

LEASE AGREEMENT

THIS LEASE AGREEMENT ("LEASE") is made and entered into this 5th day of October 2021, by and between the COUNTY OF FRESNO, a political subdivision of the State of California ("LESSEE"), and SPAN DEVELOPMENT LLC, a Wyoming limited liability company, located at 1841 Howard Rd. Madera, CA 93637 ("LESSOR"). LESSEE and LESSOR may be referred to in this Lease individually as a "Party" or collectively at times as the "Parties".

WITNESSETH:

WHEREAS, LESSOR owns that certain property commonly known as 2909 S. Elm, Fresno CA 93721, which contains warehouses; and

WHEREAS, LESSEE and LESSOR desire to enter into a lease of the Premises, as defined herein, to provide storage space for LESSEE's supplies, in order to support LESSEE's efforts to mitigate the impact of the COVID-19 pandemic.

NOW, THEREFORE, in consideration of the mutual covenants, terms and conditions herein contained, the parties hereto agree as follows:

1. **LEASED PREMISES** - LESSOR hereby leases to LESSEE approximately 11,400 square feet of space at the location commonly known as 2909 S. Elm, Suite 105, Fresno, CA 93721 ("Premises"), as shown on Exhibit "A", attached and incorporated by this reference.

2. **TERM** – This LEASE shall have a primary term beginning September 1, 2021 to August 31, 2023, and shall have three optional one-year renewals. In no event shall the term of this LEASE extend beyond August 31, 2026

3. **RENT** – LESSEE shall pay rent to LESSOR in advance on or about the first of each month according to the following schedule:

Rent Term	Rent Per Month
Year One	\$ 8,892.00
Year Two	\$ 8,892.00
Year Three	\$ 9,158.00

Year Four	\$ 9,432.00
Year Five	\$ 9,714.00

4. UTILITIES – LESSEE shall pay for utilities, including water, sewage, garbage, gas, and electricity.

LESSEE shall procure and pay for all telecommunication services that LESSEE requires in its use of the Premises.

5. USE – LESSEE shall use Premises for the storage of items owned or controlled by LESSEE. Lessee has inspected the Premises, and hereby accepts the Premises in its present as-is condition, and acknowledges that the Premises are suitable for LESSEE’s intended use.

6. MAINTENANCE

a. LESSEE, at LESSEE's sole cost and expense, shall maintain and keep the Premises in good order, condition, and repair, and in a clean, neat, and good sanitary condition. Without limiting the foregoing, LESSEE shall be responsible for janitorial service and supplies removal, and non-capital repairs and routine maintenance to the following, with respect to the Premises: (1) interior bulb replacement, (2) exterior padlock; (3) electronic, phone, and data cabling and related equipment that s installed by or for the benefit of LESSEE located in the Premises (4) alterations performed by or on behalf of LESSEE; and (5) all of LESSEE's furnishings, trade fixtures, equipment and inventory. Prior to performing any maintenance or repairs, LESSEE shall give written notice to LESSOR describing the necessary maintenance or repair. Upon receipt of such notice, LESSOR may elect either to perform any such repair obligations or require that LESSEE perform such obligations by using contractors approved by LESSOR. All such work shall be performed at LESSEE's expense, and in accordance with all applicable laws, regulations, and ordinances, including building codes. LESSEE shall not permit mechanic's or other liens to be placed upon the Premises or LESSEE's leasehold interest in connection with any work or service done or purportedly done by or for the benefit of LESSEE.

b. LESSOR, at LESSOR's sole cost and expense, shall maintain and keep in good order, condition, and repair all exterior and structural maintenance of the Premises, including capital repair of HVAC systems, plumbing systems, electrical systems, exterior lighting, including bulbs and ballasts, fire

1 sprinkler systems and alarms, mechanical systems, roof, fencing, parking lot, parking lot lighting, and other
2 common area maintenance. LESSOR is also solely responsible for the structural condition of the buildings
3 comprising the Premises, other than damage caused by LESSEE or its employees, agents, contractors or
4 invitees, and agrees that these buildings will be maintained in a condition reasonably acceptable for the
5 LESSEE'S intended use of the Premises.

6 In the event that a repair that is LESSOR's obligation to make is necessary, and in the event that
7 until such repair can be completed the occupancy of the Premises by LESSEE is immediately and
8 significantly impaired, LESSOR shall verbally acknowledge LESSEE'S request to repair these issues, and
9 shall provide onsite response within 3 business days after contact by LESSEE to initiate repairs or replace
10 equipment to restore the systems to full working order. LESSOR covenants that the portions of the
11 Premises described in this Section 6 shall be maintained in substantially the same condition as that existing
12 at the commencement of this LEASE.

13 7. COMPLIANCE WITH ALL LAWS - As to the Premises, LESSOR acknowledges public
14 funds are used for payments made by LESSEE under this LEASE, and for "public works" projects.
15 Accordingly, if any work is undertaken at the Premises by or on behalf of LESSOR, it may be deemed a
16 "public works" project, and LESSOR shall comply with, and shall ensure compliance by all contractors and
17 subcontractors with, all applicable laws and regulations, including the payment of prevailing wages
18 pursuant to Section 1770 et. seq. of the Labor Code, and as described herein.

19 In accordance with Labor Code section 1770, et seq., the Director of the Department of Industrial
20 Relations of the State of California has determined the general prevailing wages rates and employer
21 payments for health and welfare pension, vacation, travel time and subsistence pay as provided for in
22 Section 1773.1, apprenticeship or other training programs authorized by Section 3093, and similar
23 purposes applicable to the work to be done.

24 Information pertaining to applicable Prevailing Wage Rates may be found on the website for the
25 State of California - Department of Industrial Relations: <http://www.dir.ca.gov/oprl/PWD/index.html>.
26 Information pertaining to applicable prevailing wage rates for apprentices may be found on the website for
27 the State of California - Department of Industrial Relations:
28 <http://www.dir.ca.gov/oprl/pwappwage/PWAppWageStart.asp>.

1 It shall be mandatory upon LESSOR, LESSOR'S contractor, and upon any subcontractor to pay not
2 less than the prevailing wage rates, including overtime and holiday rates, to all workers, laborers, or
3 mechanics employed work completed to the Premises under this LEASE, including those workers
4 employed as apprentices. Further, CONTRACTOR and each subcontractor shall comply with Labor Code
5 sections 1777 .5 and 1777 .6 concerning the employment of apprentices. A copy of the above-mentioned
6 prevailing wage rates shall be posted by LESSOR at the job site for any work completed to the Premises
7 under this LEASE, where it will be available to any interested party.

8 LESSOR shall comply with Labor Code section 1775, and shall forfeit as a penalty to the County of
9 Fresno Two Hundred Dollars (\$200.00) for each calendar day or portions thereof, for each worker paid less
10 than the prevailing wage rates for the work or craft in which the worker is employed for any work done
11 under this LEASE by LESSOR, LESSOR'S contractor, or by any subcontractor under LESSOR in violation
12 of Labor Code section 1770, et seq. In addition to the penalty, the difference between the prevailing wage
13 rates and amount paid to each worker for each calendar day or portion thereof for which each worker was
14 paid less than the prevailing wage rate shall be paid to each worker by LESSOR, LESSOR'S contractor, or
15 subcontractor.

16 LESSOR, LESSOR'S contractor, and subcontractor shall keep an accurate record showing the
17 name, address, social security number, work classification, straight time and overtime hours worked each
18 day and week, and the actual per diem wages paid to each journeyman, apprentice, worker, or other
19 employee employed by him or her in connection with any work completed to the Premises under this
20 LEASE. In accordance with Labor Code section 1776, each payroll record shall be certified and verified by
21 a written declaration under penalty of perjury stating that the information within the payroll record is true and
22 correct and that LESSOR, LESSOR'S contractor, or subcontractor have complied with the requirements of
23 Labor Code sections 1771, 1811 and 1815 for any work performed by their employees on the Premises
24 under this LEASE. These records shall be open at all reasonable hours to inspection by LESSEE, its
25 officers and agents, and to the representatives of the State of California - Department of Industrial
26 Relations, including but not limited to the Division of Labor Standards Enforcement.

27 8. INDEPENDENT CONTRACTOR – The relationship between LESSOR and LESSEE shall
28 always and only be that of a landlord-tenant with respect to the Premises. It is mutually understood and

1 agreed that LESSOR and LESSEE, including any and all of their respective officers, agents, and
2 employees will at all times be acting and performing in an independent capacity and not as an officer,
3 agent, servant, employee, joint venture, partner, or associate of the other party. Furthermore, neither party
4 shall have the right to control or supervise or direct the manner or method by which the other party shall
5 perform its work and function. However, LESSEE and LESSOR shall retain the right to administer this
6 LEASE so as to verify that the other party is performing its obligations in accordance with the terms and
7 conditions thereof.

8 LESSOR and LESSEE shall comply with all applicable provisions of law and the rules and
9 regulations, if any, of governmental authorities having jurisdiction over matters the subject thereof.

10 Because of the landlord-tenant relationship between LESSOR and LESSEE, neither LESSOR nor
11 LESSEE shall have any right to employment rights and benefits available to the other party's employees.
12 Each party shall be solely liable and responsible for providing to, or on behalf of, its employees all legally-
13 required employee benefits. In addition, each party shall be solely responsible and save the other party
14 harmless from all matters relating to payment of such party's employees, including compliance with Social
15 Security withholding and all other regulations governing such matters. It is acknowledged that during the
16 term of this LEASE, LESSOR may be providing services to others unrelated to the LESSEE or to this
17 LEASE.

18 9. BREACH OF LEASE – In the event LESSOR breaches its obligation to maintain the
19 Premises as herein provided, LESSEE shall give written notice to LESSOR within fifteen (15) days of the
20 discovery of such breach. LESSOR shall then have thirty (30) days from the date of notice to cure its
21 breach, provided, however, that if the item of maintenance is of such a nature that it requires more than
22 thirty (30) days to complete, then LESSOR shall have such additional time as is necessary to complete
23 such maintenance as long as LESSOR commences work on such maintenance within said thirty (30) day
24 period, and diligently prosecutes such maintenance to completion. Subject to the foregoing, if the period for
25 cure expires and if, in LESSEE'S sole determination, LESSOR has failed to cure, then LESSEE may, at its
26 election:

- 27 a. A. Terminate this LEASE upon thirty (30) days written notice to LESSOR and vacate
28 the Premises.

1 LESSEE shall be in default of this LEASE without further notice if (a) it does not pay the Rent or
2 any other amounts payable by LESSEE hereunder within five (5) business days after the date it is due; (b)
3 LESSEE breaches or violates any other provision of this LEASE, provided that if such breach is capable of
4 cure, LESSEE shall have thirty (30) days after LESSOR provides LESSEE with written notice of the breach
5 or violation to cure the same, or if cure shall reasonably take longer than thirty (30) days such reasonable
6 period of time to effect cure provided LESSEE diligently commences and pursues completion of the cure
7 (LESSOR shall not be required to give such notice or opportunity to cure if LESSEE's failure to perform
8 constitutes a non-curable breach of this LEASE); or (c) LESSEE vacates or abandons the Premises. Any
9 notice required by this Section 9 is intended to satisfy any and all notice requirements imposed by law on
10 LESSOR and is not in addition to any such requirement.

11 10. DESTRUCTION OR DAMAGE FROM CASUALTY – If thirty percent (30%) or more of the
12 Premises is damaged such that they cannot be used for LESSEE's intended purpose or destroyed as a
13 result of fire, earthquake, act of God, or any other identifiable event of a sudden, unexpected, or unusual
14 nature ("Casualty"), then LESSOR shall either promptly and diligently repair the damage at its own cost, or
15 terminate the LEASE as hereinafter provided.

16 a. LESSOR's Election to Repair: If LESSOR elects to repair the Casualty damage to
17 the Premises, then it shall within thirty (30) days after the date of Casualty provide written notice ("Notice of
18 Repair") to LESSEE indicating the anticipated time required to repair. LESSOR shall bear the cost of all
19 repairs to the Premises. Such repairs shall restore the Premises to substantially the same condition as that
20 existing at the time of Casualty; such repairs shall also be made in compliance with all applicable state and
21 local building codes. LESSOR shall not be liable to LESSEE for compensation for any loss of business, or
22 any inconvenience or annoyance arising from repair of the Premises as a result of the Casualty except for
23 Rent reduction as hereinafter provided. LESSEE shall be responsible at its sole cost and expense for the
24 replacement of its personal property.

25 b. LESSOR's Election to Terminate Due to Casualty: LESSOR may only elect to
26 terminate this LEASE due to Casualty if: LESSOR elects not to repair the Premises as provided
27 hereinabove; or the Premises have been destroyed or substantially destroyed by said Casualty, and the
28 estimated time to repair the Premises exceeds ninety (90) days from the date of the Casualty. LESSOR

1 shall provide LESSEE with written notice of its election to terminate within thirty (30) days after the date of
2 Casualty, specifying a termination date not less than thirty (30) days from the date of said notice.

3 c. Rent Reduction Due to Casualty: In the event of Casualty, LESSEE'S obligation to
4 pay the Rent shall be reduced beginning on the date of the Casualty. Such reduction shall be proportional
5 to the damage caused to the Premises by the Casualty, as determined by LESSOR, and approved by
6 LESSEE, which approval will not be unreasonably withheld. If LESSOR elects to repair the Premises
7 pursuant to the terms of this LEASE, then the Rent reduction shall continue until the date of substantial
8 completion of repair.

9 d. LESSEE's Election to Terminate Due to Casualty: If LESSEE does not receive a
10 Notice of Repair from LESSOR within thirty (30) days after a Casualty, and if the anticipated period of repair
11 contained in the Notice of Repair exceeds ninety (90) days, then LESSEE may elect to terminate this
12 LEASE. LESSEE shall provide LESSOR written notice of its election to terminate this LEASE, specifying a
13 termination date not less than thirty (30) days from the date of said notice. In such case, LESSEE shall
14 have the right to demand that LESSOR refund any monies which were paid to LESSOR pursuant to the
15 LEASE, but which were not earned by LESSOR by consequence of the Casualty. Upon receipt of such
16 demand, LESSOR shall promptly refund all such monies.

17 11. TERMINATION

18 a. If, pursuant to the terms provided herein, either LESSOR or LESSEE has an
19 election to terminate this LEASE and so elects, then written notice shall be made to the non-terminating
20 party, specifying a date of termination not less than thirty (30) days from the date of said notice.

21 b. NON-FUNDING TERMINATION – This LEASE is contingent on the allocation of
22 funds by a governmental agency. Should funds not be allocated, this LEASE may be terminated by the
23 Board of Supervisors of the COUNTY OF FRESNO without penalty by giving at least thirty (30) days' prior
24 written notice to LESSOR.

25 In the case of the LESSEE, the County Administrative Officer, or the Director of Internal
26 Services/Chief Information Officer, or one of their respective designee(s), shall have the power to provide
27 any notice of termination.

28 12. REMEDIES; NO ACCELERATION OF FUTURE RENT OR OTHER

1 PAYMENTS/AMOUNTS

2 In the event of a default or breach of this LEASE by LESSEE, LESSOR may at any time thereafter,
3 with or without notice or demand and without limiting LESSOR in the exercise of any right or remedy which
4 LESSOR may have by reason of such default or breach exercise any of the following remedies:

5 a. Terminate Possession. LESSOR may terminate LESSEE's right to possession of the
6 Premises by any lawful means, in which event this LEASE shall terminate, and LESSEE shall immediately
7 surrender the Premises to LESSOR.

8 b. Perform LESSEE's Obligations. LESSOR may cure any such breach (including
9 without limitation causing any required maintenance or repairs to be made or releasing any lien) and be
10 reimbursed by LESSEE for the costs and expenses related thereto within thirty (30) business days of
11 written demand from LESSOR. Any such amount shall be deemed additional Rent hereunder. LESSOR's
12 performance of any obligation shall not constitute a waiver of LESSEE's default or of any of LESSOR's
13 other remedies with respect thereto.

14 c. Other Remedies. LESSOR may exercise any other remedies available at law or in
15 equity.

16 d. Cumulative Remedies. LESSOR's remedies set forth in this paragraph shall be in
17 addition to and not in lieu of all other rights at law or in equity LESSOR may possess.

18 Notwithstanding anything to the contrary contained in this LEASE, or any right or remedy of which
19 LESSOR may otherwise avail itself pursuant to applicable law, any right of LESSOR to recover any Rent as
20 provided in this LEASE shall be without acceleration of any future Rent before it is due and payable
21 hereunder. LESSOR hereby expressly waives its right to accelerate Rent in the event of a termination of
22 this LEASE, pursuant to California Civil Code section 1951.2.

23 13. HOLD HARMLESS – LESSOR agrees to indemnify, save, hold harmless, and at LESSEE'S
24 request defend the LESSEE, its officers, agents, and employees from any and all costs and expenses,
25 damages, liabilities, claims, and losses occurring or resulting to LESSEE in connection with the
26 performance, or failure to perform, by LESSOR, its officers, agents, or employees under this LEASE, and
27 from any and all costs and expenses, damages, liabilities, claims, and losses occurring or resulting to any
28 person, firm, or corporation who may be injured or damaged by the performance, or failure to perform of

1 LESSOR, its officers, agents, or employees under the LEASE. This LEASE is made upon the expressed
2 condition that LESSEE is to be free of all liability, damages or injury arising from structural failures of the
3 Leased Premises that are LESSOR's responsibility to maintain, including external walls, doors, roof and
4 common areas, unless caused by the negligence or willful misconduct of LESSEE, its officers, agents,
5 employees or invitees.

6 LESSEE agrees to indemnify, save, hold harmless, and at LESSOR'S request defend the LESSOR
7 from any and all costs and expenses, damages, liabilities, claims, and losses occurring or resulting to
8 LESSOR in connection with LESSEE'S use of the Premises, including, without limitation, the performance,
9 or failure to perform by LESSEE, its officers, agents, or employees under this LEASE, and from any and all
10 costs and expenses, damages, liabilities, claims, and losses occurring or resulting to any person, firm, or
11 corporation who may be injured or damaged by the performance, or failure to perform of LESSEE, its
12 officers, agents, or employees under this LEASE.

13 The parties acknowledge that as between LESSOR and LESSEE, each is responsible for the
14 negligence of its own employees and invitees.

15 The provisions of this Section 13 shall survive termination of this LEASE.

16 14. INSURANCE - LESSOR shall, at its sole expense, maintain in full force and effect during
17 the term of this LEASE the following policies of insurance:

- 18 a. Commercial General Liability insurance with limits of not less than Two Million Dollars
19 (\$2,000,000) per occurrence and an annual aggregate limit of not less than Four Million
20 Dollars (\$4,000,000). This policy shall be issued on an occurrence basis annually
21 renewing, following form, and be primary to all other collectible insurance; and
- 22 b. Fire insurance and extended coverage. LESSOR shall add LESSEE as an additional
23 loss payee.
- 24 c. Automobile Liability - Comprehensive Automobile Liability Insurance with limits for bodily
25 injury of not less than Two Hundred Fifty Thousand Dollars (\$250,000.00) per person,
26 Five Hundred Thousand Dollars (\$500,000.00) per accident and for property damages
27 of not less than Fifty Thousand Dollars (\$50,000.00), or such coverage with a combined
28 single limit of Five Hundred Thousand Dollars (\$500,000.00). Coverage shall include

1 owned and non-owned vehicles used in connection with this LEASE.

- 2 d. Worker's Compensation - A policy of Worker's Compensation insurance as may be
3 required by the California Labor Code.

4 Within thirty (30) days of the execution of this LEASE, LESSOR shall provide LESSEE with
5 certificates of insurance with proper endorsements naming LESSEE as the additional insured. The policy is
6 to be written by an admitted insurer licensed to do business in California and with an A.M. Best rating of A
7 FSC VII or better. Excess or Umbrella coverage may be insured by non-admitted insurers but still be A.M.
8 Best FSC VII or better.

9 LESSEE shall maintain during the term of this LEASE the following policies of insurance, which
10 coverages may be provided in whole or in part through one or more programs of self-insurance:

- 11 a. Commercial General liability insurance with limits of not less than Two Million Dollars
12 (\$2,000,000) per occurrence and an annual aggregate of not less than Four Million Dollars
13 (\$4,000,000). This policy shall be issued on an occurrence basis.
- 14 b. All-Risk property insurance covering the personal property of LESSEE in the amount of the
15 full replacement cost thereof.
- 16 c. Workers' Compensation in amounts required by the California labor code.
- 17 d. Vehicle Liability, including airside liability, owned and non-owned or hired and unlicensed
18 vehicles - minimum of \$1,000,000 per occurrence combined single limit (\$5,000,000 for
19 trucks larger than one ton) for vehicles owned, operated, rented to, borrowed or leased by
20 LESSEE and driven on the Premises. This policy may be obtained as part of the General
21 Liability policy. Proof of such policy will be required before issuing any vehicle gate cards.

22 Upon execution of this LEASE, LESSEE shall provide LESSOR with certificates of insurance with
23 proper endorsements naming LESSOR as the additional insured with respect to each policy, other than the
24 workers' compensation insurance policy, and provide a waiver of subrogation against the LESSOR in
25 connection with any claim or damage covered by such policies. Each policy is to be written by an admitted
26 insurer licensed to do business in California and with an AM. Best rating of A FSC VII or better. Excess or
27 Umbrella coverage may be insured by non-admitted insurers but still be AM. Best FSC VII or better.

- 28 15. SURRENDER OF POSSESSION – Upon the expiration or termination of this LEASE,

1 LESSEE will surrender Premises to LESSOR in such condition as existing at the commencement of this
2 LEASE, less reasonable wear and tear, less the effects of any Casualty as herein defined, and less the
3 effects of any breach of LESSOR'S covenant to maintain. LESSEE will not be responsible for any damage
4 which LESSEE was not obligated hereunder to repair.

5 16. FIXTURES – LESSOR agrees that any equipment, fixtures or apparatus installed in or on
6 the Premises by LESSEE shall continue to be the property of LESSEE, and may be removed by LESSEE
7 at any time. LESSEE shall pay for the repair of any damage caused by the removal of fixtures. Any fixtures
8 not removed when LESSEE surrenders possession shall become the property of LESSOR.

9 Notwithstanding anything to the contrary in this Section 19, LESSEE has no right to make any alterations,
10 improvements or additions to the Premises without LESSOR'S prior written consent, which shall not be
11 unreasonably withheld.

12 17. HOLDING OVER - If LESSEE fails to surrender the Premises at the expiration of the term of
13 this LEASE, with or without consent of LESSOR, said holdover shall result in the creation of a tenancy from
14 month to month at 110% of the monthly Rent in effect for the last month prior to termination hereof, payable
15 on the first day of each month during said month-to-month tenancy. Nothing herein shall be construed to
16 grant LESSEE a right to hold over at the expiration of the Term without the express written consent of
17 LESSOR. All other terms and conditions of this LEASE shall remain in full force and effect and be fully
18 applicable to any month-to-month tenancy hereunder. LESSEE shall also pay all damages sustained by
19 LESSOR by reason of such retention.

20 18. RIGHT OF ENTRY - LESSOR, or its representative(s), upon twenty-four (24) hours' notice
21 (excepting emergencies), shall have the right to enter the Premises at any time during business hours, or at
22 such other time as LESSEE deems appropriate, to verify LESSEE's compliance with the terms of this
23 LEASE and to make any alterations, repairs or improvements to the Premises. The normal business of
24 LESSEE or its invitees shall not be unnecessarily inconvenienced.

25 19. AMENDMENT – LESSEE shall not assign or transfer its rights or obligations under this
26 LEASE, or sublease the Premises or any portion thereof, without the prior written consent of the LESSOR,
27 which consent may be granted or withheld in LESSOR'S sole and absolute discretion.

28 20. GOVERNING LAW – Venue for any action arising out of or relating to this LEASE shall be in

1 Fresno County, California. This LEASE shall be governed by the laws of the State of California.

2 21. NOTICES – The persons and their addresses having authority to give and receive notices
3 under this LEASE include the following:

4 LESSEE:

5 County of Fresno
6 Director of Internal Services/
7 Chief Information Officer
8 333 W. Pontiac Way
9 Clovis, CA 93612

LESSOR:

Span Development LLC
ATTN: General Manager
1841 Howard Rd
Madera, CA 93637

10 All notices between LESSEE and LESSOR provided for or permitted under this LEASE must be in
11 writing and delivered either by personal service, by first-class United States mail, by an overnight
12 commercial courier service, or by telephonic facsimile transmission. A notice delivered by personal service
13 is effective upon service to the recipient. A notice delivered by first-class United States mail is effective
14 three LESSEE business days after deposit in the United States mail, postage prepaid, addressed to the
15 recipient. A notice delivered by an overnight commercial courier service is effective one LESSEE business
16 day after deposit with the overnight commercial courier service, delivery fees prepaid, with delivery
17 instructions given for next day delivery, addressed to the recipient. A notice delivered by telephonic
18 facsimile is effective when transmission to the recipient is completed (but, if such transmission is completed
19 outside of LESSEE business hours, then such delivery shall be deemed to be effective at the next
20 beginning of a LESSEE business day), provided that the sender maintains a machine record of the
21 completed transmission. For all claims arising out of or related to this LEASE, nothing in this section
22 establishes, waives, or modifies any claims presentation requirements or procedures provided by law,
23 including but not limited to the Government Claims Act (Division 3.6 of Title 1 of the Government Code,
24 beginning with section 810).

25 22. ESTOPPEL CERTIFICATE – LESSEE shall, at any time upon not less than thirty (30)
26 business days' prior written request by LESSOR, execute, acknowledge and deliver to LESSOR a written
27 estoppel certificate, in a form satisfactory to LESSEE, certifying that this Lease is unmodified and in full
28 force and effect (or, if there have been modifications, that the same is in full force and effect as modified

1 and stating the modifications) and, if applicable, the dates to which the Rent and any other charges have
2 been paid in advance. Any such statement delivered pursuant to this Section 20 may be relied upon by
3 third persons, including a prospective purchaser or encumbrancer of the Premises.

4 LESSEE's failure to execute and deliver an estoppel certificate within thirty (30) business days after
5 LESSEE's receipt of LESSOR's written request shall be conclusive upon LESSEE that this LEASE is in full
6 force and effect, without modification except as may be represented by LESSOR, that there are no uncured
7 defaults in LESSOR's performance, that not more than one month's rental has been paid in advance, and
8 that all other statements required to be made in the estoppel certificate are conclusively made.

9 23. DISCLOSURE OF SELF DEALING TRANSACTIONS - This provision is only applicable if
10 the LESSOR is operating as a corporation (a for-profit or non-profit corporation) or if during the term of this
11 LEASE, the LESSOR changes its status to operate as a corporation.

12 Members of LESSOR'S Board of Directors shall disclose any self-dealing transactions that they are
13 a party to while LESSOR is providing goods or performing services under this LEASE. A self-dealing
14 transaction shall mean a transaction to which the LESSOR is a party and in which one or more of its
15 directors has a material financial interest. Members of the Board of Directors shall disclose any self-dealing
16 transactions that they are a party to by completing and signing a Self-Dealing Transaction Disclosure Form
17 Exhibit "B", attached and incorporated by this reference, and submitting it to the County of Fresno prior to
18 commencing with the self-dealing transaction or immediately thereafter.

19 24. AUTHORITY – At the request of LESSEE, LESSOR shall at any time during business
20 hours, and as often as LESSEE may deem necessary, make available to LESSEE for examination and
21 audit all of its records and data with respect to those matters covered by this LEASE. LESSOR shall, upon
22 request by LESSEE, permit LESSEE to audit and inspect all of such records and data necessary to ensure
23 LESSOR'S compliance with the terms of this LEASE.

24 If this LEASE exceeds ten thousand dollars (\$10,000.00), LESSOR shall be subject to the
25 examination and audit of the California State Auditor for a period of three (3) years after final payment
26 under contract. (Government Code Section 8546. 7)

27 25. ENTIRE LEASE – This LEASE, and the exhibits attached hereto and incorporated herein by
28 reference, constitutes the entire LEASE between the LESSOR and LESSEE with respect to the subject

1 matter hereof, and supersedes all prior leases, negotiations, proposals, commitments, writings,
2 advertisements, publications, and understandings of any nature whatsoever unless expressly referenced in
3 this LEASE.

4 This LEASE shall be binding on and inure to the benefit of LESSEE's and LESSOR'S heirs,
5 successors and permitted assigns.

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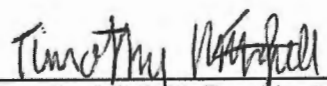
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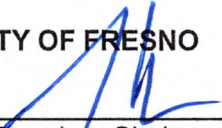
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1 IN WITNESS WHEREOF, the parties hereto have executed this LEASE as of the day and year first
2 hereinabove written.

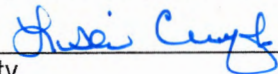
3
4 **LESSOR:**
5 **SPAN DEVELOPMENT LLC**

6 
7 _____
8 Timothy Mitchell, President

COUNTY OF FRESNO


Steve Brandau, Chairman of the Board of
Supervisors of the County of Fresno

8 **ATTEST:**
9 Bernice E. Seidel
10 Clerk of the Board of Supervisors
11 County of Fresno, State of California

By: 

Deputy

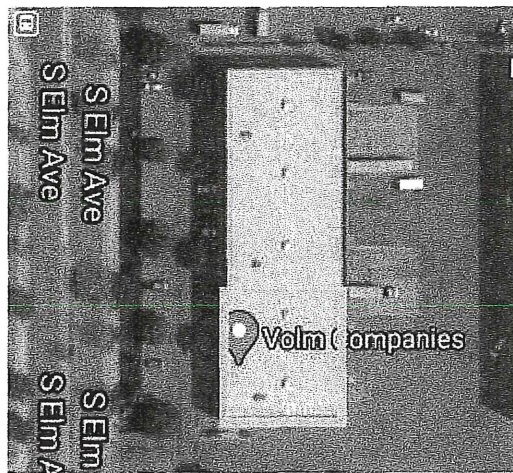
12 **FOR ACCOUNTING USE ONLY:**
13 Org: 8935
14 Account: 7295
15 Fund: 1045
16 Subclass: 10000

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Exhibit "A"

The Premises



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1 **Exhibit "B"**

2 SELF-DEALING TRANSACTION DISCLOSURE FORM

3 In order to conduct business with the County of Fresno (hereinafter referred to as "County"), members
4 of a contractor's board of directors (hereinafter referred to as "County Contractor"), must disclose any
5 self-dealing transactions that they are a party to while providing goods, performing services, or both for
the County. A self-dealing transaction is defined below:

6 *"A self-dealing transaction means a transaction to which the corporation is a party and in which one
7 or more of its directors has a material financial interest"*

8 The definition above will be utilized for purposes of completing this disclosure form.

9 INSTRUCTIONS

- 10 (1) Enter board member's name, job title (if applicable), and date this disclosure is being made.
- 11 (2) Enter the board member's company/agency name and address.
- 12 (3) Describe in detail the nature of the self-dealing transaction that is being disclosed to the
13 County. At a minimum, include a description of the following:
- 14 a. The name of the agency/company with which the corporation has the transaction; and
 - 15 b. The nature of the material financial interest in the Corporation's transaction that the
16 board member has.
- 17 (4) Describe in detail why the self-dealing transaction is appropriate based on applicable
18 provisions of the Corporations Code.
- 19 (5) Form must be signed by the board member that is involved in the self-dealing transaction
20 described in Sections (3) and (4).
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(1) Company Board Member Information:			
Name:		Date:	
Job Title:			
(2) Company/Agency Name and Address:			
(3) Disclosure (Please describe the nature of the self-dealing transaction you are a party to):			
(4) Explain why this self-dealing transaction is consistent with the requirements of Corporations Code 5233 (a):			
(5) Authorized Signature			
Signature:		Date:	