

**MEMORANDUM  
DEPARTMENT OF FACILITY SERVICES  
COUNTY OF PLACER**

To: **BOARD OF SUPERVISORS**

Date: **OCTOBER 11, 2011**

From: *JD* **JAMES DURFEE / MARK RIDEOUT** *WR*

Subject: **RESIDENTIAL LEASE – DEPARTMENT OF PUBLIC WORKS**

**ACTION REQUESTED / RECOMMENDATION:** Adopt a Resolution authorizing the Director of Facility Services, or his designee, to complete negotiations and execute the resultant Lease Agreement for the residence located at 104 Tahoma Avenue in Tahoe City, between the County of Placer and Ernest Y. Murata and Marilyn M. Murata Trustees of the Murata Family 2004 Living Trust under Declaration dated August 6, 2004, based on the Material Terms attached hereto; and, carry out those provisions and responsibilities as specified within the Agreement on behalf of the County.

**BACKGROUND:** Since December 2003, the County has leased this residence from the Murata Family 2004 Living Trust (Landlord) for the Department of Public Work's (DPW) snow removal crew. This use occurs from December through March (Season) each year, and the lease authorizes extension of the use through April if weather conditions dictate. The most recent lease agreement expired on March 31, 2011. DPW has evaluated its ongoing service delivery needs in the North Tahoe area and expressed their desire to continue the use of the residence.

In response, the Property Management Division negotiated key terms for a new Lease Agreement that provides an initial term of one Season, plus three options for subsequent Seasons that are exercisable upon mutual agreement, resulting in a maximum of four Seasons. The rent has been negotiated to commence at \$2,045.56 per month (approximately \$1.02 per square foot per month) and is subject to annual adjustment based on the Consumer Price Index. This rent is the same as for the 2010-2011 Season, during which the Property Management Division successfully reduced the rent by \$511.39 per month. County shall pay all operating expenses (e.g., gas and electric), for the Initial Term of this Lease Agreement and any Options thereafter.

In order to proceed with the leasing actions necessary for DPW's continued occupancy, Facility Services requests that your Board adopt the attached Resolution authorizing the Director of Facility Services, or his designee, to complete lease negotiations and execute the Lease Agreement following approval by County Counsel and Risk Management.

**ENVIRONMENTAL CLEARANCE:** The lease of this facility is Categorically Exempt from review pursuant to Section 15301 of the California Environmental Quality Act. This Section provides for activities, including leasing of existing facilities, when there is no expansion of use beyond that previously existing.

**FISCAL IMPACT:** Rent for this facility will commence at \$2,045.56 per month, which equates to \$8,182.24 per Season, with the possibility of one additional month's rent as described above. The County shall also be responsible for all costs associated with the usage of telephone, cable TV service, refuse, gas and electrical services during its occupancy. Funding for these costs is included in the Department of Public Works FY 2011/2012 Budget.

JD:MR:LM:NT:GS:DB

ATTACHMENT: RESOLUTION (WITH MATERIAL TERMS)

cc: COUNTY EXECUTIVE OFFICE  
DEPARTMENT OF PUBLIC WORKS

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# Before the Board of Supervisors County of Placer, State of California

In the matter of: A RESOLUTION AUTHORIZING THE DIRECTOR OF FACILITY SERVICES TO NEGOTIATE AND EXECUTE A LEASE AGREEMENT BETWEEN THE COUNTY OF PLACER AND ERNEST Y. MURATA AND MARILYN M. MURATA TRUSTEES OF THE MURATA FAMILY 2004 LIVING TRUST, UNDER DECLARATION DATED AUGUST 6, 2004, FOR THE CONTINUED SEASONAL OCCUPANCY BY THE DEPARTMENT OF PUBLIC WORKS AT 104 TAHOMA AVENUE, IN TAHOE CITY, CA

Resol. No: \_\_\_\_\_

The following RESOLUTION was duly passed by the Board of Supervisors of the County of Placer at a regular meeting held \_\_\_\_\_, 2011 by the following vote on roll call:

Ayes:

Noes:

Absent:

Signed and approved by me after its passage.

Attest:

\_\_\_\_\_  
Chairman, Board of Supervisors

\_\_\_\_\_  
Clerk of said Board

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**WHEREAS**, Since December 2003, the County's Department of Public Works snow removal crew has seasonally occupied the building located at 104 Tahoma Avenue in Tahoe City, CA; and,

**WHEREAS**, the County desires to continue leasing this building for a four-month initial snow season term commencing on December 1, 2011 and ending on March 31, 2012, plus three options for subsequent seasons that are exercisable upon mutual agreement, resulting in a maximum of four seasons. This Lease would include the discretion to extend each season term the through the month of April if weather conditions create a necessity.

**NOW THEREFORE, BE IT RESOLVED**, that the Placer County Board of Supervisors does hereby authorize the Director of Facility Services or his designee to: complete negotiations for a Lease Agreement based on the Material Terms attached hereto as Exhibit A, between the County of Placer and Ernest Y. Murata and Marilyn M. Murata Trustees of the Murata Family 2004 Living Trust, Under Declaration Dated August 6, 2004, for the premises located at 104 Tahoma Avenue located in Tahoe City, CA; execute the Lease Agreement on behalf of your Board subject to approval of County Counsel and Risk Management; and, carry out on behalf of the County the responsibilities and provisions as specified within the Lease Agreement.

EXHIBIT A – MATERIAL TERMS OF LEASE AGREEMENT

The following summarizes the key terms and conditions which the parties agree will be incorporated into the proposed lease agreement between the County of Placer and Ernest Y. Murata and Marilyn M. Murata Trustees of the Murata Family 2004 Living Trust, under Declaration dated August 6, 2004:

1. Parties: County of Placer, a political subdivision of the State of California (COUNTY) and Ernest Y. Murata and Marilyn M. Murata Trustees of the Murata Family 2004 Living Trust, under Declaration dated August 6, 2004 (LANDLORD).
2. Premises: 104 Tahoma Avenue located in Tahoe City, CA comprised of a 2,000± square foot residence.
3. Term: The initial snow season term (Season) of four (4) months commencing on December 1, 2011 and ending on March 31, 2012. Provided COUNTY shall have fully and faithfully performed all of the provisions contained in this Lease Agreement during the initial term, LANDLORD agrees that COUNTY shall be given three options for subsequent Seasons from December 1<sup>st</sup> to March 31<sup>st</sup> that are exercisable upon mutual consent. COUNTY shall be required to provide LANDLORD written notice of COUNTY's exercise of its right to extend by July 31<sup>st</sup> prior to the next Season. Each Season term would include discretion to extend the Lease through the month of April if weather conditions create a necessity.
4. Rent: The COUNTY shall pay to LANDLORD, for the Initial Term of this Lease Agreement Two Thousand Forty Five and 56/100 Dollars (\$2,045.56) per month (hereinafter "Base Rent"). The monthly rent is based on an approximate rental rate of One and 2/100 Dollars (\$1.02) per square foot and shall be subject to annual increases based on the State of California, Department of Industrial Relations Consumer Price Index (CPI) – California, for "ALL URBAN CONSUMERS." The CPI adjustment shall never be greater than five percent (5%).
5. Maintenance/Utilities/Other Charges: LANDLORD is responsible for all maintenance and all costs associated with taxes, general and special assessments, water, and insurance on the Premises. LANDLORD shall retain telephone, garbage removal, and any cable TV service in its name and invoice the COUNTY for these costs at the end of each Season. COUNTY shall pay all charges for gas and electric services associated with the Premises during the Initial Term of this Lease Agreement and any options thereof.
6. Use: The Premises shall be used as a residence for COUNTY snow removal crews to reside in during the Season.

ACCEPTANCE OF MATERIAL TERMS

Ernest Murata

DATE: 9/1/11

by Deborah Miloni  
Caldwell Basco Realty Management

Landlord accepts and agrees to the incorporation of the above material terms into the preparation of a lease agreement between Landlord and the County. Landlord and the County recognize and agree that the enforceability of the terms of any future resulting lease agreement shall be subject to prior approval by the Placer County Board of Supervisors or its designee, and the Landlord.

