

THURSTON COUNTY AND INTERCITY TRANSIT LEASE AGREEMENT

This agreement is made and entered into this 22 day of June, 2010, by and between THURSTON COUNTY, a municipal corporation, hereinafter referred to as "COUNTY;" and INTERCITY TRANSIT, a municipal corporation, hereinafter referred to as "LESSEE".

The parties hereto, agree to the terms and conditions contained herein, as follows:

1. PARTIES. COUNTY and LESSEE are the PARTIES in this LEASE AGREEMENT.

2. PROPERTY. The real property to this LEASE AGREEMENT is situated in Thurston County, Washington, with a legal description as follows:

a) That part of the Northeast Quarter of Section 11, Township 18 north, Range 1 West, W.M. described as follows:

Commencing at the Section corner common to Sections 1 and 2, Township 19 North, Range 1 West, and Sections 11 and 12 Township 18 North, Range 1 West:

Thence North $1^{\circ}34'56''$ East along the East line of said Section 2 and along the Easterly boundary of Lot A of Thurston County Boundary Line Adjustment BLA-98052TC, as recorded under Thurston County Auditor's File No. 3198085 a distance of 30.00 feet; thence North $89^{\circ}13'57''$ West along the Northerly line of said Lot A a distance of 341.42 feet to the Point of Beginning;

Thence South 459.14 feet;

Thence North $71^{\circ}56'15''$ West 159.08 feet to the PC of a curve to the left having a radius of 290.00 feet;

Thence Westerly along said curve an arc length of 138.06 feet through a central angle of $27^{\circ}16'33''$;

Thence South $80^{\circ}47'11''$ West 233.08 feet:

Thence South $9^{\circ}12'49''$ East 20.00 feet;

Thence South $80^{\circ}47'11''$ West 88.31 feet;

Thence North $9^{\circ}12'49''$ West 20.00 feet;

Thence South $80^{\circ}47'11''$ West 174.42 feet;

Thence North 399.06 feet;

Thence North $89^{\circ}13'57''$ East 131.44 feet to the Easterly Margin of Hogum Bay Road NE and a point on a non-tangent curve to the left, the radius point of which bears South $88^{\circ}28'34''$ West 2895.00 feet;

Thence Northerly along said curve an arc length of 68.16 feet through a central angle of $1^{\circ}20'56''$ to the Northwest corner of said Lot A;

Thence North 64°12'31" East along the Northwesterly line of said lot A a distance of 49.05 feet;

Thence South 89°13'57" East along the Northerly line of said Lot A a distance of 866.95 feet to the point of beginning.

Containing 352,249.78 Square Feet, 8.09 Acres.

b) Exhibit A shows a map of the Property described in Section 2 (a).

3. LEASE. COUNTY agrees to lease the property described in Section 2 above to LESSEE.

4. TERM AND TERMINATION. The lease shall be for a term of twenty years, commencing on 6/22/10. LESSEE has the option to renew the lease for an additional twenty-year term, upon the expiration of the first twenty-year term. The COUNTY and LESSEE shall negotiate in good faith to renew the lease prior to the expiration of the second twenty-year term. The parties may terminate, extend or otherwise modify this agreement by mutual consent at any time.

LESSEE may terminate this agreement for convenience by providing a 120-day written notice of termination to the COUNTY.

In addition to any other right to terminate, LESSEE may terminate this agreement if any regulatory, land use or other permit needed to construct or operate the park and ride facility is denied, or in LESSEE's opinion, cannot be obtained with acceptable conditions.

The LESSEE, its agents and engineering firm have the knowledge that the landfill is permitted by Thurston County Environmental Health (TCEH) and the Olympic Regional Clean Air Authority (ORCAA) and that all construction on the park and ride site shall be monitored and approved by these agencies. The LESSEE, its agent, and engineering firm agree to work with these regulatory agencies through the design and construction of the park and ride. Any failure to follow regulatory requirements administered by those agencies in the design, construction and operation of the park and ride which may harm the COUNTY shall be the sole responsibility of the LESSEE. Any finally adjudicated breach by LESSEE of a regulatory obligation is also a breach of this agreement.

Upon receipt of a written notice of termination or upon termination otherwise, all responsibilities for the park and ride lot area shall revert back to the COUNTY, except as expressly provided in this Agreement.

LESSEE shall remove items from the property after termination as specified in Section 11.

All provisions of this Agreement dealing with liability and indemnification survive the termination of this Agreement.

5. INTENDED USE. LESSEE is authorized to use the property described in Section 2 for the purpose of developing and operating a “park and ride” facility accommodating approximately 300 vehicles. The park and ride lot may include a paved parking area, paved accesses for motor vehicles, including buses, transit shelter structures, driver restrooms, storm water facilities, park and ride lot lighting and light poles, telephones, transit information aids, bicycle racks/lockers, and such other fixtures and appurtenances which may be installed within or adjacent to the shelters for the purposes of passenger comfort, information and safety, provided that such operations are located so as not to interfere with COUNTY operations.

LESSEE is also authorized to carry out the compression or preloading of the site, the work on the landfill gas collection system, and the reconstruction of the cover/cap.

Upon completion of the park and ride facility, the LESSEE shall provide as-built descriptions of the storm water facilities and the gas collection system that the LESSEE has had constructed as improvements to the lease site. These descriptions shall be attached to this agreement. The description of the storm water facilities shall be attached as Exhibit B and the description of the gas collection system shall be attached as Exhibit C.

LESSEE agrees that no additional use will be commenced on such areas without first obtaining written authorization from COUNTY. COUNTY shall be allowed access to any area for purposes of carrying out this LEASE AGREEMENT.

6. HOURS OF OPERATION. LESSEE may operate the park and ride lot twenty-four hours a day, seven days a week.

7. PERMANENT STRUCTURES. COUNTY agrees that LESSEE may locate permanent facilities as described in Section 5 for a park and ride operation and other related activities in the area describe in Section 2.

8. UTILITIES. LESSEE shall provide and pay for all utilities on the PROPERTY, including but not limited to water, electricity, storm water utility rates, and garbage at its sole expense. LESSEE shall be responsible for maintaining the utilities and storm water facilities installed as part of LESSEE’S improvements to the park and ride lease site. LESSEE shall have the right to continue to convey water runoff to the existing COUNTY facilities without charge.

9. YEARLY RENT. LESSEE shall pay COUNTY a yearly rental amount of \$1.00.

10. MUTUAL BENEFIT COUNTY and LESSEE agree that development of the park and ride facility, including use by transit vehicles, is of mutual benefit to COUNTY and LESSEE and the citizens of Thurston County. COUNTY and LESSEE agree to, in good faith, jointly investigate other opportunities that may arise in regards to future development or enhancement of the park and ride site, that may be of mutual benefit to COUNTY and LESSEE. Upon sufficient investigation, COUNTY and LESSEE may choose to negotiate and enter into an agreement to participate in such an opportunity or either party may decline.

11. REMOVAL OF LESSEE PROPERTY. LESSEE shall remove all buildings, telephones, communication devices, transit aids and debris from the PROPERTY within 90 days of the effective date of termination unless the COUNTY and LESSEE agree in writing that any remain. Unless COUNTY and LESSEE otherwise agree in writing, LESSEE has no obligation to remove any pavement, utilities, gas collection system or anything other than the items listed above.

If any property which the LESSEE is required to remove remains on the property 90 days after termination or expiration of this LEASE AGREEMENT, an amount of \$2,000.00 per month will accrue until removal is complete. This provision will not be applied to property which COUNTY and LESSEE agree in writing will permanently become the property of the COUNTY.

12. EASEMENT ROAD ACCESS. COUNTY foresees a benefit to itself for the use of the easement road as described in Section 2 and COUNTY reserves the right to use the easement road. Such use would be only for the passage of COUNTY staff vehicles, their agents, contractors, or consultants, and passage of emergency vehicles. The easement road shall not be used for the passage of public vehicles accessing COUNTY facilities. If the COUNTY requires additional use of the said easement, COUNTY and LESSEE will negotiate in good faith to adjust terms of this agreement.

13. RESPONSIBILITY OF LESSEE. During the lease term and any renewal thereof, LESSEE shall be responsible for routine maintenance of that part of the easement road which accesses the site as described in Section 2, as shown in Exhibit A.

a. LESSEE shall be responsible for the day-to-day management and operation of the park and ride lot, personnel management, materials, equipment and supplies necessary for the operation of the facility.

b. LESSEE shall be responsible for the general maintenance of the park and ride lot, including landscaping, sweeping, collection and disposal of litter, lot signage, paint striping, pavement repair, and snow and ice removal.

c. LESSEE shall be responsible for the routine maintenance of the park and ride lot and access road pavement.

d. LESSEE shall be responsible for the maintenance and operation of any shelters, driver restrooms, lighting and light poles, telephones, communication devices, transit information aids, bicycle racks/lockers and any other improvements that LESSEE has installed as part of the park and ride facility except for the gas collection system and landfill cap/cover. LESSEE shall be responsible for operating and maintaining the storm water facilities that LESSEE has installed as part of its improvements to the park and ride lease site.

e. LESSEE shall design the gas collection system and landfill cover/cap within the standard of care required by design professionals and warrant the construction and installation of the gas collection system and the landfill cap/cover within the lease area as described in Section 2. The gas collection system and the landfill cap/cover shall be constructed to conform to the

standards under WAC 173-350 and WAC 173-351. The COUNTY shall maintain ownership of the gas collection system and cover/cap within the lease area.

14. RESPONSIBILITY OF COUNTY. During the lease term and any renewal thereof, COUNTY shall be responsible for maintenance of the Waste and Recovery Center (WARC) unless these activities are the responsibility of another party through contract.

a. COUNTY shall be responsible for the day-to-day-management of the WARC site operations, including: access roads, public recycling facility, moderate risk waste facility (Hazohouse), tollhouses, transfer station, yard waste collection site, public tipping area, Closed Loop park, off-leash dog park facility and county office(s) and maintenance facilities, unless these activities are the responsibility of another party through contract.

b. COUNTY shall be responsible for the operation and maintenance of the closed landfill environmental system including, storm water management system, methane gas system, leachate collection system, monitoring wells, and ground settlement management as required through 173-350-500 WAC, landfill closure and post-closure care. COUNTY shall be responsible for the operation and maintenance of the storm water management system except for that portion of the storm water management system under LESSEE'S responsibility as described in Section 13.

c. COUNTY shall promptly repair damage to the park and ride lot, access road pavement, transit shelter structure or structures, gas collection and emission system, landfill cap, storm water facilities and any other facility installed by LESSEE, caused by the burning of any gas or emission at the WARC site, the emission of any gas or liquid from the WARC site, any explosive events originating below ground, or any contamination from the WARC site.

d. If the COUNTY has reason to believe that a release of any material, liquid or gas from the WARC site may threaten the public health or safety, it shall take all actions required by state or federal law to address such release.

15. SUCCESSORS IN INTEREST. This LEASE AGREEMENT shall be binding upon and inure to the benefit of the heirs, successors, assigns, and transferees of the parties hereto.

16. DEFAULT BY THE LESSEE. The occurrence of any one or more of the following events shall constitute a material default in breach of this LEASE AGREEMENT by LESSEE:

- a. Failure by LESSEE to make any payment required as and when due, where such failure shall continue for a period of thirty (30) days after due date.
- b. Failure by LESSEE to observe or perform any of the covenants, conditions or provisions of this LEASE AGREEMENT for a period of thirty (30) days.
- c. Except as expressly permitted hereunder, any attempted conveyance, assignment, mortgage, or subletting of the PREMISES herein.

Upon written notice of default to LESSEE, COUNTY shall have the right to pursue any and all remedies available to it under Washington law.

17. NOTICES. Any notice in connection with this LEASE AGREEMENT shall be sent by certified mail with the requisite postage prepaid to the parties hereto at the following addresses:

LESSEE: Manager, Intercity Transit, 526 Pattison SE, Olympia, WA 98501

COUNTY: Director or Designee, Thurston County Public Works, 2404-A Heritage Court SW, Olympia, WA 98502.

18. ALTERATIONS. LESSEE will not make any alterations, additions or improvements on the PROPERTY, other than those authorized in this lease agreement, without the prior written consent of COUNTY. Any alterations, additions and/or improvements made by LESSEE shall be at the sole cost and expense of LESSEE. Subject to all other provisions of this lease, LESSEE agrees to hold harmless COUNTY from damage, claim, loss, or expense arising out of said alterations, additions, and/or improvements, including any liens that may be placed on the PREMISES as a result of such work. LESSEE shall be responsible for acquiring any required Building Permits.

LESSEE and any other person using the site shall submit to the COUNTY a site plan for any improvement or alteration of the features of the leased area. A site plan is a detailed drawing of a proposed improvement or use showing all buildings, utilities, facilities and other improvements to the real property.

19. ASSIGNMENT AND SUBLETTING. LESSEE shall not have the right, voluntarily or involuntarily, to assign, convey, transfer, mortgage or sublet the whole or any part of the Premises under this Lease.

20. HAZARDOUS MATERIALS. LESSEE agrees that LESSEE shall not use, generate, treat, store or dispose of Hazardous Material on the property defined as the lease site in Section 2, except in accordance with any law, ordinance, rule or regulation of any governmental authority having jurisdiction of the lease site. If LESSEE breaches the obligations stated in the preceding sentence, or if the presence of Hazardous Material on the property caused or permitted by LESSEE results in contamination of the property, then LESSEE shall indemnify, defend and hold COUNTY harmless from any and all claims, judgments, damages, penalties, fines, costs, liabilities, or losses (including without limitation diminution in value of the property, and sums paid in settlement of claims, attorneys' fees, consultant fees and expert fees) which arise during or after the Lease Term as a result of such contamination. This indemnification of COUNTY by LESSEE includes, without limitation, costs incurred in connection with any investigation of site conditions or any clean-up, remediation, removal or restoration work required by any federal, state or local governmental agency, political subdivision, lender or buyer because of Hazardous Material present in the soil or groundwater on or under the lease site, diminution in value of the property, and sums paid in settlement of claims, attorneys' fees, consultant fees, laboratory fees and expert fees. Without limiting the foregoing, if the presence of any Hazardous Material on the property caused or permitted by LESSEE results in any contamination of the property,

LESSEE shall promptly take all actions at its sole expense as are necessary to return the Premises to the condition existing prior to the contamination of the property by any such Hazardous Material; provided, however, COUNTY'S approval of such action shall first be obtained, which approval shall not be unreasonably withheld.

LESSEE will deliver to COUNTY copies of any documents received from, or sent by LESSEE to, the United States Environmental Protection Agency and/or any state, county or municipal environmental or health agency concerning LESSEE'S operations on the property.

As used herein, the term "Hazardous Material" means any substance which is (i) designated, defined, classified or regulated as a hazardous substance, hazardous material, hazardous waste, pollutant or contaminant under any Environmental Law, as currently in effect or as hereafter amended or enacted, (ii) a petroleum hydrocarbon, including crude oil or any fraction thereof and all petroleum products, (iii) PCBs, (iv) lead, (v) asbestos, (vi) flammable explosives, (vii) infectious materials, or (viii) radioactive materials. "Environmental Law(s)" means the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, 42 U.S.C. § 9601 *et seq.*, the Resource Conservation and Recovery Act of 1976, 42 U.S.C. § 6901 *et seq.*, the Toxic Substances Control Act, 15 U.S.C. § 2601 *et seq.*, the Hazardous Materials Transportation Act, 49 U.S.C. § 1801 *et seq.*, the Clean Water Act, 33 U.S.C. § *et seq.*, and the Washington Model Toxics Control Act, Chapter 70.105D, Revised Code of Washington, as said laws have been supplemented or amended to date, the regulations promulgated pursuant to said laws and any other federal, state or local law, statute, rule, regulation or ordinance which regulates or proscribes the use, storage, disposal, presence, clean-up, transportation or release or threatened release into the environment of Hazardous Material.

- a. Section 20 does not apply to emissions into the air of petroleum products from motor vehicles.
- b. Section 20 does not apply to any hazardous materials on or under the lease site when LESSEE takes possession under this lease, or any hazardous materials which migrate onto or under the lease site from any other property, including but not limited to any other portion of the WARC site, or to any hazardous materials generated from or by such materials.
- c. COUNTY is responsible for prompt clean up of any spills or releases on the portion of the easement road that is on the lease site if the spills or releases are from COUNTY traffic on the easement road.

21. LIABILITY INSURANCE.

- a. **Workers' Compensation:** LESSEE shall maintain workers' compensation coverage as required by Title 51, RCW, and shall provide evidence of coverage to the COUNTY representative.
- b. **Commercial General Liability:** LESSEE shall maintain Commercial General Liability coverage for bodily injury, personal injury, and property damage, subject

to limits of not less than \$5,000,000 per loss. LESSEE's Commercial General Liability insurance shall include the COUNTY as additional insured, with respect to performance of services and shall contain no special limitations on the scope of protection afforded to COUNTY as additional insured. LESSEE will provide Commercial General Liability coverage that does not exclude any activity to be performed in fulfillment of this Agreement. Specialized forms specific to the industry of LESSEE will be deemed equivalent provided coverage is no more restrictive than would be provided under a standard Commercial General Liability policy, including contractual liability coverage.

- c. Automobile Liability: LESSEE shall maintain Business Automobile Liability insurance or equivalent form with a limit of not less than \$5,000,000.00 each accident combined Bodily Injury and Property Damages. Coverage shall include owned, hired and non-owned automobiles and public transport.
- d. Other Insurance Provisions:
 - i. LESSEE'S liability insurance provisions shall be primary with respect to any insurance or self-insurance programs covering COUNTY, its elected and appointed officers, officials, employees and agents.
 - ii. For required liability coverages, any failure to comply with reporting provisions of the policies shall not affect coverage provided to COUNTY, its officers, officials, employees or its agents.
 - iii. LESSEE'S insurance shall apply separately to each insured against whom a claim is made or suit is brought, except with respect to the limits of the insurer's liability.
 - iv. The insurance limits mandated for any insurance coverage required by this Agreement are not intended to be an indication of exposure nor are there limitations or indemnifications.
 - v. LESSEE shall maintain all required policies in force from the time services commence until services are completed. Certificates, policies, and endorsements expiring before completion of services shall be promptly replaced.
- e. Verification of Coverage and Acceptability of Insurers: If LESSEE is self-insured, or is a member of a self-insurance pool, a certification of self-insurance covering the activities of LESSEE shall constitute compliance with these insurance requirements. Upon request, LESSEE shall submit documentation demonstrating its compliance with this insurance requirement.
 - i. LESSEE shall furnish COUNTY with properly executed certificates of insurance or a signed policy endorsement which shall clearly evidence all insurance required in this section within ten (10) days after the effective date of the contract. The certificates will, at a minimum, list limits of liability and coverage. The certificate will provide that the underlying

insurance contract will not be canceled, or allowed to expire, except on thirty (30) days prior written notice to COUNTY.

- ii. LESSEE shall furnish COUNTY with evidence that the additional insured provision required above has been met. Acceptable forms of evidence are the endorsement pages of the policy showing COUNTY as an additional insured.
- iii. Certificates of Insurance shall show the Certificate Holder as Thurston County and include c/o of the Office or Department issuing the Contract. The address of the Certificate Holder shall be shown as the current address of the Office or Department.
- iv. LESSEE shall request the Washington State Department of Labor and Industries, Workers Compensation Representative, send written verification to Thurston County that LESSEE is currently paying Workers Compensation.
- v. Written notice of cancellation or change shall be mailed to COUNTY at the following address:
 - Attn: Risk Analyst or Designee
 - Human Resources
 - 921 Lakeridge Drive S.W.
 - Olympia, WA 98502
- vi. LESSEE or its broker shall provide a copy of any and all insurance policies specified in this Contract upon request of the Thurston County Risk Analyst.

22. LIABILITY. As between the parties, the COUNTY is solely responsible for maintaining the WARC site in compliance with all applicable closure and post-closure requirements. As between the parties, the COUNTY is solely responsible for liability of any sort arising from application of the state Model Toxics Control Act, Chap. 70.105D RCW, the federal Comprehensive Environmental Response, Compensation and Liability Act, as amended, or any other state or federal statute or case law doctrine to the extent liability is imposed related to any materials or wastes above or below ground at the WARC site or emitted from the WARC site, except materials or wastes deposited or caused to escape by the actions of the LESSEE or its contractors under this agreement.

As between the parties, the COUNTY shall be solely liable for all personal injury, property damage or other liability of any sort arising out of or in connection with the following, except to the extent caused by the actions of the LESSEE or its contractors under this agreement:

- a. The burning of any gas or emission at the WARC site, the emission of any gas or liquid from the WARC site or any solid, liquid or gaseous contamination from the

WARC site. This includes but is not limited to damage from vehicular and other accidents which are caused in whole or in part by such burning, emissions or contamination.

- b. Explosive events originating below ground at the park and ride lot or access road. This includes but is not limited to damage from vehicular and other accidents which are caused in whole or in part by such explosive events.

23. INDEMNITY AND CONTRIBUTION.

- a. Each party shall hold harmless, indemnify and defend the other party, its officers, officials, employees and agents, from and against any and all claims, actions, suits, liability, losses, expenses, damages, loss of grant funding and judgments of any nature whatsoever, including costs and attorneys fees in defense thereof, for injury, sickness, disability or death to persons, damage to property or business, or other loss caused by or arising out of the indemnifying party's acts, errors or omissions or the acts, errors or omissions of its officers, employees, agents, subcontractors or anyone for whose acts any of them may be liable, in the performance of this Contract. PROVIDED, HOWEVER, that the obligations hereunder shall not extend to injury, sickness, death or damage caused by or arising out of the sole negligence of the other party, its officers, officials, employees or agents. PROVIDED FURTHER, that in the event of the concurrent negligence of the parties, obligations hereunder shall apply only to the percentage of fault attributable to the indemnifying party, its employees, agents or subcontractors.

- b. In any and all claims against a party, its officers, officials, employees and agents by any employee of the other party, subcontractor, anyone directly or indirectly employed by any of them, or anyone for whose acts any of them may be liable, the indemnification obligation under this Section shall not be limited in any way by any limitation on the amount or type of damages, compensation, or benefits payable under Worker's Compensation acts, disability benefits acts, or other employee benefits acts, it being clearly agreed and understood by the parties hereto that each party expressly waives any immunity it might have had under Title 51 RCW for this purpose. By executing the Contract, each party acknowledges that the foregoing waiver has been mutually negotiated by the parties and that the provisions of this Section shall be incorporated, as relevant, into any contracts either party makes with any subcontractor or agent performing work hereunder.

- c. The obligations hereunder shall include, but are not limited to, investigating, adjusting and defending all claims alleging loss from action, error or omission, or breach of any common law, statutory or other delegated duty by a party or its employees, agents or subcontractors.

In the case of wrongful or negligent acts or omissions on the part of more than one party, any damages allowed shall be levied in proportion to the percentage of fault attributable to each party. Each party hereto shall have the right to seek contribution from the other party in proportion to the percentage of negligence attributable to that other party.

24. NON-WAIVER OF BREACH. The failure of COUNTY or LESSEE to insist upon strict performance of the covenants and agreements of this lease, or to exercise any option herein conferred in any one or more instances, shall not be construed to be a waiver or relinquishment of any such, or any other covenants or agreements, but the same shall be and remain in full force and effect.

25. MODIFICATION. This LEASE AGREEMENT may only be modified upon the mutual, written agreement of the parties.

26. CHOICE OF LAW. This LEASE AGREEMENT has been and shall be construed as having been made and delivered within the State of Washington and it is agreed by each party hereto that this LEASE AGREEMENT shall be governed by the laws of the State of Washington, both as to its interpretation and performance.

27. JURISDICTION. Any action at law, suit in equity, or judicial proceeding arising out of this LEASE AGREEMENT shall be instituted and maintained only in any of the courts of competent jurisdiction in Thurston County.

28. SEVERABILITY. The parties understand and agree that if a court holds any part, term, or provision of this LEASE AGREEMENT to be illegal, or invalid in whole or in part, the validity of the remaining provisions shall not be affected, and the parties' rights and obligations shall be construed and enforced as if the LEASE AGREEMENT did not contain the particular invalid provision.

29. NONDISCRIMINATION. LESSEE, its assignees, delegates or subcontractors shall not discriminate against any person in the performance of any of its obligations hereunder on the basis of race, color, creed, ethnicity, religion, national origin, age, sex, marital status, veteran status, sexual orientation or the presence of any disability. Implementation of this provision shall be consistent with RCW 49.60.400.

30. AGREEMENT TO TOUCH AND RUN WITH THE LAND. The parties agree that the agreements herein are intended to touch and run with the land and shall be binding on all heirs, successors in interest and assigns of either party.

31. INTEGRATION. This LEASE AGREEMENT embodies the whole agreement of the parties. There are no promises, terms, conditions or obligations other than those contained herein; and this LEASE AGREEMENT shall supersede all previous communications, representations or agreements, either verbal or written, between the parties. However the license agreement of December 10, 2009, between the parties shall remain in effect according to its terms.

IN WITNESS WHEREOF, the LESSEE and the COUNTY have caused this LEASE AGREEMENT to be executed this 22 day of June, 2010.

LESSOR: Thurston County

LESSEE: Intercity Transit

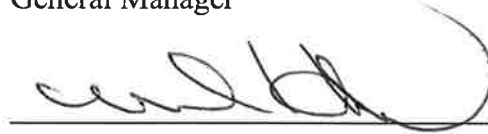
BOARD OF COUNTY COMMISSIONERS
Thurston County, Washington

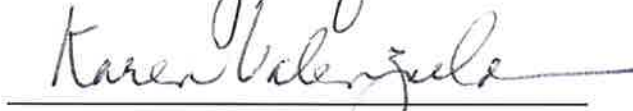
INTERCITY TRANSIT
Olympia, Washington


Chair

General Manager


Vice-Chair



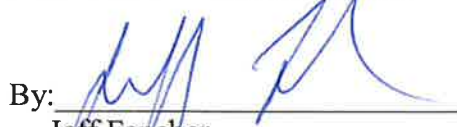

Commissioner

ATTEST:


Clerk of the Board

APPROVED AS TO FORM:

EDWARD G. HOLM
PROSECUTING ATTORNEY

By: 
Jeff Fancher
Deputy Prosecuting Attorney

Attn: Marilyn Hemmann, Procurement
Intercity Transit
526 Pattison SE
Olympia, WA 98501

Document Title: THURSTON COUNTY AND INTERCITY TRANSIT LEASE AGREEMENT

Grantor: Thurston County (found on page 1 of the lease)

Grantee: Intercity Transit (found on page 1 of the lease)

Abbreviated legal description: That part of the Northeast Quarter of Section 11, Township 18 north, Range 1 West...(remaining legal description can be found on pages 1 and 2 of the lease document)

Assessor's Property Tax Parcel Number: 11811110000

4160132

07/14/2010 10:22 AM Lease
Thurston County Washington
INTERCITY TRANSIT

Pages: 13



**2010 AMENDMENT
Thurston County/Intercity Transit
Amendment No. 1**

THURSTON COUNTY AND INTERCITY TRANSIT LEASE AGREEMENT

THIS 2010 AMENDMENT, the first amendment to the Thurston County and Intercity Transit Lease Agreement, is incorporated into the Original Agreement, Thurston County and Intercity Transit Lease Agreement ("AGREEMENT"), dated June 22, 2010. This Amendment is hereby made by and between Thurston County ("LESSOR") and Intercity Transit ("LESSEE"), to be effective on the date executed below.

WHEREAS, LESSEE and LESSOR desire to amend the AGREEMENT to correct a term contained in the legal description of the real property in Section (2) PROPERTY; and

WHEREAS, except as specifically amended or supplemented in this Amendment, the AGREEMENT shall remain in full force and effect.

NOW, THEREFORE, LESSOR and LESSEE agree that Section 2(a) of the AGREEMENT be amended as follows:

2. PROPERTY. The real property to this LEASE AGREEMENT is situated in Thurston County, Washington, with a legal description as follows:
 - a) That part of the Northeast Quarter of Section 11, Township 18 north, Range 1 West, W.M. described as follows:

Commencing at the Section corner common to Sections 1 and 2, Township 19 North, Range 1 West, and Sections 11 and 12 Township 18 North, Range 1 West:

Thence North 1°34'56" East along the East line of said Section 2 and along the Easterly boundary of Lot A of Thurston County Boundary Line Adjustment BLA-98052TC, as recorded under Thurston County Auditor's File No. 3198085 a distance of 30.00 feet; thence North 89°13'57" West along the Northerly line of said Lot A a distance of 341.42 feet to the Point of Beginning;

Thence South 459.14 feet;

Thence North 71°56'15" West 159.08 feet to the PC of a curve to the left having a radius of 290.00 feet;

Thence Westerly along said curve an arc length of 138.06 feet through a central angle of 27°16'33";

Thence South 80°47'11" West 233.08 feet;

Thence South 9°12'49" East 20.00 feet;

Thence South 80°47'11" West 88.31 feet;

Thence North 9°12'49" West 20.00 feet;

Thence South 80°47'11" West 174.42 feet;

Thence North 399.06 feet;

Thence North 89°13'57" West 131.44 feet to the Easterly Margin of Hogum Bay Road NE and a point on a non-tangent curve to the left, the radius point of which bears South 88°28'34" West 2895.00 feet;

Thence Northerly along said curve an arc length of 68.16 feet through a central angle of 1°20'56" to the Northwest corner of said Lot A;

Thence North 64°12'31" East along the Northwesterly line of said lot A a distance of 49.05 feet;

Thence South 89°13'57" East along the Northerly line of said Lot A a distance of 866.95 feet to the point of beginning.

Containing 352,249.78 Square Feet, 8.09 Acres.

By signature below, LESSOR and LESSEE affirm agreement with the terms and conditions set forth in this 2010 Amendment, the first Amendment to the Thurston County and Intercity Transit Lease Agreement.

LESSOR: Thurston County

LESSEE: Intercity Transit

BOARD OF COUNTY COMMISSIONERS
Thurston County, Washington

INTERCITY TRANSIT
Olympia, Washington

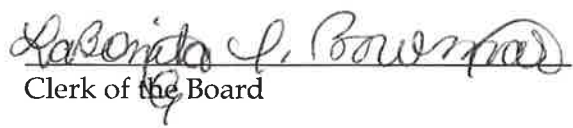

Chair


General Manager


Vice-Chair



Commissioner

ATTEST:


Clerk of the Board

APPROVED AS TO FORM:

EDWARD G. HOLM
PROSECUTING ATTORNEY

By: 
Jeff Fancher
Deputy Prosecuting Attorney

Attn: Marilyn Hemmann, Procurement
Intercity Transit
526 Pattison SE
Olympia, WA 98501

Document Title: AMENDMENT NO. 1 -- THURSTON COUNTY AND INTERCITY TRANSIT LEASE AGREEMENT

Grantor: Thurston County (found on page 1 of the amendment)

Grantee: Intercity Transit (found on page 1 of the amendment)

Abbreviated legal description: That part of the Northeast Quarter of Section 11, Township 18 north, Range 1 West...(remaining legal description can be found on pages 1 and 2 of the amendment document)

Assessor's Property Tax Parcel Number: 11811110000

RECORDING NUMBER OF ORIGINAL
LEASE AGREEMENT #4160132

