



ADAM A. HOUSE  
Fire Chief

# Sacramento Metropolitan Fire District

10545 Armstrong Ave., Suite 200 · Mather, California 95655 · Phone (916) 859-4300 · Fax (916) 859-3700

## BOARD OF DIRECTORS - REGULAR MEETING AGENDA

Thursday, August 22, 2024 – 6:00 PM

Sacramento Metropolitan Fire District

10545 Armstrong Avenue

Board Room – Second Floor

Mather, California

&

Remotely Via Zoom

Webinar ID: 827 3461 0232 #

Passcode: metro2101

Phone: 1 (669) 444-9171 or 1 (669) 900 6833

 Passcode: 838771796 #

<https://us06web.zoom.us/j/82734610232?pwd=SFILQ1Znd25RSmlhdXZVQVh4d1VWZz09>

Grant Goold  
Board President  
Division 2

Ted Wood  
Board Vice President  
Division 4

Jennifer Sheetz  
Board Secretary  
Division 5

Cynthia Saylor  
Board Member  
Division 1

Robert Webber  
Board Member  
Division 3

D'Elman Clark  
Board Member  
Division 6

Brian Rice  
Board Member  
Division 7

Gay Jones  
Board Member  
Division 8

John Costa  
Board Member  
Division 9

*The mission of the Sacramento Metropolitan Fire District is to provide professional and compassionate protection, education and service to our community.*

The Public's health and well-being are the top priority for the Board of Directors of the Sacramento Metropolitan Fire District and you are urged to take all appropriate health safety precautions. **To view the meeting via the Zoom Application, please click on the link above.**

Members of the public seeking to attend and to address the Board who require reasonable accommodations to access the meeting, based on disability or other reasons, should contact the following person at least forty-eight (48) hours in advance of a Regular meeting to make arrangements for such reasonable accommodations:

Marni Rittburg  
Board Clerk  
(916) 859-4305

[rittburg.marni@metrofire.ca.gov](mailto:rittburg.marni@metrofire.ca.gov)

The Board will convene in open session at 6:00 p.m.

Serving Sacramento and Placer Counties



# Sacramento Metropolitan Fire District

10545 Armstrong Ave., Suite 200 · Mather, California 95655 · Phone (916) 859-4300 · Fax (916) 859-3700

REGULAR BOARD MEETING

THURSDAY, AUGUST 22, 2024

- CALL TO ORDER
- ROLL CALL
- PLEDGE TO FLAG

## METRO CABLE ANNOUNCEMENT:

This meeting of the Sacramento Metropolitan Fire District will be cablecast on Metro Cable 14, the local government affairs channel on the Comcast and AT&T U-Verse cable systems. This meeting is also webcast at [metro14live.saccounty.gov](http://metro14live.saccounty.gov). **Today's meeting replays at 2:00 p.m. on Sunday, August 25, 2024 and again at 6:00 p.m. on Monday, August 26, 2024, on Channel 14.** This meeting can also be viewed at [youtube.com/metrocable14](https://youtube.com/metrocable14).

## PUBLIC OPPORTUNITY TO DISCUSS MATTERS OF PUBLIC INTEREST WITHIN DISTRICT JURISDICTION INCLUDING ITEMS ON OR NOT ON AGENDA:

*The Board of Directors of the Sacramento Metropolitan Fire District appreciates and encourages public interest and welcomes questions and opinions at its meetings. Public members wishing to address the Board are requested to first be recognized by the presiding officer and identify themselves for the record. The presiding officer may, in the interest of time and good order, limit the number of public member presentations. Speakers' comments will be limited to **three (3) minutes** (Per Section 31 of the Board of Directors Policies and Procedures).*

*In accordance with Section 31 of the Board of Directors Policies and Procedures, members of the Public requesting their written comments be read into the meeting record must be present or have a representative present to read their comments during the time allotted.*

## CONSENT ITEMS:

*Matters of routine approval including but not limited to action summary minutes, referral of issues to committee, committee referrals to the full Board, items that require yearly approval, declaration of surplus equipment, and other consent matters. The Consent Agenda is acted upon as one unit unless a Board member requests separate discussion and/or action.*

## CONSENT ITEMS

Page No.

1. **Action Summary Minutes** 5  
**Recommendation:** Approve the Action Summary Minutes for the Regular Board Meeting of July 25, 2024.
2. **Adopt Resolution – Voluntary Rate Range Program (VRRP) with State of California Department of Health Care Services (DHCS) for Intergovernmental Transfers (IGT) from January 1, 2023 to December 31, 2023.** 10  
**Recommendation:** Adopt Resolution reauthorizing the Fire Chief to enter into the necessary agreements with DHCS to participate in the VRRP IGT reimbursement period covering January 1, 2023 through December 31, 2023.





# Sacramento Metropolitan Fire District

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REGULAR BOARD MEETING

THURSDAY, AUGUST 22, 2024

3. **Parking Lot Lease – 7629 Greenback Lane** **14**  
**Recommendation:** Authorize the Fire Chief or his designee to negotiate and execute a lease agreement materially similar to the attached.

## REPORTS:

1. **PRESIDENT'S REPORT** — *(President Goold)*
2. **FIRE CHIEF'S REPORT** — *(Chief House)*  
**OPERATIONS REPORT** – *(Deputy Chief Mitchell)*  
**ADMINISTRATIVE REPORT** – *(Out-of-Class Deputy Chief Johnson)*  
**SUPPORT SERVICES REPORT** – *(Assistant Chief Law)*
3. **SMFD – FIREFIGHTERS LOCAL 522 REPORT** – *(Captain Sean Scollard, Local 522 Vice President)*
4. **COMMITTEE AND DELEGATE REPORTS**  
*All Committee Meetings will be held at the Sacramento Metropolitan Fire District Board Room, 10545 Armstrong Avenue, Mather, California unless otherwise specified.*
  - A. **Executive Committee** – *(President Goold)*  
Next Meeting: TBD
  - B. **Communications Center JPA** – *(AC Greene)*  
Next Meeting: September 10, 2024 at 9:00 AM
  - C. **Finance and Audit Committee** – *(Director Jones)*  
Next Meeting: September 26, 2024 at 5:30 PM
  - D. **Policy Committee** – *(Director Costa)*  
Next Meeting: September 12, 2024 at 5:30 PM

## BOARD MEMBER QUESTIONS AND COMMENTS

## ADJOURNMENT

### NEXT BOARD MEETING(S):

*Unless specified differently, all meetings of the Board are held at Sacramento Metropolitan Fire District at 10545 Armstrong Avenue, Mather, CA*

- Regular Board Meeting –September 12, 2024 at 6:00 PM

**Posted on August 19, 2024, by 4:30 p.m.**



# Sacramento Metropolitan Fire District

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REGULAR BOARD MEETING

THURSDAY, AUGUST 22, 2024

*Marni Rittburg*

Marni Rittburg, CMC, CPMC  
Clerk of the Board

\*\* No written report

\*\*  Separate Attachment

### DISABILITY INFORMATION:

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Clerk of the Board at (916) 859-4305. Notification at least 48 hours prior to the meeting will enable the District to make reasonable arrangements to ensure accessibility to this meeting.



ADAM A. HOUSE  
Fire Chief

# Sacramento Metropolitan Fire District

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## ACTION SUMMARY MINUTES – REGULAR MEETING

### BOARD OF DIRECTORS SACRAMENTO METROPOLITAN FIRE DISTRICT

Thursday, July 25, 2024

Held at the following locations:

10545 Armstrong Avenue – Board Room

Mather, California

&

Remotely Via Zoom

### CALL TO ORDER

The meeting was called to order at 6:01 pm by Vice President Wood. Board members present: Clark, Goold, Jones, Rice, Saylor, Sheetz, Wood and Webber. Board members absent: Costa. Staff present: Chief House and Board Clerk Rittburg.

### PUBLIC COMMENTS

Public comment was received.

### CONSENT ITEMS

Moved by Director Jones, seconded by Clark and carried unanimously by members present to adopt the consent calendar as follows:

- 1. Action Summary Minutes**  
**Recommendation:** Approve the Action Summary Minutes for the Regular Board Meeting of June 27, 2024.  
**Action:** Adopted the Action Summary Minutes.
- 2. Purchase Approval – Five (5) Pierce Type 1 Engines**  
**Recommendation:** Approve the purchase of five (5) Pierce Type 1 Engines from Golden State Fire Apparatus utilizing HGACBuy contract number FS12-23 Model 23P-105.  
**Action:** Approved purchase.
- 3. Purchase Approval – Pierce 107' Ladder Truck**  
**Recommendation:** Approve the purchase of Pierce Ladder Truck from Golden State Fire Apparatus utilizing HGACBuy contract number FS12-23 Model 23A-105.  
**Action:** Approved purchase.



## ACTION ITEMS

### 1. **Adopt Resolution – Employer-Employee Relations**

*(Deputy Chief Ty Bailey)*

**Recommendation:** Adopt the updated Employer Employee Relations Resolution which will supersede Resolution No. 16 83/84.

**Action:** Moved by Director Webber, seconded by Sheetz, and carried unanimously by members present to adopt Employer-Employee Relations **Resolution 2024-103** superseding Resolution 16 83/84.

### 2. **Adopt Resolution – General Obligation Bond Measure**

*(Chief Development Officer Jeff Frye)*

**Recommendation:** Adopt Resolution ordering a General Obligation Bond Election, and authorizing necessary actions in connection therewith.

**Action:** Moved by Director Sheetz, seconded by Clark, and carried unanimously by members present to adopt **Resolution 2024-102** ordering a General Obligation Bond Election and authorizing necessary actions in connection therewith.

## REPORTS

### 1. **PRESIDENT'S REPORT - *(President Goold)***

President Goold stated that he and Chief House continue to discuss options to integrate our men and women in the military into our recruitment efforts in the future.

### 2. **FIRE CHIEF'S REPORT — *(Chief House)***

Good evening, President Goold, Directors, Colleagues, and Members of the Public.

My report will be brief this evening:

- Congratulations to Mark Siebert on his promotion to Logistics Manager, effective July 1st. Mark came to the podium to say a few words.
- Please join me in welcoming Nathan Nowaski who was hired as the Chief Pilot in the Operations Division, effective July 1st. Nathan came to the podium to introduce himself to the Board and provided his background.

### **OPERATIONS REPORT – *(Deputy Chief Mitchell)***

DC Mitchell introduced BC Tom Koscielny.

Tonight, for the Shift Commander Spotlight I'll be introducing Kyle Warne from our Dozer program.

Kyle has been with the program since 2016 and he provided a brief overview of the dozer program that started in 2006 and how the dozer was used on a recent incident.

### **ADMINISTRATIVE REPORT – *(Deputy Chief Bailey)***

No Report

## SUPPORT SERVICES REPORT – (Deputy Chief Wagaman)

No Report

### 3. SMFD – FIREFIGHTERS LOCAL 522 REPORT (Captain Sean Scollard, *Local 522 Vice President*)

Captain Scollard spoke regarding the General Obligation Bond Measure and that it's a quantifiable need, not a want, so that we can continue to provide services to the community. 522 will work tirelessly to support this Measure and we appreciate full support from the Board.

Thanks to Human Resources staff, the Employer Employee Relations document was a daunting task and it's great to see it get adopted tonight.

Happy to report we had a very positive Labor Management meeting yesterday and it's important to know that labor and management continue to work together to put the community first and improve the service and that the men and women that work here need the proper tools to be able to provide that service.

### 4. COMMITTEE AND DELEGATE REPORTS

*All Committee Meetings will be held at the Sacramento Metropolitan Fire District Board Room, 10545 Armstrong Avenue, Mather, California unless otherwise specified.*

#### A. Executive Committee – (President Goad)

No Report

#### B. Communications Center JPA – (AC Greene)

Congratulations to Dispatcher Summer Carroll on her 24-year anniversary at SRFEC.

Congratulations to AC Josh Freeman of Cosumnes FD who completed his one-year assignment as the Chief Executive Director on June 30, 2024.

Welcome to AC Derek Parker of Sacramento City FD who commenced his role as the Chief Executive Director of the SRFEC on July 1, 2024.

#### C. Finance and Audit Committee – (Director Jones)

No Report

#### D. Policy Committee – (Director Saylor)

No Report

## BOARD MEMBER QUESTIONS AND COMMENTS

Director Saylor expressed appreciation for all of our members working in the heat this July. Stay safe and hydrated.

Director Jones thanked the Metro Fire Boat Crew and the CERT members for assisting in the Great American Triathlon. Thank you to Chief Greene for all the hard work on the Capital Air Show. Thank you to AC Law and BC Wilbourn for attending a public meeting put on by



Sacramento LAFCo regarding the Del Paso Manor Water District Voters and Landowners. A shout out to Jeff Frye and his team for the tour of the West Jackson Township, that project will be happening eventually.

Director Webber congratulated Mark Siebert on his promotion. Thank you to Jeff Frye and your rock star team for all the hard work on the Bond Measure. Thank you to Chief House for all you do.

Director Rice stated he attended the State Board of Fire Services meeting and also had a discussion with colleagues from Orange County Fire on lithium-ion battery storage facilities. OC Fire has had at least five major fires with these facilities in the last two years. Director Rice inquired if we are seeing these facilities in our jurisdiction. Thank you to AC Chief Rudnicki for highlighting our members at a state level.

Director Wood thanked the Crew at Station 53 for the great visit a few Mondays ago, I appreciate the hospitality. Had the pleasure of volunteering at The Firefighters Burn Institute Luau on the Links on Saturday, June 29<sup>th</sup> at Haggin Oaks and saw some of my fellow Directors. There was nobody there from the line or administration, the Burn Institute is essential to our members and we need to support it. We need to see more representation from Metro Fire at Burn Institute events.

Director Goold thanked the Directors for their hard work, time and dedication. To our members, please be safe and take the heat seriously and its impact on your work.

#### **CLOSED SESSION:**

The Board recessed to Closed Session at 6:58 p.m. on the following matter:

#### **1. CONFERENCE WITH LEGAL COUNSEL – PENDING LITIGATION – Pursuant to California Government Code Section § 54956.9(d): One Case**

1. Anthony Benelisha and the Sacramento Metropolitan Fire District  
Claim No. 23-173286  
Colin Connor of Lenahan, Slater, Pearse & Majernik, LLP

**Action:** Moved by Rice, seconded by Sheetz, and carried unanimously by members present to grant Defense Counsel authority to settle the cases by global Compromise and Release of all issues with certain conditions.

#### **CLOSED SESSION REPORT OUT:**

The Board reconvened to open session at 7:32 p.m. General Counsel John Lavra reported the Board met in closed session on one matter: Workers' Compensation claim of Anthony Benelisha, the Board took action and voted unanimously to give settlement authority, subject to certain conditions, to its workers compensation defense attorney.

To view the video of the meeting, please visit the Metro Fire Website or our YouTube channel:

<https://metrofire.ca.gov/2024-07-25-board-meeting>

[https://www.youtube.com/channel/UC9t-uKlc\\_oOUGNrmogdQ\\_QA](https://www.youtube.com/channel/UC9t-uKlc_oOUGNrmogdQ_QA)



## ADJOURNMENT

The meeting was adjourned at 7:34 p.m.

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Grant Goid, President

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Jennifer Sheetz, Secretary

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Marni Rittburg, CMC, Board Clerk



# Sacramento Metropolitan Fire District

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ADAM HOUSE  
Fire Chief

**DATE:** August 22, 2024  
**TO:** Board of Directors  
**SUBJECT:** Authority to Reenter into an Agreement with State of California Department of Health Care Services for Intergovernmental Transfers from January 1, 2023 to December 31, 2023

## TOPIC

Reauthorize the Fire Chief to enter into an intergovernmental agreement to transfer public funds to the State of California Department of Health Care Services (DHCS), which is necessary to participate in the Voluntary Rate Range Program (VRRP) Intergovernmental Transfer (IGT), a federal reimbursement program, for eligible medical transports between January 1, 2023 and December 31, 2023.

## DISCUSSION

Beginning in Fiscal Year 2014/15, the District has participated in the VRRP IGT to receive federal funds associated with the District's transport of Medi-Cal managed care beneficiaries. Participation in the VRRP requires the District annually to enter into an agreement with the DHCS and each of the participating managed care plans (Plans), currently Anthem, Health Net, Kaiser, and Molina.

The proposed agreement covers the 12-month period of transports between January 1, 2023 through December 31, 2023.

The DHCS agreement is substantially similar to those entered into in previous fiscal years.

## FISCAL IMPACT

No impact. This agreement does not change the current FY 2024/25 net budgeted IGT revenue of \$8.4 million.

## RECOMMENDATION

Staff recommends that the Board approve the attached resolution reauthorizing the Fire Chief to enter into the necessary agreement with DHCS to participate in the VRRP IGT reimbursement period covering January 1, 2023 through December 31, 2023.



Submitted By:

*Dave O'Toole*

\_\_\_\_\_  
Dave O'Toole  
Chief Financial Officer

Approved By:

*Adam House*

\_\_\_\_\_  
Adam House  
Fire Chief



# Sacramento Metropolitan Fire District

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ADAM A. HOUSE  
Fire Chief

## RESOLUTION NO. 2024-XXX

### A RESOLUTION OF THE SACRAMENTO METROPOLITAN FIRE DISTRICT ADOPTING AUTHORITY FOR THE FIRE CHIEF TO ENTER INTO SPECIFIED INTERGOVERNMENTAL AGREEMENT WITH THE STATE DEPARTMENT OF HEALTH CARE SERVICES

**WHEREAS**, the Sacramento Metropolitan Fire District ("District") is a political subdivision of the State of California ("State") and is duly organized and existing pursuant to the State constitution and laws; and

**WHEREAS**, the Sacramento Metropolitan Fire District (hereinafter referred to as District) participates in the Voluntary Rate Range Program (VRRP) to receive federal funding associated with transport of Medi-Cal managed care beneficiaries; and

**WHEREAS**, participation in the VRRP for the period January 1, 2023 through December 31, 2023 is expected to result in an estimated \$8,400,000 in net new funds to the District in Fiscal Year 2024/25; and

**WHEREAS**, participation in the VRRP requires entering into an agreement with the State of California Department of Health Care Services (DHCS).

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Directors of the Sacramento Metropolitan Fire District, as follows:

1. The Fire Chief or his designee as its Authorized Agent(s) is authorized to enter into and execute the intergovernmental agreement regarding transfer of public funds with DHCS.



**PASSED, APPROVED AND ADOPTED this 22<sup>nd</sup> day of AUGUST 2024. I, MARNI RITTBURG, BOARD CLERK OF SACRAMENTO METROPOLITAN FIRE DISTRICT HEREBY CERTIFY** the foregoing Resolution was introduced and passed at a regular meeting of the Sacramento Metropolitan Fire District Board by the following roll call vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

**SACRAMENTO METROPOLITAN FIRE DISTRICT**

By: \_\_\_\_\_  
President, Board of Directors

**ATTEST:**

\_\_\_\_\_  
Marni J. Rittburg, CMC, CPMC  
Clerk of the Board



# Sacramento Metropolitan Fire District

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ADAM A. HOUSE  
Fire Chief

**DATE:** August 22, 2024  
**TO:** Board of Directors  
**SUBJECT:** Parking Lot Lease – 7629 Greenback Lane

### TOPIC

Request to approve the execution of a lease agreement to utilize a parking area on a property adjacent to Station 21 to support Academy 24-2.

### BACKGROUND

The Sacramento Metropolitan Fire District's (District) Board of Directors has previously approved the execution of short-term leases of real property adjacent to Fire Station 21 to accommodate the additional parking needs for academies on an as-needed basis. There are currently no leases in effect.

### DISCUSSION

Firefighter Academy 24-2 began their 18-week training at Station 21 this month. In order to meet the parking needs of these academies, staff reached out to the owner of the adjacent property and negotiated a new lease agreement under the same terms as the previous leases.

#### Lease Details:

Term Commencement:	August 12, 2024
Term:	Five (5) Months (through December 20, 2024)
Monthly Rent:	\$1,500.00
Security Deposit:	\$1,500.00 (refundable)

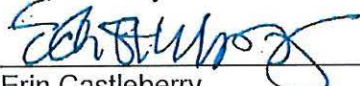
### FISCAL IMPACT

The cost of the lease will be \$7,500 with an initial security deposit of \$1,500 to be refunded at term expiration. These costs will be paid out of the Training Division budget.

### RECOMMENDATION

Staff recommends the Board of Directors authorize the Fire Chief or his designee to negotiate and execute a lease agreement materially similar to the attached.

Submitted by:

  
\_\_\_\_\_  
Erin Castleberry  
Administrative Analyst

Approved by:

  
\_\_\_\_\_  
Jeff Frye  
Chief Development Officer

#### ATTACHMENT:

Attachment 1: Parking Lot Lease



## Parking Lot Lease

**THIS LEASE AGREEMENT** ("Lease") is dated this 12<sup>th</sup> day of August, 2024, by and between Gabor and Octavia Kovac ("Lessor"), and Sacramento Metropolitan Fire District, an autonomous Special District established under California Health and Safety Code Section 13800 ("Lessee").

In consideration of the mutual covenants in this Lease, Lessor and Lessee agree as follows.

**1. The Premises.** Lessor leases to Lessee, and Lessee takes from Lessor, the following property located in Citrus Heights, California:

A 17,651 square foot vacant lot located at 7629 Greenback Lane (APN# 243-0150-012- 0000) as shown on the attached Exhibit A ("Premises").

**2. Term.** The term of this Lease ("Term") shall commence upon August 12, 2024 and run for an initial term through December 20, 2024, unless terminated earlier in accordance with this Lease.

**3. Use.** Lessee shall use the Premises as a parking lot. Lessee shall not use or allow others to use the Premises for any other purpose without the prior written consent of Lessor, which consent will not be unreasonably withheld.

**4. Rent.** Effective upon the commencement of the Lease, Lessee shall pay Lessor rent in the amount of fifteen hundred dollars per month (\$1,500/month), payable on the fifteenth (15<sup>th</sup>) day of the following month in which the parking spaces were used.

**5. Security Deposit.** Lessee shall pay Lessor a refundable deposit of \$1,500.00 for use of the Premises. The deposit shall be returned to Lessee upon the termination of the Lease.

**6. Maintenance and Repair.** Lessor is solely responsible for all maintenance and repair of the Premises and shall keep the Premises in a neat and safe condition. Lessor and Lessee shall not store or release any hazardous or toxic substances of any kind at the Premises. Lessor shall maintain the Premises in compliance with all laws, ordinances, or regulations governing the Premises.

**7. Assumption of Risk.** Parking is solely at the risk of the vehicle owner. Lessor is not assuming any risk. Any security, if necessary, is to be provided by Lessee.

**8. Condition.** Lessee has had the opportunity to inspect the Premises prior to signing this Lease and accepts the Premises in AS IS condition without any representation from Lessor as to its condition or suitability for Lessee's intended use. If a condition subsequently arises, including a hidden defect, which substantially interferes with Lessee's use of the Premises, Lessee may terminate the Lease by providing 30-days written notice to Lessor.

**9. Alterations.** Lessee shall not make any alterations, additions, or improvements to the Premises without first obtaining the written consent of Lessor, which consent will not be unreasonably withheld.



**10. Liability; Indemnification.** Each party agrees that they shall indemnify, defend and hold the other party and its governing body, officers, agents and employees, harmless from any and all claims, damages, losses, causes of action and demands, including reasonable attorneys' fees and costs, incurred in connection with or in any manner arising out of the indemnifying party's performance of this Agreement. The indemnifying party, at the indemnifying party's own expense and risk shall defend any and all actions, suits, or other legal proceedings that may be brought or instituted against the other party, the members of its governing body, officers, agents, and employees for any such claims, damages, losses, demands, liabilities, costs or expenses incurred in connection with or in any manner arising out of the indemnifying party's performance of this Agreement. The indemnifying party shall not be liable for damage or injury occasioned by the sole negligence or willful misconduct of the non-indemnifying party and its officers, agents, or employees. It is the intention of the parties that where comparative fault is determined to have been contributory, principles of comparative fault will be followed and each party shall bear the proportionate cost of any damage attributable to the fault of that party, its elected and appointed officials, officers, directors, employees, representatives, agents, subcontractors, and volunteers. These indemnification provisions shall survive the termination of the Lease.

**11. Insurance.** Lessee shall maintain at all times commercial general liability insurance insuring Lessor and Lessee against all claims or demands for personal injuries to or death of any person, and damage to or destruction or loss of property, that may be claimed to have occurred on the Premises as a result of Lessee's use thereof. The policies shall cover such risks and be in such amounts as Lessor from time to time may reasonably request, but in any event with a combined single limit for bodily injury and property damage per occurrence of not less than Two Million Dollars (\$2,000,000.00).

Lessee's insurance shall be issued by an insurer licensed to do business in the State of California and shall contain a waiver of subrogation endorsement. Lessee shall deliver to Lessor certificates of such insurance coverage and evidence of payment of all premiums promptly upon demand by Lessor, which certificates shall show Lessor as an additional insured and shall provide that no cancellation, reduction in amount, or material change in coverage shall be effective until at least thirty (30) days after receipt of written notice to Lessor.

**12. Assignment; Sublease.** Lessee may assign this Lease and Lessee may sublease the Premises in whole or in part with Lessor's written approval which shall not be unreasonably withheld.

**13. Lessor's Right of Access.** Lessor and Lessor's employees or agents, shall have the right to enter the Premises in a reasonable manner upon reasonable advance notice to Lessee to inspect the Premises or to conduct surveys, testing, or studies in connection with any engineering, design, financing, or permitting activities related to potential development of the Premises; provided, however, that no notice will be required in emergency circumstances where it is impractical to provide Lessee with advance notice. Lessor shall use reasonable efforts to minimize any disruption of Lessee's activities.

**14. Default.** Each of the following shall constitute an Event of Default:

- a. Lessee fails to maintain at all times the insurance required by this Lease.
- b. Lessee fails to comply with any agreement or requirement in this Lease for a period of thirty (30) days after notice from Lessor.

If an Event of Default has occurred and continues, Lessor may terminate Lessee's rights to the use the Premises and pursue any other remedies available under California law.

**15. Termination.** Either party may terminate the Lease for cause by providing the other party not less than ninety (90) days' notice. On the expiration of the Term, or any earlier termination of this Lease, Lessee shall: (a) immediately vacate the Premises; (b) repair all damage to the Premises caused by Lessee's removal of its equipment and property from the Premises; and (c) restore the Premises to the same condition that existed at the commencement of the Term, reasonable wear and tear excepted.

**16. Entire Agreement, Applicable Law.** This Lease contains the entire agreement of the parties with respect to the leasing of the Premises and any supplements or amendments to the agreement must be in writing and signed by both parties to be enforceable. This Lease shall be governed by and interpreted in accordance with the laws of the State of California.

**17.** Notwithstanding anything to the contrary, Lessor shall have the right to terminate this agreement, for no cause whatsoever, by giving 30 days' notice in writing.

IN WITNESS WHEREOF, the Lessor and the Lessee have caused this Lease to be executed by their duly authorized agents on the dates set forth below.

Lessee:  
Sacramento Metropolitan Fire District

By: \_\_\_\_\_

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

Lessor:  
Gabor and Octavia Kovac

By: \_\_\_\_\_

By: \_\_\_\_\_

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



EXHIBIT A

