

LEASE AGREEMENT
with the
LAWTON BOAT CLUB INC.

This Lease Agreement (hereinafter "Agreement") is made and entered into this the 1st day of July 2024, by and between the Lawton Water Authority, a public trust, and the City of Lawton, Oklahoma, a municipal corporation and sole beneficiary of said public trust (hereinafter jointly referred to as "Lessors"), and the Lawton Boat Club, Inc., an Oklahoma corporation (hereinafter called "Lessee").

WITNESSTH

WHEREAS Lessors own, operate and maintain the Lake Lawtonka dam, reservoir and adjacent lands in Comanche County, Oklahoma, for municipal water supply, for public recreation, and for other municipal purposes, inclusive of the real property identified as the "Premises" and more particularly described herein below; and

WHEREAS Lessors desire to continue operation and maintenance of a boating club upon the Premises for the use and enjoyment of interested citizens of the City of Lawton and Fort Sill community and surrounding areas; and

WHEREAS Lessors made award to Lessee for use of the Premises for a boating club under the terms and conditions provided in this agreement.

NOW, THEREFORE, in consideration of the terms, conditions, grants and mutual covenants hereinafter set forth, Lessors and Lessee agree as follows:

1. Lessors do hereby lease, convey, and grant unto the Lessee the right and privilege to establish, maintain and operate a boating club with related activities upon certain lands adjacent to the waters of Lake Lawtonka (hereinafter designated and referred to as the "Premises") described as follows, to wit:

A parcel of land beginning at a point that is the Northwest corner of the Northeast Quarter (NE 1/4) of the Southwest Quarter (SW 1/4) of Section Eight (8), Township Three North (T-3-N), Range Twelve (12) West, I.M., Comanche County, Oklahoma; Thence east 285 yards; thence North 33

yards; thence West 65 yards; thence North 267 yards; thence West to shoreline of Lake Lawtonka; thence along such shoreline in a southerly direction to the North boundary of the South one—half of Section Eight (8), Township Three North (T-3-N), range Twelve West (R-12-W), I.M.; thence East along said boundary to the point of beginning; to have and to hold same, together with all improvements thereon, SUBJECT to all present and future building restrictions, zoning laws, regulations, utility easements, prior or subsequent reservations or conveyances of mineral interests and to all existing oil and gas leases of record; and PROVIDED, Lessee accepts the Premises, and all improvements thereon, in its condition "AS IS" and without warranty as to habitability or fitness for use.

PROVIDED FURTHER, Lessee shall have no right or power to encumber the Lessors' title in and to the Premises or any residual or remainder interest therein. Lessee shall not create, permit, or allow any encumbrance, lien, mortgage, security interest or other charge against the Premises or any part thereof. At Lessee's sole expense and without notice or demand from Lessor, Lessee shall immediately cause any such encumbrance, lien, mortgage, security interest or other charge to be discharged, released, and removed.

2. Lease term. The term of this lease agreement will be a period of five (5) years, beginning on the 1st day of July 2024, and ending on the 30th day of June 2029.

3. Rental payment. For the use and possession of the Premises during the term of this agreement, Lessee agrees to pay Lessors annual rent in accordance with the following terms:

- | | | | |
|----|---------|-------------------------------------|--------------|
| a. | Year #1 | July 1, 2024, through June 30, 2025 | \$50,000.00 |
| b. | Year #2 | July 1, 2025, through June 30, 2026 | \$60,000.00 |
| c. | Year #3 | July 1, 2026, through June 30, 2027 | \$72,000.00 |
| d. | Year #4 | July 1, 2027, through June 30, 2028 | \$86,400.00 |
| e. | Year #5 | July 1, 2028, through June 30, 2029 | \$103,680.00 |

4. Payment Date. Rental payment due dates shall be by June 30th prior to the start of each year of the lease term. Rental payments shall be made payable to the City of Lawton. Lessee shall timely make each payment without requiring any invoice or demand from Lessors. Failure

to remit payment by the due date listed above may result in a daily monetary late penalty in the amount of \$100 per day. Failure to remit payment beyond July 31st of any succeeding lease year may result in the termination of said lease.

5. Use of Leased Premises. Lessee shall use the Premises to encourage the pursuit of boating as a recreational activity and as a competitive sport, to teach rules of boating and water safety and to cultivate a spirit of sportsmanship among its members, their families, and within the community. Lessee shall conduct its operations on the Premises to serve the requirements of the general public in a manner that provides maximum use of the recreational facilities situated at Lake Lawtonka for fishing, hunting, boating, camping and other authorized recreational uses, insofar as public health and sanitation requirements respecting the public water supply will permit. Lessee shall not use or permit the Premises to be used for any other purposes without first obtaining the prior written consent of Lessors. Lessee will not expand or increase the uses, above listed without similar prior written consent of the Lessors. Any changes or expansion of use must be authorized by a written amendment to this Agreement, approved by the governing bodies of Lessors.

6. Operational Requirements. Lessee may maintain no more than nine (9) utility poles for providing electric service to the Premises. Lessee may maintain no more than twentyfive (25) electrical service meters on the Premises. Lessee may provide and maintain no more than twentyfour (24) locations for use by club members as recreational vehicle camp sites; PROVIDED, this restriction does not apply to the temporary parking of recreational vehicles on the Premises on weekends, holidays and during vacations of two weeks or less duration during the entire year; PROVIDED FURTHER, no recreational vehicle camp site shall be utilized as a permanent place of residence.

All vessels brought onto the Premises must display current city and state permits. Lessee shall not construct or maintain any fence or permanent structure with the exception of a boat ramp or boat docks, within twenty-five (25) feet of the high-water line of Lake Lawtonka or otherwise cause public access to the shoreline on the Premises to be restricted from the adjacent shoreline or from the waters of the reservoir.

Lessee shall provide Lessors' designated point of contact with a key to unlock any entrance gate to enable Lessors to gain access to the Premises as provided by this Agreement.

7. Utilities. Lessee shall maintain needed utilities servicing the Premises in its own name and at its sole expense.

8. Repair and Maintenance. At its own cost and expense, Lessee shall keep, maintain, and repair the Premises and the improvements thereon in a clean, safe, wholesome, and sanitary condition, free of trash, garbage, or other obstructions, and shall keep all vegetation growing on the Premises mowed and trimmed. Lessee accepts the buildings and improvements and any equipment in their existing condition and state of repair, to include the existing electrical systems, plumbing systems, and HVAC systems. Lessee assumes sole responsibility for the repair, maintenance, and replacement of same at its own expense, including any structural repair and maintenance of same.

9. Alterations. Lessee may from time to time make alterations, additions, replacements, or modifications of the improvements upon the Premises at Lessee's sole expense. Prior to the commencement of any such project, Lessee shall submit plans and specifications therefore to Lessors and obtain Lessors' written consent. All such work shall be performed in workmanlike manner and shall not weaken or impair the structural strength or lessen the value of any structure or other improvements on the Premises. All such projects shall comply with the Lawton Building Code to include any requirement for obtaining building permits, inspections and certificates of completion or occupancy. Upon completion of any such project, all structures, facilities, or other improvements so installed, constructed, erected or affixed to the Premises shall become part of the Premises and the property of the City of Lawton upon the termination or expiration of this Agreement.

10. Inspection of the Premises. Lessors reserve the right and may from time to time, enter upon the Premises at reasonable times and without prior consent of Lessee for any municipal or other legal purpose, to include but not limited to inspection for compliance of this Agreement or Lawton City Code; including but not limited to, making surveys; conducting tests; installing, maintaining, repairing or removing utilities or other municipal facilities. In addition, upon identification of any condition which Lessors reasonably deem a threat to public health or

safety, Lessors may order the Premises immediately closed. Upon notification that Lessee caused such condition or otherwise allowed or permitted such condition to exist upon the Premises, Lessee shall immediately and diligently undertake to correct the offending condition to Lessors' satisfaction.

11. Termination and Expiration. In addition to the Agreement expiring at the end of the lease term, the Agreement may also be terminated in the following situations:

- a. Either Lessors or Lessee may terminate this Agreement for convenience, with or without cause, by giving the other party sixty (60) days written notice. Upon termination, any rental payment for the then-current annual lease year shall be prorated and Lessors shall refund to Lessee the pro-rated portion of any pre-paid annual rental payment for the remainder of the unexpired lease year.
- b. When a party is in default, the non-defaulting party may terminate this agreement in accordance with the provisions in Paragraph 12 below.

Upon termination or expiration of this Agreement, Lessee shall peacefully quit, surrender, and vacate the Premises in as good a condition as existed at the commencement of this Agreement, usual and ordinary wear and tear excepted. Additionally, Lessee shall remove or otherwise dispose in a manner satisfactory to Lessors all personal property belonging to the Lessee located on the Premises. In the case of termination, Lessee shall remove or dispose of all such personal property by not later than the date of termination specified in the written notice. In the case of expiration, Lessee shall remove or dispose of all such personal property within thirty (30) of the date expiration of this Agreement. Should Lessee fail to remove or dispose of its property as herein provided, Lessors may consider such property abandoned and may dispose of the same at Lessee's expense or may retain same at Lessor's election.

12 Default, Remedy and Waiver. Should Lessee fail, neglect, or refuse to comply with any provision of this Agreement, Lessors may exercise all rights and remedies they may have in law or equity, both jointly and individually, to enforce the terms hereof. Such rights and remedies include, but are not limited to, Lessors performing or causing to be performed any act or satisfying any obligation required of Lessee under this Agreement and, in such event, Lessee

shall immediately reimburse Lessors for the cost thereof upon written demand. PROVIDED, Lessors shall have no obligation or duty to perform such acts or to satisfy such obligation of Lessee. Upon violation by Lessee of the terms of this Agreement, Lessors shall give written notice to Lessee specifying the violation and a reasonable date not to exceed thirty (30) days by which it shall be cured. Lessee must, without delay or excuse, absolutely correct the defect or violation on or before the date specified by Lessors. Failure of the Lessee to do so shall be grounds for immediate termination of this Agreement without further notice or delay. No waiver of default by Lessors or Lessee of any terms, covenants, or conditions hereof to be performed, kept or observed by Lessee or Lessors shall be constructed to be or act as a waiver of any subsequent default or violation of any terms, covenants or conditions herein contained.

13. Liability Insurance. Lessee shall, at its own expense, obtain, and keep in force at all times during this Agreement public liability insurance naming the Lawton Water Authority and the City of Lawton, Oklahoma, as co-insured. Insurance policies shall be issued by a reputable insurance company duly licensed to do business in the State of Oklahoma and shall protect against all liabilities and accidents arising from Lessee's use and occupation of the leased premises and Lessee's operation of the facilities located thereon. Public liability insurance shall be in the following amounts:

\$100,000.00 each person;
\$1,000,000.00 each accident; and
\$25,000.00 property damage.

Lessee shall furnish and deliver to Lessors a copy of such insurance policy, or certificates of insurance, within ten (10) days from the date of the execution of this Agreement and annually thereafter and upon Lessors' request. Certificates evidencing such Insurance must specifically state that such insurance shall not be changed or cancelled without at least ten days prior notice to Lessors.

14. Applicable Law.

- a. Lessee specifically covenants and agrees to abide by all ordinances, rules and regulations of the City of Lawton, Oklahoma, to include but not limited to applicable to Lake Lawtonka that are now in effect or may hereinafter be adopted. Further, Lessee agrees to fully comply with the requirements of this Agreement and all health and sanitation requirements of the City-County Health

Department of Comanche County, Oklahoma, and all applicable state and federal statutes and regulations.

- b. Any failure on the part of Lessee to comply with the ordinances, laws, rules, and regulations of the above-named governmental authorities shall be deemed default and grounds for termination of this Agreement.
- c. The terms of this Agreement will be governed by the laws of the State of Oklahoma. Venue for any dispute arising from this Agreement will be the State District Court of Comanche County, Oklahoma or the Western District of Oklahoma.

15. Indemnification. Lessee covenants and agrees, at its expense, to pay, and to indemnify and save the Lessors harmless from and against any and all claims, damages, expenses, liabilities and taxes (of any character or nature, regardless of by whom imposed), losses of every conceivable kind, character and nature whatsoever (including, but not limited to, claims for loss or damage to any property or injury to or death of any person) asserted by or on behalf of any person, firm, corporation or governmental authority arising out of, resulting from, or in any way connected with the leased premises or the condition, occupancy, use, possession, conduct or management of, or any work done in or about the leased premises. Lessee also covenants and agrees, at its expense, to pay and to indemnify and save the Lessors harmless from and against all costs, reasonable counsel fees, expenses and liabilities incurred in any action or proceeding brought by reason of any such claim or demand, and the Lessee, upon notice from the Lessor, covenants to resist and defend against such action or proceeding on behalf of Lessors.

16. Assignments and Subleases. Lessee shall not assign, sublease, subcontract, transfer or convey any interest or rights granted by this Agreement without the express and prior written consent of the Lessors' governing bodies. The Lessee must be the operator of the Premises for the uses provided herein. Any document by which an interest in the Premises is granted to another person or organization shall indicate that the person or organization acquiring the interest takes subject to the terms of this Agreement. Lessors may prescribe any additional conditions to such an assignment or transfer that they deem appropriate.

17. Notices. All notices, demands, requests or other communications to be given by either party to the other pursuant to this Agreement shall be in writing and shall be deemed to be sufficient for all purposes and to have been properly given or sent:

a. If intended for Lessee, by mailing by registered or certified mail, return receipt requested, with the postage prepaid or by overnight delivery, addressed to Lessee at: PO Box 884, Lawton, OK 73502-0884.

b. If intended for Lessors, by mailing by registered or certified mail, return receipt requested, with the postage prepaid or by overnight delivery, addressed to Lessors at: 212 SW 9th Street, Lawton, OK 73501.

The point of contact for Lessors for purposes of coordinating activities, insuring compliance with the terms of this Lease and for all other purposes will be the City's Parks and Recreation Director or their designee.

18. Nondiscrimination and Facilities Accessible by The Disabled. The Lessee shall not discriminate because of race, religion, color, sex, age, disability, or national origin, against any person by refusing to furnish such person any accommodation, facility, service or privilege offered to or enjoyed by the general membership or public. In addition, Lessee shall not discriminate against any employee or applicant for employment, if any, because of race, color, religion, sex, age, disability, or national origin.

Lessee shall ensure access to the Premises and the facilities located thereon to individuals notwithstanding any physical disability or other handicap. Such individuals shall have full and equal enjoyment of the club and its activities in the most integrated setting possible, except where the individuals may pose a direct threat to the health and safety of others which cannot be reasonably accommodated.

19. Merger. This Agreement contains all the covenants, agreements, stipulations and provisions agreed upon by said parties, and no agent or employee of either party to this Agreement has any authority to alter or change the terms hereof, except as provided herein, and neither party is or shall be bound by any statement or representation not in conformity herewith.

IN WITNESS WHEREOF, the Lawton Water Authority, a public trust, and the City of Lawton, a municipal corporation, Lessors herein, and the Lawton Boat Club, Inc., Lessee herein, have caused this Agreement to be duly executed on the day and year first hereinabove written.

LAWTON WATER AUTHORITY,
a public trust

STANLEY BOOKER, Chairman

ATTEST:

DONALYNN BLAZEK-SCHERLER, City Clerk

CITY OF LAWTON, OKLAHOMA.
a municipal corporation,

STANLEY BOOKER, Mayor

ATTEST:

DONALYNN BLAZEK-SCHERLER City Clerk

APPROVED as to form and legality on behalf of the Lawton Water Authority and the City of Lawton only, this _____ day of _____, 2024.

JOHN ANDREW, City Attorney

LAWTON BOAT CLUB, INC.

PRESIDENT/LESSEE

SECRETARY