

LEASE AGREEMENT

THIS LEASE AGREEMENT (the "Lease"), made and entered into this 15th day of November, 2018, by and between the WASHOE COUNTY, hereinafter referred to as LESSOR, and the STATE OF NEVADA, DEPARTMENT OF ADMINISTRATION, PUBLIC WORKS DIVISION, hereinafter referred to as LESSEE, for and on behalf of the DEPARTMENT OF HEALTH AND HUMAN SERVICES, AGING AND DISABILITY SERVICES DIVISION, hereinafter referred to as TENANT (hereinafter collectively known as "the Parties").

W I T N E S S E T H:

For and in consideration of the rents herein reserved and the covenants, terms and conditions herein contained, the LESSOR does by these presents lease unto LESSEE the following described property:

Approximately 8,458 usable square feet of office space, (the "Demised Premises" and "Shared Space") located at 1001 East Ninth Street, Building C, 1st Floor, Reno, Nevada 89512.

ONE. TERM OF LEASE.

1.1 Term of Lease. Subject to Section Twenty below, LESSOR hereby leases unto LESSEE and LESSEE agrees to lease from LESSOR approximately 8,458 usable square feet of office space, located at 1001 East Ninth Street, Building C, 1st Floor, Reno, Nevada 89512, effective upon approval of the Nevada Board of Examiners, expected to be on December 4, 2018, and the Washoe County



Commission on December 18, 2018, retroactively commencing November 1, 2018 and terminating on September 30, 2033

1.2 Lack of Funding. Not Applicable, ZERO dollar lease. See Section Eleven below.

TWO. RENT. TENANT agrees to pay to the LESSOR as and for rental for said Demised Premises the sum of:

2.1 A monthly total of ZERO DOLLARS AND 00/100 (\$0.00).

THREE. UTILITIES AND SERVICES.

3.1 Utilities and Services Provided by LESSOR. LESSOR, at LESSOR'S sole cost and expense, shall provide the Demised Premises with utilities and services necessary to sustain a comfortable professional office environment, including; snow removal, interior and exterior pest control, janitorial services, support to TENANT'S IT staff for VOIP and/or telephone services, support to TENANT'S IT staff for computer and data services and repairs.

a) **UTILITIES.** Utilities provided by the LESSOR to the premises occupied by TENANT under this agreement shall be paid for by TENANT, to the LESSOR as a common expense due to the nature of the metering of utilities. The common expense shall be allocated as a percentage of square footage occupied by TENANT and paid per that percentage of the individual utility bill. For example; electrical service is provided through one meter to the entire building, LESSEE will pay based on the percentage of total square footage of the building divided by



the space occupied by TENANT. A review for utility use abnormalities shall be conducted by LESSOR and the TENANT to verify this approach at the end of year one. If it is determined that a better process to split the cost of utilities is appropriate LESSOR will make necessary adjustments.

3.2 Utilities and Services Provided and Paid by TENANT.

a) TELEPHONE/DATA. TENANT shall provide state-owned telephone and computer/data equipment and pay Industrial Standard user fees for telephone/data services.

3.3 Hours of Operation. TENANT shall have access to the Demised Premise and the Shared Space twenty-four hours a day 365 days a year as necessary to carry out its operations.

3.4 Building Access. LESSOR shall provide TENANT with access control cards and building keys for TENANT employees' access to the Demised Premises and Shared Space. TENANT shall be responsible for safeguarding all LESSOR access control cards and building keys and ensuring that only authorized employees have building access. LESSOR will issue 30 access control cards to TENANT at no cost. LESSOR shall charge TENANT \$15.00 for each additional access control card or for any replacement card issued by LESSOR.

3.5 Co-location. TENANT and LESSOR shall ensure that their respective employees are sufficiently certified to view, modify, or otherwise use data which may be housed within the building.



It is the responsibility of TENANT and LESSOR to safeguard the privacy of its own data.

Neither LESSOR'S nor TENANT'S personnel shall act in any manner that unreasonably causes disruption to the other party's right to quiet enjoyment of the Premises.

FOUR. REPAIR AND MAINTENANCE. LESSOR, at LESSOR'S sole cost and expense, agrees to provide maintenance and make any and all repairs necessary to keep the Demised Premises in a suitable condition during the Lease Term. TENANT shall reimburse LESSOR for repairs and replacements to the Demised Premises which are necessary due to TENANT'S misuse or negligence.

FIVE. ALTERATIONS, ADDITIONS AND IMPROVEMENTS. TENANT shall not negotiate or cause to be made any alterations, additions or improvements in or to the Demised Premises. TENANT may, at any time during the Lease Term, requisition LESSEE in writing to negotiate and arrange alterations, additions, or improvements in and to the Demised Premises by the LESSOR.

SIX. PAYMENT OF TAXES AND INSURANCE. LESSOR, at their sole cost and expense, agrees to maintain property and liability insurance on the building complex and improvements on the Demised Premises and Shared Space at all times, during the Term of this Lease. LESSOR will pay all applicable real property taxes or any other assessments on the Demised Premises when due, including improvements thereon during the Lease Term hereof or any renewal period.



TENANT shall maintain in force at its sole cost and expense, all risk property insurance coverage, including sprinkler leakage (if the building is equipped with sprinklers), in an amount equal to the replacement cost of TENANT'S trade fixtures, furnishings, equipment, and contents upon the Demised Premises.

The State of Nevada is self-insured for both liability and property insurance. All liability claims are handled in accordance with Nevada Revised Statutes, Chapter 41. Regarding property insurance, the State self-insures the first Five Hundred Thousand Dollars (\$500,000.00) of each loss. Claims above that amount are commercially insured under an all risks property insurance policy.

Parties may fund any financial obligation relating to its negligence and liability through a program of self-funding administered by its Risk Management Division.

SEVEN. INDEMNIFICATION. To the extent of the liability limitation set forth in NRS Chapter 41, the LESSEE/TENANT hereby agrees to indemnify and hold harmless LESSOR, its successor, assigns, agents and employees from all claims, damages, losses and expenses due to TENANT negligence arising out of or resulting from the use and occupancy of the Demised Premises and Shared Space or any accident in connection therewith, but only to the extent caused in whole or in part by negligent acts or omissions of TENANT, its subtenants, employees or agents. The State shall not be required to indemnify the LESSOR, its



successors, assigns, agents and employees for any liability, claims, damages, losses or expenses relating to or arising out of this Lease to the extent caused in whole or in part by the acts, negligence or omission of LESSOR, its successors, assigns, agents, and employees, or anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable. Such obligation shall not be construed to negate, abridge, or otherwise reduce any other right or obligation of indemnity which would otherwise exist as to any party or person described in this paragraph.

EIGHT. INDEPENDENT PUBLIC ENTITIES. Each party remains a public entity separate and distinct from the other party. Each party remains responsible for its employees, agents, consultants, advisors, and other representatives (together, "Representatives"). Except as this Agreement otherwise provides, each party will have the sole right to supervise, manage, operate, control, and direct its Representatives.

NINE. WAIVER OF SUBROGATION. LESSOR and LESSEE/TENANT hereby waive any rights each may have against the other for loss or damage to its property or property in which it may have an interest where such loss is caused by a peril of the type generally covered by all risk property insurance with extended coverage or arising from any cause which the claiming party was obligated to insure against under this Lease, and each party waives any right of subrogation regarding such property damage



or losses, that it might otherwise have against the other party, any additional designated insured and any other tenant in the building. The Parties agree to cause their respective insurance companies insuring the Demised Premises or insuring their property on or in the Demised Premises to execute a waiver of any such rights of subrogation or, if so, provided in the insurance contract, to give notice to the insurance carrier or carriers that the foregoing mutual waiver of subrogation is contained in this Lease.

TEN. BREACH OR DEFAULT. In the event of any failure by LESSOR, LESSEE, or TENANT to keep and comply with any of the terms, covenants or provisions of this Lease or remedy any breach thereof, the defaulting party shall have thirty (30) days from the receipt of written notice of such default or breach within which to remove or cure said default or breach, or in the event the defaulting party is diligently pursuing the removal or cure of such breach, a reasonable time shall be allowed beyond the thirty (30) days.

ELEVEN. ATTORNEY'S FEES. In the event suit is brought by LESSOR or by LESSEE or TENANT for breach of any express provision or condition of this Lease, the prevailing party of such action shall be entitled to reasonable attorney's fees, not to exceed \$125.00 per hour, which shall be deemed to have accrued on the commencement of the action and shall be paid on



the successful completion of that suit by LESSOR, LESSEE or TENANT whichever the case may be.

TWELVE. TERMINATION. This Lease may be terminated by mutual consent of both parties or unilaterally by either party without cause, provided that a termination shall not be effective until ninety (90) days after a party has serviced written notice upon the other party. The parties expressly agree that this Lease shall be terminated immediately if for any reason State and/or Federal funding ability to satisfy this Lease is withdrawn, limited, or impaired.

THIRTEEN. OPTION TO RENEW. LESSEE shall have the option to renew this Lease by giving written notice of intention to renew at least ninety (90) days prior to expiration of the Lease Term or any renewal period hereunder. Receipt of which shall be acknowledged by LESSOR in writing. The exercise of the option shall, however, not be effective nor binding on the Parties herein unless and until the same has been approved by the Nevada Board of Examiners, which may occur after the required prior written notice.

FOURTEEN. REMEDIES. The remedies given to LESSOR, LESSEE and/or TENANT shall be cumulative, and the exercise of any one remedy shall not be to the exclusion of any other remedy.

FIFTEEN. NOTICES. All notices under this Lease shall be in writing and delivered in person or sent by certified mail, return receipt requested, to LESSOR and in all cases jointly to



both LESSEE and TENANT at their respective addresses set forth below or to such other address as may hereafter be designated by either party in writing:

LESSOR

Washoe County
1001 East Ninth Street
Reno, Nevada 89512
Telephone: (775) 785-8600

LESSEE

State of Nevada
Department of Administration
Public Works Division
Attention: Leasing Services
515 East Musser Street, Suite 102
Carson City, Nevada 89701-4263
Telephone: (775) 684-1815
Fax: (775) 684-1817

TENANT

Department of Health and Human Services
Aging and Disability Services Division
3416 Goni Road, Building D-132
Carson City, Nevada 89706
Telephone: (775) 687-0532
Fax: (775) 687-0573

SIXTEEN. SEVERABILITY. If any term or provision of this Lease or the application of it to any person or circumstance shall to any extent determined in a legal proceedings to be invalid and unenforceable, the remainder of this Lease (or the application of such term or provision to persons or circumstances other than those as to which it is invalid or unenforceable) shall not be affected thereby, and each term and



provision of this Lease shall be valid and shall be enforced to the extent permitted by law.

SEVENTEEN. AMENDMENT OR MODIFICATION. This Lease constitutes the entire agreement between the Parties and may only be amended or modified with the mutual consent of the Parties hereto, which amendment or modification must be in writing, executed and dated by the Parties hereto and approved by the Nevada Board of Examiners.

EIGHTEEN. PARKING. LESSOR shall provide TENANT, parking spaces for State vehicles and privately owned employee vehicles as necessary for use by employees assigned to work at the Premises, at no cost to the TENANT, in a location identified by LESSOR.

NINETEEN. PRIOR TERMINATION. This Lease may be terminated prior to the terms set forth herein above if for any reason, the purpose of this Lease is substantially impaired or obstructed by any event, occurrence or circumstance outside the control of LESSOR, or LESSEE/TENANT, including any governmental condemnation, without prejudice or penalty to any party hereto and without such event, occurrence or circumstance being defined, and interpreted or construed as breach or default on the part of any party.

TWENTY. PRIOR APPROVAL OF THE NEVADA BOARD OF EXAMINERS. This Lease is contingent upon prior approval by the Nevada Board



of Examiners and is not binding upon the Parties hereto or effective until such approvals.

TWENTY-ONE. COUNTERPARTS. This Lease may be executed in one or more counterparts, each of which will be deemed an original and all of which together will constitute one and the same instrument.



IN WITNESS WHEREOF, the Parties hereto have executed this Lease as of the day and year first above written.

LESSOR

WASHOE COUNTY

By _____
Marsha Berkbigler
Chair, Washoe County
Commission

Date _____

Reviewed as to form and compliance with law only:

PAUL ADAM LAXALT
ATTORNEY GENERAL

By _____
Susan K. Stewart
Deputy Attorney General

Date _____

Approved by:

BOARD OF EXAMINERS

By _____
Paul Nicks
Interim Clerk of the Board

Date _____

LESSEE

STATE OF NEVADA
DEPARTMENT OF ADMINISTRATION
PUBLIC WORKS DIVISION

By _____
Ward D. Patrick, PE
Administrator

Date _____

TENANT

DEPARTMENT OF HEALTH AND
HUMAN SERVICES

By _____
Richard Whitley
Director

Date _____

DEPARTMENT OF HEALTH AND
HUMAN SERVICES
AGING AND DISABILITY SERVICES
DIVISION

By _____
Dena Schmidt
Administrator

Date _____

