

1 AIRPORT BUSINESS PARK BUILDING AND GROUND LEASE

2  
3 THIS LEASE, made and entered into this \_\_\_\_ day of \_\_\_\_\_ 20\_\_,

4 by and between the following:

5  
6 CITY OF BILLINGS, MONTANA, hereinafter designated  
"Lessor"

7 and

8 STATE OF MONTANA, DEPARTMENT OF ENVIRONMENTAL  
9 QUALITY, hereinafter called "Lessee"

10 WITNESSETH

11 RECITALS

12 WHEREAS, Lessor owns and operates BILLINGS LOGAN INTERNATIONAL  
13 AIRPORT (hereinafter designated Airport) situated in the City of Billings, Montana, and

14  
15 WHEREAS, Lessor deems it advantageous to itself and the operation of the Airport  
16 to lease to the Lessee a certain parcel of land together with appurtenances hereinafter described  
17 together with certain privileges, rights, uses, and interests, and

18 WHEREAS, Lessee is a State of Montana Agency wishing to engage in  
19 environmental quality administration, and proposes to lease on a net basis from Lessor said parcel  
20 of real property and improvements thereon on the terms and conditions hereinafter stated.

21 NOW THEREFORE, in consideration of the letting and the rentals to be paid and  
22 the conditions and provisions hereof, the parties hereto covenant and agree as follows:  
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ARTICLE I

PREMISES AND PRIVILEGES

A. Description of the Premises. Lessor hereby leases to Lessee and Lessee hereby leases from Lessor that certain parcel of real property, together with improvements (hereinafter called the premises), for its use, specifically described as follows:

In Airport Business Park Building IP-9  
Address: 1371 Rintop Drive

First Floor

3,119.54 square feet of office and restroom space in the east wing  
107.01 square feet of elevator lobby in the west wing  
101.84 square feet of restroom space in the west wing

Second Floor

3,124.58 square feet of office space in the west wing  
107.01 square feet of elevator lobby in the west wing

Basement

846.00 square feet of storage space in west wing  
90.83 square feet of storage space in east wing

Ground Space

22,680 square feet of ground space for a fenced in vehicle storage area with a metal shed

Said premises containing 7,496.81 square feet of building space and 22,680 square feet of ground space. The location and dimension of these premises are more specifically set forth on Exhibit A attached hereto and by this reference made a part hereof.

B. General Privileges, Uses, and Rights. Lessor hereby grants to Lessee the following general privileges, uses, and rights, all of which shall be subject to the terms, conditions and covenants herein set forth. Said rights shall be subject to such Federal, State, or Local laws, ordinances, rules and regulations as now or may hereafter have application at the Airport.

1                   1) The general unrestricted use of all public Airport facilities and  
2 improvements which are now or may hereafter be connected with or appurtenant to  
3 said Airport, except as hereinafter provided, to be used by Lessee and its sublessees  
4 for activity as herein defined. For the purpose of this Lease, public Airport  
5 facilities shall include all necessary areas including but not limited to automobile  
6 parking areas, roadways, sidewalks, terminal facilities, or other public facilities  
7 appurtenant to said Airport.  
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9                   2) The right of ingress to and egress from the premises over and across  
10 public roadways serving the Airport for Lessee, Lessee's agents, employees,  
11 patrons and invitees, suppliers of service and furnishers of material.  
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13           C. Specific Privileges, Uses, and Rights. In addition to the general privileges,  
14 uses, and rights described above and without limiting the generality thereof, Lessor hereby grants  
15 to Lessee and sublessees the right to engage in State environmental quality management activities  
16 on the premises as set forth in sub-paragraphs 1 thru 4 below, subject to the conditions and  
17 covenants hereafter set out:

- 18                   1) The maintenance of offices in the leased premises.  
19                   2) The storage of State vehicles and equipment in the fenced-in parking  
20 area and metal shed.  
21                   3) The storage of records and equipment in the leased premises.  
22                   4) The use of the parking areas adjacent to Building IP-9. Said parking  
23 areas are to be used jointly with other Airport Business Park tenants.  
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1 D. Concessions, Services, and Uses Excluded. The following concessions,  
2 services, uses, and the establishment thereof, shall be specifically excluded from this Lease:

- 3 1) Ground and air transportation for hire.
- 4 2) Auto rental services.
- 5 3) Food sales (except the sale of confections and refreshments through  
6 coin-operated vending machines).
- 7 4) Fuel sales (aircraft or vehicle).
- 8 5) On site fuel storage.
- 9 6) Storage of personal vehicles, campers, boats, trailers, motor homes,  
10 or other recreational vehicles, or parts for such.
- 11 7) Storage of any household items.
- 12 8) Use of the premises in a residential capacity of any nature, whether  
13 temporary or otherwise.
- 14 9) Improper storage of any chemicals, solutions, solvents, or any  
15 potentially hazardous, explosive, or flammable materials or substances.
- 16 10) Storage of any items outside of leased premises.

17 E. Reservation of Right-of-way. Lessor hereby reserves a right-of-way  
18 easement over said leasehold for access purposes. Said reserved right-of-way may be used by  
19 Lessor and all of Lessor's tenants, agents, employees of said tenants, and persons or entities  
20 servicing said tenants.  
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1 ARTICLE II

2 TERM OF LEASE

3 A. Term. The term of this Lease shall be for a period of five (5) years,  
4 commencing on the 1st day of March 2019 and terminating on the 28th day of February 2024.

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6 B. First Right of Refusal. At the end of the term hereof, the Lessee shall have  
7 the first right to accept a new lease of the premises at the same rates and charges and under the  
8 same terms and conditions that the premises may be offered to any other person or entity.  
9 Provided, that the Lessor shall have the sole discretion as to the use of said premises and whether  
10 or not it will be relet at the end of said term. Provided further, that sixty (60) days prior to the end  
11 of the term, Lessee shall give notice in writing to Lessor of intent to exercise the first right of  
12 refusal. Lessor, upon election to relet said premises, shall give Lessee notice in writing of its  
13 decision and the proposed terms. Lessee shall have thirty (30) days in which to give Lessor notice  
14 in writing of acceptance.

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16 C. National Emergency. In the event the rights and privileges hereunder are  
17 suspended by reason of war or other national emergency, the term of this Lease shall be extended  
18 by the amount of the period of such suspension.

19 ARTICLE III

20 RENTAL AND FEES

21 A. Building and Land Rental. For the building and land described in Article I,  
22 Paragraph A., Lessee shall pay to Lessor an annual rental of \$66,357.60 for the following space  
23 areas as defined below:  
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1                   1) Building IP-9 – First Floor Office Space – East Wing, shared  
2 Restroom Space in both the East and West Wings, and shared Elevator Lobby in  
3 the West Wing: \$30,091.44 annually for 3,328.39 square feet at \$9.60 per square  
4 foot per annum (PSFPA). Monthly rental for this area will be \$2,507.62.

5                   Note: The rental cost of the shared elevator lobby in the west wing  
6 and the shared restroom space in both the east and west wings is shared equally  
7 between the Lessee and the State of Montana Department of Natural Resources and  
8 Conservation.

9                   2) Building IP-9 – Second Floor Office Space – West Wing, and shared  
10 Elevator Lobby: \$30,509.64 annually for 3,231.59 square feet at \$9.60 per square  
11 foot per annum (PSFPA). Monthly rental for this area will be \$2,542.47.

12                   Note: The rental cost of the shared elevator lobby in the west wing  
13 is shared equally between the Lessee and the State of Montana Department of  
14 Natural Resources and Conservation.

15                   3) Building IP-9 – Basement Storage Space – West and East Wings:  
16 \$4,168.92 annually for 936.83 square feet at \$4.45 per square foot per annum  
17 (PSFPA). Monthly rental for this area will be \$347.41.

18                   4) Fenced Ground Area and Shed (Shared 25/75): \$1,587.60, which is  
19 twenty-five percent (25%) of the annual rental of \$6,350.40 for 22,680 square feet  
20 at \$0.28 per square foot per annum (PSFPA). Monthly rental for this area will be  
21 \$132.30.

22                   Note: The remaining seventy-five percent (75%) rental is to be paid  
23 by the State of Montana Department of Natural Resources and Conservation.  
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1 after receiving notice. The Lessee shall be financially responsible in all cases where damages  
2 result from the Lessee's negligence or that of its employees, agents, or clients.

3 Lessor shall maintain all existing roads on the Airport giving access to the  
4 leased premises in good and adequate condition for use by cars and trucks. Lessor shall remove  
5 snow from the access roads as Lessor's resources permit.

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7 D. Building Accessibility. Any building access improvements desired by the  
8 Lessee, or required by any agency as a condition of conducting business in this building, will be at  
9 the sole cost of the Lessee. All proposed improvements to the premises must be reviewed and  
10 approved in writing by the Lessor, prior to commencement of any such improvements. Lessee  
11 shall be responsible for securing any necessary permits, licenses, reviews, and approvals for such  
12 improvements.

13  
14 E. Utilities. Lessor shall be responsible to pay the utility costs for natural gas,  
15 electricity, water, and sewer during the term of this Lease. Any additional utilities required by  
16 Lessee shall be the sole responsibility of Lessee.

17 F. Access to Records/Records Retention. Upon request, Lessor agrees to  
18 provide the Department of Administration, the Legislative Auditor, or their authorized agents,  
19 access to any records concerning this Lease. A state agency may terminate a contract, without  
20 incurring liability, for the refusal of a non-state entity to allow access to records as required in  
21 MCA 18-1-118. Lessor agrees to retain all records supporting the services rendered or goods  
22 delivered for a period of eight years after either the completion date of this Lease or the conclusion  
23 of any claim, litigation or exception relating to this Lease taken by the State of Montana or a third  
24 party, whichever is later.  
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1 clean and free of refuse and debris consistent with good business practice and acceptable to  
2 Lessor. Lessee shall promptly remove any unused, inactive, nonfunctional, and obsolete  
3 equipment and furnishings from the leased premises. The basement hallways and entryways shall  
4 not be used for storage of obsolete equipment or furnishings. Lessee's maintenance responsibility  
5 shall also include snow removal on the leased premises.  
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7 D. Trash, Garbage, Etc. Lessee shall provide at Lessee's cost and expense, a  
8 complete and proper arrangement for the adequate sanitary handling and disposal of all trash,  
9 garbage, and other refuse occurring as a result of the Lessee's occupancy of the premises. Lessee  
10 shall provide and use Lessor approved receptacles for all garbage, trash and other refuse and shall  
11 place them on the premises in a location acceptable to the Lessor for their removal. Piling of  
12 boxes, cartons, barrels, pallets, unused or obsolete equipment, or other similar items in an  
13 unsightly or unsafe manner and stored on or about the premises is forbidden.  
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15 E. Signs. Lessee shall not maintain on the premises any billboards or  
16 advertising signs; provided, however, that Lessee may maintain on the outside of the leased  
17 building its name(s) or signs, the size, site and design of which shall be subject to prior written  
18 approval of Lessor. If Lessee desires other signage, written approval of Lessor shall also be  
19 required, and will be at Lessee's sole cost and expense.  
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21 F. Hazardous Substances. Lessee assumes full responsibility for the proper  
22 and legal use, handling, storage, and disposal of any hazardous substances used or consumed in  
23 the conduct of its business. "Hazardous substance" shall be interpreted broadly to mean any  
24 substance or toxic material, hazardous or toxic or radioactive substance, or other similar term by  
25 any Federal, State or Local environmental law, regulation or rule presently in effect or

1 promulgated in the future, as such laws, regulations or rules may be amended from time to time;  
2 and it shall be interpreted to include, but not be limited to, any substance which after release into  
3 the environment will or may reasonably be anticipated to cause sickness, death or disease. Lessee  
4 will hold Lessor harmless from and indemnify Lessor against and from any damage, loss,  
5 expenses or liability resulting from any breach of these representations and warranty including all  
6 attorneys' fees and costs incurred as a result thereof.  
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8 G. Restrooms. It is agreed that the Lessee will, on Lessee's own initiative,  
9 arrange with other tenants for the shared use of the restroom facilities. The restrooms in the  
10 premises shall not be shared with any other tenants without Lessee's consent. Use of restrooms  
11 may include reasonable reimbursement for use.

12 H. Access to Records/Records Retention. Upon request, Lessee agrees to  
13 provide the Lessor or their authorized agents, access to any records concerning this Lease. Lessee  
14 agrees to retain all records supporting the services rendered or goods delivered for a period of  
15 eight years after either the completion date of this Lease or the conclusion of any claim, litigation  
16 or exception relating to this Lease taken by either the Lessor or a third party, whichever is later.  
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## 18 ARTICLE VI

### 19 INSURANCE AND INDEMNIFICATION

20 A. Indemnification and Disclaimer. The Lessee agrees to hold harmless,  
21 indemnify, and defend the Lessor from and against any and all claims, losses, lawsuits, judgments,  
22 and liabilities of any kind, including reasonable attorneys' fees and litigation expenses, which are  
23 incurred by Lessor, which arise from the negligent or intentional acts or omissions of Lessee, its  
24 agents, employees, contractors, or subcontractors. The Lessor agrees to hold harmless, indemnify,  
25

1 and defend the Lessee from and against any and all claims, losses, lawsuits, judgments, and  
2 liabilities of any kind, including reasonable attorneys' fees and litigation expenses, which are  
3 incurred by Lessee, which arise from the negligent or intentional acts or omissions of Lessor, its  
4 agents, employees, contractors, or subcontractors.

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6 B. Insurance. Lessee shall provide and keep in force for the term of the Lease  
7 either a commercial general liability policy (occurrence form only), or self insurance providing  
8 coverage for personal injury, bodily injury, death, and property damage, in amounts not less than  
9 \$1,500,000 per occurrence as a result of the negligence on the part of the Lessee, its agents,  
10 officers, or employees.

11 The City of Billings' general liability policy will be excess and  
12 noncontributory, except in respect to City of Billings' negligence. At the time of execution of this  
13 Lease, and annually thereafter, Lessee shall furnish a certificate of insurance showing that required  
14 insurance is in force.

15  
16 The Lessee agrees not to use or permit the use of the premises in such a  
17 manner as to void any insurance on the premises. The Lessee is responsible for providing  
18 insurance for its own personal property.

19 ARTICLE VII

20 TERMINATION OF LEASE, CANCELLATION, AND TRANSFER

21 A. Termination. This Lease shall terminate at the end of the full term hereof  
22 without any notice by either party. A holding over by the Lessee, its assigns or sublessees beyond  
23 the expiration of the term shall not be permitted without the written consent of the Director of  
24 Aviation and Transit and then only on a month-to-month basis.  
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1                   Lack of Funding. Lessor acknowledges, understands, and agrees that the  
2 Lessee, as a State agency, is dependent upon State and Federal appropriations for its funding. In  
3 the event State or Federal government funds available for this purpose are either reduced, not  
4 appropriated, or otherwise not made available to support continued performance of this Lease in  
5 subsequent fiscal periods, the Lessee may cancel this Lease by giving thirty (30) days written  
6 notice to the Lessor.  
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8                   The Lessee shall not be liable to the Lessor for any rental amount which  
9 would have been payable had the Lease not been terminated under this provision. The Lessee  
10 shall be liable to the Lessor only for the rental amount and other fees incurred, or prorated portion  
11 of that rental amount and other fees incurred, owed to the Lessor under Article III, Paragraph A,  
12 up to the date the Lessee's termination takes effect.  
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14                   Upon termination, Lessee shall have the right to remove all movable  
15 furniture, fixtures, machinery and equipment, and all other personal property installed by Lessee  
16 on the premises and owned by the State of Montana, and all expenses connected with such  
17 removal shall be borne by the Lessee. Said property shall be removed within thirty (30) days after  
18 termination of the Lease. In the event the Lessee elects not to remove their personal property upon  
19 termination of the Lease, the title to said property shall transfer to the City and disposition of the  
20 personal property shall be at the sole discretion of the Lessor. Removal of personal property by  
21 Lessor because of failure of Lessee to do so shall be at Lessee's expense.  
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23                   This right to remove personal property does not extend to buildings and  
24 structures, pavement, water lines, sewer lines, electrical lines, utility poles, fencing, exterior light  
25 poles, which improvements shall remain the property of the Lessor and shall not be removed.

1                   At the expiration or termination of this Lease or any extension of it, the  
2 Lessee will vacate and surrender the premises to the Lessor in as good condition and repair as  
3 when it took possession, reasonable wear and tear excepted, and in a condition acceptable to  
4 Lessor.  
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6                   B.     Cancellation by Lessee. This Lease shall be subject to cancellation by  
7 Lessee after the happening of one or more of the following events:

8                   1)     The permanent abandonment of the Airport as an Air Terminal.

9                   2)     The lawful assumption of the United States Government or any  
10 other authorized agency thereof, of the operation, control or use of the Airport, or  
11 any substantial part or parts thereof, in such a manner that substantially restricts  
12 Lessee for a period of at least ninety (90) days from operating in a normal manner.

13                  3)     Issuance by any court of competent jurisdiction of an injunction in  
14 any way preventing or restraining the use of the Airport, and the remaining in force  
15 of such injunction for a period of at least ninety (90) days.

16                  4)     The default by Lessor in the performance of any covenant or  
17 agreement herein required to be performed by Lessor and the failure of Lessor to  
18 remedy such default for a period of ninety (90) days after receipt from Lessee of  
19 written notice to remedy same.  
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21                   Lessee may exercise such right of termination by written notice to Lessor at  
22 any time after the lapse of the above applicable periods of time and this Lease shall terminate as of  
23 that date. Rental due hereunder shall be payable only to the date of the happening of the event  
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1 which results in said termination. Upon termination under the provisions of this paragraph, Lessee  
2 shall have the same rights as described in Article VII, Paragraph A., above.

3 C. Cancellation by Lessor.

4 1) This Lease shall be subject to cancellation by Lessor in the event  
5 Lessee shall:

6 a) Be in arrears in the payment of the whole or any part of the  
7 amounts agreed upon hereunder for a period of fifteen (15) days after the  
8 time such payments become due.

9 b) Default in the performance of any of the covenants and  
10 conditions required herein (except rental payments) to be kept and  
11 performed by Lessee, and such default continues for a period of thirty (30)  
12 days after written notice from Lessor of said default.

13 2) In the event of termination because of the happening of any of the  
14 aforesaid events, Lessor may take immediate possession of the premises and  
15 remove Lessee's effects, forcibly if necessary, without being deemed guilty of  
16 trespassing. Upon said entry, this Lease shall terminate.

17 3) It is agreed that failure of Lessor to declare this Lease terminated or  
18 to re-enter and take possession upon the default of Lessee for any of the reasons set  
19 out shall not operate to bar or destroy the right of Lessor to declare this Lease null  
20 and void by reason of any subsequent violation of the terms of this Lease.

21 D. Suspension of Lease. During the time of war or declared national  
22 emergency, Lessor shall have the right to lease the landing area or any part of leased premises to  
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1 the United States Government for military use. If any such lease is executed, any provisions of  
2 this instrument, which are inconsistent with the provisions of the lease to the Government, shall be  
3 suspended, provided that the term of the Lease shall be automatically extended by the amount of  
4 the period of suspension.

5 E. Subleasing and Transferring. The Lessee shall have the right to sublease,  
6 assign, or transfer all or any part of the premises for the same purpose established in Article I,  
7 Paragraph C., provided that prior written approval of the Lessor is obtained. Lessor reserves the  
8 right to alter the existing Lease as deemed necessary as a condition of approval. Any sublease,  
9 assignment, or transfer shall be subject to the same conditions, obligations and terms as set forth  
10 herein and as may be subsequently amended. Lessee shall be responsible for the observance by its  
11 tenants and sublessees for the terms and covenants of this Lease, and any subsequent lease  
12 amendments.  
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## 14 ARTICLE VIII

### 15 NONDISCRIMINATION

16 A. General. In the use and occupation of the Airport, Lessee and Lessor shall  
17 not discriminate against any person or class of persons by reason of race, color, religion, sex,  
18 national origin or ancestry, age, or disability. Additionally, for the services provided during the  
19 use and occupation of the Airport, Lessee and Lessor shall furnish said services on a reasonable  
20 and not unjustly discriminatory basis to all users thereof and charge reasonable and not unjustly  
21 discriminatory prices for each unit of service, provided that the Lessee and Lessor may be allowed  
22 to make reasonable and nondiscriminatory discounts, rebates, or other similar types of price  
23 reductions to volume purchasers.  
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1           B.     Civil/Human Rights Laws. In the operation and use of the Airport, Lessee  
2 and Lessor shall not, on the grounds of race, color, religion, sex, national origin or ancestry, age,  
3 or disability, discriminate or permit discrimination against any person or group of persons in any  
4 manner prohibited by Part 21 of Title 49, Code of Federal Regulations, the Civil Rights Act of  
5 1964, as amended, the Equal Pay Act of 1963, the Rehabilitation Act of 1973, and such other  
6 Federal, State, or Local laws as may be applicable.  
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8                     Without limiting the generality of the foregoing, Lessee and Lessor agree to  
9 not discriminate against any employee or applicant for employment because of race, color,  
10 religion, sex, national origin or ancestry, age, or disability. Lessee and Lessor agree to take  
11 affirmative action to ensure that applicants are employed, and that employees are treated during  
12 employment, without regard to their race, color, religion, sex, national origin or ancestry, age, or  
13 disability. Such action shall include, but not be limited to, employment, upgrading, demotion, or  
14 transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms  
15 of compensation; selection for training; and disciplinary actions and grievances. Lessee and  
16 Lessor agree to post, in conspicuous places available to employees and applicants for employment,  
17 notices to be provided setting forth the provisions of this nondiscrimination clause.  
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19           C.     Lessee and Lessor, for themselves, their heirs, personal representatives,  
20 successors in interest, and assignees, as part of the consideration of this Lease, do hereby covenant  
21 and agree as a covenant running with the land that, in the event improvements are constructed,  
22 maintained, or otherwise operated on the Airport for a purpose for which a United States  
23 Department of Transportation program or activity is extended or for another purpose involving the  
24 provision of similar services or benefits, Lessee and Lessor shall maintain and operate such  
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1 improvements and services in compliance with all other requirements imposed pursuant to 49 CFR  
2 Part 21 (Nondiscrimination in Federally Assisted Programs of the Department of Transportation),  
3 as said regulations may be amended.

4 D. Lessee and Lessor, for themselves, their heirs, personal representatives,  
5 successors in interest, and assignees, as a part of the consideration of this Lease, does hereby  
6 covenant and agree as a covenant running with the land that:  
7

8 1) No person on the grounds of race, color, religion, sex, national  
9 origin or ancestry, age, or disability shall be excluded from participation in, denied  
10 the benefits of, or otherwise be subjected to discrimination in the use of said  
11 improvements.

12 2) No person on the grounds of race, color, religion, sex, national  
13 origin or ancestry, age, or disability shall be excluded from participation in, denied  
14 the benefits of, or otherwise be subjected to discrimination in the construction of  
15 any improvements on, over, or under such land and the furnishing of services  
16 thereon.

17 3) Lessee and Lessor shall use the facilities in compliance with all  
18 other requirements imposed by, or pursuant to 49 CFR Part 21 (Nondiscrimination  
19 in Federally Assisted Programs of the Department of Transportation), as said  
20 regulations may be amended.  
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22 Lessee and Lessor assure that they will undertake an affirmative action  
23 program as required by 14 CFR Part 152, Subpart E, to ensure that no person on the grounds of  
24 race, color, religion, sex, national origin or ancestry, age, or disability shall be excluded from  
25 participating in any employment activities covered in 14 CFR Part 152, Subpart E, or such

1 employment activities covered in any applicable State or Local law. Lessee and Lessor assure that  
2 no person shall be excluded on these grounds from participating in or receiving the services or  
3 benefits of any program or activity covered by this Article VIII.

4 E. During the performance of this Lease, the Lessee and Lessor, for  
5 themselves, their assignees, and successors in interest, agrees to comply with the following  
6 nondiscrimination statutes and authorities, including, but not limited to:  
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8 1) Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d *et seq.*,  
9 78 stat. 252) (prohibits discrimination on the basis of race, color, national origin);

10 2) 49 CFR Part 21 (Nondiscrimination in Federally Assisted Programs  
11 of the Department of Transportation – Effectuation of Title VI of The Civil Rights  
12 Act of 1964);

13 3) The Uniform Relocation Assistance and Real Property Acquisition  
14 Policies Act of 1970 (42 U.S.C. § 4601) (prohibits unfair treatment of persons  
15 displaced or whose property has been acquired because of Federal or Federal aid  
16 programs and projects);

17 4) Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. § 794  
18 *et seq.*), as amended (prohibits discrimination on the basis of disability); and 49  
19 CFR Part 27;

20 5) The Age Discrimination Act of 1975, as amended (42 U.S.C. § 6101  
21 *et seq.*) (prohibits discrimination on the basis of age);

22 6) Airport and Airway Improvement Act of 1982 (49 U.S.C. § 471,  
23 § 47123) as amended (prohibits discrimination based on race, creed, color, national  
24 origin, or sex);  
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1                   7)    The Civil Rights Restoration Act of 1987 (PL 100-209) (broadened  
2 the scope, coverage, and applicability of Title VI of the Civil Rights Act of 1964,  
3 the Age Discrimination Act of 1975, and § 504 of the Rehabilitation Act of 1973,  
4 by expanding the definition of the terms "programs or activities" to include all of  
5 the programs or activities of the Federal aid recipients, sub-recipients, and  
6 contractors, whether such programs or activities are Federally funded or not);  
7

8                   8)    Titles II and III of the Americans with Disabilities Act of 1990,  
9 which prohibit discrimination on the basis of disability in the operation of public  
10 entities, public and private transportation systems, places of public accommodation,  
11 and certain testing entities (42 U.S.C. §§ 12131 – 12189) as implemented by  
12 Department of Transportation regulations at 49 CFR Parts 37 and 38;  
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14                   9)    The Federal Aviation Administration's Nondiscrimination statute  
15 (49 U.S.C. § 47123) (prohibits discrimination on the basis of race, color, national  
16 origin, and sex);

17                   10)   Executive Order 12898, Federal Actions to Address Environmental  
18 Justice in Minority Populations and Low Income Populations, which ensures non-  
19 discrimination against minority populations by discouraging programs, policies,  
20 and activities with disproportionately high and adverse human health or  
21 environmental effects on minority and low income populations;  
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23                   11)   Executive Order 13166, Improving Access to Services for Persons  
24 with Limited English Proficiency (LEP), and resulting agency guidance, national  
25 origin discrimination includes discrimination because of LEP. To ensure

1 compliance with Title VI, you must take reasonable steps to ensure that LEP  
2 persons have meaningful access to your programs (70 Federal Regulations at  
3 74087 – 74100);

4  
5 12) Title IX of the Education Amendments of 1972, as amended, which  
6 prohibits you from discriminating because of sex in education programs or  
7 activities (20 U.S.C. 1681 *et seq.*).

8 Furthermore, in accordance with 49-3-207, MCA, and Montana Executive  
9 Order No. 04-2016, Lessor and Lessee agree that:

10 1) The hiring of persons, if any, to perform and/or administer this  
11 Lease will be made on the basis of merit and qualifications.

12 2) There will be no discrimination based on pregnancy, childbirth, or  
13 medical conditions related to pregnancy or childbirth, political affiliation or ideas,  
14 culture, creed, social origin or condition, genetic information, sexual orientation,  
15 gender identity or expression, military service or veteran status, or marital status by  
16 persons performing and/or administering this Lease.

17  
18 ARTICLE IX

19 GENERAL PROVISIONS

20 A. Lease Performance Costs. Lessee will pay all costs, charges and expenses,  
21 except attorney's fees, incurred at any time by Lessor because of failure of Lessee to perform,  
22 comply with, and abide by each condition and covenant of this Lease.

23 Lessor will pay all costs, charges and expenses, except attorney's fees,  
24 incurred at any time by Lessee because of failure of Lessor to perform, comply with, and abide by  
25 each condition and covenant of this Lease.

1 Lessee shall have the option to remit payment of any rents, fees, and  
2 charges via electronic fund transfers. Lessee shall request detailed electronic fund transfer  
3 information from Lessor and shall remit electronic payments in accordance with the instructions  
4 provided by Lessor. In the event of Lessee's continued failure to properly remit funds  
5 electronically as directed by Lessor, Lessor reserves the right to rescind acceptance of future  
6 electronic fund transfers and to require other forms of payment.  
7

8 B. Compliance with Federal, State, and Local Regulations. Lessee and Lessor  
9 acknowledge that the right to use said Airport facilities in common with others authorized to do so  
10 shall be exercised subject to and in accordance with the laws of the United States of America, the  
11 State of Montana, and the City of Billings. All rules, regulations, and ordinances of Lessor now in  
12 force or hereafter prescribed or promulgated by authority or by law shall be closely observed  
13 during the full term of this Lease.  
14

15 Lessor and Lessee shall comply with the Montana Occupational Safety and  
16 Health Act (MCA 50-71-111 et seq.) and all rules adopted thereunder, the Montana Human Rights  
17 Act, the Patient Protection and Affordable Care Act (P.L. 111-48, 124 Stat. 119), if applicable,  
18 and 18-5-401, MCA et seq. concerning the Blind Enterprise Program's vending facility rules.

19 C. Attorney's Fees. Should either party employ an attorney or attorneys, or  
20 utilize the services of in-house attorneys to enforce any of the provisions hereof or to protect its  
21 interest in any manner arising under this Lease, the nonprevailing party in any action pursued in a  
22 court of competent jurisdiction agrees to pay to the prevailing party all reasonable costs, damages,  
23 expenses, and attorney's fees, including fees for in-house attorneys, expended or incurred in  
24 connection therewith.  
25

1           D.     Governing Law. This Lease and all disputes arising hereunder shall be  
2 construed and enforced by the laws of the State of Montana. Venue in any proceedings held  
3 hereunder shall be in the State of Montana Thirteenth Judicial District Court, Yellowstone County,  
4 Montana.

5  
6           E.     Taxes. Lessee shall pay any taxes or assessments, which may be lawfully  
7 levied against Lessee's occupancy or use of the premises, or any improvements placed thereon as a  
8 result of Lessee's occupancy, but Lessee as independent contractor reserves the right to contest the  
9 levy of any tax or assessment, which it feels is unjust.

10           F.     Subordination of Lease. This Lease is subject and subordinate to the  
11 provisions of any existing or future agreements heretofore or hereafter made between Lessor and  
12 the United States relative to the administration, operation or maintenance of the Airport, the  
13 execution of which has been required as a condition precedent to the transfer of Federal rights or  
14 property to Lessor for Airport purposes, or to the expenditure of Federal funds for the  
15 improvement or development of the Airport, including the expenditure of Federal funds for the  
16 development of the Airport in accordance with the provisions of the Federal Aviation Act of 1958,  
17 as it has been amended from time to time.

18  
19           G.     Paragraph Headings. The paragraph headings contained herein are for  
20 convenience in reference and are not intended to define or limit the scope of any provisions of this  
21 Lease or the particular paragraph.

22  
23           H.     Modification and Amendments. Changes or modifications to this Lease  
24 shall be in the form of a written lease amendment to be mutually agreed upon, and signed by both  
25 Lessee and Lessor.

1 I. Right to Inspect. Lessor shall have the right to enter premises to inspect for  
2 compliance with the terms and conditions of this Lease.

3 J. Effect of Invalid Provision. If any term or provision of this Lease or the  
4 application thereof to any person or circumstance shall to any extent be invalid or unenforceable,  
5 the remainder of this Lease, or the application of such terms or provisions to persons or  
6 circumstances other than those to which it is invalid or unenforceable, shall not be affected hereby,  
7 and each term and provision of this Lease shall be valid and be enforced to the fullest extent  
8 permitted by law.

9 K. Notices. Notices to Lessor provided for herein shall be sufficient if sent by  
10 certified mail, postage prepaid, addressed to:

11  
12 Director of Aviation and Transit  
13 Billings Logan International Airport  
14 1901 Terminal Circle, Room 216  
15 Billings, Montana 59105

16 and notices to Lessee, if sent by certified mail, postage prepaid, addressed to:

17 State of Montana  
18 Department of Environmental Quality  
19 Airport Business Park IP-9  
20 1371 Rintop Drive  
21 Billings, MT 59105-1978  
22 Local Contact: Matthew Waite  
23 Phone: 406-247-4455  
24 E-mail: mwaite@mt.gov

25 or to such other addresses as the parties may designate to each other in writing from time to time.

L. Successors and Assigns. All of the terms, covenants, and agreements herein  
contained shall be binding upon and shall inure to the benefit of successors, assignees, and  
sublessees of the respective parties hereto.

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IN WITNESS WHEREOF, the parties have hereunto set their hands on the dates

stated below.

**LESSOR:**

ATTEST:

CITY OF BILLINGS

BY \_\_\_\_\_  
CITY CLERK

BY \_\_\_\_\_  
MAYOR

APPROVED AS TO FORM

DATE \_\_\_\_\_

BY \_\_\_\_\_  
CITY ATTORNEY

**LESSEE:**

BY \_\_\_\_\_  
SHAUN MCGRATH, DIRECTOR  
MONTANA DEPARTMENT OF  
ENVIRONMENTAL QUALITY

DATE \_\_\_\_\_

APPROVED BY:

BY \_\_\_\_\_  
GARETT M. BACON, LEASING OFFICER  
DEPARTMENT OF ADMINISTRATION  
GENERAL SERVICES DIVISION

DATE \_\_\_\_\_

BY \_\_\_\_\_  
MIKE MANION, CHIEF LEGAL COUNSEL  
DEPARTMENT OF ADMINISTRATION

DATE \_\_\_\_\_

BY \_\_\_\_\_  
TOM LIVERS  
OBPP DIRECTOR/DESIGNEE

DATE \_\_\_\_\_

BY \_\_\_\_\_  
JOHN LEWIS, DIRECTOR  
DEPARTMENT OF ADMINISTRATION

DATE \_\_\_\_\_

# AIRPORT BUSINESS PARK – BUILDING IP-9 1ST FLOOR



DEQ LEASE

CITY OF BILLINGS LOGAN INTERNATIONAL AIRPORT  
AVIATION AND TRANSIT DEPARTMENT



March 2019

**AIRPORT BUSINESS PARK – BUILDING IP-9**  
**1ST FLOOR – EAST WING**  
**(Includes West Wing Shared Spaces)**

<u>ID#</u>	<u>DESCRIPTION</u>	<u>DIMENSIONS (FEET)</u>				<u>SQUARE FEET</u>
<b><u>EAST WING</u></b>						
A	OFFICE	16.83	X	12.25	=	206.17
A1	CORRIDOR	4.67	X	10.00	=	46.70
A2	CORRIDOR	4.67	X	4.75	=	22.18
B	ENTRYWAY	5.46	X	4.58	=	25.01
C	HALLWAY	5.46	X	79.64	=	434.83
C1	HALLWAY	1.92	X	13.54	=	26.00
D	CONFERENCE	16.83	X	24.67	=	415.20
D1	CONFERENCE	3.92	X	6.40	=	25.09
D1	CONFERENCE	3.44	X	6.40	=	22.02
D2	CONFERENCE	3.92	X	6.04	=	23.68
E	OFFICE	5.83	X	6.25	=	36.44
E	OFFICE	3.35	X	6.25	=	20.94
E1	OFFICE	12.54	X	5.83	=	73.11
F	OFFICE	16.83	X	12.08	=	203.31
G	OFFICE	16.83	X	12.08	=	203.31
H	OFFICE	16.83	X	12.08	=	203.31
I	OFFICE	16.83	X	12.08	=	203.31
J	RECEPTION	12.25	X	6.42	=	78.65
J1	RECEPTION	16.83	X	8.33	=	140.19
K	ENTRYWAY	4.00	X	6.00	=	24.00
L	CONFERENCE	16.83	X	21.20	=	356.80
M	RESTROOM*	16.83	X	10.63	=	178.90
N	OFFICE/MISC	9.08	X	9.71	=	88.17
N1	OFFICE/MISC	7.21	X	6.92	=	49.89
N1	OFFICE/MISC	4.42	X	2.79	=	12.33
						<b>3,119.54</b>
<b><u>WEST WING</u></b>						
C4	ELEVATOR LOBBY*	9.58	X	11.17	=	107.01
L	RESTROOM*	5.36	X	9.5	=	50.92
L1	RESTROOM*	5.36	X	9.5	=	50.92
						<b>208.85</b>
<b>TOTAL SQUARE FEET</b>						<b><u>3,328.39</u></b>

\* Rental shared equally between DNRC and DEQ

**DEQ LEASE**

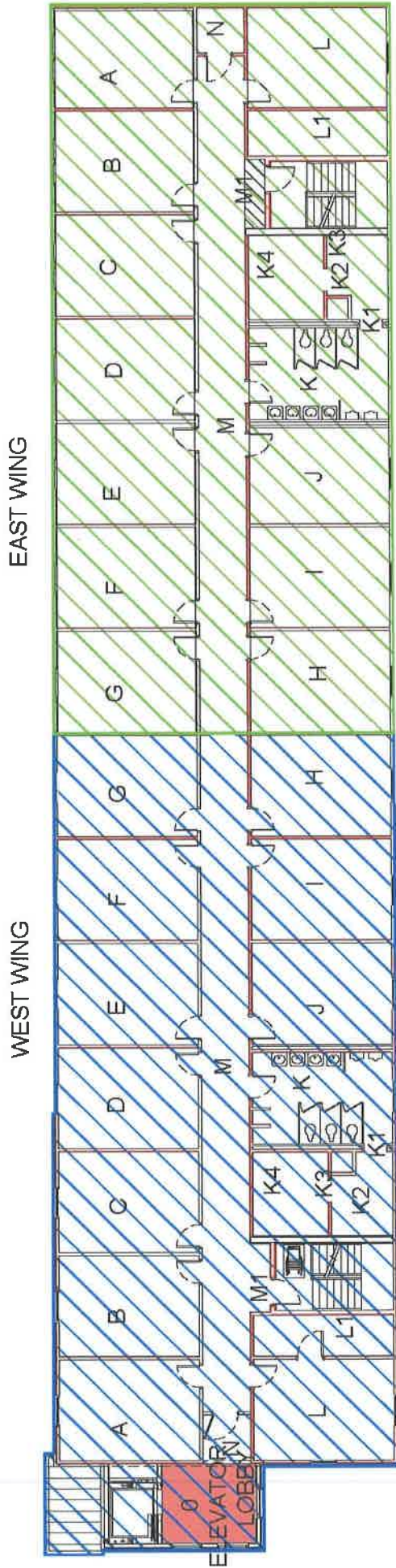
**CITY OF BILLINGS LOGAN INTERNATIONAL AIRPORT  
 AVIATION AND TRANSIT DEPARTMENT**



March 2019

**EXHIBIT A Page 2 of 8**

**AIRPORT BUSINESS PARK – BUILDING IP-9  
2ND FLOOR**



LEGEND

SHARED SPACE

**DEQ LEASE**

**CITY OF BILLINGS LOGAN INTERNATIONAL AIRPORT  
AVIATION AND TRANSIT DEPARTMENT**



March 2019

**AIRPORT BUSINESS PARK – BUILDING IP-9  
2ND FLOOR OFFICE SPACE – WEST WING**

<u>ID#</u>	<u>DESCRIPTION</u>	<u>DIMENSIONS (FEET)</u>				<u>SQUARE FEET</u>
A	OFFICE	16.83	X	12.08	=	203.31
B	OFFICE	16.83	X	12.08	=	203.31
C	OFFICE	16.83	X	12.08	=	203.31
D	OFFICE	16.83	X	12.08	=	203.31
E	OFFICE	16.83	X	12.08	=	203.31
F	OFFICE	16.83	X	12.08	=	203.31
G	OFFICE	16.83	X	12.08	=	203.31
H	OFFICE	16.83	X	12.08	=	203.31
I	OFFICE	16.83	X	12.08	=	203.31
J	OFFICE	16.83	X	12.08	=	203.31
K	RESTROOM	16.83	X	10.58	=	178.06
K1	RESTROOM	2.25	X	1.17	=	2.63
K2	TOWEL AREA	4.42	X	6.87	=	30.37
K3	TOWEL AREA	2.79	X	6.87	=	19.17
K4	SHOWER	9.00	X	9.67	=	87.03
L	OFFICE	16.83	X	12.21	=	205.49
L1	OFFICE/MISC	15.08	X	5.00	=	75.40
M	HALLWAY	5.46	X	81.80	=	446.63
M1	HALLWAY	2.08	X	8.33	=	17.33
N	OFFICE/MISC	5.46	X	5.38	=	29.37
O	ELEVATOR LOBBY*	9.58	X	11.17	=	107.01
<b>TOTAL SQUARE FEET</b>						<b>3,231.59</b>

\* Rental shared equally between DNRC and DEQ

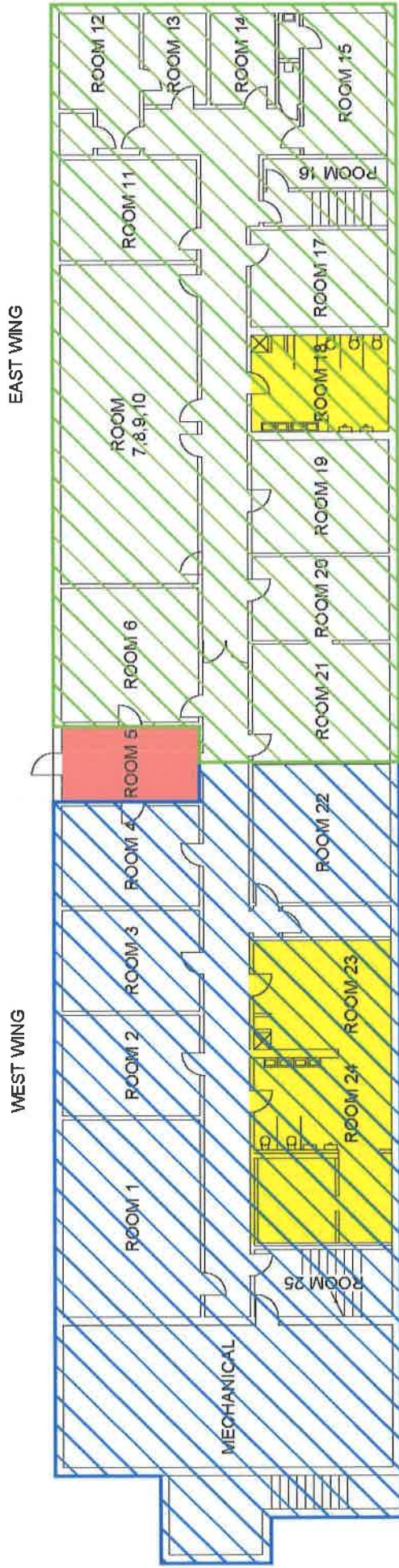
**DEQ LEASE**

**CITY OF BILLINGS LOGAN INTERNATIONAL AIRPORT  
AVIATION AND TRANSIT DEPARTMENT**



March 2019

# AIRPORT BUSINESS PARK – BUILDING IP-9 BASEMENT



LEGEND



CLOSED



SHARED  
ENTRY

**DEQ LEASE**

**CITY OF BILLINGS LOGAN INTERNATIONAL AIRPORT  
AVIATION AND TRANSIT DEPARTMENT**



March 2019

**AIRPORT BUSINESS PARK – BUILDING IP-9  
BASEMENT – WEST WING  
(Includes Room in East Wing)**

<u>ID#</u>	<u>DESCRIPTION</u>	<u>DIMENSIONS (FEET)</u>				<u>SQUARE FEET</u>
A	STORAGE ROOM #2	16.17	X	12.08	=	195.33
B	STORAGE ROOM #3	16.17	X	12.08	=	195.33
C	STORAGE ROOM #4	16.17	X	12.08	=	195.33
D	STORAGE ROOM #6	16.17	X	16.08	=	260.01
						<b>846.00</b>
	<u>East Wing</u>					
E	STORAGE ROOM #13	7.62	X	11.92	=	90.83
						<b>90.83</b>
	<b>TOTAL SQUARE FEET</b>					<b>936.83</b>

**DEQ LEASE**

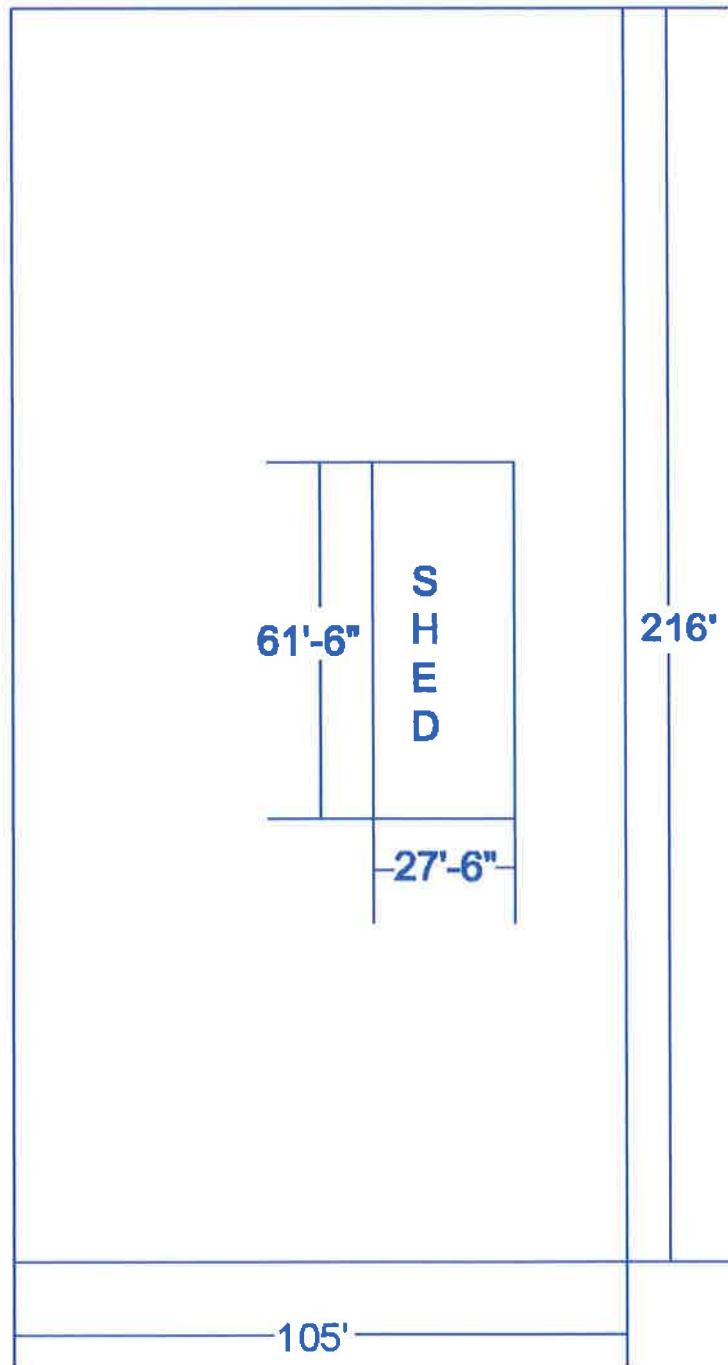
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AVIATION AND TRANSIT DEPARTMENT**



March 2019

**EXHIBIT A Page 6 of 8**

**AIRPORT BUSINESS PARK – BUILDING IP-10  
FENCED GROUND AREA AND SHED**



**22,680 SF GROUND**

**1,691 SQ FT SHED**

**DEQ LEASE**

**CITY OF BILLINGS LOGAN INTERNATIONAL AIRPORT  
AVIATION AND TRANSIT DEPARTMENT**



**March 2019**

**EXHIBIT A Page 7 of 8**



## SUMMARY OF LEASED SPACE

FIRST FLOOR						
DESCRIPTION		SF (MAPS)		ALLOCATED SF	COST/SF	ANNUAL MONTHLY
<b>EAST WING</b>	Office	2,940.64		2,940.64	\$9.60	
Restroom*	M	178.90	178.90/2	89.45	\$9.60	
		3,119.54				
<b>WEST WING</b>						
Elevator*	C4	107.01	107.01/2	53.51	\$9.60	
Restrooms*	L,L1	101.84	101.84/2	50.92	\$9.60	
		208.85				
		3,328.39		3,134.52	\$9.60	\$30,091.44      \$2,507.62

\*Shared 50/50 with DNRC

SECOND FLOOR						
DESCRIPTION		SF (MAPS)		ALLOCATED SF	COST/SF	ANNUAL MONTHLY
<b>WEST WING</b>	Office	3,124.58		3,124.58	\$9.60	
Elevator*	O	107.01	107.01/2	53.51	\$9.60	
		3,231.59		3,178.09	\$9.60	\$30,509.64      \$2,542.47

\*Shared 50/50 with DNRC

BASEMENT						
DESCRIPTION		SF (MAPS)		ALLOCATED SF	COST/SF	ANNUAL MONTHLY
<b>WEST WING</b>	Storage	846.00		846.00	\$4.45	
<b>EAST WING</b>	Storage	90.83		90.83	\$4.45	
		936.83		936.83	\$4.45	\$4,168.92      \$347.41
<b>TOTAL BUILDING SF</b>		7,496.81		7,249.44		

FENCED GROUND AREA						
DESCRIPTION		SF (MAPS)		ALLOCATED SF	COST/SF	ANNUAL MONTHLY
<b>GROUND AREA**</b>		22,680.00	22,680 x 25%	5,670.00	\$0.28	\$1,587.60      \$132.30
No Charge Shed**		1,691.25				

\*\*Ground space rental is shared with DNRC - 75%, DEQ - 25%

NOTE: Allocation on ground area was changed in 2019

<b>TOTAL LEASED SF</b>	<b>30,176.81</b>	<b>ALLOCATED SF</b>	<b>12,919.44</b>	<b>\$66,357.60</b>	<b>\$5,529.80</b>
------------------------	------------------	---------------------	------------------	--------------------	-------------------

**SQUARE FOOTAGE CATEGORIES**

Office	6,559.98
Storage	936.83
Ground	22,680.00
<b>TOTAL</b>	<b>30,176.81</b>

**DEQ LEASE**

**CITY OF BILLINGS LOGAN INTERNATIONAL AIRPORT  
AVIATION AND TRANSIT DEPARTMENT**



March 2019