City of Deer Park
City Council Agenda
August 19, 2026
Meeting Location ~ Deer Park City Hall
316 E. Crawford
7:00 p.m.

This preliminary agenda is subject to change to conduct business in a timely manner.
To Access the Meeting by Phone Dial 1-669-224-3412 w/Access Code: 805-100-029#

1. **Call to Order**

Roll Call:	Mayor Tim Verzal
Councilmember's:	Jason Upchurch, Fred Senn, Ellen Standen, Billy Costello, Diane Pfaeffle, David Aufdencamp, and Chase Vining
City Staff:	Brad Wainwright, Dan Pratt, Jake Barlass, and Clint Drury
Clerk/Treasurer:	Deby Cragun

2. **Invocation**

3. **Pledge of Allegiance & Welcome**

4. **Approval of Agenda**

5. **Approval of August 05, 2026, regular council meeting minutes**

6. **Interested Citizens: Oral Communications, Requests, and Comments from Audience on Unrelated Agenda Items.**

7. **New Business**
   A. Deer Park Municipal Airport Marketing Update ~ Mark Norton

8. **Resolutions**
   A.

9. **Ordinances**
   A.

10. **Consent Agenda**
    A. Approval of Voucher Claim Check Nos. 44155 through 44193 including EFT Debits in the amount of $886,938.42 for the First Half of August 2026.
    B. Deer Park Municipal Airport Lease Agreement Lot #113 ~ Las Madronas Aviation LLC (Brion Wise)

11. **Council Questions, Comments, or Reports**

12. **Report of Departments**

13. **Adjournment**

Americans with Disabilities Act (ADA) accommodations provided upon request.

City of Deer Park
City Council Minutes
August 05, 2026
Meeting Location ~ Deer Park City Hall
316 E. Crawford
7:00 p.m.

To Access the Meeting by Phone Dial 1-669-224-3412 w/Access Code: 805-100-029#
Mayor-Pro Tem Costello called the meeting to order at 7:00 p.m.

1. Call to Order
Mayor-Pro Tem Costello called roll and the following were:

Present:	Councilmember's: Jason Upchurch, Fred Senn, Ellen Standen, Diane Pfaeffle, David Aufdencamp, and Chase Vining.
Absent:	Mayor Verzal (Upchurch, Vining)
City Staff:	Brad Wainwright, Dan Pratt, Jake Barlass (Phone)
Clerk/Treasurer:	Deby Cragun
Audience: twenty	

2. Invocation

Pastor from the Nazarene Church gave the invocation.

3. Pledge of Allegiance & Welcome

4. Approval of Agenda

IT WAS MOVED BY SENN, SECONDED BY PFAEFFLE; MOTION CARRIED (7-0) TO APPROVE THE AGENDA.

5. Approval of July 15, 2026, regular council meeting minutes.

IT WAS MOVED BY SENN, SECONDED BY STANDEN; MOTION CARRIED (7-0) TO APPROVE July 15, 2026, REGULAR COUNCIL MEETING MINUTES.

6. Interested Citizens: Oral Communications, Requests, and Comments from Audience on Unrelated Agenda Items.

Terry Mann thanked the Councilmember's who assisted the evacuees that came to Deer Park from the Spokane Complex Fires that started over the weekend.

7. New Business

No new business.

8. Resolutions
A. Resolution 2026-006 ~ Adoption of Spokane Co. Multi-Jurisdiction Hazard Mitigation Plan and Community Wildfire Protection Plans

Dan Pratt reviewed Resolution 2026-006 Adoption of Spokane Co. Multi-Jurisdiction Hazard Mitigation Plan and Community Wildfire Protection Plans

IT WAS MOVED BY UPCHURCH SECONDED BY AUFDENCAMP, TO APPROVE RESOLUTION 2026-006 ADOPTION OF SPOKANE CO. MULTI-JURISDICTION HAZARD MITIGATION PLAN AND COMMUNITY WILDFIRE PROTECTION PLANS

FOLLOWING DISCUSSION,

MOTION CARRIED 7-0.

B. Resolution 2026-007 ~ CIP Plan Update

Dan Pratt reviewed Resolution 2026-007 CIP Plan Update.

IT WAS MOVED BY SENN SECONDED BY PFAEFFLE, TO APPROVE RESOLUTION 2026-007 CIP PLAN UPDATE.

FOLLOWING DISCUSSION,

MOTION CARRIED 7-0.

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 UPCHURCH, SECONDED BY STANDEN; MOTION CARRIED (7-0) TO APPROVE THE CONSENT AGENDA AS FOLLOWS:

A. **Approval of Voucher Claim Check Nos. 44099 through 44154 in the amount of $689,839.75 for the 2nd Half July 2026.**
B. **Payroll Check Nos. 16407 through 16450 including PFML, LTC, 941 Taxes and Health Benefits in the amount of $205,204.21 for the month of July 2026.**

11. Council Questions, Comments, or Reports

Deer Park Chamber reported that the Chamber's Night Out Against Crime event was canceled. Friday Night on Main is scheduled for the 14th. A new website manager was mentioned, and board positions will be coming open at the end of the year. *Councilmember Upchurch* stated that the sidewalks near Yoke's need to be reviewed. A prior request for a dog park was discussed, including the possibility of using the Arboretum area and adding two gates. Councilmember Upchurch would like to see the Speed Trailer's presence out more. Councilmember Upchurch discussed beautifying the roundabouts in an inexpensive, tasteful, and low-maintenance way, noting concerns about weeds along Highway 395 roundabouts.

IT WAS MOVED BY UPCHURCH, SECONDED BY STANDEN TO DIRECT CITY STAFF TO INVESTIGATE THE STEPS NECESSARY TO ENTER INTO AN INTERAGENCY LANDSCAPING/BEAUTIFICATION AGREEMENT WITH WSDOT, INCLUDING PROJECTED COSTS FOR ENGINEERING AND CONSTRUCTION FOR BOTH ROUNDABOUTS ON 395

FOLLOWING DISCUSSION,

MOTION CARRIED 7-0.

Councilmember Senn stated he would like to see improved signage, including better "Welcome to Deer Park" signs. He also stated that he has noticed an increase in deputy visibility and suggested reaching out to deputies to attend Council meetings.
Councilmember Standen referenced the book "13 Ways to Kill Your Community" and made positive comments about Deer Park. She also noted that the Connect app is a useful tool and helps reduce rumors.
Councilmember Aufdencamp thanked the city for green waste efforts and raised interest in fire prevention measures. He also referenced a webinar on community success and suggested the Council take time to discuss branding and community identity, through a special workshop. Councilmember Aufdencamp shared Spokane's branding phrase, "Near Nature, Near Perfect," as an example for community branding discussion.
Councilmember Vining asked about plans for rectangular rapid flashing beacons at crosswalks.
Mayor Pro-Tem Costello stated that Settlers Day went well and recognized Tasha Anderson as the Outstanding Citizen Award recipient.
He also stated that several citizens were recognized for outstanding efforts during the previous week, including Brad and Scott for their help.

12. Adjournment

There being no further business before the Council, Mayor Pro-Tem Costello adjourned the meeting at 7:51 P.M.

Mayor Pro-Tem Billy Costello

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 **44155 through 44193 including EFT Debits in the amount of $886,938.42.**

_____

City Clerk/Treasurer

Council Approval

We, the undersigned Council Members of the ***City of Deer Park*** approve the payment of **44155 through 44193 including EFT Debits in the amount of $886,938.42 this 19th day of August 2026.**

_____ _____

_____ _____

_____ _____

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Vouchers 1st Half Aug 2026

Number	Vendor Name	Payment Description	Amount
44155	Anatek Labs	Water Testing - Anatek	$252.00
44156	Autozone	Supplies	$17.63
44157	Avfuel Corporation	Resale Fuel	$172,123.93
44158	Avista Utilities	Utilities	$48,445.45
44159	Bi-Mart Corporation	Supplies	$16.73
44160	Bjelland, Joe	Tools & Equipment	$74.11
44161	Centurylink	Communications	$1,561.02
44162	City of Deer Park	Utilities	$28,478.15
44163	Coleman Oil Company, LLC DBA CityService Valcon	Fuel	$3,449.69
44164	Controlfreek, Inc	R & M Scada System	$580.50
44165	Department of Ecology	Dues/memberships	$5,128.00
44166	Fastenal	Supplies/Tools	$180.37
44167	FCS, Bowman Consulting Group, LTD	Rate Study Development	$1,717.50
44168	Hach Company	Supplies	$229.28
44169	Harper, Donald	Professional Services	$25.00
44170	Inland Asphalt Company	FAA AIP #33 Taxilane Construction	$449,204.79
44171	Inland Feed and Farm Supply	Vehicle Fuel	$563.73
44172	Inland Power And Light	Utilities	$5,457.38
44173	Invoice Cloud, Inc	Professional Services	$325.00
44174	Jub Engineers, Inc.	Deer Park Golf Division 5	$163.50
		FAA AIP #33 Taxilane Construction	$10,232.10
		N. Cedar Lift Stn. Generator	$152.90
		Professional Services	$16,584.10
		STAG Industrial Park	$6,431.81
		WW Storage Lagoon Dam Safety Modifications	$1,338.00
		Check Total:	$34,902.41
44175	K&K Insurance Group Inc	Community Celebrations	$2,504.00
44176	KnightCom	Communications	$507.00
44177	Napa Auto Parts	Supplies	$615.68
44178	ODP Business Solutions, LLC	Supplies	$376.50
44179	O'Reilly	Supplies	$139.48
44180	Oxarc Inc.	Supplies/Water Treatment	$336.88
44181	Prettyman's Septic Service	Port-O-Lets/community Events	$750.00
44182	Ricoh USA, Inc	Wide Format Printer/Scanner	$444.72
44183	Soiltest Farm Consultants, Inc	R & M Cenex Spray	$180.00

44184	Spokane County Treasurer/ Housing	Spokane CO Jail Services		$4,288.41
44185	Spokane County Treasurer's Office	Spok CO Law Enforc Contract		$109,272.67
44186	Spokane Traffic Control, Inc	Port-O-Lets/community Events		$1,960.00
44187	Spokesman-Review	Ads And Legals		$284.44
44188	Treasurer of Spokane County	Professional Services		$271.06
44189	Vision Municipal Solutions LLC	Computer Maintenance/Cyber		$518.88
44190	Washington Trust Bank	Communications		$42.15
		Professional Services		$21.61
		Supplies		$3,586.35
		Travel/training		$709.70
			Check Total:	$4,359.81
44191	Western Equipment Dist	Supplies		$930.53
44192	Western States Equipment	Supplies		$1.62
44193	Whitney Equipment Company, Inc.	Supplies		$4,864.07
EFT Debit 2027 AgriMet O & M Fees	BOR-Pacific Northwest	Professional Services		$1,600.00
	Grand Total			**$886,938.42**

Total Accounts Payable for Checks #44155 Through #EFT Debit 2027 AgriMet O & M Fees

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 Las Madronas Aviation LLC (Brion Wise) 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

A. The City of Deer Park hereby leases to Lessee the parcel of land described as **Lot # 113** as identified on the City of Deer Park 2025 Lease Lot Plan, at Deer Park Municipal Airport, Spokane County, Washington (hereinafter the "Premises" or "Leased Premises") and located at N.712 Cedar Rd. Deer Park, WA. 99006. A copy of the City of Deer Park 2025 Lease Lot Plan for the Deer Park Municipal Airport is on file with the City Clerk- Treasurer.

B. 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.

C. 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.

1. 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.

2. 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.

D. 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.

E. 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

F. 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 July, 2026 and ending the Thirtieth Day of June, 2056, 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
$ 0.2654	6,000	$ 1,592.40	$ 204.46	$ 1,796.86	$ 908.43

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 in January. Adjustment shall be based upon the most immediate complete full previous year (June to June) Consumer Price Index, Seattle- Tacoma- Bellevue, WA (CPI-U) (1982-84=100). 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. 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. In the event the City elects to provide written notice of delinquency or other violation of the Lease, Lessee agrees to pay the City's cost and attorneys' fees reasonably incurred in providing such notice in addition to the late charge and all other payments and obligations called for herein.

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

F. Installation, hook-up, and payment for utilities shall be the sole responsibility of the Lessee. Utilities are to be installed to the City's specifications and those of the utility service provider. No new on-site septic systems are permitted. Connection to City water to serve the Premises shall require connection to City sewer. Lessee shall pay all utility connection fees and costs and utility extension costs to serve the Premises.

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 thirty (30) days advance notice of intent to do so, if said monetary default has not been remedied within the thirty (30) day period after notice is sent.

VII. DISPOSITION OF BUILDINGS AND IMPROVEMENTS UPON LEASE EXPIRATION

A. 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:

    a. 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.

    b. 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.

B. 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.

C. 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.

D. 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

A. The Lessee shall indemnify, defend, and hold harmless 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**.

B. City shall indemnify Lessee, its members, employees, and agents from and against any and all claims, demands, causes of action, suits or judgments, including attorney fees, costs and expenses incurred in connection therewith and in enforcing this indemnity, for death or injury to persons or for loss of or damage to property caused by the sole negligence or willful misconduct of the City.

C. 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.

D. 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, upon, or about the Leased Premises from any cause arising at any time, other than for City's sole negligence or willful misconduct.

E. 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.

F. 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.

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

H. 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.

I. 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.

J. 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

A. 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.

B. 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.

C. 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.

D. 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

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

B. 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.

C. In addition, Lessee shall:

1. Not allow trash, garbage, rubbish or refuse to collect on the exterior of any building on the Premises;

2. Mow vegetation on Premises;

3. Keep Premises around building free from inoperable and junk equipment;

4. 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.

D. The Lessee may, from time to time, at its own expense, make such improvements in and about the Premises, whether structural or otherwise, and may install such machinery, equipment and facilities therein as may be considered proper and necessary in connection with the use and operation of the Premises, provided, however, that all such construction and improvements shall be done according to plans drawn up by a qualified architect or engineer and submitted in advance to the Airport Manager, which plans must have the advance written approval of the Airport Manager and a building permit issued by the City Building Department prior to commencing any work. All costs incurred by Landlord in reviewing the plans or assisting the Lessee in complying with FAA regulations relating to the improvement, including without limitation, the Notice of Proposed Construction or Alteration, shall be reimbursed by Lessee upon ten (10) days notice from the City of the costs incurred. The exterior paint, trim, and exterior finish must be in accordance with the rules and regulations adopted from time to time by the City. Lessee shall not demolish or alter any existing buildings or improvements, or parts thereof, without the express prior written consent of the City.

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. DEFUALT

A. If the Lessee: (a) fails to timely pay any rent, payment, fee or money due hereunder; (b) fails to comply with any of the terms and covenants of this Lease in any manner whatsoever; or (c) becomes the subject of a filing in any court pursuant to any federal or state statute, of a petition in bankruptcy or insolvency, or for reorganization, or for the appointment of a receiver or trustee of all or a portion of the Lessee's property, or an assignment of the Lessee for the benefit of creditors, then the Lessee shall be in default under this Lease.

B. Upon default, the City may, upon thirty (30) days written notice to Lessee:

1. Terminate the Lease and declare all Lessee's rights herein forfeited. Such notice of termination shall be given to the Lessee as set forth in Section XXX. Upon termination, the City may immediately, without other notice of process of law, re-enter and take possession of the Premises using such force as may reasonably be necessary to move all persons and property therefrom. The City shall not be liable for any damage or loss to property by reason of such forfeiture and re-entry. The Lessee agrees to pay to the City a reasonable attorneys' fee and costs incurred for the purposes of enforcing any of the provision of this Lease. In addition, the Lessee shall be deemed to have forfeited its rental security or bond which shall be applied toward any damages incurred by City for any such forfeiture or default.

2. Recover damages, immediately and, without waiting until the due date of any future rent or until the date fixed for expiration of the lease term, in the following amounts:

    a. The unpaid rent and other charges due from Lessee to City up to and including the date of termination; and

    b. The reasonable costs of reentry and reletting including without limitation the cost of any clean up, refurbishing, removal of Lessee's property and fixtures, or any other expense occasioned by Lessee's failure to quit the Premises upon termination and to leave the Premises in the required condition, any remodeling costs, attorney fees, court costs, broker commissions, and advertising costs; and

    c. All rent and charges that accrue as damages between the date of termination and the end of the term, or the relet, whichever occurs first, together with the difference between the rent and charges paid during the relet and the rent and charges that accrue as damages under this Lease.

C. The foregoing remedies shall be in addition to and shall not preclude any other remedy available to City under applicable law.

XIII. 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.

XIV. 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.

XV. TERMINATION.

A. Lessee covenants and agrees that upon the expiration of the Lease or any extension, or upon the termination of the Lease for any cause (including a termination prior to the

end of the Term), Lessee shall at once peacefully surrender and deliver the Premises to the City or the City's agents or assigns. Provided Lessee is not in default at the time of termination, the Lessee shall have the election to remove any improvements, fixtures or buildings installed by the Lessee, subject to the provisions of Section 7, and restore at its own expense, the Premises to the condition they were in at the inception of the Lease (including the clearing and grading of any building footings or concrete), together with the repair of any damage caused by the removal. If the Lessee does not remove the improvements, the City shall have the election described in Subsection B, below

B. Upon the expiration or termination of this Lease for whatsoever reason (including a termination prior to the end of the Term), if the Lessee is then in default or if there is no default but Lessee does not remove all of the improvements under Subsection A, above, then at the City's election, any building, fixtures, or improvements then existing on the Premises shall revert as part of the Premises to the City, at the City's option, including any improvements which the Lessee constructed. If the City elects not to accept such buildings, fixtures or improvements, then the Lessee shall restore, at its own expense, the Premises to the condition they were in at the inception of the Lease (including the clearing and grading of any building footings or concrete), together with the repair of any damage caused by the removal. If the City agrees to accept the buildings and improvements at the termination of this Lease due to default, the Lessee will turn over said improvements and buildings in good condition and repair, without offset or compensation.

XVI. 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.

XVII. 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.

XVIII. 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.

XIX. RIGHT TO ENTER PREMISES

The City and its representatives may enter the Premises, together with any buildings and improvements thereon, upon twenty-four (24) hours advance notice to the Lessee, for the purpose of inspecting the Premises (including for compliance with rules and regulations governing use of the Premises), performing any work which the City elects to undertake (including but not limited to work made necessary by reason of the Lessee's default under the terms of this Lease), or exhibiting the Premises for sale or lease. In case of emergency (as determined by the City in its sole discretion). The City may enter the Premises at any time without notice to the Lessee. The City shall make reasonable attempts to contact Lessee first by telephone or email, and if no answer or response, by posting notice on a conspicuous location on the Premises. The City, including its agents, employees, or contractors, 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.

XX. 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."

XXI. LIENS AND ENCUMBRANCES

A. Lessee agrees that it shall pay, or cause to be paid, all costs and expenses for work done on and materials delivered to the Premises, during the Term, for improvement to the Premises (including any building or improvement thereon). Except as otherwise specifically authorized by Subsection B, below herein, Lessee shall keep the Premises free and clear of all liens and encumbrances related to work performed on or at the Premises, or materials or services furnished to the Lessee for use at the Premises. 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.

B. 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.

XXII. 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, as existing or hereafter adopted or amended, which may affect said property or the use thereof.

XXIII. HAZARDOUS SUBSTANCES

A. Presence and Use of Hazardous Substances: All hazardous substances shall be stored in accordance with all legal regulations regarding storage of hazardous substances and Lessee shall store on or around the Premises only those amounts of hazardous substances that are necessary for maintenance and operation of aircraft and in no case in amounts greater than permitted by any legal regulation. "Hazardous Substances" shall include those substances designated as, or containing components designated as hazardous, dangerous, toxic or harmful and/or which are subject to regulation by any federal, state or local law, regulation, statute or ordinance. For purposes of this Lease, all aircraft fuels shall be considered 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, as existing or hereafter amended. 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 Section XIX to verify 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.

B. Inspection. The City shall have the right, at reasonable times and upon reasonable notice to Lessee, to inspect the Premises to monitor Tenant's compliance with this Section. Lessee shall reimburse the City for any costs or expenses incurred or paid by the City to third parties (non-City employees, including the City's retained inspectors, engineers, consultants, etc. or representatives of government entities). Such costs shall be assessed as additional rent and shall be due and payable immediately upon demand by the City. If an inspection reveals the use or presence of Hazardous Substances requiring clean-up or other action, then Lessee shall pay, as part of the clean-up costs incorporated in Subsection C below, the City's actual costs, including reasonable attorney's fees and costs, incurred in making or providing for the clean-up required and any follow-up inspections. Such costs shall also be assessed as additional rent and shall be due and payable immediately upon demand by the City.

C. Cleanup Costs, Default, and Indemnification: With respect to any cleanup costs, default and indemnification, Lessee shall:

1. 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. 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 Section, 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.

XXIV. **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.

XXV. SUCCESSORS

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

XXVI. TIME IS OF THE ESSENCE

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

XXVII. ATTORNEYS FEES.

Unless otherwise specifically set forth herein, in the event of any litigation, arbitration or other action related to interpretation or enforcement of this Lease, the substantially prevailing party in such action shall be entitled to an award of reasonable attorneys fees and costs.

XXVIII. GOVERNING LAW; VENUE

This Lease shall be interpreted pursuant to the laws of the State of Washington. 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.

XXIX. ENTIRE AGREEMENT

This Lease constitutes the entire agreement of the parties, including Exhibits or addendums (if any). 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.

XXX. NOTICES

Unless otherwise set forth herein, 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. Failure to maintain current contact information shall be a default under the Lease. Until hereafter changed by the parties in writing, notices shall be addressed as follows:

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

Lessee:
Derek Boyd
826 W. Slaton Ave.
Deer Park, WA. 99006
509-795-4565

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

XXXI. 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.

XXXII. **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.

XXXIII. **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 First day of July, 2026.

LESSOR:

City of Deer Park

_____

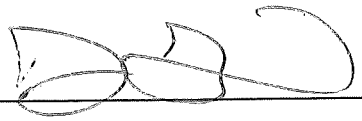
Timothy Verzal, Mayor

Attest:

By: _____

Deby Cragun, City Clerk/Treasurer

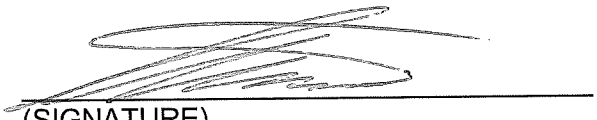
LESSEE:

By: 

STATE OF Washington)
) ss
County of Spokane)

I certify that I know or have satisfactory evidence that Derek Boyd 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.

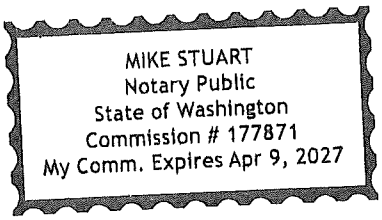
Dated 7-29-2026



(SIGNATURE)

Mike Stuart

(TYPED OR PRINTED NAME)



Notary Public in and for the State of WA, residing in Spokane, WA

My Commission Expires: 4-9-2027