

**COUNTY OF EL DORADO**  
**L E A S E # 505-L1111**  
**ANIMAL SERVICES BUSINESS OFFICES**

**ORIGINAL**

**THIS LEASE** is made by and between the **COUNTY OF EL DORADO**, a political subdivision of the State of California, hereinafter called "Lessee", and **ROBERT EARL OLSON AND MARTHA WADDELL OLSON, TRUSTEES OF THE ROBERT EARL OLSON AND MARTHA WADDELL OLSON FAMILY TRUST, Dated January 13, 1998**, 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:

**415 Placerville Drive Suites M & N**  
**Placerville, CA 95667**

The Premises consists of 1320 square feet of improved office space together with use of the common parking areas with other tenants of the building.

**2. TERM**

The term of this Lease shall commence on June 1, 2011 and terminate on December 31, 2013, subject however, to earlier termination as hereinafter more particularly provided in Paragraph 20.

**3. BASE RENT**

Lessee agrees to pay to Lessor as rent the sum of **One Thousand Three Hundred and Twenty Dollars (\$1,320.00)** per month for the period of June 1, 2011 to December 31, 2013, payable on the first day of each and every month commencing on June 1, 2011. The Base Rent shall be paid in advance on the first day of each month, without prior notice or demand, except in the event that Lessee's occupancy commences on a day other than the first day of the month, the rent for the first partial month shall be prorated at one-thirtieth (1/30) of the rental rate for each calendar day the premises are ready for occupancy during such month. Rent shall be paid to the order of: **Martha Waddell Olson, c/o Select Property Management at 4062 Flying C Road, Cameron Park, CA 95682**, attention **Derrin Storm**. Said monthly rent amount shall be adjusted on June 1, 2012 and annually thereafter on June 1,

at a rate equal to the Consumer Price Index (CPI) for all Urban Wage Earners and Clerical Workers for the preceding annual term.

For purposes of this Section:

- A. "Price Index" means the Consumer Price Index published by the Bureau of Labor Statistics of the United States Department of Labor, U.S. City Average, All Items and Major Group Figures for Urban Wage Earners and Clerical Workers (1982-84=100).
- B. "Base Price Index" means the Price Index for the month (the "Base Month") nearest before the commencement date for which the Price Index is published.

**4. OPTION FOR ADDITIONAL TERMS**

Lessee shall have the option:

- A) To Lease the subject Premises for three (3) additional two (2) year terms after the initial Lease expiration date of December 31, 2013. Such option(s) shall be on the same terms and conditions as provided for herein for the initial term. Lessee shall notify Lessor in writing approximately sixty (60) days prior to the expiration of the first two (2) year term and each additional two (2) year term thereafter, should Lessee elect to exercise said option(s).

Additionally, Lessee shall have the "first right of refusal" for any contiguous additional space or spaces that may become available at said facility location during the entire term of this Lease 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, or

- B) To convert said above Lease Agreement to a month-to-month effective January 1, 2014 and Lessee shall notify Lessor with a thirty (30) day written notification of intent to vacate premises.

**5. USE OF PREMISES**

The Premises are leased to the Lessee 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 County El Dorado Risk Manager and documentation evidencing that Lessor maintains insurance that meets the following requirements:
  - A. Commercial General Liability Insurance of not less than \$500,000 combined single limit per occurrence for bodily injury and property damage.
  - B. Workers' Compensation and Employers' Liability Insurance covering all employees of Lessor as required by law in the State of California.
  - C. Lessor shall furnish a certificate of insurance satisfactory to the Lessee as evidence that the insurance required above is being maintained.
  - D. The insurance shall be issued by an insurance company acceptable to Lessee or be provided through partial or total self-insurance likewise acceptable to Lessee.
  - E. Lessor agrees that the insurance required above shall be in effect at all times during the term of this Lease. In the event said insurance coverage expires at any time or times during the term of this Lease 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 Lease Agreement, or for a period of not less than one (1) year. New certificates of insurance are subject to the approval of Lessee and Lessor agrees that the Lease Agreement 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, Lessee may, in addition to any other remedies it may have, terminate this Lease Agreement upon the occurrence of such event.
  - F. The certificate of insurance must include a provision stating that the insurer will not cancel the insured's coverage without 30-day prior written notice to the Lessee.
  - G. Any deductibles or self-insured retention must be declared to and approved by the Lessee. At the option of the Lessee either the insurer shall reduce or eliminate such deductibles or self-insured retention as respects the Lessee, its officers, officials,

employees or volunteers, 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 Lessee, its officers, officials, employees or volunteers.
- I. The insurance companies shall have no recourse against the Lessee, its officers, officials, employees or volunteers 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 Lease 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 Lease Agreement for not less than three (3) years following completion of this Lease Agreement.
- L. The Certificate of Insurance shall meet additional standards as may be determined by the Lessee, either independently or in consultation with Lessee's Risk Manager, as essential for protection of Lessee.
- M. Lessor shall provide property insurance on all real property owned by Lessor covered by this Lease Agreement under a standard "all risk" policy. The policy shall insure for not less than ninety percent (90%) of the replacement value of the property.
- N. The Lessee is self-insured and shall provide a letter of self-insurance if requested to do so by Lessor at any time during the term of the Lease Agreement.

## **8. INDEMNIFICATION**

Lessor shall indemnify, defend, and hold harmless Lessee, its officers, agents and employees, from and against any claims, actions, suits, costs, expenses (including reasonable attorney's fees) and other costs of defense incurred or liabilities, whether for damage to or loss of property, or injury to or death of person, which in any way arise from or are connected with the acts or omissions of Lessor or its officers, agents, employees, contractors, subcontractors, or business invitees, or Lessor's use of the Premises, unless such damage, loss, injury, or death shall be caused by the sole, or active negligence of Lessee, or the willful misconduct of Lessee, as expressly provided by statute.

Lessee shall indemnify, defend, and hold harmless Lessor, its officers, agents, and employees, from and against any claims, actions, suits, costs, expenses (including reasonable attorney's fees) and other costs of defense incurred or liabilities, whether for damage to or loss of property, or injury to or death of person, which in any way arise from or are connected with the

acts or omissions of Lessee or its officers, agents, employees, contractors, subcontractors, or business invitees, or Lessee's use of the Premises to the extent such loss, damage, injury, or liability is not covered by the insurance required as provided for in Paragraph 7 above, unless such damage, loss, injury or death shall be caused by the sole, or active negligence of Lessor, or the willful misconduct of Lessor. The duties of Lessor or Lessee to indemnify and save each other harmless include the duties to defend as set forth in California Civil Code Section 2778. The provisions of this Section shall survive the termination of the Lease Agreement 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 Agreement, 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 Agreement, 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 Agreement 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 Agreement surrender the Premises to Lessor in as good condition and repair as they are in on the date of this Lease Agreement, 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 this Lease Agreement and for the purpose of doing other lawful acts that may be necessary to protect Lessor's interest in the Premises under this Lease Agreement.

**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**

The monthly cost of the following utilities shall be paid as follows:

- (a) Water and sewer suitable for the intended use of the Premises shall be provided and paid by Lessor.
- (b) The monthly cost of gas and/or electric utilities for the term shall be obtained and paid by Lessee.
- (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.

**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 Agreement 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 twenty-five (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 Agreement 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 Agreement:

- (a) Either Lessor or Lessee may terminate this Lease Agreement by giving the other thirty (30) days' written notice of termination; provided, however, that Lessee cannot terminate this Lease Agreement 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 Agreement.
- (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 Agreement.
- (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 Agreement.

**18. ASSIGNMENT OR SUBLEASING**

Lessee shall not sub-lease, encumber, assign, or otherwise transfer its rights or interests under this Lease Agreement, 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 Agreement should:

- (a) Any rent be unpaid when due and remain unpaid for fifteen (15) 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 Agreement other than one for the payment of rent and such default or breach is not cured within fifteen (15) days after written notice thereof is given by Lessor to Lessee; or
- (c) Lessee breaches this Lease Agreement and abandons the Premises prior to the expiration of the term of this Lease Agreement.

**20. NON-APPROPRIATION**

Lessor acknowledges that Lessee's funding for this Lease Agreement is in large part dependent upon receipt of certain state, federal and other funds by Lessee. Lessee may terminate this Lease Agreement upon thirty (30) days notice if funds are not budgeted for the leasehold of these Premises, or if funding is suspended, delayed or allocated appropriations are reduced, eliminated, or reallocated by the County of El Dorado.

**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 Agreement, Lessee agrees that the grantee of such a transfer will be substituted as Lessor under this Lease Agreement, provided that all deposits are transferred to the grantee. Lessor shall be released from all future liability under this Lease 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 Agreement 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: Martha Waddell Olson  
c/o Select Property Management  
4062 Flying C Road  
Cameron Park, CA 95682  
Attention: Derrin Storm  
Telephone: (530) 677-1414

Lessee: County Of El Dorado  
Department of Transportation  
2850 Fairlane Court  
Placerville, California 95667

Attention: James W. Ware, P.E., Director  
Telephone: (530) 621-7533

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 Agreement 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 Agreement.

**25. WAIVER**

The waiver of any breach of any of the provisions of this Lease Agreement 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 Agreement.

**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 this Lease Agreement, or the application thereof under certain circumstances, is held invalid, the remainder of this Lease 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 Lease 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 Agreement, 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 Agreement is James W. Ware, P.E., Director of Transportation or successor.

**DEPARTMENT CONCURRENCE:**

Dated: 5-17-11

Signed:   
Neda West, Director Health Services

Dated: 5/17/11

Signed:   
James W. Ware, P.E., Director of Transportation

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

**LESSOR: ROBERT EARL OLSON AND MARTHA WADDELL OLSON,  
TRUSTEES OF THE ROBERT EARL OLSON AND MARTHA WADDELL OLSON  
FAMILY TRUST, dated January 13, 1998**

**Dated:** \_\_\_\_\_

**Signed:** \_\_\_\_\_  
**Martha Waddell Olson, Trustee  
Sole Survivor of the Trust**

**LESSEE: COUNTY OF EL DORADO**

**Dated:** \_\_\_\_\_

**Signed:** \_\_\_\_\_  
**Raymond J. Nutting, Chair  
Board of Supervisors**

**Attest: Suzanne Allen De Sanchez,  
Clerk of the Board of Supervisors**

**Dated:** \_\_\_\_\_

**By:** \_\_\_\_\_  
**Deputy Clerk**