

Return Address:

Snohomish County Property Management
3000 Rockefeller, M/S 404
Everett, WA 98201

Document Title(s) or transactions contained therein):

**IAC BUILDING AND LAND LEASE
25-005 Lease**

Lessor(s) (Last name first, then first name and initials)

Snohomish County for the Snohomish County Airport

☐ Additional names on page ____ of document.

Lessee(s) (Last name first, then first name and initials)

**Washington State University acting through the
State of Washington Department of Enterprise Services**

☐ Additional names on page ____ of document.

Legal description (abbreviated: i.e. lot, block, plat or section, township, range, qtr./qtr.)

Section 22 Township 28 Range 04 Quarter SE LOT 16 SNOCO PFN 07-104017-006BG PAINE FIELD AIRPORT-SECTOR 6 BSP & ROS REC AFN 200812105003

☒ Additional legal is on Exhibit A of document

Reference Number(s) of Documents assigned or released:

☐ Additional numbers on page ____ of document.

Assessor's Property Tax Parcel/Account Number

28042200401600 and 28042200401700

☐ Property Tax Parcel ID is not yet assigned

☐ Additional parcel numbers on page ____ of document

The Auditor/Recorder will rely on the information provided on the form. The staff will not read the document to verify the accuracy or completeness of the indexing information.

SNOHOMISH COUNTY AIRPORT
IAC BUILDING AND LAND LEASE

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	Exhibit A	Legal Description
	Exhibit B-1	Boundary Map & Common Area Map IAC Bldg.
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IAC BUILDING AND LAND LEASE
SNOHOMISH COUNTY AIRPORT

Lessee: Washington State University
Lease No. : 25-005
Effective Date: Upon execution

THIS LEASE between SNOHOMISH COUNTY FOR THE SNOHOMISH COUNTY AIRPORT, a political subdivision of the State of Washington, herein called County (or Lessor), and, Washington State University, an institution of higher education and agency of the state of Washington herein called Lessee.

WITNESSETH: That Snohomish County for the Snohomish County Airport and Lessee desire to enter into a lease for the following land and building(s) on the Snohomish County Airport, Snohomish County, Washington:

Suite N/O of the IAC Building located at Paine Field Snohomish County Airport at 3101 111th St. SW, Everett, WA 98204, consisting of approximately 3,800 square feet of office of Office and Laboratory Space and an undivided 7.4% interest in the IAC common area parcel or as outlined in **Exhibit B-1**.

AND

A PORTION OF LOTS 15 AND 16 OF THE PAINE FIELD AIRPORT- SECTOR 6 BINDING SITE PLAN AND RECORD OF SURVEY ACCORDING TO THE MAP THEREOF FILE UNDER SNOHOMISH COUNTY AUDITOR NO.200812105003; ALL IN A PORTION OF THE SOUTHEAST QUARTER OF SECTION 22, TOWNSHIP 28 NORTH, RANGE 4 EAST, W.M.

upon the following terms and conditions.

ARTICLE I – PREMISES

1.01 Description of Leased Land. Snohomish County for the Snohomish County Airport hereby leases to Lessee and Lessee hereby leases from County the following described land and building pursuant to Section 1.02 hereto situated in Snohomish County, State of Washington, Snohomish County Airport hereinafter called the "premises" and legally described in **Exhibit A**.

1.02 Use of the Premises Lessee:

- a. Shall use the premises only for the following uses: Office for education, research, and outreach in support of and as a Laboratory of Sustainable Aviation Fuel (SAF), and as a Storage space for Aviation fuel and such related purposes and for no other purpose without the written consent of the County. No delay or failure of the County to object to any improper or

illegal use or other use contrary to terms of this lease shall constitute a waiver of the County's right to claim a breach for such use. Office and Laboratory space refers to Suite N&O as described above. Storage space specifically refers to the undivided 7.4% interest in the IAC common area parcel.

- b. Shall place no sign or mailbox upon the premises or any other Airport property or alter, remodel, or in any way modify or change the present condition or appearance of the premises without the express written permission of the Airport Director, which shall not be unreasonably withheld. Signs shall comply with all codes and ordinances as adopted by the County. Lessee shall obtain the written approval of the Airport Director for any exterior painting, including choice of color, provided however that permissible color choices shall include colors consistent with Lessee's branding color schemes.
- c. Shall screen outside storage from adjoining properties and right of ways. Except as specifically provided herein, Lessee agrees that parking, outside storage and other uses incidental to its operation shall be upon the premises only with the written consent of the Airport Director; uses to be defined and agreed by Lessor and Lessee. (attached as **Exhibit B-2**). Lessee shall not use or permit employees, patrons, invitees, or guests to use parking space or other areas of the Airport outside of the premises, as it now exists or may hereafter be amended, in a manner contrary to the posted rules and regulations of the Airport. Form and material of screen shall be agreed by Lessor and Lessee, pursuant to the provisions set forth in Sections 1.04 and 1.05
- d. Shall keep, maintain, and surrender the premises in a neat, clean, and safe condition and in as good condition as the same now is, reasonable wear and tear excepted. Shall keep, maintain, and surrender the premises in a neat, clean, and safe condition and in as good condition as the same now is, reasonable wear and tear excepted, at its sole cost and expense.
- e. Shall keep the visible area of the premises and access, loading and parking areas free of debris and in a neat, safe, and attractive condition. Lessee shall not use such areas for storage or for other than loading and parking activities and shall not obstruct the access, parking, or loading areas of other tenants or users of the Airport. Lessee shall not store any boat, recreational vehicle, trailer, car or other vehicle on the premises.
- f. Except for the uses allowed herein in relation to Sustainable Aviation Fuel, Lessee shall not use the premises in anyway so as to create any fire, safety, or health hazard on any Airport property, shall not use or permit any use of the premises so as to produce noxious or dangerous fumes, odors, smoke, or waste, unlawful noise, and shall not make or permit any other use of the premises which constitute a nuisance, waste or an unlawful use,

interferes with the use and occupancy of other Airport property, or cause cancellation of any insurance policy on the premises.

- g. Condition at termination. At the end of the term or earlier termination or retaking of possession, Lessee covenants and agrees that it will yield and deliver the Leased Premises in a neat, clean and safe condition, with all systems and doors servicing the Leased Premises in good working order and in like condition as when taken, allowing for reasonable use and wear and as determined by Lessor, and will deliver all keys and security cards for the Leased Premises to Lessor at the place then fixed for the payment of Rent. Lessee shall arrange to meet with Lessor at least thirty (30) days prior to vacating the premises for a joint inspection of the premises. In the event the Leased Premises are not returned to Lessor in the condition required in this Paragraph and elsewhere in this Lease, Lessor may enter the Leased Premises and restore and repair the Leased Premises to the original condition and configuration required by this Lease at Lessee's sole cost and without prior notice to the Lessee. Lessee shall pay all costs associated with restoring and/or repairing the Leased premises immediately upon demand from Lessor, and said costs shall be withheld from any security deposit held. Said cost shall include a fifteen percent (15%) administrative fee. Lessor shall not be required to give prior written notice or have said costs to repair, restore or reconfigure the Leased Premises approved by Lessee prior to performing said work. If the repair work is extensive in nature, Lessee shall be deemed to be a holdover Lessee until such time the Leased Premises has been repaired and/or restored to the condition required by this Lease. Lessor shall, within ten (10) days of retaking possession, give the Lessee a written list of Lessee's failure(s), if any, to clean up or repair the premises, to which Lessee must repair and restore premises at Lessee's cost within thirty (30) days of such notice. During such time, Lessee shall be deemed to be a holdover Lessee until such time the Leased Premises has been repaired and restored to the condition required by this Lease. If the Lessee has not done so thirty (30) days after delivery of the written list, the County may clean up or repair the defects noted in the list, with its own personnel or independent subcontractors, charging the cost of the same to the Lessee. Any cost charged, including lost rent, shall be immediately due and payable by the Lessee. Said cost shall include a fifteen percent (15%) administrative fee. Further, during this time, Lessee shall be deemed to be a holdover Lessee until such further time the Leased Premises has been repaired and/or restored to the condition required by this Lease.

1.03 Inspection. County reserves the right to inspect the premises and improvements thereon at any and all reasonable times throughout the terms of this lease provided that it shall not interfere unduly with the Lessee's operation, including but not limited to, in order to confirm compliance with this Lease, the federal grant assurance obligations (of which Lessor has been notified or is otherwise aware) and other applicable local, state and federal laws and regulations. Lessor will make all reasonable efforts to

give Lessee twenty- four (24) hours notice of inspection if practicable. The right of inspection reserved to the County hereunder shall impose no obligation on the County to make inspections to ascertain the condition of the premises and shall impose no liability upon the County for failure to make such inspections. Lessee shall allow access for an annual certificate of occupancy fire and safety inspection by the County Fire Marshal, Snohomish County Airport Fire Chief, or their designee. Lessee shall pay the cost of the annual certificate of occupancy fire and safety inspection and any re-inspection in the event of a violation requiring correction. Lessee shall allow access for other fire, safety and insurance inspections by the County, provided that such inspections shall be without charge to the Lessee. Lessee shall allow the County to install a Knox box on the premises, if deemed necessary by the County, at a cost to be reimbursed by the Lessee. In the event Lessee desires to install an alarm system, Lessee shall provide a supervised alarm system with local monitoring by a U. L. approved station acceptable to the Airport Director. Lessee shall leave the Knox box, alarm system and wiring in place upon termination of the lease, unless requested otherwise in writing by the County.

1.04 Tenant Improvement Forms. Prior to making any changes or improvements to the premises, Lessee shall submit a Tenant Improvement Form to the Snohomish County Airport for approval by the Airport Director. Tenant Improvements Forms may be obtained at the Snohomish County Airport Office. Lessee shall maintain all improvements made pursuant to this paragraph.

1.05 Tenant Action Request Forms. All requests by Lessee for action by the Snohomish County Airport regarding the condition of the premises shall be in writing and submitted to the Business Manager at the Snohomish County Airport Office. All complaints by Lessee concerning the conduct of County employees shall be in writing and submitted to the Business Manager at the Snohomish County Airport Office. Action Request Forms may be obtained at the Snohomish County Airport Office. County will respond or acknowledge request in a timely manner.

ARTICLE II -TERM

2.01 Term. The term of this lease shall be for a period ending June 30, 2027. In the event funding from state, federal, county or other sources is withdrawn, reduced, or limited in any way after the effective date of this Agreement and prior to normal completion, either party may terminate this Agreement with thirty (30) days advance notice, subject to renegotiation under those new funding limitations and conditions. Such termination or modification will not be considered a default under this Agreement.

2.02 Extended Term Option. Lessee shall have the option to renew this lease for up to an additional Four (4) times, for one (1) year each upon the same terms upon the same terms and conditions as provided herein, except that the initial monthly rent shall be the Fair Market Value Rent of the premises set according to the procedures of Section 3.03 and subject to Section 3.10, if applicable. Lessee shall give written notice to the Airport Director at least Thirty (30) days prior to the expiration of this lease, of its intent to exercise its option to renew this lease; otherwise, this option shall be null and void. Lessee

must be current on all rent and other obligations of this lease at the time of exercising this option; otherwise, this option shall be null and void. The Initial Term and any subsequent renewal terms are herein collectively referred to as the "Term".

2.03 Relationship Between Parties. It is the intention of this lease to create the relation of lessor and lessee between the parties and no other relations whatsoever. Nothing herein contained shall be construed to make the parties partners or joint ventures, or to render either party liable for any of the debts or obligations of the other party. The Parties acknowledge that this Lease of Airport property is separate and distinct from the Interlocal Agreement between Lessee and Snohomish County related to Sustainable Aviation Fuel.

ARTICLE III – RENTAL

3.01 Rent. Lessee shall pay the Snohomish County for the Snohomish County Airport rent in the amount of Eleven Thousand Seven Hundred Ten Dollars and 76/100 (**\$11,710.76**) per month, and any other charges as fixed in this lease as shown on **Exhibit D** (Rate Schedule) attached hereto and by reference incorporated herein. Leasehold excise tax as set forth in Section 8.04 (b) applies unless Lessee provides documentation of tax exempt status. Rent shall be paid in advance on the first day of each month.

3.02 Time and Place of Payment. Rental shall be payable to the Snohomish County Airport at the Airport Finance & Business Development Office, Paine Field, 9901 24th Place West, Suite A, Everett, WA 98204, commencing upon lease execution, the Rent Commencement Date. Payment of rental shall not relieve the Lessee of payment of any other fees generally charged by the County. The first payment shall be prorated according to the number of days remaining in the month after mutual execution of this lease.

3.03 Increased Rent. The parties agree to additional adjustment of rent every three (3) years beginning thirty-six (36) full calendar months following the Rent Commencement Date. The Snohomish County Airport shall give Lessee written notice of the adjusted rent to take effect 30 days after the date of said notice unless Lessee, within 30 days following receipt of notice from the Snohomish County Airport, gives written notice of rejection of the adjusted rent. The adjusted rent shall be the then existing fair market value rent for the premises, and "fair market value" rent shall have the same meaning as such term is defined in existing Snohomish County Code Section 4.46.010 (8) (the "Fair Market Value Rent"). If the adjusted rent is disputed, the parties shall submit the readjustment to arbitration within 10 days of disputing the rent, Lessee shall select and pay the fees for one arbitrator and Snohomish County Airport shall select and pay the fees for one arbitrator. Within 10 days of their selection, these two arbitrators shall select a third arbitrator. Each arbitrator shall be a commercial real estate M.A.I. appraiser conducting business in Snohomish County, Washington and have not less than five (5) years active experience as a commercial real estate appraiser in the leasing market in Snohomish County, Washington. The Board of Arbitrators shall together determine Fair Market Value Rent of the premises. The Board of Arbitrators, after a review of all pertinent

facts, may increase or decrease such rents, or continue the previous rate thereof. Any rental during the period for which readjustment is being done by the Board of Arbitrators shall be paid at the rate fixed by the Board of Arbitrators and shall be retroactive to the commencement of the three (3) year period. All fees, costs and expenses of that arbitrator commonly appointed by the parties hereto shall be shared equally. This paragraph shall not in any manner be construed to limit the right to readjustment as required by statutes of the State of Washington.

3.04 Late Payment of Rent. Rent shall be delinquent if not paid by the fifteenth day of each month. If payment is received after the 15th day of any month, there will be a .0333% per day interest charge on the unpaid balance for each day past the due date. A late payment charge of .01665% per day will also be charged on rent not paid by the 15th of each month for each day past the due date. In addition, a charge in the amount provided by current County ordinance will be made on any payment by check which is returned unpaid to the Airport because of insufficient funds, closed account, forgery, or any other reason.

3.05 Security Deposit. In addition to the first month's rental, Lessee has deposited a sum equal to one (1) month's rent plus leasehold excise tax as security for the faithful performance of each and every term, covenant, and condition hereof, including but not limited to payment of rent. Snohomish County Airport may apply or retain the whole or any part of such security for payment of any rent or other charge in default or for any other sum which Snohomish County Airport may spend or be required to spend, including but not limited to maintenance and repairs of premises pursuant to Lease, or be entitled to by reason of Lessee's default. If all or part of this deposit is so used, Lessee shall immediately restore such deposit and such additional amount to secure the lease as deemed necessary by Snohomish County Airport. In the event rent has been increased pursuant to Section 3.03, then the deposit shall be increased accordingly. Any repayment to this security will draw interest and late fee as provided in Section 3.04. Should Lessee faithfully and fully comply with all the terms, covenants, and conditions of this lease, the security or any balance thereof shall be returned to Lessee or, at the option of the Snohomish County Airport, to the last assignee of Lessee's interest at the expiration of the term hereof. Lessee shall not be entitled to any interest on such security deposit.

3.06 Adjustments of Leased Space and Rent.

- a. The parties may mutually agree to reduce or increase the total amount of leased space. If the Snohomish County Airport desires to reasonably increase or decrease the leased space, Snohomish County Airport will present a detailed letter and exhibits to the Lessee and Lessee will review and provide written acceptance or denial. If the Lessee desires to reasonably increase or decrease the leased space, Lessee will present a detailed letter and exhibits to the Snohomish County Airport and County will review and provide written acceptance or denial. The rent for the adjusted space will begin on an agreed date by both parties and be subject to the date of increased rent as stated in Section 3.03.

- b. Rent adjustments as agreed to in this section and/or as provided in Section 3.03 will be authorized by an amendment to the lease with only affected paragraphs changed.

3.07 Common Area Maintenance Fee. Lessee shall pay Snohomish County Airport a Common Area Maintenance (CAM) fee for common area maintenance, as defined in 4.02c below, in the amount of Two Hundred Five Dollars and 56/100 **\$205.56** per month. The CAM fee, if applicable, shall be paid in advance on the first of every month.

3.08 Surface Water Management Fees. Lessee shall pay Snohomish County Airport surface water management fees based upon impervious surface calculations by the Airport for charges assessed by Snohomish County Public Works Surface Water Management, if applicable, in the amount of Eighty- Six Dollars and 55/100 **\$86.55** per month.

3.09 Storm Water Facility Policy. Lessee shall comply with the Snohomish County Airport Storm Water Facility Policy.

- a. Connection to Storm Water Detention Pond: In the event Lessee uses an Airport Storm Water Facility (SWF), Lessee shall pay County a one-time connection fee of **\$N/A**.
- b. SWF Fee: SWF Maintenance Charge: Lessee shall pay a monthly SWF fee of One hundred ninety- two dollars and 91/100 **\$192.91**, plus leasehold excise tax adjusted pursuant to Section 3.03. Monthly SWF maintenance charge of Seven dollars and 30/100 **\$7.30**, plus leasehold excise tax shall be adjusted on the same cycle by the combined Consumer Price Index for the Seattle-Tacoma area. These fees are for the pro-rated share of the SWF(s) supporting the premises.

3.10 Lessee's Financial Responsibility: During the Initial Term, Lessee shall not be obligated to pay fees or other costs associated with the premises utilities, common area maintenance fees, maintenance and repairs excluding any such maintenance, repairs or damages caused by negligence of Lessee as provided in the Lease, and/or wildlife hazards & deterrents that exceed the portion of grant funds allocated by the State of Washington, totaling to \$320,000 through June 30, 2027. If said fees and costs surpass grant funds during the Initial Term, Snohomish County shall be responsible and shall remit all such costs and fees to the Snohomish County Airport. Notwithstanding any other clause herein, in no case shall WSU be financially responsible for any obligations hereunder that exceed the above referenced State allocation through the Initial Term to June 30, 2027, excluding any such maintenance, repairs or damages caused by negligence of Lessee; this clause will survive the termination of the agreement. During subsequent renewal terms, if any, Lessee's obligations shall not be limited by allocations by the State of Washington unless the parties expressly agree, by mutual written instrument, in which case Section 3.10 shall be so amended without further documentation.

ARTICLE IV - LESSEE'S OBLIGATIONS

4.01 Condition of Premises. Lessee has examined the premises, including any structure, grounds, and access thereto, and accepts the same in the condition in which they exist as of the Effective date of the lease. It is agreed that the County shall not be bound by any warranty, representation, or condition regarding the premises except as stated herein.

4.02 Maintenance and Repairs.

- a. Lessee shall, at its sole cost and expense, maintain in good condition and make repairs, restorations, and replacements to the leased premises, including without limitation, the interior walls, floors, and ceilings, the exterior and interior portions of all doors, windows, glass, utility facilities, plumbing and sewage facilities within the building or under the floor slab including free flow up to the main sewer line, parking areas, landscaping, painting, fixtures, heating, air conditioning including exterior mechanical equipment, exterior utility facilities, and exterior electrical equipment serving the premises, and the fixtures and appurtenances to the premises as and when needed to preserve them in good working order and condition. Lessee shall maintain and make all repairs, replacements and renewals, whether ordinary or extraordinary, seen or unforeseen to maintain the premises, except for the roof, exterior walls and structural portions of premises as set forth below. All such repairs, restorations, and replacements will be in quality and workmanship equal to or better than the original work or installations. Pursuant to Section 3.10 in no event will Lessee's financial obligation exceed the \$320,000 portion of State of Washington grant funds allocated to the Lessee through June 30, 2027, excluding any such maintenance, repairs or damages caused by negligence of Lessee
- b. County shall maintain the roof, exterior walls, and structural portions of the premises except any damage thereto caused by any act or negligence of Lessee, its employees, agents, invitees, or contractors, in which event such damage shall be promptly repaired by Lessee. County shall endeavor to repair in a reasonable amount of time any and all other damage to the roof, exterior walls and structural portions of the premises.
- c. Common Area: The term common area is defined for all purposes of this lease as the parking area, landscaping, sidewalks, curbs, utility facilities, plumbing and sewage facilities within the building or under the floor slab including free flow to the main sewer line, including exterior mechanical equipment, exterior utility facilities, and exterior electrical equipment, and loading areas designated for use by IAC Building tenants. The County may from time to time change the dimension and location of the common area. The County shall maintain the common area. The manner of and

expenditures for maintenance shall be in the sole discretion of the County. Beginning the effective date of this lease, Lessee shall pay Lessee's proportionate share of the cost incurred by County for maintenance and repair of the common area (CAM charges). Lessee's proportionate share of CAM charges, based on a modified floor area ratio formula, shall be 7.4%. Monthly CAM charges shall be based upon 1/12 of the annual cost of maintenance and repair of the common area for the previous year. Lessee shall pay CAM charges on the first day of each month.

- d. Lessee, its employees, officers, and agents may request the County to make any repair required to be made by the Lessee herein and the County will perform the work according to the Snohomish County Airport published rates and charges for maintenance work. Lessee agrees to pay all statements from the County for maintenance work done under this section within 30 days after receipt by the Lessee.
- e. In the event the Lessee does not make or contract for a required repair, restoration, or replacement within 30 days after receiving a Notice of Remedial Action from the County, subject to Section 1.02(g) if at end of the term or earlier termination or retaking of possession, the County may make the repair, restoration, or replacement at the expense of the Lessee. The County may use its own personnel or contract for the repair. Lessee shall pay all costs associated with restoring and/or repairing the Leased premises. Said cost shall include a fifteen percent (15%) administrative fee. Lessee agrees to pay all statements from the County for such expense and work performed within thirty (30) days after delivery of such a statement of such expense.

4.03 Surrender of Leasehold Improvements.

- a. During the term of the lease and any subsequent renewals pursuant to Section 2.02, the Lessee shall have title to any and all buildings, fixtures and improvements constructed or installed by the Lessee. At the expiration of the term hereunder and any subsequent renewals pursuant to Section 2.02, the County shall have title to any and all buildings, fixtures and improvements constructed or installed by the Lessee, except movable office furniture, equipment, vehicles, and other personal property; PROVIDED however, the County shall have the option to request the Lessee to remove any and all buildings, fixtures and improvements constructed or installed by the Lessee at the sole cost and expense of the Lessee and restore the premises.
- b. Lessee shall peaceably and quietly leave, surrender and deliver to County the premises, together with any buildings and improvements, and any and

all subsequent alterations, additions, and replacements which may have been made upon the premises to which the County has assumed title, in good repair, ordinary wear and tear excepted.

- c. Upon the earlier of vacating or Lease expiration/termination, Lessee shall be responsible for removing all of its personal property, trash, movable furniture, equipment, fixtures and personal effects from the Leased Premises at Lessee's own expense. Furthermore, Lessee shall be responsible to remove any and all satellite dishes, computer cabling, antennas and associated wires, which Lessee or Lessee's agents installed, unless requested in writing by County. Any personal property and movable furniture, equipment, fixtures and personal effects of Lessee not removed from the Premises at the expiration or termination of the Lease term shall conclusively be deemed to have been abandoned and may be removed, sold or otherwise disposed of by Lessor in accordance with this Lease.

4.04 Utilities and Other Charges. Lessee shall pay charges for sewer, water, gas, electricity, telephone, surface water management fees, joint mailbox systems, security and fire equipment maintenance and monitoring, annual certificate of occupancy fire inspection fee and re-inspection fee in the event of a violation requiring correction, and all other charges which may be furnished, or made available to the premises at Lessee's order or consent within a reasonable time, as set forth on **Exhibit D Rate Sheet**.

4.05 Liens. Lessee agrees to pay, when due, all sums of money that may become due for, or purporting to be for, any labor, services, materials, supplies, utilities, furnishings, machinery, or equipment, which have been furnished or ordered with Lessee's written consent, to be furnished to or for the Lessee in, upon, or about the premises herein leased, which may be secured by any mechanics', materialmen's, or other lien against the premises herein leased or County's interest therein, and will cause such lien to be fully discharged and released at the time the performance of any obligation secured by any such lien matures or becomes due, provided that the Lessee may in good faith contest any mechanics' or other liens filed or established, and in such event may permit the items so contested to remain undischarged and unsatisfied during the period of such contest.

Lessee shall not cause or permit the any encumbrance, lien of any mortgage, purchase money obligation, other security interest or other lien to be placed against the Premises. If such an encumbrance is nevertheless so recorded, the Lessee shall cause such encumbrance, at its sole cost, to be removed promptly and shall provide evidence reasonably satisfactory to the County of such prompt removal.

4.06 Personal Property. Lessee shall keep all personal property, equipment, trade fixtures, furniture and inventory on the premises and the value thereof insured against loss by fire or other casualty to their full insurable value and provide insurance policies and certificates of renewal to the County upon request.

4.07 Equipment. Any equipment, machinery, tools, appliances, movable furniture, movable fixtures and/or other personal property of any kind and nature placed on the premises by the Lessee shall remain the property of the Lessee; provided that:

- a. The Lessee shall remove such equipment, machinery, etc., prior to the expiration or termination of this lease and restore the building to its original condition, reasonable wear and tear excepted;
- b. Any such equipment, machinery, etc., which is not removed by the Lessee before the expiration, retaking of possession, or termination of this lease shall conclusively be deemed to have been abandoned and to have become the property of County and to dispose of as Lessor deems expedient in accordance with this Lease.
- c. If such equipment, machinery, etc., is not removed by the Lessee as provided above, the County has the right to remove and dispose of the property at the expense of the Lessee, or has the right to remove and store any or all of such property, at the expense of the Lessee as provided under this Lease. The County shall have a lien on such property for reasonable storage, and removal charges, and any other charges, including disposal, the County may have against the Lessee and shall have the right to sell any or all of such property and dispose of the proceeds as provided in RCW 60.60.030 and .040. At all times the Lessee shall bear all risk of loss or damage to any equipment, machinery, etc., or personal property placed in or on the premises or any other Airport premises by the Lessee.

4.08 Prevailing Wages. Pursuant to SCC 4.46.335, Lessee agrees that all contracts for improvements to the premises shall require the contractor or developer to comply with the prevailing wage provisions of RCW 39.12.010 through 39.12.030. Failure to comply with the prevailing wage provisions shall constitute a default of the lease resulting in termination unless said default is cured within thirty (30) days after notice thereof.

4.09 Waste Water. This lease is subject to all statutes and regulations of the State of Washington with respect to waste water disposal. If the Lessee's use of the premises results in the discharge or the potential for the discharge of any waste waters except domestic waste waters from the premises, Lessee shall immediately apply to Washington State Department of Ecology (DOE) for a State Waste Water Discharge Permit. Lessee shall advise the Airport which drains or other waste water facilities the Lessee will utilize in disposing of waste waters. The Airport may designate sewers or other facilities which the Lessee may utilize to dispose of waste waters.

4.10 NPDES Compliance. If required, Lessee shall apply for and comply with all Department of Ecology NPDES Industrial Stormwater Regulations. Failure to comply with NPDES Industrial Stormwater Regulations shall constitute a default of the lease resulting in termination unless said default is cured within thirty (30) days after notice

thereof. In addition to Stormwater Permit, Lessee shall file a Spill Prevention, Control and Countermeasure Plan (SPCC) with WA Department of Ecology.

4.11 Sewage System.

- a. It is understood that the Airport is presently under contract with Mukilteo Water District Sewer Utility, or other applicable sewer district for sewage disposal. In its use of the sewage system, Lessee shall comply with all applicable rules and regulations of the Airport and the applicable sewer district. Such system shall not be used for storm drainage or the discharge of any effluent deemed by the Airport Director or applicable sewer district to be harmful to the system.
- b. In the event sewer services are provided by Mukilteo Water District Sewer Utility, Lessee shall pay the County such reasonable charges for sewer service as are fixed by the Airport Director.

4.12 Assigning and Subleasing. Lessee shall not assign, encumber, or sublet the premises or any part thereof without the prior written consent of the Airport Director. If Lessee is a corporation, any transfer of this lease by merger, consolidation or liquidation, or any change in ownership, or power to vote the majority of the outstanding stock of Lessee, or name change, constitutes an assignment for the purposes of this section. If Lessee is a partnership or proprietorship, a transfer of the controlling interest in such partnership or proprietorship constitutes an assignment for the purposes of this section. Lessee shall advise prospective assignees or subtenants that Snohomish County Code, Section 15.08.400 requires Airport Director approval of commercial operations. Prior to any consent, Lessee shall deliver to the Airport Director a written statement of intent to assign, sublease, or encumber. Any assignment, subletting or encumbrance without the written consent of the Airport Director is null and void. If this lease is assigned or sublet, or if the premises or any part thereof is occupied or used by anyone other than Lessee, County may, upon default by the Lessee, collect rent and any other charges under this lease from the assignee, subtenant or occupant and apply the net amount collected to the Lessee's rent and other charges herein reserved. No such assignment, subletting, occupancy or collection, shall be deemed a waiver of this covenant, the acceptance of the assignee, subtenant or occupancy as a tenant, or a release of Lessee from further performance by Lessee of the covenants including the payment of rent and other charges in this lease; and Lessee shall remain liable for all of its obligations, except for rentals paid, under this lease. Any consent by the Airport Director shall not be construed to relieve Lessee from obtaining the consent of the Airport Director to any further assignment, subletting, or occupancy. Lessee shall not charge or assess an assignee, subtenant or occupant rental or other fees in excess of ten percent (10%) over the rental or fees owing from Lessee under the terms of this lease; PROVIDED, that this restriction shall not include assessments for utilities, taxes, insurance and other reasonable attendant expenses other than the payments to Lessee for use or occupancy of the premises.

4.13 Hazardous Waste, Substances, and Pollutants and Contaminants.

- a. Lessee agrees that it will not cause or permit in any manner, including accidental or non-negligent acts or omissions, release of any hazardous substance, waste, or pollutant or contaminant into, upon or from any Airport property contrary to any local, state or federal law, or regulation. Lessee shall notify the Airport Director, the State Department of Ecology, and any other involved agency in writing of any such release. Lessee shall be completely liable for any and all consequences of such a release, including all liability under any federal, state, or common law. Lessee shall indemnify and hold the County harmless, as provided in Section 5, from any and all liability resulting from such a release and shall have full responsibility for completely cleaning up any and all contamination from a release as may be required by any governmental agency. After clean up of such a release, Lessee shall provide County a copy of a "No Further Action" letter from the State Department of Ecology containing no restrictions on the property. Upon any release of a hazardous substance, the County may give immediate notice of termination of this lease and enter the premises and take whatever steps it deems appropriate to cure the consequences of such release, all at the expense of the Lessee. Lessee represents and warrants that it has inspected the premises and that there is no hazardous substance, waste, pollutant or contaminate located thereon. Any hazardous waste, substance, pollutant or contaminant placed upon the premises during the term of this lease shall be removed by the Lessee not later than the cancellation or termination of this lease.
- b. As used in this section, "Hazardous Substances" means any chemical, substance, material, waste or similar matter defined, classified, listed or designated as harmful, hazardous, extremely hazardous, dangerous, toxic or radioactive or as a contaminant or pollutant, or other similar term, by, and/or which are subject to regulation under, any federal, state or local environmental statute, regulation or ordinance presently in effect or that may be promulgated in the future, and as they may be amended from time to time.
- c. Lessee shall disclose and deliver to County copies of any environmental reports, tests, studies or other documentation relating to any investigation of the premises for hazardous substances.
- d. Lessee shall perform a Phase I environmental inspection of the premises thirty (30) days prior to the expiration of the lease. The Phase I inspection shall meet ASTM International (ASTM) Practice E 1527-13, Standard Practice for Environmental Assessments. Lessee shall provide County a copy of the Phase I environmental report thirty (30) days prior to expiration of termination of the lease. In the event Lessee fails to comply with a timely and compliant report within the stated time frame, the County shall have the right, but not the obligation, to conduct the Phase I Inspection at the expense of the Lessee and Lessee shall be liable for all associated costs and expenses. In the event the Phase 1 Environmental Site Assessment

recommends a Phase II Environmental Site Assessment, Lessee shall immediately authorize the Phase II work to be done and shall be responsible for all costs and expenses associated with the investigation. Lessee shall immediately provide County one electronic and one hard copy of the Phase II environmental report. In the event Lessee fails to comply with a timely and compliant Phase II report within the stated time frame, the County shall have the right, but not the obligation, to conduct the Phase II Inspection at the expense of the Lessee and Lessee shall be liable for all associated costs and expenses. Further, Lessee shall be liable to Lessor for all costs and expenses, including all contamination clean up, as applicable, and all loss of revenue to Lessor, until all contamination discovered in the Reports has been remediated and the Department of Ecology has issued a "No Further Action" letter for the site.

4.14 Hold Over by Lessee. Should Lessee hold over and remain in possession of any part of the Premises without the Lessor's express written consent after the expiration or other termination of this Agreement, or to vacate or to return the premises to the County in clean and good condition and repair, including failure to clean-up contamination as required by section 4.12, Lessee shall be a tenant at sufferance and, without limiting Lessor's rights or remedies on account of such breach, and in addition to any other damages available to Lessor, Lessee shall be liable to Lessor for Rent during such holding over at the lesser of (i) 150% of the rate in effect at the time of such expiration or other termination, or (ii) the maximum rate Lessor may charge in accordance with applicable law, plus all other amounts that would become payable under the terms of the Agreement but for such expiration or other termination, and Lessee shall abide by and is otherwise subject to all the other terms, covenants and conditions specified in Lease, so far as applicable. Under no circumstances shall Lessor's acceptance of Rent after expiration or other termination of the Agreement be deemed to extend or renew this Agreement or construed as Lessor's consent for tenant to hold over. The foregoing provisions are in addition to and do not affect the County's right of re-entry or any other rights of the County provided herein or as otherwise provided by law. Lessee hereby indemnifies and agrees to hold County harmless from all loss, injury and liability arising from Lessee's failure to surrender the premises in clean and good condition and repair upon the expiration or termination of this lease.

4.15 Leadership in Energy and Environmental Design (LEED) Gold Required. Lessee shall comply with Snohomish County Code Section 3.06 Snohomish County Green and High Performance Building

ARTICLE V - INDEMNITY AND INSURANCE

5.01 Indemnification and Hold Harmless.

Hold Harmless: Each party to this agreement shall be responsible for its own acts and/or omissions and those of its officers, employees, and agents in the performance of

this Agreement. No Party to this agreement shall be responsible for the acts and omissions of those entities or individuals not a Party to this Agreement. For purposes of this Agreement, officers, officials, employees and agents, including contractors and subcontractors, for which an entity is vicariously liable, are considered parties to this agreement

Indemnification by Lessee: To the extent allowed by law, Lessee shall defend, indemnify, and hold Lessor harmless against all liabilities, damages, costs, and expenses, for personal injury, bodily injury (including death) or property damage, including but not limited to hazardous waste, substances, pollutants and contaminants, arising from any negligent act or omission of Lessee or Lessee's officers, agents, or employees, on or around the Premises, or arising from any breach of this Lease by Lessee. Notwithstanding the foregoing, the obligation of Lessee to hold harmless, indemnify or otherwise assume liability under this Lease shall be limited by and to the scope of the liabilities for which Lessee is afforded coverage under the State of Washington Self Insurance Liability Program (RCW 4.92.130) and the Tort Claims Act (RCW 4.92 et seq.). No defense will be provided by Tenant to Landlord for any matter, except if determined to be appropriate by the Office of the Attorney General of the State of Washington.

The indemnification, protection, defense and save harmless obligations contained herein shall survive the expiration, abandonment or termination of this Lease.

Nothing contained within this provision shall affect and/or alter the application of any other provision contained within this Lease.

5.02 Insurance.

1. WSU and its officers, employees, and agents, while acting in good faith within the scope of their official WSU duties, are covered by the State of Washington Self-Insurance program and the Tort Claims Act (RCW.4.92.060 et seq.), and successful claims against WSU and its employees, officers and agents in the performance of their official WSU duties in good faith under this Agreement will be paid from the tort claims liability account as provided in RCW 4.92.130
2. Lessee Furnished Coverages and Limits of Liability: Lessee shall, at no expense to the County, maintain, and cause its operator and subtenant(s), if any, to maintain in full force and effect the following minimum limits of insurance, and adhere to all terms and conditions below, at all times beginning on the Commencement Date and ending on the Expiration Date of this Lease.
 - A. Commercial General Liability (CGL) written on an occurrence form at least as broad as ISO CG 00 01, with Minimum Limits of Liability:
 - \$1,000,000 per Occurrence
 - \$2,000,000 General Aggregate
 - \$2,000,000 Products/Completed Operations Aggregate

Employers Liability / Washington Stop Gap
\$1,000,000 Each Accident / Each Disease / Policy Limit

Alternatively, may be evidenced as Employer's Liability insurance under Part B of a Workers Compensation insurance policy.

Coverage shall include: Premises and Operations; Broad Form Property Damage (Including Completed Operations); Liability assumed under an Insured Contract (including tort liability of another assumed in a business contract); Personal Injury and Advertising Liability; Independent Contractors; Severability of Interest Clause; Waiver of Subrogation endorsement in favor of Owner as required by contract; General Aggregate Limits of Insurance shall apply separately; "Claims Made" and "Modified Occurrence" policy forms are not acceptable.

The limits of liability described above are minimum limits of liability only. Regardless of provisions to the contrary under the terms of any insurance policy maintained by Lessee, the specification of any such minimum limits shall neither be (1) intended to establish a maximum limit of liability to be maintained by Lessee regarding this Agreement, nor (2) construed as limiting the liability of any of Lessee's insurers, which must continue to be governed by the stated limits of liability of the relevant insurance policies.

- B. Automobile Liability insurance at least as broad as ISO CA 00 01 including coverage for owned, non-owned, leased or hired vehicles as applicable, with a minimum limit of \$1,000,000 each accident for bodily injury and property damage.
- C. Umbrella or Excess Liability insurance if and as necessary to maintain total CGL and Automobile Liability insurance limits of \$10,000,000 Each Occurrence and be no less broad than coverages described above.
- D. Workers' Compensation insurance securing Lessee's liability for industrial injury to its employees in accordance with the provisions of Title 51 of the Revised Code of Washington.
- E. Pollution Legal Liability is required if the Lessee will be using or storing hazardous materials or regulated substances, such as fuel, with a minimum limit of \$10,000,000 per claim for bodily injury, property damage, clean up and emergency response costs. It is acceptable to add ISO endorsement CG 24 15 Limited Pollution Liability Extension or its equivalent to the CGL policy or obtain a separate pollution legal liability policy.
- F. In the event that the County deems insurance to be inadequate to protect Lessee and the County, Lessee shall increase coverages and/or liability limits as the County shall deem reasonably adequate within sixty (60) days after the date of written notice.

2. Terms and Conditions for Lessee's Insurance.

- A. Snohomish County as Additional Insured: Lessee's insurance shall be primary and non-contributory to any insurance maintained by or available to the County. The term "insurance" in this paragraph shall include insurance, self-insurance (whether funded or unfunded), alternative risk transfer techniques, capital market solutions or any other form of risk financing.
- B. Required Separation of Insured Provision; Cross-Liability Exclusion and other Endorsements Prohibited: Lessee's insurance policy shall include a "separation of insureds" or "severability" clause that applies coverage separately to each insured and additional insured, except with respect to the limits of the insurer's liability. Lessee's insurance policy shall not contain any provision, exclusion or endorsement that limits, bars, or effectively precludes Snohomish County from coverage or asserting a claim under the Lessee's insurance policy on the basis that the coverage or claim is brought by an insured or additional insured against an insured or additional insured under the policy.
- C. Cancellation Notice: Coverage shall not be cancelled without forty-five (45) day written notice of such cancellation, except ten (10) day written notice as respects cancellation for non-payment of premium, to the County at its notice address except as may otherwise be specified in Revised Code of Washington (RCW) 48.18.290 (Cancellation by insurer.). The County and the Lessee mutually agree that for the purpose of RCW 48.18.290, for both liability and property insurance the County is deemed to be a "mortgagee, pledge, or other person shown by (the required insurance policies) to have an interest in any loss which may occur thereunder."
- D. Minimum Security Requirements: Each insurance policy required hereunder shall be (1) subject to reasonable approval by the County that it conforms with the requirements of this Section, and (2) be issued by an insurer rated A--:VIII or higher in the then-current A. M. Best's Key Rating Guide and licensed to do business in the State of Washington unless procured under the provisions of chapter 48.15 RCW (Unauthorized insurers).
- E. Deductible or Self-Insured Retention: Any deductible or self-insured retention ("S.I.R.") must be disclosed to, and shall be subject to reasonable approval by, the County. The cost of any claim falling within a deductible or S.I.R. shall be the responsibility of Lessee. If a deductible or S.I.R. for CGL or equivalent insurance is not "fronted" by an insurer but is funded and/or administered by Lessee or a contracted third party claims administrator, Lessee agrees to defend and indemnify the County to the same extent as the County would be protected as an additional insured for primary and non-contributory limits of liability as required herein by an insurer.

- F. Operator and Subcontractors: Lessee shall include the Operator and all subcontractors as insureds under its policies, or shall furnish separate certificates of insurance and policy endorsements for each Operator and subcontractor. Insurance coverages provided by Operator and subcontractors instead of the Lessee as evidence of compliance with the insurance requirements of this Agreement shall be subject to all of the requirements stated herein and in addition shall include:
1. Commercial General Liability (CGL): Insurance Services Office Form CG 00 01 covering CGL on an "occurrence" basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than \$1,000,000 per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit;
 2. Automobile Liability: Insurance Services Office Form Number CA 0001 covering, Code 1 (any auto), or if subcontractor has no owned autos, Code 8 (hired) and 9 (non-owned), with limit no less than \$1,000,000 per accident for bodily injury and property damage;
 3. Pollution Legal Liability is required if the Lessee will be using or storing hazardous materials or regulated substances, such as fuel, with a minimum limit of \$10,000,000 per claim for bodily injury, property damage, clean up and emergency response costs. It is acceptable to add ISO endorsement CG 24 15 Limited Pollution Liability Extension or its equivalent to the CGL policy or obtain a separate pollution legal liability policy.
 4. "Snohomish County, its officers, officials, employees and agents" as additional insureds.
 5. Insurance shall be primary and non-contributory to any insurance maintained by or available to the County.
- G. Lessee shall obtain and maintain continuously All Risk Insurance including Earthquake and Flood insuring to their full insurable value, any and all buildings and improvements constructed by the Lessee upon the premises against all loss or damage for the benefit of both County and Lessee and named Insureds. Full insurable value shall mean actual replacement value. Lessee shall maintain, restore and keep in good condition and repair all such buildings and improvements. Lessee shall provide duplicate insurance policies and certificates of renewal to the County.
- H. During such time as Lessee is engaged in the performance of the Improvements or other renovation of the Premises, the Lessee shall maintain

in full force and effect "All Risks" Builder's Risk Property insurance or equivalent for the portion of the Premises under renovation, including fire and flood, on a replacement cost new basis subject to a deductible of no more than \$50,000 each loss. In the event of a claim under the builder's risk policy, Lessee or its contractor(s) shall be responsible for paying any deductible under the policy if Lessee or any of its agents, employees, or contractors is responsible for the loss or damage. It shall be Lessee's responsibility to properly coordinate with County Risk Management on the placement of Builder's Risk Property insurance prior to any new construction on, or structural alteration of, the Premises.

10. Evidence of Insurance. On or before the Commencement Date, and thereafter not later than the last business day prior to the expiration date of each such policy, the following documents must be delivered to County at its notice address as evidence of the insurance coverage required to be maintained by Lessee:

A. Certification of insurance documenting compliance with the coverage, minimum limits and general requirements specified herein; and

B. A copy of the policy's declarations pages, showing the insuring company, policy effective dates, limits of liability and the Schedule of Forms and Endorsements specifying all endorsements listed on the policy including any company-specific or manuscript endorsements;

C. A copy of the CGL insurance policy provision(s) and endorsements expressly including Snohomish County and its officers, elected officials, employees, agents and volunteers as additional insureds (whether on ISO Form CG 20 26 or an equivalent additional insured or blanket additional insured policy wording), showing the policy number, and the original signature and printed name of the representative of the insurance company authorized to sign such endorsement;

D. Pending receipt of the documentation specified in this Section 5, Lessee may provide a copy of a current complete binder. An ACORD certificate of insurance will not be accepted in lieu thereof.

Evidence of Insurance as set forth above, shall be issued to:

Snohomish County - Paine Field Airport
Attn: Real Estate Specialist
9901 24th Pl. W, Suite A
Everett, WA 98204
with an electronic copy to sar-realestate@snoco.org

5.03 Destruction and Restoration. If any building, structure or facility which was constructed or located on the premises by County is destroyed or damaged by fire, the elements, or any other cause, without any fault or neglect of the Lessee, its agents, employees, patrons, invitees, or guests, the County shall repair the same to its condition

at the time of loss, at its expense; PROVIDED, that if such destruction or damage is equal to 15% or more of the value of the structure or facility as determined by the County, the County may either replace or repair the structure or facility or terminate this lease by giving Lessee notice in writing; PROVIDED further, that if the County commences replacing or repairing within 30 days after destruction or damage, Lessee shall have the option of continuing this lease. If the premises are rendered substantially untenable and are not utilized by the Lessee by reason thereof, Lessee may terminate this lease by giving the County written notice thereof. Rent owed by Lessee subsequent to destruction or damage until the premises are restored or repaired or the lease is terminated as provided in this paragraph shall be reduced in portion to the space rendered unusable by Lessee as a result of such destruction or damage, all as determined by the County. All risk of loss to a structure or facility placed on the premises by Lessee shall be on Lessee.

5.04 Increased Limits. If during the term of the lease, higher limits of insurance than those mentioned shall be required by the then current version of Snohomish County Airport Rules and Regulations and Minimum Standards, then upon written request from the County, Lessee shall procure such insurance with higher limits.

5.05 Insurance Review. In consideration of the duration of this Lease, the parties agree that the Insurance section herein, at the discretion of the County Risk Manager, may be reviewed and adjusted with each amendment and within ninety (90) days of the end of the first five (5) year period of this Lease and the end of each successive five (5) year period thereafter. Any adjustments made as determined by the County Risk Manager, shall be in accordance with reasonably prudent risk management practices and insurance industry standards and shall be effective on the first day of each successive five (5) year period. Adjustment, if any, in insurance premium(s) shall be the responsibility of Lessee. Any failure by the County to exercise the right to review and adjust at any of the aforementioned timings shall not constitute a waiver of future review and adjustment timings.

ARTICLE VI - DEFAULT

6.01 Lessee's Default. Lessee shall be in default of this lease if Lessee:

- a. Fails to pay when due any sum payable by Lessee hereunder and fails to make full payment thereof within fifteen (15) days of Lessee's receipt of the County's written demand for payment, or
- b. Breaches any non-monetary, material term, covenant or condition of this lease and the Lessee fails either to begin to cure the breach within thirty (30) days of Lessee's receipt of the County's written notice of such breach or to complete the cure of the breach within a reasonable time thereafter. If Lessee timely commences to cure such breach within such thirty (30) day period, Lessee shall not be in default if Lessee continues in timely good faith its efforts to cure following such thirty (30) day period, or

- c. Either makes any general assignment or general arrangement for the benefit of creditors; files a petition in bankruptcy, including reorganization or arrangement, except in the case of a petition filed against Lessee when the same is dismissed within 30 days after filing; suffers the appointment of a trustee or receiver to take possession of substantially all of Lessee's assets located at the premises or of Lessee's interest in the lease, or
- d. Suffers a cancellation of a guaranty of Lessee's obligations by a guarantor, if any, or
- e. Fails to comply with the same lease term or covenant on two occasions even if such breach is cured within the applicable cure period, or
- f. Fails to comply with the Airport Rules and Regulations, unless such failure is cured within 5 days after notice.

6.02 Remedies. Statement of any remedy herein shall not prevent a party to this lease from pursuing any other legal remedy available to it. Upon pursuing any remedy, a party to this Lease, in addition to any other charges provided herein, shall be entitled to all costs and expenses incurred by it, including reasonable attorney's fees and expenses incurred in putting the Property in order.

6.03 Abandonment/Removal of Property.

- a. Lessee shall not vacate or abandon the Premises at any time during the term of the Lease.
- b. In the event Lessee shall abandon, vacate or surrender said premises, or be dispossessed by process of law, County shall have the right, but not the obligation, to remove from the Premises all personal property located therein, and may store the same in any place selected by County, including but not limited to a public warehouse, at the expenses and risk of the owners thereof, with the right to sell such property and dispose of the proceeds as provided in RCW 60.60.030 and .040.

ARTICLE VII - TERMINATION

7.01 Termination for Lessee's Default.

- a. If Lessee is in default, County may terminate this lease by giving Lessee five (5) days written notice of termination. Such notice shall be deemed given when deposited into the U.S. Mail by certified mail, or by personal service, to Lessee or any agent of Lessee at Lessee's last known address, or by posting such notice at the premises.

- b. If Lessee is in default, County may retake possession of the premises without terminating this lease. If County so retakes possession and does not terminate this lease, Lessee shall remain liable to pay any and all rentals and other charges as specified herein, together with any and all other damages as may be sustained by the County, excepting therefrom rental proceeds received from reletting the premises.

7.02 Termination for Airport Use. Notwithstanding any of the other provisions contained in this lease, County may determine at some time during the term of this lease that the premises are necessary for the use of the Airport and/or County for the development of the Airport or for the construction, development or improvement of necessary facilities for general or specific long-range plans of the Airport. If such determination is made at the sole discretion of the County, this lease may be terminated by the County's giving at least one (1) year notice to the Lessee of such intent to terminate and retake possession of the premises; and this lease shall terminate one year after the giving of any such notice of intent to so terminate.

7.03 Right of Entry. During the period that is six (6) months prior to the end of the Term or otherwise cancellation or termination of the Lease, the County shall have the right to access and enter the premises at any reasonable time during business hours, or outside of business hours if agreed to by Lessee, upon three (3) days' written notice, for the purpose of showing the premises to prospective tenants, or other purpose as reasonably necessary. Lessor's showing shall not unduly interfere with the Lessee's operation.

ARTICLE VIII - FEDERAL, STATE AND COUNTY REQUIREMENTS

8.01 Federal Requirements. County, as a recipient of Federal Aid Airport Program Grant Funds, Airport Improvement Program, is required to include the following statements in all lease agreements and the parties specifically agree as follows:

- a. Lessee, in its operation at Snohomish County Airport, agrees to comply with pertinent statutes, Executive Orders and such rules as are promulgated to ensure that no person shall, on the grounds of race, creed, color, national origin, sex, age, or disability be excluded from participating in any activity conducted with or benefiting from Federal assistance. Lessee further covenants that it will not on the grounds of race, creed, color, national origin, sex, age, or disability, discriminate or permit discrimination against any person or group of persons in any manner prohibited by Parts 15 and 21 of the Federal Aviation Regulations (49 CFR), and in the event of such discrimination, Lessee agrees that the County has the right to take such action as the United States Government may direct to enforce this covenant.
- b. Lessee, as a part of the consideration hereof, does hereby covenant and agree, as a covenant running with the land that: In the event facilities are constructed, maintained, or otherwise operated on the property described

in this lease for a purpose for which a Federal Aviation Administration activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, the lessee will maintain and operate such facilities and services in compliance with all requirements imposed by the Nondiscrimination Acts and Regulations listed in the Pertinent List of Nondiscrimination Authorities, attached as **Exhibit E** (as may be amended) such that no person on the grounds of race, color, or national origin, sex, age, or disability will be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities.

- c. In the event of breach of any of the above Nondiscrimination covenants, County will have the right to terminate the lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if the lease had never been made or issued.
- d. With respect to any aeronautical services Lessee specifically agrees:
 - (2) To furnish said aeronautical service on a fair, equal and not unjustly discriminatory basis to all users thereof, and
 - (3) To charge fair, reasonable and not unjustly discriminatory prices for each unit of service, PROVIDED, that the Lessee may be allowed to make reasonable and nondiscriminatory discounts, rebates or other similar types of price reductions to volume purchasers.
- e. Should any provision of this Lease be determined by the FAA to conflict with the County's obligations to the federal government (including, without limitation, Grant Assurance obligations), the objectionable provision will be deemed removed and parties will endeavor to reform the affected provision to accord as closely as legally possible to the parties' original intent in light of the specific FAA objections.
- f. Construction Subject to Compliance with FAA Regulations. Lessee shall submit a Form 7460-1 to the Federal Aviation Administration (FAA) to comply with Part 77 of the Code of Federal Regulations, Title 14 Aeronautics and Space. Lessee shall not begin construction on the premises until the FAA has approved Form 7460-1 and Lessee submits a copy of the approval to County. Lessee shall not begin construction on premises until County has received FAA approval of such Form 7460-1 and any other required FAA approvals.

8.02 Subordination To Airport Operation. This lease shall be subordinate to the provisions of any existing or future agreement between the County and the United States relative to the operation or maintenance of the Airport, or any other requirements of the Grant Assurances, the execution of which has been or may be required as a condition precedent to the expenditure of Federal funds for the development of the Airport. In the

event of a conflict between the language of this Agreement and the requirements of the Grant Assurances, the Grant Assurances shall govern.

8.03 Condemnation.

- a. Whole Taking. If the whole of the premises is acquired or condemned by a competent authority for any public use or purpose, this lease shall terminate as of the date on which title vests in that authority, and the rent reserved hereunder shall be apportioned and paid up to that date. Any compensation paid for the land and buildings shall become the property of the County.
- b. Partial Taking. If only a portion of the premises is so acquired or condemned, that portion of compensation paid for improvements shall be used to replace, repair, and restore insofar as possible, the premises to their condition of utilization prior to the taking or condemnation. If such repair, replacement, or restoration cannot be so accomplished, this lease shall be terminated unless the parties agree otherwise. If the lease continues, rent shall be reduced on the date of surrender of possession of the part taken in proportion to the decrease in use suffered by the Lessee. Any compensation paid for the land and buildings shall become the property of the County.

8.04 Laws and Regulations.

- a. Lessee shall comply with all applicable laws, ordinances, codes, rules, and regulations. Lessee shall be responsible for securing and maintaining all permits and paying, when due, all costs, fees, taxes, including surface water management fees and annual inspection fees, and other charges/benefits incidental to lease, construction and use of the premises.
- b. Lessee's attention is directed to Chapter 82.29A RCW, amendments thereto, and any ordinances, laws, or regulations of Snohomish County and/or any other taxing authority with respect to the levy and collection of excise or other taxes on leasehold interests. Lessee agrees that it will comply therewith, and will pay such taxes to the County when due in accord with the applicable rules, statutes and regulations. Lessee specifically authorizes the County to remit to the respective taxing authority any amounts paid by Lessee to County in payment of any such taxes, and agrees that County shall not be held responsible or liable in any manner for reimbursement of any amounts so paid if said taxes, or any part thereof, are determined to be invalid, improper, or unenforceable.
- c. If the applicable taxing authority requires the County to collect the taxes and Lessee does not agree on the amount of taxes to be so paid, the Lessee shall pay the amount requested by the County, and Lessee's sole recourse shall be against the applicable taxing authority with respect to the

amount, propriety, and validity of such tax. County in no way warrants the validity or propriety or correctness of any such tax, and the sole obligation of the County upon collection of such tax shall be to remit the same to the appropriate taxing authority.

8.05 Aviation Easement. Lessee's right to use the premises for the purposes as set forth in this Lease shall be secondary to and subordinate to the operation of the airport. The County specifically reserves for itself, and for the public, a right of flight for the passage of aircraft in the air space above the surface of the described property together with the right to cause in said air space such noise as any be inherent in the operation of aircraft.

8.06 Easement Rights Reserved. The County reserves the right to grant easements and or licenses over, across, and under the premises so long as the easement or license does not unreasonably interfere with the Lessee's use.

8.07 Security. Lessee recognizes its obligations to comply with all security regulations established or amended from time to time, by but not limited to Snohomish County Airport security requirements, the Paine Field Airport Security Program, and all federal security regulations including Department of Homeland Security, TSA and the FAA. Lessee shall at all times comply with the current version of the Airport Security Program prepared by the Lessor for the Airport pursuant to regulations of the TSA and FAA. Lessee will reimburse the County in full for any fines or penalties levied against the County for security violations as a result of any actions on the part of the Lessee, its agents, contractors, suppliers, guests, customers, invitees, or employees and, if due to the fault, failure to act or breach of this Lease by Lessee or by Lessee's employees, lessees or agents, for any violation occurring at any field access point under the control of Lessee. Lessee shall be responsible within its defined role within the County's Airport Security Program for all employees and other persons gaining access to the Property which is in a restricted area (Snohomish County Code 15.08.210). Lessee shall be responsible for ensuring that identification required and provided by the Airport is required of all agents, contractors, suppliers, customers, employees and invitees needing access to a restricted area, if any. Lessee shall be responsible for maintaining a three foot (3') clearance area inside and outside the AOA fence. Reports of crimes occurring on the premises and common area of the Industrial Advancement Center Building located at the Snohomish County Airport at Paine Field can be made through public records requests to public law enforcement agencies and other public agencies.

8.08 Noise Abatement. The County and Lessee recognize the importance and joint responsibility of compatibility between the airport and the surrounding community. Therefore, Lessee shall actively participate and comply with all noise abatement procedures, policies, and programs as set forth by the County.

8.09 Wildlife Hazards and Deterrents. Lessee shall not allow a bird, rodent or other wildlife attractant on the premises. Lessee shall keep trash cans and dumpster lids closed. In the event Lessee activities attract wildlife, Lessee at its cost shall take

immediate action to remove the wildlife and prevent further wildlife attraction. Lessee agrees to participate in prorated area wide costs as necessary to resolve any area wide rodent problem.

8.10 Foreign Object Damage. Lessee shall inspect and keep the premises clean of any object, material or matter that poses a threat of Foreign Object Damage (FOD) to aircraft.

8.11 County Non-Discrimination Requirement. It is the policy of the County to reject discrimination which denies equal treatment to any individual because of his or her race, creed, color, national origin, families with children, sex, marital status, sexual orientation, age, honorably discharged veteran or military status, or the presence of any sensory, mental, or physical disability or the use of a trained dog guide or service animal by a person with a disability as provided in Washington's Law against Discrimination, Chapter 49.60 RCW, and the Snohomish County Human Rights Ordinance, Chapter 2.460 SCC. These laws protect against specific forms of discrimination in employment, credit transactions, public accommodation, housing, county facilities and services, and county contracts. The Lessee shall comply with Chapter 2.460 SCC, which is incorporated herein by this reference. Execution of this contract constitutes a certification by the Lessee of the Lessee's compliance with the requirements of Chapter 2.460 SCC. If the Lessee is found to have violated this provision, or furnished false or misleading information in an investigation or proceeding conducted pursuant to Chapter 2.460 SCC, this lease may be subject to a declaration of default and termination at the County's discretion. This provision shall not affect the Lessee's obligations under other federal, state, or local laws against discrimination.

ARTICLE IX - GENERAL PROVISIONS

9.01 Total Agreement: Applicability to Successors. This lease constitutes the entire agreement of the parties and cannot be changed or terminated except by a written instrument subsequently executed by the parties. This lease and the terms and conditions hereof apply to and are binding on the heirs, representatives, successors, and assignees of both parties.

9.02 Nonwaiver. Waiver by either party of strict performance of any provision of this lease shall not be a waiver of or prejudice the party's right to require strict performance of the same provision in the future or of any other provision.

9.03 Relationship to Assignees or Subtenants. In this Lease whenever obligations, liabilities or responsibilities are imposed upon Lessee, those obligations, liabilities or responsibilities shall apply to any subtenants, licensees or contractors of Lessee, provided that Lessee has obtained advance written consent of Lessor in the event of subtenants or assignments, to the extent that Lessee has assigned, delegated or allowed such parties to act on Lessee's behalf with respect to obligations, liabilities or responsibilities under this Lease.

9.04 Attorney Fees. If suit or action is instituted in connection with any controversy arising out of this lease, the prevailing party shall be entitled to recover in addition to costs such sum as the court may adjudge reasonable as attorney fees, including in-house counsel, or in the event of appeal as allowed by the appellate court. Costs shall include, without limitation, the fees of appraisers, accountants, engineers and other professionals incurred in connection with such suit or action.

9.05 Time of Essence. It is mutually agreed that time is of the essence in the performance of all covenants and conditions to be kept and performed under the terms of this lease.

9.06 County Indemnification. Lessee hereby waives all claims for damages that may be caused by County's re-entering and taking possession of Premises or removing and storing the property of Lessee as provided in this Lease, and will save County harmless from loss, costs or damages occasioned by Lessee, and no such re-entry shall be considered to be a forcible entry.

9.07 Warranties/Guarantees. County makes no warranty, guarantee, or averment of any nature whatsoever concerning the physical condition of the premises and any subsequent structures, and it is agreed that the County will not be responsible for any loss, damage, or costs which may be incurred by Lessee by reason of any such physical condition.

9.08 Headings. The article and section headings contained herein are for convenience in reference and are not intended to define or limit the scope of any provisions of this lease.

9.09 Consent of County. Whenever consent, approval, or direction by the County is required under the terms contained herein, all such consent, approval, or direction shall be received in writing from the Airport Director.

9.10 Notices. All notices may be delivered by email, in person or mailed via courier service to the following respective addresses:

To the County: Airport Director
 Snohomish County Airport,
 Paine Field
 9901 24th Pl. W. Suite A
 Everett, Washington 98204

To the Lessee: WSU Real Estate Services
 PO Box 641045
 1815 NE Wilson Rd., Suite 242
 Pullman, Washington 99164-1045

9.11 Governing Law, Venue and Severability. The laws of the state of Washington shall govern the validity, performance, and enforcement of this lease. The venue of any action arising out of this lease shall be in the Superior Court of the State of Washington, in and for Snohomish County. The invalidity or unenforceability of any provision hereof shall not affect or impair any other provision.

DATED: 11/19/2025
COUNTY: SNOHOMISH COUNTY

Joshua W. Marcy
Airport Director

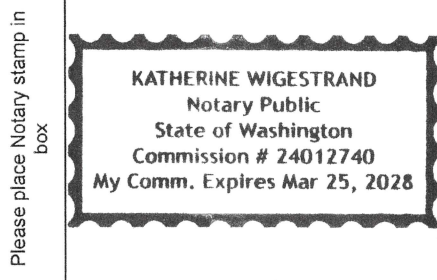
STATE OF WASHINGTON)
) ss.
COUNTY OF SNOHOMISH)

On this day personally appeared
before me

Joshua W. Marcy
to me known to be the Airport Director
of the Snohomish County Airport
and the person who executed the within
and foregoing instrument, and
acknowledged that he signed the same as
its free and voluntary act and deed, for the
uses and purposes therein mentioned.

DATED: 11/19/2025
Katherine Wigstrand
Notary Public in and for the State of WA
Residing at: Everett

My appointment expires: March 25, 2028



Approved as to Form:

Michelle Alvo
Deputy Prosecuting Attorney

DATED: 11/17/25
WASHINGTON STATE
LESSEE: UNIVERSITY

Matthew A. Skinner
Its: Vice President, Finance & Bus. Svcs

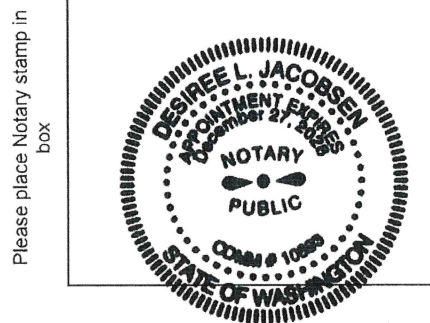
STATE OF: Washington)
) ss.
COUNTY OF: Whitman)

On this day personally appeared before me

Matthew A. Skinner
to me known to be the VP & Deputy CEO
of the Washington State University
and the person who executed the within
and foregoing instrument, and
acknowledged that he signed the same
as its free and voluntary act and deed,
for the uses and purposes therein
mentioned.

DATED: 11/17/2025
Desiree L. Jacobsen
Notary Public in and for the State of Washington
Residing at: Pullman

My appointment expires: 12/27/2028



Approved:

Signed by:
Kimberly Ann Christen
Kimberly Ann Christen
Vice President for Research

Barker, Sheila
Digitally signed
by Barker, Sheila
Date: 2025.11.19
09:33:29 -08'00'

Risk Management

EXHIBIT A
LEGAL DESCRIPTION

EXHIBIT "A"

PARKING EASEMENT

A PORTION OF LOTS 15 AND 16 OF THE PAINE FILED AIRPORT-SECTOR 6 BENDING SITE PLAN AND RECORD OF SURVEY ACCORDING TO THE MAP THEREOF FILE UNDER SNOHOMISH COUNTY AUDITOR NO. 200812105003; ALL IN A PORTION OF THE SOUTHEAST QUARTER OF SECTION 22, TOWNSHIP 28 NORTH, RANGE 4 EAST, W.M.

COMMENCING AT THE SOUTHEAST CORNER OF SAID LOT 15;

THENCE NORTH 45°12'38" EAST ALONG THE SOUTHEAST LINE OF SAID LOT 15 FOR A DISTANCE OF 16.89 FEET TO AN ANGLE POINT ON THE EAST LINE OF SAID LOT 15;

THENCE NORTH 0°08'30" EAST ALONG SAID EAST LINE FOR A DISTANCE OF 222.61 FEET TO THE NORTHEAST CORNER OF LOT 15, SAME BEING THE SOUTHEAST CORNER OF LOT 16;

THENCE NORTH 89°39'30" WEST ALONG THE SAID LOT LINE OF LOT 15 AND 16, FOR A DISTANCE OF 75.42 FEET;

THENCE NORTH 56°20'59" WEST CONTINUING ON SAID LINE, FOR A DISTANCE OF 170.33 FEET TO THE TRUE POINT OF BEGINNING;

THENCE SOUTH 88°04'22" WEST, FOR A DISTANCE OF 13.33 FEET;

THENCE NORTH 63°22'54" WEST, FOR A DISTANCE OF 66.69 FEET;

THENCE NORTH 15°22'48" WEST, FOR A DISTANCE OF 67.32 FEET;

THENCE NORTH 89°43'44" WEST, FOR A DISTANCE OF 219.35 FEET TO THE WEST LINE OF SAID LOT 15;

THENCE NORTH 00°11'49" EAST ALONG SAID WEST LINE FOR A DISTANCE OF 40.00 FEET;

THENCE SOUTH 89°43'44" EAST DEPARTING SAID WEST LINE OF LOT 15 FOR A DISTANCE OF 62.66 FEET;

THENCE NORTH 00°07'36" EAST, FOR A DISTANCE OF 39.63 FEET;

THENCE SOUTH 89°39'04" EAST, FOR A DISTANCE OF 337.98 FEET;

THENCE SOUTH 15°11'12" EAST, FOR A DISTANCE OF 111.45 FEET;

THENCE SOUTH 14°41'24" WEST, FOR A DISTANCE OF 56.56 FEET;

THENCE SOUTH 73°17'55" WEST, FOR A DISTANCE OF 26.77 FEET;

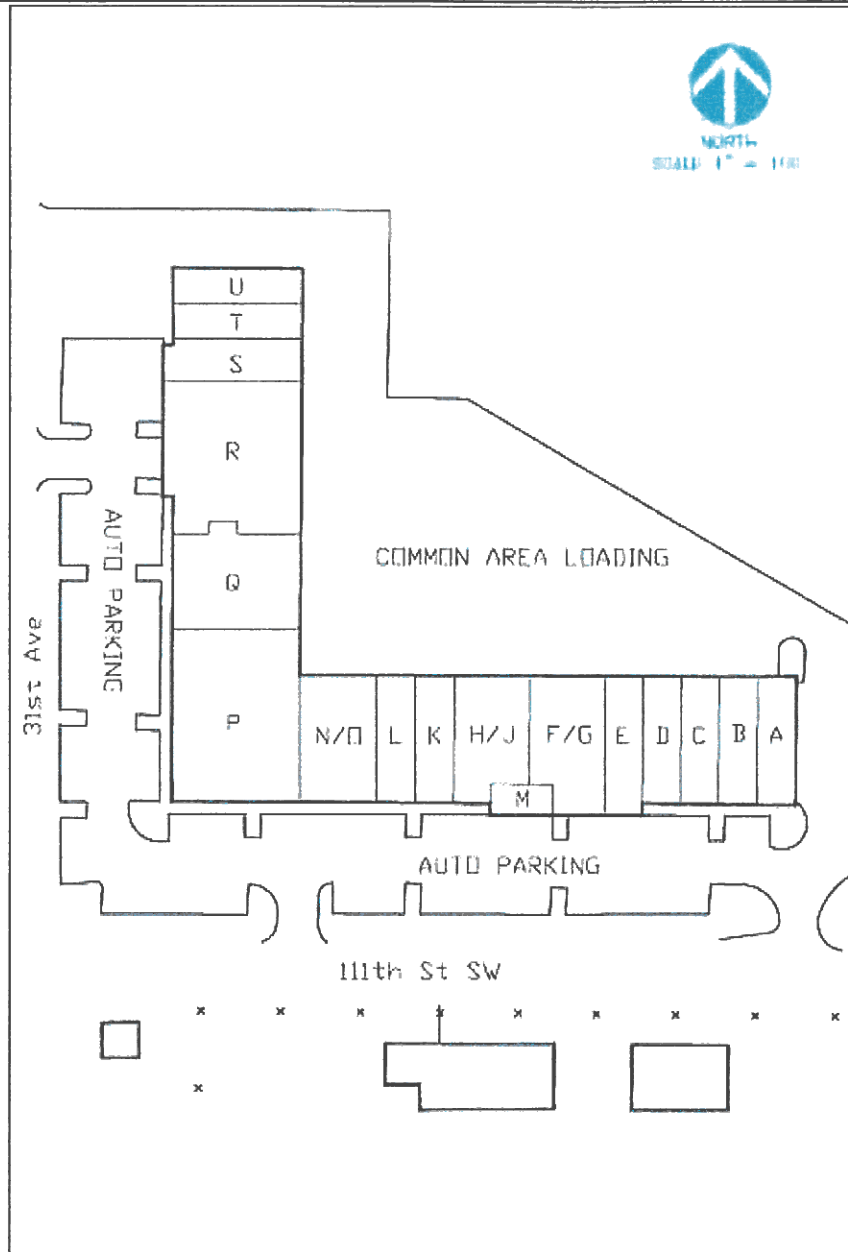
THENCE SOUTH 88°04'22" WEST, FOR A DISTANCE OF 79.97 FEET TO THE **TRUE POINT OF BEGINNING**.

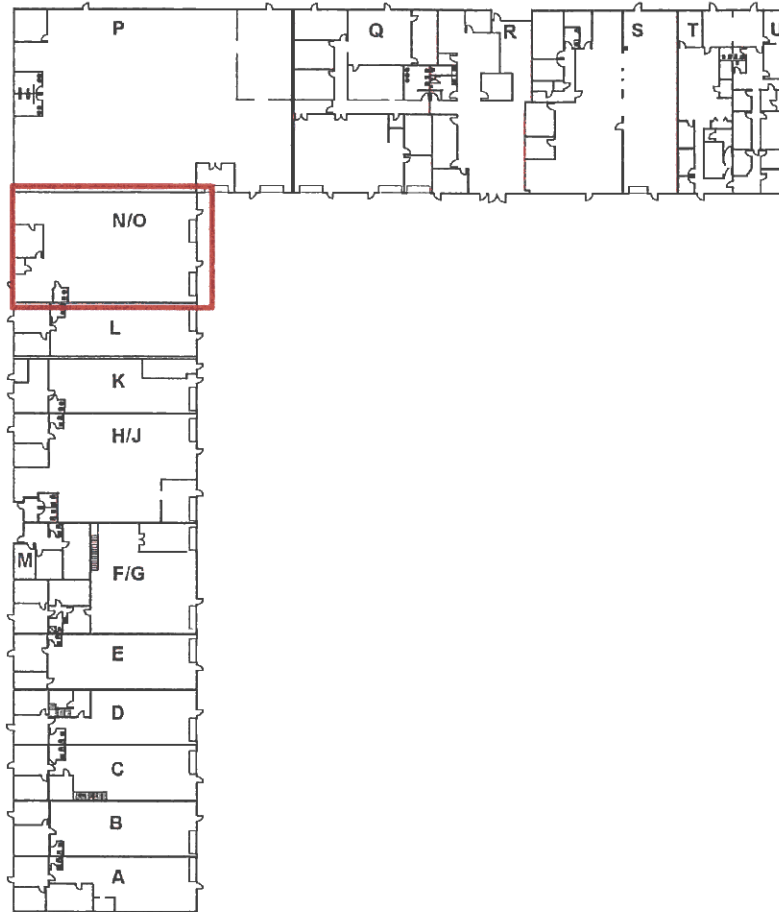
SITUATE IN THE COUNTY OF SNOHOMISH, STATE OF WASHINGTON.

CONTAINING 47,082 SQUARE FEET (1.08 ACRES), MORE OR LESS.

EXHIBIT B 1

BOUNDARY MAPS & COMMON AREA MAP COMMON AREA MAP FOR IAC BLDG.





A portion of the Northeast quarter of the Southeast quarter of Section 22, Township 28 North, Range 4 East, W.M. known as Suite N/O and an undivided 7.4% interest in the common area of the Industrial Advancement Center Building located at the Snohomish County Airport at Paine Field at 3101 111th Street, S.W. Everett, Snohomish County, Washington.

AND

**Property Description: Parcel Number 28042200401700 - Section 22 Township 28
Range 04 Quarter SE LOT 16 SNOCO PFN 07-104017-006BG PAINE FIELD
AIRPORT-SECTOR 6 BSP & ROS REC AFN 200812105003. Size (gross) 1.43
Acre(s)**

EXHIBIT B 2

SURVEY OF LAND LEASE AREA

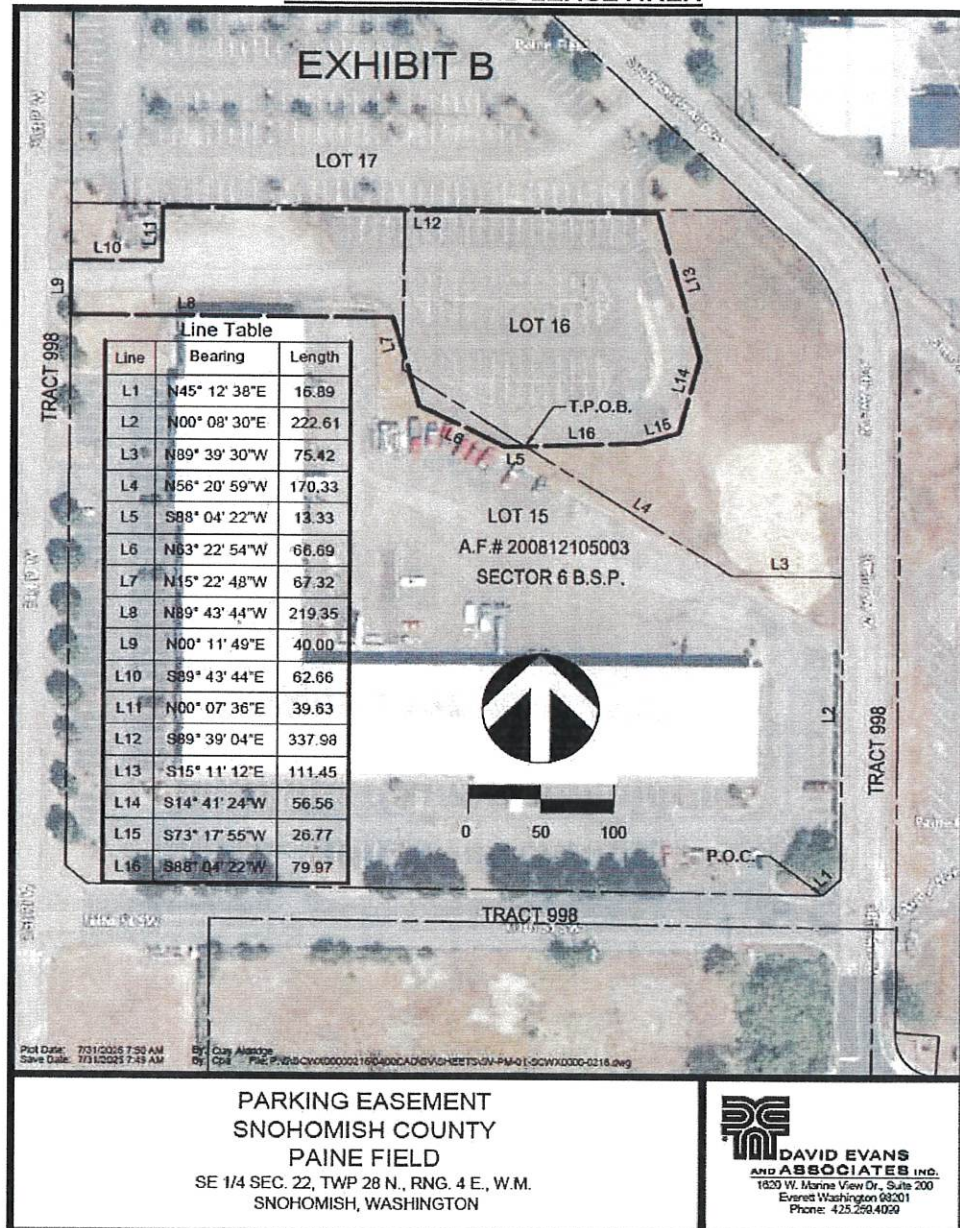


EXHIBIT C

N/A

EXHIBIT D
RATE SCHEDULE

Washington State University
IAC Building, Suite N/O & Sector 6 Lot 13 - Parking Lot
Lease: 25-001
Lease Term: Month to Month
Rate Term: Month to Month

§3.01 Premises: IAC Building, Suite N & O & Parking Lot	S.F.	Rate/S.F./Mo.	Annual Rent	Monthly Rent	Leasehold Excise Tax ⁴	Monthly Rent w/LET
Window/Mid-Office	190	1.6000	\$ 3,648.00	\$ 304.00	Exempt	\$ 304.00
Manufacturing Warehouse	3,610	0.8500	\$ 36,822.00	\$ 3,068.50	Exempt	\$ 3,068.50
Sector 6 Lot 13 - Parking Lot	44,075	0.1892	\$ 100,059.12	\$ 8,338.26	Exempt	\$ 8,338.26
TOTAL	47,875		\$ 140,529.12	\$ 11,710.76	Exempt	\$ 11,710.76
§3.07 Other Fees: Percentage CAM = 7.4% ¹			Annual Rent	Monthly Rent	Leasehold Excise Tax ⁴	Monthly Rent w/LET
CAM (2025 Rate)			\$ 2,466.72	\$ 205.56	Exempt	\$ 205.56
§3.09 Storm Water Facility (SWF) ² Wetland 25, Category 08			Annual Fee	Monthly Fee	Leasehold Excise Tax ⁴	Monthly Fee w/LET
SWF Fee			\$ 2,314.96	\$ 192.91	Exempt	\$ 192.91
SWF Pond Maintenance			\$ 87.60	\$ 7.30	Exempt	\$ 7.30
			\$ 2,402.56	\$ 200.21	Exempt	\$ 200.21
§3.09 Surface Water Management (SWM) ³			Annual Fee	Monthly Fee	Leasehold Excise Tax ⁴	Monthly Fee w/LET
SWM - IAC-N/O (Cat 9)	-	-	\$ 319.01	\$ 26.58	Exempt	\$ 26.58
SWM - Parking Lot (Cat 8)	33,493	0.0013163	\$ 719.64	\$ 59.97	Exempt	\$ 59.97
			\$ 1,038.65	\$ 86.55	Exempt	\$ 86.55
Other Costs			Annual Fee	Monthly Fee	Leasehold Excise Tax ⁴	Monthly Fee w/LET
§4.10 Sanitary Sewer ⁴			\$ 768.00	\$ 64.00	Exempt	\$ 64.00
Total Monthly						\$ 12,267.08

NOTES:

¹CAM fees change annually in March to reflect prior year costs

²SWF pond maintenance fee increases by CPI percent (%) annually

³SWM fees are adjusted periodically based on changes to the leased parcel of fees assessed by the Snohomish County Surface Water Management.

⁴Utility is adjusted annually on January 1st based on prior years' usage

EXHIBIT E

TITLE VI LIST OF PERTINENT NONDISCRIMINATION ACTS AND AUTHORITIES

During the performance of this contract, Lessee, for itself, its assignees, and successors in interest (hereinafter referred to as the "Lessee") agrees to comply with the following non-discrimination statutes and authorities, as they may be amended from time to time and which are incorporated herein by reference, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation—Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 U.S.C. § 4601), (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. § 794 et seq.), as amended, (prohibits discrimination on the basis of disability); and 49 CFR part 27;
- The Age Discrimination Act of 1975, as amended, (42 U.S.C. § 6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC § 471, Section 47123), as amended, (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 U.S.C. §§ 12131 – 12189) as implemented by Department of Transportation regulations at 49 CFR parts 37 and 38;
- The Federal Aviation Administration's Non-discrimination statute (49 U.S.C. § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 Fed. Reg. at 74087 to 74100);
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 U.S.C. 1681 et seq.).