

EXHIBIT #19

07/5/05

RECEIVED

AA-1-10221

MAY 12 2005

IC:

R.E. SERVICES

A I R S P A C E L E A S E

THIS IS A LEASE made and entered into and between the WASHINGTON STATE DEPARTMENT OF TRANSPORTATION, hereinafter called the "Lessor," and CITY OF MERCER ISLAND, hereinafter called the "Lessee";

WHEREAS, the land and premises to be leased are not presently needed exclusively for highway purposes; and

WHEREAS, the Lessor and Lessee deem it to be in the best public interest to enter into this lease;

NOW THEREFORE, in consideration of the terms, conditions, covenants and performances contained herein, IT IS MUTUALLY AGREED THAT:

The Lessor does hereby lease to the Lessee the premises described in Exhibits "A," "A-1," "A-2," and "A-3" attached hereto and by this reference incorporated herein.

TERM. The term of this lease shall be 40 years commencing on the date of execution of this lease by the state.

TERMINATION. The Lessor may terminate this lease only if the premises are required for transportation purposes.

This lease may be terminated without penalty by Lessor after giving ninety (90) days written notice to the Lessee.

In the event that this lease is terminated by the Lessor, the Lessee shall not be entitled to any payment or compensation by reason of such termination. Provided, that where monetary rent is the basis of the lease, the Lessee shall be entitled to a return of rental payment based upon rent paid beyond the effective cancellation date. Furthermore, such leased premises

shall not be considered as part of or as contributing to the use of any adjoining or other properties owned, used or controlled by the Lessee in the event such other property or property rights of the Lessee are subject to condemnation subsequent to the execution of this lease.

SUBLET. Lessee may sublet the operation of the of the boat launch to another public agency after giving ninety (90) days written notice to Lessor and securing Lessor's written concurrence.

RENT. The Lessor and Lessee covenant and agree that consideration for this lease is as set forth in that certain agreement by and between the parties hereto dated July 27, 1987, called "I-90 Turnback and Landscape Agreement," a copy of which is attached hereto as Exhibit "B."

NONAPPLICABILITY OF RELOCATION ASSISTANCE. The Lessee acknowledges that the signing of this lease does not entitle the Lessee to assistance under the Uniform Relocation and Real Property Acquisition Policy (RCW 8.26).

SUBSEQUENT USE FOR TRANSPORTATION PURPOSES. The Lessee and the Lessor hereby affirm that upon expiration of, or termination of, this lease for any reason and the subsequent use of the premises for highway purposes, such would not be considered the use of any publicly-owned land from a public park, recreation area, or wildlife and waterfowl refuge within the meaning of 23 U.S.C. 138 and 49 U.S.C. 1653(f).

SITE SIGN. Within thirty (30) days of occupancy, Lessee at its expense shall erect and maintain a permanent sign stating as follows:

"This facility is located on highway right of way under an agreement between the City of Mercer Island and the Washington State Department of Transportation."

USE OF PREMISES. No use other than operating a public boat ramp and approved concessions shall be permitted without the prior written approval of the Lessor. These approved concessions are: food concession, canoe rental, and sailboard rental. If Lessee elects to operate any concessions on the leased premises, ten (10) percent of the gross receipts of such concession will be paid to Lessor annually on October 1st of each year. If any concession is operated under this lease, Lessee shall be responsible for collection and payment to Lessor of the monies due. If Lessee elects to charge a permit or use fee for use of the facility to any individual or group of individuals, then ten (10) percent of these fees will be paid to Lessor annually on October 1st of each year. In using these premises, the Lessee shall comply with all policies and regulations heretofore or hereafter promulgated by the Department of Transportation relative to the location, operation and maintenance of improvements located on the leased premises. Direct access to ramps or traveled lanes of limited access highways is not permitted. All grading and construction plans and any changes thereof are subject to approval by the Lessor.

Furthermore, in using the leased premises, it is expressly agreed that the Lessee must comply with all applicable Federal, State and Local ordinances and regulations including environmental requirements and secure all necessary permits and licenses. Lessee hereby agrees to hold Lessor harmless from claims or suits resulting from Lessee's failure to comply with such requirements.

HAZARDOUS MATERIALS. The use of said premises shall be such that no hazardous or objectionable smoke, fumes, vapor, odors, or discharge of any kind shall be permitted to rise above the grade line of the highway facility. Toxic and/or hazardous materials as defined under the Comprehensive Environmental Response Compensation and Liability Act ("CERCLA" or Federal Superfund) (42

U.S.C § 9601 et seq.), or flammable materials, which flammable materials include but are not limited to explosives, petroleum products, paint, solvents, and resins, are not allowed on the site without the express permission of Lessor.

Lessee will cooperate in any environmental audits conducted by Lessor's staff or independent third parties. Lessee will provide a complete past operating history and history of regulatory compliance on the Leased Premises. Lessee will reimburse Lessor for the cost of such audits. Lessee will provide Lessor with notice of any inspections of the Leased Premises, notices of violations and orders to clean up contamination. Lessee will permit Lessor to participate in all settlement or abatement discussions. In the event the Lessee fails to take remedial measures as duly directed by the State, Federal, or local regulatory agency within ninety (90) days of such notice, the Lessor may elect to perform such work, and Lessee covenants and agrees to reimburse Lessor for all direct and indirect costs associated with Lessor's work.

LESSOR'S RESERVATION OF RIGHT TO MAINTAIN AND GRANT UTILITY FRANCHISES AND PERMITS. The Lessor reserves the right for utility franchise and permit holders to enter upon the leased premises to maintain existing facilities and, for itself, to grant utility franchises and/or permits across the leased premises. Such installation will be accomplished in such a manner as to minimize any disruption to the Lessee. The franchise/permit holder will be required to restore paving, grading and/or other improvements damaged by the installation.

The Lessee will not disturb markers installed by a franchise/permit holder and will contact the franchise/permit holder prior to any excavation in order that the franchise/permit holder may determine the location of the utility. It is the Lessee's responsibility to protect legally installed underground utilities.

USE OF RIGHT OF WAY UNDER OR ADJACENT TO STRUCTURE. The Lessee agrees to take reasonable steps to protect against vehicular hits or other damage arising from Lessee's use of the premises, to all piers and structures exposed to such potential damage under any elevated highway structure existing on the site.

The Lessee shall not weld any metal object to any metal member of any metal structure, or drill or rivet into or otherwise fasten anything to any pier or beam on any concrete, metal or wood structure without the Lessor's specific written approval of detailed drawings for such welding, riveting, drilling, or fastening.

The Lessee shall at its own expense make any provisions it deems necessary to protect users of its facility from any hazards resulting from use and operation of the highway.

The Lessee is responsible for the cost of repair for any and all damages to the highway structure related to Washington State Department of Transportation owned improvements, as a result of operation of the boat launch facility, except where such damage is caused by or results from operations of WSDOT, other state agencies, or state franchise or permit holders.

TAXES, ASSESSMENTS AND UTILITIES. The Lessee agrees to pay all taxes and assessments which involve the leased premises and/or which may hereafter become a lien on the interest of the Lessee in accordance with RCW 79.44.010, and also all taxes and assessments which may hereafter be levied or imposed upon the interest of the Lessee or by reason of this agreement. The Lessee is responsible for and agrees to pay for utilities which serve the leased premises.

LESSOR'S APPROVAL OF DESIGN AND CONSTRUCTION. The Lessee covenants that any regrading or improvements to be constructed on the premises will not at any time during or after construction either damage, threaten to damage or otherwise adversely affect

any part or element of the highway facility or the operation thereof. The Lessor shall be furnished with two (2) sets of complete plans, details and specifications and revisions thereto for grading and all improvements proposed to be placed on the premises, and no work shall be done without prior written approval of such plans by the Lessor. The Lessor agrees to approve or deny any request, submitted in writing, by the Lessee within ninety (90) days of submittal and approval of the work shall not unreasonably be withheld. All construction work shall be done in conformity with the plans and specifications as approved. The Lessor may take any action necessary, including directing that work be temporarily stopped or that additional work be done, to ensure compliance with the approved plans and specifications, protection of all parts and elements of the highway facility and compliance with Lessor's construction and safety standards. The improvements shall be designed and constructed in a manner which will permit access to the highway facility for the purpose of inspection, maintenance, and construction when necessary.

"AS BUILT" PLANS. Within sixty (60) days following completion of underground utilities and/or buildings or other construction, Lessee shall furnish Lessor a complete set of reproducible "As Built" plans subject to Lessor's approval.

LESSOR'S RIGHT OF ENTRY AND INSPECTION. The Lessor, for itself, its agents and contractors, and for the Federal Highway Administration, reserves the right to enter upon the premises at any time without notice to the Lessee for the purpose of inspection, maintenance, construction or reconstruction of the highway facility or any element thereof. Any loss of the use of the leased premises due to the Lessor's exercise of such right will not require compensation to the Lessee. The Lessor shall in no way be responsible for any incidental or consequential damages due to such loss of use by Lessee. The Lessor and the Federal Highway Administration may from time to time go upon the premises

for the purpose of inspecting any excavation, construction or maintenance work being done by the Lessee. Entry upon the premises for any other purpose by the Lessor and the Federal Highway Administration shall be conducted with reasonable notice to the Lessee and during the hours of 8:00 a.m. to 5:00 p.m.

INSURANCE. At its expense, the Lessee shall keep the premises and improvements thereon continuously insured throughout the term of this lease by an insurer licensed to conduct business in the State of Washington against claims for personal injury or property damage. The insurance shall be in amounts of not less than One Million Dollars (\$1,000,000.00) to indemnify against the claim of any one person, and in an aggregate amount of not less than Three Million Dollars (\$3,000,000.00) to indemnify against claims of two or more persons resulting from any one incident. Coverage in the minimum amounts set forth herein shall not be construed to relieve the Lessee from liability in excess of such coverage. Lessee shall acquire property damage insurance in an amount of One Hundred Thousand Dollars (\$100,000.00.) The Lessee is a member of and insured by a municipal self-insured insurance pool (WCIA). The insurance pool is unable to name any non-member as an additional insured. The pool is capable of insuring Lessee's operation of the boat launch facility hereunder and is able to provide indemnification to the Lessor. See the letter from WCIA dated March 12, 1992, attached as Exhibit "C."

HOLD HARMLESS/INDEMNIFICATION CLAUSE. Lessee, its successors or assigns, will protect, save, and hold harmless the Washington State Department of Transportation, its authorized agents and employees, from all claims, actions, costs, damages, or expenses of any nature whatsoever by reason of the acts or omission of the Lessee, its assigns, authorized agents, contractors, licensees, invitees, employees, or any person whomsoever, arising out of or in connection with any acts or activities authorized by this lease whether such claims result from activities on or off the leased premises. The Lessee

further agrees to defend the Washington State Department of Transportation, its authorized agents or employees in any litigation, including payment of any costs or attorney's fees, for any claims or action commenced, arising out of or in connection with acts or activities authorized by this lease. This obligation shall not include such claims, costs, damages, or expenses which may be caused by the sole negligence of the Washington State Department of Transportation or its authorized agents or employees; Provided that if the claims or damages are caused by or result from the concurrent negligence of (a) the Lessor, its authorized agents or employees and (b) the Lessee, its authorized agents, sublessees, or employees, and involves those actions covered by RCW 4.24.115, this indemnity provision shall be valid and enforceable only to the extent of the negligence of the Lessee or Lessee's authorized agents or employees. If, for any reason, Lessor has to defend itself against any claims filed against Lessor because of the operation of the land subject to this lease and arising out of the sole negligence or concurrent negligence of the Lessee, any costs, whether generated by the Attorney General's office or outside counsel, will be paid in full by Lessee, with the exception of those costs attributable to alleged negligence on the part of the Lessor.

NON-DISCRIMINATION. The Lessee, for itself, its successors, and assigns, as a part of the consideration hereof, does hereby covenant and agree, as a covenant running with the land, that no person, on the grounds of race, color, creed, national origin, marital status, age, sex or the presence of any sensory, mental or physical handicap shall be excluded from participation in, be denied the benefits of, or be otherwise unlawfully subjected to discrimination in the use of the facility now or hereafter on the premises, that in connection with the construction of any improvements on said lands and the furnishing of services thereon, no such discrimination shall be practiced in the selection of employees or contractors, or by contractors in the

selection and retention of their subcontractors, that such discrimination shall not be practiced against the public in their access to and use of the facility and services provided for public accommodation constructed or operated on, over, or under the right of way, and that the Lessee shall use the premises in compliance with all other requirements imposed pursuant to the Revised Code of Washington, Chapter 49.60 and Title 49, Code of Transportation, Part 21 (49 C.F.R. Part 21), and said nondiscrimination covenants shall be a material act of default entitling the Lessor to terminate this lease in accordance with the procedures set forth herein.

BINDING CONTRACT. The terms and obligations of this lease shall not become binding upon the State of Washington unless and until accepted and approved in writing for the Washington State Department of Transportation by the Secretary thereof or his/her duly authorized representative.

ATTORNEYS' FEES. In the event of any controversy, claim, or dispute arising out of this lease, the substantially prevailing party shall, in addition to any other remedy, be entitled to recover any reasonable costs or attorneys' fees which it incurs.

MODIFICATIONS. This instrument contains all the agreements and conditions made between the parties hereto and may not be modified orally or in any manner other than by an agreement in writing signed by all parties thereto.

NOTICES. Wherever in this lease written notices are to be given or made, they will be sent by certified or overnight mail addressed to the parties at the address listed below unless a different address shall be designated in writing and delivered to the other party.

LESSOR:

ATTN: PROPERTY MANAGEMENT SUPERVISOR
DEPARTMENT OF TRANSPORTATION
KF-01
P. O. BOX 47338
OLYMPIA, WA 98504-7338

LESSEE:

CITY OF MERCER ISLAND
9611 S.E. 36TH STREET
MERCER ISLAND, WA 98040-3738

3/11/94

Date

WASHINGTON STATE DEPARTMENT
OF TRANSPORTATION

By:

Joachim Pestinger

Joachim Pestinger, SR/WA
Director, Real Estate Services

CITY OF MERCER ISLAND

By: Elliot Newsum

Title: Mayor

By: Allen E. Symmonds

Title: City Clerk

APPROVED AS TO FORM:

March 16, 1994

By: Patricia K. [Signature]
Assistant Attorney General

STATE OF WASHINGTON)
County of KING : ss.
)

On this 22nd day of May 1992, before me personally appeared Elliot Newman and Debra Symmonds to me known to be the duly elected and qualified Mayor and City Clerk of the City of Mercer Island, Washington, that executed the within and foregoing instrument and acknowledged said instrument to be the free and voluntary act and deed of said City, for the uses and purposes therein mentioned, and each on oath stated that he/she was authorized to execute said instrument by the City Council of said City.

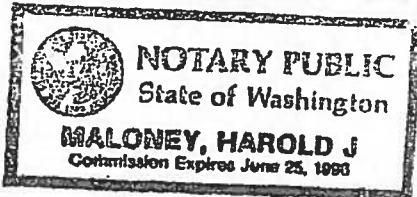
GIVEN under my hand and official seal the day and year last above written.

Ronald C. Robinson
Notary Public in and for the State
of Washington,
Residing at Mercer Island
My Appointment expires 11/30/92

STATE OF WASHINGTON)
County of Thurston : ss.
Hans

On this 11th day of March 1992 before me personally appeared Joachim Pestinger, to me known to be the acting ~~duly appointed~~ Director, Real Estate Services, for the Washington State Department of Transportation and that he executed the within and foregoing instrument and acknowledged the said instrument to be the free and voluntary act and deed of said State of Washington, for the uses and purposes therein set forth, and on oath states that he was authorized to execute said instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the 11th day of March, 1992.



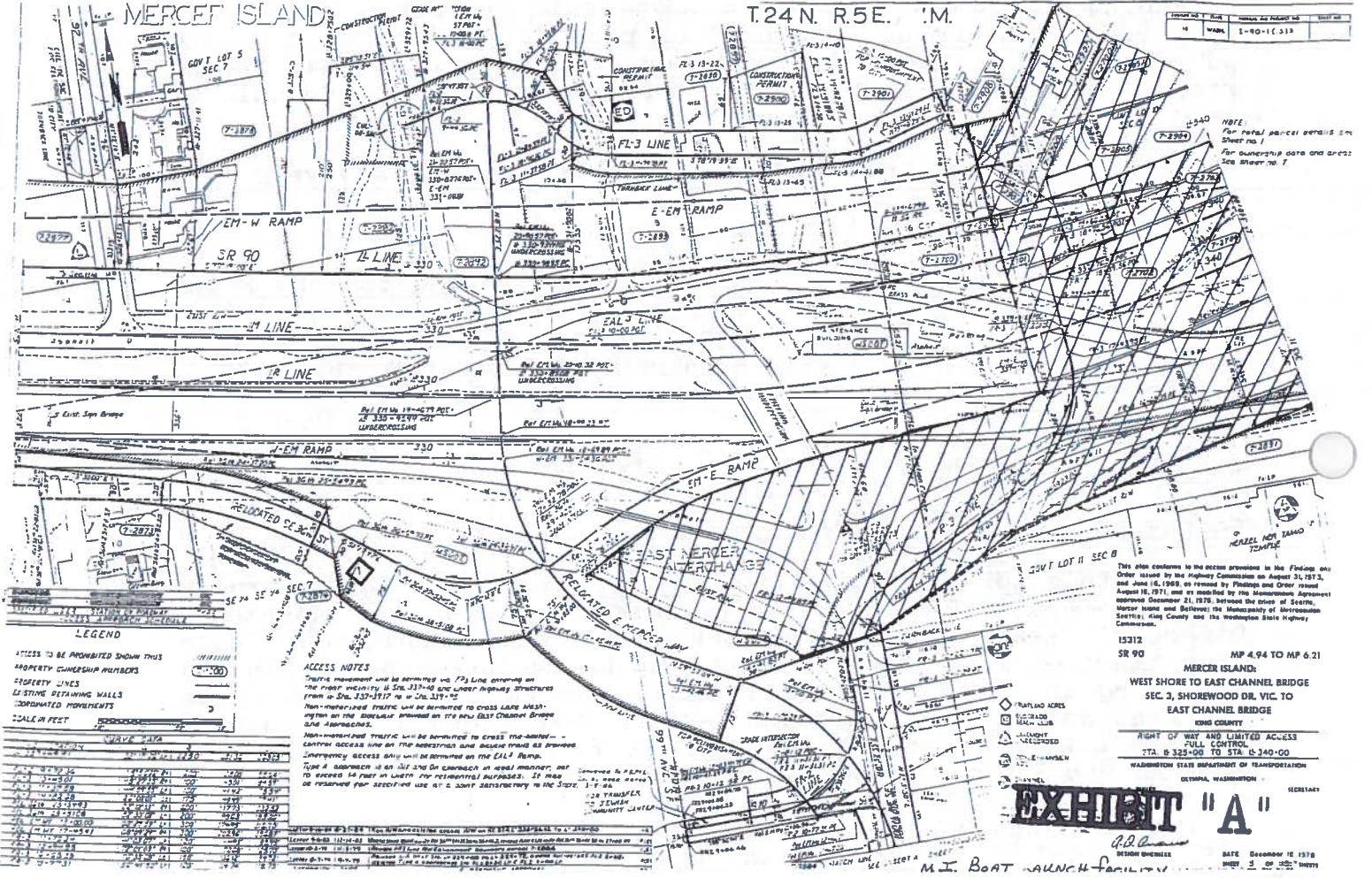
Harold J. Maloney
Notary Public in and for the
State of Washington,
Residing at Ocean Harbor
My Appointment expires June 25, 1996

air.la/mercer-1

MERCER ISLAND

T.24 N. R.5E. 'M.

SECTION NO.	1	SHEET NO.	1
DATE	1-10-1 (13)		



NOTE:
For general parcel details see
Sheet no. 1
For ownership data and area
see sheet no. 1

This plan conforms to the access provisions in the Finding and
Order issued by the Highway Commission on August 31, 1913,
and June 16, 1908 as revised by Findings and Order issued
August 18, 1971 and as modified by the Memorandum Agreement
approved December 21, 1978, between the State of Seattle,
Washco Inc and Bellevue the Municipality of Metropolitan
Seattle, King County and the Washington State Highway
Commission.

15312
SR 90 MP 4.94 to MP 6.21

MERCER ISLAND
WEST SHORE TO EAST CHANNEL BRIDGE
SEC. 3, SHOREWOOD DR. VIC. TO
EAST CHANNEL BRIDGE

RIGHT OF WAY AND LIMITED ACCESS
FULL CONTROL
STA. 6+325+00 TO STA. 6+340+00

WASHINGTON STATE DEPARTMENT OF TRANSPORTATION
SEATTLE, WASHINGTON

EXHIBIT "A"

DATE December 16 1978
DRAWN BY [Signature]
CHECKED BY [Signature]

M.I. BOAT LAUNCH FACILITY

LEGEND

ADJACENT TO BE PROHIBITED SHOW THIS

PROPERTY OWNERSHIP NUMBERS

RIGHT-OF-WAY LINES

EXISTING RESIDING WALLS

ADJUSTED MONUMENTS

SCALE IN FEET

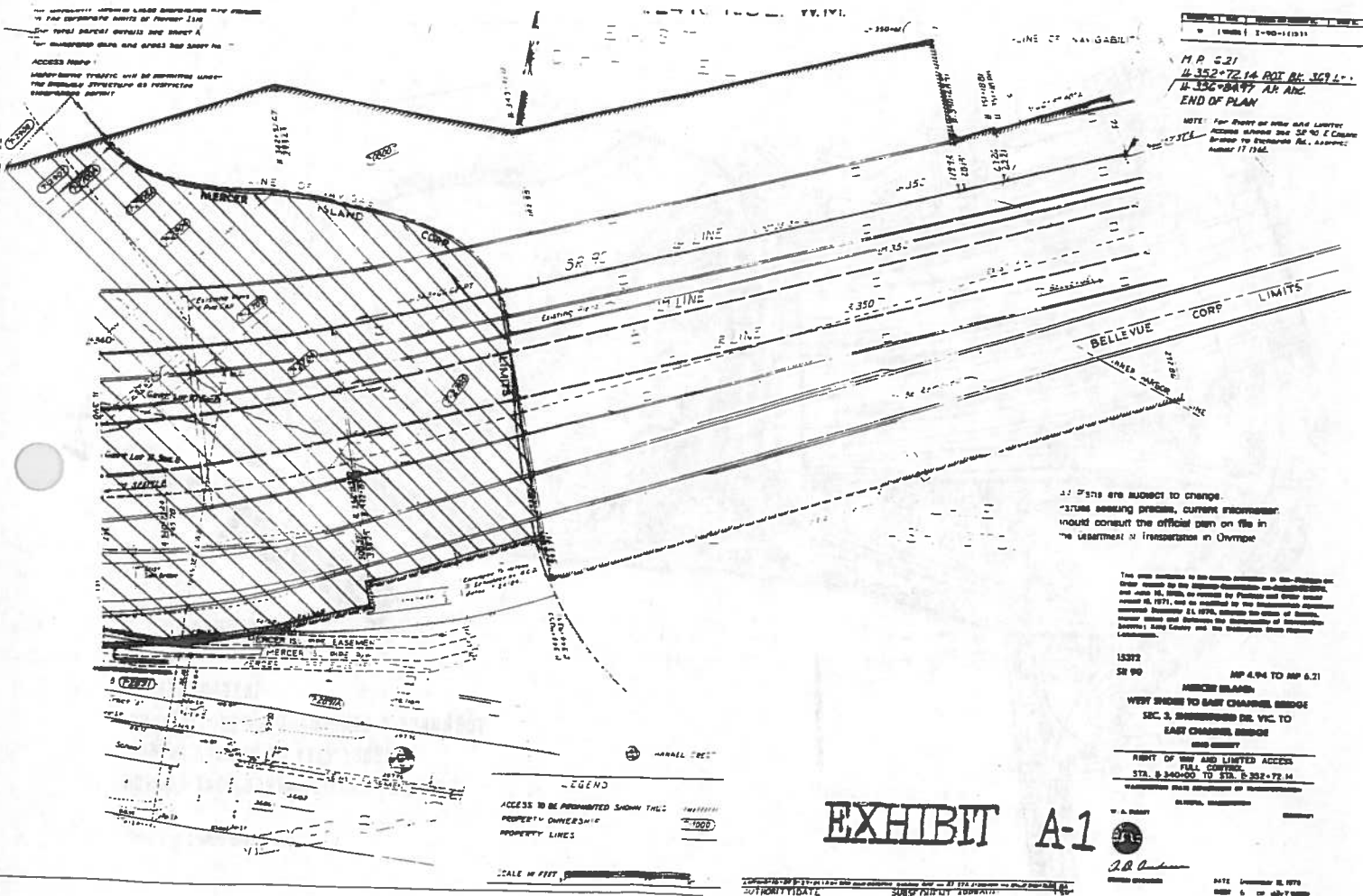
PROPERTY	OWNER	AREA	REMARKS
1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50

ACCESS NOTES

TRAFFIC movement will be permitted on E-EM RAMP during the
construction period. The right-of-way of SR 90 and other adjacent
structures from Sta. 327+00 to Sta. 337+00
Non-motorized traffic will be permitted to cross lane
markings on the bridge shown on the new East Channel Bridge
and Approach.

Non-motorized traffic will be permitted to cross the
center access line on the approach and across from all
emergency access only will be permitted on the E-EM RAMP.

Type A approach is an 18' wide on approach in special manner, not
to exceed 16 feet in width the restricted purposes. It may
be reserved for special use at a point satisfactory to the State.



M.P. 2.21
 W 352°72'14" POI BK 369 L 1
 W 336°04'47" AH ABC
 END OF PLAN

NOTE: For Point of view and survey
 Access shown for SR NO 4 Channel
 shown to Standard N. Assoc.
 under 17 1962.

All data are subject to change.
 Status existing process, current information.
 Would consult the official plan on file in
 the Department of Transportation in Olympia

This work conforms to the latest standards in the profession of
 Surveying as set forth in the International Standardization
 and June 16, 1975, as revised by the International Association
 of Professional Surveyors, and as modified by the International
 Geodesic Association, 1975, through the Office of Surveying
 and Mapping, Department of Defense, and the International
 Geodesic Association, 1975, through the Office of Surveying
 and Mapping, Department of Defense.

15372
 SR 90
 MP 4.94 TO MP 6.21
 MERCER ISLAND
 WEST SHORE TO EAST CHANNEL BRIDGE
 SEC. 3, SHOREWOOD DEL. VIC. TO
 EAST CHANNEL BRIDGE
 AND SHORE
 RIGHT OF WAY AND LIMITED ACCESS
 PLAN, CORRECTED
 STA. 6 340+00 TO STA. 6 352+72.14
 WASHINGTON STATE DEPARTMENT OF TRANSPORTATION
 OLYMPIA, WASHINGTON

EXHIBIT A-1

LEGEND
 ACCESS TO BE PROHIBITED SHOWN THIS
 PROPERTY OWNERSHIP
 PROPERTY LINES
 SCALE IN FEET

DATE: December 16, 1975
 SHEET 6 OF 10 SHEETS

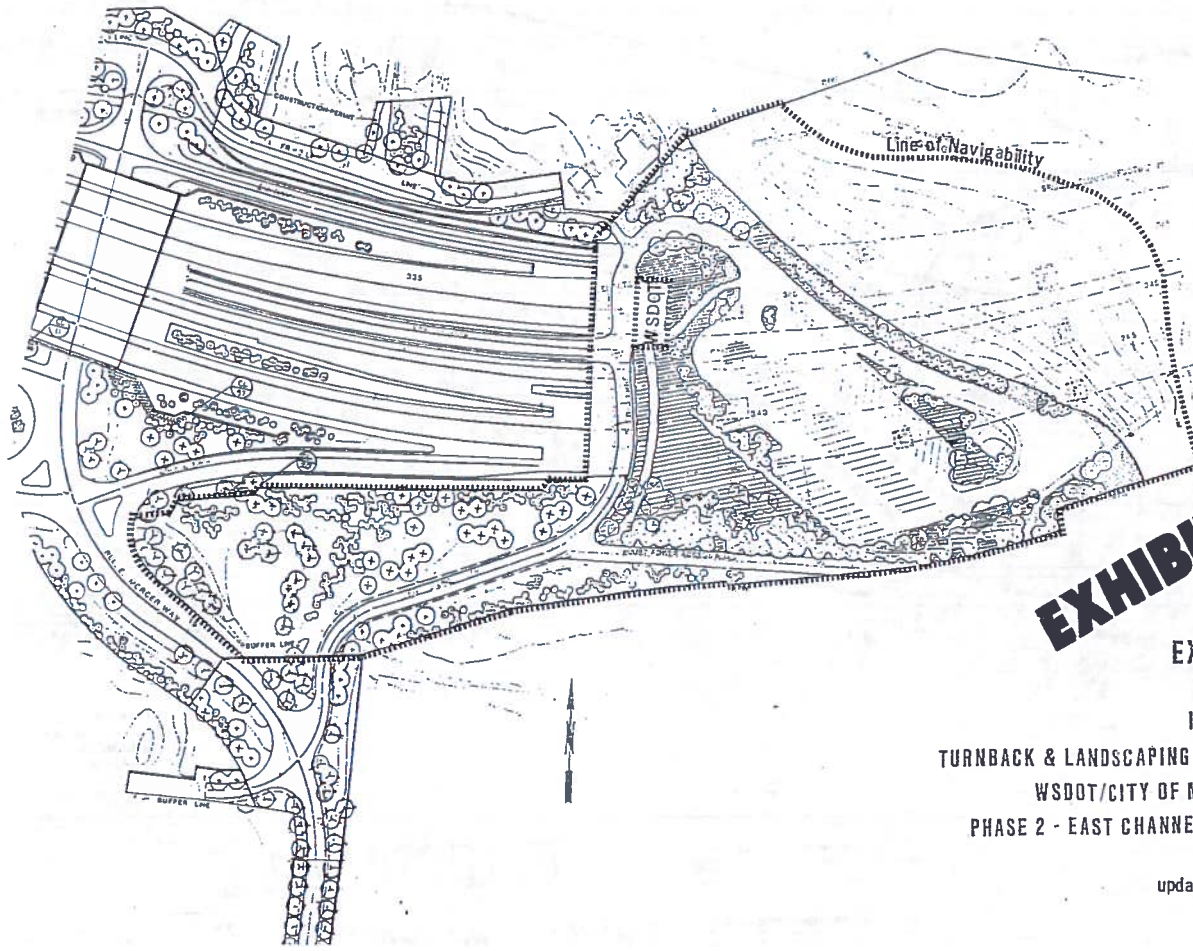
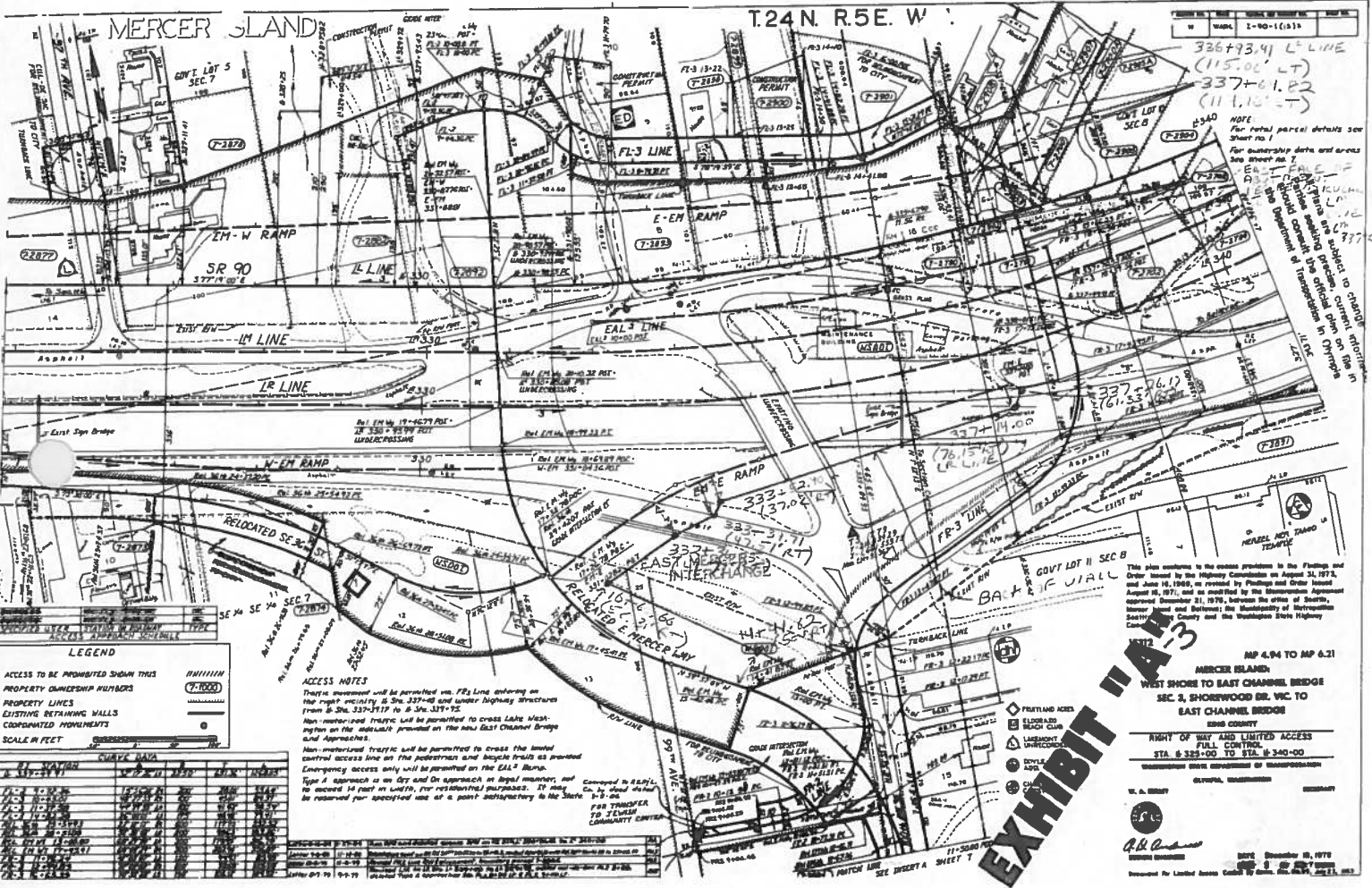


EXHIBIT "A"-2

EXHIBIT NO. 1

**INTERSTATE 90
TURNBACK & LANDSCAPING NEGOTIATIONS
WSDOT/CITY OF MERCER ISLAND
PHASE 2 - EAST CHANNEL BOAT LAUNCH**

updated July 13, 1987



MERCER ISLAND BOAT LAUNCH
ADDENDUM TO AIRSPACE LEASE

ORIGINAL

This is an addendum to Lease IC No. _____, AA No. _____
between the WASHINGTON STATE DEPARTMENT OF TRANSPORTATION,
Lessor, and THE CITY OF MERCER ISLAND, Lessee, ("Lease"), which was
executed by the Lessee on May 22, 1992, and allows the Lessee to use a portion of
Interstate 90 right of way (the "Leased Premises") for a public boat launch.

THE FOLLOWING CLAUSE IS HEREBY ADDED TO THE LEASE:

FAILURE TO MAINTAIN.

The Lessee agrees to maintain the Leased Premises to the same standards as
are adhered to in the maintenance of other city parks, facilities and landscaped
areas.

If the Lessor believes that the Lessee is not maintaining the Leased Premises in
accordance with the above standards, the Lessor shall notify the Lessee in
writing of its concerns and describe the maintenance which is expected to be
performed.

Failure of the Lessee to perform the requested maintenance within fifteen (15)
days of receipt of written notice shall constitute a breach of the Lease and the
Lessor is entitled to enter upon the Leased Premises and perform the
maintenance. The Lessee agrees to repay to the Lessor upon demand the
entire cost of such maintenance performed by the Lessor. The maintenance
performed by the Lessor under this provision shall not be construed as a
waiver of any agreement or condition herein contained or the performance
thereof.

No other items of the Lease shall be altered by this agreement and shall apply equally
to the agreement herein.

LESSOR: ATTN: PROPERTY MANAGEMENT SUPERVISOR
DEPARTMENT OF TRANSPORTATION
P.O. BOX 4-7338
OLYMPIA, WASHINGTON 98504-7338

LESSEE: CITY OF MERCER ISLAND
9611 S.E. 36TH STREET
MERCER ISLAND, WASHINGTON 98040-3738

DATED this 25th day of February, 1994.

CITY OF MERCER ISLAND

WASHINGTON STATE DEPARTMENT OF TRANSPORTATION

Judy Clibborn
By: Judy Clibborn, Mayor

Joachim Pestinger
By: Joachim Pestinger, SR/WA
Director, Real Estate Services

Candice Stephens
By: Candice Stephens,
Associate City Clerk

STATE OF WASHINGTON

County of King

On this 25th day of February, 1994,
before me personally appeared Judy Clibborn and Candice
Stephens to me known to be the duly elected and qualified
Mayor and Associate City Clerk of the City of Mercer
Island, Washington who executed the within and foregoing
instrument and acknowledged said instrument to be the free
and voluntary act and deed of said City, for the uses and
purposes therein mentioned, and each on oath stated that
he/she was authorized to execute said instrument by the
City Council of said City.

GIVEN under my hand and official seal the day and
year above written.



Ronald C. Dickinson
Notary Public in and for the
State of Washington,
Residing at Mercer Island
My Commission Expires 12/30/96
Printed Name RONALD C. DICKINSON

APPROVED AS TO FORM:

Patricia K. Nightingale
By: Patricia K. Nightingale
Assistant Attorney General

STATE OF WASHINGTON

County of Thurston

On this 15th day of March, 1994,
before me personally appeared Joachim Pestinger, SR/WA,
Director, Real Estate Services, for the Washington State
Department of Transportation, and that he executed the
within and foregoing instrument and acknowledged said
instrument to be the free and voluntary act and deed of said
State of Washington, for the uses and purposes therein set
forth, and on oath states that he is authorized to execute
said instrument.

GIVEN under my hand and official seal the day and
year above written.

Harold J. Maloney
Notary Public in and for the
State of Washington,
Residing at Geig Harbor
My Commission Expires June 25, 1996
Printed Name

