

COUNCIL WORK SESSION
Tuesday, June 10, 2014, 4:30 p.m.
Casper City Hall
Council Meeting Room

AGENDA

1. Discussion on Criteria for Community Promotions
2. Casper Slow Ride
3. MPO – Final Long Range Transportation Plan
4. James Reeb Garden Reuse
5. ARAJPB Lease
 - a. Staff Report
 - b. Presentation by ARAJPB
6. Executive Session: Property Acquisition

May 30, 2014

MEMO TO: John C. Patterson, City Manager
FROM: Fleur Tremel, Assistant to the City Manager 77
SUBJECT: Community Promotions Guidelines

Recommendation:

That Council review the Community Promotions Guidelines and discuss any changes necessary.

Summary:

Background:

Community Promotions is the process through which the City Council provides support to non-profit programs and events. Interested non-profits are asked to send in funding applications during the month of July. Applicants can ask for cash, they can ask for city services, or they can ask to use city facilities at reduced rates. Per council policy, fees for in-kind services and facility rentals are not waived entirely, but they can be provided at a 50% discount with Council providing the other 50% from the Council goals line item.

Applications are then packaged for council's review. The council then goes through two rounds of voting to decide which applications deserve funding, and if so, how much should each one receive. Final decisions are then made and ratified at a regular council meeting in October.

The process also provides for a "make up round" in March for any applications that came in late or which were submitted at other times throughout the year. Council can choose to fund these applications from any monies that were left over from the regular process.

Guidelines:

In order to complete this process, Council has formed guidelines, based on state statutes, as to what criteria applicants must meet in order to be given funding. The FY 2015 Budget provides for \$115,000 to cover the cost of the cash, in-kind, and facilities requests which are approved. This past year Council decided that they wanted to bring the guidelines to the forefront of the process. For this reason a new round one was established. This round provided questions to be answered to ascertain whether the guidelines were being met. After going through the process in fall, Council decided they should revisit the actual guidelines to make them clearer. The Guidelines used for FY 2014 are attached, and staff is available to answer any questions.

The original guidelines were set to ensure that the relevant state statutes were followed. For Council's convenience staff has included a copy of the relevant statutes.

Title 9 Administration of the **Government**
Chapter 12 Wyoming **Economic Development** Act
Article 8. Wyoming Community Facilities Program

Wyo. Stat. § 9-12-802 (2013)

§ 9-12-802. Community facility qualifications; demonstration of need.

(a) To qualify for a grant or loan under this article, an applicant shall demonstrate:

(i) A commitment by the applicant community to adequately maintain the project facility for which the grant or loan is requested during a reasonable period of time;

(ii) A partnership or other working arrangement or agreement with other **local** governmental entities to ensure the viability of the project facility over a reasonable period of time;

(iii) The project facility is not otherwise provided in the community or that such a facility exists except that the financing of that facility has not been paid in full;

(iv) The project will not compete with existing governmental organizations or businesses;

(v) The relationship of the project facility to a community **economic development** plan or to the enhancement of quality of life in the community;

(vi) That all project costs will be funded at the time of receipt of a grant or loan under this article, with **funding** sources specified within the project application;

(vii) The availability of funds sufficient to maintain the project facility. The project application shall clearly identify maintenance **funding** sources sufficient to cover maintenance costs for a period of not less than four (4) years;

(viii) Any other criteria developed by the council consistent with the purposes of this article.

COMMUNITY PROMOTIONS
FUNDING GUIDELINES AND POLICIES
FY 2015

These guidelines will be used by the Casper City Council to evaluate fund requests received from non-profit organizations.

I. Intent of the Community Promotions Process

1. The funds allocated by Council should be utilized to:
 - a. Bring people to the community so as to enhance economic development, and/or
 - b. To improve the quality of life for residents of Casper.
2. The funds allocated by Council should be used to provide activities that will increase the usage of existing City facilities.
3. It is the intent of Council to use the Community Promotions funds to support programs and events that provide a direct benefit to the citizens of Casper, as opposed to fundraising events which provide a more indirect benefit. Therefore, Council will show preference to non-fundraising events.

II. Available Funding

1. Requests for funding will be divided into three categories: Cash, In-kind Staffing and Services, and Facility Requirements. Calculations of the value of these Services and Facilities will be provided by City staff, based upon information provided by the various groups and documentation of costs incurred in previous years.
2. The Council may award up to 50% of the value of any In-Kind Service or Facility Rental. The remainder must be covered by the applicant. Applicants may not request Cash awards to pay for the uncovered portion of these requests.
3. All cash awards will be on a reimbursement-basis only. **Original** receipts for expenditures made to support the activity must be presented in order for payments to be approved. Photocopied receipts will not be accepted.
4. No funding will be provided for operational expenses, capital purchases or salaries. Funding requests should be directed to the actual expenses associated with a specific special program or event.
5. No funds will be available to pay for ancillary services at the Casper Events Center. Ancillary services include equipment rental (such as tables and stages),

labor costs (such as event setup and box office service), and any food and beverage expenses. These expenses must be covered by the applicant, and they will be in addition to the applicant's portion of the facility rental fee. Applicants may not request cash awards to pay for these ancillary services.

III. Award Process

1. Applications will be due by 12:00 noon on August 2, 2013, in order to be considered for funding in the Fall of 2013. Submissions for Fall consideration after this date and time will not be considered.
2. Once the applications have been processed by City staff, Council will meet to discuss the applications. Select applicants may be invited to address Council to clarify their applications and answer questions.
3. Council will hold an initial round of voting regarding Community Promotions applications, at which time each Council member will indicate their willingness to provide support by a simple up or down vote. Those applications that are not supported by the majority will not be given further consideration for any Community Promotions support.
4. Those applications that are successful in the first round of voting will then be sent forward to the second round. In the second round, each Council member will:
 - a. Vote to **grant** or **deny** each applicant's request for In-Kind services. Each Council member will make a single up or down vote for each applicant's In-Kind requests. Requests for In-Kind services that receive a majority of votes in favor will receive a 50% waiver on the price of each of the services requested. *For example:* If the applicant requested a service which normally costs \$300, and the request was approved, then the applicant could purchase the service for \$150 (a 50% reduction from the normal price).
 - b. Vote to **grant** or **deny** each Facility Rental request. Each Council member will make a single up or down vote for each applicant's Facility requests. Facility requests that receive a majority of votes in favor will receive a 50% waiver on the cost to rent the facilities requested.

- c. Indicate a **dollar amount** that they would like to grant in cash toward each Cash request. Each council member may enter a dollar amount for each cash request, ranging from zero up to the total amount requested. If a majority of the votes are to award zero dollars in cash, then no cash will be awarded to that applicant. If a majority of the cash votes are greater than zero, then the applicant will receive a cash award equal to the average of the dollar amounts of the votes. Any zero dollar votes will be included in that averaging calculation.
5. No Council member may submit votes in the second round that exceed the total amount of Community Promotions funds available (\$150,000). This includes the total of all Cash, In-Kind, and Facility requests that the Council member would like to award.
6. Every organization that receives Community Promotions funding will be asked to submit a final report. If the award was support for an event, then the report will be due to the City within 30 days of the conclusion of the event. If the award was support for a program, then the final report will be due within thirty days of the conclusion of the program, or within 30 days of the conclusion of that fiscal year, whichever is soonest. The timely filing of this report will be taken into consideration when considering future years' allocation requests.
7. A historical record will be compiled for each organization receiving funds from the Community Promotions Budget in order to give future Councils a basis for evaluating future requests.

IV. Off Season Requests

1. Any Community Promotions funds that remain after the Fall allocation process will be made available through a second round of the Community Promotions process in the Spring. Applications for the Spring round will be due by 5:00 p.m. on February 28, 2014. Submissions for Spring consideration after this date and time will not be considered.
2. Applications that were submitted late for the Fall allocation process will not automatically be entered for consideration in the Spring unless an applicant specifically requests this.
3. Applications for programs and events that were considered in the Fall may not be resubmitted for consideration in the Spring, regardless of whether they were approved or denied.

June 3, 2014

MEMO TO: John C. Patterson, City Manager
FROM: Joshua Bake, Urban Renewal Manager
SUBJECT: Establishment of Casper's Slow Ride *JW*

Recommendation:

None, informational only.

Summary:

The Old Yellowstone District and the Downtown would like to create a joint activity to promote bicycle safety as well as promote the heart of Casper. We are preparing Casper's Slow Ride. Slow Ride is a bi-monthly evening bicycle ride in the heart of Casper. Slow Ride is for everyone, of all ages and all abilities. We keep a slow pace as to enjoy the great things that Casper has to offer. Each time we start in the Old Yellowstone District or downtown and branch out a new direction to explore the neighborhoods, historic architecture, diverse locations, development and all that we have to enjoy.

The Slow Ride rides typically ride for 45 minutes to an hour traveling around 5-7 miles, depending on the size of the group and how far the group decides to ride. This is an informal group designed to increase bicycle awareness and promote safe and fun group bicycling while promoting and exploring the Downtown and Old Yellowstone District.

May 30, 2014

MEMO TO: John C. Patterson, City Manager 
FROM: Liz Becher, Community Development Director
Andrew Nelson, MPO Supervisor 
SUBJECT: Casper Area Long Range Transportation Plan 

Recommendation:

That Council, by resolution, approves the Long Range Transportation Plan conducted by the Metropolitan Planning Organization.

Summary:

The Long Range Transportation Plan fulfills a federally-mandated requirement to provide a long term transportation vision for the MPO area. The MPO, through the City, contracted consulting firm Fehr and Peers to complete the 2014 update. This plan has a horizon of 2040 and addresses all modes of transportation, including streets, bicycle and pedestrian facilities, transit, air service (passenger and freight), and rail. Major recommendations for improvements will be listed in the Long Range plan, and future federal revenues for transportation projects are dependent upon the completion of this plan.

The project manager from Fehr and Peers will be in Casper to present final recommendations of the study during the Council work session on June 10.

The Metropolitan Planning Organization (MPO) is comprised of local government entities in the Casper metro area including the City of Casper, Natrona County, the Towns of Evansville, Mills and Bar Nunn, and the Wyoming Department of Transportation (WYDOT). All members of the MPO have assigned staff representatives to the Technical Committee, and elected officials to the Policy Committee. The MPO is funded by the Federal Highway Administration (FHWA) and Federal Transit Administration (FTA) through WYDOT, and requires a local match to the Federal funding. MPO funding is intended to be used primarily for planning purposes and not for capital construction.



CONNECTING
CASPER
looking ahead
2040

Recommendations

June 10, 2014

Casper City Hall

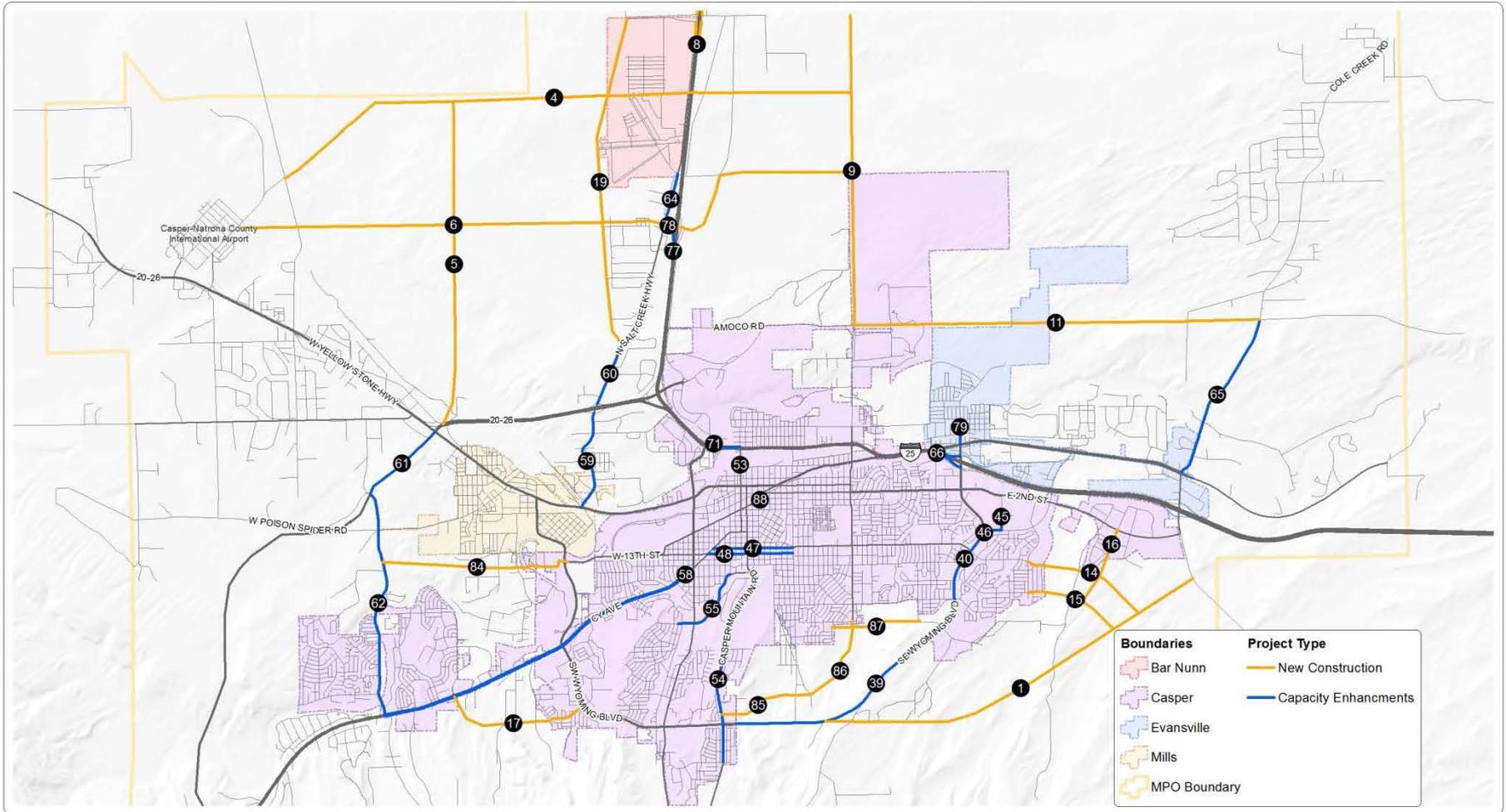
Project Scope

- Task 1: Inventory & Review - ***Complete***
- Task 2: Model Development – ***Complete***
- Task 3: Needs Assessment – ***Complete***
- Task 4: Growth Scenario Evaluation - ***Complete***
- *Task 5: Key Choices – Complete*
- *Task 6: Recommendations – Complete*
- *Task 7: Documentation – Draft Complete*

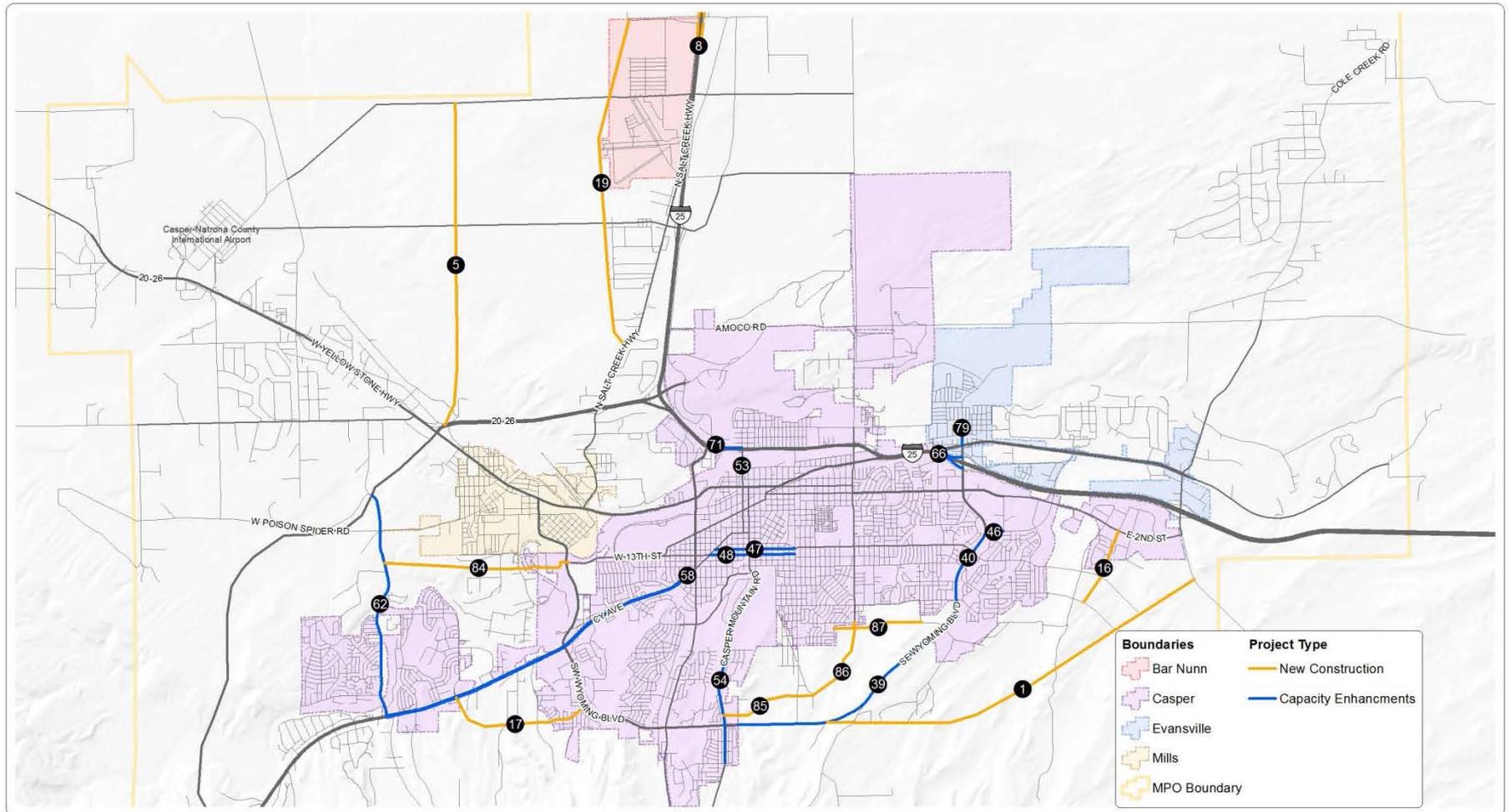
Progress

- Last meeting - April
- High Growth Scenario Chosen (37% growth)
- Model Refinement with High Growth
- Identified Projects (Vision)
- Fiscally Constrained Project List
- Funded and Unfunded Projects

Vision Projects



Fiscally Constrained Vision Projects



Funded New Construction Projects

ID	Project	From	To	Activity
1	East Belt Loop	Wyoming Boulevard	Hat Six Road	New major arterial
5	Queen Street	Shoshoni Connector	McMurry Street	New minor arterial
8	New I-25 Interchange	at Westwind Rd	N/A	New Interchange
16	2nd Street / 21st Street Connector	East of Blackmore Road	2nd Street to 21st Street connector	New minor collector
17	CY Avenue / Wyoming Blvd. Connector	CY Avenue near Paradise Dr.	Wyoming Blvd. near Arroyo Drive	New major collector
19	Polaris Drive	Westwind Rd	Salt Creek Highway	New minor arterial
83	RR Underpass	Curtis St.	N/A	New Construction

Funded Capacity Projects

ID	Project	From	To	Activity
	7Cy Avenue / Wyoming Boulevard	CY Avenue	Wyoming Boulevard	Intersection Improvements
	39SE WYOMING BLVD	Casper Mountain Rd. Intersection Approach	E 15th St.	Expand principal arterial from 2 to 4-lanes
	40SE WYOMING BLVD	E. 15th St.	Blackmore Rd	Expand principal arterial from 4 to 5 (+1 NB)-lanes
	46BLACKMORE RD	SE Wyoming Blvd.	Landmark Dr.	Upgrade collector to minor arterial; add center lane and remove parking
	4712TH ST	CY Ave.	S McKinley St.	Upgrade minor arterial to principal arterial
	4813TH ST	CY Ave.	S McKinley St.	Upgrade minor arterial to principal arterial
	53N CENTER ST RR Underpass Expansion	E BC Street	W D Street	Expand minor arterial from 2 to 4-lanes
	54CASPER MOUNTAIN RD	Goodstein Dr.	T-Bird Dr.	Expand minor arterial from 2 to 4-lanes
	58CY AVE	S Robertson Rd.	Divided CY Ave. near S. Poplar St.	Expand principal arterial from 4 to 6-lanes
	62ROBERTSON RD	CY Ave.	West Belt Loop	Upgrade collector to minor arterial; expand from 2 to 4-lanes
	66I-25 EB Off Ramp at Exit 185	I-25	Wyoming Blvd	Expand EB and WB Off/On ramps (2 total) from 1 to 2-lanes
	71W F ST	N Poplar St.	N Center St.	Expand 2-lane collector; add an additional west-bound lane
	79Curtis St.	E. Yellowstone Hwy.	3rd St.	Expand minor arterial from 2 to 4-lanes
	8413th St.	Wyoming Boulevard	West Belt Loop	Extension of major arterial
	8531st St.	Casper Mountain Rd.	S McKinley St.	Extension of collector
	86S. Beverly St.	S McKinley St.	24th St.	Extension of minor arterial
	8726th St.	Sagewood Ave	Casper Country Club Rd	Extension of collector

Unfunded Projects

ID	Project	From	To	Activity
3	McKinley Street Realignment	McKinley Street	new Beverly St. Connection	Realign intersection
4	McMurry Blvd.	US 20/26 near NCI Airport	Bryan Stock Trail Extension	New minor arterial
6	East-West Arterial	Morgan Street	Bryan Stock Trail Extension	New major collector
9	Bryan Stock Trail Extension	Platte River	Proposed McMurry Drive	New minor collector
11	Amoco Road	Beverly Street	Cole Road	Extension of major collector
14	12th Street Extension	12th Street	East Belt Loop	Extension of major collector
15	21st Street Extension	21st Street	East Belt Loop	Extension of major collector
45	LANDMARK DR	Blackmore Rd.	Casada Dr	Expand collector from 2 to 4-lanes
55	W 25TH ST/College Dr.	Hanway Ave.	S Ash St.	Upgrade collector to minor arterial; expand from 2 to 4-lanes
59	N SALT CREEK HWY	W Yellowstone Hwy.	Hwy 20-26 off-ramp	Expand minor arterial from 2 to 3 (+1 NB)-lanes
60	N SALT CREEK HWY	Hwy 20-26 off-ramp	Polaris Dr.	Expand minor arterial from 2 to 3 (+1SB)-lanes
61	West Belt Loop	N Robertson Rd.	W Yellowstone Hwy	Expand principal arterial from 2 to 4-lanes
64	N SALT CREEK HWY	Howard St.	Antelope Dr.	Expand minor arterial from 2 to 4-lanes
65	COLE CREEK RD	Old Glenrock Hwy / E.Yellowstone Hwy	E. Geary Dome Rd	Upgrade collector to minor arterial
77	I-25 SB On Ramp at Exit 191	Howard St.	I-25	Expand 1 lane ramp from 1 to 2 lanes
78	Howard St	Salt Creek Hwy	I-25 On Ramp	Expand EB lane from 1 to 2 lanes
88	E Collins / S Kimball / E Yellowstone Hwy connection	Durbin St	E 2nd St	Expand minor arterial from 2 & turn lane to 4-lanes

Next Steps

- Refinement of Draft Plan
- Plan Adoption

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PRESBYTERY OF WYOMING

PRESBYTERIAN CHURCH (U.S.A.)

May 13, 2014

To the City of Casper City Council,

The Presbytery of Wyoming on Saturday, May 3, 2014 agreed to deed to the City of Casper lots 163-167 of Block 37 North Casper addition upon their acceptance of them.

Rationale

These five lots of land belong to eight other lots of land that comprise the buildings and grounds of the former Winter Memorial Presbyterian Church at 900 St John Street in Casper, WY. These five lots of land are the James Reeb Memorial Park. The Park contains the Community Gardens and a Community Playground. The Community Gardens are small plots of raised land which neighborhood people can rent for a very nominal fee. They were begun and managed by the former Winter Memorial Presbyterian Church in 2012. In 2013, a team composed of members of the Shepherd of the Hills Presbyterian Church and former members of Winter Memorial Presbyterian church. The Community Playground is being built now by the Casper Rotaract Club, the young professionals of the Rotary Club. They have raised the funds for the playground equipment, sod and shrubbery. It will be completed in May.

The Property Management Team caring for the buildings and grounds of the former church recommended to the Presbytery Council that the Community Gardens and Community Playground be deeded to the City of Casper for the following reasons:

- The Presbytery of Wyoming is not in the property management business. We are not staffed to maintain the equipment and grounds of the Community Playgrounds or manage the Community Gardens.
- The Presbytery of Wyoming does not have a group of people to organize and manage the Community Gardens. Shepherd of the Hills Presbyterian Church has invested much time and money into the gardens and is now ready to hand it over to someone else. Their efforts are to be applauded!

The following stipulations would be part of the agreement with the City of Casper:

1. The Community Gardens and the Community Playground be perpetually named The James Reeb Memorial Park.
2. The City of Casper will maintain the gardens and playground.
3. The City will assume the liability for both.



PRESBYTERY OF WYOMING

PRESBYTERIAN CHURCH (U.S.A.)

4. The City will partner with an organization like Wyoming Food for Thought to provide space for the community to grow fruits and vegetables.
5. The City and community may use the parking of the grounds when they were involved in the gardens or playground.
6. The occupying organization of the former church building will be allowed to store their snowblower and lawn mower in the shed on the property deeded to the city.

The parking lot and building of the former Winter Memorial Presbyterian Church will still be owned by the Presbytery of Wyoming. The Presbytery is in the process of finalizing a rental agreement with Wyoming Food for Thought (WFT). The rental agreement will give WFT usage of the basement and kitchen and the upstairs library of the facilities.

The Presbytery of Wyoming wants these grounds to be an asset to the North Casper Community neighborhood. By deeding this property to the City of Casper, we think this would be a wise and prudent way to accomplish that means.

Sincerely,

Rev. Dr. Stephen A. Shive
General Presbyter
The Presbytery of Wyoming

May 30, 2014

TO: John C. Patterson, City Manager
FROM: William C. Luben, City Attorney *WCL*
RE: Hotel/Conference Center Project Sublease Agreement Draft Between the Amoco Reuse Agreement Joint Powers Board and the City of Casper.

Recommendation:

No recommendation is being made at this time, as the attached sublease draft is being submitted to Council for review and comment.

Summary:

The City is working on facilitating the development of a hotel/conference center development on the Amoco Platte River Commons property, which is managed by the Amoco Reuse Agreement Joint Powers Board ("JPB"). The JPB leases this property from BP Products North America, Inc. ("BP"), and is proposing to sublease the necessary property to the City for the development of this project.

The standard sublease agreement that is otherwise required by BP is not designed for a pass-through project where the City would be leasing the property from the JPB, and then further subleasing it again to a developer for the project. I have made substantial revisions to their standard sublease agreement in order to pass any and all responsibilities for environmental compliance and the other requirements of the sublease on to the developers of the project. In addition, substantial changes were made to the insurance requirements of this lease in order for the City and the JPB to maintain their governmental immunity, but to have the other liability insurance requirements be the responsibility of the developer.

There were two provisions in the standard sublease form that David Drell, the attorney for the JPB, and I are asking BP to waive, as they would require the developer to "move" any improvements they place on the land for any future environmental remediation requirements that may be required by a governmental agency. I have proposed language in place of these provisions that would make any monetary condemnation award for a governmental taking of the property to be the property as the developer or the City, as their respective interests would appear in the property. I am hopeful that this change will be acceptable to BP.

The proposed sublease amendments pass-through to the developer of the project the use restriction requirements on the Amoco Platte River Commons. The City will only be obligated to comply with these requirements for any property the City would actually own as part of this project.

This lease draft is currently being reviewed by BP for its comment. Please feel free to contact me should you have any questions regarding either the attached lease draft or this memo.

SUBLEASE AGREEMENT

CITY OF CASPER

THIS SUBLEASE AGREEMENT ("Sublease") is entered into this ___ day of _____, 2014 by and between the AMOCO REUSE AGREEMENT JOINT POWERS BOARD ("ARAJPB"), as Sublessor, and The City of Casper, Wyoming ("The City"), as Sublessee (hereinafter collectively referred to as the "Parties").

RECITALS

WHEREAS, the ARAJPB is a joint powers board duly created by agreement between the Board of County Commissioners of Natrona County, Wyoming (the "County") and the City of Casper, Wyoming, in accordance with the Wyoming Joint Powers Act, Wyo. Stat. §§ 16-1-102-to -110 (Michie). The ARAJPB has the right, power, and authority to enter into and perform all of its obligations under this Sublease; and

WHEREAS, on August 1, 2000, the ARAJPB entered into a Lease Agreement (the "Lease Agreement") with Amoco Oil Company, a Maryland corporation, predecessor in interest to BP Products North America Inc. ("BP"), for the lease of certain property (the "Land") known as the Platte River Commons of which a portion containing approximately 18 acres (the "Leased Premises") is described on Exhibit A attached hereto, and by this reference incorporated herein; and

WHEREAS, on January 10, 2002, BP and the Wyoming Department of Environmental Quality ("WDEQ") executed a Remedy Agreement (the "Remedy Agreement") including corrective action of the Land; and

WHEREAS, the details of redevelopment and reuse of certain BP properties in the City and County have been more fully set forth in that Reuse Agreement dated September 29, 1998 (the "Reuse Agreement"), which is attached to this Sublease as Exhibit B. The ARAJPB is the designee of the County and City for certain purposes under the Reuse Agreement. The Reuse Agreement provides that BP shall retain all environmental and remediation risk for, control of, and responsibility for environmental conditions existing on, in, and under the Land as of the date of the Lease Agreement and relating to ongoing remediation activities; and

WHEREAS, the Land is subject to and encumbered by covenants and restrictions that govern and control the use of the Land and any and all improvements situate thereon, as well as all development, construction, alterations, repairs, modifications, and maintenance on the Land and any improvements thereon (the "Development Protocols"). The Development Protocols are more fully set out in Exhibit F to

the Lease Agreement. The Lease Agreement, this Sublease, the Remedy Agreement, the Reuse Agreement, the Development Protocols, protective covenants, design standards, the Existing Encumbrances (defined below), and all laws, rules, orders, ordinances, regulations, and requirements now or hereafter properly enacted or promulgated by WDEQ, the United States Environmental Protection Agency, or any judicial, regulatory or governmental entity or board having jurisdiction over the Land and the Leased Premises (collectively "Governmental Authority") are referred to in this Sublease as the "Use Restrictions"; and

WHEREAS, the City has the right, power, and authority to enter into and perform all of its obligations under this Sublease; and

WHEREAS, the Parties understand that the City intends to sublet the property located in the Opportunity Area of the Platte River Commons, as more specifically described on Exhibit A (the "Property"), for the construction and operation of a hotel and conference center complex, along with a potential performing arts center, landscaping and related infrastructure and appurtenances (the "Project"); and

WHEREAS, as the City is acting as an intermediary in the future sub-leasing of the Property to one or more sub-lessees for the development of the Project, the ARAJPB understands that its requirements under this Sublease will be passed through to any such sub-lessee of the City whom shall then be solely responsible for compliance of these terms with the ARAJPB, free and clear of any claim against the City therefore, with the exception of any part of the Project for which the City maintains ownership during the term of this Sublease for which the City shall then remain responsible for compliance with the applicable terms of this Sublease as provided herein; and

WHEREAS, the parties agree that the ARAJPB shall be a party signatory to any sub-leasing of the Property by the City and shall enjoy all rights to enforce the terms and conditions of this Sublease that are passed through as the duty and responsibility of the City's sub-lessee, as these are material terms for the use of the Property by the City's sub-lessee for which the ARAJPB is required by BP to enforce.

NOW, THEREFORE, for and in consideration of the mutual covenants and promises contained herein and the Recitals set forth above (which are a substantive part hereof), the sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. Sublease of Land

A. The City agrees that its rights and interests under this Sublease Agreement, and any interest in the Leased Premises by a sub-lessee from the City, shall be subject to all matters affecting title to the

Land, including, but not limited to, the Use Restrictions, Development Protocols, the Reuse Agreement, the Remedy Agreement and existing encumbrances, encroachments, and tenancies.

B. The City agrees that its rights and interests under this Sublease Agreement, and any interest in the Leased Premises by a sub-lessee from the City, shall be subject to all matters affecting title to the Land, including, but not limited to, the Use Restrictions, Development Protocols, the Reuse Agreement, the Remedy Agreement and existing encumbrances, encroachments, and tenancies.

C. PROVIDED HOWEVER, the City is leasing the Property solely for the facilitation of the Project, and the City will be further sub-leasing the Property to a developer or developers for the construction and ownership of the Project or component parts thereof. The Parties agree that the City shall have the absolute right, in its sole discretion, to terminate this lease upon written notice from the City to ARAJPB in the event the Project or any component thereof is not, for any reason, able to be developed or constructed. Upon the giving of such notice, the ARAJPB shall refund to the City all rent paid by the City in the sum of **\$5,096,520.00 (five million ninety-six thousand five hundred and twenty dollars)** within thirty (30) days of the City's termination of this Sublease.

2. Effective Date

The effective date of this Sublease shall be the ___th day of _____, 2014 (the "Effective Date").

3. Lease Term

The term of this Sublease (the "Lease Term") is from _____, 2014 through _____, 2099 unless terminated earlier under the provisions of this Sublease.

4. Rental

The City hereby agrees to pay and the ARAJPB hereby agrees to accept as rent hereunder the sum of **\$5,096,520.00 (five million ninety-six thousand five hundred and twenty dollars)**, upon the Effective Date of this Sublease Agreement.

5. Existing Encumbrances

The ARAJPB has obtained a policy of title insurance as to the Leased Premises with an effective date of June 10, 2002. The City agrees that the acceptance of these exceptions to the coverage listed in said policy shall be required of any sub-lessee of the City as a condition of any such sub-lease. The City further agrees that any all rights and interest of any sub-lessee of the of the City under this Sublease Agreement shall be subject to said exceptions and any such sub-lessee of the City shall be required to release and waive any claim or action against the ARAJPB or BP, or the City whatsoever arising by, through, or under said exceptions. The City acknowledges the Land and/or Leased Premises may be subject to other rights-of-way, easements, agreements, licenses, or other encumbrances, encroachments, tenancies, occupancies, or restrictions ("Existing Encumbrances") which are not of record nor ascertainable by visual inspection of the Land and THE CITY agrees that any sub-lease of the Property by the City shall require the sub-lessee thereof to be subject to all Existing Encumbrances. THE CITY agrees that neither the ARAJPB nor BP shall have an obligation to remove or to acquire ownership or control of any such Existing Encumbrances.

6. Present Condition of Sublease Premises

The City hereby acknowledges the Leased Premises was the former site of an operating oil refinery for approximately seventy-five (75) years, that the surface and subsurface contain some environmental contamination, and that BP has performed and continues to perform certain remediation on the Land and/or Leased Premises. The City shall require any sub-lessee of the Property from the City to, during the sub-lease term, or any extension thereof, to accept the Leased Premises "AS IS - WHERE IS" in the condition or state in which each and all of them are on the Effective Date of the sub-lease Term, without representation or warranty, expressed or implied in fact or by law, of any kind or nature whatsoever, and without recourse to or against the ARAJPB or BP, or the City therefore except as provided in Section 7 hereof.

7. Environmental Liability

A. Pursuant to the Lease Agreement, BP shall retain all environmental and remediation risk for, control of, and responsibility for environmental conditions and media existing on the Leased Premises on the Effective Date of the Lease Term, including environmental conditions and media ("Existing Contaminated Media") which exist but are not known on the Effective Date of this Lease Term, or that relate to BP's ongoing remediation activities.

B. The City shall require any sub-lessee of the City to assume all environmental and remediation risk for, control of, and responsibility for releases of contaminants and storage or disposal of hazardous or toxic substances that occur after the Effective Date of the sub-lease term, and which are a direct result of the City's sub-lessee's activities on or possession of the Leased Premises.

C. Prior to any action that is anticipated to result in the exposure of Existing Contaminated Media on the Leased Premises, the City for the construction of any improvements to be owned by the City, or the City's sub-lessee for its improvements shall be required to provide the ARAJPB and BP with a plan indicating the extent of excavation anticipated to be performed. Based upon this plan, the ARAJPB, in consultation with BP, shall use the best information available to it to determine the nature and extent of Existing Contaminated Media to be encountered. The ARAJPB, BP and the City or the City's sub-lessee shall then be required to reach agreement on reasonable methods to minimize the extent of exposure of Existing Contaminated Media, while still accomplishing the goals and objectives of the proposed Project or repair thereof. Once agreement has been reached, the ARAJPB, working in conjunction with BP, shall be responsible for the excavation, handling, storage and disposal of any Existing Contaminated Media, including, where necessary, replacement of any Existing Contaminated soil with clean backfill material to allow for the City or the City's sub-lessee's proposed project or repair. The ARAJPB's and BP's direct costs for such excavation, handling, storage and disposal of such Existing Contaminated Media shall be covered by the ARAJPB. The ARAJPB's and BP's work involved with the excavation of Existing Contaminated Media and replacement with clean backfill material shall be performed under the supervision of a licensed engineer retained by the ARAJPB, who shall certify that the work performed by the ARAJPB and BP is in compliance with the construction project. The cost for this supervision of a licensed engineer shall be borne by the ARAJPB.

D. BP shall retain all environmental and remediation responsibility for such Existing Contaminated Media, neither the City, or the City's sub-lessee shall be, by virtue of any such participation in planning for the extent of excavation to be performed, nor for any project that requires the ARAJPB's or BP's excavation, handling, storage and disposal of such Existing Contaminated Media, assume environmental or remediation risk for such Existing Contaminated Media.

8. Use of the Land

A. The City's sub-lessee may use, possess, and occupy the Leased Premises for any lawful purpose consistent with this Sublease and the Use Restrictions. Notwithstanding any provision to the contrary, The City and the City's sub-lessee is prohibited from any uses not specifically authorized in the Use Restrictions (unless approved in writing by BP) and any use which reasonably could add to any contamination on or under the Leased Premises or delay or increase the cost of investigation, clean-up or remediation of any contamination on or under the Leased Premises. The ARAJPB warrants that the use intended by the City is permitted under the Use Restrictions.

B. The City's sub-lessee shall not use, keep or allow the Leased Premises or any portion thereof, to be used or occupied for any unlawful purpose, or suffer any act or condition which may be dangerous, or which may constitute a public or private nuisance, or which violates the Use Restrictions of this Sublease or any certificate of occupancy issued regarding use of the Property by the City's sub-lessee.

9. Hazardous Material

THE City's sub-lessee City shall be required to keep and maintain the Leased Premises in compliance with, and shall not cause or permit a violation of, any federal, state, or local laws, ordinances or regulations relating to industrial hygiene or to the environmental conditions on, under, about, or affecting the Leased Premises, except that the City's sub-lessee may use, store, and dispose of cleaners, waxes, detergents, soaps, deodorizers, and other commercially reasonable hazardous materials customarily used in connection with the operation, use, occupancy, maintenance, repair, and other activities reasonably related to the use of the property for the Project and maintenance of the Leased Premises. Otherwise, the City's sub-lessee shall not use, generate, manufacture, store, or dispose of, on, under, or about the Leased Premises, or transport to or from the Leased Premises, any hazardous materials without the ARAJPB's prior written consent, which shall not be unreasonably withheld or delayed, so long as such use is and remains in compliance with all applicable federal or state laws and regulations. For purposes of this Section, the term "hazardous materials" means any flammable explosives, radioactive materials, hazardous wastes, toxic substances, or related materials, including without limitation, any substances defined as or included in the definition of hazardous substances, hazardous wastes, hazardous materials, or toxic substances under any applicable federal or state laws or regulations.

10. Compliance with Laws

The City's sub-lessee shall at all times during the term of the sub-lease comply with all Use Restrictions and all other laws, regulations, and ordinances applicable to the Leased Premises and City's sub-lessee's use and occupancy thereof. Notwithstanding anything to the contrary contained in this Sublease, the Parties agree that performance of the duties and obligations of City's sub-lessee and the ARAJPB hereunder shall be subject to and subordinate to the terms and conditions contained in the Use Restrictions. In the event the performance of or compliance with any obligation under this Sublease by the City's sub-lessee or the ARAJPB would result in a violation of the Use Restrictions, City's sub-lessee or the ARAJPB shall be excused from performing or complying with such conflicting obligation, but only to the extent of the conflict.

11. Possession of the Leased Premises

As of the Effective Date, the ARAJPB warrants that it is seized and possessed of the Leased Premises, subject only to the interests of BP under the Lease Agreement and to the Existing Encumbrances. The City shall have possession of the Leased Premises on and after the Effective Date and so long as this Sublease is in full force and effect. Subject to the Lease Agreement with BP, the ARAJPB covenants that the City, upon paying the rent and performing the covenants herein undertaken on its part may quietly and peaceably have, enjoy and hold the premises and rights made appurtenant for the full Term hereof. Upon termination of this Sublease, the City shall quit the Leased Premises and peaceably surrender possession and occupancy thereof to the ARAJPB as provided herein below.

12. Access and Nonexclusive Use

The City agrees that, during the Lease Term of this Sublease Agreement, or any extension thereof, the ARAJPB and BP shall have the right to inspect the Leased Premises to assure compliance with this Sublease Agreement, and to undertake certain investigations and remediation activities on or near the Leased Premises, which shall also be binding upon any sub-lessee of the City. The ARAJPB and BP shall give the City and any sub-lessee of the City reasonable prior notice of any such inspection, and City's sub-lessee and representatives of the City may accompany the ARAJPB and BP on any such inspection. Accordingly, the ARAJPB and BP hereby reserve unrestricted ingress and egress to and from, and unrestricted access on, over, and under the Leased Premises, and this reservation shall be included in any sub-lease of the Property by the City. The ARAJPB's and BP's unrestricted access shall include, but shall not be limited to, the right of the ARAJPB and BP to inspect the Leased Premises, to remove or add soil or water, or to lay, install, construct, maintain, operate, inspect, replace, remove, sample, or supplement

all facilities, system or systems, equipment, or machinery useful to implement and complete all investigation, remediation and corrective action. The ARAJPB and BP shall at all times during the Lease Term of this Sublease Agreement, and any extension thereof, so long as the City or the sub-lessee of the City are not in default of its sub-lease with the City, to exercise due diligence in attempting to minimize any disruption of the City's sub-lessees use and possession of the Leased Premises, and, shall not damage, destroy, or remove buildings that are the City's or the City's sub-lessee's Improvements unless such damage, destruction, or removal is necessary to implement or complete any investigation or corrective action that BP is ordered or requested to perform by any Governmental Authority.

13. Improvements to be Provided to the Leased Premises

The ARAJPB agrees to provide the following utilities to its point adjacent to the Leased Premises:

- i.** Water
- ii.** Sewer
- iii.** Telephone
- iv.** Natural gas
- v.** Electricity
- vi.** Fiber optic (conduit only), and
- vii.** Cable television

The City's sub-lessee shall be responsible for all connection charges associated with these utilities, unless otherwise agreed in writing between the City and any such sub-lessee.

14. City Improvement

A. The City, or the City's sub-lessee may install the Project or any component thereof and other improvements upon the Leased Premises (collectively the "Project Improvements") subject to the ARAJPB's approval of the architectural plans for any buildings proposed for construction on the Leased Premises by the City or the City's sub-lessee in order to assure uniform development on the Land and compliance with the Use restrictions. Any Improvements installed shall be kept and maintained in a commercially reasonable manner.

B. Any Project Improvements which give rise to a "Subsurface Improvement" as defined in the Development Protocols, may be constructed only with the prior written consent of the ARAJPB and BP as required under the August 1, 2000 Lease Agreement. All Project Improvements placed,

constructed, or erected upon the Leased Premises shall be constructed in compliance with and shall be subject to and encumbered by the Use Restrictions. During the Lease Term, all Project Improvements shall be the property of either the City or the sub-lessee of the City as provided in the City's sub-lease agreement thereof.

15. Ownership of Improvements

During the term of this Sublease, the Existing Improvements and all other improvements located on the Leased Premises, including without limitation, all additions, all alterations and improvements thereto or replacements thereof and all appurtenant fixtures, machinery, and equipment installed therein, shall be the property of either the City or the sub-lessee of the City as provided in the sub-lease agreement thereof. Except as provided in Section 37, at the expiration or earlier termination of this Sublease, the Leased Premises, all remaining Existing Improvements, all improvements and all additions, all alterations and improvements thereto or replacements thereof and all appurtenant fixtures, machinery, and equipment installed therein, shall become the property of the ARAJPB.

16. Damage to, Destruction of, or Removal of BP Improvements and THE CITY Improvements

A. In the event that any improvements installed by the ARAJPB or BP are damaged or destroyed as a result of activities of the City or the City's sub-lessee, then the City, or the City's sub-lessee causing the damage shall be responsible for any and all costs associated with repairing or replacing those improvements that are damaged or destroyed. Notwithstanding the foregoing, the ARAJPB or BP shall have the right, but not the obligation, to issue a Stop Work Order as provided in the Development Protocols or to prevent and stop the City or the City's sub-lessee from moving, relocating, damaging, or destroying the improvements installed by the ARAJPB or BP on the Leased Premises by any means whatsoever including, but not limited to, the use of injunctive relief.

B. In the event that any improvements installed by BP are damaged, destroyed, or must be removed or relocated in order to implement or complete any investigation or corrective action that BP is ordered or requested to perform by any Governmental Authority, then in such event, BP shall, at its sole cost, repair, replace, or relocate any such BP improvements. BP shall bear no further responsibility or liability to the City or the City's sub-lessee or their respective designees, or other successors in interest for any such damage, destruction, removal, or relocation of said BP improvements.

C. In the event that any improvements installed by the City or the City's sub-lessee are damaged or destroyed as a result of activities of the ARAJPB or BP, then the ARAJPB or BP, as appropriate, shall be responsible for any and all costs associated with repairing or replacing those improvements that are damaged or destroyed.

D. The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of all or any part of the Improvements owned by either the City of the City's sub-lessee, or for a conveyance in lieu of condemnation by either the City or the City's sub-lessee, shall be the sole and separate property of the City or the City's sub-lessee as their interests shall appear. This Lease may be terminated by City in the event of a condemnation or taking, or by the granting of a conveyance in lieu of condemnation, of all or part of the improvements owned by the City and/or the City's sub-lessee on the Leased Premises by the City giving written notice thereof to the ARAJPB.

17. Alterations

The City or the City's sub-lessee shall have the right, at the City's or the City's sub-lessee's sole cost and expense, from time to time during the term of the sub-lease with the City, or any extension thereof, to make any alteration, addition, or modification to the Leased Premises; PROVIDED THAT: (i) prior to making any such alterations, additions, or modifications, the City or the City's sub-lessee shall obtain the ARAJPB's prior written consent thereto, which consent shall not be unreasonably withheld; (ii) all such alterations, additions, or modifications shall comply with the Use Restrictions, the Remedy Agreement, all Development Protocols, the Existing Encumbrances, and all laws and rules; and (iii) after completing said alterations, additions, or modifications, the Leased Premises shall have the same range of uses contemplated in the Use Restrictions. Notwithstanding the foregoing, the City or the City's sub-lessee shall not be required to submit a Use Proposal prior to installing any new improvements, or altering, repairing or maintaining any of its existing improvements, if such installations, alterations, repairs or maintenance do not involve or give rise to a change in use or a Subsurface Improvement on the Leased Premises as defined in the Development Protocols.

18. Repairs

A. The City shall require the City's sub-lessee, at all times during the Lease Term of this Sublease Agreement, or any extension thereof, at the sub-lessee's sole cost and expense, to keep the Leased

Premises and any of The City's Improvements in good order, condition, and repair, ordinary wear and tear excepted, and in such condition as may be required by any law, rule, regulation, ordinance, covenant, restriction, institutional or engineering control, or other authority, and requirements now or hereafter enacted or promulgated by any Governmental Authority relating to the Leased Premises or improvements thereon, and pursuant to this Sublease Agreement, whether or not such repair shall be interior or exterior, and whether or not such repair shall be of a structural nature. Further, The City's sub-lessee's use, maintenance, and repair of the Leased Premises and the City's Improvements upon the Leased Premises shall at all times fully comply with the Existing Encumbrances, all Development Protocols, as well as all obligations and restrictions for use, maintenance, and repair of the Leased Premises or improvements thereon as set forth in the Use Restrictions and the Remedy Agreement

B. The City's sub-lessee shall at all times during the Lease Term of this Sublease Agreement, or any extension thereof, at the City's sublessee's sole cost and expense, operate and keep the Vapor Intrusion Control System in good order, condition, and repair, in accordance with the design approved by Wyoming Department of Environmental Quality (WDEQ). The City's sub-lessee shall further agree that the City's sub-lessee shall, at the sub-lessee's sole cost and expense, correct any deficiency in the Vapor Intrusion Control System identified by BP Products North America Inc. as part of any inspection or testing required by the Remedy Agreement or otherwise required by WDEQ.

19. Mechanic's Liens

During the Lease Term of this Sublease Agreement, the City's sub-lessee shall be responsible for any and all claims, damages, losses, costs, fees, charges, expenses, liens, or liabilities of any nature whatsoever arising out of, occurring or accruing by virtue of any work, labor, or service performed for, or material furnished for or to the City's sub-lessee on or related to the Leased Premises.

20. Taxes

A. During the Lease Term of this Sublease Agreement, or any extension thereof, the City's sub-lessee shall, at its sole cost and expense, bear, pay, and discharge prior to delinquency, any and all real estate taxes, personal property taxes, assessments, sewer rents, water rents and charges, duties, impositions, license and permit fees, charges for public utilities of any kind, payments and other charges of every kind and nature whatsoever, ordinary or extraordinary, foreseen or unforeseen,

general or special (all of which are hereinafter sometimes collectively referred to as "Impositions"), except as provided herein, which shall, pursuant to present or future law or otherwise, have been or will be levied, charged, assessed, or imposed upon, or grown or become due and payable out of or for, or become or have charged, assessed, or imposed upon, or grown or become due and payable out of or for, or become or have become a lien on the Leased Premises, it being the intention of the Parties hereto that the rents reserved herein shall be received and enjoyed by the ARAJPB as a net sum free from all of such Impositions. If at any time during the Lease Term of this Sublease Agreement, or any extension thereof, the then prevailing method of taxation or assessment shall be changed so that the whole or any part of the Impositions payable by the taxation or assessment by the City's sub-lessee as above provided, shall instead be levied, charged, assessed, or imposed wholly or partially on the rents received by the ARAJPB from the Leased Premises, or shall otherwise be imposed against the ARAJPB or BP in the form of a franchise tax or otherwise, then the City's sub-lessee shall pay all such levies, charges, assessments, Impositions, taxes, and other substituted charges to the extent that the same shall be directly related to and assessed against the Leased Premises or the rent thereon; provided, however, that the City's sub-lessee shall be required to make such payments only to the extent that the same would be payable if the Leased Premises were the property of BP.

B. The City's sub-lessee shall pay all interest and penalties imposed upon the late payment of any Impositions which the City's sub-lessee is obligated to pay hereunder. Impositions shall be apportioned between the City's sub-lessee and the ARAJPB as of the Effective Date of the Lease Term of this Sublease Agreement, as well as on the date of termination of the Lease Term of this Sublease Agreement, and shall be paid within thirty (30) days after such termination.

C. If the City's sub-lessee shall fail, for ten (10) days after notice and demand given to such sub-lessee, to pay any Imposition on or before the last day upon which the same may be paid without the imposition of interest or penalties for the late payment thereof, such failure shall constitute a default and breach by City's sub-lessee under the City's sub-lease, and the ARAJPB may pay the same with all interest and penalties lawfully imposed upon the late payment thereof, and the amounts so paid by the ARAJPB shall thereupon be and become immediately due and payable by the City's sub-lessee to the ARAJPB hereunder. The ARAJPB may pursue all remedies under Wyoming law to collect from the City's Sub-lessee the amount paid by the ARAJPB.

D. The City's sub-lessee, at its sole cost and expense, may, if it shall in good faith so desire, contest the validity or amount of any Imposition, in which event the City's sub-lessee may defer the payment thereof for such period as such contest shall be actively prosecuted and shall be pending

undetermined; provided that, in no event shall any such proceedings or appeals require the sale of the Leased Premises to satisfy any lien arising out of the nonpayment of the same.

E. The ARAJPB shall execute and deliver to the City's sub-lessee whatever documents may be necessary or proper to permit the sub-lessee to so contest any such Imposition or which may be necessary to secure payment of any refund which may result from any such proceedings.

F. An official certificate or statement issued or given by a sovereign or municipal authority, or any agency thereof, or any public utility, showing the existence of any Imposition, or interest or penalties thereon, the payment of which is the obligation of the City's sub-lessee as herein provided, shall be prima facie evidence for all purposes of this Sublease Agreement and the City's sub-lease of the existence, amount, and validity of such Imposition.

G. The provisions of this Section shall apply to the City for any improvements owned by the City on the Leased Land.

21. Net Lease

This is an absolute net lease and the ARAJPB shall not be required by the City or the City's sub-lessee to provide any services or do any act or thing with respect to the Leased Premises, except as is specifically set forth in this Sublease Agreement.

22. Insurance

A. At all times while in possession of the Leased Premises, the City, for all improvements (other than water, sewer, or street, parking lot, or other access improvements) constructed and owned by the City on the Leased Premises, and the City's sub-lessee, for all improvements constructed by the City's sub-lessee on the Leased Premises shall provide and maintain in good standing the following insurance coverages on the Leased Premises and appurtenances thereto.

i. Insurance against loss or damage by fire and other hazards, risks, and perils from time to time included under standard extended coverage endorsements in a coverage amount equaling not less than ninety percent (90%) of the replacement value of the improvements installed respectively by the City or the City's sub-lessee upon the Leased Premises. The insurance shall include the ARAJPB and BP Product North America Inc. as a named insured or loss payee. In the event of a loss of not more than seventy-five percent (75%) of the usable space of the Building, The City, for its respective improvements to the Leased Premises agrees to, and the City's Sub-lessee, for its respective improvements to the Leased Premises shall agree to

diligently pursue the repair of the damage to the Building so as to maintain the quality of the Leased Premises and the integrity of the development and value of the Leased Premises. In the event of a loss of seventy-five percent (75%) or more and either the City or the City's sub-lessee in respect to their separate improvements elects not to repair damage to the Project or more than one (1) year transpires from the date of loss, the City or the City's sub-lessee shall respectively restore the Leased Premises upon which their respective improvements are located to a buildable condition and thereupon the Sublease shall terminate.

- ii.**The City's sub-lessee shall carry Commercial general liability insurance covering all claims with respect to injuries or damages to persons or property sustained in, on, or about the Leased Premises and the appurtenances thereto, with limits of liability no less than Two Million Dollars (\$2,000,000.00) per occurrence and Five Million Dollars (\$5,000,000.00) aggregate. The ARAJPB and the City's sub-lessee shall agree to review the insurance coverage limit from time to time, and the City's sub-lessee shall adjust the insurance coverage to an amount the ARAJPB, BP Products North America Inc. and the City's sub-lessee reasonably agree is required. The Parties agree and understand that both the ARAJPB and the City are covered under the Wyoming Governmental Claims Act as provided in Sub-section vi. below, and the City shall not be required to carry the liability coverage set forth in this Sub-paragraph.
- iii.**During construction of any improvements on the Leased Premises, the City, or the City's sub-lessee, as the case may be, shall maintain builder's risk insurance for their respective work on the Leased Premises in the amount of One Hundred Percent (100%) replacement value thereof against "all risks" of physical loss or damage to the property insured. However, this requirement shall not apply to the City for the installation of water, sewer, or street, parking lot, or other access improvements to the Leased Premises.
- iv.**All such policies of insurance shall be written by companies of recognized financial standing which are well rated by a national rating agency and are legally qualified to issue such insurance in the State of Wyoming, and such insurance shall include as a named insured the ARAJPB, BP Products North America and the City or the City's sub-lessee as their interests may appear.
- v.**The City shall deliver to the ARAJPB on or before the issuance of any building permit for any improvements being constructed and owned by the City on the Leased Premises the original or duplicate policies or certificates of insurers required under this Sublease for the City satisfactory to the ARAJPB evidencing all of the insurance which is then required to be maintained by the City hereunder. The City's sub-lessee shall deliver to the ARAJPB proof of its liability coverages as provided in Sub-section ii. above on or before the effective date of

any such sub-lease from the City. The City's sub-lessee shall further be required in the City's sub-lease, prior to the issuance of any building permit(s) for any improvements being constructed by the City's sub-lessee on the Leased Premises the original or duplicate policies or certificates of insurers required under this Sublease for the City satisfactory to the ARAJPB evidencing all of the insurance which is then required to be maintained by the City's sub-lessee hereunder. Such insurance policies shall contain a provision that such policies shall not be cancelled or reduced in scope or coverage amount without thirty (30) days prior written notice to the ARAJPB. The City, or the City's sub-lessee shall, within thirty (30) days after adjusting the coverage amount or within thirty (30) days prior to expiration of any such insurance policy or coverage, deliver other original or duplicate policies or other certificates of the insurers evidencing the amount and renewal of such insurance. Should either the City, or the City's sub-lessee fail to effect, maintain and increase as agreed upon, or renew any insurance provided for herein, or to pay the premium thereof or to deliver to the ARAJPB any other such policies or certificates, such failure shall constitute a default and breach by the City hereunder or the City's sub-lessee under any sub-lease of the Leased Premises from the City.

- vi. The Parties do not waive any right or rights they may have pursuant to the Wyoming Governmental Claims Act, Wyoming Statutes Section 1-39-101 *et seq.*, and the Parties hereby specifically reserves the right to assert any and all rights, immunities, and defenses it may have pursuant to the Wyoming Governmental Claims Act.

23. Assignment; Subletting

A. The City shall have the right to convey, transfer, assign, or sublet or amend any existing subleases on any portion of its right, title, interest in, or its possession or control of, any portion of the Leased Premises, or otherwise convey any interest of the City under this Sublease upon the written consent of the ARAJPB, which consent shall not be unreasonably withheld. However, the ARAJPB shall also be signatory to any such agreement conveying, transferring, assigning, subletting or amending any existing or future subleases and shall have the same authority as the City upon any default of any such agreement as against the transferee or sub-lessee thereof.

B. The City shall have the right to assign its interest in this Sublease or to sublet all or part of the Leased Premises to any other party if: (i) at the time of assignment or sublease, the City is not in default under any of its obligations under this Sublease; (ii) the proposed assignee or sublessee agrees in writing to be bound by and assume the terms of this Sublease; and (iii) the proposed assignee or sublessee is, in the ARAJPB's judgment, financially capable of performing its obligations under this

Sublease and is an experienced owner, operator and/or manager of facilities similar and kind to the Existing Improvements.

C. The City shall provide the ARAJPB with at least thirty (30) days prior written notice of any proposed assignment or sublease hereunder including the identity of the proposed assignee or sublessee. The City shall provide the ARAJPB with such additional information as the ARAJPB shall reasonably request regarding the proposed assignee or sublessee and its financial status and experience.

D. The City is acting as an intermediary for the future sub-leasing of the Property for the development of the Project. The ARAJPB understands agrees that its requirements under this Sublease will be passed through to any such sub-lessee of the City whom shall then be solely responsible for compliance of these terms with the ARAJPB, free and clear of any claim against the City therefore, with the exception of any part of the Project for which the City maintains ownership during the term of this Sublease for which the City shall then remain responsible for compliance with the applicable terms of this Sublease.

24. Tenant Leases

Notwithstanding anything in this Sublease to the contrary, the City, and the City's sub-lessee shall have the unrestricted right to enter into Tenant Leases ("Tenant Leases") covering space within the Improvements respectively constructed on the Leased Premises on terms and in a form as determined by either the City or the City's sub-lessee from time to time in its sole and absolute discretion. All Tenant Leases shall be in writing and expressly state that the Tenant's rights thereunder are subject to the terms and conditions of this Sublease. Permitted uses under each such Tenant Lease shall not conflict with the uses permitted under this Sublease and the Lease Agreement. the City, and the City's sub-lessee, shall on an annual basis provide the ARAJPB with a rent roll listing as of such date all, Tenant Leases and identifying the Tenants and spaces leased.

25. Right to Mortgage

A. Notwithstanding the provisions contained herein, the City, or the City's sub-lessee shall have the right to mortgage or grant a deed of trust against or otherwise encumber their respective interests in the Leased Premises subject to the terms, conditions and limitations contained herein.

B. As used herein, "Leasehold Mortgage" shall mean any mortgage or deed of trust on the Leasehold Estate created by this Sublease; "Purchase Money Mortgage" shall mean any Leasehold Mortgage

granted to the City or the City's sub-lessee in connection with the sale or transfer of the City's interest in all or part of this Sublease; "Leasehold Estate" shall mean the estate of the City created by this Sublease upon and subject to all the terms and conditions of this Sublease but expressly excluding the ARAJPB's lease interest with BP Products North America Inc.; "Lending Institution" shall mean a national bank, insurance company, pension fund, major financial lending institution, or other entity generally recognized as a source of construction and/or permanent mortgage financing with reasonably sufficient assets and net worth as determined by the ARAJPB. Any such Leasehold Mortgage shall be subject to and subordinate to the rights of the ARAJPB hereunder in accordance with all the terms and conditions of this Sublease.

C. The right of the City or the City's sub-lessee to mortgage its interests under this Sublease shall be subject to fulfillment of all of the following conditions.

- i.** The City or the City's sub-lessee shall notify the ARAJPB of the existence and identity of any respective Leasehold Mortgagee and provide the ARAJPB with a copy of all recorded instruments constituting the Leasehold Mortgage. No holder of a Leasehold Mortgage ("Leasehold Mortgagee") on this Sublease shall have the rights or benefits mentioned in this Section, nor shall the provisions of this Section be binding upon the ARAJPB, unless and until the name and address of the Leasehold Mortgagee shall have been delivered in writing to the ARAJPB, which notice shall be joined in or confirmed in writing by the City or the City's sub-lessee for their respective Leasehold Mortgages, notwithstanding any other form of notice, actual or constructive.
- ii.** The Leasehold Mortgagee is either a Lending Institution or the holder of a Purchase Money Mortgage.

D. As to protection of Leasehold Mortgagees, if, the City or the City's successors or assigns, or the City's sub-lessee shall mortgage this Sublease or the City's sub-lease thereof in compliance with the provisions of this Section, then so long as any such Leasehold Mortgage shall remain unsatisfied of record, the following provisions shall apply.

- i.** No cancellation, surrender or modification of this Sublease shall be effective as to any Leasehold Mortgagee unless consented to in writing by such Leasehold Mortgagee; provided that such consent shall not be required in the event of a termination of this Sublease in accordance with this Section.
- ii.** The ARAJPB, upon providing the City or the City's sub-lessee any notice of: (i) default under this Sublease or the City's sub-lease; (ii) a termination of this Sublease or the City's sub-lease; or (iii) a matter on which the ARAJPB may predicate or claim a default, shall at the same time provide a copy of such notice to every Leasehold Mortgagee of which the ARAJPB

has been provided notice in accordance with this Section. No such notice by the ARAJPB to the City or the City's sub-lessee shall be deemed to have been duly given unless and until a copy thereof has been so provided to every Leasehold Mortgagee of which the ARAJPB has been provided notice in accordance with Section herein. From and after the date such notice has been given to Leasehold Mortgagee, such Leasehold Mortgagee shall have the same period, after the giving of such notice upon it, for remedying any default or acts or omissions which are the subject matter of such notice, or causing the same to be remedied, as is given the City or the City's sub-lessee after the giving of such notice to the City or the City's sub-lessee, plus in each instance the additional periods of time specified in this Section to remedy, commence remedying or cause to be remedied the defaults or acts or omissions which are specified in such notice. The ARAJPB shall accept such performance by or at the instigation of such Leasehold Mortgagee as if the same had been done by the City or the City's sub-lessee as the case may be. The City or the City's sub-lessee shall authorize each Leasehold Mortgagee to take any such action at such Leasehold Mortgagee's option and does hereby authorize entry upon the Leased Premises by the Leasehold Mortgagee for such purpose.

iii. Anything contained in this Sublease to the contrary notwithstanding, if any default shall occur which entitles the ARAJPB to terminate this Sublease, the ARAJPB shall have no right to terminate this Sublease unless, following the expiration of the period of time given the City or the City's sub-lessee to cure such default or the act or omission which gave rise to such default, the ARAJPB shall notify every Leasehold Mortgagee (a "Termination Notice") of its intent to so terminate at least thirty (30) days in advance of the proposed effective date of such termination if such default is capable of being cured by the payment of money, and at least ninety (90) days in advance of the proposed effective date of such termination if such default is not capable of being cured by the payment of money (the "Termination Notice Period"). The provisions of this Section shall apply only if, during such 30 or 90 day Termination Notice Period, any Leasehold Mortgagee shall:

1. Notify the ARAJPB of such Leasehold Mortgagee's desire to nullify such notice;
2. Pay or cause to be paid all Rent and other payments then due and in arrears and which may become due during the Termination Notice Period as specified in the Termination Notice to such Leasehold Mortgagee;
3. Comply or in good faith, with reasonable diligence and continuity, commence to comply with all nonmonetary requirements of this Sublease then in default and reasonably susceptible of being complied with by such Leasehold Mortgagee;

4. Any notice to be given by the ARAJPB to a Leasehold Mortgagee pursuant to any provision of this Section shall be deemed properly addressed if sent to the Leasehold Mortgagee who provided a notice referred to above, unless notice of a change of Leasehold Mortgage ownership has been given to the ARAJPB in writing. the City or the City's sub-lessee

E. If the ARAJPB shall elect to terminate this Sublease by reason of any default of the City or the City's sub-lessee, and the Leasehold Mortgagee shall have proceeded in the manner provided for herein, the specified date for the termination of this Sublease as fixed by the ARAJPB in its Termination Notice shall be extended for a period of six (6) months, provided that such Leasehold Mortgagee shall, during such six (6) month period;

- i. Pay or cause to be paid the Rent, and other monetary obligations of City or the City's sub-lessee under this Sublease as the same become due, and continue its good faith efforts to perform all of City or the City's sub-lessee other obligations under this Sublease, including during any period during which the Leasehold Mortgagee is entitled to possession of the Leased Premises, the obligation to operate and maintain the Improvements and the Leased Premises, in accordance with the provisions of this Sublease.
- ii. If not enjoined or stayed, take steps to acquire or sell the defaulting City's or the City's sub-lessee's interest in this Sublease or the City's sub-lease by foreclosure of the Leasehold Mortgage or other appropriate means and prosecute the same with due diligence.
- iii. If at the end of such six (6) month period such Leasehold Mortgagee is complying with this Section, this Sublease or the City's sub-lease shall not then terminate, and the time for completion by such Leasehold Mortgagee of its proceedings shall continue so long as such Leasehold Mortgagee is enjoined or stayed and thereafter for so long as such Leasehold Mortgagee proceeds to complete steps to acquire or sell the defaulting City's or the City's sub-lessee's interest in this Sublease or the City's sub-lease by foreclosure of the Leasehold Mortgage or by other appropriate means with reasonable diligence and continuity. Nothing in this Section, however, shall be construed to extend either this Sublease or the City's sub-lease beyond the original terms thereof, nor to require a Leasehold Mortgagee to continue such foreclosure proceedings after the default has been cured. If the default shall be cured and the Leasehold Mortgagee shall discontinue such foreclosure proceedings, this Sublease or the City's sub-lease shall continue in full force and effect as if either City or the City sub-lessee had not defaulted under this Sublease.
- iv. If a Leasehold Mortgagee is complying with this Section, upon the acquisition of City's or the City's sub-lessee's Leasehold Estate herein by such Leasehold Mortgagee or its designee

or any other purchaser at a foreclosure sale or otherwise and the discharge of any lien, charge or encumbrance against City's or the City's sub-lessee's interest in this Sublease or the City's sub-lease or the Leased Premises which is junior in priority to the lien of the Leasehold Mortgage held by such Leasehold Mortgagee and which either the City or the City's sub-lessee is obligated to satisfy and is charged by reason of the terms of this Sublease, this Sublease shall continue in full force and effect as if either the City or the City's sub-lessee had not defaulted under either this Sublease or the City's sub-lease.

- v. For the purposes of this Section, the making of a Leasehold Mortgage shall not be deemed to constitute an assignment or transfer of this Sublease or the Leasehold Estate, nor shall any Leasehold Mortgagee, as such, be deemed to be an assignee or transferee of this Sublease or of the Leasehold Estate so as to require such Leasehold Mortgagee, as such, to assume the performance of any of the terms, covenants or conditions on the part of City or the City sub-lessee to be performed hereunder, but the purchaser at any sale of this Sublease and of the Leasehold Estate in any proceedings for the foreclosure of any Leasehold Mortgage, or the assignee or transferee of this Sublease and of the Leasehold Estate under any instrument of assignment or transfer in lieu of the foreclosure of any Leasehold Mortgage, shall be deemed to be an assignee or transferee within the meaning of this Sublease and any sub-lease by the City and shall be deemed to have agreed to perform all of the terms, covenants and conditions on the part of the City or the City's sub-lessee to be performed hereunder from and after the date of such purchase and assignment.
- vi. If the Leasehold Mortgagee shall become holder of the Leasehold Estate and if the Leased Premises shall have been or become materially damaged on, before or after the date of such purchase and assignment, the Leasehold Mortgagee or such designee shall be obligated to repair, replace or reconstruct the improvements only to the extent of the net insurance proceeds received by the Leasehold Mortgagee or such designee by reason of such damage. However, should such net insurance proceeds be insufficient to repair, replace or reconstruct the improvements to the extent required herein and should the Leasehold Mortgagee or such designee choose not to fully reconstruct the improvements to the extent required by this Sublease, such failure shall entitle the ARAJPB to terminate this Sublease and the City's sublease, and the net insurance proceeds shall be distributed to the ARAJPB.
- vii. Any Leasehold Mortgagee or other acquirer of the Leasehold Estate pursuant to foreclosure, assignment in lieu of foreclosure or other proceedings may, upon acquiring the City's or the City's sub-lessee's Leasehold Estate, without further consent of the ARAJPB, sell and assign the Leasehold Estate on such terms and to such persons and organization as are

acceptable to such Leasehold Mortgagee or acquirer and thereafter be relieved of all obligations under this Sublease; provided that the assignor shall have complied with all the requirements described in herein; and further provided such assignee has delivered to the ARAJPB its written agreement to be bound by all of the provisions of this Sublease, including any and all restrictions on further assignments, alienation, subletting, and further transfers of its interests hereunder.

viii. Notwithstanding any other provisions of this Sublease, any sale of this Sublease and of the Leasehold Estate in any proceedings for the foreclosure of any Leasehold Mortgage, or the assignment or transfer of this Sublease and of the Leasehold Estate in lieu of the foreclosure of any Leasehold Mortgage, shall be deemed to be a permitted sale, transfer or assignment of this Sublease or under the City's sub-lease and of the Leasehold Estate.

F. In the event of any proceeding by the ARAJPB or the City under the United States Bankruptcy Code (Title 11 U.S.C.) as now or hereafter in effect:

i. If this Sublease is rejected in connection with a bankruptcy proceeding by the City or the City's sub-lessee or a trustee in bankruptcy for either the City or the City's sub-lessee, such rejection shall be deemed an assignment by City or the City's sub-lessee to the Leasehold Mortgagee (or if there is more than one Leasehold Mortgagee, to the one highest in priority) of the Leasehold Estate and all of City's or the City's sub-lessee's interest under this Sublease, in the nature of an assignment in lieu of foreclosure, and this Sublease shall not terminate and the Leasehold Mortgagee shall have all the rights of the Leasehold Mortgagee under this Section as if such bankruptcy proceeding had not occurred, unless such Leasehold Mortgagee shall reject such deemed assignment by notice in writing to the ARAJPB within thirty (30) days following rejection of this Sublease by the City or the City's sub-lessee or their respective trustee(s) in bankruptcy. If any court of competent jurisdiction shall determine that this Sublease shall have been terminated notwithstanding the terms of the preceding sentence as a result of rejection by the City or the City's sub-lessee or their respective trustee(s) in connection with any such proceeding, the rights of any Leasehold Mortgagee to a New Lease from ARAJPB pursuant to this Section shall not be affected thereby.

26. Default

A. The occurrence of any of the following shall constitute a default and breach of this Sublease Agreement by the City or the City's sub-lessee:

- i.** Any failure by the City or the City's sub-lessee to pay the Impositions, rents, or additional rent required to be paid hereunder by the City or the City's sub-lessee ; or
- ii.** Any failure by the City or the City's sub-lessee to effect, maintain, increase, or renew any insurance required hereunder by the City or the City's sub-lessee ; or
- iii.** Any failure by the City or the City's sub-lessee to pay the sum or sums for which the City or the City's sub-lessee shall become liable in its indemnity and defense of the ARAJPB hereunder; or
- iv.** Any failure by the City or the City's sub-lessee to comply with institutional or engineering controls, zoning resolutions, regulations, or restrictions applicable to the Leased Premises, or any part thereof, that are consistent with the requirements of the Development Protocols and the Existing Encumbrances and restrictions; or
- v.** Any failure by the City or the City's sub-lessee to fully and promptly comply with any of the terms or conditions contained in this Sublease Agreement, specifically including, but not limited to, the Use Restrictions.

B. Upon default by the City or the City's sub-lessee, the ARAJPB shall give written notice to the respective defaulting party, and the defaulting party shall have forty-five (45) business days in which to cure such default. In the event the defaulting party fails to timely cure such default, then in addition to all other remedies available to the ARAJPB at law or in equity, which shall include the right of specific performance, the ARAJPB may terminate this Sublease Agreement or the City's sub-lease and all rights of the City or the City's sub-lessee. Upon such termination of this Sublease Agreement or the City's sub-lease by the ARAJPB, the City or the City's sub-lessee shall quit the Leased Premises and peaceably surrender possession and occupancy thereof to the ARAJPB. Upon default by the City or the City's sub-lessee, the City or the City's sub-lessee shall be deemed to have waived and released any and all claims and demands for damages, loss, injury, expenses, costs and fees of every kind and nature whatsoever arising out of or resulting from such termination of this Sublease Agreement or the City's sub-lease by the ARAJPB.

C. Upon a default or breach of any term of this Sublease Agreement by the ARAJPB hereunder, the City or the City's sub-lessee, as to their respective interests, shall give written notice thereof to the ARAJPB, and the ARAJPB shall have forty-five (45) business days in which to cure such default. In the event the ARAJPB fails to timely cure such default, the City or the City's sub-lessee shall have all of the rights and remedies provided by law or equity including termination of this Sublease Agreement or the City's sub-lease. Upon default by the ARAJPB, the ARAJPB hereby waives and releases any and all claims and demands for damages, loss, injury, expenses, costs and fees of every

kind and nature whatsoever arising out of or resulting from such termination of this Sublease Agreement or the City's sub-lease by the City or the City's sub-lessee.

D. Except as otherwise expressly provided herein, the rights and remedies given herein to the ARAJPB and the City or the City's sub-lessee shall be deemed cumulative, and the exercise of one of such remedies shall not operate to bar the exercise of any other rights reserved to the ARAJPB or to the City or the City's sub-lessee under the provisions of this Sublease Agreement or the City's sub-lease or given to the ARAJPB or to the City or the City's sub-lessee by operation of law.

27. Nonwaiver

No failure by any Party to enforce any default or breach by the other Party of any term, covenant, condition, restriction, or agreement herein, and no failure by any Party to exercise any right, power, or remedy in respect of any default or breach hereunder, shall constitute a waiver or relinquishment by such Party for the present or future enforcement of any such term, covenant, condition, restriction, or agreement or of any subsequent breach of any such term, covenant, condition, restriction, or agreement, nor shall it bar any right or remedy of such Party in respect of any such subsequent breach, nor shall the receipt of any sum payable hereunder, or any portion thereof, operate as a waiver of the rights of the payee to enforce the payment of any other sum then or thereafter in default, or to terminate this Sublease, or to recover the Leased Premises, or to invoke any other appropriate right, power, or remedy that a Party may select as herein or which is by law provided. This provision shall apply to any sub-lessee of the City.

28. Force Majeure

The time within which a Party shall be required to perform any act under this Sublease, other than the payment of money, shall be extended by a period of time equal to the number of days during which performance of such act is delayed unavoidably by strikes, lockouts, acts of God, governmental restrictions, failure, or inability to secure materials or labor by reason of priority or similar regulation or order of any Governmental Authority, enemy action, civil disturbance, fire, unavoidable casualties, or any other cause beyond the reasonable control of such Party, excluding, however, the inability or failure of such Party to obtain any financing or appropriations which may be necessary to carry out its obligations. Notwithstanding the foregoing, unless the Party entitled to such extension shall give notice to the other Party of its claim to such extension within ten (10) business days after the notifying Party learns that the event giving rise to such claim shall have occurred, there shall be excluded in computing the number of

days by which the time for performance of the act in question shall be extended, the number of days which shall have elapsed between the occurrence of such event and the actual giving of such notice. This provision shall apply to any sub-lessee of the City.

29. Expenses

The ARAJPB shall reimburse the City or the City's sub-lessee upon demand for all reasonable expenses, excluding attorneys' fees, incurred by the City or the City's sub-lessee in connection with any action or litigation to enforce any obligation of the ARAJPB which is in default under this Sublease Agreement, or in connection with the termination of this Sublease Agreement by reason of a default of the ARAJPB, or the protection of City's or the City's sub-lessee's rights hereunder, or any litigation or dispute in which City or the City's sub-lessee becomes a party or otherwise becomes involved, without fault on its part, relating to the Leased Premises, or the City's or the City's sub-lessee rights or obligations hereunder. If the interest of the ARAJPB hereunder shall hereafter be held by more than one person, corporation, or other entity, and if litigation shall arise by reason of a dispute among such persons, corporations, or other entities, and if City or the City's sub-lessee is made a party to such litigation without the City's or the City's sub-lessee's consent, then the ARAJPB shall reimburse the City upon demand for all reasonable expenses, excluding reasonable attorneys' fees, incurred by the City or the City's sub-lessee in connection with any such litigation.

30. ARAJPB's Expenses

The City, for the City's improvements, or the City's sub-lessee for its improvements shall reimburse the ARAJPB upon demand for all reasonable expenses, excluding reasonable attorneys' fees, incurred by the ARAJPB in connection with the collection of any rent or Impositions due and payable hereunder, or in connection with any action or litigation to enforce any obligation of the City or the City's sub-lessee which is in default under this Sublease, or in connection with the termination of this Sublease by reason of a default of City or the City's sub-lessee, or the protection of the ARAJPB's rights hereunder, or any litigation or dispute arising due to City or the City's sub-lessee use and occupancy of the Leased Premises in which the ARAJPB becomes a party or otherwise becomes involved, without fault on its part, relating to the Leased Premises, or the ARAJPB's rights or obligations hereunder.

31. Termination and Surrender

A. Except as provided in Section 37 herein, on the last day of the Lease Term of this Sublease Agreement or the City's sub-lease, or any extension thereof, or upon any earlier termination of this Sublease Agreement or the City's sub-lease, all right, title and interest of the City or the City's sub-lessee in and to the Leased Premises shall cease and terminate, and all right, title and interest thereto, including all improvements thereon, shall vest in the ARAJPB. No further deed or other instrument shall be necessary to confirm the vesting in the ARAJPB of quiet title to the Leased Premises.

B. Upon any termination of this Sublease Agreement, the City, or the City's sub-lessee, upon request of the ARAJPB, shall execute, acknowledge, and deliver to the ARAJPB a recordable deed confirming that all of the right, title, and interest of the City or the City's sub-lessee in or to the Leased Premises has terminated and expired, and that title thereto has vested in the ARAJPB. Upon termination, the City or the City's sub-lessee shall truly quit the Leased Premises and peaceably surrender and deliver up the Leased Premises and, for cases of early termination, the City's or the City's sub-lessee's improvements upon the Leased Premises, into the possession and use of the ARAJPB, without fraud or delay and in good order, condition, and repair, free and clear of all lettings and occupancies, free and clear of all liens and encumbrances other than those existing on the Effective Date of the Lease Term of this Sublease Agreement and those, if any, created by the ARAJPB, without any payment or allowance whatsoever by the ARAJPB on account of or for any of the City or the City's sub-lessee's Improvements or other buildings, improvements, and occupancies erected, maintained, or existing on the Leased Premises at the time of the termination, or for the contents thereof or appurtenances thereto. **PROVIDED HOWEVER**, the ownership of any public water, sewer, or street improvements related to the Leased Premises shall remain the sole and separate property of the City.

32. Hold Harmless

The ARAJPB and the City, due to the Wyoming Governmental Claims Act, hereby agree to indemnify and hold each other and the City's sub-lessee harmless from any and all liability for personal injury, death, or property damage arising or resulting from their respective use of the Leased Premises for which they have liability pursuant to the Wyoming Governmental Claims Act.

The City's sub-lessee shall indemnify, defend, and hold harmless the ARAJPB, the City, and the Leased Premises from and against all claims and liabilities arising by virtue of or relating to any construction and any other improvements or repairs made at any time to the Leased Premises, including repairs, restoration and rebuilding, and all other activities of the City's sub-lessee on or with respect to the

Leased Premises. If the City or the City's sub-lessee is required to defend any action or proceeding pursuant to this Sublease to which action or proceeding the ARAJPB is made a party and the ARAJPB reasonably believes that the interest of either the City or the City's sub-lessee and the ARAJPB conflict or are divergent, then the ARAJPB shall also be entitled to appear, defend, or otherwise take part in the matter involved, at its election, by counsel of its own choosing, and to the extent the ARAJPB is indemnified under this Sublease, the City's Sub-lessee shall bear the costs of the ARAJPB's separate defense, including reasonable attorneys' fees.

33. Indemnification

A. The City's sub-lessee shall agree, in any sub-lease from the City, to indemnify, defend and hold the ARAJPB and the City harmless from and against any and all demands, claims, liabilities, losses, costs, expenses, actions, causes of action, damages or judgments, and all reasonable expenses incurred in investigating or resisting the same (including, without limitation, reasonable attorneys' fees and disbursements) to the extent arising or alleged to arise from: (i) injury to person or to property occurring within or about the Leased Premises, the Existing Improvements or any other improvements on the Leased Premises; (ii) City's sub-lessee, its employees, agents, invitees or sublessee's acts or omissions relating to the use or occupancy of the Leased Premises, the Existing Improvements, or any other improvements on the Leased Premises; (iii) a breach or default by the City's sub-lessee in the performance of any of its obligations under this Sublease; or (iv) the City's sub-lessee's violation of any applicable law or statute relating to the Leased Premises, the Existing Improvements or any other improvement on the Leased Premises or their use or occupation; provided, however, that the ARAJPB shall not be released from and shall indemnify, defend, protect and hold the City's sub-lessee harmless from all damages, liabilities, judgments, actions, claims, , consultants' fees, payments, costs and expenses to the extent arising from the acts or omissions of the ARAJPB, its employees or agents or through breach of the ARAJPB's obligations under this Sublease or the City's sub-lease to the extent that the ARAJPB has liability under the Wyoming Governmental Claims Act.

B. The City's sub-lessee shall agree, the neither the ARAJPB or the City shall be liable for injury to City's sub-lessee's business or any loss of income therefrom for damage to the goods, wares, merchandise or other property, or for consequential damages of the City's sub-lessee, or its employees, agents, contractors, invitees, sublessees of the City's sub-lessee or any other person in or about the Leased Premises, the Existing Improvements, or any other improvements on the Leased Premises.

34. Notices

Any notice, demand, election, payment, or other communication (hereafter collectively referred to as "Messages") with the ARAJPB or the City required to be given pursuant to the provisions of this Sublease Agreement shall be sent by registered or certified mail, return receipt requested, and the giving of such Messages shall be deemed complete on the fifth (5th) business day after the same is deposited in the United States Post Office with postage, charges prepaid, enclosed in a securely sealed envelope addressed to the person intended to be given such Messages at the respective addresses set forth below or to such other address as such Party may theretofore have designated by notice.

ARAJPB: Amoco Reuse Agreement Joint Powers Board
2435 King Boulevard STE 249
Casper, WY 82604

City of Casper: City Manager's Office
City Hall
200 N. David
Casper, WY 82601

35. Amendment or Modification of Sublease Agreement

This Sublease Agreement may be amended, changed or modified only by an agreement in writing signed by the Parties.

36. Lease Subject to Approval by BP

This Sublease Agreement and the City's sub-lease(s) are subject to the August 1, 2000 Lease Agreement between the Amoco Oil Company, a Maryland corporation, predecessor in interest to BP Products North America Inc. and the Amoco Reuse Agreement Joint Powers Board. Therefore, this Sublease and the City's sub-lease(s) are subject to BP Products North America Inc. written consent to said Sublease Agreement and the City's sub-lease(s). Should BP Products North America Inc. not consent to this Sublease Agreement and the City's sub-lease(s), then this Sublease Agreement the respective City sub-lease(s) shall be null and void.

37. Conversion of Land From Lease to Fee Simple

In the event that BP conveys the property in fee simple to the ARAJPB and if the City has elected and made a single one-time rental payment, the ARAJPB shall execute a Quitclaim Deed of said property to the City. The City's sublessee will continue to pay the monthly common area maintenance fees agreed to by the parties.

IN WITNESS WHEREOF, the Parties hereto have caused this Sublease Agreement to be executed as of the day and year first above written.

WITNESS:

AMOCO REUSE AGREEMENT
JOINT POWERS BOARD

WITNESS:

City of Casper, Wyoming

Paul L. Meyer, Mayor

APPROVED AS TO FORM AND CONTENT:

BP PRODUCTS NORTH AMERICA INC.

Date:

TITLE