

**LEASE AGREEMENT
BETWEEN THE CITY OF WHITE SALMON AND THE
WEST KLICKITAT REGIONAL FIRE AUTHORITY**

THIS LEASE AGREEMENT (hereinafter “Lease”) is between the CITY OF WHITE SALMON, a municipal corporation of the State of Washington, (“CITY”), and the WEST KLICKITAT REGIONAL FIRE AUTHORITY, a Washington municipal corporation, “WKRFA.”

RECITALS

1. The CITY has maintained a fire department and owns real property used for fire department services legally described in **Exhibit A** and located at 119 NW Church Avenue, White Salmon “Property.”
2. On November 7, 2023, the voters of the CITY and Klickitat County Fire Protection District No. 3 voted to approve the formation of the WKRFA effective September 30, 2024 with an operational effective date of January 1, 2025.
3. Effective January 1, 2025, the Property will be used jointly by the CITY and the WKRFA under the terms of this Lease.

AGREEMENT

NOW, THEREFORE, the CITY and WKRFA agree as follows:

1. PREMISES.
 - 1.1. **Premises Defined.** **Exhibit B** attached hereto and incorporated herein depicts the buildings and other improvements on the Property that are used exclusively for WKRFA purposes, exclusively for CITY purposes, and jointly by WKRFA and the CITY. The CITY leases to WKRFA and WKRFA leases from the CITY the portion of the Property described in Exhibit B as being for the exclusive use of WKRFA “Premises.”
 - 1.2. **Common Area.** WKRFA also has the right to use jointly with the CITY the areas depicted in Exhibit B for joint use by WKRFA and CITY (the “Common Area”) along with ~~parking lots and~~ sidewalks. **The 6 parking spaces located at the south section of the public parking lot shall remain dedicated for fire department use only. Signage will be maintained by the WKRFA noting “Firefighter Parking Only”.**
 - 1.3. **As-Is.** The CITY is providing the Premises and Common Area in “as-is” condition for WKRFA’s use. The CITY makes no representation regarding the condition of the Premises and Common Area, or improvements located on the same.

2. USE.

- 2.1. **Permitted Use.** WKRFA shall use the Premises and Common Area for a fire station, and administration purposes (the "Permitted Use") and for no other purpose unrelated to the management and operation of a regional fire authority.
- 2.2. **Restrictions on Use.** WKRFA shall not cause or permit any damage to the Property or Premises. If WKRFA fails to comply with all or any of the restrictions on the use of the premises set out in subsection 2.2, the City shall notify WKRFA and provide WKRFA a reasonable time to take all steps necessary to remedy the failure. If WKRFA fails to do so in a timely manner, then the City may take any steps necessary to remedy the failure. Upon demand by the City, WKRFA shall pay all costs of the remedial action.
- 2.3. **Council Chambers.** The CITY shall retain the right to use the City Council Chambers located on the Premises until such time that the City and the WKRFA approve a transition plan. During the shared use period, the WKRFA shall at no additional cost, reserve the City Council Chambers through City Hall for use. The CITY shall retain ownership of all furnishings, equipment and AV amenities located in the Council Chambers. **Council chambers will be scheduled every Tuesday for the WKRFA to use for training.**
- 2.4. **During bonified emergency events that require activation of an emergency operations center (EOC), WKRFA shall have priority for use of common space areas until the emergency has stabilized. WKRFA shall make every effort to accommodate space for regularly scheduled public meetings in this example. Both the City and WKRFA agree that meeting locations may need to be adjusted – during a significant emergency out of the control of either party.**

3. TERM.

- 3.1. **Term Defined.** The term of this lease shall be for 99 years unless terminated earlier by mutual agreement of WKRFA and the City or upon occurrence of the City Vacation as defined below.
- (a) **City Vacation.** The City anticipates relocating its Public Works Department from the premises at a later time. At such time as the Public Works Department vacates the Property, the City shall transfer ownership of the Property to WKRFA, subject to the City's retention of a right of first refusal in the event the WKRFA sells the property in the future, and in consideration of WKRFA's payment of an amount based on the square foot value of the CITY'S portion of the building located on the Property that is not part of the Premises or common area.
- ~~(b) The City of White Salmon will vacate the Council Chambers by 12/31/2030. (Date could be re-negotiated at that time.)~~

4. LEASE PAYMENT.

- 4.1. **Rent.** The consideration for this Lease is Section VI.F.7 of the WKRFA Plan and no additional consideration or payments shall be required.

5. UTILITIES AND OTHER EXPENSES.

- 5.1. **Electric and Sewer ~~and Internet~~.** The monthly costs of these Utilities shall be paid 50 % by WKRFA and 50% by the CITY. The City shall invoice the WKRFA on a quarterly basis for the prior quarters based on the actual utility expenses in the prior quarter. The parties agree to evaluate the percentages on an annual basis and may agree to modify the percentages to allocate costs based on actual use of the Property.
- 5.2. **Water.** The monthly costs of water utilities (Base Fees and Water Consumption through the building assigned meter) shall be paid 50 % by WKRFA and 50% by the CITY. The City shall invoice the WKRFA on a quarterly basis for the prior quarters based on the actual utility expenses in the prior quarter. Payment shall be due within thirty (30) days of the invoice date. The parties agree to evaluate the percentages on an annual basis and may agree to modify the percentages to allocate costs based on the actual use of the Property.
- 5.3. **Bulk Water Use.** All water used from a location not tracked in regular utility billing services, including fire hydrants, will be tracked and reported for Washington State required tracking. The City and the WKRFA will negotiate and execute an Interlocal Agreement for Bulk Water Use and Purchase no later than December 31, 2024.
- 5.4. **Janitorial.** The WKRFA will be responsible for the janitorial services for space deemed WKRFA sole use per this lease agreement Exhibit B. The City and WKRFA shall share equally in the costs of the janitorial services for the Common Areas identified in Exhibit B. The City shall invoice the WKRFA on a quarterly basis for the prior quarters based on the actual janitorial expenses in the prior quarter. The parties agree to evaluate the percentages on an annual basis and may agree to modify the percentages to allocate costs based on actual use of the Property.

6. MAINTENANCE AND REPAIR.

- 6.1. **Routine Maintenance.** Routine maintenance includes all regular maintenance that does not meet the threshold of Major Repairs and Maintenance set forth in Section 6.2. WKRFA shall be solely responsible for the routine maintenance associated with the Premises. The CITY and WKRFA shall share equally in the costs of routine maintenance for the Common Areas. The CITY shall remain responsible for all routine maintenance for all portions of the Property other than the Premises and Common Areas.
- 6.2. **Major Repairs and Maintenance** Major Repairs and Maintenance shall be defined as repairs or maintenance items with a per occurrence cost in excess of \$2,500.00 excluding WSST (for example, if a water pipe breaks and damages the flooring, the \$2,500.00 cost limit applies to all repair and maintenance costs associated with

repairing the pipe, the floor, and any associated damage). The CITY shall be responsible for all Major Repairs and Maintenance, including capital improvements that exceed \$2,500, with the exception that WKRFA shall be responsible for all Major Repairs and Maintenance which are caused by the intentional or negligent acts of WKRFA's employees, agents, or licensees.

- 6.3. **Additions and Improvements to Premises.** WKRFA shall, at its sole cost and expense, make any and all additions, repairs, alterations, maintenance, replacement, or changes to the Premises or any improvements on the Premises which may be desired by the WKRFA or required by any public authority. All additions, repairs, alterations, replacements, or changes to the Premises shall be made in accordance with Section 7.

7. TENANT IMPROVEMENTS.

- 7.1. **Construction.** Prior to any construction, alteration, replacement, removal, or major repair of any improvements on the Premises, WKRFA shall submit to the CITY plans and specifications which describe the proposed activity. Construction shall not commence until the CITY has approved the plans and specifications in writing. The CITY shall have forty-five (45) days in which to review the proposed plans and specifications. The plans and specifications shall be deemed approved and the requirement for the CITY's written consent shall be treated as waived, unless the CITY notifies WKRFA otherwise within forty-five (45) days. Upon completion of construction, WKRFA shall promptly provide the CITY with as-built plans and specifications. The CITY's consent and approval shall not be required for any routine maintenance or repair of improvements made by the WKRFA pursuant to its obligation to maintain the Premises in good order and repair that does not result in the construction, alteration, replacement, removal, or major repair of any improvements on the Premises. The provisions of this section do not obviate any permit requirements that may apply to the proposed activity.

- 7.2. **Unauthorized improvements.** Improvements made on the premises without the City's prior consent pursuant to subsection 7.1 or which are not in conformance with the plans submitted to and approved by the City ("Unauthorized Improvements") shall immediately become the property of the City, unless the City elects otherwise. Regardless of the ownership of the Unauthorized Improvements, the City may, at its option, require WKRFA to sever, remove, and dispose of them. If WKRFA fails to remove an Unauthorized Improvement upon request, the City may remove it and charge WKRFA for the cost of removal and disposal.

8. INDEMNIFICATION.

- 8.1. The WKRFA agrees that it will protect, save, defend, hold harmless and indemnify the CITY, its officials, employees and agents from any and all demands, claims, judgments, or liability for loss or damage arising as a result of accidents, injuries, or other occurrences on the Premises or on CITY's Property, occasioned by either the negligent, reckless and/or willful conduct of the WKRFA, its agents or any person or entity holding under the WKRFA or any person or entity on the Premises or on the CITY's

property as a result of WKRFA's activity, regardless of who the injured party may be. Notwithstanding the foregoing, CITY shall, to the extent permitted by law, indemnify and hold WKRFA harmless for any and all demands, claims, judgments, or liability for loss or damage arising from CITY's negligent, reckless and/or willful acts (including those of CITY's employees or commissioners).

- 8.2. WKRFA shall indemnify, defend and hold CITY harmless from any and all claims, demands, judgments, orders, or damages resulting from hazardous substances on the Premises caused in whole or in part by the activity of the WKRFA, its agents, subtenants, or any other person or entity on the Premises during any period of time that WKRFA has occupied all or a portion of the Premises during the term of the Lease. CITY shall, to the extent permitted by law, indemnify and hold WKRFA harmless from any and all claims, demands, judgments, orders or damages resulting from hazardous substances on the Premises caused by CITY.
- 8.3. "Hazardous Substance" means any substance which now or in the future becomes regulated or defined as Hazardous Substance or Hazardous Waste under any federal, state, or local statute, ordinance, rule, regulation, or other law relating to human health, environmental protection, contamination or cleanup, including, but not limited to, the Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA"), 42 U.S.C. 9601 et seq., and Washington's Model Toxics Control Act ("MTCA"), RCW 70.105D.010 et seq.
- 8.4. The provisions of Section 8 shall survive the expiration or termination of this Lease.

9. ASSIGNMENT AND SUBLETTING.

- 9.1. WKRFA shall not sell, convey, mortgage, assign, pledge, sublet, or otherwise transfer or encumber all or any part of WKRFA's interest in this Lease or the Premises without the CITY's prior written consent which may not be unreasonably withheld by the CITY. In the event of such consent, each permitted transferee shall assume all obligations under this Lease. No assignment, sublet, or transfer shall release, discharge, or otherwise affect the liability of WKRFA. A dissolution of the WKRFA shall be deemed to be an assignment of this Lease. The acceptance by the CITY of the payment following an assignment or other transfer shall not constitute consent to any assignment or transfer. The CITY's consent shall not be required for a sublease of the premises to another governmental entity providing services that directly support and benefit the operation of the regional fire authority.

10. INSURANCE.

- 10.1. During the term of this Lease and any extension thereof, the CITY shall maintain an insurance policy on the Property in the amount of the replacement cost, for damage from fire; earthquake; and other perils. Said insurance policy shall also insure the replacement value of the equipment owned by the CITY pursuant to this Lease. WKRFA shall reimburse the City for any increase in premiums charged to the City for such insurance policy resulting from WKRFA's operations on the property. The

proceeds on a claim against said insurance policy for damage shall be used to repair damage to the building so insured and to repair or replace any damaged personal property provided by the CITY.

- 10.2. The WKRFA shall be responsible for maintaining its own fire and hazard insurance on WKRFA-owned personal property and leasehold improvements placed within the Property by the WKRFA.
- 10.3. The WKRFA shall procure and maintain for the duration of the Lease, insurance against claims for injuries to persons or damage to property which may arise from or in connection with this Lease by the WKRFA, its agents, representatives, employees or subcontractors.

11. DAMAGE OR DESTRUCTION. The parties recognize that some or all use of the Property or Premises may be interfered with or prevented because of fire, earthquake, flood, storm, landslide, act of war, vandalism, theft or other extraordinary casualty (“Casualty”).

- 11.1. **Material Damage.** If the Premises or Common Area are damaged or destroyed by fire or any Casualty which cannot, despite diligent, good faith efforts be repaired or restored within one hundred twenty (120) days following the date on which such damage occurs, then WKRFA may elect to terminate the Lease effective as of the date of such damage or destruction. Within thirty (30) days after the date of such damage, the parties shall determine whether the damage can be repaired or restored within one hundred twenty (120) days. After that determination has been made, WKRFA shall have a period of thirty (30) days to terminate the Lease by giving written notice to the CITY.
- 11.2. **Repair after Damage.** If WKRFA does not give notice of WKRFA’s election to terminate as provided in subsection 11.1, then the CITY shall, subject to the provisions of this Section, immediately commence and diligently pursue the completion of the repair of such damage so that the Premises and Common Area is restored to a condition of similar quality, character and utility for WKRFA’s purposes. Notwithstanding anything contained herein to the contrary, if the Premises is not repaired and restored within one hundred twenty (120) days from the date of the damage, WKRFA may cancel the Lease at any time before CITY completes the repairs and delivers the restored Premises and Common Area to WKRFA. If WKRFA does not so terminate, CITY shall continue to restore the Premises and Common Area. WKRFA shall have no claim against the CITY for any direct, incidental or consequential damages arising from the CITY’s failure to commence or complete any repairs to the Premises or Common Area. In no event shall the CITY be obligated to spend more money on the repair than is provided by insurance proceeds in subsection 10.1.
- 11.3. **Uninsured Damage.** If damage or destruction is caused by a peril not required to be insured against hereunder and for which insurance proceeds are not available, either the CITY or WKRFA may terminate this Lease by thirty (30) days written notice to the other of its election so to do so and the Lease shall be deemed to have terminated as of such date unless the other party agrees in writing to pay for such repairs or restoration.

12. DEFAULT AND REMEDIES.

12.1. **Acts Constituting Default.** WKRFA shall be in default of this Lease on the occurrence of any of the following:

- (a) Failure to pay expenses when due;
- (b) Failure to comply with any law, regulation, policy, or order of any lawful governmental authority;
- (c) Failure to comply with any other provision of this Lease;
- (d) Failure to cure a default pursuant to Section 12.2 below;
- (e) Proceedings are commenced by or against WKRFA under any bankruptcy act or for the appointment of a trustee or receiver of WKRFA's Premises; or
- (f) WKRFA vacates or abandons the Premises.

12.2. **Failure to Cure.** A default shall become an event of default ("Event of Default") if WKRFA fails to cure, or take positive steps to cure, the default within thirty (30) days after CITY provides WKRFA with written notice of default, which specifies the nature of the default.

12.3. **CITY's Remedies Upon Default.** Upon an Event of Default, CITY may terminate this Lease and remove WKRFA by summary proceedings or otherwise. CITY's reentry or repossession of the Property under this subsection shall not be construed as an election to terminate this Lease or cause a forfeiture of rents or other charges to be paid during the balance of the Term, unless CITY gives a written notice of termination to WKRFA or termination is decreed by legal proceedings.

13. **ENTRY BY THE CITY.** The CITY shall have the right to enter the Premises at any reasonable hour to inspect for compliance with the terms of this Lease upon twenty-four (24) hours notice. The CITY and/or CITY's agents shall comply with all of WKRFA's work safety rules and restrictions.

14. **NOTICE.** Any notices required or permitted under this Lease may be personally delivered, delivered by e-mail, or mailed by certified mail, return receipt requested, to the addresses listed on the signature page or to such other places as the parties may direct in writing from time to time. A notice shall be deemed given and delivered upon personal delivery, or three (3) days after being mailed as set forth above, whichever is applicable. A notice sent by email shall be deemed to have been received at the time shown in a delivery confirmation report generated by the sender's email system.

15. MISCELLANEOUS.

15.1. **Authority.** The CITY and WKRFA represent that each person signing this Lease on its behalf is authorized to do so.

- 15.2. Successors and Assigns. This Lease shall be binding upon and inure to the benefit of the parties, their successors, and assigns.
- 15.3. Headings. The headings used in this Lease are for convenience only and in no way define, limit, or extend the scope of this Lease or the intent of any provision.
- 15.4. Entire Agreement. This Lease, including the exhibits and addenda, if any, contains the entire agreement of the parties. All prior and contemporaneous agreements, promises, representations, and statements relating to this transaction or to the Premises, if any, are merged into this Lease.
- 15.5. Waiver. The waiver by the CITY of any breach or default of any term, covenant, or condition of this Lease shall not be deemed to be a waiver of such term, covenant, or condition; of any subsequent breach or default of the same; or of any other term, covenant, or condition of this Lease. The CITY's acceptance of a rental payment shall not be construed to be a waiver of any preceding or existing breach other than the failure to pay the particular rental payment that was accepted.
- 15.6. Cumulative Remedies. The rights and remedies of the CITY under this Lease are cumulative and in addition to all other rights and remedies afforded to the CITY by law or equity or otherwise.
- 15.7. Time is of the Essence. TIME IS OF THE ESSENCE as to each and every provision of this Lease.
- 15.8. Invalidity. If any provision of this Lease shall prove to be invalid, void, or illegal, it shall in no way affect, impair, or invalidate any other provision of this Lease.
- 15.9. Applicable Law and Venue. This Lease shall be interpreted and construed in accordance with the laws of the State of Washington. Any reference to a statute shall mean that statute as presently enacted or hereafter amended or superseded. Venue for any action arising out of or in connection with this Lease shall be in the Superior Court for Klickitat County, Washington.
- 15.10. Modification. Any modification of this Lease must be in writing and signed by the parties. The CITY shall not be bound by any oral representations or statements.
- 15.11. Quiet Enjoyment. The CITY covenants and agrees that WKRFA, upon performing the terms and conditions of the Lease, may peacefully hold and enjoy the Premises during said term without any interruption by the CITY, its successors or assigns, or any person or company lawfully claiming by or through it.
- 15.12. Recording of Short Form Lease. Neither the CITY nor WKRFA may record this Lease without the other's prior approval, but the parties will at any time at the request of either party promptly execute duplicate originals of an instrument, in recordable form, which will constitute a short form of this lease, setting forth a description of the Premises, the terms of this lease and other provisions hereof, except the rental and other provisions as either party may request, which may be recorded.

15.13. Duplicate Originals. This Lease Agreement may be executed in duplicate originals.

THIS AGREEMENT requires the signature of all parties and is executed as of the date of the last signature below.

DRAFT

**WEST KLICKITAT REGIONAL FIRE
AUTHORITY**

CITY OF WHITE SALMON

By: _____
Chief

By: _____

DATE: _____

DATE: _____

NOTICES TO BE SENT TO:

ATTEST:

City Clerk

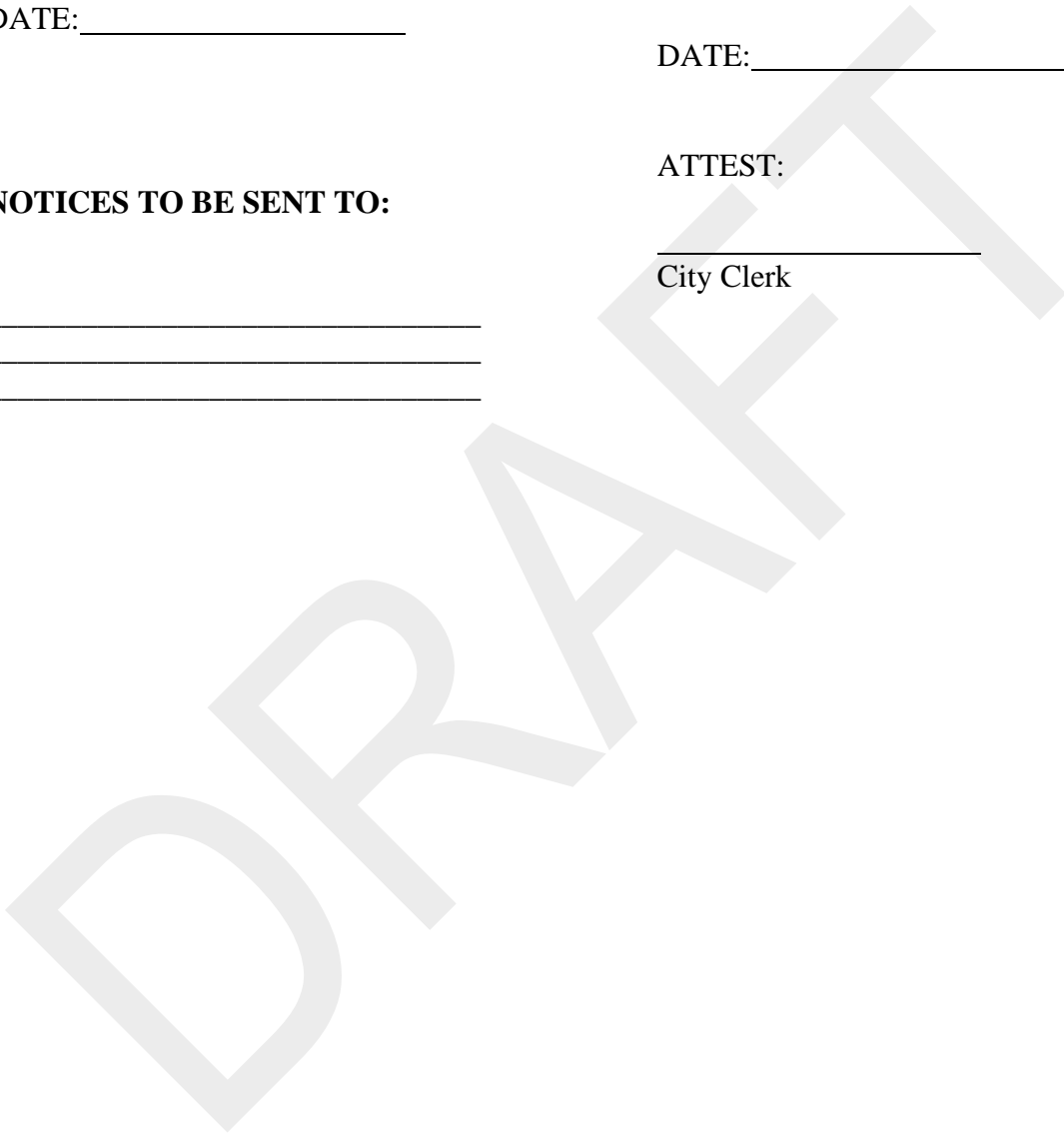


Exhibit A
Legal Description

DRAFT

Exhibit B
Property Description and Premises Identification

DRAFT