



COUNTY OF HUMBOLDT

AGENDA ITEM NO.

C18

For the meeting of: February 6, 2018

Date: January 4, 2018

To: Board of Supervisors

 From: Connie Beck, Director
 Department of Health and Human Services

Subject: Second Amendment to Lease at 2440 Sixth Street, Eureka with Humboldt Partners

RECOMMENDATION(S):

That the Board of Supervisors:

1. Approve the Second Amendment to Lease with Humboldt Partners at 2440 Sixth Street, 2430 Sixth Street and 2426 Sixth Street, Eureka for Department of Health and Human Services to clarify responsibilities of Lessor and County, and to initiate professional services to design construction documents for tenant improvement of the building in order to facilitate offering additional public services; and
2. Authorize the Chair of the Board to sign the Second Amendment to Lease, in duplicate; and
3. Direct the Clerk of the Board to return one (1) executed original Second Amendment to Lease to Public Works – Real Property for transmittal to the Lessor, retaining the second executed original with meeting records.
4. Authorize the Public Works Director to execute the Exhibit D, Receipt of Notice of Completion, upon Lessor's provision of a copy of the filed document.

Prepared by: Haley Schandelmier AAIH

CAO Approval

REVIEW:

Auditor

County Counsel

Human Resources

Other

TYPE OF ITEM:

☒ Consent
☐ Departmental
☐ Public Hearing
☐ Other

PREVIOUS ACTION/REFERRAL:

Board Order No. C-9, C-10

Meeting of: 4/14/2015, 4/5/2016

BOARD OF SUPERVISORS, COUNTY OF HUMBOLDT

Upon motion of Supervisor Wilson Seconded by Supervisor Bass

Ayes Bass, Fennell, Sundberg, Bohn, Wilson

Nays

Abstain

Absent

and carried by those members present, the Board hereby approves the recommended action contained in this Board report.

Dated: 2/6/18

By:

Kathy Hayes, Clerk of the Board

SOURCE OF FUNDING:
Social Services Fund

DISCUSSION:

On April 14, 2015, the Board approved a Lease with Humboldt Partners for 2440 Sixth Street. (Attachment 1.) After other building tenants vacated the premises, on April 5, 2016 the Board approved a First Amendment to Lease with Humboldt Partners to include office space located at 2430 Sixth Street and 2426 Sixth Street, Eureka in the leased premises used by DHHS. (Attachment 2.) DHHS now desires to modify the interior of the leased premises in order to facilitate the provision of additional public services from the property. The Lessor has agreed to contract for the professional services necessary to develop construction documents that will be used for the Lessor's public bid request for the tenant improvement construction work. The professional services have been defined in the Second Amendment to Lease. (Attachment 3.)

The parties have also agreed to the development of a third amendment to the lease to modify the monthly rent payments to include the County's reimbursement for the tenant improvement construction work. County's reimbursement of the tenant improvement construction work will include a Six Percent (6%) loan carrying fee. There will be no penalty for early reimbursement of the actual cost of the tenant improvement construction work. The proposed third amendment will extend the term of the lease from the current termination date of July 31, 2022 to the proposed termination date of approximately July 31, 2029. Details of the proposed third amendment will be finalized after the Lessor has advertised for public bidding, selected a responsive bidder and the conducted the tenant improvement construction work. Upon the Lessor filing a Notice of Completion and the County receiving said filing, staff will return to your Board to request authorization for the Chair to sign the proposed third amendment to the lease.

FINANCIAL IMPACT:

The maximum amount payable by the County to the Lessor as reimbursement for professional services rendered and expenses incurred pursuant to the terms and conditions of the Second Amendment to Lease is One Hundred Thousand Dollars and Zero Cents (\$100,000.00). Such reimbursement shall be in addition to the rent specified in Section 5 of the Lease and First Amendment to Lease. There shall be no change to monthly rental costs at this time. The expenditure for professional services has been included in the approved budget for fiscal year 2017-18 in Fund 1160; Budget Unit 511. There is no impact to the County General Fund.

Approving the Second Amendment to Lease supports the Board's Strategic Framework by managing resources to ensure sustainability of services and creating opportunities for improved health and safety as well as protecting vulnerable populations.

OTHER AGENCY INVOLVEMENT:
Public Works – Real Property Division

ALTERNATIVES TO STAFF RECOMMENDATIONS:

The Board could choose not to approve this second amendment to the lease; however, this is not recommended as it would not support the goal to offer public services from a central location.

ATTACHMENTS:

1. Lease at 2440 Sixth Street, Eureka with Humboldt Partners
2. First Amendment to Lease at 2440 Sixth Street, Eureka with Humboldt Partners
3. Second Amendment to Lease at 2440 Sixth Street, Eureka with Humboldt Partners, in duplicate

SECOND AMENDMENT TO LEASE AGREEMENT

This Second Amendment to the Lease entered into on April 14, 2015, and first amended on April 5, 2016, by and between the COUNTY OF HUMBOLDT, a political subdivision of the State of California, hereinafter called COUNTY, and HUMBOLDT PARTNERS, a California General Partnership, hereinafter called LESSOR, is entered into this 6th day of February 2018.

WHEREAS, on April 14, 2015, the parties entered into a Lease for the use of real property located at 2440 Sixth Street, Eureka, California, for the purpose of office space for the Department of Health and Human Services (DHHS); and

WHEREAS, on April 5, 2016, the parties entered into a Lease Amendment to increase the square footage of the leased space, to add real property located at 2430 and 2426 Sixth Street, Eureka, California, and to increase the rent accordingly; and

WHEREAS, COUNTY and LESSOR desire to clarify their responsibilities regarding the security system and the fire alarm and suppression system; and

WHEREAS, California Civil Code section 1938 requires commercial property owners to state on every lease executed on or after January 1, 2017, whether or not the subject premises have undergone inspection by a Certified Access Specialist (CAsp), and the parties wish to comply with this requirement; and

WHEREAS, COUNTY desires to modify the interior of said real property to make better use of the office space to facilitate offering additional public services from the property; and

WHEREAS, LESSOR is willing to retain the services of an independent consultant to perform professional and technical services necessary for COUNTY'S proposed tenant improvement plans; and

WHEREAS, said consultant shall be selected on the basis of demonstrated competence and qualifications; and

WHEREAS, the services shall be provided at a fair and reasonable price; and

WHEREAS, COUNTY is willing to reimburse LESSOR for said consultant's services;
and

WHEREAS, COUNTY and LESSOR desire to amend the Lease as specified;

NOW, THEREFORE, it is mutually agreed as follows:

1. Section 10, MAINTENANCE AND REPAIRS, subsection A.1, of the Lease is amended to read as follows:

The interior and exterior of the building, including glass and doors, kitchen appliances (two 28 cubic foot refrigerators, six microwaves, a minimum size of 1.6 cf for each, and one water filter

SECOND AMENDMENT TO LEASE AGREEMENT

for each kitchen sink to be supplied by LESSOR), emergency lights, all exterior lighting and bulbs, landscaping, parking lot, fencing, including exclusive parking area for COUNTY vehicles, HVAC unit including ducts and vents, fire extinguishers, fire alarm and suppression systems;

2. Section 10, MAINTENANCE AND REPAIRS, subsection B.3, of the Lease is amended to read as follows:

Any repairs to phone system, computers, computer battery back-up uninterrupted power supply (UPS) system, security alarm system or installation thereof.

3. Section 10, MAINTENANCE AND REPAIRS, subsection E, of the Lease is amended to read as follows:

LESSOR shall provide and pay for, during the initial term of this Lease or any extension term, repair/replacement of the building's fire alarm and fire suppression system.

4. Section 38, CONSULTANT SERVICES, is added as a new section to the Lease to read as follows:

LESSOR shall contract for independent consultant services as described in Exhibit A (Scope of Consultant Services), which is attached hereto and incorporated herein by reference. The contract between LESSOR and the consultant shall include certain terms and conditions as set forth in Exhibit B (Consultant Contract Terms and Conditions), which is attached hereto and incorporated herein by reference.

5. Section 39, REIMBURSEMENT FOR CONSULTANT SERVICES, is added as a new section to the Lease to read as follows:

The maximum amount payable by COUNTY to LESSOR as reimbursement for consultant services rendered and expenses incurred pursuant to the terms and conditions of this Lease Amendment is One Hundred Thousand Dollars and Zero Cents (\$100,000.00). Such reimbursement shall be in addition to the rent specified in Section 5 of the Lease and First Amendment to Lease.

LESSOR shall submit to COUNTY monthly progress reports, an invoice which itemizes all work completed by the consultant as of the invoice date, copies of invoice(s) from the consultant to LESSOR, and proof of payment by LESSOR to the consultant. All invoices submitted by LESSOR shall be in a format approved by, and shall include backup documentation as specified by, the Humboldt County Auditor-Controller. LESSOR shall submit a final undisputed invoice to COUNTY for reimbursement not more than thirty (30) days following the date of final payment by LESSOR to its consultant. Reimbursement to LESSOR by COUNTY shall also be subject to certain terms and conditions as set forth in Exhibit C (Reimbursement Agreement Terms and Conditions), which is attached hereto and incorporated herein by reference.

6. Section 40, SUBSTANTIAL COMPLETION, is added as a new section to the Lease to

SECOND AMENDMENT TO LEASE AGREEMENT

read as follows:

LESSOR shall provide COUNTY with a Certificate of Occupancy, as described in Task #6 of Exhibit A. Within Sixty (60) days of COUNTY'S receipt of the Certificate of Occupancy, COUNTY shall enter into a Third Amendment to this Lease Agreement, revising Section 4, Term of Lease, and Section 5, Rent.

COUNTY shall provide LESSOR, within Thirty (30) days after COUNTY'S receipt of Certificate of Occupancy, a written "punch list" which will consist of the items from the construction of COUNTY'S tenant improvement plan that have not been finished or furnished by LESSOR. Upon receipt of the punch list, LESSOR shall, with due diligence, proceed to complete all defective or incomplete items on the punch list. LESSOR shall execute all of the items on the punch list to COUNTY'S satisfaction within Fourteen (14) days of LESSOR'S receipt of the punch list. If LESSOR fails to complete all of the items within such time frame, COUNTY may complete such items and LESSOR shall reimburse COUNTY upon demand for the reasonable costs incurred by COUNTY for such work. If such costs are not paid within Ten (10) days after demand, such costs shall be credited to and deducted from COUNTY'S next monthly installments of Rent.

LESSOR shall file for a Notice of Completion no later than Forty-five (45) days after the Certificate of Occupancy has been issued to LESSOR. LESSOR shall provide COUNTY a copy of said filing. COUNTY'S written acknowledgment of receipt in the form of Exhibit D (Receipt of Notice of Completion), which is attached hereto and incorporated herein by reference, shall be evidence that the tenant improvements have been substantially completed.

7. Section 41, PREMISES INSPECTION BY CERTIFIED ACCESS SPECIALIST, is added as a new section to the Lease to read as follows:

COUNTY and LESSOR acknowledge that the subject premises have undergone an inspection by a Certified Access Specialist (CAsp) and that a CAsp report will be provided to COUNTY. A CAsp may further inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state and federal law. LESSOR will not prohibit COUNTY from obtaining a CAsp inspection of the subject premises. The parties shall mutually agree on the arrangements for the time and manner of the CAsp inspection, the payment of the fee for the CAsp inspection, and the costs of making any repairs necessary to correct violations of construction-related accessibility standards within the premises.

8. In all other respects the Lease between the parties entered into on April 14, 2015 and first amended on April 5, 2016 shall remain in full force and effect.

//

//

//

SECOND AMENDMENT TO LEASE AGREEMENT

IN WITNESS WHEREOF, the parties hereto have executed this Second Amendment to the Lease dated April 14, 2015 on the date indicated above.

COUNTY OF HUMBOLDT:

LESSOR: HUMBOLDT PARTNERS

BY:


CHAIRMAN, Ryan Sundberg
BOARD OF SUPERVISORS

BY:


PARTNER

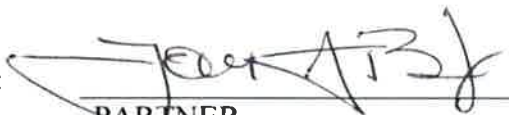
NAME:

Charles Bussan

ATTEST:

(SEAL)

BY:


PARTNER

NAME:

TOM ABRAHAMSON

BY:


CLERK OF THE BOARD

Ryan Sharp, Deputy Clerk of the Board

EXHIBIT A - SCOPE OF CONSULTANT SERVICES

LESSOR agrees to contract for professional consulting services necessary to produce a publicly bid construction project to accomplish COUNTY'S tenant improvements. The Scope of Services as described below, including any other services identified in this Lease as part of Services, which generally include architectural services, structural design, mechanical design, electrical design, plumbing design, civil design, and landscape design, all of which are intended to result in delivery of the following Tasks (1- 9):

1. PROGRAMMING AND CONCEPTUAL DESIGN REVIEW

Provide a written review and analysis of applicable building codes as they apply to the existing building and concept of the project. Provide a written verification that information and backgrounds provided are sufficient to continue design work; provide list of any additional necessary information required. Document existing building, including measured drawings, photographs, and other necessary documentation to provide a basis for permitted tenant improvements. Create background drawings of existing building for use by consultant and its design team members, and consultants under contract with COUNTY. Schedule, arrange and attend meetings as necessary for coordination with design team. Submit the following deliverables in paper and electronic formats for COUNTY review and approval:

- a. Written review and analysis of applicable building codes.
- b. Written verification that information and backgrounds provided are sufficient including a list any additional necessary information required.
- c. A basis of design report for tenant improvements including: Documentation of existing building, including measured drawings of plans and details, photographs, and other necessary documentation.
- d. Background drawings of existing building.
- e. Schedule of remaining consulting services to be completed through Task #4, not to exceed 180 days following delivery of Task #1 deliverables package.
- f. Minutes from design coordination meetings.

2. SCHEMATIC DESIGN

Develop schematic plans and outline technical specifications for the project. Create and provide background drawings for use by other design team members and consultants under contract with COUNTY. Schedule, arrange and attend meetings as necessary for coordination with design team. Provide updated written code analysis, including accessibility compliance with Federal Americans With Disabilities Act, and accessibility provisions of the California Building Code, for preliminary over-the-counter review of schematic plans. Submit the following schematic design deliverables in paper and electronic formats for COUNTY review and approval:

- a. Schematic drawings.
- b. Outline technical specifications.
- c. Background drawings for use by other design team members.
- d. Minutes from design coordination meetings.
- e. Updated written code analysis including comments from meeting with permitting agency.

EXHIBIT A - SCOPE OF CONSULTANT SERVICES

3. DESIGN DEVELOPMENT

Develop a package of design development drawings and draft technical specifications for the project, including but not limited to Mechanical, Plumbing and Electrical engineering, Structural engineering, T-24 Energy Calculations, and Security and Data infrastructure design. Schedule, arrange and attend meetings as necessary for coordination with design team. Submit the following deliverables, including design development plans and draft specifications, in paper and electronic formats for COUNTY review and approval:

- a. Design development drawings.
- b. Draft technical specifications.
- c. Minutes from design coordination meetings.
- d. Updated written code analysis including comments from intermediate plan review by permitting agency.
- e. Construction schedule with date of completion for the project.

4. CONSTRUCTION DOCUMENTS

Develop and provide complete package of construction documents for final plan review and approval by COUNTY. Schedule, arrange and attend meetings as necessary for coordination with design team. Provide COUNTY a copy of a complete package of approved plans and technical specifications to be used by LESSOR inviting formal bids, as specified by California Public Contract Code Sections 22032 and 22037. Revisions, addendums, answers to bidding questions and substitution requests to be provided as necessary. Submit the following deliverables, including fully coordinated drawings and specifications, including addendums, in paper and electronic formats for COUNTY review and approval:

- a. 50% package of construction documents (plans and specifications) for coordination with design team.
- b. 95% package of construction documents (plans and specifications) for final plan review.
- c. 100% complete package of approved plans and technical specifications for bid package, prior to bid.
- d. Cost Estimate for completion of the project.
- e. Copies of permit applications from City of Eureka and any other necessary governing agency, including a copy of Certified Access Specialist program (CAsp) inspection application.
- f. Revisions, addendums, answers to bidding questions and review of substitution requests.
- g. Post-bid package of coordinated drawings and specifications including addendums for construction.

EXHIBIT A - SCOPE OF CONSULTANT SERVICES

5. CONSTRUCTION ADMINISTRATION

Provide administration of project throughout the course of project bidding, through periodic observation of work during construction, provide review of submittals, and assist in responses to requests for information, cost proposals, change orders, punch-lists, and other construction administration services as necessary. Attend weekly site meetings as necessary. Submit the following deliverables to COUNTY:

- a. A copy of published bid request.
- b. Responses to requests for information as necessary.
- c. Written summary of submittals, including a complete copy of all construction bid response packages.
- d. A copy of letters awarding and declining the work to all construction bid responders.
- e. Attend weekly site meetings as necessary.
- f. Documentation of periodic observation of work as necessary.

6. PROJECT CLOSEOUT

Assist with closeout procedures and commissioning as necessary. Coordinate with contractor and consultants to provide COUNTY a copy of as-built record drawings in digital and hard-copy format. Submit the following deliverables package to COUNTY:

- a. Provide a written copy of closeout procedures.
- b. Commissioning documentation as necessary.
- c. As-built record drawings.
- d. Copy of issued permits, including corrections report resulting from Certified Access Specialist's (CAsp) inspection of the portion of leased premises affected by tenant improvements made resulting from this Second Amendment to Lease.
- e. Certificate of Occupancy.
- f. Copy of filed Notice of Completion.

7. GENERAL TASKS AND DELIVERABLES

Within Twenty (20) days from the date of this Second Amendment to Lease, the LESSOR'S consultant shall create and provide schedule for progress of work in conjunction with its design team. Provide monthly status report including a narrative of work performed, an update of the progress of work schedule, including actual performance versus current progress schedule, and a sixty day look-ahead of anticipated required information, decisions or documents required from COUNTY. General Tasks and Deliverables are to include:

- a. Schedule for progress of work (within Twenty (20) days of date of this Second Amendment).
- b. Monthly status report.
- c. Narrative of work performed.
- d. Update of the progress of work.
- e. Sixty day look-ahead.

EXHIBIT A - SCOPE OF CONSULTANT SERVICES

Construction Schedule: All work will be completed no later than Thirty (30) days after the construction schedule completion date, as developed in Task #3. LESSOR'S consultant shall have full charge of coordination and scheduling with design team members, and other consultants under contract with COUNTY for this project.

8. EXCLUSIONS

The items below, if any, are not considered within the Scope of Basic Services, however can be provided by consultant as an Additional Service to LESSOR:

Land Surveying, Geotechnical engineering, Solar/PV engineering, Commercial Kitchen design, CEQA compliance documents.

9. ADDITIONAL SERVICES

Additional Services require specific written request from consultant with associated proposed cost, followed by written authorization from COUNTY prior to commencement of any work not defined as part of Basic Services (Tasks 1-7). Authorized Additional Services shall be compensated in accordance with the terms and conditions of Section 39 and Exhibit C.

No additional services shall be subject to reimbursement by COUNTY without an additional written amendment to this Lease. Any amendment authorizing reimbursement for additional services shall include a detailed description of such services and a maximum reimbursement amount for the additional services.

EXHIBIT B – CONSULTANT CONTRACT TERMS AND CONDITIONS

LESSOR shall include the following provisions in its contract with the CONSULTANT providing the services described in Exhibit A.

1. **COMPLIANCE WITH APPLICABLE LAWS:**

CONSULTANT agrees to comply with all local, state and federal laws and regulations applicable to the services covered by this Agreement. CONSULTANT further agrees to comply with all applicable local, state and federal licensure and certification requirements.

2. **LESSOR'S LICENSE TO USE DOCUMENTS**

The parties recognize that under Civil Code Section 980, CONSULTANT is the exclusive owner of the design and other documents created by CONSULTANT pursuant to this Agreement, and CONSULTANT may control the distribution and use of said documents. CONSULTANT agrees that LESSOR, upon termination or cancellation of this Agreement for any reason whatsoever, shall acquire a license to copy, reproduce, and use for its own purposes, said documents. More specifically, CONSULTANT agrees that LESSOR may use said documents for completion of its tenant improvement project even though CONSULTANT'S services may have been terminated. CONSULTANT shall be entitled to no additional compensation for use by LESSOR of these documents.

3. **CONFIDENTIAL INFORMATION:**

In performance of its obligations under this Agreement, CONSULTANT may receive information that is confidential under local, state or federal law. CONSULTANT hereby agrees to protect all confidential information in conformance with any and all applicable local, state and federal laws and regulations.

EXHIBIT C – REIMBURSEMENT AGREEMENT TERMS AND CONDITIONS

1. NONDISCRIMINATION COMPLIANCE:

A. Professional Services and Employment. In connection with the execution of this Agreement, LESSOR and CONSULTANT shall not discriminate in the provision of professional services or against any employee or applicant for employment because of race, religion or religious creed, color, age (over forty (40) years of age), sex (including gender identity and expression, pregnancy, childbirth and related medical conditions), sexual orientation (including heterosexuality, homosexuality and bisexuality), national origin, ancestry, marital status, medical condition (including cancer and genetic characteristics), mental or physical disability (including HIV status and AIDS), political affiliation, military service, or any other classification protected by local, state or federal laws and regulations. Nothing herein shall be construed to require employment of unqualified persons.

B. Compliance with Anti-Discrimination Laws. LESSOR and CONSULTANT further assure that they will abide by the provisions of Title VI and Title VII of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, as amended, the Age Discrimination Act of 1975, California Welfare and Institutions Code Section 10000, CDSS MPP Division 21, United States Executive Order 11246, as amended, and any other applicable local, state and federal laws and regulations. Practices in hiring, compensation, benefits and firing are among the employment practices subject to this requirement.

C. Inclusion. This section shall be included in any and all professional services agreements concerning the provision of services described in Exhibit A.

2. REPORTS:

LESSOR agrees to provide COUNTY with any and all reports which may be required by local, state or federal agencies in connection with the CONSULTANT'S services. Reports shall be submitted no later than fifteen (15) days after the end of each calendar quarter using the format required by the State of California as appropriate.

3. RECORD RETENTION AND INSPECTION:

A. Maintenance and Preservation of Records. LESSOR agrees to timely prepare accurate and complete financial, performance and payroll records relating to the professional services agreement between LESSOR and the CONSULTANT for services described in Exhibit A ("professional services agreement"), and to maintain and preserve said records for at least three (3) years from the date of final payment under this Lease, except that if any litigation, claim, negotiation, audit or other action is pending, the records shall be retained until completion and resolution of all issues arising therefrom. The books and records shall be original entry books with a general ledger itemizing all debits and credits for the work performed.

B. Inspection of Records. Pursuant to California Government Code Section 8546.7, all records, documents, conditions and activities of LESSOR, and its subcontractors, relating to the professional services agreement, shall be subject to the examination and audit of the California State Auditor and other duly authorized agents of the State of California for a period of three (3)

EXHIBIT C – REIMBURSEMENT AGREEMENT TERMS AND CONDITIONS

years after final payment. LESSOR hereby agrees to make such records available during normal business hours to inspection, audit and reproduction by COUNTY and any duly authorized local, state or federal agencies. LESSOR further agrees to allow interviews of any of its employees who might reasonably have information related to such records by COUNTY and any duly authorized local, state or federal agencies. All examinations and audits conducted under this section shall be strictly confined to those matters connected with the performance of the professional services agreement and this Lease.

C. Audit Costs. In the event of an audit exception or exceptions, the party responsible for not meeting the requirements of the project shall be responsible for the deficiency and for the cost of the audit. If the allowable expenditures cannot be determined because LESSOR'S documentation is nonexistent or inadequate, according to generally accepted accounting practices, the questionable cost shall be disallowed by COUNTY.

4. MONITORING:

LESSOR agrees that COUNTY has the right to monitor all activities related to the professional services agreement, including the right to review and monitor LESSOR'S records, programs or procedures, at any time, as well as the overall operation of LESSOR'S programs in order to ensure compliance with the terms and conditions of the professional services agreement and this Lease. However, COUNTY is not responsible, and will not be held accountable, for overseeing or evaluating the adequacy of the results of services performed by LESSOR or the consultant pursuant to the terms of the professional services agreement or this Lease.

5. CONFIDENTIAL INFORMATION:

In performance of its obligations under this Lease, LESSOR may receive information that is confidential under local, state or federal law. LESSOR hereby agrees to protect all confidential information in conformance with any and all applicable local, state and federal laws and regulations.

6. COUNTY'S LICENSE TO USE DOCUMENTS

The parties recognize that under Civil Code Section 980, LESSOR'S CONSULTANT is the exclusive owner of the design and other documents created by CONSULTANT pursuant to its contract with LESSOR, and the CONSULTANT may control the distribution and use of said documents.

LESSOR agrees that, upon termination or cancellation of its agreement with its CONSULTANT, for any reason whatsoever, LESSOR shall acquire a license to copy, reproduce, and use for its own purposes, said documents. More specifically, LESSOR agrees that COUNTY may use said documents for completion of its tenant improvement project even though LESSOR'S CONSULTANT'S services may have been terminated. Neither LESSOR nor LESSOR'S CONSULTANT shall be entitled to any additional compensation for use by the COUNTY of these documents.

EXHIBIT C – REIMBURSEMENT AGREEMENT TERMS AND CONDITIONS

7. INDEMNIFICATION:

LESSOR shall hold harmless, defend and indemnify COUNTY, its agents, officers, officials, employees and volunteers from and against any and all claims, demands, losses, damages, liabilities, expenses and costs of any kind or nature, including, without limitation, attorney fees and other costs of litigation, arising out of, or in connection with, LESSOR'S negligent performance of, or failure to comply with, any of the duties and/or obligations contained in the professional services agreement between LESSOR and the CONSULTANT for services described herein, except such loss or damage which was caused by the sole negligence or willful misconduct of COUNTY.

LESSOR shall hold harmless, defend and indemnify COUNTY, its agents, officers, officials, employees and volunteers from and against any and all claims, demands, losses, damages, liabilities, expenses and costs of any kind or nature, including, without limitation, attorney fees and other costs of litigation, arising out of, or in connection with, the CONSULTANT'S negligence, recklessness or willful misconduct in the performance of the services required in the professional services agreement between LESSOR and the CONSULTANT for services described herein, except such loss or damage which was caused by the sole negligence or willful misconduct of COUNTY.

8. RELATIONSHIP OF PARTIES:

It is understood that this Lease is by and between two independent contractors and is not intended to, and shall not be construed to, create the relationship of agent, servant, employee, partnership, joint venture or any other similar association. Both parties further agree that LESSOR shall not be entitled to any benefits to which COUNTY employees are entitled, including, but not limited to, overtime, retirement benefits, leave benefits or workers' compensation. LESSOR shall be solely responsible for the acts or omissions of its agents, officers, directors, employees, licensees, invitees, assignees and subcontractors.

9. ENTIRE AGREEMENT:

This Lease contains all of the terms and conditions agreed upon by the parties hereto and no other agreements, oral or otherwise, regarding the subject matter of this Lease shall be deemed to exist or to bind either of the parties hereto. In addition, this Lease shall supersede in its entirety any and all prior agreements, promises, representations, understandings and negotiations, whether oral or written, concerning the same subject matter.

EXHIBIT D – RECEIPT OF NOTICE OF COMPLETION

COUNTY has received, on this _____ day of _____, 20____, LESSOR'S provided copy of the filed Notice of Completion for the construction of COUNTY'S tenant improvements. Both parties acknowledge that the work done by LESSOR pursuant to the provisions of Exhibit A to the Second Amendment to Lease Agreement is substantially completed.

COUNTY OF HUMBOLDT:

LESSOR: HUMBOLDT PARTNERS

BY: _____

BY: _____
PARTNER

NAME: _____

NAME: _____