

Olivehurst Public Utility District



Agenda Item Staff Report

Meeting Date: December 19, 2024

Item description/summary: Youth Center Building Usage Rental Fee

OPUD, in the past, has charged a daily usage fee of \$25 plus the shared cost of utilities for the usage of the Youth Center Building. Upon review of the use agreement for the Youth Center Building, it was noted that the use agreement does not provide clarity on the shared utility costs. It takes a lot of staff time to review the PG&E bills, pull out the costs associated with the specific usage of the Youth Center Building by individual organizations, and then invoice each organization.

It has been determined by staff that a flat daily fee that incorporates all utilities would be best suited for the Youth Center Building. It will help streamline the accounting and not take as much staff time to invoice rental costs.

Fiscal Analysis:

Change the daily fee from \$25 to \$35 which would include all utility costs. Also, add that should there be excessive usage of electricity due to accidentally leaving on lights, air conditioner, and/or heater, the organization would be invoiced the additional cost.

Sample Motion/Staff Recommendation:

Consider approving the proposed changes to the Lease Agreement for the Youth Center Building.

Prepared by:

Bri Anne Ritchie, Board Clerk/Executive Assistant

LEASE AGREEMENT

THIS LEASE AGREEMENT (“Agreement”) is entered into on this the __ day of _____, 20__, by and between the Olivehurst Public Utility District a public utility district formed and existing under California law (hereinafter referred to as “OPUD”), and _____, (hereinafter referred to as “_____”).

RECITALS

- A. OPUD owns and has available for lease certain premises; and

- B. _____ is seeking a facility to conduct its recreation programs and is willing to care for the facilities in question and offer low-cost programs to residents from Olivehurst and surrounding communities.

- C. _____ will benefit from this agreement in that it will obtain shared use of the premises where it can operate its programs and activities; and

- D. OPUD will benefit in that it will help to facilitate community-oriented programs coming into Olivehurst and surrounding communities and that said premises will again be utilized for its intended purposes, which is to serve community-oriented activities in and around Olivehurst.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby stipulated, the parties agree as follows:

1. AGREEMENT

OPUD is the owner of certain real property situated in the County of Yuba, State of California, commonly known as the Olivehurst Youth Center, located at 1966 9th Ave, Olivehurst, CA 95961 (“the Property”). OPUD hereby agrees to lease the Property to the _____.

2. TERM OF AGREEMENT

The term of this Agreement shall commence upon the execution of this Agreement and continue thereafter until _____, 20__ or otherwise terminated by either party, with or without cause.

3. USE OF PROPERTY

_____ hereby acknowledges and agrees that the Property shall be used only for community and public purposes consistent with its non-profit status. No use shall be made of the Property, nor of any use that would result in an increase in the existing rate of insurance upon the Property, or in a cancellation of any insurance policy covering the Property. _____ shall not commit waste or any public or private nuisance upon the Property. In addition, the following provisions describe the _____ use of the Property:

- A. _____ shall have use of the Property from _____ to _____ am/pm, _____ days a week Monday through Friday. Days to be determined on or before _____, 20____. Any further requests for the space will be determined on a case-by-case basis, and monthly rent amount will be adjusted accordingly. OPUD or other lessees or invitees of OPUD are free to utilize the Property at all other times or upon 2 weeks minimum notice to _____ an alternative use which OPUD, in its sole discretion, deems is necessary.
- B. No smoking is permitted in the Youth Center Building or on the Property within 50 feet of the Youth Center Building.
- C. _____ will submit a \$100 key deposit prior to usage and will be issued three keys for the Property. _____ shall not duplicate the keys and, upon the termination of this Agreement, shall promptly return the three keys to OPUD. If the keys are not returned, in whole or part, or if the keys are duplicated, _____ shall forfeit the deposit.
- D. At times when either OPUD or _____ does not use the Property, either party may reserve the use of the Property by means of placing a reservation through the OPUD office located at 1970 9th Ave, Olivehurst, CA 95961.

4. UTILITIES AND SERVICES

OPUD and _____ shall share Utilities and Common Area Maintenance fees as provided for in this Article 4.

A. Utilities. _____ shall pay \$~~35~~ per day ~~that the building is reserved and/or used. This cost will include~~ its share of Utilities for the Property including, but not limited to, phone, water, electricity, gas, garbage removal, sanitary sewage disposal service, internet, and any other costs necessary or incidental to _____'s use of the property pursuant to this lease (collectively "Utilities"). The payment for Utilities shall be paid by _____ on or before the tenth (10th) day of each month for the term of this Agreement. Should the use of electricity be excessive, (i.e., accidentally

- Deleted: 2
- Deleted: month, per
- Deleted: of the week when classes are held
- Deleted: , for

leaving on lights, air conditioner, and/or heater when the building is not occupied),
_____ understands that they will receive an invoice for the
difference in cost.

5. TAX EXEMPT STATUS, LIENS, ENCUMBRANCES

The _____ is a not-for-profit, government agency. The _____ agrees to keep the Property free and clear of all levies, liens and encumbrances for the term of the lease.

6. ASSIGNMENT OR SUBLEASE

_____ will not assign this Agreement, nor sublet the Property, nor any part thereof.

7. MAINTENANCE, REPAIR & ALTERATIONS AND ADDITIONS BY THE _____

The _____, with prior written consent from OPUD, may, during the term of the Agreement, make minor alterations, modifications or improvements to the Property provided that same shall not be detrimental to the Property, including its structural integrity and usefulness. Anything used in the alteration process will then become the Property of OPUD. At the discretion of OPUD, the _____ may be required to return the Property to pre-lease condition upon the expiration of the term of the lease, reasonable wear and tear expected. The _____ agrees, at the _____'s own expense, to keep the Property in good condition and repair, and to deliver to OPUD physical possession of the Property at the end of the Term in good condition and repair, reasonable wear and tear and use, and loss by fire or other casualty or by earthquake or other act of God excepted. The _____ agrees to repair any damage to the Property caused by or in connection with the use of the Property, the removal of any articles of personal property, business or trade fixtures, machinery, equipment, furniture, movable partition or permanent improvements or additions, including without limitation thereto, repairing the floor and patching and painting walls where required by OPUD to OPUD's reasonable satisfaction, all at the _____'s sole cost and expense.

The _____ shall after each meeting or use of the Property, clean any debris, trash, or other soiling caused by the meeting or use. The _____ shall use its own cleaning supplies to perform the same. Included in the obligation to clean and maintain the Property, the _____ must provide its own bathroom supplies including such items as hand soap, bathroom tissue, and paper towels.

The _____ will be responsible for any and all costs associated with damage caused to any OPUD property as a direct result of the

_____’s staff, volunteers or members, participants or its invitees.

This Agreement between OPUD and the _____ is a commercial lease. Therefore, _____ waives the provisions of California Civil Code §§ 1941 and 1942, the implied warranty of habitability, and any other law or regulation, judge-made or statutory, that would require OPUD to maintain the Property in a tenantable condition other than conditions expressly required by this Agreement.

8. LEGAL TITLE

Legal title to the Property shall remain vested in OPUD.

9. ENTRY AND INSPECTION

OPUD or its agents may, at any time, enter into and upon the Property for the purpose of inspecting the same, or to make repairs, alterations or additions. For those maintenance or repair activities that OPUD has advance notice of, it shall notify the _____ and coordinate an appropriate time to enter the Property to perform said maintenance or repair. OPUD shall not have access to confidential information related to _____ business activities.

10. DUTY TO INSURE

_____ shall obtain and maintain in force a commercial general liability insurance policy covering liability for injury to persons or property occurring in or about the Property (1 million dollars per occurrence). The required insurance shall be obtained from a company lawfully authorized to do business in California. A certificate of insurance evidencing the foregoing and showing OPUD as an additional insured shall be provided to OPUD contemporaneously with the execution of this agreement.

The _____ shall forthwith notify OPUD, in writing, with a full description of the facts, circumstances, nature, results, and names and addresses involved about any occurrences on the Property which involve any injury to person or property, and shall provide OPUD promptly with copies of any claims for damages of any sort, including complaints in any court actions involving such claims.

11. SUCCESSORS

OPUD and the _____, respectively, bind themselves, their partners, officers, successors, assigns and legal representatives to the other party to this agreement with respect to the terms of this Agreement.

12. WRITTEN NOTICE

All notices to be given between the parties hereto shall be in writing and may be served by depositing the same in the United States mail, postage pre-paid, certified and addressed to General Manager, OPUD, 1970 9th Ave, Olivehurst, CA 95691, or such other address as either party may designate in writing from time to time.

All notices to be given between the parties hereto shall be in writing and may be served by depositing the same in the United States mail, postage pre-paid, certified and addressed to _____ of Superior California, 729 D Street, Marysville, CA 95901, or such other address as either party may designate in writing from time to time.

13. WAIVER

None of the provisions of this agreement shall be considered waived by either party unless such waiver is specified in writing.

14. LICENSES AND PERMITS

Upon commencement of this agreement, the _____ will possess all current licenses and permits required by OPUD, the State of California and/or any other applicable public agency to operate as a nonprofit organization.

15. TERMINATION

Either party has the right to terminate this lease, with or without cause, during its term, by giving written notice of its intent to terminate thirty (30) calendar days prior to the intended termination date.

16. PROVISIONS REQUIRED BY LAW DEEMED INSERTED

Each and every provision of law and clause required by law to be inserted in this agreement shall be deemed to be inserted and this agreement shall be read and enforced as though it were included. If through mistake or otherwise, any provision is not inserted or is not correctly inserted, then upon application of either party the agreement shall be amended to make the insertion or correction. All references to statutes and regulations shall include all amendments, replacements, and enactments in the subject, which are in effect as of the date of this agreement, and any later changes, which do not materially and substantially alter the provision of the parties.

17. SEVERABILITY

Should any provision of this agreement be declared or determined by any court of competent jurisdiction to be illegal, invalid, or unenforceable, the legality, validity and enforceability of the remaining parts, terms or provisions shall not be affected thereby,

and said illegal, unenforceable or invalid part, term or provision shall be deemed not to be part of this agreement.

18. ARBITRATION OF DISPUTES

THE PARTIES AGREE THAT IF ANY DISPUTE SHOULD ARISE UNDER THE TERMS AND PROVISIONS OF THIS AGREEMENT, EACH PARTY WAIVES ANY RIGHT TO COMMENCE LEGAL ACTION OR ARBITRATION OTHER THAN AS PROVIDED UNDER THE TERMS OF THIS AGREEMENT, AND THIS AGREEMENT SHALL PROVIDE THE SOLE AND EXCLUSIVE REMEDY FOR RESOLUTION OF DISPUTES.

THE DETERMINATION OF THE ARBITRATOR WILL BE FINAL AND BINDING UPON EACH PARTY AND EACH PARTY SPECIFICALLY WAIVES ANY RIGHT TO CLAIM THAT THE ARBITRATOR HAS EXCEEDED THE SCOPE OF THE ARBITRATION, HAS DISREGARDED EVIDENCE OR PRINCIPLES OF LAW, AND FURTHER WAIVES ANY RIGHT TO DISCLAIM THE QUALIFICATION OR FUNCTION OF THE ARBITRATOR IN ANY MANNER OR FASHION.

APPOINTMENT OF THE ARBITRATOR SHALL BE MADE BY MUTUAL AGREEMENT OF THE PARTIES. IF THE PARTIES CANNOT AGREE UPON THE IDENTIFICATION OF THE ARBITRATOR WITHIN THIRTY (30) DAYS FROM THE MAILING OF THE OBJECTION, A PETITION FOR APPOINTMENT OF ARBITRATOR SHALL BE FILED WITH THE SUPERIOR COURT OF THE COUNTY OF YUBA.

THE ARBITRATOR'S FEES AND COSTS OF PETITIONING FOR THE APPOINTMENT OF THE ARBITRATOR SHALL BE PAID BY ONE OR BOTH PARTIES TO THE ARBITRATION IN ACCORDANCE WITH THE DETERMINATION OF THE ARBITRATOR AS TO THE FAIR APPORTIONMENT OF SUCH FEES AND COSTS. THE ARBITRATOR UPON RENDERING ITS AWARD SHALL DETERMINE THE PARTY THAT PREVAILED BASED UPON WRITTEN STATEMENTS MADE BY EACH PARTY AT THE COMMENCEMENT OF THE ARBITRATION AS TO THE POSITION OF THE PARTIES AND THEIR ALTERNATIVES FOR SETTLING THE MATTER. A STATEMENT OF PROPOSED SETTLEMENT SHALL NOT BE BINDING UPON ANY PARTY AND SHALL NOT BE CONSIDERED AS EVIDENCE BY THE ARBITRATOR EXCEPT TO THE EXTENT THAT THE ARBITRATOR UPON MAKING ITS SOLE AND INDEPENDENT DETERMINATION SHALL DETERMINE THE PARTY WHICH PREVAILED BASED UPON THE PROPOSALS FOR SETTLEMENT OF THE MATTER MADE BY EACH PARTY AND SHALL DETERMINE THAT THE NON-PREVAILING PARTY SHALL PAY SOME OR ALL OF THE COSTS OF ARBITRATION INCLUDING ANY COSTS INCURRED BY THE ARBITRATOR AND IN EMPLOYING EXPERTS TO ADVISE THE ARBITRATOR IN REGARD TO SPECIFIC SUBJECTS OR QUESTIONS. THE ARBITRATOR MAY

FURTHER AWARD THE COSTS OF ATTORNEYS' FEES OR EXPERT WITNESSES CONSULTED OR EMPLOYED IN THE PREPARATION OR PRESENTATION OF EVIDENCE TO THE ARBITRATOR BY THE PREVAILING PARTY, IF IN THE ARBITRATOR'S DETERMINATION, THE POSITION TAKEN OR MAINTAINED WAS BASED UPON A FAILURE TO PROPERLY EXCHANGE OR COMMUNICATE INFORMATION WITH THE PREVAILING PARTY IN REGARD TO THE SUBJECT SUBMITTED TO ARBITRATION.

THE ARBITRATOR'S DETERMINATION MAY FURTHER PROVIDE FOR PROSPECTIVE ENFORCEMENT AND DIRECTIONS FOR THE PARTIES TO COMPLY WITH. UNDER SUCH CIRCUMSTANCES, THE ARBITRATOR'S AWARD SHALL BE BINDING UPON THE PARTIES AND SHALL BE UNDERTAKEN AND PERFORMED BY EACH OF THE PARTIES UNTIL (A) SUCH TIME AS THE ARBITRATOR'S DIRECTIONS TO THE PARTY SHALL LAPSE BY THEIR TERM, OR (B) THE ARBITRATOR SHALL NOTIFY THE PARTIES THAT THOSE TERMS ARE NO LONGER IN FORCE OR EFFECT OR (C) THE ARBITRATOR SHALL MODIFY THOSE TERMS.

THIS ARBITRATION PROVISION SHALL BIND THE PARTIES AND THE PARTIES' SUCCESSORS, ASSIGNS, TRANSFEREES, OR ANY OTHER PERSON OR ENTITY ALLEGING RIGHTS BY OR THROUGH DISTRICT OR DEVELOPER.

19. VENUE/GOVERNING LAWS

This agreement shall be governed by the laws of the State of California and venue shall be exclusive to Yuba County, California.

20. INDEMNIFICATION; ATTORNEY'S FEES

The _____ shall indemnify, defend and hold harmless OPUD and _____ its officers, officials, employees and agents from and against any and all liability, loss, damage, expense, and costs, including without limitation costs and fees of litigation, of every nature and kind arising out of or in connection with the _____'s performance or work hereunder or its failure to comply with any of its obligations contained in this Agreement, except _____ such loss or damage that is caused by the intentional misconduct of OPUD, its employees, agents or contractors. This indemnification includes any and all costs and expenses for attorneys' and consultants' fees in litigation, mediation and arbitration.

If suit is brought by either party to this Agreement to enforce any of its terms, the prevailing party shall be entitled to recover their reasonable attorney's fees and costs.

21. ENTIRE AGREEMENT

This agreement represents the entire agreement between OPUD and the _____ and supersedes all prior negotiations, representations or agreements, either written or oral. This agreement may be amended or modified only by an agreement in writing, signed by both OPUD and the _____.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement.

OPUD:

_____	_____	_____
	Name	Signature
_____	_____	_____
	Position Title	Date

(Organization)

_____	_____	_____
	Name	Signature
_____	_____	_____
	Position Title	Date