

**PRELIMINARY AGENDA**

**SPECIAL MEETING**

**March 31, 2021**

**I. OPEN SESSION**

**10:00 AM**

- **NEW BUSINESS/DISCUSSION ITEMS**  
A. Building 18 Lease with Quality Precision Cleaning, Inc. – Derek
- **PUBLIC COMMENT** [3 min. apiece]
- **ACTION ITEMS**  
B. Approve Building 18 Lease with QPC
- **ADJOURN**

On March 24, 2020 a new Governor's proclamation went into effect regarding public meetings. By order of Washington State Governor Jay Inslee, Proclamation 20-28.15, the Regular Commission Meeting will be available to the public (only) by conference or video call. **This meeting is accessible via conference or video call at: +1 (253) 215-8782, Meeting ID: 985 4502 6199, or via this video link: <https://zoom.us/j/98545026199>**

**LEASE  
BUILDING 18**

THIS LEASE is made and entered into this day by and between the PORT OF CAMAS-WASHOUGAL, a municipal corporation organized and existing under the laws of the state of Washington, hereinafter called “Lessor”, and QPC - WASHINGTON, LLC, a Washington corporation authorized to engage in business and engaging in business in the State of Washington, hereinafter called “Lessee”.

WITNESSETH:

Section 1. PREMISES LEASED: For and in consideration of the payment by Lessee of the rentals hereinafter specified, and performance by Lessee of the covenants and obligations hereinafter provided to be kept and performed by Lessee, Lessor does hereby lease, demise and let unto Lessee, Lessor’s Industrial Building No. 18 bay 14-15 and adjoining yard area, located at 4060 South Grant St, Washougal, Clark County, Washington 98671, as shown in Exhibit “A” attached hereto and incorporated by this reference (hereinafter called the premises). Lessee shall, in addition, have a right-of-way in common with others over and across private roads and streets giving access to the leased premises, which right-of-way shall terminate in the event such private roads and streets are dedicated to the public.

Section 2. TERM: The term of this Lease shall commence on April 1, 2021 and shall terminate on March 31, 2024.

The term of this Lease may be extended for 1 additional period of 2 years upon the following conditions. This extension shall be subject to the mutual agreement of Lessor and Lessee, each in its sole and absolute discretion. Lessee shall give Lessor written notice ninety (90) days prior to the expiration of the then current term regarding Lessee’s intent to extend the

Lease. This extension shall be on the same terms, covenants, and conditions as provided in this Lease. Lessee shall not be entitled to extend if Lessee is in default under any term of this Lease at the time the extension is to commence.

Lessee shall give Lessor written notice ninety (90) days prior to the expiration of the then current term regarding Lessee's intent to extend the Lease or vacate the premises upon expiration of the then current term. The absence of timely notice from Lessee will be deemed to be notice that Lessee intends to vacate the premises upon expiration of the then current term.

If Lessee holds over after the expiration or termination of the term with Lessor's consent, such tenancy shall be deemed to be a holdover tenancy on a month-to-month basis. All other terms, covenants, and conditions of the Lease shall remain in effect, except that rent shall be increased by the same percentage as at the beginning of the last lease year. If Lessee holds over after the expiration or termination of the term without Lessor's consent, then such tenancy shall be deemed a holdover tenancy on a month-to-month basis, on the terms, covenants, and conditions of this Lease in effect at the expiration or termination of the term, except that rent shall be increased to 200% of the rent last payable under this Lease. This section does not grant any right to Lessee to holdover, and Lessee is liable to Lessor for any and all damages and expenses of Lessor as a result of any holdover.

Section 3. POSSESSION: Lessee shall have the right to possession of the premises pursuant to this Lease commencing on the commencement date of the lease term.

Section 4. RENT: Lessee shall pay to Lessor, without any notice or demand, and without setoff or deduction, in addition to taxes, assessments and other charges required to be paid hereunder by Lessee, rent for the premises in the following monthly rent:

Rent for 4/1/21 to 4/30/21: \$4,305.50 per month

Rent for 5/1/21 to 3/31/22: \$4,520.50 per month  
Rent for 4/1/22 to 3/31/23: \$4,656.12 per month  
Rent for 4/1/23 to 3/31/24: \$4,795.80 per month

**Extension Period:**

Rent for 4/1/24 to 3/31/25: \$4,939.67 per month  
Rent for 4/1/25 to 3/31/26: \$5,087.86 per month

In addition to the rental amounts specified above, Lessee shall pay to Lessor with each monthly rental payment the Washington State Leasehold Tax on the leased premises, which tax is currently 12.84% of the monthly rental payment. Rental payments are payable in advance on the 1<sup>st</sup> day of each month during the term of this lease.

Lessee agrees to pay a late charge, in an amount equal to 7% of the monthly rental payment then due with any rental or leasehold tax payment which is not received in full by Lessor by the tenth day of the month.

**Section 5. PREPAID RENT AND SECURITY DEPOSIT:** Upon execution of this Lease, Lessee shall deposit with Lessor the first month's base rent and leasehold excise tax in the amount of \$4,858.33 and \$5,741.14 towards a total security deposit in an amount equal to last month rent and leasehold excise tax. The security deposit shall be held by Lessor upon the following terms and conditions:

A. The security deposit is given to secure Lessee's performance of all obligations under the lease agreement, including without limitation, the payment of rentals under Section 4, the use requirements of Section 10, and the utility provisions of Section 7.

B. Lessor shall maintain the security deposit as part of its general funds and not in a separate account for this deposit, with all interest attributable to the Lessor only.

C. Upon the expiration or sooner termination of this lease, Lessee shall only be

entitled to return of said deposit if all conditions of this lease agreement have been complied with, and the leased premises has been returned to Lessor in its original and sound condition, free of debris, refuse, contamination and other materials. Lessor shall have the right to deduct all costs and damages resulting from Lessee's breach of any portions of this lease from the security deposit, and any interest thereon, to the maximum amount held by Lessor. Lessee shall be entitled to a refund of all or any portion of the security deposit which is not necessary to compensate Lessor for Lessee's breach, ninety (90) days from Lessee's vacation of the premises.

D. Nothing herein shall be construed to limit Lessor's right to seek other remedies, as authorized by law or this lease, for damages to the leased premises or violation of this lease.

Section 6. **LEASE BOND:** Lessor hereby waives its right to require a lease bond pursuant to RCW 53.08.085.

Section 7. **TAXES AND UTILITIES:**

Lessee shall pay all charges and assessments for or related to electricity, water, sewer, garbage disposal, phone, cable, and any and all other utilities and services which shall, during the term of this lease, be charged or imposed upon the premises.

Lessee shall pay all taxes, assessments, and other expenses arising from Lessee's possession of the premises, or operation of Lessee's business on the premises, or are required because of Lessee's operations to make the property conform to government regulations, or which are imposed upon Lessee or Lessor due to the existence of this lease.

Lessee shall pay and discharge promptly, as the same becomes due and before delinquency, the taxes, assessments and other charges as described herein. Lessee shall pay, upon demand, the taxes, assessments and other charges on behalf of Lessor, or if this is not

permitted by law, Lessee shall reimburse Lessor for the amount of any such tax, assessment and other charge paid by Lessor, provided that Lessee shall have the right to contest any such tax or assessment at its own expense.

Section 8. LIENS: Lessee shall keep the premises free and clear of all liens, including mechanic's, materialmen's, or other liens for work or labor done, and liens for services, materials, appliances and power performed, contributed, furnished or used or to be used in or about the premises, or in connection with any operations of Lessee, or any alteration, improvement, repair, or addition which Lessee may make, permit, or cause to be made or any work or construction by, for, or permitted by Lessee on or about the premises. Lessor shall not be responsible for liens caused by Lessee's activities on the premises.

Nothing in this lease shall be deemed or construed in any way as constituting the consent or request of Lessor, express or implied, by inference or otherwise, to any contractor, subcontractor, laborer, or materialman, for the performance of any labor or the furnishing of any materials for any specific improvement, alteration to, or repair of the premises or any part thereof, nor as giving Lessee any right, power, or authority to contract for or permit the rendering of any services or the furnishing of any materials that would give rise to the filing of any lien against the premises or any part thereof.

In the event that any lien, charge, or order for the payment of money described as the responsibility of Lessee in this section is filed against Lessor or any portion of the premises, Lessee shall, at its own cost and expense, cause the same to be discharged of record or bonded within sixty (60) days after notice from Lessor to Lessee, in the manner provided in Section 26, of the filing thereof; and Lessee shall indemnify and save harmless Lessor against and from all costs, liabilities, suits, penalties, claims, and demands, including reasonable counsel fees,

resulting therefrom.

**Section 9. CONTESTING LIENS AND TAXES:** Lessee may contest any lien set forth in Section 8 or any tax, assessment, or other charge which Lessee shall pay under Section 7, provided that Lessee notifies Lessor, in the manner provided in Section 26, of their intention to do so within sixty (60) days of the filing of such lien or within thirty (30) days of receipt of notice of such tax, assessment, or other charge; and provided further that Lessee posts a bond or other security with Lessor, prior to the contest, in an amount equal to the amount of the contested lien or tax, assessment, or other charge.

Within sixty (60) days of the determination of its validity, Lessee shall satisfy and discharge any remaining lien, or pay and discharge any remaining assessment, or other charge, and all penalties, interest, and costs in connection therewith. Satisfaction and discharge shall not be delayed until execution is had on any judgment rendered, nor shall satisfaction, payment and discharge be delayed until sale is made of the whole or any part of the premises on account thereof. Any such delay shall be a default of Lessee under this lease.

In the event of any such contest, Lessee shall protect and indemnify Lessor against all loss, expense, and damage resulting therefrom.

**Section 10. USE OF PREMISES:** Lessee covenants and agrees as follows:

A. To actively and continuously use the premises throughout the term of this Lease solely for precision cleaning, passivation, and testing services for aerospace, military, medical and commercial manufacturers in the course of Lessee's business and other uses incidental to Lessee's business. Lessee's use and all equipment utilized by Lessee within the premises shall fully comply with all local, State, and/or federal requirements and, in addition, Lessee shall have procured in advance all necessary permits or authorizations for such use from

any local, state or federal agency, including, but not limited to, approval for the intended use from the Washougal Fire and Building Department prior to occupancy. Lessee shall not use the premises for other purposes without Lessor's prior written consent.

B. To use the adjoining front yard area for employee and guest parking, and to use the adjoining rear yard area for shipping and receiving of equipment and other goods in the course of Lessee's business, and temporary short-term staging of goods and equipment in connection with such shipping and receiving operations. In addition, Lessee may store up to 2 containers in the rear yard area designated yellow in Exhibit A. Except as expressly permitted in this section, no equipment or other goods shall be stored in the rear yard area beyond the time reasonably necessary for a shipping or receiving operation. Except as expressly permitted in this section, Lessee shall not use any yard area for overnight parking, or storage of any vehicles, campers, boats, or trailers, or containers, sheds, or drums, or any other storage of any other thing whatsoever. Lessee shall at all times keep all yard areas area in good, clean, neat, orderly, and safe condition, free of any debris, and free of any material deemed objectionable by Lessor.

C. Not to use or occupy the premises, or permit the premises to be used or occupied, for other than legal purposes, or in a manner which shall violate any certificate of occupancy in force relating to any building or improvement hereafter erected thereon;

D. To conform to and abide by all lawful rules, laws and regulations in connection with the use of said premises and the operation of Lessee's business thereon, and not to permit said premises to be used in violation of any lawful rule, law, regulation or other authority; and

E. Not to commit or permit any waste of the leased premises nor commit or permit the maintenance or commission of any nuisance on the premises.



F. The Premises was improved with a grant award from the U.S. Department of Commerce, Economic Development Administration (“EDA”), Project No. 070107296 (the “Award”). The Premises must be used in a manner consistent with the authorized general and special purpose of the Award, the EDA recorded Agreement and Mortgage (document number 5349272), and the Award terms and conditions. This includes but is not limited to Lessee not discriminating against any qualified employee or applicant for employment because of race, color, national origin, religion, sex, age, or physical or mental disability.

Section 11. **NO REPRESENTATION:** Lessee has leased the premises after an opportunity for examination thereof and of the subsurface conditions beneath the same, and without any representation on the part of Lessor, except that Lessor states that it has no knowledge of any spill of hazardous materials or the presence of any hazardous materials on the leased premises as of the date of the commencement of the lease term. As used in this lease, the term “hazardous substances” or “hazardous materials” means any hazardous or toxic substances, materials or waste, including but not limited to those substances, materials, and wastes listed in the United States Department of Transportation Hazardous Materials Table (49 CFR 172.101) or by the Environmental Protection Agency as hazardous substances (40 CFR Part 302) and amendments thereto, or such substances, materials and wastes as are or become regulated under any applicable local, state or federal law. Subject to Lessor’s obligations under this Lease, Lessee assumes the sole responsibility for the condition, operation, maintenance and management of the leased premises.

Section 12. IMPROVEMENTS:

**A. Lessee Improvements.** Lessee shall not make any changes, alterations, or improvements to the leased premises or surrounding yard area (“Tenant Improvements”) without the written consent of the Lessor being first obtained, which shall not be unreasonably withheld. All Tenant Improvements shall be performed by Lessee at its cost, and in compliance with all applicable law, including but not limited to all applicable building permit processes.

In the event Lessor consents to a proposed Tenant Improvement, such consent shall include Lessor's written determination as to whether Lessee shall be required to remove said improvement at the expiration or termination of this Lease. In the event no such written determination exists as to any proposed improvement made during the course of the Lease, then at the expiration or other termination of this lease, all improvements, which shall remain upon the Premises, shall upon Lessor's determination, as determined in its sole and absolute discretion, be either (1) removed and the Premises restored by Lessee at its sole cost and expense, or (2) become the property of Lessor.

All machinery, fixtures, portable buildings and equipment installed by Lessee and which are adapted only for the special use of Lessee, shall be considered to be trade fixtures and may be removed at the termination of the Lease by Lessee. Lessee shall at its own expense repair all damage caused by the removal of trade fixtures, and shall restore the Premises to its same condition as immediately prior to such removal.

Section 13. REPAIR AND MAINTENANCE: Lessor shall maintain the roof, outer walls, structural members, exterior plumbing, and landscaping on the premises at its own expense. Lessee shall be responsible for the cost of any repairs made pursuant to this paragraph which are caused by the intentional or negligent acts of its employees, agents or licensees.

Lessee shall complete all repairs within 90 days by a Lessor approved contractor or utilize Lessor maintenance staff at the Lessor contract rate. Lessee agrees to reimburse Lessor for said repairs immediately upon demand.

Lessor shall have no liability to Lessee for incidental damages or property damage suffered by Lessee as a result of its failure to maintain or repair those portions of the premises described above, its only obligation being to maintain or repair such portions of the premises. Lessee agrees to promptly notify Lessor of the need for exterior or structural repairs.

Except as provided above, Lessee agrees to maintain the premises and all improvements in a good state of repair and at the termination of this lease to return the premises and all improvements and adjoining yard area to Lessor in as good state and condition as the same are in at the time Lessee commences occupying same, reasonable wear and tear from the normal use thereof and fire or other casualty being excepted. Lessee agrees to keep all adjoining yard areas at all times in good, clean, neat, orderly, and safe condition, free from any debris, and free from any material deemed objectionable by Lessor.

Section 14. INDEMNITY: Lessee shall indemnify and save harmless Lessor from and against any and all liability, claims, damage, penalties, or judgments arising from any loss, injury, death or damage to person or property sustained by any person in or about the premises resulting from the act or omission of Lessee, Lessee's officers, agents, employees, contractors, and sublessees, or of any occupant, visitor, or user of any part of Lessee's premises. Lessee further covenants and agrees to indemnify and hold Lessor harmless against the claims of all and every person whomsoever arising out of or in any way connected with Lessee's occupation or use of the premises, except for claims by Lessor's employees or agents for injuries sustained during the course of employment through no fault of Lessee. Lessee shall pay all attorney's fees

and other expenses incurred by Lessor in defending any and all suits which may be brought against Lessor or in which Lessor may be impleaded with others upon any of the aforementioned matters, except as may result from the acts set forth in the paragraph immediately below.

Lessor shall indemnify and hold harmless Lessee and its directors, officers, employees, and agents, from and against any and all losses, claims, and damages arising from Lessor's gross negligence or intentional misconduct. Except for the gross negligence or intentional misconduct of Lessor or its agents, or employees, Lessor shall not be responsible for or liable for, and Lessee, notwithstanding that joint or concurrent liability may be imposed upon Lessor by a statute or court decision, hereby waives all claims against Lessor for any damage or injury to any person or to any property on or about the premises subject to this lease, including liability for costs, attorney's fees and reasonable expenses arising out of said claims.

Lessee covenants and agrees to reimburse Lessor for all costs or expenses of repair or replacement of any of Lessor's property damaged or destroyed as a result of Lessee's use or occupation of the premises or use of Port property or facilities. Lessee further covenants and agrees to carry liability insurance protecting itself and Lessor from all liability arising out of this Section 14. The provisions of this section shall survive the expiration or earlier termination of this lease.

**Section 15. INSURANCE:**

A. Lessee shall procure at its sole cost and expense and keep in effect from the date of this lease and at all times until the end of the term either Comprehensive General Liability insurance or Commercial General Liability insurance applying to the use and occupancy of the premises and the business operated by Lessee (or any other occupant) on the premises and providing coverage against all Lessee's liabilities pursuant to Sections 10-14 of this

lease. Such coverage shall have a minimum combined single limit of liability of at least One Million Dollars (\$1,000,000.00) and such limit shall be increased from time to time to such amount as may be mutually acceptable to Lessor and Lessee in their reasonable judgment. All such policies shall be written to apply to all bodily injury, property damage, personal injury and other covered loss, however occasioned, occurring during the policy term; shall be endorsed to provide that such coverage shall be primary; and that any insurance maintained by Lessor shall be excess insurance only.

B. Lessee shall furnish Lessor with acceptable evidence that the insurance is in effect and in amounts sufficient to satisfy this section. All insurance policies required by this Section shall provide that they shall not be reduced, canceled or substantially amended or modified as to terms without thirty (30) days advance written notice to Lessor. All insurance policies required to be carried under this lease shall be with recognized insurance carriers, having an A rating from A. M. Best Company or like or similar rating from an equally recognized rating company, acceptable to Lessor, and shall name Lessor as an additional insured. All such insurance shall provide for severability of interests; shall provide that an act or omission of one of the named insured shall not reduce or avoid coverage to the other named insureds; and shall afford coverage for all claims based on acts, omissions, injury and damage, which claims occurred or arose (or the onset of which occurred or arose) in whole or in part during the policy period. Such coverage shall be endorsed to waive the insurer's rights of subrogation against Lessor and Lessee if such waiver can be obtained at reasonable cost.

Lessee shall deliver to Lessor on or before the date on which the term commences, and thereafter at least ten (10) days before the expiration dates of expiring policies, certified copies of its insurance policies, or a certificate evidencing the same issued by the insurer thereunder,

showing that all premiums have been paid for the full policy period; and in the event Lessee shall fail to procure such insurance, or to deliver such policies or certificates, Lessor may, at its option and in addition to Lessor's other remedies in the event of a default by Lessee hereunder, procure the same for the account of Lessee, and the cost thereof shall be paid to Lessor within ten (10) days following written demand therefor.

Section 16. HAZARDOUS SUBSTANCES - LESSEE'S OBLIGATIONS: Lessee shall not, without Lessor's prior written consent, keep on or about the leased premises, for use, disposal, treatment, generation, storage or sale, any substances designated as, or containing components designated as hazardous, dangerous, toxic or harmful (collectively referred to as "hazardous substances"), and/or which are subject to regulation by any federal, state or local law, regulation, statute or ordinance. With respect to any hazardous substances, Lessee shall:

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

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

C. Within five (5) days of Lessor's request, submit written reports to Lessor regarding Lessee's use, storage, treatment, transportation, generation, disposal or sale of hazardous substances and provide evidence satisfactory to Lessor of Lessee's compliance with the applicable governmental regulation;

D. Allow Lessor or Lessor's agents or representatives to come on the leased premises during regular business hours, and after hours with three (3) hours advance notice to

Lessee, to check Lessee's compliance with all applicable governmental regulations regarding hazardous substances;

E. Comply with minimum levels, standards or other performance standards or requirements which may be set forth or established for certain hazardous substances (if minimum standards or levels are applicable to hazardous substances present on the premises, these levels or standards shall be established by an on-site inspection by the appropriate governmental authorities and shall be set forth in an addendum to this lease); and

F. Comply with all governmental rules, regulations and requirements regarding the proper and lawful use, sale, transportation, generation, treatment and disposal of hazardous substances.

Any and all costs incurred by Lessor and associated with Lessor's special or non-routine inspection of Lessee's premises and Lessor's monitoring of Lessee's compliance with this section, and including Lessor's attorneys' fees and costs, shall be additional rent and shall be due and payable to Lessor immediately upon demand by Lessor. However, Lessor shall solely bear the expense of inspections made on a routine basis, without reasonable cause to believe that Lessee is in violation of this section.

Lessee shall be fully and completely liable to Lessor for any and all cleanup costs and any and all other charges, fees, penalties (civil and criminal) imposed by any governmental authority with respect to Lessee's use, disposal, transportation, generation and/or sale of hazardous substances, in or about the leased premises.

Lessee shall indemnify, defend and save Lessor harmless from any and all of the costs, fees, penalties and charges assessed against or imposed upon Lessor (as well as Lessor's attorneys' fees and costs) as a result of Lessee's use, disposal, transportation, generation and/or

sale of hazardous substances.

Upon Lessee's default under this section, in addition to the rights and remedies set forth elsewhere in this lease, Lessor shall be entitled to the following rights and remedies:

A. At Lessor's option, to terminate this lease immediately; and

B. To recover any and all damage associated with the default, including, but not limited to cleanup costs and charges, civil and criminal penalties and fees, loss of business and sales by Lessor and other lessees of the leased premises, and any and all damages and claims asserted by third parties and Lessor's attorneys' fees and costs.

The provisions of this section shall survive the expiration or earlier termination of this lease.

Section 17. ASSIGNMENT/SUBLETTING: Lessee shall not assign this lease nor sublet the whole or any part of the premises without the prior written consent of Lessor, in its sole and absolute discretion. Any such assignment or sublease shall not relieve Lessee from the responsibility of paying the rentals accruing under this lease or from keeping and performing all other obligations herein imposed upon and assumed by it. It is understood and agreed that any consent by Lessor to any assignment or subletting by Lessee shall not be considered or construed to be a consent to any subsequent assignment or subletting nor as a waiver of the right of Lessor to refuse to consent to any subsequent assignment or subletting.

Section 18. QUIET ENJOYMENT:

A. Lessee, upon paying the rent and all other sums and charges to be paid by it as herein provided, and observing and keeping all covenants, warranties, agreements, and provisions of this lease on its part to be kept, shall quietly have and enjoy the premises during the lease term, subject to the provisions herein, without hindrance by Lessor.



B. Lessor warrants that it has fee simple title to the premises and the power and authority to execute this lease and to carry out and perform all covenants to be performed by it hereunder.

Section 19. ACCESS: Lessor or Lessor's employees and designees shall have the right to enter upon the premises at all reasonable times to examine the premises and to exhibit the premises to prospective purchasers and prospective lessees, and Lessor shall at all times be provided a key for independent access to the premises. Any persons other than Lessor or Lessor's employees who need access to the building will at Lessee's request sign a reasonable non-disclosure agreement before entering the building, except in an emergency.

Section 20. CURE BY LESSOR: If Lessee shall default in the performance of any provision under this lease, Lessor, at its option, may perform the same for the account and at the expense of Lessee. Upon notification to Lessee of the cost thereof to Lessor, Lessee shall promptly reimburse Lessor the amount of that cost, plus interest at the rate of twelve (12%) percent per annum from the date of incurring of such cost to the date of repayment. In the event of such default by Lessee, Lessor may enter upon the premises for the purpose of causing such provisions to be fulfilled. Such entry shall not be deemed an eviction of Lessee. Lessor's action hereunder shall not be deemed a waiver of Lessee's default. Lessor, at its option, without relinquishing any remedy or right, may separately commence proceedings against Lessee for reimbursement of Lessor and for any other remedies for breach of this lease.

Section 21. BANKRUPTCY AND INSOLVENCY: If, after the commencement of the lease term:

A. Lessee then having the title to the leasehold estate created hereunder shall while having such title be adjudicated a bankrupt or adjudged to be insolvent; or

B. A receiver or trustee shall be appointed for Lessee's property and affairs; or

C. Lessee shall make an assignment for the benefit of creditors or shall file a petition in bankruptcy or insolvency or for reorganization or shall make application for the appointment of a receiver; or

D. Any execution or attachment shall be issued against Lessee or any of Lessee's property, whereby the premises or any buildings or improvements thereon shall be taken or occupied or attempted to be taken or occupied by someone other than Lessee, except as may herein be permitted, and such adjudication, appointment, assignment, petition, execution, or attachment shall not be set aside, vacated, discharged, or bonded within ninety (90) days after the issuance of the same, then a default hereunder shall be deemed to have occurred so that the provisions of Section 21 hereof shall become effective and Lessor shall have the rights and remedies provided therein. Notwithstanding anything to the contrary hereinabove contained, upon the occurrence of a default pursuant to this Section 21, if the rent due and payable hereunder shall continue to be paid and the other covenants, provisions and agreements of this lease on Lessee's part to be kept and performed shall continue to be kept and performed, no event of default shall have been deemed to have occurred and the provisions of Section 21 hereof shall not become effective.

**Section 22. DEFAULT:**

A. In the event any one or more of the following events shall have occurred and shall not have been remedied as hereinafter provided:

1. The occurrence of any event set forth in Section 22 hereof, without the curing of same as therein provided; or

2. The filing of a petition by or against Lessee for adjudication as a

bankrupt, or for reorganization or agreement, or for any similar relief, under the Bankruptcy Code as now or hereafter amended; or

3. Lessee's failure to pay any installment of rent when the same shall be due and payable and the continuance of such failure for a period of three (3) days after receipt by Lessee of notice in writing from Lessor, in the manner provided in Section 26; or

4. Lessee's failure to perform any of the other covenants, provisions, and agreements herein contained on Lessee's part to be kept or performed and the continuance of such failure without the curing of same for a period of ten (10) days after receipt by Lessee of notice in writing from Lessor specifying in detail the nature of such failure, or Lessee shall not cure said failure as provided in Paragraph B of this Section 22, then Lessor may, at its option, give to Lessee written notice of election to terminate the lease term upon a date specified in such notice, which date shall not be less than twenty (20) business days (Saturdays, Sundays and legal holidays excluded) after the date of receipt by Lessee of such notice from Lessor. Upon the date specified in said notice, the term and estate hereby vested in Lessee shall cease and any and all other right, title, and interest of Lessee hereunder shall likewise cease without further notice or lapse of time, as fully and with like effect as if the entire lease term had elapsed, but Lessee shall continue to be liable to Lessor as provided herein. Simultaneously with the sending of the notice to Lessee, as hereinabove provided, Lessor shall send a copy of such notice to any sublessee of the premises or portions thereof that Lessor may select, in writing from time to time, and any additional persons or parties having an interest in the premises that Lessor may select, in writing, from time to time. The curing of any default within the above time limits by any of the aforesaid parties or combination thereof, shall constitute a curing of any default hereunder with like effect as if Lessee had cured the same hereunder.

B. In the event that Lessor gives notice of a default of such a nature that it cannot be cured within the period prescribed in Paragraph A4 of this Section 22, then such default shall not be deemed to continue, so long as Lessee, after receiving such notice, proceeds to cure the default as soon as reasonably possible and continues to take all steps necessary to complete the same within a period of time which, under all prevailing circumstances, shall be reasonable. No default under Paragraph A4 of this Section 22 shall be deemed to continue if and so long as Lessee shall be proceeding to cure the same in good faith.

C. In the event that any default of Lessee shall be cured in any manner hereinabove provided, such default shall be deemed never to have occurred and Lessee's right hereunder shall continue unaffected by such default.

D. Upon any termination of the lease term pursuant to Paragraph A of this Section 22, or at any time thereafter, Lessor may, in addition to and without prejudice to any other rights and remedies Lessor shall have at law or in equity, re-enter the premises and recover possession thereof and dispossess any or all occupants of the premises in the manner prescribed by statute relating to summary proceedings, or similar statutes; but Lessee in such case shall remain liable to Lessor as provided herein.

E. In case of any such default, re-entry, termination and/or disposition by summary proceedings:

1. The rent shall become due thereupon and be paid up to the time of such re-entry, termination and/or disposition;

2. Lessor may re-let the premises or any part thereof, either in the name of Lessor or otherwise, for a term which may, at Lessor's option, be less than or exceed the period which would otherwise have constituted the balance of the term of this lease and may grant

concessions or free rent, but such re-letting shall not be construed as an acceptance of a surrender of the leasehold interest; and

3. Lessee or the representatives of Lessee shall also pay Lessor as liquidated damages for the failure of Lessee to observe and perform Lessee's covenants herein contained any deficiency between the rent hereby collected on account of the lease of the premises for each month of the period which would otherwise have constituted the balance of the lease term. In computing liquidated damages, there shall be added to the said deficiency such reasonable expenses and counsel fees as Lessor may incur in connection with the default and re-letting. Any suit brought to collect the amount of the deficiency for any month shall not prejudice in any way the rights of Lessor to collect the deficiency for any subsequent month by a similar proceeding.

Lessor, at its option, may make such alterations, repairs, replacements, and/or decorations in the premises as Lessor, in Lessor's sole judgment, considers advisable and necessary for the purpose of re-letting the premises; and the making of such alterations, repairs, replacements, and/or decorations shall not operate or be construed to release Lessee from liability hereunder. Lessor agrees to mitigate in good faith all damages and to re-let the premises in the event of any default specified herein.

Section 23. **WAIVERS:** Failure of Lessor to complain of any act or omission on the part of Lessee, no matter how long the same may continue, or the receipt of rent by Lessor with knowledge of any breach or default of this lease by Lessee, shall not be deemed to be a waiver by Lessor of any of its rights herein. No waiver by Lessor at any time, express or implied, of any breach of any provision of this lease shall be deemed a waiver of any subsequent breach of the same or any other provision. Failure of Lessor to insist upon strict performance or to exercise

any option herein conferred in any one or more instances in the event of default shall not be construed to be a waiver or relinquishment of any such or any other right herein extended to the Lessor.

Section 24. GOVERNMENTAL REGULATIONS: During the lease term, Lessee shall, at its own cost and expense, promptly observe and comply with all present and future laws, ordinances, requirements, orders, directives, rules and regulations of the federal, state, county, town, and city governments and of all other governmental authorities affecting the premises or appurtenances thereto or any part thereof whether the same are in force at the commencement of the lease term or may in the future be passed, enacted, or directed, and Lessee shall pay all costs, expenses, liabilities, losses, damages, fines, penalties, claims, and demands, including reasonable counsel fees, that may in any manner arise out of or be imposed because of the failure of Lessee to comply with the covenants of this Section 24.

Section 25. NOTICE OF LITIGATION AND COUNSEL FEES:

A. Within ten (10) days of Lessee having knowledge of any litigation or other proceeding that shall be commenced against Lessee or against the premises to secure or recover possession thereof or that may affect the interests of Lessor in the premises, Lessee shall give written notice thereof to Lessor.

B. In the event any party shall bring suit to compel performance of or to recover for any breach of any covenant, agreement or condition of this lease, the prevailing party in said action shall be entitled to recover from the other party costs and reasonable attorney's fees.

C. Notwithstanding anything to the contrary hereinabove contained, in the event that Lessor is made a party to litigation against the Lessee, relating to the premises, or against the premises commenced by a third party, wherein Lessor is not at fault, Lessee shall pay, upon

demand, all of Lessor's counsel fees and costs.

Section 26. NOTICES: Every notice, consent or other communication authorized or required by this lease shall be deemed to be sufficient if in writing, and sent postage prepaid by registered or certified mail, return receipt requested, directed to the other party at the address listed below, or at such other address as the other party may designate by notice given from time to time in accordance with this section. In the event a party notifies the other in writing of a change of address in accordance with this section, said address shall substitute for the address listed below for all subsequent notices. Notices shall be deemed effective when personally served, or upon delivery or refusal of delivery by the addressee if mailed in the manner provided by this section:

Lessor:	Port of Camas-Washougal 24 So. "A" Street Washougal, WA 98671
Lessee:	QPC - Washington. 4060 South Grant Street Washougal, WA 98671

Section 27. RIGHTS CUMULATIVE: The rights, powers, and remedies of Lessor, as provided herein, shall be deemed to be cumulative, and no one of them shall be exclusive of any other, or of any other right, power, or remedy allowed by law.

Section 28. TIME OF THE ESSENCE: Time and punctual and exact performance and observation by Lessor and Lessee of the provisions herein are of the essence of this lease.

Section 29. SEVERABILITY: In the event that any provision of this lease shall be declared invalid by any court of competent jurisdiction, such provisions shall be severed from this lease, and such declaration shall not affect the remainder of this lease. This lease shall remain in full force and effect for the balance of its lease term.

Section 30. **INTERPRETATION:** Whenever the singular number is used herein, the same shall include the plural, and vice versa, as the context shall require. The section headings used herein are for reference and convenience only. Upon any sale or assignment of the interest of either Lessor or Lessee herein, their respective successors in interest shall, during the term of this ownership of their respective estates herein, be deemed to be Lessor or Lessee, as the case may be.

Section 31. **SUCCESSORS:** All of the terms, conditions, covenants and agreements of this lease shall extend to and be binding upon Lessor, Lessee, and their respective heirs, personal representatives, successors and assigns, and upon any person coming into ownership or possession of any interest in the premises by operation of law, or otherwise, and shall be construed as covenants running with the land.

Section 32. **ENTIRE AGREEMENT:** This lease constitutes and shall be construed as the entire agreement of the parties. No oral statement shall have any force or effect. This agreement shall not be modified or canceled except by writing subscribed by Lessor and Lessee.

Section 33. **AUDITS; RETENTION OF RECORDS:**

**Audits and Inspections:** At any time during normal business hours and as frequently as is deemed necessary, the Lessee shall make available to the Lessor and the U.S. Department of Commerce, Economic Development Administration (EDA) or EDA's authorized agents, for their examination, all of its records pertaining to matters covered by this Lease and only matters relating to the Lease.

**Retention of Records:** All records in the possession of the Lessee pertaining to this Lease shall be retained for a period of three (3) years after the expiration of the Lease or any extensions thereof. All records shall be retained beyond the three (3) year period if audit



findings have not been resolved within that period or if other disputes have not been resolved.

**SIGNATURES ARE ON NEXT PAGE**

IN WITNESS WHEREOF, the parties have executed this lease in duplicate as of the

23 day of March, 2021

LESSOR:

LESSEE:

PORT OF CAMAS-WASHOUGAL

QPC - WASHINGTON, LLC.

By: \_\_\_\_\_  
David Ripp, CEO

By: Jencor Dino  
Jencor Dino

By: Mary Joan Dino  
Mary Joan Dino

STATE OF WASHINGTON )  
 ) ss.  
COUNTY OF CLARK )

On this \_\_\_ day of \_\_\_\_\_, 20\_\_\_, before me personally appeared DAVID RIPP, to me known to be the Chief Executive Officer of the Port of Camas-Washougal, the entity that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said entity, for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute said instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

\_\_\_\_\_  
Notary Public in and for the State of  
Washington, residing at \_\_\_\_\_.  
My commission expires \_\_\_\_\_.

STATE OF WASHINGTON )  
 ) ss.  
COUNTY OF CLARK )

On this \_\_\_ day of \_\_\_\_\_, 20\_\_\_, before me personally appeared \_\_\_\_\_, to me known to be the \_\_\_\_\_ of \_\_\_\_\_, the entity that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said entity, for the uses and purposes therein mentioned, and on oath stated that he/she was authorized to execute said instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

\_\_\_\_\_  
Notary Public in and for the State of  
Washington, residing at \_\_\_\_\_.  
My commission expires \_\_\_\_\_.

# CALIFORNIA NOTARY ACKNOWLEDGEMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

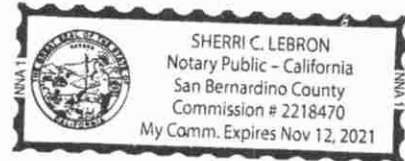
County of Los Angeles

On 03-23-2021 before me, Sherril C Lebron, Notary Public,  
(Insert the name and title of the officer)

personally appeared MARY Juan Dino and Jerico Dino

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.



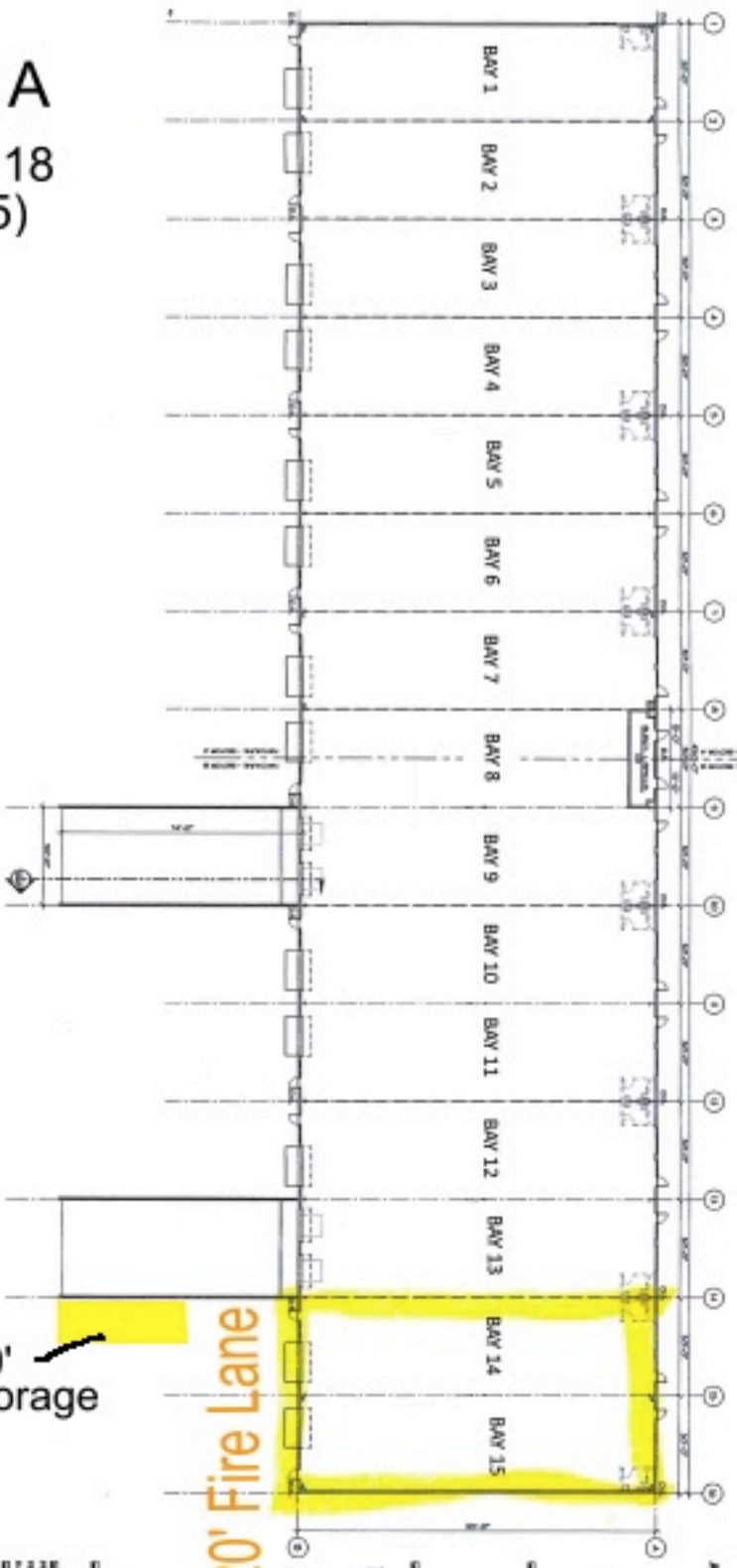
WITNESS my hand and official seal.

Signature Sherril C Lebron (SEAL)

Exhibit A

# Exhibit A

## Building # 18 (Bay 14-15)



8' x 40'  
Yard Storage

20' Fire Lane



JAY ARCHITECTURE, P.C.

DATE: 02/01/2011  
 BY: J. JAY  
 PROJECT: 18-001  
 SHEET: A2.1

Part of Census  
 - Warehouse

Building #18  
 Bayed Classroom

001 Bay Area  
 Warehouse, VA, 2011

Overall  
 Floor Plan  
 1/11/11  
 J. JAY  
 18-001

A2.1