



City of Biggs

Agenda Item Staff Report For the Regular City Council Meeting: September 8, 2015

TO: Honorable Mayor and Members of the City Council
FROM: City Administrator
SUBJECT: Rio Bonito Park Lease

Council is asked to authorize agreement to the successor lease with the Biggs Unified School District of the area commonly known as Rio Bonito Park.

Background:

Rio Bonito Park is maintained by the City of Biggs. The land is owned by the Biggs Unified School District and is leased to the City. The original 25-year lease in 1980 called for certain improvements (as money was available) to be made by the City, and that the park site (including the Little League Field) be maintained by the City. The lease was later extended by a period of 10-years, and is expired May 2015.

The attached current working draft is identical to the previous draft version of the lease received by Council with the exception of a modification (at the request of the school district) to Item 4 (a) Water, which allows for an averaging of water usage billing in the event of a failure of the district's irrigation well.

Recommendation:

Consider the terms of the lease, operation and maintenance costs, public benefit, authorize the Mayor and City Staff to negotiate any remaining non-substantive contract items and authorize the Mayor to sign the real property lease.

Mark Sorensen, City Administrator

City of Biggs, Biggs Unified School District
Real Property Lease, Rio Bonito Park

Effective _____, 2015 the City of Biggs (Lessee/City) and the Biggs Unified School District (Lessor/District), collectively, Parties, hereby agree as follows:

1. Property. That portion of real property owned by the District on the site of Biggs High School, Butte County, California, and more particularly depicted in Exhibit A (Property), together with all the usual rights of ingress and egress to and from said Property. The area depicted in Exhibit A (Property) includes the entirety of Parcel Number 022-170-040-000 and portions of other adjoining parcels owned by the District.

2. Term. In consideration of the construction on, improvements to, and maintenance of its real property, the District shall and does hereby lease to the City said Property and all of its improvements to the City for a term of 10 years.

3. Responsibilities of Lessee.

a. Maintenance. The City will maintain the Property and all recreational equipment thereon throughout the life of this Agreement unless amended by mutual agreement of both parties, and except as otherwise specified in this Agreement. The City may develop rules, regulations and agreements which will cause the users of the facilities to assume certain maintenance responsibilities and to bear the costs for utilities, services and other costs.

b. Construction and Modifications. The City may at its sole discretion and as funds allow, construct and install, or cause to be constructed and installed, recreational facilities, equipment and related structures on the Property, all at no cost to the District.

c. Electricity. The City shall provide Electricity and distribution systems to City built improvements on the Property during the term of the lease.

d. Septic System. The City shall own, operate and maintain the existing septic system serving the Property and any additions or modifications of that septic system or other septic systems added by the City.

4. Responsibilities of Lessor.

a. Water. While the City will install and maintain the water distribution system during the lease, the District shall provide potable water to the Property. In the event that the District irrigation well is not functioning for 5 or more consecutive days in a billing month and the leased property is irrigated by city water, then the city shall bill water usage based upon the usage in an average of two of the same billing months in prior years. This alternative water usage billing method is limited to use in no more than 3 billing months in any calendar year.

b. Fencing. The District shall always own and maintain any fencing that it installed or installs in the future, and all area within twelve (12) inches of any fencing installed by the District.

c. Construction and Modifications. The District must obtain written approval by the City prior to any construction or modifications by or on behalf of the District within the Property being leased to the City.

5. Ownership and Use of Improvements. During the existing lease and any extension(s) thereof, the City shall maintain ownership of and enjoyment of use of the Property and all improvements on a non-exclusive basis, except that the City may exclude and control access and the use of the Property during construction, installation, maintenance, or to prevent damage to the Property and improvements. In addition, the City may restrict, limit or control use of the City owned and operated restroom building. Upon termination of the lease, including any extension(s) thereof, all existing improvements shall become the property of the District.

6. Termination of Lease. Following the fixed term of the lease, the lease shall renew automatically from year to year unless no less than thirty (30) days prior to the end of any annual term either party provides written notice of termination to the other party.

7. Insurance/Indemnification. The City agrees to provide the usual public liability coverage for loss or injury of every kind occurring in, on or about the Property while being used and occupied by the City and shall file a certificate of insurance with the District to provide evidence of insurance. The certificate of insurance shall provide notice to the District of any cancellation of insurance coverage, and shall name the District as additional insured, if so requested by the District.

City of Biggs

Biggs Unified School District

Roger Frith
Mayor, City of Biggs

Kari Wheeler
President, Governing Board

Attest:

Attest:

Mark Sorensen
City Administrator

Doug Kaelin
Superintendent

Approved as to Form

Greg Einhorn
City Attorney

Approved as to Form

School District Attorney



City of Biggs, Biggs Unified School District Rio Bonito Park Lease
EXHIBIT A.