

**Sierra County
Board of Supervisors'
Agenda Transmittal &
Record of Proceedings**

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| MEETING DATE: June 16, 2020 | TYPE OF AGENDA ITEM: <input type="checkbox"/> Regular <input type="checkbox"/> Timed <input checked="" type="checkbox"/> Consent |
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DEPARTMENT: Public Health
APPROVING PARTY: Vickie Clark, Director
PHONE NUMBER: (530) 993-6700

AGENDA ITEM: Lease Agreement between Richard and Sharon Elorza and Sierra County Human Services.

SUPPORTIVE DOCUMENTS ATTACHED: Memo Resolution Agreement Other

BACKGROUND INFORMATION: Please see attached memo

FUNDING SOURCE: 0515610
GENERAL FUND IMPACT: No General Fund Impact
OTHER FUND:
AMOUNT: \$5,962.08 Annually

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|--|---|
| ARE ADDITIONAL PERSONNEL REQUIRED? <input type="checkbox"/> Yes, -- -- <input checked="" type="checkbox"/> No | IS THIS ITEM ALLOCATED IN THE BUDGET? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No IS A BUDGET TRANSFER REQUIRED? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
|--|---|

SPACE BELOW FOR CLERK'S USE

| | | |
|---|---|---|
| BOARD ACTION: <input type="checkbox"/> Approved <input type="checkbox"/> Approved as amended <input type="checkbox"/> Adopted <input type="checkbox"/> Adopted as amended <input type="checkbox"/> Denied <input type="checkbox"/> Other <input type="checkbox"/> No Action Taken | <input type="checkbox"/> Set public hearing For: _____ <input type="checkbox"/> Direction to: _____ <input type="checkbox"/> Referred to: _____ <input type="checkbox"/> Continued to: _____ <input type="checkbox"/> Authorization given to: _____ | Resolution 2020- _____ Agreement 2020- _____ Ordinance _____ Vote: Ayes: Noes: Abstain: Absent: <input type="checkbox"/> By Consensus |
|---|---|---|

COMMENTS:

| | |
|-----------------------------|---------------|
| _____ CLERK TO THE BOARD | _____ DATE |
|-----------------------------|---------------|

Memorandum

To: Sierra County Board of Supervisors

From: Vickie Clark, Director

Reference: Agenda Item

Date of memo: June 3, 2020

Date of Board Meeting: June 16, 2020

Requested Action: Lease Agreement between Richard and Sharon Elorza and Sierra County Human Services.

Mandated by:

Funding

Budgeted? Yes No

| | | |
|-------------------|------------|----------------------|
| Revenue | \$5,962.08 | Public Health |
| Expenses | \$5,962.08 | Public Health |
| Difference | 0 | |

Background Information: This is a renewing lease agreement. This building currently provides office space for tobacco and Public Health Emergency Preparedness programs. This lease agreement has increased 2% from last year.

Potential Issues to consider: None

Alternatives or Impacts of disapproval: Office space would not be available for the current positions.

Recording requested by and
when recorded mail to:
HEATHER FOSTER
Sierra County Clerk/Recorder
Post Office Drawer D
Downieville, CA 95936

Space Above for Recorder's Use

This Lease Agreement (hereinafter referred to as "Agreement") is made and entered into as of the Effective Date by and between Richard and Sharon Elorza, (hereinafter referred to as "LESSOR"), and the County of Sierra, a political subdivision of the State of California, (hereinafter referred to as "LESSEE").

Purpose: LESSOR hereby agrees to lease to LESSEE, upon the terms and conditions and for the rent herein specified, the property herein described ("the Leased Property").

Leased Property: That certain property described on Exhibit "A" hereto ("the Leased Premises") commonly known as: 35 SW Third Street, Loyalton, CA, and as more particularly described on Exhibit "A" attached hereto and incorporated herein by this reference.

Term: 12 Months

Number of Square Feet: 540
Rate/Sq. Ft.:

Commencement Date: July 1, 2020

Monthly Rent: \$496.84

Expiration Date: June 30, 2021

Total Contract Amount: \$5,962.08

Notice of:

This Agreement contains:

- | | |
|-----------------------------------|--|
| 1. This Facing Page (1 page) | 3. Supplemental Terms and Conditions (1 page) |
| 2. Terms and Conditions (5 pages) | 4. Exhibit "A" - Property Description (1 page) |

Effective Date: July 1, 2019

LESSOR: (Name and Address)

LESSEE: (Name and Address)

Richard and Sharon Elorza
175 York Way
Sparks, NV 89431

Sierra County Human Services
Post Office Drawer 265
Loyalton, CA 96118

By: _____
SHARON ELORZA

By: _____
JIM BEARD
Chairman, Board of Supervisors

RICHARD ELORZA

ATTEST:

APPROVED AS TO FORM:

HEATHER FOSTER
CLERK OF THE BOARD

DAVID PRENTICE
COUNTY COUNSEL

TERMS AND CONDITIONS

1. PROPERTY AND DESCRIPTION

The Leased Premises are described on Exhibit "A" hereto.

2. TERM OF AGREEMENT

The term of this Agreement as specified on Page 1 shall begin on the Commencement Date and shall terminate on the Expiration Date as indicated thereof, with the provision the LESSEE shall have the right and option to renew the Agreement on July 1 of each succeeding fiscal year. To renew the lease Lessee shall provide written notice of its election to renew the lease to Lessor, on or before June 1st of each year. For the fiscal year beginning July 1, 2020 and ending June 30, 2021 the LESSEE will pay the LESSOR rent in the amount of \$496.84 per month. For each succeeding fiscal year thereafter, the LESSEE will increase the monthly lease payment by 2% to accommodate inflation based on the CPI index.

3. RENT PAYMENTS

LESSEE agrees to pay to LESSOR as rent, the monthly amount as shown on page 1 hereof, payable on the first (1st) day of each successive month. Such amount shall be delinquent if not paid by the tenth (10th) of each successive month. For any rental period of less than a month, the rent shall be prorated on a thirty (30) day basis and such amount paid in addition to that amount due on the first (1st) day of the next succeeding month.

4. INSURANCE COVERAGE

LESSEE shall provide at its own expense and maintain in full force and effect during the term of this Lease the following "insurance coverage" program for "premises liability", and shall provide coverage for injuries and liability arising from the use of the premises by Lessee, its agents, employees or invitees.

Coverage through the Trindel Insurance Fund whereby the LESSEE is required to maintain with Trindel Insurance Fund a One Hundred Thousand Dollars (\$100,000) self-insured deposit. Coverage in excess of One Hundred Thousand Dollars (\$100,000) is carried through PRISM with limits of Ten Million Dollars (\$10,000,000). The LESSEE shall be responsible for maintaining such coverage in full force and effect and to name the LESSOR as a covered party to provide coverage for all liability and/or loss arising out of LESSEE'S occupancy and use of the Leased Premises.

5. HOLD HARMLESS

5.1 GENERAL

LESSEE agrees to release, indemnify and defend LESSOR harmless from and against all liability, cost and expense (including, without limitation, attorneys' fees in addition to costs of suit and judgment) for loss of or damage to any property or loss of the use thereof or for injury to or death of any person when arising or resulting from:

- (a) The use of the premises or the facility or improvements by LESSEE, its agents, employees, or invitees or
- (b) LESSEE'S breach of any provision of this lease.

5.2 ENVIRONMENTAL IMPAIRMENT

LESSEE shall, at its expense, comply with all applicable laws, regulations, rules and orders, regardless of when they become or became effective, including without limitation those relating to health, safety, noise, environmental protection, waste disposal, and water and air quality, and furnish satisfactory evidence of such compliance to LESSOR upon request.

Should any discharge, leakage, spillage, emission, or pollution of any type occur upon or from the premises,

LESSEE, at its expense, shall be obligated to clean the premises to the satisfaction of LESSOR and any governmental body having jurisdiction thereover, if such event is due to illegal acts by LESSEE or its inappropriate use of the property and/or negligence.

LESSEE agrees to indemnify, hold harmless and defend LESSOR against all liability, cost and expense (including without limitation attorneys' fees) incurred by LESSOR as a result of leakage, spillage, emission or pollution due to LESSEE'S illegal acts or inappropriate use and occupancy, regardless of whether such liability, cost or expense arises during or after this lease is in effect, unless such liability, cost or expense is proximately caused by the active negligence of LESSOR.

6. UTILITIES AND SECURITY

LESSEE agrees to pay all utility service charges (including electricity and telephone) on, or assessed against, the premises arising out of LESSEE's use.

7. LESSOR'S REPRESENTATIONS

LESSOR warrants that LESSOR has right, title and interest in and to the Leased Premises and has authority to enter into this Agreement; the Leased Premises and appurtenances are and during the term hereof shall remain in good and habitable condition; no suit, proceeding or condition exists or is threatened which would legally or physically prevent or defeat the performance of this Agreement by Lessor.

8. IMPROVEMENTS AND ALTERATIONS

Any alteration or improvement to the Leased Property, other than that described on the Supplemental Conditions, shall be made at LESSEE's sole cost and expense. Said improvements may be removed by LESSEE provided that LESSEE restores the area of removal substantially to its condition prior to the subject improvement or modification.

9. MAINTENANCE

LESSEE shall, at its expense, keep and maintain the non structural interior of the Leased Premises in good condition and repair and in a neat and safe condition. LESSOR shall be responsible for the repair and maintenance of the mechanical, electrical and plumbing systems in the building. LESSOR shall, at LESSOR's expense, keep and maintain the structure, exterior and grounds of the Leased Premises in good condition and repair and in a neat and safe condition.

10. USE OF PREMISES

LESSEE shall use the premises for the purposes as shown on the Facing Page hereof.

11. TERMINATION OR EXPIRATION

11.1 GENERAL

Termination or expiration of this lease shall not release either party from liability resulting from an event which occurred prior to such termination or expiration. County and LESSOR have the right to terminate this Lease as any time by giving thirty (30) working days written notice to the other party.

11.2 SURRENDER OF PREMISES

Upon termination of this lease, LESSEE shall discontinue the use of the facility and, within sixty (60) days, remove the facility and all other personal property of LESSEE from the premises of LESSOR. Property of LESSEE not removed from said premises within sixty (60) days after the termination of this agreement shall become the property of LESSOR after LESSOR shall have given LESSEE written notice of intent to take title to said property, and thirty (30) days shall have elapsed after the giving of such written notice.

11.3 NON APPROPRIATION

LESSEE, as a governmental entity, must annually make budgetary appropriations. In the event that this Agreement extends beyond one (1) fiscal period (ending June 30 of each succeeding year), and no budgetary appropriation is made to provide funds with which to make any payment in such subsequent fiscal period, this Agreement shall automatically terminate upon the adoption of the final budget. LESSEE shall be liable for rents payable up to the date of such adoption.

12. DEFAULT

If either party fails to cure a default within thirty (30) days after written notice is received specifying the event or events of default, the other party shall have the right, without further notice and in addition to any other remedies at law or equity, to terminate this Agreement forthwith.

13. INTERPRETATION AND ENFORCEMENT

13.1 WAIVER. A waiver by any party of any breach of any term, covenant or condition herein contained or a waiver of any right or remedy of such party available hereunder at law or in equity shall not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant or condition herein contained or of any continued or subsequent right to the same right or remedy. No party shall be deemed to have made any such waiver unless it is in writing and signed by the party so waiving.

13.2 ASSIGNMENT. This Agreement constitutes a personal contract and no party hereto shall assign or transfer this Agreement, or any part thereof, without the prior written consent of the other(s), unless such transfer is otherwise expressly permitted hereby.

13.3 COMPLETENESS OF INSTRUMENT. This Agreement, together with its specific references and attachments, constitutes all of the agreements, understandings, representations, conditions, warranties and covenants made by and between the parties hereto. Unless set forth herein, neither party shall be liable for any representations made express or implied.

13.4 SUPERSEDES PRIOR AGREEMENTS. It is the intention of the parties hereto that this Agreement shall supersede any prior agreements, discussions, commitments, representations, or agreements, written or oral, between the parties hereto.

13.5 ATTORNEY'S FEES. If any action at law or in equity, including an action for declaratory relief, is brought to enforce or interpret provisions of this Agreement, the prevailing party shall be entitled to reasonable attorney's fee, which may be set by the Court in the same action or in a separate action brought for that purpose, in addition to any other relief to which such party may be entitled.

13.6 CAPTIONS. The captions of this Agreement are for convenience in reference only and the words contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this Agreement.

13.7 DEFINITIONS. Unless otherwise provided in this Agreement, or unless the context otherwise requires, the following definitions and rules of construction shall apply herein.

13.7.1 NUMBER AND GENDER. In this Agreement, the neuter gender includes the feminine and masculine, and the singular includes the plural, the word "person" includes corporations, partnerships, firms or associations, wherever the context so requires.

13.7.2 MANDATORY AND PERMISSIVE. "Shall" and "will" and "agrees" are mandatory. "May" is permissive.

13.8 TERM INCLUDES EXTENSIONS. All references to the term of this Agreement or the Agreement Term shall include any extensions of such term.

13.9 SUCCESSORS AND ASSIGNS. All representations, covenants and warranties specifically set forth in this Agreement, by or on behalf of, or for the benefit of any or all of the parties hereto, shall be binding upon and inure to the benefit of such party, its successors and assigns.

13.10 MODIFICATION. No modification or waiver of any provisions of this Agreement or its attachments shall be effective unless such waiver or modification shall be in writing, signed by all parties, and then shall be effective only for the period and on the condition, and for the specific instance for which given.

13.11 COUNTERPARTS. This Agreement may be executed simultaneously and in several counterparts, each of which shall be deemed an original, but which together shall constitute one and the same instrument.

13.12 OTHER DOCUMENTS. The parties agree that they shall cooperate in good faith to accomplish the object of this Agreement and to that end, agree to execute and deliver such other and further instruments and documents as may be necessary and convenient to the fulfillment of these purposes.

13.13 PARTIAL INVALIDITY. If any term, covenant, condition or provision of this Agreement is held by a Court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provision and/or provisions shall remain in full force and effect and shall in no way be affected, impaired or invalidated.

13.14 JURISDICTION. It is agreed by the parties hereto that unless otherwise expressly waived by them, any action brought to enforce any of the provisions hereof or for declaratory relief hereunder shall be filed and remain in a Court of competent jurisdiction in the County of Sierra, State of California.

13.15 CONTROLLING LAW. The validity, interpretation and performance of this Agreement shall be controlled by and construed under the laws of the State of California.

13.16 INCORPORATION OF EXHIBITS. All exhibits mentioned herein and attached hereto are specifically incorporated herein by this reference and made a part of this Agreement.

13.17 TIME IS OF THE ESSENCE. Time is of the essence of this Agreement and each covenant and term a condition herein.

13.18 AUTHORITY. All parties to this Agreement warrant and represent that they have the power and authority to enter into this Agreement in the names, titles and capacities herein stated and on behalf of any entities, persons, estates or firms represented or purported to be represented by such entity(s), person(s), estate(s) or firm(s) and that all formal requirements necessary or required by any state and/or federal law in order to enter into this Agreement have been fully complied with. Further, by entering into this Agreement, neither party hereto shall have breached the terms or conditions of any other contract or agreement to which such party is obligated, which such breach would have a material effect hereon.

13.19 POSSESSORY INTEREST. The parties to this Agreement recognize that certain rights to property may create a "possessory interest", as those words are used in the California Revenue and Taxation Code (107). For all purposes of compliance by County with a Section 107.6 of the California Revenue and Taxation Code, this recital shall be deemed full compliance by the County of Sierra. All questions of initial determination of possessory interest and valuation of such interest, if any, shall be the responsibility of the County Assessor and the contracting parties hereto. A taxable possessory interest may be created by this if created; and the party in whom such an interest is vested will be subject to the payment of property taxes levied on such an interest.

13.20 NOTICES. All notices and demands of any kind which either party may require or desire to serve on the other in connection with this Agreement must be served in writing either by personal service or by registered or certified mail, return receipt requested, and shall be deposited in the United States Mail, with postage thereon fully prepaid, and addressed to the party so to be served as follows:

If to "LESSEE": Chairman, Board of Supervisors
County of Sierra
Post Office Drawer D
Downieville, California 95936

With a copy to: County Counsel
County of Sierra
Post Office Drawer D
Downieville, CA 95936

If to "LESSOR": Richard and Sharon Elorza
175 York Way
Sparks, NV 89431
PHONE: (775) 355-7509

SUPPLEMENTAL TERMS AND CONDITIONS

(None)

EXHIBIT "A"

PROPERTY DESCRIPTION

An office space located in the rear of the Loyalton Post Office Building, situated at 35 SW Third Street, in Loyalton, CA, hereinafter referred to as "leased premises".