

**LEASE AGREEMENT BY AND BETWEEN THE CITY OF SANTA ANA AND  
WALSH CONSTRUCTION COMPANY, II, LLC FOR USE OF THE SANTA ANA  
REGIONAL  
TRANSPORTATION CENTER FACILITIES**

THIS LEASE (the "Lease") is made as of June 21, 2022, by and between the City of Santa Ana, a charter city and municipal corporation organized and existing under the Constitution and laws of the State of California ("City" or "Landlord"), and Walsh Construction Company II, LLC ("Tenant").

1. EXHIBITS: The following exhibits are attached hereto and incorporated herein by reference:

Exhibit "A" The Premises

Exhibit "B" Additional Lease Conditions

2. PREMISES: Landlord hereby leases to Tenant, and Tenant hereby leases from Landlord, upon the terms, covenants and subject to the conditions set forth herein, a portion of the property located at 1000 East Santa Ana Boulevard in the City of Santa Ana, commonly known as the Santa Ana Regional Transportation Center (SARTC). Specifically, Tenant will be leasing the portion identified as **Suite 200**, consisting of approximately 4,429 square feet of interior office space (hereinafter referred to as the "PREMISES"). Tenant shall be solely responsible at its own expense for all improvements made to the Premises and obtain all necessary permits. The Premises are more particularly described in **Exhibit A**.

3. COMMENCEMENT OF TERM: The term of this Lease (the "Term") shall commence on June 21, 2022 (the "Commencement Date") and expire on June 20, 2024, unless sooner terminated, as provided herein.

4. ADDITIONAL LEASE CONDITIONS: Tenant acknowledges that this lease is subject to compliance with the additional lease conditions attached hereto as **Exhibit B**. These additional lease conditions are a material part of this lease agreement and any default of these conditions will be deemed a major breach and will subject this lease to termination per the terms identified herein.

5. RENT: Upon the Commencement Date, Tenant shall pay to Landlord, as rent ("Rent") the monthly sum of Eleven Thousand and Seventy-Three Dollars (\$11,073.00) in advance, on the 1st day of each calendar month and continuing through the life of the Term. Any partial month shall be prorated at \$364 per day. All payments of Rent and other sums due to Landlord hereunder shall be made payable to "The City of Santa Ana" and remitted to: City of Santa Ana M-13, 20 Civic Center Plaza, PO Box 1988, Santa Ana, CA 92702. A LATE CHARGE OF TEN PERCENT (10%) SHALL BE APPLIED TO ANY PAYMENT HEREUNDER DUE BUT UNPAID AFTER THE 10<sup>TH</sup> of the month.

this Lease or any Extension Period, Tenant shall be required to return the premises in the same condition upon commencement of lease except for normal wear and tear.

Tenant may paint the interior of the Premises and may also paint, erect or authorize the installation of "temporary signs" in accordance with a signage plan that is pre-approved by the Landlord. Landlord shall not install or maintain, or permit anyone other than Tenant to install or maintain, any signs on any part of the Premises or within the air space above the Premises during the Term or any Extension Period of this Lease.

11. MAINTENANCE: Landlord shall provide at its own cost and expense janitorial services for the Premises. Janitorial supplies and services shall be provided on a five-day-per-week basis in accordance with Exhibit C (Janitorial Specifications).

12. COMPLIANCE WITH LAWS: Tenant shall make and pay for nonstructural improvements and alterations to comply with all applicable laws, rules, regulations and ordinances of any and all applicable governmental entities (the "Governmental Laws") applying to the physical condition of the Premises and the building located thereon and arising solely from Tenant's conduct of business. TENANT ACKNOWLEDGES THAT THE PREMISES HAS NOT UNDERGONE AN INSPECTION BY A CERTIFIED ACCESS SPECIALIST (CASP).

13. UTILITIES: Landlord agrees to pay for all utilities furnished to the Premises and which are consumed by Tenant, during the Term and any Extension Period, including charges or assessments for water, sewer, gas, heat, electricity, garbage disposal and trash disposal.

14. ESTOPPEL CERTIFICATES: Landlord and Tenant shall, from time to time upon thirty (30) days' request by the other (but not to exceed more than three (3) times in any given calendar year), execute, acknowledge and deliver a statement, dated currently, certifying that this Lease is unmodified and in full, force and effect (or, if there have been modifications, that this Lease is in full effect as modified, and identifying such modifications) and the dates to which the Rent have been paid, and that no default exists in the observance of this Lease and no event of default has occurred and is continuing, or specifying each such default or event of default of which Landlord or Tenant may have knowledge, it being intended that any such statement may be relied upon by Landlord's or Tenant's Mortgagees, any prospective purchaser of the interest of Landlord or Tenant in their respective premises described herein.

15. INDEMNITY: Tenant shall indemnify, defend, and hold harmless City, and its respective agents, representatives, employees, subsidiaries and affiliates ("Covered Parties") from and against any and all actions, suits, claims, demands, judgments, losses, expenses, or liabilities, injuries and damages to persons and property, including death, arising out of or related to Tenant's use of the Premises, the entry by any Tenant Party on the License Area or surrounding property, or Tenant's breach or default in the performance of any of its obligations under this Agreement; provided, however, that Tenant will not be obligated to indemnify the Covered Parties from any claims arising solely from the gross negligence or willful misconduct

Tenant's insurance (at least as broad as ISO Form CG 20 10 11 85 or if not available, through the addition of **both** CG 20 10, CG 20 26, CG 20 33, or CG 20 38; **and** CG 20 37 if a later edition is used).

2. **Primary Coverage:** For any claims related to this contract, the Tenant's insurance coverage shall be primary coverage at least as broad as ISO CG 20 01 04 13 as respects the City, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees, or volunteers shall be excess of the Tenant's insurance and shall not contribute with it.
3. **Notice of Cancellation:** Each insurance policy required above shall provide that coverage shall not be canceled, except with notice to the City.
4. **Waiver of Subrogation:** Tenant hereby grants to City a waiver of any right to subrogation which any insurer of said Tenant may acquire against the City by virtue of the payment of any loss under such insurance. Tenant agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the City has received a waiver of subrogation endorsement from the insurer.
5. **Self-Insured Retentions:** Self-insured retentions must be declared to and approved by the City. The City may require the Tenant to purchase coverage with a lower retention or provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention. The policy language shall provide, or be endorsed to provide, that the self-insured retention may be satisfied by either the named insured or City.
6. **Acceptability of Insurers:** Insurance is to be placed with insurers authorized to conduct business in the state with a current A.M. Best's rating of no less than A:VII, unless otherwise acceptable to the City.
7. **Claims Made Policies (note – should be applicable only to professional liability, see below)** If any of the required policies provide claims-made coverage:
  - a. The Retroactive Date must be shown, and must be before the date of the contract or the beginning of contract work.
  - b. Insurance must be maintained and evidence of insurance must be provided **for at least five (5) years after completion of the contract of work.**
  - c. If coverage is canceled or non-renewed, and not replaced **with another claims-made policy form with a Retroactive Date prior to the contract effective date**, the Tenant must purchase "extended reporting" coverage for a minimum of **five (5) years** after completion of work.

Tenant to Landlord during this sixty (60) day period within fourteen (14) days after the termination of the lease.

18. EMINENT DOMAIN: (a) If (i) all or part of the Premises, the building located thereon, or (ii) so much of any rights in the Premises or the building located thereon shall be taken or appropriated under any right of eminent domain or under any other legal right whereby the taking authority is obligated to compensate Landlord therefor so that there does not remain premises suitable in the sole opinion of Tenant for the operation of its business, then Tenant may terminate and cancel this Lease without owing any liability to Landlord as of the date on which the condemning authority takes physical possession upon giving to Landlord written notice of such election. Landlord agrees immediately within ten (10) days after any notice of intended or actual taking or appropriation to give Tenant written notice thereof, providing to Tenant full details of such taking or appropriation, including, without limitation copies of all condemnation plans or surveys submitted by the condemning authority, a statement of the nature of the project to be conducted by the condemning authority, and such other information as might be necessary to enable Tenant to determine its future course of conduct. **TENANT ACKNOWLEDGES THAT LANDLORD'S EXERCISE OF ITS RIGHT TO TERMINATE THIS LEASE UNDER ANY THIS PARAGRAPH SHALL NOT ENTITLE TENANT TO ANY RIGHTS OR CLAIMS FOR RELOCATION BENEFITS OR ANY OTHER CLAIMS RELATED TO CONDEMNATION OR INVERSE CONDEMNATION.**

(b) If this Lease shall be terminated and canceled as a result of any taking or appropriation, Tenant shall be released from any further liability and Rent and other sums for the last month of Tenant's occupancy shall be prorated and Landlord shall immediately refund to Tenant any sums paid in advance.

(c) Tenant reserves unto itself the right to prosecute Tenant's claim for an award for damages for the termination of this Lease caused by such appropriation or taking, together with damages based on the value of Tenant's improvements and Tenant's fixtures and other personal property erected or installed on the Premises and damages Tenant may sustain to the interest in the business operated by Tenant on the Premises, including, but not limited to, goodwill, patronage, and the removal, relocation, and replacement costs and expenses caused by such appropriation or taking, and Tenant may file such claims as are permitted by law for the loss of its leasehold interest, business dislocation damages, moving expense, or other damages caused by such taking or appropriation. Tenant's right to receive compensation or damages for its fixtures or its personal property shall not be affected in any manner by this Lease.

19. LIENS: Tenant shall promptly remove and discharge, at its cost and expense, all mechanic's liens, or other liens, for labor performed or materials furnished with respect to the Premises by or for Tenant.

20. PARKING AREA: Tenant acknowledges that Landlord has entered into an agreement with the Orange County Transportation Authority for the construction of the OC Streetcar at SARTC, which is under construction. Such construction may affect the number of parking

Suite 200  
Santa Ana, CA 92701

Santa Ana, California 92701  
Attention: Executive Director of Public Works Agency

AND

Clerk of Council  
City of Santa Ana  
20 Civic Center Plaza (M29)  
Santa Ana, California 92701

A party may change its address by giving notice in writing to the other party at least 15 days prior to the effective change. Thereafter, any communication shall be addressed and transmitted to the new address. If sent by mail, communication shall be effective or deemed to have been given three (3) days after it has been deposited in the United States mail, duly registered or certified, with postage prepaid, and addressed as set forth above. For purposes of calculating these time frames, weekends, federal, state, County or City holidays shall be excluded.

24. USE: For the purposes of this Lease, Tenant's intended use of the Premises is strictly for office space. No other use of the Premises shall be permitted without written consent of Landlord.

25. GENERAL PROVISIONS:

(a) This Lease (and the documents referred to herein) constitutes the entire agreement between the parties pertaining to **the lease of Suite 220** contained herein and supersedes any and all prior and contemporaneous agreements, representations and understandings, oral or otherwise, between or among the parties with respect to the matters contained herein.

(b) This Lease shall be binding upon, and inure to the benefit of, the parties hereto and their respective heirs, legatees, distributees, legal representatives, successors and assigns.

(c) This Lease shall not be modified, amended or supplemented, in whole or part, without the prior written consent of all parties hereto. Each and every waiver of any covenant, representation, warranty or any other provision hereof must be in writing and signed by each party whose interests are adversely affected by such waiver. No waiver granted in any one instance shall be construed as a continuing waiver applicable in any other instance.

(d) If any legal action or other proceeding is brought for the enforcement hereof, or because of an alleged dispute, breach, default or misrepresentation in connection with any provisions hereof, the successful or prevailing party or parties shall be entitled to recover attorneys' fees, court costs and all expenses even if not taxable as court costs (including, without limitation, all such fees, costs and expenses incident to appeals), incurred in that action or proceeding, in addition to any other relief to which such party or parties may be entitled.

(e) The parties hereby agree that each party and its attorneys have reviewed and revised this Lease and that the normal rule of construction, to the effect that any ambiguities are resolved against the drafting party, shall not be employed in the interpretation of this Lease and no other rule of strict construction shall be used against any party. All exhibits and schedules attached or

venture or of any association between Landlord and Tenant, and no provision contained in this Lease nor any acts of the parties hereto shall be deemed to create any relationship between Landlord and Tenant other than the relationship of landlord and tenant.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by and through their authorized officers the day, month and year first written above.

**ATTEST:**

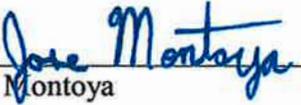
**CITY OF SANTA ANA**

\_\_\_\_\_  
Daisy Gomez  
Clerk of the Council

\_\_\_\_\_  
Kristine Ridge  
City Manager

**APPROVED AS TO FORM**  
Sonia R. Carvalho  
City Attorney

**Walsh Construction Company II, LLC.**

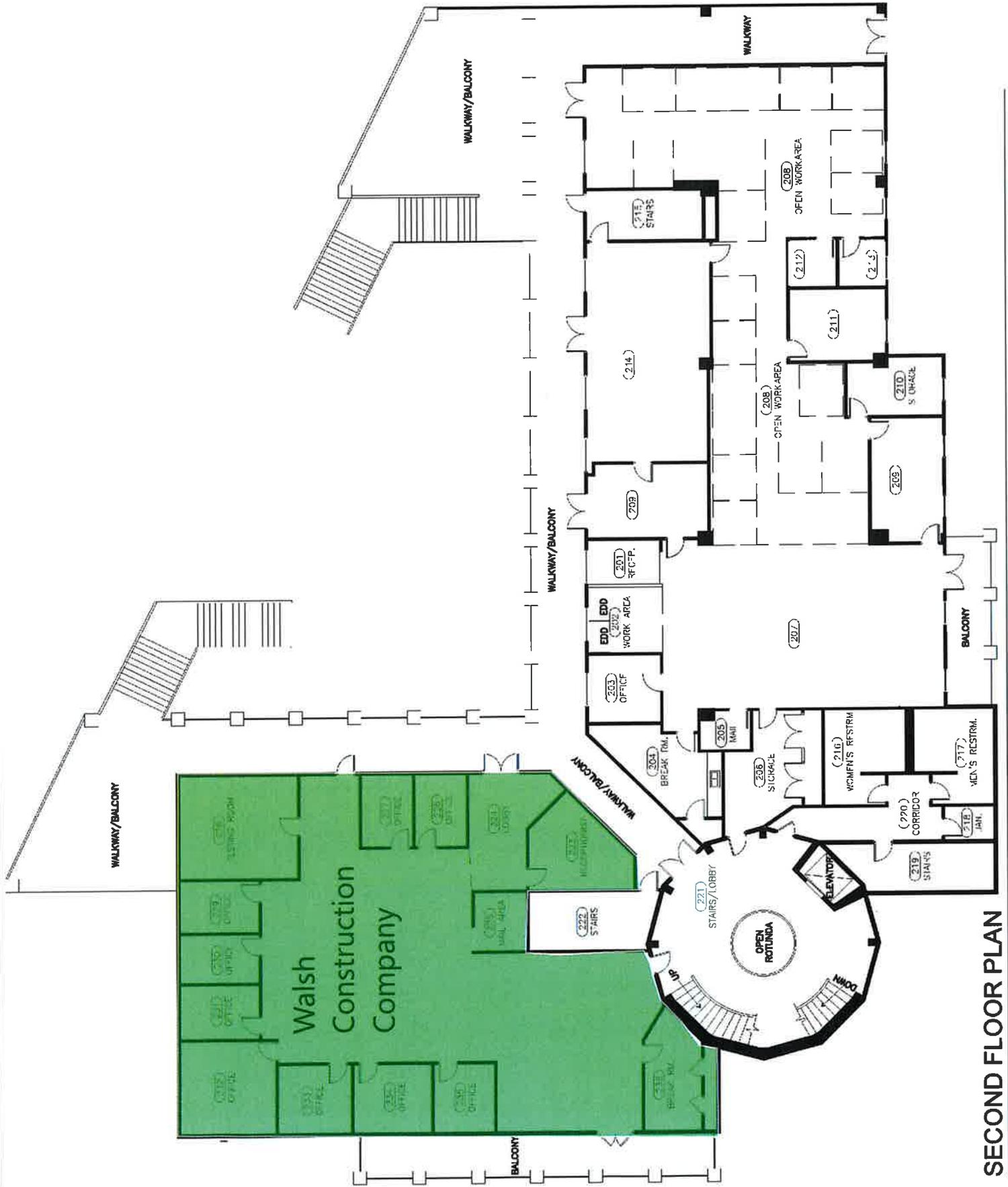
By:   
Jose Montoya  
Assistant City Attorney

  
By: Jay Titus  
Title: Program Manager

**RECOMMENDED FOR APPROVAL**

\_\_\_\_\_  
Nabil Saba, PE  
Executive Director  
Public Works Agency

# Exhibit A



## SECOND FLOOR PLAN

SCALE: 1/8"=1'-0"

## EXHIBIT C

### DAILY MAINTENANCE TASKS

#### General Cleaning

Remove all litter found and clean unsightly soil from building, fixtures, walls, door frames, doors and other surfaces. Remove any spilled liquids or solids. Remove carpet stains. Pick up any towels from the floor or counters within locker rooms and fitness center, placing towels in the proper receptacle.

#### Dusting Building Surfaces

Remove all dust, lint, cobwebs, debris, dry soil, etc. from the surface of ledges, window sills, locker tops and fire extinguishers. This shall include counter tops, walls, ceilings, door frames and sills, light switches, pictures, partitions, rails and other types of fixtures and surfaces which are not considered as furniture surfaces. This includes atrium wood ledges and specialty equipment such as test equipment, computers, typewriters, calculators, etc., which are located anywhere between the floor surface and up to nine (9) feet in height. Dusting shall be accomplished by the *removal* of loose soil from the area – not by moving it from one surface to another.

#### Spot Cleaning of Building Surfaces, Furniture and Fixtures

Clean to remove smudges, fingerprints, marks, streaks, tape, etc., from the surface of ledges, windows and sills, fire extinguishers, counter tops, walls, light fixture holders, ceiling vents, doors, door frames and sills, pictures, partitions, rails and other types of fixtures and surfaces. This would include all items from the floor surface up to 11 feet in height. Special care is to be taken to not permanently mar scratch or discolor any surface.

#### Emptying of all Trash and Ash Receptacles

All wastebaskets, cigarette ash receptacles and other trash containers shall be emptied and returned to their initial location. This shall include those located in patio, balcony and parking areas, as well as any placed outside entry doors. Receptacles are to be cleaned as need each time. Boxes, cans, papers and other containers marked "trash" (or are obviously trash) shall be removed. Cardboard boxes and cartons are to be broken down flat. All collected waste from such receptacles shall be removed from the area and deposited in a designated dumpster or other receptacle in such a manner so as to prevent the adjacent area from becoming littered by said trash. Soiled or torn trash receptacle liners shall be replaced with a new liner. Liners shall be replaced in such a manner so as to present a neat and uniform appearance. Clean around the large trash bins in the Ross Annex Parking Garage.

#### Spot Cleaning of Trash Receptacles

Remove non-permanent stains and soil from the interior and exterior surfaces of trash receptacles.

#### Outside Patios, Balconies and Building Entryways

Remove cobwebs from overhead surfaces and lights affixed to the building entryway areas. This would include cleaning the exterior of glass and metal doors, door thresholds and hardware. Remove any litter, cigarette butts or bird droppings.

#### Entrance Glass, Mirrors and Workstation Glass

Thoroughly clean both sides of all surrounding building entry door glass and entry doors for a uniform appearance free of all smudges, fingerprints, stains, streaks, lint, etc. Remove any paper and/or tape. Clean all mirrors in restrooms, locker rooms and fitness center in the same manner as noted above. Spot clean workstation and/or partition glass daily as needed.

#### Drinking Fountains and Sinks

Remove all obvious soil, streaks, smudges, etc., from the hardware, including the spouts and drain. After cleaning and disinfecting, the entire drinking fountain and/or sink (includes all sinks in coffee rooms and lounges) shall be free of streaks, stains, spots, smudges, scale, and other removable soil. Oil is not to be used to polish metal fixtures. If needed, lime-away or a similar product shall be used to eliminate hard water build-up.

## **DAILY MAINTENANCE TASKS**

### **Cleaning of Wood Furniture and Surfaces**

Thoroughly clean to remove smudges, fingerprints, marks and streaks from wood surfaces while ensuring to not scratch or mar surfaces.

### **Cleaning of Lunch – Break Rooms**

Included in this contract are all lunch and break rooms, including the kitchen and cooking area, dishwashing area, restrooms, eating areas, vending machines, hallways, glass and painted doors, unlocked storage closets, microwave ovens and refrigerators. Wipe clean the inside of all microwave ovens to remove any crumbs and/or spills. Areas shall be cleaned so that grease, dirt, food particles, trash and other litter are thoroughly removed from surfaces. These areas are to remain a healthy and clean environment for use by City employees on a daily basis.

### **Fitness Center Exercise Equipment**

Wipe down all metal to polish off shoe marks and sweat stains. Clean upholstery and wipe off shroud and side rails of the treadmills, as well as the consoles on treadmills and other machines. Clean the elliptical trainers, ski machines, bikes and stair stepper machines to remove sweat and stains. Clean out the tracks of the elliptical trainer with a dry towel only. Clean tops of any rubber mats and under each treadmill by extra-vacuuming up the dust and black motor powder residue.

### **SPECIAL NOTICES**

All furniture moved by the Contractor's or any Subcontractor's employees during the performance of any services shall be returned to its appropriate location. All items such as trash receptacles or desk chairs that are moved to enable cleaning underneath or around them shall be returned to their appropriate location.

Work areas shall be secured and equipment placed to prevent passage by the general public and City staff. All such work areas shall be denoted as such. Work areas and equipment shall remain under this state/condition until all work is complete, equipment is vacated and passage is safe for all. The proper quantity and type of safety warning signs, such as "Caution – Wet Floor" shall be placed by the Contractor's employees each time such conditions exist that would warrant placement of such signs. Signs are to be picked up and stored in the appropriate janitor room once the condition no longer exists to warrant such signs.

## MONTHLY MAINTENANCE TASKS

**NOTE:** Some items in this section are noted (\*) as being performed at intervals other than monthly. Respondents are instructed to calculate those costs into monthly figures for bidding purposes.

### Carpeted Floors

Pile lift carpet floors in all areas.

### Carpeted Floors – Bi-Monthly\*

Spin bonnet all carpeted floors every two (2) months. *\*(calculate to monthly cost for bidding purposes)*  
January; March; May; July; September and November

### Carpeted Floors – Semi-Annually\*

Extract clean carpeted floors two (2) times per year. *\*(calculate to monthly cost for bidding purposes)*  
April and October

### Tile Floors

Spray buff all tile floors.

### Tile Floors – Quarterly\*

Strip and wax all tile floors quarterly. *\*(calculate to monthly cost for bidding purposes)*

### Ross Annex Parking Garage – Annually\*

Clean the garage floor using West Extractor. Work to be performed after business hours at night or on weekend.  
*\*(calculate to monthly cost for bidding purposes)*

### SPECIAL NOTICES

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