

May 22, 2009

Negotiations with King County Over the Cascade Outdoor Range Lease and Use Status

Cascade Rifle and Pistol Club (Club) and Cascade Rifle and Pistol Properties, Inc. (Properties) and their lawyers have been negotiating with legal representatives of King County (County) to resolve the ongoing dispute over the rights and duties of the two organizations in operating the outdoor multiple 5 range complex (Range). The County has proposed a compromise solution to the dispute and requested the two organizations review it and determine their willingness to accept it. This solution is the result of a preliminary meeting of the interested parties where willingness to consider it favorably was indicated by the Club and Properties agreed to have their Executive Board review it. The County's solution would require that both the Club and Properties dissolve their organizations and merge into a single new successor organization concentrating the rights and responsibilities for Range operations into one entity. It also proposes a structure for the new organization to make decisions according to proper parliamentary procedure thereby avoiding the ongoing and unresolved disagreements about range operations that have been occurring. The new organization would continue to operate the range under bylaws similar to the Club's current bylaws. The main changes are:

- 1) Properties members would have their benefactor status (free membership) restored for each current member's lifetime only.
- 2) Properties would be assured of a substantial (but minority) number of members of the Board of Directors of the successor entity.
- 3) King County would transfer the lease for the Range site from Properties to the successor organization.

King County currently leases the Range to Properties. The Range is maintained and operated by the Club under a contract (a sublease or use agreement) with Properties. The County's position is that their current lease with Properties could be cancelled because Properties has violated terms of the lease, mainly by subleasing to the Club without the County's knowledge or approval. The Club currently assumes Properties' responsibilities for operating the Range in a safe, legal and effective manner while Properties claims rights to schedule and operate part of the Range for profit as part of their contract with the Club. Neither the lease with King County nor the terms of several of the construction grants obtained by the Club allow for profit operations on the Range. Properties has also failed to faithfully discharge other legal obligations under the terms of the lease and did not properly disclose their status as a for profit corporation when obtaining the original lease from the County. The County would not have given the lease to Properties if they had realized that Properties intended for profit operations and was unable or unwilling to autonomously execute their responsibilities under the terms of the lease. This has been the Club's contention for some time and it is apparent that the County's legal advisor agrees.

It is beneficial to both the Club and to Properties, as well as the general public, to accept the County's solution because the terms of the existing lease are very favorable. If the lease is declared invalid, which could happen if both organizations do not accept the County's proposal, the County will most likely issue a Request for Proposal (RFP) for a new organization to operate the range under a new lease agreement. This could result in the range being shut down, either temporarily, or permanently, while the County Council deliberates on a new ordinance specifying the terms of a new lease. The new lease will most likely be for a much shorter time period than the 20 years left on the existing lease. The cost will probably be higher since the County currently waives the rent in return for the public access and Police training activities that are currently provided at the Range by the Club in response to the terms of the existing lease. The Club (and Properties, if they elect to bid) would also have to compete with other organizations in a bidding process to obtain the lease with the attendant risk that the lease would be lost completely, either because we were outbid or because the County did not accept any proposal. It is also apparent that the County does not believe that Properties has the capability to satisfactorily operate the range and, if the lease is invalidated, Properties members will lose all of the rights and benefits that they would otherwise receive under the County's proposal. Many individuals and organizations have supplied over 1 million dollars in range construction funds and donated labor to build the Range. There is a serious risk, both to the Club and to Properties, that there will be no resulting benefit accruing to these individuals and organizations if the lease is canceled.

The Club's Executive Board has voted unanimously to accept the County's proposal with the intention of presenting it to the Club's full membership for approval in a mail-in ballot. The Club also intends to disseminate this letter and any supporting communications that the County allows as quickly and widely as possible.

It is the Club's understanding that Properties' Executive Board has rejected the proposal, however, in what can only be described as an extremely short-sighted and self-destructive action, as there is no foreseeable benefit to Properties in rejecting the County's proposal. The Club believes that the proposal has not been properly presented to the Properties' membership and that they would not collectively reject the County's proposal if they fully understood it. The Club's Executive Board urges all Club members who are also Properties members to support an action to provide a complete explanation of the County's proposal to the full Properties' membership and to initiate a decision process based on a vote by the entire membership.

The Executive Board, Cascade Rifle and Pistol Club