



County of Monterey

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Board Report

File #: 16-1111, Version: 1

- a. Approve and authorize the Contracts/Purchasing Officer to execute a Renewal and Second Amendment to Lease Agreement A-10526, effective July 1, 2016, with Salinas Area Modelers, Inc. for a Term of five (5) years for the use of an identified fifteen acres of County owned Real Property located at 24200 Chualar Dump Road Chualar, California for model flying and operational activities; and
- b. Authorize Contracts/Purchasing Officer to execute future extensions of the Lease with Salinas Area Modelers, Inc. for an additional two (2) five (5) year extensions with Increases in Rent to \$475 annually for the First Extension, and \$500 annually for the Second Extension.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Approve and authorize the Contracts/Purchasing Officer to execute The Renewal and Second Amendment to Lease Agreement A-10526, effective July 1, 2016, with Salinas Area Modelers, Inc. for a Term of five (5) years for the use of an identified fifteen acres of County owned Real Property located at 24200 Chualar Dump Road Chualar, California for model flying and operational activities; and
- b. Authorize Contracts/Purchasing Officer to execute future extensions of the Lease with Salinas Area Modelers, Inc. for an additional two (2) five (5) year extensions with Increases in Rent to \$475 annually for the First Extension, and \$500 annually for the Second Extension.

SUMMARY:

Approval of this Renewal and Second Amendment (Attachment A) will continue to provide a location for Salinas Area Modelers, Inc. to fly model airplanes and perform other hobbyist activities at the former Chualar landfill site. The initial five (5) year term for Lease Agreement A-10526 (Attachment B) commenced on July 1, 2006, and ended on June 30, 2011 (hereafter referred to as "Lease"). Said Lease was extended for an additional five (5) year term through June 30, 2016 pursuant to Amendment No. 1 to said Lease (Attachment C).

Paragraph 17 of said Lease provides as follows:

HOLDING OVER: If LESSEE, with LESSOR's consent, remains in possession of the Site after expiration or termination of the term, or after the date in any notice given in terminating this Lease without a new lease being reached, such possession by LESSEE shall be deemed to be a month-to-month tenancy terminable on thirty (30) days prior written notice given at any time by either party, on the same terms and conditions herein stated.

The Lease has been in Month to Month holdover status since June 30, 2016. Rent is currently \$375 annually. This Renewal and Second Amendment of the Lease will commence on July 1, 2016 and extend the Lease for an additional five (5) year term through June 30, 2021. Rent will be \$425 per year. The proposed Renewal and Second Amendment will also provide Salinas Area Modelers, Inc. with two (2), five (5) year extensions, subject to County staff approval, through June 30, 2031 with Increases in Rent to \$475 annually for the First Extension, and \$500 annually for the Second Extension. In addition, the proposed Renewal and Second Amendment replaces Paragraph 8e of said Lease in its entirety to read as follows:

3. Paragraph 8e of said Lease Agreement to be removed in its entirety and replaced with the following: LESSEE acknowledges that Pursuant to California Code of Regulations, Title 27: 21190. CIWMB - Postclosure Land Use. (T14:Section 17796), no open flames are allowed onsite in order to prevent landfill gas explosions. A closed landfill may still emit methane gas; which if exposed to an open flame may create an explosion.

Except as provided above, and as amended in Amendment No. 1, said Lease will be subject to the same terms and conditions as provided in Lease Agreement A-10526.

DISCUSSION:

The majority of this fifteen acre County owned real property was a solid waste disposal site that is underlain by cells of garbage and refuse and is subject to severe restrictions on its use. Restrictions include prohibitions against all irrigation, building, and cultivation of crops, in order to protect the integrity of the former disposal site from damage by flood erosion. Said property is no longer economically suitable for grazing and is therefore limited to recreational uses. The Salinas Area Modelers provide upkeep to the facilities including; road, structures, landing strip, and vegetation control, reducing County facility maintenance costs. The Solid Waste Management Services, Monterey County Health Department, Environmental Health Bureau inspects the facility quarterly, and has found the Salinas Area Modelers to be good stewards of the property.

On April 1, 1986, and pursuant to Government Code Sections 25530 et seq., your Board awarded the bid to Salinas Area Modelers, Inc. for the leasing of the former Chualar landfill site. Approval of this Renewal and Second Amendment to said Lease will continue to provide a location for Salinas Area Modelers, Inc. to fly model airplanes and perform other hobbyist activities at this site through June 30, 2031, subject to extensions. A "Termination by County" clause (without penalty) is incorporated in the Lease.

The Salinas Area Modelers have worked with the County of Monterey Resource Management Agency (RMA) Planning Division to obtain a Use Permit (PLN120178) approved pursuant to Resolution No. 12-050 which remains active so long as the Salinas Area Modelers have a Lease with the County of Monterey. Said Lease has remained active pursuant to Paragraph 17 of Lease Agreement A-10526 which provides for a month to month tenancy.

A copy of the proposed Renewal and Second Amendment, Lease Agreement A-10526 and Amendment No. 1 are on file with the Clerk of the Board.

OTHER AGENCY INVOLVEMENT:

The RMA Public Works and Facilities Division, and Solid Waste Management Services Monterey County Health Department Environmental Health Bureau concur with staff's recommendation to extend the Lease. The Office of the County Counsel has approved the Renewal and Second Amendment to Lease Agreement A-10526 as to form.

FINANCING:

Income derived from this Lease will be deposited in fund (001-3000-8175-RMA039-4675). There is no additional cost to the County General Fund associated with this recommendation.

Prepared by: Brett Fulgoni, Real Property Specialist (831) 755-8912

Approved by: Benny J. Young, Interim RMA Deputy Director of Public Works and Facilities

Approved by: Carl P. Holm, AICP, Resource Management Agency Director

Dated: September 16, 2016

Attachments:

Attachment A - Proposed Renewal and Second Amendment
Attachment B - Lease Agreement A-10526
Attachment C - Amendment No. 1 to Lease Agreement A-10526
Attachment D - Letter from the Salinas Area Modelers
Attachment E - Location Map
Attachment F - Email from Environmental Health
(Attachments are on file with the Clerk of the Board)