

SUBLEASE AGREEMENT

This Sublease Agreement ("Sublease") is entered as of this ____ day of _____, 2018, by and between **WICHITA STATE UNIVERSITY**, a state educational institution of Kansas, 1845 Fairmount, Wichita, Kansas 67260-0007, (hereinafter "Tenant") and **SEDGWICK COUNTY, KANSAS**, 525 N. Main, Wichita, Kansas 67203 (hereinafter "Landlord").

WITNESSETH:

WHEREAS, on December 12, 2006, the Wichita Airport Authority issued to the Sedgwick County Public Building Commission ("PBC") a 50-year Ground Lease, said lease covering that certain real property set out and described on Exhibit A and the legal description contained in Exhibit B, both exhibits which are attached hereto and made a part hereof (collectively the "Ground Lease"); and

WHEREAS, Landlord, by virtue of a sublease dated December 18, 2008, where the PBC was Lessor (the "PBC Lease"), subleased the Ground and all improvements now or hereafter located thereon, with an address of 4004 N. Webb, Wichita, Kansas, 67226, which includes the Gateway Administrative Center, Building 100, comprising approximately 30,500 sq. ft.; Manufacturing Technical Center, Building 200, comprising approximately 79,387 sq. ft.; and the Aviation Service Center, Building 300, comprising approximately 112,665 sq. ft.; (collectively, the "Property"); and

WHEREAS, the Property is intended for use as an aviation and manufacturing training facility; and

WHEREAS, PBC issued bonds to provide a portion of the funds needed to construct the Property upon the understanding that said improvements would be utilized as aforesaid and operated for such purpose; and

WHEREAS, on April 6, 2011, Landlord entered into a sublease with Tenant for a certain portion of the Property ("WSU Sublease"); and

WHEREAS, on April 6, 2011, Landlord also entered into a sublease with the Wichita Area Technical College ("WATC") for a certain portion of the Property ("WATC Sublease") as well as an operating agreement for the management of the Property ("WATC Operating Agreement"); and

WHEREAS, on January 18, 2017, the Kansas Board of Regents approved proposed legislation authorizing the affiliation of WATC and Tenant to create the WSU Campus of Applied Science and Technology ("WSU CAST"), and such bill was signed into law on April 12, 2017, as Senate Bill No. 174; and

WHEREAS, the Higher Learning Commission approved the affiliation by and between WSU and WATC on November 13, 2017, with an effective affiliation date of December 1, 2017; and

WHEREAS, the parties hereto are now desirous of combining and reorganizing the terms of the WSU Sublease, the WATC Sublease and the WATC Operating Agreement; and

WHEREAS, the parties deem it to be to their mutual benefit and advantage to set forth the terms of their agreement in writing;

NOW, THEREFORE, in consideration of the above premises and the individual and mutual promises of the parties hereinafter set forth, and for other good and valuable consideration, it is hereby agreed by and between the parties:

1. **DEMISE AND PREMISES.** In consideration of the Rent (as defined below) to be paid and the covenants of the parties to be performed hereunder, Landlord hereby leases to Tenant and Tenant hereby leases from Landlord the Property, which Property is located at 4004 N. Webb, Wichita, Kansas, 67226, and generally includes the Gateway Administrative Center, Building 100, comprising approximately 30,500 sq. ft.; the Manufacturing Technical Center, Building 200, comprising approximately 79,387 sq. ft.; and the Aviation Service Center, Building 300, comprising approximately 112,665 sq. ft.
2. **LEASE TERM.** The initial term (herein the "Initial Term") of this Sublease shall commence on the Commencement Date and shall expire on December 31, 2030, unless this Sublease is sooner terminated or extended as herein provided. For purposes of this Sublease, "Sublease Term" means the Initial Term and, in the event this Sublease has at any time been extended, shall also include, collectively, the Initial Term and the period of any such extension. The term Commencement Date shall mean **January 1, 2018**.
3. **RENT.** Tenant shall pay all amounts due under Section 11 of this Sublease as rent. Tenant may pay such amounts either directly to the relevant service providers in Tenant's capacity as tenant, or as otherwise agreed upon. Previous agreements requiring the Landlord to pay or reimburse for utility payments are hereby revoked.
4. **USE OF THE PROPERTY.** Tenant shall use and occupy the Property to provide teaching, research and service consistent with its mission as a state educational institution of Kansas as well as for aviation, education and training purposes and in accordance with any applicable federal, state and municipal laws, statutes, ordinances, resolutions, rules and regulations, and will observe any laws, statutes, ordinances, resolutions, rules and regulations governing Tenant's business with respect to the Property. Tenant agrees to take no action in conjunction with the use and occupancy of the Property that would conflict with or otherwise be unauthorized and in violation of the agreements as outlined in Section 7 below.
5. **PRIVATE USE.** Prior to engaging in activities or entering into any agreement or contract relating to the use of the Property by third parties that may give rise to the "Private Use" (defined below), Tenant agrees to provide the Landlord with a reasonable opportunity to review any proposed agreements or contracts to determine if the proposed agreement or contract would result in Private Use of the Property. If any proposed agreements or contracts give rise to the Private Use of the Property, then Tenant agrees to amend the proposed agreement or contract as necessary to prevent the Private Use from occurring. "Private Use" means use of proceeds of the bonds or the Property in a trade or business carried on by any person or entity other than a State, territory, possession of the United States, the District of Columbia, or any political subdivision thereof, or any instrumentality of such entity. For this purpose, use of the proceeds of the bonds or the Property by the United States and any agency or instrumentality of the United States is treated as Private Use.
6. **POSSESSION.** On the Commencement Date, Landlord will deliver possession of the Property to Tenant and Tenant agrees to accept the Property in an "AS IS, WHERE IS-WITH ALL FAULTS" condition at the time of Tenant's taking of possession.
7. **PREVIOUS CONTRACTUAL COMMITMENTS.** The entering into of this Sublease shall serve as notice and termination of the following agreements: (1) the WSU Sublease, (2) the WATC Sublease, and (3) the WATC

Operating Agreement. The parties hereto understand and agree that the Property is still subject to the following:

- a. The Ground Lease
- b. The PBC Lease
- c. The Tax Compliance Agreement dated December 15, 2008, by and between the PBC, the Landlord and the Sedgwick County Technical Education Training Authority ("SCTETA") (the "Tax Compliance Agreement")

8. **PAYMENT OF PBC BONDS.** Landlord shall make any and all payments required under the PBC Lease and the Ground Lease.

9. **LICENSE TO USE, AND CARE OF, LANDLORD PROPERTY.** Landlord leases to Tenant the Property furnished, without additional cost, to include an exclusive license to use certain furniture, fixtures and equipment that are located at the Property on the Commencement Date ("County FFE") and as set forth on Exhibit D attached hereto and incorporated as if fully set forth herein (the "List"). The parties agree that the County FFE is the property of Landlord and is only available for use by Tenant pursuant to this Sublease, and shall remain the property of Landlord at the termination of this Sublease. The term "County FFE" also includes any replacement property purchased solely with proceeds from the sale of County FFE. Landlord disclaims any interest in or to all property located upon the Property which is not County FFE. Landlord agrees that except as set forth on the List, any item of County FFE with an original acquisition cost of Five Hundred Dollars (\$500) or less shall no longer constitute County FFE after the first anniversary of its purchase. Except as permitted under this Sublease, Tenant agrees not to transfer or dispose of any County FFE. Landlord agrees that it is responsible for monitoring, managing, and inventorying all County FFE.

a. With the prior written consent of Landlord, which consent shall not unreasonably be withheld, Tenant shall have the right to remove and sell or otherwise dispose of any County FFE which is no longer used by Tenant or, in the opinion of Tenant, is no longer suitable for use by Tenant in its operations (whether by reason of obsolescence, depreciation or otherwise), subject, however, to the following conditions:

i. Prior to any such removal, Tenant shall deliver to the Landlord a signed certificate (a) containing the description set forth on the List of the County FFE it proposes to remove or dispose of, (b) stating the reason for such removal or disposition, (c) stating what disposition, if any, of the County FFE is to be made by Tenant after such removal, and (d) setting forth the original cost, if known to Tenant via the List.

ii. Within fourteen (14) days after receipt of Tenant's certificate, Landlord shall provide written consent to the removal and disposition of the County FFE listed therein or, in the alternative, a written denial of consent with the reasons for such denial. In the absence of Tenant's timely receipt of a written denial, Landlord's consent shall be deemed granted.

b. Upon receipt of Landlord's written or deemed consent, Tenant may remove and dispose of the County FFE; provided, however, that:

i. Tenant may replace any such County FFE so removed with items of functionally equivalent property, after taking into account relevant changes in technology and instruction methods. To the extent there is no reasonable functional equivalent to the County FFE being removed, Tenant may exercise

its reasonable discretion in replacing such property with property to be used in its other training programs. Within thirty (30) days after any such replacement by Tenant, Tenant shall deliver to the Landlord a certificate setting forth a complete description, including make, model and serial numbers, if any, of the items Tenant acquired to replace the County FFE using County FFE funds, the cost thereof and that said items have been installed; or

- ii. Tenant shall deposit the proceeds from disposition of any such County FFE in a segregated account to be used solely for the acquisition of future furnishings and equipment for use at the Property.
- c. Tenant shall have such license and usage rights through the Lease Term. Tenant shall repair or replace, at its expense, all loss or damage to the County FFE whenever such damage or loss shall have resulted from Tenant's use, misuse, waste or neglect. Within sixty (60) days after execution of this Sublease, Landlord shall provide to Tenant a list of the Landlord FFE that Landlord agrees to furnish as part of the Property. Absent agreement otherwise, Landlord shall not provide any additional FFE, maintenance of FFE, replacement of FFE or repair of any FFE past the commencement date of this Lease. Should Tenant's needs include additional FFE, such costs will be at the Tenant's sole expense (unless such additional FFE is purchased by County Funds as permitted under this Section 9).

10. MAINTENANCE, REPAIRS AND REPLACEMENTS.

- a. **Landlord Responsibilities.** Landlord will maintain and repair the foundation, exterior walls and windows, and roof of the Property, at Landlord's sole cost and expense. Landlord will also maintain, repair and replace the Common Areas, and the mechanical, heating, cooling, HVAC, and structural elements of the Property, provided that Tenant will be responsible for any such repairs occasioned by the acts or omission of Tenant, its agents, employees, invitees or licensees. Landlord may enter the Property at reasonable hours, upon notice to Tenant so as not to disrupt Tenant's business by reason of Landlord's actions in fulfilling its obligations. Landlord is further responsible for maintaining all interior areas such as hallways, bathrooms, and the associated plumbing, electrical, and HVAC services for such areas. Landlord shall keep the Property in compliance with all codes, ordinances, statutes, regulations, and other governmental requirements applicable to the Property as any such codes, ordinances, statutes, regulations, or requirements may be amended from time to time. Landlord is also responsible for maintaining, at its sole expense, all exterior grounds including, but not limited to mowing, watering and fertilizing all grass; maintaining all plantings, including pruning and watering of hedges and trees; care, maintenance and replacement of all exterior lighting fixtures relating to the general grounds and parking lots; and providing sweeping and snow removal of sidewalks and parking lots. If Landlord fails at any time to fulfil its obligation under this paragraph, Tenant shall provide notice of such deficiency in writing to Landlord. Upon receipt of such notice Landlord shall correct the deficiency within thirty (30) days.
- b. **Tenant Responsibilities.** Tenant will at all times keep and maintain the Property and appurtenances in good condition, including replacement and repair, and Tenant will also keep the Property and appurtenances in a clean, sanitary and safe condition in accordance with the laws of the State of Kansas, and in accordance with all directions, rules and regulations of the health officer, fire marshal, building inspector, Landlord or other proper officers of the governmental agencies having jurisdiction, at the sole cost and expense of Tenant. Tenant will permit no waste, damage or injury to the Property, and Tenant will, at its own cost and expense, maintain, replace and/or repair any interior glass windows, doors, hardware, and fixtures serving the Property and as well as all lighting, plumbing and electrical, heating, cooling and HVAC, up to \$1000.00 per occurrence, inside or serving the Property which may be broken or in need of repair. Tenant will, at its own expense, install and maintain fire extinguishers and other fire

protection devices as may be required from time to time by any agency having jurisdiction thereof and the insurance underwriters insuring the Property, with the exception of a fire extinguishing sprinkler system, which if required by the insuring insurance underwriter or proper officers of the governmental agencies having jurisdiction shall be at the sole cost and expense of Landlord. Tenant shall also, at all times, properly heat the Property so as to avoid any freeze up of pipes or damage to the Property. Tenant will also not discharge any inappropriate materials into the sanitary sewer system.

11. **UTILITIES.** Tenant agrees to pay all charges made against the Property for gas, heat, electricity, water, phone, cable internet and any other utilities during the term of this Sublease as the same becomes due, unless the Property is, or becomes separately metered, then Tenant shall pay for said separately metered utility charges. Tenant shall have all utility accounts that exclusively serve the Property changed into Tenant's name commencing with Tenant's possession of the Property.
12. **JANITORIAL SERVICES.** Tenant shall provide janitorial services to the Property five (5) nights per week, with the exception of University-designated holidays, including the University Holiday Closedown Period. Janitorial services shall be provided generally consistent with the furnishing thereof to other Tenant buildings.
13. **CAPITAL IMPROVEMENTS.** Any Capital Improvements to any portion of the Property by Tenant shall be subject to prior approval by Landlord, with written notice to any subsequent operator of the Property, if any, which approval by Landlord shall not be unreasonably withheld. For purposes of this Sublease, "Capital Improvements" shall mean any structural changes or additions to the Property exceeding ten thousand dollars (\$10,000.00) in cost. Before any Capital Improvements to the Property are made, a detailed work scope and drawings (if applicable) shall be submitted for review to the Landlord. Tenant will obtain all necessary permits required to complete the work and all work will be done by a licensed contractor acceptable to Landlord. Tenant will require all such contractors to obtain Builders Risk Insurance. All Capital Improvements shall be done at the expense of Tenant unless otherwise agreed to in writing by Landlord.
14. **REIMBURSEMENT FOR CAPITAL IMPROVEMENTS AND REPAIRS.** The parties agree that in the event this Sublease is terminated for any reason, then with respect to capital improvements, repairs, and replacements of the Property, Tenant shall be promptly reimbursed as described below. These reimbursement provisions will apply to new capital improvements, repairs, and replacements to the Property (i.e., those made after the Commencement date) that substantially benefit the Property. The determination of whether a capital improvement benefits the Property will be made as a part of the approval process under Section 13. Subject to the foregoing provisions of this Section, Tenant shall be reimbursed for:
 - a. The undepreciated or unamortized, as the case may be, value of capital improvements approved under Section 13. For purposes of this Sublease, the "undepreciated value" or the "unamortized value" of such capital improvement will be determined in a manner consistent with the method customarily used on Tenant's books and records; and
 - b. The undepreciated value of repairs to, and replacements of, the Property in excess of \$5,000, provided (i) the Landlord has given approval for the repair or replacement, which approval shall not be unreasonably withheld, or (ii) the repair or replacement is otherwise required to be made under the terms of this Sublease. For purposes of this Sublease, such repairs and replacements shall be subject to "depreciation" based upon an assumed seven (7) year life without regard to the fact that such items may have been treated as an expense on Tenant's books and records.

15. ALTERATIONS TO THE PROPERTY. Any structural or non-structural changes, alterations, additions or improvements that are not classified as "Capital Improvements" as that term is defined elsewhere herein shall be made by Tenant, at Tenant's sole cost and expense. All such structural or non-structural changes shall comply with the applicable codes and ordinances.

16. SIGNAGE. No sign, decal, lettering or design prepared or utilized by Tenant which is visible from the exterior of the Property shall be installed or altered without the prior written approval of Landlord. All signage provided and installed by Tenant shall conform in all respects to Landlord's sign criteria, if any, and shall be in conformity with applicable laws, codes, and ordinances. Tenant, at its sole cost, shall obtain all necessary sign permits and shall comply with all applicable Laws. Upon Tenant's vacating the Property, or the removal or alteration of its sign for any reason, Tenant shall be responsible for the repair, painting, and/or replacement of the building fascia surface where signs are attached.

17. REMOVAL AND RESTORATION OF THE PROPERTY. All alterations, improvements and additions made by Tenant during the term hereof shall remain the property of Tenant for the term of this Sublease, with the exception of any Capital Improvements. Such alterations, improvements, and additions, with the exception of Capital Improvements and other than Tenant's moveable personal property, shall not be removed from the Property prior to the end of the term hereof without the prior consent in writing from Landlord, which consent shall not be unreasonably withheld so long as Tenant is not in default hereunder. Tenant shall have the right, however, to remove its moveable personal property from the Property at any time. In the event of the removal of any alterations, improvements, additions, or trade fixtures, Tenant shall promptly repair any damage caused thereby to the Property to Landlord's reasonable satisfaction, but in no event will Tenant be expected to restore the Property to a condition better than what existed immediately prior to any removal. Upon the expiration or termination of the term of this Sublease, and upon Tenant's vacating the Property, all such alterations, improvements and additions shall automatically become the property of Landlord.

18. TERMINATION.

- a. Landlord may terminate this Sublease by giving notice in writing to Tenant ("Termination for Cause") if, at any time, Tenant is not accredited by the Higher Learning Commission of the North Central Association and said accreditation is not restored within one (1) year of becoming final and non-appealable. Upon such non-accreditation, Landlord agrees to meet and discuss with Tenant any concerns relating to this Sublease. In the event that Landlord intends to effect a Termination for Cause of this Sublease, it must provide at least fourteen (14) days written notice to Tenant prior to any proposed action to be taken by the Board of County Commissioners to issue a notice of Termination for Cause. If such notice is given, then notwithstanding its issuance, this Sublease shall remain in full force and effect until thirty (30) days following the last day of the second full semester following the effective date of the notice of termination and Tenant shall vacate the Property not later than such date.
- b. Any notices by Landlord to terminate this Sublease under this Section shall be in writing, and shall be issued based upon action taken by the Board of County Commissioners directly. Although ministerial acts to effect the decisions of the Board of County Commissioners may be delegated, the Board's decision-making authority regarding whether to terminate this Sublease shall not be delegated by Landlord to the County Manager or other person.

19. LIENS AND ENCUMBRANCES. Tenant will keep the Property free from liens and encumbrances of whatever kind or nature arising from, or predicated upon, materials furnished or work or labor performed upon the Property at Tenant's request or by Tenant's authority. If a mechanic's, materialmen's, or other lien is filed

against the Property and remains due and unpaid for a period of thirty (30) days without Tenant providing a statutory bond sufficient to release the lien, Landlord may, at Landlord's option and without being required to inquire into or determine the correctness of validity thereof, assume and pay the same, together with any penalties added thereto, and Tenant agrees forthwith to reimburse Landlord therefor upon receipt from Landlord of a written statement showing the aggregate amount so paid by Landlord.

20. INSURANCE.

- a. **FIRE AND EXTENDED COVERAGE INSURANCE.** During the term of this Sublease, Landlord shall maintain such fire and extended coverage insurance on the Property and other improvements comprising the Property in such amounts, and with such coverages as Landlord shall determine or Landlord's lender shall require, including, without limitation, "loss of rents" coverage, and other insurance that the Landlord requires.
- b. **LIABILITY INSURANCE.** Tenant, as a state educational institution of Kansas, is subject to the Kansas Tort Claims Act, K.S.A. 75-6101, et seq. K.S.A. 75-6105 specifically provides that liability of claims within the scope of the act shall not exceed \$500,000.00. Tenant (and the State of Kansas) relies on the provisions of the Kansas Tort Claims Act and no liability insurance is maintained.
- c. **WORKER'S COMPENSATION.** Tenant, as a state educational institution of Kansas, is self-insured for Worker's Compensation insurance pursuant to state statutes, K.S.A. 44-575 et seq.
- d. **TENANT PROPERTY INSURANCE.** Tenant, as a state educational institution of Kansas, does not maintain general property insurance, but is benefited by a comprehensive policy maintained by the Kansas Board of Regents, currently with Traveler's Insurance and with a deductible of \$250,000.00. Tenant, at its sole cost and expense, shall determine whether to maintain insurance for the amount of the deductible and Landlord shall not be responsible for maintaining insurance on any personal property belonging to Tenant in or around the Property during the term of this Sublease.
- e. **EVIDENCE OF INSURANCE.** All insurance provided for in this Section shall be effected under valid and enforceable policies issued by insurers of recognized responsibility and licensed to do business in the State of Kansas. Upon the execution of this Sublease and thereafter, each party shall deliver to the other party originals of the policies for which such party is responsible (or, in the case of general public liability insurance, certificates of the insurers) bearing notations evidencing the payment of premiums or accompanied by other evidence of such payment satisfactory to such other party, and for renewal of existing policies or for replacement policies such delivery shall be made not less than fifteen (15) days prior to the expiration date of any policy maintained pursuant to this Section.

21. **INDEMNIFICATION.** To the extent permitted by the laws of Kansas and without waiver of any applicable immunities, Tenant shall hold harmless, defend and indemnify Landlord and its officers, agents, and employees against all claims, demands, actions, and suits (including all attorney's fees and costs) brought against any of them arising out of any of the exercise of Tenant's use of the Property hereunder; however, the amount of such indemnification by Tenant shall not exceed \$500,000.00 for any number of claims arising out of any single occurrence or incident. To the extent permitted by the laws of Kansas and without waiver of any applicable immunities, Landlord shall hold harmless, defend and indemnify Tenant, its officers, agents, and employees against all claims, demands, actions, and suits (including all attorney's fees and costs) brought against any one of them arising out of any of the exercise of Landlord's rights and duties hereunder, however the amount of such indemnification by Landlord shall not exceed \$500,000.00 for any number of

claims arising out of any single occurrence or incident. All indemnity set forth in this Section shall survive the expiration or earlier termination of this Sublease.

22. **HAZARDOUS MATERIALS.** Tenant agrees that it will not, without the prior written consent of Landlord, use or permit to be used on or bring onto or about the Property any materials that have been or are in the future determined to be hazardous by any federal, state or local government agency other than those materials which are used by Tenant in the ordinary course of its business and which are stored in accordance with requirements of applicable laws. Tenant will permit entry onto the Property by Landlord or Landlord's representatives at any reasonable time and subject to Tenant's security protocol to verify and monitor Tenant's compliance with its covenants set forth in this paragraph and to perform other environmental inspections of the Property. Tenant will cease immediately upon notice from Landlord any activity which violates or creates a risk of violation of any Environmental Laws. Tenant will promptly remove, clean-up, dispose of or otherwise remediate in accordance with Environmental Laws and good commercial practice, any Hazardous Materials on, under or about the Property resulting from Tenant's activities on the Property.
23. **LANDLORD RIGHT TO CONTRACT FOR PROPERTY MANAGEMENT.** The parties agree that this Sublease is subject to the terms of any operating agreement that Landlord may enter into with a third party for management of the Property, insofar as such terms do not conflict with Tenant's rights as contained in this Sublease, and in turn, any agreement Landlord enters into regarding management of the Property will be subject to the terms of this Sublease. Landlord shall provide a copy of such operating agreement to Tenant prior to executing the same in order for Tenant to determine if any of said provisions conflict with Tenant's rights pursuant to this Sublease. It is understood that Tenant may have certain space allocated for its respective use as well as shared space and common areas to be used jointly.
24. **RIGHT OF LANDLORD TO ENTER AND INSPECT.** Landlord reserves the right, personally or through any representative or representatives of Landlord's choice, to enter the Property at any time in response to an emergency; and to enter upon the Property, at any and all reasonable times, exhibiting the same to a prospective purchaser or tenant, to perform Landlord's obligations under this Sublease, or otherwise. Tenant agrees to provide Landlord at all times with the contact information of a representative(s) of Tenant that will serve as a contact in case of emergency.
25. **CONDEMNATION.** If the Landlord's entire interest is taken (a "Total Taking") for any public or any quasi-public use under any statute or by right of eminent domain, or by private purchase in lieu thereof (herein, a "Taking"), then this Sublease will terminate automatically as of the date possession is given to the condemning authority. If there is a Taking of any material part of the Property to render the remainder thereof substantially unusable for the purposes for which the Property was leased (a "Partial Taking"), then either Landlord or Tenant will have the right to terminate this Sublease on fifteen (15) days' notice to the other party. If this Sublease is not terminated by either party in the event of a Partial Taking, this Sublease will continue in full force and effect, and Tenant will continue to comply with Tenant's obligations under this Sublease, except to the extent compliance is rendered impossible or impracticable by reason of the Taking.
26. **EVENT OF CASUALTY.** If there is destruction (in whole or at least of 20%) of the Property by a casualty, either Tenant or Landlord may terminate this Sublease by providing written notice to the other party within sixty (60) days of the casualty. In the event the Property is destroyed or damaged by such casualty and Landlord or Tenant does not terminate the Sublease, Landlord will rebuild and put the Property in good condition and fit for occupancy within a reasonable time after such casualty, at its sole cost and expense.
27. **SURRENDER.** Upon the expiration or termination of this Sublease, Tenant will peaceably surrender and deliver

the Property to Landlord, in as good of condition and repair as the same were in at inception of this Sublease, reasonable depreciation, wear and tear and damages from the elements and acts of God excepted, including, but not limited to, the obligation to repair any and all damages caused by Tenant's removal of any fixtures or equipment installed by Tenant during the term hereof. If Tenant is not then in breach hereof, Tenant may remove from the Property all personal property belonging to Tenant. Any property of Tenant left on the Property on the tenth day following the expiration of the Sublease Term shall, at Landlord's option, automatically and immediately become the property of Landlord.

28. **HOLDOVER.** If Tenant remains in possession of the Property after the expiration or termination of this Sublease without the execution of a new Sublease, and Landlord elects to accept Rent, Tenant will be deemed to be occupying the Property as a subtenant from month to month, at a monthly rental rate equal to that rental rate set forth herein. If the commencement date of the holdover period occurs on a day other than the first day of a calendar month, or if the expiration occurs on a day other than the last day of a calendar, Rent shall be prorated accordingly.
29. **ASSIGNMENT AND SUBLEASING.** Tenant has no right to assign or transfer this Sublease or to underlease or sublease the whole or any part of the Property; provided however, Tenant may enter into a Space Occupancy Agreement with WSU-CAST. Landlord waives any right to any rent and/or other fees that Tenant may assess to and receive from WSU-CAST under any such Space Occupancy Agreement. Any violation of this Section will be deemed to constitute a default or breach of this Sublease, at the option of the Landlord. No consent by Landlord will operate to relieve Tenant from primary liability for the performance of Tenant's obligations under the terms of this Sublease.
30. **SUBORDINATION.** This Sublease and all rights of Tenant hereunder will be subject and subordinate to any lien of any and all mortgages, deeds of trust or other liens presently existing or hereafter created upon the Property, and to any renewals and extensions thereof, provided that Landlord's mortgagee provide Tenant with a nondisturbance agreement that provides that so long as Tenant is not in default of the Sublease beyond all applicable cure periods, Tenant will not be disturbed in its use or possession of the Property by such mortgagee. Tenant will on demand execute, acknowledge, and deliver to Landlord, without expense to Landlord, any and all instruments that may be necessary or proper to subordinate this Sublease and all rights therein to the lien of any such mortgage or mortgages and each renewal, modification, or extension.
31. **APPLICABLE LAW; COMPLIANCE WITH LAWS AND RESTRICTIVE COVENANTS.** This Sublease will be governed by and construed in accordance with the laws of the State of Kansas. Tenant will comply with all laws, ordinances, statutes, restrictive covenants, by-laws, codes or regulations and orders of all federal, state and local government and quasi-governmental agencies having jurisdiction applicable to the Sublease and Tenant's occupancy of the Property.
32. **LANDLORD-SUBTENANT RELATIONSHIP.** Nothing contained herein will be deemed or construed by the parties hereto or by any third party, as creating the relationship of principal and agent, or partnership, or joint venture between the parties hereto. It is understood and agreed that neither the method of computation of Rent, nor any other provisions contained herein, nor any acts of the parties hereto, will create a relationship other than the relationship of landlord and tenant.
33. **TENANT'S COMPLIANCE.** Nothing contained herein shall restrict Tenant from complying with all state and federal laws, accrediting body regulations or Kansas Board of Regents rules or regulations, including, but not limited to, access to its space and records.
34. **QUIET ENJOYMENT.** Tenant, upon its observing and keeping all covenants, agreements, and conditions of

this Sublease on its part to be kept, shall quietly have and enjoy the Property during the Sublease Term without hindrance or molestation by anyone claiming by and through or under Landlord as such, subject, however, to the exceptions, reservations, and conditions of this Sublease.

- 35. **TIME IS OF THE ESSENCE.** Time is of the essence in all provisions of this Sublease.
- 36. **APPROVALS NOT UNREASONABLY WITHHELD.** If any provision of the Sublease requires the consent or approval by either Landlord or Tenant, each agrees that it will not unreasonably withhold or delay such consent or approval.
- 37. **NO ORAL MODIFICATIONS.** All prior understandings and agreements between the parties are merged within this Sublease which alone and fully and completely sets forth the understanding of the parties. This Sublease may not be changed orally or in any manner, other than by an agreement in writing and signed by both parties.
- 38. **ADA ACCESSIBILITY.** Landlord shall make reasonable efforts to comply with applicable requirements of the Americans with Disabilities Act (ADA), which is a federal anti-discrimination statute designed to remove the physical barriers which prevent qualified individuals with disabilities from enjoying equal treatment by state and local governments and their agencies in employment practices and accessibility in public services and programs, and if improvements or changes are required, take the required steps necessary to be in compliance with the ADA.
- 39. **NOTICES.** All notices, demands, requests, approvals, reports, instructions, consents or other communications (collectively "notices") which may be required or desired to be given by either party to the other shall be **IN WRITING** and sent by certified mail or overnight traceable delivery and addressed as follows, unless any other person or address may be designated by notice from one party to the other:

If to Wichita State University:

Attn: Office of the President
Wichita State University
1845 Fairmount Street
Wichita, Kansas 67260-0001

With a copy to:

Attn: General Counsel
Wichita State University
1845 Fairmount Street
Wichita, KS 67260-0205

If to Sedgwick Landlord, Kansas:

Attn: Sedgwick County Manager
Sedgwick Landlord, Kansas
525 N. Main, Suite 343
Wichita, Kansas 67203

With a copy to:

Sedgwick County Counselor
Attn: Contract Notification
525 N. Main, Suite 359
Wichita, Kansas 67203

- 40. **CAPTIONS.** The captions and headings in this Sublease are for reference only and do not define, describe, extend or limit the scope or intent of this Sublease.
- 41. **SEVERABILITY.** If any provision of this Sublease is determined by a court of competent jurisdiction to be invalid or unenforceable, to any extent, the remainder of this Sublease shall not be affected and each provision of this Sublease shall be enforced to the fullest extent permitted by law.
- 42. **WAIVER.** Any waiver shall be in writing and provided to all other parties. Failure to insist upon strict

performance of any of the terms and conditions hereof, or failure or delay to exercise any rights provided herein or by law, shall not be deemed a waiver of any rights of any party hereto.

43. **STATE OF KANSAS PROVISIONS.** The Provisions found in Contractual Provisions Attachment (Form DA-146a, Rev. 06-12), which is attached hereto, are hereby incorporated in this contract and made a part thereof
44. **COUNTERPARTS/EXECUTION.** This Sublease 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. Signature pages may be executed via “wet” signature, authorized signature stamp or electronic mark and the executed signature pages may be delivered using pdf or similar file type transmitted via electronic mail, cloud based server, e-signature technology or other similar electronic means.
45. **ELECTRONIC SIGNATURES.** The Parties agree that this Sublease may be signed with electronic signatures. Whenever either Party executes an electronic signature on this Sublease, it has the same validity and meaning as a handwritten signature and shall be legally binding equivalent. The Parties agree that neither party will, at any time in the future, repudiate the meaning of an electronic signature or claim that an electronic signature is not legally binding.
46. **ENTIRE AGREEMENT.** This Sublease (including all documents attached or referenced) is intended by the parties as the final and binding expression of their agreement and as the complete and exclusive statement of its terms. This Sublease cancels, supersedes, and revokes all prior negotiations, representations, and agreements between the parties, whether oral or written, relating to the subject matter of this Sublease.

[signature page to follow]

IN WITNESS WHEREOF, the parties hereto have executed this Sublease and/or authorized same to be executed by their duly authorized representatives as of the date shown below the respective signatures.

WICHITA STATE UNIVERSITY

SEDGWICK COUNTY, KANSAS

SIGNATURE

SIGNATURE

PRINTED NAME

PRINTED NAME

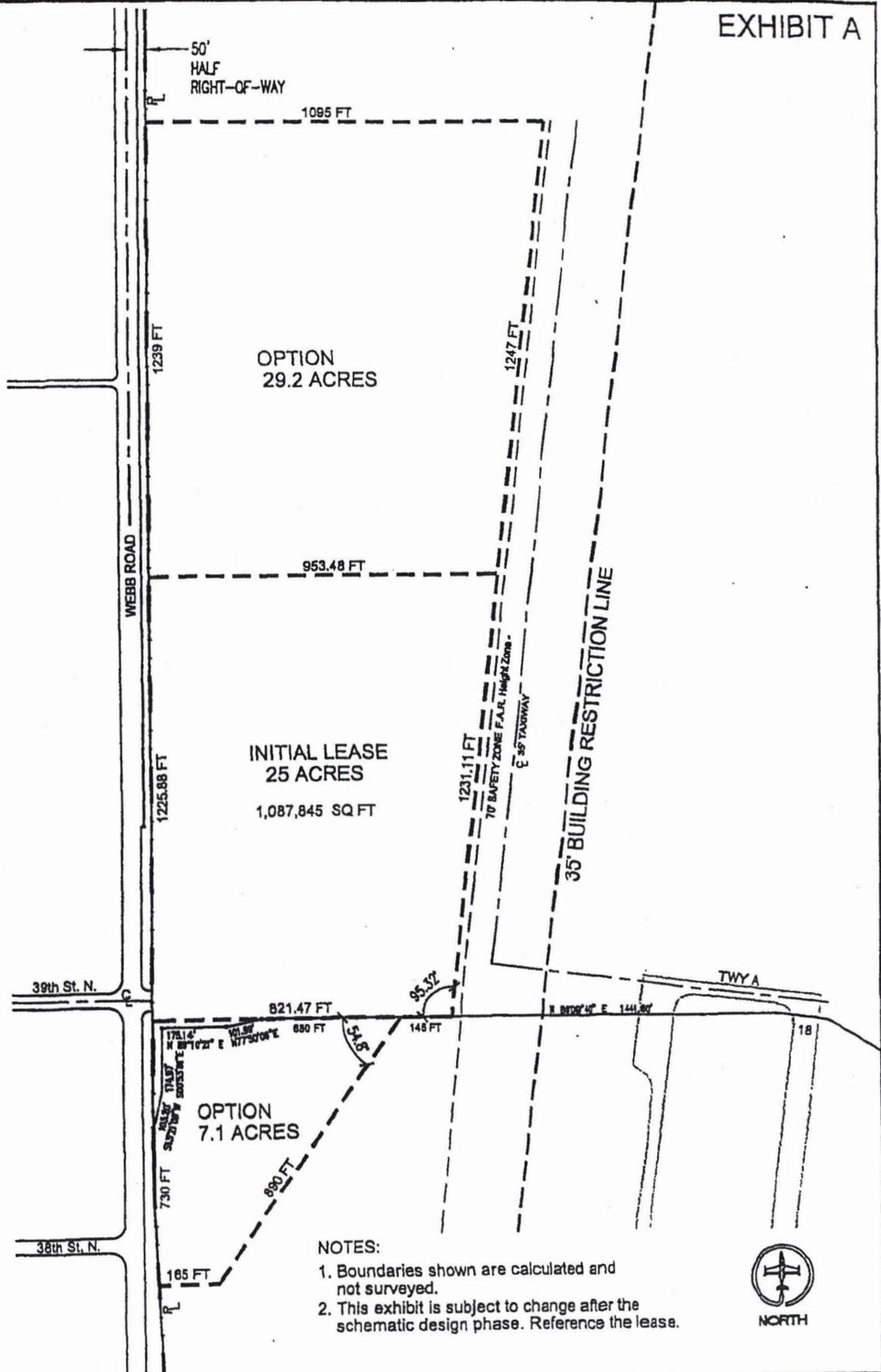
TITLE

TITLE

DATE

DATE

EXHIBIT A



- NOTES:
1. Boundaries shown are calculated and not surveyed.
 2. This exhibit is subject to change after the schematic design phase. Reference the lease.



SCHAEFER JOHNSON COX FREY ARCHITECTURE
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AVIATION TECHNICAL EDUCATION CAMPUS

COLONEL JAMES JABARA AIRPORT
THE WICHITA AIRPORT AUTHORITY
WICHITA, KANSAS

SCALE: 1" = 400'



EXHIBIT B

LEGAL DESCRIPTION

A tract of land being part of the Southwest Quarter of Section 28, Township 26 South, Range 2 East of the Sixth Principal Meridian in Sedgwick County, Kansas, said tract being more particularly described as follows:

Commencing at the Southwest Corner of the Southwest Quarter of Section 28, Township 26 South, Range 2 East of the Sixth Principal Meridian in Sedgwick County, Kansas, thence on a Kansas State Plane Coordinate System NAD 83 Grid Bearing of N $00^{\circ}50'04.6''$ W along the West line of said Southwest Quarter of Section 28 for 1265.00 feet, thence N $89^{\circ}09'55.4''$ E for 50.00 feet to the point of beginning on the East right-of-way line of Webb Road, thence N $00^{\circ}50'04.6''$ W along the East right-of-way line of Webb Road, for 1225.88 feet, thence N $89^{\circ}59'47.4''$ E for 953.48 feet, thence S $05^{\circ}19'12.1''$ W for 1231.11 feet, thence N $90^{\circ}00'00''$ W for 821.47 feet to the point of beginning. Said tract contains 24.97 acres, more or less.

CONTRACTUAL PROVISIONS ATTACHMENT

Important: This form contains mandatory contract provisions and must be attached to or incorporated in all copies of any contractual agreement. If it is attached to the vendor/contractor's standard contract form, then that form must be altered to contain the following provision:

"The Provisions found in Contractual Provisions Attachment (Form DA-146a, Rev. 06-12), which is attached hereto, are hereby incorporated in this contract and made a part thereof."

The parties agree that the following provisions are hereby incorporated into the contract to which it is attached and made a part thereof, said contract being the _____ day of _____, 20_____.

- 1. Terms Herein Controlling Provisions:** It is expressly agreed that the terms of each and every provision in this attachment shall prevail and control over the terms of any other conflicting provision in any other document relating to and a part of the contract in which this attachment is incorporated. Any terms that conflict or could be interpreted to conflict with this attachment are nullified.
- 2. Kansas Law and Venue:** This contract shall be subject to, governed by, and construed according to the laws of the State of Kansas, and jurisdiction and venue of any suit in connection with this contract shall reside only in courts located in the State of Kansas.
- 3. Termination Due To Lack Of Funding Appropriation:** If, in the judgment of the Director of Accounts and Reports, Department of Administration, sufficient funds are not appropriated to continue the function performed in this agreement and for the payment of the charges-hereunder, State may terminate this agreement at the end of its current fiscal year. State agrees to give written notice of termination to contractor at least 30 days prior to the end of its current fiscal year, and shall give such notice for a greater period prior to the end of such fiscal year as may be provided in this contract, except that such notice shall not be required prior to 90 days before the end of such fiscal year. Contractor shall have the right, at the end of such fiscal year, to take possession of any equipment provided State under the contract. State will pay to the contractor all regular contractual payments incurred through the end of such fiscal year, plus contractual charges incidental to the return of any such equipment. Upon termination of the agreement by State, title to any such equipment shall revert to contractor at the end of the State's current fiscal year. The termination of the contract pursuant to this paragraph shall not cause any penalty to be charged to the agency or the contractor.
- 4. Disclaimer Of Liability:** No provision of this contract will be given effect that attempts to require the State of Kansas or its agencies to defend, hold harmless, or indemnify any contractor or third party for any acts or omissions. The liability of the State of Kansas is defined under the Kansas Tort Claims Act (K.S.A. 75-6101 et seq.).
- 5. Anti-Discrimination Clause:** The contractor agrees: (a) to comply with the Kansas Act Against Discrimination (K.S.A. 44-1001 et seq.) and the Kansas Age Discrimination in Employment Act (K.S.A. 44-1111 et seq.) and the applicable provisions of the Americans With Disabilities Act (42 U.S.C. 12101 et seq.) (ADA) and to not discriminate against any person because of race, religion, color, sex, disability, national origin or ancestry, or age in the admission or access to, or treatment or employment in, its programs or activities; (b) to include in all solicitations or advertisements for employees, the phrase "equal opportunity employer"; (c) to comply with the reporting requirements set out at K.S.A. 44-1031 and K.S.A. 44-1116; (d) to include those provisions in every subcontract or purchase order so that they are binding upon such subcontractor or vendor; (e) that a failure to comply with the reporting requirements of (c) above or if the contractor is found guilty of any violation of such acts by the Kansas Human Rights Commission, such violation shall constitute a breach of contract and the contract may be cancelled, terminated or suspended, in whole or in part, by the contracting state agency or the Kansas Department of Administration; (f) if it is determined that the contractor has violated applicable provisions of ADA, such violation shall constitute a breach of contract and the contract may be cancelled, terminated or suspended, in whole or in part, by the contracting state agency or the Kansas Department of Administration.

Contractor agrees to comply with all applicable state and federal anti-discrimination laws.

The provisions of this paragraph number 5 (with the exception of those provisions relating to the ADA) are not applicable to a contractor who employs fewer than four employees during the term of such contract or whose contracts with the contracting State agency cumulatively total \$5,000 or less during the fiscal year of such agency.

- 6. Acceptance Of Contract:** This contract shall not be considered accepted, approved or otherwise effective until the statutorily required approvals and certifications have been given.
- 7. Arbitration, Damages, Warranties:** Notwithstanding any language to the contrary, no interpretation of this contract shall find that the State or its agencies have agreed to binding arbitration, or the payment of damages or penalties. Further, the State of Kansas and its agencies do not agree to pay attorney fees, costs, or late payment charges beyond those available under the Kansas Prompt Payment Act (K.S.A. 75-6403), and no provision will be given effect that attempts to exclude, modify, disclaim or otherwise attempt to limit any damages available to the State of Kansas or its agencies at law, including but not limited to the implied warranties of merchantability and fitness for a particular purpose.
- 8. Representative's Authority To Contract:** By signing this contract, the representative of the contractor thereby represents that such person is duly authorized by the contractor to execute this contract on behalf of the contractor and that the contractor agrees to be bound by the provisions thereof.
- 9. Responsibility For Taxes:** The State of Kansas and its agencies shall not be responsible for, nor indemnify a contractor for, any federal, state or local taxes which may be imposed or levied upon the subject matter of this contract.
- 10. Insurance:** The State of Kansas and its agencies shall not be required to purchase any insurance against loss or damage to property or any other subject matter relating to this contract, nor shall this contract require them to establish a "self-insurance" fund to protect against any such loss or damage. Subject to the provisions of the Kansas Tort Claims Act (K.S.A. 75-6101 et seq.), the contractor shall bear the risk of any loss or damage to any property in which the contractor holds title.
- 11. Information:** No provision of this contract shall be construed as limiting the Legislative Division of Post Audit from having access to information pursuant to K.S.A. 46-1101 et seq.
- 12. The Eleventh Amendment:** "The Eleventh Amendment is an inherent and incumbent protection with the State of Kansas and need not be reserved, but prudence requires the State to reiterate that nothing related to this contract shall be deemed a waiver of the Eleventh Amendment."
- 13. Campaign Contributions / Lobbying:** Funds provided through a grant award or contract shall not be given or received in exchange for the making of a campaign contribution. No part of the funds provided through this contract shall be used to influence or attempt to influence an officer or employee of any State of Kansas agency or a member of the Legislature regarding any pending legislation or the awarding, extension, continuation, renewal, amendment or modification of any government contract, grant, loan, or cooperative agreement.