

CITY ADMINISTRATOR
ROBERT OMANS

CITY CLERK
DEBBIE LEE

FINANCE DIRECTOR
ROBIN NEWCOMB

PUBLIC WORKS DIRECTOR
MATHEW BAILEY

POLICE CHIEF
RICH ALBO

FIRE CHIEF
ED MILLS

PLANNER
COLLEDA MONICK

General Government Committee Agenda

January 28, 2026

8:30 AM



119 W FIRST STREET
CLE ELUM, WA 98922

MAYOR
MATTHEW LUNDH

DEPUTY MAYOR
CASSIDY BUECHLE - CURTIS

GENERAL GOVERNMENT
COMMITTEE
CASSIDY BUECHLE - CURTIS
STEVEN HARPER
AUDREY MALEK

CITY ATTORNEY
CURTIS CHAMBERS

Join Virtually via Zoom: <https://zoom.us/j/7573184018?pwd=dERndjBJVC9GdVQ1d2ISRExwZFhXZz09>
Meeting ID: 757 318 4018 Passcode: 98922

Join by Phone: 1-(253)215-8782, Meeting ID: 757 318 4018, Passcode:98922

TextMyGov

Receive city text alerts: text CLEELUM to 91896

DISCLAIMER: The City does not guarantee that virtual or telephonic access to the City Council meeting will be available, and the City does not warrant audio quality. Attendees are encouraged to attend in person.

1. **Call to Order and Pledge of Allegiance**
2. **Appointment of New Chair for 2026**
 - a. Establish Regular Meeting Day & Time
3. **Unfinished Business**
 - a. Mobile Vendor Fee — Discussion
 - b. Señor Bones New 5-Year Lease
4. **New Business**
 - a. General Government Meeting Minutes — November 26, 2025
 - b. Repeal Obsolete Municipal Codes
 - Chapter 2.55 — Swimming Pool Fund
 - Chapter 3.104 — Bullfrog Shortfall Accounting Fund
 - Chapter 3.80 — Athletic Field Rehabilitation Fund
 - Chapter 3.92 — Water Rehabilitation Fund
5. **Other Committee Comments**
6. **Adjournment**

Upcoming Meetings:

Coal Mines Trail Commission Meeting — February 2, 2026, at 4:00 p.m.

Planning Commission Meeting — February 3, 2026, at 6:00 p.m.

General Government Committee Agenda January 28, 2026

119 W FIRST STREET
CLE ELUM, WA 98922

Public Works & Community Development Committee Meeting — February 4, 2026, at 8:30 a.m.

Regular Council Meeting — February 10, 2026, at 6:00 p.m.

Lodging Tax & Events Committee Meeting — February 11, 2026, at 8:30 a.m.

Historic Preservation Commission Meeting — February 17, 2026, at 3:00 p.m.

Public Safety & Health Committee Meeting — February 18, 2026, at 1:00 p.m.

General Government Committee Meeting — February 25, 2026, at 8:30 a.m.

MOBILE VENDOR BUSINESS REQUIREMENTS	BUSINESS REQUIREMENTS FINAL DECISION	COMMENTS																																																
City/Town Name																																																		
Go-Live	Cle Elum 6/23/20																																																	
License Types and Fees																																																		
Mobile Vendor origination fee	60																																																	
Mobile Vendor renewal fee	100																																																	
License per location	1																																																	
Additional location origination fee	30	Once a location is established for the UBI with a general endorsement, do you have a different fee for additional locations under the same UBI number?																																																
Additional location renewal fee	30																																																	
Licensing Procedures- Procedures City/town can select to customize how their licenses are processed in ATLAS																																																		
Auto Approval at Origination	NO	Current endorsements no																																																
Auto Approval at Renewal	NO	Current endorsements yes																																																
License per activity	NO	Current endorsements no																																																
Receive Activity Change work item?	YES	Current endorsements yes																																																
City Addendum Fields-Does City/town want to make applicants required to answer the following fields?																																																		
Rental	Addendum Y/N	<table border="1"> <thead> <tr> <th colspan="3">Current addendum questions</th> </tr> <tr> <th>Questions</th> <th>Paper</th> <th>Online</th> </tr> </thead> <tbody> <tr> <td>Are you a general or specialty construction contractor?</td> <td>Yes</td> <td>Always required</td> </tr> <tr> <td>Do you provide utility service (telephone/cellular/FTP, cable, gas, electric, garbage)?</td> <td>Yes</td> <td>Always required</td> </tr> <tr> <td>Number of employees (cannot accept zero)</td> <td>Yes</td> <td>Yes</td> </tr> <tr> <td>Number of rental units</td> <td>No</td> <td>No</td> </tr> <tr> <td>Check any of the following that can be found at this business location</td> <td>Yes</td> <td>Always required</td> </tr> <tr> <td>If yes to flammable/hazardous materials: Average gallons required</td> <td>Yes</td> <td>Always required</td> </tr> <tr> <td>Is the physical address of the business in a residence?</td> <td>Yes</td> <td>Always required</td> </tr> <tr> <td>If yes: how many customers will be visiting the residence per week?</td> <td>Yes</td> <td>Yes</td> </tr> <tr> <td>Square feet of floor space used by your business at this location</td> <td>Yes</td> <td>Yes</td> </tr> <tr> <td>Will you be making any exterior or interior modifications?</td> <td>Yes</td> <td>Always required</td> </tr> <tr> <td>(1) Emergency contact name and phone number</td> <td>Always required</td> <td>Always required</td> </tr> <tr> <td>(2) Emergency contact name and phone number</td> <td>No</td> <td>No</td> </tr> <tr> <td>Do you have emergency alarm monitoring service?</td> <td>Yes</td> <td>Always required</td> </tr> <tr> <td>Non-incident first date of business</td> <td>Yes</td> <td>Yes</td> </tr> </tbody> </table>	Current addendum questions			Questions	Paper	Online	Are you a general or specialty construction contractor?	Yes	Always required	Do you provide utility service (telephone/cellular/FTP, cable, gas, electric, garbage)?	Yes	Always required	Number of employees (cannot accept zero)	Yes	Yes	Number of rental units	No	No	Check any of the following that can be found at this business location	Yes	Always required	If yes to flammable/hazardous materials: Average gallons required	Yes	Always required	Is the physical address of the business in a residence?	Yes	Always required	If yes: how many customers will be visiting the residence per week?	Yes	Yes	Square feet of floor space used by your business at this location	Yes	Yes	Will you be making any exterior or interior modifications?	Yes	Always required	(1) Emergency contact name and phone number	Always required	Always required	(2) Emergency contact name and phone number	No	No	Do you have emergency alarm monitoring service?	Yes	Always required	Non-incident first date of business	Yes	Yes
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How many rental units at this location?	Y																																																	
Property type: House, duplex, apartment, other	Y																																																	
Are you renting the entire place?	Y																																																	
Is the property contact the same as emergency contact?	Y																																																	
Mobile Vendor	Required Attachments																																																	
Activity																																																		
Food or beverage	YES																																																	
Selling of Goods	YES																																																	
Personal Services	YES																																																	
Home Occupation	Addendum Y/N																																																	
How many vehicles associated with the business or business activities will be parked at the residence?	Y																																																	
Additional addendum question changes																																																		
Other Information Regarding Licensing - BLS will use the following information to provide informed customer service to businesses																																																		
City Current Expiration Date																																																		
Current Mobile Vendor license and conversion discussion	?																																																	

• Fold permit
• Site plan

LEASE AGREEMENT

THIS LEASE AGREEMENT (this “Lease”) is entered into and effective as of this ____ day of _____, 2026, by and between the City of Cle Elum, a Washington municipal corporation (“Lessor” or “City”), and Chez Weaver, LLC, a Washington limited liability company (“Lessee”) (collectively, the “Parties”). For and in consideration of the mutual promises, covenants and conditions herein, the Parties enter into this Lease Agreement with the terms and conditions as follows:

1. Premises. Lessor does hereby agree to lease to Lessee the Premises consisting of approximately 1,445 rentable square feet of space, as generally depicted on Exhibit A, located within the Cle Elum City Hall located at 119 West First Street, Cle Elum, Washington, 98922 (“City Hall”). The City Hall, the land upon which it is situated, all other improvements located on such land, and all Common Areas appurtenant to the City Hall are referred to as the “Property.”

2. Permitted Use. Lessee shall have the exclusive right to use the Premises as a restaurant-style facility with a drive-through, but without a Commercial Type I hood (the “Permitted Use”), and for no other purpose. Lessee shall use the Premises only for the Permitted Use and in compliance with all laws, including building/fire codes and accessibility laws. Lessee shall not do or permit any act to be done on or around the Premises that violates any law, ordinance, governmental regulation or order or that will increase the existing rate of insurance on the Premises, the City Hall, or the Property, or cause the cancellation of any insurance on the Premises, the City Hall, or the Property. Lessee shall not commit or allow to be committed any waste upon the Premises, or any public or private nuisance. Lessee shall not do or permit anything to be done on the Premises, the City Hall, or the Property which will obstruct or interfere with the rights of other lessees or occupants of the Property, or their employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees, or to injure or annoy such persons.

3. Drive-Through Window. Lessor represents that the Premises includes a drive-through window and related drive-through facilities as of the Commencement Date (the “Drive-Through Window”). Lessor covenants that, during the Term, it shall not remove, close, or materially alter the Drive-Through Window or the external circulation/access serving the Drive-Through Window without Lessee’s prior written consent, which consent shall not be unreasonably withheld or delayed.

A. Queuing Restrictions

i. Queuing for the drive-through is strictly limited to:

- One (1) vehicle within the alley, and
- One (1) additional vehicle behind it, provided that the second vehicle does not block the sidewalk, alley access, or existing diagonal parking along Oaks Avenue, and
- Under no circumstances may drive-through traffic impede pedestrian movement, create a safety hazard, or obstruct public or private access points. The City reserves the right to evaluate queuing and traffic impacts at any time and require operational changes to maintain compliance.

3.

B. Long-Term Right-of-Way Use Permit

i. Prior to initiating any use of the public right-of-way for drive-through operations or associated activities, the applicant shall apply for and obtain a Long-Term Right-of-Way Use Permit as required under CEMC Chapter 12.01.

ii. Long-Term Right-of-Way Use Permits:

- Are valid for up to one (1) year and must be renewed prior to expiration to avoid lapse.
- May include conditions deemed necessary by the City under CEMC 12.01.060 to protect public health, safety, and welfare, including operational, safety-related, and mitigation measures.
- Require full compliance with all permit conditions to the satisfaction of the City.
- Failure to obtain, maintain, or comply with the Long-Term Right-of-Way Use Permit constitutes grounds for immediate suspension or revocation of the applicant's authorization to utilize the right-of-way, at the City's sole discretion.

C. Responsibility for Drive-Through Traffic Management

i. Senor Bones is solely responsible for managing all drive-through traffic and queuing. Responsibilities include, but are not limited to:

- Ensuring that vehicles do not block Oaks Avenue, diagonal parking stalls, the alley entrance, the public sidewalk, or any pedestrian routes.
- Ensuring patrons do not impede access to neighboring businesses or private property.
- Actively educating and instructing customers regarding proper queuing procedures, circulation patterns, and exiting routes, including directing patrons to available off-site parking when onsite spaces are full.
- Implementing measures to maintain smooth traffic flow, including staffing, signage, pavement markings, or other operational controls.
- The City may, at its discretion, require Senor Bones to adjust operations, install additional signage, employ on-site traffic control, or implement other reasonable measures to correct queuing or circulation issues and maintain ongoing compliance.

D. Non-Transferability of Drive-Through Use

The approval and authorization for a drive-through at this location is specific to Senor Bones and is non-transferable.

The drive-through authorization shall not run with the land, the lease, or the

business, and may not be assigned, transferred, or conveyed to any subsequent tenant, operator, assignee, or purchaser without express written approval from the City.

4. Compliance with Laws. Lessee shall be responsible for complying with all laws applicable to the Premises as a result of the Permitted Use, and Lessee shall be responsible for making any changes or alterations as may be required by law, rule, regulation, or order for the Permitted Use at its sole cost and expense. Otherwise, if changes or alterations are required by law, rule, regulation, or order unrelated to the Permitted Use, Lessor shall make such changes and alterations at its expense.

5. Term. The term of this Lease shall be sixty (60) months commencing on January 1, 2026 (the “Commencement Date”) and shall terminate on December 31, 2030 (the “Termination Date”). Upon the Termination Date, if no extension of the Lease or new Lease Agreement is entered into, this Lease shall convert to a month-to-month lease, which may be terminated upon 90 days’ written notice by either party. The City reserves the right to increase rent in any subsequent lease agreement or extension of the Lease Term as agreed to in writing by the Parties, or in the instance this Lease converts to a month-to-month tenancy following the Lease Term provided above. Notice of any rent increase shall be provided to Lessee in accordance with Washington state law.

6. Holdover. If Lessee remains after termination without Lessor’s consent, Lessee shall be a Lessee at sufferance and pay 150% of the last monthly Rent, plus other charges, and shall be liable for Lessor’s actual damages. This does not waive Lessor’s right to regain possession.

7. Rent. Beginning on the Commencement Date, Lessee shall pay monthly Rent of \$1,297,661,365.37, which includes a leasehold excise tax per Chapter 82.29A RCW at the current rate of 12.84%, due in advance on the first (1st) day of each month, without setoff or deduction. Rent is prorated for any partial month based on a 30-day month. Commencing on the 1st day of January, 2027 (i.e., the date that is one year following the Commencement Date), and on the same day of each year during the Term thereafter (each, an “Adjustment Date”), Rent shall be increased by five percent (5%) of the Rent payable immediately prior to the Adjustment Date. Each adjusted monthly Rent amount resulting from such increase shall be effective on the Adjustment Date and due and payable beginning with the first Rent payment date following such Adjustment Date. Should the leasehold excise tax rate under Chapter 82.29A RCW change, the City will provide reasonable notice of such change in writing to the Lessee, including the adjusted monthly rent amount due to and effective date of such change.

8. Late Charges; Default Interest. If any sum is not received within 5 days after due, Lessee shall pay Lessor an amount equal to the greater of \$100 or 5% of the overdue amount for the cost of collecting and handling such late payment in addition to the amount due. All delinquent sums payable by Lessee to Lessor and not paid within five (5) business days after their due date shall, at Lessor’s option, bear interest at the rate of (15%) per annum, or the highest rate of interest allowable by law, whichever is less (the “Default Rate”). Interest on all delinquent amounts shall be calculated from the original due date to the date of payment.

9. Utilities and Services. Lessee shall be responsible for the procurement and payment of all utilities including, but not limited to, water, sewer, electricity, gas, and garbage. Lessee will ensure that all accounts for water, sewer, electricity, gas, and garbage are in the Lessee's name as soon as

is practicable after the execution and effective date of this Lease Agreement. Should the Lessor receive any charges for water, sewer, electricity, gas, or garbage attributable to the Lessee after the effective date of this Agreement, Lessor will provide an invoice to Lessee for such charges which must be paid by Lessee within thirty (30) days of the date of said invoice. Lessee is solely responsible for its data/telecommunications services (internet, broadband/Wi-Fi, and telephone), including any installation, equipment, and monthly charges. Lessee shall not install cabling, make roof/penetrations, or place telecom equipment without Lessor's prior written consent and shall prevent any liens. Temporary interruptions shall not entitle Lessee to rent abatement or damages except to the extent caused by Lessor's gross negligence or willful misconduct.

10. Taxes and Assessments. Lessee shall pay all taxes, assessments, liens and license fees ("Taxes") levied, assessed or imposed by any authority having the direct or indirect power to tax or assess any such liens, related to or required by Lessee's use of the Premises as well as all Taxes on Lessee's personal property located on the Premises.

11. Common Areas.

A. **Definition.** The term "Common Areas" means all areas, facilities and building systems that are provided and designated from time to time by Lessor for the general non-exclusive use and convenience of Lessee and other lessees of the Property and which are not leased or held for the exclusive use of a particular lessee. To the extent that such areas and facilities exist within the Property, Common Areas include hallways, entryways, stairs, elevators, driveways, walkways, terraces, docks, loading areas, restrooms, trash facilities, parking areas and garages, roadways, pedestrian sidewalks, landscaped areas, security areas, lobby or mall areas, common HVAC systems, common electrical service, equipment and facilities, and common mechanical systems, equipment and facilities. Lessee shall comply with, and shall use commercially reasonable efforts to cause its employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees to comply with, reasonable rules and regulations concerning the use of the Common Areas adopted by Lessor from time to time, and shall not interfere with the use of Common Areas by others. Without advance notice to Lessee and without any liability to Lessee, Lessor may change the size, use, or nature of any Common Areas, erect improvements on the Common Areas or convert any portion of the Common Areas to the exclusive use of Lessor or selected lessees, so long as Lessee is not thereby deprived of the substantial benefit of the Premises. Lessor reserves the use of exterior walls and the roof of the City Hall and other improvements at the Property, and the right to install, maintain, use, repair and replace pipes, ducts, conduits, and wires leading through the Premises in areas which will not materially interfere with Lessee's use thereof.

12. Use of the Common Areas. Lessee shall have the non-exclusive right, in common with such other Lessees to whom Lessor has granted or may grant such rights, to use the Common Areas.

13. Maintenance of Common Areas. Lessor shall maintain the Common Areas in good order, condition and repair. In performing such maintenance, Lessor shall use commercially reasonable efforts to minimize interference with Lessee's use and enjoyment of the Premises.

14. Maintenance and Repairs; Surrender. Lessee shall, at its sole cost and expense, maintain the entire Premises in good condition and promptly make all non-structural repairs and replacements necessary to keep the Premises safe and in good condition, including all HVAC components and other utilities and systems to the extent exclusively serving the Premises. Lessor shall maintain and repair the City Hall structure, foundation, subfloor, exterior walls, roof structure and surface, and HVAC components and other utilities and systems to the extent serving more than just the Premises, and the Common Areas. Lessee shall not damage any demising wall or disturb the structural integrity of the Premises, the City Hall, or the Property and shall promptly repair any damage or injury done to any such demising walls or structural elements caused by Lessee or its employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees. Notwithstanding anything in this Section to the contrary, Lessee shall not be responsible for any repairs to the Premises made necessary by the negligence or willful misconduct of Lessor or its employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees therein. If Lessee fails to perform Lessee's obligations under this Section, Lessor may at Lessor's option enter upon the Premises after 10 days' prior notice to Lessee and put the same in good order, condition and repair and the cost thereof together with interest thereon at the Default Rate set forth in Section 8 shall be due and payable to Lessor together with Lessee's next installment of Rent. Upon expiration or earlier termination of the Term, Lessee shall promptly and peacefully surrender the Premises to Lessor, together with all keys, in materially as good condition as when received by Lessee from Lessor or as thereafter improved (but subject to any obligations to remove any Lessee's Alterations and/or restore the same as further provided in this Lease), reasonable wear and tear and insured casualty excepted.

15. Alterations. Lessee may make alterations, additions or improvements to the Premises (the "Alterations"), only with the prior written consent of Lessor, which consent, with respect to Alterations not affecting the structural components of the Premises or utility systems therein or for which the aggregate cost and expense does not exceed \$10,000, shall not be unreasonably withheld, conditioned, or delayed. Lessor shall have 30 days following Lessee's request for Lessor's consent to any Alterations to respond to such request, provided that Lessee's request includes the names of Lessee's contractors and reasonably detailed plans and specifications therefor. The term "Alterations" shall not include: (i) Lessee's Signage (as further provided in Section 17), or (ii) the installation of shelves, movable partitions, Lessee's equipment and trade fixtures that may be installed and removed without damaging existing improvements or the structural integrity of the Premises, the City Hall, or the Property. Lessee shall perform all work at Lessee's expense and in compliance with all applicable laws and shall complete all Alterations in accordance with plans and specifications approved by Lessor, using contractors approved by Lessor, and in a manner so as not to unreasonably interfere with other Lessees. Lessee shall pay when due, or furnish a bond for payment of (as set forth in Section 21), all claims for labor or materials furnished to or for Lessee at, or for use in, the Premises, which claims are or may be secured by any mechanics' or materialmen's liens against the Premises or the Property or any interest therein. Any improvements installed as part of Lessee Alterations performed or caused to be performed by Lessee shall become the property of Lessor, unless Lessor requires removal upon the expiration or earlier termination of the Term, which shall be at Lessee's sole cost and expense. Lessee shall immediately repair any damage to the Premises caused by removal of improvements

performed as part of Lessee's Alterations.

16. Access and Right of Entry. After twenty-four (24) hours' notice from Lessor (except in cases of emergency, when no notice shall be required), Lessee shall permit Lessor and its agents, employees and contractors to enter the Premises at all reasonable times to make repairs, inspections, alterations or improvements, provided that Lessor shall use reasonable efforts to minimize interference with Lessee's use and enjoyment of the Premises. This Section shall not impose any repair or other obligation upon Lessor not expressly stated elsewhere in this Lease. After reasonable notice to Lessee, Lessor shall have the right to enter the Premises for the purpose of (a) showing the Premises to prospective purchasers or lenders at any time, and to prospective Lessees within 180 days prior to the expiration or sooner termination of the Term, and (b) posting "for lease" signs within 180 days prior to the expiration or sooner termination of the Term.

17. Signage. Lessee shall obtain Lessor's written consent as to size, location, materials, method of attachment, and appearance, before installing any signs upon the Premises. Lessee shall install and maintain any approved signage ("Signage") at Lessee's sole expense and in compliance with all applicable laws, including Chapter 15.20 of the Cle Elum Municipal Code as currently written or hereafter amended. Any Signage installed by Lessee shall be removed from the Premises, City Hall and Property at Lessee's expense upon the expiration or earlier termination of the Term. Lessee shall not damage or deface the Premises in installing or removing Signage and shall repair any injury or damage to the Premises caused by such installation or removal.

18. Destruction and Condemnation.

A. Damage and Repair. If the Premises or the portion of the City Hall or the Property necessary for Lessee's occupancy are partially damaged by fire or other insured casualty but not rendered untenable, then Lessor shall diligently restore the Premises and the portion of the Property necessary for Lessee's occupancy to the extent required below and this Lease shall not terminate. Lessee may, however, terminate the Lease if Lessor is unable to restore the Premises within six (6) months of the casualty event by giving 20 days' written notice of termination.

The Premises or the portion of the City Hall or the Property necessary for Lessee's occupancy shall not be deemed untenable if 25% or less of each of those areas are damaged. If insurance proceeds are not available or are not sufficient to pay the entire cost of restoring the Premises, or if Lessor's lender does not permit all or any part of the insurance proceeds to be applied toward restoration, then Lessor may elect to terminate this Lease and keep the insurance proceeds, by notifying Lessee within 60 days of the date of such casualty.

If the Premises, the portion of the City Hall or the Property necessary for Lessee's occupancy, or 50% or more of the rentable area of the Property are entirely destroyed, or partially damaged and rendered untenable, by fire or other casualty, Lessor may, at its option: (a) terminate this Lease as provided herein, or (b) restore the Premises and the portion of the Property necessary for Lessee's occupancy to their previous condition to the extent required below; provided, however, if such casualty event occurs during the last six (6) months of the Term (after considering any option to extend the term

timely exercised by Lessee) then either Lessee or Lessor may elect to terminate the Lease. If, within 60 days after receipt by Lessor from Lessee of written notice that Lessee deems the Premises or the portion of the Property necessary for Lessee's occupancy untenable, Lessor fails to notify Lessee of its election to restore those areas, or if Lessor is unable to restore those areas within six (6) months of the date of the casualty event, then Lessee may elect to terminate the Lease upon 20 days' notice to Lessor unless Lessor, within such 20 day period, notifies Lessee that it will in fact restore the Premises or actually completes such restoration work to the extent required below, as applicable.

If Lessor restores the Premises or the Property under this Section, Lessor shall proceed with reasonable diligence to complete the work, and the Rent shall be abated in the same proportion as the untenable portion of the Premises bears to the whole Premises, provided that there shall be a Rent abatement only if the damage or destruction of the Premises or the Property did not result from, or was not contributed to directly or indirectly by the act, fault or neglect of Lessee, or Lessee's employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees. No damages, compensation or claim shall be payable by Lessor for inconvenience, loss of business or annoyance directly, incidentally or consequentially arising from any repair or restoration of any portion of the Premises or the Property. Lessor shall have no obligation to carry insurance of any kind for the protection of Lessee; any Alterations or other improvements paid for by Lessee; Signage; Lessee's furniture; or on any fixtures, equipment, improvements or appurtenances of Lessee under this Lease, and Lessor's restoration obligations hereunder shall not include any obligation to repair any damage thereto or replace the same.

- B. Condemnation.** If the Premises, the portion of the City Hall or the Property necessary for Lessee's occupancy, or 50% or more of the rentable area of the Property are made untenable by eminent domain, or conveyed under a threat of condemnation, this Lease shall terminate at the option of either Lessor or Lessee as of the earlier of the date title vests in the condemning authority or the condemning authority first has possession of the Premises or the portion of the Property taken by the condemning authority. All Rents and other payments shall be paid to that date. If the condemning authority takes a portion of the Premises or of the City Hall or the Property necessary for Lessee's occupancy that does not render them untenable, then this Lease shall continue in full force and effect and the Rent shall be equitably reduced based on the proportion by which the floor area of any structures is reduced. The reduction in Rent shall be effective on the earlier of the date the condemning authority first has possession of such portion or title vests in the condemning authority. The Premises or the portion of the City Hall or the Property necessary for Lessee's occupancy shall not be deemed untenable if 25% or less of each of those areas are condemned. Lessor shall be entitled to the entire award from the condemning authority attributable to the value of the Premises, the City Hall or the Property and Lessee shall make no claim for the value of its leasehold estate or Lessee's Alterations. Lessee shall be permitted to make a separate claim against the condemning authority for moving expenses, provided that in no event shall Lessee's claim reduce Lessor's award.

19. Lessee Insurance and Indemnity. Lessee shall indemnify the City and provide for insurance as described in Exhibit B attached hereto and incorporated by this reference.

20. Assignment and Subletting. Lessee shall not assign, sublet, mortgage, encumber or otherwise transfer any interest in this Lease (collectively referred to as a “Transfer”) or any part of the Premises, without first obtaining Lessor’s written consent, which shall not be unreasonably withheld, conditioned, or delayed. No Transfer shall relieve Lessee of any liability under this Lease notwithstanding Lessor’s consent to such Transfer. Consent to any Transfer shall not operate as a waiver of the necessity for Lessor’s consent to any subsequent Transfer. In connection with each request for consent to a Transfer, Lessee shall pay the reasonable cost of processing the same, including attorneys’ fees, upon demand of Lessor, up to a maximum of \$1,250.

Any transfer of this Lease by merger, consolidation, redemption or liquidation of Lessee, or any change in the ownership of, or power to vote, which singularly or collectively represents a majority of the beneficial interest in Lessee, shall constitute a Transfer under this Section.

As a condition to Lessor’s approval, if given, any potential assignee or sublessee otherwise approved by Lessor shall assume all obligations of Lessee under this Lease and shall be jointly and severally liable with Lessee and any guarantor for the payment of Rent and performance of all obligations of Lessee under this Lease. In connection with any Transfer, Lessee shall provide Lessor with copies of all assignments, subleases and assumption agreements and documents.

21. Liens. Lessee is not authorized to subject the Lessor’s estate to any liens or claims of lien. Lessee shall keep the Property and Premises free from any liens created by or through Lessee. Lessee shall indemnify, defend, and hold Lessor and the Property and Premises harmless from liability for any such liens including, without limitation, liens arising from any of Lessee’s Alterations. If a lien is filed against the Premises by any person claiming by, through or under Lessee, Lessee shall have the right to contest the correctness or validity of the lien, provided, however, within 10 days after Lessor’s demand, at Lessee’s expense, Lessee shall either remove the lien, or shall procure and record a lien release bond issued by a surety satisfactory to Lessor in form and amount sufficient to satisfy statutory requirements for satisfaction and release of the subject lien(s) from the Premises and Property. Lessee shall indemnify Lessor, the Premises, and the Property from and against all liabilities, costs and expenses, including attorneys’ fees, which Lessor could reasonably incur as a result of such lien.

22. Events of Default. Each of the following events shall constitute an “Event of Default” by Lessee under this Lease:

- A. **Failure To Pay.** Failure by Lessee to pay any sum, including Rent, due under this Lease following five (5) days’ notice from Lessor of the failure to pay.
- B. **Vacation/Abandonment.** Vacation by Lessee of the Premises (defined as an absence for at least 15 consecutive days without prior notice to Lessor), or abandonment by Lessee of the Premises (defined as an absence of five (5) days or more while Lessee is in breach of some other term of this Lease). Lessee’s vacation or abandonment of the Premises shall not be subject to any notice or right to cure.

- C. **Insolvency.** Lessee's insolvency or bankruptcy (whether voluntary or involuntary); or appointment of a receiver, assignee or other liquidating officer for Lessee's business; provided, however, that in the event of any involuntary bankruptcy or other insolvency proceeding, the existence of such proceeding shall constitute an Event of Default only if such proceeding is not dismissed or vacated within 60 days after its institution or commencement.
- D. **Levy or Execution.** The taking of Lessee's interest in this Lease or the Premises, or any part thereof, by execution or other process of law directed against Lessee, or attachment of Lessee's interest in this Lease by any creditor of Lessee, if such attachment is not discharged within 15 days after being levied.
- E. **Other Non-Monetary Defaults.** The breach by Lessee of any agreement, term or covenant of this Lease other than one requiring the payment of money and not otherwise enumerated in this Section or elsewhere in this Lease, which breach continues for a period of 30 days after notice by Lessor to Lessee of the breach, provided that, if the nature of such default is such that it cannot be cured within such 30 day period, no Event of Default shall occur so long as Lessee commences such cure within 30 days of notice by Lessor and diligently pursues such cure to completion, but in no event longer than 60 days from the date of Lessor's notice.
- F. **Failure to Take Possession.** Failure by Lessee to take possession of the Premises on the Commencement Date following five (5) days' notice from Lessor of Lessee's failure to take possession. Lessor shall not be in default unless Lessor fails to perform obligations required of Lessor within 30 days after notice by Lessee to Lessor, provided that, if the nature of such default is such that it cannot be cured within such 30 day period, Lessor shall not be in default if Lessor commences such cure within 30 days of notice by Lessee and diligently pursues such cure to completion. If Lessor fails to cure any such default within the allotted time, Lessee's sole remedy shall be to seek actual money damages (but not consequential or punitive damages) for loss arising from Lessor's failure to discharge its obligations under this Lease. Nothing herein contained shall relieve Lessor from its duty to perform any of its obligations to the standard prescribed in this Lease.

Any notice periods granted herein shall be deemed to run concurrently with and not in addition to any default notice periods required by law.

23. Remedies. Lessor shall have the following remedies upon an Event of Default. Lessor's rights and remedies under this Lease shall be cumulative and non-exclusive.

- A. **Termination of Lease.** Lessor may terminate Lessee's interest under the Lease, but no act by Lessor other than notice of termination from Lessor to Lessee shall terminate this Lease. The Lease shall terminate on the date specified in the notice of termination. Upon termination of this Lease, Lessee will remain liable to Lessor for damages in an amount equal to Rent and other sums that would have been owing by Lessee under this

Lease for the balance of the Term, less the net proceeds, if any, of any reletting of the Premises by Lessor subsequent to the termination, after deducting all of Lessor's Reletting Expenses (as defined below). Lessor shall be entitled to either collect damages from Lessee monthly on the days on which rent or other amounts would have been payable under the Lease, or alternatively, Lessor may accelerate Lessee's obligations under the Lease and recover from Lessee: (i) unpaid rent which had been earned at the time of termination; (ii) the amount by which the unpaid rent which would have been earned after termination until the time of award exceeds the amount of rent loss that Lessee proves could reasonably have been avoided; (iii) the amount by which the unpaid rent for the balance of the term of the Lease after the time of award exceeds the amount of rent loss that Lessee proves could reasonably be avoided (discounting such amount by the discount rate of the Federal Reserve Bank of San Francisco at the time of the award, plus 1%); and (iv) any other amount necessary to compensate Lessor for all the detriment proximately caused by Lessee's failure to perform its obligations under the Lease, or which in the ordinary course would be likely to result from the Event of Default, including without limitation Reletting Expenses described below.

- B. Re-Entry and Reletting.** Lessor may continue this Lease in full force and effect, and without demand or notice, re-enter and take possession of the Premises or any part thereof, expel the Lessee from the Premises and anyone claiming through or under the Lessee, and remove the personal property of either. Lessor may relet the Premises, or any part of them, in Lessor's or Lessee's name for the account of Lessee, for such period of time and at such other terms and conditions as Lessor, in its discretion, may determine. Lessor may collect and receive the rents for the Premises. To the fullest extent permitted by law, the proceeds of any reletting shall be applied: first, to pay Lessor all Reletting Expenses (defined below); second, to pay any indebtedness of Lessee to Lessor other than rent; third, to the rent due and unpaid hereunder; and fourth, the residue, if any, shall be held by Lessor and applied in payment of other or future obligations of Lessee to Lessor as the same may become due and payable, and Lessee shall not be entitled to receive any portion of such revenue. Re-entry or taking possession of the Premises by Lessor under this Section shall not be construed as an election on Lessor's part to terminate this Lease, unless a notice of termination is given to Lessee. Lessor reserves the right following any re-entry or reletting, or both, under this Section to exercise its right to terminate the Lease. Lessee will pay Lessor the Rent and other sums which would be payable under this Lease if repossession had not occurred, less the net proceeds, if any, after reletting the Premises and after deducting Lessor's Reletting Expenses. "Reletting Expenses" are defined to include all expenses incurred by Lessor in connection with reletting the Premises, including without limitation, all repossession costs, brokerage commissions and costs of securing new Lessees, attorneys' fees, remodeling and repair costs, costs for removing persons or property, costs for storing Lessee's property and equipment, and costs of Lessee improvements and rent concessions granted by Lessor to any new Lessee, prorated over the life of the new lease.
- C. Waiver of Redemption Rights.** Lessee, for itself, and on behalf of any and all persons claiming through or under Lessee, including creditors of all kinds, hereby waives and surrenders all rights and privileges which they may have under any present or future

law, to redeem the Premises or to have a continuance of this Lease for the Term, or any extension thereof.

- D. **Nonpayment of Additional Rent.** All costs which Lessee is obligated to pay to Lessor pursuant to this Lease shall in the event of nonpayment be treated as if they were payments of Rent, and Lessor shall have the same rights it has with respect to nonpayment of Rent.
- E. **Failure to Remove Property.** If Lessee fails to remove any of its property from the Premises at Lessor's request following an uncured Event of Default, Lessor may, at its option, remove and store the property at Lessee's expense and risk. If Lessee does not pay the storage cost within five (5) days of Lessor's request, Lessor may, at its option, have any or all of such property sold at public or private sale (and Lessor may become a purchaser at such sale), in such manner as Lessor deems proper, without notice to Lessee. Lessor shall apply the proceeds of such sale: (i) to the expense of such sale, including reasonable attorneys' fees actually incurred; (ii) to the payment of the costs or charges for storing such property; (iii) to the payment of any other sums of money which may then be or thereafter become due Lessor from Lessee under any of the terms hereof; and (iv) the balance, if any, to Lessee. Nothing in this Section shall limit Lessor's right to sell Lessee's personal property as permitted by law or to foreclose Lessor's lien for unpaid rent, if any.

24. Mortgage Subordination and Attornment. This Lease shall automatically be subordinate to any mortgage or deed of trust created by Lessor which is now existing or hereafter placed upon the Premises including any advances, interest, modifications, renewals, replacements or extensions ("Lessor's Mortgage"). Lessee shall attorn to the holder of any Lessor's Mortgage or any party acquiring the Premises at any sale or other proceeding under any Lessor's Mortgage provided the acquiring party assumes the obligations of Lessor under this Lease. Lessee shall promptly and in no event later than 15 days after request, execute, acknowledge and deliver documents which the holder of any Lessor's Mortgage may reasonably require as further evidence of this subordination and attornment. Notwithstanding the foregoing, Lessee's obligations under this Section to subordinate in the future are conditioned on the holder of each Lessor's Mortgage and each party acquiring the Premises at any sale or other proceeding under any such Lessor's Mortgage not disturbing Lessee's occupancy and other rights under this Lease, so long as no uncured Event of Default by Lessee exists.

25. Non-Waiver. Lessor's waiver of any breach of any provision contained in this Lease shall not be deemed to be a waiver of the same provision for subsequent acts of Lessee. The acceptance by Lessor of Rent or other amounts due by Lessee hereunder shall not be deemed to be a waiver of any previous breach by Lessee.

26. Notices. Notices must be in writing and delivered by personal delivery, reputable overnight courier, or certified mail to the addresses below (with a copy by email permitted but not required for effectiveness):

To Lessor: City of Cle Elum
 119 West First Street
 Cle Elum, WA 98922

(509) 674-2262

To Lessee: Chez Weaver LLC
Ruston & Shannon Weaver
308 E Second Street
Cle Elum, WA 98922
(260) 304-8982
rweaver@senorbones.com

27. Costs and Attorneys' Fees. If Lessee or Lessor engage the services of an attorney to collect monies due or to bring any action for any relief against the other, declaratory or otherwise, arising out of this Lease, including any suit by Lessor for the recovery of Rent or other payments or possession of the Premises, the losing party shall pay the prevailing party a reasonable sum for attorneys' fees in such action, whether in mediation or arbitration, at trial, on appeal, or in any bankruptcy proceeding.

28. Estoppel Certificates. Lessee shall, from time to time, upon written request of Lessor, execute, acknowledge and deliver to Lessor or its designee a written statement specifying the following, subject to any modifications necessary to make such statements true and complete: (i) the total rentable square footage of the Premises; (ii) the date the Term commenced and the date it expires; (iii) the amount of minimum monthly Rent and the date to which such Rent has been paid; (iv) that this Lease is in full force and effect and has not been assigned, modified, supplemented or amended in any way; (v) that this Lease represents the entire agreement between the parties; (vi) that all obligations under this Lease to be performed by either party have been satisfied; (vii) that there are no existing claims, defenses or offsets which the Lessee has against the enforcement of this Lease by Lessor; (viii) the amount of Rent, if any, that Lessee paid in advance; (ix) the amount of security that Lessee deposited with Lessor; (x) if Lessee has sublet all or a portion of the Premises or assigned its interest in the Lease and to whom; (xi) if Lessee has any option to extend the Term of the Lease or option to purchase the Premises; and (xii) such other factual matters concerning the Lease or the Premises as Lessor may reasonably request. Lessee acknowledges and agrees that any statement delivered pursuant to this Section may be relied upon by a prospective purchaser of Lessor's interest or assignee of any mortgage or new mortgagee of Lessor's interest in the Premises. If Lessee shall fail to respond within ten (10) days to Lessor's request for the statement required by this Section, Lessor may provide the statement and Lessee shall be deemed to have admitted the accuracy of the information provided by Lessor.

29. Lessor's Liability. Notwithstanding anything in this Lease to the contrary, covenants, undertakings and agreements herein made on the part of Lessor are made and intended not as personal covenants, undertakings and agreements for the purpose of binding Lessor personally or the assets of Lessor but are made and intended for the purpose of binding only the Lessor's interest in the Premises, as the same may from time to time be encumbered. In no event shall Lessor or its partners, shareholders, or members, as the case may be, ever be personally liable hereunder.

30. Right To Perform. If Lessee shall fail to timely pay any sum or perform any other act on its part to be performed hereunder, Lessor may make any such payment or perform any such other act on Lessee's behalf. Lessee shall, within 10 days of demand, reimburse Lessor for its expenses incurred in making such payment or performance. Lessor shall (in addition to any other right or

remedy of Lessor provided by law) have the same rights and remedies in the event of the nonpayment of sums due under this Section as in the case of default by Lessee in the payment of Rent.

31. Hazardous Material. As used herein, the term “Hazardous Material” means any hazardous, dangerous, toxic or harmful substance, material or waste including biomedical waste which is or becomes regulated by any local governmental authority, the State of Washington or the United States Government, due to its potential harm to the health, safety or welfare of humans or the environment. Lessor represents and warrants to Lessee that, to Lessor’s actual knowledge without duty of investigation, there is no Hazardous Material on, in, or under the Premises as of the Commencement Date in excess of reportable quantities except as may otherwise have been disclosed to Lessee in writing before the execution of this Lease. If there is any Hazardous Material on, in, or under the Premises as of the Commencement Date which has been or thereafter becomes unlawfully released in excess of reportable quantities through no fault of Lessee, then Lessor shall indemnify, defend and hold Lessee harmless from any and all claims, judgments, damages, penalties, fines, costs, liabilities or losses including without limitation sums paid in settlement of claims, attorneys’ fees, consultant fees and expert fees, incurred or suffered by Lessee either during or after the Term as the result of such contamination. Lessee shall not cause or permit any Hazardous Material to be brought upon, kept, or used in or about, or disposed of on the Premises or the Property by Lessee, its employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees, except with Lessor’s prior consent (except in de minimis quantities typical of the Permitted Use, such as in office supplies and household cleansers), and then only upon strict compliance with all applicable federal, state and local laws, regulations, codes, ordinances, and product labels. If Lessee breaches the obligations stated in the preceding sentence, then Lessee shall indemnify, defend and hold Lessor harmless from any and all claims, judgments, damages, penalties, fines, costs, liabilities or losses including, without limitation, diminution in the value of the Premises or the Property; damages for the loss or restriction on use of rentable or usable space or of any amenity of the Premises or the Property, or elsewhere; damages arising from any adverse impact on marketing of space at the Premises or the Property; and sums paid in settlement of claims, attorneys’ fees, consultant fees and expert fees incurred or suffered by Lessor either during or after the Term. These indemnifications by Lessor and Lessee include, without limitation, costs incurred in connection with any investigation of site conditions or any clean-up, remedial, removal or restoration work, whether or not required by any federal, state or local governmental agency or political subdivision, because of Hazardous Material present in the Premises, or in soil or ground water on or under the Premises. Lessee shall immediately notify Lessor of any inquiry, investigation or notice that Lessee may receive from any third party regarding the actual or suspected presence of Hazardous Material on the Premises. Without limiting the foregoing, if the presence of any Hazardous Material brought upon, kept or used in or about the Premises or the Property by Lessee, its employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees, results in any unlawful release of any Hazardous Material on the Premises or the Property or any adjacent property, Lessee shall promptly take all actions, at its sole expense, as are necessary to return the Premises and the Property and any adjacent property to the condition existing prior to the release of any such Hazardous Material; provided that Lessor’s approval of such actions shall first be obtained, which approval may be withheld at Lessor’s sole discretion. The provisions of this Section shall survive expiration or earlier termination of this Lease.

32. Quiet Enjoyment. Provided Lessee pays Rent and performs all of its obligations in this Lease, Lessee's possession of the Premises will not be disturbed by Lessor or anyone claiming by, through or under Lessor.

33. Merger. The voluntary or other surrender of this Lease by Lessee, or a mutual cancellation thereof, shall not work a merger and shall, at the option of Lessor, terminate all or any existing subtenancies or may, at the option of Lessor, operate as an assignment to Lessor of any or all of such subtenancies.

34. Heirs and Assigns. This Lease shall apply to and be binding upon Lessor and Lessee and their respective heirs, executors, administrators, successors and assigns.

35. Brokers' Fees. Lessee represents and warrants to Lessor that except as described or disclosed in this Lease or otherwise disclosed in writing to Lessor prior to the Effective Date, it has not engaged any broker, finder or other person who would be entitled to any commission or fees for the negotiation, execution or delivery of this Lease and shall indemnify and hold harmless Lessor against any loss, cost, liability or expense incurred by Lessor as a result of any claim asserted by any such broker, finder or other person on the basis of any arrangements or agreements made or alleged to have been made by or on behalf of Lessee. Lessor represents and warrants to Lessee that except for Lessor's Broker, if any, described or disclosed in this Lease or otherwise disclosed in writing to Lessee prior to the Effective Date, it has not engaged any broker, finder or other person who would be entitled to any commission or fees for the negotiation, execution or delivery of this Lease and shall indemnify and hold harmless Lessee against any loss, cost, liability or expense incurred by Lessee as a result of any claim asserted by any such broker, finder or other person on the basis of any arrangements or agreements made or alleged to have been made by or on behalf of Lessor.

36. Entire Agreement. This Lease contains all of the covenants and agreements between Lessor and Lessee relating to the Premises. No prior or contemporaneous agreements or understandings pertaining to the Lease shall be valid or of any force or effect and the covenants and agreements of this Lease shall not be altered, modified or amended except in writing, signed by Lessor and Lessee.

37. Severability. Any provision of this Lease which shall prove to be invalid, void or illegal shall in no way affect, impair or invalidate any other provision of this Lease.

38. Force Majeure. Time periods for either party's performance under any provisions of this Lease (excluding payment of Rent) shall be extended for periods of time during which the party's performance is prevented due to circumstances beyond such party's control, including without limitation, fires, floods, earthquakes, lockouts, strikes, embargoes, governmental regulations, acts of God, public enemy, war or other strife; provided in no event shall any of the foregoing events operate to extend the Term of this Lease.

39. Governing Law. This Lease shall be governed by and construed in accordance with the laws of the State of Washington.

40. Memorandum of Lease. Neither this Lease nor any memorandum or “short form” thereof shall be recorded without Lessor’s prior consent.

[Signature Page on Following Page]

IN WITNESS WHEREOF this Lease has been executed the date and year first above written.

LESSOR: City of Cle Elum, a Washington municipal corporation

By: _____
Name: _____
Title: _____
Date: _____

LESSEE: Chez Weaver, LLC, a Washington limited liability company

By: _____
Name: _____
Title: _____
Date: _____

EXHIBIT A
DEPICTION OF PREMISES

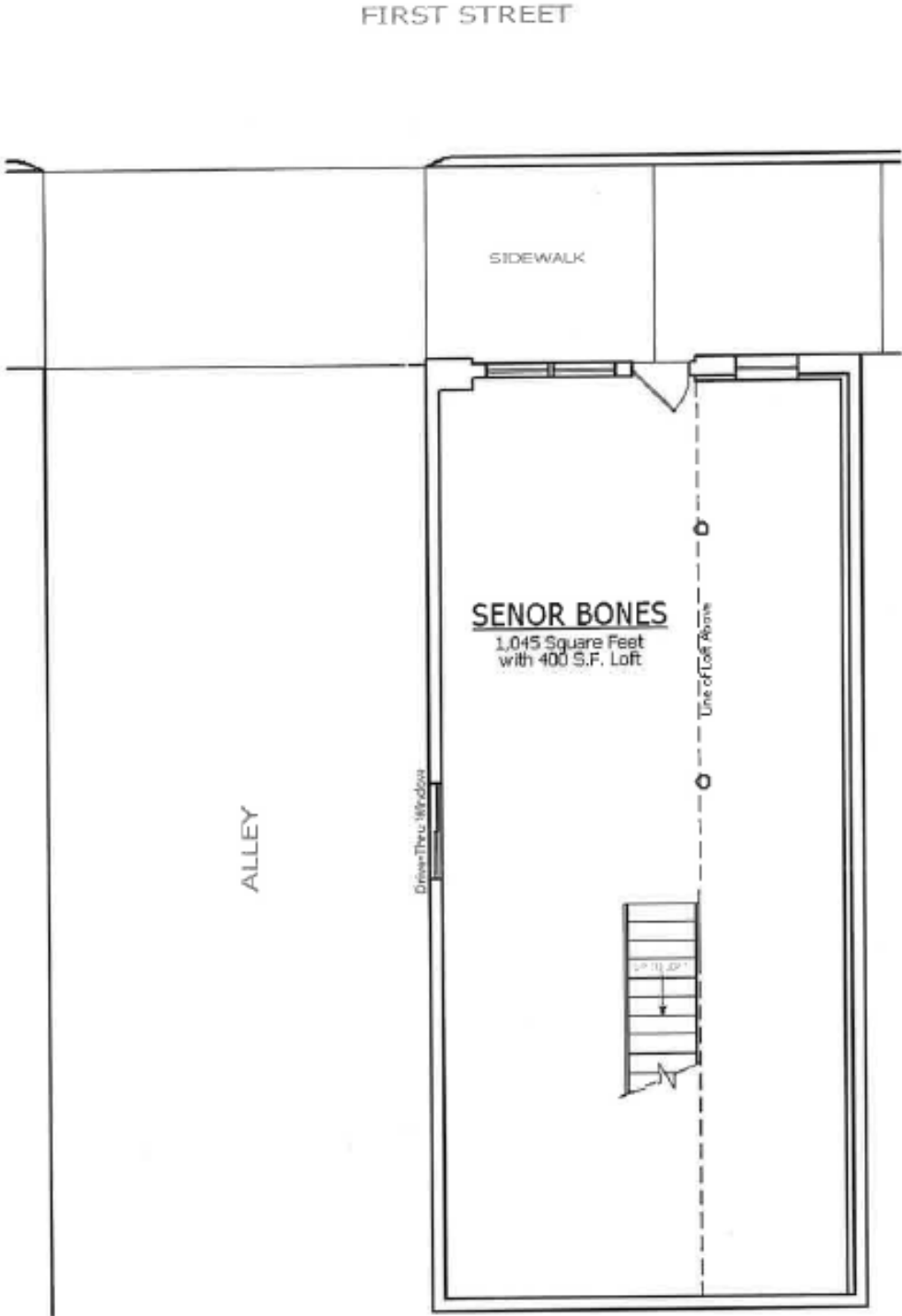


EXHIBIT B

Insurance and Indemnity Requirements

Indemnification / Hold Harmless

Lessee shall defend, indemnify, and hold Lessor and its property manager (if any) harmless against all liabilities, damages, costs, and expenses, including attorneys' fees, for personal injury, bodily injury (including death) or property damage arising from any negligent or wrongful act or omission of Lessee or Lessee's employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees on or around the Premises or the Property, or arising from any breach of this Lease by Lessee. Lessee shall use legal counsel reasonably acceptable to Lessor in defense of any action within Lessee's defense obligation.

Except to the extent of claims arising out of Lessor's gross negligence or intentional misconduct, Lessor shall not be liable for injury to Lessee's business or assets or any loss of income therefrom or for damage to any property of Lessee or of its employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees, or any other person in or about the Premises or the Property.

It is further specifically and expressly understood that the indemnification provided herein constitutes the Lessee's waiver of immunity under Industrial Insurance, Title 51 RCW, solely for the purposes of this indemnification. This waiver has been mutually negotiated and agreed to by the Lessee and Lessor. The provisions of this section shall survive the expiration or termination of this Lease.

A. Insurance Term

The Lessee shall procure and maintain for the duration of the Agreement, insurance against claims for injuries to persons or damage to property which may arise from or in connection with the Lessee's operation and use of the leased Premises.

B. No Limitation

The Lessee's maintenance of insurance as required by the agreement shall not be construed to limit the liability of the Lessee to the coverage provided by such insurance, or otherwise limit the Lessor's recourse to any remedy available at law or in equity.

C. Minimum Scope of Insurance

The Lessee shall obtain insurance of the types and coverage described below:

1. Commercial General Liability insurance shall be at least as broad as Insurance Services Office (ISO) occurrence form CG 00 01 and shall cover premises and contractual liability. The Lessor shall be named as an additional insured on Lessee's Commercial General Liability insurance policy using ISO Additional Insured-Managers or Lessors of Premises Form CG 20 11 or a substitute endorsement providing at least as broad coverage.
2. Property insurance shall be written on an all-risk basis.

D. Minimum Amounts of Insurance

The Lessee shall maintain the following insurance limits:

1. Commercial General Liability insurance shall be written with limits no less than \$2,000,000 each occurrence, \$2,000,000 general aggregate.
2. Property insurance shall be written covering the full value of Lessee's property and improvements with no coinsurance provisions.

E. Other Insurance Provisions

The Lessee's Commercial General Liability insurance policy or policies are to contain, or be endorsed to contain, that they shall be primary insurance as respect the Lessor. Any insurance, self-insurance, or self-insured pool coverage maintained by the Lessor shall be excess of the Lessee's insurance and shall not contribute with it.

F. Acceptability of Insurers

Insurance is to be placed with insurers with a current A.M. Best rating of not less than A: VII.

G. Verification of Coverage

The Lessee shall furnish the Lessor with original certificates and a copy of the amendatory endorsements, including but not necessarily limited to the additional insured endorsement, evidencing the insurance requirements of the Lessee.

H. Waiver of Subrogation

Lessee and Lessor hereby release and discharge each other from all claims, losses and liabilities arising from or caused by any hazard covered by property insurance on or in connection with the premises or said building. This release shall apply only to the extent that such claim, loss or liability is covered by insurance.

I. Lessor's Property Insurance

Lessor shall purchase and maintain during the term of the lease all-risk property insurance covering the Building for its full replacement value without any coinsurance provisions.

J. Notice of Cancellation

The Lessee shall provide the Lessor with written notice of any policy cancellation within two (2) business days of their receipt of such notice.

K. Failure to Maintain Insurance

Failure on the part of the Lessee to maintain the insurance as required shall constitute a material breach of the Lease Agreement, upon which the Lessor may, after giving five business days' notice to the Lessee to correct the breach, terminate the Lease or, at its discretion, procure or renew such insurance and pay any and all premiums in connection therewith, with any sums so expended to be repaid to the Lessor on demand.

L. Lessor Full Availability of Lessee Limits

If the Lessee maintains higher insurance limits than the minimums shown above, the Lessor shall be insured for the full available limits of Commercial General and Excess or Umbrella liability maintained by the Lessee, irrespective of whether such limits maintained by the Lessee are greater than those required by this contract or whether any certificate of insurance furnished to the Lessor evidences limits of liability lower than those maintained by the Lessee.

CLE ELUM GENERAL GOVERNMENT COMMITTEE
MINUTES
NOVEMBER 26, 2025
8:30 AM
119 W FIRST STREET
CLE ELUM, WA 98922

1. Call to Order, Pledge of Allegiance

Committee Member's Present:

Steven Harper
Jerred Weis via zoom
Audrey Malek via zoom

Staff Present:

Debbie Lee - Clerk
Rob Omans - City Administrator

2. Unfinished Business

a. [Animal Incident Form](#)

The Public Safety & Health Committee has taken over this matter and is currently reviewing it while we wait for their recommendations.

b. [CEMC Title 6 Animals — \(Update\)](#)

The Public Safety & Health Committee has taken over this matter and is currently reviewing it while we wait for their recommendations.

c. [Mobile Vendor Fee — Discussion](#)

Steven Harper proposed a fee of \$60.00 for originals and renewals. The committee agreed to table this item until the next meeting.

3. New Business

a. [General Government Committee — Meeting Minutes — October 22, 2025](#)

MOTION: Committee Member Malek made a motion to approve the General Government Committee Meeting minutes; seconded by Committee Member Weis.
MOTION CARRIED: 3 yes 0 no.

b. [Planning Director Job Description](#)

Steven Harper explained that the goal is to hire a Planning Director and asked whether there were any objections to the proposed job description or additional comments. There were

General Government Committee Agenda

November 26, 2025

119 W FIRST STREET
CLE ELUM, WA 98922

questions about whether the city had previously attempted to hire for this role without success and asked if there had been any consideration of jointly filling the position with Ellensburg. Harper noted that while there may someday be opportunities to share a planner for collaborative projects, Cle Elum currently needs a planner dedicated solely to the city. He expressed his support for the position, which is already included in the budget.

Rob Omans, City Administrator, clarified that the council creates the position, but the administration is responsible for hiring. He noted that in the past, the planner position had remained open for years, and attempts to hire a planning technician produced minimal results. He suggested that aiming for a Planning Director may attract more qualified candidates. Omans also stated that if the position is filled, the city would no longer rely on HLA's planner services, though those services could still be used for support if needed.

MOTION: Committee member Weis made a motion to approve the job description and present it to the council for consideration; seconded by Committee Member Harper.

MOTION CARRIED: 3 yes 0 no.

c. [Assistant City Administrator Job Description](#)

This topic was previously discussed during the budget session. Rob Omans, City Administrator provided a brief overview, noting that Blue Fern is expected to build 60 new homes and that the anticipated increase in revenue has been included in the budget. He explained that he would be heavily occupied with inspections as well as his duties as City Administrator. Rob stated that having an assistant would allow for the redistribution of responsibilities, including shifting human resources tasks currently handled by Robin Newcomb, Finance Director. Omans emphasized the value of hiring a polished professional who can effectively communicate through social media and interact with the public, which would benefit the city and better serve its constituents. The hiring process will include a one-month advertising period, followed by three rounds of interviews.

MOTION: Committee Member Weis made a motion to approve the Assistant City Administrator job description and recommend it to the council for approval; seconded by Committee Member Malek.

MOTION CARRIED: 3 yes 0 no.

d. [William LaRue's Employment Contract](#)

Rob Omans, City Administrator, explained that the city will be hiring four employees to operate the water and sewer plants. Three of the positions will be union, while William LaRue will serve in a non-union role with an employment contract. Omans noted that William LaRue has consistently served the city well and has been a strong, reliable employee, adding that he has played an important role in preparing the plant to be turned back over to city operations.

MOTION: Committee Member Malek made a motion to approve the employment contract and recommend it to the council for consideration; seconded by Committee Member Weis.

General Government Committee Agenda

November 26, 2025

119 W FIRST STREET
CLE ELUM, WA 98922

MOTION CARRIED: 3 yes 0 no.

e. [2026 Salary Ordinance](#)

Steven Harper addressed the codification of the budget that was passed the previous night. He noted that non-union employees did not receive the same pay increase as union employees; however, he believes they are still adequately compensated compared to other areas and does not view this outcome as unfair.

MOTION: Committee Member Harper made a motion to approve the 2026 Salary Ordinance and recommend it to the council for approval; seconded by Committee Member Weis.

MOTION CARRIED: 3 yes 0 no.

f. [Señor Bones New 5 - Year Lease](#)

Rob Omans, City Administrator, explained that the contract had been sent to legal for review, and the agreement was subsequently rewritten. One issue that arose was the drive-thru window, which is a nonconforming use. The revised language states that the window may remain as it currently operates for the duration of the contract, and the matter will be revisited when the contract expires.

The agreement is structured as a five-year contract with an annual rent increase of 5%. Harper asked where the 5% figure originated, and Malek clarified that this rate is very standard in commercial leases. She added that the current rent is actually low for this type of business, coming in at under \$1 per square foot—an exceptional rate compared to other areas, where rents average about \$14.45 per square foot per month. The committee agreed that the contract, as written, is acceptable. Beginning in 2026, the 5% annual increase will apply, with the rent adjusting accordingly.

MOTION: Committee Member Harper made a motion to approve and recommend the lease agreement to the council for recommendation with the rent starting at \$1,362.54 in January; seconded by Committee Member Weis.

MOTION CARRIED: 3 yes 0 no.

g. [City of Cle Elum Agreement with Upper Kittitas County Senior Center 2025](#)

The current contract expires at the end of 2025. The council has not provided any direction regarding potential changes to the agreement. The budgeted amount is being updated to \$12,000 for the 2026 fiscal year.

MOTION: Committee Member Weis made a motion to approve the Agreement with Upper Kittitas County Senior Center for 2026 by increasing the amount allocated to \$12,000.00 and presenting it to the council for recommendation; seconded by Committee Member Malek.

MOTION CARRIED: 3 yes 0 no.

h. [Pitney Bowes Leasing Agreement — Renewal](#)

Robin Newcomb, Finance Director, explained that the lease is renewed every five years

General Government Committee Agenda

November 26, 2025

119 W FIRST STREET
CLE ELUM, WA 98922

unless another company is selected, and noted that the cost did not increase significantly. Pitney Bowes remains the standard provider for office postage equipment. Renting the machine for \$200 per month, plus the cost of postage, saves considerable time given the volume of mail the City processes, making it a beneficial and efficient tool.

MOTION: Committee Member Malek made a motion to approve the Pitney Bowes Leasing Agreement and recommend it to the council for consideration; seconded by Committee Member Weis.

MOTION CARRIED: 3 yes 0 no.

i. [Ordinance 2025-027 — Interest Income to General Fund](#)

Robin Newcomb, Finance Director, explained that the main change is to direct all interest earnings to the General Fund, which is allowed as long as a policy is in place. The attorney has made the necessary revisions to the new policy. She noted that the City is exploring creative ways to pay a judgment without raising taxes. All City funds must be kept in reasonable interest-bearing accounts, and currently the interest is allocated to all funds. The proposal is to have all interest deposited into the General Fund to support general fund activities. Newcomb added that adopting the formal ordinance format would clearly demonstrate the city's intent.

MOTION: Committee Member Harper made a motion to recommend allocating Interest Income to the General Fund to the council for consideration; seconded by Committee Member Weis.

MOTION CARRIED: 3 yes 0 no.

4. **Other Committee Comments**

There will not be a General Government Committee meeting in December. Committee member re-appointments may occur in 2026. Appreciation was expressed for everyone's busy schedules and for their attendance.

5. **Adjournment**

The meeting was adjourned at 9:13 a.m.

Steven Harper, Chair

Debbie Lee, Clerk

Chapter 2.55

SWIMMING POOL BOARD

Sections:

- 2.55.010** City council determination.
- 2.55.020** Appointment – Membership – Authority.
- 2.55.030** Term – Vacancy filling.
- 2.55.040** Expenses.

2.55.010 City council determination.

The city council determines it to be in the best interest of the city that a board be appointed for the purpose of seeing to the day-to-day operations of the city swimming pool.

(Ord. 821 § 1, 1984)

2.55.020 Appointment – Membership – Authority.

For the purpose of assisting and advising the council and officials of the city in the management and operation of the swimming pool, a swimming pool operations board shall be appointed by the mayor and confirmed by the city council. This board shall consist of at least five members, who need not be residents of the city. The board shall be responsible for the day-to-day operations of the Cle Elum swimming pool and shall have the authority, subject to ratification by the city council, to adopt rules and regulations with respect to the operation of the swimming pool.

(Ord. 821 § 2, 1984)

2.55.030 Term – Vacancy filling.

The term for which the first members of the swimming pool board shall be appointed, shall vary from one to five years, so that the term of only one board member will expire each year. Thereafter, the persons appointed to the board shall be appointed for a term of five years. Vacancies on the board shall be filled by appointment of the mayor, ratified by the city council, to fill unexpired terms.

(Ord. 821 § 3, 1984)

2.55.040 Expenses.

The members of the Cle Elum swimming pool board shall not receive any compensation for their services as a member of such board. However, expenses incurred by the board or any member thereof, in connection with their services as a member of the board, shall upon approval by the city council be paid from the swimming pool fund.

(Ord. 821 § 4, 1984)

The Cle Elum Municipal Code is current through Ordinance 1713, passed October 28, 2025.

Disclaimer: The city clerk's office has the official version of the Cle Elum Municipal Code. Users should contact the city clerk's office for ordinances passed subsequent to the ordinance cited here.

[City Website: cityofcleelum.com](http://cityofcleelum.com)

[City Telephone: \(509\) 674-2262](tel:(509)674-2262)

[Hosted by General Code.](#)

Chapter 3.104

BULLFROG SHORTFALL ACCOUNTING FUND

Sections:

3.104.010 Fund created - Purpose.

3.104.010 Fund created - Purpose.

There is created a "Bullfrog Shortfall Accounting" fund classified as 114 for the purpose of accounting for the revenue generated pursuant to the shortfall accounting provisions contained in that Development Agreement By and Between the City of Cle Elum, Trendwest Investments, Inc. and Trendwest Properties, Inc., Relating to the Development of Real Property Located Within the Cle Elum Urban Growth Area, Commonly Known as the "Bullfrog UGA" dated October 30, 2002.

(Ord. 1204 § 1, 2003)

The Cle Elum Municipal Code is current through Ordinance 1713, passed October 28, 2025.

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Chapter 3.80

ATHLETIC FIELD REHABILITATION FUND

Sections:

- 3.80.010** **Created – Source.**
- 3.80.020** **Purpose.**
- 3.80.030** **Uses.**

3.80.010 Created – Source.

There is created a special fund designated the “athletic field rehabilitation fund” in which shall be paid funds received by the city from private individuals and any or all governmental entities including the city designated to be used for improving and refurbishing the athletic fields owned by the city.

(Ord. 874 § 1, 1987)

3.80.020 Purpose.

This fund is established to account for all funds received, which funds are intended to be used for improvement and refurbishment of the athletic fields owned by the city.

(Ord. 874 § 2, 1987)

3.80.030 Uses.

Expenditures from this fund shall be used solely for improving and refurbishing the athletic fields within the city.

(Ord. 874 § 3, 1987)

Chapter 3.92

WATER REHABILITATION FUND

Sections:

- 3.92.010 Fund created – Sources.**
- 3.92.020 Purposes.**
- 3.92.030 Uses.**

3.92.010 Fund created – Sources.

There is created a fund to be known as the “Water Rehabilitation Fund” into which shall be paid all funds received by the city from the state of Washington Public Works Trust Fund and any other funds appropriately designated by the city.

(Ord. 919 § 1, 1990)

3.92.020 Purposes.

This fund is established to account for all funds received which are intended to be used for rehabilitation and refurbishment of the city water system.

(Ord. 919 § 2, 1990)

3.92.030 Uses.

Expenditures from this fund shall be used solely for rehabilitation and refurbishing the city water system.

(Ord. 919 § 3, 1990)