

KITTITAS COUNTY  
DEPARTMENT OF PUBLIC WORKS

**AGENDA STAFF REPORT**

**AGENDA DATE:** December 19, 2017

**ACTION REQUESTED:** Approve the Amendment to Lease with Central Washington University Adding Limited Fixed Base Operator Services at Bowers Field

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**BACKGROUND:** Recently, the Board of County Commissioners (BOCC) directed staff prepare a lease amendment to Central Washington University's (CWU) lease of the County's main hangar facility at Bowers Field. The BOCC desires receiving limited FBO services from CWU solicited from a recent Request for Proposal advertising process. The cost of the CWU service package is \$30,500 per year; up from \$20,000 per year from a similar package provided by Midstate Aviation.

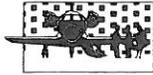
**INTERACTION:** Public Works

**RECOMMENDATION:** Authorize the lease amendment with CWU adding limited FBO services.

**HANDLING:** Return one original to Public Works

**ATTACHMENTS:** Exhibit 1: Lease Amendment with CWU

**LEAD STAFF:** Mark R. Cook, Director



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**THIS ADDENDUM TO LEASE is made and dated this \_\_\_\_ day of December, 2017, by and between Kittitas County, a municipal corporation in the State of Washington, hereinafter referred to as the LESSOR, and CENTRAL WASHINGTON UNIVERSITY, and hereinafter referred to as the LESSEE.**

**WITNESSETH:**

**WHEREAS, LESSOR and LESSEE assumed Midstate Aviation's lease pursuant to Resolution 2016-146 entered into on November 8, 2016, a copy of which is attached hereto and by this reference incorporated herein; and**

**WHEREAS, the Kittitas County Board of County Commissioners desires accepting limited Fixed Base Operator services from Central Washington University;**

NOW, THEREFORE, IT IS HEREBY AGREED by and between the parties to a change in contract terms as follows:

**1) Paragraph: "Credit for FBO Services is changed to read: Credit for Limited FBO Services" with additional changes as follows:**

**Under the County lease, Central Washington University is entitled to a rent credit of \$30,500 per year for providing the limited FBO services described on Exhibit B (Revised) of the County Lease (attached as EXHIBIT 1). Central Washington University shall be entitled to continue to receive \$30,500 per year credit for twelve (12) months after the effective Date of this Agreement.**

**2) Paragraph: "Sale of Aviation Fuels" is removed from the lease.**

- 3) Paragraph: "NOTICES" is changed to remove Midstate Aviation and replace with:  
**Central Washington University**  
**Contract and Procurement**  
**400 East University Way**  
**Ellensburg, WA 98926-7480**
- 4) Resolution No. 2015-146 is replaced with Resolution No. \_\_\_\_.
- 5) Exhibit B of the Midstate Aviation lease is replaced with "Exhibit B (Revised) attached to and made a part of this lease.

All other terms and conditions of the aforementioned lease shall remain the same.

IN WITNESS WHEREOF, the Lessor and Lessee have signed their names and affixed their seals the day and year first above written.

**LESSOR:**

BOARD OF COUNTY COMMISSIONERS  
KITTITAS COUNTY, WASHINGTON

ATTEST:

\_\_\_\_\_  
Clerk of the Board

\_\_\_\_\_  
Paul Jewell, Chairperson

Approved as to Form:

\_\_\_\_\_  
Laura Osiadacz, Vice-Chair

\_\_\_\_\_  
Prosecuting Attorney  
WSBA # \_\_\_\_\_

\_\_\_\_\_  
Obie O'Brien, Commissioner

**LESSEE:**

  
\_\_\_\_\_  
Paul Ballard  
Central Washington University

*DS 12/12/17*

**EXHIBIT 1  
(County Lease)**



KITTITAS COUNTY AIRPORT  
DEPARTMENT OF PUBLIC WORKS

LEASE

COPY

THIS LEASE made and entered into this 27th day of October, 1998, by and between Kittitas County, a municipal corporation in the State of Washington, hereinafter referred to as the LESSOR, and MIDSTATE AVIATION, INC., a Washington corporation, hereinafter referred to as the LESSEE.

**WITNESSETH:**

The Lessor hereby agrees to lease to the Lessee, and the Lessee hereby agrees to lease from the Lessor, the real property described as follows:

See Exhibit "A" attached hereto.

Containing 95,396 square feet, more or less

This lease is made in accordance with RCW 36.34.

**TERM:** The term of this lease shall be for twenty-five (25) years and will commence on the 1st day of November, 1998, and terminate on the last day of October, 2023, except as provided hereunder.

**RENT:** Rent shall be paid in advance on a monthly basis, with the first payment due on or before the 1st day of November of each year beginning with November 1, 1998, and continuing thereafter until termination of this lease. The rental for each year shall be as follows:

11/01/98 – 10/31/04  
Land lease rate - 95,396 sq feet @ 6 cents pr sq ft = \$ 5,724 per year

11/01/98 – 10/31/04  
Main hangar building lease rate @ \$2.00 per sq ft = \$40,000 per year

11/01/98 – 10/31/04 (6,534 sq ft)  
Land lease for Moe building site @ 6 cent pr sq ft = \$ 392 per year

**INVESTMENT CREDIT (20 YEARS)**

11/01/98 – 10/31/99 = [\$ 10,000]  
11/01/99 - 10/31/00 = [\$ 10,000]  
11/01/00 – 10/31/01 = [\$ 7,500]  
11/01/01 - 10/31/18 = [\$ 7,500] per year

(This credit represents the investment Midstate Aviation paid for improvements into the new main hangar construction)

#### CREDIT FOR FBO SERVICES

A credit of not less than \$20,000.00 per year shall be given to Lessee as long as Lessee provides the current level of services described in Exhibit "B" attached hereto. The credit shall be reviewed each year. If Lessee fails to perform all or a portion of the services, the credit shall be prorated to reflect the actual services performed for that year.

#### ADJUSTMENT OF RENTAL.

After the fifth year, the Lessor shall have the right to readjust the rent on or before November 1 of the fifth, tenth, fifteenth and twentieth year of this lease for each following five year period; provided, however that any increase shall NOT EXCEED THE CUMULATIVE EFFECT OF THE CPI INDEX OVER THE PREVIOUS FIVE YEARS.

If the Lessee does not agree with the rental, the Lessee may request arbitration. If the Lessee elects to arbitrate, the Lessee shall select one arbitrator and the County shall select one arbitrator and the two so chosen shall select a third arbitrator. The arbitrators shall have the authority to increase the rent or continue the previous rental and both parties shall be bound by the decision of the arbitrators. The cost of arbitration shall be borne by the Lessee.

LEASEHOLD TAX: In addition to any rental herein provided, the Lessee shall pay to the Lessor the leasehold tax as set forth by the State of Washington in Chapter 61, Laws of 1976, Second Executive Session (R.C.W. 62.29A) or as amended. The tax shall be due and payable at the same time the rental charged herein is due and payable.

FIRE PROTECTION ASSESSMENT: In addition to any rental herein provided, the Lessee shall pay an annual fee which shall be in lieu of taxes for fire protection services, a sum equal to \$1.00 (plus any special levies of the Fire District which has received voter approval) per \$1,000.00 of appraised value of land and improvements of the leased premises. The value of the leased premises shall be determined by the Kittitas County Assessor. This fee shall be due annually each and every year during the term and shall be due and payable on the 1st day of March of each year.

UTILITIES: The Lessee shall pay for extension of and all utility services supplied to the premises. Any such extensions shall be subject to the advance review of the Lessor.

PURPOSE: The Lessee shall utilize the premises for the rental of aircraft, flying lessons, providing fuel and repair services to aircraft and any other approved aviation related activities.

SALE OF AVIATION FUELS: The Lessee shall sell and dispense during reasonable business hours aviation fuels of the types and volumes required (and which are available for resale) by the users of the airport facilities. The Lessee shall collect a fuel flowage fee as established by the County and shall remit all fees collected to the County on a quarterly basis. The County shall have the right to audit the fuel sales and use. The County shall notify the Lessee of any ordinances or resolutions which may periodically change the fuel flowage fee.

The Lessor shall be responsible for the repair and maintenance of the fuel facility equipment.

The Lessee shall be responsible for the day-to-day operations of the fuel facility equipment.

RULES AND REGULATIONS: The Lessee agrees to comply with all pertinent rules and regulations of the federal, state and local governments, as well as the rules, regulations, ordinances, and minimum standards of the Kittitas County Airport (Bowers Field), as are presently in effect and may in the future be adopted. The rules, regulations, ordinances and minimum standards of the Kittitas County Airport (Bowers Field) are made a part of this Agreement and shall have the same effect as though written herein. A copy of the Kittitas County Airport Standards is on file in the office of the Kittitas County Department of Public Works.

LESSEE'S BUILDINGS: The County hereby acknowledges that the Lessee owns the original Midstate Aviation office building (purchased from Ellensburg Flying Service, 40' x 55' office building) and the trailers on the previous Midstate Aviation lease. At the end of the term (including any accelerated termination) of this lease, the Lessee shall remove said buildings from the premises within 30 thirty days. Failure to remove shall cause said improvements to become the property of the Lessor. All costs for such removal, including costs to remove debris from the site, repair any damages, and provide tie offs for utility connections to the satisfaction of the Lessor, shall be the sole responsibility of the Lessee.

CONSTRUCTION: Any new proposed structures or improvements shall conform to required minimum setbacks as determined by the Kittitas County Building Department. Prior to construction, the Lessee shall submit a written plan and specifications for the construction work, including any proposed extension of utilities, and said improvements shall not be constructed without said plans having first been approved, in writing, by the Lessor's Director of Public Works and the Director of the Building Department.

Any future improvements upon the leased premises shall belong to the Lessee and shall be removed within thirty (30) days at the expiration of the term of this lease or any subsequent term of this lease.

In the event the Lessee is directed to remove said building and improvements, the work shall be completed within thirty (30) days of the termination of the lease. The Lessor shall provide the Lessee notice in writing at least 30 days prior to the termination of the Lessor's intent for such removal. In the event notice is not given, or the Lessee fails to complete such removal within the prescribed time limits, the building and other

improvements shall become the property of the Lessor and any removal costs shall be assessed the Lessee.

COUNTY MAIN HANGAR REPAIRS: The maintenance and repair of the proposed hangar structure and other improvements shall be the responsibility of the Lessor, including utilities within the leased area.

MAINTENANCE: The Lessee agrees that it will not commit waste and that it will keep said premises in a safe, sanitary, neat, presentable, and otherwise good condition, and in general shall comply with all the applicable governmental rules, ordinances and regulations as may be required or imposed by such authorities on said premises and shall comply with any direction pursuant to law of any public officer or officers who shall be empowered to enforce local, state and federal rules, regulations and ordinances upon the Lessee with respect to the said premises or the use, occupancy, or control thereof and shall not suffer any improper or offensive use of said premises.

AREA MAINTENANCE: Lessee shall, during the term of this lease, maintain the area between the building and boundary line of said lease to the satisfaction of the Lessor. The area shall be kept free of all debris, weeds and brush for the term of this lease. Lessee shall reimburse the Kittitas County Weed Authority or Kittitas County Department of Public Works for any costs incurred in the event that the County Weed Authority or Kittitas County Department of Public Works undertakes noxious weed or vegetation control measures.

INSURANCE: The Lessee shall obtain and maintain in force during the term of this agreement a liability insurance policy, which provides protection for bodily injury (including death) and property damage. Said insurance shall provide coverage by the Lessee to any employees or permittees of the Lessee, and shall name the Lessor as coinsured.

Pursuant to Resolution No. 88-73, or as may be amended hereafter, liability insurance policy shall have the following provisions, at a minimum:

1. Premises and leased area liability coverage in an amount not less than \$1,000,000.00.
2. Provide for not less than thirty (30) days advance written notice to Kittitas County regarding any material change for termination of the policy.

Lessee hereby releases Lessor of and from every and all right, claim and demand that Lessee may hereafter have against Lessor, its successors or assigns, arising out of or in connection with any loss or losses occasioned by fire and such items as are included under the normal extended coverage clauses of insurance policies, and does hereby waive all rights of subrogation in favor of insurance carriers against Lessor arising out of any losses occasioned by fire and such items as are included under the normal extended coverage clauses of fire insurance policies, and sustained by Lessee in or to the said premises and leased area.

The Lessee shall provide the Lessor with a copy of said policy.

AIRPORT TRAFFIC: It is understood and agreed that the Lessee's use of said premises and leased area shall not in any manner interfere or restrict the use of aircraft landings, take-offs, or storage of aircraft as the airport is presently constructed. Lessee shall comply with all rules and regulations of the Federal Aviation Administration, Washington State Department of Transportation Aeronautics Division, and the Kittitas County Airport Standards.

HUNTING: Hunting or discharging of firearms will not be permitted on or from said premises or leased area.

NOTICES: Any notice given by one party to the other in connection with this agreement shall be in writing and shall be sent by certified or registered mail, return receipt requested as follows:

1. If to Lessor, addressed to:

Kittitas County Department of Public Works  
205 W. Fifth, Room 108  
Ellensburg, Washington 98926

2. If to Lessee, addressed to:

Midstate Aviation, Inc.  
1101 Bowers Road  
Ellensburg, WA 98926

Notice shall be deemed to have been received on the date of receipt as shown on the return receipt.

Notice need be sent to but one Lessee where the Lessee is more than one person.

ATTORNEY FEES: In case Lessor shall bring suit to recover any rent due hereunder, or for breach of any provision of this lease, or to recover possession of the leased premises, or if Lessee shall bring any action for any relief against Lessor, declaratory or otherwise, arising out of this lease, the prevailing party shall recover reasonable attorney fees which shall be determined and taxed by the court as part of the costs of such action.

RIGHTS OF THE U.S. GOVERNMENT: The Lessor holds title to the property herein leased, partially by virtue of a deed from the United States Government. A copy of said deed is available for inspection at the office of the Kittitas County Department of Public Works, hereto and made a part of this instrument as though fully set forth herein. Lessee agrees that it will do nothing which will cause the Lessor to be in violation of the terms of said deed. Lessee furthermore agrees that it has had ample opportunity to review said deed and is aware of all of the terms and conditions therein.

AFFIRMATIVE ACTION: The Lessee assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E., to insure that no person shall, on the grounds of race, creed, color, national origin or sex, be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. The Lessee assures that no person shall be excluded on these grounds from participating in, or receiving the services or benefits of, any program or activity covered by this subpart. The Lessee assures it will require that its covered suborganizations provide assurance to the Lessor that they similarly will undertake affirmative action programs and that they will require assurances from their suborganizations as required by 14 CFR Part 152, Subpart E, to the same effect.

ASSIGNMENT: The Lessee shall not assign this lease nor sublet any portion thereof without first obtaining the written consent of the Lessor, which written consent will be evidenced by passage of a resolution assigning the lease.

HOLD HARMLESS: The Lessee hereby agrees to indemnify and hold harmless the Lessor from any and all claims or demands whatsoever arising out of any loss, damage, or injury to persons or property resulting from the Lessee's use or occupancy of said premises and leased area, or caused by the acts or neglect of the Lessee, his agents or employees.

BANKRUPTCY: It is further agreed and understood that in case of the insolvency or bankruptcy of the Lessee, or any assignment for the benefit of creditors or the appointment of a receiver for the Lessee, this lease shall be immediately forfeited and shall be of no further force and effect, and that the Trustee in Bankruptcy, Receiver, or Assignee for the benefit of creditors shall not have any rights whatsoever in the demised premises.

DEFAULT: In the event the Lessee shall fail to comply with any of Lessee's commitments, duties or responsibilities under this lease, or any of its conditions or terms as herein stated, the Lessor may terminate this lease by giving thirty (30) days written notice of the conditions or terms being violated. If said failures are not corrected within the thirty (30) day period, this lease may be terminated and the Lessor shall be entitled to peaceably retake possession of the premises, provided the Lessee shall have the right to remove improvements as herein provided.

WAIVER: No assent, express or implied, by the Lessor to any breach of any of Lessee's covenants, agreements, conditions or terms hereof shall be deemed or taken to be a waiver of any succeeding breach of any covenant, agreement, condition or term hereof.

VENUE: In the event of any litigation between lessor and lessee arising out of this lease, the venue for such action shall lie in Kittitas County, notwithstanding any contrary provision of the Revised Code of Washington.

APPLICABILITY: The covenants, agreements, terms and conditions contained in this lease shall apply to and be binding upon Lessor and Lessee and their respective heirs, executors, administrators, successor and assigns.

IN WITNESS WHEREOF, the Lessor and Lessee have signed their names and affixed their seals the day and year first above written.

LESSOR:

BOARD OF COUNTY COMMISSIONERS  
KITTITAS COUNTY, WASHINGTON

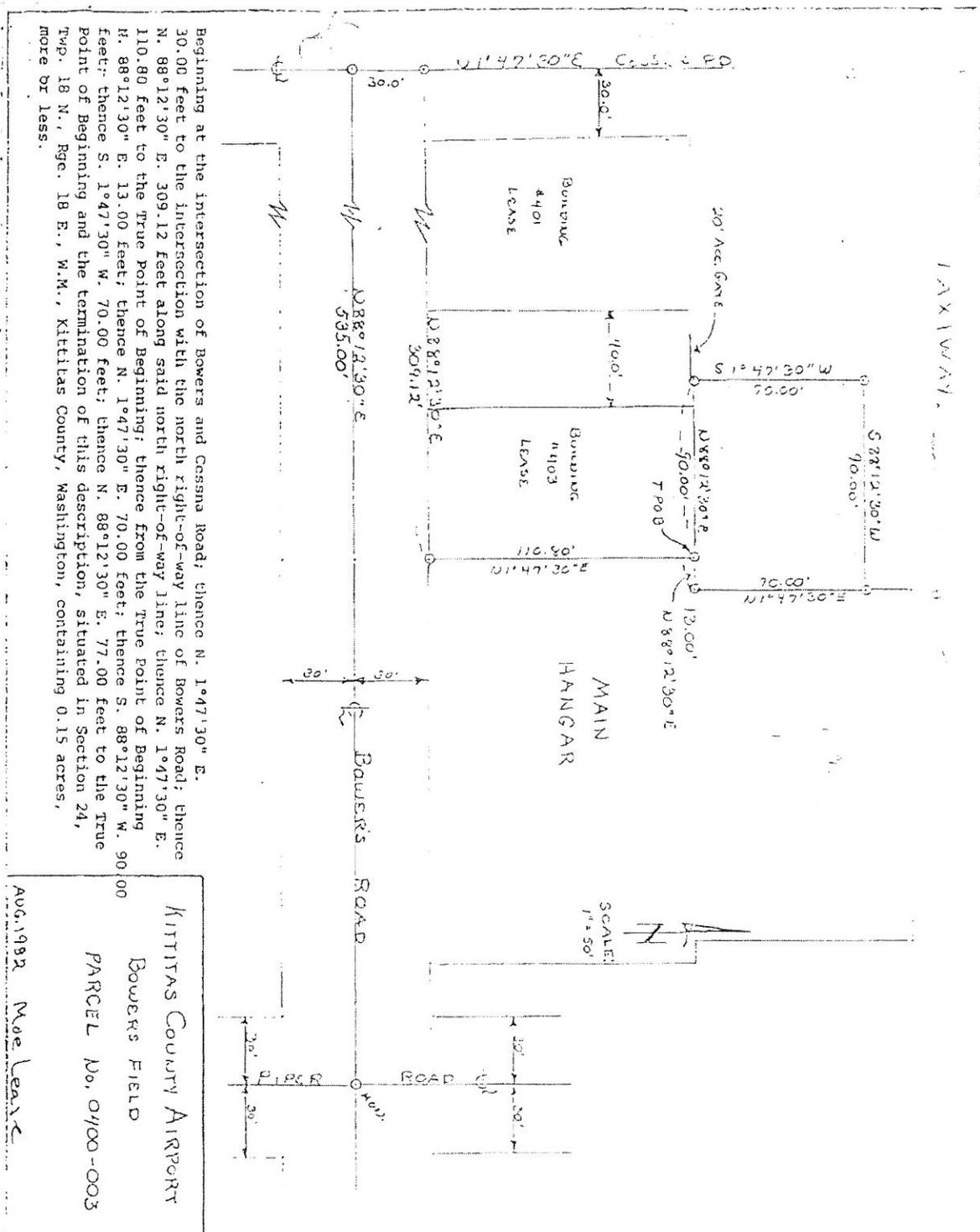
Mary Schubert  
Chairperson

Attest:  
  
W. D. K. [Signature]  
Clerk of the Board

Approved as to form:  
[Signature]  
Prosecuting Attorney  
WSBA # 7225

LESSEE:

MIDSTATE AVIATION, INC.  
Ron Mitchell  
Ron Mitchell



Beginning at the intersection of Bowers and Cassna Road; thence N. 1°47'30" E. 30.00 feet to the intersection with the north right-of-way line of Bowers Road; thence N. 88°12'30" E. 309.12 feet along said north right-of-way line; thence N. 1°47'30" E. 110.80 feet to the True Point of Beginning; thence from the True Point of Beginning N. 88°12'30" E. 13.00 feet; thence N. 1°47'30" E. 70.00 feet; thence S. 88°12'30" W. 90.00 feet; thence S. 1°47'30" W. 70.00 feet; thence N. 88°12'30" E. 77.00 feet to the True Point of Beginning and the termination of this description, situated in Section 24, Twp. 18 N., Rgc. 18 E., W.M., Kittitas County, Washington, containing 0.15 acres, more or less.

KITTITAS COUNTY AIRPORT  
 BOWERS FIELD  
 PARCEL No. 0400-003  
 AUG. 1982 Moe Lease

BOARD OF COUNTY COMMISSIONERS  
COUNTY OF KITTITAS  
STATE OF WASHINGTON

RESOLUTION

NO. 2015-146

RESOLUTION TO APPROVE FIXED BASE OPERATOR SERVICES AT  
BOWERS FIELD

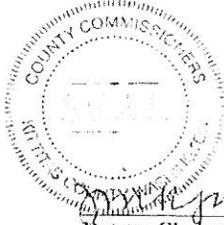
WHEREAS: Kittitas County currently receives Fixed Base Operator (FBO) services from Midstate Aviation; and

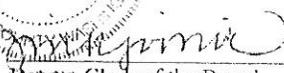
WHEREAS: Kittitas County and Midstate Aviation desire revising the FBO service package supporting airfield operations at Bowers Field; and

WHEREAS: The FBO service package is attached to Midstate Aviation's Bowers Field lease agreement as "Exhibit B";

NOW, THEREFORE BE IT RESOLVED The Board of County Commissioners does hereby in the best interest of the public, move to approve said Resolution adopting a revised "Exhibit B" to Midstate Aviation's lease at Bowers Field.

ADOPTED this 3rd day of November, 2015, at Ellensburg, Washington

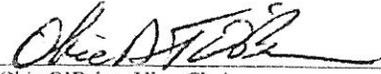


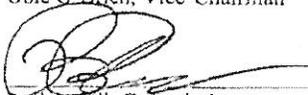
  
Deputy Clerk of the Board

BOARD OF COUNTY COMMISSIONERS  
KITTITAS COUNTY, WASHINGTON

**ABSENT**

\_\_\_\_\_  
Gary Berndt, Chairman

  
Obie O'Brien, Vice-Chairman

  
Paul Jewell, Commissioner

**Fixed Base Operator Services - \$20,000 per year lessee credit**

Maintain and staff FBO office, to include a pilot lounge, transient pilot weather information and flight planning room, and vending machines a minimum of 8 hours per day, 6 days per week.

Furnish, clean, and stock restrooms available to the general public 24 hours per day, 7 days per week.

Provide courtesy vehicles for transient pilot use subject to availability.

Manage County tie-down area.

Coordinate with Airport Manager and file NOTAMS with FAA as required for safety of operations.

Act as security monitor for airport access through drive-thru and walking gates.

Consult with Airport Manager and support personnel when requested on Airport Issues.

Operate an aircraft maintenance and repair facility including airframe, engine, and accessory repairs.

Provide housing of County owned fuel facility computer and warning systems.

Manage fuel facilities. Provide Avgas and Jet fuels for local and transient pilot use.

Provide Jet refueling truck for full service fueling on request.

VOLUNTARY TERMINATION OF LEASE

This Voluntary Termination of Lease is made and dated this 27th day of October, 1998, by and between KITTITAS COUNTY, a municipal corporation, hereinafter referred to as the Lessor, and MIDSTATE AVIATION, INC., hereinafter referred to as the Lessee,

WITNESSETH:

That Lessor and Lessee entered into a Lease on February 2, 1993, a copy of which is attached hereto and by this reference incorporated herein.

That the main hangar building collapsed in the winter storm event of 1996/97 that was a part of the lease. A new facility has been built and the configuration of the original lease has been changed and the lease does not provide for the new facility.

That Lessee has applied to the county for a new lease. A public hearing under RCW 36.34.180 was held on October 6, 1998, and continued to October 27, 1998, to consider leasing said county property.

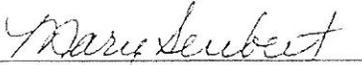
THEREFORE, both Lessee and Lessor hereby terminates the attached lease of February 2, 1993, as of October 27, 1998, and Lessee terminates all interest in the property which is the subject matter of said lease.

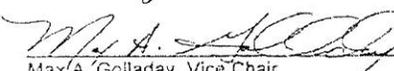
KITTITAS COUNTY  
BOARD OF COUNTY COMMISSIONERS

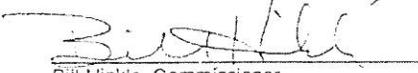
  
\_\_\_\_\_  
Ron Mitchell

DATE SIGNED: 10/30/98

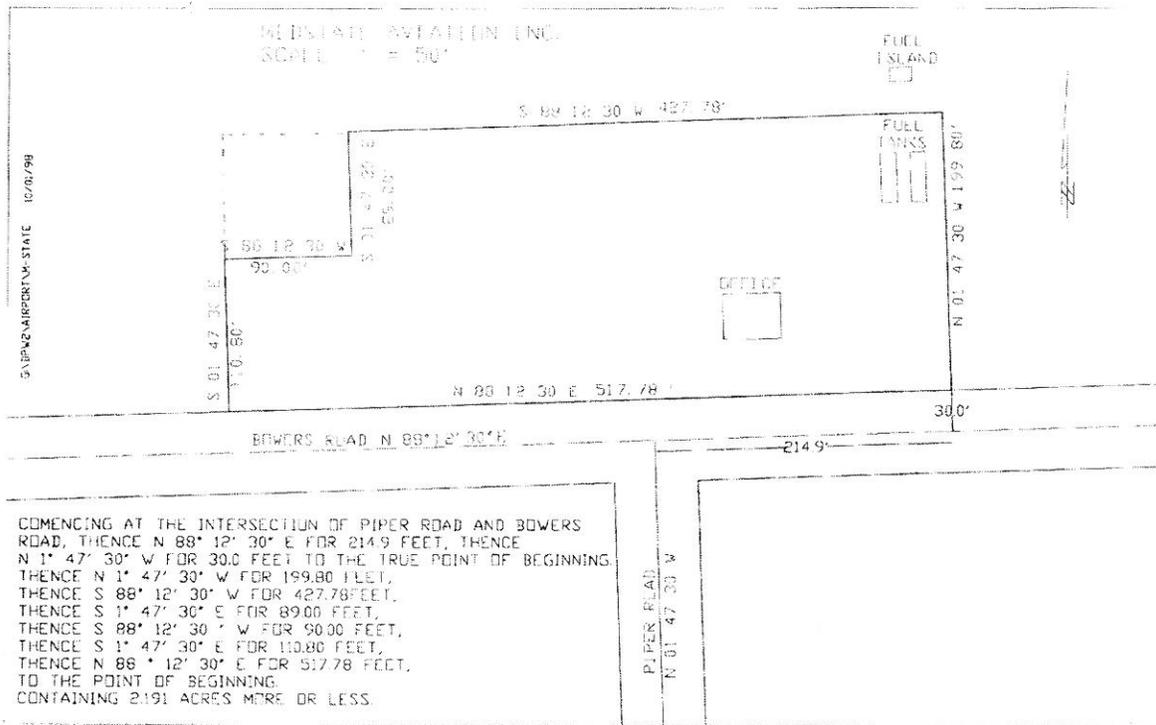
Attest:  
  
\_\_\_\_\_  
Clerk of Board

  
\_\_\_\_\_  
Mary Seubert, Chair

  
\_\_\_\_\_  
Max A. Golladay, Vice Chair

  
\_\_\_\_\_  
Bill Hinkle, Commissioner

DATE SIGNED: 10/27/98



**EXHIBIT 2  
(Lease Addendum)**



KITTITAS COUNTY AIRPORT  
DEPARTMENT OF PUBLIC WORKS

ADDENDUM TO LEASE

THIS ADDENDUM TO LEASE is made and dated this 1<sup>st</sup> day of April, 2014, by and between Kittitas County, a municipal corporation in the State of Washington, hereinafter referred to as the LESSOR, and MIDSTATE AVIATION INC., and hereinafter referred to as the LESSEE.

**WITNESSETH:**

WHEREAS, LESSOR and LESSEE entered into a Lease on October 27, 1998, a copy of which is attached hereto and by this reference incorporated herein; and

WHEREAS, according to Paragraph 3 "Adjustment of Rental", it states " After the fifth year, the Lessor shall have the right to re adjust the rent on or before November 1<sup>st</sup> of the fifth, tenth, fifteenth and twentieth year of this lease";

WHEREAS, it has been agreed between LESSOR and LESSEE that the following CPI Index will be used for future rental increases.

"CPI – All Cities-All Items Size Class D Under 50,000"

NOW, THEREFORE, IT IS HEREBY AGREED by and between the parties to a change in rental rates and contract terms as follows:

- 1) "Paragraph #2 – Rent" – Rental Rates for 11/01/13 thru 10/31/18 Term.

Land lease rate - 95,396 sq feet

<u>11/01/13-10/31/18</u> <u>Term</u>	Previous Rate Per Year	Rental Rate (\$ .067 per Sq Ft) Not Including Leasehold Tax*
	\$6,200.74	
11/01/13-10/31/14		\$ 6,347.08
11/01/14-10/31/15		\$ 6,347.08
11/01/15-10/31/16		\$ 6,347.08
11/01/16-10/31/17		\$ 6,347.08
11/01/17-10/31/18		\$ 6,347.08
11/01/18		Renegotiate

\*The current Leasehold Excise Tax Rate is 12.84%, as determined by the State of Washington and is subject to change.

**Fuel Tank Rental rate –**

<u>11/01/13-10/31/18</u> Term	Previous Rate Per Year	Rental Rate Per Year Not Including Leasehold Tax*
	N/A	
11/01/13-10/31/14		\$4,000.00
11/01/14-10/31/15		\$4,000.00
11/01/15-10/31/16		\$4,000.00
11/01/16-10/31/17		\$4,000.00
11/01/17-10/31/18		\$4,000.00
11/01/18		Renegotiate

\*The current Leasehold Excise Tax Rate is 12.84%, as determined by the State of Washington and is subject to change.

**Main hangar building lease (20,000 Sq Ft):**

<u>11/01/13-10/31/18</u> Term	Previous Rate (\$2.30 per Sq. Ft.)	Rental Rate Per Year (\$2.354 per Sq. Ft) Not Including Leasehold Tax*
	\$46,000.00	
11/01/13-10/31/14		\$ 47,085.60
11/01/14-10/31/15		\$ 47,085.60
11/01/15-10/31/16		\$ 47,085.60
11/01/16-10/31/17		\$ 47,085.60
11/01/17-10/31/18		\$ 47,085.60
11/01/18		Renegotiate

\*The current Leasehold Excise Tax Rate is 12.84%, as determined by the State of Washington and is subject to change.

**Land lease for Moe building (6,534 sq ft):**

<u>11/01/03-10/31/08</u> Term	Previous Rate (\$ .067 per Sq Ft)	Rental Rate (\$ .067 per Sq Ft) Not Including Leasehold Tax*
	\$ 424.71	
11/01/13-10/31/14		\$ 434.73
11/01/14-10/31/15		\$ 434.73
11/01/15-10/31/16		\$ 434.73
11/01/16-10/31/17		\$ 434.73
11/01/17-10/31/18		\$ 434.73
11/01/018		Renegotiate

\*The current Leasehold Excise Tax Rate is 12.84%, as determined by the State of Washington and is subject to change.

2) "Paragraph #8 – Sale of Aviation Fuels" – will read as follows:

The Lessee shall sell and dispense during reasonable business hours aviation fuels of the types and volumes required (and which are available for resale) by the users of the airport facilities. The Lessee shall collect a fuel flowage fee as follows:

GALLONS PUMPED	FUEL FLOWAGE FEE PER GALLON
0 to 50,000 Gal.	\$.06
50,001 – 75,000 Gal.	\$.04
75,001 or More Gal.	\$.02

3) "Paragraph #5 – Fire Protection Assessment" – will read as follows:

In addition to any rental herein provided, the Lessee shall pay a fee which shall be in lieu of taxes for fire protection services. The annual rate shall be based upon the annual fire assessment determined by the Kittitas County Assessor and Fire District #2 to be calculated on January 1<sup>st</sup> of the current year. The assessment shall be due and payable concurrently with the lease payment or through Personal Property Taxes.

All other terms and conditions of the aforementioned lease shall remain the same

IN WITNESS WHEREOF, the Lessor and Lessee have signed their names and affixed their seals the day and year first above written.



[Signature]  
Clerk of the Board

Approved as to Form:

Prosecuting Attorney  
WSBA # \_\_\_\_\_

LESSOR:  
BOARD OF COUNTY COMMISSIONERS  
KITTITAS COUNTY, WASHINGTON

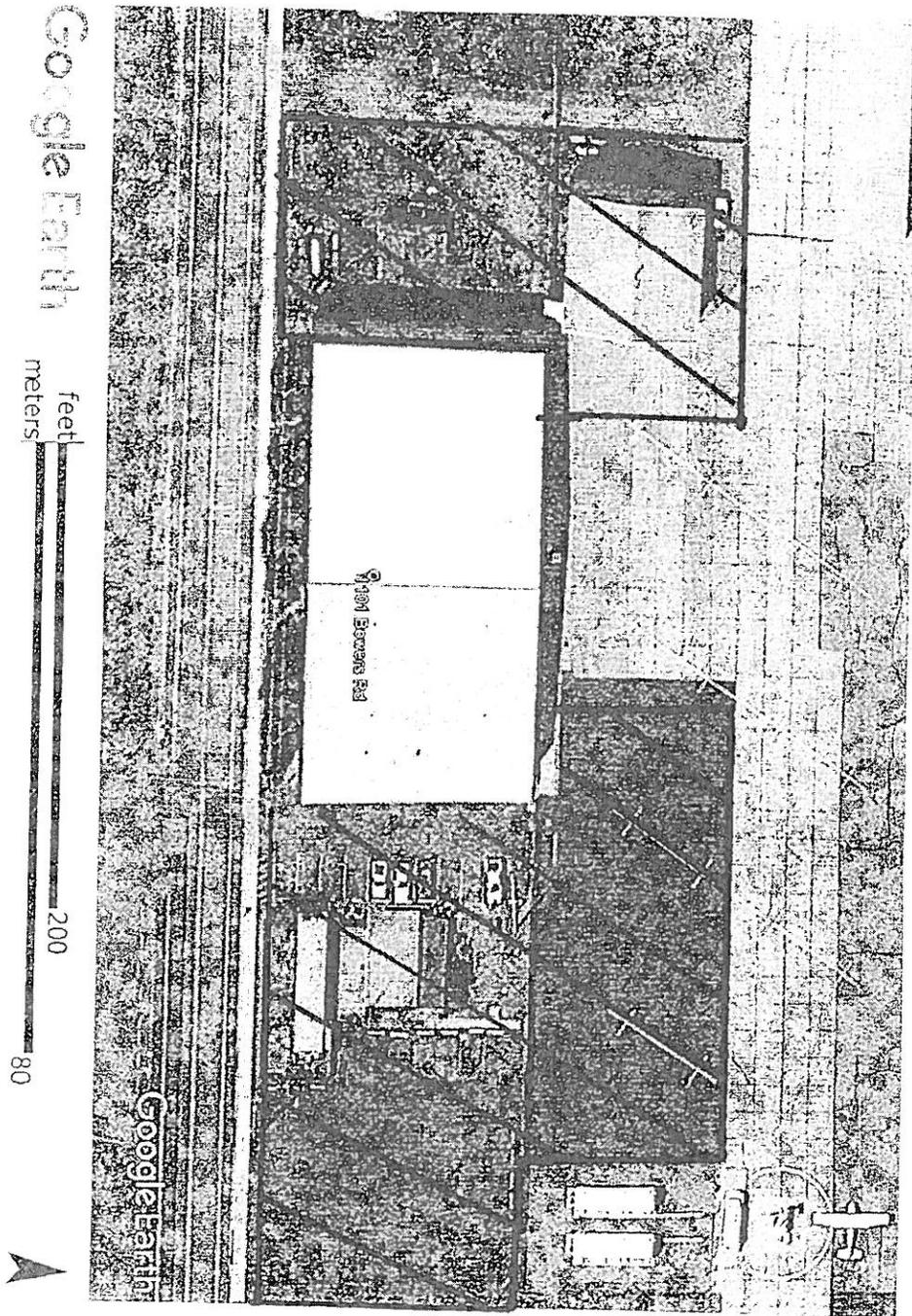
[Signature]  
Paul Jewell, Chairperson

[Signature]  
Gary Berndt, Vice-Chair

[Signature]  
Obre O'Brien, Commissioner

LESSEE:  
[Signature]  
Ron Mitchell, Owner  
Midstate Aviation

EXHIBIT 3  
(Description of Property)



**EXHIBIT 4**  
**(Form of Bill of Sale of Midstate Office / Main Hangar Building)**

**BILL OF SALE**

IN CONSIDERATION of the payment of ten dollars (\$10.00) and other good and valuable consideration, SIERRA ROMEO, LLC, a Washington limited liability company ("Seller"), does hereby sell, transfer and deliver to Central Washington University, a public institution of the State of Washington ("Purchaser") all Seller's right, title and interest in and to the personal property described as Tax Parcel 951461 (the "Vern Mitchell Building," also known as the "Moe Building"), a 3,600 square foot building. Seller warrants to the Purchaser that Seller is the lawful owner of the property and the property is free from all encumbrances. Seller makes no other warranty, express or implied, to the Purchaser.

The property described above is sold to Purchaser in "AS IS" condition, and Seller makes NO IMPLIED WARRANTY OF MERCHANTABILITY AND NO IMPLIED WARRANTIES OF FITNESS as to such property.

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

SIERRA ROMEO, LLC,  
a Washington limited liability company

\_\_\_\_\_  
By: SONJA MITCHELL  
Its: Manager

I have read and hereby acknowledge receipt of the original copy of this Bill of Sale.

CENTRAL WASHINGTON UNIVERSITY,  
a public institution of the State of Washington

\_\_\_\_\_  
By: \_\_\_\_\_ [print name]  
Its: \_\_\_\_\_ [print title]

**EXHIBIT 5**  
**(Form of Bill of Sale of Midstate Ground and Flight Training Building)**

**BILL OF SALE**

IN CONSIDERATION of the payment of ten dollars (\$10.00) and other good and valuable consideration, SIERRA ROMEO, LLC, a Washington limited liability company ("Seller"), does hereby sell, transfer and deliver to Central Washington University, a public institution of the State of Washington ("Purchaser") all Seller's right, title and interest in and to the personal property described as Tax Parcel 951466 (the "Midstate Ground and Flight Training Building"). Seller warrants to the Purchaser that Seller is the lawful owner of the property and the property is free from all encumbrances. Seller makes no other warranty, express or implied, to the Purchaser.

The property described above is sold to Purchaser in "AS IS" condition, and Seller makes NO IMPLIED WARRANTY OF MERCHANTABILITY AND NO IMPLIED WARRANTIES OF FITNESS as to such property.

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

SIERRA ROMEO, LLC,  
a Washington limited liability company

\_\_\_\_\_  
By: SONJA MITCHELL  
Its: Manager

I have read and hereby acknowledge receipt of the original copy of this Bill of Sale.

CENTRAL WASHINGTON UNIVERSITY,  
a public institution of the State of Washington

\_\_\_\_\_  
By: \_\_\_\_\_ [print name]  
Its: \_\_\_\_\_ [print title]



RESPONSE TO KITTITAS COUNTY REQUEST FOR PROPOSAL (RFP) FOR  
LIMITED FIXED BASE OPERATORS (FBO) SERVICES AT BOWERS FIELD,  
ELLENSBURG, WASHINGTON

November 2017

## **CENTRAL WASHINGTON UNIVERSITY PROFILE**

Central Washington University (CWU or Central), is home of the Wildcats, and is located in the historic town of Ellensburg, WA. The doors of the Washington State Normal School (later CWU) opened in 1891.

Central is a public university that has a 380 acre campus, and features beautifully maintained historic buildings as well as state-of-the-art facilities. Each year CWU graduates thousands of well-educated citizens who are ready for high-demand careers in the workforce, including aviation.

The Department of Aviation (DA) is one of the departments within the College of Education and Professional Studies (CEPS) at Central Washington University (CWU). It has been offering undergraduate programs in aviation since 1975. CWU has the only publicly funded four-year aviation degree in Washington and has been serving students and employers for over 40 years. The Aviation Department academic programs are designed and continuously updated to meet the needs of students, community, and industry. CWU Aviation is uniquely positioned to continue to meet the needs of the airline industry for university educated pilots and aviation managers.

## **SCOPE OF PROPOSED FBO SERVICES**

This proposal covers the following FBO services until midnight of December 31, 2018:

- During business hours maintain and staff an FBO Office at Bowers Field including a pilot lounge, transient pilot weather information and a flight planning room.
- Provide and maintain a vending machine supporting pilot snacks available a minimum of eight hours per day, six days per week.
- Furnish, clean, stock and maintain restrooms available to the general public 24 hours a day, seven days per week.
- Rental Car Arrangement: CWU has a current agreement with Enterprise Rent a Car. CWU Aviation dispatching department can coordinate car rental services for transient pilots. There could also be a call out service that CWU Aviation will provide after hours.
- Tie Down Management: (i) Provide ropes, tie downs to visiting pilots for a service fee, (ii) Overnight tie down needs – collect Aircraft Tail #'s to provide to County so they can collect fees.

- Coordinate with the Airport Manager and file NOTAMS with the Federal Aviation Administration as required.
- Act as security monitor for airport access through all gates.
- Runway check once a day (Monday through Saturday).
- Runway check once a day (Monday through Saturday).
- Central is willing to provide additional services as determined and agreed to by the Airport Manager. The price or fee of these additional services will be negotiated with the Airport Manager.

## **1. EXPERIENCE AND QUALIFICATIONS**

Since 1975, the aviation program of Central has been operating out of Bowers Field airport, in Ellensburg, thus the ties between the University, the City, the Airport, and Kittitas County are strong, which makes CWU a natural provider of the FBO mentioned in this RFP.

A high percentage of the traffic at Bowers Field Airport is due to the flight training conducted by CWU. To be more specific, more than 80% of takeoffs and landings at Bowers Field Airport is by Central's flight training activity. Additionally, for the past year, CWU has been furnishing, cleaning, stocking and maintaining restrooms and making them available to the general public 24 hours a day, seven days per week. CWU is proud of rendering this service at no cost as there is no public restroom facility available within the vicinity of Bowers Field.

Currently, Central occupies the main hangar building at Bowers Field airport, which has a functioning pilot lounge and vending machine to support pilot snacks and refreshments. There are tie down facilities at the ramp on CWU-leased property. These facilities would enable CWU to assume the FBO services immediately without additional efforts.

Some of the faculty and staff who are currently involved in CWU's flight operations at Bowers Field have had years of various types of FBO related experience directly or indirectly. Some of these individuals include Andrew McIrvine, Michael Montgomery, Rebecca Montgomery, Adam Houlney, and Jim Libenow with a combined experience of 59 years in related aviation support services. This experience would enable our faculty and staff to provide exemplary FBO services. Additionally CWU has a history of more than 100 years providing services to the public.

## 2. PRICE STRUCTURE

The total annual cost of the services mentioned in this RFP will amount to \$34,000.00

<b>PROPOSED FBO SERVICES</b>	<b>COST</b>
Maintain and staff during business hours an FBO Office at Bowers Field including a pilot lounge, transient pilot weather information and flight planning room.	\$ 10,000.00
Provide and maintain a vending machine supporting pilot snacks available a minimum of eight hours per day, six days per week.	\$ 500.00
Furnish, clean, stock and maintain restrooms available to the general public 24 hours a day, seven days per week.	\$ 5,000.00
Coordinate rental cars for pilots with area rental car providers.	\$ 3,000.00
Manage the County's tie down areas.	\$ 500.00
Coordinate with the Airport Manager and file NOTAMS with the Federal Aviation Administration as required.	\$ 10,000.00
Act as security monitor for airport access through all gates.	\$ 5,000.00
Central is willing to provide additional services as determined and agreed to by the Airport Manager. The price or fee of these additional services will be negotiated with the Airport Manager	\$ -
<b>TOTAL</b>	<b>\$ 34,000.00</b>

### 3. REFERENCES

This is a list of references who have worked with CWU related to having services provided and those specifically related to aviation.

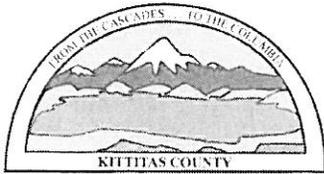
	Reference	Contact Information
1.	Matt Boast (Kittitas County PUD General Manager)	509-933-7200
2.	Bill Houston (Long Time Pilot/Retired Alaska Airline Employee)	509-899-1030
3.	Rich Elliott (Mayor – City of Ellensburg)	509-962-7221 elliotttr@ci.ellensburg.wa.us
4.	Julie Peterson (CEO – Kittitas Valley Healthcare)	509-962-7302

### 4. CONTACT for CENTRAL

Sundaram (Raj) Nataraja

Professor and Chair, Department of Aviation

509-963-2386 (sundaram.nataraja@cwu.edu)



**KITTITAS COUNTY**  
**DEPARTMENT OF PUBLIC WORKS**

Mark Cook, Director

December 07, 2017

Mr. Sundaram Nataraja  
Professor and Chair, Department of Aviation  
Central Washington University  
400 East University Way  
Ellensburg, WA 98926-7480

RE: Limited FBO Services at Bowers Field

Dear Mr. Nataraja:

The Kittitas County Board of County Commissioners has directed me to thank Central Washington University for responding to our recent solicitation for limited fixed base operator services at Bowers Field. We are pleased to notice you of the Board's decision accepting your proposal with the following deletions from the service package:

- Removal of "Coordination of rental cars for pilots with are rental car providers".
- Provide and maintain a vending machine supporting pilot snacks available a minimum of eight hours per day, six days per week.

The elimination of the two items listed above reduces Central's cost proposal to \$30,500 per year. The Board of County Commissioners has instructed me to prepare a lease amendment to Central's lease with the County. The lease amendment will accept Central's proposed service package as amended above and formalize an annual lease credit in the amount of \$30,500 per year until the end of the lease or as mutually amended in the future.

Sincerely,

Mark R. Cook  
Bowers Field Airport Manager