

LEASE AGREEMENT

THIS LEASE AGREEMENT, made and entered into this 30 day of December, 2013 (to be effective January 1, 2014), by and between **CITY OF RONAN**, hereinafter called "LESSOR" and **RONAN LIBRARY DISTRICT**, hereinafter called "LESSEE,"

I.

LESSOR has agreed to let to LESSEE, and LESSEE has agreed to lease and take, and does hereby lease and take, from LESSOR, the first floor level of that certain building located at 203 Main St. SW, City of Ronan, Lake County, Montana, described as follows:

Unit #2-7 of the MAIN STREET H & G CONDOMINIUM, a condominium subdivision of Lake County, Montana, according to and as set forth in the Declaration of Unit Ownership and Covenants, Conditions and Restrictions of Main Street H & G Condominium Under the Montana Unit Act and attached Exhibits dated December 20, 2000; recorded December 21, 2000 under Microfile No. 412808 and re-recorded March 9, 2001 under Microfile No. 414252, and Exhibits filed for record December 21, 2000 under Microfile No. 412806 and in permanent file J-6993, and amended by instrument filed for record March 9, 2001 under Microfile No. 414253, and in permanent file J-7020, records of Lake County, Montana.

The East 32 feet of the North 90 feet of Lot 1, Block 6 of the Original Townsite of Ronan, according to the map or plat thereof on file and of record in the office of the Clerk and Recorder of Lake County, Montana.

EXCEPTING THEREFROM that portion of the structure located thereon utilized by the Ronan Police Department

together with all improvements, rights and easements connected therewith, and appurtenances thereunto belonging, including means of ingress and egress. Said lease shall also provide LESSEE with necessary access to the basement of the building for access to the IT network equipment located there.

II.

LESSEE is authorized to use the said premises for the conduct of the District Library and no other purpose without the express written consent of LESSOR. LESSEE shall not use the said premises nor permit the same to be used for any unlawful purpose whatsoever.

III.

LESSEE agrees to pay the sum of Ten Dollars (\$10) per year, payable on or before January 10th of each year for the lease of the premises. It is understood and agreed that this lease shall

renew automatically from year to year, for successive one year terms, under the same terms and conditions set forth herein unless, at least sixty (60) days prior to the expiration of the any lease term, either party gives notice of intent to re-negotiate the terms of the lease or terminate it.

IV.

LESSEE shall pay for interior maintenance and repair of the Library portion of the building and contribute its proportional share of exterior maintenance in an amount not to exceed \$2,500 annually.

The Library portion of the building is currently heated by a propane system that also provides heat to other portions of the building, including City Hall and the Ronan Police Department. Initially, the LESSOR shall provide calculations of square footage utilized by each of the occupants and from that measurement determine the proportionate square footage utilized by the LESSEE for purposes of prorating propane costs. The area computation for the purpose of prorating the use of propane is set forth on Exhibit "A" and attached hereto. The Parties anticipate that LESSEE, as future resources allow, will install a separate propane tank to serve the area occupied by the LESSEE, at LESSEE's expense.

LESSEE shall be responsible for payment of its own electric service, security system, and garbage pickup, along with any other public utility consumed or used by LESSEE not the responsibility of the LESSOR as identified herein. Pending the separation of electric meters, LESSEE will pay its proper share of the total electric costs with the proportion computation being established on Exhibit "B" attached hereto.

The LESSEE shall pay water and sewer charges at the base rate.

The Ronan City Hall Complex is insured through the Montana Municipal Interlocal Authority with premiums paid by the LESSOR. Each year the Montana Municipal Interlocal Authority presents to the LESSOR a premium notice which includes a breakdown for the various portions of the building. The parties will rely on the Montana Municipal Interlocal Authority calculations for purposes of determining the share and reimbursement amounts from the LESSEE to the LESSOR. The LESSEE will provide and maintain its own insurance coverage for the Library contents, including computers, books, furnishings, and all non-fixtured items, as well as its own liability insurance.

V.

In the event of any claims asserted against LESSOR for bodily injury or property damage, LESSEE shall be required to indemnify and hold harmless LESSOR against any losses sustained through the negligence or intentional conduct of LESSEE or its agents or employees, including defense costs.

VI.

LESSEE will, at the termination of this lease, surrender the premises to LESSOR in the

same substantial condition as they now are, with the exception of normal wear and tear.

VII.

Should LESSEE fail to do what is required under this lease, LESSOR may give written notice of such default to LESSEE, and if such default continues for a period of thirty (30) days after such notice is received by LESSEE, LESSOR may declare this lease terminated.

IN WITNESS WHEREOF the said LESSOR and LESSEE have executed and delivered these presents on the day and year first above written.

LESSOR:

LESSEE:

CITY OF RONAN:

RONAN LIBRARY DISTRICT:

By: _____


KIM AIPPERSPACH, Mayor


TIMOTHY R. GORDISH



EXHIBIT "A"
Lease Agreement

CITY OF
RONAN

207 MAIN SW
RONAN, MONTANA 59864
(406) 676-4231

November 21, 2013

Re: Area calculations for propane usage city hall complex

Library square footage	3234
City Hall square footage	1566
Court square footage	1326
Police square footage	1092

Total square footage	7218
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7218 divided by 100 equals 72.18 square feet represents one percent

Library percentage of heated area	44.80%
City Hall percentage of heated area.....	21.69%
City Court percentage of heated area	18.37%
Police percentage of heated area	15.12%

Total	99.98%
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EXHIBIT "B"
Lease Agreement

CITY OF
RONAN

207 MAIN SW
RONAN, MONTANA 59864
(406) 676-4231

November 21, 2013

Re: Area calculations for electrical usage city hall complex

Library square footage	2234
City Hall square footage	1566
Court square footage	1326
Police square footage	1092

Total square footage	6218
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6218 divided by 100 equals 62.18 square feet represents one percent

Library percentage of heated area	35.92%
City Hall percentage of heated area.....	25.18%
City Court percentage of heated area	21.32%
Police percentage of heated area	17.56%

Total	99.98%
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