

# SAMPLE OF SUBLEASE AGREEMENT

## SUBLEASE FOR PROPERTY LOCATED WITHIN THE YOLO BYPASS WILDLIFE AREA

This sublease ("Sublease") is made by and between the DIXON RESOURCES CONSERVATION DISTRICT, a California resource conservation district ("DISTRICT") and \_\_\_\_\_, a \_\_\_\_\_ ("SUBLESSEE"). DISTRICT and SUBLESSEE are sometimes referred to in this Sublease individual as "Party" and collectively as "Parties."

### RECITALS

WHEREAS, the California Department of Fish and Game ("DFG") is authorized under Public Resources Code Section 9408 to encourage resource conservation districts to address resource issues and coordinate resource management; and

WHEREAS, lands under the jurisdiction of DFG are public property, owned by the people of the State of California, and as such are subject to public recreation uses such as hunting, sightseeing, nature study, and other uses as authorized by the rules and regulations of the State of California ("STATE"); and

WHEREAS, on April 4, 2004, DFG and DISTRICT entered into a master lease agreement ("Master Lease") by which DFG leased the Yolo Bypass Wildlife Area ("YBWA") to DISTRICT; and

WHEREAS, in the Master Lease DFG consented to the subletting of DISTRICT's interests in the YBWA solely for the purposes permitted under the Master Lease; and

WHEREAS, DISTRICT seeks to sublease a portion of the YBWA to \_\_\_\_\_, and \_\_\_\_\_ seeks to sublease that same property from DISTRICT.

NOW THEREFORE, the Parties mutually agree as follows:

#### 1. PROPERTY DESCRIPTION

A. DISTRICT has leased from DFG the YBWA, depicted in Exhibit A, with the boundaries for the YBWA outlined in green. Exhibit A is attached to and incorporated into this Sublease.

B. DISTRICT subleases to SUBLESSEE, and SUBLESSEE leases from DISTRICT, approximately \_\_\_\_\_ (\_\_\_\_\_ ±) acres of land ("Premises"), located within the boundaries of the YBWA, situated in the County of Yolo, State of California. The Premises are depicted in Exhibit B, which is attached to and incorporated into this Sublease.

C. As lessor under the Master Lease, DFG and STATE shall be afforded and shall be entitled to exercise against SUBLESSEE any and all power, rights, and privileges accorded to DISTRICT by this Sublease, including but not limited to those power, rights, and privileges relating to insurance and indemnification.

## 2. RENT

During the term of this Sublease, and any extensions of it, SUBLESSEE shall pay rent to DISTRICT in the amount of \_\_\_\_\_ dollars (\$\_\_\_\_\_) per \_\_\_\_\_ (“Rent”). SUBLESSEE shall pay the Rent for each \_\_\_\_\_ on or before the \_\_\_\_\_ day of the month for which the rent is due.

## 3. USE

A. The Premises shall be used during the term of this Sublease solely for the purposes consistent with the Management Plan of the Master Lease, as described in Exhibit C (“*SW Tule Sublease Management Plan*” will be developed with sublessee and will include specific expectations of DRCD and sublessee), for maintaining agricultural production which provides wildlife habitat values, maintains native grasslands, rare plants, vernal pools and the restoration of seasonal and permanent wetlands. Exhibit C is attached to and incorporated into this Sublease. Permissible uses of the Premises under this Sublease are set forth in Exhibit D (“*Land Management Plan for the Yolo Bypass Wildlife Area*”), which is attached to and incorporated into this Sublease.

B. Should SUBLESSEE’s use of the Premises for agricultural production and habitat require grazing, haying, and/or farming practices, those activities and practices shall comply with and are subject to the direct oversight of DISTRICT.

C. SUBLESSEE shall, with the cooperation of DISTRICT and other parties designated by DFG, determine stocking rates and capacity of each field designated for grazing; field rotation schedules for fields designated for grazing; and time of use, duration of use and use the most appropriate for DISTRICT and DFG's objectives on all areas of the Premises.

D. Should SUBLESSEE desire to use pesticides on the Premises, all applicable United States Environmental Protection Agency (EPA) standards and California Department of Pesticide Regulations must be met, and prior approval must be received from the District and from DFG in accordance with the terms of the Master Lease. No dumping of hazardous wastes shall be permitted. Hazardous substances shall include, but not be limited to, hydrocarbons, petroleum, gasoline and/or crude oil or any products, by-products, or fractions of them.

E. SUBLESSEE shall maintain fences and gates, provide stock water, and remove trespass livestock, as necessary. All livestock will be deemed trespassing if they are outside of the designated fences or if they are property of a person or persons not party to this Sublease.

F. SUBLESSEE shall at all times during the terms of this Sublease, and during any holdover period, provide to DISTRICT the names, addresses and telephone numbers of a minimum of two (2) individuals responsible for the maintenance of fences and the control of livestock on the Premises. The current individuals are as follows: (1) \_\_\_\_\_; and (2) \_\_\_\_\_. SUBLESSEE’S designated individuals responsible for the maintenance of fences and the control of livestock must be available to respond within a two (2) hour period to remedy livestock trespass issues.

G. It is further agreed and understood by SUBLESSEE that the YBWA and every part of it shall be subject to use for public recreation including, but not limited to, public hunting, public fishing, field trips, under applicable laws of the State of California, and rules and regulations of DFG, and that neither DISTRICT nor STATE, their officers, agents, and employees shall be responsible for

damages to livestock or property or injuries to persons which may arise from or be incident to such use and occupation of the Premises.

#### **4. TERM**

The term of this Sublease shall be for a period of \_\_\_\_\_ (\_\_) years, commencing on \_\_\_\_\_, and terminating on \_\_\_\_\_, subject to earlier termination consistent with the terms of this Sublease.

#### **5. EARLY TERMINATION**

A. Either Party may terminate this Sublease for any or no reason by giving written notice to the other Party at least one hundred and eighty (180) days prior to the date upon which such termination shall become effective.

B. In the event SUBLESSEE breaches any provision of this Sublease, DISTRICT may terminate this Sublease for cause upon thirty (30) days written notice.

C. If the Master Lease is terminated for any reason whatsoever, this Sublease shall automatically and immediately terminate. DISTRICT shall make a good faith effort to provide SUBLESSEE as much notice as is practicable under the circumstances if either DISTRICT or DFG intend to terminate the Master Lease.

#### **6. ACCESS TO RECORDS**

SUBLESSEE agrees that DISTRICT and its representatives shall have the right to review and copy all records pertaining to performance of the Sublease. SUBLESSEE agrees to provide DISTRICT and its representatives with any relevant information requested and shall permit DISTRICT and its representatives access to the Premises upon reasonable notice during normal business hours for the purpose of reviewing and copying any records that may be relevant to a matter under review to determine compliance with the sublease.

#### **7. UTILITY/EXPENSES**

DISTRICT does not warrant the existence nor guarantee SUBLESSEE's success in obtaining any utilities to the Premises. Obtaining utilities will be the sole responsibility and cost of SUBLESSEE. SUBLESSEE shall install any and all meters for utility operations required at the Premises for SUBLESSEE's use, at SUBLESSEE's sole cost. SUBLESSEE agrees to pay all water, electric, gas, and other utility charges or any other charges payable in connection with SUBLESSEE's use of the Premises, during the term of this Sublease.

#### **8. CALIFORNIA ENVIRONMENTAL QUALITY ACT**

SUBLESSEE acknowledges that environmental documents under the California Environmental Quality Act (CEQA) may be required for this Sublease and for any of SUBLESSEE's anticipated future improvements to the Premises. During the term or any renewal term of this Sublease, SUBLESSEE shall comply with all applicable requirements of CEQA as well as all state, local, and federal regulatory and permitting agencies having jurisdiction, including those pertaining to hazardous materials. Any physical change to the site and all improvements constructed by or on behalf of SUBLESSEE at the site shall comply with the CEQA. All costs associated with CEQA compliance shall be the sole responsibility of SUBLESSEE.

## **9. OWNERSHIP OF IMPROVEMENTS**

A. During the term of this Sublease all buildings, structures, and improvements constructed on the Premises by SUBLESSEE shall be vested in STATE. At the expiration or termination of this Sublease, or any extensions thereof, all buildings, structures and improvements constructed on the premises by SUBLESSEE shall vest in STATE. SUBLESSEE shall deliver said buildings, structures and improvements to STATE in good condition and repair, reasonable wear and tear excepted, without compensation to SUBLESSEE, or any third party, free and clear of all claims to or against them by SUBLESSEE, any third party, and SUBLESSEE shall defend and hold STATE harmless from all liability arising from such claims or from the exercise by STATE of its rights under this paragraph.

B. In the event said buildings, structures and improvements are not delivered to STATE in good condition and repair, reasonable wear and tear excepted, STATE shall have the option to make the necessary maintenance and repairs and SUBLESSEE shall be liable to and shall reimburse STATE for any such expenditures made, plus interest equal to the then-defined rate as established in California Law, per annum from the date of completion of work.

C. If SUBLESSEE terminates this Sublease, as provided herein, prior to the natural expiration of the Sublease term, STATE shall have the option, at SUBLESSEE's sole expense, to require SUBLESSEE to promptly demolish and remove all buildings, structures and improvements installed by SUBLESSEE and require SUBLESSEE to restore of the Premises to its original condition. Upon written notification by STATE to SUBLESSEE, SUBLESSEE shall promptly demolish and remove all buildings, structures and improvements within sixty (60) days after the date of STATE's notification.

D. Failure by STATE to provide such notice to restore the Premises to its original condition shall be deemed to be an election by STATE not to retain any buildings, structures, and/or improvements.

E. With DISTRICT's approval, STATE may delegate any of its duties, rights, or authority under this Section to DISTRICT.

## **10. PERSONAL PROPERTY**

A. All personal property, tools or equipment taken onto, stored or placed on the Premises by SUBLESSEE shall remain the property of SUBLESSEE. Such personal property shall be removed by SUBLESSEE, at their sole risk and expense, upon the expiration or sooner termination of this Sublease. DISTRICT does not accept any responsibility for any damage, including, but not limited to damages caused by fire, flooding and theft, to any personal property, including any equipment, tools or machinery stored on the Premises.

B. DISTRICT shall not be responsible for losses or damage to personal property, equipment, or materials of SUBLESSEE, its agents and employees.

## **11. NOTICES**

All notices or other communications required hereunder shall be in writing, and shall be personally delivered, sent by overnight courier, or sent by registered or certified mail, postage prepaid, return receipt requested, to the addresses set forth below, or sent by electronic facsimile to the facsimile

numbers set forth below. All such notices or other communications shall be deemed received upon the earlier of: (i) if personally delivered or sent by overnight courier, the date of delivery to the address of the person to receive such notice; (ii) if mailed as provided above, on the date of receipt or rejection; or (iii) if given by electronic facsimile, when received by the other Party if received Monday through Friday between 6:00 a.m. and 5:00 p.m. Pacific Standard Time, so long as such day is not a state or federal holiday, and otherwise on the next business day.

To DISTRICT:

Dixon Resource Conservation District  
1170 North Lincoln, Suite 110  
Dixon, California 95620  
Telephone: (707) 678-1655  
Facsimile: (707) 678-5001

To SUBLESSEE:

Name  
Address  
Address  
Telephone:  
Facsimile:

Notice of change of address or facsimile number shall be given by written notice in the manner described in this section.

**12. SUBLETTING**

SUBLESSEE shall not sublet or assign this Sublease, in whole or in part, without the prior written consent of DISTRICT and STATE in their absolute discretion.

**13. RECOVERY OF LEGAL FEES**

If DISTRICT prevails in any action for the recovery of any Rent due under this Sublease, for breach of this Sublease, to restrain a breach of this Sublease, for the recovery of possession of the Premises, or to protect DISTRICT's rights against SUBLESSEE, SUBLESSEE shall pay to DISTRICT reasonable attorneys' fees in an amount to be fixed by the court.

**14. PARTNERSHIP DISCLAIMER**

SUBLESSEE, its agents and employees, shall act in an independent capacity and not as officers, agents, or employees of DISTRICT. The Parties to this Sublease are not partners, agents of one another, or joint venturers of any kind whatsoever.

**15. INDEMNIFICATION**

SUBLESSEE shall indemnify, hold harmless, and assume the defense of DISTRICT, its officials, officers, employees, and agents from all claims, losses, damages, including property damages, personal injury, death, and liability of every kind, directly or indirectly arising from SUBLESSEE's performance under this Sublease or from any persons directly or indirectly employed by, or acting as agent for, SUBLESSEE, excepting the sole negligence or willful misconduct of DISTRICT. This indemnification shall extend to claims, losses, damages, injury and liability for injuries occurring after completion of the term of this Sublease.

**16. INSURANCE REQUIREMENTS OF LESSEE**

A. SUBLESSEE shall furnish a certificate of insurance to DISTRICT with amounts of Commercial General Liability of at least \$1,000,000 per occurrence, with an aggregate of at least \$3,000,000, naming DISTRICT and STATE, their officers, agents and employees as additional

insureds. The certificate of insurance shall be issued by an insurance company that is acceptable to DISTRICT, and DISTRICT shall have the right to reconsider insurance requirements at any time during the term of this Sublease. DISTRICT, at its sole discretion may require SUBLESSEE to increase insurance limits and coverage requirements, as DISTRICT deems necessary. Increases in insurance coverage required by DISTRICT shall not be unreasonable and shall not exceed coverage amounts for policies then available within the insurance industry.

B. It is agreed that DISTRICT shall not be liable for the payment of any premiums or assessments on the insurance coverage required by this sublease. The certificate of insurance shall provide that the insurer will not cancel, reduce, suspend, or otherwise materially alter the insured's coverage without thirty (30) days prior written notice to DISTRICT. SUBLESSEE agrees that the insurance herein provided for shall be in effect at all times during the term of this Sublease. In the event said insurance coverage expires at any time or times during the term of this Sublease, SUBLESSEE agrees to provide DISTRICT at least thirty (30) days prior to said expiration date, a new certificate of insurance evidencing insurance coverage as provided for herein for not less than one (1) year. In the event SUBLESSEE fails to keep in effect at all times insurance coverage as herein provided, DISTRICT may, in addition to any other remedies it may have, terminate this Sublease upon the occurrence of such event.

C. SUBLESSEE shall maintain insurance at its own cost and expense providing protection against the perils included within the standard form of an all risk insurance policy together with insurance against vandalism, malicious mischief, and sprinkler leakage, covering improvements for their full replacement cost. Each insurance policy shall be issued in the name of SUBLESSEE and DISTRICT, as their interests may appear.

D. As often as reasonably requested by DISTRICT, SUBLESSEE will furnish to DISTRICT a complete list, statement, and description of all such insurance, together with certificates from each insurance company issuing any thereof, that same is in full force and effect and that all premiums have been paid.

## **17. FIRE AND CASUALTY INSURANCE**

DISTRICT will not keep improvements which are constructed or installed by SUBLESSEE under the provisions of this Sublease insured against fire and casualty, and SUBLESSEE will make no claim of any nature against the DISTRICT by reason of any damage to the business or property of SUBLESSEE in the event of damage or destruction by fire or other cause, arising other than from or out of negligence or willful misconduct of agents or employees of DISTRICT in the course of their employment.

## **18. TAXES AND ASSESSMENTS**

A. SUBLESSEE agrees to pay all lawful taxes, assessments, or charges, which at any time may be levied upon SUBLESSEE's interest in this Sublease. It is understood that this Sublease may create a possessory interest subject to property taxation and SUBLESSEE may be subject to the payment of property taxes levied on such interest.

B. Should SUBLESSEE be assessed by any jurisdiction claiming an assignment right, SUBLESSEE shall immediately notify DISTRICT and shall provide a written copy of all assessment notices and/or claims to DISTRICT.

## **19. COMPLIANCE WITH LAWS**

A. SUBLESSEE shall, at its sole cost and expense, comply with all of the requirements of all municipal, state, and federal authorities now in force, or which may be in force pertaining to the Premises and use of the Premises as provided by this Sublease.

B. Any work done that does not comply with any laws, rules, or regulations will be remedied at SUBLESSEE's expense and expenditures for the Sublease or audit period.

## **20. CONDITION OF PREMISES**

SUBLESSEE accepts the Premises in an "as is" condition.

## **21. WASTE/ NUISANCE**

SUBLESSEE shall not use the Premises or permit any other person to use the Premises, or any part of the Premises, nor allow any person access to the Premises for any use, which constitutes waste, nuisance, or an unreasonable annoyance to DISTRICT. SUBLESSEE at all times during the Sublease, at its sole cost, shall do all things necessary to maintain the Premises in a clean and sanitary manner and will not use, nor permit any other persons to use the Premises for disposal or storage of any hazardous or noxious products, except as approved by DISTRICT. No dumping of refuse by SUBLESSEE is permitted in any area of the Premises, and SUBLESSEE further agrees that it shall at all times exercise due diligence in the protection of the Premises against damage or destruction by fire or other cause.

## **22. BURNING PROHIBITION**

No burning is allowed on the Premises without the prior written consent of DISTRICT. SUBLESSEE shall reimburse to DISTRICT all fire fighting costs incurred by DISTRICT for extinguishing any fire resulting from any use of said Premises by SUBLESSEE or any employee or invitee.

## **23. MAINTAINING PREMISES**

A. Except for reasonable use and wear and damage caused by earthquake, fire, public calamity, and acts of God, SUBLESSEE agrees to maintain said Premises in compliance with the sanitation laws and regulation of the State of California,. DISTRICT reserves the right to inspect the Premises to ensure that it is maintained in a satisfactory condition. Failure to keep the Premises in an orderly condition following written notice to SUBLESSEE and SUBLESSEE's failure to correct such condition within sixty (60) days shall constitute a breach of the Sublease.

B. SUBLESSEE shall maintain the Premises in good repair. SUBLESSEE agrees that in no event shall DISTRICT be required to perform any maintenance on or make repairs or alterations to the Premises of any nature whatsoever. SUBLESSEE agrees to keep the Premises in good order and condition at SUBLESSEE's own cost and expense.

## **24. WATER SYSTEMS**

DISTRICT does not warrant that water supplies or systems are located on the Premises. It shall be the responsibility of SUBLESSEE to provide water for its operations, including water troughs for livestock located on the Premises. SUBLESSEE may, upon written approval by DISTRICT, develop and improve, at its own expense, water systems consistent with its use of the Premises. If SUBLESSEE drills a well or wells on the Premises, it is understood and agreed that at the termination

of the Sublease, SUBLESSEE shall have the right to remove pumps or equipment supplied by it, but that it shall not impair the usefulness of the well or wells in any way and shall leave them capped and in all respects in compliance with all applicable laws and regulations.

## **25. FENCING**

A. SUBLESSEE shall at its sole cost and expense, provide and maintain in good repair at all times, necessary boundary fences to prevent trespass on adjacent property. DISTRICT does not warrant the existence of required fences in and around the Premises. Such fences, corrals, and cross fences that are now installed may not be the property of DISTRICT and DISTRICT does not warrant their availability for SUBLESSEE's use. SUBLESSEE may, with prior approval of DISTRICT, at SUBLESSEE's sole cost and expense, provide other fencing not inconsistent with DISTRICT use. Such other fences so installed by SUBLESSEE shall remain the property of SUBLESSEE and shall be removed by SUBLESSEE upon termination of this Sublease, or with prior approval of DISTRICT, such fences may remain in place and shall become the property of DISTRICT upon termination of this Sublease.

B. Any future fencing required by SUBLESSEE shall be provided by SUBLESSEE at SUBLESSEE's sole cost and expense. All fencing shall be consistent with the Management Plan of the Master Lease.

C. As deemed necessary, after year one of this Sublease, DISTRICT may from time to time require SUBLESSEE to provide fencing, gates, cattle-guards and pedestrian access ways, to protect riparian and other sensitive areas as well as developed sites used by the general public. The fences shall be of a type specified by DISTRICT and installed in locations to be designated by DISTRICT. Within thirty (30) days of notification by DISTRICT, SUBLESSEE shall submit plan for such work, together with an estimate of expected material and labor costs. Upon approval by DISTRICT, SUBLESSEE shall install the fencing in an expeditious manner. Upon completion of the work, SUBLESSEE shall present to DISTRICT invoices, paid bills or other records of payment, for actual labor and material costs. Upon acceptance of the work by DISTRICT, and submission of invoices and records, SUBLESSEE shall be given a credit towards Rent in the amount of the actual labor and material costs, not to exceed the approved estimate. DISTRICT shall not require work to be performed the total value of which exceeds six months rental payments in any one calendar year, unless mutually agreed to by DISTRICT and SUBLESSEE.

## **26. RODENT CONTROL**

SUBLESSEE may, with DISTRICT's written consent and subject to any conditions imposed by DISTRICT, and at SUBLESSEE's sole expense, implement a rodent control program in accordance with applicable federal, state, or local laws, regulations or ordinances.

## **27. PEST CONTROL**

A. SUBLESSEE shall at all times cooperate with the County Agricultural Commissioner and the state Department of Agriculture relative to the prevention, control, and eradication of any pest or disease which might do material damage to the Premises or other adjacent premises.

B. Should SUBLESSEE desire to use pesticides on the area, all applicable Environmental Protection Agency (EPA) standards and California Department of Pesticide Regulations must be met and prior approval must be received from the DISTRICT, as not all EPA approved pesticides may be used on wildlife areas. For the purpose of this agreement, the definition

of "pesticide" shall be the same as that found in the California Food and Agriculture Code sections 12752-12759, as said section may be updated or amended. No aerial applications of pesticides will be permitted unless specifically approved by DISTRICT, in writing, prior to any application by SUBLESSEE.

## **28. PERMITS**

SUBLESSEE shall obtain all county, state, or federal permits required, including restricted pesticide use and burning permits and comply with all conditions of those permits. SUBLESSEE shall submit to DISTRICT a copy of all permits.

## **29. PREVAILING WAGES**

For all construction, repairs, and related services performed by SUBLESSEE on the Premises on behalf of STATE or DISTRICT or with public funds, SUBLESSEE shall pay prevailing wages to its workers. It is the intent of this section that third-party rights for the benefit of the covered workers be created. Nothing herein shall be construed as a limitation or restriction on the rights of such workers. SUBLESSEE shall comply with all prevailing wage requirements and be subject to restrictions and penalties in accordance with Section 1770, et seq., of the Labor Code which requires prevailing wages be paid to appropriate work classifications in all bid specifications and subcontracts.

## **30. FAILURE TO PERFORM MAINTENANCE AND REPAIR**

In the event of the failure, neglect, or refusal of SUBLESSEE to do or perform maintenance and repair work, or any part thereof, or any act or thing in this Sublease provided to be done and performed by SUBLESSEE, DISTRICT shall give notice in writing to SUBLESSEE that if SUBLESSEE fails to perform maintenance and repair work within ninety (90) days from the date of said notice, the DISTRICT shall, at its option, have the right to do and perform the maintenance or work, and SUBLESSEE hereby covenants and agrees to pay DISTRICT the cost, plus an administrative fee in the amount of fifteen percent (15%) of that cost, upon written demand by DISTRICT.

## **31. SURRENDER OF PREMISES**

SUBLESSEE hereby acknowledges the underlying fee title of STATE in and to the Premises and hereby covenants and agrees never to contest said title. At the termination of this Sublease, or in the event of a breach of Sublease and cancellation of this Sublease by DISTRICT, title to the facilities constructed by or for SUBLESSEE on the Premises, and any permanent fixtures or appurtenances reverts to STATE. Within thirty (30) days of such termination, SUBLESSEE may remove its moveable fixtures, equipment, and other personal property located on the Premises.

## **32. MECHANIC'S LIENS**

A. SUBLESSEE will not in any way encumber or cloud the title to the Premises, or any part of it and will promptly pay and discharge any and all debts incurred for labor, materials, or services or anything connected with the Premises so that no liens shall attach to the Premises.

B. DISTRICT shall have the right to post and keep posted such notices, as it may desire in order to protect the Premises against liens. If any lien is recorded and SUBLESSEE fails, within sixty (60) days after notice from DISTRICT, to pay, settle, or otherwise release the lien, or deposit into escrow with a reputable bank or trust company in California a sum sufficient to satisfy the lien in

full, DISTRICT, in its sole discretion, may pay or otherwise dispose of the lien or defend, settle, or compromise any lawsuit brought to foreclose the lien, and all amounts paid by DISTRICT or any loss sustained by DISTRICT on that account, including reasonable attorneys' fees, shall be repaid to DISTRICT and shall be in addition to any other payments by way of rents or otherwise required under the terms of this Sublease. A failure to pay any such sum within thirty (30) days after mailing of the bill to SUBLESSEE shall constitute a breach of this Sublease.

### **33. RIGHT TO ENTER**

DISTRICT, its agents, employees, representatives and licensees shall have the right at any and all times to enter upon the Premises for survey, inspection, or any other lawful DISTRICT purposes.

### **34. EASEMENTS**

A. This Sublease is subject to all existing easements and rights of way. DISTRICT reserves the right to grant additional public utility easements that do not unreasonably interfere with SUBLESSEE's use of the property and rights of way, whether recorded or unrecorded, as may be necessary and SUBLESSEE hereby consents to the granting of any such easement. The public utility will be required to reimburse SUBLESSEE for any damages caused by construction work on the easement area.

B. Any easements required by SUBLESSEE in connection with this Sublease shall be obtained at SUBLESSEE's sole cost and expense. Easements shall be described by a licensed surveyor and recorded in the County of Yolo, at SUBLESSEE's sole cost and expense.

### **35. PUBLIC SAFETY NETWORK**

A. SUBLESSEE acknowledges and agrees that STATE, Department of General Services, is responsible for STATE's existing Public Safety Network System, used to support all types of radio, digital, microwave, and fiber optic communications. Should SUBLESSEE require the use of two-way radio communications on the Premises, SUBLESSEE agrees to install, maintain, and operate its two-way radio equipment in accordance with the specific site standards and any other statutes pertaining to the use of electronic equipment. In the event SUBLESSEE's installation, or operation, in any way hinders, obstructs, or interferes with the operations of STATE's Public Safety Network, SUBLESSEE shall, at its sole cost and expense, upon receipt of written notification, cease the interfering installation or operation.

B. If such hindrance, interference, or obstruction is not eliminated within thirty (30) days after receipt by SUBLESSEE of notice from DISTRICT, DISTRICT shall have the right to order cessation of SUBLESSEE's communications operations as may be necessary to eliminate the interference.

C. Any interference and compatibility testing required for radio interference with other equipment at the Premises, of such equipment installed, or changes to said equipment, shall at the sole cost of SUBLESSEE, be made by a qualified technical person representing SUBLESSEE and a representative designated by DISTRICT. If the test is satisfactory to both the technical person and the DISTRICT representative, a certification of such test signed by both the technical person and DISTRICT representative shall be forwarded to DISTRICT at locations indicated in the "Notices" Section. Any costs incurred by DISTRICT to conduct compatibility testing will be reimbursed to DISTRICT within thirty (30) days upon SUBLESSEE'S receipt of invoice.

D. Any interference of STATE electronic equipment during an emergency incident will require immediate cessation of operation, transmission or further use of SUBLESSEE's equipment.

### **36. MINERAL RIGHTS**

SUBLESSEE agrees not to interfere with the interests of any person or persons that may presently, or in the future, hold oil, gas, or other mineral interests upon or under the Premises; nor shall SUBLESSEE interfere with the rights of ingress and egress of the interest holders. Access rights to mineral interests shall be designated at a specific location, as agreed upon by DISTRICT and SUBLESSEE, with the intent of causing the minimum amount of disruption to SUBLESSEE's use of the Premises. The Parties further agree that access shall be limited to an area to be mutually agreed upon by the Parties which will not impose burden on SUBLESSEE's project or development. The Parties will agree prior to any access to a specific square-footage amount, and to the specific site for any extraction for which access applies. No such mineral rights granted by DISTRICT or SUBLESSEE shall materially interfere with SUBLESSEE's beneficial use and occupancy of the Premises.

### **37. ENVIRONMENTAL COMPLIANCE**

A. SUBLESSEE agrees to comply with all applicable federal, state, and local regulations pertaining to the use, storage, and disposal of hazardous materials. SUBLESSEE shall indemnify and hold harmless DISTRICT and its agents and representatives for any violation of hazardous materials law caused by SUBLESSEE. SUBLESSEE shall reimburse DISTRICT for any and all costs related to investigation, clean up, and/or fines incurred by DISTRICT for environmental regulation non-compliance by SUBLESSEE.

B. If SUBLESSEE is required to prepare a Business Plan, as specified by Health and Safety Code Section 25500, et seq., or a Hazardous Waste Contingency Plan, as specified in 22 CCR Section 66264.51, et seq., a copy of the plan shall be submitted first to DISTRICT.

C. If SUBLESSEE generates any regulated hazardous wastes on the Premises, SUBLESSEE agrees to dispose of that waste in accordance with all applicable federal, state, and local regulations. Copies of all hazardous waste manifests or disposal certificates shall be submitted to DISTRICT.

D. Storage of hazardous waste shall comply with 22 CCR Section 66264, et seq., and all applicable fire regulations. SUBLESSEE shall not apply to become a "permitted" hazardous waste storage facility without written permission from DISTRICT.

E. DISTRICT or its representatives reserves the right to inspect all areas, which are leased or rented by SUBLESSEE, for the purpose of verifying environmental compliance.

F. At the request of DISTRICT, SUBLESSEE shall provide copies of Material Safety Data Sheets (MSDS) for all hazardous materials used on the Premises.

### **38. SIGNS**

All signs shall be subject to review by DISTRICT, including placement, size, color, and wording. Should SUBLESSEE wish to install a sign, placement of signs will be decided by DFG pursuant to the terms of the Master Lease. SUBLESSEE shall obtain any and all permits as may be required.

### 39. MISCELLANEOUS

A. Modifications. This Sublease may be altered, changed, or amended only by mutual written consent of both Parties.

B. Waiver.

1. The exercise of any right, option or privilege existing at law or by virtue of this Sublease, by DISTRICT shall not preclude DISTRICT from exercising any and all other such rights, options and privileges, and DISTRICT's failure to exercise any such right, option or privilege shall not be deemed a waiver, nor shall it relieve SUBLESSEE from its obligations to perform each and every term, covenant, provision and condition to be performed under this Sublease or as required by law, nor shall it relieve SUBLESSEE from damages and other remedies for its failure to perform or meet its obligations to DISTRICT.

2. The waiver by DISTRICT, except as is hereafter provided, or any breach of any term, covenant, provision or condition of this Sublease by SUBLESSEE shall not be deemed to be a waiver of that term, covenant, provision or condition nor any subsequent breach of the same, nor any other term, covenant, provision or condition of this Sublease agreement. The subsequent acceptance of rent or other performance required by this Sublease by DISTRICT shall not be deemed to be a waiver of any preceding breach by SUBLESSEE or any term, covenant, provision, or condition of this Sublease, regardless of DISTRICT's knowledge of such preceding breach at the time of its acceptance of such rent or performance.

3. Notwithstanding anything in this paragraph to the contrary, DISTRICT may waive any term, covenant, provision or condition of this Sublease, or any known breach thereof, and DISTRICT may waive any of its known rights, options or privileges; provided, however, such waiver must be express and not by implication and must also be in writing and signed by DISTRICT.

C. Severability. The unenforceability, invalidity, or illegality of any provision of this Sublease shall not render the other provisions unenforceable, invalid, or illegal.

D. Understanding of Sublease. This Sublease contains the entire understanding of the Parties, and the Parties agree that there is no other written or oral understanding between the Parties in respect to the Premises.

E. Cumulative Remedies. No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law or in equity.

G. Covenants. Whenever words or provisions imposing an obligation or duty on either Party are used in this Sublease, such words or provisions shall have the same force and effect as though phrased in the form of express covenant.

H. Construction. The language in all parts of this Sublease shall in all cases be construed simply and according to its fair meaning and not strictly for or against either of the Parties.

I. Diligence. SUBLESSEE shall conduct the activities authorized by this Sublease agreement on and in connection with the Premises with due diligence and efficiency.

J. Definition of Law. "Law" as used herein, includes all valid laws, statutes, ordinances, rules, order and regulations promulgated or issued by federal, state, municipal, local and administrative authorities.

K. Authority. Each individual executing the Sublease on behalf of SUBLESSEE represents and warrants that he/she is duly authorized to execute and deliver this Sublease on behalf of SUBLESSEE.

L. Binding. The terms of this Sublease and covenants and agreements herein contained shall apply to and shall bind and inure to the benefit of the heirs, representatives, assigns and successors in interest of the Parties.

M. Section Headings. All section headings contained in this Sublease are for reference purposes only and are not intended to define or limit the scope of any provision of this Sublease.

N. Time of the Essence. Time is of the essence of each and all of the provisions, covenants and conditions of this Sublease.

IN WITNESS WHEREOF, the Parties have executed this Agreement effective as of the latest date set forth below:

DIXON RESOURCE CONSERVATION  
DISTRICT, Lessor

[INSERT NAME], Lessee

By: \_\_\_\_\_  
John Currey, District Manager

By: \_\_\_\_\_  
[Insert Name, Title]

Date: \_\_\_\_\_

Date: \_\_\_\_\_