SONOMA COUNTY FAIRGROUNDS TELECOMMUNICATIONS SITE OPTION AND LEASE AGREEMENT

This Option and Ground Lease Agreement (hereinafter "Agreement"), executed on _______, 2020 ("Effective Date") is by and between the County of Sonoma, a political subdivision of the State of California (hereinafter "Landlord"), and GTE Mobilnet of California Limited Partnership, a California limited partnership, dba Verizon Wireless (hereinafter "Tenant"). Landlord and Tenant are sometimes collectively referred to herein as the "parties" and singularly, a "party."

RECITALS

WHEREAS, Landlord is the owner of that certain real property situated in Sonoma County, State of California, as more particularly described in **Exhibit A**, attached hereto and incorporated herein, and commonly known as 1350 Bennett Valley Road, Santa Rosa, Sonoma County, California 95404 ("Landlord's Real Property"); identified as Assessor's Parcel Number 009-371-010; and

WHEREAS, Sonoma County Fair and Exposition, Inc., a California corporation ("Fair"), is the Landlord's property manager; and

WHEREAS, Tenant requests use of a portion of Landlord's Real Property for the installation, maintenance, repair, removal, and operation of a wireless telephone communication facility, including an antenna support structure and associated equipment; and

WHEREAS, the Landlord is willing to permit Tenant to lease a portion of the Landlord's Real Property in accordance with the terms, conditions and covenants of this Agreement.

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

AGREEMENT

- 1. Option & Agreement. Provided Tenant timely exercises the option granted herein pursuant to Section 1.1, Landlord hereby agrees to lease to Tenant for the Term (as defined in Article 3 below), at the rental, and upon all of the terms and conditions set forth herein, a certain portion of Landlords' Real Property, as more particularly described in Article 2 hereunder.
- 1.1 Option. Landlord hereby grants to Tenant the right and option to lease the Premises (as defined in Article 2 below) for the Term and in accordance with the covenants and conditions set forth herein (the "Option"). The Option shall commence on the Effective Date of this Agreement and will expire eighteen (18) months thereafter ("Option Term"). The Option may be exercised by Tenant providing written notice to Landlord of the Commencement Date, as defined in

Section 3.1 herein, at any time prior to the expiration of the Option Term. For such notice to be effective, it must include copies of all required permits for the construction of the Antenna Facility (as defined in Article 2), and proof of compliance with the California Environmental Quality Act. Tenant shall not begin construction or have any other beneficial use of the Premises prior to the Commencement Date. If the Option has not been exercised during the Option Term, it shall expire and this Agreement shall terminate. As a consideration for the Option, Tenant shall submit a \$5,000 payment to Landlord within 60 days of the Effective Date of this Agreement. During the Option Term, the Landlord shall, at Tenant's written request, execute any documents necessary for Tenant to obtain approvals for construction of the Antenna Facility (as defined in Article 2, below) (e.g., permit applications), provided that Tenant shall secure Landlord's approval of all Construction Drawings as defined and further specified in Section 8.4 ("Alterations and Improvements; Approval by the Landlord and Other Agencies") prior to their submittal to any permitting agency.

2. Premise Defined; Permissible Uses. Upon the Commencement Date, Landlord shall lease to Tenant for the Term, at the rental, and upon all of the terms and conditions set forth herein, approximately eight hundred (800) square feet of ground space as described in **Exhibit B**, attached hereto and hereinafter referred to as the "Premises." Tenant shall be permitted to use the Premises only for the purpose of constructing, maintaining, repairing, removing, and operating a communications facility, and any related foundation, utility lines, transmission lines, electronic equipment, radio transmitting and receiving antennas, supporting equipment and structures thereto (collectively referred to hereinafter as the "Antenna Facility"), as more particularly described in Exhibit B, attached hereto and incorporated herein by reference. As more particularly described in **Exhibit B**, the Premises is sized to allow space for equipment and space for the faux tree antenna support structure. The design and type of antenna support structure is subject to prior written approval by Landlord and will be limited to ninety feet (90') in total overall height, consisting of a high quality faux tree with a minimum of three and one-half (3.5) branches per foot, such branches to be fiberglass reinforced plastic branches, with directly applied flexible epoxy faux bark featuring realistic texture and a minimum of four (4) colors comprising the bark coloring and including antenna socks and antenna branches applied to each antenna installed on the structure. No other use shall be permitted. The rules and regulations attached hereto and incorporated herein as **Exhibit C**, as well as such reasonable rules and regulations as may be adopted and promulgated by Landlord and provided to Tenant for the safety, care and cleanliness of the Premises and the Sonoma County Fairgrounds and the preservation of good order thereon, are hereby expressly made a part hereof, and Tenant hereby agrees to comply with them.

3. Lease Term.

3.1 <u>Initial Term</u>. The initial term ("Initial Term") of this lease shall be five (5) years. The Initial Term shall commence on the date provided in Tenant's written notice to Landlord pursuant to Section 1.1 ("Commencement Date") and shall expire five (5) years thereafter, unless extended or earlier terminated in accordance with this Agreement. The Commencement Date specified in Tenant's written notice must occur no later than the first day of the month after the date that is eighteen (18) months after the Effective Date of this Agreement.

- 3.2 Option to Extend. Provided that Tenant is not in default hereunder (after receipt of notice and expiration of applicable cure periods), either at the time of exercise or at the time the extended Term commences, Tenant shall have three (3) successive options (each a "Renewal Term Option", and collectively, the "Renewal Term Options") to extend the Initial Term of this Agreement, in each case for a period of five (5) years, and each in accordance with all of the provisions contained in this Agreement and at the Rent set forth in Article 4, below. The Renewal Term Options may be exercised, if at all, by Tenant giving written notice to Landlord at least sixty (60) days prior to the expiration of the then-current term. The Initial Term together with each and any Renewal Term shall constitute the term ("Term") of this Agreement.
- 3.3 <u>Holding Over</u>: If the Tenant remains in possession of the Premises or any part thereof after the expiration of the Initial Term or of any Renewal Term (except as permitted by Landlord for the purposes of <u>Article 11</u>) such occupancy shall be deemed a tenancy from month-to-month and all obligations of this Agreement applicable to Tenant shall remain in full force and effect, with Tenant being subjected to a month payment rate of 150% of the then-current rental rate.

4. Consideration

- 4.1 Option and Administrative Costs. Upon full execution of this Agreement, Tenant shall submit a Five Thousand Dollar (\$5,000) payment to Fair as consideration for the Option Term. Such payment shall be made within sixty (60) days of the Effective Date of this Agreement. In addition, Tenant shall pay Fair a one-time sum of Five Thousand Dollars (\$5,000.00), as additional Rent, to defray Fair's legal and administrative costs in connection with the negotiation of this Agreement. Such payment shall be made within sixty (60) days of the Effective Date of this Agreement. Landlord and Tenant acknowledge and agree that Fair is Landlord's property manager and agent-in-fact at the Property. Landlord further acknowledges and agrees that Fair shall be entitled to collect and receive rents and any other monetary amounts under this Agreement as provided herein and Tenant is authorized and hereby directed to make all such payments of rent and other monetary amounts to Fair. Tenant shall continue to make all such payments of rent to Fair unless and until Tenant is otherwise authorized and directed in writing by Landlord. Landlord waives any rights or claims it may now or later have against Tenant by reason of such payments to Fair.
- 4.2 <u>Initial Term; Rent</u>: On the Commencement Date of this Agreement, Tenant shall pay to Fair as rent for the Premises the sum of Two Thousand Five Hundred dollars (\$2,500.00) ("Rent") per month. Said Rent shall be paid to Fair in advance, due no later than the 5th day of the month. Rent shall increase by an amount equal to three percent (3%) of the annual rent paid during the immediately preceding lease year. Said Rent shall be paid to Fair in advance on the fifth day of each calendar month during the Initial Term of this Agreement without deduction, offset, prior notice or demand, in lawful money of the United States and shall be sent to the address identified in <u>Article 22</u>, below, or such other address as Landlord may direct payment to be sent in writing at least thirty (30) days in advance of any Rent payment date. Fair and Landlord have provided Tenant with Internal Revenue Service Form W-9 verifying their respective federal tax information.

4.3. <u>Consideration for Renewal Term</u>. Upon the commencement of any Renewal Term and on each anniversary of the Commencement Date thereafter, the monthly Rent shall be increased by three percent (3%) of the annual rent paid during the immediately preceding lease year.

4.4 <u>Schedule of Rent Due</u>. The Rent due pursuant to <u>Section 4.2</u> and <u>4.3</u> is set forth below:

| Year | Original Amount | 3.00% | Effective Monthly Rent |
|------|-----------------|----------|------------------------|
| 1 | \$2,500.00 | n/a | \$2,500.00 |
| 2 | \$2,500.00 | \$75.00 | \$2,575.00 |
| 3 | \$2,575.00 | \$77.25 | \$2,652.25 |
| 4 | \$2,652.25 | \$79.57 | \$2,731.82 |
| 5 | \$2,731.82 | \$81.95 | \$2,813.77 |
| 6 | \$2,813.77 | \$84.41 | \$2,898.19 |
| 7 | \$2,898.19 | \$86.95 | \$2,985.13 |
| 8 | \$2,985.13 | \$89.55 | \$3,074.68 |
| 9 | \$3,074.68 | \$92.24 | \$3,166.93 |
| 10 | \$3,166.93 | \$95.01 | \$3,261.93 |
| 11 | \$3,261.93 | \$97.86 | \$3,359.79 |
| 12 | \$3,359.79 | \$100.79 | \$3,460.58 |
| 13 | \$3,460.58 | \$103.82 | \$3,564.40 |
| 14 | \$3,564.40 | \$106.93 | \$3,671.33 |
| 15 | \$3,671.33 | \$110.14 | \$3,781.47 |
| 16 | \$3,781.47 | \$113.44 | \$3,894.92 |
| 17 | \$3,894.92 | \$116.85 | \$4,011.77 |
| 18 | \$4,011.77 | \$120.35 | \$4,132.12 |
| 19 | \$4,132.12 | \$123.96 | \$4,256.08 |
| 20 | \$4,256.08 | \$127.68 | \$4,383.77 |

- 4.5 Ground Lease Required for Subtenant. Tenant's right to grant any leasehold, license, or similar interest to a third-party ("Subtenant") shall be subject to the issuance of a ground lease to the Subtenant by Landlord, which sublease may be withheld, conditioned or denied in Landlord's sole discretion. The parties understand and agree that a "third party" for the purposes of this Agreement includes any other business entity, regardless of its affiliation with Tenant and regardless of whether Tenant has any ownership interest in that entity. Any such ground lease between Landlord and Subtenant shall be fully executed prior to the placement of any of Subtenant's equipment on the Premises or Antenna Facility. Any sublease or license to a Subtenant shall be subject to Article 19.
- 4.6 <u>Audit Rights</u>. At any time during the Initial Term and any Renewal Term of this Agreement, Landlord may request and Tenant shall furnish to Landlord copies of any agreements

authorizing any Subtenant use of the Premises or Antenna Facilities, regardless of the identity of the parties to such agreements, as more particularly set forth in this Section 4.6. By initialing below, Tenant hereby acknowledges and agrees that, as a condition of Landlord's consent to any such agreements, which consent is required pursuant to Sections 4.5 and 19.1.1 hereunder, Landlord may require all such agreements remain subject to and subordinate to this Agreement. Moreover, Tenant agrees that no such agreement shall be withheld from Landlord as confidential, notwithstanding any agreement as between Tenant and any Subtenant that such agreement is confidential. All such agreements shall be furnished to Landlord within ten (10) days of Landlord's request, and each shall be produced in its entirety and in an un-redacted form.

| Tenant Initial Here: | |
|----------------------|--|
|----------------------|--|

- 4.7 <u>Late Charge</u>. Tenant acknowledges that late payment of Rent to Landlord will cause Landlord to incur costs not contemplated by this Agreement, the exact amount of such costs being extremely difficult and impracticable to fix. Such costs include, without limitation, processing and accounting charges, and late charges that may be imposed on Landlord. Therefore, if any installment of Rent due from Tenant is not received by Landlord within fifteen (15) days after the date such rent is due, Tenant shall pay to Landlord an additional sum of ten percent (10%) of the overdue amount as a late charge upon written notice of such. The parties agree that this late charge represents a fair and reasonable estimate of the costs that Landlord will incur by reason of late payment by Tenant. Acceptance of any late charge shall not constitute a waiver of Tenant's default with respect to the overdue amount, nor prevent Landlord from exercising any of the other rights and remedies available to it.
- 4.8 <u>Consideration Due Until Surrender Completed.</u> Upon the expiration or sooner termination of this Agreement, Tenant shall, in accordance with <u>Article 11</u> ("Surrender"), remove such of its structures and equipment, including the Antenna Facilities, as designated by Landlord, restore the Premises to its original condition, (except for ordinary wear and tear), and vacate the Premises. Notwithstanding the expiration or termination of this Agreement, Tenant shall pay all monthly consideration due hereunder, without deduction, offset, prior notice or demand, until Tenant has fully vacated and restored the Premises, as may be required by Landlord. Tenant's abandonment of the Premises or any structures thereon shall not relieve it of its obligation to pay Rent. All rental sums due hereunder shall be paid until the date the Landlord has provided written acknowledgement that Tenant has satisfactorily complied with all obligations under <u>Article 11</u>.
- 5. <u>Utilities</u>. Tenant shall be responsible for securing a direct utility service from the local utility provider at the Tenant's sole cost and expense. The utility service extension must be underground and located in an existing access driveway and it shall be identified on all plans. Landlord shall not be responsible for any water, gas, heat, light, power or other utilities that may be required. Landlord shall not be liable to Tenant for any interruption of utility services at the Premises. Tenant, at its sole cost an expense, shall provide all necessary infrastructure ("Infrastructure") for an additional four-hundred (400) amp electrical service at the Premise for future use by Landlord or a future tenant at no cost to Landlord. Upon completion of construction of the Infrastructure, the Infrastructure shall become the property of Landlord without representation or warranty, express or implied.

6. <u>Taxes</u>. During the Term of this Agreement, Landlord shall pay all real property taxes and assessments against Landlord's Real Property, provided, however, that Tenant shall pay to Landlord any increases in the taxes and assessments against the Landlord's Real Property that are attributable to the value of the Premises, the Antenna Facilities and any other improvements constructed by Tenant on or around the Premises. In addition, Tenant shall pay all personal property taxes due for its personal property and equipment located on the Premises, even if that tax is levied as a component of Landlord's real property taxes and assessments. Tenant expressly recognizes and understands that this Agreement may create a possessory interest subject to property taxation and that Tenant may be subject to the payment of property taxes levied on such interest.

7. Access

- 7.1 Generally. On and after the Commencement Date, unrestricted access shall be available to Tenant, Tenant's employees, agents and invitees twenty-four (24) hours per day, seven (7) days per week, as may be required for the purpose of construction, installation, repair, maintenance and removal of Tenant's Antenna Facility. Tenant shall install separate locks and provide keys or combinations to such locks to Landlord on any gates required for access, and shall provide notice to Landlord by contacting the Fairgrounds Administrative Office at (707) 545-4200 at least 24 hours prior to access, except as emergency conditions may exist, in which case Tenant shall give Landlord notice of access at the time of access. Tenant shall obtain prior approval from Landlord before bringing any vehicle on Landlord's Real Property that is larger than a standard pickup truck or SUV.
- 7.2 <u>Ingress and Egress</u>. Tenant is hereby granted non-exclusive rights of ingress and egress over, upon, and across adjoining portion of Landlord's Real Property. Tenant shall have the right to reasonable use of the access roads specified on the Site Plan leading to or surrounding the Premises as necessary for the construction, installation, maintenance, repair, removal, and operation of Tenant's Antenna Facility. Such ingress and egress shall be over existing access ways and as specified on the Site Plan, attached hereto as <u>Exhibit B</u> (Site Plan). Tenant shall immediately report to Landlord any access road or driveway damage caused by Tenant, its employees, agents and/or invites. Tenant shall be responsible for any such damage, and shall repair said damage immediately.
- 7.3 <u>Permission of Third Parties</u>. Where Landlord does not own access rights in fee title, Tenant shall be solely responsible for obtaining any and all rights required from third parties to access the Premises.
- 7.4. <u>Use During Option Term.</u> Prior to the Commencement Date of this Agreement, Tenant may enter the Premises for inspection, testing, and preparation of plans necessary for construction of the Antenna Facilities, provided that Tenant has tendered to Landlord all necessary proof of insurance as further described in <u>Section 16</u>, below and provided 24-hours advance notice to Landlord.

8. Maintenance of Antenna Facilities.

- Tenant's Obligations. Tenant, through its authorized agents, shall maintain and use the Antenna Facilities, at its sole cost and expense. Tenant's Antenna Facilities shall be installed, operated and maintained in accordance with the highest standards now or hereafter generally employed for similar equipment. Tenant shall maintain the Premises and Antenna Facilities in compliance with the requirements of applicable law, including acquiring and maintaining all necessary local, state, and federal permits required for the Antenna Facilities at Tenant's sole cost and expense. Tenant shall keep the Premises and Antenna Facilities in a structurally sound, sanitary, safe and good condition. If, during the Term of this Agreement, the Premises are damaged by Tenant's use, installation, maintenance, operation, alteration, repair, degradation or replacement of the Antenna Facilities, Tenant shall, at its sole cost and expense, repair, restore, or rebuild the same in accordance with any reasonable request by Landlord. The failure or refusal of Tenant to make said repairs, after the expiration of thirty (30) days after receipt of written notice received by Tenant from Landlord, shall constitute a default under this Agreement and Landlord may, at its option, terminate this Agreement. It is mutually agreed that the Tenant shall have the right to run electric lines, telephone lines and/or other communication devices and equipment, subject to Landlord's prior written approval, which approval will not be unreasonably withheld, conditioned or delayed. The cost of any such installation, or maintenance thereof, shall not be the responsibility of the Landlord.
- 8.2 <u>Landlord's Obligations</u>. Landlord shall be responsible during the Term and Renewal Term(s) of the Agreement for repair and maintenance of access roads to the Premises, except as Tenant is obligated to repair damages caused by Tenant or Tenant's contractors, employees, agents and invitees. Landlord shall have no obligation to repair and maintain the Premises itself, nor Tenant's Antenna Facilities. Tenant expressly waives the benefit of any statute now or hereinafter in effect which would otherwise afford Tenant the right to make repairs at Landlord's expense or to terminate this Agreement because of Landlord's failure to keep Premises in good order, condition and repair.
- Tenant Covenant of Noninterference. Tenant's Antenna Facilities shall be installed, operated and maintained in accordance with the highest standards now or hereafter generally employed for similar facilities and equipment. Tenant will not commit any act or omission that would in any way interfere with Landlord's transmissions or communications nor shall Tenant's equipment negatively impact any other preexisting communication facility or antenna. Tenant shall reasonably cooperate with current and future users of the Premises and with any other third parties who are impacted by Tenant's use of the Premises. In the event the installation, operation or maintenance of Tenant's equipment causes any direct or indirect interference with the operation of existing Landlord facilities or equipment, or the equipment of third parties, Tenant shall correct said interference, at its sole cost and expense, to the satisfaction of Landlord. In the event that Tenant fails to remedy any such interference within seventy-two (72) hours of receiving written notification thereof, Tenant shall disconnect power, but only if absolutely necessary in Landlord's reasonable determination, to Tenant's interfering equipment in order to eliminate interference. Subsequent tenants or licensees shall be subject to the foregoing requirements with respect to their use, maintenance or operation of equipment in or around the Premises.
- 8.4 <u>Alterations and Improvements; Approval by the Landlord and Other Agencies.</u>
 Prior to any alteration, expansion, improvement, construction or addition to the Premises, Tenant

shall submit to Landlord, for Landlord's written approval in Landlord's sole discretion, a set of construction documents together with a construction schedule, specifications, safety standards and such other information as Landlord may, in its sole discretion, consider reasonably necessary to preserve the Premises or otherwise protect the interests of Landlord (the "Construction Plans"). Landlord shall have thirty (30) days to review and approve Tenant's Construction Plans, which may be subject to conditions and fees not to exceed Five Thousand Dollars (\$5,000.00). If Landlord fails to approve the Construction Plans within thirty (30) days, both parties shall work together in good faith to develop mutually agreeable Construction Plans as quickly as possible. If the alteration or improvement to the Antenna Facilities is so approved, Tenant and Landlord shall amend this Agreement to include an accurate description of the Antenna Facility in its "as built" condition. All alterations, installations, additions, and improvements made by Tenant shall be made at its sole cost and expense, in a good and workmanlike manner, and pursuant to Section 8.6 herein. Tenant agrees to defend and indemnify Landlord for any and all damage caused by any minor modifications, alterations or improvements to Tenant's Antenna Facilities made by Tenant, or any of its agents, employees or contractors. Should Tenant alter or improve any equipment or facility subject to this Agreement without first securing Landlord's approval in accordance with this Section 8.4, Landlord may require that Tenant remove any or all of the same at Tenant's sole cost and expense. Tenant shall be solely responsible for conducting any environmental review required to be undertaken in association with Tenant's use of the Premises or the Antenna Facilities thereon and for any and all costs associated therewith, as well as any and all fees, charges or other expenses that may be imposed by any and all regulatory or governmental agencies in connection with Tenant's use or enjoyment of the Premises, whether prior to the Agreement commencement or at any time during the Term of the Agreement.

8.6 Mechanic's Liens. Tenant shall protect Landlord's Real Property and adjacent property against damage resulting from the performance of any work undertaken by Tenant or Tenant's agents, employees, contractors, or assigns under this Agreement, and Tenant shall not permit any mechanics', materialman's, or other liens to be filed against Landlord's Real Property or against Tenant's leasehold interest in the Landlord's Real Property. Tenant further covenants and agrees that any lien filed against Landlord's Real Property for work claimed to have been done for, or materials claimed to have been furnished to, Tenant will be discharged by Tenant, by bond or otherwise, within thirty (30) days after receipt of written notice of such filing of the lien, at the cost and expense of Tenant. Tenant shall indemnify Landlord against all liens or liability in any way arising out of the performance of the work or the furnishing of labor, services, materials, supplies, equipment or power in connection the performance of any work undertaken by Tenant or Tenant's agents, employees, contractors, or assigns under this Agreement. Without limiting the foregoing, if any such liens are filed and not released within such thirty (30) day period, Landlord may, without waiving its rights and remedies based on such breach by Tenant and without releasing Tenant from any of its obligations, cause such liens to be released by any means it shall deem proper, including payment in satisfaction of the claim giving rise to such liens. Upon Landlord's notice to Tenant, Tenant shall pay to Landlord any sum paid by Landlord to remove such liens, together with interest at the legal rate from the date of payment by Landlord. Landlord shall have the right at all reasonable times to post and keep posted on Landlord's Real Property any notices that it deems necessary for protection from such liens.

- Compliance with Laws. Tenant has represented to Landlord and hereby warrants that Tenant has complied with all laws applicable to the acceptance and use of the Agreement herein granted. As a condition of this Agreement, Tenant shall obtain and maintain all required permits, licenses and approvals from the relevant governmental agencies having jurisdiction over Tenant's use of the Premises, and shall provide copies of all such permits, licenses, and approvals to Landlord upon Landlord's request. The revocation or expiration of any such permit, license, or approval, to the extent the same are necessary for the lawful operation of the Antenna Facility, shall be deemed to be a default under this Agreement. In addition, Tenant shall observe and comply at all times with all applicable federal, state and county statutes and ordinances, rules, regulations, directives, and orders of governmental agencies now in force or which may hereinafter be in force relating to or affecting the use of the Agreement herein granted, including, without limitation, all rules and regulations pertaining to the allowable presence of and/or exposure to electromagnetic fields and radio frequency radiation, such as those standards promulgated by the American National Standards Institute. Without limiting the foregoing, Tenant shall not do or permit anything to be done in, on or about the Premises, or bring or keep anything in, on or about the Premises which will in any way conflict with any law, statute, ordinance or governmental rule or regulation now in force or which may hereafter be enacted or promulgated by any public authority. Tenant shall pay all costs and expenses relating to its obligations under this Paragraph and will indemnify, defend and hold Landlord harmless from any costs or expenses in connection therewith. Landlord agrees to provide any forms or documentation the Tenant may require for the Tenant's IRS filings.
- 8.8 Condition of the Premises. Tenant shall take the Premises in their current conditions ("as is"). This Agreement is made subject to all existing liens, encumbrances, conditions, and restrictions of record affecting the Premises and, except as such instruments are expressly superseded herein, this Agreement is also subject to all existing rights, rights-of-way, licenses, leases, reservations, and easements by whomsoever held, in and to the Premises that predate the Commencement Date of this Agreement. LANDLORD MAKES NO WARRANTY OR REPRESENTATION OF ANY KIND CONCERNING THE CONDITION OF THE PREMISES, OR THE FITNESS OF THE PREMISES FOR THE USE INTENDED BY TENANT, AND HEREBY DISCLAIMS ANY PERSONAL KNOWLEDGE WITH RESPECT THERETO, IT BEING EXPRESSLY UNDERSTOOD BY THE PARTIES THAT LANDLORD HAS GRANTED TENANT AN EIGHTEEN (18) MONTH OPTION TERM DURING WHICH TENANT IS TO CONDUCT DUE DILIGENCE AND OBTAIN ALL NECESSARY PERMITS AND LICENSES. Tenant does hereby waive, with respect to conditions existing as of the date of this Agreement, all warranties of any type or kind of description, with respect to conditions existing as of the date of this Agreement, including, without limitation, those of fitness for particular purpose, tenantability and use. Tenant shall be responsible for all due diligence requirements prior to execution of the Agreement at Tenant's sole cost and expense.
- 9. <u>Waste; Nuisance</u>. Without limiting the provisions of <u>Exhibit C</u> (Rules and Regulations) hereto, Tenant shall not commit, suffer, or permit the commission by its agents, employees, contractors or invitees of: (i) any waste or nuisance on the Premises; (ii) any action or use of the Premises which interferes or conflicts with the use of the Premises by Landlord or any authorized person; or (iii) any action on the Premises in violation of any State or Federal laws.

10. <u>Landlord's Rights</u>.

- 10.1 <u>Inspection</u>. Landlord shall be permitted to enter and inspect the Premises at any and all times upon twenty-four (24) hours prior notice to Tenant, and with less notice if access is required in the event of an emergency. Tenant reserves the right to have a representative present at any time Landlord accesses the Premises, provided however that the exercise of such rights by Tenant shall not interfere with Landlord's rights to access the Premises as otherwise provided hereunder.
- 10.2 Landlord's Right to Grant Easements. Landlord shall have the right, at its sole cost and expense, to install, lay, construct, maintain, repair and operate such sanitary sewers, drains, storm water sewers, pipelines, manholes, connections; water, oil and gas pipelines; and telephone and telegraph power lines and such other appliances and appurtenances necessary or convenient to use in connection therewith, over, in, upon, through, across and along Landlord's Real Property, including the Premises, or any part thereof, as will not interfere with Tenant's permissible use of the Premises and Antenna Facilities hereunder and to enter thereupon for any and all such purposes, so long as Landlord restores the condition of the Premises and any structures and improvements thereon to their original condition. Landlord also reserves the right to grant franchises, easements, rights-of-way and permits in, over, and upon, along or across any and all portions of the Landlord's Real Property as Landlord may elect as will not interfere with Tenant's permissible use of the Premises and Antenna Facilities hereunder, and to enter thereupon for any and all such purposes, and so long as Landlord restores, at its sole cost and expense, the condition of the Premises and any structures and improvements thereon to their original condition. In addition, Landlord reserves the right to enter and have access to the Premises in order to make, construct or carry out improvements as will not interfere with Tenant's permissible use of the Premises and Antenna Facilities hereunder and to enter thereupon for any and all such purposes, and so long as Landlord restores, at its sole cost and expense, the condition of the Premises and any structures and improvements thereon to their original condition. Landlord will cause the surface of the Premises and the condition of any improvements and structures thereon to be restored as close as reasonably possible to their original condition upon the completion of any construction done pursuant to this Section. Landlord agrees that any right set forth in this Section 10.2 shall not be exercised unless a prior written notice of thirty (30) days is given to Tenant. However, if such right must be exercised due to an immediate threat to health and/or public safety, Landlord will give such notice by phone, email, and/or in writing as is possible under the existing circumstances.
- 10.3 Right to Enter Upon Tenant's Default. If Tenant is in default hereunder (after receipt of written notice and the expiration of applicable cure periods), Landlord may (but shall not be required to) enter upon the Premises, to perform such obligations on Tenant's behalf and put the Premises and/or Antenna Facilities in good order, condition and repair, and the cost thereof, together with interest thereon at the maximum rate then allowable by law, shall become due and payable as additional rent to Landlord with Tenant's next rental installment, provided, however, in the case of a non-emergency, Landlord shall notify Tenant of Landlord's intention to perform Tenant's obligations at least ten (10) days prior to performing any work on Tenant's behalf. If no rental installment is due to Landlord, such costs shall become due and payable within thirty (30) days from the date of Landlord's invoice.

Landlord's Right to Co-locate on Antenna Support Structure. Landlord shall have, at no cost to Landlord or its licensees, which may include other public agencies, educational institutions and non-profit entities but in no event third-party commercial telecommunications carriers, the exclusive right to utilize space on the antenna support structure between thirty-three feet (33') and fifty-three feet (53') above ground level, for the installation of equipment, including masts, microwaves and other antennas, cameras, weather and natural hazard monitoring equipment and all mounts, ports cabling and electrical lines related thereto, provided said equipment is solely for public safety, public services, weather and natural hazard monitoring, emergency services or fairgrounds security communications (collectively "Landlord's Equipment"). Landlord may also install two (2) fire cameras each measuring approximately nine-inches (9") by eleven-inches (11") in size and weighing approximately eight (8) pounds, and related mounting equipment, at the top of Tenant's antenna support structure, as depicted on Exhibit "B" attached hereto. Tenant shall have the right to reasonably approve additional fire cameras on Tenant's antenna support structure or the replacement of the existing fire cameras with bigger and/or heavier cameras. Landlord's use shall not interfere with Tenant's use of the Premises and Antenna Facilities. Landlord shall be responsible to maintain and repair the fire cameras and Landlord's Equipment in good condition, reasonable wear and tear excepted, and in compliance with all applicable laws, all at Landlord's sole cost and expense. Landlord will maintain and repair the fire cameras and Landlord's Equipment without disturbing or affecting Tenant's equipment or Tenant's use as permitted pursuant to this Agreement.

11. Surrender.

- Agreement, Tenant, at its sole cost and expense, shall remove, revise, or relocate such of its structures and equipment, including the Antenna Facilities, as designated by Landlord, restore the Premises to its original condition, and vacate the Premises. Footings, foundations, and concrete will be removed to a depth of 48-inches below grade. The access rights granted to Tenant hereunder shall continue during such reasonable period after the termination or expiration of the Term as is necessary for Tenant to remove all such property of Tenant as may be requested by Landlord. Should Tenant neglect to restore the Premises to a condition satisfactory to Landlord within thirty (30) days after Landlord's tender of written notice of the same, Landlord may perform such work or have the work performed and Tenant shall immediately reimburse Landlord for all direct and indirect costs associated with such work upon receipt of an invoice therefore. In the event that shall be entitled to use all or a portion of the proceeds of the Restoration Bond, defined in Article 11.2 below. This Article shall survive the expiration or termination of this Agreement.
- 11.2 Restoration Bond. Simultaneously with the execution of this Agreement, Tenant shall file with Landlord a bond ("Restoration Bond"), payable to Landlord, securing Tenant's faithful performance of its obligations under this Article 11. The principal sum of the Restoration Bond shall be Two Hundred Fifty Thousand Dollars (\$250,000). The bond shall be executed as surety by a corporation authorized to issue surety bonds in the State of California, with a financial condition and record of service satisfactory to Landlord. The Restoration Bond shall be in the form attached as Exhibit E (Form of Restoration Bond) or as otherwise approved by Landlord. The principal sum of the Restoration Bond may be reviewed by the Landlord every

three years and, if necessary, increased to reflect the current costs of facility removal and site reclamation.

- 12. <u>Title.</u> Notwithstanding any other provision of this Agreement to the contrary, title to the Antenna Facilities and any equipment placed on the Premises by Tenant shall be held by Tenant, and all such property shall not become fixtures. Tenant has the right to remove all items comprising Tenant's Antenna Facilities at its sole expense on or before the expiration or termination of this Agreement. Landlord acknowledges that Tenant may enter into financing arrangements, including promissory notes and financial and security agreements for the financing of Tenant's Antenna Facilities (the "Collateral") with a third party financing entity and may in the future enter into additional financing arrangements with other financing entities. In connection therewith, Landlord (i) consents to the installation of the Collateral to the extent that the Collateral is part of the approved Antenna Facilities; (ii) disclaims any interest in the Collateral, as fixtures or otherwise; and (iii) agrees that the Collateral shall be exempt from execution, foreclosure, sale, levy, attachment, or distress for any rent due or to become due and that such Collateral may be removed at any time prior to the expiration or termination of this Agreement without recourse to legal proceedings.
- 13. <u>Bankruptcy</u>. In the event of bankruptcy of Tenant or writ of attachment of execution against Tenant, this Agreement shall, at the option of the Landlord, immediately terminate.
- 14. <u>Non-liability of Landlord</u>. Landlord, its officers, agents, and employees shall not be liable to Tenant for any loss or damage to Tenant or Tenant's property and Tenant expressly waives all claims against Landlord, its officers, agents, and employees, unless such injury or damage is caused by the active negligence or willful misconduct of Landlord.
- 15. Hold Harmless Indemnification. Tenant agrees to accept all responsibility for loss or damage to any person or entity, including but not limited to Landlord, and to defend, indemnify, hold harmless, reimburse and release Landlord, its officers, agents, and employees, from and against any and all actions, claims, damages, disabilities, liabilities and expense, including but not limited to reasonable attorneys' fees and the cost of litigation incurred in the defense of claims as to which this indemnity applies or incurred in an action by Landlord to enforce the indemnity provisions herein, whether arising from personal injury, property damage or economic loss of any type, that may be asserted by any person or entity, including Tenant, arising out of or in connection with Tenant's use of the Premises or from any act permitted, or any omission to act, in or about the Premises or Landlord's Real Property by Tenant or its agents, employees, contractors, or invitees, or which result from the negligence or other wrongful act or violation of law by Tenant, its agents, employees, contractors, or invitees, in connection with Tenant's occupancy, whether or not such claim is ultimately proved meritorious and/or successful, except to the extent that any such damages or expenses suffered by Landlord are the result of Landlord's active negligence or willful misconduct. Landlord shall have the right to select its own legal counsel at the expense of Tenant, subject to Tenant's approval, which approval shall not be unreasonably withheld. This indemnification obligation is not limited in any way by any limitation on the amount or type of damages or compensation payable to or for Tenant or its agents under workers' compensation acts, disability benefits acts, or other

employee benefit acts. This indemnification shall survive the termination or expiration of this Agreement.

- 16. <u>Insurance</u>. Tenant is required to maintain the insurance specified in <u>Exhibit D</u> (Insurance Requirements), which is attached hereto and incorporated herein by this reference.
- 17. <u>Liability for Loss or Damage to Landlord Property</u>. Tenant shall be liable to Landlord for any loss or damage to the Premises and Landlord's Real Property arising from or in connection with any act or omission of Tenant, its officers, agents, and employees.
- 18. <u>Nondiscrimination</u>. In the performance of this Agreement, Tenant shall comply with all applicable federal, Tenant and local laws, rules and regulations regarding nondiscrimination in employment because of race, color, ancestry, national origin, religion, sex, sexual orientation, marital status, age, medical condition or disability.
 - 19. <u>Transfer and Assignment</u>
 - 19.1 Restricted Transfers.
- 19.1.1 <u>Consent Required; Definition of "Transfer"</u>. Except as provided in <u>Subsection 19.5.2</u>, Tenant may not assign or sublet this Agreement to another party without the prior written consent of Landlord, which may be withheld or conditioned. A "transfer" consists of any of the following, whether voluntary, involuntary, operation of law, or otherwise:
- (a) Any assignment, mortgage, pledge, encumbrance, or other transfer of any interest in this Agreement;
- (b) Any sublease or occupancy of any portion of the Premises by any persons other than Tenant and its employees, including, without limitation, any co-location agreements with other carriers; and
- (c) Any of the changes (e.g., a change of ownership or reorganization) included in the definition of Transfer in Subsection 19.5.1.

Any person to whom any Transfer is made or sought to be made is a "Transferee."

19.1.2 <u>Landlord's Remedies</u>. If a Transfer fails to comply with this <u>Article 19</u>, Landlord may, at its option, declare Tenant in default if Tenant fails or refuses to rescind or revoke the Transfer within thirty (30) days of written notice to Tenant from Landlord.

19.2 Transfer Procedure.

- 19.2.1 <u>Transfer Notice</u>. Before entering into or permitting any Transfer, Tenant shall provide to Landlord a written "Transfer Notice" at least sixty (60) days before the proposed effective date of the Transfer. The Transfer Notice shall include all of the following:
- (a) Information regarding the proposed Transferee, including the name, address, and ownership of Transferee; the nature of Transferee's business; and Transferee's current financial

statements (certified by Transferee, or, if Transferee is a corporation, partnership, or sole proprietorship, by an officer, a partner, or the owner of Transferee);

- (b) All the terms of the proposed Transfer, including the consideration payable by Transferee; the portion of the Premises that is subject to the Transfer ("Subject Space"); a general description of any planned alterations or improvements, if any, to the Subject Space; the proposed use of the Subject Space; the effective date of the Transfer; and a copy of all documentation concerning the proposed Transfer;
 - (c) Any other information or documentation reasonably requested by Landlord; and
 - (d) An executed estoppel certificate from Tenant in a form acceptable to Landlord.
- 19.2.2 Application Fee; Transfer Fee. As a condition to the effectiveness of the Transfer Notice, Tenant shall, when providing a Transfer Notice, except as to the provision of Section 19.1.1 (b), pay Five Thousand Dollars (\$5,000.00) to Landlord for all Landlord expenses associated with the proposed transfer. In addition, within thirty (30) days after Landlord's written request, Tenant shall pay as additional rent the actual amount of any reasonable legal and administrative fees that Landlord incurs in reviewing and processing the Transfer Notice, as well as the cost of an appraisal where required in Landlord's reasonable determination in order to approve the Transfer ("Transfer Fee"). Tenant shall pay the Transfer Fee whether or not Landlord consents to the Transfer.
- 19.2.3 <u>Limits of Consent</u>. If Landlord consents to any Transfer, the following limits apply:
- (a) Landlord does not agree to waive or modify the terms and conditions of this Agreement.
- (b) Landlord does not, by consenting to the instant Transfer, thereby consent to any further Transfer by either Tenant or Transferee.
- (c) Tenant remains liable under this Agreement, and any guarantor of the Agreement remains liable under the guaranty.
- (d) Tenant may enter into that Transfer in accordance with this <u>Article 19</u> if: (1) the Transfer occurs within six (6) months after Landlord's consent; (2) the Transfer is on substantially the same terms as specified in the Transfer Notice; and (3) Tenant delivers to Landlord, promptly after execution, an original, executed copy of all documentation pertaining to the Transfer in a form reasonably acceptable to Landlord (including Transferee's lease to be subject and subordinate to the Agreement and to assume Tenants obligations under the Agreement to the extent applicable to the Subject Space).

19.3 <u>Landlord's Consent.</u>

19.3.1 <u>Reasonable Consent</u>. Landlord may not unreasonably withhold its consent to any proposed Transfer that complies with this <u>Article 19</u>. Reasonable grounds for denying consent include any of the following:

- (a) Transferee's credit history;
- (b) Transferee's intended use of the Premises is: (i) inconsistent with the permitted use or (ii) will materially and adversely affect Landlord's interests;
- (c) Transferee's financial condition is or may be inadequate to support the Agreement obligations of Transferee under the Transfer documents;
- (d) The Transfer would cause Landlord to violate another lease or agreement to which Landlord or the Sonoma County Fair & Exposition, Inc. is a party.
- 19.3.2 <u>Landlord's Written Response</u>. Within a reasonable time, but not more than sixty (60) days after receipt of a Transfer Notice that complies with <u>Subsection 19.2.1</u>, Landlord shall approve or disapprove the proposed Transfer in writing. In the event Landlord does not approve the proposed Transfer, Landlord shall state in writing all of its reasons for not approving the Transfer.
- 19.3.3 <u>Landlord's Indemnity</u>. Tenant shall indemnify, defend, and hold harmless Landlord from and against all claims by any third party (including the proposed Transferee) arising out of the Landlord's consideration and/or procedure involved in any consent to a Transfer.
- 19.4 <u>Right to Collect Rent</u>. If this Agreement is assigned, Landlord shall collect Rent directly from Transferee. If all or part of the Premises is subleased and Tenant defaults, Landlord may collect Rent directly from Transferee. Landlord may then apply the amount collected from Transferee to Tenant's monetary obligations under this Agreement. Collecting Rent from a Transferee or applying that Rent to Tenant's monetary obligations does not waive any of the provisions of this Article 19 nor relieve Tenant from any obligations under this Agreement.
 - 19.5 Transfers of Ownership Interests and Other Organizational Changes.
 - 19.5.1 Intentionally Omitted.
- 19.5.2 <u>Transfer to Affiliate</u>. Notwithstanding anything to the contrary in this <u>Article 19</u>, this Agreement may be sold, assigned or transferred by Tenant without any approval or consent of Landlord or any of the requirements in this <u>Article 19</u>, (i) to any entity that controls, is controlled by or is under common control with Tenant, or (ii) to any entity which acquires all or substantially all of Tenant's assets in the market defined by the Federal Communications Commission in which Landlord's Real Property is located by reason of a merger, acquisition or other business reorganization.
 - 19.5.3 (Intentionally Omitted.)
 - 19.6 Encumbrance of Leasehold. Tenant shall not encumber the leasehold estate.
 - 20. Termination; Defaults and Remedies.

- 20.1 <u>Termination by Landlord for Default</u>. Each provision of this Agreement shall be deemed a condition of the right of Tenant's right to use or continue to occupy the Premises. Without limiting the foregoing, the occurrence of any of the following shall constitute a default by Tenant under this Lease:
 - (a) Tenant's failure to pay when due any Rent required to be paid under this Agreement if the failure continues for fifteen (15) days after written notice of the failure from Landlord to Tenant;
 - (b) Tenant's failure to perform any other obligation under this Agreement if, for thirty (30) days after written notice of the failure from Landlord to Tenant, Tenant fails to commence in good faith to perform such obligation;
 - (c) Tenant's abandonment of the Premises, including Tenant's absence from the Premises for one hundred eighty (180) consecutive days; and
 - (d) To the extent permitted by law: (1) a general assignment by Tenant or any guarantor of the Tenant for the benefit of creditors; (2) the filing by or against Tenant, or any guarantor, of any proceeding under an insolvency or bankruptcy law, unless (the case of an involuntary proceeding) the proceeding is dismissed within one hundred eighty (180) days; (3) the appointment of a trustee or receiver to take possession of all or substantially all of the assets of Tenant or any guarantor, unless possession is unconditionally restored to Tenant or that guarantor within ninety (90) days and the trusteeship or receivership is dissolved; or (4) any execution or other judicially authorized seizure of all or substantially all the assets of Tenant located on the Premises, or of Tenant's interest in this Agreement, unless that seizure is discharged within ninety (90) days.
- 20.2 <u>Relocation or Termination by Landlord for Other Use.</u> In the event that the Premises are needed for another purpose, which determination may be made by Landlord at Landlord's sole discretion. Landlord on one (1) occasion, but only after the Initial Term, may relocate Tenant to another location on Landlord's Real Property (herein referred to as the "Alternate Property"), provided:
 - (a) The Alternate Property is similar to Tenant's current Premises in size and is compatible for Tenant's use in Tenant's reasonable discretion;
 - (b) Landlord shall pay all costs incurred by Tenant for relocating Tenant's equipment from the Premises to a mutually agreeable site and improving the Alternate Property so that the Alternate Property is substantially similar to the original Premises, including all costs incurred to obtain all of the certificates, permits and other approvals that may be required by any federal, state or local authorities as well as any satisfactory soil boring tests which will permit Tenant use of the Alternate Property;
 - (c) Landlord shall give Tenant at least twenty-four (24) months written notice before requiring Tenant to relocate; and

(d) Tenant's service will not be interrupted and Tenant shall be allowed if necessary to place a temporary cell site and antenna structure on Landlord's Real Property during relocation.

Tenant may request relocation of the Premises to another portion of Landlord's Real Property, however Landlord shall have no obligation to relocate Tenant based on Tenant's request. If within the twenty-four (24) month period, the Parties cannot agree on the Alternate Property or a satisfactory Alternate Property is not available, Landlord may terminate the Agreement. Landlord's termination pursuant to this <u>Section 20.2</u> shall require twelve (12) months prior written notice to Tenant and documentation evidencing the conflicting use requiring the termination.

20.3 Termination by Tenant.

- (a) <u>Termination by Tenant for Cause</u>. After expiration of the Initial Term, Tenant may terminate this Agreement without further liability to Landlord only if Tenant's license from the Federal Communications Commission is revoked.
- (b) Tenant's Right to Terminate Without Cause. After expiration of the Initial Term, Tenant may terminate this Lease at any time and for any reason whatsoever by providing at least one hundred eighty (180) days' prior written notice ("Termination Notice") of such termination to Landlord and by paying an amount equal to the Rent that would be paid to Landlord for the balance of the then-current Renewal Term ("Termination Fee"). Tenant's Termination Notice shall be valid only if tendered concurrently with the proper Termination Fee.
- 20.4 Opportunity to Cure; Termination for Default. Notwithstanding anything stated to the contrary herein, if either party fails to perform any provision of this Agreement at the time and in the manner herein provided, the other party may provide written notice of the failure. If the failure continues for more than thirty (30) days after service of the written notice of the failure, then the noticing party may, at its option, terminate this Agreement upon thirty (30) days' written notice to the other party. If more than thirty (30) calendar days are reasonably required because of the nature of the default, notice of termination may only be given if the nonperforming party fails to commence work to cure the default within thirty (30) calendar days of the written notice or thereafter fails to diligently pursue such work to completion. This right to terminate for default shall be cumulative to any other legal right or remedy available.
- 21. <u>Tenant to Act in Independent Capacity</u>. Tenant, its officers, agents, and employees shall act in an independent capacity and shall not represent themselves to be or be construed to be officers, agents, or employees of Landlord.
- 22. <u>Notice</u>. Any notice required or permitted under this Agreement shall be in writing. Delivery of such written notice shall be conclusively taken as sufficiently given forty-eight (48) hours after deposit in the United States Mail, registered or certified, return receipt requested, with the postage thereon fully prepaid, addressed as follows:

If to Landlord or Fair:

Real Estate Manager County of Sonoma 2300 County Center Drive, Suite A220

Santa Rosa, CA 95403

With a copy to: Rebecca Bartling

Chief Executive Officer Sonoma County Event Center

Sonoma County Fair 1350 Bennett Valley Road Santa Rosa, CA 95404

With a copy to: County of Sonoma

Office of the County Counsel

575 Administration Drive, Rm. 105A

Santa Rosa, California 95403

If to Tenant: GTE Mobilnet of California Limited Partnership

d/b/a Verizon Wireless

180 Washington Valley Road Bedminster, New Jersey 07921 Attention: Network Real Estate Site: Santa Rosa Fairgrounds

Notice of change of address, telephone or fax number shall be given by thirty (30) days prior written notice in the manner described in this <u>Article 22</u>. Tenant is obligated to notify all Landlord and Fair offices listed above and the failure to provide notice to all Landlord and Fair offices will be deemed to constitute a lack of notice. Either party may at any time change its address for notices by giving written notice of such change to the other party in the manner provided in this <u>Article 22</u>.

- 23. Replacement of Statutory Notice Requirements. When this Agreement requires service of a notice, that notice shall replace rather than supplement any equivalent or similar statutory notice, including any notices required by Code of Civil Procedure Section 1161 or any similar or successor statute. When a statute requires service of a notice in a particular manner, service of that notice (or a similar notice required by this Agreement) in the manner required by Article 22 shall replace and satisfy the statutory service-of-notice procedures, including those required by code of Civil Procedure Section 1162 or any similar or successor statute.
- 24. <u>No Continuing Waiver</u>. The waiver by Landlord of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition or any subsequent breach of the same or any other term, covenant or condition herein contained. The subsequent acceptance of rent hereunder by Landlord shall not be deemed to be a waiver of any preceding breach by Tenant of any term, covenant or condition of this Agreement, other than failure of Tenant to pay the particular rental so accepted, regardless of Landlord's knowledge of such preceding breach at the time of acceptance of such rent.

25. Hazardous Materials

- 25.1 Tenant shall not cause or permit any Hazardous Materials (as hereinafter defined) to be brought upon, kept or used in or about the Premises or Landlord's Real Property by Tenant, its agents employees, contractors or invitees, without the prior written consent of Landlord, which Landlord shall not unreasonably withhold as long as Tenant demonstrates to Landlord's reasonable satisfaction that such Hazardous Materials: (1) are necessary or useful to Tenant's business and will be used, kept and stored in a manner that complies with all laws, statutes, ordinances, rules, regulations, orders, requirements, and policies of any and all governmental agencies and authorities and any fire insurance underwriters applicable to any such Hazardous Materials ("Hazardous Materials Laws") and (2) do not otherwise, due to the quantity, nature or use of such Hazardous Materials, substantially and unreasonably increase the risk of pollution, fire, or other Casualty to the Premises or Landlord's Real Property.
- 25.2 To the extent any Hazardous Materials are used or kept by Tenant, or are present in or on the Premises or Landlord's Real Property as a result of Tenant's actions after the Commencement Date, Tenant shall ensure that all such Hazardous Materials, and all uses thereof, are in full compliance with all Hazardous Materials Laws.
- If Tenant breaches the obligations stated in this Article 25 or if the Tenant's Hazardous Materials on or about the Premises or Landlord's Real Property after the Commencement Date results in contamination of the Premises or Landlord's Real Property, then Tenant shall indemnify, defend (with counsel approved by Landlord) and hold Landlord harmless from and against any and all claims, judgments, damages, penalties, fines, costs, liabilities and losses (including, without limitation, diminution in value of the Landlord's Real Property, damages for the loss or restriction on use of rentable or usable space or of any amenity of Landlord's Real Property, damages arising from any adverse impact on marketing of space in Landlord's Real Property, and sums paid in settlement of claims, attorneys' fees, consultant fees and expert fees) to the extent the same arise during or after the Term of this Agreement, as a result of Hazardous Materials used or kept by Tenant, or Hazardous Materials present in or on the Premises or Landlord's Real Property as a result of Tenant's acts or omissions, and such have presented a contamination, discharge, or release, but excluding liability due to the negligence or willful misconduct of Landlord, or unrelated third-parties. This indemnification of Landlord by Tenant includes, without limitation, costs incurred in connection with any investigation of site conditions or any cleanup, remedial, removal or restoration work required by any federal, state or local governmental agency or political subdivision to the extent required because of Tenant's Hazardous Materials in, on or under the Premises or Landlord's Real Property. Without limiting the foregoing, if Tenant's Hazardous Materials present in or on the Premises on or after the Commencement Date which result in any contamination of the Premises, or otherwise results in the release or discharge of Hazardous Materials on, under, or from the Premises, then to the extent caused by Tenant, Tenant, at its sole expense, shall promptly take all actions required by any governmental agency having jurisdiction over the Premises for the cleanup and/or remediation of any contamination to the extent caused by Tenant. Upon termination of this Agreement, Tenant shall surrender the Premises to Landlord free of Hazardous Materials to the extent required by any governmental agency having jurisdiction over the Premises. This indemnification shall survive the termination or expiration of this Agreement.
- 25.4 As used herein, the term "Hazardous Materials" includes, without limitation, any pollutant, flammable explosives, radioactive materials, hazardous materials, hazardous wastes,

hazardous or toxic substances, or related materials defined or designated in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 U.S.C §9601 *et seq.*), the Hazardous Materials Transportation Act, as amended (49 U.S.C. §1801 et seq.), the Resource Conservation and Recovery Act of 1976, as amended (42 U.S.C. §6901 *et seq.*), Sections 307, 311, or 502 of the Federal Water Pollution Control Act (33 USC §1317, §1321, and §1362); Sections 25115, 25117, 25122.7, 25141, 25316, or 25501 of the California Health and Safety Code, and in the regulations adopted and publications promulgated pursuant to them, or any other federal, State, or local environmental laws, ordinances, rules, or regulations concerning the environment, industrial hygiene or public health or safety now in effect or enacted after this date.

26. Damage or Destruction

- 26.1 <u>Damages from Certain Causes</u>. Neither party shall be liable to the other for any direct, indirect, or consequential damage (including but not limited to lost profits or loss of or interference with business), occasioned by theft, vandalism, fire, earthquake, act of God, public enemy, injunction, riot, strike, insurrection, war, court order, requisition or any order of a governmental body or authority.
- Damage by Casualty; Landlord's Obligation to Rebuild. In the event that the 26.2 Premises, as defined in Article 2 herein, are damaged by fire, earthquake, or other identifiable event of a sudden, unexpected, or unusual nature ("Casualty") not due to negligence of Tenant, which Casualty renders the Premises substantially unfit for occupancy by Tenant for the normal conduct of its permitted use therein, then Landlord shall have the election of either rebuilding, repairing or restoring the Premises (not including the Antenna Facilities) or terminating this Agreement as of the date of such damage or destruction by giving Tenant written notice of termination within sixty (60) days after the event of such Casualty, which termination shall be effective immediately. In the event Landlord elects to rebuild, repair or restore the Premises, it shall do so at its own cost and expense. Landlord shall use all reasonable efforts to obtain all permits and approvals necessary for such restoration as diligently as is reasonably possible, and promptly after receiving all permits and approval necessary for such restoration, shall rebuild, repair or restore the Premises to substantially the same or better condition as existed immediately prior to the occurrence of the Casualty. Landlord shall notify Tenant of its election to repair the Premises or terminate this Agreement within sixty (60) days after the event of such damage or destruction. If Landlord anticipates the repair period will exceed 270 days from the date of commencement of such repairs, Landlord shall issue a Repair Period Notice to Tenant. In such event, Tenant may elect to terminate this Agreement by providing written notice to Landlord within ten (10) days after receiving the Repair Period Notice from Landlord, provided Tenant is not then in default under this Agreement. If Tenant does not elect to terminate within this 10-day period, Tenant shall be considered to have waived the option to terminate for the purposes of Sections 26.2 and 26.3. Landlord's obligations under this Section shall in any event be limited to reflect the then current status of Building Code, zoning, environmental, and other applicable laws. If Landlord elects to terminate this Agreement, all rights and obligations of the parties which do not survive the termination of this Agreement shall cease as of the date of Landlord's termination notice.

- 26.3 <u>Damage by Casualty; Tenant's Option to Rebuild.</u> If, during the Term of this Agreement, Tenant's Antenna Facilities are damaged or destroyed by Casualty, Tenant shall, at its sole cost and expense, repair, restore, or rebuild the same in accordance with any plans and specifications first approved in writing by Landlord after receiving all necessary third-party approvals. All insurance proceeds collected for such damage or destruction shall be applied to the costs of such repairs and, if such insurance proceeds shall be insufficient for such purposes, Tenant shall make up the deficiency out of its funds. In the event Tenant determines it is commercially infeasible to repair or restore the Antenna Facilities, it may elect to terminate this Agreement upon providing Landlord sixty (60) days written notice to Landlord, subject to all termination conditions of this Agreement, including <u>Article 11</u>. The failure or refusal of Tenant to make the repairs or provide notice of its intention to terminate this Agreement as provided for herein shall constitute a default under this Agreement and Landlord may, at its option, terminate this Agreement.
- 26.4 <u>Procedure</u>. All construction work to be done under this <u>Article 26</u> will be done in a good and workmanlike manner in accordance with applicable laws and zoning, the requirements of applicable insurance policies and applicable building codes.
- 26.5 Payment Abatement. In the event that Landlord and Tenant agree that the Casualty was not the result of the negligence or willful misconduct of Tenant or Tenant's employees, contractors, licensee or invitees, and provided that Tenant is not then in default (after notice and the expiration of applicable cure periods) under this Agreement, then, during any period during which any part of the Premises is rendered substantially unfit for operation of Tenant's normal business therein and that condition results from the Casualty, the monthly rental payment and other charges hereunder shall be equitably abated in proportion to the effect of the Premises' condition on the usual conduct of business by the Tenant therein. Such abatement, if any, shall commence upon the later of (a) the date of the Casualty or (b) the date on which Tenant ceases to operate the Premises, and shall end upon such time as Landlord substantially completes its restoration obligations, as provided in this Article 26.
- 26.6 <u>Nontermination and Nonabatement</u>. Except as provided herein, no destruction or damage to the Premises or Landlord's Real Property by fire, windstorm, or other Casualty, whether insured or uninsured, shall entitle Tenant to any rental abatement or to terminate this Agreement. Landlord and Tenant waive the provisions of any statutes that relate to termination of leases when Premises is destroyed and agree that such event shall be governed by the terms of this Agreement.
- 27. <u>Landlord Warranties</u>. Landlord represents and warrants to Tenant that as of the date of this Agreement Landlord has full right, power and authority to enter into this Agreement and perform under it. Upon the Commencement date, and subject to Tenant's compliance with all terms and conditions hereunder, Tenant shall have quiet possession of the Premises for the Term of the Agreement.
- 28. <u>Recording</u>. If a Memorandum of Agreement is recorded, a Release and Quitclaim must be filed within 30 days of termination or expiration of this Agreement or Tenant will be responsible for all costs related to a Quiet Title action.

29. <u>Condemnation</u>. If a condemning authority takes all of Landlord's Real Property, or a portion, which in Tenant's reasonable opinion is sufficient to render the Premises unsuitable for Tenant's ongoing operation of a telecommunications site upon the Premises, then this Agreement shall terminate as of the date when possession is delivered to the condemning authority. In any condemnation proceeding, each party shall be entitled to make a claim against the condemning authority for just compensation recoverable under applicable condemnation law. Sale of all or part of the Premises to a purchaser with the power of eminent domain shall be treated as a taking by a condemning authority.

30. General Provisions

- 30.1 <u>Time of Essence</u>. Time is and shall be of the essence of this Agreement and of each and every provision contained in this Agreement.
- 30.2 <u>Binding Effect; Choice of Law.</u> This Agreement shall be binding upon and inure to the benefit of the parties, their personal representatives, successors, and assigns. This Agreement shall be governed by the laws of the State of California and any action to enforce the terms of this Agreement or for the breach thereof shall be brought and tried in the County of Sonoma.
- 30.3 <u>Attorneys' Fees</u>. If either party undertakes litigation or arbitration against the other party arising out of or in connection with this Agreement, the prevailing party shall be entitled to recover from the other party reasonable attorney fees, arbitration costs, and court costs incurred. The prevailing party shall be determined under Civil Code Section 1717(b)(1) or any successor statute.
- 30.4 <u>Amount Due Payable in U.S. Money</u>. All sums payable under this Agreement must be paid in lawful money of the United States of America.
- 30.5 <u>No Third Party Beneficiaries</u>. Nothing contained in this Agreement shall be construed to create and the parties do not intend to create any rights in third parties.
- 30.6 <u>Successors</u>. Subject to the provisions of this Agreement on assignment and subletting, each and all of the covenants and conditions of this Agreement shall be binding on and shall inure to the benefit of the heirs, successors, executors, administrators, assigns and personal representatives of the respective parties.
- 30.7 <u>Construction of Agreement; Severability.</u> To the extent allowed by law, the provisions in this Agreement shall be construed and given effect in a manner that avoids any violation of statute, regulation, or law. Landlord and Tenant agree that in the event any provision in this Agreement is held to be invalid or void by any court of competent jurisdiction, the invalidity of any such provision shall in no way affect any other provision in this Agreement. Tenant and Landlord acknowledge that they have each contributed to the making of this Agreement and that, in the event of a dispute over the interpretation of this Agreement, the language of this Agreement will not be construed against one party in favor of the other. Tenant

and Landlord further acknowledge that they have each had an adequate opportunity to consult with counsel in the negotiation and preparation of this Agreement.

- 30.8 <u>Relationship</u>. The parties intend by this Agreement to establish the relationship of landlord and tenant only, and do not intend to create a partnership, joint venture, joint enterprise, or any business relationship other than that of landlord and tenant.
- 30.9 <u>Captions</u>. The captions in this Agreement are for convenience only and are not a part of this Agreement. The captions do not in any way limit or amplify the provisions hereof, and shall have no effect upon the construction or interpretation of any part hereof.
- 30.10 <u>Counterparts</u>. This Agreement may be executed in more than one counterpart, each of which when so executed shall be deemed an original, but all such counterparts shall together constitute but one and the same instrument. This Agreement may also be executed by delivery by fax to the Parties set forth above of an executed counterpart original of this Agreement. The Parties shall thereafter exchange the original documents bearing original signatures, but the failure to do so shall not affect the enforceability of this Agreement.
 - 30.11 Survival. This Agreement shall survive the sale or transfer of the Property.

LANDLORD AND TENANT HAVE CAREFULLY READ AND CONSIDERED THE TERMS AND CONDITIONS SET FORTH IN THIS AGREEMENT AND HEREBY AGREE THAT LANDLORD AND TENANT, RESPECTIVELY, SHALL BE BOUND BY ALL SAID TERMS AND CONDITIONS.

[Signatures appear on following page]

IN WITNESS WHEREOF, the parties hereto have set their hands and affixed their respective seals the day and year first above written.

| LANDLORD: | TENANT: |
|--|---|
| County of Sonoma, a political subdivision of the State of California | GTE Mobilnet of California Limited Partnership, dba Verizon Wireless |
| By: | By: Cellco Partnership, its General Partner |
| Name: | |
| Title: | By: |
| Date: | Name: |
| Date: | Title: |
| | Date: |

Exhibit A

Legal Description of Property

[pending]

Exhibit B

Depiction of Premises

(See attached)

Exhibit C

Rules and Regulations

- 1. Tenant shall not use the Premises for any purpose not expressly permitted by this Agreement.
- 2. Tenant shall not create, cause, maintain or permit the Premises to be used for any unlawful purpose.
- 3. Tenant shall not do or permit to be done anything in any manner which unreasonably disturbs other lawful users of Landlord's Real Property existing on the Commencement Date, or the occupants of neighboring property. Specifically, and without limiting the above, Tenant agrees not to cause any unlawful odors, noise, vibration, power emissions, or other item to emanate from the Premises.
- 4. Tenant shall maintain the Premises, including all improvements and equipment thereon, in good, clean and safe condition, free of debris, graffiti and hazards.
- 5. No materials or articles of any nature shall be stored upon any portion of the Landlord's Real Property outside the Premises.
- 6. No sign, billboard, placard, banner or like display, except as required by the Federal Communications Commission or other applicable laws, shall be installed on or about the Premises without the written consent of Landlord, which consent shall not be unreasonably, withheld conditioned or delayed. Landlord shall have the right to remove any such sign, placard, name or notice installed without Landlord's consent (unless excepted from such consent requirement), at Tenant's reasonable expense, after reasonable notice to Tenant.
- 7. Access roads shall not be obstructed by Tenant or used for any purpose other than for ingress to and egress from the Premises, and utilities.
- 8. All gates and doors shall be left locked when the Premises are not in use.
- 9. Tenant further agrees that no trees will be damaged and/or removed in association with the permitted uses of the Premises, without Landlord's prior written consent, which consent shall not be unreasonably withheld, conditioned, or delayed. Tenant shall use commercially reasonable effort to minimize the trimming of trees.

Exhibit D

Insurance Requirements

Lessee shall maintain and require its subcontractors and agents to maintain, during the term of this Lease or any extensions of the term, insurance as described below unless such insurance has been expressly waived by the attachment of a *Waiver of Insurance Requirements*.

Failure to demand evidence of full compliance with the insurance requirements set forth in this Lease or failure to identify any insurance deficiency shall not relieve Lessee from, nor be construed or deemed a waiver of, its obligation to maintain the required insurance at all times during the term of this Lease.

1. Workers Compensation and Employers Liability Insurance

- a. Required if Lessee has employees.
- **b.** Workers Compensation insurance with statutory limits as required by the Labor Code of the State of California.
- **c.** Employers Liability with limits of \$1,000,000 per Accident; \$1,000,000 Disease per employee; \$1,000,000 Disease per policy.
- **d.** The policy shall include a written waiver of the insurer's right to subrogate against County.
- **e.** Required Evidence of Insurance:
 - i. Blanket Subrogation waiver endorsement, and
 - ii. Certificate of Insurance

If Lessee currently has no employees, Lessee agrees to obtain the above-specified Workers Compensation and Employers Liability insurance should any employees be engaged during the term of this Lease or any extensions of the term.

2. General Liability Insurance

- a. Commercial General Liability Insurance on a standard occurrence form.
- **b.** Limits: \$1,000,000 per Occurrence; \$2,000,000 General Aggregate. The required limits may be provided by a combination of General Liability Insurance and Commercial Umbrella Liability Insurance.
- **c.** Lessee is responsible for any deductible or self-insured retention.
- **d.** The County of Sonoma and the Sonoma County Fair and Exposition, Inc., and their officers, and employees shall both be included as additional insureds as their interests may appear under this Agreement for liability arising out the ownership, maintenance or use of that part of the premises leased to Lessee.
- **e.** The insurance provided to the additional insureds shall be primary to, and non-contributory with, any insurance or self-insurance program maintained by them.
- **f.** The policy shall cover inter-insured suits between County and Lessee and include a "separation of insureds" or "severability" clause which treats each insured separately.
- g. Required Evidence of Insurance
 - i. Copy of the blanket additional insured endorsement or policy language granting additional insured status, and
 - ii. Certificate of Insurance.

3. Property Insurance for Business Personal Property and Tenants Improvements

(Required only during the Post-Construction Period)

- **a.** Property insurance on a "special form" or "all risks" basis.
- **b.** Limit: the full current combined replacement cost of Lessee's Business Personal Property and Lessee's improvements.
- **c.** The insurance shall apply on a replacement cost basis, without deduction for depreciation.
- **d.** Lessee is responsible for any deductible or self-insured retention.
- **e.** <u>Required Evidence of Insurance:</u> Certificate of Property Insurance or Evidence of Commercial Property Insurance.

4. Automobile Liability Insurance

- **a.** Limit: \$1,000,000 combined single limit per accident.
- **b.** Insurance shall apply to all owned autos. If Lessee currently owns no autos, Lessee agrees to obtain such insurance should any autos be acquired during the term of this Lease or any extensions of the term.
- **c.** Insurance shall apply to hired and non-owned autos.
- d. Required Evidence of Insurance: Certificate of Insurance

5. Pollution Liability Insurance

- a. Limits: \$1,000,000 per pollution Incident; \$1,000,000 Aggregate.
- **b.** Lessee is responsible for any deductible or self-insured retention.
- **c.** If the insurance is on a Claims-Made basis, the retroactive date shall be no later than the commencement of work.
- **d.** Insurance shall be continued for three (3) years after the expiration or earlier termination of this Lease. If the insurance is on a Claims-Made basis, the continuation Insurance may be provided by: (a) renewal of the existing policy; (b) an extended reporting period endorsement; or (c) replacement insurance with a retroactive date no later than the Commencement Date of this Lease.
- e. The County of Sonoma and the Sonoma County Fair and Exposition, Inc., shall both be additional insureds as their interests may appear under this Agreement for liability arising out of the ownership, maintenance or use of the Premises. The foregoing shall continue to be additional insureds for three (3) years after the expiration or earlier termination of this Lease.
- **f.** Required Evidence of Insurance
 - i. Copy of the blanket additional insured endorsement or policy language granting additional insured status, and
 - ii. If claims-made, the Certificate shall show the policy retroactive date.
 - **iii.** Copy of the blanket endorsement or policy language indicating that coverage is primary and non-contributory; and
 - **iv.** Certificate of Insurance including an indication of the coverage basis: occurrence or claims-made.

6. Standards for Insurance Companies

Insurers, other than the California State Compensation Insurance Fund, shall have an A.M. Best's rating of at least A-:VII.

7. Documentation

- **a.** The Certificate of Insurance must include the following reference: <u>Fairgrounds Verizon</u> <u>Telecommunications Site Lease</u>.
- **b.** All required Evidence of Insurance shall be submitted prior to the Commencement Date of this Lease. Lessee agrees to maintain current Evidence of Insurance on file with County for the required period of insurance.
- c. The name and address for Certificates of Insurance is: 1350 Bennett Valley Rd, Santa Rosa, CA 95404, with copy to County Counsel, 575 Administration Dr # 105A, Santa Rosa, CA 95403.
- **d.** Required Evidence of Insurance shall be submitted for any renewal or replacement of a policy that already exists, within ten (10) days after expiration or other termination of the existing policy.
- **e.** Upon notice form its insurer(s), Lessee shall use commercially reasonable efforts to provide Landlord thirty (30) days advance written notice of cancellation or non-renewal.

8. Policy Obligations

Lessee's indemnity and other obligations shall not be limited by the foregoing insurance requirements.

9. Material Breach

If Lessee fails to maintain insurance which is required pursuant to this Lease, it shall be deemed a material breach of this Lease. County, at its sole option, may terminate this Lease and obtain damages from Lessee resulting from said breach. These remedies shall be in addition to any other remedies available to County.

Exhibit E

Form of Restoration Bond

SITE RESTORATION PERFORMANCE BOND

KNOW ALL PERSONS BY THESE PRESENTS, THAT WE, GTE Mobilnet of California, a California limited partnership, dba Verizon Wireless (hereinafter referred to as the "Principal") and Surety(ies) hereto are firmly bound to the County of Sonoma (hereinafter called "County"), in the penal sum of Two-hundred fifty thousand dollars (\$250,000) for the payment of which we bind ourselves, our heirs, executors, administrators, successors, and assigns jointly and severally, provided that, where the Surety(ies) are corporations acting as co-sureties, we, the Sureties, bind ourselves in such sum "jointly and severally" only for the purpose of allowing a joint action or actions against any or all of us, and for all other purposes each Surety binds itself, jointly and severally with the Principal, for the payment of such sum only as is set forth opposite the name of such surety, but if no limit of liability is indicated, the limit of liability shall be the full amount of the penal sum.

WHEREAS said Principal is required, under that certain Telecommunications Lease Agreement entered into by and between itself and County on (date)______ ("Lease"), to post and maintain this restoration bond to ensure the premises let to the Principal are fully restored as required by the Lease upon the expiration or termination of the Lease, and

NOW THEREFORE, the conditions of the obligation are such that if the Principal shall faithfully perform all restorative work which this bond guarantees, in accordance with the Lease as it may be amended from time to time, and pursuant to all applicable laws, statutes, rules, and regulations, as such laws, statutes, rules, and regulations may be amended, then this obligation shall be null and void. Otherwise, it is to remain in full force and effect.

The Surety(ies) shall become liable on this bond obligation only when the Principal has failed to fulfill the conditions described above.

Upon notification by County that the Principal has been found in violation of the site restoration requirements which this bond guarantees shall be performed, the Surety(ies) shall

either perform the required restoration work in accordance with the Lease and applicable permit requirements, or remit to the County the penal sum guaranteed by this bond.

The Surety(ies) hereby waive(s) notification of amendments to the Lease, permits, applicable laws, statutes, rules, and regulations and agrees that no such amendment shall in any way alleviate its (their) obligation on this bond.

The liability of the Surety(ies) shall not be discharged by any payment or succession of payments hereunder, unless and until such payment or payments shall amount in the aggregate to the penal sum of the bond, but in no event shall the obligation of the Surety(ies) hereunder exceed the amount of said penal sum.

Principal and Surety(ies) hereby agree to adjust the penal sum of the bond as often as yearly so that it guarantees additional funds as may be necessary to ensure performance of the obligations herein described, provided the penal sum does not increase by more than 20 percent in any one year, and no decrease in the penal sum takes place without written permission from the County.

IN WITNESS WHEREOF, the Principal and Surety(ies) have executed this Restoration Performance Bond and have affixed their seals on the date set forth above.

| Principal Signature: | Corporate Surety(ies) Name: Arch Insurance Company |
|--|---|
| Typed or printed Name of Person Signing: | Address: Signature(s): |
| Title: Attorney-In-Fact Corporate Seal: | Typed or Printed Name of Person Signing: |
| | Title: State of Incorporation: Liability Limit: \$250,000 Bond Premium: Corporate Seal: |