



# RESOLUTION No. 14-100

## OF THE BOARD OF SUPERVISORS OF THE COUNTY OF NEVADA

### RESOLUTION AUTHORIZING EXECUTION OF A LEASE AGREEMENT BETWEEN THE JUDICIAL COUNCIL OF CALIFORNIA ADMINISTRATIVE OFFICE OF THE COURTS AND THE COUNTY OF NEVADA FOR LEASE SPACE LOCATED AT 10075 LEVONE AVENUE, TRUCKEE, CALIFORNIA FOR THE BENEFIT OF THE SUPERIOR COURT OF CALIFORNIA IN TRUCKEE

WHEREAS, through Resolution 09-220 the County currently leases approximately 1,624 square feet of space generally described as Courtroom B located on the second floor of the County of Nevada Joseph Center, 10075 Levone Ave., Truckee, California to The Administrative Office of the Courts (AOC) for the benefit of the Truckee Superior Court of California; and,

WHEREAS, the current Agreement expires June 30, 2014 and the Parties desire to enter into a new Lease Agreement; and,

WHEREAS, the new lease rate for this space will be \$1.50 per square foot or \$2,436.00 per month adjusted annually according to CPI increase calculations beginning July 31, 2016 and each July 1<sup>st</sup> thereafter and due in arrears on the last day of each month; and,

WHEREAS, the Lease will be effective on the date of its full execution, and the term will commence on July 1, 2014 and end on June 30, 2019; and,

WHEREAS, the Parties acknowledge and agree to the terms and conditions set forth in the Court Transfer Agreement dated September 9, 2008 and the Joint Occupancy Agreement (JOA) and have incorporated these documents into the Lease Agreement.

NOW, THEREFORE, BE IT RESOLVED that the Nevada County Board of Supervisors hereby directs that:

1. The Board Chair is authorized to execute on behalf of the County of Nevada a Lease Agreement with The Administrative Office of the Courts, 455 Golden Gate Avenue, San Francisco, CA, 94102-3688 that provides for lease of 1,624 square feet of space at a rate of \$1.50 per square foot with annual CPI increase calculations beginning July 31, 2016, for a period commencing July 1, 2014 and ending on June 30, 2019.
2. The Nevada County Auditor-Controller is authorized to receive and deposit rent revenue into the Facilities Management budget 0101-10702-415-1000 – 430200.

PASSED AND ADOPTED by the Board of Supervisors of the County of Nevada at a regular meeting of said Board, held on the 25th day of March, 2014, by the following vote of said Board:

Ayes: Supervisors Nathan H. Beason, Edward Scofield, Terry Lamphier, Hank Weston and Richard Anderson.

Noes: None.

Absent: None.

Abstain: None.

ATTEST:

DONNA LANDI  
Clerk of the Board of Supervisors

By:  Deputy

  
Nathan H. Beason, Chair

03/25/2014 cc: Facilities(2)  
AC\*(hold)

04/08/2014 cc: Facilities\*  
AC\*(release)



**Judicial Council of California  
Administrative Office of the Courts  
Office of Real Estate and Facilities Management  
455 Golden Gate Avenue, San Francisco, CA 94102-3688**

For the benefit of: Superior Court of California, County of Nevada

Location of Premises: 10075 Levone Ave., Truckee, California

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**LEASE AGREEMENT**

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**1. Parties.** This Lease (“**Lease**”) dated March 1, 2014, is made by and between the Judicial Council of California, Administrative Office of the Courts, (the “**Lessee**”) and the County of Nevada (the “**Lessor**”), for the benefit of the Superior Court of California, County of Nevada (“**Court**”). Lessee and Lessor will hereinafter be collectively referred to as the “**Parties**” or individually as a “**Party**.”

**2. Property.** Lessor is the record owner of that certain parcel of real property located in the State of California, County of Nevada, City of Truckee (the “**Property**”), and the building located thereon commonly known as the Joseph Center (the “**Building**”) with a street address of 10075 Levone Avenue. The Parties acknowledge and agree that responsibility for the existing Court Facility located in the Building transferred from Lessor to Lessee on September 9, 2008, pursuant to the “Transfer Agreement between the Judicial Council of California, Administrative Office of the Courts and the County of Nevada for the Transfer of Responsibility for Court Facility” dated September 9, 2008 (the “**Transfer Agreement**”), which is incorporated into this Lease by this reference, and that management of the Common Areas (defined below) and other matters related to the Parties’ joint use of the Building are controlled by that certain “Joint Occupancy Agreement Between the Judicial Council of California, Administrative Office of the Courts and the County of Nevada” with the same effective date as the Effective Date of the Transfer Agreement (the “**JOA**”), a copy of which is attached as Exhibit “A” and incorporated in this Lease. In any conflict between the terms and conditions of this Lease and the Transfer Agreement or the JOA, the terms and conditions of the Transfer Agreement or JOA shall prevail. The Parties acknowledge and agree that pursuant to the Transfer Agreement and JOA, the Lessor retains Equity (as defined in section 2 of the JOA) in the Real Property (as defined in section 2 of the JOA) and that this Lease has no effect whatsoever on each Party’s share of Equity in the Real Property, and that the Premises (defined below) will for all purposes be considered part of the County

Exclusive-Use Area (as defined in section 2 of the JOA), and not an increase in the Court Exclusive Use Area (as defined in section 2 of the JOA).

**3. Lease of Premises.** Lessor hereby leases to Lessee, and Lessee leases from Lessor, that portion of the Building generally described as follows: Courtroom B, approximately 1,624 square feet of space located on the second floor as shown on the floor plans attached hereto as Exhibit "B" and incorporated herein, together with all improvements therein ("**Premises**").

**4. Common Area.** The term "Common Area" as used in this Lease shall have the same meaning as set forth in section 2 of the JOA. The Parties' rights and responsibilities with respect to the Common Areas are set forth in sections 3.1 and 3.2.2 of the JOA.

**5. Term.** This Lease will be effective on the date of its full execution (the "**Effective Date**"), but its term (the "**Term**") will commence on July 1, 2014 ("**Commencement Date**"), and end on June 30, 2019 ("**Expiration Date**"), subject to a delay in delivery or early termination pursuant to the terms of this Lease.

**6. Rent.** Lessee will pay to Lessor in arrears on the last day of each month, beginning on the last day of the month in which the Commencement Date falls, the sum of two thousand four hundred thirty six dollars (\$2,436/month). Rent for any partial month will be prorated based on the actual number of days of the month. Beginning on July 31, 2016, and each July 1st thereafter, Rent will be adjusted by the percentage change, if any, in the State of California, Division of Labor Statistics and Research, California Consumer Price Index ("**CPI**"), All Items (1982-1984=100) Urban Wage Earners and Clerical Workers ("**Index**"). The change in CPI will be determined by multiplying the current Rent by a fraction, the numerator of which is the Index for April of the year in which the Adjustment occurs, and the denominator of which is the Index for April of the previous year. In no event shall the change in CPI result in a decrease in Rent nor an increase in Rent of more than three percent (3%) per year. (Example:  $\$1,500.00 \times [222.166 \text{ divided by } 219.612] = \$1,517.44.$ )

**7. Use.** The Premises will be primarily used as a courtroom or any other legal use which is reasonably comparable thereto.

**8. Alterations.** Lessee will not make or allow any alterations, installations, additions, or improvements in or to the Premises (collectively, "**Alterations**") other than non-structural alterations within the Premises which do not adversely affect any of the Building's systems without Lessor's prior consent, which will not be unreasonably withheld, conditioned or delayed.



**9. Possession of Premises; Previous Agreement.** The Parties acknowledge and agree that Lessee has been in possession of the Premises since April 1, 2003, pursuant to that certain "Agreement Between The County of Nevada and the Superior Court of California, County of Nevada" dated May 13, 2008 (the "MOU"). The Parties further acknowledge and agree that this Lease supersedes and replaces those provisions of the MOU governing Lessee's rights and obligations with respect to the Premises. The current lease expires on June 30, 2014, between the Parties.

**10. Utilities.** Lessor will provide, or cause to be provided, all utility services, including, but not limited to, water, natural gas, electrical, refuse collection and sewer services, but not telephone or telecommunications, as may be required in the maintenance, operation and use of the Premises. Because the Premises will continue to be part of the County Exclusive Use Area under the JOA, the County will continue to be responsible for all cost and expense of providing such utilities to the Premises. Court will pay for all telephone or telecommunications services used in connection with the Premises.

**11. Repairs and Maintenance.**

**11.1 Premises.** Insofar as the Premises are part of County Exclusive-Use Area (as defined in the JOA), then pursuant to section 3.2.1 of the JOA, its Operation (as defined in the JOA) including all maintenance and repair obligations, will be the responsibility of Lessor except for all necessary janitorial and custodial services, which will be the responsibility of the Court. Notwithstanding the foregoing, Lessee will, at its sole cost and expense, promptly repair any damage or injury to the Premises (reasonable wear and tear excepted) caused by the negligence or intentional act or omission of Lessee, its employees, agents or visitors, guests, invitees or licensees; provided, however, that Lessor shall have the right, but not the obligation, to select a contractor to oversee such repairs by Lessee.

**11.2 Common Area.** Responsibility for Operation of the Common Area will continue to be as set forth in section 3.2.2 of the JOA.

**12. Compliance with Laws.** Lessor warrants and represents that the Premises, the improvements in the Premises and the Property comply with all applicable Federal, State and local laws, regulations, ordinances, codes and orders including the Americans with Disabilities Act and similar State and local laws addressing accessibility by individuals with disabilities, regardless of the use to which Lessee will put the Premises.

**13. Indemnification.** The Parties acknowledge and agree that the indemnification provisions of section 8 of the JOA will apply with respect to the rights and obligations arising out of this Lease and Lessee's use and occupancy of the Premises.

**14. Insurance.**

**14.1 Property Insurance.** The Parties acknowledge and agree that the property insurance provisions of sections 6.1 and 6.2 of the JOA shall continue to apply with respect to the Real Property.

**14.2 Lessee Insurance.** Lessor acknowledges and accepts that Lessee does not maintain commercial insurance coverage for property, general liability or motor vehicle claims, but instead self-insures.

**14.3 Workers Compensation.** The Parties acknowledge and agree that the workers' compensation coverage provisions of section 6.5 of the JOA shall continue to apply with respect to the Real Property.

**15. Damage and Destruction.**

**15.1** The Parties acknowledge and agree that in the event of a Property Loss (as defined in section 2 of the JOA), the provisions of section 7 of the JOA shall apply, and that the Premises remains part of the County Exclusive-Use Area.

**15.2** In the event that the Damaged Property (as defined in section 6.1.5 of the JOA) is to be restored or replaced pursuant to section 7 of the JOA, and the Property Loss materially and adversely interferes with Lessee's business operations, and/or Lessee's use of, and access to, the Premises and Real Property (as reasonably determined by Lessee) then Lessor shall diligently and promptly pursue the repair and restoration of the Damaged Property at Lessor's sole cost and expense, and until such restoration or replacement is completed. Rent due under this Lease shall be fully abated during the period beginning on the later of: (a) the date of the Property Loss; or (b) the date on which Lessee ceases to occupy the Premises and ending on the date of substantial completion of Lessor's restoration or replacement is completed ("**Abatement Period**"). If, however, Lessee is able to occupy and does occupy a portion of the Premises, Rent shall be abated during the Abatement Period only for the portion of the Premises not occupied by Lessee. In the event that the Damaged Property is not restored or replaced pursuant to section 7 of the JOA, then this Lease shall be deemed terminated and Lessee's obligation to pay Rent shall cease as of the date of the Property Loss.

**16. Eminent Domain.** If all or any portion of the Premises are condemned or are transferred in lieu of condemnation, Lessor or Lessee may, upon written notice given within sixty (60) days after the taking or transfer, terminate this Lease. Lessor shall be entitled to all compensation that may be paid in connection with the taking except for any portion specifically awarded to Lessee for moving expenses, fixtures, or equipment.

## 17. Default and Remedies.

**17.1 Default.** After expiration of the applicable grace period, each of the following will constitute an event of default under this Lease:

(a) Lessee's failure to pay any amount in full when it is due under the Lease following fifteen (15) days written notice from Lessor to Lessee, provided, however, if Lessee is unable to pay any rent because of the State of California's failure to timely approve and adopt a State budget, no breach or event of default will be deemed to have occurred provided Lessee promptly pays any previously due and unpaid rent upon approval and adoption of the State budget.

(b) Lessee's failure to observe or perform any other provision of this Lease, or the breach of any of Lessee's representation or warranty hereunder, if such failure or breach continues for thirty (30) days after written notice from Lessor of the failure or breach specifying in reasonably sufficient detail the nature of the failure or breach; but if the default is such that it is capable of being cured, but cannot be completely cured within the thirty (30) day period, Lessee will not have defaulted if Lessee begins to cure within the thirty (30) day period and diligently performs the cure to completion.

(c) Lessor's failure to comply with any term, condition or covenant of this Lease will constitute an event of default by Lessor under the Lease if the failure continues for thirty (30) days after the giving of written notice thereof by Lessee to Lessor. If the required performance cannot be completed within thirty (30) days, Lessor's failure to perform will constitute an event of default under the Lease unless Lessor undertakes to cure the failure within thirty (30) days and diligently performs the cure to completion.

**17.2 Lessor's Remedies.** Upon the occurrence of an event of default by Lessee, Lessor, in addition to any other rights or remedies available to Lessor at law or in equity, will have the right to terminate this Lease by giving Lessee written notice thereof and to recover from Lessee the aggregate sum of (a) the worth at the time of award of any unpaid rent which had been earned at the time of such termination, (b) the worth at the time of award of the amount by which the unpaid rent which would have been earned after termination until the time of award exceeds the amount of such rental loss Lessee proves could have been reasonably avoided, and (c) any other amount necessary to compensate Lessor for all the detriment proximately caused by Lessee's failure to perform its obligations under this Lease or which in the ordinary course of things would be likely to result therefrom. The "worth at the time of award" is computed by allowing interest at the rate of ten percent (10%) per annum.

**17.3 Lessee's Remedies.** Upon the occurrence of an event of default by Lessor, Lessee, in addition to any other rights or remedies available to Lessee at law or in equity, will have the right to elect to terminate the Lease, or to cure any default by Lessor following the thirty (30) day notice and cure period and to deduct the cost of such cure from rent due hereunder upon presentation of an accounting of such costs to Lessor.

**18. Quiet Enjoyment.** Lessor represents and warrants that Lessor has legal right to possession of the Premises and the power and the right to enter into this Lease and that Lessee, upon the faithful performance of all of the terms, conditions and obligations of Lessee contained in this Lease, will peaceably and quietly hold and enjoy the Premises upon the terms, covenants and conditions set forth in this Lease throughout the term of this Lease and any extensions thereof.

**19. Surrender.** Lessee will, after the last day of the term of any extension thereof or upon any earlier termination of such term, surrender and yield up to Lessor the Premises in good order, condition and state of repair, reasonable wear and tear and damage by fire or other casualty excepted.

**20. Authority.** If Lessor is a corporation, general or limited partnership or individual owner, each individual executing this Lease on behalf of said corporation, partnership or individual represents and warrants that he or she is duly authorized to execute and deliver this Lease on behalf of said corporation, in accordance with bylaws of said corporation, or as a partner or individual is authorized to execute this Lease and that this Lease is binding upon said corporation and/or partnership or individual.

**21. Holding Over.** Any holding over by Lessee after the expiration of the Term (if not extended) or the last Renewal Term exercised will be deemed a month-to-month tenancy upon the same terms and conditions as set forth in this Lease.

**22. Notices.** Every notice required by this Lease shall be delivered either by (i) personal delivery (including delivery by an overnight courier service which obtains confirmation of receipt) or (ii) postage prepaid return receipt requested certified mail addressed to the party for whom intended at the addresses given below. A party may change its address by written notice to the other party.

If to Lessor:	County of Nevada County Executive Office Attention: Assistant County Executive Officer 950 Maidu Ave. Nevada City, CA 95959 Voice: 530-265-7040 Fax: 530-265-9839
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With a copy to:

County of Nevada  
County Counsel  
950 Maidu Ave.  
Nevada City, CA 95959  
Voice: 530-265-1319  
Fax: 530-265-9840

If to Lessee:

Administrative Office of the Courts  
Office of Real Estate and Facilities Management  
Attn: Portfolio Administration Analyst  
455 Golden Gate Avenue  
San Francisco, CA 94102-3688  
Telephone: 415-865-4068  
Fax: 415-865-8885

With a copy to:

Administrative Office of the Courts  
Office of Real Estate and Facilities Management  
Attn: Manager, Real Estate  
455 Golden Gate Avenue  
San Francisco, CA 94102-3688  
Telephone: 415-865-4048  
Fax: 415-865-8885

In addition, all notices relating to termination of the Lease or an alleged breach or default by Lessee must also be sent to:

Administrative Office of the Courts  
Fiscal Services Office  
455 Golden Gate Avenue  
San Francisco, CA 94102-3688  
Attention: Senior Manager, Business Services  
Telephone: 415-865-4090  
Fax: 415-865-4326

All notices and correspondence to Lessee must reference the address of the Premises and the name of the entity occupying the Premises.

**23. Lessor Right of Entry.** Subject to sections 3.4 and 3.5 of the JOA, Lessor and Lessor's agents shall have the right to enter the Premises at reasonable times for the

purpose of inspecting the same and making such alterations, repairs, improvements or additions to the Premises or to the Building as Lessor may deem necessary or desirable provided, however, that to the extent all or any part of the Premises as used by Lessee are functionally the same as Restricted Areas as defined in section 2 of the JOA, the provisions of section 3.9 of the JOA apply.

**24. Miscellaneous.**

**24.1 Waivers; Amendments.** Any waiver of any right under this Lease must be in writing and signed by the waiving party. This Lease may be modified only in writing and only if signed by the Parties at the time of the modification.

**24.2 Binding on Successors.** The terms and conditions herein contained will apply to and bind the heirs, successors in interest, executors, administrators, representatives and assigns of all the Parties hereto.

**24.3 Entire Lease; Severability.** This Lease is the entire understanding between the Parties relating to the subjects it covers. Any agreement or representations respecting the Premises or their leasing by Lessor to Lessee not expressly set forth in this instrument are void. The invalidity of any provision in this Lease as determined by a court of competent jurisdiction will in no way affect the validity of any other provision hereof.

**24.4 Governing Law.** This Lease will be governed and construed in accordance with the laws of the State of California.


**[SIGNATURE PAGE IMMEDIATELY FOLLOWS]**


IN WITNESS WHEREOF, the Parties hereto have executed this Lease at the place and/or the dates specified below their respective signature.

**LESSEE:**

APPROVED AS TO FORM:  
Administrative Office of the Courts,  
Legal Services Office

**JUDICIAL COUNCIL OF CALIFORNIA,  
ADMINISTRATIVE OFFICE OF THE  
COURTS**


By:   
Name: Patrick L. Enright  
Title: Attorney  
Date: 3/28/14


By:   
Name: Grant Walker  
Title: Senior Manager, Business Services  
Date: 4/9/14

**LESSOR:**

APPROVED AS TO FORM:  
County of Nevada,  
Office of the County Counsel

**COUNTY OF NEVADA, a political  
subdivision of the State of California**

By:   
Name: Alison A. Barratt-Green  
Title: County Counsel  
Date: 3/25/2014

By:   
Name: Nathan W. Beason, Chair  
Title: Chairperson of the Board of Supervisors  
Date: 3/25/2014



**EXHIBIT "A"**

**JOA**

Facility: #29-B1  
Building Name: Joseph Center  
Building Address: 10075 Levone Avenue, Truckee, California 96161

**JOINT OCCUPANCY AGREEMENT**  
**BETWEEN**  
**THE JUDICIAL COUNCIL OF CALIFORNIA,**  
**ADMINISTRATIVE OFFICE OF THE COURTS,**  
**AND**  
**THE COUNTY OF NEVADA**

Court Facility: #29-B1  
Owned-Shared (TOR Only)  
1011544.8

## JOINT OCCUPANCY AGREEMENT

### 1. PURPOSE

The Judicial Council of California (“**Council**”), Administrative Office of the Courts (together, the “**AOC**”), and the County of Nevada (“**County**”) set forth the terms and conditions for the Parties’ shared possession, occupancy, and use of the Real Property.

### 2. DEFINITIONS

“**Act**” means The Trial Court Facilities Act of 2002 (Government Code sections 70301-70404, including all legislative findings and declarations related thereto) as of the Effective Date.

“**Actual Shared Costs**” means the Shared Costs actually incurred by the County during a fiscal quarter.

“**Agreement**” means the Transfer Agreement for the Transfer of Responsibility for Court Facility, together with its attached exhibits, by and between the AOC and the County, dated as of September 9, 2008, under which the County transferred to the AOC responsibility for certain portions of the Real Property under the Act.

“**AOC Claim**” means any demand, complaint, cause of action, or claim related to the period on and after the Effective Date, alleging or arising from acts, errors, omissions, or negligence of the Court in the administration and performance of judicial operations in the Court Facility (e.g., allegations of civil rights violations made by a third party against a Court employee).

“**AOC Share**” means 29.32 percent, which is the percentage of the Total Exclusive-Use Area exclusively occupied by the Court.

“**Appraiser**” means an MAI appraiser with at least five years experience in appraising real properties similar to the Real Property.

“**Broker**” means a real estate broker licensed by the California Department of Real Estate with adequate knowledge and experience in assessing and providing opinions of value for real properties similar to the Real Property.

“**Building**” means the building located on the Land and commonly known as the Joseph Center occupied by the Court and the County; all connected or related structures and improvements, including a generator storage shed; and all Building Equipment.

“**Building Equipment**” means the installed equipment and systems that serve the Building, including but not limited to the elevators located in the Building, an emergency

generator located in a storage shed at the rear of the Building, and the above-ground storage tank located next to the emergency generator. Building Equipment includes equipment and systems that are physically located in a Party's Exclusive-Use Area but that serve the Common Area of the Building generally, but it does not include any equipment or systems that exclusively serve the Exclusive-Use Area of only one Party.

**"Common Area"** means the areas of the Real Property that are used non-exclusively and in common by, or for the common benefit of, the AOC, the County, the Court, and any Occupants, and includes (1) those portions of the Building depicted as Common Area on **Attachment "3"** to this JOA, including hallways, stairwells, elevators, and restrooms that are not located in either Party's Exclusive-Use Area, (2) foundations, exterior walls, load-bearing walls, support beams, exterior windows, the roof, and other structural parts of the Building, (3) Building Equipment and Utilities that do not exclusively serve only one Party's Exclusive-Use Area, (4) driveways, walkways, and other means of access over the Land and through the Building to the Court Exclusive-Use Area, (5) the portion of the Land surrounding the Building, and (6) the Parking Area. The Common Area does not include any part of the Exclusive-Use Area of either Party except for any Building Equipment that is located in a Party's Exclusive-Use Area.

**"Contractors"** means all third-party contractors, vendors, service providers, and all levels of subcontractors, and their respective employees, consultants, and representatives, that provide goods, services, or supplies to the Real Property with respect to the Operation of the Building.

**"County Exclusive-Use Area"** means the 14,104 square feet of the floor space in the Building that are exclusively occupied and used by the County as depicted on **Attachment "3"** to this JOA.

**"County Parties"** means the County, its political subdivisions, and their respective officers, agents, and employees.

**"County Share"** means 70.68 percent, which is the percentage of the Total Exclusive-Use Area that is exclusively occupied by the County.

**"Court"** means the Superior Court of California, County of Nevada.

**"Court Exclusive-Use Area"** means the 5,850 square feet of the floor space in the Building that are exclusively occupied and used by the Court, as depicted on **Attachment "3"** to this JOA.

**"Deficiency"** means any condition of, damage to, or defect in the Common Area that (1) threatens the life, health, or safety of persons occupying or visiting the Building, (2) unreasonably interferes with, disrupts, or prevents either Party's occupancy or use of the Real Property, or its ability to conduct its business operations in its Exclusive-Use

Area, in an orderly, neat, clean, safe, and functional environment, (3) threatens the security of the employees, guests, invitees, or patrons of either Party, (4) threatens to diminish the value of the Court Exclusive-Use Area or the Common Area, or threatens to damage or destroy the business personal property of the AOC or the Court located in the Building, (5) threatens the preservation of the Court's files, records, and documents located in the Building, or (6) causes or exacerbates an unsafe, unsanitary, unlawful, or non-functional condition affecting the Court Exclusive-Use Area or the Common Area. The following are existing conditions at the Real Property that shall not constitute a Deficiency: (i) any structure or material for compliance with the Americans with Disabilities Act of 1990 through the front entrance, (ii) any structure or material for the County Sheriff's Department's movement of prisoners to court proceedings where such movement is not out of compliance with the Security Services Agreement, and (iii) lack of bulletproof material in, on, or around any portion of the Building.

**"Effective Date"** means the date on which the Agreement is signed by the last of the Parties to sign.

**"Emergency"** means a sudden, unexpected event or circumstance, on or affecting the Common Area or the Real Property, that results in a Deficiency.

**"Equipment Permits"** means any federal, State, or local permits, certificates, and approvals required for lawful Operation of any Building Equipment.

**"Equity"** means the term "equity" as used and referred to in the Act.

**"Estimated Shared Costs"** means the County's reasonable, itemized estimate of the Shared Costs for a fiscal year, provided that the County's first estimate of the Shared Costs will cover the period from the Effective Date to the last day of the fiscal year in which the Effective Date occurs.

**"Excess Costs"** means the difference between the Actual Shared Costs and the Estimated Shared Costs for an applicable fiscal quarter where the Actual Shared Costs are the greater of the two.

**"Exclusive-Use Area"** means the Court Exclusive-Use Area or the County Exclusive-Use Area, as determined by the context in which the term is used.

**"Hazardous Substance"** means any material or substance regulated under any federal, State, or local laws, ordinances, regulations, rules, statutes, and administrative actions or orders respecting hazardous or toxic substances, waste, or materials, or industrial hygiene.

**"JOA"** means this Joint Occupancy Agreement.

**"Land"** means the real property described on Attachment "1" to this JOA.

**“Law”** means State and federal codes, ordinances, laws, regulations, the California Rules of Court, and judicial and administrative orders and directives, to the extent binding on the County and issued by a court or governmental entity with jurisdiction over the County.

**“Liability Claim”** means any demand, complaint, cause of action, or claim alleging (1) bodily injury to or death of third parties (excluding any employees of State Parties or County Parties acting within the scope of their employment as such) in, on, or about the Real Property, and (2) damage to or destruction of personal property of a third party (other than personal property of a County Party or a State Party) in, on, or about the Real Property, but excludes all AOC Claims.

**“Major Deficiency”** means any Deficiency (i) that cannot, with reasonable diligence, be corrected within 10 business days, or (ii) as to which the estimated cost to correct will result in Excess Costs in an amount greater than 10 percent of the Estimated Shared Costs for the fiscal quarter in which the Parties anticipate the correction will be performed.

**“Memorandum”** means the document titled Memorandum of Joint Occupancy Agreement that has been recorded in the official records of the County as an encumbrance on the Land pursuant to the Agreement.

**“Occupancy Agreement”** means any agreement between a Party and a third party that entitles any party other than the County or the AOC to occupy or use any part of the Real Property.

**“Occupant”** means any party that occupies or uses the Real Property under an Occupancy Agreement.

**“Operation”** means the administration, management, maintenance, and repair of designated areas of the Real Property but does not include custodial services, which are not governed by this JOA or the Agreement.

**“Parking Area”** means the parking area serving the Building, as depicted on Attachment “2” to this JOA.

**“Party”** means either the AOC or the County, and **“Parties”** means the AOC and the County.

**“Property Damage Claim”** means any claim or demand arising from or related to direct, physical loss or damage to the Real Property that is required to be covered by the Property Insurance Policies.

**“Property Insurance Costs”** means all costs of providing the Property Insurance Policies, including premiums, deductibles, and self-insurance retention amounts under the County’s self-insurance program.

**“Property Insurance Policies”** means one or more policies of property insurance maintained by the County that insure the Real Property with coverage equivalent to that provided in the ISO Commercial Property Insurance Policy with the Special Form endorsement; when applicable, with machinery breakdown insurance; and with coverage amounts equal to at least the replacement cost of the Real Property. The County’s obligation to provide the Property Insurance Policies may be satisfied, in whole or in part, by any self-insurance or deductible maintained by the County for the Real Property, or by the County’s participation in a joint powers authority established for the purpose of pooling self-insured claims.

**“Property Loss”** means any loss or damage to, or destruction of, the Real Property that arises from a cause that is required to be covered under the terms of the Property Insurance Policies.

**“Real Property”** means, together, the Land, the Building, and the Parking Area.

**“Restricted Areas”** means all areas (i) within the Court Exclusive-Use Area that are not generally accessible to the public, including judges’ chambers, all non-public restrooms, elevators, break rooms, and corridors, and other non-public spaces that are dedicated for use only by judges or Court staff and employees, and (ii) public areas of the Common Area and the Court Exclusive-Use Area during non-business hours that are subject to security screening during normal business hours.

**“Security-Related Areas”** means the parts of the Real Property that are used for secure holding and transport of prisoners, including holding cells, sally ports, and secured elevators, staircases, and corridors.

**“Security Services Agreement”** means the document titled Agreement For Security Services Between the Sheriff’s Department and the Superior Court of the County of Nevada, dated June 11, 2007, as amended from time to time or as replaced by a document containing provisions of a similar scope and purpose.

**“Services”** means (i) the oversight, management, operation, maintenance, repair, or replacement, in good order and condition; and (ii) the renovation, improvement, alteration, addition, or new capital project in the Court Exclusive-Use Area as and when requested and agreed by the Parties pursuant to Attachments “6” and “7” to this JOA.

**“Share”** means the AOC Share or the County Share, as determined by the context in which the term is used.



“**Shared Costs**” means, subject to section 4 of this JOA (i) the cost of owned or rented capital replacement items, improvements, equipment, and repairs in or benefiting the Common Area; (ii) the cost of normal, day-to-day Operation of the Common Area including the cost of Utilities provided to the Common Area, and the cost of maintaining Equipment Permits (but excluding any late fees, interest, penalties, or other charges arising from the County’s failure to timely pay those costs or keep the Equipment Permits in effect); (iii) the cost of Utilities provided to the Exclusive-Use Areas, if Utilities are not therefor separately metered ; and (iv) any Property Insurance Costs. Shared Costs do not include (a) any cost that is primarily for the purpose of benefiting a Party’s Exclusive-Use Area; (b) overtime charges or late fees related to any item that would otherwise be a Shared Cost, unless those overtime expenses or late fees are pre-approved by both Parties, or are necessary to remedy the imminent threat arising from an Emergency; or (c) any fees, fines, penalties, interest, or other charges arising from the County’s Operation of the Real Property in a negligent manner or a manner that does not comply with Law.

“**State**” means the State of California.

“**State Parties**” means the Council, the AOC, the Court, their political subdivisions, and their respective officers, agents, and employees.

“**Telecommunications MOU**” means the “Information Systems” section of the Agreement Between the County of Nevada and the Superior Court of California, County of Nevada, May 1, 2008 – June 30, 2009, as amended from time to time or as replaced by a document containing provisions of a similar scope and purpose.

“**Term**” means the term of this JOA, which commences on the Effective Date and continues indefinitely until the Parties enter into a written agreement terminating this JOA and causing the Memorandum to be terminated and removed as an encumbrance on the Land.

“**Termination Agreement**” means the document titled Termination of Joint Occupancy Agreement in the form and content attached as **Attachment “4”** to this JOA.

“**Total Exclusive-Use Area**” means, together, the Court Exclusive-Use Area and the County Exclusive-Use Area.

“**Utilities**” means electricity, gas, sewer, water, and refuse services, and assessments related thereto, provided to the Real Property.

### **3. RIGHTS AND RESPONSIBILITIES**

3.1 Rights to Exclusive-Use Area and Common Area. Under the Act, the Agreement, and this JOA, the AOC has the right to exclusively occupy and use the Court Exclusive-Use Area and the non-exclusive right to occupy and use the Common Area,

and the County has the right to exclusively occupy and use the County Exclusive-Use Area and the non-exclusive right to occupy and use the Common Area. Each Party's non-exclusive right to use the Common Area must (i) not interfere with the other Party's use of its Exclusive-Use Area or the Common Area; (ii) not materially increase the other Party's obligations under this JOA; and (iii) comply with Law. The Parties may from time to time agree on reasonable rules and regulations for their shared use of the Common Area.

### 3.2 Responsibility for Exclusive-Use Areas and Common Area.

3.2.1 Exclusive-Use Areas. During the Term, each Party is responsible for the Operation of its Exclusive-Use Area at its sole cost and expense. Each Party may make alterations and additions to its Exclusive-Use Area, as long as those alterations and additions do not unreasonably interfere with the other Party's use of its Exclusive-Use Area or the Common Area. Where Utilities are not separately metered for each Party's Exclusive-Use Area, the Managing Party shall provide and pay for Utilities to the Real Property under this JOA, subject to the Contributing Party's obligations under section 4 of this JOA. The State Parties shall not modify existing equipment room(s) as depicted on Attachment "3" to this JOA. The State Parties shall notify the County prior to any alterations or additions to the Court Exclusive-Use Area.

3.2.2 Common Area. The County is responsible for the Operation of the Common Area and shall provide and pay for Utilities to the Common Area, subject to the AOC's obligations under section 4 of this JOA. The County may make reasonable additions and alterations to the Common Area, the cost of which will be a Shared Cost, but the County must first obtain the written consent of the AOC to those additions or alterations, which consent will not be unreasonably withheld, conditioned, or delayed. If the AOC neither consents nor provides to the County a reasonably-detailed description of its reasons for withholding its consent within 30 days after the AOC's receipt of the County's request for consent to the Common Area additions or alterations, the AOC will be deemed to have consented and shall be responsible to pay its Share of the costs and expenses incurred by the County in making the Common Area alterations or additions described in the County's request for consent.

3.2.3 Custodial Services. The County is not responsible under the terms of this JOA to provide custodial services to the Court Exclusive-Use Area or to the Common Area.

### 3.2.4 Correction of Deficiencies.

3.2.4.1 Deficiency. Upon the County's discovery of a Deficiency, the County must either (i) correct the Deficiency within 30 days, or (ii) when the Deficiency is discovered to be a Major Deficiency, send a written notice to the AOC

within 10 business days describing the Major Deficiency and providing an estimate of the cost and time needed to correct the Major Deficiency (“Major Deficiency Notice”).

3.2.4.2 AOC Deficiency Notice. The AOC may at any time, but is not obligated to, send a written notice to the County describing the Deficiency (the “AOC Deficiency Notice”). Upon receipt of any AOC Deficiency Notice, the County must either (i) correct the Deficiency by no later than 30 days after the County’s receipt of the AOC Deficiency Notice, or (ii) within 10 business days after the County’s receipt of the AOC Deficiency Notice, send a Major Deficiency Notice to the AOC.

3.2.4.3 AOC’s Right to Correct. If the County neither corrects the Deficiency nor sends a Major Deficiency Notice within the time periods provided in section 3.2.4.2 of this JOA, and if the AOC wishes to correct the Deficiency, then the AOC must give written notice to the County describing the Deficiency correction and the estimated cost, the labor component of which shall be based on the rates set out in Attachment “8” to this JOA, to correct the Deficiency in a reasonable manner under the circumstances (“AOC Deficiency Estimate”). The County has 10 business days to object to the AOC Deficiency Estimate. If the County does not object within 10 business days of receiving the AOC Deficiency Estimate, the AOC may correct the Deficiency in accordance with the AOC Deficiency Estimate, and the actual costs of the correction that are subject to reimbursement must be consistent with the costs shown in the AOC Deficiency Estimate (including any contingency line item set forth therein). If the County does object, the Parties must meet and confer, in person or by telephone, within 10 days to resolve their dispute. If the Parties do not reach agreement concerning the correction during that meet and confer process, the Parties shall promptly seek to resolve their dispute concerning the correction under the terms of section 11 of this JOA.

3.2.4.4 Correcting Party; Reimbursement. The Party that actually performs the correction of a Deficiency or a Major Deficiency in accordance with sections 3.2.4.1 through 3.2.4.3 of this JOA is the “Correcting Party.” The Correcting Party is entitled to be reimbursed by the non-correcting Party for the non-correcting Party’s Share of the actual costs that the Correcting Party incurs in correcting each Deficiency, as follows; provided that, if the Parties have agreed upon a Correction Plan under section 3.2.4.5 of this JOA, the Correcting Party must perform the correction of the Deficiency pursuant to the Correction Plan and the actual costs of the correction that are subject to reimbursement must be consistent with the costs shown in the Correction Plan (including any contingency line item set forth therein):

(a) If the Correcting Party is the County, the Correcting Party will be reimbursed for the non-correcting Party’s Share of the actual costs to correct the Deficiency under section 4 of this JOA; or

(b) If the Correcting Party is the AOC, the AOC shall deliver to the County an invoice and reasonable supporting documents evidencing the

actual costs to correct the Deficiency. The County shall deduct from the following fiscal quarter's Estimated Shared Costs the actual costs to correct the Deficiency.

(c) If the non-correcting Party does not timely reimburse the Correcting Party for the non-correcting Party's Share of the costs of correction, the Correcting Party may offset the non-correcting Party's Share of the costs to correct the Deficiency against any amounts that the Correcting Party owes to the non-correcting Party under this JOA or any other agreement.

3.2.4.5 Major Deficiency Correction Plan. If the County at any time sends the AOC a Major Deficiency Notice, whether under section 3.2.4.1 or section 3.2.4.2 of this JOA, then within 10 days after the AOC's receipt of the Major Deficiency Notice, the Parties shall meet and confer, in good faith, in person or by telephone, to determine a plan ("Correction Plan") for the correction of the Major Deficiency, including the method, estimated cost (including a contingency line item, if appropriate), and time period for the correction. If the County does not thereafter complete the correction of the Major Deficiency in accordance with the Correction Plan, the AOC may, but will not be obligated to, and upon giving notice to the County but without commencing any cure period under section 10 of this JOA, correct the Major Deficiency in a manner consistent with the Correction Plan, and will thereafter be the Correcting Party for purposes of reimbursement of the County's Share of the actual costs of correcting the Deficiency under section 3.2.4.4(b) of this JOA. The AOC shall promptly notify the County of any corrective action taken.

3.2.4.6 AOC's Failure to Pay. Should the AOC become unable to pay any amounts due and owing under this JOA as a result of the State's failure to timely approve and adopt a State budget, the County, as Managing Party under this JOA, will not be required to correct any Deficiencies under this section 3.2.4. Upon the AOC's payment of any previously unpaid amounts due and owing under this JOA, the County's obligations to correct Deficiencies under section this 3.2.4 will be reinstated and any time periods set forth in this section 3.2.4 will commence upon such payment by the AOC.

3.2.4.7 Not Applicable to Emergencies. This section 3.2.4 will not apply to any Deficiency that (i) arises from an Emergency, and (ii) constitutes an imminent threat (a) to life, safety, health, or security, (b) of reduction in the value of the Court Exclusive-Use Area or the Common Area, or (c) to the preservation of the Court's files, records, and documents located in the Building. Rather, those Deficiencies will be governed by section 3.2.5 of this JOA. Any Deficiency that arises from an Emergency, but that does not constitute an imminent threat to the matters described in (ii) (a), (b), or (c) above, will be governed by this section 3.2.4.

3.2.5 Emergencies. If any Emergency occurs, the Parties must immediately notify one another of the Emergency by telephone or any other means reasonable under the circumstances. The County must promptly take steps to correct any

Deficiency that arises from the Emergency and that constitutes an imminent threat (a) to life, safety, health, or security, (b) of reduction in the value of the Court Exclusive-Use Area or the Common Area, or (c) to the preservation of the Court's files, records, and documents located in the Building. If the County does not immediately correct any such Deficiency arising from an Emergency, the AOC may, but will not be obligated to, upon giving notice to the County but without commencing any cure period under section 10 of this JOA, correct that Deficiency without making any further demand on the County and shall promptly notify the County of any corrective action taken. The Party that corrects a Deficiency arising from an Emergency under this section 3.2.5 is entitled to reimbursement from the other Party of the non-correcting Party's Share of the actual cost of correcting the Emergency pursuant to section 4 of this JOA. However, the Correcting Party is not entitled to reimbursement from the non-correcting Party where the cost to correct the Emergency exceeds \$3,500 and the Correcting Party did not receive prior, written authorization from the non-correcting Party prior to exceeding that amount. The non-correcting Party shall not unreasonably withhold approval, and where approval is withheld, the Correcting Party is relieved of its obligations under this section 3.2.5. Notwithstanding the foregoing, if a Deficiency arises from an Emergency, but the Deficiency does not constitute an imminent threat to the matters described in (a), (b), or (c) above, the correction of that Deficiency will be governed by section 3.2.4 of this JOA.

3.3 Parking. The County is responsible for the Operation of the Parking Area, which is part of the Common Area, under this JOA, subject to the AOC's obligation to reimburse its Share of the Shared Costs of that Operation under this JOA. Except for any reserved parking spaces, the Parties will use the Parking Area on a first-come, first-served basis. In order to facilitate snow removal, Court-owned vehicles left overnight in the Parking Area shall be parked in unreserved spaces immediately adjacent to the island along which the County's reserved spaces are located.

3.4 Cooperation. The Parties shall cooperate with one another, reasonably and in good faith, to ensure that each Party can peacefully enjoy, possess, use, and occupy its Exclusive-Use Area and the Common Area. Each Party shall at all times cooperate with the other Party's Contractors, shall not interfere with the other Party's Contractors in the performance of their contractual obligations, and shall advise the other Party of any cooperation or coordination problems that may arise. The County shall cooperate in good faith with and ensure that the AOC can exercise its rights and responsibilities under this JOA. Subject to any reasonable rules and restrictions, each Party shall allow the other Party and agents of any Property Insurance Policies provider(s) to enter its Exclusive-Use Area for any reasonable purpose related to the terms of this JOA or any other written agreement between the Parties. Either Party may delegate its responsibilities under this JOA to the other Party or to a third party, but that delegation will not relieve the delegating Party from its obligations under this JOA.



3.5 Security-Related Areas. The County shall remain responsible for the secure entry, exit, transport, and holding of prisoners attending Court sessions to, from, in, and through the Security-Related Areas under the Security Services Agreement, and shall have the right to enter the Court Exclusive-Use Area as reasonably necessary for that purpose.

3.6 Occupancy Agreements. Each Party is responsible for all Occupancy Agreements affecting its Exclusive-Use Area, and the County is responsible for all Occupancy Agreements affecting the Common Area, in each case without contribution from the other Party. The Party that is responsible for each Occupancy Agreement is entitled to all income arising from it. Any Occupancy Agreement entered into after the Closing Date must comply with the provisions of section 5 of this JOA.

3.7 Obtaining Equipment Permits. The County is responsible for maintaining and renewing the Equipment Permits.

3.8 Information Technology and Telephone Equipment. The County will be responsible for the Operation of the telecommunications equipment located in the Building, all as provided in the Telecommunications MOU. Each Party will have the right to enter the other Party's Exclusive-Use Area, at times reasonably-convenient to the Court and the County, for purposes of inspecting and Operation of the telecommunications equipment, as and when necessary. The County shall continue to provide telecommunications and information technology services to the Court in the Court Facility under the terms of the Telecommunications MOU.

3.9 Criminal Background Screening.

3.9.1 Access to Restricted Areas. Unless a person is responding to and correcting a Deficiency arising from an Emergency under section 3.2.5 of this JOA, only County employees and Contractors who have been screened and approved pursuant to section 3.9.2 of this JOA ("**Approved Persons**") may have unescorted access to Restricted Areas. Unscreened County employees and unscreened Contractors may access Restricted Areas if they are escorted and monitored by any of the following: (1) an Approved Person, or (2) an employee of the Court if the Court's Executive Officer, or their designee, consents to a Court employee escorting and monitoring the unscreened person. The Parties must take all reasonable steps to ensure that Operation in and of all Restricted Areas is at all times consistent with this section 3.9, provided that the County will in no event be obligated to continue to re-screen a County employee after the initial screening conducted under this section 3.9.

3.9.2 Screening and Approval Process. The County is responsible for screening County employees, and the AOC is responsible for screening up to five employees of Contractors every two years. Where more than five employees of Contractors need to be screened within a two-year period, the AOC shall instead provide,

at its sole cost and expense, an appropriate escort for those unscreened employees. When conducting screenings, the Parties must utilize a Live Scan background check or, if the Live Scan system becomes unavailable during the Term of this JOA, by other similar or successor system. Attachment "5" to this JOA sets forth the criteria for approval of a County employee or Contractor based on the results of the screening.

3.9.3 Identification of Approved Persons. The County must issue and provide an identification badge to each Approved Person bearing the Approved Person's name and picture, which badge will indicate that the Approved Person is permitted to access the Restricted Areas. If the County issues identification badges to its employees, the County need not issue a separate badge to Approved Persons, but may affix a sticker or other marking on the existing badges of Approved Persons to indicate their right to access Restricted Areas. For Contractors, the AOC shall either (1) notify the County if a Contractor is approved, whereupon the County shall provide and issue an identification badge for that Approved Person, or (2) provide an identification badge for the Approved Person to the County, and the County will be responsible for issuing the identification badge to that Approved Person. All Approved Persons must wear their identification badges in a readily-visible manner whenever they are in Restricted Areas.

3.9.4 DOJ and DMV Requirements. Notwithstanding anything in this JOA to the contrary, the County must comply with background check and clearance requirements of the California Department of Justice ("DOJ") and the California Department of Motor Vehicles ("DMV") relating to any County employee who has physical access to any area which is either connected to, or contains records from, the DOJ criminal computer database, including, without limitation, the California Law Enforcement Telecommunications System (CLETS) and the Criminal Offender Record Information (CORI), or the DMV computer database (collectively the "Databases"). If requested by either the Court or the AOC, the County must provide to either the Court or the AOC documentation evidencing the County's compliance with the policies, practices, and procedures of the DOJ and the DMV regarding background check and clearance requirements relating to access to the Databases. Notwithstanding the foregoing, the Parties acknowledge that as of the Effective Date, there are no areas in the Building which are either connected to, or contain records from, the Databases. In the event the Court causes any areas of the Court Exclusive-Use Area to be connected to or to contain records from the Databases, the AOC will exercise reasonable efforts to restrict physical access to such Databases to only authorized Court personnel. In the event the AOC is unable to restrict physical access to such Databases to only authorized Court personnel, the AOC shall bear the expense of compliance with this section 3.9.4 above and beyond what is required by the applicable regulations in effect as of the Effective Date.

3.10 County Facilities Payment. Nothing in this JOA diminishes or modifies the County's obligations under the Act and the Agreement for payment of the County Facilities Payment.



3.11 Provision of Services. The AOC may request that the County provide non-Emergency Services to the Court Exclusive-Use Area in accordance with the provisions set forth in **Attachment “6” to this JOA**.

3.11.1 Level of Service. The County agrees to provide any Services at a performance standard and response time substantially similar to (1) that which the County has historically provided to the Court Exclusive-Use Area prior to the Effective Date of this JOA, and (2) that which the County provides to similar types and locations of County-operated facilities. The County shall respond to Services requests from the AOC in the same manner as the County responds to all other County requests for the same or similar services in the Nevada City area. In performing the Services, the County must comply with all applicable state and federal codes, ordinances, laws, regulations, judicial orders, and all governmental permits and approvals specifically pertaining to the Building.

3.11.2 Compensation for Services. The AOC agrees to compensate the County for Services requested pursuant to this section 3.11 in accordance with the payment provisions set forth in **Attachment “7” to this JOA**.

3.11.3 Records. The County shall maintain a service call log (“**Service Call Log**”) in sufficient detail to enable the AOC to determine whether Services are completed in accordance with the terms of this section 3.11. The Service Call Log will include the following information: (a) title of the person from the AOC requesting Service; (b) Service Request number; (c) identification of where the work is to be performed; (d) date the work order was received; (e) date and description of the corrective action; and (f) follow-up action to be taken, if any. The County shall also maintain all supporting documentation regarding any amounts charged by the County in providing Services requested pursuant to this section 3.11 (“**Invoice Documentation**”) for a minimum retention period of at least five years, or as required by Law.

3.11.4 Inspection of Records. The AOC may request to inspect the Service Call Log for the 12 months prior to its request for inspection, and the County shall make the Service Call Log available for inspection by AOC representatives at all reasonable times. The AOC may request Invoice Documentation for invoices submitted within the 12 months prior to the AOC’s request. The County shall provide the Invoice Documentation within 30 days of the AOC’s request. The AOC’s payment of any County invoice will not preclude the AOC from questioning, for a period of up to 12 months following the date of the invoice, the accuracy of the particular invoice provided by the County or any information or changes contained therein.

#### 4. SHARED COSTS

4.1 Payment of Estimated Shared Costs. The County shall make timely, direct payment of all Shared Costs owed to third parties, and the AOC is responsible to

reimburse the County for the AOC Share of all Shared Costs under this section 4. Within 90 days after the Effective Date, and by October 1 of each fiscal year thereafter, the County shall deliver to the AOC a statement (the “**Estimate Statement**”) itemizing the Estimated Shared Costs for the fiscal year to begin in the following calendar year. The AOC shall either comment on or approve the Estimate Statement within 30 days.

4.1.1 Disapproval of Estimated Shared Costs. If the AOC disapproves any of the Estimated Shared Costs in the Estimate Statement, the Parties shall promptly meet and discuss the reason for the disapproval. If the Parties reach agreement with respect to all Estimated Shared Costs, the County shall, if necessary, revise the Estimate Statement, which both Parties shall approve. The AOC is not obligated to make any payments of its Share of the Shared Costs until it has approved in writing the Estimate Statement. However, until the AOC approves the Estimate Statement, it shall pay its Share of the Shared Costs based on the approved Estimate Statement for the prior fiscal year, or, during the initial fiscal year of the Term, based on the County Facilities Payment set forth in the Agreement.

4.1.2 Approval of Estimated Shared Costs. Upon approving the Estimate Statement, the AOC shall pay its Share of the Estimated Shared Costs based on the approved Estimate Statement, plus all additional amounts owed by the AOC for the period during which the Parties were in the process of reaching agreement as to the Estimate Statement (the “**Negotiation Period**”). Payment of Estimated Shared Costs will be made in equal quarterly installments on the first day of each fiscal quarter, subject to this JOA, except that any additional amounts owed by the AOC for the Negotiation Period shall be paid on the first day of the fiscal quarter immediately following approval of the disputed Estimate Statement(s).

4.2 Payment of Actual Shared Costs. Within 30 days after the end of each fiscal quarter, the County shall deliver to the AOC a statement (the “**Quarterly Invoice**”) itemizing the Actual Shared Costs incurred during the previous fiscal quarter. Within 30 days after a written request by the AOC, the County shall also deliver to the AOC copies of supporting documents for any of the Actual Shared Costs shown on the Quarterly Invoice. If the Actual Shared Costs are less than the Estimated Shared Cost for the applicable fiscal quarter, the County shall refund the amount overpaid to the AOC within 30 days after the County’s delivery of the Quarterly Invoice, except that if the AOC consents, the County may retain the overpayment and offset it against future amounts owed by the AOC under this JOA. The AOC shall pay Excess Costs to the County within 30 days after its receipt of the Quarterly Invoice, except that (a) if the Excess Costs are more than 10 percent of the Estimated Shared Costs for any fiscal quarter, or (b) if the AOC has requested, but not received, supporting documents for any Excess Costs by 10 business days prior to the date that payment is due, the AOC shall continue to make payment of its Share of the Shared Costs based on the Estimate Statement, or as otherwise agreed under section 4.3 of this JOA, but may defer payment of the Excess

Costs (or, in the case of (b) above, the Excess Costs to which the supporting documents relate) for that fiscal quarter, until the Parties have met and reached an agreement regarding the amount of the Excess Costs, under section 3.2.4.5 or section 4.3 of this JOA, whichever is applicable.

4.3 Notice of Anticipated Excess Costs. Prior to incurring any Shared Cost that the County reasonably believes will result in Excess Costs in an amount greater than 10 percent of the Estimated Shared Costs shown on the Estimate Statement, the County must give written notice to the AOC describing the amount and reason for those Excess Costs, except that this section 4.3 does not apply to Excess Costs incurred to correct a Deficiency or an Emergency pursuant to sections 3.2.4 and 3.2.5, respectively, of this JOA. If the AOC objects in writing to the Excess Costs within 30 days after receiving the County's notice, the Parties must meet and confer, in person or by telephone, within 10 days to resolve their dispute concerning the Excess Costs. If the Parties do not reach agreement concerning the Excess Costs during that meet and confer process, the Parties shall promptly seek to resolve their dispute concerning the Excess Costs under the terms of section 11 of this JOA. If the AOC does not respond to the County's notice within 30 days of receiving the notice, the County may proceed with expenditure of the Excess Costs in the amount and for the purpose described in the notice, and the AOC must pay its Share of those Excess Costs.

4.4 Audit Rights. The AOC may, at its sole cost and upon reasonable notice to the County, inspect the County's books, records, and supporting documents concerning all Actual Shared Costs incurred for up to 12 calendar months prior to the date of the AOC's inspection. The Parties shall cooperate reasonably with each other to ensure that the inspection is performed promptly and without undue interference to either Party. If, after its inspection, the AOC disputes any Actual Shared Costs for any of the immediately-preceding 12 calendar months, the AOC may engage an independent certified public accountant, acceptable to both Parties, to audit the County's books and records to determine the amount of the Actual Shared Costs in dispute. The results of the audit will be binding on both Parties. If the audit reveals that the AOC overpaid or underpaid Actual Shared Costs for a fiscal quarter, the Parties shall make the payments necessary to resolve that overpayment or underpayment within 30 days following the completion of the audit. The AOC must pay the entire cost of the audit. The AOC's payment of Shared Costs will not prevent it from disputing the accuracy of any Actual Shared Costs under this section 4.4.

4.5 Parking Area Costs. The terms of this section 4 apply to the Shared Costs incurred in Operation of the Parking Area based on the Parties' respective Shares of the Total Exclusive-Use Area.

4.6 Changing Certain Property Insurance Costs. The County shall not change any deductible or self-insurance retention amount in respect of the Property Insurance Policies without prior, written notification to the AOC.

4.7 Shared Cost Notifications. Notwithstanding section 12 of this JOA, all communications and notices between the Parties relating to Shared Costs including, without limitation, Estimate Statements, Quarterly Invoices, or any other communication or notice required by this section 4, will be made between the following County and AOC representatives:

If to the AOC:

Administrative Office of the Courts  
Office of Court Construction and Management  
2860 Gateway Oaks Drive, Suite 400  
Sacramento, CA 95833-3509  
Attention: Nick Turner, Regional Manager of the Northern/Central  
Region of the Facilities Management Unit  
Phone: 916-263-1900  
Fax: 916-263-8140

If to the County:

County of Nevada  
Information and General Services  
Attention: Chief Fiscal & Administrative Officer  
950 Maidu Avenue  
Nevada City, CA 95959  
Phone: 530-265-1238  
Fax: 530-265-7112

## 5. RIGHT OF FIRST REFUSAL, COMPATIBLE USES, AND VACATE RIGHTS

### 5.1 Right of First Refusal and Increase of Space In Building

5.1.1 Right of First Refusal for Excess Area. At least 30 days before a Party rents or otherwise transfers to a third party all or any portion of its Exclusive-Use Area (“**Excess Area**”), that Party must, by written notice, offer the Excess Area to the other Party on the same terms and conditions set forth in any offer to or from a third party for the Excess Area (“**Third Party Terms**”). The Third Party Terms must separate the rent for the Excess Area from any amounts to be paid by the third party for Operation, Utilities, and other costs in respect of the Excess Area. If the other Party elects not to occupy the Excess Area on the Third Party Terms, or fails to respond to the notice within a 30 day period, the Party with the Excess Area may, subject to this section 5, permit a third party to occupy and use the Excess Area on the Third Party Terms. Before a third party can occupy the Excess Area on terms that are more favorable to the third party than the Third Party Terms, the Party with the Excess Area must again first offer the Excess

Area to the other Party on those more favorable terms under this section 5.1.1. If the other Party elects to accept the Excess Area on the Third Party Terms, the Parties shall enter into a separate written agreement setting forth the terms for the other Party's occupancy and use of the Excess Area, consistent with the Third Party Terms. Any agreement that a Party enters into with a third party under this section 5.1.1 must include provisions consistent with that Party's obligations under this JOA.

5.1.2 Request for Increase of Space. If a Party wishes to occupy part of the other Party's Exclusive-Use Area ("Additional Area"), and the Parties reach agreement on mutually-acceptable terms for the Additional Area, the Parties shall enter into a separate written agreement setting forth the terms for the occupancy and use of the Additional Area, which terms may include a reasonable rent, subject to section 5.1.4 of this JOA.

5.1.3 No Adjustment to Shares. If a Party rents any Excess Area or Additional Area under section 5.1.1 or 5.1.2, above, the rental transaction will not result in a change to the Parties' Shares. Rather, the rent paid by the Party renting the Excess Area or the Additional Area will include the Shared Costs applicable to the Excess Area or the Additional Area, as applicable.

5.1.4 Terms of this JOA Not Affected. Any transfer of the Excess Area or the Additional Area to a Party or to a third party will not relieve the Parties of their rights and responsibilities under this JOA with respect to the Excess Area or the Additional Area. Rather, any re-allocation of the Parties' rights and responsibilities under this JOA will be set forth in any separate agreement entered into by the Parties for rental of the Excess Area or the Additional Area.

## 5.2 Compatible Use; Hazardous Substances.

5.2.1 Compatible Use. Each Party must use, and must require that any Occupant use, its Exclusive-Use Area in a manner that is compatible with the Parties' use of the Building on the Effective Date and that does not deteriorate or diminish the other Party's ability to use its Exclusive-Use Area or the Common Area effectively. The County must ensure that any Occupant that occupies any of the Common Area uses its space in a manner compatible with the Parties' use of the Building.

5.2.2 Hazardous Substances. Neither Party shall store, use, treat, manufacture, or sell, or allow any other person to store, use, treat, manufacture, or sell, any Hazardous Substance on the Real Property except in compliance with Law.

5.3 Amendment to JOA; Equity. If the Parties' Equity will be modified, whether under section 7 of this JOA, or as a result of any other purchase of Equity to which the Parties may agree under this JOA or the Act, the Parties shall amend this JOA



to (i) adjust their Exclusive-Use Areas; and (ii) adjust each Party's Share and their Equity in the Real Property.

## 6. INSURANCE

### 6.1 Property Insurance.

6.1.1 Property Insurance Policies to be Maintained. The County, as owner in fee simple of the Property, shall provide the Property Insurance Policies, maintain them in full force and effect, and make direct payment of all Property Insurance Costs, subject to the AOC's obligation to pay its portion of those costs under section 4 of this JOA, until the AOC provides written notice to the County that the AOC will assume the responsibility of providing the Property Insurance Policies under this JOA. The County shall include by specific endorsement to each of the Property Insurance Policies the Judicial Council of California, the Administrative Office of the Courts, and the Court as insureds or covered parties, as appropriate, and joint loss payees for any Property Damage Claim payable under the terms and conditions of the Property Insurance Policies, with the same coverages and limits as the named insured under the Property Insurance Policies.

6.1.2 Allocation of Risk for Property Damage Claims. While the County is providing and maintaining the Property Insurance Policies, and the AOC is paying its portion of the Property Insurance Costs under section 4 of this JOA, the County shall bear all of the risk arising from Property Damage Claims, and the County hereby waives, and shall cause the providers of its Property Insurance Policies to waive, all rights of recovery against the other Party and its applicable insurer(s) for any Property Damage Claims payable under the terms and conditions of the Property Insurance Policies. The County will be solely and exclusively responsible to tender to the providers of its Property Insurance Policies, and to process and pursue to final resolution, any and all Property Damage Claims, including (if covered by the Property Insurance Policies) claims for costs associated with obtaining and relocating Court operations to alternate space while any portion of the Real Property is being repaired or replaced. The Parties acknowledge that property insurance is "no fault" insurance; therefore, if any Property Loss occurs, there are no exclusions or conditions to payment, irrespective of the acts or omissions of either Party, other than those exclusions specifically set forth in the Property Insurance Policies.

6.1.3 Compliance with Property Insurance Policies. While the County is providing and maintaining the Property Insurance Policies under this JOA, the County shall provide the AOC with verification that the Property Insurance Policies are in full force and effect and, at the request of the AOC, with copies of the Property Insurance Policies, as the Property Insurance Policies may be issued or modified from time to time. The State Parties and the County Parties shall comply in all material respects with all

requirements for the use of the Real Property that are set forth in the Property Insurance Policies and that the County has provided to the AOC.

6.1.4 Property Insurance Proceeds. Upon the occurrence of any Property Loss and subject to section 7 of this JOA, each Party will be entitled to applicable proceeds from the Property Insurance Policies to the extent the Property Loss is associated with its Exclusive-Use Area or its Share of the Common Area, and, to the extent covered by the terms of the Property Insurance Policies, the AOC will be entitled to that portion of the proceeds from the Property Insurance Policies that is directly related to compensation for the AOC's relocation costs arising from the Property Loss.

6.1.5 Claims in Excess of Insurance Limits. If one or more Property Damage Claims is fully and finally resolved in an amount that exceeds the total limits of all of the Property Insurance Policies, or if any Property Loss is not covered by the Property Insurance Policies through no fault of the County, then if both Parties elect to restore or replace the damaged portions of the Real Property ("Damaged Property") under section 7 of this JOA, each Party shall pay the amounts that exceed the coverage of the Property Insurance Policies to the extent the Property Loss is attributable to its Exclusive-Use Area or its Share of the Common Area. By way of example only, if the total amount of the Property Damage Claim is \$1,250,000, and if 40 percent is attributed to damage in the Court Exclusive-Use Area, 35 percent is attributed to damage in the County Exclusive-Use Area, and 25 percent is attributed to damage in the Common Area, and the amount payable under the Property Insurance Policies is \$1,000,000, then the AOC would be entitled to insurance proceeds in the amount of \$400,000 (for the damage to the Court Exclusive-Use Area), the County would be entitled to insurance proceeds of \$350,000 (for damage to the County Exclusive-Use Area), and the Parties would share the remaining \$250,000 of insurance proceeds in accordance with their respective Shares. With respect to the uninsured \$250,000 portion of the Property Damage Claim, the AOC would be responsible to pay (subject to section 7 of this JOA) \$100,000 (40 percent of \$250,000) in respect of its Exclusive-Use Area, plus an amount equal to the AOC Share of the \$62,500 (25 percent of \$250,000) in respect of the Common Area, and the County would be responsible to pay (if both Parties elect to restore or replace the Damaged Property under section 7 of this JOA) the balance of the uninsured loss. The County shall assign and deliver to the other Party all insurance proceeds owed to the other Party effective upon its receipt of those proceeds.

6.1.6 No Waiver of Equity. The provisions of section 6.1.4 of this JOA will not be deemed or construed to waive, diminish, release, or otherwise affect the Equity of either Party in respect of the Real Property.

6.2 Liability Insurance. To the extent the County undertakes Pending Projects under section 4.3.15 of the Agreement or performs any Services requested by the AOC under section 3.11 of this JOA, the County shall comply with the following insurance obligations.



6.2.1 County's Insurance Programs. The County may provide for all or any portion of its obligations under this section 6.2 by commercial insurance, an authorized program of self-insurance, or participation in a joint power authority established for the purpose to pool self-insured claims. The County must notify AOC of any material changes to its insurance or self-insurance programs from what existed on the effective date of the Agreement.

6.2.2 Liability Insurance. The County must maintain and keep in force comprehensive general liability insurance with limits of liability of not less than \$1,000,000 per occurrence and if subject to an annual aggregate limit of liability, such aggregate limit of liability shall be for an amount of not less than \$1,000,000 per project. The liability insurance shall include without limitation coverage for the following:

(a) Bodily injury and property damage liability, including the products and completed operations hazard, resulting from the County's performance of Services in or to the Court Exclusive-Use Area pursuant to the terms of this JOA or completion of Pending Projects pursuant to section 4.3.15 of the Agreement; and

(b) Bodily injury or property damage resulting from the County's assumption, if any, of its liabilities under any contract related to the County's performance under this JOA or section 4.3.15 of the Agreement; and

(c) Damages resulting from personal and advertising injury resulting from the County's performance of Services in or to the Court Exclusive-Use Area pursuant to the terms of this JOA or completion of Pending Projects pursuant to section 4.3.15 of the Agreement.

6.2.3 Automobile Liability. The County shall maintain and keep in force automobile liability insurance with limits of liability of not less than \$1,000,000 combined single limit per occurrence with respect to owned, non-owned, hired or leased vehicles assigned to or used in connection with the County's performance of Services pursuant to the terms of this JOA or completion of Pending Projects pursuant to section 4.3.15 of the Agreement.

6.2.4 Property Insurance Policies To Be Maintained. The County shall provide verification of coverage to the AOC as evidence that the coverage required under this section 6.2 is in force. Such verifications of coverage shall identify this JOA, and the County shall endeavor to include a written provision requiring not less than 10 days prior written notice to the AOC of cancellation, non-renewal, or material change in coverage of said policies. The AOC reserves the right to request and receive copies of any of the above insurance policies and/or endorsements. If the County provides the required insurance through commercial insurance companies rather than through a joint powers authority, the County shall endeavor to ensure that such insurers have an A.M. Best rating of at least equal to, or better than an "A-VII" and be authorized to do business in

California. Only as it relates to the County's performance of Services in or to the Court Exclusive-Use Area pursuant to the terms of this JOA or completion of Pending Projects pursuant to section 4.3.15 of the Agreement, the policies required under this section 6.2 shall be endorsed to include the AOC and the Court, as well as their agents, officials, and employees as additional insureds, or covered parties, as appropriate; shall stipulate that the coverage afforded shall be primary insurance, and any insurance, self-insurance or risk retention programs maintained by the AOC will be excess and non-contributory to the insurance required by this section 6.2; and shall waive all rights of recovery against the AOC and the Court.

### 6.3 Reporting and Processing Claims.

6.3.1 Incident Reports. The County shall maintain for a period of five years copies of any Incident reports that it prepares, and at the request of the AOC, the County shall provide the AOC with a complete copy of, or reasonable access to, those Incident reports.

6.3.2 Party Responsible for Claims. If either Party receives any demand, complaint, notice, document, or information alleging the existence or occurrence of any incident, event, circumstance, or occurrence in, on, or about the Real Property ("Incident") that is or could result in any Property Damage Claim or Liability Claim (each, a "Claim", and together, "Claims") or an AOC Claim, or if a Party otherwise becomes aware that an Incident has occurred, that Party will make best efforts to promptly notify the other Party of that Incident. Following that notice, the Parties shall work together, diligently and in good faith, to determine which of them bears responsibility for the loss or injury alleged, and whether either Party is entitled to indemnification by the other in respect of the Incident under sections 8.1 or 8.2 of this JOA. If the Parties are not able to so agree, then they will resolve those matters under section 11 of this JOA.

6.4 Third-Party Contractor Insurance. Unless the Parties otherwise agree, each Party must require each of its Contractors to (i) obtain and maintain insurance of the type and with coverage amounts that are usual and customary to the type of business or exposures related to the work being performed on the Real Property, and to the extent the County uses Contractors to perform the Services requested by the AOC under section 3.11 of this JOA or to complete Pending Projects pursuant to section 4.3.15 of the Agreement, those Contractors must obtain not less than the insurance required of the County under section 6.2 of this JOA, (ii) name both Parties and the Court as additional insureds by specific endorsement to their general liability policies, (iii) provide a waiver of subrogation in favor of both Parties and the Court with respect to all property insurance policies, (iv) provide to the Parties at least a 10-day notice of cancellation or material change in any insurance coverage required hereunder, and (v) promptly deliver to the Parties written evidence that all insurance coverage required by this section 6.4 is in place and complies with the requirements hereof. Unless the Parties otherwise agree,

all Contractors must indemnify, defend, and hold harmless the County Parties and the State Parties from and against all claims, demands, liabilities, damages, attorney fees, costs, expenses, and losses arising from the performance by the Contractors under their contracts, and neither Party waives any right of recovery or subrogation against the other in respect of their contractual arrangements with the Contractors.

6.5 Workers' Compensation Coverage. Each Party shall maintain its own workers' compensation insurance covering its own employees, and neither Party shall have any liability or responsibility for workers' compensation insurance coverage for employees of the other Party. The County's workers' compensation insurance coverage must comply with applicable State statutes and contain employer's liability insurance with limits of not less than \$1,000,000 per person per accident. Any Contractor that performs work on Pending Projects pursuant to section 4.3.15 of the Agreement shall provide statutory workers' compensation insurance coverage for all of the Contractor's employees who will be engaged in the performance of that work, including special coverage extensions, where applicable, and employer's liability with limits not less than \$1,000,000 per accident and with \$1,000,000 disease policy limit for each employee.

6.6 Builder's Risk Insurance. Any Contractor that performs work on Pending Projects pursuant to section 4.3.15 of the Agreement, and where the Pending Project will cost in excess of \$25,000, shall carry Builder's Risk Insurance or Installation Insurance sufficient to cover the final completed value of the work and damage to existing Real Property caused by the work. This insurance shall apply to physical loss or damage to the Real Property under construction, including damage to existing Real Property if caused by the work, and shall include coverage for flood, water damage, and earthquake and earth movement. The Builder's Risk Insurance shall cover Real Property in the course of construction at the work site, at any temporary off-site location, and while in transit. Included within the terms of coverage shall be all buildings, materials, supplies, other permanent and temporary structures at the work site on which the work will be performed, and that are to be used in or incidental to the fabrication, erection, testing, or completion of the work. The Builder's Risk Insurance may include a deductible or self-insured retention, but such deductible or self-insured retention shall not be a recoverable cost under the terms of any contract, either as a cost included in a change order or otherwise.

## 7. DAMAGE OR DESTRUCTION

7.1 Damage or Destruction Event. If, due to Property Loss, the Real Property cannot be occupied by one or both Parties, each Party shall be solely responsible to arrange for its own relocation to and occupancy of alternate space. Promptly after a Property Loss, the Parties shall comply with the provisions of section 6 of this JOA, and as promptly as possible, but in no event later than 180 days after a Property Loss, each Party shall notify the other in writing ("**Restoration Election Notice**") whether it wishes to restore or replace the Damaged Property.

7.2 Both Parties Elect to Restore or Replace. If both Parties elect to restore or replace the Damaged Property, the Parties shall cooperate in good faith to restore or replace the Damaged Property, with each Party contributing the proceeds it receives as indemnity for direct physical loss or damage under the Property Insurance Policies and otherwise paying its portion of the cost to restore or replace the Damaged Property, as set forth in sections 6.1.4 and 6.1.5 of this JOA. If the Parties restore or replace the Damaged Property in a way that results in a change to the Parties' Shares or their Equity, the Parties shall each pay the costs and expense to restore or replace the Damaged Property according to their newly-determined Shares or Equity.

7.3 Only One Party Elects to Restore or Replace. If, based on the Restoration Election Notices, only one Party elects to restore or replace the Damaged Property, then within 30 days after the Parties' Restoration Election Notices are given, the Parties must meet and confer in good faith to determine how to proceed with respect to (i) the Damaged Property; (ii) the proceeds of the Property Insurance Policies, if any, to which each Party is entitled as indemnity for direct physical loss or damage under section 6.1.4 of this JOA, and (iii) compensation for the Equity of either Party in the Real Property, if applicable. If the Parties cannot agree on those matters, they will proceed as set forth in section 11 of this JOA. Until the Parties have reached a final agreement concerning how the foregoing issues will be resolved, neither Party will use any applicable insurance proceeds that are in dispute. Those insurance proceeds will only be used in accordance with the Parties' final resolution of those issues.

7.4 Neither Party Elects to Restore or Replace. If neither Party elects to restore or replace the Damaged Property, then both Parties will retain the proceeds of the Property Insurance Policies to which they are entitled under section 6.1.4 of this JOA. If any of the Court Exclusive-Use Area is uninhabitable as a result of the Property Loss, then the County will compensate the AOC for its Equity in the uninhabitable part of the Court Exclusive-Use Area, determined in the manner described in section 7.5 of this JOA, except that all insurance proceeds the AOC has received, or will receive, as indemnity for direct physical loss or damage from final resolution of any Property Damage Claims made in respect of the Damaged Property will be deducted from the Equity compensation paid by the County to the AOC for its Equity in the uninhabitable parts of its Exclusive-Use Area. To the extent covered by the terms of the Property Insurance Policies, the AOC will be entitled to that portion of the proceeds from the Property Insurance Policies that is directly related to compensation for the AOC's relocation costs arising from the Property Loss. If the AOC will no longer occupy the Building due to Property Loss that neither Party elects to restore or replace, then when the AOC has been compensated for its Equity under this section 7.4, the Parties will terminate this JOA by signing a Termination Agreement and recording it in the County Recorder's Office.

7.5 Failure to Agree Upon Value. For the purposes of sections 7.3 and 7.4 of this JOA, if the Parties cannot agree on the value of each Party's Equity in the Building, the Parties will select a mutually-acceptable Appraiser or a Broker to determine the fair market value of each Party's Equity in the Building. The selected Appraiser or Broker will deliver to both Parties its determination of value, and each Party will be responsible for one-half of the costs of the Appraiser or Broker, as applicable. Any disputes under this section 7.5 will be resolved under section 11 of this JOA.

## 8. INDEMNIFICATION

8.1 Indemnification Obligation of State Parties. The State Parties will and do indemnify, defend, and hold harmless the County Parties, with counsel reasonably acceptable to the County Parties, from and against all claims, demands, liability, damages, attorney fees, costs, expenses, or losses ("Indemnified Loss") arising from (1) all AOC Claims, and (2) Liability Claims where and to the extent that the Liability Claims result from the willful misconduct or negligent acts, errors, or omissions of a State Party.

8.2 Indemnification Obligation of County Parties. The County Parties will and do indemnify, defend, and hold harmless the State Parties, with counsel reasonably acceptable to the State Parties, from and against all Indemnified Loss arising from Liability Claims where and to the extent that the Liability Claims result from the willful misconduct or negligent acts, errors, or omissions of a County Party.

8.3 Indemnified Party's Participation. The indemnifying Party must manage and be entirely responsible to handle and resolve all Liability Claims for which it is responsible under sections 8.1 or 8.2 of this JOA, as applicable. The indemnified Party may elect, but is not required, to retain its own attorney, at the indemnified Party's sole expense, to participate in the litigation, settlement negotiations, or other dispute resolution procedures for any Liability Claim as to which it is the indemnified Party. If the indemnified Party elects to retain its own attorney to participate in the litigation, settlement negotiations, or other dispute resolution procedures for a Liability Claim, the indemnifying Party will cooperate with the indemnified Party, and the attorney retained by the indemnified Party.

8.4 Effect of Indemnification Rights. The rights of a Party to be indemnified under sections 8.1 or 8.2 of this JOA cannot be deemed or construed to limit or diminish the obligation of the indemnified Party to perform its duties at Law or under any agreement between the County Parties and the State Parties. The indemnifying Party will have no right of set off in respect of payment of any Indemnified Loss to the indemnified Party under this JOA.



## 9. CONDEMNATION

If either Party receives written notice advising of an actual or intended condemnation of the Real Property ("Condemnation Notice"), that Party will immediately deliver a copy of the Condemnation Notice to the other Party. In the event of an actual condemnation, the Parties will cooperate with each other in good faith to obtain the maximum award that may be obtained from the condemning authority, and each Party will be entitled to its Share of the condemnation proceeds.

## 10. DEFAULT NOTICE AND CURE

Upon a Party's breach or default of any other provision of this JOA, the Parties will comply with the terms for notice of default and cure period set forth in section 10 of the Agreement, which terms are incorporated into this JOA as though fully set forth herein. Notwithstanding anything in this JOA or the Agreement to the contrary, no default or breach will be deemed to have occurred if the AOC is unable to pay any amounts due and owing under this JOA as a result of the State of California's failure to timely approve and adopt a State budget. Should the AOC fail to pay any amounts due and owing under this JOA as a result of the State of California's failure to timely approve and adopt a State budget, the AOC will promptly pay any previously due and unpaid amounts due and owing under this JOA upon approval and adoption of the State budget.

## 11. DISPUTE RESOLUTION

In the event of a dispute between the Parties relating to performance of the Parties' obligations under this JOA, the Parties will comply with the terms for dispute resolution set forth in section 11 of the Agreement, which terms are incorporated into this JOA as though fully set forth herein.

## 12. NOTICES

Subject to section 4.7 of this JOA, any notice or communication required to be sent to a Party under this JOA must be sent in accordance with the terms for giving of notices in section 12 of the Agreement, which terms are incorporated into this JOA as though fully set forth herein. Where the Court is required to be an insured, covered party, or loss payee with respect to insurance coverage, such notice shall be given to the following:

Superior Court of Nevada County  
Attn: CEO  
201 Church Street  
Nevada City, CA 95959-2504  
Voice: 530-265-1311  
Fax: 530-478-1938



### 13. MISCELLANEOUS

13.1 Waivers. No waiver of any provision of this JOA will be valid unless it is in writing and signed by both Parties. Waiver by either Party at any time of a breach of this JOA cannot be deemed a waiver of or consent to a breach of the same or any other provision of this JOA. If a Party's action requires the consent or approval of the other Party, that consent or approval on one occasion cannot be deemed a consent to or approval of that action on any later occasion or a consent or approval of any other action.

13.2 Force Majeure. Neither Party is responsible for performance under this JOA to the extent performance is prevented, hindered, or delayed by fire, flood, earthquake, elements of nature, acts of God, acts of war (declared and undeclared), riots, rebellions, revolutions, or terrorism, whether foreseeable or unforeseeable.

13.3 Assignment. Neither Party may assign this JOA in whole or in part, whether by operation of law or otherwise, to any other entity, agency, or person without the prior written consent of the other Party. Even if that consent is given, any assignment made in contravention of any Law will be void and of no effect.

13.4 Binding Effect. This JOA binds the Parties and their permitted successors and assigns.

13.5 Third Parties Benefited. The Court is an intended beneficiary of all provisions of this JOA for the benefit of the AOC.

13.6 Construction. The headings used in this JOA are for convenience only and will not affect the meaning or interpretation of this JOA. The words "hereof," "herein," and "hereunder," and other words of similar import, refer to this JOA as a whole and not to any subdivision of this JOA. Both Parties have reviewed and negotiated this JOA, and this JOA will not be construed against a Party as the principal draftsman. The words "include" and "including" when used are not exclusive and mean "include, but are not limited to" and "including but not limited to," respectively.

13.7 Integration; Amendments. This JOA and the Agreement contain the entire agreement of the Parties with respect to the subject matter of this JOA, and supersede all previous communications, representations, understandings, and agreements, whether verbal, written, express, or implied, between the Parties. This JOA may be amended only by written agreement signed by both of the Parties.

13.8 Incorporation By Reference. The Attachments to this JOA are incorporated into and made a part of this JOA for all purposes, and all references to this JOA in any of the Attachments mean and include the entirety of this JOA.

13.9 Severability. If any term of this JOA is inconsistent with applicable Law, then on the request of either Party, the Parties will promptly meet and confer to determine how to amend the inconsistent term in a manner consistent with Law, but all parts of this JOA not affected by the inconsistency will remain in full force and effect.

13.10 Further Assurances. The Parties agree to cooperate reasonably and in good faith with one another to (i) implement the terms and provisions set forth in this JOA and the Act, and (ii) consummate the transactions contemplated herein, and will execute any further agreements and perform any additional acts that may be reasonably necessary to carry out the purposes and intent of this JOA and the Act.


13.11 Conflicts Between JOA and Agreement; Capitalized Terms. The Agreement supersedes and controls to the extent of any conflicts between the terms of the Agreement and this JOA. Capitalized terms used in this JOA and not otherwise defined herein will have the meanings given to them in the Agreement.

13.12 Signature Authority. The individuals signing this JOA on behalf of the AOC and the County certify that they are authorized to do so.


**[SIGNATURE PAGE TO IMMEDIATELY FOLLOW]**

I agree to the terms of this JOA.

APPROVED AS TO FORM:  
Administrative Office of the Courts,  
Office of the General Counsel

By:   
Name: Charles Martel  
Title: Attorney  
Date: 9.4.2008


JUDICIAL COUNCIL OF CALIFORNIA,  
ADMINISTRATIVE OFFICE OF THE  
COURTS

By:   
Name: Grant Walker  
Title: Senior Manager, Business Services  
Date: 9/5/08

ATTEST:  
Cathy R. Thompson, Clerk of the Board  
of Supervisors

By: 

COUNTY OF NEVADA, a political  
subdivision of the State of California

By:   
Name: Ted Owens  
Title: Chair, Board of Supervisors  
Date: 9-9-08

LIST OF ATTACHMENTS

Attachment "1"	Legal Description of the Land
Attachment "2"	Site Plan and Depiction of Parking Area
Attachment "3"	Floor Plan
Attachment "4"	Form of Termination of Joint Occupancy Agreement
Attachment "5"	Criteria for Approving County Employees and County Contractors with Respect to Background Checks
Attachment "6"	Work Order Procedures
Attachment "7"	Payment Provisions
Attachment "8"	AOC Hourly Rates

**ATTACHMENT "1" TO JOA**  
**LEGAL DESCRIPTION OF THE LAND**

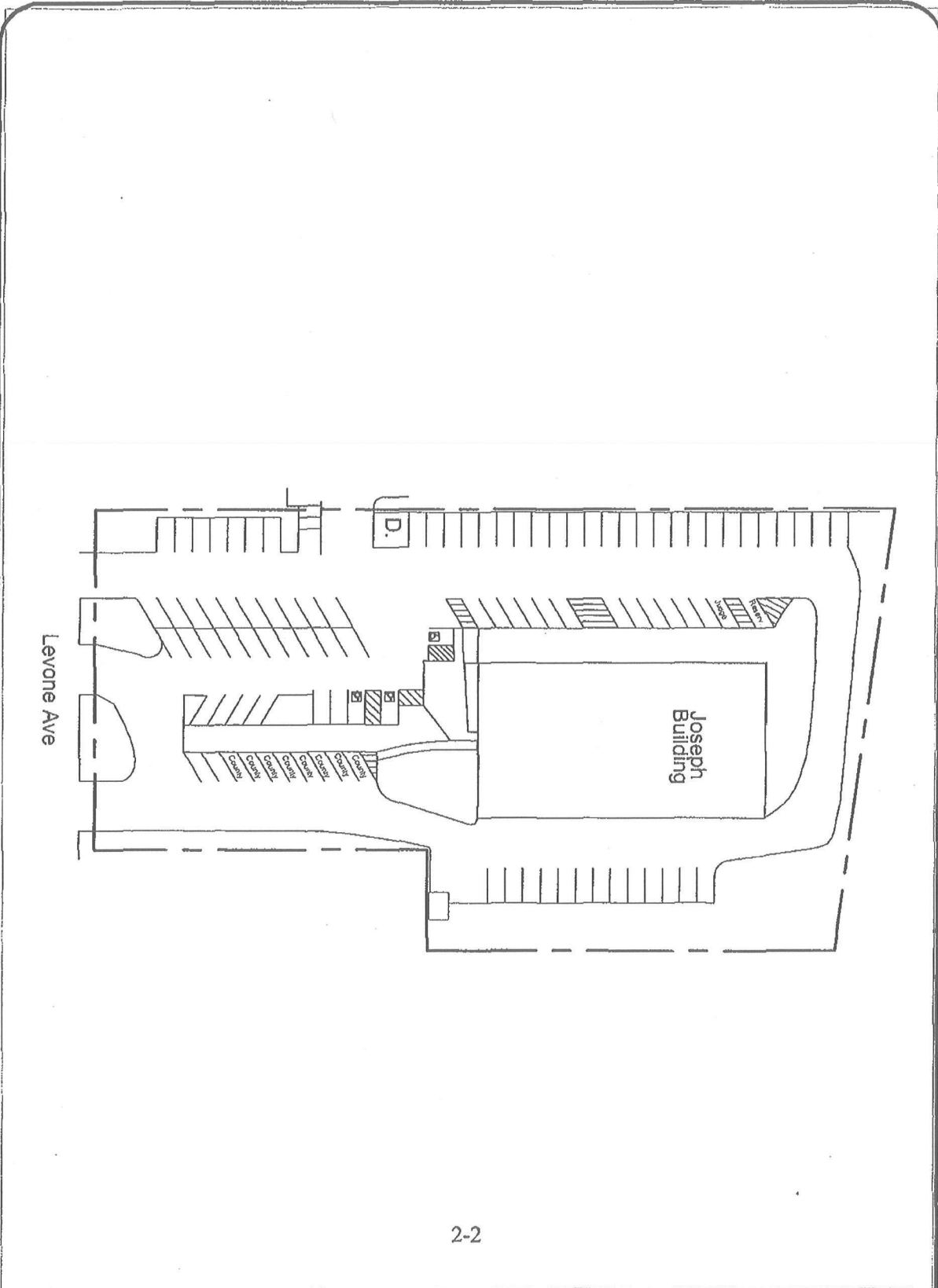
That land situated in the County of Nevada, State of California, as described as follows:

Parcel B, as shown on the Parcel Map for Donner Investment Partners, being a portion of the Northeast quarter of Section 16, Township 17 North, Range 16 East, M.D.B. & M., as filed in the office of the Nevada County Recorder on December 18, 1974 in Book 8 of Parcel Maps at Page 227


**ATTACHMENT "2" TO JOA  
SITE PLAN AND DEPICTION OF PARKING AREA**

**(See Attached.)**





2-2

<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="font-size: 8px;">Name of Firm</td> <td style="font-size: 8px;">Date</td> </tr> <tr> <td style="height: 20px;"> </td> <td style="height: 20px;"> </td> </tr> </table>	Name of Firm	Date			Owner Name and Address County of Nevada State of Nevada 10014 N. Bonanza Rd. Nevada City, CA 95959	Project Address  	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="font-size: 8px;">No.</th> <th style="font-size: 8px;">Revised/Version</th> <th style="font-size: 8px;">Date</th> </tr> <tr> <td> </td> <td> </td> <td> </td> </tr> </table>	No.	Revised/Version	Date				<h2 style="margin: 0;">Truckee Joseph Center</h2> <h3 style="margin: 0;">Plot Plan</h3>	
Name of Firm	Date														
No.	Revised/Version	Date													

**ATTACHMENT "3" TO JOA**

**FLOOR PLAN**

**(See Attached.)**



# Truckee Joseph Center First Floor Plan

No.	Revision/Date	Date

Project Address

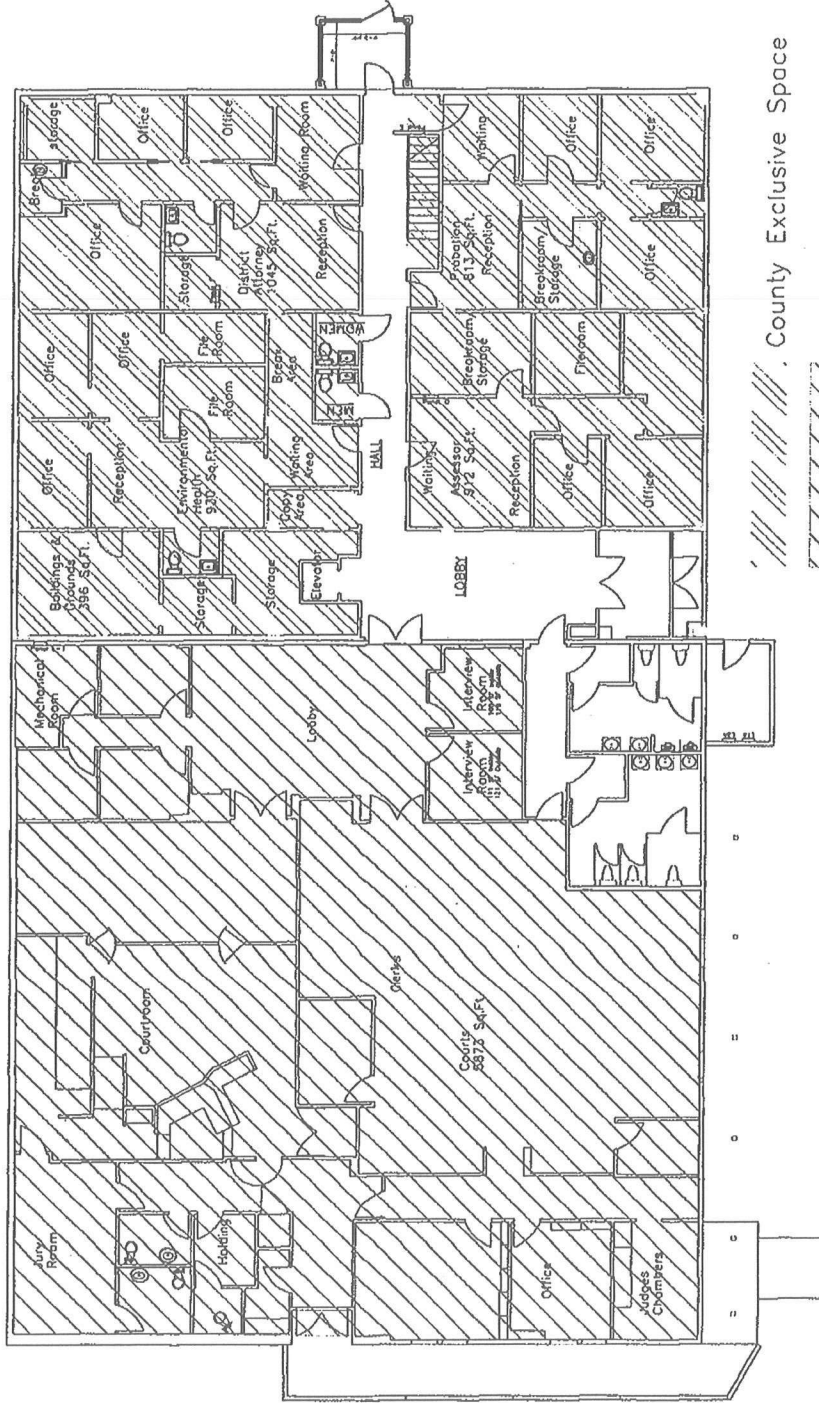
Owner Name and Address  
 County of Nevada  
 Facilities Management  
 10014 N. Bloomfield Rd.  
 Nevada City, Ca. 95959

Drawn By

Scale

Date

3-2



County Exclusive Space

Court Exclusive Space

Common Area

## Truckee Joseph Center 1st Floor



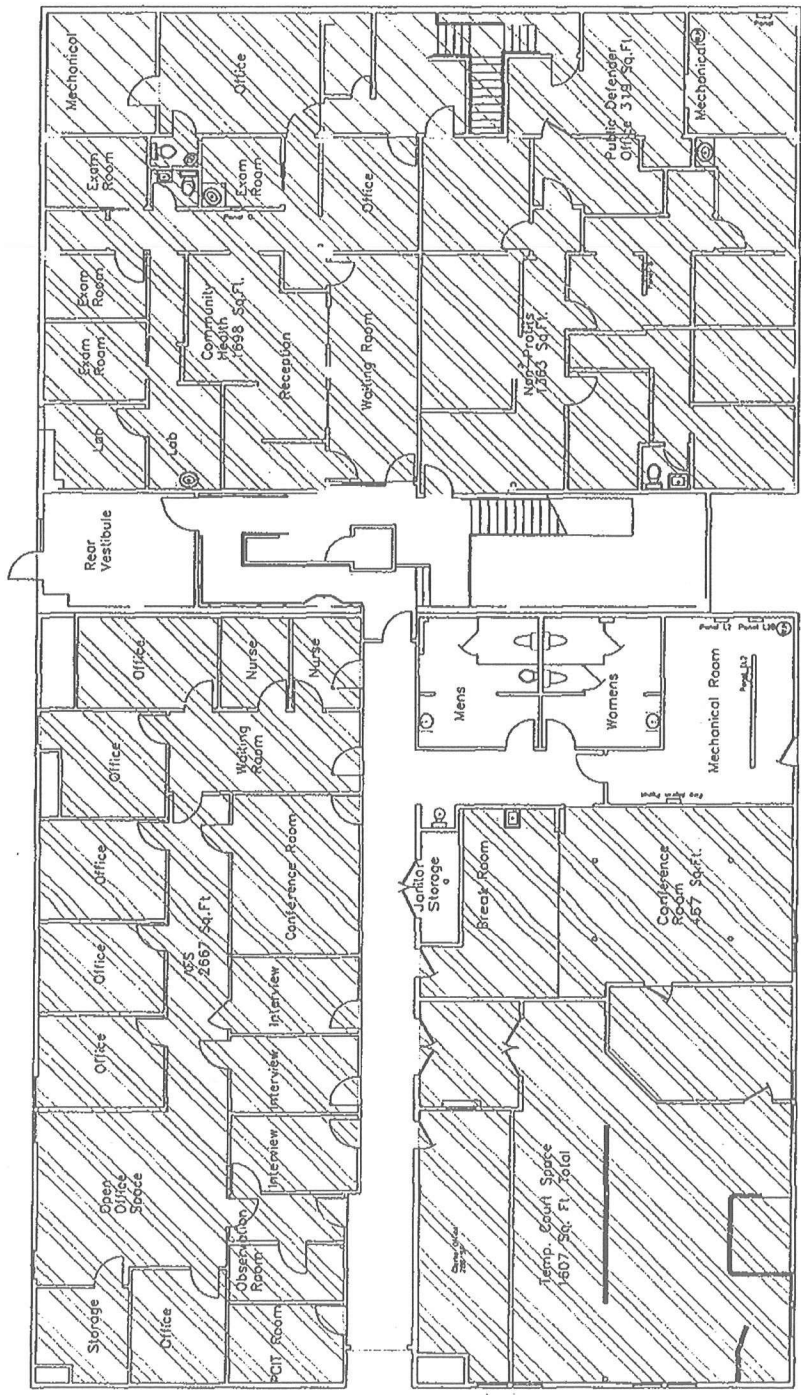
# Truckee Joseph Center Second Floor Plan

No.	Revised/Issue	Date

Project Address

Owner Name and Address  
County of Nevada  
Facilities Management  
10011 Brockway Blvd.  
Nevada City, CA 95959


3-3



County Exclusive Space  
Common Space

ATTACHMENT "4" TO JOA

FORM OF TERMINATION OF JOINT OCCUPANCY AGREEMENT

RECORDING REQUESTED BY  
AND WHEN RECORDED MAIL TO:

STATE OF CALIFORNIA  
c/o Judicial Council of California  
Administrative Office of the Courts  
Office of Court Construction and Management  
455 Golden Gate Avenue  
San Francisco, CA 94102  
Attn: Managing Attorney, Office of General  
Counsel – Real Estate Unit

OFFICIAL STATE BUSINESS – EXEMPT FROM RECORDING FEES PURSUANT TO GOVT. CODE SECTION 27383 AND DOCUMENTARY  
TRANSFER TAX PURSUANT TO REVENUE AND TAXATION CODE SECTION 11922.

TERMINATION OF JOINT OCCUPANCY AGREEMENT

This Termination of Joint Occupancy Agreement ("Termination") is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_, by and between the Judicial Council of California, Administrative Office of the Courts ("AOC"), and the COUNTY OF NEVADA ("County"). The AOC and the County each constitute a "Party" and collectively constitute the "Parties" to this Termination.

RECITALS

A. On \_\_\_\_\_, 200\_\_\_, the County and the AOC entered into a Transfer Agreement For The Transfer of Responsibility For Court Facility (the "Transfer Agreement"). Under the Transfer Agreement, the County transferred to the AOC responsibility for funding and operation of the Joseph Center, which is located in a building on certain real property in the City of Truckee, County of Nevada, State of California and having a street address of 10075 Levone Avenue (as more completely described in the Transfer Agreement, the "Real Property"). The legal description of the Real Property is attached to this Termination as Exhibit "1".

B. Under the Transfer Agreement, the AOC and the County also entered into a Joint Occupancy Agreement dated \_\_\_\_\_, 20\_\_\_ ("JOA"), setting forth the parties' respective rights and obligations with respect to the shared occupancy and use of the Real Property.

C. To memorialize the parties' respective rights and duties under the JOA, the parties signed a Memorandum of Joint Occupancy Agreement ("Memorandum"), which was recorded in the Official Records of the County as Instrument No. \_\_\_\_\_.

D. The JOA has now been terminated by the County and the AOC, and is no longer of any force or effect, except for the terms of the JOA that expressly survive the termination of the JOA.

E. The County and the AOC now wish to record this Termination to memorialize the termination of the JOA and the Memorandum.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, County and AOC do hereby agree as follows:

1. The JOA and the Memorandum are terminated, and are no longer of any force or effect, except for those terms of the JOA that the parties have expressly agreed in writing will survive the termination of the JOA.

2. This Termination is to be recorded in the Official Records of the County with respect to the Real Property, whereupon the Memorandum will automatically be removed as an encumbrance on the title to the Real Property.

**[SIGNATURE PAGE TO IMMEDIATELY FOLLOW]**



IN WITNESS WHEREOF, this Termination has been executed as of the day and year first above written.

APPROVED AS TO FORM:

Administrative Office of the Courts,  
Office of the General Counsel

**JUDICIAL COUNCIL OF  
CALIFORNIA, ADMINISTRATIVE  
OFFICE OF THE COURTS**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: Senior Manager, Business Services  
Date: \_\_\_\_\_

ATTEST:

\_\_\_\_\_, Clerk of the Board  
of Supervisors

**COUNTY OF NEVADA, a political  
subdivision of the State of California**

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

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: Chair, Board of Supervisors  
Date: \_\_\_\_\_

COUNTY ACKNOWLEDGMENT

STATE OF CALIFORNIA

COUNTY OF NEVADA

On \_\_\_\_\_ before me, \_\_\_\_\_, Notary Public, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature \_\_\_\_\_ (Seal)

STATE OF CALIFORNIA

COUNTY OF NEVEDA

On \_\_\_\_\_ before me, \_\_\_\_\_, Notary Public, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature \_\_\_\_\_ (Seal)

**EXHIBIT "1" TO ATTACHMENT "4"**

**LEGAL DESCRIPTION OF THE REAL PROPERTY**

That land situated in the County of Nevada, State of California, as described as follows:

Parcel B, as shown on the Parcel Map for Donner Investment Partners, being a portion of the Northeast quarter of Section 16, Township 17 North, Range 16 East, M.D.B. & M., as filed in the office of the Nevada County Recorder on December 18, 1974 in Book 8 of Parcel Maps at Page 227.

## ATTACHMENT "5" TO JOA

### CRITERIA FOR APPROVING COUNTY EMPLOYEES AND COUNTY CONTRACTORS WITH RESPECT TO BACKGROUND CHECKS

No County employee or Contractor may access or work unescorted in any Restricted Areas of the Real Property if any of the following appear in regard to that person as a result of a background check conducted in accordance with section 3.9.2 of the JOA:

1. Any conviction or charge pending court disposition with respect to felonies or misdemeanors involving violence, weapons, theft, robbery, burglary, embezzlement, dishonesty, moral turpitude, drugs (excluding misdemeanor marijuana convictions), or sexual activity (for a list of crimes constituting moral turpitude, please see Exhibit "1" to this Attachment "5").

2. Any conviction or charge pending court disposition involving a serious felony which is listed in Penal Code section 1192.7(c) or any violent felony which is listed in Penal Code section 667.5(c).

3. Any conviction or charge pending court disposition with respect to felonies or misdemeanors contributing to the delinquency of a minor.

4. Any conviction or charge pending court disposition with respect to felonies or misdemeanors involving mob action (a.k.a. gang activity).

5. Any conviction or charge pending court disposition with respect to felonies or misdemeanors involving any crime (other than a minor traffic violation) not included in paragraphs 1 through 4, above, for which the AOC's Emergency & Response Unit ("ERS") has not provided a written exemption for that conviction or pending charge.

6. Outstanding bench warrant.

7. Failure to appear in court within six (6) months.

In order to obtain a written exemption with respect to paragraph 5, above, the County must submit all relevant information relating to the conviction or pending charge (e.g. type of offense, date of conviction, and sentence) to the Senior Manager of ERS. The County will not include the name of the employee with this information. After review of the submitted information, the Senior Manager of ERS will notify the County in writing if an exemption for that conviction or pending charge will be provided by the AOC.

For purposes of these criteria, "conviction" includes a verdict of guilty, a plea of guilty, a plea of *nolo contendere*, or a forfeiture of bail in municipal, superior, or federal court regardless of whether sentence is imposed by the court.

## EXHIBIT "1" TO ATTACHMENT "5"

The appellate courts have determined that the following crimes are crimes of moral turpitude:

1. Property Crimes. Arson; auto theft; attempted auto theft; burglary (any degree); attempted burglary; embezzlement; forgery; grand theft; receiving stolen property; theft; and vandalism (felony).

2. Assaultive Crimes. Assault by force likely to produce grievous bodily injury; assault with deadly weapon; assault with intent to murder; assault with intent to rape; battery of non-inmate by inmate; battery on peace officer; corporal injury to child; discharge a firearm; false imprisonment; robbery; shooting at inhabited dwelling; and spousal battery.

3. Homicide. Murder; second degree murder; and voluntary manslaughter.

4. Sex Crimes. Assault with intent to rape; indecent exposure; lewd act on child; pimping and pandering; rape; statutory rape; and sexual battery.

5. Escape. Escape with or without violence; and evading a peace officer.

6. Drug Crimes. Maintaining a drug house; possession of heroin for sale; possession of marijuana for sale; sale of drugs; and transportation of controlled substance.

7. Weapons. Felon in possession of firearm; possession or conspiracy to possess illegal firearm; and possession of deadly weapon with intent to assault.

8. Other. Felony drunk driving; felony false imprisonment; felony hit and run; kidnapping; terrorist threat; bribery; extortion; and perjury.



**ATTACHMENT "6" TO JOA**  
**WORK ORDER PROCEDURES**

- A. The AOC may request non-Emergency Services for the Court Exclusive-Use Area via a Work Order ("WO"). Work performed without a WO, outside the scope of the WO, or beyond the maximum approved cost stated in the WO will not be compensated or paid by the AOC.
- B. The following personnel ("**Requestor**") are authorized to issue WOs for the AOC. A letter will be provided to the County with the name of the person(s) filling each position. This letter will be updated from time to time as personnel change.
- 1) Senior Manager for Facility Management
  - 2) Regional Manager for Facility Operations
  - 3) District Supervisor(s) for Facility Operations
  - 4) Area Supervisor(s) for Facility Operations
  - 5) AOC Customer Service Center Personnel
- C. Each WO will be in writing and will include:
- 1) Name and title of the Requestor and point of contact.
  - 2) Identification of where the work is to be performed, description of the work, and any special requirements or authorizations applicable to the WO.
  - 3) Date the WO is transmitted to the County.
  - 4) Priority for the work.
  - 5) Maximum approved cost, including all labor and materials.
- D. Subject to section F of **Attachment "7"** to this JOA, within five business days of receiving the WO, the County will respond to the Requestor ("**Service Response**") with one of the following:
- 1) That the County's is able to comply with the WO; the County will provide an estimated timeframe for completion of the work requested.
  - 2) That the County needs additional time to determine whether it can fulfill the WO. The County will include the reason for the additional time as well as an estimate of how much additional time it will need to evaluate the WO.
  - 3) That the County is unable to complete the work as submitted in the WO. The County will either include an estimated timeframe and cost for

completion of the WO or it will state that it cannot perform the Services requested in the WO and provide a brief explanation as to why.

- E. If a Requestor agrees to the work, timeframe and costs stated in the WO, it will approve the Service Response. Upon receiving AOC approval of the Service Response, the County will perform the work specified in each WO in accordance with the requirements of this JOA.
- 1) Any commencement of work prior to the County's receipt of approval for a WO will be done at the County's own risk.
  - 2) The County agrees to complete all work specified in the WO and for no more than the agreed applicable maximum approved cost except as follows:
    - a. If, after commencing the work, the County becomes aware that completion of work may exceed the agreed maximum approved cost, the County may immediately cease work and must immediately notify the AOC and provide the AOC with justification for additional cost and obtain a new maximum approved cost.
    - b. If the AOC and the County cannot agree upon a maximum approved cost for the work, the WO will be cancelled. The AOC will pay for work reasonably completed prior to the County's discovery that the work may exceed the previously-agreed maximum approved cost.
- F. The County will notify the AOC of the completion of the work requested in the WO within five business days of completing the work.
- G. The procedures described in this Attachment "6" to the JOA do not apply to Services arising from an Emergency. Work for Emergency Services will be provided pursuant to section 3.2.5 of the JOA.

## ATTACHMENT "7" TO JOA

### PAYMENT PROVISIONS

#### A. Invoices

The County will invoice, on a quarterly basis, for all Services to the Court Exclusive-Use Area performed by the County in accordance with Attachment "6" to the JOA.

#### B. Cost Components of Services

The Services may include the following components: (1) labor costs including security escort and travel expenses, (2) materials reimbursement, (3) third-party services and supplies, and (4) compensation for mileage at the then-current rate of compensation per mile as established by the United States Internal Revenue Service. (As of July 1, 2008, the current mileage rate is \$0.585.)

##### 1) Labor Costs

The County will invoice the AOC for the labor costs, which must be based upon the County's then-current hourly rates as established by the County from time to time. (The established hourly rates for fiscal year 2008-2009 are set forth in Appendix "A" to this Attachment "7.") The Parties agree that should the AOC request a specific project that requires either skills and/or abilities of County staff that are not listed in Appendix "A" to this Attachment "7," or the dedication of staff that are paid at a higher rate (e.g. Senior Architect), the County may include a billing rate in the proposal commensurate with the staff person's fully burdened hourly rate. The AOC has the right to review the proposed rates for reasonableness based on the specific type of work being performed. If the Parties cannot agree on the proposed rates, the AOC has the right, subject to this JOA, to utilize Contractors or the AOC's own employees to provide such Services. The AOC shall ensure that any work performed by Contractors or AOC employees is in compliance with applicable County building standards.

##### 2) Materials Reimbursement

- a. Provided that materials are necessary to fulfill a WO, the AOC will reimburse the County for materials expenses.
- b. Costs for the materials are limited to those necessary to fulfill a WO and that are actually incurred by the County in the performance of the Services.

- c. All expenses for materials must be billed at the County's actual cost, and are not subject to any markup. Any rebates, refunds or similar discounts received by the County must be passed on to the AOC.

3) Third-Party Services and Supplies

The Parties agree that should the AOC submit a WO for work that requires skills, abilities, and/or equipment beyond that of the County or its staff, the County may contract with a third party for services and/or supplies, for which the AOC will reimburse the County provided that:

- a. The third-party services or supplies contracted for are necessary to fulfill the WO.
- b. The third-party contract is awarded pursuant to the County's standard practices for procuring such services and supplies, including consistency with the California Public Contract Code.
- c. The AOC will not pay more than what the County expends in procuring and satisfying the contract.

C. Invoicing Requirements

The County shall submit to the AOC, on a quarterly basis, an invoice for all authorized work performed and that was paid for by the County in the prior quarter pursuant to **Attachment "6."**

- 1) Section 1 of the invoice will include basic identifying data to include:
  - a. Name of County and address of County.
  - b. JOA Number.
  - c. A unique invoice number.
  - d. Date of invoice.
  - e. County's Taxpayer identification number (FEIN).
  - f. Dates of Service covered in the invoice.
  - g. Preferred remittance address if different from the mailing address.
- 2) Section 2 of the invoice will include a summary and itemization of each WO being billed, including a breakdown of the labor costs and hours, materials in excess of \$20, and other allowable reimbursements being sought.

- 3) The County must submit one original and two copies of invoices to:

Judicial Council of California  
Administrative Office of the Courts  
c/o Finance Division, Accounts Payable  
455 Golden Gate Avenue, 7<sup>th</sup> Floor  
San Francisco, CA 94102-3660

- 4) The County must simultaneously submit a copy of the invoice to the Regional Manager:

Nick Turner  
Regional Manager, Facility Operations  
Office of Court Construction and Management  
2860 Gateway Oaks Drive, Suite 400  
Sacramento, CA 95833-3309

D. Payment

The AOC will make payment, in arrears, for all proper invoices within 30 days after receipt.

E. Reasons to Withhold Payment

The AOC will have the right to withhold payment, in whole or in part, to such extent as may be necessary to protect the AOC from loss because of, but not limited to:

- 1) Any defective condition of the Court Facility arising from Services performed by the County under this JOA not remedied under section 10 of this JOA;
- 2) Any stop notices where and to the extent that the stop notice results in the County's failure to timely provide any Services beyond the Default Notice and Cure Period under section 10 of this JOA;
- 3) Any Event of Default occurring beyond the Default Notice and Cure Period under section 10 of this JOA to the extent such payment is for Services that are the subject of the uncured Event of Default.

F. Payment After Cure

When the County has cured or otherwise resolved the AOC's basis and reasons for declining to approve any payment due from the AOC under this JOA, the AOC will promptly pay to the County all amounts withheld by the AOC. No interest will be paid on any amounts withheld pursuant to section E of these Payment Provisions.

G. Budget

Notwithstanding anything in the Agreement to the contrary, should the AOC become unable to pay any amounts due and owing under these Payment Provisions as a result of the State's failure to timely approve and adopt a budget, the County may stop all work on outstanding WOs and refuse to accept any new WOs until such time as the AOC brings current any unpaid amounts due. The AOC must promptly pay any previously due payment upon approval and adoption of the budget for the State.

**APPENDIX "A" TO ATTACHMENT "7" TO JOA  
COUNTY OF NEVADA HOURLY RATES**

<b>Job Title</b>	<b>Hourly Rate</b>
Building Maintenance Specialist	\$83
Custodian	\$71
Project Manager	\$112



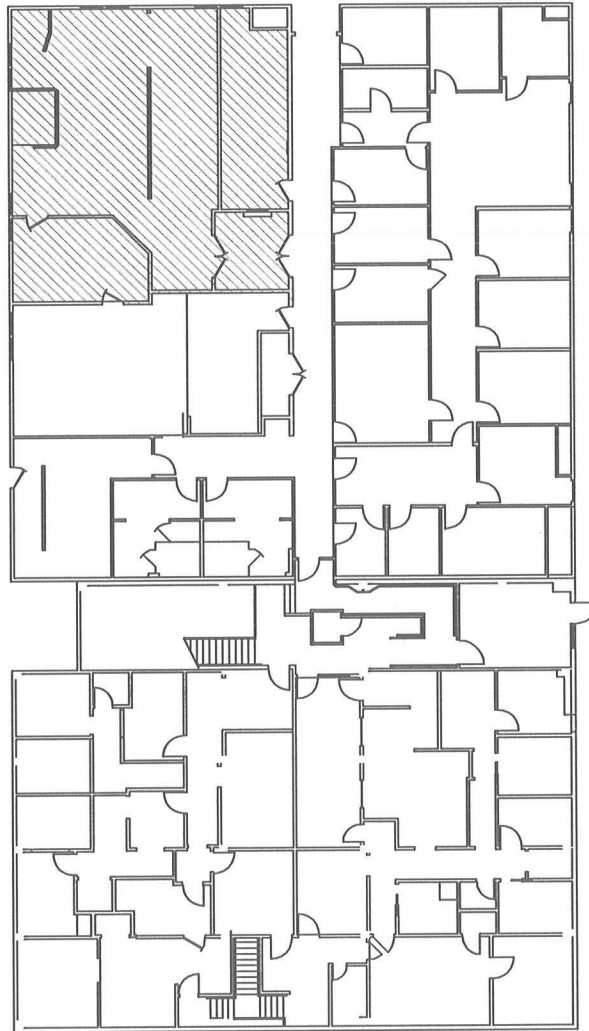
**ATTACHMENT "8" TO JOA**

**AOC HOURLY RATES**

<b>Job Title</b>	<b>Hourly Rate</b>
Building Maintenance Specialist	\$61.02
Project Manager	\$74.16

**EXHIBIT "B"**

**PREMISES**



Date: 2/11/08  
 Drawn by: [Signature]  
 3 of 3

Owner Name and Address:  
 County of Nevada  
 Facilities Management  
 10015 N. Bonfield Rd.  
 Nevada City, CA 95959

Project Address:  
 10075 Lamo Ave  
 Truckee, CA 96161

No.	Revision/Notes	Date
1		

## Truckee Joseph Center Second Floor Plan

