



STAFF REPORT/RESOLUTION

**TO:** Southwest Washington Regional Transportation Council Board of Directors  
**FROM:** Matt Ransom, Executive Director  
**DATE:** April 30, 2019   
**SUBJECT:** Lease Agreement between Southwest Washington Regional Transportation Council and Clark County, Resolution 05-19-12

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**AT A GLANCE - ACTION**

*The proposed Resolution would authorize the Executive Director sign a Lease Agreement with Clark County.*

**INTRODUCTION**

The Southwest Washington Regional Transportation Council (RTC) has been a commercial lease tenant to Clark County, occupying space in the Public Service Center since 2005. RTC's most current lease expired on December 31, 2016. Since that time, RTC has been subject to the prior lease terms on a month-to-month basis.

In the past year, RTC has both reviewed its office space needs, and Clark County has done the same. In 2017, RTC agreed in concept to move its office space within the Public Service Center and enter into a new lease. In July 2018, RTC relocated its office space to a larger suite at the County Public Service Center.

**POLICY IMPLICATION**

None.

**BUDGET IMPLICATION**

None. RTC's YR 2019 Work Program and Budget (Resolution 12-18-29) reflects the proposed lease costs.

**ACTION REQUESTED**

Adoption of Resolution 05-19-12 authorizes the Executive Director to sign an Inter-Municipality Lease with Clark County.

ADOPTED this 7<sup>th</sup> day of May 2019, by the Southwest Washington Regional Transportation Council.

SOUTHWEST WASHINGTON  
REGIONAL TRANSPORTATION COUNCIL

ATTEST:

\_\_\_\_\_  
Anne McEnery-Ogle  
Chair of the Board

\_\_\_\_\_  
Matt Ransom  
Executive Director

Attachment: Lease Agreement between Southwest Washington Regional Transportation Council and Clark County

LEASE AGREEMENT  
SOUTHWEST WASHINGTON REGIONAL TRANSPORTATION COUNCIL  
and  
CLARK COUNTY, WASHINGTON

This LEASE is made and entered into as of this date \_\_\_\_\_ by and between CLARK COUNTY, Washington, a political subdivision of the State of Washington, whose address is 1300 Franklin Street, P.O. Box 5000, Vancouver, Washington 98666-5000 (the "LESSOR"), and SOUTHWEST WASHINGTON REGIONAL TRANSPORTATION COUNCIL, a Washington non-profit corporation, whose address is 1300 Franklin Street, P.O. Box 1366, Vancouver, Washington 98666-1366 (the "LESSEE").

WITNESSETH: The parties hereto for the consideration hereinafter mentioned covenant and agree as follows:

THE LESSOR hereby leases to the LESSEE the following described premises: a portion of the first floor of the Clark County Public Service Center (PSC) building, 1300 Franklin Street, Vancouver, Washington 98666, shown on the floor plan set forth in Attachment "A" to this Lease, and that has been mutually agreed upon by the LESSOR and LESSEE, which contains 2,499.14 square feet ("LEASED PREMISES").

1. TERM: The Lease is for a term of 24 months, beginning on the 1<sup>st</sup> day of January, 2019 and terminating on the 31<sup>st</sup> day of December, 2020.

2. PAYMENT: The annual rent for the first twelve months of this Lease (calendar year 2019) shall be \$69,476.09, payable in 12 equal installments of \$5,789.67 per month, payable on the first day of each month. The above rental rate for the first year is based upon a rate of \$27.80 per square foot annually. The annual rental rate for Year two (calendar year 2020) shall be \$71,225.44, payable in 12 equal installments of \$5,935.45, payable on the first day of each month. The above rental rate is based on a rental rate of \$28.50 per square foot annually. Rent for option years three and four (calendar years 2021 and 2022) will be the fair market rate

(FMR) set by Clark County for the Public Service Center (PSC). LESSOR will provide LESSEE notice of the next year's FMR on or before November 1<sup>st</sup> of each year. If that rate is not known by November 1<sup>st</sup>, the FMR for the current year will be the next year's FMR. If applied, a single-year FMR increase shall not exceed three percent (3.0%) per-year.

3. OPTION TO RENEW: In the event that LESSOR does not require the space occupied by LESSEE and on condition that LESSEE has at all times faithfully and punctually performed all the covenants and conditions of this lease on the part of LESSEE to be performed, LESSOR grants to LESSEE the option to renew this Lease for up to two (2) additional one-year terms at the expiration of the Lease, on the same covenants and conditions as are herein contained, except as modified by this provision. LESSEE will provide LESSOR notice of its intent to exercise one or more options to renew the Lease sixty (60) days prior to the expiration of the Lease or the addendum to the Lease.

4. TAXES: LESSEE shall be responsible for paying any taxes associated with its occupation of the LEASED PREMISES including, but not limited to leasehold excise tax, provided that the LESSEE shall not be responsible for the payment of taxes imposed as a result of the actions of the LESSOR other than the granting of this lease. RTC, the LESSEE is exempted from leasehold tax by virtue of nonprofit status.

5. SUBLEASE: LESSEE shall not sublease, encumber or otherwise assign its interest in the LEASED PREMISES without the prior expressed written consent of the LESSOR, which shall not be unreasonably withheld.

6. USE OF MEETING ROOMS: LESSEE may schedule and use meeting rooms in the Public Service Center (PSC), as rooms are available.

7. INDEMNITY: LESSEE agrees to hold LESSOR, its officers, officials, employees and volunteers, harmless, indemnify, and defend all claims, suits, actions or liabilities for damage or injury to property or persons on or about LEASED PREMISES which arises out of the use of the LEASED PREMISES or from any activity, work or thing done, permitted, or suffered by

LESSEE, its agents or employees, in or about the LEASED PREMISES. Nothing herein shall be construed to relieve LESSOR of liability from its sole negligence, or that of its agents or employees.

8. MAINTENANCE AND UTILITIES: LESSOR will provide building maintenance, grounds maintenance, janitorial services, utilities, casualty insurance (building only) and garbage service. LESSOR shall be responsible for structural repairs and capital improvements on the building. LESSEE will reimburse the LESSOR for telephone charges.

9. ALTERATIONS AND ADDITIONS: The LESSEE agrees not to make any changes in or additions to LEASED PREMISES without the prior written consent of LESSOR. LESSOR shall have first right of refusal to complete the work requested. If LESSEE is granted permission to contract or procure the alterations or additions, they must comply with Prevailing Wage and other applicable construction and labor standards as required by the LESSOR. Any and all new construction, alterations, and additions to or upon said LEASED PREMISES that is duly authorized in writing by the LESSOR shall be at the sole cost and expenses of the LESSEE. All alterations or additions become the sole property of the LESSOR upon termination of the Lease.

10. ENTRY OF LEASED PREMISES: Except in emergency situations, for maintenance and repair work, and for the purpose of compliance with all federal and state confidentiality regulations pertaining to the LESSEE, the LESSOR agrees to notify the LESSEE prior to entry of their agents or representatives into or upon said premises for the purpose of examining the condition thereof. All maintenance or repair work performed by or on behalf of the LESSOR shall be undertaken in such a way so as to reasonably minimize any disruption to LESSEE'S business operations in or use of the LEASED PREMISES. PROVIDED, that this section shall not be construed as governing the right of access to the premises or records of the LESSEE under any other agreement or grant contract between these parties.

11. RECONSTRUCTION: The LESSEE agrees that in the event of the damage or destruction of said LEASED PREMISES, or of the building of which they are a part, by fire or fire

and water or other casualty, the LESSOR may elect either to reconstruct or not reconstruct the same. If the election be not to reconstruct the said premises, then this lease shall be terminated as of the date of said casualty. If the election be to reconstruct, then the LESSOR shall repair said premises within a reasonable period. In either event, if the LESSOR shall reconstruct or repair the premises or the portion thereof damaged by casualty, they shall have the right to take possession of and occupy, to the exclusion of the LESSEE, all the premises of any part thereof, for the purpose of such reconstruction or repair; and the LESSEE hereby agrees to vacate, upon request, all or any part of said premises which the LESSOR may reasonably require for said purposes; and for the period of time between the date of such casualty and until said work shall have been completed, there shall be such an abatement of rent as the nature of the injury or damage, and its interference with the occupancy of the premises by the LESSEE.

12. INSURANCE: At the execution of this contract, the LESSEE, at its expense, shall carry and maintain a comprehensive general liability insurance policy with regard to the LEASED PREMISES during the term of this lease. The LESSEE must provide an original ACORD certificate of insurance evidencing a Commercial General Liability ("CGL") insurance policy with minimum limits of \$1,000,000 per occurrence and a deductible of not more than \$25,000. The policy must be Occurrence-Based; a "Claims Made Policy" is not acceptable. In the case where the underlying insurance policy is expended due to excessive defense and/or indemnity claims, before renewal, the LESSEE warrants and guarantees the coverage limit(s), to include indemnity and defense up to the listed limit, from its own resources regardless of coverage status due to cancellation, reservation of rights, or other no-coverage-enforce reason. Coverage shall not contain any endorsement(s) excluding or limiting Product/Completed Operations, Contractual Liability or Cross Liability. At all times, LESSEE'S policy, limits and coverage will be primary as respect to the LESSOR.

(a) At the execution of this contract, and assuming vehicles are used in the LESSEE'S business, an ACORD Form shall be provided with \$1,000,000 in Annually Renewing

Occurrence and minimum limit of \$500,000 per occurrence, based coverage for All Vehicles Owned or Leased by LESSEE. If vehicles are not used, LESSEE shall, on letterhead, provide a letter to the LESSOR stating the same. This coverage may be added to the above CGL Form(s).

(b) All policies shall be endorsed to state that coverage will not be suspended, voided, cancelled or reduced without 30 days prior written notice by mail. It is the LESSEE'S responsibility to provide evidence of continuing coverage during the overlap periods of the policy and the contract.

(c) Additional Insured: LESSOR shall be named as an insured on LESSEE'S Commercial General Liability Policy with the following, or similar endorsement providing equal or broader Additional Insured coverage, the CG 2026 07 04 Additional Insured – Designated Person or Organization endorsement; or the CG2010 10 01 Additional Insured – Owners, Lessees, or Contractors; or the CG2010 07 04 Lessees, or Contractors endorsement, including the additional insured endorsement of CG2037 10 01 Additional Insured – Owners, Lessees, or Contractors – Completed Operations shall be required to provide back coverage for the contractor's "your work" as defined in the policy and liability arising out of the products-completed operations hazard. The Additional Insured Endorsement shall read "Clark County, Washington".

(d) All companies issuing required policies must have an A.M. Best's Rating of A-VII or better. The policies shall be annually renewing and occurrence based.

(e) Should the LESSEE provide an Umbrella or Excess Coverage for any of the associated coverage(s), they shall be written in a "Follow Form" manner and Clark County, Washington shall be listed and endorsed as an Additional Insured.

(f) LESSOR reserves the right, but not the obligation, to revise any insurance requirement, not limited to limits, coverages and/or endorsements, or to reject any insurance policies which fail to meet any one or more of the criteria stated herein. This ability to

selectively reject may also include the capacity and or financial position or reputation of the insurer.

(g) Any and all employees of LESSEE shall be considered employees of the LESSEE only and not of the LESSOR. Any and all claims that may arise under the Washington Industrial Insurance Act, Title 51 RCW, while so engaged in any of the work or services of LESSEE, shall be the sole obligation and responsibility of LESSEE.

13. WAIVER OF SUBROGATION: Neither the LESSOR nor the LESSEE shall be liable to the other for loss arising out of damage to or destruction of the LEASED PREMISES, or the building or improvements of which the LEASED PREMISES are a part or with which they are connected, or the contents of any thereof, when such loss is caused by any of the perils which are or could be included within or insured against by a standard form of fire insurance with extended coverage, including all risk (excluding earthquake and flood). All such claims for any and all loss, however caused, hereby are waived; except that the LESSEE shall be responsible for any deductible expense charged to the LESSOR. Said absence of liability shall exist whether or not the damage or destruction is caused by the negligence of either LESSOR or LESSEE or by any of their respective agents or employees.

14. WAIVER OF ANY BREACH OF TERMS: Any waiver by the LESSOR of any breach of any of the terms, covenants, agreements, or conditions hereof, shall not be deemed a continuing waiver upon their part.

15. NOTIFICATION: Any notices herein provided to be given by LESSOR to LESSEE shall be deemed to be delivered if mailed by regular United States mail, addressed to LESSEE at SOUTHWEST WASHINGTON REGIONAL TRANSPORTATION COUNCIL, 1300 Franklin Street, PO Box 1366, Vancouver, Washington 98666. Notices herein to be given by LESSEE to LESSOR shall be deemed to be delivered if mailed by regular United States mail, addressed to the LESSOR at Clark County, General Services Department, 1300 Franklin Street, PO Box 5000, Vancouver, Washington 98666.

16. TIME OF ESSENCE: Time and exact performance are the essence of this agreement, and should the LESSEE fail to pay the rent above provided when due, or within ten (10) days thereafter, or shall fail to strictly perform each and every covenant herein contained, the LESSOR, at its option, may charge a late fee equal to 5% of the current month's rent or may declare the whole sum provided herein due, and may declare this Lease terminated and at an end, and shall have all legal remedies available to LESSOR under the law for the collection of rent; and any and all rentals theretofore paid by the LESSEE hereunder shall be retained by the LESSOR for the use of said premises, but the LESSEE shall not be relieved of their liability for breach of covenant of this Lease.

IN WITNESS WHEREOF, said parties have hereunto set their hands and affixed their signatures this date\_\_\_\_\_.

LESSEE  
SOUTHWEST WASHINGTON  
REGIONAL TRANSPORTATION COUNCIL

LESSOR  
CLARK COUNTY

By: \_\_\_\_\_  
Matt Ransom  
Executive Director

By: \_\_\_\_\_  
Shawn Hennessee  
County Manager

Approved as to Form Only  
ANTHONY F. GOLIK  
Prosecuting Attorney

By \_\_\_\_\_  
Emily Sheldrick, Civil Prosecuting Attorney

State of Washington

County of \_\_\_\_\_

I certify that I know or have satisfactory evidence that Shawn Henessee is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the County Manager of Clark County to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: \_\_\_\_\_

(Seal or stamp)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
Title  
My appointment  
expires \_\_\_\_\_

State of Washington

County of \_\_\_\_\_

I certify that I know or have satisfactory evidence that Matt Ransom is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the Executive Director of the Southwest Washington Regional Transportation Council to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: \_\_\_\_\_

(Seal or stamp)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
Title  
My appointment  
expires \_\_\_\_\_

