



# COUNTY OF HUMBOLDT

For the meeting of: 10/16/2018

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File #: 18-1346

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To: Board of Supervisors

From: Public Works

SUBJECT:

Lease Agreement with Humboldt County Fair Association

RECOMMENDATION(S):

That the Board of Supervisors approve and authorize the Chair of the Board to sign the attached lease; and direct the Clerk of the Board to return two (2) executed originals to Public Works Real Property for transmittal to the Association.

SOURCE OF FUNDING:

County does not fund the Association with their performance of Fair activities.

DISCUSSION:

The Humboldt County Fair Association (Association) has been leasing the Humboldt County Fairgrounds since 1926, with various updates to the lease clauses. The most recent lease was approved by the Board of Supervisors on July 23, 2013 (Attachment 1) with the term ended on August 31, 2018. Use beyond August 31, 2018, is on holdover based on continued lease negotiations. Attached is the proposed new lease for a term of eight (8) years. A summary of the most significant changes to the new lease is as follows:

1. In Section 10, the current lease states the Association shall complete an itemized statement of all receipts and disbursements by March 1 of each fiscal year, and be made available to the county within ten (10) days of county request; whereas in Section 9, the new lease states the Association shall complete receipts and disbursements by July 1 of each fiscal year, and be made available to the county within thirty (30) days of county request.
2. In Section 13, the current lease states the Association agrees to maintain minutes of each Board of Directors of Association, and be made available to the county within ten (10) business days of county request. The new lease has excluded this provision.
3. In Section 16, the current lease authorizes the Association's Executive Director to authority to execute contracts up to \$10,000; whereas in Section 14, the new lease delegates the Association's General Manager to execute contracts up to \$25,000, and with county consent.
4. In Section 35, the current lease includes recovery of attorney fees upon prevailing party; whereas the new lease has excluded this provision.
5. In Section 38, the new lease confirms a Certified Access Specialist has completed a report of Americans With Disabilities Act (ADA) barrier determinations, and was submitted to the Association at least forty-eight (48) hours prior to execution of his lease.
6. The term of this agreement will not start until all three parties (Fair Association, State, and County) have signed the lease agreement.

FINANCIAL IMPACT:

The county and its residents receive the benefits of the Association's management, operation, maintenance and repair of the County Fairgrounds. There is no financial impact to the General Fund. This action complies with the Board's Strategic Framework by providing community - appropriate levels of service and providing for and maintaining infrastructure.

OTHER AGENCY INVOLVEMENT:

Public Works

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ALTERNATIVES TO STAFF RECOMMENDATIONS:

The Board could choose not to approve the Lease. This alternative is not recommended because use by the Association would not be guaranteed to continue.

ATTACHMENTS:

1. Lease dated July 23, 2013
2. New Lease

PREVIOUS ACTION/REFERRAL:

Board Order No.: C-12

Meeting of: July 23, 2013