

Spokane Transit Authority
1230 West Boone Avenue
Spokane, WA 99201-2686
(509) 325-6000

BOARD OPERATIONS COMMITTEE MEETING

Wednesday, October 12, 2016, 1:30 p.m.

Spokane Transit Authority, Northside Conference Room
1230 West Boone Avenue, Spokane, Washington

AGENDA

Estimated Meeting Time: 90 Minutes

1. Call to Order and Roll Call
2. Approve Committee Agenda (*Al French*)
3. Chair's Comments (*Al French*)
4. Committee Action/Discussion:
 - a. Minutes of September 6, 2016 Special Committee meeting - Corrections/Approval
5. Committee Chair reports:
 - a. Amber Waldref, Planning & Development
 - i. STA Moving Forward Implementation Calendar
 - b. Tom Trulove, Performance Monitoring & External Relations
 - i. Appoint Two New Members to the Citizen Advisory Committee & 2nd and 3rd Quarter Updates
 - ii. Acceptance of Plaza Elevator Modernization Project
 - iii. Award of Contract for Design & Engineering Services for Cheney High Performance Transit Corridor Improvements
6. Plaza Leases – Action (*E. Susan Meyer*)
7. Board of Directors Agenda October 20, 2016 – Corrections/Approval
8. Board Development (*Eva Marquette, FreshVue*) (60 minutes)
9. CEO Report
10. New Business
11. Adjourn

Next Committee Meeting: **Wednesday, November 9, 2016 at 1:30 p.m.**

(STA Northside Conference Room, 1230 W. Boone Avenue, Spokane, Washington)

Spokane Transit assures nondiscrimination in accordance with Title VI of the Civil Rights Act of 1964. For more information, see www.spokanetransit.com.

Upon request, alternative formats of documents will be produced for people with disabilities. The facility is accessible for people who use wheelchairs. For these and other accommodations, please call 325-6094 (TTY Relay 711) at least forty-eight (48) hours in advance.

SPOKANE TRANSIT AUTHORITY
BOARD OPERATIONS COMMITTEE MEETING OF

October 12, 2016

AGENDA ITEM 2: APPROVE COMMITTEE AGENDA

REFERRAL COMMITTEE: N/A

SUBMITTED BY: Al French, Committee Chair

SUMMARY: At this time, the Board Operations Committee will review the meeting agenda with any revisions enclosed in the blue folders.

RECOMMENDATION TO COMMITTEE: Approve agenda.

FINAL REVIEW FOR COMMITTEE BY:

Division Head _____ Chief Executive Officer _____ Legal Counsel _____

SPOKANE TRANSIT AUTHORITY
BOARD OPERATIONS COMMITTEE MEETING OF

October 12, 2016

AGENDA ITEM 3: BOARD OPERATIONS COMMITTEE CHAIR'S REPORT

REFERRAL COMMITTEE: N/A

SUBMITTED BY: Al French, Committee Chair

SUMMARY: Mr. French will take this opportunity to discuss topics of interest regarding Spokane Transit.

RECOMMENDATION TO COMMITTEE: Receive report.

FINAL REVIEW FOR COMMITTEE BY:

Division Head _____ Chief Executive Officer _____ Legal Counsel _____

SPOKANE TRANSIT AUTHORITY
BOARD OPERATIONS COMMITTEE MEETING OF

October 12, 2016

AGENDA ITEM 4a: MINUTES OF THE SEPTEMBER 6, 2016 SPECIAL COMMITTEE
MEETING - CORRECTIONS AND/OR APPROVAL

REFERRAL COMMITTEE: N/A

SUBMITTED BY: Merilee Robar, Executive Assistant to the Director of Finance &
Information Services

SUMMARY: The September 6, 2016 special meeting minutes are attached for your information,
correction and/or approval.

RECOMMENDATION TO COMMITTEE: Corrections and / or approval.

FINAL REVIEW FOR BOARD BY:

Division Head _____ Chief Executive Officer _____ Legal Counsel _____

Spokane Transit Authority
1230 West Boone Avenue
Spokane, Washington 99201-2686
(509) 325-6000

BOARD OPERATIONS SPECIAL COMMITTEE MEETING

Draft Meeting Minutes for September 6, 2016
Northside Conference Room

MEMBERS PRESENT

Al French, Spokane County, *Board Operations Committee Chair*
Amber Waldref, City of Spokane, *Planning & Development Committee Chair*
Tom Trulove, Small Cities Representative (Cheney), *Performance Monitoring & External Relations Committee Chair*
Ed Pace, City of Spokane Valley, *Board Operations Committee Member*
E. Susan Meyer, Chief Executive Officer, *Ex-officio*

MEMBERS ABSENT

None

STAFF PRESENT

Karl Otterstrom, Director of Planning
Steve Blaska, Director of Operations
Lynda Warren, Director of Finance & Information Services
Beth Bousley, Director of Communications & Customer Service
Steve Doolittle, Director of Human Resources
Susan Millbank, Ombudsman & Accessibility Officer
Jan Watson, Executive Assistant to the CEO & Clerk of the Authority

PROVIDING LEGAL COUNSEL

Laura McAloon, Workland Witherspoon

GUESTS

Eva Marquette, FreshVue

1. CALL TO ORDER AND ROLL CALL

Chair French called the meeting to order at 1:00 p.m. and conducted roll call.

2. APPROVE COMMITTEE AGENDA

Committee members reviewed the agenda. Mr. French said that it has been requested that the Executive Session be moved from #9 to #3 to accommodate schedules.

Mr. Trulove moved approval of the modified agenda format for September 6, 2016 and Mr. Pace seconded, and the motion passed unanimously.

9. EXECUTIVE SESSION

At 1:05 p.m., Mr. French announced that the STA Board Operations Committee would adjourn for an Executive Session for the following purpose:

1. Considering the selection of a site, the acquisition of real estate by lease or purchase, or the sale of real estate when public knowledge regarding such consideration would cause a likelihood of increased or decreased price.

Ms. McAloon added that the Executive Session will also be held for an additional purpose stated below:

2. Discussion with legal counsel representing STA in litigation or potential litigation to which STA, the STA Board of Directors, or STA employees are, or are likely to become, a party, when public knowledge regarding the discussion is likely to result in an adverse legal or financial consequence to STA.

The STA Board Operations Committee will reconvene in open session at approximately 1:15 p.m. If it becomes necessary to extend the executive session, a member of the staff will return to announce the time at which the STA Board Operations Committee will reconvene.

If any action is to be taken as a result of discussions in the executive session, that action will occur at the open public session.

At 1:15 p.m., Ms. Warren announced the STA Board Operations Committee will reconvene at 1:20 p.m.

At 1:20 p.m., Ms. McAloon announced the STA Board Operations Committee will reconvene at 1:25 p.m.

At 1:25 p.m., the STA Board Operations Committee reconvened and Chair French declared the meeting back in public session. No action was taken.

3. **CHAIR'S COMMENTS**

None.

4. **COMMITTEE ACTION/DISCUSSION**

a. **July 13, 2016 Committee Minutes**

Mr. Pace moved approval of the July 13, 2016 committee minutes and Ms. Waldref seconded. There was no further discussion and the motion passed.

5. **BOARD OF DIRECTORS AGENDA SEPTEMBER 22, 2016**

The Committee reviewed the agenda. No changes were suggested.

Mr. Trulove moved approval of the September 22, 2016 Board of Directors agenda and Mr. Pace seconded the motion. There was no discussion and the motion passed unanimously.

6. **CEO REPORT**

A. **Plaza Lease**

The Committee discussed a generic lease for the current two lessees on the second floor and Space C currently vacant on the first floor of the Plaza. This generic lease would allow for up to \$35/square foot reimbursement to assist in tenant improvements for the shell on the first floor.

Mr. French requested a breakdown of costs for the lessor and lessee and asked if lease terms had been negotiated with tenants.

Ms. Warren offered to send a breakdown of costs and said that the lease terms have not been negotiated at this time.

Ms. McAloon said that a monthly rent credit would artificially deflate the rent. In this lease, the tenant would provide the contractor's invoices for reimbursement.

Ms. Warren said the lease could be added to the September Board agenda for review and approval. Following Board approval, the tenants could begin improvements in November.

Discussion ensued. The cost is estimated at \$80K.

Ms. Meyer said that the Board approved \$4.95M for the Plaza renovation does not include tenant improvements for the basic shell.

The Committee members agreed that the Board should take action on this.

Mr. French said the goal is to have tenants in the Plaza. The basic lease could be brought to the Board as a starting point.

Ms. McAloon suggested a basic form of the lease could be approved by the Board with minimum rate and maximum terms and delegate execution to the CEO within those parameters.

Committee members agreed.

Ms. Meyer said that real estate leases are the responsibility of the Board Operations Committee and the Board.

Ms. Waldref suggested mentioning to the Board that the future tenant in the Plaza rotunda space will have a separate lease with additional cost.

7. **BOARD DEVELOPMENT**

Ms. Marquette, FreshVue, led a discussion on the Board Effectiveness & Efficiency Project with the Committee members. During the next several months Ms. Marquette suggested gathering Board feedback on shared agreements, the mission and vision, information flow and Board orientation by connecting via phone calls, surveys or in-person meetings.

Mr. Trulove stated that attendance was a problem at the June retreat.

Ms. Waldref said it is important to firm up dates as soon as possible. The Board may need to re-commit to the project.

Ms. Marquette shared a draft of the project scope overview which includes refining and developing new member orientation content; the 'on-boarding' process. This orientation content could include core principles of transit and governance documents.

Mr. Trulove said it is important for Board members to recognize the expertise of staff and focus on policy questions related to decisions that need to be made.

Mr. Pace said knowing how the terminology fits in and relates is important. Elected officials on the STA Board have differing agendas, backgrounds, and are not experts on transit. They are assigned to many Boards, meetings are subject to the open public meetings act, and the media also plays a part.

Mr. French said shared agreements that include values can improve quality of communication. Committee members agreed.

Ms. Waldref commented that it is important the Board understand how the basic transit principles connect to the core documents and how STA prepares its budget and manages its cash reserve and capital planning.
Mr. Trulove said it is important that the Board understand the process and methods to introduce change.
Committee members agreed to discuss Board Development at the September 22 Board meeting.
Ms. Waldref suggested a simple presentation.
Mr. Pace suggested leading with examples to clarify.
Ms. Marquette reinforced that this is a long term project that will benefit future Boards.
Mr. French said that not only is it important to be good stewards of buses, assets and finances, but also to consider staff time.
Mr. Trulove said that cost versus expected benefit should be evaluated.
Mr. French said, in addition, the ongoing leadership of the project should be evaluated.
Ms. Marquette summarized key points which included attendance, trust of staff expertise, using core principles of transit, budgeting education, clarifying the process and working out details in one-on-one meetings initially.
Mr. French said that shared agreements, core principles and Board expectations should also be addressed.

8. NEW BUSINESS

None.

10. ADJOURN

Chair French moved to adjourn the meeting and all agreed by consensus. With there being no further business to come before the Committee, Chair French adjourned the meeting at 2:37 p.m.

Respectfully submitted,



Merilee Robar
Executive Assistant to the Director of Finance & Information Services

SPOKANE TRANSIT AUTHORITY
BOARD OPERATIONS COMMITTEE MEETING OF

October 12, 2016

AGENDA ITEM 5a: PLANNING & DEVELOPMENT COMMITTEE CHAIR REPORT

REFERRAL COMMITTEE: N/A

SUBMITTED BY: Amber Waldref, Chair, Planning & Development

SUMMARY: Ms. Waldref will review the October 5 and November 2, 2016 agendas as part of her report. Agendas are attached. In particular, Ms. Waldref will review the STA Moving Forward Implementation Calendar.

RECOMMENDATION TO COMMITTEE: For information & discussion.

FINAL REVIEW FOR BOARD BY:

Division Head _____ Chief Executive Officer _____ Legal Counsel _____

Spokane Transit Authority
1230 West Boone Avenue
Spokane, WA 99201-2686
(509) 325-6000

PLANNING & DEVELOPMENT COMMITTEE MEETING

Wednesday, October 5, 2016, 10:00 a.m.
Spokane Transit Southside Conference Room

AGENDA

Estimated meeting time: 90 minutes

1. Call to Order and Roll Call
2. Public Expressions
3. Committee Chair Report (5 minutes)
4. Committee Action (5 minutes)
 - A. Minutes of the September 7, 2016, Committee Meeting – corrections/approval
5. Committee Action
 - A. Board Consent Agenda
(No items being presented this month)
 - B. Board Action Agenda – Committee Recommendations Agenda
(No items being presented this month)
 - C. Board Discussion Agenda
(No items being presented this month)
6. Reports to Committee (70 minutes)
 - A. STA Moving Forward Implementation Calendar (Karl Otterstrom)
7. Committee Information – no discussion/staff available for questions
(No items being presented this month)
8. CEO Report (E. Susan Meyer) (5 minutes)
9. New Business
10. Committee Members' Expressions (5 minutes)
11. Review November 2, 2016, Committee Meeting Agenda
12. Adjourn
13. Next Committee Meeting: November 2, 2016, 10:00 a.m. (STA Southside Conference Room, 1230 W Boone Avenue, Spokane, WA)

Agendas of regular Committee and Board meetings are available the Friday afternoon preceding each meeting at the STA Administrative Office, 1230 West Boone Avenue, Spokane, Washington. Discussions concerning matters to be brought to the Board are held in Committee meetings. The public is welcome to attend and participate. Spokane Transit assures nondiscrimination in accordance with Title VI of the Civil Rights Act of 1964. For more information, see www.spokanetransit.com. Upon request, alternative formats of this information will be produced for people who are disabled. The meeting facility is accessible for people using wheelchairs. For other accommodations, please call 325-6094 (TTY Relay 711) at least forty-eight (48) hours in advance.

**SPOKANE TRANSIT AUTHORITY
PLANNING & DEVELOPMENT COMMITTEE MEETING OF**

October 5, 2016

AGENDA ITEM _____: **REVIEW NOVEMBER 2, 2016, DRAFT AGENDA ITEMS –
INFORMATION**

REFERRAL COMMITTEE: N/A

SUBMITTED BY: Karl Otterstrom, Director of Planning

SUMMARY:

At this time, members of the Planning & Development Committee will have an opportunity to review and discuss the items proposed to be included on the agenda for the November 2, 2016 Committee meeting.

Proposed agenda items include:

- Minutes of the October 5, 2016, Committee meeting – *corrections/approval*
- 2017 Draft Annual Strategic Plan – *Report*
- Proposed 2017 Planning & Development Work Program - *Report*
- Draft Title VI Report - *Report*

RECOMMENDATION TO COMMITTEE: Review and discuss.

FINAL REVIEW FOR BOARD BY:

Division Head _____

Chief Executive Officer _____

Legal Counsel _____

SPOKANE TRANSIT AUTHORITY
BOARD OPERATIONS COMMITTEE MEETING OF

October 12, 2016

AGENDA ITEM 5b: PERFORMANCE MONITORING & EXTERNAL RELATIONS
COMMITTEE CHAIR REPORT

REFERRAL COMMITTEE: N/A

SUBMITTED BY: Tom Trulove, Chair, Performance Monitoring & External Relations

SUMMARY: Mr. Trulove will review the October 5 and November 2, 2016 agendas as part of his report. Agendas are attached. In particular, Mr. Trulove will review the following items from the October 5 meeting.

- i. Appoint Two New Members to the Citizen Advisory Committee & 2nd and 3rd Quarter Updates
- ii. Acceptance of Plaza Elevator Modernization Project
- iii. Award of Contract for Design & Engineering Services for Cheney High Performance Transit Corridor Improvements

RECOMMENDATION TO COMMITTEE: For information and discussion.

FINAL REVIEW FOR BOARD BY:

Division Head _____ Chief Executive Officer _____ Legal Counsel _____

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1230 West Boone Avenue
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PERFORMANCE MONITORING & EXTERNAL RELATIONS COMMITTEE MEETING

Wednesday, October 5, 2016, 1:30 p.m.
Spokane Transit Southside Conference Room

DRAFT AGENDA

Estimated meeting time: 70 minutes

1. Call to Order and Roll Call
2. Public Expressions
3. Committee Chair Report *(5 minutes)*
4. Committee Action *(15 minutes)*
 - A. Approval of Minutes of the September 07, 2016, Committee meeting – *Corrections/Approval*
 - B. Recommendation to Appoint Two New Members to the Citizen Advisory Committee *(Bousley)*
5. Committee Action *(20 minutes)*
 - A. Board Consent Agenda
 1. Acceptance of Project and Approval to Pay Retainage for the Plaza Elevator Modernization *(Bousley)*
 2. Award of Contract for Design and Engineering Services for Cheney High Performance Transit Corridor Improvements *(Otterstrom)*
 - B. Board Discussion Agenda
(No items being presented this month.)
6. Reports to Committee *(10 minutes)*
 - A. Citizen Advisory Committee - 2nd and 3rd Quarter 2016 Update *(Bousley/Frazier)*
7. CEO Report *(10 minutes)*
8. Committee Information – *no discussion/staff available for questions*
 - A. August 2016 Financial Results Summary *(Warren)*
 - B. September 2016 Sales Tax Revenue Information *(Warren)*
 - C. August 2016 Operating Indicators *(Blaska)*
 - D. Communications Update *(Bousley)*
9. November 02, 2016, Committee Packet Agenda Review
10. New Business *(5 minutes)*
11. Committee Members' Expressions *(5 minutes)*
12. Adjourn
13. Next Committee Meeting: November 2, 2016, 1:30 p.m.
(STA Southside Conference Room, 1230 West Boone Avenue, Spokane, Washington)

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SPOKANE TRANSIT AUTHORITY
PERFORMANCE MONITORING AND EXTERNAL RELATIONS COMMITTEE MEETING

October 5, 2016

AGENDA ITEM _____: NOVEMBER 2016 DRAFT COMMITTEE PACKET AGENDA REVIEW

REFERRAL COMMITTEE: N/A

SUBMITTED BY: STA Staff

SUMMARY: At this time, members of the Performance Monitoring and External Relations Committee will have an opportunity to review and discuss the items proposed to be included on the agenda for the November 02, 2016, meeting.

PERFORMANCE MONITORING & EXTERNAL RELATIONS COMMITTEE MEETING

Wednesday, November 2, 2016, 1:30 p.m.
Spokane Transit Southside Conference Room

DRAFT AGENDA

Estimated meeting time: 90 minutes

1. Call to Order and Roll Call
2. Public Expressions
3. Committee Chair Report *(5 minutes)*
4. Committee Action *(5 minutes)*
 - A. Approval of Minutes of the October 05, 2016, Committee meeting – *Corrections/Approval*
5. Committee Action *(50 minutes)*
 - A. Board Consent Agenda
 1. Approval of Spokane Regional Transportation Management Center (SRTMC) Interlocal Agreement *(Blaska)*
 2. Award of Contract - Fuel Supply *(Blaska)*
 3. Award of Contract - Linen Supply Service *(Blaska)*
 4. Equal Employment Opportunity Policy and Affirmative Action Plans - Resolution *(Doolittle)*
 5. Acceptance of Jefferson Lot Improvements and Approval to Pay Retainage *(Otterstrom)*
 6. Acceptance of Voice Radio System Replacement Project and Approval to Release Retainage *(Overhauser)*
 7. Homeless Van Program *(Blaska)*
 - B. Board Discussion Agenda
 1. 2017 State Legislative Focus and Priorities *(Meyer/Millbank)*
 2. MV Transportation Contract Extension *(Blaska/Marchioro)*
6. Reports to Committee *(20 minutes)*
 - A. 3rd Quarter 2016 Performance Measures – Results *(Blaska)*
 - B. 2017 Service Revision Phase I - Draft Recommendation *(Otterstrom)*
 - C. 2017 Phase II – September Service Change Preliminary Proposal *(Otterstrom)*
7. CEO Report *(10 minutes)*
8. Committee Information – *no discussion/staff available for questions*
 - A. September 2016 Financial Results Summary *(Warren)*
 - B. October 2016 Sales Tax Revenue Information *(Warren)*
 - C. September 2016 Operating Indicators *(Blaska)*
 - D. Communications Update *(Bousley)*
 - E. STA's Holiday Services and Office Hours *(Watson)*
9. November 30, 2016, Committee Packet Agenda Review
10. New Business *(5 minutes)*
11. Committee Members' Expressions *(5 minutes)*
12. Adjourn
13. Next Committee Meeting: November 30, 2016, 1:30 p.m.
(STA Southside Conference Room, 1230 West Boone Avenue, Spokane, Washington)

SPOKANE TRANSIT AUTHORITY
BOARD OPERATIONS COMMITTEE MEETING OF

October 12, 2016

AGENDA ITEM 6: PLAZA LEASES - ACTION

REFERRAL COMMITTEE: N/A

SUBMITTED BY: E. Susan Meyer, Chief Executive Officer
Lynda Warren, Director of Finance & Information Services

SUMMARY: The STA Plaza (Plaza) opened in July 1995 and is a hub of activity in downtown Spokane. STA has made certain retail tenant space is available for lease to downtown merchants. These tenants provide convenient access to food, groceries and other retail items for STA and downtown customers. In September 2013, Critical Data, Inc. performed a "Best Use Market Study" (Study) for the Plaza. The Study recommended that a mini-food court be developed on the west side of the Plaza's main level, bringing the tenants currently on the second floor to the first floor. They also recommended the first floor rotunda be developed with a dedicated outside front entrance constructed and leased to a high volume coffee shop/retailer.

As part of the Plaza renovation, there will be 5 retail spaces available on the first floor. Subway (820 sq. ft.) will continue its current lease. The tenants (Pizza Rita and Joe's Mini Mart) located on the second floor will relocate to the first floor, thus requiring a new lease. Pizza Rita has been operating in the Plaza since 2002 and Joe's Mini Mart since 1996. NAI Black serves as leasing agent and property manager for the Plaza. There will be two additional spaces available for future tenants: Space A (1st Floor Rotunda) and Space C. NAI Black has presented STA with the proposed lease attached. A summary of the information is below:

Pizza Rita

Square Feet: 907 sq. ft.

Joe's Mini Mart

Square Feet: 721 sq. ft.

Space A (1st Floor Rotunda)

Square Feet: 1740 sq. ft.

Space C

Square Feet: 682 sq. ft.

In addition, when the Plaza renovation budget was established, due to the uncertainty of what renovations would be needed and the desire to account for them separately, work on the retail spaces were excluded from the \$4.95M project budget. Included in the new leases is a reimbursement allowance for up to \$35/sq. ft. for the tenants to finish the space as needed. The maximum amount the tenants would be reimbursed for this is not to exceed \$141,750. The total amount of the Plaza renovation budget would be \$5.1M.

Discussions with the tenants are still ongoing, however, in order to have the lease effective and allow time for the tenants to develop the spaces to fit their needs, staff is requesting the Board approve the lease format and provide the CEO authorization to finalize the leases with a minimum of \$18/sq. ft., an appropriate percentage rent rate and a minimum 5 year term.

RECOMMENDATION TO COMMITTEE: Approve and forward to the Board, the lease format and provision to allow the Chief Executive Officer to approve the final leases with a minimum of \$18/sq. ft., an appropriate percentage rent rate and a minimum 5 year term. The lease will also include a reimbursement up to \$35 per square foot for the tenants to use to finish the space. Total cost for tenants to finish the spaces is not to exceed \$141,750.

COMMITTEE ACTION:

RECOMMENDATION TO BOARD:

FINAL REVIEW FOR BOARD BY:

Division Head _____

Executive Director _____

Legal Counsel _____

THE PLAZA LEASE

THIS LEASE, dated for reference purposes only on the _____ day of _____, 20____ by and between **Spokane Transit Authority, a public municipal corporation of the State of Washington** (hereinafter referred to as the "Landlord") and _____ (hereinafter referred to as the "Tenant");

WHEREAS, the Landlord owns that certain real property and improvements now or hereafter located thereon as described in the legal description thereof attached hereto and made a part hereof as Exhibit A (hereinafter referred to as "The Plaza"); and

WHEREAS, the Landlord desires to lease certain space to Tenant, as more fully set forth herein, and Tenant desires to take and lease such space from Landlord, as more fully described below (hereinafter referred to as the "Premises");

NOW THEREFORE, for and in consideration of the rents reserved hereunder and the terms and conditions hereof, the Landlord hereby rents and leases to Tenant, and Tenant takes and leases from Landlord, the following described Premises all upon the following terms and conditions:

1. BASIC LEASE PROVISIONS AND ENUMERATION OF EXHIBITS.

1.1 Basic Lease Provisions.

LANDLORD: Spokane Transit Authority

ADDRESS OF LANDLORD: 1230 West Boone Avenue, Spokane, WA 99201

TENANT:

ADDRESS OF TENANT:

TENANT'S TRADE NAME:

LEASED PREMISES:

LEASE TERM:

COMMENCEMENT DATE:

TERMINATION DATE:

FIXED MINIMUM RENT:

LEASEHOLD TAX: Fixed minimum rent includes State of Washington Leasehold Excise Tax presently computed at 12.84% of minimum rent and subject to change at the direction and edict of the State.

PERCENTAGE RENT RATE: TBD (X%)

PERCENTAGE RENT PERIODS: Each calendar year January 1 through December 31.

PERMITTED USES:

OPTION TO RENEW:

1.2 Significance of a Basic Lease Provision. Each reference in this Lease to any of the Basic Lease Provisions contained in Section 1.1 shall be deemed and construed to incorporate all the terms provided under each such Basic Lease Provision. **Enumeration of Exhibits.** The exhibits enumerated in this Section and attached to this Lease are incorporated in the Lease by reference and are to be construed as a part of this Lease. Each party agrees to perform any obligations on its part stated in any and all such Exhibits.

Exhibit A	Legal Description of The Plaza
Exhibit B	Site Plan of The Plaza locating Tenant's Premises
Exhibit C	Description of Landlord's and Tenant's Work
Exhibit D	Demising Plan of Premises (which shall establish the floor area contained therein, sometimes herein referred to as "Floor Area").

2. PREMISES.

2.1 The Plaza.

(a) **Definition.** The Landlord is the owner of The Plaza, which The Plaza is depicted in the Site Plan of The Plaza attached hereto as Exhibit B. The Tenant shall only have such rights in and to The Plaza as are specifically set forth herein.

(b) **No Representations.** It is agreed that the depiction of The Plaza on Exhibit B does not constitute a representation, covenant, or warranty of any kind by Landlord, and Landlord reserves the right from time-to-time to change the size and dimensions of The Plaza, alter and/or modify the identity and type of other stores and tenancies and the common areas located from time-to-time in or on The Plaza and any other real estate which may constitute a portion of The Plaza shall be free from any such liability.

2.2 Premises and Demise. Landlord hereby leases and demises to Tenant, and Tenant hereby

accepts from Landlord, subject to and with the benefit of the terms and provisions of this Lease, the Premises described in Section 1.1 and depicted in cross hatching on Exhibit B. The Premises is depicted in the Demising Plan of Premises attached hereto as Exhibit D.

2.3 Reserved to Landlord. Landlord reserves the use of the exterior walls (other than store fronts), the roof, and the right to install, maintain, use, repair and replace pipes, ducts, conduits, and wires leading through the Premises in locations which will not materially interfere with Tenant's use thereof and serving other parts of The Plaza. Further, the Landlord has the right to use the land below the Premises in any manner which does not materially interfere with Tenant's use of the Premises.

3. TERM.

3.1 Lease Term. This Lease shall be for the term set forth in Section 1.1 above (the "Term" or "Lease Term" and shall commence on _____, 20_____, or the day Tenant opens for business, whichever is earlier, but in no event later than ninety (90) days after initiation of work included in Tenant's Responsibility as called for in Section 3.2 below. The Lease Term shall terminate at midnight of the termination date set forth in Section 1.1 above. Keys will be released to Lessee upon delivery to Lessor's property manager a fully executed lease and guarantee, deposit specified herein, and certificate of liability insurance naming Lessor and Lessor's property manager as an additional insured. Regardless of the date keys are released to Lessee, Minimum Rent and Common Charges shall begin as specified in Sections 4.1.(a) below.

3.2 Landlord's and Tenant's Responsibility. If the Premises are not presently complete, Landlord shall deliver to the Tenant, and the Tenant agrees to accept from the Landlord, possession of the Premises forthwith upon substantial completion of Tenant's and Landlord's Responsibility as described in Exhibit C hereto. Tenant and Landlord shall, as soon as it is reasonably possible after the execution of this Lease, commence and pursue to completion the improvements to be erected by Landlord and Tenant to the extent shown on the attached Exhibit C. Tenant shall commence the installation of fixtures, equipment, and any of Tenant's Responsibility as set forth in said Exhibit C promptly upon notification from Landlord that such work can proceed.

3.3 Statement as to Lease Term. When the commencement date and termination date of the Lease Term have been determined as provided in Section 3.1, Landlord and Tenant shall execute, acknowledge, and deliver a written statement in recordable form specifying therein the commencement date and termination date of the Lease Term, and such dates shall be inserted in Sections 1.1 and 3.1 above.

4. RENT.

4.1 Minimum Rent.

(a) Minimum Rent. Tenant shall pay to Landlord, without notice or demand and without any set-off or deduction whatsoever, as fixed minimum rent the sum of (please refer to Clause 1. Fixed Minimum Rent) per month (the "Minimum Rent"), which Minimum Rent shall be paid in advance on or before the first day of each calendar month of the Lease Term. If the Lease Term commences or expires on a day other than the last day of a calendar month, the Minimum Rent for such month shall be a

prorated portion of the monthly Minimum Rent, based upon a thirty (30) day month. If Landlord is to perform work on the Premises as set forth in Section 3.2 hereof, the Lease Term, and the payment of Minimum Rent hereunder, shall commence sixty (60) days after Landlord delivers the Premises to Tenant after substantial completion of Landlord's Work pursuant to Section 3.2 or the day on which Tenant opens for business in the Premises, whichever occurs first.

4.2 Percentage Rent.

(a) **Tenant's Obligation.** In addition to the Minimum Rent to be paid by Tenant pursuant to Section 4.1 above, Tenant shall pay to Landlord, at the time and in the manner herein specified, additional rent in an amount equal to the amount of Tenant's gross sales made in, upon or from the Premises during each calendar year of the Lease Term multiplied by the amount of percentage rent shown in Section 1.1 hereof, less the aggregate amount of the Minimum Rent previously paid by Tenant for said calendar year.

(b) **Monthly Statements.** Within twenty (20) days after the end of each calendar month of the Lease Term, commencing with the 20th day of the month following the month in which Minimum Rent commences hereunder, and ending with the 20th day of the month next succeeding the last month of the Lease Term, Tenant shall furnish to Landlord a written statement certified by Tenant to be correct, showing the total gross sales made in, upon, or from the Premises during the preceding calendar month, and shall accompany each such statement with a payment to Landlord equal to said hereinabove stated percentage of the total monthly gross sales made in, upon, or from the Premises during said calendar month, less the Minimum Rent for each such calendar month, if previously paid.

(c) **Annual Statement.** Within thirty (30) days after the end of each calendar year of the Lease Term, Tenant shall furnish to Landlord a written statement, certified by Tenant to be correct, showing the total gross sales by months made in, upon, or from the Premises during the preceding calendar year, at which time an adjustment shall be made between Landlord and Tenant to the end that the total percentage rent paid to Landlord for such calendar year shall be a sum equal to said hereinabove stated percentage of the total gross sales made in, upon, or from the Premises during each calendar year of the term hereof, less the Minimum Rent pursuant to Section 4.1 for such calendar year, if previously paid, so that the percentage rent, although payable quarterly shall be computed and adjusted on an annual basis. Any overpayment of percentage rental by Tenant shall be credited towards the next Minimum Rent payments due. Tenant shall attach its certified or cashier's check to such annual report, which check shall be in an amount equal to any underpayment revealed by such annual report.

(d) **Definition.** The term "gross sales", as used herein, means the selling price of all goods, merchandise, and services sold in, upon, or from any part of the Premises by Tenant or any other person, firm, or corporation, and shall include, but not be limited to, sales or charges for cash or credit regardless of collections, sales by vending devices, including coin telephone, rent income, mail or telephone orders received or filled at the Premises, all deposits not refunded to purchasers, orders taken although filled elsewhere, fees, commissions, catalog sales, and the sale by any sublessee, concessionaire, licensee, or otherwise. Excluded from gross sales shall be returns and refunds to customers and the amount of any sales tax or other excise tax imposed upon said sale and charges (but only if such sales tax, excise tax, or similar tax is billed to the purchaser as a separate item). Each sale upon installment or credit shall be treated as a sale for the full price in the month during which such sale is made, regardless of the time

when Tenant receives payment from its customer, excluding promotional items not to exceed 1.5% of sales. Promotional items shall not include food items.

(e) **Records.** The Tenant shall keep full, complete, and proper books, records, and accounts of its daily gross sales, both for cash and on credit, of each separate department, subtenant, and concessionaire at any time operated in the Premises. The Landlord and its agents and employees shall have the right at any and all reasonable times, during the regular business hours, to examine and inspect all of the books and records of the Tenant, including any sales tax reports pertaining to the business of the Tenant conducted in, upon, or from the Premises, for the purpose of investigating and verifying the accuracy of any statement of gross sales. Tenant shall keep all said records for three (3) years. All records shall be maintained by Tenant at its office. The Landlord may, once in any calendar year, cause an audit of the business of Tenant to be made by an accountant of Landlord's selection and if the statement of gross sales previously made to Landlord shall be found to be inaccurate, then and in that event, there shall be an adjustment and one party shall pay to the other on demand such sums as may be necessary to settle in full the accurate amount of said percentage rent that should have been paid to Landlord for the period or periods covered by such inaccurate statement or statements. If said audit shall disclose an inaccuracy of greater than two percent (2%) error with respect to the amount of gross sales reported by Tenant for the period of said report, then the Tenant shall immediately pay to Landlord the cost of such audit; otherwise, the cost of such audit shall be paid by Landlord. If such audit shall disclose any willful inaccuracies, this Lease may thereupon be canceled and terminated, at the option of Landlord. All sales reports will be kept confidential.

(f) **No Partnership.** It is understood and agreed that the fixing of a portion of the rental on a percentage of the sales of the business to be done by Tenant does not create a partnership or joint venture relationship between the parties hereto, that the Landlord assumes no liability hereunder for the operation of the business of Tenant, and that the provisions with reference to rents herein are for the sole purpose of fixing and determining the total rents to be paid by Tenant to Landlord.

(g) **Waiver.** The acceptance by Landlord of any monies paid to Landlord by Tenant pursuant to Section 4.3, shall not be an admission by Landlord of the accuracy of any monthly or annual statement furnished by Tenant during the month or year reported therein, or of the sufficiency of the amount of any such payment, but Landlord shall be entitled to inspect the books and records of Tenant, and receive any additional sums due from Tenant disclosed by such inspection, as described above.

4.3 Adjustments.

(a) **Taxes.** Tenant shall pay or cause to be paid all taxes, including but not limited to, any leasehold excise tax imposed on the Premises applicable to the Term of the Lease.

(b) The Landlord is a political subdivision of the State of Washington. By virtue of such status, it is exempt by law from paying excise taxes, ad valorem taxes, and taxes levied by other political subdivisions unless expressly provided by law. This Section is intended to insulate the Landlord from assuming or otherwise being obligated to pay taxes, including but not limited to, any leasehold excise tax imposed by virtue of Tenant's occupancy or use of the Premises, regardless of the taxing entity which seeks such tax. Landlord, therefore, has no obligation to pay any excise tax or ad valorem tax assessed by any political subdivision on the Tenant's occupancy or use.

5. USE.

5.1 Permitted Uses. Tenant shall not use or permit or suffer the use of the Premises for any business or purpose other than the purpose set forth in Section 1.1 above, without the prior written consent of Landlord, which consent may be subject to such conditions as Landlord deems appropriate.

5.2 Uses Prohibited. Tenant shall not do or permit anything to be done in or about the Premises nor bring or keep anything therein which will in any way increase the existing rate of, or affect any, fire or other insurance upon the Premises or the Building of which the Premises are a part, or cause a cancellation of any insurance policy covering said Premises or Building or any part thereof or any of its contents. Tenant shall not do or permit or suffer anything to be done in or about the Premises which will in any way obstruct or interfere with the rights of other tenants or occupants of The Plaza or injure or annoy them, nor shall the Tenant use or allow the Premises to be used for any improper, immoral, unlawful, or objectionable or offensive purpose, nor shall Tenant cause, maintain, or suffer or permit any nuisance in, on, or about the Premises. Tenant shall not commit or allow to be committed any waste in or upon the Premises and shall refrain from using or permitting the use of the Premises or any portion thereof as living quarters, sleeping quarters, or for lodging purposes.

5.3 Operation of Business. Tenant shall conduct its business on the Premises during the entire Lease Term hereof with diligence and efficiency so as to produce all of the gross sales which may be produced by such manner of operation, unless prevented from doing so by causes beyond Tenant's control. Tenant shall keep in stock on the premises a full and ample line of merchandise for the purpose of operating its business and shall maintain an adequate sales force. Subject to the provisions of this Lease, Tenant shall continuously during the entire Lease Term hereof, conduct and carry on Tenant's business in the Premises and shall keep the Premises open for business and cause Tenant's business to be conducted therein during the same days, nights, and hours as the majority of the members of the Merchant's Association or during such reasonable hours as shall be designated by Landlord; provided, however, that these provisions shall not apply if the Premises should be closed and the business of Tenant temporarily discontinued thereon on account of strikes, lockouts, or similar causes beyond the reasonable control of Tenant.

5.4 Compliance with Laws. Tenant shall, at its sole cost and expense, promptly comply with all local, state, or federal laws, statutes, ordinances and governmental rules, regulations, or requirements now in force or which may hereafter be in force with respect to the Tenant's use and occupancy of the Premises and the Tenant's business conducted thereon and with the condition, use, or occupancy of the Premises (excluding structural changes not related to or affected by Tenant's improvements or acts). The judgment of any court of competent jurisdiction or the admission of Tenant in any action against Tenant, whether Landlord be a party thereto or not, that Tenant has violated any law, statute, ordinance or governmental rule, regulation, or requirement, shall be conclusive of that fact as between the Landlord and Tenant.

5.5 Hazardous Substances.

(a) Presence and Use of Hazardous Substances. Tenant shall not, without Landlord's prior written consent, keep on or around the Premises, common areas, or building for use, disposal, treatment, generation, storage, or sale, and substances designated as, or containing components designated as hazardous, dangerous, toxic, or harmful (collectively referred to as "Hazardous

Substances”) and /or is subject to any regulation by federal, state, or local law regulation, statute, or ordinance. With respect to any such Hazardous Substances, Tenant shall:

(1) Comply promptly, timely, and completely with all governmental requirements for reporting, keeping and submitting manifests, and obtaining and keeping current identification numbers;

(2) Submit to Landlord true and correct copies of all reports, manifests, and identification numbers at the same time as they are required to be and/or are submitted to the appropriate governmental authorities;

(3) Within five (5) days of Landlord’s request, submit written reports to Landlord regarding Tenant’s use, storage, treatment, transportation, generation, disposal, or sale of Hazardous Substances and provide evidence satisfactory to Landlord of Tenant’s compliance with the applicable government regulations;

(4) Allow Landlord or Landlord’s agent or representative to come on the Premises at all times to check Tenant’s compliance with all applicable governmental regulations regarding Hazardous Substances;

(5) Comply with minimum levels, standards, or other performance standards or requirements which may be set forth or established for certain Hazardous Substances (if minimum standards or levels are applicable to Hazardous Substances present on the Premises, such levels or standards shall be established by an on-site inspection by the appropriate governmental authorities and shall be set forth in an addendum to this Lease);

(b) Clean-up Costs, Default, and Indemnification.

(1) Tenant shall be fully and completely liable to Landlord for any and all clean-up costs, and any and all other charges, fees, penalties (civil and criminal) imposed by any governmental authority with respect to Tenant’s use, disposal, transportation, generation and/or sale of Hazardous Substances, in or about the Premises, Common Areas, or Building. Tenant shall indemnify, defend, and save Landlord harmless from any and all of the costs, fees, penalties, and charges assessed against or imposed upon Landlord (as well as Landlord’s attorneys’ fees and costs) as a result of Tenant’s use, disposal, transportation, generation and/or sale of Hazardous Substances.

(2) Upon Tenant’s default under this Section 5, in addition to the rights and remedies set forth elsewhere in this Lease, Landlord shall be entitled to the following rights and remedies:

(a) At Landlord’s option, to terminate this Lease immediately; or

(b) To recover any and all damages associated with the default, including but not limited to, clean-up costs and charges, civil and criminal penalties and fees, loss of business and sales by Landlord and other Tenants of the Building, and any and all damages and claims asserted by third parties and Landlord's attorneys' fees and costs.

5.6 Rental Adjustments. Any and all costs incurred by Landlord and associated with Landlord's inspection of Tenant's Premises and Landlord's monitoring of Tenant's compliance with this Section 5, including Landlord's attorneys' fees and costs, shall be Rental Adjustments and shall be due and payable to Landlord immediately upon demand by Landlord.

6. UTILITIES.

6.1 Tenant's Obligation. Tenant shall pay before delinquency, at its sole cost and expense, all charges for gas, electricity, telephone service, sewer service charges and sewer rentals charged or attributable to the Premises, and all other services or utilities used in, upon, or about the Premises by Tenant or any of its subtenants, licenses, or concessionaires during the Lease Term hereof and the cost of installing meters therefore; provided, however, that if any such services or utilities shall be billed to Landlord and are not separately metered to the Premises, then Tenant agrees to pay, upon demand, a proper and fair share of said charges. In no event shall Landlord be liable for an interruption or failure in the supply of any such utilities to the Premises.

7. PERSONAL PROPERTY TAXES.

7.1 Tenant's Obligation. Tenant shall pay, or cause to be paid, before delinquency, any and all taxes levied or assessed and which become payable during the Lease Term hereof upon all Tenant's leasehold improvements, equipment, furniture, fixtures, and any other personal property located in the Premises. In the event any or all of the Tenant's leasehold improvements, equipment, furniture, fixtures, and other personal property shall be assessed and taxed with the real property, Tenant shall pay to Landlord its share of such taxes within ten (10) days after delivery to Tenant by Landlord of a statement in writing setting forth the amount of such taxes applicable to Tenant's property.

8. LICENSES AND TAXES.

8.1 Tenant's Obligation. Tenant shall be liable for, and shall pay throughout the Term of this Lease, all license and excise fees and occupation taxes covering the business conducted on the Premises. If any governmental authority or unit under any present or future law effective at any time during the Lease Term hereof shall in any manner levy a tax on rents payable under this Lease or rents accruing from use of the Premises or a tax in any form against Landlord because of or measured by income derived from the leasing or rental of said property, such tax shall be paid by Tenant, either directly or through Landlord, and upon Tenant's default therein, Landlord shall have the same remedies as upon failure to pay rent. It is understood and agreed, however, that Tenant shall not be liable to pay any net income tax imposed on Landlord unless, and then only to the extent that, the net income tax is a substitute for real estate taxes.

9. ALTERATIONS.

9.1 Acceptance of Premises. Upon delivery of the Premises to Tenant, Tenant shall acknowledge to Landlord in writing that Tenant has inspected the Premises and accepts them in their then condition or else shall notify Landlord of any deficiencies then apparent.

9.2 Alterations by Tenant. Tenant shall not make any alterations, additions, or improvements in or to the Premises without the prior written consent of Landlord, which consent may be subject to such conditions as Landlord may deem appropriate. Any such alterations, additions, or improvements consented to by Landlord shall be made at Tenant's sole cost and expense. Tenant shall secure any and all governmental permits, approvals, or authorizations required in connection with any such work, and shall hold Landlord harmless from any and all liability, costs, damages, expenses (including attorneys' fees), and any and all liens resulting therefrom. All alterations, additions, and improvements (and expressly including all light fixtures and floor coverings), except trade fixtures which do not become a part of the Premises, shall immediately become the property of Landlord without any obligation to pay therefore. Upon the expiration or sooner termination of the term thereof, Tenant shall, upon written demand by Landlord, given at least thirty (30) days prior to the end of the term, at Tenant's sole cost and expense, forthwith and with all due diligence, remove any alterations, additions, or improvements made by Tenant, designated by Landlord to be removed, and Tenant shall, forthwith and with all due diligence, at its sole cost and expense, repair any damage to the Premises caused by such removal.

9.3 Prevailing Wage. Tenant agrees to pay the prevailing rate of wages to all workers, laborers, or mechanics employed in the performance of any part of the Lease when required by state law to do so, and to comply with the provisions of Chapter 39.12 RCW, as amended, and the rules and regulations of the Department of Labor and Industries. The schedule of prevailing wage rates for the locality or localities where the Lease will be performed as determined by the Industrial Statistician of the Department of Labor and Industries, are by reference made part of this Lease as though fully set forth herein.

10. MAINTENANCE OF PREMISES.

10.1 Maintenance and Repair by Tenant. Tenant shall at all times throughout the Lease Term, at its sole cost and expense, keep the Premises (including exterior doors and entrances, all windows and moldings and trim of all doors and windows) and all partitions, door surfaces, fixtures, equipment and appurtenances thereof (including lighting, heating, and plumbing fixtures and any air conditioning system) in good order, condition and repair, damage by unavoidable casualty excepted (but not excluding damage from burglary or attempted burglary of the Premises). When there is an air conditioning system, Landlord will contract for monthly service checks and filter changes and Tenant agrees to pay its pro rata share of such service calls and filter changes on the units serving Tenant's Premises. Without limiting the generalities thereof, Tenant shall keep the glass of all windows, doors, and showcases clean and presentable; replace immediately all broken glass in the Premises; at reasonable intervals paint or refinish the interior of the Premises and the store front, including entrances as determined by Landlord; make any necessary repairs to, or replacements of, all door closure apparatuses and mechanisms; keep all plumbing clean and in good state of repair, including pipes, drains, toilets, basins, and those portions of the heating system within the walls of the Premises.

10.2 Failure to Maintain. If Tenant fails to keep and preserve the Premises as set forth in Section 10.1 above, Landlord may, at its option, put or cause the same to be put in the condition and state of repair agreed upon, and in such case, upon receipt of written statements from Landlord. Tenant shall promptly pay the entire cost thereof as additional rent. Landlord shall have the right, without liability, to enter the Premises for the purpose of making such repairs upon the failure of Tenant to do so.

10.3 Repairs by Landlord. Landlord shall keep the roof, exterior walls, foundations, and building structure of the Premises in a good state of repair, and shall accomplish such repairs as may be needed promptly after receipt of written notice from Tenant. Should such repairs be required by reason of Tenant's negligent acts or failure to act, Tenant shall promptly pay Landlord for the cost thereof as additional rent. Tenant shall immediately inform Landlord of any necessary repairs and Tenant shall make none of such repairs without Landlord's prior written consent. Landlord shall not be liable for any failure to make any such repairs or to perform any maintenance required of Landlord hereunder unless such failure shall persist for an unreasonable time after written notice of the need of such repairs or maintenance is given to Landlord by Tenant. Except as otherwise specifically provided herein, there shall be no abatement of rent and no liability of Landlord by reason of any injury to or interference with Tenant's business arising from the making of any repairs, alterations, or improvements in or to any portion of the Premises or Building of which the Premises is a part or in or to fixtures, appurtenances, and equipment therein.

10.4 Surrender of Premises. At the expiration or sooner termination of this Lease, Tenant shall return the Premises to Landlord in the same condition in which received (or, if altered by Landlord or by Tenant with the Landlord's consent, then the Premises shall be returned in such altered condition), reasonable wear and tear excepted. Tenant shall remove all trade fixtures, appliances, and equipment which do not become a part of the Premises and alterations which Landlord designates to be removed pursuant to Section 9.2 above, and shall restore the Premises to the condition they were in prior to the installation of said items. Tenant agrees to pay Landlord for the cost of any cleaning to the Premises necessitated by their failure to do so. Tenant's obligation to perform this covenant shall survive the expiration or termination of this Lease.

10.5 Entry. By entry hereunder, Tenant shall be deemed to have accepted the Premises as being in good and sanitary order, condition, and repair.

11. LIENS AND ENCUMBRANCES.

11.1 Liens. Tenant shall keep the Premises and The Plaza in which the Premises are situated, free from any liens arising out of any work performed, materials furnished, or obligations incurred by Tenant. Landlord may require, at Landlord's sole option, that Tenant shall provide to Landlord, at Tenant's sole cost and expense, payment and performance bonds in an amount equal to one and one half (1½) times the estimated cost of any improvements, additions, or alterations in the Premises which the Tenant desires to make to insure Landlord against any liability for mechanics' and materialmen's liens and to insure completion of the work.

11.2 Encumbrances. The Tenant shall not cause or suffer to be placed, filed, or recorded against the title to the Premises, The Plaza in which the Premises are located, or any part thereof, any mortgage, deed of trust, security agreement, financing statement, or other encumbrances, and further, in no event shall the lien of Tenant's Mortgage, deed of trust, or other security agreement or financing statement cover the Premises, or The Plaza, or any part thereof nor any leasehold improvements, alterations, additions, or improvements thereto, except trade fixtures, appliances, and equipment which are owned by Tenant and which are not and which do not become a part of the Premises. The form of any such mortgage, deed of trust, or other security agreement or financing statement which includes a legal description of the Premises,

or The Plaza, or the address thereto, shall be subject to Landlord's prior written approval, which may be subject to such conditions as the Landlord may deem appropriate.

12. ASSIGNMENT AND SUBLETTING.

12.1 Assignment or Sublease. Tenant shall not assign, transfer, mortgage, pledge, hypothecate or encumber this Lease or any interest therein nor sublet the whole or any part of the Premises, nor shall this Lease or any interest hereunder be assignable or transferable by operation of law or by any process or proceeding of any court, or otherwise without the prior written consent of Landlord, which consent may be subject to such conditions as Landlord may deem appropriate. For the purposes hereof, a consolidation or merger of Tenant, or a change in the ownership of Tenant, shall be deemed an assignment. Without in any way limiting Landlord's right to refuse to give such consent for any other reason or reasons, Landlord reserves the right to refuse to give such consent unless Tenant remains fully liable during the unexpired Lease Term hereof and Landlord further reserves the right to refuse to give such consent if, in Landlord's reasonable business judgment, the quality of merchandising experience, or the financial worth of the proposed new tenant is less than that of the Tenant executing this Lease or of Tenant and Tenant's Guarantor, as the case may be. Tenant agrees to reimburse Landlord for Landlord's reasonable attorneys' fees incurred in conjunction with the processing and documentation of any such requested transfer, assignment, subletting, licensing or concession agreement, change of fee ownership, or hypothecation of this Lease or Tenant's interest in and to the Premises.

13. COMMON AREAS.

13.1 Control of Common Areas by Landlord. Landlord shall at all times have the exclusive control and management of the common areas of The Plaza. The common areas shall include, but not be limited to, all parking areas, driveways, entrances, retaining walls and exits thereto, truck way or ways, loading docks, package pick-up stations, washrooms, pedestrian malls, courts, sidewalks and ramps, landscaped areas, exterior stairways, and other areas, improvement, facilities, and special services provided by Landlord for the general use, in common, of tenants of The Plaza, and their officers, agents, employees, and invitees. With respect to the common areas, Landlord shall have the right from time-to-time to employ personnel; establish, modify, and enforce reasonable rules and regulations; construct, maintain and operate lighting facilities; police the common areas and facilities; to close all or any portion of the common areas to such extent as may, in the opinion of Landlord's counsel, be legally sufficient to prevent a dedication thereof or the accrual of any interest therein by any person or the public; and to do and perform such other acts in and to the common areas as, in the use of good business judgment, Landlord shall determine to be advisable with a view to the improvement of the convenience and use thereof by tenants of The Plaza, their employees, invitees, and customers.

13.2 License. All common areas and facilities which Tenant may be permitted to use and occupy shall be used and occupied under a revocable license. If the amount of such areas or facilities be diminished, such diminution shall not be deemed a constructive or actual eviction of Tenant and Landlord shall not be subject to any liability, nor shall Tenant be entitled to any compensation or diminution or abatement of rent.

13.3 Rules and Regulations. Tenant shall comply with the rules and regulations that the Landlord may from time-to-time promulgate and/or modify. Upon delivery of the rules and regulations to the Tenant, said rules and regulations shall be binding. Landlord shall not be responsible to Tenant

for the nonperformance of any said rules and regulations of any other tenants or occupants.

14. INSURANCE AND INDEMNITY.

14.1 Indemnification. It is understood and agreed that Landlord shall not be liable for injury to any person, or for the loss of or damage to any property (including property of Tenant) occurring in or about the Premises from any cause whatsoever, except for Landlord's negligence or willful misconduct. Tenant hereby indemnifies and holds Landlord harmless from and against and agrees to defend Landlord against any and all claims, charges, liabilities, obligations, penalties, damages, costs, and expenses (including attorney's fees) arising from Tenant's use of the Premises, the conduct of its business or from any activity, work or other things done, permitted or suffered by the Tenant in or about the Premises, and Tenant shall further indemnify and hold harmless the Landlord from and against any and all claims arising from any breach or default in the performance of any obligation on Tenant's part or to be performed under the terms of this Lease, or arising from any act or negligence of the Tenant, or any officer, agent, employee, guest, or invitee of Tenant, and from all costs, attorneys' fees, and liabilities incurred in or about the defense of any such claim or any action or proceeding brought thereon, and in case any action or proceeding be brought against Landlord by reason of such claim. Tenant, upon notice from Landlord, shall defend the same at Tenant's expense by counsel reasonably satisfactory to Landlord. Tenant as a material part of the consideration to Landlord hereby assumes all risk of damage to property or injury to persons in, upon, or about the Premises, from any cause other than Landlord's negligence, or willful misconduct, and Tenant hereby waives all claims in respect thereof against Landlord. The indemnification provided for this Section with respect to any acts or omissions during the Term of this Lease shall survive any termination or expiration of this Lease. Landlord and its agents shall not be liable for any loss or damage to persons or property resulting from fire, explosion, falling ceiling materials, steam, gas, electricity, water or rain which may leak from any part of the Premises or from pipes, appliances or plumbing works therein or from the roof, street or subsurface or from any other place resulting from dampness or any other cause whatsoever, unless caused by or due to the negligence of Landlord, its agents, servants, or employees. Landlord and its agents shall not be liable for interference with the light, air, or for any latent defect on the Premises. Tenant shall give prompt notice to Landlord in case of casualty or accidents on the Premises.

14.2 Insurance. During the entire Lease Term, the Tenant shall, at its own expense, maintain adequate liability insurance with a reputable insurance company or companies with minimum amounts of \$1,000,000.00 for property damage, and \$1,000,000.00 (per individual) and \$2,000,000.00 (per accident) for personal injuries, to indemnify both Landlord and Tenant against any such claims, demands, losses, damages, liabilities, and expenses. Landlord and Landlord's Property Manager shall each be named as insureds and shall be furnished with a copy of such policy or policies of insurance, which shall bear an endorsement that the same shall not be canceled except upon not less than thirty (30) days' prior written notice to Landlord. Tenant shall also, at its own expense, maintain during the Lease Term, insurance covering its furniture, fixtures, equipment, and inventory in an amount equal to the full insurable value thereof, against fire and risks covered by standard extended coverage endorsement and insurance covering all plate glass and other glass on the Premises. Tenant shall provide Landlord with copies of the policies of insurance or certificates thereof. If Tenant fails to maintain such insurance, Landlord may maintain the same on behalf of Tenant. Any premiums paid by Landlord shall be deemed additional rent and shall be due on the payment date of the next installment of Minimum Rental hereunder.

14.3 Increase in Insurance Premium. Tenant shall not keep, use, sell, or offer for sale in or

upon the Premises any article which may be prohibited by the standard form of fire insurance policy. Tenant shall pay any increase in premiums for casualty and fire (including extended coverage) insurance that may be charged during the Term of this Lease on the amount of such insurance which may be carried by Landlord on the Premises or the Building of which they are a part, resulting from Tenant's occupancy or from the type of merchandise which Tenant stores or sells on the Premises, whether or not Landlord has consented thereto. In such event, Tenant shall also pay any additional premium on the insurance policy that Landlord may carry for its protection against rent loss through fire or casualty. In determining whether increased premiums are the result of Tenant's use of the Premises, a schedule, issued by the organization setting the insurance rate on the Premises, showing the various components of such rate, shall be conclusive evidence of the several items and charges which make up the casualty and fire insurance rate on the Premises. Landlord shall deliver bills for such additional premiums to Tenant at such times as Landlord may elect, and Tenant shall immediately reimburse Landlord therefore.

14.4 Waiver of Subrogation. Landlord and Tenant hereby mutually release each other from liability and waive all rights of recovery against each other for any loss in or about the Premises, from perils insured against under their respective fire insurance contracts, including any extended coverage endorsements thereof, whether due to negligence or any other cause, provided that this Section shall be inapplicable if it would have the effect, but only to the extent it would have the effect, of invalidating any insurance coverage of Landlord or Tenant.

14.5 Companies. Insurance required hereunder shall be issued by companies rated AAA or better in "Bests" Insurance Guide.

14.6 Certificate of Insurance. A certificate issued by the insurance carrier for each policy of insurance required to be maintained by Tenant under the provisions of this Lease shall be delivered to Landlord on or before the commencement date of the Lease Term hereof and thereafter, as respects policy renewals, within thirty (30) days prior to the expiration of the term of each such policy. Each of said certificates of insurance and each such policy of insurance required to be maintained by Tenant hereunder shall expressly evidence insurance coverage as required by this Lease. All such policies shall be written as primary policies not contributing with and not in excess of coverage which Landlord may carry.

15. EMINENT DOMAIN.

15.1 Total Taking. If all the Premises are taken by the power of eminent domain exercised by any governmental or quasi-governmental authority, this Lease shall terminate as of the date Tenant is required to vacate the Premises and all Minimum Rent and other rentals and charges due hereunder shall be paid to that date. The term "eminent domain" shall include the taking or damaging of property by, through, or under any governmental or quasi-governmental authority, and any purchase or acquisition in lieu thereof, whether or not the damaging or taking is by the government or any other person.

15.2 Partial Taking. If more than fifteen percent (15%) of the floor area of the Premises shall be taken or appropriated, this Lease may, at the option of either party, be terminated by written notice given to the other party not more than thirty (30) days after Landlord and Tenant receive notice of the taking or appropriation, and such termination shall be effective as of the date when Tenant is required to vacate the portion of the Premises so taken. In the event that more than ten percent (10%) of other common areas of

The Plaza shall be taken or appropriated, then the Landlord may, at its option, terminate this Lease by written notice given to Tenant within sixty (60) days of the date of such taking. If this Lease is so terminated, all Minimum Rent and other charges due hereunder shall be paid to the date of termination. Whenever any portion of the Premises or common areas are taken by eminent domain and this Lease is not terminated, Landlord shall, at its expense, proceed with all reasonable dispatch to restore, to the extent that it is reasonably prudent to do so, the remainder of the Premises and common area to the condition it was in immediately prior to such taking, and Tenant shall, at its expense, proceed with all reasonable dispatch to restore its fixtures, furniture, furnishings, floor coverings, and equipment to the same condition they were in immediately prior to such taking. From the date Tenant is required to vacate that portion of the Premises taken, the Minimum Rent payable hereunder shall be reduced in the same proportion that the area taken bears to the total area of the Premises prior to taking.

15.3 Damages. Landlord reserves all rights to the entire damage award or payment for any taking by eminent domain, and Tenant shall make no claim whatsoever against Landlord for damages for termination of its leasehold interest in the Premises or for interference with its business. Tenant hereby grants and assigns to Landlord any right Tenant may now have or hereafter acquire to such damages and agrees to execute and deliver such further instruments of assignment thereof as Landlord may from time-to-time request. Tenant shall, however, have the right to claim from the condemning authority all compensation that may be recoverable by Tenant on account of any loss incurred by Tenant in removing Tenant's merchandise, furniture, trade fixtures, and equipment, or for damage to Tenant's business provided, however, that Tenant may claim such damages only if they are awarded separately in the eminent domain proceeding and not as part of Landlord's damages.

16. TENANT'S DEFAULT.

16.1 Default. The occurrence of any one or more of the following events shall constitute a default and breach of this Lease by Tenant.

(a) **Vacating the Premises.** The vacating or abandonment of the Premises by Tenant or the failure of Tenant to be open for business (except in the event of damage or destruction to the Premises which prevents Tenant from conducting any business thereon) for more than five (5) days.

(b) **Failure to Pay Rent.** The failure by Tenant to make any payment of Minimum Rent, Adjustments, or any other payment required to be made by Tenant hereunder, as and when due, where such failure shall continue for a period of three (3) days after written notice thereof by Landlord to Tenant.

(c) **Failure to Perform.** The failure by Tenant to observe or perform any of the covenants, conditions, or provisions of this Lease to be observed or performed by the Tenant, other than described in Section 16.1(b) above, where such failure shall continue for a period of thirty (30) days after written notice thereof by Landlord to Tenant; provided, however, that if the nature of Tenant's default is such that more than thirty (30) days are reasonable required for its cure, then Tenant shall not be deemed to be in default if Tenant commences such cure within said thirty (30) day period and thereafter diligently prosecutes such cure to completion.

(d) **Bankruptcy.** The making by Tenant of any general assignment or general

arrangement for the benefit of creditors; or by the filing by or against Tenant of a petition to have Tenant adjudged a bankrupt, or a petition or reorganization or arrangement under any law relating to bankruptcy (unless, in the case of a petition filed against Tenant, the same is dismissed within sixty (60) days of filing); or the appointment of a trustee or a receiver to take possession of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease, where such seizure is not discharged in thirty (30) days after appointment of said trustee or receiver, or the filing of the petition for the appointment of the same, whichever shall first occur.

16.2 Remedies in Default. In the event of any such default or breach by Tenant, Landlord may at any time thereafter, with or without notice or demand and without limiting Landlord in the exercise of a right or remedy which landlord may have by reason by such default or breach:

(a) **Terminate Lease.** Terminate Tenant's right to possession of the Premises by any lawful means, in which case this Lease shall terminate and Tenant shall immediately surrender possession of the Premises to Landlord. In such event, Landlord shall be entitled to recover from the Tenant all past due rents. Adjustments, and other charges; the expenses of re-letting the Premises, including necessary renovation and alteration of the Premises, reasonable attorneys' fee; the worth at the time of award by the court having jurisdiction thereof of the amount by which the unpaid rent and other charges and Adjustments called for herein for the balance of the Lease Term after the time of such award exceeds the amount of such loss for the same period that Tenant proves could be reasonably avoided, and that portion of any leasing commission paid by Landlord and applicable to the unexpired Lease Term of this Lease. Unpaid installments of rent or other sums shall bear interest from the date due at the rate of ten percent (10%) per annum; or

(b) **Continue the Lease.** Maintain Tenant's right to possession, in which case this Lease shall continue in effect whether or not Tenant shall have abandoned the Premises. In such event, Landlord shall be entitled to enforce all Landlord's rights and remedies under this Lease, including the right to recover the Basic Rent and any other charges and Adjustments as may become due hereunder; or

(c) **Other Remedies.** Pursue any other remedy now or hereafter available to Landlord at law or equity.

(d) **Re-letting.** In the event that Landlord shall elect to re-let, then rental received by Landlord from such re-letting shall be applied first to the payment of an indebtedness other than rent due hereunder from Tenant to Landlord; second to the payment of any cost of such re-letting; third to the payment of the cost of any repairs to the Premises; fourth to the payment of rent due and unpaid hereunder, and the residue, if any, shall be held by Landlord and applied to payment of future rents as the same may become due and payable hereunder. Should the portion of such rental s received from such re-letting during any month, which is applied to the payment of rent hereunder, be less than the rent payable during that month by Tenant hereunder, the Tenant shall pay such deficiency to Landlord immediately upon demand therefore by Landlord. Such deficiency shall be calculated and paid monthly. Tenant shall also pay the Landlord as soon as ascertained, any cost expenses incurred by Landlord in such re-letting or in making such alterations and repairs not covered by the rentals received from such re-letting.

16.3 Legal Expenses. If either party is required to bring or maintain any action (including

assertion of any counterclaim or cross-claim in a proceeding in bankruptcy, receivership, or any other proceeding instituted by a party hereto or by others), or otherwise refers this Lease to an attorney for the enforcement of any of the covenants, terms, or conditions of this Lease, the prevailing party in such action shall in addition to all other payments required herein, receive from the other all the costs incurred by the prevailing party, including reasonable attorneys' fees, and such costs and reasonable attorneys' fees which the prevailing party incurred on any appeal.

16.4 Remedies Cumulative – Waiver. It is understood and agreed that the Landlord's remedies hereunder are cumulative and the Landlord's exercise of any right or remedy due to a default or breach by Tenant shall not be deemed a waiver of, or to alter, affect, or prejudice any right or remedy which Landlord may have under this Lease or by law. Neither the acceptance of Basic or Percentage Rent nor any other acts or omission of Landlord at any time or times alter the happening of any event authorizing the cancellation or forfeiture of this Lease, shall operate a waiver of any past or future violation, breach or failure to keep or perform any covenant, agreement, term or condition hereof or to deprive Landlord of its right to cancel or forfeit this Lease, upon the written notice provided for herein, at any time that cause for cancellation or forfeiture may exist, or be construed so as at any time to stop Landlord from promptly exercising any other option, right, or remedy that it may have under any term or provision of this Lease, at law or in equity.

16.5 Waiver of Rights of Redemption. Tenant hereby expressly waives any and all rights of redemption granted by or under any present or future laws in the event of Tenant being or dispossessed for any cause, or in the event of Landlord obtaining possession of the Premises, by reason of the violation by Tenant of any of the covenants or conditions of this Lease, or otherwise.

17. DEFAULT BY LANDLORD.

17.1 Default by Landlord. Landlord shall not be in default unless Landlord fails to perform obligations required of Landlord within a reasonable time, but in no event later than thirty (30) days after written notice by Tenant to Landlord and to the holder of any first mortgage or deed of trust covering the Premises whose name and address shall have theretofore been furnished to Tenant in writing. Said notice shall specify wherein Landlord has failed to perform such obligation; provided, however, that if the nature of Landlord's obligation is such that more than thirty (30) days are required for performance, then Landlord shall not be in default if Landlord commences performance within such thirty (30) day period and thereafter diligently prosecutes the same to completion. Tenant further agrees not to invoke any of its remedies under this Lease until said thirty (30) days have elapsed. In no event shall Tenant have the right to terminate this Lease as a result of Landlord's default, and Tenant's remedies shall be limited to damages and/or an injunction.

18. RECONSTRUCTION.

18.1 Reconstruction – Insured Loss. In the event the Premises are damaged by fire or other perils covered by extended coverage insurance, Landlord agrees to forthwith repair same, and this Lease shall remain in full force and effect, except that Tenant shall be entitled to a proportionate reduction of the Minimum Rent from the date of damage and while such repairs are being made, such proportionate reduction to be based upon the extent to which the damage and making of such repairs shall reasonably interfere with the business carried on by the Tenant in the Premises. If the damage is due to the fault or neglect of Tenant or its employees, there shall be no abatement of rent.

18.2 Uninsured Loss. In the event the Premises are damaged as a result of any cause other than the perils covered by extended coverage insurance, then Landlord shall forthwith repair the same, provided the extent of the destruction be less than ten percent (10%) of the then full replacement cost of the Premises. In the event the destruction of the Premises is to an extent of ten percent (10%) or more of the full replacement cost, then Landlord shall have the option: 1) to repair or restore such damage, this Lease continuing in full force and effect, but the Minimum Rent to be proportionately reduced as hereinabove in this Section provided; or 2) give notice to Tenant at any time within sixty (60) days after such damage, terminating this Lease as of the date specified in such notice, which date shall be no more than thirty (30) days after the giving of such notice. In the event of giving such notice, this Lease shall expire and all interest of the Tenant in the Premises shall terminate on the date as specified in such notice and the Minimum Rent, reduced by a proportionate reduction, based upon the extent, if any, to which such damage interfered with the business carried on by the Tenant in the Premises, shall be paid up to date of such termination.

19. SUBORDINATION AND ATTORNMENT; MORTGAGEE PROTECTION.

19.1 Subordination – Notice to Mortgagee. At the request of the Landlord, Tenant shall promptly execute and deliver all instruments which may be appropriate to subordinate this Lease to any existing or future mortgages or deeds of trust on The Plaza or on the leasehold interest held by Landlord, and to any extensions, renewals, or replacements thereof, provided that the mortgage or beneficiary, as the case may be, shall agree to recognize this Lease in the event of foreclosure if Tenant is not in default at such time. Notwithstanding anything to the contrary in this Lease, the Landlord shall not be in default under any provision of this Lease unless written notice specifying such default is given to Landlord and to all persons who have an interest in all or part of The Plaza as mortgagees and/or deed of trust beneficiaries, and the provisions of Section 17.1 have been complied with. Tenant further agrees that if Landlord shall have failed to cure or commence the cure of such default within the time period allowed under Section 17.1 above, then the mortgagees or deed of trust holder shall have an additional thirty (30) days within which to cure or commence the cure of such default and thereafter diligently pursue such cure to completion including, if necessary to effectuate such cure, commencement of judicial or non-judicial foreclosure proceedings.

19.2 Tenant's Certificate. Tenant shall at any time and from time-to-time upon not less than three (3) days' prior written notice from Landlord, execute, acknowledge, and deliver to Landlord a statement in writing: a) certifying that this Lease is unmodified and in full force and effect (or if modified, stating the nature of such modification and certifying that this Lease as so modified is in full force and effect) and the date to which the rental and other charges are paid in advance, if any; b) acknowledging that there are not, to Tenant's knowledge, any uncured defaults on the part of the Landlord hereunder, or specifying such defaults, if any, are claimed; and c) setting forth the date of commencement of rents and expiration of the Lease Term hereof. Any such statement may be relied upon by any prospective purchaser or encumbrancer of all or any portion of The Plaza of which the Premises are a part.

19.3 Mortgagee Protection Clause. Tenant agrees to give any mortgagees and/or trust deed holders, by registered mail, a copy of any notice of default served upon the Landlord, provided that prior to such notice, Tenant has been notified in writing (by way of Notice of Assignment of Rents and Leases, or otherwise) of the addresses of such mortgagees and/or trust deed holders. Tenant further agrees that if

Landlord shall have failed to cure such default within the time provided for in this Lease, then the mortgagees and/or trust deed holders shall have an additional thirty (30) days within which to cure such default, or if such default cannot be cured within that time, then such additional time as may be necessary if within such thirty (30) days any mortgagee and/or trust deed holder has commenced and is diligently pursuing the remedies necessary to cure such default (including, but not limited to, commencement of foreclosure proceedings, if necessary to effect such cure), in which event this Lease shall not be terminated if such remedies are being so diligently pursued.

20. ACCESS BY LANDLORD.

20.1 Right of Entry. Landlord or Landlord's employees, agents, and/or contractors shall have the right to enter the Premises with prior notification to Tenant and at a time that is convenient to Tenant to examine the same, and to show them to prospective purchasers or tenants of the Building and to make such repairs, alterations, improvements, or additions as Landlord may deem necessary or desirable. If Tenant is not personally present to permit entry and an entry is necessary, Landlord may in case of emergency forcibly enter the same, without rendering Landlord liable therefore. Nothing contained herein shall be construed to impose upon Landlord any duty of repair of the Premises or Building of which the Premises are a part, except as otherwise specifically provide for herein.

20.2 Excavation. If an excavation is made upon property adjacent to the Premises, Tenant shall afford to the person causing or authorized to cause such excavation, license to enter upon the Premises for the purpose of doing such work as Landlord shall deem necessary to preserve the wall of the Building of which the Premises is a part from injury or damage and to support the same by proper foundations, without any claim for damages or indemnification against Landlord or diminution or abatement of rent.

21. SURRENDER OR ABANDONMENT OF LEASED PREMISES.

21.1 Surrender of Possession. Tenant shall promptly yield and deliver to Landlord possession of the Premises at the expiration or prior to termination of this Lease.

21.2 Holding Over. Any holding over by Tenant after the expiration of the Lease Term hereof, with Landlord's consent, shall be construed to be a tenancy from month-to-month at the rents and on all of the terms and conditions set forth herein, to the extent not inconsistent with a month-to-month tenancy.

21.3 Abandonment. Tenant agrees not to vacate or abandon the Premises at any time during the Lease Term. Should Tenant vacate or abandon said Premises or be dispossessed by process of law or otherwise, such abandonment, vacation or dispossession shall be deemed a breach of this Lease and, in addition to any other rights which Landlord may have, Landlord may remove any personal property belonging to Tenant which remains on the Premises, and store the same; the cost of such removal and storage to be charged to the account of Tenant.

21.4 Voluntary Surrender. The voluntary or other surrender of this Lease by Tenant, or a mutual cancellation therefore, shall not work a merger, but shall, at the option of Landlord, terminate all or any existing subleases or subtenancies, or operate as an assignment to it of any or all such subleases or subtenancies.

22. QUIET ENJOYMENT.

22.1 Landlord's Covenant. Tenant, upon fully complying with and promptly performing all of the terms, covenants, and conditions of this Lease on its part to be performed, and upon the prompt and timely payment of all sums due hereunder, shall have and quietly enjoy the Premises for the Lease Term set forth herein.

23. AUTHORITY OF PARTIES.

23.1 Corporate Authority. If Tenant is a corporation, each individual executing this Lease on behalf of said corporation represents and warrants that he is duly authorized to execute and deliver this Lease on behalf of said corporation in accordance with a duly adopted resolution of the board of directors of said corporation, that such action and execution is in accordance with the bylaws of said corporation, and that this Lease is binding upon said corporation in accordance with its terms.

23.2 Limited Partnerships. If the Landlord's successor herein is a limited partnership, it is understood and agreed that any claims by Tenant against Landlord shall be limited to the assets of the limited partnership, and furthermore, Tenant expressly waives any and all rights to proceed against the individual partners, or the officers, directors, or shareholders of any corporate partner, except to the extent of their interest in said limited partnership.

23.3 Elected Officers and Employees. The Landlord is a municipal corporation. Tenant expressly waives any and all rights to proceed against the individual elected officers and employees of the Landlord.

23.4 No Guarantees. It is understood that no guarantees, express or implied, representations, promises or statements have been made by the Lessor unless endorsed herein in writing. And it is further understood that this Lease shall not be valid and binding upon the Spokane Transit Authority, unless the same has been approved by the Board of Directors and as approved as to form by the Chief Executive Officer.

24. SIGNS.

24.1 General. Tenant shall not place or suffer to be placed on the exterior walls of the Premises or upon the roof or any exterior door or wall, or on the exterior or interior of any window thereof, any sign, awning, canopy, marquee, advertising matter, decoration, letter or other thing of any kind (exclusive of the signs, if any, which may be provided for in the original construction or improvement plans and specifications approved by the Landlord or Tenant hereunder, and which conform to the Landlord's sign criteria) without the prior written consent of Landlord. Landlord hereby reserves the exclusive right to the use for any purpose whatsoever of the roof and exterior of the walls of the Premises or the Building of which the Premises are a part.

24.2 Tenant's Interior Signs. Except as otherwise herein provided, Tenant shall have the right, at its sole cost and expense, to erect and maintain within the interior of the Premises, all signs and advertising matter customary or appropriate in the conduct of Tenant's business; provided, however, that Tenant shall, upon demand of the Landlord, immediately remove any sign, advertisement, decoration, lettering, or notice which Tenant has placed or permitted to be placed in, upon, or about the Premises and

which Landlord reasonably deems objectionable or offensive, and if Tenant fails or refuses to do so, the Landlord may enter upon the Premises and remove the same at Tenant's sole cost and expense. In this connection, Tenant acknowledges that the Premises are a part of an integrated The Plaza, and agrees that control of all signs by Landlord is essential to the maintenance of uniformity, propriety, and the aesthetic values in or pertaining to The Plaza.

24.3 Unauthorized Insignia. No advertising, placard, posters, banners, pennant, names, decoration, letter, insignia, trademarks, or other descriptive materials shall be fixed or maintained upon the glass panes and supports of the show windows and doors, or upon the exterior walls of the Building or storefront. No free-standing sign shall be allowed in the common areas.

25. DISPLAYS.

25.1 General. The Tenant may not display or sell merchandise or allow grocery carts or other similar devices within the control of Tenant to be stored or to remain outside the defined exterior walls and permanent doorways of the Premises. Tenant further agrees not to install any exterior lighting, amplifiers, or similar devices, or use in or about the Premises, such as flashing lights, searchlights, loudspeakers, phonographs, or radio broadcasts.

26. AUCTIONS AND SALES.

26.1 General. Tenant shall not conduct or permit to be conducted any sale by auction upon or from the Premises, whether said auction by voluntary, involuntary, pursuant to any assignment for the payment of creditors or pursuant to any bankruptcy or other insolvency proceeding.

26.2 No Distress Sales. No auction, fire, bankruptcy, "going out of business", or other distress sales of any nature may be conducted on the Premises without the prior written consent of Landlord.

27. MISCELLANEOUS.

27.1 Successors or Assigns. All the terms, conditions, covenants, and agreements of this Lease shall extend to any be binding upon Landlord, Tenant, and their respective heirs, administrators, executors, successors and assigns, and upon any person or persons coming into ownership or possession of any interest in the Premises by operation of law or otherwise, and shall be construed as covenants running with the land.

27.2 Tenant Defined. The work "Tenant" as used herein shall mean each and every person, partnership, or corporation who is mentioned as a Tenant herein or who executes this Lease as Tenant.

27.3 Broker's Commission. By separate agreement.

27.4 Partial Invalidity. If any term, covenant, or condition of this Lease or the application thereof to any person or circumstances is, to any extent, invalid or unenforceable, the remainder of this Lease, or the application of such term, covenant, or condition to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each term, covenant, or condition of this Lease shall be valid and be enforced to the fullest extent permitted by law.

27.5 Recording. Tenant shall not record this Lease without the prior written consent of

Landlord. However, upon the request of Landlord, both parties shall execute a memorandum or "short form" of this Lease for the purposes of recordation in a form customarily used for such purposes. Said memorandum or short form of this Lease shall describe the parties, the Premises, and the Lease Term and shall incorporate this Lease by reference.

27.6 Notices. Any notices required in accordance with any of the provisions herein if to Landlord shall be delivered or mailed by registered or certified mail to the address of Landlord as set forth in Section 1, or at such other place as Landlord may in writing from time-to-time direct to Tenant; and, if to Tenant, shall be delivered or mailed to Tenant at the Premises. If there is more than one Tenant, any notice required or permitted hereunder may be given by or to any one thereof and shall have the same force and effect as if given by or to all thereof.

27.7 Plats and Riders. Clauses, plats, riders, and addendums, if any, affixed to this Lease are a part hereof.

27.8 Waiver. The waiver by Landlord of any term, covenant, or condition herein contained shall not be deemed to be a waiver of such term, covenant, or condition or any subsequent breach of the same or any other term, covenant, or condition herein contained. The subsequent acceptance of Minimum Rent or Percentage Rent or any other Adjustment or sum hereunder by Landlord shall not be deemed to be a waiver of any preceding default by Tenant of any term, covenant, or condition of this Lease, other than the failure of the Tenant to pay the particular sum so accepted, regardless of Landlord's knowledge of such preceding default at the time of the acceptance of such sum.

27.9 Joint Obligation. If there be more than one Tenant, the obligations hereunder imposed shall be joint and several.

27.10 Marginal Headings. The marginal headings and article titles to the sections and subsections of this Lease are not a part of this Lease and shall have no effect upon the construction or interpretation of any part hereof.

27.11 Time. Time is of the essence of this Lease and each and all of its provisions in which performance is a factor.

27.12 Late Charges and NSF Fees. Tenant hereby acknowledges that late payment by Tenant to Landlord of rent or other sums due hereunder will cause Landlord to incur costs not contemplated by this Lease; the exact amount of which will be extremely difficult to ascertain. Such costs include, but are not limited to, processing and accounting charges, and late charges which may be imposed upon Landlord by the terms of any mortgage or trust deed covering the Premises. Accordingly, if any installment of Minimum or Percentage Rent or any sum due from Tenant shall not be received by Landlord or Landlord's designee within three (3) days after written notice that said amount is past due, then Tenant shall pay to Landlord as additional rent a late charge equal to twelve percent (12%) of such overdue amount, plus any attorneys' fees incurred by Landlord by reason of Tenant's failure to pay rent and/or other charges when due hereunder. The parties hereby agree that such late charges represent a fair and reasonable estimate of the cost that Landlord will incur by reason of the late payment by Tenant. Acceptance of such late charges

by the Landlord shall in no event constitute a waiver of Tenant's default with respect to such overdue amount, nor prevent Landlord from exercising any of the other rights and remedies granted hereunder. In the event a check drawn upon Lessee's bank is returned for non-sufficient funds or any other reason, Lessee shall pay Lessor a returned check charge of \$40.00 with the next rent payment due for its administrative burden in connection with the returned check, as well as any late charges or interest accruing from the late payment. If two or more checks are returned by Lessee's bank in a consecutive twelve-month period, Lessor may thereafter for the balance of the lease term require payment by cashier's check from a commercial bank.

27.13 Prior Agreements. This Lease contains all of the agreements of the parties hereto with respect to any matter covered or mentioned in this Lease, and no prior agreements or understanding pertaining to any such matters shall be effective for any purpose. No provisions of this Lease may be amended or added to, except by an agreement in writing signed by the parties hereto or their respective successors-in-interest. This Lease shall not be effective or binding on any party until fully executed by both parties hereto.

27.14 Inability to Perform. This Lease and the obligations of the Tenant hereunder shall not be affected or impaired because the Landlord is unable to fulfill any of its obligations hereunder or is delayed in doing so, if such inability or delay is caused by reason of strike, labor troubles, acts of God, or any other cause beyond the reasonable control of the Landlord.

27.15 Choice of Law. This Lease shall be governed by the laws of the State of Washington, with venue in Spokane County.

27.16 Attorneys' Fees. In the event of any action or proceeding brought by either party against the other under this Lease, the prevailing party shall be entitled to recover for the fees of its attorneys in such action or proceeding, including costs of appeal, if any, in such amount as the court may adjudge reasonable as attorneys' fees. In addition, should it be necessary for Landlord to employ legal counsel to enforce any of the provisions herein contained, Tenant agrees to pay all attorneys' fees and court costs reasonable incurred.

27.17 Competition. During the Term of this Lease, Tenant shall not directly or indirectly engage in any similar or competing business within a radius of three (3) air miles from the outside boundary of The Plaza.

27.18 Security and Photo ID Badges. All persons entering or utilizing non-public areas of The Plaza (examples are the parking level, stairwells, or compactor room) are required to possess and display an STA-issued Photo Identification Badge (employee, vendor, or visitor). It must be worn where it is visible from the waist up on the upper body. All visitors in non-public areas must have an STA-issued Visitor Badge and be accompanied by an authorized employee or vendor. Should a new employee be hired or an existing employee leave employment of the Tenant, the Security Department must be notified. The Photo ID Badge is the property of The Plaza and must be returned upon termination of employment. New employees must be issued a Photo ID Badge as soon as possible, but before they enter non-public areas of The Plaza.

27.19 Non-Disparagement. Tenant shall not at any time after the commencement date and for a period of five (5) years after the termination date or any extension thereof, disparage Landlord or any of Landlord's directors or agents. Landlord shall not any time after the commencement date and for a period of five (5) years after the termination date or any extension thereof, disparage Tenant or any Tenant entity, director or agent.

28. SPOKANE TRANSIT AUTHORITY USE OF NAME AND LOGO. Tenant may not refer to or utilize the name Spokane Transit Authority or the Spokane Transit Authority logo now or hereafter adopted by the Spokane Transit Authority (STA) without the express written consent of the Landlord. Any reference to the Building in promotional material or advertising by the Tenant may only refer to the Building name "The STA Plaza."

29. TENANT OPERATIONS.

(a) Deliveries.

(1) General. For delivery purposes, Tenants, vendors, and suppliers shall only use the freight loading area located on the first floor and basement freight loading area. Deliveries shall be made to the Premises during the hours and days as Landlord may designate in the Building Rules and Regulations.

(b) Heavy Items. Safes, furniture, fixtures, equipment, or bulky articles may be moved in and out of the Premises only at such hours and in such manner as will least inconvenience other tenants and the public, which hours and manners shall be at the discretion and direction of Landlord. The moving of safes or other bulky items in excess of 500 pounds into or out of the Premises, and location thereof in the Premises, shall be subject to Landlord's prior written consent, and the imposition of any conditions deemed necessary by Landlord to preserve the structural integrity of the building and the safety of the persons in the Building.

(c) Garbage Disposal. Garbage disposal facilities shall be provided by Landlord within the Building and/or garage. Tenant shall transport garbage through the common areas only at such hours and in such manner as will least inconvenience other tenants and the public, which hours and manners shall be at the discretion and direction of Landlord. Landlord agrees to provide an area for Tenant's shortening disposal.

30. LEASEHOLD IMPROVEMENTS.

30.1 Except for latent or structural defects, Tenant agrees to take the Premises on an as-is basis and Landlord shall not be asked to provide or construct any improvements or modifications to the space. For any work Tenant wishes to perform in the Demised Premises, Landlord agrees that Tenant may select and use its own contractors, subject to reasonable approval of Landlord. Tenant agrees to indemnify and hold Landlord harmless for all costs incurred by Tenant for the build-out.

30.2 Landlord's Contribution. Tenant shall construct all improvements defined as Tenant's Responsibility in Exhibit C attached hereto in accordance with applicable public works construction statutes and regulations. Landlord agrees to reimburse Tenant for the costs associated with performing Tenant's Responsibility in an amount not to exceed Thirty-five Dollars per square foot (\$35.00/s.f.), or
Dollars (\$ _____). All costs shall be

based on actual expenses paid and supported by contractor invoices. Payment of contractors shall be based on prevailing rate wages and Tenant shall require the filing of appropriate state certifications that prevailing wages have been paid by the chosen contractor prior to payment of contractor. Payment of the Landlord's Contribution to Tenant shall be made within ten (10) days of Landlord's receipt of invoices detailing work performed and a statement from Tenant certifying that the construction work has been performed in accordance with the public work statutes and regulations, approved plans and specifications, all applicable building codes, issuance of a Certificate of Occupancy, and for the Tenant's Responsibility set out in Exhibit C attached herein. Notwithstanding the plans and specifications and other approvals herein, Landlord shall, upon such notification by Tenant, conduct an inspection of the Premises to confirm and approve of the construction for consistency with The Plaza's systems and finish. Such inspection and approval prior to the disbursement of the Landlord's Contribution shall not be unreasonably withheld.

31. HOURS OF OPERATION.

Tenant shall be obligated to be open a minimum of:

Monday through Friday	8:00 a.m. to 7:00 p.m.
Saturday	8:00 a.m. to 6:00 p.m.
Sunday	10:00 a.m. to 5:00 p.m.

Alternative times to this schedule may be approved at the discretion of the Landlord, so long as the schedule of operation includes a minimum of: 58 hours per week, six days per week.

32. AGENCY DISCLOSURE. At the signing of this Lease, Landlord's Agent _____
_____*(insert name of Licensee and Company name*
as licensed) represented the Landlord and Tenant's Agent _____
_____*(insert*
name of Licensee and Company name as licensed) represented the Tenant. If Tenant's Agent and Landlord's Agent are different salespersons affiliated with the same Broker, then both Tenant and Landlord confirm their consent to that Broker acting as a dual agent. If Tenant's Agent and Landlord's Agent are the same salesperson representing both parties, then both Landlord and Tenant confirm their consent to that salesperson and his/her Broker acting as dual agents. If Tenant's Agent, Landlord's Agent, or their Broker are dual agents, Landlord and Tenant consent to Tenant's Agent, Landlord's Agent and their Broker being compensated based on a percentage of the rent or as otherwise disclosed on an attached addendum. Neither Tenant's Agent, Landlord's Agent or their Broker are receiving compensation from more than one party to this transaction unless otherwise disclosed on an attached addendum, in which case Landlord and Tenant consent to such compensation. Landlord and Tenant confirm receipt of the pamphlet entitled "The Law of Real Estate Agency."

Landlord and Tenant acknowledge disclosure prior to entering into this Lease that Black Realty Management, Inc., acted as Landlord's Agent solely in the preparation of this Lease.

33. LICENSURE DISCLOSURE. Written disclosure is made that the following parties are licensed real estate brokers in the State of Washington.

a) Landlord: None is a/are licensed real estate broker(s) in the State of Washington in the Landlord entity.

b) Tenant: Insert the word None, or: _____ is a/are licensed real estate broker(s) in the State of Washington, and is a **(insert correct title and delete the other titles)** member, partner, shareholder, principal in the Tenant entity.

IN WITNESS WHEREOF, the parties hereto have executed this instrument the day and year first above set forth.

LANDLORD:

**Spokane Transit Authority,
a public municipal corporation
in the State of Washington**

By: _____

Its: _____

TENANT:

By: _____

Its: _____

Email: _____

Insert applicable notary acknowledgements here

Exhibit A
Legal Description of The Plaza

Parcel A:

The West 34.83 feet of the North half of Lot 2, and the North half of Lot 3, and the East half of the North half of Lot 4, Block 22, Resurvey and Addition to Spokane Falls, according to plat recorded in Volume "A" of Plats, Page 1, in the City of Spokane, Spokane County, Washington.

AND

Lot 3, EXCEPT the North 90 feet thereof, and that part of Lot 4, Block 22, Resurvey and Addition to Spokane Falls, according to plat recorded in Volume "1A" of Plats, Page 1, in the City of Spokane, Spokane County, Washington, described as follows:

Beginning at a point in the East line of said Lot 4, 90 feet South from the Northeast corner thereof; thence West 28 feet to the center line of said Lot; thence due South to the South line of said Lot; thence East along the South line of said Lot to the point of beginning.

Parcel B:

That portion of Lots 1 and 2, Block 22, Resurvey and Addition to Spokane Falls, according to plat recorded in Volume "1A1" of Plats, Page 1, in the City of Spokane, Spokane County, Washington, more particularly described as follows:

Beginning at the Northeast corner of said Lot 1; thence West on the North line of said Lots 1 and 2, 77 feet 2 inches; thence South 90 feet; thence East 21 feet 2 inches to the West line of said Lot 1; thence North on said line 07 of a foot, more or less, to the South line of the North half of said Lot 1; thence East along said line to the Southeast corner of the North half of said Lot 1; thence North along the East line of said Lot 1 to the point of beginning.

Parcel C:

The North 29.33 feet of South 89.83 feet of Lot 1, Block 22, Resurvey and Addition to Spokane Falls, according to plat recorded in Volume "A" of Plats, Page 1, in the City of Spokane, Spokane County, Washington.

Parcel D:

The South 60.5 feet of Lot 1, Block 22, Resurvey and Addition to Spokane Falls, according to plat recorded in Book 1, "A" of Plats, Page 1, in the City of Spokane, Spokane County, Washington.

Parcel E:

That portion of Lot 2, Block 22, Resurvey and Addition to Spokane Falls, according to plat recorded in Volume "A" of Plats, Page 1, in the City of Spokane, Spokane County, Washington, described as follows:

Commencing at the Southeast corner of said Lot 2; thence North along the East line of said Lot 2, a

distance of 89.86 feet; thence West 56 feet to the West line of said Lot 2; thence South along said West line 89.86 feet to the South line of said Lot 2; thence East along the said South line of said Lot 2, a distance of 56 feet to the place of beginning.

Exhibit B
Site Plan of Tenant's Premises

Exhibit C
Description of Landlord's and Tenant's Responsibility

Landlord agrees that it will provide an allowance outlined in Section 30.2 of the Lease, and Tenant shall commence the construction of the demised Premises and pursue the completion (with the exception of delays or conditions beyond Landlord's control) in accordance with Tenant's or Tenant's architect's designs and plans, which construction shall include the items as stated in Tenant's Responsibility below.

I. LANDLORD'S RESPONSIBILITY

Work to be completed by Landlord, and for which Landlord is obligated to initially construct, is as follows:

- A. Landlord shall provide exterior building walls, roof and all structural items per Landlord's requirements.
- B. Landlord shall provide a concrete floor slab.
- D. Landlord shall pay the cost for utility lines to the demised Premises.
- E. Demising partitions or walls will consist of wood or metal studs.
- F. Landlord shall provide a basic heating and cooling system.
- G. Provide adequate electrical services in accordance with National Electrical Code and bring 100 amp service to basic dead front panel board in Premises.
- I. Fire sprinkling protection equipment basic grid required by applicable codes shall be provided.

All of the above work shall be provided by Landlord.

II. TENANT'S RESPONSIBILITY

Work to be completed by Tenant, for which Tenant is obligated to construct and pay, is as follows:

- A. Furnish and install all interior partition work peculiar to Tenant's business including show window platforms and backgrounds, separation of sales from stock rooms, dressing rooms, counters, cases and like areas designed for Tenant's particular use.
- B. All storefront opening onto the common covered Plaza. All designs and materials shall be approved by Landlord.
- C. Furnish and install all interior painting and decorating.
- D. Utility lines within the demised Premises.
- E. Modifications to fire sprinkling protection equipment.
- F. Completely wire, furnish, and install all lighting fixtures in all areas of the demised Premises.
- G. Furnish and install ceilings.
- H. Furnish and install plumbing fixtures.
- I. Tenant shall cover all sales areas of Premises with vinyl tile or other suitable floor covering.
- J. Provide and install all signs. All signs subject to approval of Landlord.
- K. All work undertaken by Tenant shall be at Tenant's expense and shall not damage the building or any part thereof.

- L. The design of all work and installation undertaken by Tenant shall be subject to approval of Landlord.
- M. It is Tenant's obligation to provide any drawings and obtain a building permit for work performed in its Premises other than Landlord's work as outlined above.
- N. Provide any additional fire sprinkler heads required beyond Landlord's basic grid due to Tenant's design.
- O. Provide counter or work tables to be used in the Premises.

Exhibit D
Demising Plan of Premises (“Floor Area”)

SPOKANE TRANSIT AUTHORITY
BOARD OPERATIONS COMMITTEE MEETING OF

October 12, 2016

AGENDA ITEM 7: BOARD OF DIRECTORS AGENDA OCTOBER 20, 2016 –
CORRECTIONS AND/OR APPROVAL

REFERRAL COMMITTEE: N/A

SUBMITTED BY: E. Susan Meyer, CEO

SUMMARY: The Board of Directors agenda for the October 20, 2016 meeting is attached for your information, correction and/or approval.

RECOMMENDATION TO COMMITTEE: Corrections and / or approval

FINAL REVIEW FOR BOARD BY:

Division Head _____ Chief Executive Officer _____ Legal Counsel _____

Spokane Transit Authority
1230 West Boone Avenue
Spokane, WA 99201-2686
(509) 325-6000

BOARD MEETING

Thursday, October 20, 2016 at 1:30 p.m.
STA Boardroom
1229 West Boone Avenue, Spokane, Washington

DRAFT AGENDA

Estimated meeting time: 70 minutes

1. Call to Order and Roll Call
2. Approve Board Agenda (*Al French*)
3. Public Expressions
4. Recognitions and Presentations: *10 minutes*
 - A. Dave Eyre, Paratransit Dispatcher - Retirement (*Steve Blaska*)
 - B. Colleen Thompson, Paratransit Dispatcher – Retirement (*Steve Blaska*)
 - C. Third Quarter 2016 Years of Service Awards (*Steve Doolittle*)
 - D. Third Quarter 2016 Employee Recognition Winners (*Steve Doolittle*)
5. Board Action – Consent Agenda: *5 minutes*
 - A. Minutes of September 22, 2016, Board Meeting – Corrections/Approval
 - B. September 2016 Vouchers (*Lynda Warren*)
 - C. Acceptance of Plaza Elevator Modernization Project (*Tom Trulove/Beth Bousley*)
 - D. Award of Contract for Design & Engineering Services for Cheney High Performance Transit Corridor Improvements (*Tom Trulove/Karl Otterstrom*)
6. Board Action – Committee Recommendations: *10 minutes*
Board Operations
 - A. Plaza Leases (*Al French/Lynda Warren*)
7. Board Action – Other: *None*
8. Board Operations Committee: *10 minutes*
 - A. Chair Report (*Al French*)
9. Planning & Development Committee: *5 minutes*
 - A. Chair Report (*Amber Waldref*)
10. Performance Monitoring & External Relations Committee: *5 minutes*
 - A. Chair Report (*Tom Trulove*)
11. CEO Report: *10 minutes*

12. Board Information: *No action or discussion*
 - A. Committee Minutes
 - B. August 2016 Financial Summary (*Lynda Warren*)
 - C. September 2016 Sales Tax Summary (*Lynda Warren*)
 - D. August 2016 Operating Indicators (*Steve Blaska*)
13. New Business
14. Board Members' Expressions
15. Executive Session (*Workland Witherspoon*) *15 minutes*
16. Adjourn

Cable 5 Broadcast Dates and Times of October 20, 2016 Board Meeting:

Saturday, October 22, 2016	4:00 p.m.
Monday, October 24, 2016	10:00 a.m.
Tuesday, October 25, 2016	8:00 p.m.

Next Committee Meetings (STA Conference Rooms, West Boone Avenue, Spokane, Washington):

Planning & Development	Nov 2, 2016, 10:00 a.m. (Southside) 1229 West Boone
Performance Monitoring & External Relations	Nov 2, 2016, 1:30 p.m. (Southside) 1229 West Boone
Board Operations	Nov 9, 2016, 1:30 p.m. (Northside) 1230 West Boone

Next Board Meeting: Thursday, November 17, 1:30 p.m., STA Boardroom, 1229 West Boone Avenue, Spokane, Washington.

Next Public Hearing: Thursday, November 17, 2016, 1:30 p.m., STA Boardroom, 1229 West Boone Avenue, Spokane, Washington, to discuss:

Proposed 2017 Operating & Capital Budgets

Agendas of regular Committee and Board meetings are posted the Friday afternoon preceding each meeting on STA's website: www.spokanetransit.com. A video of the Board meeting may be viewed on the website the week after the meeting. Discussions concerning matters to be brought to the Board are held in Committee meetings. The public is welcome to attend and participate. Anyone wishing to address the Board of Directors on a specific subject at a Board meeting may do so by submitting written comments to the STA Chair of the Board (1230 West Boone Avenue, Spokane, WA 99201-2686) 24 hours prior to the Board meeting. Mail addressed to the Board of Directors will be distributed by STA at its next meeting. Mail addressed to a named Board Member will be forwarded to the Board Member, unopened. Spokane Transit assures nondiscrimination in accordance with Title VI of the Civil Rights Act of 1964. For more information, see www.spokanetransit.com. Upon request, alternative formats of this information will be produced for people who are disabled. The meeting facility is accessible for people using wheelchairs. For other accommodations, please call 325-6094 (TTY Relay 711) at least forty-eight (48) hours in advance.

SPOKANE TRANSIT AUTHORITY
BOARD OPERATIONS COMMITTEE MEETING OF

October 12, 2016

AGENDA ITEM 8: BOARD DEVELOPMENT

REFERRAL COMMITTEE: N/A

SUBMITTED BY: Eva Marquette, FreshVue

SUMMARY: At this time, the Committee will discuss the next phase in Board Development.

RECOMMENDATION TO COMMITTEE: N/A

FINAL REVIEW FOR BOARD BY:

Division Head _____ Chief Executive Officer _____ Legal Counsel _____

SPOKANE TRANSIT AUTHORITY
BOARD OPERATIONS COMMITTEE MEETING OF

October 12, 2016

AGENDA ITEM 9: CEO REPORT

REFERRAL COMMITTEE: N/A

SUBMITTED BY: N/A

SUMMARY: At this time, Ms. Meyer, CEO, will have an opportunity to comment on various topics of interest regarding Spokane Transit.

RECOMMENDATION TO COMMITTEE: N/A

FINAL REVIEW FOR BOARD BY:

Division Head _____ Chief Executive Officer _____ Legal Counsel _____