

## SUBLEASE

This sublease is made on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, between the RUTH LAKE COMMUNITY SERVICES DISTRICT (hereinafter referred to as "**RLCSD**") and \_\_\_\_\_ (hereinafter referred to as "**Sublessee**").

## RECITALS

This sublease is made with reference to the following facts and objectives:

A. **Sublessee** desires to sublet the following described property from **RLCSD**:

*Lease Site #* \_\_\_\_\_

B. The above-described property (along with other properties) is the subject of a certain lease entered into between the Humboldt Bay Municipal Water District, as Lessor, and the County of Trinity, as Lessee, dated December 31, 1964, which was subsequently assigned to RUTH LAKE COMMUNITY SERVICES DISTRICT (**RLCSD** herein).

C. **RLCSD** is willing to sublet the above-described property to Sublessee on the terms and provisions set forth in this sublease.

**NOW, THEREFORE**, the parties AGREE as follows:

1. **RLCSD** hereby subleases to **Sublessee**, upon the terms and conditions described herein, the real property described above ("premises"). **RLCSD** expressly reserves, however, the right to establish and maintain (prior or subsequent to execution of this agreement) easements on or across the subleased premises for purposes of ingress, egress and public utilities.

2. **Sublessee** agrees to be bound by all of the terms and conditions of that certain lease entered into between the Humboldt Bay Municipal Water District (**HBMWD** herein), as Lessor, and the County of Trinity, as Lessee, dated December 31, 1964, which was subsequently assigned to **RLCSD** herein ("Master Lease"). **Sublessee** acknowledges that Ruth Lake is an artificial impoundment of water created primarily for municipal and industrial purposes and that any recreational use of the water is subordinate to such uses. **Sublessee** agrees to be bound by all policies of **RLCSD** which may be in effect from time to time.

3. The term of this sublease shall commence on \_\_\_\_\_, 20\_\_\_\_, and shall expire on April 30, 2023, unless sooner terminated.

Subject to the Master Lease being renewed beyond May 31, 2013, provided **Sublessee** is not in default hereunder, **RLCSD** agrees to give **Sublessee** the first opportunity to renew the sublease on said premises for an additional term, upon such terms and conditions, as **RLCSD** deems reasonable at said time.

In no event shall this sublease (the original or any extension or renewal) extend beyond May 31, 2023, as that is the date **RLCSD's** lease with **HBMWD** expires.

4. **Sublessee** shall pay **RLCSD**, as rent, the sum of \$ \_\_\_\_\_. Lease fees shall be billed twice annually. The lease year shall run from May 1 to April 30 each year. Lease bills will be mailed during the third week of March and the third week of July each year. Lease bill shall be mailed by first class mail to the address last given to the district by **Sublessee**. Failure to update the mailing address is not a valid excuse for non-payment or late payment of lease fees. Lease fees shall be due May 1 and September 1 of each year. Lease fees shall be considered late if not received by May 10 or September 10. A late fee of \$25 shall be charged if fees are not postmarked by May 20 or September 20. In addition to the specified amount of rent set forth above, the actual rent of this sublease to be paid shall be subject to adjustment pursuant to paragraph 5, below.

5. The annual rent to be paid shall be subject to adjustment every year during the term of this agreement. In no event shall the rent be less than that stated in paragraph 4, above, nor shall the rent ever be decreased subsequent to a previous adjustment. The base for computing an adjustment of rent is the Consumer Price Index for all Urban Consumers (base year 1967 = 100) for the United States, published by the United States Department of Labor, Bureau of Labor Statistics ("Index"), which is, published most immediately preceding the date of commencement of the term of this agreement ("Beginning Index"). The Index published most immediately preceding the adjustment date in question ("Extension Index") is to be used in determining the amount of the adjustment. If the Extension Index has changed in comparison to the Beginning Index, the annual rent (until the next rent adjustment) shall be set by multiplying the rent set forth in paragraph 4, above, by a fraction, the numerator of which is the Extension Index and the denominator of which is the Beginning Index. The rent shall never be lowered, even if the Index decreases. **RLCSD** will notify **Sublessee** of any rent increase, at which time **Sublessee** shall be responsible for the higher payments. If the Index is discontinued or revised during the term of this agreement, such other governmental index or computation with which it is replaced shall be used in order to obtain substantially the same result as would be obtained if the Index had not been discontinued or revised.

6. Any cutting of timber, trees, or shrubs by **Sublessee**, or at **Sublessee's** direction, without the prior written consent of **RLCSD** shall constitute a breach of this agreement and **RLCSD** shall have the right to terminate this agreement. In addition, **Sublessee** acknowledges, understands and will comply with **HBMWD's** and **RLCSD's** Prevention Plan for Quagga and Zebra Mussels at Ruth Lake, which has been incorporated into Ordinance 19 as adopted by **HBMWD** and effective on July 12, 2009.

7. Any boat docks shall be constructed in accordance with all applicable governmental laws and regulations. In addition, any boat docks must be secured in a manner so as not to be allowed to drift loose in the lake, and shall be marked in a permanent, non-removable manner with the lot number of the **Sublessee**. Docks shall at all times meet the Mooring System requirements as specified in RLCSD Policy Number 6100. If a Sublessee's dock fails to meet the Mooring System requirements, the Sublessee shall either permanently remove the dock from the Lake, or shall be required to reimburse RLCSD for the cost they incur to meet the Mooring System requirements if RLCSD elects to perform the work in accordance with paragraph 26. The placement and maintenance of boat docks shall be in compliance with all applicable governmental laws and regulations, including but not limited to, all of **RLCSD's** standards.

8. Collection and disposal of all garbage and litter is the responsibility of Sublessee. Further, Sublessee shall comply with all governmental sanitation laws. **Sublessee** shall be responsible for furnishing all utility services to the premises.

9. **Sublessee** understands and agrees that fire permits must be obtained throughout the fire season. No fires will be lit without a fire permit and all applicable fire regulations will be observed, including CAL FIRE Fire Safe Regulations. **RLCSD** reserves the right to impose stricter fire regulations.

10. At no time shall the public be denied access to the reservoir over the portion of the subleased premises included within a minimum strip of 100 feet in horizontal width from the reservoir at maximum pool elevation. No fences shall be built nor shall any "NO TRESPASSING" or similar signs be posted within such 100-foot strip.

11. The subleased premises shall not be used as a permanent residence nor become the permanent domicile of **Sublessee**. The subleased premises shall be for part-time/non-permanent use only which is recreational in nature. **Sublessee** agrees to comply with all governmental laws, ordinances and regulations affecting or concerning the subleased premises.

12. **Sublessee** shall not engage in any activity in, on, or about, the subleased premises which constitute a Reportable Use (as hereinafter defined) of Hazardous Substances (as hereinafter defined) without the express prior written consent of **RLCSD** and compliance in a timely manner (at Sublessee's sole cost and expense) with all applicable law. "Reportable Use" shall mean (a) the installation or use of any above or below ground storage tank, or (b) the generation, possession, storage, use, transportation, or disposal of a Hazardous Substance that requires a permit from, or with respect to which a report, notice, registration or business plan is required to be filed with, any governmental authority. Reportable Use shall also include Sublessee's being responsible for the presence in, on or about the subleased premises of a Hazardous Substance with respect to which any applicable law requires that a notice be given to person entering or occupying the subleased premises or neighboring properties.

**Sublessee** indemnifies and holds **RLCSD and HBMWD** harmless from and against any and all causes of action, actions, damages, losses, hazards, nuisances, liabilities, cleanup costs, administrative orders and assessments or penalties, judicial awards and orders, expenses, costs, and fees (including attorney's fees), with respect to the existence, discharge, release, use, assembly, processing, manufacture or storage of a Hazardous Substance in, on, or about the subleased premises. The term "Hazardous Substance," as used herein, shall have the meaning given to it under applicable federal and state laws and regulations from time to time in effect.

13. **Sublessee** agrees to not assign this sublease nor sublet to any third party any portion of the premises without first obtaining the written consent of **RLCSD**. The conditions for obtaining consent to such an assignment are set forth in paragraph 14, below.

14. Subject to prior written consent of **RLCSD**, **Sublessee** may assign or transfer this sublease to a third party for the fair market value of this sublease and the improvements on the subleased premises. Buyer and Seller shall submit to **RLCSD** a notarized Assignment of Sublease (on a form provided by **RLCSD**) and shall pay such transfer fee as may, from time to time, be established by **RLCSD**.

15. **Sublessee** agrees, at **Sublessee's** sole cost, to maintain the subleased premises in good condition and to keep the subleased premises in a clean and sightly condition and in as good of condition as when possession is delivered to **Sublessee**.

16. **Sublessee** agrees to pay, before delinquency, any and all taxes, assessments, charges, licenses, and demands levied upon or against the subleased premises, any improvements or personal property situated thereon, as well as all charges for gas, electricity, water, telephone and other public services or utilities furnished to the subleased premises during the term of this sublease.

17. **Sublessee** shall not make any alterations, additions, or improvements to the subleased premises without first obtaining the written consent of **RLCSD** and having plans and specifications approved by **RLCSD** in writing. Following this approval, the proposed alterations, additions or improvements must be approved by the **HBMWD** per the terms of the Master Lease. If **Sublessee** obtains written approval from both **RLCSD** and **HBMWD**, no alterations, additions, or improvements shall be commenced until ten (10) days after **RLCSD** has received written notice from **Sublessee** stating date of commencement of work so the **RLCSD** can post and record an appropriate notice of nonresponsibility. **RLCSD** shall not have any responsibility to make any alterations, repairs or improvements to the subleased premises, and **Sublessee** shall not permit or allow to be committed any waste to the subleased premises, nor keep anything upon the subleased premises which will increase the rate of fire insurance thereupon.

Should it become necessary to make any alterations, removals, repairs or improvements to the subleased premises, or the utilities installed thereon, by reason of any ordinances, regulations or requirements of the County of Trinity, the State of California, the United States of America, the **HBMWD, RLCSD**, or any other applicable governmental authority, such alterations, removals, repairs or improvements shall be paid for by Sublessee. **Sublessee** shall keep the subleased premises free and clear of all mechanic's liens and other liens for or on account of labor performed or materials furnished at the instance or on behalf of **Sublessee**. All improvements and alterations to the subleased premises shall become a part of the premises and shall belong to RLCSD upon termination of this agreement, provided, however, that the **RLCSD** shall have the right to compel **Sublessee**, at the cost of **Sublessee**, to remove some or all of said improvements and alterations at the time of termination of this agreement. **Sublessee** agrees not to paint or erect signs on the subleased premises without first obtaining the written consent of **RLCSD**.

18. If **Sublessee** is adjudged bankrupt or insolvent by any court, or if **Sublessee** makes any assignment for the benefit of creditors, or if a receiver is appointed for **Sublessee**, or if the interest of **Sublessee** is sold under execution, **RLCSD** may upon the occurrence of any such events, at its option, without notice or demand upon **Sublessee**, or upon any person or persons claiming by, through or under **Sublessee**, immediately cancel and terminate this sublease and all of the rights of Sublessee and of any and all persons claiming by, through or under **Sublessee** in and to the subleased premises, and **RLCSD** may thereupon reenter the subleased premises and repossess the same and expel **Sublessee**, and any and all persons claiming by, through or under **Sublessee**.

19. **RLCSD** reserves the right to enter upon the premises at all reasonable times to inspect and examine the same and to see that the covenants hereof are being kept and performed.

20. Should the subleased premises, or **Sublessee's** improvements, or any part thereof, be taken or damaged by public or quasi-public authority under any power of eminent domain, or purchased under threat of condemnation by such authority, then this sublease shall terminate as to the part thus appropriated and **Sublessee** shall have no claim or interest in or to any award of damages for such appropriation; provided, however, that an equitable adjustment of rent shall be made if the part thus appropriated is less than the entire premises.

21. Should **Sublessee**, for any reason, remain in possession of the subleased premises, or any part thereof, after the expiration of the term of this sublease with the consent, express or implied, of **RLCSD**, such holding over shall constitute a tenancy from month to month only, but upon the same conditions and at the same rental (pro-rated) as herein set forth unless otherwise agreed in writing to the contrary.

22. **Sublessee** agrees to defend and indemnify **RLCSD**, **HBMWD**, the County of Trinity, and the State of California, their agents or employees, free and harmless of and from all claims, demands, damages, costs, attorney's fees and liability of whatever kind or character asserted by any person or persons on account of damage to property or injuries to or death of any person occurring upon or about the subleased premises, or arising out of the use of the subleased premises by **Sublessee**.

23. **Sublessee** shall at **Sublessee's** own expense at all times during the term of sublease cause to be maintained in full force and effect a policy or policies of public liability and property damage insurance issued by an insurance company or companies approved by **RLCSD** providing limits of at least \$300,000.00 per occurrence or \$300,000.00 combined single limit. **Sublessee** further agrees to add **RLCSD** and **HBMWD** as additional insureds under such policy or policies and to furnish **RLCSD** with copies of said policy or policies or with certificates of insurance and endorsements as evidence thereof.

24. For a "road access lease" only **Sublessee** agrees, at **Sublessee's** own expense, during the entire term of this sublease, to maintain fire insurance, with extended coverage, on all improvements on the subleased premises for their full replacement value. Each policy, or a certificate of the policy, together with evidence of payment of premiums, shall be deposited with **RLCSD** at the commencement of the term of this agreement, and on renewal of the policy not less than ten (10) days before expiration of the term of the policy.

25. Should **Sublessee** fail to pay the rent provided for herein within ten (10) days after written notice that the same is due, or should **Sublessee** fail to faithfully perform or observe any other agreement herein contained on the part of **Sublessee** to be performed within thirty (30) days after written notice of such default, or should the subleased premises be vacated or abandoned, then **RLCSD** without further notice or demand may cancel and terminate this sublease and all rights of **Sublessee** and of any and all persons claiming by, through or under **Sublessee**, or **RLCSD** may pursue or seek any other remedy or enforce any right to which it may by law be entitled. In the event of any litigation between the parties concerning the terms of this sublease, the prevailing party shall be entitled to recover reasonable attorneys' fees together with other relief provided by law.

26. Should **Sublessee** fail to perform any action after notice from **RLCSD** to correct such action, **RLCSD** may, in its sole discretion, perform the action requested and charge **Sublessee** the cost of performing such action, which cost shall be considered additional rent and collected as such, including the imposition of attorney's fees and costs if any collection action is required.

27. **Sublessee** agrees to advise **RLCSD**, in writing, of **Sublessee's** address at the time of the execution of this sublease. **Sublessee** shall also advise **RLCSD**, in writing, of any change of address. Any notice or demand which **RLCSD**

may desire to serve upon **Sublessee** may be served upon **Sublessee** personally or by mailing such notice to **Sublessee** at the last address given to **RLCSD** by **Sublessee** as heretofore provided. Any such notice or demand sent by mail shall be mailed registered or certified, postage prepaid. Such mailed notice to the last address given by the **Sublessee** shall be deemed to have been properly delivered and **Sublessee** will be presumed to have been given adequate notice.

In the event there are several **Sublessees** with different addresses and telephone numbers, **Sublessees** shall designate which individual **Sublessee**, address and telephone number is the official recipient on behalf of all **Sublessees** of any notice set forth in this paragraph.

28. Time is expressly declared to be of the essence of this sublease and of all the provisions hereof, and the same shall bind and inure to the benefit of **RLCSD** and **Sublessee**, and their respective heirs, personal representatives, successors and assigns, as fully as though specifically set forth in each instance.

29. If any conflict arises between different **Sublessees** over property lines of sublease area, neither the **RLCSD** or **HBMWD** is liable and **RLCSD** will make a decision as to where the property lines lie, and all decisions of the **RLCSD** are final. Property lines of sublease area may also be adjusted by **RLCSD** for matters other than property line disputes or conflicts such as to adjust for minimum lot sizes required by the County of Trinity or State of California, or to accommodate United States Forest Service survey revisions.

30. **Sublessee** will not use or occupy the subleased site until there is proof of an acceptable water source and until a proper sewage disposal system has been installed, approved, and a certificate obtained in accordance with the following conditions:

A. **Road Access Lease:** Septic tank and leach field according to Trinity County and State of California requirements.

B. **Boat Access Lease:** Redwood vault privy or equivalent meeting all applicable standards is acceptable where lot improvements are minimal.

With respect to either a Road Access Lease or a Boat Access Lease, prior to construction of any residence or similar improvement, all systems will be in compliance with Trinity County and State of California requirements and will have appropriate County permits.

31. If this is a "Boat Access Lease" **Sublessee** agrees not to use, cause or permit to be used, any motorized vehicle upon the subleased property or any land access routes thereto which are under the control of the **RLCSD**. **Sublessee** shall not

build, or cause to be built, any road access whatsoever. **Sublessee** further agrees that access to the sublease property shall be only by boat from the reservoir.

32. **Sublessee** shall not divert or use any water from Ruth Lake Reservoir until proper application has been made for a water use permit from **RLCSD** and **HBMWD** and written approval is obtained for such diversion from both entities. **Sublessee** further agrees to locate any well for water at least 100 feet from the high water mark of the Ruth Lake Reservoir and not until prior written approval is received from **RLCSD** and **HBMWD**.

33. If **Sublessee** does not remedy within thirty (30) days any conditions of the subleased premises determined upon inspection to be in noncompliance with **RLCSD**, county and state standards and requirements, then this agreement shall be void, and all rights granted to **Sublessee** by this agreement shall be terminated and forfeited.

**IN WITNESS WHEREOF**, the parties have executed this sublease effective the day and year first set forth above.

**RLCSD:**

RUTH LAKE COMMUNITY  
SERVICES DISTRICT

By: \_\_\_\_\_ Dated: \_\_\_\_\_  
Its \_\_\_\_\_

**SUBLESSEE:**

\_\_\_\_\_  
printed name signature date

\_\_\_\_\_  
address: telephone:

The above sub-lessee is the contact for all communications in accordance with paragraph 27

\_\_\_\_\_  
printed name signature date

\_\_\_\_\_

address: \_\_\_\_\_ telephone: \_\_\_\_\_

\_\_\_\_\_

printed name \_\_\_\_\_ signature \_\_\_\_\_ date \_\_\_\_\_

\_\_\_\_\_

address: \_\_\_\_\_ telephone: \_\_\_\_\_

\_\_\_\_\_

printed name \_\_\_\_\_ signature \_\_\_\_\_ date \_\_\_\_\_

\_\_\_\_\_

address: \_\_\_\_\_ telephone: \_\_\_\_\_

\_\_\_\_\_

printed name \_\_\_\_\_ signature \_\_\_\_\_ date \_\_\_\_\_

\_\_\_\_\_

address: \_\_\_\_\_ telephone: \_\_\_\_\_