Mission statement: North Idaho College meets the diverse educational needs of students, employers, and the northern Idaho communities it serves through a commitment to student success, educational excellence, community engagement, and lifelong learning.

EXECUTIVE SESSION - Idaho Code Section 74-206*

6:00 p.m.

CONVENE BOARD MEETING/CALL TO ORDER

Pledge of Allegiance Ken Howard
Verification of Quorum/Introduction of Guests Ken Howard
Introduce and Welcome President Rick MacLennan Ken Howard
Review Minutes Ken Howard
Public Comment**
Celebrating Success: Aerospace Camp 15-20 minutes Pat O’Halloran & Evan Moore

CONSTITUENT REPORTS

ASNIC 5 minutes Sean Collins
Staff Assembly 5 minutes Teresa Henderson
Faculty Assembly 5 minutes Geoff Carr
Senate 5 minutes Josh Gittel

PRESIDENT’S REPORT 10 minutes Rick MacLennan

KTEC REPORT Judy Meyer

OLD BUSINESS None

NEW BUSINESS

Tab 1: Leases Chris Martin
Salary Schedules Policy Ken Howard

BOARD CHAIR REPORT Ken Howard

REMARKS FOR THE GOOD OF THE ORDER**

THANK YOU AND FAREWELL TO TRUSTEE RON NILSON Board

ADJOURN *

Executive sessions may be called for the purposes of considering personnel matters, deliberating regarding an acquisition of an interest in real property, considering records that are exempt from public disclosure, considering preliminary negotiations involving matters of trade or commerce in which this governing body is in competition with another governing body, communicating with legal counsel regarding pending/imminently-likely litigation, communicating with risk manager/insurer regarding pending/imminently-likely claims or to consider labor contract matters.

** Remarks are subject to NIC Policy and Procedure 2.01.03. Copies are available from the President’s Office.

Upcoming Events

<table>
<thead>
<tr>
<th>Event</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Legislative Welcome Reception</td>
<td>Aug 23 – Emery’s</td>
</tr>
<tr>
<td>NIC Board Meeting</td>
<td>Aug 24 – SUB</td>
</tr>
<tr>
<td>NIC Board Workshop – Institutional Master Plan</td>
<td>Sep 13 5:30 p.m. SUB</td>
</tr>
<tr>
<td>CTE Facility Ribbon Cutting / NIC Board Meeting</td>
<td>Sep 28 – 4 p.m. CTE Facility</td>
</tr>
<tr>
<td>ACCT Conference</td>
<td>Oct 5-6 – New Orleans</td>
</tr>
<tr>
<td>NIC Board Meeting</td>
<td>Oct 26 - SUB</td>
</tr>
<tr>
<td>NIC Board Meeting</td>
<td>Nov 16 - SUB</td>
</tr>
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</table>
CALL TO ORDER AND VERIFICATION OF QUORUM
Chair Ken Howard called the meeting to order at 6:05 p.m. and welcomed attendees and guests to the meeting.

ATTENDANCE
Trustees: Judy Meyer
Ken Howard
Christie Wood
Todd Banducci

Also present: Joe Dunlap, President
Marc Lyons, Attorney for North Idaho College
Chris Martin, Vice President for Finance and Business Affairs

Chair Howard led the board and meeting attendees in the Pledge of Allegiance. He then verified that a quorum was present and explained that Trustee Nilson would not be attending the meeting due to travel.

APPROVAL OF MINUTES
Chair Howard called for any changes to the minutes from the meeting held on May 25, 2016. Trustee Meyer pointed out a misspelling on page 5 under Information Items: CTE Facility Update. The word siding should be siting. The second sentence should read: “He went on to say that the siting work is next and curbs are currently being poured.” There being no other changes, the minutes were approved, as modified.

PUBLIC COMMENT
None.

CELEBRATING SUCCESS
Larry Briggs, dean of General Studies thanked members of the Institutional Optimization core team and he provided a review of the process undertaken by the college community to review programs institution wide and the recommendations resulting from the process.

PRESIDENT’S REPORT
Dr. Dunlap made a statement about his time at the college. Members of the board expressed their appreciation to Dunlap for his service.

OLD BUSINESS
Board of Trustees Meeting Calendar FY17
Trustee Wood made a motion to amend the calendar to move the December meeting date from the 21st to the 14th of the month. The motion, seconded by Trustee Meyer, carried unanimously. Trustee
Wood made a motion to adopt the meeting calendar, as modified. The motion, seconded by Trustee Meyer, carried unanimously.

Revised Professional Consulting Policy #3.02.12
VP Martin presented proposed revisions to the policy for the board’s second reading. He commented that revisions remove the requirement for administrative approval for activities in which the employee is engaged during periods of vacation leave, non-duty hours, or on college and legal holidays. Trustee Meyer made a motion to approve revisions to the policy. The motion was seconded by Trustee Wood. Trustee Meyer requested clarification on certain revisions made under section B. The motion to approve revisions to policy #3.02.12 carried unanimously.

Title IX Policy #3.03.06
Director of Student Development Alex Harris commented that further revisions were made to the policy following requests from the board during first reading. Trustee Wood made a motion to approve Policy #3.03.06. The motion, seconded by Trustee Meyer, carried unanimously.

Revised Prior Felonies Policy #5.15
Mr. Harris presented proposed revisions to Prior Felonies Policy #5.15, commenting that no further changes were requested or made since the board’s first reading. Trustee Wood made a motion to approve revisions to Policy #5.15. The motion, seconded by Trustee Meyer, carried unanimously.

Elimination of Sexual Harassment Policy #3.03.01
Human Resources Director Erin Norvell presented the proposal to eliminate Sexual Harassment Policy #3.03.01, stating that with the passage of the Title IX policy, this policy has been replaced. Trustee Meyer made a motion to approve elimination of Policy #3.03.01. The motion, seconded by Trustee Wood, carried unanimously.

NEW BUSINESS
Head Start Grant for Increased Dosage and Duration
Head Start Director Beth Ann Fuller presented a grant proposal to fund an expansion of hours of early education services offered to Head Start–enrolled children. Trustee Meyer made a motion to approve the grant application for supplemental funds for Head Start services. The motion, seconded by Trustee Wood, carried unanimously.

Head Start Job Descriptions
Ms. Fuller commented that annually, Head Start requires approval of any new job descriptions or major changes to existing job descriptions. She added that those being presented at this time represent some changes to certain existing job descriptions and some are for new positions that will be needed as a result of the expansion grant, and will be implemented only if it is awarded. Trustee Meyer made a motion to approve the job descriptions, as presented. The motion, seconded by Trustee Wood, carried unanimously.

Commemorative Gift Naming Structure for CTE Facility
Foundation Executive Director Rayelle Anderson presented a structure developed to award naming opportunities to donors to the CTE facility and she requested the board approve the structure in accordance with college policy #6.06. Trustee Meyer made a motion to approve the commemorative gift opportunities naming structure for the CTE facility. The motion was seconded by Trustee Wood. Chair Howard expressed concern that the board was being asked to approve a naming structure that had no names attached, pointing out that college policy provides the board the authority to approve naming of facilities, not the formula for naming. Anderson responded that the Foundation is requesting the board’s approval of the structure now in order for the college and Foundation to place
the order for commemorative plaques by mid-July so that they are available in time for the official ribbon cutting ceremony in September. Dr. Dunlap commented that though there are donors who have committed resources to the project and will subsequently be offered naming opportunities, it is too early to publically recognize them. He added that the Foundation has a timeline for recognizing such donors. Chair Howard further expressed his concern that according to the policy, the authority for naming facilities is the responsibility of the college, not the Foundation, and in this case, the board is being asked to assign this responsibility to the Foundation. College Attorney Marc Lyons commented that after the announcements of the donors are made, the board can ratify and approve the final naming. Following further discussion about the timeline associated with the public release of specific donor names, Chair Howard expressed his wish that for future capital campaigns, donors be reminded that the college is a public institution and their names will need to be shared with the board of trustees for approval. The motion to approve the commemorative gift naming structure carried with three in favor.

Appointment of Clerk of the Election
VP Chris Martin reported that as a political subdivision, the board must appoint a clerk of the election to certify the candidacy forms. Trustee Wood made a motion to appoint VP Chris Martin as the North Idaho College District clerk of the election for the upcoming board of trustees election. The motion, seconded by Trustee Meyer, carried unanimously.

North Idaho College Trustee Zones
Chair Howard reported that the Idaho State Board of Education did approve the zoning plan that the board of trustees approved. He went on to state that the plan puts the board in a position of having to appoint trustees to each of the identified zones and with Trustees Nilson and Banducci residing in the same zone, the board needs to decide which of them will remain in that zone. He continued to state that Trustee Nilson has indicated, on several occasions, that he has resigned, though the date of resignation is unclear. He went on to say that Nilson has been asked to provide his resignation in writing and that Nilson stated in a previous meeting that his resignation would be effective July 2. Howard suggested that the board get notice to the public that interested parties should submit a letter of interest with a list of qualifications, so that the board can review them and make some decisions and hopefully have the open seat filled by the August meeting.

Following a discussion of the prospective process to fill the open seat, Trustee Wood made a motion to appoint each of the trustees to their respective zones as identified in the approved NIC District Zoning Plan and that Trustee Banducci be appointed to Zone 3. The motion, seconded by Trustee Meyer, carried unanimously.

Trustee Wood made a motion to fill the open Trustee Zone 5 seat by notifying the public of the open seat and asking interested residents of Zone 5 to submit letters of interest no later than July 15 to the Chair of the Board of Trustees through the NIC President's Office. The motion, seconded by Trustee Meyer, carried unanimously.

INFORMATION ITEMS

CTE Facility Update
VP Chris Martin reported that equipment is being moved into the facility and he provided a brief overview of the items that have been completed or are nearing completion.

Institutional Master Plan
Dr. Dunlap reviewed the draft plan highlighting specific goals set out in the plan. He stated that the board should decide whether or not to acquire certain properties surrounding the campus and he recommended the board have that specific discussion with Jon Mueller from Landmark Landscape
Architects from which Mueller may formalize a higher education campus map for the board to approve and include in the institutional master plan.

Chair Howard recommended the board schedule a workshop, led by the institution, to provide the trustees an opportunity to comment on the institutional master plan. Following some discussion, the trustees agreed to meet in a workshop September 13 at 5:30 p.m. with a discussion of property acquisition at the August 24 executive session and formal first reading of the plan in October.

Trustee Meyer commented on and requested clarification of certain statements made in the draft plan.

BOARD CHAIR REPORT
Chair Howard commented on a recent visit he made to the CTE facility and he congratulated everyone for the good work accomplished on the development of the project and construction of the facility. He thanked Dr. Dunlap for the positive impact he has made during his time at the college.

REMARKS FOR THE GOOD OF THE ORDER
Trustee Banducci provided a KTEC report, stating that the Lakeland School District Superintendent is retiring, that the budget has approximately $150,000 in reserves, and the organization is dealing with an ongoing challenge with heating the facility. He closed by stating that attendance is up.

Trustee Meyer expressed her thanks to the Coeur d’Alene Press for an article about the Idaho Business for Education organization that was included in a recent edition of the Idaho Business Journal.

The meeting was adjourned at 7:55 p.m.

________________________  ____________________
Board of Trustees Chair  Board of Trustees Secretary
SUBJECT
Consent Approval of Leased Properties for FY17

BACKGROUND
The college leases multiple facilities as part of its ongoing operations to deliver programs and outreach to students and children across the five county service area. Past practice of the college has been for the president or vice president for finance to sign the leases following the approval of the fiscal year budget by the board of trustees. In an effort to better align lease approvals with best practice, as leases are up for renewal they will be presented to the board. The following leases are presented for approval at this time:

- **OPRV Ctr.**
  - 2705 Howard Street
  - Coeur d'Alene, ID
  - $24,000 Annual Lease

- **Julien Bucher Head Start Ctr.**
  - 6653 Chippewa Dr.
  - Bonner's Ferry, ID
  - $18,780 Annual Lease

- **Bonner’s Ferry Outreach Ctr.**
  - 6791 Main Street, Ste. B,
  - Bonner’s Ferry, ID
  - $25,500 Annual Lease

- **Shoshone Head Start Center**
  - 123 Mission
  - Kellogg, ID
  - $15,000 Annual Lease

- **Silver Valley Outreach Ctr.**
  - 323 Main Street
  - Kellogg, ID
  - $13,200 Annual Lease

- **Sandpoint "Head Start Center**
  - 101 S. Euclid,
  - Sandpoint, ID
  - $18,000 Annual Lease

- **Lakeland Head Start Ctr.**
  - 14797 N, Kimo Ct.
  - Rathdrum, ID
  - $20,280 Annual Lease

COMMITTEE ACTION
N/A

FINANCIAL IMPACT
Each of the leases presented has been budgeted for in the approved FY17 Budget for North Idaho College or North Idaho College Head Start.

REQUESTED BOARD ACTION
The board will authorize the Board Chairman to execute one year renewals of the following leases as presented:  
- OPRV Center, Bonner’s Ferry Outreach Center, Silver Valley Outreach Center, 
- Lakeland Head Start Center, Julien Bucher Head Start Center, Shoshone Head Start Center, 
- Sandpoint Head Start Center.

Prepared by:

Chris A. Martin
Vice President for Finance and Business Affairs
AMENDMENT TO LEASE AGREEMENT

This Amendment to Lease Agreement (defined below) ("Amendment") is made and entered on the date of the last signature set forth below, by and between Kyle K. Helmhout (collectively, "Landlord") and NORTH IDAHO COLLEGE, a duly formed and existing community college in the state of Idaho ("Tenant" or "NIC").

RECITALS

WHEREAS, on or around June 26, 2013, Landlord and Tenant entered into that certain lease agreement for real property located at approximately 2705 E. HOWARD ST., COEUR D’ALENE, IDAHO, IN THE HOWARD SUBDIVISION; consisting of SECTIONS OF Parcel Number -C4725-00A-999C, AIN NUMBERS; 6675, 7206, 19436, and more particularly described in said lease agreement (referred to herein as the "Lease").

WHEREAS, the Term of the Lease is set to expire on June 14, 2016;

WHEREAS, the Lease identifies Tenant’s option to exercise a Renewal Term for an additional three years; and

WHEREAS, the parties desire to amend the Renewal Term from three years to one year and further desire to increase the base rent to $2,000 per month during the Renewal Term.

NOW, THEREFORE, for good, valuable and sufficient consideration, the receipt of which is hereby acknowledged by each party hereto, Landlord and Tenant hereby agree that the Lease shall be, and hereby is, amended as follows:

1. Paragraph 3 of the Lease, titled "OPTION TO RENEW" is hereby amended and restated as follows: The initial term of the Lease shall expire on June 14, 2016 at 11:59 p.m. Thereafter, the term of the Lease shall be for one year commencing June 15, 2016 and terminating at 11:59 p.m. on June 14, 2017 (the "Renewal Term").

2. Base Rent during the Renewal Term shall be $2,000.00 per month.

3. Except as expressly provided in this Amendment, the Lease remains unmodified and in full force and effect.

4. Except as otherwise defined herein, all capitalized terms in this Amendment shall have the meaning given to them in the Lease.

5. This Amendment may be executed in any number of counterparts, and each counterpart shall be deemed to be an original document.

[SIGNATURE PAGE TO FOLLOW]
IN WITNESS WHEREOF, Landlord and Tenant have executed this Amendment as of the date set forth below; provided, however, that the parties understand that this Amendment to Lease must be approved by a majority of the Board of Trustees of NIC in order to be binding and effective.

“Landlord”

[Signature]
Date: 4/28/16
Kyle K. Helmhout

“Tenant”

__________________________ Date: ______
North Idaho College
By: Chris Martin
Its: Vice President for Finance and Business Affairs

BOARD OF TRUSTEES OF NIC

__________________________ Date: ______
By: _______________________
Its: _______________________
AMENDMENT TO LEASE

This Amendment to Lease ("Amendment") is made and entered into this 1st day of July, 2016, by and between Boundary County, Idaho, a political subdivision of the State of Idaho (the "County"), and NORTH IDAHO COLLEGE, a duly formed and existing community college in the State of Idaho ("NIC").

RECITALS

WHEREAS, on or around July 1, 2015, the County and NIC entered into a Real Property and Building Lease (the "Lease") for the purpose of leasing that certain real property located in Boundary County, Idaho and more particularly described as follows:

A portion of Lots 9 and 10 of Block 1 of Bruce Acres Subdivision in the City of Bonners Ferry, Boundary County, Idaho; being a portion of that property described in Instrument Number 191225.

WHEREAS, the County and NIC desire to amend the Lease.

NOW, THEREFORE, for good, valuable and sufficient consideration, the receipt of which is hereby acknowledged by each party hereto, the County and NIC hereby agree that the Lease shall be, and hereby is, amended as follows:

1. The term of the Lease shall be extended for one year beginning July 1, 2016 and terminating June 30, 2017.

2. Except as expressly provided in this Amendment, the Lease and the terms and conditions set forth therein, including the agreed upon annual rent amount of $25,500.00, shall remain unmodified and in full force and effect.

3. Except as otherwise defined herein, all capitalized terms in this Amendment shall have the meaning given to them in the Lease.

4. This Amendment may be executed in any number of counterparts, and each counterpart shall be deemed to be an original document.

[SIGNATURE PAGE TO FOLLOW]
IN WITNESS WHEREOF, the County and NIC have executed this Amendment as of the date first written above. However, the parties understand that the Amendment must be approved by a majority of the Board of Trustees of NIC in order to be binding and effective.

BOUNDARY COUNTY, IDAHO

__________________________________
Chairman
Boundary County Board of Commissioners

ATTEST:

__________________________________
Clerk, Board of County Commissioners

NORTH IDAHO COLLEGE

__________________________________ Date: ______
By: Chris A. Martin
Its: Vice President for Finance and Business Affairs

ATTEST:

__________________________________
Notary Public in and for State of Idaho
Residing at __________________________
My Commission Expires ______________

BOARD OF TRUSTEES OF NIC

__________________________________ Date: ______
By: ________________________________
Its: ________________________________
LEASE AGREEMENT

THIS LEASE AGREEMENT (the “Lease”) is made this 1st of July, 2016, by and between North Idaho College, a duly formed and existing community college in the State of Idaho (“NIC”) and the City of Kellogg, a municipal corporation of the State of Idaho (“City”). NIC and the City are collectively referred to herein as the “Parties.”

In consideration of the mutual covenants and agreements contained herein and for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. Premises. The City hereby leases to NIC, and NIC hereby leases from the City, that certain leasehold interest in real property, with improvements located at 323 Main Street, Kellogg, Idaho 83837 (the “Premises”).

2. Term. The term of this Lease shall be for one year, commencing on July 1, 2016 and terminating on June 30, 2017, with the option hereby given to NIC to renew said Lease for ten (10) additional one-year terms, beginning July 1 of each year and ending June 30 of the subsequent year.

3. Rent and Utilities. NIC hereby agrees to pay the City rent in the amount of One Thousand One Hundred and 00/100 Dollars ($1,100.00) per month. NIC also agrees to pay forty-one percent (41%) of the building utilities, including without limitation heat, water, air conditioning, natural gas, and electricity. NIC shall also pay for all Internet and telephone charges and fees, as well as the designated maintenance and operation costs set forth in Section 9. The City will provide and pay for sewer services and garbage removal, as well as the designated facility costs and other costs set forth in Section 9.

4. Use of Premises. NIC intends to use the Premises for the purpose of providing college level courses, programs and related activities, and agrees not to use the Premises or permit the Premises to be used for any unlawful purpose. NIC shall have the authority to allow other educational providers to utilize the Premises.

5. Termination. Upon termination of the Lease, NIC shall vacate and surrender the Premises to the City in the same condition the Premises are in on the first day of the Lease, except for normal wear and tear, and the City shall retain all sums paid pursuant to this Lease and shall return all of NIC’s equipment and other personal property to NIC.

6. Insurance. NIC shall, at its sole cost and expense, provide and keep in force insurance on the Premises in the amount and in the form hereinafter provided: public liability bodily injury and property damage with limits of not less than $500,000.00 per person and $500,000 per occurrence insuring against any and all negligent acts of the NIC with respect to the Premises or arising from the negligent maintenance, use or occupancy thereof by NIC.
The City shall, at the City’s expense, maintain on the Premises a policy of standard
fire insurance with extended coverage in the amount of its replacement value.

7. **Liens and Encumbrances.** NIC shall keep the Premises free and clear of all levies,
liens and encumbrances.

8. **Signs.** NIC may install signs to identify its facility; provided, however, said signs
must be preapproved by the City.

9. **Maintenance and Operation.** NIC will provide the infrastructure it needs to
furnish and operate the facility, including without limitation Internet and telephone
services, office and classroom furniture, audio/visual equipment and computer lab
equipment. NIC will also provide adequate staffing and management for its
intended uses, as well as any requisite marketing. All of these ongoing maintenance
and operation costs, including the costs of instructors, shall be the responsibility of
NIC. NIC shall also pay for janitorial services, snow removal and light bulb
replacement.

The City shall be responsible for the structural integrity and maintenance of the
Premises, including without limitation maintenance of the roof. The City shall pay
for all facility maintenance and repair costs, including, specifically, air filters. The
City shall provide NIC with adequate parking, the adequacy of which will be
mutually agreed upon by the Parties, and the City will pay for the maintenance of
said parking. The City shall provide garbage removal, and NIC shall place all
garbage in the receptacles provided by the City.

The Parties agree that the Premises shall meet all building, fire, electrical and zoning
codes, as well as ADA policies and other applicable laws, in compliance with NIC’s
educational standards.

10. **Silver Valley Advisory Committee.** The Parties agree to participate and be active
members of the Silver Valley Advisory Committee. It is the intention that
educational offerings will be determined annually by NIC’s administration with
advisory input from the Silver Valley Advisory Committee. This advisory input will
include community feedback on the number and type of classes offered and
strategies to meet minimum college enrollments.

11. **Representations and Warranties.** NIC acknowledges that no representations or
warranties, either express or implied, have been made by or on behalf of the City
with respect to the Premises, except as contained herein. In no event shall NIC be
liable for any latent defects or for any alterations, repairs or improvements
necessary to make the Premises suitable for NIC’s uses.

12. **Notice.** Any notice required hereunder shall be provided to the Parties at the
following addresses:
To NIC: North Idaho College  
    Attn: Vice President for Finance and Business Affairs  
    1000 W. Garden Ave.  
    Coeur d'Alene, ID 83814

To City: City of Kellogg  
    Attn: City Clerk  
    1007 McKinley Ave.  
    Kellogg, ID 83837

13. **Assignability.** NIC shall not assign or transfer this Lease, the Premises or any interest therein without the prior written consent of the City. In the event the City transfers the Premises to a third party, the instrument of conveyance shall be subject to this Lease.

14. **Binding Effect.** This Lease shall apply to and be binding upon the Parties and their respective successors-in-interest.

15. **Entire Agreement.** This Lease contains all of the covenants and agreements between the Parties 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 the Parties.

16. **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.

17. **Governing Law.** This Lease shall be governed by and construed in accordance with the laws of the State of Idaho.

18. **Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.
IN WITNESS WHEREOF, the City and NIC have executed this Lease as of the date first written above.

CITY OF KELLOGG

__________________________________________ Date:____
By: __________________________________________
Its: _________________________________________

NORTH IDAHO COLLEGE

__________________________________________ Date:____
By: Chris A. Martin _____________________________
Its: Vice President for Finance and Business

BOARD OF TRUSTEES OF NIC

__________________________________________ Date:____
By: __________________________________________
Its: _________________________________________
IV. Obligations of NIC

NIC agrees to maintain the interior of the premises in a good and reasonable condition of repair and at the termination of the lease to leave the premises in as good condition of repair as the same now is, ordinary wear and tear excepted. NIC shall provide all janitorial services and yard maintenance.

NIC will bear the expenses of all utilities used on the leased premises and will pay such utility expenses directly except that Head Start shall pay for the sewer hook-up fees.

No alterations or improvements shall be made without the written consent of Head Start.

NIC shall at all times comply with all laws, rules, orders, requirements or regulations of any city, state or federal authorities, departments, boards or bodies applicable to its operation.

V. Obligations of Head Start

Head Start shall maintain in good condition the structural components of the building and property such as the walls and the roof. Head Start shall maintain and repair windows, doors, skylights, adjacent sidewalks and parking lot, and the building exterior.

VI. Inspection

NIC will allow Head Start or its agent’s access to the leased premises at all reasonable times. Notwithstanding anything to the contrary contained in this Lease, however, all entries to the premises shall be subject to the following conditions: (a) except in the case of any emergency, Head Start shall give NIC reasonable prior notice, (b) Head Start shall comply with NIC’s reasonable security requirements and procedures, (c) all entries and all work performed by Head Start during such entries shall be made and performed so as to minimize the extent and duration of any interference to NIC’s business and after completion of any such work, Head Start shall restore the premises as nearly as practicable to the condition of the premises before commencement of such work, and (d) if Head Start’s entry or work materially and substantially interferes with NIC’s business, all rent and additional rent due hereunder shall abate in proportion to the extent of the interference.

VII. Liability and Insurance

Head Start shall not be liable for liability or damage claims for injury to persons or property from any cause relating to the occupancy of the demised premises by NIC, its agents, employees and/or patrons, including those arising out of damages or losses occurring on sidewalks and other areas adjacent to the demised premises during the term of this Lease or any
extension of such term. NIC shall indemnify Head Start from any and all liability, loss, or other
damage claims or obligations resulting from any injuries or losses of this nature.

Head Start further covenants and agrees that from and after the date of delivery of the
premises from Head Start to NIC, Head Start will carry and maintain in force, at Head Start’s
sole cost and expense, the following types of insurance coverage, in the amounts specified and
in the form hereinafter provided for:

A. **Public Liability and Property Damage Insurance.** Head Start shall
procure and maintain in force at its expense during the term of this Lease and any
extension of such term, public liability insurance. Such coverage shall be adequate to
protect against liability for damage claims through public use of or arising out of
accidents occurring in or around the demised premises, in a minimum amount of
$1,000,000.00 for each person injured, $1,000,000.00 for any one accident, and
$500,000.00 for property damage. The insurance policies shall provide coverage for
contingent liability of NIC on any claims or losses. Head Start shall obtain a written
obligation from the insurers to notify NIC in writing at least fifteen (15) days prior to
cancellation or refusal to renew any policy.

B. **Fire Insurance.** Head Start shall procure and maintain in force at its
expense during the term of this Lease and any extension of such term, fire insurance.
Such coverage shall be adequate to protect all buildings on the demised premises,
including all alterations, additions, and improvements, against loss or damage by fire,
with all standard fire and extended coverage that may be required by any first
mortgagee. The coverage shall for an amount not less than the replacement cost.

Head Start is also obligated to acquire the same levels of liability and fire insurance in
its’ related lease of the land from NIC. The parties agree that Head Start need only acquire one
policy of liability insurance and one policy of fire insurance that each complies with the
foregoing terms to satisfy both leases.

NIC covenants and agrees that from and after the date of delivery of the premises from
Head Start to NIC, that NIC will carry and maintain in force, at NIC’s sole cost and expense,
the following types of insurance coverage, in the amounts specified and in the form hereinafter
provided for:

A. **Public Liability and Property Damage Insurance.** NIC shall procure and
maintain in force at its expense during the term of this Lease and any extension of such
term, public liability insurance. Such coverage shall be adequate to protect against
liability for damage claims through public use of or arising out of accidents occurring in
or around the demised premises, in a minimum amount of $1,000,000.00 for each
person injured, $1,000,000.00 for any one accident, and $500,000.00 for property
damage. The insurance policies shall provide coverage for contingent liability of Head
Start on any claims or losses. NIC shall obtain a written obligation from the insurers to
notify Head Start in writing at least fifteen (15) days prior to cancellation or refusal to
renew any policy.

B. Contents and Personal Property. NIC shall maintain its own "Renters" insurance policy on all personal property, furniture, fixtures and equipment belonging to NIC.

VIII. Waiver of Subrogation Rights

Anything in this Lease to the contrary notwithstanding, Head Start hereby waives any and all rights of recovery, claim, action or cause of action, against NIC or its agents, officers, employees, contractors, customers, invitees, or business visitors for any loss or damage that may occur to the leased premises, or any improvements thereto, or any personal property of such party therein, by reason of fire, the elements, or any other cause which could be insured against under the terms of standard fire and extended coverage insurance policies, regardless of cause or origin, including the negligence of NIC, its agents, officers, employees, contractors, customers, invitees, or business visitors, and covenants that no insurer shall hold any right of subrogation against NIC.

IX. Destruction

In the event of damage to, or destruction of, the leased building by fire or untoward event, Head Start shall have the option to repair and replace the damaged portion; to do so with all possible expediency. Written notice of the intention of Head Start to repair shall be given to NIC within thirty (30) days after any partial destruction. Rent will be reduced proportionately to the extent to which the repair operations interfere with the business conducted on the demised premises by NIC. The rental term during the period of said repair and replacement shall be proportionately extended.

In the event Head Start determines not to repair or replace, this lease shall thereupon become null and void and of no further force or effect whatever; the obligations of the respective parties being terminated upon such damage or destruction and determination.

X. Default and Termination

The failure of NIC to comply with each term and condition of this lease agreement shall constitute a default of this Lease. NIC shall have thirty (30) days after receipt of any written notice of default from Head Start to correct the conditions specified in the notice. If the corrections cannot be made within the thirty-day period, NIC shall have a reasonable time to correct the default if action is commenced by NIC within thirty (30) days after receipt of the notice.

Head Start shall have the following remedies in addition to its other rights and remedies in the event NIC defaults and fails to make corrections as set forth above:
A. Head Start may reenter the demised premises immediately and remove the property and personnel of NIC, store the property in a public warehouse or at a place selected by Head Start, at the expense of NIC.

B. After reentry, Head Start may terminate this Lease on giving thirty (30) days' written notice of termination to NIC. Without such notice, reentry will not terminate this lease agreement. On termination, Head Start may recover from NIC all damages proximately resulting from the breach, including, but not limited to, the cost of recovering the demised premises and the balance of the rent payments remaining due and unpaid under this lease agreement.

Notice of such default shall be deemed to have been given when stated in writing and contained in a sealed envelope addressed to NIC at the leased premises, with postage thereon prepaid and deposited in the United States Post Office.

The NIC Head Start Program is a federally funded program. In the event that federal funds are reduced or cease to be appropriated for continued operations of NIC’s programs and facilities, the lease shall become null and void upon the date of last federal funds received. Any funds received by Head Start in advance shall be prorated and unused funds returned to NIC within 30 days of written notice.

XI.

Attorney Fees

In the event either party places the interpretation or enforcement of this lease, or any part thereof, or the collection of any rent due, or to become due hereunder, or recovery of the possession of the leased premises in the hands of an attorney, or files suit upon the same, the non-prevailing (or defaulting) party shall pay the other party’s reasonable attorneys' fees and court costs.

The terms and conditions hereof shall extend to and be binding upon the heirs, executors, administrators and assigns of the respective parties.

IN WITNESS WHEREOF, the parties have executed this Lease on this ___ day of __________________ 2016.

Friends of Head Start, Inc. 

By: ____________________________
Terry Bostick
Its: Chair

North Idaho College Head Start

By: ____________________________
Christopher Martin
Its: Vice President of Finance and Business Affairs
Friends of Head Start

LEASE AGREEMENT

Julien Bucher Early Learning Center

THIS LEASE is made and entered into this 1st day of July, 2016, by and between Friends of Head Start, Inc., P.O. Box 1707, Coeur d'Alene, Idaho 83814, hereinafter referred to as "Head Start", and NORTH IDAHO COLLEGE by and through its HEAD START PROGRAM, 1000 W. Garden Avenue, Coeur d'Alene, Idaho, 83814, hereinafter referred to as "NIC".

Head Start, for and in consideration of the rents and covenants hereinafter mentioned, to be paid and performed by NIC, does by these presents, lease and let unto NIC the following described property for the term and upon the conditions hereinafter specified, to wit:

I.

Property and Purpose

The property is described as Parcel Number RPB-00000-226615-A, known as Tax 87, Section 22, TWP 62, North Range 1 East, Boise Meridian, Boundary County, Idaho

The purpose of the lease is to provide NIC the use of the building and property located at 6653 Chippewa Drive, Bonners Ferry, Idaho, 83805, for the purpose of operating a North Idaho Head Start facility in Boundary County, Idaho.

II.

Term

The term of this Lease shall be for the period of one (1) year commencing July 1, 2016 and ending June 30, 2017. NIC shall also have the option to renew for additional one year periods for so long as Head Start leases the above-described real property to North Idaho College. Such renewals shall be exercised by entering into a new Lease or by NIC paying the annual rent for the property on or before the 1st day of August, annually. In the event that a new annual Lease is not timely entered into but NIC continues to occupy the premises, the parties agree that the lease option for another year will be treated as exercised and the terms of the Lease shall be as stated in this lease or as the parties may otherwise agree.

III.

Rental

NIC agrees to pay as rent for said property the sum of $18,780.00 per year in advance, on or before the 1st day of August, annually.
IV.
Obligations of NIC

NIC agrees to maintain the interior of the premises in a good and reasonable condition of repair and at the termination of the lease to leave the premises in as good condition of repair as the same now is, ordinary wear and tear excepted. NIC shall provide all janitorial services and yard maintenance.

NIC will bear the expenses of all utilities used on the leased premises and will pay such utility expenses directly except that Head Start shall pay for the sewer hook-up fees.

No alterations or improvements shall be made without the written consent of Head Start.

NIC shall at all times comply with all laws, rules, orders, requirements or regulations of any city, state or federal authorities, departments, boards or bodies applicable to its operation.

V.
Obligations of Head Start

Head Start shall maintain in good condition the structural components of the building and property such as the walls and the roof. Head Start shall maintain and repair windows, doors, skylights, adjacent sidewalks and parking lot, and the building exterior.

VI.
Inspection

NIC will allow Head Start or its agent’s access to the leased premises at all reasonable times. Notwithstanding anything to the contrary contained in this Lease, however, all entries to the premises shall be subject to the following conditions: (a) except in the case of any emergency, Head Start shall give NIC reasonable prior notice, (b) Head Start shall comply with NIC’s reasonable security requirements and procedures, (c) all entries and all work performed by Head Start during such entries shall be made and performed so as to minimize the extent and duration of any interference to NIC’s business and after completion of any such work, Head Start shall restore the premises as nearly as practicable to the condition of the premises before commencement of such work, and (d) if Head Start’s entry or work materially and substantially interferes with NIC’s business, all rent and additional rent due hereunder shall abate in proportion to the extent of the interference.

VII.
Liability and Insurance

Head Start shall not be liable for liability or damage claims for injury to persons or property from any cause relating to the occupancy of the demised premises by NIC, its agents, employees and/or patrons, including those arising out of damages or losses occurring on sidewalks and other areas adjacent to the demised premises during the term of this Lease or any extension of such term. NIC shall indemnify Head Start from any and all liability, loss, or other
Head Start further covenants and agrees that from and after the date of delivery of the premises from Head Start to NIC, Head Start will carry and maintain in force, at Head Start’s sole cost and expense, the following types of insurance coverage, in the amounts specified and in the form hereinafter provided for:

A. Public Liability and Property Damage Insurance. Head Start shall procure and maintain in force at its expense during the term of this Lease and any extension of such term, public liability insurance. Such coverage shall be adequate to protect against liability for damage claims through public use of or arising out of accidents occurring in or around the demised premises, in a minimum amount of $1,000,000.00 for each person injured, $1,000,000.00 for any one accident, and $500,000.00 for property damage. The insurance policies shall provide coverage for contingent liability of NIC on any claims or losses. Head Start shall obtain a written obligation from the insurers to notify NIC in writing at least fifteen (15) days prior to cancellation or refusal to renew any policy.

B. Fire Insurance. Head Start shall procure and maintain in force at its expense during the term of this Lease and any extension of such term, fire insurance. Such coverage shall be adequate to protect all buildings on the demised premises, including all alterations, additions, and improvements, against loss or damage by fire, with all standard fire and extended coverage that may be required by any first mortgagee. The coverage shall for an amount not less than the replacement cost.

Head Start is also obligated to acquire the same levels of liability and fire insurance in its’ related lease of the land from NIC. The parties agree that Head Start need only acquire one policy of liability insurance and one policy of fire insurance that each complies with the foregoing terms to satisfy both leases.

NIC covenants and agrees that from and after the date of delivery of the premises from Head Start to NIC, that NIC will carry and maintain in force, at NIC’s sole cost and expense, the following types of insurance coverage, in the amounts specified and in the form hereinafter provided for:

A. Public Liability and Property Damage Insurance. NIC shall procure and maintain in force at its expense during the term of this Lease and any extension of such term, public liability insurance. Such coverage shall be adequate to protect against liability for damage claims through public use of or arising out of accidents occurring in or around the demised premises, in a minimum amount of $1,000,000.00 for each person injured, $1,000,000.00 for any one accident, and $500,000.00 for property damage. The insurance policies shall provide coverage for contingent liability of Head Start on any claims or losses. NIC shall obtain a written obligation from the insurers to notify Head Start in writing at least fifteen (15) days prior to cancellation or refusal to renew any policy.
B. Contents and Personal Property. NIC shall maintain its own "Renters" insurance policy on all personal property, furniture, fixtures and equipment belonging to NIC.

VIII. Waiver of Subrogation Rights

Anything in this Lease to the contrary notwithstanding, Head Start hereby waives any and all rights of recovery, claim, action or cause of action, against NIC or its agents, officers, employees, contractors, customers, invitees, or business visitors for any loss or damage that may occur to the leased premises, or any improvements thereto, or any personal property of such party therein, by reason of fire, the elements, or any other cause which could be insured against under the terms of standard fire and extended coverage insurance policies, regardless of cause or origin, including the negligence of NIC, its agents, officers, employees, contractors, customers, invitees, or business visitors, and covenants that no insurer shall hold any right of subrogation against NIC.

IX. Destruction

In the event of damage to, or destruction of, the leased building by fire or untoward event, Head Start shall have the option to repair and replace the damaged portion; to do so with all possible expediency. Written notice of the intention of Head Start to repair shall be given to NIC within thirty (30) days after any partial destruction. Rent will be reduced proportionately to the extent to which the repair operations interfere with the business conducted on the demised premises by NIC. The rental term during the period of said repair and replacement shall be proportionately extended.

In the event Head Start determines not to repair or replace, this lease shall thereupon become null and void and of no further force or effect whatever; the obligations of the respective parties being terminated upon such damage or destruction and determination.

X. Default and Termination

The failure of NIC to comply with each term and condition of this lease agreement shall constitute a default of this Lease. NIC shall have thirty (30) days after receipt of any written notice of default from Head Start to correct the conditions specified in the notice. If the corrections cannot be made within the thirty-day period, NIC shall have a reasonable time to correct the default if action is commenced by NIC within thirty (30) days after receipt of the notice.

Head Start shall have the following remedies in addition to its other rights and remedies in the event NIC defaults and fails to make corrections as set forth above:

A. Head Start may reenter the demised premises immediately and remove the property and personnel of NIC, store the property in a public warehouse or at a place
selected by Head Start, at the expense of NIC.

B. After reentry, Head Start may terminate this Lease on giving thirty (30) days’ written notice of termination to NIC. Without such notice, reentry will not terminate this lease agreement. On termination, Head Start may recover from NIC all damages proximately resulting from the breach, including, but not limited to, the cost of recovering the demised premises and the balance of the rent payments remaining due and unpaid under this lease agreement.

Notice of such default shall be deemed to have been given when stated in writing and contained in a sealed envelope addressed to NIC at the leased premises, with postage thereon prepaid and deposited in the United States Post Office.

The NIC Head Start Program is a federally funded program. In the event that federal funds are reduced or cease to be appropriated for continued operations of NIC’s programs and facilities, the lease shall become null and void upon the date of last federal funds received. Any funds received by Head Start in advance shall be prorated and unused funds returned to NIC within 30 days of written notice.

XI.

Attorney Fees

In the event either party places the interpretation or enforcement of this lease, or any part thereof, or the collection of any rent due, or to become due hereunder, or recovery of the possession of the leased premises in the hands of an attorney, or files suit upon the same, the non-prevailing (or defaulting) party shall pay the other party’s reasonable attorneys’ fees and court costs.

The terms and conditions hereof shall extend to and be binding upon the heirs, executors, administrators and assigns of the respective parties.

IN WITNESS WHEREOF, the parties have executed this Lease on this ___ day of _____________, 2016.

Friends of Head Start, Inc. 

By: ____________________________

Terry Bostick

Its: Chair

North Idaho College Head Start

By: ____________________________

Christopher Martin

Its: Vice President of Finance and Business Affairs
Friends of Head Start

LEASE AGREEMENT

Shoshone Center

THIS LEASE is made and entered into this 1st day of July, 2016, by and between Friends of Head Start, Inc., P.O. Box 1707, Coeur d’Alene, Idaho 83814, hereinafter referred to as "Head Start", and NORTH IDAHO COLLEGE by and through its HEAD START PROGRAM, 1000 W. Garden Avenue, Coeur d’Alene, Idaho, 83814, hereinafter referred to as "NIC".

Head Start, for and in consideration of the rents and covenants hereinafter mentioned, to be paid and performed by NIC, does by these presents, lease and let unto NIC the following described property for the term and upon the conditions hereinafter specified, to wit:

I.
Property and Purpose

To provide Head Start the use of the building and property located at 123 Mission, Kellogg, Idaho.

II.
Term

The term of this Lease shall be for the period of one (1) year commencing July 1, 2016 and ending June 30, 2017. NIC shall also have the option to renew for additional one year periods for so long as Head Start leases the above-described real property to North Idaho College. Such renewals shall be exercised by entering into a new Lease or by NIC paying the annual rent for the property on or before the 1st day of August, annually. In the event that a new annual Lease is not timely entered into but NIC continues to occupy the premises, the parties agree that the lease option for another year will be treated as exercised and the terms of the Lease shall be as stated in this lease or as the parties may otherwise agree.

III.
Rental

NIC agrees to pay as rent for said property the sum of $15,000.00 per year in advance, on or before the 1st day of August, annually.

IV.
Obligations of NIC

NIC agrees to maintain the interior of the premises in a good and reasonable condition
of repair and at the termination of the lease to leave the premises in as good condition of repair as the same now is, ordinary wear and tear excepted. NIC shall provide all janitorial services and yard maintenance.

NIC will bear the expenses of all utilities used on the leased premises and will pay such utility expenses directly except that Head Start shall pay for the sewer hook-up fees.

No alterations or improvements shall be made without the written consent of Head Start.

NIC shall at all times comply with all laws, rules, orders, requirements or regulations of any city, state or federal authorities, departments, boards or bodies applicable to its operation.

V.
Obligations of Head Start

Head Start shall maintain in good condition the structural components of the building and property such as the walls and the roof. Head Start shall maintain and repair windows, doors, skylights, adjacent sidewalks and parking lot, and the building exterior.

VI.
Inspection

NIC will allow Head Start or its agent’s access to the leased premises at all reasonable times. Notwithstanding anything to the contrary contained in this Lease, however, all entries to the premises shall be subject to the following conditions: (a) except in the case of any emergency, Head Start shall give NIC reasonable prior notice, (b) Head Start shall comply with NIC’s reasonable security requirements and procedures, (c) all entries and all work performed by Head Start during such entries shall be made and performed so as to minimize the extent and duration of any interference to NIC’s business and after completion of any such work, Head Start shall restore the premises as nearly as practicable to the condition of the premises before commencement of such work, and (d) if Head Start’s entry or work materially and substantially interferes with NIC’s business, all rent and additional rent due hereunder shall abate in proportion to the extent of the interference.

VII.
Liability and Insurance

Head Start shall not be liable for liability or damage claims for injury to persons or property from any cause relating to the occupancy of the demised premises by NIC, its agents, employees and/or patrons, including those arising out of damages or losses occurring on sidewalks and other areas adjacent to the demised premises during the term of this Lease or any extension of such term. NIC shall indemnify Head Start from any and all liability, loss, or other damage claims or obligations resulting from any injuries or losses of this nature.

Head Start further covenants and agrees that from and after the date of delivery of the
premises from Head Start to NIC, Head Start will carry and maintain in force, at Head Start’s sole cost and expense, the following types of insurance coverage, in the amounts specified and in the form hereinafter provided for:

A. Public Liability and Property Damage Insurance. Head Start shall procure and maintain in force at its expense during the term of this Lease and any extension of such term, public liability insurance. Such coverage shall be adequate to protect against liability for damage claims through public use of or arising out of accidents occurring in or around the demised premises, in a minimum amount of $1,000,000.00 for each person injured, $1,000,000.00 for any one accident, and $500,000.00 for property damage. The insurance policies shall provide coverage for contingent liability of NIC on any claims or losses. Head Start shall obtain a written obligation from the insurers to notify NIC in writing at least fifteen (15) days prior to cancellation or refusal to renew any policy.

B. Fire Insurance. Head Start shall procure and maintain in force at its expense during the term of this Lease and any extension of such term, fire insurance. Such coverage shall be adequate to protect all buildings on the demised premises, including all alterations, additions, and improvements, against loss or damage by fire, with all standard fire and extended coverage that may be required by any first mortgagee. The coverage shall for an amount not less than the replacement cost.

Head Start is also obligated to acquire the same levels of liability and fire insurance in its’ related lease of the land from NIC. The parties agree that Head Start need only acquire one policy of liability insurance and one policy of fire insurance that each complies with the foregoing terms to satisfy both leases.

NIC covenants and agrees that from and after the date of delivery of the premises from Head Start to NIC, that NIC will carry and maintain in force, at NIC’s sole cost and expense, the following types of insurance coverage, in the amounts specified and in the form hereinafter provided for:

A. Public Liability and Property Damage Insurance. NIC shall procure and maintain in force at its expense during the term of this Lease and any extension of such term, public liability insurance. Such coverage shall be adequate to protect against liability for damage claims through public use of or arising out of accidents occurring in or around the demised premises, in a minimum amount of $1,000,000.00 for each person injured, $1,000,000.00 for any one accident, and $500,000.00 for property damage. The insurance policies shall provide coverage for contingent liability of Head Start on any claims or losses. NIC shall obtain a written obligation from the insurers to notify Head Start in writing at least fifteen (15) days prior to cancellation or refusal to renew any policy.

B. Contents and Personal Property. NIC shall maintain its own "Renters" insurance policy on all personal property, furniture, fixtures and equipment belonging
VIII.
Waiver of Subrogation Rights

Anything in this Lease to the contrary notwithstanding, Head Start hereby waives any and all rights of recovery, claim, action or cause of action, against NIC or its agents, officers, employees, contractors, customers, invitees, or business visitors for any loss or damage that may occur to the leased premises, or any improvements thereto, or any personal property of such party therein, by reason of fire, the elements, or any other cause which could be insured against under the terms of standard fire and extended coverage insurance policies, regardless of cause or origin, including the negligence of NIC, its agents, officers, employees, contractors, customers, invitees, or business visitors, and covenants that no insurer shall hold any right of subrogation against NIC.

IX.
Destruction

In the event of damage to, or destruction of, the leased building by fire or untoward event, Head Start shall have the option to repair and replace the damaged portion; to do so with all possible expediency. Written notice of the intention of Head Start to repair shall be given to NIC within thirty (30) days after any partial destruction. Rent will be reduced proportionately to the extent to which the repair operations interfere with the business conducted on the demised premises by NIC. The rental term during the period of said repair and replacement shall be proportionately extended.

In the event Head Start determines not to repair or replace, this lease shall thereupon become null and void and of no further force or effect whatever; the obligations of the respective parties being terminated upon such damage or destruction and determination.

X.
Default and Termination

The failure of NIC to comply with each term and condition of this lease agreement shall constitute a default of this Lease. NIC shall have thirty (30) days after receipt of any written notice of default from Head Start to correct the conditions specified in the notice. If the corrections cannot be made within the thirty-day period, NIC shall have a reasonable time to correct the default if action is commenced by NIC within thirty (30) days after receipt of the notice.

Head Start shall have the following remedies in addition to its other rights and remedies in the event NIC defaults and fails to make corrections as set forth above:

A. Head Start may reenter the demised premises immediately and remove the property and personnel of NIC, store the property in a public warehouse or at a place selected by Head Start, at the expense of NIC.
B. After reentry, Head Start may terminate this Lease on giving thirty (30) days' written notice of termination to NIC. Without such notice, reentry will not terminate this lease agreement. On termination, Head Start may recover from NIC all damages proximately resulting from the breach, including, but not limited to, the cost of recovering the demised premises and the balance of the rent payments remaining due and unpaid under this lease agreement.

Notice of such default shall be deemed to have been given when stated in writing and contained in a sealed envelope addressed to NIC at the leased premises, with postage thereon prepaid and deposited in the United States Post Office.

The NIC Head Start Program is a federally funded program. In the event that federal funds are reduced or cease to be appropriated for continued operations of NIC's programs and facilities, the lease shall become null and void upon the date of last federal funds received. Any funds received by Head Start in advance shall be prorated and unused funds returned to NIC within 30 days of written notice.

XI.
Attorney Fees

In the event either party places the interpretation or enforcement of this lease, or any part thereof, or the collection of any rent due, or to become due hereunder, or recovery of the possession of the leased premises in the hands of an attorney, or files suit upon the same, the non-prevailing (or defaulting) party shall pay the other party's reasonable attorneys' fees and court costs.

The terms and conditions hereof shall extend to and be binding upon the heirs, executors, administrators and assigns of the respective parties.

IN WITNESS WHEREOF, the parties have executed this Lease on this ___ day of __________________, 2016.

Friends of Head Start, Inc.  

By: ____________________________  
Terry Bostick  
Its: Chair

North Idaho College Head Start

By: ____________________________  
Christopher Martin  
Its: Vice President of Finance and Business Affairs
Friends of Head Start

LEASE AGREEMENT

Sandpoint Center

THIS LEASE is made and entered into this 1st day of July, 2016, by and between Friends of Head Start, Inc., P.O. Box 1707, Coeur d'Alene, Idaho 83814, hereinafter referred to as "Head Start", and NORTH IDAHO COLLEGE by and through its HEAD START PROGRAM, 1000 W. Garden Avenue, Coeur d'Alene, Idaho, 83814, hereinafter referred to as "NIC".

Head Start, for and in consideration of the rents and covenants hereinafter mentioned, to be paid and performed by NIC, does by these presents, lease and let unto NIC the following described property for the term and upon the conditions hereinafter specified, to wit:

I.
Property and Purpose

To provide Head Start the use of the building and property located at 101 South Euclid, Sandpoint, Idaho.

Modular classroom unit purchased by Lessee and remains the sole property of Lessee.

II.
Term

The term of this Lease shall be for the period of one (1) year commencing July 1, 2016 and ending June 30, 2017. NIC shall also have the option to renew for additional one year periods for so long as Head Start leases the above-described real property to North Idaho College. Such renewals shall be exercised by entering into a new Lease or by NIC paying the annual rent for the property on or before the 1st day of August, annually. In the event that a new annual Lease is not timely entered into but NIC continues to occupy the premises, the parties agree that the lease option for another year will be treated as exercised and the terms of the Lease shall be as stated in this lease or as the parties may otherwise agree.

III.
Rental

NIC agrees to pay as rent for said property the sum of $18,000.00 per year in advance, on or before the 1st day of August, annually.

IV.
Obligations of NIC
NIC agrees to maintain the interior of the premises in a good and reasonable condition of repair and at the termination of the lease to leave the premises in as good condition of repair as the same now is, ordinary wear and tear excepted. NIC shall provide all janitorial services and yard maintenance.

NIC will bear the expenses of all utilities used on the leased premises and will pay such utility expenses directly except that Head Start shall pay for the sewer hook-up fees.

No alterations or improvements shall be made without the written consent of Head Start.

NIC shall at all times comply with all laws, rules, orders, requirements or regulations of any city, state or federal authorities, departments, boards or bodies applicable to its operation.

V.
Obligations of Head Start

Head Start shall maintain in good condition the structural components of the building and property such as the walls and the roof. Head Start shall maintain and repair windows, doors, skylights, adjacent sidewalks and parking lot, and the building exterior.

VI.
Inspection

NIC will allow Head Start or its agent's access to the leased premises at all reasonable times. Notwithstanding anything to the contrary contained in this Lease, however, all entries to the premises shall be subject to the following conditions: (a) except in the case of any emergency, Head Start shall give NIC reasonable prior notice, (b) Head Start shall comply with NIC's reasonable security requirements and procedures, (c) all entries and all work performed by Head Start during such entries shall be made and performed so as to minimize the extent and duration of any interference to NIC's business and after completion of any such work, Head Start shall restore the premises as nearly as practicable to the condition of the premises before commencement of such work, and (d) if Head Start's entry or work materially and substantially interferes with NIC's business, all rent and additional rent due hereunder shall abate in proportion to the extent of the interference.

VII.
Liability and Insurance

Head Start shall not be liable for liability or damage claims for injury to persons or property from any cause relating to the occupancy of the demised premises by NIC, its agents, employees and/or patrons, including those arising out of damages or losses occurring on sidewalks and other areas adjacent to the demised premises during the term of this Lease or any extension of such term. NIC shall indemnify Head Start from any and all liability, loss, or other damage claims or obligations resulting from any injuries or losses of this nature.
Head Start further covenants and agrees that from and after the date of delivery of the premises from Head Start to NIC, Head Start will carry and maintain in force, at Head Start's sole cost and expense, the following types of insurance coverage, in the amounts specified and in the form hereinafter provided for:

A. Public Liability and Property Damage Insurance. Head Start shall procure and maintain in force at its expense during the term of this Lease and any extension of such term, public liability insurance. Such coverage shall be adequate to protect against liability for damage claims through public use of or arising out of accidents occurring in or around the demised premises, in a minimum amount of $1,000,000.00 for each person injured, $1,000,000.00 for any one accident, and $500,000.00 for property damage. The insurance policies shall provide coverage for contingent liability of NIC on any claims or losses. Head Start shall obtain a written obligation from the insurers to notify NIC in writing at least fifteen (15) days prior to cancellation or refusal to renew any policy.

B. Fire Insurance. Head Start shall procure and maintain in force at its expense during the term of this Lease and any extension of such term, fire insurance. Such coverage shall be adequate to protect all buildings on the demised premises, including all alterations, additions, and improvements, against loss or damage by fire, with all standard fire and extended coverage that may be required by any first mortgagee. The coverage shall for an amount not less than the replacement cost.

Head Start is also obligated to acquire the same levels of liability and fire insurance in its' related lease of the land from NIC. The parties agree that Head Start need only acquire one policy of liability insurance and one policy of fire insurance that each complies with the foregoing terms to satisfy both leases.

NIC covenants and agrees that from and after the date of delivery of the premises from Head Start to NIC, that NIC will carry and maintain in force, at NIC's sole cost and expense, the following types of insurance coverage, in the amounts specified and in the form hereinafter provided for:

A. Public Liability and Property Damage Insurance. NIC shall procure and maintain in force at its expense during the term of this Lease and any extension of such term, public liability insurance. Such coverage shall be adequate to protect against liability for damage claims through public use of or arising out of accidents occurring in or around the demised premises, in a minimum amount of $1,000,000.00 for each person injured, $1,000,000.00 for any one accident, and $500,000.00 for property damage. The insurance policies shall provide coverage for contingent liability of Head Start on any claims or losses. NIC shall obtain a written obligation from the insurers to notify Head Start in writing at least fifteen (15) days prior to cancellation or refusal to renew any policy.

B. Contents and Personal Property. NIC shall maintain its own "Renters"
insurance policy on all personal property, furniture, fixtures and equipment belonging to NIC.

VIII.
Waiver of Subrogation Rights

Anything in this Lease to the contrary notwithstanding, Head Start hereby waives any and all rights of recovery, claim, action or cause of action, against NIC or its agents, officers, employees, contractors, customers, invitees, or business visitors for any loss or damage that may occur to the leased premises, or any improvements thereto, or any personal property of such party therein, by reason of fire, the elements, or any other cause which could be insured against under the terms of standard fire and extended coverage insurance policies, regardless of cause or origin, including the negligence of NIC, its agents, officers, employees, contractors, customers, invitees, or business visitors, and covenants that no insurer shall hold any right of subrogation against NIC.

IX.
Destruction

In the event of damage to, or destruction of, the leased building by fire or untoward event, Head Start shall have the option to repair and replace the damaged portion; to do so with all possible expediency. Written notice of the intention of Head Start to repair shall be given to NIC within thirty (30) days after any partial destruction. Rent will be reduced proportionately to the extent to which the repair operations interfere with the business conducted on the demised premises by NIC. The rental term during the period of said repair and replacement shall be proportionately extended.

In the event Head Start determines not to repair or replace, this lease shall thereupon become null and void and of no further force or effect whatever; the obligations of the respective parties being terminated upon such damage or destruction and determination.

X.
Default and Termination

The failure of NIC to comply with each term and condition of this lease agreement shall constitute a default of this Lease. NIC shall have thirty (30) days after receipt of any written notice of default from Head Start to correct the conditions specified in the notice. If the corrections cannot be made within the thirty-day period, NIC shall have a reasonable time to correct the default if action is commenced by NIC within thirty (30) days after receipt of the notice.

Head Start shall have the following remedies in addition to its other rights and remedies in the event NIC defaults and fails to make corrections as set forth above:

A. Head Start may reenter the demised premises immediately and remove the property and personnel of NIC, store the property in a public warehouse or at a place
selected by Head Start, at the expense of NIC.

B. After reentry, Head Start may terminate this Lease on giving thirty (30) days' written notice of termination to NIC. Without such notice, reentry will not terminate this lease agreement. On termination, Head Start may recover from NIC all damages proximately resulting from the breach, including, but not limited to, the cost of recovering the demised premises and the balance of the rent payments remaining due and unpaid under this lease agreement.

Notice of such default shall be deemed to have been given when stated in writing and contained in a sealed envelope addressed to NIC at the leased premises, with postage thereon prepaid and deposited in the United States Post Office.

The NIC Head Start Program is a federally funded program. In the event that federal funds are reduced or cease to be appropriated for continued operations of NIC’s programs and facilities, the lease shall become null and void upon the date of last federal funds received. Any funds received by Head Start in advance shall be prorated and unused funds returned to NIC within 30 days of written notice.

XI.
Attorney Fees

In the event either party places the interpretation or enforcement of this lease, or any part thereof, or the collection of any rent due, or to become due hereunder, or recovery of the possession of the leased premises in the hands of an attorney, or files suit upon the same, the non-prevailing (or defaulting) party shall pay the other party's reasonable attorneys' fees and court costs.

The terms and conditions hereof shall extend to and be binding upon the heirs, executors, administrators and assigns of the respective parties.

IN WITNESS WHEREOF, the parties have executed this Lease on this ___ day of ______________________, 2016.

Friends of Head Start, Inc.                        North Idaho College Head Start

By:__________________________    By:__________________________
   Terry Bostick                  Christopher Martin
   Its: Chair                     Its: Vice President of Finance and
                                   Business Affairs