

MEMO

TO: Doug Russell, City Manager

FROM: Susie Turner, P.E., Public Works Director

SUBJECT: Bullitt Sites, LLC-Water Tower Lease Agreement

MEETING: May 18, 2020

BACKGROUND: Bullitt Sites, LLC, has requested a lease to utilize the Buffalo Hill Water Tower for installing, maintaining and operating radio communication equipment, antennas, appurtenance, and for land space sufficient for the installation of equipment, wires, poles, cables, conduit, and pipes.

There are several private and public agencies that are currently utilizing the tower for communications. A complete list of users is summarized below.

Company	Contract Term
Verizon	Nov 2016 thru Nov 2036
Sprint	May 2000 thru May 2020
Interoperability MT -911	May 2010-indefinite
Interoperability MT – National Guard	February 2010-indefinite
City of Kalispell Radio Repeater-SCADA	1990s

Public Works has worked with Bullitt Sites and has approved the layout of the easements, cables, building use, and equipment attachments to the tower. Bullitt has performed a structural review of the tower with the proposed equipment to ensure the additional equipment will not compromise the integrity of the water tower. The proposed agreement is similar to other contracts in that it protects the intended use of the tower for the Public Water Supply and has been reviewed and approved by the City Attorney's office.

FISCAL EFFECTS: The Agreement's lease amount is \$29,281.79 per year with a 3% annual increase. The Agreement will automatically be extended for four (4) additional five (5) year terms unless Bullitt Sites or the City terminates the lease under the conditions defined in the Agreement.

ACTION REQUESTED: Motion to adopt the Water Tower Lease Agreement between Bullitt Sites, LLC and the City of Kalispell and authorize the City Manager to sign the agreement on behalf of the City of Kalispell.

ALTERNATIVES: As suggested and approved by the City Council.

ATTACHMENTS: Proposed Agreement

WATER TOWER LEASE AGREEMENT

This Agreement, made this	day of	_, 20, between the CITY OF
KALISPELL, a municipal corporation	of the State of Montana,	with its principal offices at 201
First Avenue East, Kalispell, Montana	59901, hereinafter desig	nated LESSOR and BULLITT
SITES, LLC, with its principal offices	at PO Box 7603, Kalispell	l, MT 59904 (telephone number
406-253-2680), hereinafter designated	LESSEE. The LESSO	OR and LESSEE are at times
collectively referred to hereinafter as the	"Parties" or individually a	is the "Party".

WITNESSETH

In consideration of the mutual covenants contained herein and intending to be legally bound hereby, the Parties hereto agree as follows:

1. <u>PREMISES</u>. LESSOR hereby leases to the LESSEE a portion of that certain space ("the Tower Space") on the LESSOR's water tower, hereinafter referred to as the "Tower", located at 100 Buffalo Hill Drive, Kalispell, County of Flathead, State of Montana, 59901, as shown on Exhibit "A" attached hereto and made a part hereof (the entirety of LESSOR's property is referred to hereinafter as the "Property"), together with a 10' x 20' parcel of land (the "Easement") and space within the Utility Building sufficient for the installation of LESSEE's equipment; together with any rights-of-way (the "Rights-of-Way") over and through the Property between the Land Space and the Tower Space for the installation and maintenance of utility wires, poles, cables, conduits, and pipes. The Tower Space, Land Space, Building Space, and Rights-of-Way, if any, are substantially described in Exhibits "A" and "B", attached hereto and made a part hereof demised premises and are collectively referred to hereinafter as the "Premises".

LESSOR hereby grants permission to LESSEE to install, maintain and operate the radio communications equipment, antennas and appurtenances described in Exhibit "B" attached hereto.

2. <u>SURVEY</u>. LESSOR also hereby grants to LESSEE the right to survey the Property and Premises, and said survey may then become Exhibit "C" which shall be attached hereto and made a part hereof, and shall control in the event of boundary and access discrepancies between it and Exhibit "A". Cost for such work shall be borne by the LESSEE.

3. TERM; RENTAL; ELECTRICAL.

a. This Agreement shall be effective as of the date of execution by both Parties, provided, however, the initial term shall be for five (5) years and shall commence on the Commencement Date (as hereinafter defined) at which time rental payments shall commence and be due at a total initial annual rental of Twenty Nine Thousand Two Hundred Eighty One Dollars and Seventy Nine Cents (\$29,281.79) to be paid in equal monthly installments in the amount of TWO THOUSAND FOUR HUNDRED FORTY AND 15/100TH (\$2,440.15) DOLLARS on the

first day of the month, in advance, to LESSOR or to such other person, firm or place as LESSOR may, from time to time, designate in writing at least thirty (30) days in advance of any rental payment date by notice given in accordance with Paragraph 23 below. The Agreement shall commence on **June 1, 2020 ("Commencement Date")**. LESSOR and LESSEE acknowledge and agree that initial rental payment(s) shall not actually be sent by LESSEE until thirty (30) days after the Commencement Date. By way of illustration of the preceding sentence, if the Commencement Date is June 1, LESSEE shall send to the LESSOR the rental payments for June 1 and July 1 by July 1.

Upon agreement of the Parties, LESSEE may pay rent by electronic funds transfer and in such event, LESSOR agrees to provide to LESSEE bank routing information for such purpose upon request of LESSEE.

b. LESSOR hereby agrees to provide to LESSEE certain documentation (the "Rental Documentation") evidencing LESSOR's interest in, and right to receive payments under, this Agreement, including without limitation: (i) documentation, acceptable to LESSEE in LESSEE's reasonable discretion, evidencing LESSOR's good and sufficient title to and/or interest in the Property and right to receive rental payments and other benefits hereunder; and (ii) a complete and fully executed Internal Revenue Service Form W-9, or equivalent, in a form acceptable to LESSEE, for any party to whom rental payments are to be made pursuant to this Agreement From time to time during the Term of this Agreement and within thirty (30) days of a written request from LESSEE, LESSOR agrees to provide updated Rental Documentation in a form reasonably acceptable to LESSEE. The Rental Documentation shall be provided to LESSEE in accordance with the provisions of and at the address given in Paragraph 23.

Within fifteen (15) days of obtaining an interest in the Property or this Agreement, any assignee(s), transferee(s) or other successor(s) in interest of LESSOR shall provide to LESSEE Rental Documentation in the manner set forth in the preceding paragraph. From time to time during the Term of this Agreement and within thirty (30) days of a written request from LESSEE, any assignee(s) or transferee(s) of LESSOR agrees to provide updated Rental Documentation in a form reasonably acceptable to LESSEE.

- c. If permitted by the local utility company servicing the Property, LESSEE will install a separate meter for the measurement of its electric power and the LESSEE shall for its own utilities used. LESSEE shall be permitted to install, maintain and/or provide access to and use of, as necessary (during any power interruption at the Premises), a temporary power source.
- 4. <u>EXTENSIONS</u>. This Agreement shall automatically be extended for four (4) additional five (5) year terms unless LESSEE terminates it at the end of the then-current term by giving LESSOR written notice of the intent to terminate at least six (6) months prior to the end of the then current term.

- 5. <u>ANNUAL RENTAL INCREASES</u>. The annual rental for the second (2nd) year of the initial term and for each year thereafter including any and all extension terms shall be equal to 103% of the annual rental payable with respect to the immediately preceding year.
- USE; GOVERNMENTAL APPROVALS. LESSEE shall use the Premises for the purpose of constructing, maintaining, repairing and operating a communications facility and uses incidental thereto. All improvements, equipment, antennas and conduits shall be at LESSEE's expense and their installation shall be at the discretion and option of LESSEE. LESSEE shall have the right to replace, repair, add or otherwise modify its utilities, equipment, antennas and/or conduits or any portion thereof and the frequencies over which the equipment operates, whether the equipment, antennas, conduits or frequencies are specified or not on any exhibit attached hereto, during the Term. It is understood and agreed that LESSEE's ability to use the Premises is contingent upon its obtaining after the execution date of this Agreement all of the certificates, permits and other approvals (collectively the "Governmental Approvals") that may be required by any Federal, State or Local authorities as well as satisfactory soil boring tests and structural analysis which will permit LESSEE use of the Premises as set forth above. LESSOR shall cooperate with LESSEE in its effort to obtain such approvals and shall take no action which would adversely affect the status of the Property with respect to the proposed use thereof by LESSEE. In the event that (i) any of such applications for such Governmental Approvals should be finally rejected; (ii) any Governmental Approval issued to LESSEE is canceled, expires, lapses, or is otherwise withdrawn or terminated by governmental authority; (iii) LESSEE determines that such Governmental Approvals may not be obtained in a timely manner; (iv) LESSEE determines that any soil boring tests or structural analysis is unsatisfactory; (v) LESSEE determines that the Premises is no longer technically or structurally compatible for its use, or (vi) LESSEE, in its sole discretion, determines that the use the Premises is obsolete or unnecessary, LESSEE shall have the right to terminate this Agreement. Notice of LESSEE's exercise of its right to terminate shall be given to LESSOR in writing by certified mail, return receipt requested, and shall be effective upon the mailing of such notice by LESSEE, or upon such later date as designated by LESSEE. All rentals paid to said termination date shall be retained by LESSOR. Upon such termination, this Agreement shall be of no further force or effect except to the extent of the representations, warranties and indemnities made by each Party to the other hereunder. Otherwise, the LESSEE shall have no further obligations for the payment of rent to LESSOR.
- 7. <u>INDEMNIFICATION</u>. Subject to Paragraph 10 below, each Party shall indemnify and hold the other harmless against any claim of liability or loss from personal injury or property damage resulting from or arising out of the negligence or willful misconduct of the indemnifying Party, its employees, contractors or agents, except to the extent such claims or damages may be due to or caused by the negligence or willful misconduct of the other Party, or its employees, contractors or agents.

8. INSURANCE.

a. Notwithstanding the indemnity in Paragraph 9, the Parties hereby waive and release any and all rights of action for negligence against the other which may hereafter arise on account of damage to the Premises or to the Property, resulting from any fire, or other casualty of the kind covered by standard fire insurance policies with extended coverage, regardless of whether or not, or in what amounts, such insurance is now or hereafter carried by the Parties, or either of them. These waivers and releases shall apply between the Parties and they shall also apply to any claims under or through either Party as a result of any asserted right of subrogation. All such policies of insurance obtained by either Party concerning the Premises or the Property shall waive the insurer's right of subrogation against the other Party.

b. LESSEE will maintain at its own cost;

- i. Commercial General Liability insurance with limits not less than \$1,000,000 for injury to or death of one or more persons in any one occurrence and \$500,000 for damage or destruction to property in any one occurrence.
- ii. Commercial Auto Liability insurance on all owned, non-owned and hired automobiles with a minimum combined limit of not less than one million (\$1,000,000) per occurrence.
- iii. Workers Compensation insurance providing the statutory benefits and not less than one million (\$1,000,000) of Employers Liability coverage.

LESSEE will include the LESSOR as an additional insured on the Commercial General Liability and Auto Liability policies.

- c. LESSOR will maintain at its own cost commercial general liability insurance with limits not less than \$1,000,000 for injury to or death of one or more persons in any one occurrence and \$500,000 for damage or destruction to property in any one occurrence. LESSOR will include the LESSEE as an additional insured.
- d. In addition, LESSOR shall obtain and keep in force during the Term a policy or policies insuring against loss or damage to the Building with a commercially reasonable valuation, as the same shall exist from time to time without a coinsurance feature. LESSOR's policy or policies shall insure against all risks of direct physical loss or damage (except the perils of flood and earthquake unless required by a lender or included in the base premium), including coverage for any additional costs resulting from debris removal and reasonable amounts of coverage for the enforcement of any ordinance or law regulating the reconstruction or replacement of any undamaged sections of the Building required to be

demolished or removed by reason of the enforcement of any building, zoning, safety or land use laws as the result of a covered loss, but not including plate glass insurance.

- 9. <u>LIMITATION OF LIABILITY</u>. Except for indemnification pursuant to paragraphs 9 and 31, neither Party shall be liable to the other, or any of their respective agents, representatives, employees for any lost revenue, lost profits, loss of technology, rights or services, incidental, punitive, indirect, special or consequential damages, loss of data, or interruption or loss of use of service, even if advised of the possibility of such damages, whether under theory of contract, tort (including negligence), strict liability or otherwise.
- 10. <u>ANNUAL TERMINATION</u>. Notwithstanding anything to the contrary contained herein, provided LESSEE is not in default hereunder beyond applicable notice and cure periods, LESSEE shall have the right to terminate this Agreement upon the annual anniversary of the Commencement Date provided that three (3) months prior notice is given to LESSOR.
- 11. <u>ACCESS TO TOWER</u>. LESSOR agrees the LESSEE shall have free access to the Tower at all times for the purpose of installing and maintaining the said equipment. LESSOR shall furnish LESSEE with necessary means of access for the purpose of ingress and egress to this site and Tower location. It is agreed, however, that only authorized engineers, employees or properly authorized contractors of LESSEE or persons under their direct supervision will be permitted to enter said premises. LESSOR shall be on site during at all times when LESSEE or its representative is on site. Except in the case of an emergency, LESSEE will provide a request from the LESSOR to access the site 24 hours in advance. Access to the tower will be free during City of Kalispell's normal operating hours. All other times will be charged to the LESSOR at a rate of seventy-five dollars (\$75.00) an hour for a minimum of two (2) hours.
- 12. <u>TOWER COMPLIANCE</u>. LESSOR covenants that it will keep the Tower in good repair as required by all Laws (as defined in Paragraph 35 below). The LESSOR shall also comply with all rules and regulations enforced by the Federal Communications Commission with regard to the lighting, marking and painting of towers. If the LESSOR fails to make such repairs including maintenance the LESSEE may make the repairs and the costs thereof shall be payable to the LESSEE by the LESSOR if the cost is agreed upon and documented by both Parties.

No materials may be used in the installation of the antennas or transmission lines that will cause corrosion or rust or deterioration of the Tower structure or its appurtenances.

All changes to LESSEE's equipment on the tower due to installation, location or maintenance shall require LESSOR's prior review and approval. Prior to commencement of any additions, repairs, modifications or changes to LESSEE's equipment on the Tower, LESSEE shall provide plans for LESSOR's reasonable approval. If LESSOR does not approve of such plans within fifteen (15) days of delivery of such plans to LESSOR, LESSOR shall be deemed to have

approved such plans. All damage created by the lessor to the tower or City property will be the responsibility of LESSEE to repair to current conditions.

All antenna(s) on the Tower must be identified by a marking fastened securely to its bracket on the Tower and all transmission lines are to be tagged at the conduit opening where it enters any user's equipment space.

- LESSEE agrees to install equipment of the type and INTERFERENCE. 13. frequency which will not cause harmful interference which is measurable in accordance with then existing industry standards to any equipment of LESSOR or other lessees of the Property which existed on the Property prior to the date this Agreement is executed by the Parties. In the event any after-installed LESSEE's equipment causes such interference, and after LESSOR has notified LESSEE in writing of such interference, LESSEE will take all commercially reasonable steps necessary to correct and eliminate the interference, including but not limited to, at LESSEE's option, powering down such equipment and later powering up such equipment for intermittent testing. In no event will LESSOR be entitled to terminate this Agreement or relocate the equipment as long as LESSEE is making a good faith effort to remedy the interference issue. LESSOR agrees that LESSOR and/or any other tenants of the Property who currently have or in the future take possession of the Property will be permitted to install only such equipment that is of the type and frequency which will not cause harmful interference which is measurable in accordance with then existing industry standards to the then existing equipment of LESSEE. The Parties acknowledge that there will not be an adequate remedy at law for noncompliance with the provisions of this Paragraph and therefore, either Party shall have the right to equitable remedies, such as, without limitation, injunctive relief and specific performance.
- within ninety (90) days after any earlier termination of the Agreement, remove its building(s), antenna(s), equipment, conduits, fixtures and all personal property and restore the Premises to its original condition, reasonable wear and tear and casualty damage excepted. LESSOR agrees and acknowledges that all of the equipment, conduits, fixtures and personal property of LESSEE shall remain the personal property of LESSEE and LESSEE shall have the right to remove the same at any time during the Term, whether or not said items are considered fixtures and attachments to real property under applicable Laws. If such time for removal causes LESSEE to remain on the Premises after termination of this Agreement, LESSEE shall pay rent at the then existing monthly rate or on the existing monthly pro-rata basis if based upon a longer payment term, until such time as the removal of the building, antenna structure, fixtures and all personal property are completed.
- 15. <u>HOLDOVER</u>. LESSEE has no right to retain possession of the Premises or any part thereof beyond the expiration of that removal period set forth in Paragraph 16 herein, unless the Parties are negotiating a new lease or lease extension in good faith. In the event that the Parties are not in the process of negotiating a new lease or lease extension in good faith, LESSEE holds over in violation of Paragraph 16 and this Paragraph 17, then the rent then in effect payable

from and after the time of the expiration or earlier removal period set forth in Paragraph 16 shall be equal to the rent applicable during the month immediately preceding such expiration or earlier termination.

- 16. RIGHT OF FIRST REFUSAL. If LESSOR elects, during the Term (i) to sell or otherwise transfer all or any portion of the Property, whether separately or as part of a larger parcel of which the Property is a part, or (ii) grant to a third party by easement or other legal instrument an interest in and to that portion of the Tower and or Property occupied by LESSEE, or a larger portion thereof, for the purpose of operating and maintaining communications facilities or the management thereof, with or without an assignment of this Agreement to such third party, LESSEE shall have the right of first refusal to meet any bona fide offer of sale or transfer on the same terms and conditions of such offer. If LESSEE fails to meet such bona fide offer within thirty (30) days after written notice thereof from LESSOR, LESSOR may sell or grant the easement or interest in the Property or portion thereof to such third person in accordance with the terms and conditions of such third party offer. For purposes of this Paragraph, any transfer, bequest or devise of LESSOR's interest in the Property as a result of the death of LESSOR, whether by will or intestate succession, or any conveyance to LESSOR's family members by direct conveyance or by conveyance to a trust for the benefit of family members shall not be considered a sale of the Property for which LESSEE has any right of first refusal.
- 17. RIGHTS UPON SALE. Should LESSOR, at any time during the Term decide (i) to sell or transfer all or any part of the Property or the Tower thereon to a purchaser other than LESSEE, or (ii) to grant to a third party by easement or other legal instrument an interest in and to that portion of the Tower and or Property occupied by LESSEE, or a larger portion thereof, for the purpose of operating and maintaining communications facilities or the management thereof, such sale or grant of an easement or interest therein shall be under and subject to this Agreement and any such purchaser or transferee shall recognize LESSEE's rights hereunder under the terms of this Agreement. To the extent that LESSOR grants to a third party by easement or other legal instrument an interest in and to that portion of the Tower and/or Property occupied by LESSEE for the purpose of operating and maintaining communications facilities or the management thereof and in conjunction therewith, assigns this Agreement to said third party, LESSOR shall not be released from its obligations to LESSEE under this Agreement, and LESSEE shall have the right to look to LESSOR and the third party for the full performance of this Agreement.
- 18. <u>QUIET ENJOYMENT</u>. LESSOR covenants that LESSEE, on paying the rent and performing the covenants herein, shall peaceably and quietly have, hold and enjoy the Premises.
- 19. <u>TITLE</u>. LESSOR represents and warrants to LESSEE as of the execution date of this Agreement, and covenants during the Term that LESSOR is seized of good and sufficient title and interest to the Property and has full authority to enter into and execute this Agreement. LESSOR further covenants during the Term that there are no liens, judgments or impediments of title on the Property, or affecting LESSOR's title to the same and that there are no covenants,

easements or restrictions which prevent or adversely affect the use or occupancy of the Premises by LESSEE as set forth above.

- 20. <u>INTEGRATION</u>. It is agreed and understood that this Agreement contains all agreements, promises and understandings between LESSOR and LESSEE and that no verbal or oral agreements, promises or understandings shall be binding upon either LESSOR or LESSEE in any dispute, controversy or proceeding at law, and any addition, variation or modification to this Agreement shall be void and ineffective unless made in writing signed by the Parties or in a written acknowledgment in the case provided in Paragraph 3. In the event any provision of the Agreement is found to be invalid or unenforceable, such finding shall not affect the validity and enforceability of the remaining provisions of this Agreement. The failure of either Party to insist upon strict performance of any of the terms or conditions of this Agreement or to exercise any of its rights under the Agreement shall not waive such rights and such Party shall have the right to enforce such rights at any time and take such action as may be lawful and authorized under this Agreement, in law or in equity.
- 21. <u>GOVERNING LAW</u>. This Agreement and the performance thereof shall be governed, interpreted, construed and regulated by the Laws of the State of Montana.
- 22. <u>ASSIGNMENT</u>; <u>SUBLEASING</u>. This Agreement may be sold, assigned or transferred by the LESSEE without any approval or consent of the LESSOR to the LESSEE's principal, affiliates, subsidiaries of its principal or to any entity which acquires all or substantially all of LESSEE's assets in the market defined by the Federal Communications Commission in which the Property is located by reason of a merger, acquisition or other business reorganization. As to other parties, this Agreement may not be sold, assigned or transferred without the written consent of the LESSOR, which such consent will not be unreasonably withheld, delayed or conditioned. No change of stock ownership, partnership interest or control of LESSEE or transfer upon partnership or corporate dissolution of LESSEE shall constitute an assignment hereunder. LESSEE shall not sublease the Premises without the prior written consent of LESSOR.
- 23. <u>NOTICES</u>. All notices hereunder must be in writing and shall be deemed validly given if sent by certified mail, return receipt requested or by commercial courier, provided the courier's regular business is delivery service and provided further that it guarantees delivery to the addressee by the end of the next business day following the courier's receipt from the sender, addressed as follows (or any other address that the Party to be notified may have designated to the sender by like notice):

LESSOR: City of Kalispell

201 First Avenue East Kalispell, Montana 59901 Attn: Director of Public Works

LESSEE: Bullitt Sites, LLC

PO Box 7603

Kalispell, MT 59904

Attn: _____

Notice shall be effective upon actual receipt or refusal as shown on the receipt obtained pursuant to the foregoing.

- 24. <u>SUCCESSORS</u>. This Agreement shall extend to and bind the heirs, personal representative, successors and assigns of the Parties hereto.
- 25. <u>RECORDING</u>. LESSOR agrees to execute a Memorandum of this Agreement which LESSEE may record with the appropriate recording officer. The date set forth in the Memorandum of Lease is for recording purposes only and bears no reference to commencement of either the Term or rent payments.

26. DEFAULT.

- a. In the event there is a breach by LESSEE with respect to any of the provisions of this Agreement or its obligations under it, including the payment of rent, LESSOR shall give LESSEE written notice of such breach. After receipt of such written notice, LESSEE shall have fifteen (15) days in which to cure any monetary breach and thirty (30) days in which to cure any non-monetary breach, provided LESSEE shall have such extended period as may be required beyond the thirty (30) days if the nature of the cure is such that it reasonably requires more than thirty (30) days and LESSEE commences the cure within the thirty (30) day period and thereafter continuously and diligently pursues the cure to completion. LESSOR may not maintain any action or effect any remedies for default against LESSEE unless and until LESSEE has failed to cure the breach within the time periods provided in this Paragraph.
- b. In the event there is a breach by LESSOR with respect to any of the provisions of this Agreement or its obligations under it, LESSEE shall give LESSOR written notice of such breach. After receipt of such written notice, LESSOR shall have thirty (30) days in which to cure any such breach, provided LESSOR shall have such extended period as may be required beyond the thirty (30) days if the nature of the cure is such that it reasonably requires more than thirty (30) days and LESSOR commences the cure within the thirty (30) day period and thereafter continuously and diligently pursues the cure to completion. LESSEE may not maintain any action or effect any remedies for default against LESSOR unless and until LESSOR has failed to cure the breach within the time periods provided in this Paragraph. Notwithstanding the foregoing to the contrary, it shall be a default under this Agreement if

LESSOR fails, within five (5) days after receipt of written notice of such breach, to perform an obligation required to be performed by LESSOR if the failure to perform such an obligation interferes with LESSEE's ability to conduct its business on the Property; provided, however, that if the nature of LESSOR's obligation is such that more than five (5) days after such notice is reasonably required for its performance, then it shall not be a default under this Agreement if performance is commenced within such five (5) day period and thereafter diligently pursued to completion.

REMEDIES. Upon a default, the non-defaulting Party may at its option (but 27. without obligation to do so), perform the defaulting Party's duty or obligation on the defaulting Party's behalf, including but not limited to the obtaining of reasonably required insurance policies. The costs and expenses of any such performance by the non-defaulting Party shall be due and payable by the defaulting Party upon invoice therefor. In the event of a default by either Party with respect to a material provision of this Agreement, without limiting the non-defaulting Party in the exercise of any right or remedy which the non-defaulting Party may have by reason of such default, the non-defaulting Party may terminate the Agreement and/or pursue any remedy now or hereafter available to the non-defaulting Party under the Laws or judicial decisions of the state in which the Premises are located; provided, however, LESSOR shall use reasonable efforts to mitigate its damages in connection with a default by LESSEE. If LESSEE so performs any of LESSOR's obligations hereunder, the full amount of the reasonable and actual cost and expense incurred by LESSEE shall immediately be owing by LESSOR to LESSEE, and LESSOR shall pay to LESSEE upon demand the full undisputed amount thereof with interest thereon from the date of payment at the greater of (i) ten percent (10%) per annum, or (ii) the highest rate permitted by applicable Laws. Notwithstanding the foregoing, if LESSOR does not pay LESSEE the full undisputed amount within thirty (30) days of its receipt of an invoice setting forth the amount due from LESSOR, LESSEE may offset the full undisputed amount, including all accrued interest, due against all fees due and owing to LESSOR until the full undisputed amount, including all accrued interest, is fully reimbursed to LESSEE.

28. <u>ENVIRONMENTAL</u>.

- a. LESSOR will be responsible for all obligations of compliance with any and all environmental and industrial hygiene laws, including any regulations, guidelines, standards, or policies of any governmental authorities regulating or imposing standards of liability or standards of conduct with regard to any environmental or industrial hygiene conditions or concerns as may now or at any time hereafter be in effect, that are or were in any way related to activity now conducted in, on, or in any way related to the Tower or Property, unless such conditions or concerns are caused by the specific activities of LESSEE in the Premises.
- b. LESSOR shall hold LESSEE harmless and indemnify LESSEE from and assume all duties, responsibility and liability at LESSOR's sole cost and expense, for all duties, responsibilities, and liability (for payment of penalties, sanctions, forfeitures, losses, costs, or

damages) and for responding to any action, notice, claim, order, summons, citation, directive, litigation, investigation or proceeding which is in any way related to: a) failure to comply with any environmental or industrial hygiene law, including without limitation any regulations, guidelines, standards, or policies of any governmental authorities regulating or imposing standards of liability or standards of conduct with regard to any environmental or industrial hygiene concerns or conditions as may now or at any time hereafter be in effect, unless such non-compliance results from conditions caused by LESSEE; and b) any environmental or industrial hygiene conditions arising out of or in any way related to the condition of the Tower or Property or activities conducted thereon, unless such environmental conditions are caused by LESSEE.

- CASUALTY. In the event the water tower or any part thereof is damaged or destroyed by the elements or any other cause, LESSOR may elect to repair, rebuild, or restore the water tower to the same condition as it was immediately prior to such casualty within a reasonable time following said occurrence. If LESSOR has not or cannot effect repairs or replacement of the water tower within thirty (30) days of such casualty, LESSEE shall have the right, upon ten (10) days written notice, to terminate this Agreement. If the water tower is repaired, the payments required by this Agreement shall be terminated as of the date of the casualty until the water tower, in LESSOR'S reasonable opinion, is restored to a usable condition for LESSEE'S operation. If LESSOR elects not to repair, restore, or rebuild the water tower, LESSOR may terminate this Agreement by giving written notice of such termination to LESSEE within thirty (30) days of such casualty. If this Agreement is terminated by either LESSEE or LESSOR, all payments and other consideration required herein shall terminate as of the date of such casualty. LESSOR shall not be responsible or liable to LESSEE for any loss, damage, expense that may be occasioned by, through, or in connection with any acts or omissions of the other tenants occupying the water tower, or any part of the Premises adjacent to or connected with the water tower, or for any structural or power failures or destruction or damage to the water tower or to LESSEE equipment.
- CONDEMNATION. In the event of any condemnation of all or any portion of the 30. Property, this Agreement shall terminate as to the part so taken as of the date the condemning authority takes title or possession, whichever occurs first. If as a result of a partial condemnation of the Premises or Tower, LESSEE, in LESSEE's sole discretion, is unable to use the Premises for the purposes intended hereunder, or if such condemnation may reasonably be expected to disrupt LESSEE's operations at the Premises for more than forty-five (45) days, LESSEE may, at LESSEE's option, to be exercised in writing within fifteen (15) days after LESSOR shall have given LESSEE written notice of such taking (or in the absence of such notice, within fifteen (15) days after the condemning authority shall have taken possession) terminate this Agreement as of the date the condemning authority takes such possession. LESSEE may on its own behalf make a claim in any condemnation proceeding involving the Premises for losses related to the equipment, conduits, fixtures, its relocation costs and its damages and losses (but not for the loss of its leasehold interest). Any such notice of termination shall cause this Agreement to expire with the same force and effect as though the date set forth in such notice were the date originally set as the expiration date of this Agreement and the Parties shall make an appropriate adjustment

as of such termination date with respect to payments due to the other under this Agreement. If LESSEE does not terminate this Agreement in accordance with the foregoing, this Agreement shall remain in full force and effect as to the portion of the Premises remaining, except that the rent shall be reduced in the same proportion as the rentable area of the Premises taken bears to the total rentable area of the Premises. In the event that this Agreement is not terminated by reason of such condemnation, LESSOR shall promptly repair any damage to the Premises caused by such condemning authority.

- 31. <u>SUBMISSION OF AGREEMENT/PARTIAL INVALIDITY/AUTHORITY</u>. The submission of this Agreement for examination does not constitute an offer to lease the Premises and this Agreement becomes effective only upon the full execution of this Agreement by the Parties. If any provision herein is invalid, it shall be considered deleted from this Agreement and shall not invalidate the remaining provisions of this Agreement. Each of the Parties hereto warrants to the other that the person or persons executing this Agreement on behalf of such Party has the full right, power and authority to enter into and execute this Agreement on such Party's behalf and that no consent from any other person or entity is necessary as a condition precedent to the legal effect of this Agreement.
- 32. APPLICABLE LAWS. During the Term, LESSOR shall maintain the Property and all structural elements of the Premises in compliance with all applicable laws, rules, regulations, ordinances, directives, covenants, easements, zoning and land use regulations, and restrictions of record, permits, building codes, and the requirements of any applicable fire insurance underwriter or rating bureau, now in effect or which may hereafter come into effect (including, without limitation, the Americans with Disabilities Act and laws regulating hazardous substances) (collectively "Laws"). LESSEE shall, in respect to the condition of the Premises and at LESSEE's sole cost and expense, comply with (a) all Laws relating solely to LESSEE's specific and unique nature of use of the Premises (other than general office use); and (b) all building codes requiring modifications to the Premises due to the improvements being made by LESSEE in the Premises.
- 33. <u>SURVIVAL</u>. The provisions of the Agreement relating to indemnification from one Party to the other Party shall survive any termination or expiration of this Agreement. Additionally, any provisions of this Agreement which require performance subsequent to the termination or expiration of this Agreement shall also survive such termination or expiration.
- 34. <u>CAPTIONS</u>. The captions contained in this Agreement are inserted for convenience only and are not intended to be part of the Agreement. They shall not affect or be utilized in the construction or interpretation of the Agreement.

IN WITNESS WHEREOF, the Parties hereto have set their hands and affixed their respective seals the day and year first above written.

LESSOR: City of Kalispell, Montana, a municipal corporation

Ву:
Name:Title:
Date:
LESSEE: Bullitt Sites, LLC
By: SUE RICHAROSON Title: OUNER
Date: $\leq 1/2 /2 /2$

STATE OF MONTANA	
County of Flathead)	SS.
Montana, personally appeared	, 20, before me, a Notary Public for the State of, proved to me to be the person whose name is ment, and acknowledged to me that he/she executed the same.
IN WITNESS WHEREO day and year hereinabove first	OF, I have hereunto set my hand and affixed my official seal the written.
SEAL	NOTARY PUBLIC for the State of Montana Printed Name: Residing at: My Commission expires:
STATE OF MONTANA) County of Flathead)	SS.
Montana, personally appeared	here, 2020 before me, a Notary Public for the State of the Richardson, proved to me to be the person whose name is nent, and acknowledged to me that he/she executed the same.
IN WITNESS WHERE Coday and year hereinabove first	<i>PF</i> , I have hereunto set my hand and affixed my official seal the written.
NONIE REED PRUETT STARY SE ACTARY PUBLIC for the State of Montana Residing at Martin City Montana My Commission Expires July 08, 2020	NOTARY PUBLIC for the State of Montana Printed Name: Nonie Reed Pruett Residing at: Wartin City My Commission expires: July 08, 2020

EXHIBIT "A" (Page 1 of 2)

Legal Description

UTILITY EASEMENT:

A TRACT OF LAND, SITUATED, LYING AND BEING IN GOVERNMENT LOT 14 OF SECTION 6, TOWNSHIP 28 NORTH, RANGE 21 WEST, P.M.,M., FLATHEAD COUNTY, MONTANA, AND MORE PARTICULARLY DESCRIBED AS FOLLOWS TO WIT:

Commencing at the southwest corner of the City of Kalispell water site tract as described in Book 369, Page 423 (records of Flathead County, Montana); Thence along the west boundary of said water site tract, N02°54'26"E 65.63 feet to THE TRUE POINT OF BEGINNING OF THE TRACT OF LAND HEREIN DESCRIBED:
Thence continuing, N02°54'26"E 10.00 feet; Thence S87°05'34"E 20.07 feet; Thence S03°37'56"W 10.00 feet; Thence N87°05'34"W 19.95 feet to the point of beginning, containing 200 Square feet

EXHIBIT "A" (Page 2 of 2)

Location of Lessee's Improvements

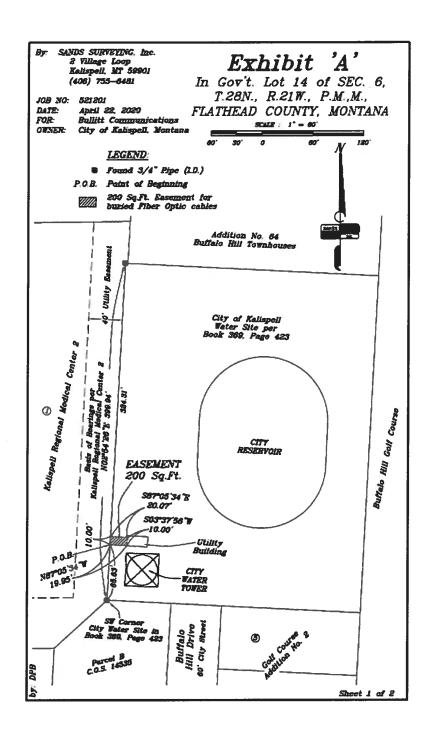
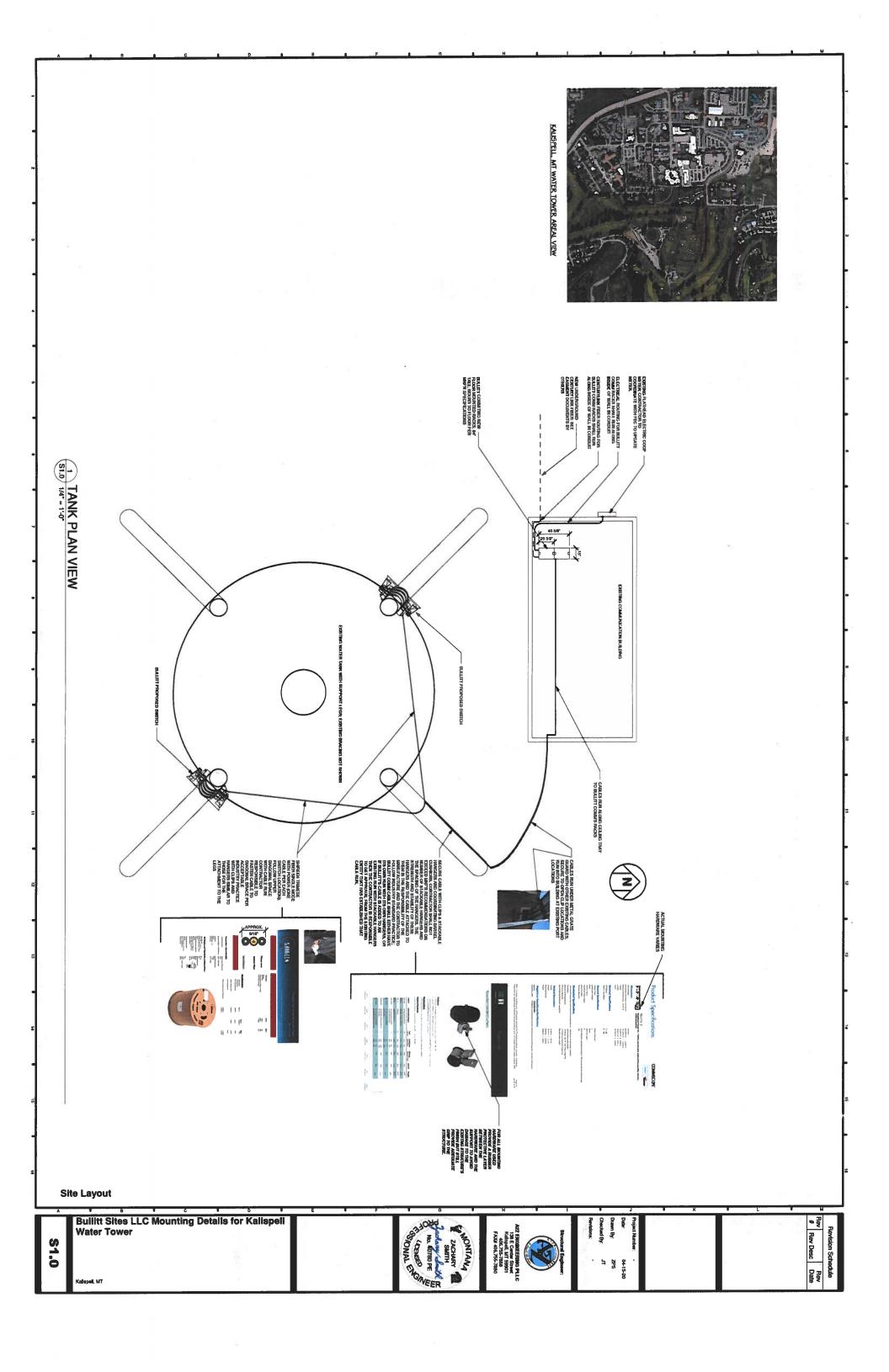
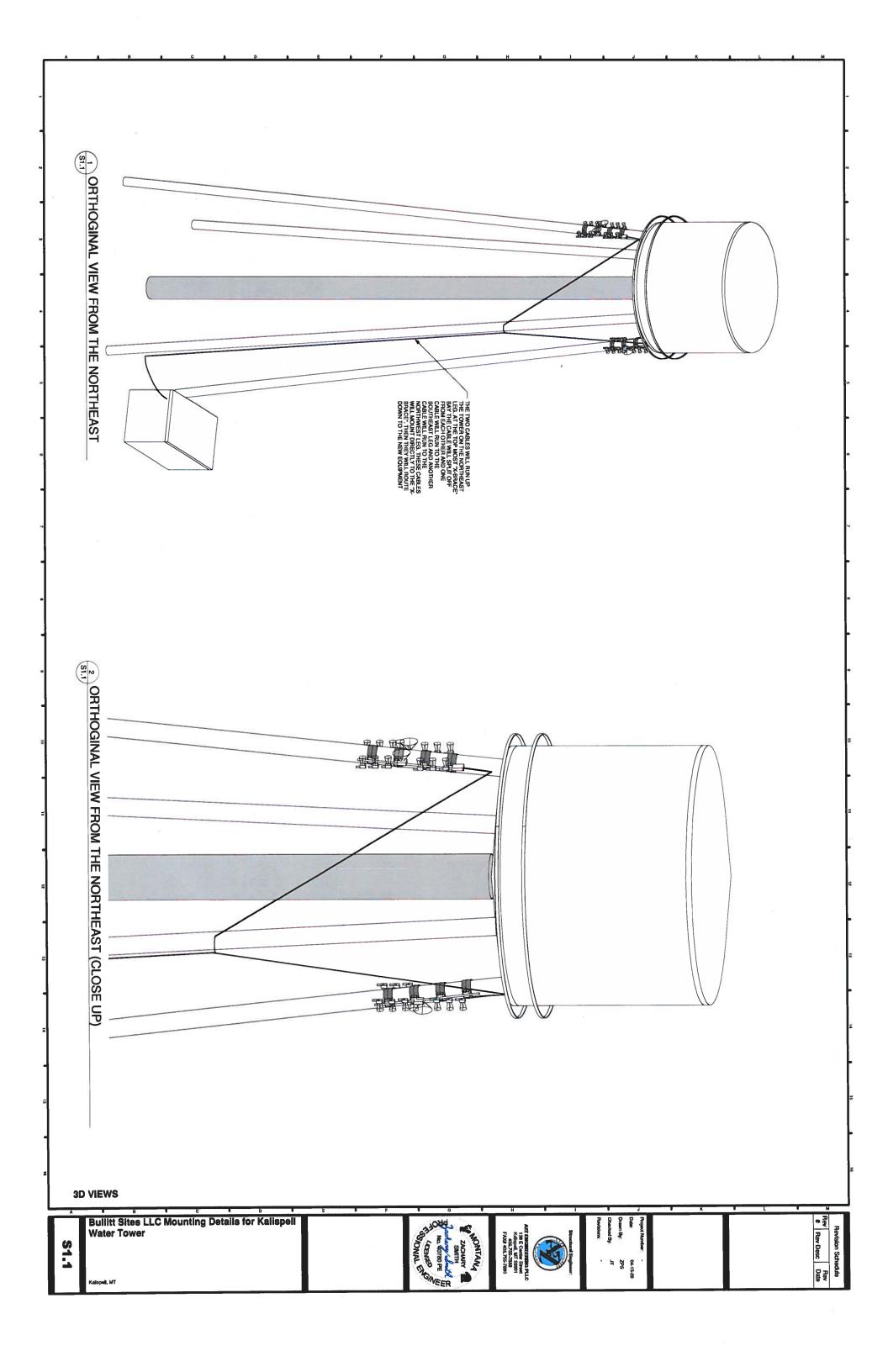


EXHIBIT "B"

Radio Communications Equipment, Antennas and Appurtenances Plan Set





STRUCTURAL GENERAL NOTES Engineer of Record** (EOR) - The engineer who is licensed to stamp and sign the structural documents for the project. The EOR is responsible for the design of the Primary Structural System. *Submit for Renews** - Submit to be Architect-Engineer for review prior to liabilization or construction. *Page Plan** - Indicates reference to the structural plans, elevations and structural perior and structural plans are referenced to the structural plans, elevations and structural perior and structural plans are the project is bosted (typically not the EOR) who performs specially structural engineer (SSE) - A professional engineer ferenced in the state where the project is bosted (typically not the EOR) who performs specially structural engineering services for selected specially. Documents stamped and signed by the SSE shall be completed by or index the designeer of the SSE. **Eadder* designeer** - Components of the structure that require the general correction, subcontractor, or supplier who is responsible for the design, tabilitation and installation of specially-engineered elements storation to the contract documents to retain the services of an SSE. Submittals of 'Bidder-designeer' elements shall be stamped and apped by the SSE. DEFINITIONS: The following definitions cover the meaning of certain terms in the notes and plans: AZZ Engineering, PLLC AZZ Engineering, PLLC AZZ Engineering, PLLC 138 E Center Street, Kalspell, Montana 59901 138 E Center Street, Kalspell, Montana 59901 406, 755, 7886 phone 406,755,7880 tax Email address: _asmith@a2Z_engineering.com Visit our website at www.42Z-Engineering.com **30/ERHING CODE:** The design and construction of this project is governed by the "International Building Code IBC); 2012 Edition, hereafter referred to as the IBC, as adopted and modified by the State of Montana and/or the xeal building jurisdiction. Wind Speed and Exposure: <u>EEFERHENCE STANDANDS</u>: Reler to Chapter 35 of IBC. Where other Standards are noted in the drawings, use stast edition of the standards unless a specific date is indicated. Reference to a specific section in a code does r sièvre the contractor from compliance with the entire standard. ITRUCTURAL DETAILS: The structural drawings are intended to show the general character and exent of the roject and are not intended to show all details of the work. ONTRACTOR RESPONSIBILITIES: ILE PREDETITES, Plan and detail notes and specific loading data provided on individual plan and detail drawings percedes information in the Structural General Notes. <u>MERI DRAMPINAS.</u> Refer to the architectural, mechanical, electrical, civil and planning dreatings is extensional urmation including but not limited or, oftenesions, shows, door and window openings, non-bearing its stairs, inishes, drains, waterproofing, ratings, mechanical unit locations, and other non-structural items. IPORARY SHORING AND BRACING: The contractor is responsible for the strength and stability of the sture during construction and shall provide temporary shoring, brashing and other elements required to maintain takey until the structure is complete, it is the contractor's responsibility to be familiar with the work required in the struction documents and the requirements for executing a property. MANGESHORING DESIGN ENGINEER: The contractor shall, at their discretion, contract with the EOA or play an SSE for the design of any temporary bracing or shoring. AMS. METHODS AND SAFETY REQUIREMENTS: The contractor is responsible for the means and methods or struction and all job related safety standards such as OSHA and DOSH. EBIRATES. Abstrate products of similar strength, neture and form for specified items may be submitted with quade technical documentation to the EOR for review. Abstrates that require substantial effort to review will not eviewed unless authorized by the Owner. is contractor's responsibility to verify the presence, location and depth of all existing utilities as needed to time work. It shall be the contractor's responsibility to protect the utilities from damage. Contractor shall call) 553-5434 or (405) 755-UDIG (8344) within Flathead and Lincoh Courties. In all other areas, contractor shall (800) 42-45555. (900) 42-45555. The contractor area shall be preserved. If a monument is disturbed, the contractor includes the monument at their expense, replace the monument at their expense, replace the monument at their expense, replace the monument at their expense, and the expense of the monument at their expense, replace the monument at their expense, replace the monument at their expense, replace the monument at their expense. The property and excending and the protection of the protection of the monument at their expense. The protection of the first expense of the monument of the monument at their expense. The protection of the first expense of the monument of the contractor is established standards for such work, found in 29 Part 1856 subpart? Part 1856 subpart 9. MRES IN LOADING. The contractor has the responsibility to notify the EOR of any architectural, mechanical or plumbing bad imposed on the structure that differs from or that is not documental in the original road Documents. Provide documentation of location, bad size and anchorage of all undocumented leads, tide matheid-up structural plan indicating locations of any new equipment or loads. Submit plans to the iteration provides the construction. INTINPAL RESPONSIBILITIES: The EOR is responsible for the strength and stability of the primary structure completed form. STRUCTION LOADS: Loads on the structure during construction shall not exceed the design loads as noted in ructural plan set or the capacity of partially completed construction as determined by the Contractor's bracing horing design engineer. GIN CRITTERIA AND LOADS: recessary permits shall be obtained by contractor. Seedsary permits shall be obtained by contractor. Seedsary permits shall be obtained by contractor. Fig. 2012. The contractor is responsible to know and the RC/2012 or RC 2012. The contractor is responsible to know and the RC/2012 requirements even if not specifically noted in this plan set. I contractor shall keep thorough records through photographs of brundation and harning elements and elements and entering and construction items at their cost. I this step is not performed the contractor may be forced to brundarial elements and construction items at their cost. I shall be responsible to ensure that all construction is plants, level, and square. All proper means and its of construction shall be belowed as outlined in the BC/2012 of MIDM: The Contractor is responsible for coordinating details and accuracy of the work; for confirming lieting all quantities and dimensions; for selecting fabrication processes; for techniques of assembly; and Weight of planned equipment 120 MPH and Exposure C PROTECTIVE COLATING REQUIREMENTS: SHOP PAINTING: Comform to ASC 360 Section M3 and AISC 303 Section 6.5 unless a multi-cost system is required per the project specifications. NITERIOR STEEL: 2 NITERIOR STEEL: 2 Links a noted otherwise, do not paint steel surfaces to be: BRACING AND SAFETY PROTECTION: The contractor shall provide temporary bracing and safety prob required by AISC 360 Section M4.2 and AISC 303 Section 7.10 and 7.11: ERECTIONS HIGH STITEMOTH BOLTING: High strength boiling shall be of the ASTM Grade and Type specified in the Materials section. U.M.O., install boils in joints in accordance with the RCSC Specification as Joint Type ST "Snug Tipft" - per RCSC Specification Table 4.1 and Section 8.1. https://doi.org/10.1006/10 Wide Flange (M), Tee (WT) Shapes: Channel (C) or (MC) and Angle (L) Shapes: Structural Bars and Pains (PL); Hollow Structural Section - Square/Rect (HSS): MATERIALS: REQUIRED SUBMITTALS: DESIGN STANDARDS: Structural Steel for this project is designed in accorda Steel Construction (AISC) "Manual of Steel Construction, Thirteenth Edition". STRUCTURAL STEEL Welting shall conform to AWS D1.1 and visually conform to AWS S1 inspection by certified welting inspectors is recommended. Welting shall be qualified to the specific prequalified joints required Welting shall be done in accordance with appropriate Weld Procedd shall be drailifer with the applicable WPS S. Welting shall be done with AMS Pragualified Processes U.N.O. Welting shall be done with AMS Pragualified Processes U.N.O. Welting shall be done with a the Standard at the site of the Welting shall be maintained at the site of the Welting shall be maintained at the site of the Welting shall be considered to the standard shall be the inspection upon request, both in the stopp and in the field. Use E70 or E711, 70 ksi electrodes appropriate for the process selection. Conform to AISC 303, Section 8 and AISC 360 Section M2 and M5. Stuctural Westing and Qualifications shall conform to AWS D1.1. Shuctural Westing and Qualifications shall conform to AWS D1.1. Fabricator staff maintain distalled bethreation and erection quality control procedures per IBC Section 1704.2.1 that provides the basis for inspection control of the workmarship and ensures that the work is serformed in accordance with Code of Standard Practice, the AISC Specification, and the Contract Documents, serformers certified by the AISC Quality Certification Program at the level "Std - Conventional Sixel Buildings inuctures" are deemed to comply with this provision. igh-Strength Bolts (defualt bolt U.N.O): uper. Writen statement certifying the steel provided meets the requirements of the grades specified. Writen statement certifying the steel provided meets the requirements of the grades specified. QA plan and proceedures for non-ASC certified fabrication shops. Shop drawings shall be prepared in accordance with AISC 350 Sections IA.1 and AISC 303 Section 4. Submit walder's certificates verifying qualification within past 12 months for all techniques required for the EFERENCE STANDARDS: Conform to the latest edition of: IRC. Chapter 27 - Steel IRC. Chapter 28 - Steel Conform to ASC 303, Section 7 "Exection", Section 8 "Quality Assurance" and ASC 360 Section AA. The execute shall maintain ideal bit behindown on of exection quality control proceedures to entered that the sportformed in accordance with ASC Section IA and ASC 303. Seel work shall be carried up true and plumb within the firsts defined in ASC 303, Section 7.11. Structural weeking to conform to applicable WRLDING nature. ECH shall be large informed of the schedule for steel exection and shall be present on site periodically to we methods of plecomment and inspect the steel construction. Embadded in concrete. Specially prepared as a "taying surface" for Type-SC "sign critical" befind connections, fisses the conting conforms to requirements of the RCSC Both Specification and is proposed by EOR. Webbelt if area requires painting, do not point until after weld inspections and workeshorizer lasting requirement, if any, are satisfied. If she exposed to view shall be patiented with one cost of shop primer unitess in ribused exposed to view shall be patiented with one out of shop primer unitess a mid-cast on the project appointications. Field touch-up to match the finish coat or as a mid-cast of the project appointications. otherwise, do not paint steel surfaces to be: sted by the interior building finishes. visually conform to AWS Section 6 and Table 6.1. Special is recommended. is recommended to septime design. prequalified joint required by the design. to appropriate Weld Procedure Specifications (WPS's). Welders to appropriate Weld Procedure Specifications (WPS's). ASTM A992, Fy = 50 ksi ASTM A396, Fy = 36 ksi ASTM A396, Fy = 36 ksi U.N.O. ASTM 450, Grade B, Fy = 46 ksi ASTM 453, Grade B, Fy = 55 ksi ASTM A355F 1852, Type 1, Plain ASTM A3563 ASTM F436 - required at shotted & oversized holes ASTM F1564, Grade 36 ASTM A35 ESTE ASTM A35 ETDOX LVN.O. with a minimum toughness of 20th-bs at 40° F of the work and shall be readily 10 B 日上十十 日上十 CHAIN MOUNT UNIT: 51lbs VIEW WITH GRAVITY LOADING -Special (man of Special WIND LOAD: THE MANUFACTURE SPECIFIED THAT A DOUBLE CHAIN MOUNT CAN SUPPORT THE WIND PRESSURE ON (2)-8-07X10 ANTENIAS AT 120MPH @ 100 ABOVE GROUND LEVEL THAT EQUATES TO APPROXIMATELY 430bs WIND LOAD PER ANTENIA FOR A TOTAL CAPACITY OF 800bs. BY USING (2)- DOUBLE CHAIN MOUNTS THE EQUIVALENT CAPACITY IS DOUBLED TO EQUAL 1720bs TO ENSURE CHANALOUNTS ARE SECURE TO THE WATER TOWER LIG RUBBER PADS WILL BE ADDED BETWEEN CHANA MOUNTS AND THE MAN POLE TO HELP WITH FRICTIONAL RESISTANCE AND TO PROTECT THE MAN POLE'S FRUSH FROM BEING DAMAGE. ENSURE CHAN MOUNTS ARE SAUG TGHT ARDIAND TOWER LEGS BROUGH TO PROVIDE STABILITY. DO NOT OVER TEATING WALLEY. GRAVITY LOAD PER EACH CHAIN MOUNT = (277+286)= 5630bs DEMAND << 62000bs CAPACITY CHAIN MOUNT (COMMSCOPE'S CIN-61D USING 64-0 CHAIN PROVIDED BY MINER): - LOADING ON TOWER LEG FROM THE ADDITION OF THIS ASSEMBLY IS NEGLIGIBLE WHEN CONSIDERING THE IN-PLACE WATER TOWER LOADING DESIGN MOTES AZZ ENGINEERING PROVIDED DESIGN ON THE FOLLOWING ITEMS: 1) DESIGN OF SIDE SUPPORT POLE 2) YERRY LOADING ON ASSEMBLY WIDD ENSURE LOADING IS ACCEPTABLE WITH CHAIN MOUNT MANUFACTURES LOADING CAPACITY (CHAIN MOUNT DESIGN IS THE RESPONSIBLITY OF THE MANUFACTURE) RESPONSIBLITY OF THE MANUFACTURED ASSEMBLY STAY IN PLACE THE WIND LOADING ON THE EQUIPMENT THAT IS PROPOSED TO BE ATTACHED TO A SINGLE TANK LEG IS APPROXIMATELY 1500Ds (750Ds ON EACH SIDE) WEATHCAL LOAD: CAPACITY OF DOUBLE CHAIN MOUNT PER MNFR: 2600bs THE DESIGN AND STABILITY OF THE NIDNIDUAL UNITS THAT CLAMP TO THE SIDE SUPPORT POLE IS THE RESPONSIBILITY OF EACH NIDNIDUAL UNITS WATER RESPONSIBILITY OF EACH NIDNIDUAL UNITS ARE ACCEPTABLE THAT THE UNITS ARE ACCEPTABLE TO BE USED IN THIS LOADING APPLICATION) WITH THE USE OF (2)-DOUBLE CHAIN MOUNTS THE CAPACITY IS DOUBLED SO ISOOIDS DEMAND < 1720IDS CAPACITY 1 UNIT: 5110s 3.6 l de la 11111 SIDE "A" 7500b VIEW WITH 0 8-Q2 LOAD: 41.4psf CI FACTOR: 1.9 WIND AREA PER SIDE: +/- 11sf WEATHER PROTECTED STD 2" DIA. STEEL PIVE ACCEPTABLE SEE CALC BELOW NPPROXIMATELY UNIFORM LOADING ON POLE: 750bs / 12 = 63pft = qz'g'Cf'A = 67.8'A = 746@s (ROUND UP)-& FACTOR: 1.32 ET FACTOR: 1 SUST EFFECT FACTOR (G): .85 XPOSURE: C EIGHT TO TOP OF EQUIPMENT: 123' MAX OADING CALCULATIONS: EXISTING TOWER LEG DE EQUIPMENT SUPPORT POLE IND SPEED: 120mph IND RISK FACTOR: 1 ISK CATEGORY: IV (ESSENTIAL FACILITIES) H WIND LOADING 8336 383838 1 **Notes & Calculations** # Rev Desc Bullitt Sites LLC Mounting Details for Kalispell Revision Schedule **Water Tower** MONTANA **\$2.0** Rev

