# SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE, STATE OF CALIFORNIA



ITEM: 13.1 (ID # 24210)

**MEETING DATE:** 

Tuesday, December 10, 2024

FROM:

Regional Parks and Open Space District

**SUBJECT:** REGIONAL PARK AND OPEN-SPACE DISTRICT: Approve Lease Agreements between the Coachella Valley Water District (CVWD), the United States Bureau of Reclamation (BOR), and the Riverside County Regional Park and Open-Space District for Administration of Recreation at Lake Cahuilla Adjacent to the Coachella Canal, Indio, California; CEQA Exempt per Section 15301 – Existing Facilities; District 4. [\$0] (Clerk to File Notice of Exemption)

#### **RECOMMENDED MOTION:** That the Board of Directors:

- 1. Find that the project is exempt from the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15301 Existing Facilities;
- Approve Lease Agreement between the Coachella Valley Water District (CVWD) and the Regional Park and Open-Space District (Park District) for Administration of Recreation at Lake Cahuilla Adjacent to the Coachella Canal;
- Approve Agreement between the United States Bureau of Reclamation (BOR) and the Park District for Administration of Recreation at Lake Cahuilla Adjacent to the Coachella Canal and for County Highway facilities;
- Authorize the Chairman of the Board to execute the Agreements on behalf of the Park District;

Continued on page 2

**ACTION:Policy** 

R. Brown, General Manager

1/27/2024

#### MINUTES OF THE BOARD OF DIRECTORS

On motion of Director Spiegel seconded by Director Jeffries and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes:

Jeffries, Spiegel, Washington, Perez and Gutierrez

Nays:

None None

Absent: Date:

December 10, 2024

XC:

Parks, Recorder, State Clearinghouse

Beday

Kimberly A. Rector Clerk of the Board

## SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

#### **RECOMMENDED MOTION:** That the Board of Directors:

- 5. Authorize the Park District's General Manager, or designee, to execute future amendments and make ministerial changes to the Agreements, as approved by County Counsel, that do not change the intent or purpose of the Agreements and encumber no additional funds:
- 6. Direct the Clerk of the Board to return four (4) wet copies of the CVWD Lease Agreement to the Park District;
- 7. Direct the Clerk of the Board to return four (4) wet and notarized copies of the BOR Agreement to the Park District; and
- 8. Direct the Clerk of the Board to file the Notice of Exemption with the County Clerks Office and the State Clearinghouse within five (5) days of approval by the Board.

FINANCIAL DATA	Current Fiscal Y	ear:	Next Fiscal Yea	r:		Total Cost:		Ongoir	g Cost	
COST	\$	0	\$	0		\$	0		\$	0
NET COUNTY COST	\$	0	\$	0		\$	0		\$	0
SOURCE OF FUNDS: N/A					Budge	t Adj	ustment:	No	ě	
COUNCE OF TOND	. N/A					For Fis	cal \	ear:	24	/25

C.E.O. RECOMMENDATION: Approve

#### BACKGROUND:

#### Summary

Between 1970 and 1971, the County of Riverside (County) entered into three leases and agreements for property now known as Lake Cahuilla Veterans Regional Park. In October 1970 the Agreement and License for County Highway Facilities between the County and the United States Bureau of Reclamation (BOR) (Contract No. 14-06-300-2206) was signed for a term of 50 years. The second lease, also for a term of 50 years, was the Lease and Agreement between the United States and the County for the Use of Land and Development and Administration of Recreation at the Terminal Reservoir Adjacent to the Coachella Canal (Contract No. 14-06-300-2215) which is administered by the Coachella Valley Water District (CVWD). The third agreement between the County and the Coachella Valley County Water District, now CVWD, was signed March 1971 for the Use of Land and Development and Administration of Recreation at the Terminal Reservoir Adjacent to the Coachella Canal.

The purpose of entering the leases and agreements was for the County to develop a public outdoor recreation area. All three agencies desired that recreation facilities be developed and operated by the County. While irrigation use of the terminal reservoir known as Lake Cahuilla was paramount, recreation and wildlife uses were desired. The County Highway Facilities agreement expired on October 19, 2020. Both recreation area leases had 50-year terms with the BOR agreement expiring January 11, 2021, and the CVWD agreement expiring March 22, 2021. These agreements were subsequently extended via four, one-year amendments/letter agreements. The current extension expires March 22, 2025.

## SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

The County and Riverside County Regional Park and Open-Space District (Park District) desire new agreements (Agreements) which would transfer the operations formally from County to the Park District and would be between the Park District, CVWD, and BOR. The Agreements now recommended for approval will accomplish this transition, ensure continuity of operations, and establish a 30-year term necessary for the Park District to apply for future grant funding to make improvements to the facilities.

#### Impact on Citizens and Business

Lake Cahuilla Veterans Regional Park is a beautiful 710-acre recreational park at the base of the Santa Rosa Mountains that boasts campgrounds, access to trails, a 135-acre fishing lake, a zero-depth entry pool, picnic areas, restrooms, and play areas. The park is visited by over 50,000 people per year to enjoy camping, fishing, hiking, picnicking, swimming in the pool, or participating in a variety of permitted events. In addition, the Park District is in the process of investing more than \$10 million in capital improvements that would go towards expanding and enhancing the amenities offered at this park.

Entering into these Agreements will ensure continuity of operations and keep the Park accessible to the public for recreational use.

#### California Environmental Quality Act

Pursuant to Title 14, Division 6, Chapter 3 of the California Code of Regulations, Guidelines for Implementation of the California Environmental Quality Act (CEQA), the project is deemed categorically exempt under 15301: Existing Facilities.

#### **Attachments**

Lease Agreement with CVWD Agreement with BOR Notice of Exemption

Jason Farin Principal Management Analyst

12/5/2024

Aaron Gettis, Chief of Deputy County Counsel 12/5/202

## **Notice of Exemption**

### Appendix E

To: Office of Planning and Research P.O. Box 3044, Room 113 Sacramento, CA 95812-3044	From: (Public Agency): Riverside County Park & Open Space District Jurupa Valley, CA 92509				
County Clerk County of: Riverside	(Address)				
4080 Lemon St	, , , , , , , , , , , , , , , , , , , ,				
Riverside CA 92509					
Project Title: Lake Cahuilla Lease Renewal					
Project Applicant: Riverside County Park &	Open-Space District				
Project Location - Specific:	*1				
58075 Jefferson Street					
La Quinta	Pivoroido County				
Project Location - City: La Quinta	Project Location - County: Riverside County				
Description of Nature, Purpose and Beneficiarie	A STATE OF THE PARTY OF THE PAR				
	ty Regional Park and Open-Space District, United States by Water District for the continued use of land for the Lake				
Name of Public Agency Approving Project: Rive	erside County Park & Open-Space District				
Name of Person or Agency Carrying Out Project	Riverside County Park & Open-Space District				
Exempt Status: (check one):					
☐ Ministerial (Sec. 21080(b)(1); 15268); ☐ Declared Emergency (Sec. 21080(b)(3); 15269(a)); ☐ Emergency Project (Sec. 21080(b)(4); 15269(b)(c)); ☐ Categorical Exemption. State type and section number: 15301 (Existing Facilities)					
☐ Statutory Exemptions. State code num					
Reasons why project is exempt:	4				
Section 15301 exempts projects invo	lving the leasing existing public facilities.				
Lead Agency Contact Person: Gaby Adame	Area Code/Telephone/Extension: 951-955-1395				
If filed by applicant:  1. Attach certified document of exemption fi  2. Has a Notice of Exemption been filed by	inding. the public agency approving the project? Yes No				
Signature:	Date: 12/4/2024 Title: Bureau Chief				
Signed by Lead Agency Signed	by Applicant				
Authority cited: Sections 21083 and 21110, Public Resour Reference: Sections 21108, 21152, and 21152.1, Public F					
FILE	D / P O S T E D				
County of Peter Alda Assessor—	Riverside una County Clerk-Recorder				
E_20240131	3 1 08:12 AM Fee: \$ 50.00				

Removed: By: Deputy

to Riverside County Clerk of the Board, Stop 1010 Post Office Box 1147, Riverside, Ca 92502-1147 Thank you.

Contract No. 24-07-34-L2192

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> RIVERSIDE COUNTY REGIONAL PARK AND OPEN-SPACE DISTRICT For Public Recreational Development, Use, and Administration of the

TERMINAL RESERVOIR - LAKE CAHUILLA VETERANS REGIONAL PARK

WITNESSETH THAT:

Adjacent to the Coachella Canal, Indio, California

THIS RECREATIONAL LAND USE AGREEMENT (Agreement) is effective as of the

date it is signed by the Authorized Officer, pursuant to the Act of Congress of June 17, 1902 (32 Stat. 388), and acts amendatory thereof or supplementary thereto, all of which acts are commonly known and referred to as the "Federal Reclamation Laws," and particularly pursuant to the Act of Congress approved August 4, 1939 (53 Stat. 1187), as amended August 18, 1950

(64 Stat. 463); the Act of Congress approved May 28, 1954 (68 Stat. 143), as amended; the Act of Congress approved July 9, 1965 (79 Stat. 213, 214) as amended by (106 Stat. 4690) and the

Act of Congress of October 11, 2000, Pub. L. 106-291 (114 Stat. 923), et seq., as amended, the UNITED STATES OF AMERICA, hereinafter referred to as the "United States," represented by

the Bureau of Reclamation (Reclamation) officer executing this Agreement, duly appointed successor or authorized representative, hereinafter referred to as the "Area Manager," and the

RIVERSIDE COUNTY REGIONAL PARK AND OPEN-SPACE DISTRICT, hereinafter referred to as the "County Parks," with the concurrence of the COACHELLA VALLEY

RECREATIONAL LAND USE AGREEMENT between the

UNITED STATES DEPARTMENT OF THE INTERIOR

BUREAU OF RECLAMATION - BOULDER CANYON PROJECT

and

WATER DISTRICT, hereinafter referred to as the "District."

WHEREAS, certain lands were withdrawn from public domain for Reclamation

project purposes, and are a necessary feature of the Boulder Canyon Project, All-American Canal System, Coachella Division; and

WHEREAS, the United States acquired portions of the hereinafter described lands upon which are located Reclamation project works commonly known as "Dike No. 2" and appurtenant facilities, hereinafter referred to as "Dike," a feature of the Boulder Canyon Project. All-American Canal System, Coachella Division, which is operated and maintained by the District pursuant to its contract with the United States; and

- (c) WHEREAS, Reclamation's withdrawn and acquired lands and rights-of-way will hereinafter be referred to as "lands and rights-of-way;" and
- (d) WHEREAS, the United States has constructed a facility within the Coachella Division of the All-American Canal System, known as the "Terminal Reservoir," a Federal Reclamation Project, located on land owned by it in Riverside County, California, which is operated and maintained by the District pursuant to its contract with the United States; and
- (e) WHEREAS, the Federal Water Project Recreation Act (Public Law 89-72; 70 Stat. 213) as amended by Public Law 93-251 (88 Stat. 33, Sec 77), and Public Law 102-575 (106 Stat. 4690, Title XXVIII), authorizes Reclamation to assist in development of public recreation potential uses and facilities on Reclamation project lands and to permit non-Federal public entities to administer Reclamation project lands for public recreation purposes; and
- (f) WHERERAS, the County of Riverside, State of California, hereinafter referred to as "County of Riverside," requested a right-of-use authorization from Reclamation for the construction, operation, and maintenance of certain highway facilities within Reclamation's lands and rights-of-way for the Dike; and
- (g) WHEREAS, for the purpose of extending, improving, and developing its public outdoor recreation areas, the County of Riverside desired to use Reclamation's lands and rights-of-way for the Terminal Reservoir and which land and reservoir also have public use values for recreation, fish and wildlife, and related purposes; and
- (h) WHEREAS, the District granted the County of Riverside an Agreement on August 18, 1969, recorded in Riverside County, California on August 18, 1969 in Book 79, Page 177, for maximum multiple use of the Terminal Reservoir and adjacent lands for water storage, conservation and distribution and for recreational use as a regional park, with an expiration date of August 17, 2019; and
- (i) WHEREAS, Reclamation, on behalf of the United States, granted the County of Riverside a right-of-use authorization on October 19, 1970, under Agreement and License, Contract No. 14-06-300-2206, hereinafter referred to as "License," for County Highway Facilities and specifically for the construction, operation, and maintenance of a roadway known as Jefferson Street/Cahuilla Park Road within Reclamation's lands and rights-of-way for the Dike, with an expiration date of October 19, 2020; and
- (j) WHEREAS, Reclamation, on behalf of the United States, granted County of Riverside a right-of-use authorization on January 11, 1971, under Lease and Agreement, Contract No. 14-06-300-2215, hereinafter referred to as "Lease," for purposes of a public

outdoor recreation area within Reclamation lands and rights-of-way for the Terminal Reservoir of the Coachella Canal, with an expiration date of January 10, 2021; and

(k) WHEREAS, the District granted the County of Riverside a Lease and Agreement on March 22, 1971, for purposes of a public outdoor recreation area at and adjacent to the Terminal Reservoir, with an expiration date of March 21, 2021; and

(l) WHEREAS, the management of the Lease was transferred, independent of Reclamation, from County of Riverside to County Parks, a semi-independent Special District within the Riverside County Government System; and

 (m) WHEREAS, the District, on behalf of the County of Riverside, by electronic mail dated August 23, 2017, requested to change the official name of the public outdoor recreation area from Lake Cahuilla Regional Park to Lake Cahuilla Veterans Regional Park, and Reclamation, by electronic mail dated August 24, 2017, and subsequent letter dated September 19, 2017, provided no objection to renaming the public outdoor recreation area to Lake Cahuilla Veterans Regional Park; and

(n) WHEREAS, the City of La Quinta, assumed ownership, operation, and maintenance of a portion of the existing Jefferson Street/Cahuilla Park Road, provided for in said License, as depicted on **Exhibit C**; and

(o) WHEREAS, Reclamation, on behalf of the United States, granted the City of La Quinta, a perpetual right-of-use authorization on December 5, 2022, under Contract and Grant of Easement, Contract No. 06-07-34-L1502, for the ownership, use, operation, and maintenance of such portion of the existing public roadway, Jefferson Street/Cahuilla Park Road, within Reclamation's lands and rights-of-way for the Dike; and

(p) WHEREAS, County Parks will continue to own, use, operate and maintain a portion of said Jefferson Street/Cahuilla Park Road, and said portion will hereinafter be included in this Agreement; and

(q) WHEREAS, Contract No. 06-07-34-L1502 and this Agreement supersede and replace said License, for the existing Jefferson Street/Cahuilla Park Road; and

(r) WHEREAS, the public outdoor recreation area, Lake Cahuilla Veterans Regional Park, will hereinafter in this Agreement be referred to as "Lake Cahuilla Recreation Area," and said portion of Jefferson Street/Cahuilla Park Road, will hereinafter be referred to as "Cahuilla Park Road," as depicted on **Exhibit C**; and

(s)	WHEREAS, by Letter Agreement No. 21-07-34-L2060, as amended, among
Reclamati	on, District, County of Riverside, and County Parks, the term of said License and
Lease wer	e extended to March 22, 2025; and

(t) WHEREAS, by Application dated October 19, 2023, County Parks requested a right-of-use authorization to renew said expired License and Lease and continue to administer, own, use, operate, and maintain Lake Cahuilla Recreation Area and Cahuilla Park Road within Reclamation's lands and rights-of-way for the Terminal Reservoir and Dike; and

 (u) WHEREAS, the District by separate agreement, intends to enter into a new lease agreement titled: "Ground Lease," among County Parks and District, for authorization of said Lake Cahuilla Recreation Area and Cahuilla Park Road within the District's lands and rights-of-way; and

(v) WHEREAS, the United States owns, Reclamation administers, and the District operates a 78-inch irrigation lateral known as the Irrigation Lateral 123.4 and 123.45, hereinafter referred to as "Laterals." Portions of said Laterals traverse Reclamation's lands and rights-of-way, as depicted on **Exhibit E**; and

(w) WHEREAS, the Dike and Laterals will hereinafter collectively be referred to as "Reclamation Facilities;" and

<u>NOW THEREFORE</u>, in consideration of the mutual agreements and covenants contained herein, Reclamation, the District, and the County Parks agree as follows:

#### 3. COMPATIBILTY WITH STATUTES:

The Area Manager has determined that public recreational uses to be provided and managed by the County Parks, under the terms and conditions herein provided, are compatible with the intended project purposes of the applicable Reclamation Laws for which the lands and rights-of-way are administered by Reclamation on behalf of the United States.

#### 4. DESCRIPTION OF PREMISES AND RIGHTS GRANTED TO THE COUNTY PARKS:

- (a) This Agreement fully replaces and supersedes Reclamation Contract No. 14-06-300-2215, and all other permits, leases, agreements, or authorizations issued by
- Reclamation, the District, the County of Riverside, or County Parks involving use of
- 159 Reclamation lands for the benefit of Lake Cahuilla Recreation Area and Cahuilla Park Road, and
- that all of the above still in effect as of the date of execution of this Agreement are immediately
- terminated following that execution. All other existing arrangements, agreements, or other
- relationships between the County of Riverside, County Parks and third parties, and any contracts

or agreements between or among Reclamation, the District, County of Riverside and County Parks not involving use of lands as described herein are unchanged and shall be unaffected by this Agreement unless specifically provided herein.

(b) Subject to the mutual agreements and covenants contained herein, Reclamation, on behalf of the United States, by this Agreement, hereby grants to County Parks, except as otherwise provided herein, the following described authorization for the administration, ownership, use, operation, and maintenance of said Lake Cahuilla Recreation Area and Cahuilla Park Road purposes, to wit:

#### San Bernardino Meridian, California

Township 6 South, Range 7 East section 20, portions of.

W½NW¼, section 28, portions of.

NE¼, section 29, portions of.

comprising 226.21 acres, more or less

The Premises is further described and depicted on the County Parks' legal description titled: "Department of the Interior, Bureau of Reclamation Property, Pages 1 through 4," hereinafter referred to as **Exhibit A**, and plat map titled: "Department of the Interior, Bureau of Reclamation Property, Sheet 1 of 1," hereinafter referred to as **Exhibit B**, all of which are attached hereto and by this reference made a part hereof.

 Said Jefferson Street/Cahuilla Park Road is further described and depicted on County of Riverside's right-of-way map titled: "58<sup>th</sup>Avenue-Realignment, Sheet 1 of 1, dated March 6, 1970, District drawing No. 39108," hereinafter referred to as **Exhibit C**, attached hereto and by this reference made a part hereof.

(c) By accepting and signing this Agreement, and by using the Premises described herein, County Parks agrees to comply with and be bound by the terms and conditions described or referenced herein during all administration, construction, installation, ownership, use, operation, maintenance, and termination activities of said Lake Cahuilla Recreation Area and Cahuilla Park Road.

(d) All improvements and uses previously approved by Reclamation, the County of Riverside, or County Parks, for operations and maintenance are ratified and now subject to this Agreement, and County Parks retains the right to continue to operate, manage, and maintain the same for the term of this Agreement consistent with the existing or future approved master plans for said Lake Cahuilla Recreation Area and Cahuilla Park Road.

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(a) Dike No. 2:

The United States owns, Reclamation administers, and the District operates and maintains Dike No. 2 and appurtenant facilities, as described and depicted on Reclamation right-of-way drawings titled: "Dike No. 2 Right-of-Way Map, Reclamation drawing

- New improvements, new uses, substantiative modifications, changes in use, rules, user fees, or other changes shall be approved in advance in writing by Reclamation and shall be incorporated in a new or amended master plan for the facility, approved by the Area Manager in writing.
- Concessions or sub-agreements to provide appropriate visitor services may be allowed but shall be included in the master plan and approved by the Area Manager. The term of any concessions or sub-agreement shall not exceed the term of this Agreement.
- (1) Reclamation may charge the concessions or sub-agreement recipient fees in accordance with Reclamation Manual Directives and Standards (RM D&S) for "Concessions Management by Non-Federal Partners" (LND 04-02).
- County Parks may enter into subcontracts or concession agreements with third parties to develop, operate, or maintain facilities or services for public recreational purposes. The terms of such contracts and concession agreements shall not extend beyond the end of the term of this Agreement. Such contracts and concession agreements shall specifically include all applicable provisions of this Agreement and shall not be effective until approved by Reclamation's Area Manager. Reclamation reserves the right to insert provisions into said agreements or contracts that will serve to protect the interests of the Government. Each such agreement or contract shall specify that the Government will not stand instead in County Park's place if this Agreement is terminated. No portion of the recreational facilities shall be reserved for private exclusive uses. Periodic short-term temporary permits issued by County Parks for special events are allowed. Memberships in special groups or private and semi-private clubs shall not be a condition for use of the area. The area and its facilities shall be available for public use.
- (h) County Parks shall not alienate any land interests of Reclamation through granting easement, ground leases, deeds, or similar land interest conveyances. All such instruments shall only be issued by Reclamation. Short-term permits or licenses necessary for efficient, economical, and orderly operations of County Parks on the lands under this Agreement may be issued by County Parks to third parties, however, no permit or license shall exceed the term of this Agreement. Reclamation shall not be responsible for any permit or license issued by County Parks.

**FEDERAL FACILITIES:** 

Nos. 212-300-393 dated July 6, 1965, 212-300-394 dated July 6, 1965, and 212-300-420 dated July 8, 1965," hereinafter referred to as **Exhibit D**, attached hereto and by this reference made a part hereof.

The Dike shall be protected in place during the use, operation, and maintenance of the Lake Cahuilla Recreation Area and Cahuilla Park Road, and the Dike's structural integrity shall not be impacted or compromised by any rights of Lake Cahuilla Recreation Area and Cahuilla Park Road authorized by this Agreement.

The term Representatives for purposes of this Agreement shall mean all contractors, subcontractors, officers, employees, agents, representatives, directors, successors, and/or assigns, or any other persons directly or indirectly employed by any one of the foregoing, or reasonably under the control of any of the foregoing, or for whose acts any of the foregoing may be liable, and will hereinafter collectively be referred to as "Representatives;" and

County Parks shall be responsible for any damage to said Dike caused by County Parks or its Representatives.

#### (b) <u>Irrigation Lateral 123.4</u>:

The United States owns, Reclamation administers, and the District operates Lateral 123.4 as depicted on **Exhibit E**, Reclamation Drawing C-7-16, titled: "Easement for Distribution System Parcel C-7-16," attached hereto and by this reference made a part hereof.

The Lateral shall be protected in place during the use, operation, and maintenance of the Lake Cahuilla Recreation Area and Cahuilla Park Road, and the Lateral's structural integrity shall not be impacted or compromised by any rights of Lake Cahuilla Recreation Area and Cahuilla Park Road authorized by this Agreement.

County Parks shall be responsible for any damage to or obstruction of water delivery from said Lateral caused by County Parks or its Representatives.

#### (c) <u>Irrigation Lateral 123.45</u>:

The United States owns, Reclamation administers, and the District operates Lateral 123.45 as depicted on **Exhibit E**, Reclamation Drawing C-7-16, titled: "Easement for Distribution System Parcel C-7-16."

The Lateral shall be protected in place during the use, operation, and maintenance of the Lake Cahuilla Recreation Area and Cahuilla Park Road, and the Lateral's structural integrity shall not be impacted or compromised by any rights of Lake Cahuilla Recreation Area and Cahuilla Park Road authorized by this Agreement.

County Parks shall be responsible for any damage to or obstruction of water delivery from said Lateral caused by County Parks or its Representatives.

6. OWNERSHIP OF LAKE CAHUILLA RECREATION AREA AND CAHUILLA PARK ROAD: County Parks shall at all times and at its sole expense, without any expense and/or liability whatsoever to the United States, Reclamation and/or the District, administer, construct, install, own, use, operate, maintain, and make necessary repairs to or replacements of the Lake Cahuilla Recreation Area and Cahuilla Park Road in a manner so as not to interfere with the proper use and operation of or cause injury or damage to any property or waters of the United States, property of the District, and/or any facilities or project works of Reclamation and/or the District. County Parks shall reimburse Reclamation and/or the District for all injury or damage to said property, waters, facilities, and/or project works arising out of the utilization of the rights granted pursuant to this Agreement, which is caused by County Parks. After providing County Parks with supporting documentation and an opportunity to review and comment, County Parks shall promptly pay any invoice rendered by Reclamation and/or the District.

7. <u>WATER</u>: Nothing contained in this Agreement shall be deemed to entitle County Parks to, nor shall be construed as granting any rights to obtain water from the United States, and no wells shall be constructed or installed on the lands and rights-of-way covered by this Agreement.

(a) <u>Use of water by County Parks</u>: County Parks may divert water available in the Terminal Reservoir, under such terms and conditions and in such quantities as are established and considered necessary by the District, for the watering of lawns, trees, and shrubs on the Lake Cahuilla Recreation Area, a part of the Coachella service area. Reports of the total water used each preceding year shall be furnished to Reclamation and the District on or before February 1 of each calendar year. Reclamation and the District do not warrant the quality of such water. County Parks hereby expressly relieves and releases Reclamation and the District and their respective officers, agents, and employees from any liability or responsibility whatsoever for the quality, composition, or content of the water diverted by County Parks or for any lack of fitness of such water for any use thereof by County Parks or other users thereof.

 8. <u>TERM OF AGREEMENT</u>: This Agreement, unless otherwise terminated as provided for in Article 9 herein, shall terminate thirty (30) years from the date hereof. This Agreement may, upon written agreement of the parties, be extended for an additional thirty (30) year term. Any request for extension shall be filed by County Parks, in writing, with the Area Manager not less than one hundred eighty (180) days prior to termination of the Agreement.

324 325 9. **MODIFICATION AND TERMINATION:** 326 327 This Agreement may be modified, amended, terminated, or extended consistent with 328 applicable laws and regulations upon the written agreement of Reclamation, the District, and 329 County Parks. 330 331 This Agreement shall terminate, and all rights granted to County Parks hereunder 332 shall cease, and County Parks shall quietly deliver to Reclamation possession of the Premises in like condition as when taken, reasonable wear and tear excepted: 333 334 335 (1) At the expiration of the term as provided in Article 8. 336 337 (2) For nonuse of the Premises by County Parks for a period of two (2) continuous 338 years following the execution of this Agreement, at the option of Reclamation. 339 340 (3) After providing County Parks with notice and an opportunity to cure, failure of 341 County Parks to observe any of the conditions of this Agreement, to include payment of any and all sums due to Reclamation as set forth herein, and on the ninety-first (91st) day following 342 343 service of written notice on County Parks of termination because of failure to observe such 344 conditions. Any notice required by this Article shall be served by certified mail addressed to the 345 respective post office addresses provided in Article 21, and the mailing of any such notice 346 properly enclosed, addressed, stamped, and certified, shall be considered service. 347 348 (4) Reclamation may, at any time and at no cost or liability to the United States, 349 terminate this Agreement in the event of a natural disaster, a national emergency, a need arising 350 from security requirements, or an immediate and overriding threat to public health and safety. 351 352 (5) Reclamation may, at any time and at no cost or liability to the United States, 353 terminate any use authorization for activities other than existing authorized private exclusive 354 recreational or residential use as defined under 43 CFR § 429.2 (2016) if Reclamation 355 determines that any of the following apply: 356

(ii) A higher public use is identified through a public process described at 43 CFR § 429.32(a)(1) (2016); or

(iii) Termination is necessary for operational needs of Reclamation's Boulder Canyon Project.

The use has become incompatible with authorized project purposes.

project operations, safety, and security;

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- (6) Reclamation may, at any time and at no cost or liability to the United States, terminate this Agreement if it determines that County Parks has used this Agreement for any purpose other than its intended purpose, after providing County Parks with notice and an opportunity to cure.
- (7) Reclamation may, at any time and at no cost or liability to the United States, terminate this Agreement if County Parks fails to comply with all applicable Federal, State, and local laws, regulations, ordinances, Executive Orders, and Reclamation Laws, policies, and directives and standards, existing or hereafter enacted or promulgated, or terms and conditions of any use authorization, or to obtain any required permits or authorizations.
- (8) Upon the expiration, termination, or revocation of this Agreement, if all use fees and damage claims due Reclamation have been paid, the County Parks may be required, at the option of Reclamation, to remove any or all of the Lake Cahuilla Recreation Area and Cahuilla Park Road placed upon the Premises and shall restore the Premises to a condition satisfactory to the Area Manager. Should County Parks fail to remove the Lake Cahuilla Recreation Area and Cahuilla Park Road within one hundred eighty (180) days of expiration, termination, or revocation of this Agreement, or within such other timeframe as mutually agreed to by the parties to this Agreement, the Area Manager may, on behalf of Reclamation, deny and prohibit any or all access to the Lake Cahuilla Recreation Area and Cahuilla Park Road and Premises. At the option of Reclamation, any remaining Lake Cahuilla Recreation Area and Cahuilla Park Road may become property of the United States or be removed at the expense of the County Parks. The County shall promptly pay all expenses incurred by Reclamation for removal and restoration upon its receipt of an invoice for the same.
- (9) Should this Agreement be terminated, Reclamation, reserves the right to bar County Parks from the authorization to use Reclamation lands and rights-of-way for a period of time, as determined by the Area Manager.
- 10. <u>TERMINATION OF AGREEMENT BY COUNTY PARKS</u>: This Agreement may be terminated at any time by County Parks upon six (6) months written notice to Reclamation and the District. Should County Parks exercise its option to terminate this Agreement, all rights granted County Parks hereunder shall cease, and the County Parks shall quietly deliver to Reclamation possession of the Premises, reasonable wear and tear excepted.

#### 11. EXCEPTIONS AND RESERVATIONS:

(a) Reclamation and the District reserve the right of their officers, employees, and agents to at all times have unrestricted access and ingress to, passage over, and egress from all of the Premises to make investigations of all kinds, dig test pits and drill test holes, to survey for, operate, and maintain existing Reclamation works and facilities, and to construct reclamation and irrigation works and other structures incident to Reclamation project needs and purposes.

- 408 Reclamation and the District shall have no obligation to restore County Parks' Lake Cahuilla
- 409 Recreation Area and Cahuilla Park Road if Reclamation and the District exercise their rights
- 410 reserved herein. All costs, expenses, obligations, and duties, to restore any part of County Parks'
- 411 Lake Cahuilla Recreation Area and Cahuilla Park Road shall be incurred by County Parks.
- Nothing in this Agreement shall be construed as releasing the United States or the District from
- responsibility for its own negligence. Nothing herein shall be deemed to increase the liability of
- the United States beyond the provisions of the Federal Tort Claims Act, Act of June 25, 1948,
- 415 62 Stat. 989 (28 U.S.C. § 1346(b), 2671 et seq.) or other applicable law.

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The rights granted hereunder shall not be exclusive in character and Reclamation and the District reserve to themselves, their successors and assigns, the right against County Parks to use any or all of the Premises, which is or may be crossed, or upon which irrigation and drainage facilities and works of Reclamation and the District have been constructed, and to construct, reconstruct, operate, and maintain therein and thereon works including, but not limited to, dams, dikes, canals, waste ways, laterals, ditches, telephone and telegraph lines, electric transmission lines, roadways, and appurtenant irrigation and drainage structures which may be needed or useful in connection with or as part of canals, laterals, and other irrigation and drainage facilities without any payment by Reclamation or the District, its successors and assigns, for the exercise of such right. County Parks agrees that if the construction, reconstruction, installation, operation, or maintenance of any or all of such works of Reclamation, on or across the Premises, should be made more expensive by reason of the existence of County Parks' Lake Cahuilla Recreation Area and Cahuilla Park Road, such additional expense may be estimated by Reclamation or the District whose estimate shall be final and binding upon the parties hereto, and within thirty (30) days after demand is made upon the County Parks for payment of any such sums. County Parks shall make payment thereof to Reclamation and the District, its successors and assigns, for constructing, operating, or maintaining such works across, over, under or upon the Premises.

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(c) Reclamation and the District reserve the right to inspect County Parks' Lake Cahuilla Recreation Area and Cahuilla Park Road under the terms of this Agreement at any time to include both during the progress of any construction and upon completion thereof.

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(d) Jurisdiction of and supervision by Reclamation over the Premises is not surrendered or subordinated by issuance of this Agreement and Reclamation reserves the right to issue additional use authorizations and other agreements for compatible use of the Premises.

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12. <u>TERMS AND CONDITIONS</u>: In use of the Premises, County Parks shall faithfully observe each of the following conditions:

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(a) County Parks, at its sole expense, shall administer, construct, install, own, use, operate, and maintain County Parks' Lake Cahuilla Recreation Area and Cahuilla Park Road in conformity with all applicable Federal, State, and local laws, regulations, ordinances, Executive Orders, and Reclamation Laws, policies, and directives and standards, existing or hereafter

enacted or promulgated, including but not limited to, those relating to pollution and environmental control.

(b) County Parks shall be solely responsible for, and ensure that, said Lake Cahuilla Recreation Area and Cahuilla Park Road are administered, constructed, installed, operated, and maintained in accordance with **Exhibits A, B, and C**, as approved by the Area Manager and the District. County Parks must obtain written authorization from the Area Manager and the District prior to making any changes to the approved plan details of the Lake Cahuilla Recreation Area and Cahuilla Park Road, as described on **Exhibits A, B, and C**.

(c) All construction, installation, ownership, use, operation, and maintenance activities undertaken pursuant to this Agreement shall be in conformity with the specifications approved in advance by the Area Manager and the District and shall be conducted by County Parks at all times in a manner satisfactory to the Area Manager and the District. It shall be incumbent upon County Parks to obtain the District's approval prior to undertaking such installation activities, and such approval shall not be unreasonably withheld.

(d) County Parks shall at all times, and at its sole expense, operate and maintain and make necessary repairs and replacements on said County Parks' Lake Cahuilla Recreation Area and Cahuilla Park Road in a good and workmanlike manner so as not to interfere with the proper use and operation of, or cause injury or damage to any property, irrigation, and drainage facilities, or works of Reclamation. All equipment installed, operated, and maintained pursuant to this Agreement will be maintained in a safe condition satisfactory to the Area Manager and the District. County Parks will reimburse Reclamation for all injury or damage (except for normal wear and tear) to property, irrigation and drainage facilities, or works of Reclamation arising out of the utilization of the rights granted pursuant to this Agreement which is caused by County Parks, its officers, agents, or employees, and County Parks will promptly pay any reasonable bills rendered therefore by Reclamation after receipt of supporting documentation and an opportunity to review and comment.

(e) During construction and use of the Premises, County Parks shall carry out proper and efficient measures wherever and as often as necessary to reduce nuisance by dust, and to prevent dust which has originated from its operations from damaging any other properties or causing a nuisance to persons.

(f) County Parks shall reimburse Reclamation and the District for any and all reasonable costs and expenses incurred in the defense of any action which challenges County Parks' use of the Premises. To the extent authorized by Federal law, this provision shall not apply to actions which do not directly involve or result from County Parks' use of the Premises.

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(g) The rights granted by this Agreement are subject to any and all applicable Federal, State, and local laws, regulations, ordinances, Executive Orders, and Reclamation Laws, policies, and directives and standards, existing or hereafter enacted or promulgated, and rights of Reclamation, the United States, and to existing rights in favor of the public or third parties. County Parks agrees that it is its sole responsibility to make whatever arrangements as are necessary to obtain such rights as may be required of County Parks from any other party or parties holding any other interests.

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(h) County Parks shall notify the Area Manager and District within ninety (90) days of substantial completion of use, and within said ninety (90) days shall undertake customary and prudent measures to smooth, recontour, clean, remove debris, grade, scarify, repair, restore, or otherwise rehabilitate the lands, water, structures, and facilities of Reclamation that were disturbed to a condition of appearance and stability comparable to the surrounding undisturbed lands, with the exception of County Parks site improvements, including but not limited to underground infrastructure and built structures, to the satisfaction of the Area Manager and District.

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(i) County Parks shall ensure the Premises and surrounding area are maintained in a sanitary condition at all times. All trash and debris shall be removed upon leaving the Premises.

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(j) County Parks shall not make any alteration of said Lake Cahuilla Recreation Area and Cahuilla Park Road within the Reclamation lands and rights-of-way without prior written concurrence of Reclamation and District, which shall not be unreasonably withheld.

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515 516 (k) County Parks shall ensure that no unauthorized use, encroachment, or trespass occurs, and no waste is committed, on Reclamation lands and rights-of-way under this Agreement.

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(l) County Parks shall have the right to allow its agents, contractors, and subcontractors to use Reclamation lands and rights-of-way under this Agreement for the purposes stated herein.

521 522 (m) In performance of any part of the work contemplated by this Agreement, County Parks shall not employ any person undergoing a sentence of imprisonment at hard labor.

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528 529 (n) County Parks shall promptly reimburse Reclamation and/or the District for all damages to Reclamation lands and rights-of-way, waters, Reclamation Facilities, other facilities, and/or project works, arising out of the construction, installation, operation, maintenance, use, termination, or removal by County Parks of the County Parks' Lake Cahuilla Recreation Area and Cahuilla Park Road located on Reclamation lands and rights-of-way under this Agreement, provided, however, that if Reclamation and/or the District does not use the payment to repair

such damages, Reclamation and/or the District shall not recover additional payment for such damages at the time of termination of this Agreement.

(o) County Parks shall not use the Premises or permit the use thereof for any purposes except as set forth herein.

#### 13. SPECIAL TERMS AND CONDITIONS:

 Reclamation will ensure that any concessions at the Lake Cahuilla Recreation Area adhere to the RM D&S's for management of concession operations. Therefore, in the use of the Premises, County Parks shall faithfully observe and comply with each of the following conditions:

Irrigation Use Paramount: Recreation, fish and wildlife, and related uses of the Terminal Reservoir are subordinate to the rights of Reclamation relating to the Coachella Division, All-American Canal System, for the storage and regulation of water for irrigation and other purposes, and to the rights of the District as defined and described in the contract between Reclamation and the District, dated October 15, 1934, Contract No. Ilr-781, as amended, and supplemented by contract, dated December 1947, and Contract No. 14-06-300-1384, dated July 30, 1963, as amended. Pursuant to said contracts, the Premises described herein are subject to use, occupancy, development, management, and control for Reclamation purposes in accordance with the provisions of the Reclamation Laws and laws supplementary thereto and amendatory thereof, and to such other uses determined by Reclamation or the District to be necessary in connection with the construction, operation, or maintenance of the Terminal Reservoir and appurtenance facilities situated thereon and thereat. The District's normal operation of the Terminal Reservoir will require a drawdown of the water level in the reservoir during the weekdays and a filling of the reservoir on weekends. However, the water level may be fluctuated at any time by Reclamation or the District, and they reserve the right to vary the water levels to the extent deemed necessary or desirable for the purpose of Reclamation and/or District project operations without notice or any liability whatsoever. Further, no liability shall ensue to Reclamation or the District by reason of any changes in water levels due to floods or for any other reason.

(b) <u>Possession</u>: Reclamation is not and shall not at any time be obligated to place or maintain County Parks or any of its permittees, licensees, or contractors in actual possession of the Lake Cahuilla Recreation Area or any part thereof. None of the obligations of County Parks hereunder, nor any of the rights of Reclamation hereunder shall be affected by the inability for any reason of County Parks or any of its permittees, licensees, or contractors to obtain or retain possession of the Lake Cahuilla Recreation Area or any part thereof. County Parks hereby expressly waives any rights to require Reclamation to secure to County Parks or any of its permittees, licensees, or contractors the quiet possession of any of the Lake Cahuilla Recreation Area.

#### (c) Master Plan:

(1) County Parks shall be solely responsible for, and ensure that, within three hundred sixty-five (365) days of the execution of this Agreement, County Parks submits a master plan and specifications for the Lake Cahuilla Recreation Area and for all of the recreation improvements incident thereto including, but not limited to, existing and proposed roads, trails, parking and picnic areas, walk and trail systems, swimming beaches, buildings, irrigation systems, landscaping, primary and secondary lighting systems, domestic water systems and sanitary facilities, recreation facilities, concession area and bathing beach, and other developments, to Reclamation and the District for review and approval, which shall not be unreasonably withheld.

(i) The master plan is intended to be an all-inclusive plan and shall include all current and planned uses and recreation activities, maintenance activities, improvements and/or modifications activities, new projects, construction, and conservation projects through the next ten (10) years or more. The master plan is reviewed annually and updated every five (5) years as needed.

 (2) County Parks shall be solely responsible for, and ensure that, County Parks submits any changes and/or improvements to the approved master plan and specifications to Reclamation and the District for review and approval prior to any construction activities of said changes and/or improvements; such approval shall not be unreasonably withheld. Said changes and/or improvements, if approved by Reclamation and the District, shall be covered by an amendment to this Agreement.

(3) County Parks shall be solely responsible for, and ensure that, County Parks and all parties acting under it, follow the master plan and specifications during the administration, redevelopment and/or any improvements of the Lake Cahuilla Recreation Area at the Terminal Reservoir. All developments will be compatible with existing features.

#### (d) Use of Lake Cahuilla Recreation Area:

 (1) County Parks shall be solely responsible for, and ensure that, County Parks constructs, operates, and maintains the Lake Cahuilla Recreation Area in accordance with the approved master plan for the roads, trails, sanitation facilities, camp and picnic grounds, swimming beaches, administration buildings, concession facilities, and similar or related facilities, and provide services incidental to recreational uses.

(2) County Parks shall, within the limits of its authority, assume the responsibility for the enforcement of all game and fish laws on the Lake Cahuilla Recreation Area and shall take all reasonable precautions and assist in the prevention, control, and suppression of fires in the

vicinity of the areas of the Premises, and shall make and enforce such laws, rules, and regulations applicable to the recreation and fish and wildlife use of the Lake Cahuilla Recreation Area as are necessary and desirable to protect the health and safety of persons using the Lake Cahuilla Recreation Area, and for preservation of law and order in the interest of public safety.

(3) County Parks shall be solely responsible for, and ensure that, County Parks provides a copy of County Parks' fire management plan to Reclamation and the District for review and record.

(4) County Parks shall be solely responsible for, and ensure that, County Parks does not engage in or permit any activity within the Lake Cahuilla Recreation Area or allow any omission therein which will interfere with the safety, protection, and operation of the reservoir for water regulation and irrigation purposes, or affect in any way the operation, maintenance, and replacement of said Laterals or Dike and future connecting pipes and structures.

(5) County Parks shall comply with the provisions of the Ground Lease between CVWD and County Parks, an execution-ready copy of which is contained in **Exhibit F**, attached hereto and by this reference made a part hereof. **Exhibit F** will be replaced with a fully executed **Exhibit F** upon final execution of this Agreement.

### (e) <u>Managing Partner Agreements / Third-Party Concession Contracts</u>:

(1) County Parks hereby agrees to be bound by and strictly adhere to RM D&S's for "Concessions Management by Non-Federal Partners" (LND 04-02), "Review of Operation and Maintenance Program Examination of Associated Facilities (Facilities Other Than High and Significant-Hazard Dams)" (FAC 01-04), and "Crediting of Incidental Revenues" (PEC 03-01), on Reclamation lands and rights-of-way, and as described and depicted in **Exhibit G**, attached hereto and by this reference made a part hereof.

(i) Reclamation's above-noted Policy and D&S's for concessions management on Reclamation lands and rights-of-way, are subject to change from the date hereof. Upon receipt of any change(s) to the Policy and/or D&S's, Reclamation may review and make necessary changes to the stipulations herein and work in good-faith with the District and County Parks to amend this Agreement accordingly.

(f) Reporting of Underground Injection Control (UIC) Class V Wells: RM D&S ENV 15-04, "Underground Injection Control Program," requires Reclamation to maintain an inventory of all Class V wells, to include septic systems, on Reclamation lands and rights-of-way whether owned and operated by Reclamation, contractors, or concessionaires.

(1) County Parks shall be solely responsible for, and ensure that, County Parks submits to Reclamation the following information regarding any Class V wells located on

Reclamation lands and rights-of-way, including the Premises: 1) facility name, 2) name and address of legal contact, 3) ownership of the facility, 4) nature and type of injection well, and 5) operating status (permitted, authorized by rule, or close out), for Reclamation's review and record.

(2) County Parks acknowledges that the presence of large-capacity cesspools, are not allowed, on Reclamation lands and rights-of-way, including the Premises.

 (3) <u>UIC Well Injection Cessation and Closure</u>: Reclamation must ensure that all Reclamation owned and operated Class V wells adhere to Federal or State regulations applicable to cessation and closure of Class V wells, and request the below information from non-Reclamation Class V wells owners and operators on Reclamation lands and rights-of-way to meet the below requirements:

(i) Reclamation must cease or ensure cessation of injection into a Class V well within the time frame specified as required by 40 CFR §144.26, 40 CFR §144.27, 40 CFR §144.31.

(ii) Reclamation must ensure closure of Class V wells on Reclamation lands and rights-of-way as directed by the UIC Program Director and in compliance with any Department of the Interior requirements. In general, well closures must meet the prohibition of the fluid movement standard in 40 CFR §144.12 and provisions for the removal and management of any materials from or adjacent to a well established in 40 CFR §144.82(b). Reclamation shall compile and maintain proof of closure documentation on file.

 (iii) County Parks shall be solely responsible for, and ensure that, County Parks submits to Reclamation documentation of proof of closure for any and all Class V wells located on Reclamation lands and rights-of-way, including the Premises, for Reclamation's review and record.

14. <u>GENERAL SPECIAL CONDITIONS</u>: In use of the Premises, the County shall faithfully observe each of the following conditions:

(a) Any construction and Lake Cahuilla Recreation Area and Cahuilla Park Road activity beyond the Premises is not authorized by the United States, Reclamation, or this Agreement.

(b) In the event County Parks is not the underlying fee owner of the land encumbered by Reclamation's rights-of-way, it shall be incumbent on County Parks to secure

permission of the fee owner(s) for approval to enter upon, cross, or use the land, including the Reclamation rights-of-way.

(c) County Parks must follow Reclamation's requirements for crossing of Reclamation projects and facilities which are found in Reclamation's "Engineering and O&M Guidelines for Crossings – Bureau of Reclamation Water Conveyance Facilities (Canals, Pipelines, and Similar Facilities)" as described and depicted on **Exhibit H**, attached hereto and by this reference made a part hereof.

(d) County Parks shall cause the Lake Cahuilla Recreation Area to be protected from erosion, and the vegetation and improvements thereon from fire, and shall at its own expense, do such reasonable things as may be directed by Reclamation to prevent and control soil erosion caused by any improvements or use of the Premises.

(e) County Parks shall be solely responsible for, and ensure that, no structures are built over existing irrigation system canals or laterals or flood control facilities, except said Cahuilla Park Road.

(f) County Parks shall not do or omit to do, or knowingly suffer, or permit to be done by others, anything by which act or omission any persons may be endangered or injured by use of the Lake Cahuilla Recreation Area and Cahuilla Park Road.

(g) County Parks shall be solely responsible for, and ensure that, nothing herein shall be construed or interpreted as authorizing County Parks, its agents or employees, to act as agent or representative for or on behalf of Reclamation or the District, or to incur any obligation of any kind on behalf of Reclamation and the District.

(h) County Parks shall be solely responsible for, and ensure that, County Parks permits free and ready access to the Lake Cahuilla Recreation Area and Cahuilla Park Road by the public, consistent with the administration thereof. However, such requirement will not prevent County Parks from making a charge for use of the designated recreation area as provided in LND 04-02.

(i) County Parks shall be solely responsible for, and ensure that, County Parks posts signage at all areas set aside or developed for swimming purposes, advising the public that they swim at their own risk when lifeguards are not present.

 (j) County Parks shall be solely responsible for, and ensure that, no private residential use of the Premises other than management and administrative housing, and County Parks' Resident Camp Hosts and Caretaker(s), shall be allowed by County Parks. The maximum length of time of occupancy of the Premises shall not exceed two (2) consecutive weeks and

shall be on a week-to-week registration basis. Any other occupancy will be considered as residential use and will constitute a violation by County Parks of the terms of this Agreement.

(k) County Parks shall bear the responsibility for all law enforcement, fire management, protection, and suppression, emergency services, sanitation, and all other necessary and appropriate visitor services without any cost to Reclamation or the District. County Parks may accomplish wildland fire management and suppression through agreement with Bureau of Land Management subject to approval of the Area Manager.

(l) County Parks shall be solely responsible for, and ensure that, Reclamation and District projects and facilities, and Reclamation lands and rights-of-way and waters, including the Reclamation Facilities, are protected during the construction, installation, use, operation, maintenance, and termination activities authorized herein.

(m) County Parks shall be solely responsible for, and ensure that, the construction, installation, use, operation, maintenance activities of said Lake Cahuilla Recreation Area and Cahuilla Park Road do not interfere with Reclamation and/or the District's operation and maintenance activities of Reclamation and/or District projects and facilities, including Reclamation lands and rights-of-way, and the Reclamation Facilities.

 (n) County Parks shall be solely responsible for, and ensure that, construction, installation, use, operation, maintenance activities of said Lake Cahuilla Recreation Area and Cahuilla Park Road do not adversely affect or impact Reclamation and District projects and facilities, Reclamation lands and rights-of-way, and the Reclamation Facilities.

(o) County Parks shall be liable for any costs associated with repairs of Reclamation and/or District facilities, structures, or project works of Reclamation if damaged during the construction, installation, use, operation, maintenance, and termination activities authorized herein.

(p) County Parks shall ensure that any disturbed banks on Reclamation and District projects and facilities, Reclamation lands and rights-of-way, and the Reclamation Facilities, are stabilized in a manner approved by Reclamation and the District prior to any construction.

(q) County Parks shall protect all properties owned and/or previously permitted by Reclamation within its lands and rights-of-way for Reclamation projects and facilities.

(r) County Parks shall be solely responsible for, and ensure that, no material of any kind is discharged into Reclamation and/or District facilities.

- (s) County Parks shall be solely responsible for, and ensure that, Reclamation and the District have access to the Premises at all times during construction, installation, use, operation, maintenance and termination activities of the Lake Cahuilla Recreation Area and Cahuilla Park Road, Reclamation Facilities, and/or other facilities. Nothing shall prevent Reclamation and/or the District from construction, operation, maintenance, removal, expansion, improving, relocation and/or replacement of Reclamation projects and facilities, or the delivery of water through these facilities.
- (t) Any provider intending to install or construct any utilities and/or other improvements on the Premises not specifically authorized by this Agreement shall make separate application to Reclamation and/or the District for authorization and right-of-use prior to any construction or installation.
- (u) County Parks shall obtain the District's approval for use of District owned land for the Lake Cahuilla Recreation Area and Cahuilla Park Road, the receipt of which is hereby acknowledged, such approval shall not be unreasonably withheld. County Parks shall obtain Reclamation and District approval for any redevelopment and/or improvements activity for the Lake Cahuilla Recreation Area and Cahuilla Park Road, and ensure coordination with Reclamation and the District prior to commencing any redevelopment and/or improvements activity, and during all construction, installation, operation, maintenance, replacement, repair and termination activities of the County Parks' Lake Cahuilla Recreation Area and Cahuilla Park Road within Reclamation's lands and rights-of-way, including inspection as required by Reclamation and/or the District during and after construction.
- (v) County Parks shall provide a construction schedule and seventy-two (72) hour notice to Reclamation prior to the start of any construction activity. Said seventy-two (72) hour notice shall be provided to Reclamation's Technical Support Office, Construction Services Group Manager, Mr. Alex Belous, at telephone No. (928) 343-8314 and/or by electronic mail at abelous@usbr.gov, so that a Reclamation Inspector can attend any pre-construction meetings and be on-site during construction and installation activities.
- (w) County Parks shall provide a construction schedule and seventy-two (72) hour notice to the District prior to the start of any construction activity. Said seventy-two (72) hour notice shall be provided to Right-of-Way Supervisor, Ms. Chris Bogan, at telephone No. (760) 398-2651 so that a District representative can attend any pre-construction meetings and be on-site during construction and installation activities.
- (x) Within ninety (90) calendar days of the completion of any construction or installation of any improvements at the Lake Cahuilla Recreation Area and Cahuilla Park Road, the County Parks shall furnish Reclamation and the District each with as-built drawings depicting the location of said Lake Cahuilla Recreation Area and Cahuilla Park Road, as installed. Said

drawings shall be provided to Reclamation and the District to include one (1) 11x17 sized set of drawings, one (1) copy in PDF electronic format, and one (1) electronic copy of the drawings in a shapefile format (NAD 83 and/or KMZ in WGS 84), or compatible. Electronic drawings shall be provided to Reclamation by email to Ms. Anna Sander, Realty Technician at: asander@usbr.gov.

(y) In case of emergency (major incidents) involving the Reclamation lands and rights-of-way, Reclamation Facilities, and/or other facilities, County Parks shall immediately notify Reclamation at telephone No. (928) 343-8100 and the District at telephone No. (760) 398-2651. All other emergency incidents shall be recorded and reported to Reclamation every six (6) months on June 30<sup>th</sup> and December 31<sup>st</sup> of each year.

(z) County Parks shall restore and repair, if necessary, the Premises and surrounding area to its original condition or improved and in a manner satisfactory to Reclamation and the District.

(aa) County Parks acknowledges and agrees that Reclamation and/or the District may require County Parks to close the Lake Cahuilla Recreation Area and Cahuilla Park Road for maintenance activities with reasonable advance notice of at least fourteen (14) days to County Parks, unless exigent circumstances require action sooner as determined by Reclamation and/or the District.

(bb) County Parks acknowledges and agrees that Reclamation and/or the District may require County Parks to cease all use, operation and maintenance activities related to the Lake Cahuilla Recreation Area and Cahuilla Park Road, for project purposes related to Reclamation's lands and rights-of-way and Reclamation Facilities, with reasonable advance notice of at least fourteen (14) days to County Parks, unless exigent circumstances require action sooner as determined by Reclamation and/or the District.

(cc) Reclamation and the District retain all rights previously reserved and the authority to enter upon the Premises.

(dd) Reclamation and the District maintain the right to require that County Parks close the Lake Cahuilla Recreation Area and Cahuilla Park Road for a required or specified time frame as agreed upon by all, if deemed necessary for maintenance or related activities performed within the Reclamation lands and rights-of-way and Reclamation Facilities, and/or other facilities.

(ee) Any damage to County Parks' Lake Cahuilla Recreation Area and Cahuilla Park Road or its related features caused by operation and maintenance activities of Reclamation and/or the District on project works and/or facilities shall be the sole responsibility of County Parks to repair and/or replace, and the United States, Reclamation, and/or the District shall have

no financial responsibility for any such repairs and/or replacements, except to the extent such damage is caused by the gross negligence or willful misconduct of Reclamation and/or the District.

(ff) County Parks shall reimburse Reclamation and/or the District for reasonable additional costs incurred in the operation and maintenance of Reclamation and/or District facilities which are directly attributable to County Parks' Lake Cahuilla Recreation Area and Cahuilla Park Road and its related features.

(gg) County Parks hereby agrees to incur all costs, expenses, obligations, and duties to restore the County Parks' Lake Cahuilla Recreation Area and Cahuilla Park Road in the event Reclamation and/or the District exercise their rights reserved herein.

(hh) Reclamation will accept no responsibility for the structural adequacy of the Lake Cahuilla Recreation Area and Cahuilla Park Road. Approval is based on the plans for construction and installation of improvements at the Lake Cahuilla Recreation Area and Cahuilla Park Road only.

(ii) Within thirty (30) calendar days of the completion of construction and installation of improvements at the Lake Cahuilla Recreation Area and Cahuilla Park Road, the County Parks shall provide notification to Reclamation and the District.

(jj) This authorization to use Reclamation's lands and rights-of-way shall not be construed as a grant of any permanent ownership and/or interest or as abandonment by the United States or Reclamation of any rights, including but not limited to, use and occupancy of the Premises, and/or Reclamation's lands and rights-of-way.

(kk) All on-site personnel shall be personally instructed by County Parks regarding the above-listed conditions.

#### **GENERAL PROVISIONS**

#### 15. HOLD HARMLESS:

(a) Reclamation: County Parks hereby agrees to indemnify and hold harmless Reclamation and its Representatives, from any loss or damage and from any liability on account of personal injury, property damage, or claims for personal injury or death arising out of the County Parks' activities under this Agreement. Additionally, except for acts of negligence and willful misconduct, the County Parks releases Reclamation and its Representatives, from any and all liability for damage arising from injury to persons or damage to structures, equipment, improvements, or works of the County Parks resulting from the construction, reconstruction, operation, or maintenance of any of the works of Reclamation. Provided, however, that nothing

contained in this clause shall be deemed to modify or limit any liability which may be imposed by the Federal Tort Claims Act, 28 U.S.C. § 2671-2680.

(b) <u>District</u>: The County Parks shall indemnify, defend, and hold harmless the District and its Representatives, from and against all claims, costs, losses, damages, demands, liabilities, and expenses (including, but not limited to, all fees and charges of attorneys and other professionals, and all court or arbitration or other dispute resolution costs) of any kind or character arising out of or relating to:

(1) Any act or omission by County Parks or its Representatives, in connection with the rights granted to County Parks pursuant to this Agreement;

(2) Any violation or alleged violation by County Parks or its Representatives of any law or regulation now or hereafter enacted;

(3) Any breach by County Parks of its obligations under this Agreement; and

(4) Any enforcement by the District of any provision of this Agreement; provided, however, the foregoing indemnification shall not apply to the extent any claim is ultimately established by a court of competent jurisdiction to have been caused by the gross negligence or willful misconduct of the District and its Representatives.

16. <u>DISCOVERY OF CULTURAL RESOURCES</u>: County Parks shall immediately provide a verbal notification to Reclamation's Environmental Planning and Compliance Group Manager at telephone No. (928) 343-8100 of the discovery of any and all antiquities or other objects of archaeological, cultural, historic, or scientific interest on or within the Premises. The County Parks shall follow up with a written report of their finding(s) to Reclamation within forty-eight (48) hours. Objects under consideration include but are not limited to historic or prehistoric ruins, human remains, funerary objects, and artifacts discovered as a result of activities authorized under this Agreement. County Parks shall immediately cease its activity in the area of the discovery, make a reasonable effort to protect such discovery, and wait for written approval from Reclamation before resuming activity. Protective and mitigative measures

17. <u>CLEAN AIR AND WATER</u>: County Parks agrees as follows:

specified by Reclamation shall be the responsibility of County Parks.

(a) To comply with all Federal, State, and local requirements of the Clean Air Act of 1955, Pub. L. No. 84-159, 69 Stat. 322, as supplemented and amended (CAA), and the Federal Water Pollution Control Act of 1948, Pub. L. No. 80-845, 62 Stat. 1155, as supplemented and amended (CWA); and

(b) To obtain written permission from Reclamation prior to conducting any activities that require permits, plans, or certificates under the CAA or the CWA; and

(c) To provide Reclamation with a copy of any correspondence between the County Parks and any regulatory agency concerning CAA or CWA compliance, including but not limited to copies of permit applications, permits, reports, notices of violation, or enforcement actions; and

(d) To take immediate and effective action to correct any violation related to the CAA or the CWA. The County Parks shall provide Reclamation with a narrative description of the violation, the actions taken by the County Parks, the date the violation began, the date that the County Parks became aware of the violation, and the date that the County Parks returned to compliance; and

(e) To take action to comply with any changes to the CAA and the CWA within the schedule required by the regulation, rule, or guidance.

18. <u>HAZARDOUS MATERIALS</u>: During the performance of any activity on the Premises, County Parks agrees as follows:

(a) County Parks shall not allow contamination or pollution of lands and rights-of-way, waters, facilities, and/or project works of Reclamation for which County Parks has the responsibility for care, operation, and maintenance by its Representatives and shall take reasonable precautions to prevent such contamination or pollution by third parties. Substances causing contamination or pollution shall include but are not limited to hazardous materials, thermal pollution, refuse, garbage, sewage effluent, industrial waste, petroleum products, mine tailings, mineral salts, misused pesticides, pesticide containers, or any other pollutants.

(b) County Parks shall comply with all applicable Federal, State, and local laws, regulations, ordinances, Executive Orders, and Reclamation Laws, policies, and directives and standards, existing or hereafter enacted or promulgated, concerning any hazardous material that will be used, produced, transported, stored, or disposed of on or in Reclamation lands and rights-of-way, waters, facilities, and/or project works.

(c) "Hazardous material" shall mean any substance, pollutant, or contaminant listed as hazardous under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. §§ 9601-9675 (2012), and the regulations promulgated pursuant to that Act.

(d) Upon discovery of any event which may or does result in contamination or pollution of Reclamation lands and rights-of-way, waters, facilities, and/or project works, County Parks

shall initiate emergency measures to protect health and safety and the environment if necessary and shall provide notice of such discovery with full details of the actions to Reclamation's Environmental Planning and Compliance Group Manager at telephone No. (928) 343-8100. Additionally, all spills regardless of size shall be reported to Reclamation's Environmental Planning and Compliance Group Manager. Such notice shall be within a reasonable time period but not to exceed twenty-four (24) hours from the time of discovery if it is an emergency, and the first (1st) working day if it is a non-emergency. An emergency is any situation that requires immediate action to reduce or avoid endangering public health and safety or the environment.

(e) Violation of any of the provisions of this Article, upon which County Parks does not take immediate corrective action, shall constitute grounds for termination of this Agreement and shall make County Parks liable for the cost of the full and complete remediation and/or restoration of any resources, lands, waters, projects and/or facilities of Reclamation that are adversely affected as a result of the violation.

(f) County Parks agrees to include the provisions contained in paragraphs (a) through (e) of this Article in any entered subcontract or third-party contract authorized by this Agreement.

(g) Reclamation agrees to provide information necessary to County Parks for using reasonable diligence to comply with the provisions of this Article.

#### 19. PESTICIDES: In use of the Premises:

(a) County Parks shall not permit the use of any pesticides on Reclamation lands and rights-of-way, waters, facilities, or project works of Reclamation without prior written authorization from Reclamation. County Parks shall submit to Reclamation for approval an Integrated Pest Management Plan (IPMP) thirty (30) days prior to pesticide application.

(b) All pesticides used shall be in accordance with the current registration, label direction, or other directives regulating their use (State Department of Agriculture, Department of Ecology, OSHA, etc.) and with applicable Reclamation policy and directives and standards. Applicators will meet applicable State training or licensing requirements. Records maintenance shall be in accordance with State requirements and furnished to Reclamation no later than five (5) working days after application of a pesticide.

(c) Any equipment, tools, and machines used for pesticide application shall be in good repair and suitable for such use. Equipment shall be calibrated prior to the spraying season and as deemed necessary by Reclamation.

(d) Mixing, disposal, and cleaning shall be done where pesticide residues cannot enter storm drains, sewers, or other non-target areas.

- (e) County Parks shall initiate any necessary measures for containment and clean up of pesticide spills. Spills shall be reported to Reclamation with full details of the actions taken. Reporting must be made within a reasonable time period. A reasonable time period means within twenty-four (24) hours of the spill if it is an emergency or by the first (1st) working day if it is a non-emergency. An emergency is any situation that requires immediate action to reduce or avoid endangering public health and safety or the environment.
- (f) Aerial application of pesticides is prohibited without prior written authorization from Reclamation.
- (g) County Parks agrees to include the provisions contained in paragraphs (a) through (f) of this Article in any entered subcontract or third-party contract authorized by this Agreement.

#### 20. NONDISCRIMINATION: County Parks hereby agrees as follows:

- (a) To comply with Title VI of the Civil Rights Act of 1964, § 601, Pub. L. No. 88-352, 78 Stat. 241, as supplemented and amended, which provides that "no person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity receiving Federal financial assistance," and to be bound by the regulations of the Department of the Interior for the effectuation thereof, as set forth in 43 CFR § 17 (2016). For purposes of this subpart, "Federal financial assistance" shall have the meaning prescribed to it by 43 CFR § 17.202(h) (2016).
- (b) To comply with the Rehabilitation Act of 1973, § 504, Pub. L. No. 93-112, 87 Stat. 355, as supplemented and amended, which is designed to eliminate discrimination on the basis of disability in any program or activity receiving Federal financial assistance. For purposes of this subpart, "Federal financial assistance" shall have the meaning prescribed to it by 43 CFR § 17.12(e) (2016).
- (c) To comply with the Age Discrimination Act of 1975, as supplemented and amended, 42 U.S.C. §§ 6101-6107, and the general age discrimination regulations at 45 CFR § 90 (2016) which are designed to prohibit discrimination on the basis of age in programs and activities receiving Federal financial assistance, as set forth in 43 CFR § 17 (2016). For purposes of this subpart, "Federal financial assistance" shall have the meaning prescribed to it by 43 CFR § 17.303(h) (2016).
- (d) To obligate its subcontractors, subgrantees, transferees, successors in interest, or any other participates receiving Federal financial assistance hereunder, to comply with the requirements of these provisions.

(e) In the event that a final decision of a hearing examiner or of the Director, Office of Hearings and Appeals, pursuant to 43 CFR § 17, provides for termination of or refusal to grant the authorization provided for in this Agreement, the Area Manager may terminate this Agreement and revoke the grant. This provision shall be a covenant running with the land during the period in which the property is used for a purpose for which the Federal financial assistance is extended or for any other purpose involving the provisions of similar services or benefits.

21. <u>NOTICES</u>: Any notice, demand, authorization, or request required to be made or given herein shall be served via hand delivery, with signed receipt of acceptance, or by certified mail addressed to the respective addresses given herein and the hand delivery or mailing of any such notice properly enclosed, addressed, stamped, and certified, shall be considered service.

(a) Any notice, demand, authorization, or request required by this Agreement to be made or given to or upon Reclamation, or the United States, except as otherwise provided herein, shall be deemed properly given or made if hand delivered or mailed postage-prepaid, to the Area Manager, Yuma Area Office, Bureau of Reclamation, 7301 Calle Agua Salada, Yuma, Arizona 85364.

(b) Any notice, demand, authorization, or request required by this Agreement to be made or given to or upon the District shall be deemed properly given or made if hand delivered or mailed postage-prepaid, to the General Manager, Coachella Valley Water District, 75-515 Hovley Lane East, Palm Desert, CA 92211 or P.O. Box 1058, Coachella, California 92236.

Any notice, demand, authorization, or request required by this Agreement to be made

(d) The designation of the person to or upon whom any notice, demand, authorization, or request is to be given or made, or the address of any such person, may be changed at any time by notice given in the same manner as provided in this Article for other notices.

or given to or upon County Parks shall be deemed properly given or made if hand delivered or

mailed postage-prepaid, to the General Manager, Riverside County Regional Parks and

Open-Space District, 4600 Crestmore Road, Jurupa Valley, California 92509.

 22. <u>OFFICIALS NOT TO BENEFIT</u>: No member of or delegate to Congress or Resident Commissioner, and no officer, agent, or employee of the Department of the Interior, shall be admitted to any share or part of this Agreement or to any benefit that may arise herefrom, but this restriction shall not be construed to extend to this Agreement if made with a corporation or contractor for its general benefit.

- 23. <u>COVENANT AGAINST CONTINGENT FEES</u>: County Parks warrants that no person or agency has been employed or retained to solicit or secure this Agreement upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established agencies maintained by County Parks for the purpose of securing business. For breach or violation of this warranty, Reclamation shall have the right to
- annul this Agreement without liability or in its discretion to require County Parks to pay, in addition to the right-of-use consideration, the full amount of such commission, percentage.
- 1111 brokerage, or contingent fee.

1112

24. <u>ILLEGAL USE</u>: Any activity deemed to be illegal on Reclamation lands and rights-of-way, waters, project works, or facilities, shall be cause for immediate termination of this Agreement.

1116

1117 25. <u>EFFECT OF AGREEMENT</u>: This Agreement sets forth the intention of the parties hereto as to the purposes set forth herein and Reclamation, makes no other claim or warranty, expressed or implied, as to its extent or validity.

1120

1121 26. <u>NO WARRANTY</u>: Reclamation makes no warranty, expressed or implied, as to the extent or validity of the grant contained herein.

1123

1124 27. <u>FURTHER ASSURANCES</u>: The parties hereto shall execute, acknowledge, and deliver 1125 such other instruments and documents as may be necessary or appropriate to carry out the full 1126 intent and purpose of this Agreement.

1127

1128 28. <u>ARTICLE HEADINGS</u>: The Article headings referenced in this Agreement are included 1129 for convenience only and the parties intend that they shall be disregarded in interpreting this 1130 Agreement.

1131

29. <u>EXHIBITS</u>: Except as otherwise provided herein, all exhibits attached to this Agreement are incorporated into this Agreement by reference herein and made a part hereof.

1134

1135 30. <u>LIMIT OF TORT LIABILITY OF THE UNITED STATES</u>: The liability of the
1136 United States for any damages whatsoever associated with actions under this Agreement shall be
1137 governed by the provisions of the Federal Tort Claims Act (28 U.S.C §§ 2671-2680) and other
1138 applicable Federal laws.

- 31. SUCCESSORS AND ASSIGNS: This Agreement is personal, revocable, and
- nontransferable and except as otherwise provided herein, shall not be construed as granting to
- 1142 County Parks any permanent right, title, or interest in the Premises, facilities, or project works of
- Reclamation. This Agreement shall be binding upon and inure to the benefit of the successors

1144	and/or assigns of the parties hereto; provided, however, that no assignment or transfer of any of
1145	the rights of County Parks hereunder shall be made without the prior written consent of
1146	Reclamation.
1147	
1148	32. <u>SEVERABILITY</u> : Each provision of this use authorization shall be interpreted in such a
1149	manner as to be valid under applicable law, but if any provision of this use authorization shall be
1150	deemed or determined by competent authority to be invalid or prohibited hereunder, such
1151	provision shall be ineffective and void only to the extent of such invalidity or prohibition but
1152	shall not be deemed ineffective or invalid as to the remainder of such provision or any other
1153	remaining provisions, or of the use authorization as a whole.

Remainder of this page intentionally left blank.

IN WITNESS WHEREOF, the parties hereto have signed their names to this RECREATIONAL LAND USE AGREEMENT which shall become effective as of the date it is signed by the Authorized Officer.

	THE UNITED STATES OF AMERICA
Date:	Michael D. Norris Area Manager Yuma Area Office Interior Region 8: Lower Colorado Basin Bureau of Reclamation Department of the Interior
	ACCEPTANCE:
Date:	RIVERSIDE COUNTY REGIONAL PARK AND OPEN-SPACE DISTRICT, a park and open-space district created pursuant to the California Public Resources Code, Division 5 Chapter 3, Article 3  By:  Title: CHAIR, BOARD OF SUPERVISORS  KEVIN JEFFRIES
ATTEST:	APPROVED AS TO FORM:
Kimberly Rector Clerk of the Board	MINH C. TRAN County Counsel
By: Manny 1.	By: Ryan Yabko
Title: Deputy	Title: Deputy COUNTY COUNSEL

Contract No. 24-07-34-L2192

WHEN DOCUMENT IC TULLY EXECUTED RETURN CLERK'S COPY

to Riverside County Clerk of the Board, Stop 1010 Post Office Box 1147, Riverside, Ca 92502-1147 Thank you.

#### **GROUND LEASE**

between

COACHELLA VALLEY WATER DISTRICT, a public agency of the State of California ("CVWD")

and

RIVERSIDE COUNTY REGIONAL PARK & OPEN-SPACE DISTRICT, a park and open-space district created pursuant to the California Public Resources Code, Division 5, Chapter 3, Article 3

("Lessee")

D	ated	as	of	
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3-0 10 2024 3.

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#### **GROUND LEASE**

THIS GROUND LEASE ("Lease"), dated as of \_\_\_\_\_\_\_\_, 2024, (the "Effective Date"), is made and entered into by and between the COACHELLA VALLEY WATER DISTRICT, a public agency of the State of California ("CVWD"), and RIVERSIDE COUNTY REGIONAL PARK & OPEN-SPACE DISTRICT ("Lessee"), a park and open-space district created pursuant to the California Public Resources Code, Division 5, Chapter 3, Article 3. CVWD and Lessee are individually referred to herein as a "Party" and collectively as the "Parties".

#### **RECITALS:**

This Lease is entered into upon the basis of the following facts, understandings and intentions of the Parties:

- A. The United States of America ("United States") has constructed a facility known as Lake Cahuilla on land owned by the United States and CVWD in connection with the Coachella Division of the All-American Canal System of the Department of Interior, Bureau of Reclamation ("Reclamation"), a Federal Reclamation Project.
- B. By a lease dated March 22, 1971 ("Prior Lease"), and pursuant to certain extensions thereto, CVWD currently leases to the County of Riverside certain lands that are a part of Lake Cahuilla, commonly known as the Lake Cahuilla Veterans Regional Park, and adjacent and appurtenant facilities and land, collectively referred to as the "Prior Premises" and more particularly defined below. The term of the Prior Lease expires March 22, 2023 as a result of certain extensions thereto. The Prior Lease shall be terminated concurrently with the approval of this Lease by the Parties.
- C. By a lease dated January 11, 1971 between Lessee and the United States ("Prior Reclamation Lease"), CVWD administers, on behalf of Reclamation, the Prior Premises and additional portions of the Lake Cahuilla area owned by the United States (the "Recreation Area"). Lessee intends to enter into a new lease between Lessee and the United States affecting such Recreation Area upon termination of the Prior Reclamation Lease.
- D. Lessee desires to lease from CVWD, and CVWD desires to lease to Lessee, the real property described and depicted in **Exhibit "A"** attached hereto and incorporated herein by reference and referred to herein as the **"Premises"**.
- E. Notwithstanding this Lease, the recreation and wildlife uses of Lake Cahuilla are subordinate to the rights of CVWD and Reclamation with regard to the Coachella Division, All-American Canal System ("Canal") for the storage, regulation, maintenance and delivery of Colorado River water, whether treated or untreated, for irrigation, groundwater recharge, domestic water and other beneficial uses and to the rights of CVWD as defined and described in the contract between the United States and CVWD dated October 15, 1934, No. Ilr-781, as amended and supplemented by contract dated December 22, 1947 and Contract No. 14-06-300-1384, dated July 30, 1963, as amended, the contract between CVWD and the United States for delivery of surplus water dated March 6, 1987, the Colorado River Water Delivery Agreement among the United States, Imperial Irrigation District, CVWD, the Metropolitan Water District of Southern California, and San Diego Water Authority dated October 10, 2003, and the Quantification

Settlement Agreement among Imperial Irrigation District, CVWD, and the Metropolitan Water District of Southern California and related agreements defined therein, dated October 10, 2003 (collectively, "Contracts").

- F. Pursuant to said Contracts, portions of the Premises are subject to use, occupancy, development, management and control for reclamation and public services purposes in compliance and accordance with reclamation laws, as supplemented and amended, and to such other uses as Reclamation and CVWD may determine, in their sole and absolute discretion, to be necessary in connection with the construction, inspection, removal, operation, monitoring, treatment and maintenance of Lake Cahuilla and appurtenant facilities, including, but not limited to, drawing down, draining, varying, emptying and refilling the water levels in Lake Cahuilla at any time and to the extent deemed necessary or desirable by CVWD or Reclamation (collectively, "CVWD Use(s)").
- G. CVWD and Lessee are desirous that recreational facilities at Lake Cahuilla continue to be operated, maintained and administered by Lessee as described herein, in a manner compatible with the primary purpose of Lake Cahuilla and CVWD Uses, as described herein.
- H. Lessee hired Vollmar, Inc. to prepare the Lake Cahuilla Quagga Mussel Risk Assessment Report, dated July 6, 2022, attached as Exhibit E.
- I. CVWD prepared a response letter dated January 11, 2023, to the Lake Cahuilla Quagga Mussel Risk Assessment Report, dated July 6, 2022, attached as Exhibit F.

NOW, THEREFORE, in consideration of the mutual covenants and promises of the Parties contained herein, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree that the foregoing recitals are true and correct and incorporated herein by this reference, and further agree as follows:

### ARTICLE 1 PREMISES

- Section 1.1. <u>Lease of Premises</u>. CVWD, for and in consideration of the rents, covenants and conditions herein set forth, does hereby lease to Lessee, and Lessee does hereby lease from CVWD, the Premises, subject to the terms, conditions and provisions hereof, including the exceptions and reservations set forth below. Lessee's interest in the Premises pursuant to this Lease is sometimes referred to herein as "Lessee's Leasehold Interest" or the "Leasehold Interest."
- Section 1.2. <u>Rights and Reservations</u>. Lessee's Leasehold Interest in the Premises is subject to the following rights and reservations in favor of CVWD:
- (a) All rights of way which CVWD may hereafter grant in connection with CVWD Uses, including, without limitation, highways and roads, railroads, flood control, flowage area, irrigation works, pipelines, utility lines (above or below ground), substation sites, or other means authorized by law. Prior to the grant of any such rights of way, CVWD will consult and cooperate with Lessee in order to minimize or eliminate conflict with Lessee's improvements and

operations, to the extent consistent with CVWD's best interest, as determined in CVWD's sole discretion;

- (b) The absolute right of CVWD to close or otherwise restrict public access at any time to any portion of the Premises or remainder of the Recreation Area in the event of an emergency or upon CVWD's reasonable determination that such closure is necessary in the interest of public safety, conservation, system security or the operation and protection of Lake Cahuilla for CVWD Uses. When such closure is deemed necessary, CVWD will provide as much advanced notice to Lessee as reasonably possible;
- (c) The right of CVWD to exercise its CVWD Use rights without any liability, unless otherwise stated herein, for damage to improvements or operations of Lessee, its officers, directors, employees, representatives, agents, guests, contractors, subcontractors, lessees, sublessees, permittees, licensees, invitees, concessionaires or any other occupant of the Premises (collectively referred to herein as "Lessee Representatives"); and
- (d) Such other rights and reservations as may be reasonably necessary in favor of CVWD in order to allow and facilitate CVWD Uses.

#### ARTICLE 2 LEASE TERM

- Section 2.1. <u>Lease Commencement</u>. The commencement date of this Lease shall be the Effective Date.
- Section 2.2. <u>Lease Term</u>. The term of this Lease shall commence as of the Effective Date and expire thirty (30) years following the Effective Date (the "Expiration Date") (the "Term").
- Section 2.3 Reversion. At the Expiration Date, the Premises and any improvements upon the Premises shall, without compensation to Lessee or any other party, become the sole property of CVWD or CVWD's designee, free and clear of all other claims to or against the Premises by Lessee or any third person, and free and clear of all liens, security interests and encumbrances other than encumbrances or liens expressly joined in or approved by CVWD, all as more particularly described in Article 7 and Section 13.1.

# ARTICLE 3 RENT, TAXES AND UTILITIES

- Section 3.1. Rent. Lessee shall pay to CVWD, for the use and occupancy of the Premises, the consideration described below. The term "Rent," as used herein shall mean all consideration, rights and benefits to be provided by Lessee to CVWD hereunder and shall consist of the Expenses and CVWD Uses as defined herein.
- Section 3.2. Expenses. Except as expressly set forth herein, "Expenses" shall mean and refer to all operating expenses for the Premises typically designated as "triple net" expenses, including, without limitation, all Taxes, Insurance Costs, Utility Costs, Maintenance Costs.

development fees and all other expenses and assessments of any kind and nature incurred for, against or in connection with the operation of the Premises as more particularly described below:

- (a) <u>Insurance Costs</u>. From and after the Effective Date, Lessee shall pay or cause to be paid the cost of all insurance coverage required of Lessee in Article 10. CVWD will be responsible only for such liability coverage as CVWD may wish to obtain with respect to CVWD Uses.
- (b) <u>Utilities Costs</u>. From and after the Effective Date, Lessee shall pay or cause to be paid all charges for water, heat, gas, electricity, cable, trash disposal, sewage and any and all other utilities used upon the Premises throughout the Term, including, without limitation, any connection and servicing fees, permit fees, inspection fees, and fees to reserve utilities capacity.
- (c) Irrigation Water. CVWD shall furnish to Lessee untreated water at the then prevailing CVWD rates, pursuant to the terms and conditions established by CVWD, for the watering of lawns, trees, shrubs and other recreational uses on the Recreation Area. Lessee's irrigation water system shall be in conformance with CVWD's water conservation requirements and current landscape ordinance, as may be amended from time to time. CVWD does not warrant the quality of such water. Lessee expressly releases CVWD from any liability or responsibility whatsoever for the quality, composition, flow, pressure, amount or content of the irrigation water used by Lessee or for any lack of fitness of such water for any use by Lessee or subordinate users thereof, unless said liability or responsibility is due to CVWD's or CVWD representatives' negligence or willful misconduct.
- (d) <u>Maintenance Costs</u>. From the Effective Date, Lessee shall pay or cause to be paid all costs and expenses relating to the maintenance and repair of the Premises pursuant to Article 6 below, and said Maintenance Costs are referred to herein as part of the Expenses as defined in this Section 3.2.
- (e) <u>Development Fees</u>. CVWD shall not have any liability or responsibility for development fees, impact fees or other similar fees or charges pertaining to or arising out of the development of any improvements installed or constructed by Lessee, in the event any such fees apply. Lessee shall pay all such fees or otherwise cause payment by the proper party responsible for payment in the event any such fees apply.
- Section 3.3. <u>Absolute Net Rent</u>. Except as expressly set forth in this Lease, it is the intention of CVWD and Lessee that this Lease be absolutely net to CVWD and that CVWD have no responsibility to participate in the operational costs of the Premises, unless the said costs are related to CVWD Uses. Payment of all such costs and Expenses, together with CVWD Uses, constitute Rent to be received by CVWD hereunder, with CVWD being responsible for no other payments or expenses with respect to the Premises, its development, construction, or operation, except as set forth in this Lease.
- Section 3.4. <u>CVWD Social/Recreational Use Rights</u>. As a material element of the consideration to CVWD for its agreement to enter into this Lease, Lessee agrees that CVWD may hold at least two (2) social/recreational events on the Premises each calendar year ("CVWD Recreational Use"). Such events shall be coordinated with Lessee to avoid conflicts between

Lessee's events and CVWD Recreational Use through the submittal of Lessee's event application and execution of a concession agreement. CVWD and Lessee will negotiate any associated additional costs such as rental restrooms and trash bins. CVWD Recreational Use will be provided to CVWD without entry costs and typical concession fees except those negotiated aforementioned additional costs. It is understood that CVWD Recreational Use constitutes, together with the payment by Lessee of Expenses, Rent for the benefit of CVWD as consideration for this Lease.

### Section 3.5. No security deposit is required hereunder.

# ARTICLE 4 LESSEE USE OF PREMISES

- Recreational Use; Pollution Controls. Lessee shall use the Premises Section 4.1. solely for recreation, fish and wildlife and related purposes and activities ("Lessee Uses"). Except as set forth in the January 20, 2015 letter from CVWD to Lessee (the "Safety Equipment Exception Letter"), a copy of which is attached hereto as Exhibit "B", boating shall not be permitted in Lake Cahuilla and all watercraft shall be prohibited, including, without limitation, all powered and unpowered watercraft, vessels, boats, boards or any other type of personal floatation devices or equipment, and special use permits for event safety equipment may be authorized by CVWD on a case-by-case basis. Due to the threat of introducing Invasive Species, persons fishing will not be permitted to utilize waders or similar equipment to wade into the water. No water, sewage, effluent, contaminants, Invasive Species (as defined in 4.5(a) hereunder), waste or materials of any kind- either separately or in combination - shall be discharged, disposed of or permitted to escape in any place or manner which might result in the contamination or pollution of Lake Cahuilla or any surface or underground stream or flow of water or body of water ("Contamination"). Lessee shall be solely responsible for the implementation of all reasonable precautions to avoid such Contamination. Lessee shall comply with all Environmental Laws (as defined in Section 4.4(a)(2) below) relating to the prevention and management of Contamination.
- On-Site Boat Storage for Special Use Permits. Pursuant to CVWD's Board of Director's approval on September 25, 2018, CVWD has approved the use of specific boats with motors for the Ironman 70.3 Indian Wells/La Quinta ("Ironman") triathlon event held at the Premises and Recreation Area. On September 10, 2019, CVWD's Board of Director's further approved the use of a specific boat with motor for the Horse Shows In The Sun ("HITS") triathlon event. It is understood that the Desert Triathlon ("Desert") event may request CVWD's approval of the use of a boat with motor in the future. Ironman, HITS, and Desert are collectively known as "Triathlon Sponsors". CVWD and Lessee agree that the Triathlon Sponsors may install and maintain an on-site boat storage area ("Boat Storage Area") for the ongoing storage of the Triathlon Sponsor's event boats and equipment as approved pursuant to the attached Safety Equipment Exception Letter. Boat motors permitted shall consist of four- stroke outboard engines, no greater than 25 horse power. The Boat Storage Area will be installed at an agreed upon location and size within the Premises and fenced and secured to prohibit unauthorized entry. All boats must permanently remain within the premises of Lake Cahuilla, and will be affixed with a CVWD identifier upon inspection and approval. Triathlon Sponsors will obtain CVWD and Lessee required permits with the Boat Storage Area terms and conditions. All associated costs of the Boat Storage Area, including maintenance and repair, shall be at the sole cost and expense of the Triathlon Sponsors. CVWD retains the right to utilize a boat with motor for monitoring performed

in Lake Cahuilla at no cost to CVWD. CVWD's boat use shall be subject to Lessee's monitoring and management of boating activities as required by Section 4.5 herein.

- (b) <u>Swimming in Lake Cahuilla</u>. The Parties acknowledge that in the future, Lessee may desire to allow public swimming within Lake Cahuilla. The Parties shall develop a mutually agreed upon protocol and policy, subject to their respective approval procedures, prior to swimming being allowed.
- Section 4.2. <u>Lessee Acknowledgment and Release</u>. Lessee shall be solely responsible, at its sole cost and expense, and CVWD shall have no liability or responsibility to restore Lessee Facilities (as defined below in Section 4.3) or to pay for loss or destruction of same, except to the extent such loss or destruction is caused directly by the Recreational Use by CVWD or its representatives or by the negligence or willful misconduct of CVWD or its representatives.
- (a) Lessee hereby acknowledges and accepts that the location of Lessee Facilities on the Premises may be subject to damage or destruction due to CVWD Uses. Lessee acknowledges that it is aware of and has made an assessment of the potential damage and disturbance to Lessee Facilities due to CVWD Uses and has determined to maintain Lessee's Facilities on the Premises notwithstanding such potential for damage, destruction or disturbance. Furthermore, Lessee shall be solely responsible, at its sole cost and expense, and CVWD shall have no liability or responsibility to restore Lessee Facilities (as defined below in Section 4.3) or to pay for loss or destruction of same, except to the extent such loss or destruction is caused by the gross negligence or willful misconduct of CVWD or its representatives in connection with CVWD Uses.
- Alterations; Construction. Certain improvements at the Premises are Section 4.3. owned and operated by CVWD in connection with CVWD Uses and include, without limitation, buildings, roadways, waterways, canals, irrigation systems and pipelines (collectively "CVWD Facilities"). Any installation or construction of additional improvements on the Premises that are to be owned and/or operated by CVWD or Reclamation shall be done at the sole cost and expense of CVWD or Reclamation, respectively. Other improvements have been constructed at the Premises by the Lessee under the Prior Lease in connection with the uses permitted thereunder involving recreation, fish and wildlife uses (collectively "Lessee Facilities"), which may include, without limitation, certain recreational amenities, structures and facilities. Lessee shall not modify or alter any CVWD Facilities. Lessee shall not modify or alter any Lessee Facilities without the express written consent of CVWD, which will not be unreasonably withheld. Any alterations, modifications or additions to the Lessee Facilities shall conform with the general development plan, current building codes and requirements, conservation requirements and landscaping ordinances. No structures or other improvements shall be built over existing CVWD Facilities without CVWD's written consent.

#### Section 4.4. Hazardous Materials.

#### (a) Definitions.

(1) "Hazardous Materials" shall mean any substance which is or contains: (1) any "hazardous substance" as defined in Section 101(14) of CERCLA (as defined

below) or any regulations promulgated thereunder; (2) any "hazardous waste" as defined in RCRA (as defined below) or any regulations promulgated thereunder; (3) any substance regulated by the Toxic Substances Control Act (as defined below) or any regulations promulgated thereunder; (4) gasoline, diesel fuel or other petroleum hydrocarbons; (5) asbestos and asbestos containing materials, in any form, whether friable or nonfriable; (6) polychlorinated biphenyls; (7) radon gas; or (8) any other substances or materials which are currently or may later become regulated as hazardous or toxic under any local, State, or Federal Environmental Laws (as hereinafter defined). Hazardous Materials shall include, without limitation, any substance, the presence of which on any real property requires reporting, investigation or remediation under any Environmental Laws.

- As used herein, the term "Environmental Laws" shall mean any (2)and all federal, state, or local laws, statutes, rules, regulations, ordinances, interstate compacts, or judicial or administrative decrees, orders, decisions, or permits relating to emissions, transportation, discharges, use, storage, manufacture, refinement, handling, production, disposal, releases or threatened releases of pollutants, contaminants, Invasive Species or Hazardous Materials into the environment. The Environmental Laws shall include, but are not limited to, the following State and Federal laws and regulations: the Clean Water Act (33 U.S.C. §1251 et seq.); the Clean Air Act (42 U.S.C. §7401 et seq.); the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 U.S.C. § 9601, et seq.) ("CERCLA"); the Resource Conservation and Recovery Act (42 U.S.C. § 6901, et seq.) ("RCRA"); the Toxic Substances Control Act (15 U.S.C. § 2601, et seq.) (the "Toxic Substances Control Act"); the Safe Drinking Water Act, 42 U.S.C. §300f et seq., as amended; the National Environmental Policy Act 42 U.S.C. §4321 et seq., as amended; the California Hazardous Waste Control Law, Cal. Health and Safety Code § 25100 et seq., as amended; the Carpenter-Presley-Tanner Hazardous Substances Account Act, Cal. Health and Safety Code 25300 et seq., as amended; the California Environmental Quality Act, Cal. Public Resources Code § 21000 et seq., as amended; and the California Underground Storage Tank Act, Cal. Health And Safety Code § 25280 et seq., as amended, each as may be amended or renumbered from time to time, and their respective state and local counterparts and all regulations promulgated pursuant to any of the foregoing.
- (b) <u>Violation of Environmental Laws</u>. Lessee warrants, represents, covenants and agrees that it and Lessee Representatives shall not violate any Environmental Laws.
- (c) <u>Use</u>. Lessee and Lessee Representatives shall not use, generate, manufacture, refine, produce, process, store or dispose of any Hazardous Materials, on, under or about the Premises and surrounding land or transport any Hazardous Materials to or from the Premises, except in compliance with all applicable Environmental Laws. Furthermore, Lessee shall, at its own expense, procure, maintain in effect and comply with all conditions of any and all permits, licenses and other governmental and regulatory approvals required for the storage or use by Lessee or any of Lessee Representatives of Hazardous Materials on the Premises, including without limitation, discharge of appropriately treated materials or wastes into or through any sanitary sewer serving the Premises. All concession agreements entered into by Lessee will contain use restrictions and limitations conforming to the terms of this Section 4.4.
- (d) <u>Monitoring of Premises</u>. Lessee, at its sole cost and expense, shall regularly monitor the Premises for the presence of Hazardous Materials or for violations of Environmental Laws by Lessee and Lessee Representatives in the Premises, or any notice from a governmental

agency of complaints regarding Hazardous Materials or violations of Environmental Laws at the Premises.

(e) <u>Inspection of Premises</u>. Upon CVWD's advance written request, Lessee, at its sole cost and expense, shall promptly cause an inspection of the Premises to be conducted, during regular business hours, to determine if Hazardous Materials are present at the Premises, and shall: (1) notify CVWD, in writing, at least ten (10) days prior to the inspection, of the date on which the inspection shall occur, and which portion of the Premises shall be subject to the inspection; (2) retain a qualified consultant to conduct the inspection; and (3) prepare an inspection report, keep the results of the inspection report confidential, and promptly provide a copy to CVWD. CVWD may make such a request not more than two (2) times per year, as well as at any time CVWD has reasonable suspicion that Hazardous Materials may be present, in which case CVWD shall provide in writing the reasonable basis for its request.

#### Section 4.5. Invasive Species.

- within its control to prevent the introduction, planting, or acts leading to the dispersal and establishment of new non-native or exotic plant or animal species ("Invasive Species"), including, but not limited to non-native dreissenid mussel species (such as quagga and zebra mussels), on, under or about the Premises and surrounding land, and neither Lessee nor Lessee Representatives shall transport any Invasive Species to or from the Premises at any time without permission, which shall not be unreasonably withheld. It is hereby acknowledged that each Party has made different and opposing assessments as to the dispersal and establishment of Invasive Species and each Party disagrees with the other Party's interpretation of such assessments. The basis for each Party's assessment is set forth in Exhibits E and F. CVWD agrees to assist Lessee develop procedures and protocols to prevent Invasive Species introduction and establishment. In the event there are future activities that pose a risk of introduction, establishment, or dispersal of Invasive Species on or about the Premises and surrounding land, the Parties shall engage in reasonable good faith efforts to review, explore, and implement options to keep the Premises open to the public so long as CVWD Uses are not impacted, as contemplated under this Lease.
- (b) Monitoring of Premises. Lessee shall, at its sole cost and expense, (1) regularly monitor the Premises for the presence of Invasive Species or for any conditions that might reasonably be expected to give rise to the establishment of any Invasive Species, and (2) promptly and appropriately respond to any notice from a governmental agency of complaints regarding Invasive Species at the Premises.

#### (c) Inspection of Premises.

(i) Upon CVWD's advance written request, Lessee shall, at its sole cost and expense, promptly cause an inspection of the Premises to be conducted, during regular business hours, to determine if any Invasive Species are present at the Premises, and shall: (1) notify CVWD in writing, at least ten (10) days prior to the inspection, of the date on which the inspection shall occur, and which portion of the Premises shall be subject to the inspection; (2) retain a qualified consultant to conduct the inspection; and (3) prepare an inspection report, keep the results of the inspection report confidential to the extent permitted by law, and promptly

provide a copy to CVWD. CVWD may make such a request not more than two (2) times per year, as well as at any time CVWD has reasonable suspicion that Invasive Species may be present, in which case CVWD shall provide in writing the reasonable basis for its request. CVWD acknowledges that the Lessee is subject to the California Public Records Act and may be required, upon request, to provide any such inspection report generated pursuant to a request by CVWD. In such case, Lessee shall not be required to keep the results an inspection report confidential.

- (ii) The Parties acknowledge that CVWD performs regular monitoring and inspection of Lake Cahuilla and the Canal for Invasive Species. CVWD inspects concrete blocks hung on polycarbonate rope ("Monitoring Stations") in designated locations including the inlet and outlet of Lake Cahuilla, middle of Lake Cahuilla, and upstream of Lake Cahuilla within the Canal. CVWD will take reasonable actions to alert the Lessee immediately, in writing, of any Invasive Species found on Monitoring Stations during these inspections. CVWD's inspection and monitoring activities do not in any way alleviate Lessee's responsibilities and duties relating to Invasive Species as outlined in this Lease.
- (d) Fish Planting. All fish planting or stocking activities must be reviewed and pre-approved by CVWD. All fish hatcheries utilized by Lessee must show compliance with applicable licensing procedures and ensure water sources are approved by the California Department of Fish and Wildlife (CDFW) and are free of Invasive Species. In addition, evidence consisting of the fish hatchery approved Invasive Species control plans and copies of stocking vehicle logbook records shall be provided to CVWD prior to the stocking season and after each stocking event, showing that Lessee verified that all stocking vehicles used to transport fish are not used for stocking at other potentially contaminated receiving waters prior to stocking Lake Cahuilla.
- (e) Outreach and Education. Lessee shall, at its sole cost and expense, implement a program that includes, at a minimum: (1) public education; (2) monitoring; and (3) management of those recreational, boating, or fishing activities that are expressly permitted herein, in compliance with California Fish & Game Code § 2302. CVWD will provide assistance with the preparation of educational materials and training of Lessee's key staff related to protecting Lake Cahuilla from Invasive Species. As set forth in subsection (a), each Party has made different and opposing assessments as to the dispersal and establishment of Invasive Species and each Party disagrees with the other Party's interpretation of such assessments.

# Section 4.6. <u>Notice and Remediation of Hazardous Materials or Invasive Species</u> <u>Matters.</u>

Party") shall immediately notify the other Party (the "Notice Recipient") in writing of: (a) any enforcement, clean-up, removal or other governmental or regulatory action instituted, contemplated or threatened relating to the Premises pursuant to any Environmental Laws; (b) any claim made or threatened by any person against the Notifying Party or the Premises relating to damage contribution, cost recovery, compensation, loss or injury resulting from or claimed to result from any Hazardous Materials or Invasive Species on or about the Premises; (c) any reports made to any environmental agency arising out of or in connection with any Hazardous Materials or Invasive Species in or removed from the Premises including any complaints, notices, warnings

or asserted violations in connection therewith; and (d) any discovery of Invasive Species found on Monitoring Stations as set forth in Section 4.5, all upon receipt by the Notifying Party of actual knowledge of any of the foregoing matters. The Notifying Party shall also supply to Notice Recipient as promptly as possible, and in any event within five (5) business days after Notifying Party first receives or sends the same, with copies of all claims, reports, complaints, notices, warnings or asserted violations of Environmental Laws relating in any way to the Premises or Lessee's use thereof.

(b) Remediation. If, at any time during the Term, any contamination of the Premises by Hazardous Materials or violation of any Environmental Law shall occur, or any establishment of Invasive Species on the Premises shall occur due to the act or omission of Lessee or Lessee Representatives, ("Lessee Contamination"), then Lessee, at its sole cost and expense, shall immediately cease the act or omission causing the Lessee Contamination and, within ninety (90) days after notice of Lessee Contamination, prepare a remediation plan in accordance with the requirements of all applicable Environmental Laws and industry standards then prevailing in the Hazardous Materials and Invasive Species management and remediation industry in Riverside County, California, to the satisfaction of CVWD ("Remediation Plan"). Lessee shall not commence any remedial action in response to any Lessee Contamination in, on or about the Premises or enter into any settlement agreement, consent decree, or other compromise with respect to any claims relating to Lessee Contamination without first notifying CVWD of Lessee's intention to do so and affording CVWD the opportunity to appear, intervene or otherwise appropriately assert and protect CVWD's interest with respect thereto. In addition to all other rights and remedies of CVWD hereunder, if Lessee does not promptly and diligently take all steps to prepare and obtain all necessary approvals for the Remediation Plan, and thereafter commence and prosecute the Remediation Plan to completion within the timeframe set forth in the Remediation Plan and obtain all necessary approvals and consents, then CVWD shall have the right, but not the obligation, to cause said remediation to be accomplished, and Lessee shall reimburse CVWD within ninety (90) business days of CVWD's demand, or other timeframe as reasonably agreed to by both Parties, for reimbursement of all amounts actually paid by CVWD (together with interest from the date of expenditure at the maximum rate permitted by law until paid) when said demand is accompanied by proof of payment by CVWD of the amounts demanded. Prompt payment by Lessee shall not be unreasonably withheld. Lessee shall promptly deliver to CVWD copies of hazardous waste manifests and other documents reflecting the legal and proper disposal of all Hazardous Materials or Invasive Species removed from the Premises as part of the Remediation Plan.

Section 4.7. Environmental Indemnification. Lessee shall indemnify, defend, protect, and hold CVWD and each of CVWD's partners, members, employees, elected officials, shareholders, agents, volunteers, directors, and officers (collectively, "CVWD Indemnified Parties") harmless from and against any and all claims, actions, causes of action, liabilities, penalties, forfeitures, damages, losses or expenses (including, without limitation, attorneys' fees and costs of litigation and all appeals) resulting from the death of or injury to any person or damage to any property whatsoever, arising from or caused in whole or in part, directly or indirectly, by: (1) any Lessee Contamination; (2) Lessee's failure to comply with any Environmental Laws with respect to the Premises; (3) a breach of any covenant, warranty or representation of Lessee under Sections 4.4, 4.5; or 4.6 or (4) any and all other acts or omissions of Lessee. Lessee's obligations under this Section 4.7 shall include, without limitation, and whether foreseeable or unforeseeable,

all costs of any required or necessary repair, clean-up or detoxification or decontamination of the Premises and the surrounding land, and the preparation and implementation of any closure, remedial action or other required plans in connection therewith. For purposes of the indemnity provisions hereof, any acts or omissions of Lessee or Lessee's Representatives (whether or not they are intentional, willful or unlawful) shall be strictly attributable to Lessee. The foregoing indemnification by Lessee shall survive the expiration or termination of this Lease. The foregoing indemnification shall extend to the presence of any Hazardous Materials or Invasive Species on the Premises prior to the Effective Date of this Lease if testing or other standard investigative measures conclude that the presence of such Hazardous Materials or Invasive Species was caused by the County of Riverside's previous Lessee Uses of the Prior Premises pursuant to the Prior Lease.

# ARTICLE 5 ENCUMBRANCE OF LEASEHOLD ESTATE

- Section 5.1. <u>Encumbrance of Lessee's Estate</u>. Lessee shall not have the right to encumber Lessee's Leasehold Interest.
- Section 5.2. Encumbrance by CVWD. CVWD shall have the right to mortgage the Premises, provided that any such mortgage shall be expressly subordinate to Lessee's Leasehold Interest. The Premises may also be used as collateral by CVWD or an affiliated public entity with respect to bonds secured by real property owned by CVWD.

# ARTICLE 6 MAINTENANCE

- Section 6.1. Maintenance of Premises. Lessee, at its own cost and expense, shall be responsible for maintaining the Premises, and any improvements thereon, in good, sanitary, and neat order, condition and repair; provided, however, that Lessee shall not be responsible for repairing any damage to the Premises, or any improvements thereon, caused in any way by CVWD Representatives. Such maintenance and repairs shall be performed promptly and in a good and workmanlike manner. Trimmings, waste and other debris generated as a result of maintenance operations must be disposed of offsite and not stockpiled within the Premises. Lessee shall undertake any maintenance and repairs of the Premises and improvements for which Lessee is responsible under this Section 6.1. Lessee shall be responsible for the operation and maintenance of all landscaping and associated irrigation systems, vegetation, minor erosions, trash and debris removal along the perimeter chain-link fencing, block walls, trash receptacles, minor grading and repair of slopes and access roads (with the exception of Canal service roads). CVWD shall operate. maintain, and repair the chain-link fencing and related appurtenances as depicted on Exhibit "D", attached hereto, to include inlet and outlet structures, man gates, safety railings, stairwells and vehicle access gates.
- Section 6.2. Lessee shall not make any changes to the exterior of any buildings which would materially alter the aesthetic appearance of the exterior of the buildings without the prior written consent of CVWD, which consent shall not be unreasonably withheld or delayed. Lessee shall comply with and abide by all federal, state, county, municipal, local, and other governmental

statutes, ordinance, laws, and regulations affecting the Premises and any improvements thereon or any activity or condition on or in Premises.

Section 6.3. Erosion Control; Fire Prevention. Lessee shall take reasonable measures to protect the Premises from damage by fire, flood, and erosion. Lessee shall maintain vegetation, landscaping, ground cover, fuel modification zones, flood control channels, berms and improvements in a manner that will reasonably assure fire prevention and protection and flood control for the Premises. In regard to flood protection, such protective measures shall be sufficient to meet the requirements of the 100-year flood event. Except for damage or injury caused by CVWD Representatives, Lessee shall be solely responsible for all damage or injury to the Premises as a result of fire or flooding, including, but not limited to, preventing from entering, or removing, any foreign materials (such as ground cover materials) from Lake Cahuilla. CVWD shall not be responsible for any damage to the Premises or injury arising out of fire, flood, or erosion, unless said damage or injury is caused by CVWD Representatives.

# ARTICLE 7 MECHANICS' LIEN

Section 7.1. Prohibition of Liens on Fee or Leasehold Interest. Subject to Section 5.1 hereof, and unless removed as set forth in Section 7.2 below, Lessee shall not suffer, create or permit any mechanic's or laborer's liens or any other liens (collectively, "Liens") to be filed against the Premises, Lessee's Leasehold Interest or any improvements on the Premises, by reason of any work, labor, services or materials supplied or claimed to have been supplied to Lessee or anyone holding the Premises or any part thereof through or under Lessee. To the fullest extent permitted by law, CVWD's interests herein shall not be subject to Liens made by Lessee or any Lessee Representative, and Lessee will defend, indemnify and hold CVWD and the Premises free and harmless from and against any and all claims, damages and liabilities with respect to any Liens.

Section 7.2. Removal of Liens by Lessee. Within thirty (30) days after notice of the filing of any Lien recorded against the Premises or any improvements thereon, or fifteen (15) days after Lessee is served with a complaint to foreclose said Lien or CVWD advises Lessee in writing that CVWD has been served with such notice or complaint, whichever is earlier, Lessee shall remove such Lien or obtain a surety bond to secure such lien pursuant to applicable law. Lessee may, in good faith, contest the Lien, in which case Lessee shall indemnify and hold CVWD harmless from any and all liability for damages, including reasonable attorneys' fees and costs, occasioned thereby. In the event of a Lien enforcement action or foreclosure judgment upon any Lien, Lessee shall remove and discharge any charge, Lien, security interest or encumbrance on the Premises. CVWD may, in its sole discretion, require Lessee to obtain a surety bond as a condition precedent to Lessee's Lien contest.

# ARTICLE 8 CONCESSIONS

Section 8.1. <u>Concession Agreements; Fees.</u> Subject to the terms of this Lease, Lessee may issue and administer concessions and other agreements, licenses and permits to persons, corporations, or associations for the purpose of making available services and facilities for the use and convenience of the visiting public and for the purpose of regulating the privileges granted. All

such agreements, licenses, and permits shall be submitted to CVWD for review and approval prior to issuance in the form of the Concession Agreement for Special Activities attached hereto as **Exhibit "C"**, as may be amended or modified from time to time. Lessee may collect reasonable entry, rental and permit fees for the use of the Premises.

Section 8.2. Release. All concession agreements shall release CVWD and the United States, their successors and assigns, officers, agents and employees with respect to CVWD Uses. No license, concession or other agreement or permit issued by Lessee with respect to the Premises shall transfer any rights in the underlying real property and the term of any such license, concession or other agreement or permit shall not extend beyond the Expiration Date. Neither Lessee nor any concessionaire, licensee or permittee shall have authority to grant easements or licenses, rights of way or other possessory interests in the Premises.

# ARTICLE 9 ASSIGNMENT AND SUBLEASE

Section 9.1. <u>CVWD's Consent Required</u>. Lessee shall not voluntarily or by operation of law assign, transfer, mortgage or encumber or sublet all or any part of Lessee's Leasehold Interest in this Lease or in the Premises without CVWD's prior written consent, which such consent shall not be unreasonably withheld.

#### Section 9.2. Assignment and Subletting.

- (a) Regardless of CVWD's consent, no assignment or subletting shall: (i) be effective without the express written assumption by such assignee or sublessee of the obligations of Lessee under this Lease; (ii) release Lessee of any obligations hereunder; or (iii) alter the primary liability of Lessee for the payment of Rent or for the performance of any other obligations to be performed by Lessee.
- (b) CVWD's consent to any assignment or subletting shall not constitute a consent to any subsequent assignment or subletting.
- (c) If there is an Event of Default (as defined below in Section 12.1) or any other breach by Lessee, CVWD may proceed directly against Lessee or anyone else responsible for the performance of Lessee's obligations under this Lease, including any assignee or sublessee, without first exhausting CVWD's remedies against any other person or entity responsible therefor to CVWD.

# ARTICLE 10 INSURANCE AND INDEMNIFICATION

Section 10.1 Minimum Scope and Limit of Coverage. It is hereby acknowledged and agreed that as of the date of full execution of this Lease, the Lessee is self-insured or otherwise maintains insurance coverage through pooled or self-insurance instruments or entities. As a condition precedent to entering into this Lease, CVWD shall have the right to determine, in its reasonable discretion, whether the Lessee's self-insurance is sufficient to meet the scope and limit of coverage set forth herein. In connection with said review and determination, the Lessees shall provide CVWD with a memorandum of coverage, certificate, or other documentation, which

establishes the scope and limit of coverage. In the event the Lessee elects to comply with the required scope and limit of coverage through insurers and policies that are not considered to be self-insurance, the scope and limit of coverage of said insurance policies shall be in compliance with the requirements set forth herein. The required scope and limit of coverage are set forth in Exhibit G attached hereto and incorporated herein by reference.

Section 10.2 Lessee Indemnification. Lessee shall, at its sole cost and expense, with counsel reasonably acceptable to CVWD, indemnify, protect, defend and hold CVWD and CVWD's directors, officers, employees, and agents (collectively "CVWD Indemnified Parties") harmless from and against any and all claims, losses, damages, actions, fines, penalties, demands, liability and expense, including attorneys' fees and costs of litigation and all appeals, in connection with the loss of life, personal injury and damage to property arising out of or related to: (1) any occurrence in, upon, at or about the Premises caused by Lessee or Lessee Representatives or any party acting by, through or under any of them; (2) the occupancy, use, construction upon and maintenance of the Premises by Lessee or Lessee Representatives; (3) the operation of businesses of Lessee or Lessee Representatives thereon; and (4) any act or failure to act, negligence, recklessness or intentional misconduct occasioned wholly or in part by Lessee or Lessee Representatives. Lessee shall pay and satisfy any judgment, award or decree that may be rendered against any CVWD Indemnified Parties in any such suit, action or legal proceeding. Lessee shall reimburse all CVWD Indemnified Parties for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided. Lessee's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by CVWD Indemnified Parties. Lessee shall not adjust, settle, or compromise any such action or claim without the prior written consent of CVWD; provided, however, that any such adjustment, settlement or compromise in no manner whatsoever limits or circumscribes Lessee's indemnification obligations to CVWD Indemnified Parties as set forth herein.

Notwithstanding the foregoing, nothing contained herein shall be construed to make Lessee liable for any injury or loss caused by any act or omission of CVWD, CVWD Representatives, or CVWD Indemnified Parties.

Section 10.3 <u>CVWD Indemnification</u>. CVWD shall, at its sole cost and expense, indemnify, protect, defend and hold Lessee, the County of Riverside, and their respective agencies, districts, special districts, departments, officers, Board of Supervisors, Board of Directors, employees, elected or appointed officials, agents, volunteers or representatives (collectively "Lessee Indemnified Parties") harmless from and against any and all claims, losses, damages, actions, fines, penalties, demands, liability and expense, including attorneys' fees and costs of litigation and all appeals, in connection with the loss of life, personal injury and damage to property arising out of or related to: (1) any occurrence in, upon, at or about the Premises caused by CVWD or CVWD Representatives or any party acting by, through or under any of them; (2) the occupancy, use, construction upon and maintenance of the Premises by CVWD or CVWD Representatives; (3) the operation of businesses of CVWD or CVWD Representatives thereon; and (4) any act or failure to act, occasioned wholly or in part by CVWD or CVWD Representatives. CVWD shall pay and satisfy any judgment, award or decree that may be rendered against any Lessee Indemnified Parties in any such suit, action or legal proceeding. CVWD shall reimburse all Lessee Indemnified Parties for any and all legal expenses and costs incurred by each of them in connection

therewith or in enforcing the indemnity herein provided. CVWD's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by Lessee Indemnified Parties.

Notwithstanding the foregoing, nothing contained herein shall be construed to make CVWD liable for any injury or loss caused by any act or omission of Lessee, Lessee Representatives, or Lessee Indemnified Parties.

10.4 Concession Agreements; Subleases. All permitted concession agreements and subleases will contain insurance and indemnity provisions in favor of CVWD consistent with the requirements and provisions as reflected in Exhibit C.

# ARTICLE 11 DAMAGE AND DESTRUCTION

Section 11.1. Lessee's Duty to Restore Lessee Facilities. If the Lessee Facilities or any part thereof are damaged and/or destroyed in whole or in part by fire, theft, wind, rain, flooding or any other cause at any time during the Term, this Lease shall continue in full force and effect, and Lessee, at its sole cost and expense, shall repair and restore the damaged or destroyed Lessee Facilities according to the original plan hereof (but subject to then current building code requirements), or according to such modified plans as shall be reasonably approved in writing by CVWD, whether or not there are sufficient insurance proceeds to cover the repair and restoration expenses. Lessee shall commence repair or restoration work within ninety (90) days after the receipt of insurance proceeds, subject to delays caused by any Force Majeure Event (as defined in Section 15.4 below) and shall be completed within six (6) months, or reasonable amount of time dependent upon the extent of repair or restoration work needed, of commencement of the repair or restoration work. In all other respects, the work of repair and restoration shall be done in accordance with the requirements for original construction work on the Prior Premises as set forth in the Prior Lease.

Section 11.2 Option to Terminate Lease for Destruction. Neither CVWD nor Lessee shall be deemed to be in default of this Lease if either is prevented from performing any of its obligations hereunder by reason of an act of God, act of a public enemy, act of a superior governmental authority, weather conditions, rebellion, riot, sabotage, or any other circumstance for which either party is not responsible, or which is not within their control. Foregoing notwithstanding, any damage caused to the Premises by force majeure does not relieve Lessee of the obligation to restore the Premises, to the extent any loss or damage under this section was insurable at the time of the event that caused damage to Premises. Notwithstanding Section 11.1 above, either Party may terminate this Lease with one hundred twenty (120) days prior written notice if Lessee Facilities are damaged or destroyed by fire, flooding, theft, wind, rain, or similar events or any other casualty, through no fault of Lessee, such that Lessee Facilities cannot be repaired and restored as required by Section 11.1 of this Lease. If Lessee terminates pursuant to this Section 11.2, Lessee shall be responsible, at its sole cost and expense, for the prompt removal of all debris from the Premises. Notwithstanding the foregoing, Lessee may not terminate this Lease if Lessee has failed to comply with the insurance requirements under Article 10 hereof. The obligations set forth in this Section 11.2 shall be subject to the rights and obligations of the Parties under Section 15.4. Section 11.3 Application of Insurance Proceeds. Any and all fire or other insurance proceeds that become payable at any time during the Term because of damage to or destruction of the improvements

shall be applied toward the cost of repairing and restoring the damaged or destroyed improvements in the manner required by Section 11.1 of this Lease. Notwithstanding the foregoing, in the event that Lessee exercises its option to terminate this Lease under Section 11.2, then any and all fire or other insurance proceeds that become payable because of such damage or destruction and any deductible associated therewith shall be paid directly to CVWD.

#### ARTICLE 12 DEFAULTS AND REMEDIES

- Section 12.1. <u>Lessee Defaults</u>. Each of the following events shall constitute an "Event of Default" by Lessee and a breach of this Lease:
- (a) <u>Abandonment</u>. Abandonment of the Premises or any improvements, where such abandonment continues for a period of thirty (30) consecutive days after notice thereof by CVWD to Lessee.
- (b) <u>Liens, Attachment or Other Levy</u>. Any liens or encumbrances placed on the Premises or the failure to remove such encumbrances pursuant to Article 7 herein.
- (c) <u>Appointment of Receiver</u>. The appointment of a receiver to take possession of the Premises or the Lessee Facilities, of Lessee's Leasehold Interest in the leasehold estate, or of Lessee's operations on the Premises, for any reason including, but not limited to, assignment for the benefit of creditors or voluntary or involuntary bankruptcy proceedings.
- (d) <u>Insolvency</u>; <u>Bankruptcy</u>. An assignment by Lessee for the benefit of creditors, or the filing of a voluntary or involuntary petition by or against Lessee under any law for the purpose of adjudicating Lessee as bankrupt; extending time for payment, adjustment or satisfaction of Lessee's liabilities; or reorganization, dissolution, or arrangement on account of, or to prevent bankruptcy or insolvency (collectively, "Event of Insolvency"); unless the Event of Insolvency is involuntary or dismissed, vacated or terminated within sixty (60) days after the assignment, filing, or commencement of the Event of Insolvency.
- (e) <u>Violation of Use Restrictions</u>. Lessee's violation of the use restrictions set forth herein, after the application of the notice and cure provisions in Section 12.2 below.
- (f) <u>Default in Payment or Performance</u>. Failure of Lessee to pay or cause the Expenses to be paid when due and payable; Lessee's failure to enable CVWD Uses as described herein; or the breach of any material warranties or representations of Lessee under this Lease.
- (g) Other Events of Default. Such other Lessee default under this Lease. As used herein, non-monetary defaults shall include, without limitation, a breach of any Lessee covenant hereunder, Lessee's failure to perform as required hereunder, and a breach of any warranty, representation or other agreement of Lessee under this Lease.
- Section 12.2. <u>Notice and Right to Cure</u>. CVWD shall provide Lessee with a written notice of an Event of Default and Lessee shall have ten (10) days upon receipt of such notice to cure the Event of Default ("Cure Period"). Notwithstanding the foregoing, if Lessee is unable to cure the Event of Default within the Cure Period despite Lessee's diligent and best efforts to cure,

then the Cure Period shall be extended for such reasonable time as may be necessary for Lessee to cure the Event of Default as long as Lessee continues to diligently prosecute to completion the cure for an Event of Default.

- Section 12.3. <u>Remedies</u>. If any Event of Default shall remain uncured upon expiration of the Cure Period, CVWD may exercise any of the following remedies, which shall be in addition to all other rights and remedies available to CVWD under law or equity:
- (a) <u>Termination</u>. CVWD may terminate this Lease by providing thirty (30) days prior written notice of termination to Lessee. All of Lessee's rights in the Premises and Lessee Facilities shall terminate upon such termination by CVWD and Lessee shall promptly surrender and vacate the Premises and all Lessee Facilities in broom-clean condition. Upon termination, CVWD may re-enter and take possession of the Premises and Lessee Facilities. Termination under this Section 12.3(a) shall not relieve Lessee from the payment of any Expenses then due, or from any claim for damages previously accrued, or then accruing, against Lessee.
- (b) Re-entry Without Termination. To the extent, if any, that laws regarding receivers and receiverships apply to Lessee, CVWD may re-enter the Premises and, without terminating this Lease, cause a receiver to be appointed to maintain, administer or otherwise protect the Premises. Lessee shall be solely responsible for all costs associated with obtaining and administering such receivership. Upon re-entry, CVWD may make any reasonable and necessary alterations, repairs, replacements and/or restorations to the Premises or Lessee Facilities which shall not operate or be construed to release Lessee from any liability hereunder. No act by or on behalf of CVWD under this provision shall constitute a termination of this Lease unless CVWD gives Lessee written notice of termination.
- (c) <u>Lessee's Personal Property</u>. CVWD may store or dispose of Lessee's personal property and trade fixtures without liability for any loss or damage and at Lessee's sole cost and expense. The election of one remedy for any one item shall not foreclose an election of any other remedy for another item, or for the same item at a later time.
- (d) <u>Appointment of Receiver</u>. If CVWD elects to file suit to enforce this Lease and/or protect its rights hereunder, in addition to the other remedies provided in this Lease and by law, CVWD may have a receiver appointed for the Premises and Lessee Facilities.
- Section 12.4. <u>CVWD Defaults/Lessee Remedies</u>. CVWD's failure to perform any of its obligations under this Lease shall constitute a default by CVWD under the Lease if the failure continues for ten (10) days after written notice of the failure ("CVWD Cure Period") from Lessee to CVWD. If CVWD is unable to cure the default within the CVWD Cure Period despite CVWD's diligent and best efforts to cure, then the CVWD Cure Period shall be extended for such reasonable time as may be necessary for CVWD to cure the default as long as CVWD continues to diligently prosecute to completion the cure for said default. If any event of default by CVWD shall remain uncured upon expiration of the CVWD Cure Period, Lessee may terminate this Lease by providing thirty (30) days prior written notice of termination to CVWD.
- Section 12.5. <u>Remedies Cumulative</u>. Either Party may bring suit against the other Party for the recovery of such damages, or any installments thereof, and nothing contained herein

shall be deemed to require either Party to postpone filing such suit until the Expiration Date or limit or preclude recovery by that Party against the other Party for any sums or damages to which, in addition to the damages particularly provided above, that Party may lawfully be entitled by reason of any default. All the remedies granted herein to the Parties, and all rights and remedies given to the Parties at law and in equity, shall be cumulative and concurrent.

Section 12.6. Lessee's Liability After Default. If Lessee defaults on any of its obligations under this Lease, CVWD, without waiving such default, may (but shall not be obligated to) perform Lessee's obligations at Lessee's sole cost and expense, without notice in a case of emergency, and in any other case only if such default continues after the expiration of the Cure Period. All reasonable expenses incurred by CVWD in connection with such performance, and all costs, expenses, and disbursements of any kind and nature including, but not limited to, reasonable attorneys' fees, costs for appellate, bankruptcy and post-judgment proceedings involved in collecting the Rent or enforcing any rights against Lessee or Lessee's obligations hereunder, shall be immediately due and payable upon CVWD's submission of an invoice therefor. All sums advanced by CVWD for Lessee under this Lease, and all Rent, if delinquent or not received by CVWD when due hereunder, shall bear interest at the maximum rate permitted by law from the due date thereof until paid and the same shall constitute additional Rent due and payable upon CVWD's demand.

Section 12.7. <u>Holdover</u>. If Lessee remains in possession of the Premises or any part thereof after the Expiration Date or termination of the Lease ("Holdover"), Lessee shall become liable to CVWD for the fair rental value of the Premises as determined by a neutral third-party appraiser. Lessee shall continue to pay Rent as a Holdover. Lessee's possession of the Premises as a Holdover, notwithstanding CVWD's consent or acceptance of Rent, shall not constitute a waiver of any of CVWD's rights under this Lease. Further, notwithstanding the payment of Rent by Lessee and acceptance thereof by CVWD, Lessee shall remain in breach of this Lease during any period in which Lessee is a Holdover.

Section 12.8. Interest on Past Due Obligations; Late Charge. Any amount due by Lessee to CVWD hereunder that is not paid when due shall bear interest at an amount equal to eighteen percent (18%) per annum (but in no event higher than the maximum legal rate) unless otherwise specifically provided herein. The payment of such interest shall not excuse or cure any default by Lessee under this Lease. In addition, Lessee acknowledges that late payment by Lessee of all amounts due under this Lease will cause CVWD to incur costs not contemplated by this Lease, the exact amount of such costs being extremely difficult and impractical to fix. Therefore, if any such payment due from Lessee is not received by CVWD within the time periods described herein (or if no such time period is designated, within thirty (30) days after due), Lessee shall pay to CVWD an additional sum equal to five percent (5%) of the overdue payment as a late charge. The Parties agree that this late charge represents a fair and reasonable estimate of the costs that CVWD will occur by reason of Lessee's late payment. Acceptance of any late payment will neither constitute a waiver of Lessee's default with respect to the overdue amount nor prevent CVWD from exercising any other rights and remedies available to CVWD.

Section 12.9. <u>Non-Disturbance</u>. Notwithstanding CVWD's exercise of its rights and remedies during an Event of Default, CVWD will not disturb the possession of permitted sublessees or concessionaires that are not in default under their respective subleases or concession

agreements; provided, however, that regardless of whether a default exists under this Lease, no sublease or concession agreement may extend beyond the Expiration Date without the prior written consent of CVWD.

# ARTICLE 13 TERMINATION, SURRENDER AND REMOVAL

- Section 13.1. Surrender of Possession. Upon the Expiration Date or any earlier termination of the Lease, Lessee shall surrender to CVWD possession of the Premises and Lessee Facilities. If an Event of Default beyond any applicable Cure Period is not then continuing, Lessee may remove, or cause to be removed, all personal property and equipment of Lessee, other than Lessee Facilities, from the Premises within ninety (90) days after the Expiration Date or termination of this Lease. Thereafter, all such personal property and equipment not removed shall belong to CVWD without the payment of any consideration. CVWD reserves the right, upon the Expiration Date or early termination of the Lease, to require that Lessee, at no expense to CVWD, restore the Premises to the quality and character approved by CVWD in its sole reasonable discretion (the "Premises Restoration") or raze and remove the Lessee Facilities and remove all debris, leaving bare ground suitable for construction.
- Section 13.2. <u>Lessee's Quitclaim</u>. Upon the Expiration Date or any earlier termination of this Lease, Lessee agrees to execute, acknowledge and deliver to CVWD a proper instrument in writing, releasing and quitclaiming to CVWD all right, title and interest of Lessee in and to the Premises and Lessee Facilities.
- Section 13.3. <u>Bond; Letter of Credit</u>. No later than the date that is three months (3) prior to the Expiration Date or termination of this Lease, Lessee shall deliver to CVWD a payment bond or a letter of credit issued, which bond or letter of credit shall be in form and substance reasonably acceptable to CVWD and issued by a creditworthy bonding company or financial institution, as applicable, reasonably acceptable to CVWD, for the amount of a good faith estimate of the total cost for Premises Restoration. Any payment bond or letter of credit required to be issued to CVWD shall be in the name of CVWD and shall secure Lessee's Premises Restoration obligation.
- Section 13.4. Lessee's Right to Early Termination. The Parties hereto recognize and understand that the rental consideration hereunder originates from local, State and/or Federal sources, and therefore, notwithstanding anything to the contrary in this Lease, Lessee shall have the right to terminate this Lease upon 30-day advance written notice (a) if such funding is reduced or otherwise becomes unavailable, based on Lessee's annual fiscal budget, or (b) if any law, rule or regulation precludes, prohibits or materially adversely impairs Lessee's ability to use the Premises for the use permitted herein, or (c) if Lessee in its sole discretion determines that the Premises are no longer suitable for its use for any reason or cause.

### ARTICLE 14 EMINENT DOMAIN

Section 14.1. <u>Total Condemnation</u>. If all of the Premises are condemned by eminent domain, inversely condemned, or sold in lieu of condemnation for any public or quasi-public use

or purpose, this Lease will terminate as of the date of title vesting in that proceeding and the Rent will be abated from the date of termination.

- Section 14.2. Partial Condemnation. If any portion of the Premises is condemned by eminent domain, inversely condemned, or sold in lieu of condemnation for any public or quasipublic use or purpose and the partial condemnation renders the Premises unusable for Lessee's business, this Lease will terminate as of the date of title vesting or order of immediate possession in that proceeding and the Rent will be abated to the date of termination. If the partial condemnation does not render the Premises unusable for the business of Lessee and less than a substantial portion of the Premises is condemned, CVWD must promptly restore the Premises to the extent of any condemnation proceeds recovered by CVWD, excluding the portion lost in the condemnation, and this Lease will continue in full force, except that after the date of the title vesting, the Rent will be adjusted, as reasonably determined by CVWD and Lessee.
- Section 14.3. Award. If the Premises are wholly or partially condemned, CVWD will be entitled to the entire award paid for the condemnation, and Lessee waives any claim to any part of the award from CVWD or the condemning authority. Lessee, however, will have the right to recover from the condemning authority any compensation that may be separately awarded to Lessee in connection with costs in removing Lessee's merchandise, furniture, fixtures, leasehold improvements, and equipment to a new location.
- Section 14.4. <u>Temporary Condemnation</u>. In the event of a temporary condemnation, this Lease will remain in effect, Lessee will continue to pay Rent, and Lessee will receive any award made for the condemnation. If a temporary condemnation remains in effect at the expiration or earlier termination of this Lease, Lessee will pay CVWD the reasonable cost of performing any obligations required of Lessee with respect to the surrender of the Premises. If a temporary condemnation is for a period that extends beyond the Term, this Lease will terminate as of the date of occupancy by the condemning authority and any award will be distributed in accordance with Section 14.3.

# ARTICLE 15 GENERAL PROVISIONS

- Section 15.1. <u>Conditions and Covenants</u>. All of the provisions of this Lease shall be covenants running with the land, and construed to be "conditions" as well as "covenants" as though the words specifically expressing or imparting covenants and conditions were used in each separate provision.
- Section 15.2. <u>Survival of Indemnities</u>. All indemnities of CVWD and Lessee under this Lease shall survive the Expiration Date or earlier termination of this Lease for a period of three (3) years.
- Section 15.3. No Waiver of Breach. No failure by either CVWD or Lessee to insist upon the strict performance by the other of any covenant, agreement, term or condition of this Lease, or to exercise any right or remedy upon a breach thereof, shall constitute a waiver of any such breach or of such covenant, agreement, term or condition. No waiver of any breach shall

affect or alter this Lease, and each and every covenant, condition, agreement and term of this Lease shall continue in full force and effect with respect to any other then existing or subsequent breach.

Section 15.4. <u>Unavoidable Delay – Force Majeure</u>. If either Party shall be delayed or prevented from the performance of any act required by this Lease by reason of events beyond the reasonable control of the Parties, such as strikes, lockouts, labor troubles, inability to procure materials, acts of God or public enemy, acts of federal, state, or local government, either in its sovereign or contractual capacity, fire, floods, civil disobedience, inclement weather, or any other cause or condition beyond such party's reasonable control, provided, (collectively, "Force Majeure Events"), performance of such act shall be excused for the period of the delay; and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay.

Section 15.5. Notices. All notices, requests, demands and other communications hereunder shall be given in writing and shall be: (a) personally delivered; (b) sent by facsimile transmission or other electronic means of transmitting written documents; or (c) sent to the Parties at their respective addresses indicated herein by registered or certified U.S. mail, return receipt requested and postage prepaid, or by a nationally recognized private overnight mail courier service (such as Federal Express). The respective addresses to be used for all such notices, demands or requests are as follows:

#### If to CVWD:

Coachella Valley Water District Post Office Box 1058 51-501 Tyler Street Coachella, California 92236 Attention: General Manager Telephone: (760) 398-2651 Facsimile: (760) 398-3711

#### If to Lessee:

Riverside County Regional Park & Open-Space District 4600 Crestmore Road Jurupa Valley, CA 92509 Attention: General Manager

Telephone: (951) 955-4310 Facsimile: (951) 955-4305

If personally delivered, such communication shall be deemed delivered upon actual receipt; if electronically transmitted, such communication shall be deemed delivered the next business day after transmission (and sender shall bear the burden of proof of delivery); if sent by overnight courier, such communication shall be deemed delivered upon receipt; and if sent by U.S. mail, such communication shall be deemed delivered as of the date of delivery indicated on the receipt issued by the relevant postal service, or, if the addressee fails or refuses to accept delivery, as of

the date of such failure or refusal. Any Party to this Lease may change its address for the purposes of this Lease by giving notice thereof in accordance with this Section.

- Section 15.6. Gender. The use herein of: (a) any gender includes all others, and (b) the singular number includes the plural and vice-versa, whenever the context so requires.
- Section 15.7. <u>Captions</u>. Captions in this Lease are inserted for convenience of reference only and do not define, describe or limit the scope or the intent of this Lease or any of the terms hereof.
- Section 15.8. Entire Agreement. This Lease contains the entire agreement between the Parties and shall supersede any prior agreement between the parties regarding the subject matter hereof. Any oral or prior written representations, agreements, understandings and/or statements shall be of no force and effect.
- Section 15.9. <u>Waiver; Amendment</u>. No modification, waiver, amendment, discharge or change to this Lease shall be valid unless the same is in writing and signed by the Party against which the enforcement of such modification, waiver, amendment, discharge or change is or may be sought.
- Section 15.10. Attorney's Fees. If either Party retains an attorney to enforce or interpret this Lease, the prevailing Party shall be entitled to recover, in addition to all other items of recovery permitted by law, reasonable attorneys' fees and costs incurred through litigation, bankruptcy proceedings and all appeals.
  - Section 15.11. <u>Time</u>. Time is of the essence of each obligation of each Party hereunder.
- Section 15.12. Governing Law/Venue. This Lease shall be construed and enforced in accordance with the laws of the State of California. Any action at law or in equity brought by either of the Parties hereto for the purpose of enforcing a right or rights provided for by this Lease shall be tried in a court of competent jurisdiction in the County of Riverside, State of California, and the Parties hereto waive all provisions of law providing for a change of venue in such proceedings to any other county.
- Section 15.13. <u>Binding Effect</u>. Subject to any provision of this Lease that may prohibit or curtail assignment of any rights hereunder, this Lease shall bind and inure to the benefit of the respective heirs, assigns, personal representatives, and successors of the Parties hereto.
- Section 15.14. <u>Authority</u>. Each person executing this Lease represents and warrants to the other that he or she is duly authorized, empowered and directed to enter into this Lease on behalf of the Party they represent. Each signatory further represents and warrants that, upon execution, this Lease shall be a valid and binding obligation of the Parties hereto.
- Section 15.15. <u>Recording</u>. The Parties agree that neither this Lease nor any related documents will be recorded with the County Recorder's office or any State of Federal agency.

Section 15.16. Execution of Other Instruments. Each Party agrees that it shall, upon the other's request, take any and all steps, and execute, acknowledge and deliver to the other Party all further instruments necessary or expedient to effectuate the purpose of this Lease.

Section 15.17. Severability. If any term, provision, covenant or condition of this Lease is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions shall remain in full force and effect and shall in no way be affected, impaired or invalidated.

**Section 15.18.** Counterparts. This Lease may be executed in one or more counterparts, each of which shall be deemed an original and all of which, when taken together, shall constitute one instrument.

Section 15.19. <u>Nondiscrimination/Non-segregation</u>. The Parties herein covenant by and for himself or herself, his or her heirs, executors, administrators, and assigns, and all persons claiming under or through him or her, and this Lease is made and accepted upon and subject to the following conditions:

That there shall be no discrimination against or segregation of any person or group of persons, on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the leasing, subleasing, transferring, use, occupancy, tenure, or enjoyment of the Premises herein leased nor shall the Lessee himself or herself, or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy, of tenants, lessees, sublessees, subtenants, or vendees in the Premises herein leased.

Section 15.20. CVWD covenants that CVWD is well seized of and has good title to the Premises for the purposes of this Lease, and CVWD does warrant and will defend the title thereto, and will indemnify Lessee against any damage and expense which Lessee may suffer by reason of any lien, encumbrance, restriction or defect in title or description herein of the Premises. If, at any time, CVWD's title or right to receive Rent and any other sums due hereunder is disputed, Lessee may withhold such sums thereafter accruing until Lessee is furnished satisfactory evidence as to the Party entitled thereto.

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SIGNATURE PAGE FOLLOWS

IN WITNESS WHEREOF, this Lease has been executed by the Parties hereto as of the Effective Date first set forth above.

#### CVWD:

COACHELLA VALLEY WATER DISTRICT, a public agency of the State of California

By: Name: J.M. Barrett Title: General Manager

#### LESSEE:

RIVERSIDE COUNTY REGIONAL PARK AND OPEN-SPACE DISTRICT, a park and open-space district created pursuant to the California Public Resources Code, Division 5, Chapter 3, Article 3

KEVIN JEFFRIES Chairman, Board of Directors

ATTEST:

Kimberly Rector Clerk of the Board

APPROVED AS TO FORM:

County Counsel

Deputy County Counsel

#### Lopez, Daniel

Sent: Monday, December 9, 2024 10:18 AM

To: Clerk of the Board

Subject: Public Comment from La Quinta Lake Cahuilla Lease Update

Attachments: Lake Cahuilla Public Comment - Letter of Support.pdf

Importance: High

**CAUTION:** This email originated externally from the **Riverside County** email system. **DO NOT** click links or open attachments unless you recognize the sender and know the content is safe.

Happy Monday,

Please see attached letter for tomorrow's board meeting for Agenda Item 13.1 – Lake Cahuilla Lease. Please confirm receipt.

Thank you and have a wonderful Holiday 😊



Jennifer Nelson | Executive Specialist City Manager's Office City of La Quinta 78495 Calle Tampico | La Quinta, CA 92253 Ph. 760.777.7030

Main: 760.777.7000

www.jnelson@laquintaca.gov



December 9, 2024

Dear Members of the Board,

On behalf of the City of La Quinta, I am writing to express our strong support for the proposed agreement between the County of Riverside and the Coachella Valley Water District to continue the operations and maintenance of Lake Cahuilla.

Lake Cahuilla is a vital recreational and community asset for the Coachella Valley, providing residents and visitors with unique opportunities to enjoy outdoor activities, including camping, fishing, and hiking. Its continued operation aligns with the region's commitment to preserving natural spaces, promoting wellness, and enhancing tourism.

We commend both the County of Riverside and the Coachella Valley Water District for their collaboration to ensure the sustainability of this cherished resource. The City of La Quinta values this partnership and its shared vision for maintaining Lake Cahuilla as a safe, accessible, and well-maintained destination for years to come.

Thank you for your dedication to preserving the quality of life for our residents and fostering a vibrant future for the Coachella Valley.

Sincerely,

Linda Evans

La Evans

Mayor