

**City of Deer Park
City Council Agenda
January 15, 2020
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 Tim Verzal
Councilmember's: Dee Cragun, Mary Babb, Richie Schut,
Caleb Stapp and Ron Scholz
Community Services Director: Roger Krieger
Clerk/Treasurer: Deby Cragun

2. Invocation

3. Pledge of Allegiance & Welcome

4. Approval of Agenda

5. Approval of December 18, 2019 regular council meeting minutes.

6. New Business

- A. Engineering Services Independent Fee Estimate 2020 GA Apron & Taxilane A 12 Project ~ Myaak Engineering
- B. Task Order 2020-03 Deer Park Municipal Airport 2020 Taxilane and Apron Project ~ JUB Engineers, Inc.

7. Resolutions

- A. 2020-001 ~ CIP Plan Update

8. Ordinances

9. Consent Agenda

- A. Approval of Voucher Claim Check Nos. 38222 through 38259 including EFT Debits in the amount of \$231,753.40 for Second Half of December 2019.
- B. Approval of Voucher Claim Check Nos. 38260 through 38276 in the amount of \$34,913.95 for the First Half January 2020.
- C. Approval of Payroll Check Nos. 13599 through 13630 including 941 Taxes in the amount of \$127,806.73 for the month of December 2019.
- D. Deer Park Municipal Airport Use Agreement ~ Autosports Northwest.
- E. Deer Park Airport Lease Agreement ~ Osprey Investors, LLC

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
December 18, 2019**

Mayor Verzal called the meeting to order at 7:00 p.m.

1. ROLL CALL

Mayor Verzal called roll and the following were:

Present:	Councilmember's: Dee Cragun, Mary Babb, Richie Schut, Don Stevens and Joe Polowski
Community Services Director:	Roger Krieger
City Attorney:	Chuck Zimmerman
City Staff:	Brad Wainwright, Don Harper
Airport Manager:	Darold Schultz, Schultz's Aviation, L.L.C.
Economic Developer:	Joe Tortorelli
Clerk/Treasurer:	Deby Cragun
Audience:	25

2. Invocation

Pastor Tim White from Tri-County Christian Center gave the invocation.

3. Pledge of Allegiance & Welcome

4. Approval of Agenda

Mayor Verzal requested to add Deer Park Airport Lease Agreements for Old Time Aircraft, LLC and Eagle Aviation, LLC as items E & F under New Business and add an Executive Session to discuss Potential Litigation to tonight's Agenda.

IT WAS MOVED BY CRAGUN, SECONDED BY POLOWSKI; MOTION CARRIED (5-0) TO APPROVE THE AGENDA AS AMENDED.

5. Approval of December 04, 2019 regular council meeting minutes

IT WAS MOVED BY CRAGUN, SECONDED BY BABB MOTION CARRIED (5-0) TO APPROVE THE DECEMBER 04, 2019 REGULAR COUNCIL MEETING MINUTES AS PRESENTED.

6. Executive Session

A. Potential Litigation

Mayor Verzal moved the council into executive session at 7:02 p.m. for 10 minutes to discuss potential litigation. The council returned to regular session at 7:12 p.m.

7. New Business

A. 2020 Economic Development Service Contract ~ Economic Development NW

Joe Tortorelli reviewed his 2020 Service Contract.

Following discussion,

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

APPROVE THE 2020 ECONOMIC DEVELOPMENT SERVICE CONTRACT WITH ECONOMIC DEVELOPMENT NW.

MOTION CARRIED 5-0.

B. Snow Removal Equipment Bid Award ~ S.G. Wilson Truck and Equipment

Darold Schultz reviewed the Snow Removal Equipment Bid Award.

Following discussion,

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

APPROVE THE SNOW REMOVAL EQUIPMENT BID AWARD TO S.G. WILSON TRUCK AND EQUIPMENT IN THE AMOUNT OF \$92,500.00 PLUS SALES TAX AND AUTHORIZE THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY TO COMPLETE THE PURCHASE.

MOTION CARRIED 5-0.

C. Accept CERB Loan in the Amount of \$1,250,000 and Authorize Mayor to Sign.

Roger reviewed the CERB Loan Capital Agreement.

Following discussion,

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

APPROVE THE ACCEPTANCE OF THE CERB LOAN CAPITAL AGREEMENT IN THE AMOUNT OF \$1,250,000 AND AUTHORIZE THE MAYOR TO SIGN ALL DOCUMENTS NECESSARY TO COMPLETE THE LOAN ACCEPTANCE AND THE LOAN AGREEMENT.

MOTION CARRIED 5-0.

D. Washington State Transportation Improvement Board Fuel Tax Grant Agreement ~ Crawford Ave, Colville Rd. Roundabout in the amount of \$101,972.00.

Roger reviewed the TIB Fuel Tax Grant Agreement.

Following discussion,

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

APPROVE THE WASHINGTON STATE TRANSPORTATION IMPROVEMENT BOARD FUEL TAX GRANT AGREEMENT FOR CRAWFORD AVE, COLVILLE RD. ROUNDABOUT IN THE AMOUNT OF \$101,972.00 AND AUTHORIZE THE MAYOR TO SIGN ALL DOCUMENTS NECESSARY TO COMPLETE THE GRANT ACCEPTANCE AND THE GRANT AGREEMENT.

MOTION CARRIED 5-0.

E. Deer Park Airport Lease Agreement ~ Old Time Aircraft LLC
F. Deer Park Airport Lease Agreement ~ Eagle Aviation LLC

Darold Schultz reviewed both Lease Agreements.

Following discussion,

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

APPROVE BOTH DEER PARK AIRPORT LEASE AGREEMENTS WITH OLD TIME AIRCRAFT, LLC AND EAGLE AVIATION, LLC.

MOTION CARRIED 5-0.

8. Resolutions

There were no Resolutions.

9 Ordinances ~

- A. Ordinance 2019-991 ~ Adopting the 2020 Annual City Budget **Second Reading, Public Input (Waive the Third Reading)**

Mayor Verzal read the heading to Ordinance 2019-991.

Mayor Verzal reviewed the Ordinance and stated this is the Second Reading and time for Public Input. He also requested to Waive the Third Reading.

Darold Schultz reviewed changes that were made to the Airport Operations and Grant funds.

There was no Public Comment.

IT WAS MOVED BY CRAGUN, SECONDED BY POLOWSKI, TO WAIVE THE THIRD READING.

MOTION CARRIED 5-0.

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

APPROVE ORDINANCE 2019-991 ~ ADOPTING THE 2020 ANNUAL CITY BUDGET

MOTION CARRIED 5-0.

- B. Ordinance 2019-992 ~ Mayor/Council Compensation. **Second Reading, Public Input**

Mayor Verzal reviewed the Ordinance and stated this is the Second Reading and also requested to Waive the Third Reading.

Charles Zimmerman, City Attorney reviewed the Ordinance.

Following discussion,

IT WAS MOVED BY CRAGUN, SECONDED BY POLOWSKI, TO WAIVE THE THREE READING PROCESS.

MOTION CARRIED 4-1 (STEVENS).

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

APPROVE ORDINANCE 2019-992 ~ MAYOR/COUNCIL COMPENSATION

MOTION CARRIED 5-0.

C. Ordinance 2019-993 ~ Amending the 2019 Annual Budget **(Waive Three Reading Process)**

Mayor Verzal read the heading to Ordinance 2019-993 and requested to Waive the Three Reading Process.

Deby Cragun reviewed Ordinance 2019-993.

Following discussion,

IT WAS MOVED BY CRAGUN, SECONDED BY POLOWSKI, TO WAIVE THE THREE READING PROCESS.

MOTION CARRIED 5-0.

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

APPROVE ORDINANCE 2019-993 ~ AMENDING THE 2019 ANNUAL BUDGET

MOTION CARRIED 5-0

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 (5-0) TO APPROVE THE CONSENT AGENDA.

- A. Approval of Voucher Claim Check Nos. 38183 through 38221 in the amount of \$186,908.19 for the First Half of December 2019.
- B. Deer Park Municipal Airport Use Agreement ~ Barons Model Club.

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

Comments were given.

12. Report of Departments

Brad Wainwright stated he and the crew are ready to plow snow should the need arise. The maintenance and repairs on the generators are wrapping up.
Darold Schultz stated the Airport is ready to plow snow as well.

13. Report of Officers

- A. Mayor ~ Temporary Appointment Extension

Mayor Verzal spoke to the Council regarding an extension of 60 days for the temporary appointment of Brad Wainwright to the position of Street Supervisor.

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

APPROVE AN EXTENSION OF 60 DAYS FOR THE TEMPORARY APPOINTMENT OF BRAD WAINWRIGHT.

MOTION CARRIED 5-0

Mayor Verzal presented a plaque from the SRTC Board thanking Councilmember Cragun for her service on the SRTC Board. Mayor Verzal also paid tribute to Councilmembers Joe Polowski and Don Stevens who had decided not to run for another term. Councilmember Polowski leaves the City Council after 4 years and Councilmember Don Stevens is leaving the City Council after serving for 20 years.

14. Adjournment

There being no further business before the Council, Mayor Verzal adjourned the meeting at 8:05 P.M.

Mayor Tim Verzal

Deby Cragun, City Clerk/Treasurer



January 7, 2020

Darold Schultz
Airport Director
Deer Park Airport
PO Box F
Deer Park, WA 99006

Subject: Engineering Services – Deer Park Airport
Independent Fee Estimate: 2020 General Aviation Apron & Taxilane A12 Project

Dear Mr Schultz:

I look forward to preparing an independent fee estimate (IFE) for Deer Park Airport for your upcoming 2020 General Aviation Apron and Taxilane A12 Project for engineering design and construction services.

I propose to do this work for a lump sum of \$3,000. The lump sum of \$3,000 will not be exceeded without your prior authorization. This fee assumes the preparation of a single independent fee estimate to be electronically delivered to you no later than two weeks after receiving a signed contract. Where further updates and modifications to the initial independent estimate need to be made as part of any subsequent negotiation cycles, the coordination and preparation of further iterations will be paid for on a “time-plus-expense” basis using a rate of \$150 per hour.

If these terms are acceptable to you, please sign your acceptance below and return one executed copy to me. The IFE will be completed within two weeks of Myaak receiving a signed contract. I appreciate the opportunity to assist you on this project and look forward to working with you. Please call or email me if you have questions or comments.

Sincerely,

Karla Kendall, P.E.
Myaak Engineering

ACCEPTED:

City of Deer Park, Deer Park Airport

By _____

Title _____

Date _____

**TASK ORDER 2020-03
DEER PARK MUNICIPAL AIRPORT
2020 TAXILANE AND APRON PROJECT**

A MASTER AGREEMENT for Engineering Services entered into and effective on the 20th day of December, 2017, shall be appended herein as Task Order No. 2019-03, made as of ____ day of _____, 2020, by and between the City of Deer Park, 316 E Crawford, Deer Park, Washington, hereinafter referred to as the OWNER, and J-U-B ENGINEERS, Inc., 422 W. Riverside Ave. Suite 304, Spokane, Washington, hereinafter referred to as the ENGINEER.

PROJECT OBJECTIVE

The City of Deer Park wishes to obtain airport engineering services for the Deer Park Municipal Airport - 2020 Taxilane and Apron project. The Consultant shall provide the professional services as follows: geotechnical site investigation, soils analysis, a detailed topographic survey and base map development. The Consultant shall prepare plans, specifications and estimates to bid in the Spring of 2020 under a separate agreement. The Consultant shall coordinate, as required, with other regulatory agencies the City of Deer Park and the lowest responsible contractor shall be in compliance with the most current FAA and WSDOT municipal construction standards requirements. This design project will be complete and submitted for Agency review on or before February 15, 2020.

TASK 1 PRELIMINARY INVESTIGATIONS

1. Geotechnical Site Investigation

Consultant shall contract with Strata, Inc. to perform geotechnical site investigations, soils analysis, CBR and summary report.

2. Topographic Survey

Consultant shall perform a topographic survey of the project impact area. The survey shall include the area of impact, pavement edges, drainage structure, pavement markings, existing visible utilities, fences, control points as needed to develop a base map for design.

3. Administration

Consultant shall coordinate surveying and geotechnical engineering services.

ARTICLE 2. COMPENSATION

Compensation by the OWNER to the ENGINEER will be at the ENGINEER's Direct Salaries multiplied by a factor of 3.1523.

The ENGINEER will not exceed a budget of \$13,819.33 for the services as described above unless additional work is directed by the owner.

**TASK ORDER 2020-03
DEER PARK MUNICIPAL AIRPORT
2020 TAXILANE AND APRON PROJECT**

This Task Order No. 2020-03 will become part of the referenced AGREEMENT when executed by both parties. IN WITNESS WHEREOF, the parties execute below:

For the Owner, City of Deer Park, Washington

Dated this _____ day of _____, 2020,

By: _____ Mayor
Name Title

For the ENGINEER, J-U-B ENGINEERS, Inc.

Dated this _____ day of _____, 2020,

By: _____ Area Manager
Name Title

RESOLUTION NO. 2020-001

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DEER PARK, SPOKANE COUNTY, WASHINGTON, UPDATING THE ADOPTED COMPREHENSIVE PLAN IN RESPONSE TO THE ANNUAL MUNICIPAL BUDGET WITH REGARD TO THE TRANSPORTATION IMPROVEMENT PROGRAM IN THE TRANSPORTATION ELEMENT AND THE CAPITAL IMPROVEMENT PROGRAM IN THE CAPITAL FACILITIES ELEMENT OF SAID ADOPTED COMPREHENSIVE PLAN

WHEREAS, the City of Deer Park adopted its Comprehensive Plan Update under the Growth Management Act by Resolution No. 2017-006 on June 7, 2017; and

WHEREAS, said Comprehensive Plan included Transportation and Capital Facilities Elements, which Elements included then current 6-year Transportation Improvement and Capital Improvement Programs, respectively; and

WHEREAS, such 6-year Improvement Programs typically focus upon non-reoccurring high cost projects, many involve multi-year financing, they tend to cost in excess of \$10,000, have a life expectancy of more than ten (10) years, and result in additions to municipal fixed assets and/or extend the life of existing capital infrastructure; and

WHEREAS, the City of Deer Park updated Title 18, Zoning, of the Deer Park Municipal Code by Ordinance No. 2018-974 adopted on June 6, 2018, which updated Zoning Title 18 conforms with the adopted Comprehensive Plan and includes, in Chapter 18.14 thereof, provisions for amending the City’s Comprehensive Plan; and

WHEREAS, it is the intent of the City Council to annually update the Transportation Improvement Program and Capital Improvement Program in the Comprehensive Plan, in conjunction with annual adoption of the City’s budget, so as to maintain a continually current representation of planned and programmed capital expenditures; and

WHEREAS, the proposed 6-year Transportation Improvement Program, for 2020 through 2025, includes the following projects and funding sources as noted:

<u>Project Description</u>	<u>Const. Year</u>	<u>Cost Estimate in Thousand \$</u>				<u>Total</u>
		<u>Fed.</u>	<u>St.</u>	<u>Loc.</u>		
Colville Ave. - Crawford Ave./Third St. (reconstruction /traffic channelization)	2019/20	1944.0	102.0	221.0		2267.0
Colville Ave. – Third St./Eighth St. (reconstruction /traffic channelization)	2021/22	2021.0	0.0	500.0		2521.0
Cedar Road – Sixth St / Enoch Road (construction / development)	2020/21	4724.0	0.0	1250.0		5974.0
Fir St. - Crawford Ave./H St. (roadway reconstruction, widening)	2024	0.0	400.0	1700.0		2100.0
Airport Ave. - Crawford Ave./Cedar Rd. (reconstruction)	Later	0.0	0.0	1500.0		1500.0
Colville Ave. – I St./Southerly City Limits (reconstruction)	Later	0.0	500.0	195.0		695.0
S Weber – Crawford to D Street (reconstruction)	Later	0.0	600.0	695.0		1295.0
Fourth St. - North Ave./Main St. (reconstruction)	Later	735.2	114.8	0.0		850.0

North Ave. - Fourth St./Northerly City limits (reconstruction)	Later	865.0	135.0	0.0	1000.0
D St. – Main to S. Fir Street (reconstruction)	Later	0.0	300.0	95.0	395.0
Northwest Ave (Hwy. 395 Business Loop) - Fourth St./ Westerly. City limits (resurface, rehabilitation)	Later	0.0	600.0	447.0	1047.0
Sixth Street – Colville Ave./Reiper (reconstruction)	Later	0.0	700.0	308.0	1008.0
Forest Ave. - Crawford Ave./Sixth St. (construction)	Later	0.0	0.0	976.0	976.0

and where “Federal”, “State”, and “Local” funding sources are referenced above, they generally imply the following funding assumptions: STP / TIB Funding for Crawford Avenue, Fourth and North Streets, SCA Funding for H / Fir Street; EDA / CERB Funding for Cedar Road/TIB / CDBG Funding for Fir Street; and

WHEREAS, the City of Deer Park Pavement Preservation Program, for 2020 through 2025, includes the following projects and sources as noted:

<u>Project Description</u>	<u>Const. Year</u>	<u>Cost Estimate in Thousand \$</u>			
		<u>Fed.</u>	<u>St.</u>	<u>Loc.</u>	<u>Total</u>
Frontage Road (J to Cul-de-sac)	2020	0.0	0.0	52.2	52.2
J Street (Main to Meadowmere)	2020	0.0	0.0	60.5	60.5
Country Club Drive (Sixth to Steptoe)	2020	0.0	0.0	151.2	151.2
South Avenue (Fir to East termination)	2020	0.0	0.0	46.9	46.9
E Court (Forest to West end)	2021	0.0	0.0	15.2	15.2
Parker Court (Cul-de-sac to F Street)	2021	0.0	0.0	12.9	12.9
F Street (Forest to West end)	2021	0.0	0.0	46.9	46.9
Airport Road (Crawford to Sixth)	2021	0.0	0.0	121.5	121.5
Second Street (Weber to Country Club)	2021	0.0	0.0	70.4	70.4
Park Street (Crawford to South)	2021	0.0	0.0	30.9	30.9
Park Street (Crawford to Third)	2022	0.0	0.0	80.4	80.4
Evergreen Street (D to Weber)	2022	0.0	0.0	37.8	37.8
Weber Avenue (Crawford to Sixth)	2022	0.0	0.0	170.2	170.2
Johnson Lane (Country Club to Helstrom)	2023	0.0	0.0	47.0	47.0
Third Street (Weber to Country Club)	2023	0.0	0.0	45.0	45.0

Country Club Drive (Steptoe to Twelfth)	2023	0.0	0.0	108.5	108.5
Christiansen Court (Third to West end)	2023	0.0	0.0	18.1	18.1
Pease Lane (Country Club to Helstrom)	2023	0.0	0.0	39.0	39.0
High Desert Drive (Sixth to Twelfth)	2024	0.0	0.0	176.3	176.3
Sixth Street (Reiper to Country Club)	2024	0.0	0.0	130.5	130.7
Stevens Street (Crawford to Sixth)	2025	0.0	0.0	90.9	90.9
D Street (Arcadia to Orchard)	2025	0.0	0.0	35.7	35.7
H Street (Crawford to Colville)	2025	0.0	0.0	158.4	158.4

and where “Federal”, “State”, and “Local” funding sources are referenced above, they generally imply the following assumptions: STP / TIB Funding for Federal Routes, TIB/SCA funding from States sources, Local sources to include transfers from the General Fund and locally generated utility taxes as enacted by the City Council by adoption of City Ordinance 2007-837, Real Estate Excise Tax and Motor Vehicle Fuel Tax; and

WHEREAS, the proposed 6-year Capital Improvement Program, for 2020 through 2025, includes the following projects and funding sources as noted:

<u>Project Description</u>	<u>Const. Year</u>	<u>Cost Estimate in Thousand \$</u>			
		<u>Fed.</u>	<u>St.</u>	<u>Loc.</u>	<u>Total</u>
<u>Water System Transmission Main Improvements</u>					
8” Water Main – Colville, Crawford to Third	2020	0.0	0.0	217.0	217.0
8” Water Main – Park, Crawford to Second	2021	0.0	0.0	45.0	45.0
8” Water Main – W. Fourth, Main to North	2022	0.0	0.0	45.0	45.0
8” Water Main – Larch, Crawford to First	2023	0.0	0.0	32.0	32.0
8” Water Main – First, Larch to Fir	2024	0.0	0.0	45.0	45.0
<u>Other Water System Upgrades</u>					
Reservoir #20, Sixth Street Tank Replacement	2020/22	0.0	3000.0	900.0	3900.0
<u>Sanitary Sewer System Improvement Schedule</u>					
Treatment Lagoon replacement/upgrade design	2020	0.0	0.0	150.0	150.0
Treatment Lagoon construction	2021/22	1750.0	0.0	1750.0	3500.0
Land application system	2023	0.0	175.0	175.0	350.0
<u>Airport and Taxi Way Improvements</u>					
Master Plan Update	2020	300.0	30.0	30.0	360.0
Taxi Lane and Ramp Expansion	2021	1800.0	90.0	90.0	1980.0
Pavement Maintenance / Restripe	2022	700.0	35.0	35.0	770.0
Equipment Building Design	2023	150.0	0.0	15.0	165.0
Equipment Building Construction	2024	1500.0	0.0	150.0	1650.0

Parks and Recreation System New Park Facilities

Perrins Park Improvements – Phase 1	2020	0.0	0.0	25.0	25.0
Mix Park Improvements – Parking 2 and Picnic	2021	0.0	0.0	125.0	125.0
Swinyard Park Improvements / Splash pad	2021	0.0	200.0	200.0	400.0

and where “Federal”, “State”, and “Local” funding sources are referenced above, they generally imply the following funding assumptions: Federal Aviation Administration, State of Washington Department of Transportation – Airports and City of Deer Park Airport Fund, Water and Wastewater Enterprise Funds, State of Washington Department of Ecology Centennial and State Revolving Fund, City of Deer Park Capital Improvement Fund for Parks and City of Deer Park – General Fund; and

WHEREAS, the City Council of the City of Deer Park finds the following in regards to the update of the Transportation Improvement Program (TIP) and Capital Improvement Program (CIP) in the adopted Comprehensive Plan pursuant to Section 18.14.080 of said Zoning Title 18, DPMC:

1. The proposed TIP and/or CIP Amendments are necessary to update the Transportation Improvement Program and/or Capital Improvement Program in connection with annual budget adoption in that: certain previously budgeted projects have been implemented and newly programmed and prioritized projects have been added to ensure that all facets of the City’s infrastructure remain at or above the adopted levels of service and remain in compliance with applicable concurrency requirements;
2. Potential ramifications of the proposed TIP and/or CIP Amendments upon all other Comprehensive Plan Elements have been considered and adequately addressed in that: the contemplated adjustments to the annual 6-year Transportation Improvement Program and/or Capital Improvement Program represent refinements to the adopted Comprehensive Plan and expenditure programs identified therein, in response to the change of year and/or funding only, but not in response to change in any previously identified Plan Elements, programs, projects, or needs;
3. Conditions have not so changed since the adoption of the Comprehensive Plan that the existing text, including but not limited to goals, policies, and/or map classifications, is inappropriate in that: this finding is not applicable to the annual refinement and update of Transportation Improvement and Capital Improvement Programs and their funding mechanisms since such annual updates are required to ensure that the Comprehensive Plan remains a “living” document with annual improvement expenditures continuously updated and incorporated therein;
4. The proposed Amendment is consistent with the overall intent of the goals of the Comprehensive Plan in that: the adopted Comprehensive Plan, State law, and the City’s local Zoning regulations all foster “concurrency management” to insure that adopted levels of service are not diminished as the community grows, and the updates to the Transportation Improvement and Capital Improvement Programs, promoted by this Amendment, achieve that objective by upgrading “concurrency” infrastructure in advance of need, in accord with the adopted Comprehensive Plan;
5. The proposed Amendment is consistent with the Growth Management Act (RCW 36.70A) and with the Spokane County “County-wide Planning Policies” currently in effect in that: the City’s entire Growth Management Act Implementation Program, including the adoption of the Comprehensive Plan and subsequent adoption of development regulations, has adhered to GMA statutes and regional policies, and the update of infrastructure programs through this TIP and/or CIP update is a continuation of the same plans, programs, and policies that are already in place and not changed by this action;
6. If an amendment to the Comprehensive Plan’s “Future Land Use Plan” map is proposed, the proposed designation is or is not adjacent to property having a similar and compatible designation, or the subject property is or is not of sufficient size to buffer or otherwise mitigate incompatible land uses: this finding is not applicable inasmuch as no Comprehensive Plan adopted “Future Land Use Plan” map designations are contemplated for amendment by this action;

7. Environmental impacts have been disclosed, and measures have been ensured to reduce possible adverse impacts in that: several State Environmental Policy Act (SEPA) environmental checklists and Environmental Impact Statements/Supplemental Environmental Impact Statements have been prepared and adopted for every step during the City's Growth Management Act Implementation Program (Interim Urban Growth Area, Comprehensive Plan, Development Regulations, etc.), and refinement of capital expenditure 6-year programs identified previously do not require further environmental analysis at this time, particularly since capital improvements are mitigation measures for environmental impacts, including those associated with concurrency management/maintenance of adopted level of service standards, as is the case with this proposed infrastructure program update;

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Deer Park that the City of Deer Park does hereby determine the following based upon the aforementioned findings and conclusions:

Section 1. The amendments to the TIP and CIP as set forth in the whereas provisions of this Resolution are hereby adopted as an amendment to the City Comprehensive Plan as a guide to future growth and development for the affected infrastructure planning programs within the City.

Section 2. Any portions of the City Comprehensive Plan or previously adopted Resolutions of the City in conflict with provisions of Section 1 of this Resolution are hereby amended so that a fair and reasonable meaning may be given to the terms of Section 1 of this Resolution and to the provisions of the City Comprehensive Plan and previously adopted City Resolutions that may otherwise be in conflict with the terms of Section 1 of this Resolution.

Adopted this 15th Day of January, 2020.

Timothy Verzal, 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 **38222 through 38259 including EFT Debits in the amount of \$231,753.40.**

City Clerk/Treasurer

Council Approval

We, the undersigned Council Members of the *City of Deer Park* approve the payment of Claims Checks **38222 through 38259 including EFT Debits in the amount of \$231,753.40 this 15th day of January 2020.**

Vouchers End of Year

Fiscal : 2019 —

Period : 2019 - December

Number	Vendor Name	Account Description	Amount
38222	7C's Construction, Inc	Golf Course Repair	\$3,072.33
38223	Action Medical, Inc.	Medical Supplies	\$55.13
38224	American Linen	Supplies	\$167.46
		Mat Change Out	\$118.12
		Check Total:	\$285.58
38225	Anatek Labs	Water Testing	\$100.00
38226	Autozone	Tools & Equipment	\$9.18
38227	Banner Furnace & Fuel, Inc.	Airport Hvac Repair	\$387.81
38228	Canon Financial Services, INC	Airport Graphics Equipment	\$56.97
38229	Centurylink	Communications	\$1,869.60
38230	Certified Laboratories	Lubricating Supplies	\$454.02
38231	City of Deer Park	12% Utility Tax to Gen/Street Funds	\$19,547.00
		Full Service Fuel Surcharge	\$173.44
		Utilities	\$868.36
		Check Total:	\$20,588.80
38232	City Service Valcon, LLC	Fuel	\$2,239.31
38233	Concrete Plus LLC	Perrins Park	\$1,704.65
38234	Consolidated Electrical Distributors Inc.	Light Repair	\$87.32
38235	Deer Park Ace Hardware	City Hall Building Repairs	\$103.55
		Repair & Maintenance	\$25.27
		Supplies	\$46.44
		Tools & Equipment	\$19.53
		Check Total:	\$194.79
38236	Deer Park Chamber of Commerce	Deer Park Chamber Tourism And Assitance	\$950.00
38237	Deer Park Golf Club	Professional Services	\$13,588.00
38238	Diamond Building Supply	Repair & Maintenance	\$266.87
38239	Fastenal	Repair & Supplies	\$116.02
38240	Inland Asphalt Company	Water Line Repair	\$810.75
38241	Inland Feed And Farm	Airport Vehicle Fuel	\$310.10
38242	Jub Engineers, Inc.	Corrosion Control	\$246.58
		N. Colville Design	\$2,962.74
		Property Exhibits	\$11,225.23
		STBG ~ Crawford/Colville Design	\$24,160.49
		Treatment Lagoon Design	\$11,779.87
		Check Total:	\$50,374.91

38243	Laduke & Fogle Equipment	Airport Supplies	\$471.32
38244	MailFinance	Communications/Folder/Inserter	\$866.72
38245	McKinstry Essention, LLC	City Hall Building Repairs	\$100,805.49
38246	National Barricade	Street Signs	\$3,751.28
38247	Office Depot	Central Services Supplies	\$145.82
38248	Ogden/Murphy/Wallace PLLC	Legal Services Rendered	\$2,815.70
		Water/Wastewater & Airport Services	\$2,931.80
		Check Total:	\$5,747.50
38249	Reliance Janitorial	City Hall Janitorial Services	\$525.00
38250	Ricoh USA, Inc	City Hall Copier Contract	\$208.62
		Supplies	\$308.85
		Check Total:	\$517.47
38251	Schultz's Aviation, LLC	Full Service Fuel Surcharge	\$173.44
		Airport Management Contract Dec 2019	\$9,166.67
		Check Total:	\$9,340.11
38252	Spokane County District Court	Professional Services	\$503.84
38253	Spokane County Treasurer	Election Costs	\$1,328.17
38254	Spokane County Treasurer/SCRAPS	Spokane County Regional Animal Control	\$894.07
38255	Spokane House of Hose	Airport Supplies	\$41.35
38256	Trackman Parts & Service	Takeuchi Repair	\$836.20
38257	USA Bluebook	Lagoon Floats	\$203.18
38258	Verizon Wireless	Cell Phone Communications	\$294.01
38259	Video Security Technology	Security Camera's	\$275.00
EFT DEBIT ACCOUNT ANALYSIS CHGE WA TRUST	Washington Trust Bank	Professional Services	\$14.52
EFT Debit Combined Excise 11/2019	State of Washington	Excise Tax Remittance	\$5,361.98
		Fuel Sales Tax	\$1,234.85
		Check Total:	\$6,596.83
EFT Debit Dec 2019 Postage Refill	United States Postal Svc	Advertising	\$459.00
		Communications	\$553.00
		Check Total:	\$1,012.00
EFT Debit WA TRUST DEPOSIT BOOK ORDER	Washington Trust Bank	Central Services Supplies	\$61.38

Grand Total **\$231,753.40**

Total Accounts Payable for Checks #38222 Through #EFT Debit WA TRUST DEPOSIT BOOK ORDER

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 **38260 through 38276 in the amount of \$34,913.95.**

City Clerk/Treasurer

Council Approval

We, the undersigned Council Members of the *City of Deer Park* approve the payment of Claims Checks **38260 through 38276 in the amount of \$34,913.95 this 15th day of January 2020.**

Vouchers 1st Half Jan 2020

Fiscal: : 2020

Period: 0000 January

Number	Vendor Name	Account Description	Amount
38260	American Linen	Supplies	\$50.29
		Mat Change Out	\$118.12
		Check Total:	\$168.41
38261	Assoc. of WA Cities/AWC	Awc Service Fees	\$2,536.00
38262	Autozone	Tools For Shop	\$25.38
38263	Centurylink	Communications	\$1,713.14
38264	City of Deer Park	Airport AG Use Fee	\$4,800.00
38265	Comcast Business	Communications	\$133.55
38266	Deer Park School Dist.#414	School Resource Officer	\$11,328.00
38267	Evergreen Rural Water	Dues/memberships	\$700.00
38268	Gibson, Travis	Boot Allowance	\$141.56
38269	Inland Empire Utility	Dues/memberships	\$754.00
38270	Inland Feed And Farm	Airport Vehicle Fuel	\$246.31
38271	Pacific Petroleum And Supply	Supplies Water/Wastewater	\$335.28
38272	Postlewait Code LLC	Spokane CO Bldg/plan Checks	\$2,599.11
38273	Spokane Regional Transportation Council	Dues/memberships	\$1,141.00
38274	SRC4	Travel/training Cross Connection	\$200.00
38275	Vision Municipal Solutions LLC	Computer Maintenance	\$7,997.21
38276	WABO	Dues/memberships	\$95.00
	Grand Total		\$34,913.95
	Total Accounts Payable for Checks #38260 Through #38276		

CITY OF DEER PARK
PAYROLL 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 and/or the labor has been performed as described herein and is a just, due and unpaid obligation against the *City of Deer Park*, and that I am authorized to authenticate and certify said Payroll Checks numbered **13599 through 13630 including 941 Taxes in the amount of \$127,806.73.**

City Clerk/Treasurer

Council Approval

We, the undersigned Council Members of the *City of Deer Park* approve the payment of Payroll Checks numbered **13599 through 13630 including 941 Taxes in the amount of \$127,806.73 this 15th day of January 2020.**

Deer Park Municipal Airport

USE AGREEMENT

The City of Deer Park, Washington (hereinafter the "City") and AUTOSPORTS NORTHWEST, Washington (hereinafter "AUTOSPORTS NORTHWEST" or "Lessee"), sometimes hereinafter individually referred to as a "party" or collectively referred to as "parties", effective as of the 1st day of March, 2020 agree as follows:

1. PREMISES.

A. Premises. The City shall allow access to AUTOSPORTS NORTHWEST 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 AUTOSPORTS NORTHWEST's intended purpose as a DRIVER Training area.

B. Use of Premises. The Premises shall only be used for DRIVER 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. AUTOSPORTS NORTHWEST 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. AUTOSPORTS NORTHWEST 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 March 1, 2020 and terminating February 28, 2021, subject to the provisions of paragraph 12. TERMINATION-HOLDING OVER of the Use Agreement. Upon termination of this Use Agreement, AUTOSPORTS NORTHWEST 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 AUTOSPORTS NORTHWEST during the term shall be only those dates of use approved in writing by the City Airport Manager.

3. RENTAL. AUTOSPORTS NORTHWEST shall pay to the City rental as follows:

One Hundred Twenty dollars (\$120.00) per day use, in addition a five dollar (\$5.00) fee per registered automobile shall be rendered.

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. AUTOSPORTS NORTHWEST shall not be charged the day use fee if an event is cancelled due to weather or inadequate enrollment. AUTOSPORTS NORTHWEST shall notify the airport manager of any cancellations. If AUTOSPORTS NORTHWEST 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, AUTOSPORTS NORTHWEST 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.** AUTOSPORTS NORTHWEST 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.** AUTOSPORTS NORTHWEST 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 AUTOSPORTS NORTHWEST to remove such improvements at AUTOSPORTS NORTHWEST's sole expense. If not removed, improvements shall become the property of the Deer Park Municipal Airport.

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

AUTOSPORTS NORTHWEST expressly represents that all of AUTOSPORTS NORTHWEST's operations on the Premises shall be in strict compliance with governing environmental, land use, regulations and ordinances, and that AUTOSPORTS NORTHWEST 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.** AUTOSPORTS NORTHWEST shall limit DRIVER training activities to AUTOSPORTS NORTHWEST, 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.** AUTOSPORTS NORTHWEST 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 AUTOSPORTS NORTHWEST in, on or about the Premises by AUTOSPORTS NORTHWEST, its employees, agents, volunteers and invitees. AUTOSPORTS NORTHWEST and AUTOSPORTS NORTHWEST agree to indemnify, defend and hold harmless the City from and against all liability, claims, to include liability, claims and actions brought by AUTOSPORTS NORTHWEST, 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 AUTOSPORTS NORTHWEST, or the AUTOSPORTS NORTHWEST's employees, agents, volunteers

and invitees while engaging in or arising from the AUTOSPORTS NORTHWEST'S use of the Airport pursuant to the terms of this Use Agreement. In addition, AUTOSPORTS NORTHWEST 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. AUTOSPORTS NORTHWEST shall furnish certificates of such insurance to the City prior to occupying the Premises.

11. **ASSIGNMENT OR SUBLEASE.** AUTOSPORTS NORTHWEST shall not assign, transfer or sublet the Premises.

12. **TERMINATION-HOLDING OVER.** Upon termination, AUTOSPORTS NORTHWEST shall return the Premises and adjoining areas used by AUTOSPORTS NORTHWEST to the City in clean condition, and in a condition acceptable to the City. If AUTOSPORTS NORTHWEST shall, without the consent of the City, hold over after the expiration or termination of the tenancy, AUTOSPORTS NORTHWEST shall pay to the City the rate of one and one-half (1 ½) times the then current rent, and AUTOSPORTS NORTHWEST 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 AUTOSPORTS NORTHWEST without cause.

13. **DEFAULTS.** Time is of the essence, and if AUTOSPORTS NORTHWEST is in default under this Use Agreement the City may immediately terminate this tenancy after having given AUTOSPORTS NORTHWEST 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 AUTOSPORTS NORTHWEST 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, AUTOSPORTS NORTHWEST 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 AUTOSPORTS NORTHWEST shall not be deemed a waiver of such default. No waiver by the City of any default by AUTOSPORTS NORTHWEST shall be construed to be a waiver of any subsequent default by AUTOSPORTS NORTHWEST.

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.** AUTOSPORTS NORTHWEST 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, AUTOSPORTS NORTHWEST, invitees, licensees and the general public, including but not limited to vehicle posted speed, litter enforcement, AUTOSPORTS NORTHWEST

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. AUTOSPORTS NORTHWEST 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 AUTOSPORTS NORTHWEST. AUTOSPORTS NORTHWEST 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 AUTOSPORTS NORTHWEST'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. AUTOSPORTS NORTHWEST 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.	AUTOSPORTS NORTH WEST
PO Box F	PETE CROSEN
Deer Park WA 99006	28407 W. LONG LAKE Rd.
(509)276-8802	FORD WA. 99013
	509-796-4801
	crosen@centurytel.net

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: _____
Timothy Verzal, Mayor

By: _____
Deby Cragun, City Clerk/Treasurer

Lessee

By: Pete Crosen

Printed Name: PETE CROSEN

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 Osprey Investors LLC, hereinafter referred to as "Lessee."

WITNESS THAT

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

WHEREAS, THE LESSEE desires 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 Lessee the parcel of land shown in **Exhibit A** and described as **Parcel #49** 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 Lessee hereby warrants that it has inspected the Premises and City has not made any promises, warranties, or statements other than as contained herein. Lessee accepts 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 Lessee, and without interference or hindrance.

The City reserves the right but shall not be obligated to the Lessee, 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 Lessee 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 Lessee 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 Lessee 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 Lessee in and to the Premises and improvements thereon. Failure of the Lessee 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 Lessee's rights hereunder.

II. TERM

A. The Term of this Lease shall be for a period of 30 years commencing from the First day of September, 2019 and ending the Thirtieth day of August 2049, unless otherwise terminated or canceled as provided in this document.

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

III. HOLDING OVER

If Lessee, without the written consent of the City, shall hold over after the termination date or earlier termination of this Lease, Lessee 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, Lessee 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. Lessee agrees 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. Lessee 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 Lessee 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.

V. FINANCIAL OBLIGATION

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

Rent Rate	Sq. Ft.	Rent	Leasehold Tax	Total Due	Semi Annual
\$0.16	74,100	\$ 11,856.00	\$ 1,522.31	\$ 13,378.31	\$ 6,699.16

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 Lessee 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. Lessee 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 Lessee. Utilities are to be installed to the City's specifications and those of the utility service provider.

F. Extension of access and utilities to the Leased Premises, including power, water, sewer and associated infrastructure, will be constructed at the expense of the LESSEE according to plans submitted to and approved by the City.

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 Lessee 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, Lessee shall notify the City regarding Lessee'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 Lessee shall agree upon one of the following three courses of action with respect to the disposition of Lessee's buildings and improvements located at the Premises:

1. In the event that the Lessee desires to continue occupying the Leased Premises, the Lessee 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 Lessee's request to lease the Leased Premises, then the Lessee shall be eligible for a new lease agreement for the Leased Premises provided the following conditions are met by the Lessee:

- 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.

- Lessee is 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 Lessee. OR

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

If the City and Lessee 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. Lessee 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 LESSEE**

The Lessee 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 Lessee's maintenance of the Leased Premises or common areas or any improvements thereon; or by Lessee'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 Lessee, or after the Lessee'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 Lessee, its agents, officers, employees, or invitees. **The Lessee specifically waives any immunity provided by Washington's Industrial Insurance Act. This indemnification covers claims by Lessee's own employees.** This provision and waiver was specifically negotiated.

City shall indemnify Lessee, 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 Lessee prompt written notice thereof and Lessee shall defend or settle the same.

Lessee, 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 Lessee, 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, Lessee 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 Lessee 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 Lessee hereunder. No policy of Lessee'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. Lessee 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 Lessee agrees that if Lessee does not purchase and maintain such insurance, City may, but shall not be required to, procure such insurance on Lessee's behalf and charge Lessee 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 Lessee determines not to use insurance proceeds to repair or rebuild the hangar building, the proceeds of any insurance payment available to Lessee 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 Lessee.

Lessee'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 Lessee 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 Lessee decides not to rebuild within a reasonable time, Lessee 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. Lessee 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 Lessee 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

Lessee 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.

Lessee 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, Lessee 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 Lessee 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 Lessee shall file a voluntary petition in bankruptcy or proceedings in bankruptcy instituted against the Lessee are thereafter adjudicated, a bankruptcy pursuant to such proceedings, or a court shall take jurisdiction of the Lessee's property and its assets pursuant to proceedings brought under the provision of the Federal Reorganization or

Bankruptcy Act, or a receiver for the Lessee's assets is appointed, or the Lessee is divested of its rights, powers, and privileges under this Lease by other operation of law.

B. If Lessee shall default, fail to perform, or breach any covenants, terms, or conditions of this Lease, the Lessee 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 Lessee and may require Lessee to remove all improvements to the Leased Premises or at the City's option keep or dispose of the improvements.

XIII. LESSEE'S RIGHT OF CANCELLATION

In addition to all other remedies available to the Lessee, this Lease shall be subject to cancellation by Lessee 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 Lessee.

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 Lessee 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 Lessee 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 Lessee, including, but not limited to, any act of God or other supervening event which precludes the Lessee 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 Lessee (including both husband and wife, if Lessee 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 Lessee or Lessees' 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: Lessee shall have the right to sublease the subject Premises, with prior approval of the City as to proposed sublessee and proposed use, which approval

shall not be unreasonably withheld. Lessee 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 Lessee 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 Lessee of any responsibility to perform any provisions of this Lease in the event Lessee's sub lessee fails to perform said provisions.

XV. NON-DISCRIMINATION

During the term of this Lease, Lessee, 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 Lessee in the Lessee's occupation, use, or construction upon the Leased Premises.

B. Lessee 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

Lessee 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. Lessee 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 Lessee'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 Lessee first by telephone, and if no answer, by certified mail (according to the current information provided by the Lessee) to arrange a convenient time for inspection. When immediate entry is deemed necessary for emergency purposes, if Lessee 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

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

XIX. LIENS AND ENCUMBRANCES

Lessee agrees that it 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. Lessee shall keep the Premises free and clear of all liens. Lessee agrees 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 Lessee for use on the Premises.

XX. LAWS, REGULATIONS, AND PERMITS

Lessee agrees 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

Lessee 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, Lessee 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 Lessee use, storage, treatment, transportation, generation, disposal, or sale of Hazardous Substances and provide evidence satisfactory to the City of Lessee 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 Lessee 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 Lessee Premises and the City's monitoring of Lessee 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. Lessee 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 Lessee use, disposal, transportation, generation, and/or sale of Hazardous Substances, in or about the Premises.

2. Lessee 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 Lessee use, disposal, transportation, generation, and/or sale of Hazardous Substances.

3. Upon Lessee's 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 tenants of the airport, any and all damages 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 Lessee.

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 attorneys 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 B" (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. Lessee 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

Lessee: Maverick Air, LLC
William Kinzel
518 W. Riverside
Spokane, WA. 99201
(509) 701-5052

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

XXIX. ENCUMBRANCE OF LESSEE'S INTEREST

The Lessee 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 Lessee, as security for any indebtedness of Lessee.

The City will cooperate in a timely manner with any reasonable requests of Lessee involving an attempt by the Lessee to encumber Lessee'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 there under, shall not relieve the Lessee from its liability and obligations under this Lease.

Any holder of Lessee's interest herein acquired through foreclosure or other proceedings shall acquire and possess only the rights and interests of Lessee 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 Lessee 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 Lessee 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 _____ day of _____, 20__.

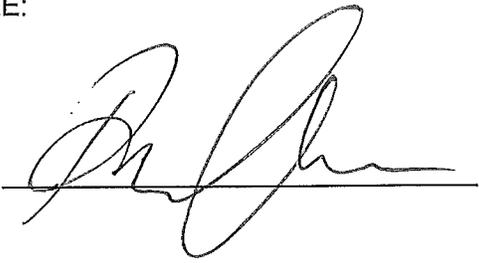
City of Deer Park

Timothy Verzal, Mayor

Attest:

By: _____
Deby Cragun, City Clerk/Treasurer

LESSEE:

By: 

STATE OF _____)
County of _____) ss

I certify that I know or have satisfactory evidence that Daniel Bremer is the person who appeared before me, and said person acknowledged that he/she signed this instrument and acknowledged it as the Lessee or authorized signatory for the Lessee identified in this instrument, to be his/her free and voluntary act for the uses and purposes mentioned in the instrument.

Dated 8/2/19


(SIGNATURE)
William Kinzel
(TYPED OR PRINTED NAME)

Notary Public in and for the State of
WA, residing in Spokane
My Commission Expires: 11/15/21

