

DATE 7/30/07

ATTORNEY Res

ll Rush
Contract: #255B-L0111

DEPT./INDEX NO. 41200 **CONTRACT ROUTING SHEET**

BY: Date Prepared: 7/27/07

Need Date: 8/4/07

PROCESSING DEPARTMENT:

Department: General Services

Dept. Contact: Deb Lane

Phone #: 5933

Department [Signature]

Head Signature: [Signature]

George Sanders, Deputy Director

CONTRACTOR:

Name: Star Lake Investments

Address: P.O. Box 1351

South Lake Tahoe, CA 95165

Phone: (775) 883-1283

CONTRACTING DEPARTMENT: Department of Human Services

Service Requested: Amendment to Lease Agreement #255B-L0111

Contract Term: June 1, 2007 - Dec 31m 2012 Contract/Amendment Value: _____

Compliance with Human Resources requirements? Yes: _____ No: _____

Compliance verified by: _____

COUNTY COUNSEL: (Must approve all contracts and MOU's)

Approved: [Signature] Disapproved: _____ Date: 7.31.07 By: [Signature]

Approved: _____ Disapproved: _____ Date: _____ By: _____

EL DORADO COUNTY COUNSEL
2007 JUL 30 AM 10:07

PLEASE FORWARD TO RISK MANAGEMENT. THANKS!

RISK MANAGEMENT: (All contracts and MOU's except boilerplate grant funding agreements)

Approved: [Signature] Disapproved: _____ Date: 8/1/07 By: [Signature]

Approved: _____ Disapproved: _____ Date: _____ By: _____

HUMAN RESOURCES DEPT.
07/AUG - 1 PM 4:16

OTHER APPROVAL: (Specify department(s) participating or directly affected by this contract).

Departments: _____

Approved: _____ Disapproved: _____ Date: _____ By: _____

Approved: _____ Disapproved: _____ Date: _____ By: _____

COUNTY OF EL DORADO
AMENDMENT # I TO LEASE AGREEMENT #255B-L0111

THIS AMENDMENT # I to Lease Agreement #255B-L0111, dated January 1, 2001 (the "Lease"), by and between **STAR LAKE INVESTMENTS**, hereinafter referred to as "Lessor," and the **COUNTY OF EL DORADO**, a political subdivision of the State of California, hereinafter referred to as "Lessee", is hereby amended as follows:

WHEREAS, on January 1, 2001, a lease agreement ("Lease") was entered into between the **COUNTY OF EL DORADO**, a political subdivision of the State of California and **STAR LAKE INVESTMENTS**, for that certain real property know as: **981 Silver Dollar, South Lake Tahoe, CA 96150** (Premises);

WHEREAS, the Lessor and Lessee desire to amend said Lease Agreement to increase the square footage, lease payments, and term of said agreement.

NOW THEREFORE, it is mutually agreed as follows:

1. Paragraph 1, PREMISES, is hereby amended to add an additional 3,745/sf to the existing 3,836/sf for a total of 7,581/sf of chargeable office space and to include the common area consisting of 2,917/sf at no charge. Said Premises shall hereinafter consist of approximately 10,498 square feet.
2. Paragraph 2, PAYMENT, is hereby amended to increase amount of rent payments to **Seventeen Thousand Three Hundred Ninety-Three Dollars (\$17,393.00)**, payable on June 1, 2007, subject, however, to earlier termination as, hereinafter more particularly provided in Paragraph 20.
3. Paragraph 3, TERM, is hereby amended to extend the term of said lease for an additional five (5) year period. The new expiration date shall be December 31, 2012, subject, however, to earlier termination as, hereinafter more particularly provided in Paragraph 20.
4. Paragraph 4, OPTION FOR ADDITIONAL TERMS, is hereby amended to provide for two (2) additional five (5) year terms after the expiration date of December 31, 2012.

Upon approval of Amendment I to Lease Agreement #255B-L0111 by all parties referenced, Lease Agreement #254-L0111 shall be terminated.

Except as herein amended, all other terms of said Lease Agreement shall remain unchanged and in full force and effect.

DEPARTMENT CONCURRENCE:

Dated: 8/16/07

Signed: 
Doug Nowka, Interim Director

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first below written.

LESSOR: Star Lake Investments

Dated: 7/26/07

Signed: 
Donald H. Kortez, Partner

Dated: 7/26/07

Signed: 
Thomas W. Patten, Partner

LESSEE: County of El Dorado

Dated: _____

Signed: _____
_____, Chairman
Board of Supervisors

ATTEST:
Cindy Keck, Clerk of the
Board of Supervisors

By: _____

Dated: _____

COUNTY OF EL DORADO

LEASE #255B-L0111

DEPARTMENT OF SOCIAL SERVICES

THIS LEASE is made by and between **COUNTY OF EL DORADO**, a political subdivision of the State of California, hereinafter called "Lessee", and **STAR LAKE INVESTMENTS**, herein after referred to as "Lessor".

1. PREMISES

Lessor hereby leases to Lessee and Lessee hereby leases from Lessor, for and in consideration of the rents, covenants and agreement hereinafter set forth, the "Premises" described as follows:

981 Silver Dollar, Suites 1-5
South Lake Tahoe, CA 96150

The Premises consists of 3,836 square feet of improved office space together with the use of the restrooms and common parking areas with the tenants of the building.

2. PAYMENT

Lessee agrees to pay to Lessor as rent the sum of Seven Thousand Four Hundred Eighty Dollars (\$7,480.00) per month for the period commencing January 1, 2001, to December 31, 2007, payable on the first day of each and every month commencing on or about January 1, 2001, and each and every month thereafter. Rent shall be paid to the order of:

STAR LAKE INVESTMENTS
Attn: Pete Patten
Post Office Box 1351
South Lake Tahoe, CA 95156

Said monthly rent amount shall be adjusted on January 1, 2002, and annually thereafter, in an amount equal to two and three-quarters (2.75%) percent of the then current monthly rent amount.

3. TERM

The term of this Lease shall be for seven (7) years commencing on or about January 1, 2001, and ending on December 31, 2007, subject however, to earlier termination as hereinafter more particularly provided in Paragraph 20.

4. OPTION FOR ADDITIONAL TERMS

Lessee shall have the option to lease the subject Premises for two (2) additional five (5) year terms after the initial lease expiration date of December 31, 2007. Lessee shall notify Lessor in writing approximately ninety (90) days prior to the expiration date of the

first seven (7) year term and each additional five (5) year term thereafter, should Lessee elect to exercise said option (s).

Additionally, Lessee shall have the "first right of refusal" for any additional space or spaces that may become available at said facility location during the entire term of this agreement. Lessor agrees to provide Lessee with a sixty (60) day period during which time the Lessee may express its interest in leasing said available space or spaces.

5. USE OF PREMISES

The Premises are leased to the County of El Dorado for the purpose of conducting business and activities permitted by law including any government operations or uses related thereto.

6. PROHIBITED USE

Lessee shall not commit or permit the commission of any acts on the Premises nor permit the use of the Premises in any way that will:

- A. increase the existing fire rates or cancel any fire, casualty, liability or other insurance policy insuring the building or its contents;
- B. violate or conflict with any law, statute, ordinance, governmental rule or regulation whether now in force or hereinafter enacted, governing the Premises;
- C. obstruct or interfere with the rights of other tenants or occupants of the building or injure or annoy them; and
- D. constitute commission of a waste on the Premises.

7. INSURANCE

- 1. LESSOR shall provide proof of a policy of insurance satisfactory to the El Dorado County Risk Manager and documentation evidencing that LESSOR maintains insurance that meets the following requirements:
 - A. Commercial General Liability Insurance of not less than \$1,000,000 combined single limit per occurrence for bodily injury and property damage.
 - B. Workers' Compensation and Employers' Liability Insurance covering all employees of Contractor as required by law in the State of California.
 - C. LESSOR shall furnish a certificate of insurance satisfactory to the El Dorado County Risk Manager as evidence that the insurance required above is being maintained.
 - D. The insurance shall be issued by an insurance company acceptable to El Dorado County Risk Management or be provided through partial or total self-insurance likewise acceptable to El Dorado County Risk Management.

- E. LESSOR agrees that the insurance required above shall be in effect at all times during the term of this Agreement. In the event said insurance coverage expires at any time or times during the term of this Agreement, LESSOR agrees to provide at least thirty (30) days prior to said expiration date, a new certificate of insurance evidencing insurance coverage as provided for herein for not less than the remainder of the term of the Agreement, or for a period of not less than one (1) year. New certificates of insurance are subject to the approval of Risk Manager and LESSOR agrees that the lease shall not commence prior to the giving of such approval. In the event the LESSOR fails to keep in effect at all times insurance coverage as herein provided, COUNTY may, in addition to any other remedies it may have, terminate this Agreement upon the occurrence of such event.
- F. The certificate of insurance must include the following provisions stating that:
1. The insurer will not cancel the insured's coverage without 30 day prior written notice to the COUNTY; and
 2. The County of El Dorado, its officers, officials, and employees are included as additional insured, but only insofar as operations under this Agreement are concerned.
 3. The LESSOR's insurance coverage shall be primary as respects the COUNTY, its officers, officials, and employees. Any insurance or self-insurance maintained by the COUNTY, its officers, officials, or employees shall be excess of the LESSOR's insurance and shall not contribute with it.
- G. Any deductibles or self-insured retention must be declared to and approved by the COUNTY. At the option of the COUNTY either the insurer shall reduce or eliminate such deductibles or self-insured retention as respects the COUNTY, its officers, officials and employees; or LESSOR shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.
- H. Any failure to comply with the reporting provisions of the policies shall not affect coverage provided to the COUNTY, its officers, officials, employees or volunteers.
- I. The insurance companies shall have no recourse against the County of El Dorado, its officers, officials or employees for payment of any premiums or assessments under any policy issued by any insurance company.
- J. LESSOR's obligations shall not be limited by the foregoing requirements and shall survive the expiration of this Agreement.
- K. In the event LESSOR cannot provide an occurrence policy, LESSOR shall provide insurance covering claims made as a result of performance of this Agreement for not less than three (3) years following completion of this Agreement.

L. The Certificate of Insurance shall meet additional standards as may be determined by the contracting County department, either independently or in consultation with the COUNTY's Risk Manager, as essential for protection of the COUNTY.

PROPERTY INSURANCE

LESSOR shall provide property insurance on all real property owned by LESSOR covered by this lease under a standard "all risk" policy. The policy shall insure for not less than ninety (90) percent of the replacement value of the property.

8. INDEMNIFICATION

Lessee shall indemnify, defend, and hold harmless Lessor, its officers, agents and employees, from and against any claims, damages, costs, expenses (including reasonable attorney's fees) or liabilities arising from the acts or omissions of Lessee or its officers, agents, employees, contractors, or subcontractors, or the Lessee's use of the Premises, to the extent not covered by the insurance as provided for in paragraph 7 above. Lessor shall indemnify, defend and hold harmless Lessee, its officers, agents and employees, from and against any claims, damages, costs, expenses (including reasonable attorney's fees) or liabilities against from the acts of omissions of Lessor its officers, agents, employees, contractors or subcontractors, to the extent not covered by the insurance as provided for in paragraph 7 "INSURANCE" above. The provisions of this section shall survive the termination of this lease for any event occurring prior to the termination.

9. ALTERATIONS

Lessee shall not make or permit any other person to make any alterations to the Premises without the written consent of Lessor first obtained. Should Lessor consent to the making of any alterations to the Premises by the Lessee, subsequent to execution of this Lease, said alterations shall be made at the sole cost and expense of Lessee by a contractor or other person selected by Lessee and approved in writing by Lessor before work commences. Any and all alterations, with the exception of previously approved relocatable walls and other alterations readily removable without significant damage to the building premises, interior or exterior, shall on expiration or sooner termination of this Lease, become the property of Lessor and remain on the Premises.

10. MAINTENANCE AND REPAIRS

Lessee shall, at all times during the term of this Lease and any renewal or extension thereof, maintain, at Lessee's sole cost and expense, the Premises, in a good, clean, and safe condition, and shall on expiration or sooner termination of this Lease surrender the Premises to Lessor in as good condition and repair as they are in on the date of this Lease, reasonable wear and tear and damage by the elements excepted.

11. ADA MODIFICATIONS

Lessor agrees, at its sole cost and expense, to make changes necessary to bring the subject premises up to the accessibility standards of the Americans with Disabilities Act (ADA).

12. INSPECTION BY LESSOR

Lessee shall permit Lessor or Lessor's agent, representative, or employees to enter the Premises at all reasonable times for the purpose of inspecting the Premises to determine whether Lessee is complying with the terms of the Lease and for the purpose of doing other lawful acts that may be necessary to protect Lessor's interest in the Premises under the Lease.

13. SERVICES FURNISHED BY LESSOR

Lessor is responsible for the payment of all local, state and federal taxes associated with or attributable to the property subject to this lease agreement, the operation of this lease and the income flowing to Lessor through this lease agreement. Lessor shall, at Lessor's own cost and expense, maintain the exterior walls, exterior windows, automobile parking areas, exterior lighting, sidewalks, retaining walls, ramps, plumbing, electrical, heating and air conditioning, landscaped areas, air-conditioning and heating equipment and ductwork, and roof and structural supports of the building of which the Premises are a part, in good order and repair, excepting any repairs caused by the negligent or willful act of Lessee or Lessee's agents or servants.

14. UTILITIES

A. Water and sewer suitable for the intended use of the Premises shall be provided and paid by Lessor.

B. Gas and/or electric utilities shall be obtained and paid by Lessee. Lessor shall pay the electric bill for exterior parking lot lights.

C. Janitorial services including the cleaning of windows and replacement of light globes or fluorescent tubes shall be paid by Lessee.

D. Garbage removal shall be provided and paid for by Lessor.

E. Lessee shall obtain and pay for telephone service.

F. Lessee shall pay for snow removal.

15. AIR CONDITIONING AND HEATING

Lessor has provided, and shall maintain, or cause to be maintained, in the building of which the Premises are a part, an air conditioning and heating system.

16. DESTRUCTION OF PREMISES

Should said premises, or the building of which they are a part, be damaged or destroyed by any cause not the fault of Lessee, Lessor shall at Lessor's sole cost and expense promptly repair the same and the rent payable under this lease shall be abated for the time and to the extent Lessee is prevented from occupying the Premises in their entirety; provided, however, that should the cost of repairing the damage or destruction exceed 25 percent of the full replacement cost of the Premises, Lessee may choose, in lieu of Lessor making the repairs required by this paragraph to terminate this Lease by giving

Lessor ten (10) days written notice of such termination.

17. CONDEMNATION OF PREMISES

Should all or any part of the Premises be taken by any public or quasi-public agency or entity under the power of eminent domain during the term of the Lease:

A. Either Lessor or Lessee may terminate this Lease by giving the other thirty (30) days' written notice of termination; provided, however, that Lessee cannot terminate this Lease unless the portion of the Premises taken by eminent domain is so extensive as to render the remainder of the Premises useless for the purposes intended by this Lease.

B. Any and all damages and compensation awarded or paid because of the taking, except for amounts paid Lessee for moving expenses or for damage to any personal property or trade fixtures owned by Lessee, shall belong to Lessor, and Lessee shall have no claim against Lessor or the entity exercising eminent domain power for the value of the unexpired term of this Lease.

C. Should any portion of the building containing the Premises other than the Premises be taken by eminent domain, Lessor or Lessee may, at its option, terminate this Lease.

18. ASSIGNMENT OR SUBLEASING

Lessee shall not sub-lease, encumber, assign, or otherwise transfer its rights or interests under this lease, without the express written consent of the Lessor first had and received, provided said consent by Lessor shall not be unreasonably withheld.

19. ACTS CONSTITUTING BREACHES BY LESSEE

Lessee shall be guilty of a material default and breach of this Lease should:

A. Any rent be unpaid when due and remain unpaid for thirty (30) days after written notice to pay such rent or to surrender possession of the Premises has been given to Lessee by Lessor;

B. Lessee default in the performance of or breach any provision, covenant, or condition of this Lease other than one for the payment of rent and such default or breach is not cured within thirty (30) days after written notice thereof is given by Lessor to Lessee; or

C. Lessee breach this Lease and abandon the Premises prior to the expiration of the term of this Lease.

20. NON-APPROPRIATION

Lessor acknowledges that Lessee's funding for this Lease is in large part dependent upon receipt of certain state and federal funds by Lessee. Lessee may terminate this Lease upon sixty (60) days notice if funds are not budgeted in any fiscal year for the leasehold of these Premises. If the termination for lack of funding provision of this paragraph is utilized by the Lessee, Lessee agrees not to lease other space for the non-funded function for the remainder of the then-current fiscal year.

21. LESSOR'S LIABILITY

In the event of a transfer of Lessor's title or interest to the property during the term of this Lease, Lessee agrees that the grantee of such a transfer will be substituted as Lessor under this Agreement, provided that all deposits be transferred to the grantee. Lessor shall be released from all future liability under this agreement, but shall not be released from the obligation to indemnify Lessee under paragraph 8 above for acts or omissions occurring prior to the transfer unless so released by Lessee in writing.

22. NOTICES

Except as otherwise expressly provided by law, any and all notices or other communications required or permitted by this Lease or by law to be served on or given to either party hereto by the other party hereto shall be in writing and shall be deemed duly served and given when personally delivered to the party, Lessor or Lessee, to whom it is directed or any managing employee of such party or, in lieu of such personal service, when deposited in the United States mail, first-class postage prepaid, addressed to:

Lessor: Star Lake Investments
 Attn: Pete Patten
 P. O. Box 1351
 South Lake Tahoe, CA 95156

Telephone: (530) 544-6159

Lessee: County Of El Dorado
 General Services Department
 360 Fair Lane
 Placerville, California 95667

Attention: Director of General Services
Telephone: (530) 621-5846

Either party, Lessor or Lessee, may change its address for purposes of this paragraph by giving written notice of the change to the other party in the manner provided in this paragraph.

23. BINDING ON HEIRS AND SUCCESSORS

This Lease shall be binding on and shall inure to the benefit of the heirs, executors, administrators, successors, and assigns of the parties, Lessor and Lessee, hereto.

24. TIME OF ESSENCE

Time is expressly declared to be the essence of this Lease.

25. WAIVER

The waiver of any breach of any of the provisions of this Lease by Lessor shall not constitute a continuing waiver or a waiver of any subsequent breach by Lessee either of the same or of another provision of this Lease.

26. SOLE AND ONLY AGREEMENT

This instrument constitutes the sole and only agreement between Lessor and Lessee respecting the Premises and correctly sets forth the obligations of Lessor and Lessee to each other as of its date. Any agreements or representations respecting the Premises or their leasing by Lessor to Lessee not expressly set forth in this instrument are null and void.

27. SEVERABILITY

If any provision, clause or part of the Agreement, or the application thereof under certain circumstances, is held invalid, the remainder of this Agreement or the application of such provisions, clauses, or parts under other circumstances shall not be affected thereby.

28. CALIFORNIA FORUM AND LAW

Any dispute resolution action arising out of this Agreement, including, but not limited to, litigation, mediation, or arbitration, shall be brought in El Dorado County, California, and shall be resolved in accordance with the laws of the State of California.

29. ATTORNEY'S FEES

Should any litigation be commenced between Lessor and Lessee concerning the Premises, this Lease, or the rights and duties of either Lessor or Lessee in relation thereto, the party, Lessor or Lessee, prevailing in such litigation shall be entitled, in addition to such other relief as may be granted, to a reasonable sum as and for its attorney's fees in the litigation which shall be determined by the court in such litigation or in a separate action brought for that purpose.

30. LEASE ADMINISTRATION

The County officer or employee with responsibility for administering this Lease is the Director of General Services, or successor.

DEPARTMENT CONCURRENCE:

Dated: 12-13-00

Signed: 
Glenn Helland, Director
Department of Social Services

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IN WITNESS WHEREOF, the parties hereto have executed this agreement the day and year first below written.

LESSORS: STAR LAKE INVESTMENTS

Dated: 11-28-00

Signed: 
Donald H. Kortes, Partner


Dated: 11-28-00

Signed: 
Thomas W. Patten, Partner

Dated: 12-10-00

Signed: 
Douglas V. Patten, Partner

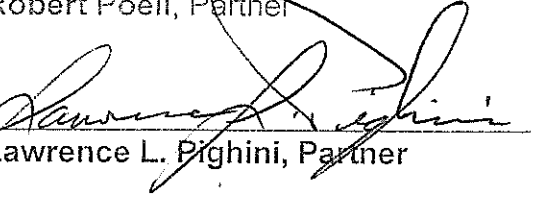
Dated: 12-12-00

Signed: 
Dennis M. Patten, Partner

Dated: 12-1-00

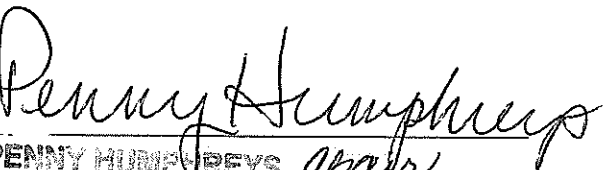
Signed: 
Robert Poell, Partner

Dated: 12/5/00

Signed: 
Lawrence L. Pighini, Partner

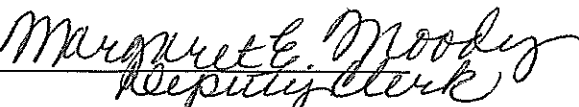
LESSEE: COUNTY OF EL DORADO

Dated: 1-9-2001

Signed: 
PENNY HUMPHREYS, chair
Board of Supervisors

ATTEST:

DIXIE L. FOOTE, Clerk of the Board of Supervisors

BY: 
Marquette Moody
Deputy Clerk

Dated: 1-9-2001