



# City Council

## Staff Report

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**TO:** Honorable Mayor and City Council  
**FROM:** John Jansons, City Manager   
**DATE:** November 14, 2016  
**SUBJECT:** Lease with Tulare County for Farmersville Library

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**RECOMMENDATION:**

It is respectfully recommended that the City Council:

- 1) Approve a lease, in substantially the same form as presented herein, with the County of Tulare to occupy and operate a public library as part of its countywide library system at the Farmersville Community Center located at 623 Avery Street,
- 2) Authorize the City Manager to perfect the lease with any final edits or changes necessary and proper to finalize the lease agreement and provide satisfactory insurance coverages for both parties, and
- 3) Authorize the Mayor to sign the lease once finalized.

**BACKGROUND:**

For many years the City of Farmersville and its respective City Councilmembers and community members have worked toward the goal of having a public library in the City.

The goal is now within reach because of a partnership with Tulare County (the "County") and its countywide library system.

**DISCUSSION:**

The City has long led the effort to open a public library in the City. That goal is within reach now because of:

- the development of the Community Center which has space allocated for a library,
- the receipt of CDBG funds needed to fund a library facility, and
- the partnership with Tulare County to manage and operate the Farmersville Library as a branch of the countywide library system.

The County requires a lease to occupy and operate in space not owned by the County, just as the City requires a lease for a party to rent or use City-owned facilities.

To the end, City Staff and County staff have prepared the attached lease (**Attachment 1**) to formalize this owner / tenant relationship and protect both parties.

A few key points of the lease include:

- Amount of Rent: \$1 per year because the is receiving the benefit of the County operating the library at essentially no cost to the City other than maintenance, repairs and some portion of utilities costs.
- Term: The lease is for three 3 years, and the County can renew the lease for two more 3-year terms of the same length for a potential nine year total term.
- Maintenance/Repairs: The City is fully responsible for these. The City will make repairs it deems necessary, and cap the cost at \$1,000 month on any repair the County request, but it is in the best interest of the City to maintain the building in good repair. To avoid liability, the City will want to make repairs which, if not corrected, can injure someone or cause property damage. But the City ultimately decides what gets repaired since the tenant is not paying market value to rent the premises as "full service".
- Insurance: the City will self-insure the physical premises (building/improvements), if they are destroyed. The County has been requested to self-insure against losses caused by the conduct of its employees, whom City cannot control or supervise, any time the library is open to the public for business. At all other times, the City's self-insurance would be in effect.

Processing through the County and well as through the respective counsel offices has resulted in the proposed lease. While it is in substantial final form, minor edits may still be required to perfect it but these are anticipated to be minor and non-substantive.

Additionally final insurance documents and being processed to provide the mutual security to each party.

**COORDINATION & REVIEW:**

The attached lease and other concerns has been reviewed and coordinated with the City Attorney's Office, City Insurance representatives, County Counsel and County Staff.

**ALTERNATIVES:**

The City Council may choose to proposed different terms. This alternate is not recommended as this may jeopardize opening on a library in Farmersville.

**FISCAL IMPACT:**

There will be a negative financial impact to the City in losing CDBG funds intended for a community library is a library is not approved.

**CONCLUSION:**

It is respectfully recommended that the City Council:

- 1) Approve a lease, in substantially the same form as presented herein, with the County of Tulare to occupy and operate a public library as part of its countywide library system at the Farmersville Community Center located at 623 Avery Street,
- 2) Authorize the City Manager to perfect the lease with any final edits or changes necessary and proper to finalize the lease agreement and provide satisfactory insurance coverages for both parties, and
- 3) Authorize the Mayor to sign the lease once finalized.

**ATTACHMENT:** Final Draft Library Lease

**Recommended By:**



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John Jansons  
City Manager

**LEASE**

This Lease (“Lease” or “Agreement”) is entered into on \_\_\_\_\_, 2016, between CITY OF FARMERSVILLE, referred to as “LESSOR” and the COUNTY OF TULARE, referred to as “LESSEE”, who agree as follows:

1. **LEASE.** LESSOR leases to LESSEE, and LESSEE leases from LESSOR, a portion of the real property located at 623 N. Avery Ave., Farmersville, County of Tulare, State of California, consisting of approximately 1,540 square feet of interior building space (“Premises”) within an approximately 16,380 square foot building, commonly known as the Farmersville Community Center. LESSEE shall also have the non-exclusive use of the building’s restrooms and parking area. A floor plan of the Premises is attached hereto as **EXHIBIT A** and incorporated by this reference.

2. **TERM/OPTION TO RENEW.** The term of the lease shall commence upon approval by the Board of Supervisors (the “Effective Date”) and shall expire three (3) years thereafter. LESSEE will have the option and right to renew this lease for two (2) additional three (3) year terms upon the same terms and conditions by serving a written notice to exercise the option to renew no later than ninety (90) days prior to the end of the term.

3. **RENT.** Except as otherwise provided herein, commencing on the first day of the first full month following the effective date, and on every anniversary date of the Effective Date thereafter, LESSEE shall pay to LESSOR an annual rent, without deduction, set off, prior notice, or demand, in the sum of ONE DOLLAR (\$1).

4. **ACCEPTANCE.** On the effective date, the premises shall be in good condition. LESSEE's taking possession of the premises on the effective date shall constitute LESSEE's acknowledgment that, to the best of its knowledge, the premises are in good condition.

5. **USE.**

a. LESSEE shall have exclusive use of the Premises for the purposes of a Branch Library for public use. LESSEE and LESSOR have formed a strategic partnership where: (a) the LESSOR will provide the location and space within the City of Farmersville (the “City”) for a public library and (b) the LESSEE

will provide the appropriate staffing funded by a City Development Block Grant (“CDBG”) secured by the LESSOR.

b. Notwithstanding paragraph (a) of this section, LESSOR shall have access to and use of the Premises for City-sponsored events at times when LESSEE is not using or operating the Premises as a public library, subject to LESSEE’s consent, which consent shall not be unreasonably withheld. LESSOR will be liable for any damage or loss to LESSEE’s property caused by the negligence of LESSOR during said events. LESSOR will be liable for any personal injuries sustained during said events by attendees which take place in or around the Premises. In any month in which special arrangements of LESSOR result in significantly higher operational costs not budgeted by LESSEE, LESSOR will be required to pay such costs, provided that LESSEE provides effective written notice thereof to LESSOR no later than the end of the next calendar month following said higher operational cost.

c. LESSEE shall not use the premises in any manner that will constitute waste or nuisance.

## 6. MAINTENANCE.

a. LESSOR will provide, at LESSOR's expense, all ongoing maintenance, preventative maintenance, repair, and upkeep of the premises, including, but not limited to, the parking areas, sidewalks, grounds, building and improvements, and equipment and fixtures attached thereto. Such responsibility shall include, without limitation, the following:

i. The structural parts of the building and other improvements in which the premises are located, which structural parts include the foundations, bearing and exterior walls, subflooring, and roof;

ii. The exposed and unexposed electrical, plumbing, and sewage systems, including, without limitation, those portions of the systems lying outside the premises;

iii. Window frames, gutters, and down spouts on the building and other improvements in which the premises are located;

iv. Heating, ventilating, and air-conditioning systems (HVAC) servicing the premises;

1. The HVAC shall be inspected at least once every twelve (12) months, and problems found during these

inspections shall be corrected within thirty (30) days from discovery.

2. Inspections and maintenance of the HVAC system shall be documented in writing. The Lessor shall record the name of the individual(s) inspecting and/or maintaining the system, the date of any inspections and maintenance, and the specific findings and action taken. The Lessor shall ensure that the records are kept for at least five (5) years.

- v. Light fixtures and replacement bulbs;
- vi. Pest control;
- vii. Upkeep of outdoor areas, including lawns and other landscaping.

b. LESSOR will be responsible for complying with all codes or laws requiring alterations, maintenance or restoration of the premises and parking areas during the term of the lease, at no cost to LESSEE, including codes requiring fire extinguishers or other fire suppression equipment and related signage.

c. During an emergency, LESSEE will take immediate steps to protect persons, property and the premises. In the event that any condition(s) existing on the premises poses an imminent risk of danger to persons, property or the premises, LESSEE shall take reasonable steps to notify persons at risk, require library patrons to leave the premises if necessary to avoid personal injury and notify LESSOR. If LESSOR does not take the necessary steps, LESSEE will have the right to: (1) repair or contract to repair and to be reimbursed by LESSOR provided that total/aggregate cost thereof is no greater than one thousand U.S. dollars (\$1,000 USD); or (2) terminate this Agreement for cause in accordance with the terms of this Agreement. If the full amount of the reimbursement is not delivered by LESSOR to LESSEE within ten (10) days after LESSEE's delivery to LESSOR of a written statement or bill evidencing the cost of the repair, LESSEE will have the right to deduct the cost of repair from the next monthly rent payment.

d. Except for cases of emergency, LESSOR will make all repairs LESSOR deems necessary as soon as is possible. In the event LESSOR has not made a repair referred to in a written notice from LESSEE to LESSOR within thirty (30) days after date of notice, LESSEE will have the right to repair or contract to repair and be reimbursed by LESSOR provided that total repair cost incurred for that month will not exceed one thousand U.S. dollars (\$1,000 USD). If the full amount of the reimbursement is not delivered by LESSOR to LESSEE within ten

(10) days after LESSEE's delivery to LESSOR of a written statement or bill evidencing the cost of the repair, LESSEE will have the right to deduct the cost of repair from the next monthly rent payment.

7. **ALTERATIONS.** LESSEE shall not make any structural or exterior alterations to the premises without LESSOR's consent, which consent shall not be unreasonably withheld; however, LESSEE shall have the right without cost to LESSOR to make, with LESSOR's consent, nonstructural alterations to the interior of the premises that LESSEE requires in order to conduct its operations on the premises.

Upon termination of the tenancy, if LESSEE is not then in default of any of the provisions of this lease, LESSEE shall have the right to remove from the premises immediately before the termination of the tenancy, or within ten (10) days thereafter, any alterations LESSEE has made to the premises, as long as the removal will not cause any structural damage to the premises, and LESSEE at its cost promptly restores any damage caused by the removal.

8. **PREVAILING WAGE AND OTHER LABOR LAWS.** LESSOR and LESSEE acknowledge that any deferred maintenance and potentially any subsequent alterations made to the premises under the terms of this Lease Agreement, are subject to such prevailing wage, apprenticeship and anti-discrimination provisions of the Labor Code as are applicable to public works projects contracted for by LESSEE, including Labor Code section 1771. When required by law, LESSOR and LESSEE will require all contractors and subcontractors who complete such work contracted by them to: (a) maintain accurate and certified payroll records pursuant to Labor Code section 1776; (b) to make such records available for inspection by LESSEE, LESSOR and the Division of Labor Standards Enforcement of the Department of Industrial Relations, on a weekly basis and at no cost; and (c) to comply with all other applicable prevailing wage requirements. In addition, and when required by applicable statutes, LESSOR's and LESSEE's construction contract(s) will require contractor(s) and subcontractor(s) to maintain complete and accurate records with respect to the funds expended on such work, and will require that the contractor(s) and subcontractor(s) provide access to the Tulare County Auditor and to the State of California auditors, and to their agents and representatives of the parties hereto, for the purpose of auditing and/or copying such records for a period of five (5) years from the date of this Agreement. LESSOR and LESSEE, as applicable, will require that all such records be prepared in accordance with generally accepted accounting procedures, be clearly identified, and be readily accessible within the each party hereto, upon request.

9. **ASSURANCES OF NON-DISCRIMINATION.** LESSOR and LESSEE will not discriminate in employment or the performance of the work or in the provision of services called for under this Agreement on the basis of any characteristic or condition upon which discrimination is prohibited by state or federal law or regulation.

10. **MECHANIC'S LIENS.** LESSEE shall pay all costs for construction done by it or caused to be done by it on the premises as permitted under this Agreement. LESSEE shall keep the building, other improvements, and land on which the premises are located free and clear of all mechanic's liens or stop notices resulting from construction done by or for LESSEE.

11. **UTILITIES.**

a. LESSOR shall bill LESSEE the pro-rated share of the monthly utility bills including, but not limited to, electricity, gas, water, sewer and refuse/trash. All charges shall be limited to the percentage of space within the building, 9.4%, occupied by LESSEE. LESSEE shall reimburse LESSOR for its pro-rated share within 30 calendar days of receipt of the bill.

b. LESSOR shall furnish and provide LESSEE with internet access capable of supporting LESSEE's connection to its online library resources for staff and the public at no cost to LESSEE.

c. LESSEE shall furnish, at its own expense, all janitorial services for the Premises. LESSEE shall arrange for the installation of any and all telephones it shall require, and shall pay for any and all charges relating thereto.

12. **INDEMNITY.** To the fullest extent permitted by law, LESSEE will hold harmless, defend and indemnify LESSOR from and against any liability, claims, actions, costs, damages or losses and expenses for injury, including without limitation, the death of any person or damage to any property, resulting from the negligent or intentionally wrongful acts or omissions of LESSEE or LESSEE's officers, agents, employees and contractors with respect to the Premises. LESSEE's obligation will continue beyond the expiration or termination of this Agreement as to any act or omission which occurred during the term of this lease, or any renewal or holdover period.

To the fullest extent permitted by law, LESSOR will hold harmless, defend and indemnify LESSEE and its officers, agents, volunteers, contractors and employees from and against any liability, claims, actions, costs, damages, losses and expenses for injury, including without limitation, the death of any person or damage to any property; enforcement actions under California Prevailing Wage

laws with respect to work done by LESSOR, or under other applicable statute or ordinance; or resulting from LESSOR's or LESSOR's agents', employees', or contractors,' negligent or intentionally wrongful acts or omissions with respect to the Premises. LESSOR's obligation will continue beyond the expiration or termination of this Agreement as to any act or omission which occurred during the term of this lease, or any renewal or holdover period.

### 13. **INSURANCE.**

a. **LESSEE** – LESSOR acknowledges and agrees that LESSEE is a self-insured entity, and waives any requirement that LESSEE procure and/or maintain third-party insurance of any kind, including liability and/or fire/extended coverage insurance. During the term of this Agreement, the LESSEE must maintain the self-insurance coverages outlined within **EXHIBIT B**.

b. **LESSOR** – LESSEE acknowledges and agrees that LESSOR is a self-insured public entity, and waives any requirement that LESSOR procure and/or maintain third-party insurance of any kind, including liability and/or fire/extended coverage insurance. During the term of this Agreement, the LESSOR must maintain the self-insurance coverages outlined within **EXHIBIT B**.

14. **DESTRUCTION.** In the event the leased space, or the building in which the leased space is located, is totally or partially destroyed by fire, earthquake, or other casualty so as to render such property unfit for occupancy, in whole or in part, LESSEE shall be entitled to a reduction in the rental during the period that such part remains unrepaired or unrestored, in the proportion of the amount of floor space unfit for occupancy to the total floor space included in the lease; provided, however, that if it should reasonably appear that LESSOR cannot or will not restore or repair the premises within ninety (90) days from the date of such damage, either party shall be entitled to terminate the lease by giving the other party notice in writing of intention to so terminate ten (10) days before the proposed date of termination.

15. **CONDEMNATION.** If, during the tenancy, there is any taking by condemnation of all or part of the building, other improvements, or land of which the premises are a part, or any interest in the tenancy, the rights and obligations of the parties shall be determined as follows:

a. If the premises are totally taken by condemnation, the tenancy shall terminate on the date of the taking;

b. If any portion of the premises is taken by condemnation the tenancy shall remain in effect, except that: (i) the rent shall be reduced by an amount that is in the same ratio to monthly rent as the value of the area of the portion of the premises taken bears to the total value of the premises immediately before the taking; and (ii) LESSEE may elect to terminate the tenancy by giving notice of same within ten (10) days of the date of the taking.

16. **ASSIGNMENT.** LESSEE shall not assign or encumber its interest in the tenancy, or sublease all or any part of the premises, without the consent of LESSOR, which such consent shall not be unreasonably withheld.

17. **DEFAULT.** The occurrence of any of the following shall constitute a default by LESSEE:

a. Failure to pay rent when due, if the failure continues for ten (10) days after notice has been given to LESSEE;

b. Abandonment and vacation of the premises;

c. Failure to perform any other provision of this agreement if the failure to perform is not cured within a reasonable time after notice has been given of same to LESSEE;

d. The LESSEE engages in misconduct or allows circumstances to exist which, in the sole discretion of the LESSOR, expose the LESSOR to an unreasonable risk of liability or loss;

e. Failure to operate a public library providing regular access to the public each week, for at least four total weeks.

Notices given under this section shall specify the alleged default and the applicable provisions of this agreement, and shall demand that LESSEE perform the provisions within the applicable period of time, or quit the premises.

The purpose of the notice requirements set forth in this section is to extend the notice requirements of the unlawful detainer statutes of California.

In the event of a default, the parties shall have the remedies now or later allowed by law.

18. **SIGNS.** LESSEE may not install, or permit any other person to install, any sign, awning, canopy, marquee or other advertising on any exterior wall, door, or window on the premises without LESSOR's prior written consent, which consent

shall not be unreasonably withheld. On the expiration or termination of this Lease, LESSOR may remove and destroy any items which were permitted to be installed in accordance with the terms of this section.

19. **LESSOR'S ENTRY ON PREMISES.** LESSOR and its authorized representatives shall have the right to enter the premises at all reasonable times, and after reasonable notice to LESSEE, for any of the following purposes:

a. To determine whether the premises are in good condition and whether LESSEE is complying with the obligations under this agreement;

b. To do any necessary maintenance and to make any restoration to the premises or the building and other improvements in which the premises are located that LESSOR has the right or obligation to perform;

c. To serve, post, or keep posted any notices required or permitted under this agreement;

d. To show the premises to prospective brokers, agents, buyers, and prospective lessees at any time during the tenancy.

20. **SURRENDER.** On expiration or other termination of the tenancy, LESSEE shall surrender the premises to LESSOR in the same good condition as received, ordinary wear and tear excepted. LESSEE shall remove all its personal property, and shall perform all restoration made necessary by the removal of any alterations, fixtures, or signs.

21. **HOLDING OVER.** If LESSEE, with LESSOR's consent, remains in possession of the premises after the expiration of the initial lease term or the renewal period, such possession shall be deemed to be a month-to-month tenancy terminable upon thirty (30) days' written notice given at any time by either party. During any such month-to-month tenancy, LESSEE shall pay all rent required by this agreement and shall be responsible for promptly carrying out all necessary repairs and maintenance of the Premises, all other provisions of which shall apply to the month-to-month tenancy.

22. **TERMINATION.** Either party may terminate this Agreement for cause upon five (5) days' prior written notice to the other party. For purposes of this section, "cause" shall be defined as the failure of either party to remedy any material breach of the Lease Agreement within thirty (30) days' written notice of the breach.

23. **REDUCTION OF LESSEE'S FUNDING.** LESSOR expressly understands and agrees that LESSEE is dependent upon certain Federal and/or State funding to pay the rent and associated operational costs provided in this Agreement. If such Federal and/or State funding is discontinued and/or reduced, LESSEE and LESSOR shall each have the right to terminate the lease. In either event the terminating party shall provide the other with at least ninety (90) days' prior written notice of termination.

24. **SUCCESSORS.** This agreement shall be binding on, and inure to, the benefit of the parties, their successors and assigns, except as otherwise limited by this agreement.

25. **NOTICE.** Any notice, demand, request, consent, approval or other communication required or permitted under this agreement shall be in writing and must be either delivered in person or sent by certified mail, postage prepaid, to the follow addresses:

LESSEE: Board of Supervisors  
County of Tulare Administration Building  
2800 W. Burrel  
Visalia, CA 93291

Copy to: Tulare County General Services  
Attn: Property Management  
5953 S. Mooney Blvd.  
Visalia, CA 93277

**LESSOR:**  
  
City Manager  
**CITY OF FARMERSVILLE**  
909 West Visalia Road  
Farmersville, California 93223  
559-747-0458

**With A Copy To:**  
  
Michael L. Farley, City Attorney  
**FARLEY LAW FIRM**  
108 West Center Avenue  
Visalia, California 93291  
559-738-5975  
559-732-2305 – Fax

Notice shall be deemed communicated five (5) days from the time of mailing as provided in this section.

26. **WAIVER.** The failure of either party to insist on strict compliance with any provision of this Agreement will not be considered a waiver of any right to do so, whether for that breach or any subsequent breach. The acceptance by either party of either performance or payment will not be considered to be a waiver of any preceding breach of the Agreement by the other party.

27. **EXHIBITS.** All Exhibits to this Agreement are fully incorporated into and are integral parts of this Agreement.

28. **INTEGRATION.** This instrument contains all the agreements of the parties relating to the premises and cannot be modified or amended except by a subsequent agreement in writing.

29. **NO THIRD PARTY BENEFICIARIES.** Unless specifically set forth, the parties to this Agreement do not intend to provide any third party benefit or enforceable legal or equitable right or remedy.

30. **GOVERNING LAW.** This Agreement will be interpreted and governed under the laws of the State of California without reference to California conflicts of law principles.

31. **HEADINGS.** Paragraph headings are provided for organizational purposes only and do not in any manner affect the scope, meaning or intent of the provisions under the headings.

32. **INTERPRETATION.** This Agreement reflects the contributions of both parties and accordingly the provisions of Civil Code Section 1654 shall not apply to address and interpret any uncertainty.

33. **CONFLICT WITH LAWS OR REGULATIONS; SEVERABILITY.** This Agreement is subject to all applicable laws and regulations. If any provision of this agreement is found by any court or other legal authority, or is agreed by the parties, to be in conflict with any code or regulation governing its subject, the conflicting provision will be considered null and void. If the effect of nullifying any conflicting provision is such that a material benefit of the Agreement to either party is lost, the Agreement may be terminated at the option of the affected party. In all other cases the remainder of the Agreement will continue in full force and effect.

34. **AUTHORITY.** Each person executing this Agreement on behalf of a party represents and warrants that such person is duly and validly authorized to do so on behalf of the entity it purports to bind, and if such party is a partnership, corporation or trustee, that such partnership, corporation or trustee has full right to enter into this Agreement and perform all of its obligations hereunder.

35. **COUNTERPARTS.** This Agreement may be executed in two or more counterparts, and by facsimile, all of which shall be considered one and the same agreement.

36. **ESTOPPEL CERTIFICATES.** Upon the LESSOR's request, the LESSEE must execute and deliver to the LESSOR no later than ten (10) business days after the LESSOR's request an estoppel certificate, stating that, to the best of LESSEE's knowledge:

(a) This lease is unmodified and in full force and effect, or, if the lease is modified, the way in which it is modified accompanied by a copy of modification documentation;

(b) There is no outstanding default by LESSOR under the lease, or identifying any default which exists; and

(c) Such other matters as may be reasonably requested by the LESSOR.

If the LESSOR requests an estoppel certificate, and the LESSEE does not respond within fifteen (15) business days, the LESSEE shall be conclusively deemed to have delivered a certificate indicating that this lease is unmodified and in full force and effect and that there is no outstanding default by LESSOR as of the date.

37. **SUBORDINATION.** This Lease shall be subject and subordinate at all times to the lien of all mortgages and deeds of trust securing any amount or amounts whatsoever which now exist or may hereafter be placed on or against the premises or on or against LESSOR's interest or estate therein, all without the necessity of having further instruments executed by LESSEE to effect such subordination. Notwithstanding the foregoing, in the event of a foreclosure of any such mortgage or deed of trust or of any other action or proceeding for the enforcement thereof, or of any sale thereunder, this Lease shall not be terminated or extinguished, nor shall the rights and possession of LESSEE hereunder be disturbed, if no lessee default then exists under this Lease, and LESSEE shall attorn to the person who acquires LESSOR's interest hereunder through any such mortgage or deed of trust. LESSEE agrees to execute, acknowledge and deliver upon demand such further instruments evidencing such subordination of this Lease to the lien of all such mortgages and deeds of trust as may reasonably be required by LESSOR, but LESSEE's covenant to subordinate this Lease to mortgages or deeds of trust hereafter executed is conditioned upon each such mortgage or deed of trust, or a separate subordination agreement containing the commitments specified in the preceding sentence.

THE PARTIES, having read and considered the above provisions, indicate their agreement by their authorized signatures below.

**LESSOR**

**CITY OF FARMERSVILLE**

APPROVED AS TO FORM:

\_\_\_\_\_  
Paul Boyer, Mayor (date)

\_\_\_\_\_  
City Attorney or Deputy (date)

ATTEST:

\_\_\_\_\_  
City Clerk or Deputy (date)

**COUNTY OF TULARE (LESSEE)**

By: \_\_\_\_\_  
Chairman, Board of Supervisors

ATTEST: MICHAEL C. SPATA  
County Administrative Officer/  
Clerk of the Board of  
Supervisors

By: \_\_\_\_\_

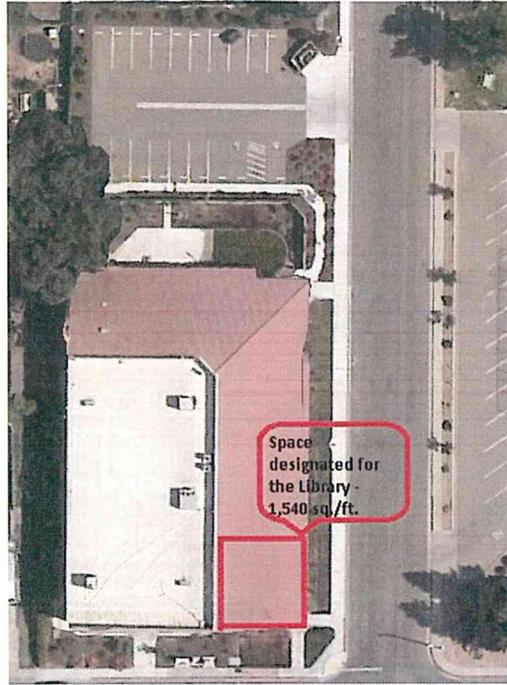
Approved as to form:  
County Counsel

By: \_\_\_\_\_  
Deputy County Counsel

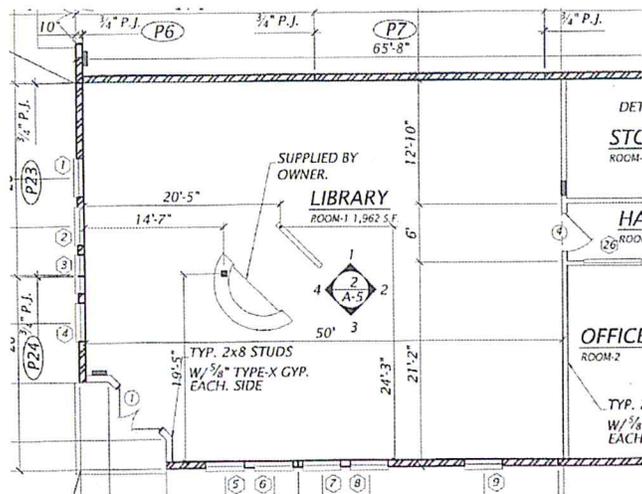
## Exhibit A

Tulare County Library  
623 N. Avery Ave., Farmersville, CA

### Premises and Floor Plan



Premises



Floor Plan

1,540 square feet of internal building space

**EXHIBIT B**

**COUNTY AS LESSEE**

**INSURANCE REQUIREMENTS**

Each party shall procure and maintain insurance or shall self-insure for the duration of this Agreement against claims for injuries to persons and damage to property which may arise from, or in connection with, their performance under the Agreement, their agents, representatives, employees and contractors, if applicable.

A. Minimum Scope & Limits of Insurance

1. Insurance Services Office Commercial General Liability coverage of \$1,000,000 combined single Limit per occurrence (occurrence Form CG 00 01). If an annual aggregate applies it must be no less than \$2,000,000.
2. Insurance Services Office Form Number CA 00 01 covering Automobile Liability, (any auto) of \$1,000,000 per occurrence. If an annual aggregate applies it must be no less than \$2,000,000.
3. Workers' Compensation insurance as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease.
4. Property Insurance against all risks of loss on all real property being leased, that the LESSOR owns including improvements and betterment. Limits of full replacement cost with no coinsurance provision.

B. Specific Provisions of the Certificate

1. The General Liability, Comprehensive Automobile Liability and Property Insurance policies must contain the following provisions. Each party will provide endorsements reflecting the following requirements:
  - a. *The other party, its officers, agents, officials, employees and volunteers are to be covered as additional insureds with respect to liability arising out of ownership maintenance or use of that part of the premises leased to the COUNTY.*
  - b. *During the LESSEE's onsite control over and operation of the premises through personnel not under the control of the LESSOR, which shall include the normal operating hours of the public library, the COUNTY's insurance and self-insurance shall provide primary coverage except as*

*to the improvements on, and physical condition of, the Premises, which shall at all times be primarily covered by the LESSOR's insurance and self-insurance. At all other times, LESSOR's insurance shall be primary as to the limits specified herein. Beyond said coverages, any additional insurance or self-insurance maintained by each party, its officers, agents, officials, employees or volunteers shall be excess of the other party's insurance and shall not contribute with it.*

*c. Each insurance policy required by this agreement shall be endorsed to state that coverage shall not be canceled, except after thirty (30) days prior written notice has been provided to the County.*

2. The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the each party for all work performed by the other party, its employees, agents and subcontractors:

a. *Waiver of Subrogation (in favor of LESSEE). The workers' compensation policy shall be endorsed with a waiver of subrogation in favor of the County for all work performed by the LESSOR, its employees, agents and subcontractors. LESSOR waives all rights against the County and its officers, agents, officials, employees and volunteers for recovery of damages to the extent these damages are covered by the workers compensation and employers liability.*

b. *Waiver of Subrogation (in favor of LESSOR). The workers' compensation policy shall be endorsed with a waiver of subrogation in favor of the LESSOR for all work performed by the LESSEE, its employees, agents and subcontractors. LESSEE waives all rights against the LESSOR and its officers, agents, officials, employees and volunteers for recovery of damages to the extent these damages are covered by the workers compensation and employers liability.*

C. Deductibles and Self-Insured Retentions

The Risk Manager of each party must approve any deductible or self-insured retention of the other party which exceeds \$100,000.

D. Acceptability of Insurance

Insurance must be placed with insurers with a current rating given by A.M. Best and Company of no less than A-:VII and a Standard & Poor's Rating (if rated) of at least BBB and from a company approved by the Department of Insurance to conduct business in California. Any waiver of these standards is subject to approval by the the Risk Manager of the other party.

E. Verification of Coverage

Prior to approval of this Agreement by the COUNTY, the LESSOR shall file with the Clerk to the Board of Supervisors, certificates of insurance with original endorsements effecting coverage and a copy of the declarations page from the policy in effect in a form acceptable to the COUNTY. Endorsements must be signed by persons authorized to bind coverage on behalf of the insurer. The COUNTY reserves the right to require certified copies of all required insurance policies at any time. LESSEE must provide the same to LESSOR prior to taking possession of the Premises.

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