursuant to the terms and conditions set forth in the Interlocal Agreement, a copy of which is attached hereto marked as Exhibit "A" (hereinafter the "Interlocal Agreement").

The City of Deer Park (hereinafter the "City") has determined that making an economic contribution to the School District for a portion of the cost of the School Resource Deputy is in the best interest of the public health, safety and welfare of the citizens of the City. According to the Interlocal Agreement, the School District will be paying the County \$35,552 for the School Resource Deputy for the Term of the Interlocal Agreement.

The City agrees to reimburse the School District thirty percent (30%) of the payments made by the School District to the County up to a total maximum payment by the City of \$10,666.

The School District will make one payment request to the City for \$10,666 and the City will make one payment in this amount to the School District on or before January 31, 2017. In the event the School District terminates the Interlocal Agreement prior to June 30, 2017, the School District shall refund money to the City, or adjust its payment request to the City, so that the total City funds paid to the School District are equal to thirty percent (30%) of the total payments made by the School District to the County up to the maximum amount of \$10,666.

APPROVED by the City Council of the
City of Deer Park, Washington at an
Open Public Meeting the _____ day
of _____, 2016.

APPROVED by Deer Park School
District #414 the _____ day
of _____, 2016.

Robert Whisman, Mayor

Travis Hanson, Superintendent

NO. 16-0601

BEFORE THE BOARD OF COUNTY COMMISSIONERS
OF SPOKANE COUNTY, WASHINGTON

IN THE MATTER OF EXECUTING AN)
INTERLOCAL AGREEMENT BETWEEN)
SPOKANE COUNTY, SPOKANE COUNTY)
SHERIFF, AND DEER PARK SCHOOL)
DISTRICT NO. 414 FOR A SCHOOL)
RESOURCE DEPUTY)

RESOLUTION

WHEREAS, pursuant to the provisions of RCW 36.32.120(6), the Board of County Commissioners of Spokane County (hereinafter sometimes referred to as the "Board") has the care of County property and the management of County funds and business; and

WHEREAS, pursuant to the provisions of RCW 36.28.010, the Sheriff is the chief executive officer and conservator of the peace of the County; and

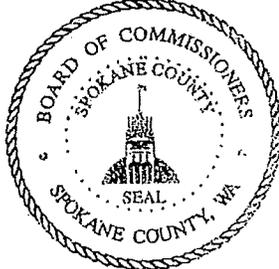
WHEREAS, Deer Park School District No. 414, a municipal corporation of the State of Washington, desires to enhance school security by funding one (1) School Resource Deputy commencing on September 1, 2016, and running through June 30, 2017; and

WHEREAS, chapter 39.34 RCW ("Interlocal Cooperation Act"), authorizes counties and municipal corporations to contract with each other to perform certain functions that each may legally perform; and

WHEREAS, Spokane County, Spokane County Sheriff, and Deer Park School District No. 414 desire to enter into an Interlocal Agreement to utilize one (1) Spokane County Sheriff Deputy as a School Resource Deputy for the time frame of September 1, 2016, through June 30, 2017.

NOW, THEREFORE, BE IT RESOLVED by the Board of County Commissioners of Spokane County, Washington, that either the Chairman of the Board, or a majority of the Board, or the Spokane County Sheriff, be and is hereby authorized to execute, at other than an open meeting, that document titled "INTERLOCAL AGREEMENT FOR SCHOOL RESOURCE DEPUTY - DEER PARK SCHOOL DISTRICT NO. 414," and all documents to implement, as well as any subsequent amendments to, said document, pursuant to which, under certain terms and conditions, the Spokane County Sheriff will provide Deer Park School District No. 414 with one (1) commissioned Spokane County Sheriff Deputy as a School Resource Deputy, commencing on September 1, 2016, and running through June 30, 2017, as more specifically described in said Agreement, attached hereto and incorporated herein by reference.

PASSED AND ADOPTED this 16th day of August, 2016.



ATTEST:

Ginna Vasquez
Ginna Vasquez, Clerk of the Board

BOARD OF COUNTY COMMISSIONERS
OF SPOKANE COUNTY, WASHINGTON

Shelly O'Quinn
SHELLY O'QUINN, Chair

Al French
AL FRENCH, Vice Chair

Nancy McLaughlin
NANCY MCLAUGHLIN, Commissioner

**INTERLOCAL AGREEMENT FOR SCHOOL RESOURCE DEPUTY
DEER PARK SCHOOL DISTRICT NO. 414**

THIS AGREEMENT, made and entered into by and between **Spokane County**, a political subdivision of the State of Washington, having offices for the transaction of business at 1116 West Broadway Avenue, Spokane, Washington 99260, hereinafter referred to as the "COUNTY," the **Spokane County Sheriff**, having offices for the transaction of business at 1100 West Mallon Avenue, Spokane Washington 99260, hereinafter referred to as the "SHERIFF", and **Deer Park School District No. 414**, a municipal corporation of the State of Washington, having offices for the transaction of business at 428 North Main Avenue, Deer Park, Washington 99006-0490, hereinafter referred to as "DEER PARK," jointly hereinafter referred to as the "PARTIES."

WITNESSETH:

WHEREAS, pursuant to the provisions of RCW 36.32.120(6), the Board of County Commissioners has the care of COUNTY property and management of COUNTY funds and business; and

WHEREAS, pursuant to the provisions of RCW 36.28.010, the SHERIFF is the chief executive officer and conservator of the peace of the COUNTY; and

WHEREAS, DEER PARK desires to enhance school security by funding one (1) School Resource Deputy starting on September 1, 2016; and

WHEREAS, pursuant to the Interlocal Cooperation Act as codified in chapter 39.34 RCW, the PARTIES wish to enter into an Interlocal Agreement to utilize one (1) Spokane County Sheriff Deputy as School Resource Deputy.

NOW, THEREFORE, for and in consideration of the mutual promises set forth hereinafter and as provided for in the above-referenced recitals, the PARTIES do hereby agree as follows:

SECTION NO. 1: PERFORMANCE

The SHERIFF shall provide DEER PARK with one (1) commissioned Sheriff Deputy as School Resource Deputy and supply said Sheriff Deputy with the basic Sheriff Deputy-required equipment and a vehicle to fulfill the obligations of the School Resource Deputy as described in Attachment "A."

DEER PARK shall contribute THIRTY-FIVE THOUSAND, FIVE HUNDRED AND FIFTY-TWO DOLLARS (\$35,552.00) in the 2016-2017 school year to pay a portion of the Sheriff Deputy's costs, including, but not limited to salary, benefits, overtime, uniform, training, travel, equipment and supplies.

SECTION NO. 2: TERM

The term of this Interlocal Agreement shall commence on September 1, 2016 and run through June 30, 2017.

SECTION NO. 3: PAYMENT

DEER PARK shall make payments to the COUNTY after receiving invoices from the COUNTY. The COUNTY may invoice on a monthly basis or as agreed on by the PARTIES. All checks shall be made payable to "*Spokane County*."

SECTION NO. 4: DUTY STATUS

The School Resource Deputy is subject to call by the SHERIFF or his designee at any time for emergencies, special assignment, or overtime duty. The School Resource Deputy is obligated to discharge all the duties of his/her office, enforce all laws and ordinances, adhere to Spokane County Sheriff's Office policies and procedures at all times, as well as meeting DEER PARK's needs.

The School Resource Deputy has a primary obligation to the SHERIFF, not DEER PARK. Accordingly, in the event the SHERIFF needs the School Resource Deputy at any time to fulfill duties other than acting as School Resource Deputy, the SHERIFF, at his sole discretion, may reassign the School Resource Deputy.

SECTION NO. 5: NON-DISCRIMINATION

During the performance of this Interlocal Agreement, the PARTIES shall not discriminate on the basis of race, color, sex, religion, national origin, creed, age or the presence of any sensory, mental or physical handicap.

SECTION NO. 6: LIABILITY

Each Party shall be responsible and liable for the consequences of any act or failure to act on the part of itself, its employees and its agents. Each party shall be responsible for its own negligence. Neither Party shall indemnify nor hold the other party harmless, in accordance with state and federal law.

SECTION NO. 7: NOTICES

All notices, requests, approvals, consents, or other communication, which may be required by this Interlocal Agreement, shall be given as follows:

COUNTY: Gerry Gemmill, Chief Executive Officer
Spokane County
1116 West Broadway Avenue
Spokane, Washington 99260

SHERIFF: Ozzie D. Knezovich, Spokane County Sheriff
Public Safety Building
1100 West Mallon Avenue
Spokane, Washington 99260-0300

DEER PARK: Travis W. Hanson, Superintendent
Deer Park School District No. 414
428 North Main Avenue
Deer Park, WA 99006-0490

SECTION NO. 8: TERMINATION

Either Party reserves the right to terminate this Interlocal Agreement for any reason whatsoever upon thirty (30) days written notice, as provided for in Section No. 7 herein above. In the event of termination, DEER PARK agrees to pay the SHERIFF for all services performed to the date of termination.

SECTION NO. 9: AMENDMENTS

This Interlocal Agreement may be amended by agreement of all PARTIES, executed in writing and appended to this Interlocal Agreement.

SECTION NO. 10: WHOLE AGREEMENT

This is the entire agreement of the PARTIES. To the extent it is inconsistent with other oral or written communication, this Interlocal Agreement supersedes and replaces it. No other written or oral promise shall be considered to alter or affect this Interlocal Agreement.

SECTION NO. 11: GOVERNING LAW

This Interlocal Agreement is to be governed by the laws of the State of Washington, and in the event of litigation, venue shall be in Spokane County Superior Court.

SECTION NO. 12: DISPOSITION OF ASSETS UPON TERMINATION

All assets provided by the PARTIES will remain the property of the Party who furnished the asset, and any assets purchased by DEER PARK will remain the property of DEER PARK.

SECTION NO. 13: REMEDY

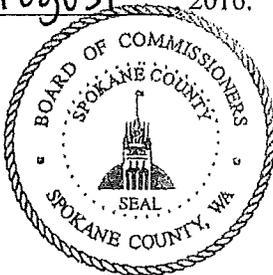
Termination of this Interlocal Agreement shall be the sole remedy for breach of this Interlocal Agreement.

SECTION NO. 14: FILING

An original of this Interlocal Agreement shall be executed and retained by the COUNTY, and the COUNTY will make this Interlocal Agreement available on the Spokane County website.

IN WITNESS WHEREOF, the PARTIES have caused this Interlocal Agreement to be executed on date and year opposite their respective signatures.

ADOPTED by the Board of County Commissioners of Spokane County, Washington this 16th day of August 2016.



ATTEST:

Ginna Vasquez
Ginna Vasquez, Clerk of the Board

16-0601

DATED: 8/19/16

Shelly O'Quinn
SHELLY O'QUINN, Chair

Al French
AL FRENCH, Vice-Chair

Nancy McLaughlin
NANCY MCLAUGHLIN, Commissioner

SPOKANE COUNTY SHERIFF:

By: Fozzie D. Knezovich
FOZZIE D. KNEZOVICH, Sheriff

DATED: 7/18/16

DEER PARK SCHOOL DISTRICT NO. 414:

By: Travis W. Hanson
TRAVIS W. HANSON, Superintendent

ATTACHMENT "A"

JOB DESCRIPTION SCHOOL RESOURCE DEPUTY

RESPONSIBLE TO: Secondary Building Principals

GENERAL DUTIES AND RESPONSIBILITIES:

The School Resource Deputy will work in collaboration with staff, students and community to ensure an environment conducive to learning and to maintain an atmosphere where teachers feel safe to teach and students feel safe enough to learn. He or she would function as an advisor to administrators, a law enforcement officer, and a mentor to students and faculty who provide tips to resolve problems.

SPECIFIC DUTIES:

1. Supervise campuses and surrounding areas to ensure that students are provided a safe and secure learning environment.
2. Enforce school disciplinary plans.
3. Assist and supervise activities outside of the normal school day.
4. Investigate and deter criminal conduct.
5. Go into classrooms to promote a better understanding of our laws, why they were enacted and their benefits.
6. Provide a visible positive image for law enforcement and bring expertise into schools that will help young people make more positive choices in their lives.
7. Be available as a confidential source of counseling to students concerning problems they face.
8. Collaborate with staff and community, specifically with the Spokane County Sheriff's Office, Deer Park School District Safety Task Force, Care Team, the drug/alcohol intervention specialist, and the high school parking lot monitors.
9. Provide expertise in staff training, drill, and implementation of school safety plans.
10. Provide expertise in an ongoing assessment of school safety.

QUALIFICATIONS:

1. Experience in law enforcement.
2. School-specific security education training.
3. Understanding of urban, suburban, and rural school security needs.
4. Real world knowledge of school issues.
5. Current with latest trends and strategies of school safety and security.
6. Experience with school safety assessment.
7. Ability to develop rapport with students and staff.
8. Ability to communicate both orally and in written form.
9. Ability to successfully resolve/diffuse conflicts.
10. Skilled in first aid and CPR.
11. Willingness to work flexible hours.

City of Deer Park
RESOLUTION 2016-007

**A RESOLUTION CONCERNING THE PROPOSED
CLOSURE OF SECTIONS OF THE JOHN WAYNE TRAIL**

ADOPTING A COMMUNIQUÉ FROM THE CITY OF DEER PARK TO STATE REPRESENTATIVE MARY DYE, STATE REPRESENTATIVE JOE SCHMICK, THE WASHINGTON STATE LEGISLATURE, REGIONAL CITY COUNCILS AND THE GENERAL PUBLIC.

WHEREAS, the City Council for the City of Deer Park, Washington, does hereby find as follows:

WHEREAS, Washington State Representative Mary Dye and Washington State Representative Joe Schmick have communicated to members of the Tekoa City Government their intentions to introduce legislation in the 2016 legislative session that would close a large section of the John Wayne Trail/State Park from Malden, Washington to Lind, Washington.;

WHEREAS, State Representative Mary Dye and State Representative Joe Schmick serve as Tekoa's representatives in the Washington State Legislature;

WHEREAS, the entire length of the John Wayne Trail/State Park is important to Tekoa's economy, culture, and identity;

WHEREAS, the John Wayne Trail/State Park is the only state wide trail crossing in Washington and is actively used by hikers, bikers, horse riders, and other outdoor enthusiasts across its entire length;

WHEREAS, permanent loss of the only state wide trail in Washington would be detrimental to not only to the current economies of communities all along the trail, but would forever end any opportunity for future economic development of what could become a vital job producer across the state;

WHEREAS, we fail to see any reason worthy to take the highly unusual and extreme step of closing a Trail/State Park without a study of use, public hearings, or any open discussion for trail enthusiast to comment at;

WHEREAS, we feel rather than close the John Wayne Trail/State Park the state and region would be better served by enhancing the trail to make it more user friendly and therefore encourage more regional tourism,

NOW, THEREFORE, BE IT HEREBY PROCLAIMED by the City Council of the City Deer Park, WA that recipients of this communique please make every attempt to fulfil where applicable:

Section 1. The City of Deer Park strongly objects to any attempts by any of its legislative representatives to introduce any legislation that would jeopardize the continued use of the John Wayne Trail and its accessibility to the residents of the State of Washington,

Section 2. The City Council for the City of Deer Park strongly encourages it's legislative representatives to aggressively seek funding to enhance the accessibility of use of the John Wayne Trail as opposed to introducing legislature to close the John Wayne Trail;

Section 3. That cities that would be affected by the closure of the John Wayne Trail/State Park pass similar resolutions;

Section 4. That the entire body of the Washington State Legislature be aware of the concerns of the City of Deer Park, Washington.

PASSED AND ADOPTED this 21st day of September, 2016.

APPROVED: _____
Robert Whisman, Mayor

ATTEST: _____
Deby Cragun, City Clerk/Treasurer

CITY OF DEER PARK
CLAIMS CERTIFICATION AND APPROVAL

Auditing Officer's Certification

I, the undersigned, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered or the labor performed as described herein and that the Claim is a just, due and unpaid obligation against the *City of Deer Park*, and that I am authorized to authenticate and certify said Claims Checks numbered **35168 through 35203 including EFT Debits in the amount of \$432,474.11.**

City Clerk/Treasurer

Council Approval

We, the undersigned Council Members of the *City of Deer Park* approve the payment of Claims Checks numbered **35168 through 35203 including EFT Debits in the amount of \$432,474.11 this 21st day of September 2016.**

Vouchers 1st Half Sep 2016

Number	Vendor Name	Account Description	Amount
35168	Spokane County Auditor	Crawford/Colville Design	\$85.00
35169	7C's Construction, Inc	6th Street Water Service Repair	\$3,168.71
35170	American Linen	Fresheners	\$58.02
		Mat Changes	\$182.85
		Check Total:	\$240.87
35171	Anatek Labs	Water Testing	\$20.00
35172	Avista Utilities	Avista Lower Lvl City Hall	\$19.08
		Utilities	\$24,207.00
		Check Total:	\$24,226.08
35173	Bi-Mart Corporation	Paper Towels, Pool Supplies	\$27.50
35174	Centurylink	Phone/Fax Charges	\$1,819.29
35175	City of Deer Park	City Water Bills	\$7,060.88
35176	City of Deer Park	12% Utility Tax to Gen/Street Funds	\$18,688.88
35177	City of Deer Park	Golf Course Restroom Water Bill	\$235.27
35178	City of Deer Park	Fuel Surcharge	\$2,638.17
35179	City Service Valcon, LLC	City Equip Fuel	\$1,766.20
		Terminal Maint Fee	\$16.00
		Resale Fuel	\$55,381.04
		Airport Supplies	\$2,915.25
		Airport Equip Fuel	\$591.06
		Check Total:	\$60,669.55
35180	Deer Park Ace Hardware	Aug 2016 Hardware Charges	\$4.30
		Supplies	\$40.58
		Supplies	\$412.81
		Check Total:	\$457.69
35181	Deer Park Chamber of Commerce	Chamber Assistance July-Aug 2016	\$1,400.00
35182	Department of Commerce	Srf Loan Interest	\$9,453.52
		Srf Loan Principal	\$171,882.11
		Check Total:	\$181,335.63
35183	Department of Ecology	Dept of Ecology License	\$881.00
35184	Department of Ecology/Cashiering Section	Lagoon Liner 1400003 Interest	\$5,666.44
		Lagoon Liner 1400003 Principle	\$15,962.04
		Check Total:	\$21,628.48
35185	Economic Development NW	Economic Develp Contract	\$1,700.00
35186	Fastenal	Wastewater Degreaser	\$60.59
35187	Ferguson Waterworks	Radio Read Meters	\$2,592.78

		Supplies	\$24.75
		Check Total:	\$2,617.53
35188	H & H Business Systems	Airport Copier Contract	\$37.33
35189	Inland Power And Light	Aug 2016 Electric bills	\$3,808.76
35190	Jub Engineers, Inc.	Pool Deck Inspection	\$400.00
35191	MailFinance	Communications	\$330.58
		Folder/inserter	\$536.14
		Check Total:	\$866.72
35192	Napa Auto Parts	Supplies	\$85.15
35193	Prettyman's Septic Service	Airport Restroom Rental	\$240.00
35194	Protection Plus LLC	Parks Supplies	\$13.56
		Tools & Equipment	\$36.74
		Check Total:	\$50.30
35195	Rock Placing Company, LLC	Airport Sign	\$7,846.20
35196	Schultz's Aviation, LLC	Fuel Surcharge	\$2,638.17
35197	Spokane County District Court	Judicial Services	\$754.87
35198	US BANK ST. PAUL	Loan Admin Fee	\$300.00
		Professional Services	\$170.00
		Revenue Bond Interest	\$11,685.00
		Revenue Bond Principle	\$50,000.00
		Check Total:	\$62,155.00
35199	Verizon Wireless	City Cell Phone Charges	\$332.16
35200	Vision Municipal Solutions LLC	IT Maintenance	\$121.56
		IT Maintenance	\$3,768.36
		Check Total:	\$3,889.92
35201	Washington State Auditor	State Auditor Fees	\$1,443.05
35202	Washington Trust Bank	City Credit Card Charges	\$41.00
		Professional Services	\$160.53
		R & M Structures	\$121.87
		Repair & Maintenance	\$22.00
		Supplies	\$844.17
		Tools & Equipment	\$313.37
		Travel/training	\$580.00
		Check Total:	\$2,082.94
35203	Waste Management	Clean Green Dumpster Rental	\$75.14
Combined Excise Tax 8/2016	State of Washington	Excise Tax Remittance	\$5,683.07
		Fuel Sales Tax	\$11,124.21
		Check Total:	\$16,807.28
		Grand Total	\$432,474.11

Total Accounts Payable for Checks #35168 Through #35203 Combined Excise Tax 8/2016

Memo

To: Deby Cragun

From: Darold Schultz

Date: September 15, 2016

RE: Surplus Equipment Designation

Airport Property to be declared surplus:

1. Rough Cut, 48" tow behind mower. Estimated value \$200.00. Method of disposal online auction.

Deer Park Municipal Airport

USE AGREEMENT

The City of Deer Park, Washington (hereinafter the "City") and THE CHEWELAH POLICE DEPT., Washington (hereinafter "THE CHEWELAH POLICE DEPT." or "Lessee"), sometimes hereinafter individually referred to as a "party" or collectively referred to as "parties", effective as of the 30 day of September, 2016 agree as follows:

1. PREMISES.

A. Premises. The City shall allow access to THE CHEWELAH POLICE DEPT. the following premises (the "Premises"):
Portion of abandoned taxiway and runway at DEER PARK MUNICIPAL AIRPORT as set out on the attached Exhibit "A" dated March 24, 2010, and its terms incorporated herein by this reference.

The City reserves the right to change the specific area of use from time to time at its sole discretion so long as the area allows use for THE CHEWELAH POLICE DEPT.'s intended purpose as a EVOC Training area.

B. Use of Premises. The Premises shall only be used for EVOC Training operations, parking and other related activity thereto, and for no other purpose without the prior written approval of the City.

C. Rules and Regulations. THE CHEWELAH POLICE DEPT. shall comply with all reasonable rules and regulations regarding the use and care of the Premises and City's DEER PARK MUNICIPAL AIRPORT as adopted or amended from time to time. THE CHEWELAH POLICE DEPT. agrees it will not disturb the City by making or permitting any unreasonable disturbance or unusual noise, vibration, emission, sense of order, discharge, traffic or road obstruction, general nuisance or other condition in, on or adjoining the Premises inconsistent with the contemplated use specified herein.

2. TERM. The term of this Use Agreement is for one (1) year beginning on September, 29 2016 and terminating September 30, 2017, subject to the provisions of paragraph 12. TERMINATION-HOLDING OVER of the Use Agreement. Upon termination of this Use Agreement, THE CHEWELAH POLICE DEPT. shall have the option to renew at the then current terms and conditions that apply to similar uses of airport property. Approval for a new Use Agreement shall be conditioned upon the Lessee not being in default under any of the terms, covenants, and conditions of this Use Agreement. The actual dates of use of the Premises by THE CHEWELAH POLICE DEPT. during the term shall be only those dates of use approved in writing by the City Airport Manager.

3. RENTAL. THE CHEWELAH POLICE DEPT. shall pay to the City rental as follows:

One Hundred fifteen dollars (\$115.00) per day use.

Rent shall be due and payable within thirty (30) days of receipt of invoice from the City of Deer Park. Unless other arrangements have been agreed upon, the City shall invoice the County at the end of a season of use. THE CHEWELAH POLICE DEPT. shall not be charged the day use fee if an event is cancelled due to weather or inadequate enrollment. THE CHEWELAH POLICE DEPT. shall notify the airport manager of any cancellations. If THE CHEWELAH POLICE DEPT. does not pay the rent by the due date, the City may add a late charge of up to ten percent (10%) of the rent for each month rent is

delinquent. If rent is not paid, THE CHEWELAH POLICE DEPT. shall be deemed to be in default of this Use Agreement. See paragraph 13. **DEFAULTS** of the Use Agreement for default terms.

4. **MAINTENANCE AND REPAIR.** THE CHEWELAH POLICE DEPT. has viewed the Premises, and accepts them in their present "AS-IS" condition, with all faults and defects. The City makes no representations about the condition or fitness for purpose of the Premises.

5. **ALTERATIONS AND IMPROVEMENTS.** THE CHEWELAH POLICE DEPT. shall make no alterations or improvements to the Premises without first having obtained the written consent of the City. Upon termination, the City has the option to require THE CHEWELAH POLICE DEPT. to remove such improvements at THE CHEWELAH POLICE DEPT.'s sole expense. If not removed, improvements shall become the property of the Deer Park Municipal Airport.

6. **COMPLIANCE WITH LAWS.** THE CHEWELAH POLICE DEPT. shall comply with all state, federal and local laws and regulations and the rules of the City, as amended from time to time. THE CHEWELAH POLICE DEPT. shall indemnify, defend, and hold the City harmless from all expense directly or indirectly related to the noncompliance by THE CHEWELAH POLICE DEPT. of governing law, regulations and/or rules of the City.

THE CHEWELAH POLICE DEPT. expressly represents that all of THE CHEWELAH POLICE DEPT.'s operations on the Premises shall be in strict compliance with governing environmental, land use, regulations and ordinances, and that THE CHEWELAH POLICE DEPT. specifically shall not use, store, keep or maintain in, on or about the Premises any hazardous substances and/or wastes, toxic materials, or solid wastes within Deer Park Municipal Airport and immediate properties bordering the City's properties.

8. **SITE SPECIFIC REQUIREMENTS.** THE CHEWELAH POLICE DEPT. shall limit EVOC training activities to THE CHEWELAH POLICE DEPT., its officials, employees, and volunteers. All participants and visitors shall remain clear of active runways and taxiways. No participant shall cross any active runway to access the training site. Access shall be via Missile Site Road only. Participants and visitors shall not consume or expose themselves to water from the irrigation sprinklers. This water is treated municipal waste water. Sprinklers shall not be tampered with or disabled.

9. **SAFETY RULES, TIME OF USE.** THE CHEWELAH POLICE DEPT. shall be solely responsible for the safety and security of all participants and visitors. The City of Deer Park and Deer Park Municipal Airport assume no responsibility for the safety of participants or visitors.

10. **INDEMNIFICATION, LIABILITY INSURANCE.** The City and its employees/agents shall not be liable for any injury to any persons or for damage to any property, including , but not limited to, damage by rain, flood or bursting water pipes, abnormal temperature, mechanical or electrical failure, sewage/septic system failure, fire, smoke, water from sprinklers, earthquake, environmental damage, aircraft accident, or any infestation, or otherwise, regardless of how such injury or damage may be caused, as a result of the condition which in any way is related to the use of the Premises or the operations of the THE CHEWELAH POLICE DEPT. in, on or about the Premises by THE CHEWELAH POLICE DEPT., its employees, agents, volunteers and invitees. THE CHEWELAH POLICE DEPT. and THE CHEWELAH POLICE DEPT. agree to indemnify, defend and hold harmless the City from and against all liability, claims, to include liability, claims and actions brought by THE CHEWELAH POLICE DEPT., its employees, agents, volunteers and invitees based upon or arising out of injuries, death, damages to person or property, caused by or resulting from the negligence of the THE CHEWELAH POLICE DEPT., or the THE CHEWELAH POLICE DEPT.'s employees, agents, volunteers and invitees while engaging in or arising from the THE CHEWELAH POLICE DEPT.'S use of the Airport pursuant to

the terms of this Use Agreement. In addition, THE CHEWELAH POLICE DEPT. shall maintain general liability insurance coverage in a minimum amount of \$1,000,000 per occurrence. The City shall be named as an additional insured, and the policy will contain a restriction that the policy cannot be canceled without first having given the City thirty (30) days advance written notice of an intended cancellation. THE CHEWELAH POLICE DEPT. shall furnish certificates of such insurance to the City prior to occupying the Premises.

11. **ASSIGNMENT OR SUBLEASE.** THE CHEWELAH POLICE DEPT. shall not assign, transfer or sublet the Premises.

12. **TERMINATION-HOLDING OVER.** Upon termination, THE CHEWELAH POLICE DEPT. shall return the Premises and adjoining areas used by THE CHEWELAH POLICE DEPT. to the City in clean condition, and in a condition acceptable to the City. If THE CHEWELAH POLICE DEPT. shall, without the consent of the City, hold over after the expiration or termination of the tenancy, THE CHEWELAH POLICE DEPT. shall pay to the City the rate of one and one-half (1 ½) times the then current rent, and THE CHEWELAH POLICE DEPT. shall be bound by all of the provisions of this Use Agreement.

The City reserves the right to terminate said Use Agreement upon ten (10) days written notice to the THE CHEWELAH POLICE DEPT. without cause.

13. **DEFAULTS.** Time is of the essence, and if THE CHEWELAH POLICE DEPT. is in default under this Use Agreement the City may immediately terminate this tenancy after having given THE CHEWELAH POLICE DEPT. three (3) days notice in writing in the event of nonpayment of rent, or ten (10) days notice in writing for other defaults and giving THE CHEWELAH POLICE DEPT. an opportunity to cure such defaults. If not so cured within the specified time, then the City may immediately terminate this tenancy and repossess the Premises and store any personal property found thereon, and later sell such property to reimburse the City for part of its damages. In the event of such default, THE CHEWELAH POLICE DEPT. shall be fully liable for any and all direct or indirect damages suffered by the City.

14. **ATTORNEY'S FEES.** Should a dispute arise between the parties hereto as to the effect of any provision hereof and refer said dispute to an attorney, the losing party shall pay the prevailing party's reasonable attorney's fees and costs of court, including such fees and costs on any appeal.

15. **WAIVER.** The acceptance of rent by the City after default by THE CHEWELAH POLICE DEPT. shall not be deemed a waiver of such default. No waiver by the City of any default by THE CHEWELAH POLICE DEPT. shall be construed to be a waiver of any subsequent default by THE CHEWELAH POLICE DEPT..

16. **BINDER.** This Use Agreement is binding upon the parties hereto, their heirs, personal representative, successors in interest and assigns.

17. **MISCELLANEOUS.**

A. **Inspection.** The City reserves the right to enter and inspect the Premises at any reasonable time without prior notification or authorization.

B. **Rules and Regulations.** THE CHEWELAH POLICE DEPT. agrees to comply with all applicable rules, regulations and covenants of the City pertaining to the Premises for the general safety and convenience of the City, THE CHEWELAH POLICE DEPT., invitees, licensees and the general public, including but not limited to vehicle posted speed, litter enforcement, THE CHEWELAH POLICE DEPT. signs, excessive noise, annoying lights, irritating odors, or discarding of any type of liquids or solids to either the City's property or adjoining property.

C. Environmental and Premises Cleanup Costs. THE CHEWELAH POLICE DEPT. shall be fully and completely liable to the City for any and all cleanup costs and any and all other charges, fees and penalties imposed by any governmental authority with respect to dangerous or waste substances, or discharges to the water, ground water or air, in or about the Premises, common areas or City facilities by THE CHEWELAH POLICE DEPT.. THE CHEWELAH POLICE DEPT. shall indemnify, defend and save the City harmless from any and all of the costs, fees, penalties and charges assessed against or imposed upon the City, as well as the City's attorneys' and engineers' fees and costs, as a result of THE CHEWELAH POLICE DEPT.'s use, disposal, transportation, generation and/or sale of hazardous, dangerous or waste substances, or discharges to the water, ground water or air on the Premises.

18. NOTICES

All notices required herein shall be deemed to be properly served if hand delivered, or if sent by mail, postage prepaid, to the last address previously furnished by the parties hereto. THE CHEWELAH POLICE DEPT. is obligated to notify the City of current address and phone numbers. Until hereafter changed by the parties in writing, notices shall be addressed as follows:

City of Deer Park	Lessee
E 316 Crawford Ave.	THE CHEWELAH POLICE DEPT.
PO Box F	Chief Mark Burrows
Deer Park WA 99006	301 E. Clay
(509)276-8802	Chewelah, WA. 99109
	(509) 935-6555
	Chief@cityofchewelah.org

Date of service of such notice shall be the date of postmark by the U.S. Post Office Service.

The parties hereto have executed this Use Agreement as of the day and year first above written.

CITY OF DEER PARK

ATTEST:

By: _____
Robert Whisman, Mayor

By: _____
Deby Cragun, City Clerk/Treasurer

Lessee

By: _____


Printed Name: MARK BURROWS

DEER PARK AIRPORT LEASE AGREEMENT

THIS LEASE AGREEMENT (hereinafter sometimes referred to as "Lease" or "Agreement") is made and entered into by and between the City of Deer Park, State of Washington, hereinafter referred to as "City" and The Robert Joseph Mazone and Nancy Dee Mazone Revocable Living Trust hereinafter referred to as "LESSEES."

WITNESS THAT

WHEREAS, THE CITY OF DEER PARK is the owner of certain described real estate, more fully described below; and

WHEREAS, THE LESSEES desire to lease the certain described property for the purpose described herein;

NOW, THEREFORE, for and in consideration of the premises provided herein and the mutual covenants and agreements hereinafter contained and other valuable consideration, the parties hereto agree, for themselves, their successors and assigns, as follows:

I. PREMISES

The City of Deer Park hereby leases to LESSEES the parcel of land shown in Deer Park Municipal Airport Lease Plan dated 08-08-2016 and described as Lot # 114 located at Deer Park Municipal Airport, Spokane County, Washington (hereinafter the "Premises" or "Leased Premises").

The City covenants and agrees that it is in lawful possession of the property, and has good and lawful authority to execute this Lease. The LESSEES hereby warrant that they have inspected the Premises and City has not made any promises, warranties, or statements other than as contained herein. LESSEES accept the Premises as is.

The City reserves the right to further develop or improve the landing area of the Airport as it sees fit, regardless of the desires or view of the LESSEES, and without interference or hindrance.

The City reserves the right but shall not be obligated to the LESSEES, to maintain and keep in repair the landing area of the Airport and all publicly-owned facilities of the Airport, together with the right to direct and control all activities of LESSEES in this regard.

The City reserves the right to take any action it considers necessary to protect the aerial approaches of the Airport against obstruction, together with the right to prevent the LESSEES from erecting, or permitting to be erected, any building or other structure on or adjacent to the Airport which, in the opinion of the City, would limit the usefulness of the Airport or constitute a hazard to aircraft.

The City shall have the right to temporarily close the Airport or any of the facilities thereon for maintenance, improvement, or for the safety of the public.

It is understood and agreed to by LESSEES that nothing herein contained shall be construed to grant or authorize the granting of an exclusive right forbidden by the Airport Development Act, 49 U.S.C. 47101. et.seq. and Section 308 of the Federal Aviation Act of 1958 as the same exist now or may hereafter be amended.

During the time of war or national emergency, the City shall have the right to lease the landing area or any part thereof to the United States Government for military or naval use and, if such Lease is executed, the provisions of this instrument insofar as they are inconsistent with the provisions of the lease to the government, shall be modified to be consistent with the provisions of the lease to the government and may be fully suspended at the option of the City.

This Lease shall be subordinate to the provisions of any existing or future agreement between the City and the United States relative to the operation or maintenance of the airport, the execution of which has been or may be required as a condition precedent to the expenditure of federal funds for development of the Airport, by the provisions of the Airport Improvement Program, and as the program may be amended, or any other federal act, deed, grant agreement, or program affecting the operation or maintenance of the Airport now or in the future; provided however, that the City shall, to the extent permitted by law, use its best efforts to cause any such agreements to include provisions protecting and preserving the rights of LESSEES in and to the Premises and improvements thereon. Failure of the LESSEES or any occupant to comply with the requirements of any existing or future agreement between the City and the United States, which failure shall continue after reasonable notice to make appropriate corrections, shall be cause for immediate termination of LESSEES's rights hereunder.

II. TERM

A. The Term of this Lease shall be for a period of 20 (twenty) years commencing from the 1st (first) day of October 2016 and ending the 30th (thirtieth) day of September 2036 unless otherwise terminated or canceled as provided in this document.

B. At the end of the term of this Lease, LESSEES shall have the option to apply for a new lease at the then current terms for new leases. The LESSEES shall be eligible for a new lease agreement on the Leased Premises provided LESSEES is in compliance with all terms, covenants, and conditions of this Lease and any amendments thereto.

III. HOLDING OVER

If LESSEES, without the written consent of the City, shall hold over after the termination date or earlier termination of this Lease, LESSEES shall be deemed to be occupying the Premises as a month-to-month tenant whose tenancy may be terminated as provided by the laws of the State of Washington. During any such tenancy, LESSEES agrees to be bound by all of the terms, covenants, and conditions of this Lease, as far as they are applicable to a month-to-month tenancy and to pay monthly rent in the amounts designated by the City.

IV. USE OF PREMISES

A. LESSEES agree that the use of the Premises shall be limited to those airport-related activities authorized by the Federal Aviation Administration, City of Deer Park Zoning Regulations, Airport Minimum Business Standards and Airport Rules and Regulations as are presently in effect and may in the future be adopted, or as may otherwise be agreed to by the parties.

B. LESSEES shall provide proof of aircraft registration (or intent to register) with the State of Washington in accordance with RCW 47.68.250, as the same exists now or may hereafter be amended. The City is obligated by law to report to the Washington State Department of Transportation, Aviation Division the aircraft "N" number and owner name and address of those not yet registered.

C. It is clearly understood by the LESSEES that no right or privilege has been granted which would prevent any person, firm, corporation, or entity operating aircraft on the airport from performing any service on its own aircraft with its own employees (including, but not limited to, maintenance and repair) that it may choose to perform.

E. LESSEES shall be responsible for all costs associated with the construction including, but not limited to the building or structure, applicable landscaping, lighting and provision of or extension of all utilities to the building site. Utilities are to be installed to the City's specifications and those required by the local utility company.

V. FINANCIAL OBLIGATION

A. Commencing on the effective date of this Lease, LESSEES agree to pay rent to the City as calculated below:

Rate	Sq. Feet	Lease Total	Leasehold	Total Annual	Semi-Annual
			Tax 12.84%		
\$ 0.17	6171	\$1,049.07	\$ 134.70	\$ 1,183.77	\$601.88

The rental payment amount for any partial calendar months included in the Lease term shall be prorated on a daily basis. Annual payments, in advance, are preferred. Semi-annual payments shall be assessed an administrative fee of \$10 per payment. Rent not paid by the 10th of the month due shall be deemed delinquent, and a penalty of 10% of the amount due at that time shall be assessed against each delinquent installment.

B. No demand for rent need at any time be given, but it shall be the duty of the LESSEES to pay rentals, fees, charges, and billings as required under the provisions of this Lease.

C. Lease rates for the Leased Premises shall be adjusted annually. Adjustment shall be based upon the most immediate complete full previous year Consumer Price Index, Pacific Cities, West-B/C (Dec. 1996=100) for All Urban Consumers (CPI-U). City shall issue notice of intent to adjust the rental rates at least (30) days prior to the initiation of a rate increase. In the event this Consumer Price Index is no longer produced, then the next most geographically similar All Urban Consumers Index (CPI-U) shall be selected and applied by the City.

D. LESSEES shall keep all rental payments free from all claims, demands, or set-offs, of any nature, or by any person, corporation, or entity.

E. Installation, hook-up, and payment for utilities shall be the responsibility of the LESSEES. Utilities are to be installed to the City's specifications and those of the utility service provider.

VI. FAILURE TO COMPLY WITH FINANCIAL OBLIGATION

Failure to pay amounts due or comply with any other of the financial obligations to the City under this Agreement shall entitle the City to re-enter and take possession of the Premises upon giving LESSEES ninety (90) days advance notice of intent to do so, if said monetary default has not been remedied within the ninety (90) day period after notice is sent.

VII. DISPOSITION OF BUILDINGS AND IMPROVEMENTS UPON LEASE EXPIRATION

At least one hundred eighty (180) days prior to the expiration of this Lease, LESSEES shall notify the City regarding LESSEES's intent with respect to lease renewal or disposition of buildings and improvements on the Leased Premises. Upon termination for reasons other than default, the City and LESSEES shall agree upon one of the following three courses of action with respect to the disposition of LESSEES's buildings and improvements located at the Premises:

1. In the event that the LESSEES desire to continue occupying the Leased Premises, the LESSEES may request that the City grant a new lease agreement. If the City desires to continue to lease the Leased Premises with the existing improvements, the City may concur with this request. Any such request concurred with by the City must be accompanied by the lease renewal application fee then in effect. In the event the City concurs with the LESSEES's request to lease the Leased Premises, then the LESSEES shall be eligible for a new lease agreement for the Leased Premises provided the following conditions are met by the LESSEES:

- Good Repair: The Leased Premises and all improvements are in a state of good repair, including, without limitation, exterior paint, walls, roofs, doors, and any other items including those which are structural and/or aesthetic in nature.

- LESSEES are in compliance with all terms, covenants, and conditions of this Lease. The terms of the new lease agreement are subject to negotiation between the City and LESSEES. OR

2. At the end of the term of this Lease, the LESSEES may peacefully surrender the Leased Premises in a fully restored condition, including the removal of all improvements. Restoration of Leased Premises shall also include fine grading to allow for proper drainage into the appropriate drainage system. All components of the improvement removed from the Leased Premises shall be completely removed from the site and disposed of off airport at the sole cost of LESSEES. Removal of improvements and restoration of the Leased Premises shall be complete no later than thirty (30) calendar days after the expiration date of this Lease, unless the City agrees to an extension. OR

3. The City may agree to purchase the improvements from LESSEES at a price to be determined by the City and LESSEES. The City and LESSEES may agree to have an appraisal of the improvements completed to aid the City and LESSEES in their efforts to agree upon a purchase price. In the event the City and LESSEES are unable to agree upon a purchase price, the City may require LESSEES to comply with Option 2 above.

If the City and LESSEES are unable to agree upon any of the above three options, then option 2 shall, by default, apply upon termination of the Lease term.

Personal property left on the Leased Premises shall, at the option of the City, become exclusive property of the City, without liability for payment, if said personal property remains on the Leased Premises thirty (30) days after the termination of the Lease for any reason.

City, at its discretion, may extend the time period for resolution of these options. LESSEES shall be deemed to be occupying the Premises as a month-to-month tenant during any such extended period as per Article III of this Lease.

VIII. INDEMNIFICATION AND INSURANCE BY LESSEES

The LESSEES shall indemnify the City, its employees, the Airport Manager and its employees, and City elected and appointed officers from and against any and all claims, demands, cause of actions, suits or judgments, including attorney's fees, costs and expenses incurred in connection therewith and in enforcing the indemnity, for deaths or injuries to persons or for loss of or damage to property arising out of or in connection with the condition, use occupancy or LESSEES's maintenance of the Leased Premises or common areas or any improvements thereon; or by LESSEES's non-observance or non-performance of any law, ordinance or regulation applicable to the Leased Premises; or

incurred in obtaining possession of the Leased Premises after a default by the LESSEES, or after the LESSEES's default in surrendering possession upon expiration or earlier termination of the Term of the Lease, or enforcement of any covenants in this Lease. This includes, without limitation, any liability for injury to the person or property of LESSEES, its agents, officers, employees, or invitees. **The LESSEES specifically waive any immunity provided by Washington's Industrial Insurance Act. This indemnification covers claims by LESSEES' own employees.** This provision and waiver was specifically negotiated.

City shall indemnify LESSEES, its members, employees, and agents from and against any and all claims, demands, causes of action, suites or judgments, including attorney fees, costs and expenses incurred in connection therewith and in enforcing the indemnity, for death or injury to persons or for loss of or damage to property caused by the City's breach of any term of this Lease or the negligence of the City.

In the event of any claims made to, or suits filed against City, for which the above indemnity applies, City shall give LESSEES prompt written notice thereof and LESSEES shall defend or settle the same.

LESSEES, as a material part of the consideration to be tendered to City, waives all claims against City for damages to goods, wares, merchandise and loss of business, in upon or about the Leased Premises and for injury to LESSEES, its agents, employees, or invitees in or about the Leased Premises from any cause arising at any time, other than for City's sole negligence or willful misconduct.

From and after the commencement date of the initial term of this Lease and continuing for the initial term and any extension of this Lease, LESSEES shall insure the Leased Premises, at its sole cost and expense, against claims for bodily injury and property damage under a policy of general liability insurance, with aggregate limits of \$1,000,000 for bodily injury and property damage. Such policy shall name City as an additional insured. Before taking possession of the Leased Premises, the LESSEES shall furnish the City with a certificate evidencing the aforesaid insurance coverage.

The aforementioned minimum limits of policies shall in no event limit the liability of LESSEES hereunder. No policy of LESSEES's insurance shall be cancelable or subject to reduction of coverage or other modification except after thirty (30) days prior written notice to City by the insurer. LESSEES shall, at least thirty (30) days prior to the expiration of the policies, furnish City with renewals or binders.

The insurance required shall be issued by carriers acceptable to the City, and City's approval shall not be unreasonably withheld.

The LESSEES agrees that if LESSEES does not purchase and maintain such insurance, City may, but shall not be required to, procure such insurance on LESSEES's behalf and charge LESSEES the premiums together with a five percent (5%) administrative charge, payable upon demand.

In the event a fire or other casualty loss results in destruction of the building to the extent that LESSEES determines not to use insurance proceeds to repair or rebuild the hangar building, the proceeds of any insurance payment available to LESSEES shall first be used to restore the Premises to the condition they were in prior to construction of a building on the Leased Premises and the remaining insurance proceeds shall be the property of LESSEES.

LESSEES's construction contractor shall provide at least \$1,000,000 general liability insurance naming the City of Deer Park as an additional insured.

IX. DAMAGE OR DESTRUCTION

If the improvements on the Premises are partially or totally damaged by fire or other casualty, the LESSEES will repair or replace the damaged improvements (or similar) to meet existing building code at its sole expense within a reasonable period of time (not to exceed ninety (90) days from casualty or as weather and the permit process allow). All such construction shall be subject to the covenants, restrictions, and approval procedures as defined in the Airport Site Development Guidelines and City of Deer Park Building Department.

In the event LESSEES decide not to rebuild within a reasonable time, LESSEES shall restore the Leased Premises to a good and usable condition in conformity with the then current usage within ninety (90) days from the date that written notice to restore is received from the City.

City may, at its discretion, extend the period for rebuilding. LESSEES shall remain responsible for payment of rent and leasehold tax and shall comply with all terms and conditions of this Lease during this extended period.

If the LESSEES opts not to rebuild, upon payment of the remainder of the rent due under the Lease and removal of all improvements and restoration of the Leased Premises to the condition the Leased Premises were in at the time of commencement of this Lease, the City will agree to terminate the Lease.

X. UTILITIES AND MAINTENANCE OF PREMISES

LESSEES shall pay all charges for utility services furnished to the Premises, including, but not limited to, electricity, gas, telephone, water, sewage, garbage disposal, and janitorial services throughout the term of this Lease.

LESSEES shall, at its sole expense, keep and maintain the Premises in good repair and tidy condition. While not all inclusive, particular attention shall be focused on foundations, structural components, roofs, wall systems, doors, and electrical and water systems. Roofs and walls should be maintained to be free from leaks and damage and should be painted as necessary to maintain a tidy appearance.

In addition, LESSEES shall:

- (a) Not allow trash, garbage, rubbish or refuse to collect on the exterior of any building on the Premises;
- (b) Mow vegetation on Premises;
- (c) Keep Premises around building free from inoperable and junk equipment;
- (d) Not use Premises around hangar as long-term parking for vehicles or parking of equipment not then being used for the operation of aircraft or maintenance of Premises.

XI. ADVERTISING, LIGHTING, AND TRANSMISSIONS

A. The LESSEES shall submit plans and obtain approval of the City before erecting, installing, or operating signs or other advertisements upon any portion of the Premises herein demised.

B. The installation or use on the Premises of any floodlights, neon lights, colored lights, or other means of lighting shall be subject to the express written approval of the Airport Manager. Any use of lighting or signage that may potentially impair a pilot's ability to distinguish between airport lights and other light, or that creates glare or distraction affecting pilot vision is prohibited. All lighting shall be shielded downward.

C. Any use that creates or causes interference with the operations of radio or electronic facilities at the airport or with radio or electronic communications shall be prohibited.

XII. CITY'S RIGHT OF CANCELLATION

In addition to any conditions as specified herein and all other remedies available to the "City," this agreement shall be subject to cancellation by the City should any one or more of the following occur:

A. If LESSEES shall file a voluntary petition in bankruptcy or proceedings in bankruptcy instituted against the LESSEES are thereafter adjudicated, a bankruptcy pursuant to such proceedings, or a court shall take jurisdiction of the LESSEES's property and its assets pursuant to proceedings brought under the provision of the Federal Reorganization or Bankruptcy Act, or a receiver for the LESSEES's assets is appointed, or the LESSEES is divested of its rights, powers, and privileges under this Lease by other operation of law.

B. If LESSEES shall default, fail to perform, or breach any covenants, terms, or conditions of this Lease, the LESSEES shall be given written notice to correct or cure such default, failure to perform, or breach. If, within ninety days (90) from the date of such notice, the default, breach, or complaint shall not have been corrected in a manner

satisfactory to the City, the City shall have the right to immediately declare this Lease terminated and to proceed to evict LESSEES and may require LESSEES to remove all improvements to the Leased Premises or at the City's option keep or dispose of the improvements.

.XIII. LESSEES'S RIGHT OF CANCELLATION

In addition to all other remedies available to the LESSEES, this Lease shall be subject to cancellation by LESSEES should any one or more of the following occur:

A. The permanent abandonment or discontinuance in use of the Airport as an airport.

B. The issuance of any order, rule or regulation by the Federal Aviation Administration or any other federal agency or by any court of competent jurisdiction of an injunction, materially restricting for a period of at least ninety (90) days, the use of the Airport for air transportation by LESSEES.

C. The breach by the City of any covenants, terms, or conditions of this Lease to be kept, performed and observed by the City and the failure to remedy such breach for a period of ninety (90) days after written notice from LESSEES of the existence of such breach.

D. The assumption of the United States Government, or any authorized agent of the same, of the operation, control or use of the Airport and its facilities in such manner as to substantially restrict the LESSEES from conducting its business or activity, if such restriction be continued for a period of (90) continuous days or more.

E. The occurrence of any event or events beyond the reasonable control of the LESSEES, including, but not limited to, any act of God or other supervening event which precludes the LESSEES from the use of the property for the purposes enumerated herein, or from the use of the airport facilities.

XIV. ASSIGNMENT & SUBLETTING

A. ASSIGNMENT: Except in the event of the death, disability, or incompetency adjudication of LESSEES (including both husband and wife, if LESSEES is a marital community), there shall be no right to assign this Lease. Any assignment of this Lease permitted by this provision shall contain a provision acknowledging that LESSEES or LESSEESs' estate shall remain liable to the City for compliance with all of the terms and conditions of this Lease for the Term of this Lease.

B. SUBLETTING: LESSEES shall have the right to sublease the subject Premises, with prior approval of the City as to proposed subLESSEES and proposed use, which approval shall not be unreasonably withheld. LESSEES shall submit a copy of sublease agreement to the City. Any such sublease agreement shall not conflict with the

terms and provisions of this Lease and LESSEES shall provide to the City notice of any intent to sublease at least thirty days prior to such sublease. Any sublease shall not relieve the LESSEES of any responsibility to perform any provisions of this Lease in the event LESSEES's subLESSEES fails to perform said provisions.

XV. NON-DISCRIMINATION

During the term of this Lease, LESSEES, for itself, its personal representatives, and successors in interest, as a part of the consideration hereof, do hereby covenant and agree as follows:

A. No person, on the grounds of race, color, religion, sex, age, marital status, handicap, or national origin, shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination by LESSEES in the LESSEES's occupation, use, or construction upon the Leased Premises.

B. LESSEES shall use the Premises in compliance with all requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Environmental Protection Agency, Non-discrimination in Federally-Assisted Programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended.

XVI. PAYMENT OF TAXES AND FEES

LESSEES shall pay all license, excise fees, permits, and taxes covering the business conducted on the Premises, and any taxes on the leasehold interest created by this Lease. LESSEES shall also be responsible for payment of any other statutory tax or other fiscal obligations imposed by applicable local, state, or federal law with respect to the LESSEES's agents, employees, property, or activities on the Premises.

XVII. RIGHT TO ENTER PREMISES

The City reserves the right to inspect the Premises and any improvements at any reasonable time for the purpose of ensuring compliance with rules and regulations governing the use of the Premises. The City shall make reasonable attempts to contact LESSEES first by telephone, and if no answer, by certified mail (according to the current information provided by the LESSEES) to arrange a convenient time for inspection. When immediate entry is deemed necessary for emergency purposes, if LESSEES is not present to permit such entry, the City, its agents and employees shall be permitted to enter the Premises and any improvements. The City's agents or employees shall not be liable for any civil or criminal claim or cause of action for damages because of entering the Premises or improvements at reasonable times and in a reasonable manner.

XVIII. LEGAL CLAIMS

LESSEES shall promptly report to the City any claim or suit against LESSEES arising out of or in connection with the operation of LESSEES's business or activities at the airport. LESSEES is an independent contractor in every respect and not an agent of the "City."

XIX. LIENS AND ENCUMBRANCES

LESSEES agree that they shall pay, or cause to be paid, all costs and expenses for work done and materials delivered to the Premises and improvements, during the Term, for improvement to the Premises. LESSEES shall keep the Premises free and clear of all liens. LESSEES agree to and shall indemnify, defend, and hold the City harmless from any liability, loss, damage, cost, attorney's fees, and all other expenses on account of claims of lien of laborers or material men, or others, for work performed or materials or supplies furnished to LESSEES for use on the Premises.

XX. LAWS, REGULATIONS, AND PERMITS

LESSEES agree that the use of the Premises, including construction thereon, shall conform at all times to any applicable federal, state, county, municipal laws, statutes, ordinances, or regulations, which may affect said property or the use thereof.

XXI. HAZARDOUS SUBSTANCES

A. Presence and Use of Hazardous Substances

LESSEES shall identify and manage all hazardous substances and/or wastes according to The Washington State Department of Ecology Hazardous Wastes and Toxics Reduction Program (See Exhibit B). With respect to any such Hazardous Substances, LESSEES shall:

1. Comply promptly, timely, and completely with all governmental requirements for reporting, keeping, and submitting manifests, and obtaining and keeping current identification numbers;
2. Submit to the City true and correct copies of all reports, manifests, and identification numbers at the same time as they are required to be and/or are submitted to the appropriate governmental authorities;
3. Within five (5) days of the City's request, submit written reports to the City regarding LESSEES' use, storage, treatment, transportation, generation, disposal, or sale of Hazardous Substances and provide evidence satisfactory to the City of LESSEES compliance with the applicable government regulations;
4. Allow the City or the City's agent or representative to come on the Premises, pursuant to Article, XVII to check LESSEES compliance with all applicable governmental regulations regarding Hazardous Substances;

5. Comply with minimum levels, standards, or other performance standards or requirements which may be set forth or established for certain Hazardous Substances (if minimum standards or levels are applicable to Hazardous Substances present on the Premises, such levels or standards shall be established by an on-site inspection by the appropriate governmental authorities and shall be set forth in an addendum to this Lease); and

6. Comply with all applicable governmental rules, regulations, and requirements regarding the proper and lawful use, sale, transportation, generation, treatment, and disposal of Hazardous Substances.

Any and all costs incurred by the City and associated with the City's inspection of LESSEES Premises and the City's monitoring of LESSEES compliance with this Article, including the City's attorneys' fees and costs, shall be additional rent and shall be due and payable to the City immediately upon demand by the City.

B. Cleanup Costs, Default, and Indemnification

1. LESSEES shall be fully and completely liable to the City and/or other regulatory agencies for any and all cleanup costs, and any and all other charges, fees, penalties (civil and criminal) imposed by any governmental authority with respect to LESSEES use, disposal, transportation, generation, and/or sale of Hazardous Substances, in or about the Premises.

2. LESSEES shall indemnify, defend, and hold the City harmless from any and all of the costs, fees, penalties, and charges assessed against, imposed upon, or incurred by the City (including but not limited to the City's actual attorneys' fees and costs) as a result of LESSEES use, disposal, transportation, generation, and/or sale of Hazardous Substances.

3. Upon LESSEES' default under this Article, in addition to the rights and remedies set forth elsewhere in this Lease, the City shall be entitled to the following rights and remedies:

- a. At the City's option, to terminate this Lease immediately; and/or
- b. To recover any and all damages associated with the default, including, but not limited to, cleanup costs and charges, civil and criminal penalties and fees, loss of business and sales by the City and other tenants of the airport, any and all damages and claims asserted by third parties and the City's actual attorneys' fees and costs.

XXII. SEVERABILITY

Nothing in this Lease shall be construed so as to require the commission of any act contrary to law, and wherever there is any conflict between any provisions of this Lease and any statute, law, public regulation or ordinance, the latter shall prevail, but in such event, the provisions of this Lease affected shall be curtailed and limited only to the extent necessary to bring it within legal requirements.

XXIII. SUCCESSORS

This Lease is binding upon and benefits the heirs and successors of the LESSEES.

XXIV. TIME IS OF THE ESSENCE

It is mutually agreed that time is of the essence in this Lease.

XXV. CONFLICT RESOLUTION

All claims, disputes and other matters in controversy (herein called "dispute") arising directly or indirectly out of or related to this Lease, or the breach thereof, whether contractual or non-contractual, and whether during the term of or after the termination of this Lease, shall be resolved exclusively according to the procedures set forth in this Article XXV.

Mediation.

Neither party shall commence an arbitration proceeding pursuant to the provisions of this Article XXV unless such party shall first give a written notice (a "Dispute Notice") to the other party in the same manner otherwise provided for notice in this Lease, setting forth with reasonable specificity the nature of the dispute. The Dispute Notice shall constitute a notice and demand for mediation. The parties shall attempt in good faith to resolve the dispute by non-binding mediation. If the parties cannot agree on the selection of a mediator within fifteen (15) days after delivery of the Dispute Notice, the Seattle, Washington office of JAMS shall select the mediator. If the dispute has not been resolved by mediation within sixty (60) days after delivery of the Dispute Notice, then the dispute shall be determined by arbitration in accordance with the provisions of this Article XXV below.

Arbitration.

Any dispute that is not settled by mediation as provided in Section 8.1 shall be resolved by arbitration in the City of Spokane, State of Washington in accordance with the JAMS Arbitration Rules in effect on the date of the Dispute Notice, by an arbitrator appointed by the Seattle, Washington office of JAMS. The judgment on the arbitration shall be entered in Spokane County Superior Court.

The arbitrator shall issue an award in writing specifying its findings of fact and conclusions of law. Each party shall pay one-half of the fees and costs of the arbitrator.

Upon the application by either party to Spokane County Superior Court for an order confirming, modifying or vacating the award, the court shall have the power to review whether, as a matter of law based on the findings of fact determined by the arbitrator, the award should be confirmed, or should be modified or vacated in order to correct any errors of the law that may have been made by the arbitrator. In order to effectuate such judicial review limited to issues of law, the parties agree (and shall stipulate to the court) that the findings of fact made by the arbitrator shall be final and binding on the parties and shall serve as the facts to be submitted to and relied on by the court in determining the extent to which the award should be confirmed, modified or vacated.

Costs and Attorneys' Fees.

Except as otherwise specifically provided in this Lease, each party shall pay its own costs and attorney's fees incurred in any mediation, arbitration or any Spokane County Superior court hearing or further appeal or other litigation relating to or arising out of the existence of this Lease.

JAMS.

References in this Lease to the Seattle, Washington office of JAMS shall be considered references to the Spokane office of JAMS in the event a Spokane office is available on the date of the Dispute Notice. In the event there is no Seattle or Spokane office of JAMS on the date of the Dispute Notice, the Spokane County Superior Court shall appoint the mediator referred to in the Mediation provisions of this Article XXV and the arbitration provisions shall be interpreted as eliminated and stricken from this Lease and either party may only resolve disputes through commencement of litigation in Spokane County Superior Court.

XXVI. VENUE

It is hereby agreed and understood by both parties that the venue for any legal or equitable action arising out of the existence of this Lease shall be in the Superior Court of Spokane County, State of Washington.

XXVII. ENTIRE AGREEMENT

This Lease constitutes the entire agreement of the parties, including Exhibits "A" (and any addendum). No other written or oral statements shall be a part of this Lease. This Lease may only be modified by an agreement in writing signed by both parties.

XXVIII. NOTICES

All notices required herein shall be deemed to be properly served if hand delivered, or if sent by U.S. mail, postage prepaid, to the last address previously furnished by the parties hereto. LESSEES is obligated to notify the City of current address and phone numbers. Until hereafter changed by the parties in writing, notices shall be addressed as follows:

City: City of Deer Park
Attn: Airport Manager
E. 316 Crawford, PO Box F
Deer Park, WA 99006
(509)276-8802

LESSEES: The Robert Joseph Mazone
and Nancy Dee Mazone
Revocable Living Trust
Robert Joseph Mazone
Nancy Dee Mazone
30824 N. Cleveland Rd.
Deer Park WA. 99006
(661) 496-5452

Date of service of such notice shall be the date of postmark by the U. S. Post Office service.

XXIX. ENCUMBRANCE OF LESSEES'S INTEREST

The LESSEES may encumber, by Mortgage, Deed of Trust, or other proper instrument, its leasehold interest and estate in the Leased Premises, together with all improvements placed thereon by LESSEES, as security for any indebtedness of LESSEES.

The City will cooperate in a timely manner with any reasonable requests of LESSEES involving an attempt by the LESSEES to encumber LESSEES's leasehold interest and/or estate in the Leased Premises.

The execution of any such Mortgage, Deed of Trust, or other instrument, or the foreclosure or other proceedings thereunder, shall not relieve the LESSEES from its liability and obligations under this Lease.

Any holder of LESSEES's interest herein acquired through foreclosure or other proceedings shall acquire and possess only the rights and interests of LESSEES herein and shall be subject and subordinate to the rights and interest of City herein.

XXX. INTERPRETATION

This Lease has been submitted to the scrutiny of all parties and their counsel, if desired, and it shall be given a fair and reasonable interpretation in accordance with its words, without consideration to or weight given to its being drafted by any party or its counsel. Paragraph and Section headings are for convenience only and shall not be considered when interpreting this Lease. All words used in the singular shall include the plural; the present tense shall include the future tense; and the masculine gender shall include the feminine and neuter genders.

XXXI. NON-WAIVER OF COVENANTS

Either party's failure to insist upon the strict performance of any provision of this Lease shall not be construed as depriving either party the right to insist on strict performance of such provision in the future. The subsequent payment of rent by the LESSEES or acceptance of rent by the City, whether full or partial payment, shall not be deemed a waiver of any preceding breach by either party of any term, covenant, or condition of this Lease, other than the failure of the LESSEES to pay the particular part of the rent accepted, regardless of either party's knowledge of the preceding breach at the time of the acceptance of that part of the rent.

XXXII. COUNTERPARTS

This Lease may be signed in counterparts, each of which shall be an original but all of which shall constitute one and the same document. Signatures transmitted by facsimile or electronically shall be deemed valid execution of this Lease, binding on the parties.

The parties hereto by their respective authorized signatures below approve and enter into this Lease effective the 2nd day of September, 2016.

City of Deer Park

Lessees:

Robert Whisman, Mayor

Robert J. Mazone TRUSTEE
Robert Joseph Mazone

Attest By:

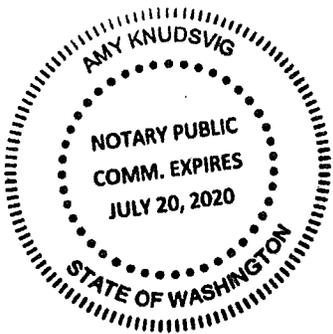
Nancy Dee Mazone, trustee
Nancy Dee Mazone

City Clerk/Treasurer

STATE OF)
) ss
County of)

I certify that I know or have satisfactory evidence that Robert & Nancy Mazon are the persons who appeared before me, and said person acknowledged that he/she signed this instrument and acknowledged it as the LESSEES or authorized signatory for the LESSEES identified in this instrument, to be his/her free and voluntary act for the uses and purposes mentioned in the instrument.

Dated Sept 2 2016



Amy Knudsvig
(SIGNATURE)
Amy Knudsvig
(TYPED OR PRINTED NAME)

Notary Public in and for the State of

Washington, residing in Spokane County

My Commission Expires: July 20, 2020

