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MONTEREY COUNTY WATER RESOURCES AGENCY

STANDARD LEASE AGREEMENT (General / Recreational)



LEASED PREMISES: San Antonio Reservoir - North & South Shores

North Shore: APN 424-061-018-000; APN 219-021-003-000; APN 423-071-082-000 **South Shore:** APN 219-021-007-000; APN 424-071-028-000; APN 424-071-023-000;

APN 424-091-035-000; APN 219-021-006-000; APN 424-071-027-000;

APN GOV'T LAND

LESSEE:

County of Monterey

MONTEREY COUNTY WATER RESOURCES AGENCY STANDARD LEASE AGREEMENT (General/Recreational)

PREAMBLE

This lease agreement ("Lease" or "Agreement") is made by and between the Monterey County Water Resources Agency, a public agency created pursuant to the Monterey County Water Resources Agency Act (Cal. Water Code, Appendix Chap. 52) ("LESSOR"), and the County of Monterey, a political subdivision of the State of California ("LESSEE"). This Lease completely replaces the prior lease between LESSOR and LESSEE as it relates to the Lease Site. LESSOR and LESSEE hereby agree as follows:

ARTICLE 1 - PREMISES

- **1.1 Description:** LESSOR hereby leases to LESSEE and LESSEE hereby leases from LESSOR, upon the terms and conditions herein set forth, that certain real property, facilities, and improvements at the San Antonio Reservoir ("Reservoir"), situated at portions of: (1) North Shore, the APNs are as follows: 424-061-018-000; 219-021-003-000; 423-071-082-000; and (2) South Shore, the APNs are as follows: 219-021-007-000; 424-071-028-000; 424-071-023-000; 424-091-035-000; 219-021-006-000, 424-071-027-000; GOV'T LAND (collectively, the "Lease Site"). Lease Site is also more particularly described in Exhibit A hereto.
- 1.1.1 The parties acknowledge that LESSOR has expressed interest in designating portions of the Lease Site for grazing leases to be issued and managed by LESSOR. The parties shall meet and negotiate in good faith an amendment(s) to this Lease which allows for such activities in a manner that does not interfere with LESSEE's recreational trail system.
- **1.2** Compliance with the "Americans with Disabilities Act of 1990" (ADA): LESSEE shall ensure that the Lease Site is in compliance with the Americans with Disabilities Act of 1990 ("ADA"), as amended, and, if necessary, prior to the Commencement Date, shall modify the Lease Site to comply with the Act and the regulations promulgated to implement the ADA requirements.

ARTICLE 2 - TERM

2.1 <u>Lease Term</u>: The term of this Lease (the "Lease Term") shall commence on January 11, 2022 ("Commencement Date") and end on June 30, 2061, subject to the rights of termination of the Lease Term in this Agreement. LESSOR and LESSEE shall meet every eight (8) years after the Commencement Date in order to determine if revisions or additions to this Lease are necessary.

ARTICLE 3 – RENT

3.1 Rent: LESSEE shall pay LESSOR, annually, the sum of zero dollars (\$0) for the Lease Site, which is devoted to public recreation purposes. LESSEE shall bear the costs of operating, maintaining, and repairing the real property, facilities, and improvements upon the Lease Site. If it is necessary for LESSOR to provide services supporting the operations of LESSEE, including reasonable fees for annual inspections of the site, LESSEE shall reimburse LESSOR for such expenses, subject to a separate Reimbursable Services Agreement. LESSEE's operational activities include: day-use, overnight camping, equestrian trail riding, hiking, biking, nature walks, marina operations, boating, fishing, store, restaurant, lodge rentals, boat storage, and special events.

ARTICLE 4 – USE FEES

- **4.1** <u>Use Fees:</u> LESSEE shall collect and retain all fees for use of the real property, facilities and improvements herein referred to including but not limited to vessel inspection fees, camping fees, lodging fees, boating fees, and day use fees.
- **4.2** <u>Participant Fee</u>: For each special event held at the Lease Site involving paid tickets per participant, the LESSEE shall pay the following participant fee to LESSOR:

1,000-1,999 tickets sold - \$ 3.00 per ticket 2,000-9,999 tickets sold - \$10.00 per ticket

10,000 tickets sold - \$15.00 per ticket

The participant fee shall be applied to all tickets sold for the event (e.g., 10,000 tickets sold x \$15 = \$150,000 paid to LESSOR.)

ARTICLE 5 - TERMINATION BY LESSOR

- **5.1** Cause for Termination: LESSOR may terminate this Lease for good cause upon sixty (60) days written notice. Good cause shall include nonpayment of rent or other obligation, breach of any provision of this Agreement, or breach of any rules or regulations governing the use of the Lease Site. Prior to issuing a written termination notice, LESSOR shall comply with the provisions in Article 21 providing an opportunity to cure and mediation.
 - **5.1.1** In the event of termination of this Lease by LESSOR, LESSOR agrees to uphold any and all grant obligations in effect at the time of termination, including but not limited to, completing projects, maintaining park improvements, and retaining public access. If LESSEE takes any action that impedes operation of grant-funded improvements, LESSEE shall retain the responsibility for remedying any failure to comply with any grant requirements.

ARTICLE 6 - NOTICES

6.1 Written Notices: All notices or correspondence provided for herein shall be effective when made in writing, personally delivered or deposited in the United States postal mail, sent certified, postage prepaid, and addressed as provided below.

6.2 Service of Notices: All notices, correspondence, or other written communication related to this Agreement shall be sent to the following:

LESSEE:

LESSOR:

DIRECTOR OF PUBLIC WORKS, FACILITIES & PARKS
PUBLIC WORKS, FACILITIES, & PARKS
MONTEREY COUNTY
1441 SCHILLING PL S FL2
SALINAS CA 93901-4527
SALINAS CA 93901

GENERAL MANAGER MONTEREY COUNTY WATER RESOURCES AGENCY 1441 SCHILLING PLACE, N FL1 SALINAS CA 93901

- **6.4** Assumption of Delivery: Any notice or correspondence shall be deemed delivered upon personal delivery or five (5) days after notice is mailed. Correspondence other than notices may be given by telephone, regular mail, e-mail, or facsimile. Any correspondence sent by facsimile shall also be sent by United States postal mail if requested by either party. By written notice to the other, either party may change its own mailing address or correspondence information.
- 6.5 <u>24/7 Lessor Property Management Contact</u>: LESSOR's designated property management representative shall be available to LESSEE by phone during regular business hours, and for emergencies after hours and weekends. LESSOR or LESSOR's designated property management company shall subscribe to a 24-hour, 7 days a week emergency answering service that maintains contact phone numbers of key personnel or maintenance/service companies in event of an emergency. Emergency answering service phone number for LESSOR is (831) 796-1166.
- **6.6** <u>24/7 Lessee Property Management Contact</u>: LESSEE shall be available to LESSOR, by phone during regular business hours, and for emergencies after hours and on weekends. LESSEE shall subscribe to a 24-hour, 7 days a week emergency answering service that maintains contact phone numbers of key personnel or maintenance/service companies in event of an emergency. **Emergency answering service phone number for LESSEE is (831) 755-5544.**

ARTICLE 7 – IMPROVEMENTS BY LESSEE

- **7.1 <u>Fencing</u>**: If installed by LESSEE, fencing shall be according to specifications approved by the LESSOR in writing prior to commencement of construction.
- 7.1.1 Stock Fencing: Where LESSEE, LESSOR, or LESSOR's other tenants maintain stock fencing on or abutting the Lease Site, appropriate methods shall be utilized by the responsible party to contain such stock. Fencing on or abutting the Lease Site, whether installed by LESSEE, LESSOR, or LESSOR's other tenants, shall be built and maintained in a "stock tight" condition. Alternative methods of containing stock may be used if effective, such as temporary enclosures, fencing, or the presence of a 24-hour rider/herder. The location of any new fencing shall be mutually agreed upon between LESSEE and LESSOR prior to any construction. The responsible party shall prevent stock from entering recreational facilities. The responsible party shall provide temporary fencing extending into the water at the shore of the San Antonio Reservoir to prevent movement of stock between adjacent properties. For safety reasons, and when the water level is rising in the Reservoir, the responsible party shall remove fencing before it is completely submerged. Fencing cannot extend

further than 10 (ten) feet into the water without approval by the LESSSOR. Any fencing in the water at any level must be identified by buoys or markers visible for a distance of two hundred (200) feet to anyone on the reservoir. New fencing, to the maximum extent possible, shall follow above the highwater mark to prevent stock contact with San Antonio Reservoir waters.

- **7.2** <u>Improvements</u>: All improvements and construction of all types shall meet or exceed construction and uniform codes of the County of Monterey. Where applicable, or where required by the LESSOR, improvements and construction shall meet other applicable codes and regulations, such as the health, environmental health, operations and regulatory requirements of the United States, State of California, and County of Monterey.
 - **7.2.1** LESSOR's General Manager shall review and approve all grant applications prepared by LESSEE pertaining to park improvements and equipment at San Antonio Reservoir prior to application submittal.
 - **7.2.2** LESSEE shall apply for grants and seek reimbursement for allowable expenses as outlined in any resulting grant agreement.
 - **7.2.3** LESSEE shall be responsible for construction and maintenance of any agreed-upon improvements and procurement of necessary equipment, subject to its adherence to any agreed-upon grant guidelines.
 - **7.2.4** LESSEE shall maintain authority to hire contractors as needed to complete construction and maintenance projects with awarded grant funds.
- **7.3** Approval of Construction Work: In granting approval for any construction or work, LESSOR may impose special standards or conditions. Digging, excavation, piling or mounding of material such as earth, and the use of heavy equipment shall be approved, in writing, by the LESSOR beforehand. Operation of machinery and equipment shall be by trained and experienced operators who are licensed and adequately insured for that purpose. LESSEE is responsible for any notifications or permits necessary for such work.
- **7.4** Tenant Improvements: Tenant improvements must be approved, in writing, by the LESSOR's General Manager, and the maximum amount to be improved must be agreed to prior to the commencement of construction. Under no circumstances may tenant improvements be removed after installation or construction unless the LESSOR's General Manager authorizes such removal in writing. LESSEE shall have no obligation to remove approved structures or other improvements installed or constructed on the Lease Site, upon termination of this Agreement. LESSOR and LESSEE agree that improvements installed prior to the execution of this Lease are deemed approved.

ARTICLE 8 - NOTICE OF COMPLETION

8.1 <u>Notice of Completion</u>: LESSEE will be responsible to ensure that a properly prepared Notice of Completion is filed with the County Clerk-Recorder's Office on all construction and remodeling work performed as a result of this Lease. The Notice of Completion form is to be filed within ten

(10) working days after the LESSOR and the LESSEE have concurred that the construction is complete. LESSEE shall forward a certified copy of the recorded Notice of Completion to LESSOR within five (5) days of recordation.

ARTICLE 9 - PUBLIC WORKS LAW

9.1 Public Works Law: Under Section 1720.2 of the California Labor Code, any construction contract to improve property owned or leased by the LESSOR may be considered a 'public work' if certain conditions are met. If applicable, LESSEE shall comply with provisions of law governing public works including, without limitation, Labor Code sections 1773, 1773.2, 1773.3, 1773.8, 1775 (payment of prevailing wages), 1776 (payroll records), and 1777.5 (employment of apprentices), all as amended from time to time.

ARTICLE 10 - USE

- 10.1 <u>Use</u>: Subject to the following, LESSEE shall have exclusive use, possession and control of the certain real property, facilities and improvements at the Reservoir. Designated areas include: Pleyto Campground; Lynch Campground; Swim Beach day use area; Vista Point; Harris Creek Campground; Redonda Vista Campground; Parks Headquarters; and that portion of all certain roads shown lying within the property owned by LESSOR, including Pleyto Road, San Antonio Road and the roads within the campgrounds and Headquarters, with the exception of the San Antonio Dam itself and its appurtenant facilities. Except as provided in Section 11, LESSEE may alter said use to any lawful purpose, upon the written consent of LESSOR, which consent shall not be unreasonably withheld.
 - **10.1.1** <u>Use of Premise</u>: Specifically permitted in this Agreement, LESSEE may use the premises for the following:
 - a. Camping: overnight camping, including campers, tents, and other temporary structures. Campfires may be permitted subject to LESSEE's consideration of fire danger depending on the time of year;
 - b. Walking/Running, Horseback Riding (Equestrian Trail Riding), Bicycle Riding;
 - c. Boating: inspection for quagga/zebra mussel, launching, including, but not limited to, installation of any ramp or launch structures on the Reservoir;
 - d. Fishing: fishing from shoreline or on the water surface, except fishing next to the Dam itself is prohibited; and
 - e. Hosting special events such as triathlons, fishing tournaments, concerts, biking events, car shows, wine events, etc.
- **10.1.2 Prohibited Boats:** Boats that possess an operable sink drain or toilet will not be permitted on the Lease Site at any time, for any purpose, without exception.
- **10.1.3** Sport Hunting. Hunting for sport is strictly prohibited on the Lease Site at all times. Depredation permits from the California Department of Fish and Wildlife are required for any hunting on the property under California Fish and Game Code section 4181, *et seq.* and 14 Cal.

Code Reg. section 40l(a), et seq. LESSEE must request written approval from the LESSOR's General Manager prior to seeking or obtaining a depredation permit. Such approval shall not be unreasonably withheld. If granted, LESSEE must submit written proof of a valid depredation permit from the California Department of Fish and Wildlife to the LESSOR's General Manager. No hunting shall take place on the Lease Site prior to filing written verification of a validly issued depredation permit with the LESSOR's General Manager.

- 10.2 <u>Docks</u>: Only those docks that are owned by LESSEE shall be allowed on the Lease Site.
- 10.3 <u>Construction</u>: LESSEE may not erect any permanent structures or improvements, or make alterations, on the Lease Site without the prior written consent of LESSOR. LESSEE shall not harvest, and shall not allow the harvesting, of any timber without the prior written consent of the LESSOR. LESSEE shall not remove or place soil, sand, rocks or gravel to or from the Lease Site without the prior written consent of the LESSOR.
- **10.4** Ejection from Property: Any LESSEE member or member of the public may be ordered to leave the Lease Site by any peace officer, Monterey County Parks employee, or LESSOR employee, for violation of any park rule, policy, county, state, or federal law, or any provision of this Agreement. Persons ordered to leave the Lease Site under this provision shall not be allowed to return onto the Lease Site for a period of at least seven (7) days. LESSEE or LESSOR may increase the time prior to return at its sole discretion.
- 10.5 <u>Compliance with Laws</u>: LESSEE represents and warrants to LESSOR that any construction performed by, for, or on behalf of LESSEE, and LESSEE's current and proposed uses, and the operation of the Lease Site are in full compliance with applicable building and seismic codes, environmental, zoning, and land use laws, and other applicable local, state, and federal laws, regulations, and ordinances. LESSEE agrees to defend and indemnify LESSOR for any responsibility for any code violations or other deviations from applicable local, state, and federal laws, regulations, and ordinances related to LESSEE's use, operations, or construction.
- 10.6 <u>Hazardous Substances</u>: LESSOR shall have no liability or responsibility for toxic or hazardous materials or substances on the Lease Site, which result from LESSEE's acts or omissions, or which occur on property not owned and occupied by LESSOR. LESSEE will comply with all applicable laws concerning the handling and removal of any hazardous materials, including but not limited to, petroleum products, asbestos, lead, or polychlorinated biphenyl ("PCB") containing materials. Nothing in this Lease shall be taken as LESSOR's assumption of any duty or liability not otherwise imposed by law.
- 10.7 Environmental Hazards: LESSEE hereby warrants and guarantees that the Lease Site will be maintained free of all environmental hazards (including hazards related to asbestos, leads, toxic mold spores, or PCBs) and agrees to survey, test, and abate as applicable and in accordance with Environmental Protection Agency ("EPA") guidelines. A qualified industrial hygienist approved by LESSOR and LESSEE shall perform all testing and development of an abatement work plan as deemed necessary, with the test results/reports/plans forwarded to LESSOR and LESSEE upon completion. LESSEE further agrees to contract with a qualified and certified remediation

contractor to provide remediation services on an as-needed basis. LESSEE specifically agrees that any costs related to abatement of environmental hazards shall be the LESSEE's responsibility unless, and only to the extent, such abatement is required by negligent acts or willful misconduct by LESSOR, its agents, and employees.

- **10.7.1** Mold: LESSEE shall immediately notify LESSOR of any suspected appearance of toxic mold spores in or on any structures managed by LESSEE, and of any conditions (such as excessive moisture) that may lead to the appearance of toxic mold spores, and LESSOR agrees to investigate same.
- 10.8 <u>Notifications</u>: LESSEE shall notify LESSOR one (1) month in advance of all special events that are planned on the Lease Site. LESSEE shall notify LESSOR of all accidents or deaths that occur on the Lease Site within twenty-four (24) hours.
- 10.8.1 <u>Reconnaissance</u>: LESSEE shall assist LESSOR to identify third-party activity around the Reservoir, such as grading, construction, etc. that may impact floodage easements within the 802NGVD29 foot level by notifying LESSOR immediately when LESSEE staff observe such activities.

ARTICLE 11 - SIGNS AND FIXTURES

11.1 General Signs: LESSEE may place such signs and advertisements upon the Lease Site as LESSEE may desire, subject to compliance with applicable law and approval by the LESSOR which consent shall not be unreasonably withheld. At the expiration of the term hereof or any renewal or extension of this Lease, LESSEE will remove said signs and will repair any damage caused by such removal. Any trade fixtures, equipment, furniture, demountable walls, and other movable personal property installed in the Lease Site by and at the expense of the LESSEE (except those reimbursed in whole or part by LESSOR) shall remain the property of the LESSEE, and the LESSOR agrees that the LESSEE shall have the right at any time, and from time to time, to remove any and all of its trade fixtures, equipment, and other movable personal property (except those reimbursed in whole or part by LESSOR) which it may have stored or installed in the Lease Site, provided that LESSEE repairs any damage caused by such removal. The LESSOR agrees not to mortgage or pledge the LESSEE's trade fixtures, equipment, and other property.

ARTICLE 12 - SERVICES AND UTILITIES

12.1 <u>Service and Utilities</u>: Services and utilities for the Lease Site shall be furnished and the cost borne by LESSEE.

ARTICLE 13 - REPAIR AND MAINTENANCE

13.1 <u>Maintenance of Property</u>: LESSEE shall operate and maintain the Lease Site in a clean and orderly manner, and in compliance with all applicable laws, ordinances, and regulations, and in compliance with the governing documents of LESSEE.

- 13.2 <u>No Lessor Duty to Maintain or Repair</u>: LESSOR shall not have any obligation, during the term of this Agreement, to repair, restore, or maintain the Lease Site, except to the extent of any damage caused to the property by willful misconduct or negligent conduct of LESSOR.
- **13.3** <u>Negligent Acts or Omissions of Lessee</u>: Notwithstanding the foregoing, any damage or maintenance required as a direct result of the negligence or willful misconduct of LESSEE, shall be repaired by LESSEE within a reasonable time.
- **13.4** Failure of Lessee to Make Repairs: If LESSEE fails to maintain the Lease Site or to make the repairs required in this article within the time periods as specified in Article 21, LESSOR may perform such maintenance or make such repairs at its expense and add the cost of such repairs to the upcoming rent due from LESSEE.
- 13.5 <u>Lessor/Lessee Obligations in Applying Noxious Substances</u>: If applicable, LESSEE shall not apply any substance as part of any building maintenance or repair which would introduce irritating or noxious odors or any other hazardous condition to occupied spaces at the Lease Site without prior coordination and approval of LESSOR. Prior notification and approval shall be made at least forty-eight (48) hours prior to the desired application time. Also, a Product Safety Data Sheet shall be furnished by the proposed applicator to the LESSOR. Examples of such substances or materials include, but are not limited to, the following:
 - a. Termite Control Materials
 - b. Pesticides/Herbicides
 - c. Paint
 - d. Water Treatment Chemicals
 - e. Any other substance that is or could be construed as hazardous
- **13.6** <u>Pest control:</u> LESSEE will at the request of and at no cost to LESSOR and in conformity with all applicable governmental regulations, trap, and/or poison squirrels and/or noxious weeds, or take other appropriate steps to control the population of such pests, including depredation permits for wild boar.

ARTICLE 14 - INVASIVE SPECIES INSPECTION AND CONTROL MEASURES

14.1 <u>Invasive Species</u>: LESSEE shall continue to operate a vessel inspection program to aid LESSOR in protecting San Antonio Reservoir from the spread of invasive species. To that end, LESSEE has established and will continue to implement an Invasive Mussel Inspection Plan.

ARTICLE 15 - CONDITION OF THE LEASED PROPERTY

15.1 Opportunity to inspect: LESSEE acknowledges that it has inspected the Lease Site and knows its condition and further acknowledges that the LESSOR has not, and does not, make any representation or warranty regarding the condition of the subject property.

ARTICLE 16 - MECHANICS' LIENS

16.1 <u>Mechanics' Liens</u>: LESSEE shall keep the Lease Site free from any liens arising out of any work performed by, materials furnished to, or obligations incurred by such LESSEE or on its behalf.

ARTICLE 17 - ASSIGNMENT AND SUBLETTING

17.1 <u>Assignment</u>: LESSEE has no right to assign this Agreement to any party or entity, or in any manner sublease, transfer, or in any manner encumber, the subject property, without the prior written consent of LESSOR.

ARTICLE 18 - ENTRY BY LESSOR

- **18.1** Entry by Lessor: LESSOR shall, at all times during the term of this Agreement, have the right to enter upon and inspect the Lease Site for any purpose, including, but not limited to, ensuring that the obligations of LESSEE, including those set forth in Articles 14 and 16 above, are met. LESSOR and LESSOR's agents will give reasonable advance notice of entry (except in the case of emergency), and such entry shall be made in a reasonable manner and not unreasonably interfere with the conduct of LESSEE's business.
- **18.2** Entry by peace officers and Lessor employees: LESSEE agrees that LESSOR's employees, and State and Federal peace officers may enter the Lease Site at any time to routinely patrol the property, investigate any crime, or for any other lawful purpose.

ARTICLE 19 - INSURANCE AND INDEMNIFICATION

- 19.1 <u>Insurance</u>: LESSEE shall, at all times during the term of this Agreement, maintain public liability and property damage insurance of at least \$2,000,000 per occurrence or if LESSEE requires aggregate not less than \$5,000,000 and property damage insurance of at least \$250,000 insuring against all liability of LESSEE and its authorized representatives arising out of and in connection with LESSEE's use or occupancy of the Premises. LESSEE must also carry auto liability of \$1,000,000 combined single limit. Such insurance shall name the LESSOR as an additional insured and is expressly intended to provide LESSOR with protection from third-party property damage and bodily injury claims, and damage to LESSOR property, arising out of the use of the property. LESSEE shall provide proof of such insurance to LESSOR upon LESSOR's request.
- 19.2 <u>Duty to Defend and Indemnify Lessor</u>: LESSEE shall indemnify, defend, and hold harmless LESSOR, their officers, agents, and employees, from and against any and all claims, liabilities, and losses whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorneys' fees) occurring or resulting to any person, firm, or corporation for damage, injury, or death arising out of or connected with this Agreement and LESSEE's use of the Lease Site, unless such claims, liabilities, or losses arise out of the sole negligence or willful misconduct of LESSOR. LESSEE shall also indemnify, defend, and hold harmless LESSOR, their officers, agents, and employees, from and against any and all claims, liabilities, and losses whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorney fees)

occurring or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies in connection with the performance of this Agreement. LESSEE's performance includes LESSEE's action or inaction and the action or inaction of LESSEE's officers, employees, agents, and subcontractors.

ARTICLE 20 - DESTRUCTION

20.1 Destruction of Property: If the Lease Site is totally destroyed by fire or other casualty, either party may terminate this Lease immediately by giving notice to the other party. If the Lease is terminated, LESSEE shall be responsible for removal and cleanup of all of LESSEE's damaged facilities.

ARTICLE 21 - DEFAULT BY LESSEE

- **21.1** <u>Default</u>: If any of the following events occur, each such event shall constitute a material breach of this Lease, and LESSOR may, at LESSOR's option, exercise any or all rights available to LESSOR under the laws of the State of California:
 - a. A default in the payment of rent or other obligation when such default continues for a period of sixty (60) days after written notice from LESSOR to LESSEE of such default;
 - b. LESSEE fails to faithfully perform or observe any other covenant or undertaking required under this Lease and such failure continues for a period of sixty (60) days after written notice thereof from LESSOR to LESSEE of such default or, if such default is not reasonably curable within such sixty- (60-) day period, LESSEE fails to commence to cure such default within such sixty- (60-) day period and thereafter diligently pursue such cure to completion; or
 - c. Notice of default is sufficient if it is in writing, identifies the act, omission, or condition that constitutes the default, and is served upon LESSEE in the manner provided by this Lease for the giving of notice.
- 21.2 Remedies: If LESSEE fails to cure a prospective default within the-time frames outlined above, if any, LESSOR shall have the option to cure the default, if curable, or to terminate this Lease, in addition to any other remedies at law not inconsistent herewith. Should LESSOR elect to cure the default itself, all reasonable costs associated with such cure, including reasonable attorneys' fees (if any), shall be reimbursed by LESSEE to LESSOR, as additional rent, within thirty (30) days of receipt of LESSOR's invoice for said costs.
- **21.3** Mediation Following Notice to Cure: In the event that LESSEE defaults under any provision of this Agreement, LESSOR may, if such default is not cured within (sixty) 60 days following written notice given by the LESSOR to LESSEE, request mediation of the dispute, in accordance with Section 27.13 of this Agreement. Such election to mediate in no way absolves LESSEE from any obligations under this Agreement, including the payment of any monies then owing.

ARTICLE 22 - DEFAULT BY LESSOR

- **22.1** <u>Default</u>: LESSOR shall not be in default unless LESSOR fails to perform its obligations under this Lease within a reasonable time, but in no event later than sixty (60) days after written notice by LESSEE to LESSOR specifying wherein LESSOR has failed to perform such obligations. If the nature of LESSOR's obligation is such that more than sixty (60) days are required for performance, then LESSOR shall not be in default if LESSOR commences performance within such sixty- (60-) day period and thereafter diligently prosecutes the same to completion.
- **22.2** Remedies: If LESSOR fails to cure a prospective default within the time frames outlined above, if any, LESSEE shall have the option to cure the default, if curable, or to terminate this Lease, in addition to any other remedies at law not inconsistent herewith. Should LESSEE elect to cure the default itself, all reasonable costs associated with such cure, including reasonable attorneys' fees (if any), shall be reimbursed by LESSOR to LESSEE, as additional rent, within sixty (60) days of receipt of LESSEE's invoice for said costs.
- **22.3** Mediation Following Notice to Cure: In the event that LESSOR defaults under any provision of this Agreement, LESSEE may, if such default is not cured within (sixty) 60 days following written notice given by the LESSEE to LESSOR, request mediation of the dispute, in accordance with Section 21.3 of this Agreement.

ARTICLE 23 - HOLDING OVER

23.1 <u>Holding Over</u>: If LESSEE remains in possession of the Lease Site after the Lease Term, this Lease shall automatically be extended on a month-to-month basis at the monthly rent applicable to the last month of the Lease Term, subject to termination upon sixty (60) days' written notice by either party. All other terms and conditions shall remain in full force and effect.

ARTICLE 24 - WAIVER

24.1 <u>Waiver</u>: The waiver by LESSOR or LESSEE of any term, covenant, or condition herein contained shall not be deemed to be a waiver of any other term, covenant, or condition, nor shall either party consent to any breach of any term, covenant, or condition, nor shall either party be deemed to constitute or imply its consent to any subsequent breach of the same or other term, covenant, or condition herein contained.

ARTICLE 25 - QUIET POSSESSION

25.1 Quiet Possession: LESSEE shall at all times during the term of this Lease peaceably and quietly have, hold, and enjoy the Lease Site, without suit, trouble, or hindrance from LESSOR or any person claiming under LESSOR, subject to the terms of this Lease.

ARTICLE 26 - ESTOPPEL CERTIFICATE

26.1 Estoppel: Within thirty (30) days' written notice by one party to the other, each will execute, acknowledge, and deliver to the other an estoppel certificate, in writing, declaring any modifications, defaults, or advance payments and whether the Lease, as may be modified, is in full force and effect. Any such certificate may be conclusively relied upon for the intended transaction for which the statement was requested.

<u>ARTICLE 27 - MISCELLANEOUS PROVISIONS</u>

- **27.1** <u>Amendment; Waiver</u>: This Lease may be amended or modified only by an instrument in writing signed by LESSEE and LESSOR. Any waiver of any term or condition of this Lease must be in writing and signed by LESSEE and LESSOR. A waiver of any of the terms and conditions of this Lease shall not be construed as a waiver of any other term or condition in this Lease.
- **27.2** Time is of the Essence: Time is of the essence of in each and all of the provisions of this Lease.
- **27.3 Binding Effect:** Subject to any provision hereof restricting assignment or subletting by LESSEE, this Lease shall bind the parties, their personal representatives, successors, and assigns.
- **27.4** <u>Invalidity</u>: The invalidity of any provision of this Lease as determined by a court of competent jurisdiction shall in no way affect the validity of any other provision hereof.
- **27.5** <u>Authority</u>: Any individual executing this lease on behalf of LESSEE or LESSOR represents and warrants hereby that he or she has the requisite authority to enter into this Lease on behalf of such party and bind the party to the terms and conditions of this Lease.
- **27.6** <u>Interpretation of Conflicting Provisions</u>: In the event of any conflict or inconsistency between the provisions of this Lease and the provisions of any addendum or exhibit attached hereto, the provisions of this Lease shall prevail and control.
- **27.7** <u>Integration</u>: This Lease, including the exhibits and addenda, represents the entire agreement between LESSEE and LESSOR with respect to the subject matter of this Lease and shall supersede all prior negotiations, representations, or agreements, either written or oral, between LESSEE and LESSOR as of the effective date of this Lease, which is the date that LESSEE signs this Lease.
- **27.8** Successors and Assigns: This Lease and the rights, privileges, duties, and obligations of LESSEE and LESSOR under this lease, to the extent assignable or delegable, shall be binding upon and inure to the benefit of the parties and their respective successor, permitted assigns, and heirs.
- **27.9 Headings:** The headings in this lease are for convenience only and shall not be used to interpret the terms of this Lease.
- **27.10** Governing Law: This Lease shall be governed by and interpreted under the laws of the State of California.

- **27.11** Construction of Lease: LESSEE and LESSOR agree that each party has fully participated in the review and revision of this Lease and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this lease or any amendment to this Lease. The parties agree that they have been afforded an opportunity to have this Agreement reviewed by counsel of their choice. In interpreting this Agreement, there shall be no presumption based upon the authorship of this Agreement.
- **27.12** Counterparts: This Lease may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Lease.
- **27.13** <u>Disputes; Consultations by Parties:</u> In the event that any problem or issue arises with respect to the implementation or interpretation of the Agreement, the parties may mutually agree to meet at the request of either of them to discuss and resolve the issue. In such event, the Designee of LESSEE will meet with the General Manager of LESSOR or his/her designee to reach a mutually satisfactory and reasonable conclusion.

If the parties cannot resolve the dispute pursuant to the preceding paragraph above, the Parties agree to mediate any disagreements in good faith. Should either Party determine the dispute cannot be resolved in mediation, it is agreed that the dispute may be resolved in a court of law competent to hear the matter.

[signature page follows]

LESSOR: MONTEREY COUNTY WATER	APPROVED AS TO FORM
RESOURCES AGENCY	Leslie J. Girard County Counsel
By:	By: knisti Markey
Brent Buche	Title: Deputy County Counsel
Title: General Manager	12/21/2021 2:35 PM PST
Date:	Date:
APPROVED AS TO FISCAL PROVISIONS (County Auditor-Controller)	APPROVED AS TO LIABILITY PROVISIONS (County Risk Management)
Ву:	By:
Name:	Name: Title: Risk Manager
Title: [Assistant] Auditor Controller	Date:
Date:	
LESSEE COUNTY OF MONTEREY	
Ву:	
Randell Ishii Title: Director of Public Works, Facilities, & Parks	
Date:	

EXHIBIT A

DESCRIPTION OF LEASE SITE

Portions of the following APN numbers as depicted in the maps below.

North Shore:

APN 424-061-018-000 (overall acreage 1262.5, Parks acreage 738.8) APN 219-021-003-000 (overall acreage 1315.4, Parks acreage 101.4) APN 423-071-082-000 (overall acreage 19.3, Parks acreage 19.3)

South Shore:

APN 219-021-007-000 (overall acreage 1460.9, Parks acreage 763.3)
APN 424-071-028-000 (overall acreage 757.3, Parks acreage 757.3)
APN 424-071-023-000 (overall acreage 273.5, Parks acreage 273.5)
APN 424-091-035-000 (overall acreage 232.6, Parks acreage 45.3)
APN 219-021-006-000 (overall acreage 885.1, Parks acreage 59.6)
APN 424-071-027-000 (overall acreage 59.5, Parks acreage 230.3)

In case of a discrepancy between words and figures, the words shall prevail.

See attached map(s) of premises.

- 1) Exhibit A Lease Property Description North Shore Map
- 2) Exhibit A Lease Property Description South Shore Map
- 3) Exhibit A Lease Property Description Overview Map