

AGREEMENT

This Agreement is made and entered into this _____ day of _____, 2026 between, Heartland Mark, LLC (“Lessor”), and the County of Monterey, a political subdivision of the State of California (“Lessee”). Lessor and Lessee may be referred to collectively as the “Parties” or singularly as a “Party”.

WHEREAS, Lessor has under its control a certain piece of property described within Exhibit A - Legal Description of the Property Site Plan, also referred to as Assessor’s Parcel Number 080-037-006 and;

WHEREAS, Lessee desires to install, operate, and maintain a radio transmitter and receiving station at said location for the purpose of extending and improving their two-way radio communication in the area hereinafter called Pinball Radio Site and;

WHEREAS, Lessor wishes to allow Lessee to occupy such space and operate its radio equipment in accordance with the terms and conditions hereinafter set forth and to provide access to the site as described in Exhibit B - Pinball Radio Site Access Road;

WHEREAS, the Pinball Radio Site and the Pinball Radio Site Access Road are hereinafter referred to as the Premises.

NOW, THEREFORE, the Parties agree as follows:

1. **Lease Term:** Lessee shall have the right to install, operate, and maintain all Lessee equipment, including tower and shelter, located at the existing footprint of Pinball Radio Site for a period of twelve (12) years and two (2) months from September 1, 2024, through October 31, 2036 (the “Term”). However, in the event that Heartland Mark LLC is not granted a 10-year sole source lease for the Monterey County Water Resources Agency Nacimiento Grazing Lease #5 by November 1, 2026, on terms acceptable to Heartland Mark LLC on a commercially reasonable basis, the Agreement will become subject to termination by either party, with or without cause, within sixty (60) days’ notice in writing. In the event the lease is terminated by either party, in accordance with the terms herein, Lessee shall be required to remove all of Lessee’s property, including the shed, antennas and any other property installed by the County within 30 days of the termination date. This agreement shall be automatically self-renewing each fiscal year on November 1st of each year, starting year 3, until the completed twelve-year period ending October 31, 2036. In the event of an early termination, no pro-rata lease refund shall be issued to Lessee.
2. **Lease Fee:** Lessee shall pay Lessor annually before November 1st, in advance for each fiscal year the amounts shown in Exhibit C - Annual Payment Schedule. Year 1

(\$25,000) and Year 2 (\$30,041.67) are due immediately to account for retroactive payments. For every successive year of the Agreement, the lease payment shall be adjusted annually based on a three percent (3.0%) escalator.

3. **Site Access:** Lessee shall have the right to access the Premises for the sole purpose of installing and maintaining said radio equipment on existing footprint. All travel over the Premises shall be in strict accordance with regulations established by Lessor. Lessee will provide prior notification to Heartland Mark LLC Ranch Manager of visits to the Pinball site by Monterey County employees. Lessee acknowledges the hazardous conditions of the roads on the Premises and assumes the risk of all hazards related to those conditions for the duration of the lease.
4. **Site Inspections:** Annual supervised inspections are required to ensure the Pinball Radio Site is maintained and kept in good, safe working conditions. Lessee must inspect the Pinball Radio Site on an annual basis to ensure safe conditions. Inspections may be scheduled by providing Lessor with at least forty-eight (48) hours' notice. Lessor maintains the right to attend any inspections.
5. **Site Access Road & Gate Maintenance:** The annual lease fee covers the maintenance and repair of the Pinball Radio Site Access Road and Gate throughout the term of this Agreement.
6. **Capital Project Major Repair to Access Road:** Lessor and Lessee agree to complete a capital improvement on the Pinball Radio Site Access Road on such terms as are mutually agreed to by the parties. Lessee will reimburse Lessor fifty per cent (50%) of agreed to amount to repair the road subject to Lessor's submittal of documentation supporting actual expenditures. This project will commence on a date mutually agreed to by Lessee and Lessor.
7. **Utility Fee:** Lessor shall pay for Pacific Gas and Electric (PG&E) utilities directly at the commencement of Year 3 of the Term. In exchange, Lessee will agree to pay an annual five thousand and 00/100 dollars (\$5,000) utility fee for the remainder of the Term. The Lessee shall work with PG&E to re-assign ownership of the meter to the Lessor. The Lessee has the option to construct its own meter with PG&E in the future, whereas the Lessor shall review and approve all related construction documents such as drawings, plans, and permits prior to any construction activities. The Lessee would be responsible for coordinating and acquiring all related permits in compliance with jurisdictions having authority. At any time, any Party can request a meet and confer as it relates to the share of cost of utilities if it determined by any Party that the agreed upon share of cost shall be revisited due to a planned or unforeseen change.

8. **Radio Frequency (RF) Interference:** Lessee agrees to install, maintain, and operate its equipment in accordance with Federal Communications Commission rules and regulations and in accordance with the highest engineering standards prevailing in the communications industry. In the event said equipment causes interference to any radio or television sets on Lessor's property, it shall be the responsibility of Lessee to eliminate such interference.
9. **Radio Frequency (RF) Exposure Limits:** Lessee will provide an environmental RF exposure report capturing the existing radio systems and proposed microwave system impact to adjacent areas. Such reports shall be maintained and provided for any future additions or modifications to the site tower and radio system subject to Lessor's approval prior to installation/modifications.
10. **Hazardous Materials/Site Contents:** Lessee shall not keep on the Premises any item of dangerous, flammable, or explosive character that might unreasonably increase the danger of fire or explosion on the Premises or that might be considered hazardous or extra hazardous by any responsible insurance company. Lessee shall hold harmless and indemnify the Lessor from all claims and liability arising from any applicable health related or environmental laws and originating from the operation and or installation of said radio equipment.
11. **Permits:** Lessee agrees to apply for all applicable permits relating to the construction, operation, and maintenance of said radio equipment within the existing footprint at Lessee's expense. Lessee shall hold harmless and indemnify the Lessor from all claims and liability arising from or in connection with the omission of said permits.
12. **Proof of Insurance:** Lessor and Lessee agree that each shall bear its own costs and assume liability for damage to the Premises and injury to people arising from the negligent acts or omissions of its officers, agents, and employees when acting within the scope of their employment and holds harmless and indemnifies each other from all claims and liability arising from such negligent acts or omissions. Costs for damage and injury arising from acts or omissions of third persons shall be borne by Lessor or Lessee respectively as to its own property. Lessee shall provide proof of self-insurance annually or as requested by the Lessor. In all circumstances, the Shelter shall be properly insured and licensed, with coverage for both Lessee and Lessor consistent with the terms of this Agreement.

13. **Counterparts:** This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one (1) and the same Agreement.
14. **Consent to Use Electronic Signatures:** The Parties to this Agreement consent to the use of electronic signatures via DocuSign to execute this Lease. The Parties understand and agree that the legality of electronic signatures is governed by state and federal law, 15 U.S.C Section 7001 et seq.; California Government Code Section 16.5; and California Civil Code Section 1633.1 et. seq. Pursuant to said state and federal law as may be amended from time to time, the Parties to this Agreement hereby authenticate and execute this Agreement, and any and all Exhibits to this Agreement, with their respective electronic signatures, including any and all scanned signatures in portable document format (PDF) which may be delivered by mail, E-Mail, or Facsimile.
15. **Amendment:** This Agreement may be amended or modified only by an instrument in writing signed by Lessee and Lessor.
16. **Successors and Assigns:** This Agreement and the rights, privileges, duties, and obligations of Lessee and Lessor under this Agreement, 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.
17. **Authority:** Any individual executing this Agreement on behalf of Lessee or Lessor represents and warrants hereby that he or she has the requisite authority to enter into this Agreement on behalf of such Party and bind the Party to the terms and conditions of this Lease.
18. **Notice:** Notice under this contract shall be sent to the Parties at the addresses as set forth below. Notice shall be deemed effective upon delivery if personally delivered, upon transmission if sent by email, and on the third day after mailing.

LESSEE: County of Monterey
County: Information Technology Department - Finance
Address 1590 Moffet St. Salinas, CA 93905
Phone: (831) 796-1490
Email: Wellska@countyofmonterey.gov

LESSOR: Heartland Mark LLC C/O Gelfand Rennert and Feldman
Address: 1600 West End Ave, Suite 900 Nashville TN 37203
Phone: (310) 924-5937
Email: wendy@wmhmanagement.com

- 19. Mediation:** In the event of a dispute between the parties, the parties agree to first submit to mediation with a mutually agreed-upon mediator prior to filing or initiating any legal action with a court of competent jurisdiction, and to mediate any dispute in good faith. The parties agree that any applicable statute of limitations will be tolled during the period between when mediation is first requested by either party and when that mediation occurs. The parties agree to share the costs of the mediator equally and bear their own legal costs in any such mediation.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the dates appearing below their respective signatures:

**LESSEE
COUNTY OF MONTEREY**

**LESSOR
HEARTLAND MARK, LLC**

By: _____
Name: Eric A. Chatham
Title: Chief Information Officer

Date: _____

**Approved as to Form
Office of the County Counsel
Susan K. Blitch, County Counsel**

By: _____
Name: Samuel Beiderwell
Title: Deputy County Counsel
Date: _____

User's Name

By: _____
Name: _____
Title: _____
Date: _____

By: _____
Name: _____
Title: _____
Date: _____

**Approved as to Fiscal Provisions:
Enedina Garcia, Auditor-Controller**

By: _____
Name: _____
Title: _____
Date: _____

**Approved as to Indemnity and Insurance Provisions
Office of the County Counsel-Risk Management
Susan K. Blitch, County Counsel**

By: _____
Name: David Bolton
Title: Risk Manager
Date: _____

*

INSTRUCTIONS: If CONTRACTOR is a corporation, including non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two (2) specified officers per California Corporations Code Section 313. If CONTRACTOR is a Limited Liability Corporation (LLC), the full legal name of the LLC shall be set forth above together with the signatures of two (2) managers. If CONTRACTOR is a partnership, the full legal name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership. If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign the Agreement or Amendment to said Agreement.

- 1) Approval by County Counsel is required
- 2) Review by Risk Management is necessary only if changes are made in Indemnification or Insurance paragraphs

EXHIBIT A

LEGAL DESCRIPTION OF PROPERTY SITE PLAN

The land described herein is situated in the State of California, County of San Luis Obispo, City of Paso Robles, described as follows: That portion of the Northwest $\frac{1}{4}$ of the Northwest Section 8, lying South of the South line of Interlake County Road, said property being in Township 25 South, Range 10 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said land, returned to the General Land Office by the Surveyor General.

Excepting 25 % of all oil, gas and mineral rights in and to said real property, as reserved in deed dated March 26, 1974 and recorded May 22, 1974 in Book 1780, Page 200 of Official Records.

APN: 080-037-006

EXHIBIT B – PINBALL RADIO SITE ACCESS ROAD



EXHIBIT C- ANNUAL PAYMENT SCHEDULE

Lease Period	¹ Annual Lease Fee (includes Road Maintenance)	Annual Utility Fee	² Annual Grand Total	Notes
Year 1 Period 9/1/24-8/30/25	\$25,000	N/A	\$25,000	RETRO: Utilities paid for by County ITD Site Fees
Year 2 Period 9/1/25-10/31/26	\$30,041.67	N/A	\$30,041.67	RETRO: 3% Escalator applied + 2 Months for NEW Auto Renewal Date 11/1 each year thereafter; Utilities paid for by County ITD Site Fees Year 2 = (\$25K x 1.03) = \$25,750 /12 = \$2,145.83/mth x 14 months --> \$30,041.67
Year 3 Period 11/1/26-10/31/27	\$26,522.50	\$5,000	\$31,522.50	3% Escalator applied to annual cost \$25,750; Utilities Transfer to Owner
Year 4 Period 11/1/27-10/31/28	\$27,318.18	\$5,000	\$32,318.18	3% Escalator applied to Lease
Year 5 Period 11/1/28-10/31/29	\$28,137.72	\$5,000	\$33,137.72	3% Escalator applied to Lease
Year 6 Period 11/1/29-10/31/30	\$28,981.85	\$5,000	\$33,981.85	3% Escalator applied to Lease
Year 7 Period 11/1/30-10/31/31	\$29,851.31	\$5,000	\$34,851.31	3% Escalator applied to Lease
Year 8 Period 11/1/31-10/31/32	\$30,746.85	\$5,000	\$35,746.85	3% Escalator applied to Lease
Year 9 Period 11/1/32-10/31/33	\$31,669.25	\$5,000	\$36,669.25	3% Escalator applied to Lease
Year 10 Period 11/1/33-10/31/34	\$32,619.33	\$5,000	\$37,619.33	3% Escalator applied to Lease
Year 11 Period 11/1/34-10/31/35	\$33,597.91	\$5,000	\$38,597.91	3% Escalator applied to Lease
Year 12 Period 11/1/35-10/31/36	\$34,605.85	\$5,000	\$39,605.85	3% Escalator applied to Lease
12-Year & 2 Month Term Lease Total	\$359,092.41	\$50,000	\$409,092.41	