



**RANCHO SANTA FE FIRE PROTECTION DISTRICT  
BOARD OF DIRECTORS MEETING  
AGENDA**

Rancho Santa Fe FPD  
Board Room – 18027 Calle Ambiente  
Rancho Santa Fe, California 92067

January 8, 2014  
Regular Meeting

**RULES FOR ADDRESSING BOARD OF DIRECTORS**

Members of the audience who wish to address the Board of Directors are requested to complete a form near the entrance of the meeting room and submit it to the Board Clerk.

Any person may address the Board on any item of Board business or Board concern. The Board cannot take action on any matter presented during Public Comment, but can refer it to the Administrative Officer for review and possible discussion at a future meeting. As permitted by State Law, the Board may take action on matters of an urgent nature or which require immediate attention. The maximum time allotted for each presentation is FIVE (5) MINUTES.

**Pledge of Allegiance**

- 1. Roll Call**
- 2. Public Comment**
- 3. Motion waiving reading in full of all Resolutions/Ordinances**

All items listed on the Consent Calendar is considered routine and will be enacted by one motion without discussion unless Board Members, Staff or the public requests removal of an item for separate discussion and action. The Board of Directors has the option of considering items removed from the Consent Calendar immediately or under Unfinished Business.

**4. Consent Calendar**

- a. Board of Directors Minutes
  - i) Board of Directors minutes of December 11, 2013  
ACTION REQUESTED: **Approve**
- b. Receive and File
  - i) Monthly/Quarterly Reports – ACTION REQUESTED: **Information**
    - 1) List of Demands Check 24635 thru 24727 for the period December 1 – 31, 2013 totaling:

\$	464,260.87
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    - Payroll for the period December 1 – 31, 2013

\$	449,955.47
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    - TOTAL DISTRIBUTION

\$	914,216.34
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c. Lease Agreements

- 1) Lease Agreement between Rancho Santa Fe Fire Protection District and American Medical Response of Southern California – 16936 El Fuego, Rancho Santa Fe
- 2) Lease Agreement between Rancho Santa Fe Fire Protection District and American Medical Response of Southern California – 16930 Four Gee Road, San Diego
- 3) Lease Agreement between Rancho Santa Fe Fire Protection District and American Medical Response of Southern California – 18040 Calle Ambiente, Rancho Santa Fe

To ratify month-to-month lease agreements executed by the Fire Chief at the direction of the Board of Directors.

**5. Old Business**

- a. None

**6. New Business**

- a. Budget Authorization

To discuss and/or approve replacement staff vehicles. [Staff Report 2014-01](#)

ACTION REQUESTED: **Approve**

**7. Oral Report**

- a. Fire Chief – Michel
  - i) CSA 107 Elfin Forest/Harmony Grove - Update
  - ii) District Activities
- b. Operations – Deputy Chief
- c. Training – Battalion Chief
- d. Fire Prevention – Deputy Fire Marshal
- e. Administrative Manager
- f. Board of Directors
  - i) North County Dispatch JPA – Update
  - ii) County Service Area – 17 – Update
  - iii) Comments

**8. Adjournment**

The next regular Board of Directors meeting to be held on February 12, 2014 in the Board Room located at 18027 Calle Ambiente, Rancho Santa Fe, California. The business meeting will commence at 1:00 p.m.



**RANCHO SANTA FE FIRE PROTECTION DISTRICT**  
**Board of Directors Regular Meeting Agenda**  
**Wednesday, January 8, 2014 1:00 pm PT**

**CERTIFICATION OF POSTING**

I certify that on December 6, 2013 a copy of the foregoing agenda was posted on the District's website and near the meeting place of the Board of Directors of Rancho Santa Fe Fire Protection District, said time being at least 72 hours in advance of the meeting of the Board of Directors (Government Code Section 54954.2)

Executed at Rancho Santa Fe, California on December 31, 2013

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Karlana Rannals  
Board Clerk



**RANCHO SANTA FE FIRE PROTECTION DISTRICT  
REGULAR BOARD OF DIRECTORS MEETING  
MINUTES – December 11, 2013**

President Ashcraft called to order the regular session of the Rancho Santa Fe Fire Protection District Board of Directors at 1:00 pm.

*Pledge of Allegiance*

Deputy Chief Gibbs led the assembly in the *Pledge of Allegiance*.

**1. Roll Call**

Directors Present: Ashcraft, Hillgren, Malin, Stine, Tanner

Directors Absent: None

Staff Present: Tony Michel, Fire Chief; Mike Gibbs, Deputy Chief; Bret Davidson, Battalion Chief; Jim Sturtevant, Battalion Chief; Renee Hill, Deputy Fire Marshal; and Karlana Rannals, Board Clerk

President Ashcraft informed the Board that pursuant to government code section 54954.2(b) (2) there is a request to amend the agenda to include the following topics for discussion and/or action:

**AMEND AGENDA ITEM:**

**Closed Session**

- a. With respect to every item of business to be discussed in closed session pursuant to Section 54956.8:

**CONFERENCE WITH REAL PROPERTY NEGOTIATORS**

**Property:**

- 1) 16936 El Fuego, Rancho Santa Fe, CA 92067
- 2) 16930 Four Gee Road, San Diego, CA 92127
- 3) 18040 Calle Ambiente, Rancho Santa Fe, CA 92067

Agency Negotiator: Tony Michel, Fire Chief

Negotiating Parties: American Medical Response

Under Negotiation: Instruction to negotiator concerning price and term

MOTION BY DIRECTOR HILLGREN, SECOND BY DIRECTOR MALIN, CARRIED 5 AYES; 0 NOES; 0 ABSENT to amend the agenda as requested.

**2. Public Comment**

Fire Chief Frank Twohy (Elfin Forest/Harmony Grove Volunteer Fire Department), 20018 Fortuna Del Este, Elfin Forest: on behalf of his Board of Directors expressed appreciation for the RSF Fire Board's consideration in the feasibility of a consolidation with the volunteer fire department. He believes there is an opportunity for both agencies to work together by combining the subcommittee to work through the feasibility process.

3. Motion waiving reading in full of all Resolutions/Ordinances

MOTION BY DIRECTOR TANNER, SECOND BY DIRECTOR HILLGREN, CARRIED 5 AYES; 0 NOES; 0 ABSENT; 0 ABSTAIN to waive reading in full of all resolutions/ordinances.

4. Consent Calendar

MOTION BY DIRECTOR MALIN, SECOND BY DIRECTOR STINE, 5 AYES; 0 NOES; 0 ABSENT to approve the Consent Calendar as submitted.

a. Board of Directors Minutes

MOTION BY DIRECTOR MALIN, SECOND BY DIRECTOR STINE, CARRIED 5 AYES; 0 NOES; 0 ABSTAIN 0 ABSENT to approve:

1. Board of Directors minutes of November 13, 2013 (regular meeting)

b. Receive and File

MOTION BY DIRECTOR MALIN, SECOND BY DIRECTOR STINE, CARRIED 5 AYES; 0 NOES; 0 ABSENT to receive and file:

i) Monthly/Quarterly Reports

(1) List of Demands

Check 24570 thru 24634 the period November 1 – 30, 2013 totaling:	\$ 308,906.15
Payroll for the period November 1– 30, 2013	<u>\$ 586,889.67</u>
TOTAL DISTRIBUTION	\$ 895,795.82

(2) Activity Reports – November 2013

- Operations
- Training
- Fire Prevention

(3) District Articles

(4) Correspondence

- Sarokin

5. Closed Session

Pursuant to section 54957.6, and 54956.8 the board met in closed session from 1:08 – 1:20 pm to discuss the following:

a. With respect to every item of business to be discussed in closed session pursuant to Section 54956.8:

CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Property:

- 1) 16936 El Fuego, Rancho Santa Fe, CA 92067
- 2) 16930 Four Gee Road, San Diego, CA 92127
- 3) 18040 Calle Ambiente, Rancho Santa Fe, CA 92067

Agency Negotiator: Tony Michel, Fire Chief

Negotiating Parties: American Medical Response

Under Negotiation: Instruction to negotiator concerning price and term

*All board members and staff listed attended the closed session*

Minutes

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- b. With respect to every item of business to be discussed in closed session pursuant to Section 54957:  
Public Employee Performance Evaluation – Title: Fire Chief  
*All board members listed attended the closed session*
- c. With respect to every item of business to be discussed in closed session pursuant to Section 54957.6:  
Conference with Labor Negotiators  
Agency Negotiators: Jim Ashcraft, Randy Malin, and assigned Staff  
Unrepresented Employees: Emergency Medical Services Coordinator  
Unrepresented Employees: Fire Chief; Deputy Chief; Battalion Chief (4); and Administrative Manager  
Under Negotiation: Successor Memorandum of Understanding and Compensation  
*All board members listed attended the closed session.*

Upon reconvening to open session, President Ashcraft reported the following:

- a. The Board gave direction to staff concerning price and term for the leased space. He also reported that after a review of lease contracts by legal counsel, the Fire Chief is permitted to execute the documents because of timing; however, all signed contracts are to be included for review on the consent agenda for the January meeting.
- b. The board received information from the negotiators and direction for a compensation adjustment for the Fire Chief was given.
- c. The board received information from the negotiators and the board took no further action.

6. Old Business

- a. None

7. New Business

- a. Independent Auditor's Report FY2013/2013

Director Malin reported that the Finance ad hoc committee (Directors' Malin and Tanner, Chief Michel and Karlana Rannals) met with Paul Kaymark CPA to review the draft audit report for FY13.

He reminded his board colleagues of new financial statements reporting requirements (GASB 68) which phases in over five years, the full pension liability beginning in 2015. Director Malin informed the Board that the ad hoc committee was satisfied with the discussion in the meeting and recommended that the Board accept the report as presented. The ad hoc committee responded to questions from the Board.

MOTION BY DIRECTOR MALIN, SECOND BY DIRECTOR HILLGREN, CARRIED 5 AYES; 0 NOES; 0 ABSENT; 0 ABSTAIN to accept the FY 2012/2013 independent audit prepared by Charles Z. Fedak CPA & Company as presented.

8. Public Hearing

a. Ordinance No. 2014-01

President Ashcraft opened the public hearing. The Board Clerk informed the members that no one had submitted any correspondence in favor or protest to the ordinance. There were no requests to speak. President Ashcraft closed the public hearing.

9. Resolution/Ordinance

a. Resolution 2013-14

Chief Michel informed the Board that the resolution presented is requested for adoption to confirm the recently negotiated salary and benefits for unrepresented employees.

MOTION BY DIRECTOR MALIN, SECOND BY DIRECTOR TANNER, and APPROVED Resolution No. 2013-14 *entitled* a resolution of the Board of Directors of the Rancho Santa Fe Fire Protection District Establishing Salaries and Benefits for Management Personnel on a roll call vote:

AYES:	Ashcraft, Hillgren, Malin, Stine, Tanner
NOES:	None
ABSTAIN:	None
ABSENT:	None

b. Ordinance No. 2014-01

Deputy Fire Marshal informed the board that there have been no changes to the ordinance since the second reading. She also reported that legal counsel has reviewed the proposed ordinance.

MOTION BY DIRECTOR MALIN, SECOND BY DIRECTOR STINE, and APPROVED Ordinance No. 2014-01 *entitled* an Ordinance of the Rancho Santa Fe Fire Protection District Which Adopts the California Fire Code, 2013 Edition and 2012 International Fire Code with Certain Amendments, Additions, and Deletions on a roll call vote:

AYES:	Ashcraft, Hillgren, Malin, Stine, Tanner
NOES:	None
ABSTAIN:	None
ABSENT:	None

President Ashcraft requested that the board clerk publish a *Notice of Ordinance Adoption* pursuant to all applicable codes.

10. Oral Report

a. Fire Chief – Michel

- i) CSA 107 – Elfin Forest/Harmony Grove – Update: he received an update from a representative of the County Fire Authority. Because of other priorities, County staff has not been able to focus much time on the feasibility of a consolidation. He offered to assist, in addition to other fire district staff to move this opportunity along.

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### ii) District Activities:

- (1) Golf Tournament (*December 3, 2013*): very successful event. He conveyed his appreciation to the Hillgren's for allowing the players to gather at their home for the potluck afterwards.
- (2) Cielo Project: the Fire Chief and Deputy Fire Marshall were invited to a public hearing regarding this project. The project is outside the fire district boundaries, and will need to annex to the district for service.

### b. Operations – Deputy Chief

Chief Gibbs summarized the monthly report, noting that calls decreased by 4% over the previous month and distributed the seasonal weather outlook. He noted that no significant events that occurred the previous month.

As a follow-up to last month meeting, he distributed a report that shows the percentage of calls that are EMS related. The district's EMS calls is approximately 50%. This is lower than neighboring jurisdictions, and he offered his assessment including the difference of demographics and the district does not have hospitals, convalescent homes or assisted living facilities.

### c. Training – Battalion Chief

Chief Davidson summarized the training activity for November. It included:

- Hose Lays
- Multi-casualty drill (MCI) at Palomar Airport
- Night drills
- Revised County Tag System

### d. Fire Prevention – Deputy Fire Marshal

DFM Hill summarized the activity for the previous month, which included, abatement notices for weeds and dead trees, new construction plan review and inspections, and a presentation on home safety that was coordinated through the Senior Center. New construction increased from the previous month.

### e. Administrative Manager

No report

### f. Board of Directors

- i) North County Dispatch JPA – Update – Director Ashcraft: he attended the meeting on December 5, 2013. The audit for FY13 was accepted, and he summarized the financial concerns for upcoming capital improvement projects.
- ii) County Service Area 17 – Update – Director Hillgren: no report, the next meeting is scheduled for February 4, 2014.
- iii) Comments:
  - (1) Hillgren – inquired about a phone app to contact all trained CPR personnel.

## 11. Adjournment

Meeting adjourned at 2:49 pm.

[Signatures next page]



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Karlana Rannals  
Secretary

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James H Ashcraft  
President

<i>Check</i>	<i>Amount</i>	<i>Vendor</i>	<i>Purpose</i>
24635	\$330.00	Advanced Communications Systems Inc	Repair - ID 0382
24636	\$151.44	AT&T	Telephone RSF1/ RSF2/ RSF 3
24637	\$1,304.34	AT&T Calnet 2	Telephone RSF2/ RSF3/ RSF4
24638	\$916.50	C.A.P.F.	Disability/Life Insurance
24639	\$184.28	Complete Office of California Inc	Office Supplies
24640	\$1,110.67	COR Security Inc	Omnilock Supplies
24641	\$54.99	Cox Communications	Telephone RSF3
24643	\$360.00	Dependable Alarm Systems Inc	Alarm System Monitoring RSF2
24644	\$1,184.34	Enternmann-Rovin Co Inc.	Uniform - Safety Personnel
24645	\$93.00	Fire ETC Inc	Safety Equipment
24646	\$19,987.00	Fire Facilities, Inc.	Building Training Tower Repairs
24647	\$7,755.00	First Due Elevator Rescue	Suppression - Local Conf/Seminars (Elevator Rescue Training)
24648	\$205.19	Galindo, Chris	Station Replacement Items - RSF1 Reimbursement
24649	\$20.00	Lenehan, Conor	FP - Local Conference/Seminars Reimbursement
24650	\$864.00	Liebert Cassidy Whitmore	Legal Services
24651	\$2,602.72	Olivenhain Municipal Water District	Water RSF2/ RSF3/ RSF4
24652	\$49.50	Olson's Hand Car Wash Inc	Car Wash
24653	\$170.33	Pacific Coast Flag	Flags (State, USA)
24654	\$654.00	Sam's Boot and Shoe Repair	Boots Safety
24655	\$1,290.02	Santa Fe Irrigation District	Water RSF1/ NCDJPA
24656	\$14.03	Staples Advantage	Office Supplies
24657	\$272.00	Terminix International	NCDJPA/ RSF1/ RSF2/ RSF3/ RSF4/ ADMIN
24658	\$5,994.78	The SoCo Group Inc	Gasoline & Diesel Fuel
24659	\$509.85	ThyssenKrupp Elevator Inc	Elevator Service
24660	\$31.79	U P S	Shipping Service
24661	\$10,789.65	U S Bank Corporate Payment System	Cal-Card./IMPAC program
24662	\$331.66	Uniforms Plus	Uniform - Safety Personnel
24663	\$1,189.93	Verizon Wireless	Telephone - Cellular & MDT Broadband + ATN Line
24664	\$1,382.75	Waste Management Inc	Trash RSF1/RSF2/ RSF3/ RSF4/ NCDJPA/ RSF Assn - Patrol
24665	\$5,500.00	WinTech Computer Services	Consulting Services

<i>Check</i>	<i>Amount</i>	<i>Vendor</i>	<i>Purpose</i>
24666	\$677.00	Worley, Tanner	Education/Training Reimbursement
24667	\$289.01	AT&T Calnet 2	Telephone ADMIN/ RSF1/RSF3/ NCDJPA
24668	\$1,690.00	Charles Z Fedak & Company	Accounting-Audit Services
24669	\$2,534.50	County of SD/RCS	CAP Code Paging Service-Monthly Service & 800 MHz Network Admin Fees
24670	\$141.62	Daniels Tire Service Inc	Scheduled - ID 0981
24671	\$87.00	Dependable Alarm Systems Inc	Station Maintenance - RSF-3
24672	\$184.00	Ender, Cory M.	CSA-17 - Supplies Rebill Reimbursement
24673	\$854.40	Fire ETC Inc	Safety Clothing (Protective)
24674	\$932.50	Fitch Law Firm Inc	Legal Services
24676	\$289.63	North County EVS Inc	Repair - ID 0281
24677	\$4,592.00	Palomar College	Education/Training Reimbursement
24679	\$1,272.99	San Diego Gas & Electric	Elec/Gas/Propane FBR3
24680	\$96.00	State of CA Dept of Justice	CERT Program
24681	\$862.93	Steven Enterprises, Inc	Office Supplies - Ink/Toner Plotter
24682	\$2,370.00	Symphony Asset Pool XVII LLC	Cielo HOA Fees - Admin
24683	\$428.49	TelePacific Communications	Telephone ADMIN
24684	\$217.00	Thompson, Cole T.	CSA-17 - Supplies Rebill Reimbursement
24685	\$12.00	U P S	Shipping Service
24686	\$420.12	Uniforms Plus	Uniform - Safety Personnel
24687	\$7,251.31	Workplace Services Inc	Station Maintenance - RSF-1 - Carpet
24688	\$6.99	4S Ranch Gasoline & Carwash LP	Car Wash
24689	\$442.50	Accme Janitorial Service Inc	Building ADMIN
24690	\$326.90	AT&T Calnet 2	Telephone ADMIN/ RSF1/RSF2/ RSF4/ NCDJPA
24691	\$60.00	Coastal Live Scan & Insurance Svc	CERT Program
24692	\$66.12	Complete Office of California Inc	Office Supplies
24693	\$826.00	County of SD APCD	Permit-Generator
24695	\$1,605.75	Direct Energy Business - Dallas	Elec/Gas/Propane RSF1

<i>Check</i>	<i>Amount</i>	<i>Vendor</i>	<i>Purpose</i>
24696	\$1,185.89	Home Depot, Inc	Apparatus Tool/Equipment Replacement, Apparatus - Miscellaneous, Station Maintenance - RSF1/ RSF2/ RSF3, Station Replacement Items - RSF1/RSF2, Public Education Materials, Hydrant Maintenance and Miscellaneous Reimbursable
24697	\$82.02	Napa Auto Parts Inc	Repair - ID 0336 (OES) & Apparatus Parts & Supplies
24698	\$31,586.75	North County Dispatch JPA	Dispatching
24699	\$3,654.15	North County EVS Inc	Repair - ID 0261/0561 & Scheduled - ID 0311
24700	\$189,867.60	PERS	PERS (Employer Paid)
24701	\$5,447.23	San Diego Gas & Electric	Elec/Gas/Propane ADMIN/ RSF1/ RSF2/ RSF4
24702	\$230.00	Shore, Stuart W.	Education/Training Reimbursement
24703	\$65.00	State Fire Training	Certification - Smith
24704	\$581.37	The Lincoln National Life Ins Co	Disability/Life Insurance
24705	\$257.80	The San Diego Union-Tribune, LLC	Advertising
24706	\$3,665.75	The SoCo Group Inc	Gasoline & Diesel Fuel
24707	\$81.58	Time Warner Cable	Cable Service - Admin
24708	\$19.49	U P S	Shipping Service
24709	\$1,967.69	United Imaging	Office Supplies - Ink/Toner
24710	\$336.00	A to Z Plumbing Inc	Station Maintenance - RSF-1
24711	\$157.17	AT&T	Telephone RSF1/ RSF2/ RSF 3
24712	\$194.82	Blend	Outside Printing & Binding
24713	\$54.99	Cox Communications	Telephone RSF3
24714	\$40.00	Elliott, Troy D.	Class B License Reimbursement
24715	\$3,458.14	Guardian Life Insurance Co	Medical Insurance
24716	\$51,327.72	Health Net	Medical Insurance
24718	\$15,300.97	Kaiser Permanente	Medical Insurance
24719	\$4,665.00	Liebert Cassidy Whitmore	Legal Services
24722	\$144.97	NCB Sales & Service of Restaurant Equip	Equipment - Minor
24723	\$215.00	Terminix International	Building ADMIN/ RSF1/ RSF3/ RSF4/ NCDJPA
24724	\$2,986.95	The SoCo Group Inc	Gasoline & Diesel Fuel
24725	\$12.00	U P S	Shipping Service

# Rancho Santa Fe Fire Protection District

List of Demands ~ December 2013

<i>Check</i>	<i>Amount</i>	<i>Vendor</i>	<i>Purpose</i>
24726	\$87.91	Vista Paint Corp.	Hydrant Maintenance
24727	\$15,033.03	Yale/Chase Equipment and Services, Inc.	Homeland Security Grant 2012 - Generator
EFT24	\$362.50	Rannals, Karlana	Admin - Overnight Conf/Seminars Reimbursement
EFT28	\$480.00	Rannals, Karlana	Telephone - Cellular & On Line Services Reimbursement
EFT30	\$20.00	Rannals, Karlana	Meetings/Meal Expenses Reimbursement
Various	\$36,850.86	Medical Reimbursements	Various
<b>subtotal</b>	<b>\$464,260.87</b>		
12-15-13	\$262,502.89	Payroll	RSFFPD
12-30-13	4,437.60	Payroll	RSFFPD
12-31-13	183,014.98	Payroll	RSFFPD
<b>subtotal</b>	<b>\$449,955.47</b>		
Grand	\$914,216.34		

## LEASE AGREEMENT

This Lease Agreement ("**Agreement**") is executed this 18<sup>th</sup> day of December 2013 ("**Effective Date**") by and between RANCHO SANTA FE FIRE PROTECTION DISTRICT, a Political Sub-division ("**RSF**"), and AMERICAN MEDICAL RESPONSE OF SOUTHERN CALIFORNIA, INC., a California corporation ("**AMR**").

WHEREAS, RSF is a special district charged with providing fire and medical services within the County of San Diego; and

WHEREAS, AMR operates emergency medical equipment within the County of San Diego; and

WHEREAS, AMR desires to rent from RSF on a month-to-month basis such space in RSF's Fire Station No. 1 to house and dispatch emergency medical equipment.

NOW THEREFORE, the Parties hereto mutually agree as follows:

### ARTICLE 1. USES

**Section 1.01. Space.** RSF hereby agrees that AMR shall have the right to occupy and to use in accordance with the terms of this Agreement approximately 892 square foot portion of that certain real property located at 16936 El Fuego Rancho Santa Fe, California 92067, commonly known as "**Rancho Santa Fe Fire Station No. 1**". The approximate 892 square foot shall consist of approximately 260 square feet of dorm space, including six lockers for personal equipment; 30 square feet of secured storage space for paramedic supplies; 308 square feet of shared use bathroom/shower facilities; parking for two (2) AMR employee vehicles; 294 square feet of enclosed apparatus storage (garage) as shown on the diagram attached as Exhibit "A" hereto and by this reference made a part hereof ("**Premises**").

**Section 1.02. Uses.** It is expressly agreed that AMR is given the right to occupy and use the Premises solely and exclusively for the purpose of housing paramedic vehicles, personnel and equipment relating to its contract with CSA-17 and for such other related or incidental purposes as may be first approved in writing by RSF and for no other purpose ("**Permitted Use**").

AMR covenants and agrees to use the Premises for the above-specified purposes and to diligently pursue said purposes throughout the term hereof. In the event that AMR fails to continuously use the Premises for said purposes, or uses the Premises not expressly authorized herein, AMR shall be deemed in default under this Agreement. AMR shall not use the Premises in any manner which interferes with the use of Rancho Santa Fe Fire Station No. 1 by RSF as a fire station.

**Section 1.03. Related Board Actions.** By the granting of this Agreement, RSF is not obligating itself to any other governmental agent, board, commission, or agency with regard to any other discretionary action relating to development or operation of the Premises. Discretionary action includes, but is not limited to rezoning, variances, conditional use permits, environmental clearances or any other governmental agency approvals which may be required for the development and operations of the Premises.

**Section 1.04. Reservation of Rights.** RSF shall not unreasonably or substantially interfere with AMR's use of the Premises while AMR is occupying and using the Premises, however, RSF specifically retains the following rights:

a. **Subsurface Rights.** RSF hereby reserves all rights, title and interest in any and all subsurface natural gas, oil, minerals and water on or within the Premises.

b. **Easements.** RSF reserves the right to grant and use easements or to establish and use rights-of-way over, under, along and across the leased Premises for utilities, thoroughfares, or access as it deems advisable for the public good.

c. **Right to Enter.** RSF has the right to enter the Premises for the purpose of performing maintenance, inspections, repairs or improvements, or developing municipal resources and services, or as necessary in the use of the entire property for the purposes of operating the Rancho Santa Fe Fire District.

d. **Right to Use.** RSF has the right to use the Premises as may be necessary from time to time in the operation of Rancho Santa Fe Fire District, provided that such use shall not unreasonably interfere with AMR's use and occupancy.

e. **RSF's use of the Premises is paramount to that of AMR's use.**

RSF will not reimburse AMR for damages, if any, to the improvements, located on the leased Premises resulting from RSF exercising the rights reserved in this Agreement. RSF will pay the costs of the maintenance and repair of all RSF installations made pursuant to these reserved rights.

## **ARTICLE 2. TERM**

**Section 2.01. Commencement.** This Agreement shall be for a month-to-month basis commencing January 1, 2014 ("**Commencement Date**").

If RSF for any reason cannot deliver possession of the Premises to AMR at the Commencement of the term, or if during the term of this Agreement AMR is dispossessed for any reason whatsoever, RSF shall not be liable to AMR for any loss or damage resulting therefrom.

**Section 2.02. Termination Provisions.** AMR's right to use and occupy the Premises may be terminated at any time by either Party upon thirty (30) days prior written notice, except as may otherwise provided herein.

**Section 2.03. Surrender of Premises.** At the expiration or earlier termination of this Agreement, AMR shall surrender the Premises to RSF free and clear of all liens and encumbrances. The Premises, when surrendered by AMR, shall be in safe and sanitary condition and shall be in as good or better condition as of the Commencement Date, normal wear and tear accepted.

### **ARTICLE 3. PAYMENT**

**Section 3.01. Base Monthly Occupy Payments.** AMR shall pay to RSF as base monthly occupancy payment ("**Rent**") a sum of two thousand, one hundred, eighty-eight dollars and fifty two cents (\$2,188.52) per month, and such sum is subject to adjustment by RSF on thirty (30) day notice to AMR. All Rent due under this Lease shall be payable in advance on the first day of each calendar month. If the Commencement Date is not the first day of a calendar month, then the advance Rent for the partial month at the beginning of the Term shall be pro-rated on a per diem basis.

**Section 3.02. Time and Place of Payment.** AMR shall make all Rent payments to the Administration Office of RSF as set forth in Section 9.1.

### **ARTICLE 4. INSURANCE**

**Section 4.01. Insurance to be Carried by AMR.**

a. AMR shall carry and maintain during the entire term hereof, at AMR's sole cost and expense, broad form comprehensive public liability insurance with limits of not less than Three Million Dollars (\$3,000,000.00) per person and Three Million Dollars (\$3,000,000.00) each occurrence, insuring against any and all liability of AMR with respect to the Premises or arising out of the maintenance, use or occupancy thereof, and property damage liability insurance with a limit of not less than Three Million Dollars (\$3,000,000.00) each accident.

b. All policies of insurance to be carried and maintained by AMR hereunder shall be issued by companies having not less than Best's VII A+ rating and shall be



issued in the name of AMR with RSF named as additional insured and for the mutual and joint benefit and protection of the parties. All such policies shall contain a provision that RSF, although named as an additional insured, shall nevertheless be entitled to recovery under such policies for any loss, injury, or damage to RSF and/or RSF's agents, servants, and employees by reason of the negligence of AMR.

c. AMR shall deliver to RSF certificates of coverage from the insurance company or companies writing the policy or policies of insurance, which certificates shall, among other things, designate the company writing the same, the number, amount, and provisions thereof.

d. All insurance policies shall contain a provision that such policies shall not be canceled or terminated without thirty (30) days prior notice from the insurance company to RSF. AMR agrees that on or before ten (10) days prior to expiration of any insurance policy, AMR will deliver to RSF written notification in the form of a receipt or other similar document from the applicable insurance company that said policy or policies have been renewed, or deliver certificates of insurance coverage from another good and solvent insurance company for such coverage.

e. AMR shall carry Worker's Compensation Insurance for all AMR's employees.

f. In the event RSF deems it necessary to increase the amounts or limits of insurance required to be carried by AMR hereunder, RSF may reasonably increase such amounts or limits of insurance, and AMR shall increase the amounts or limits of the insurance required to be carried by AMR hereunder and shall provide RSF with policies or original certificates indicating the increased amounts or limits.

## **ARTICLE 5. INDEMNITY**

**Section 5.01. AMR's Indemnity.** AMR shall indemnify, defend and hold RSF and its directors and employers harmless from and against all damages, demands, actions, expenses, claims, losses or liabilities (collectively, a "**Claim**"), to the extent arising from (i) any breach or default by AMR of its obligations under this Agreement or (ii) the negligence or willful misconduct of AMR or AMR's agents, invitees, employees or contractors or (iii) the use, occupancy or enjoyment of Premises by AMR or AMR's agents, employees, invitees or contractors or any work, activity or other things allowed or suffered by AMR or AMR's agents to be done in or about the Premises. AMR shall, at its expense and with counsel approved by RSF, defend RSF in any action or proceeding arising from any Claim, provided, that AMR shall not defend such action or proceeding or bear the costs thereof in a suit involving the intentional misconduct or gross negligence of RSF, or its employees, agents or contractors, or defects in the Premises.

## **ARTICLE 6. IMPROVEMENTS/ALTERATIONS/REPAIRS**

**Section 6.01. Acceptance of Premises.** AMR represents and warrants that it has independently inspected the Premises and made all tests, investigations, and observations necessary to satisfy itself of the condition of the Premises. AMR acknowledges it is relying solely on such independent inspections, tests, investigations, and observations in making this Agreement. AMR further acknowledges that the Premises are in the condition called for by this Agreement and that AMR will not hold RSF responsible for any defects in the Premises.

**Section 6.02. Maintenance.** AMR agrees to assume full responsibility and cost for the operation and maintenance of the Premises throughout the term of this Agreement. AMR will make all repairs and replacements necessary to maintain and preserve the Premises in a decent, safe, and healthy, and sanitary condition satisfactory to RSF and in compliance with all applicable laws.

**Section 6.03 Improvements/Alterations.** No improvements, structures, or installations shall be constructed on the Premises, and the Premises may not be altered by AMR without the prior written consent of RSF which consent maybe granted or withheld by RSF in its sole discretion. This provision shall not relieve AMR of any obligation under this Agreement to maintain the Premises in a decent, safe, healthy, and sanitary condition, including structural repair and restoration of damaged or worn improvements. RSF shall not be obligated by this Agreement to make or assume any expense for any improvements or alterations.

**Section 6.04. Utilities.** RSF shall furnish to the Premises, and pay for at all times during the Term, all utilities necessary for the use and enjoyment by AMR of the Premises for AMR's intended use. Such utility services shall include, but not necessarily be limited to gas, water, and elevator service if required for AMR's intended use of the Premises; provided, however, that RSF shall not be obligated to provide telephone equipment or facilities to the Premises nor shall RSF be obligated to provide internet service.

**Section 6.05. Liens.** AMR shall not, directly or indirectly create, incur, assume or suffer to exist any mortgage, pledge, lien, charge, and encumbrance or claim on or with respect to all or any portion of the Premises. AMR shall promptly, at its own expense, take such action as may be necessary to duly discharge or remove any such mortgage, pledge, lien, charge, and encumbrance or claim on or with respect to all or any portion of the Premises.

**Section 6.06. Signs.** AMR shall not erect or display any banners, pennants, flags, posters, signs, decorations, marquees, awnings, or similar devices or advertising without the prior written consent of RSF which consent maybe granted or withheld by RSF in its sole discretion. If any such unauthorized item is found on the Premises, AMR shall remove the items at its expenses within twenty-four (24) hours of written notice thereof by RSF, or RSF may thereupon remove the items at AMR's cost.

## **ARTICLE 7. OWNERSHIP**

### **Section 7.01. Ownership of Improvements and Personal Property.**

a. Any and all improvements, trade fixtures, structures, and installations or additions to the Premises now existing or constructed on the Premises by AMR shall at Agreement expiration or earlier termination be deemed to be part of the Premises and shall become, at RSF's option, RSF's property, free of all liens and claims except as otherwise provided in this Agreement.

b. If RSF elects not to assume ownership of all or any improvements, trade fixtures, structures and installations, RSF shall so notify AMR in writing thirty (30) days prior to termination and AMR shall remove all such improvements, structures and installations as directed by RSF at AMR's sole cost on or before Agreement expiration or termination. If AMR fails to remove any improvements, structures, and installations as directed, AMR agrees to pay RSF the full cost of any removal.

c. AMR-owned machines, appliances, equipment (other than trade fixtures), and other items of personal property shall be removed by AMR the date of the expiration or termination of this Agreement. Any of said items which AMR fails to remove will be considered abandoned and become RSF's property free of all claims and liens, or RSF may, at its option, remove said items at AMR's expense.

d. If any removal of such personal property by AMR results in damage to the remaining improvements on the Premises, AMR shall repair all such damage.

e. Notwithstanding any of the foregoing, in the event AMR desires to dispose of any of its personal property used in the operation of said Premises upon expiration or termination of this Agreement, then AMR shall have the first right to acquire or purchase said personal property.

## **ARTICLE 8. USE OF PREMISES**

**Section 8.01. Permitted Uses.** AMR shall use the Premises for the Permitted Use only, and for no other use. AMR shall not allow the Premises to be used for any immoral or unlawful purpose, nor shall AMR cause, maintain or permit any nuisance in, on or about the Premises. AMR shall not commit or suffer to be committed any waste in or upon the Premises.

**Section 8.02. Compliance with Laws.** AMR shall not use the Premises in any way (or permit or suffer anything to be done in or about the Premises) which will conflict with any law, statute, ordinance or governmental rule or regulation or any covenant, condition or restriction (whether or not of public record) affecting the Premises, now in force or which may hereafter

be enacted or promulgated including, but not limited to, the provisions of any city or county zoning codes regulating the use of the Premises. AMR shall, at its sole cost and expense, promptly comply with (a) all laws, statutes, ordinances, and governmental rules and regulations, now in force or which may hereafter be in force, (b) all requirements, covenants, conditions, and restrictions, now in force or which may hereafter be in force, which affect the Premises and (c) all requirements, now in force or which may hereafter be in force, of any board of fire underwriters or other similar body now or hereafter constituted relating to or other similar body now or hereafter constituted relating to or affecting the condition, use or occupancy of the Premises. The judgment of any court of competent jurisdiction or the admission by AMR in any action against AMR, whether RSF be a party thereto nor not, that AMR has violated any law, statute, ordinance, governmental rule or regulation or any requirement, covenant, condition or restriction shall be conclusive of the fact as between RSF and AMR. AMR agrees to fully indemnify RSF against any liability, claims or damages arising as a result of a breach of the provisions of this Article by AMR, and against all costs, expenses, fines or other charges arising therefrom, including, without limitation, attorneys' fees and related costs incurred by RSF in connection therewith, which indemnity shall survive the expiration or earlier termination of this Lease.

**Section 8.03. Hazardous Waste.** Without limiting the generality of the obligations of AMR pursuant to Paragraph 8.01 above, AMR shall not permit the storage, delivery or use of "hazardous materials", as defined below, on the Premises. The term "hazardous materials" shall mean any substance or material defined or designated as hazardous or toxic, or other similar term, by any present or future local, state or federal environmental statute, regulation or ordinance including, without limitation, California Health and Safety Code §25100 et seq. and §39000 et seq., California Water Code §13000 et seq., the Porter-Cologne Water Quality Act, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. §9601 et seq., as now or hereafter amended ("CERCLA"), the Resource Conservation and Recovery Act of 1976, 42 U.S.C. §6901 et seq., as now or hereafter amended ("RCRA"), the Hazardous Materials Transportation Act, 49 U.S.C. §801 et seq., as now hereafter amended ("HMTA") the Toxic Substances Control Act of 1976, 15 U.S.C. §2601 et seq., as now or hereafter amended ("TSCA"), the Clean Water Act, 33 U.S.C. §7901 et seq., as now or hereafter amended ("CWA") the Clean Air Act 42 U.S.C. §7901 et seq., as now or hereafter amended ("CAA"), and the regulations promulgated pursuant to said laws (collectively "Environmental Laws"). AMR agrees to immediately indemnify, defend and hold RSF and its officers, directors, partners and employees entirely harmless from and against any and all liabilities, losses, demands, actions, expenses or claims, including attorney's fees and court costs, incurred directly or indirectly in connection with or arising from (i) the discovery of any hazardous materials which have been placed on or beneath the Premises by AMR and/or by any of AMR's Agents or the presence of any hazardous materials on or beneath any real property adjacent to the Premises which have been placed on or beneath any such adjacent real property by AMR and/or by any of AMR's Agents or which originated from hazardous materials placed on or beneath the Premises by AMR and/or by any of AMR's Agents and (ii) any failure of AMR to

perform its obligations under this Paragraph. This indemnification and AMR's obligations to cause the Premises to comply with such Environmental Laws and governmental standards shall survive the termination of this Lease.

AMR does not intend to use, and will not use, the Premises for the storage of any gasoline, diesel, or any other petroleum product. AMR does not intend to use, and will not use the Premises for the storage of Bio or Medical Waste.

## **ARTICLE 9. GENERAL PROVISIONS**

**Section 9.01. Notices.** All notices, demands, requests, consents or other communications which this Agreement contemplates or authorizes, or requires or permits either party to give to the other, shall be in writing and shall be personally delivered or mailed to the respective party as follows:

**To RSF:** Rancho Santa Fe Fire Protection District  
P.O. Box 410  
Rancho Santa Fe, California 92067-0410  
**[For U.S. Mail]**

Rancho Santa Fe Fire Protection District  
18027 Calle Ambiente  
Rancho Santa Fe, California 92067  
**[For Delivery]**

**To AMR:** American Medical Response of Southern California, Inc.  
8808 Balboa Ave., Ste. 150  
San Diego, CA 92123

**Copy to:** Legal Department  
American Medical Response, Inc.  
6200 S. Syracuse Way, Suite 200  
Greenwood Village, CO 80111

Either party may change its address by notice to the other party as provided.

Communications shall be deemed to have been given and received on the first to occur of (i) actual receipt at the offices of the party to whom the communication is to be sent, as designated above, or (ii) three (3) working days following the deposit in the United States mail of registered or certified mail, postage prepaid, return receipt requested, addressed to the offices of the party to whom the communication is to be sent, as designated above.

**Section 9.02. RSF Approval.** Unless otherwise specified in this Agreement, the Fire Chief shall be RSF's authorized representative in connection with this Agreement. The Fire Chief may delegate authority in connection with this Agreement to the Fire Chief's designee(s).

**Section 9.03. Nondiscrimination.** AMR agrees not to discriminate in any manner against any person or persons on account of race, marital status, sex, religious creed, color, ancestry, national origin, age, or physical handicap in AMR's use of the Premises.

**Section 9.04. Entire Agreement.** This Agreement comprises the entire integrated understanding between RSF and AMR concerning the use and occupation of the Premises and supersedes all prior negotiations, representations, or agreements.

**Section 9.05. Governing Law.** The interpretation, validity and enforcement of this Agreement shall be governed by and construed under the laws of the State of California.

**Section 9.06. Invalid.** Should any provision herein be found or deemed to be invalid, the Agreement shall be construed as not containing such provision, and all other provisions which are otherwise lawful shall remain in full force and effect, and to this end the provisions of this Agreement are severable.

**Section 9.07. Successor.** This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

**Section 9.08. Agreement Modification.** This Agreement may not be modified orally or in any manner other than by a writing signed by the parties hereto.

**Section 9.09. Waiver.** Any RSF waiver of a default is not a waiver of any other default. Any waiver of a default must be in writing and be executed by the Fire Chief in order to constitute a valid and binding waiver. RSF's delay or failure to exercise a remedy or right for any default does not waive the use of another remedy or right for the same default or for another or later default. RSF's acceptance of any rents is not a waiver of any default preceding the Rent payment. RSF and AMR specifically agree that the property constituting the Premises is RSF-owned and held in trust for the benefit of the citizens of Rancho Santa Fe and that any failure by the Fire Chief to discover a default or take prompt action to require the cure of any default shall not result in an equitable estoppel, but RSF shall as all times, subject to applicable statute of limitations, have the legal right to require the cure of any default when and as such defaults are discovered or when and as the Fire Board directs the Fire Chief to take action or require the cure of any default after such default is brought to the attention of the Fire Board by the Fire Chief or by a taxpayer.

**Section 9.10. Assignment and Subletting - No Encumbrance.** This Agreement and any portion thereof shall not be assigned, transferred, or sublet, nor shall any of AMR's duties be delegated without the express written consent of RSF shall be void and of no force or effect. A consent by RSF to one assignment, transfer, sublease, or delegation shall not be deemed to be a consent to any subsequent assignment, transfer, sublease, or delegation. This Paragraph shall not be construed or applied to allow use of the Premises by a contractor or franchisee of AMR providing paramedic services.

**Section 9.11. Defaults and Termination.** If AMR shall default in the payment of any rent and such default shall continue for five (5) days after written notice to AMR from RSF of such default; or if AMR shall default in the observance of any of the other covenants contained in this Agreement and on AMR's part to be performed or observed and shall fail, within thirty (30) days after written notice to AMR from RSF of such default, to cure such default (or, if such default is not susceptible of cure within thirty (30) days, to commence such cure within said thirty (30) day period and thereafter to pursue such cure to completion); or if the estate hereby created shall be taken on execution, or by other process of law; or if AMR shall be found by a court of competent jurisdiction to be bankrupt or insolvent, then and in any of said cases, RSF may, to the extent permitted by law, immediately or at any time thereafter while the situation still exists enter into and upon the Premises, or any part thereof in the name of the whole, and repossess the same as of RSF's former estate, and expel AMR and those claiming through or under AMR and remove its effects without being deemed guilty of any manner of trespass, and without prejudice to any remedies which might otherwise be used for arrears of rent or preceding breach of covenant, and upon entry as aforesaid this Sublease shall terminate.

**Section 9.12. Time is of the Essence.** Time is of the essence in the performance of each provision of this Lease.

**Section 9.13. Attorney's Fees.** AMR shall pay to RSF all amounts for costs, including, but not limited to reasonable attorney's fees and amounts paid to any collection agency, incurred by RSF in connection with any breach or default by AMR under this Lease or incurred in order to enforce or interpret the terms or provisions of this Lease. Such amounts shall be payable upon demand. In addition, if any action shall be instituted by either RSF or AMR for the enforcement or interpretation of any of its rights or remedies in or under this Lease, the prevailing party shall be entitled to recover from the losing party all costs incurred by the prevailing party in said action and any appeal therefrom, including reasonable attorneys' fees and court costs to be fixed by the court therein. In the event RSF is made a party to any litigation between AMR and any third party, then AMR shall pay all costs and attorneys' fees incurred by or imposed upon RSF in connection with such litigation; provided, however, if RSF is ultimately held to be liable, then RSF shall reimburse AMR for the cost of any attorneys' fees paid by AMR on behalf of RSF.

**Section 9.14. Counterparts.** This Lease may be executed in several counterparts, each of which shall be deemed an original of this Lease for all purposes.

**Section 9.15. Signature.** The individuals executing this Agreement represent and warrant that they have the right, power, legal capacity and authority to enter into and to execute this Agreement on behalf of the respective legal entities of AMR and RSF.

**Section 9.16. Brokers.** Each party hereto represents and warrants to the other that it has not dealt with any broker in connection with the Premises or this lease. Each party hereto hereby indemnifies and holds the other harmless from and against any liability for commissions due any broker or finder with whom such party has dealt in connection with this lease.

#### **ARTICLE 10. SPECIAL PROVISIONS**

**Section 10.01. Use of Cooking Facilities, Recreational Areas and Parking Lots.** Subject to rules established by the Fire Chief of RSF, personnel assigned by AMR shall have reasonable access to and use of the cooking, eating and recreational facilities of the Rancho Santa Fe Fire Station No. 1, and to the parking lots generally available to Rancho Santa Fe Fire District personnel for the parking of vehicles while at work.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed as of the day and year respectively first appearing above.

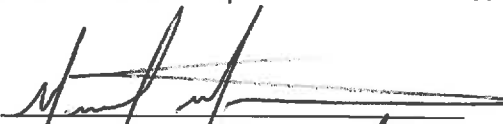
#### **RSF**

Rancho Santa Fe Fire Protection District

By:   
Tony Michel, Fire Chief

#### **AMR**

American Medical Response of Southern California, Inc.

By:   
Name: MICHAEL MURPHY  
Its: GM



## LEASE AGREEMENT

This Lease Agreement ("**Agreement**") is executed this 18<sup>th</sup> day of December 2013 ("**Effective Date**") by and between RANCHO SANTA FE FIRE PROTECTION DISTRICT, a Political Sub-division ("**RSF**"), and AMERICAN MEDICAL RESPONSE OF SOUTHERN CALIFORNIA, INC., a California corporation ("**AMR**").

WHEREAS, RSF is a special district charged with providing fire and medical services within the County of San Diego; and

WHEREAS, AMR operates emergency medical equipment within the County of San Diego; and

WHEREAS, AMR desires to rent from RSF on a month-to-month basis such space in RSF's Fire Station No. 1 to house and dispatch emergency medical equipment.

NOW THEREFORE, the Parties hereto mutually agree as follows:

### ARTICLE 1. USES

**Section 1.01. Space.** RSF hereby agrees that AMR shall have the right to occupy and to use in accordance with the terms of this Agreement approximately 933 square foot portion of that certain real property located at 16930 Four Gee Road, San Diego, California 92127, commonly known as "**Rancho Santa Fe Fire Station No. 2.**" The approximate 933 square foot shall consist of approximately 250 square feet of dorm space, including six lockers for personal equipment; 10 square feet of secured storage space for paramedic supplies; 61 square feet of shared use bathroom/shower facilities; parking for two (2) AMR employee vehicles; 612 square feet of enclosed apparatus storage (garage) as shown on the diagram attached as Exhibit "A" hereto and by this reference made a part hereof ("**Premises**").

**Section 1.02. Uses.** It is expressly agreed that AMR is given the right to occupy and use the Premises solely and exclusively for the purpose of housing paramedic vehicles, personnel and equipment relating to its contract with CSA-17 and for such other related or incidental purposes as may be first approved in writing by RSF and for no other purpose ("**Permitted Use**").

AMR covenants and agrees to use the Premises for the above-specified purposes and to diligently pursue said purposes throughout the term hereof. In the event that AMR fails to continuously use the Premises for said purposes, or uses the Premises not expressly authorized herein, AMR shall be deemed in default under this Agreement. AMR shall not use the Premises in any manner which interferes with the use of Rancho Santa Fe Fire Station No. 2 by RSF as a fire station.

**Section 1.03. Related Board Actions.** By the granting of this Agreement, RSF is not obligating itself to any other governmental agent, board, commission, or agency with regard to any other discretionary action relating to development or operation of the Premises. Discretionary action includes, but is not limited to rezoning, variances, conditional use permits, environmental clearances or any other governmental agency approvals which may be required for the development and operations of the Premises.

**Section 1.04. Reservation of Rights.** RSF shall not unreasonably or substantially interfere with AMR's use of the Premises while AMR is occupying and using the Premises, however, RSF specifically retains the following rights:

- a. **Subsurface Rights.** RSF hereby reserves all rights, title and interest in any and all subsurface natural gas, oil, minerals and water on or within the Premises.
- b. **Easements.** RSF reserves the right to grant and use easements or to establish and use rights-of-way over, under, along and across the leased Premises for utilities, thoroughfares, or access as it deems advisable for the public good.
- c. **Right to Enter.** RSF has the right to enter the Premises for the purpose of performing maintenance, inspections, repairs or improvements, or developing municipal resources and services, or as necessary in the use of the entire property for the purposes of operating the Rancho Santa Fe Fire District.
- d. **Right to Use.** RSF has the right to use the Premises as may be necessary from time to time in the operation of Rancho Santa Fe Fire District, provided that such use shall not unreasonably interfere with AMR's use and occupancy.
- e. **RSF's use of the Premises is paramount to that of AMR's use.**

RSF will not reimburse AMR for damages, if any, to the improvements, located on the leased Premises resulting from RSF exercising the rights reserved in this Agreement. RSF will pay the costs of the maintenance and repair of all RSF installations made pursuant to these reserved rights.

## **ARTICLE 2. TERM**

**Section 2.01. Commencement.** This Agreement shall be for a month-to-month basis commencing January 1, 2014 ("**Commencement Date**").

If RSF for any reason cannot deliver possession of the Premises to AMR at the Commencement of the term, or if during the term of this Agreement AMR is dispossessed for any reason whatsoever, RSF shall not be liable to AMR for any loss or damage resulting therefrom.

**Section 2.02. Termination Provisions.** AMR's right to use and occupy the Premises may be terminated at any time by either Party upon thirty (30) days prior written notice, except as may otherwise provided herein.

**Section 2.03. Surrender of Premises.** At the expiration or earlier termination of this Agreement, AMR shall surrender the Premises to RSF free and clear of all liens and encumbrances. The Premises, when surrendered by AMR, shall be in safe and sanitary condition and shall be in as good or better condition as of the Commencement Date, normal wear and tear accepted.

### **ARTICLE 3. PAYMENT**

**Section 3.01. Base Monthly Occupancy Payments.** AMR shall pay to RSF as base monthly occupancy payment ("**Rent**") a sum of two thousand, two hundred, eighty-two dollars and seventy-two cents (\$2,282.72) per month, and such sum is subject to adjustment by RSF on thirty (30) day notice to AMR. All Rent due under this Lease shall be payable in advance on the first day of each calendar month. If the Commencement Date is not the first day of a calendar month, then the advance Rent for the partial month at the beginning of the Term shall be pro-rated on a per diem basis.

**Section 3.02. Time and Place of Payment.** AMR shall make all Rent payments to the Administration Office of RSF as set forth in Section 9.1.

### **ARTICLE 4. INSURANCE**

**Section 4.01. Insurance to be Carried by AMR.**

a. AMR shall carry and maintain during the entire term hereof, at AMR's sole cost and expense, broad form comprehensive public liability insurance with limits of not less than Three Million Dollars (\$3,000,000.00) per person and Three Million Dollars (\$3,000,000.00) each occurrence, insuring against any and all liability of AMR with respect to the Premises or arising out of the maintenance, use or occupancy thereof, and property damage liability insurance with a limit of not less than Three Million Dollars (\$3,000,000.00) each accident.

b. All policies of insurance to be carried and maintained by AMR hereunder shall be issued by companies having not less than Best's VII A+ rating and shall be

issued in the name of AMR with RSF named as additional insured and for the mutual and joint benefit and protection of the parties. All such policies shall contain a provision that RSF, although named as an additional insured, shall nevertheless be entitled to recovery under such policies for any loss, injury, or damage to RSF and/or RSF's agents, servants, and employees by reason of the negligence of AMR.

c. AMR shall deliver to RSF certificates of coverage from the insurance company or companies writing the policy or policies of insurance, which certificates shall, among other things, designate the company writing the same, the number, amount, and provisions thereof.

d. All insurance policies shall contain a provision that such policies shall not be canceled or terminated without thirty (30) days prior notice from the insurance company to RSF. AMR agrees that on or before ten (10) days prior to expiration of any insurance policy, AMR will deliver to RSF written notification in the form of a receipt or other similar document from the applicable insurance company that said policy or policies have been renewed, or deliver certificates of insurance coverage from another good and solvent insurance company for such coverage.

e. AMR shall carry Worker's Compensation Insurance for all AMR's employees.

f. In the event RSF deems it necessary to increase the amounts or limits of insurance required to be carried by AMR hereunder, RSF may reasonably increase such amounts or limits of insurance, and AMR shall increase the amounts or limits of the insurance required to be carried by AMR hereunder and shall provide RSF with policies or original certificates indicating the increased amounts or limits.

## **ARTICLE 5. INDEMNITY**

**Section 5.01. AMR's Indemnity.** AMR shall indemnify, defend and hold RSF and its directors and employers harmless from and against all damages, demands, actions, expenses, claims, losses or liabilities (collectively, a "**Claim**"), to the extent arising from (i) any breach or default by AMR of its obligations under this Agreement or (ii) the negligence or willful misconduct of AMR or AMR's agents, invitees, employees or contractors or (iii) the use, occupancy or enjoyment of Premises by AMR or AMR's agents, employees, invitees or contractors or any work, activity or other things allowed or suffered by AMR or AMR's agents to be done in or about the Premises. AMR shall, at its expense and with counsel approved by RSF, defend RSF in any action or proceeding arising from any Claim, provided, that AMR shall not defend such action or proceeding or bear the costs thereof in a suit involving the intentional misconduct or gross negligence of RSF, or its employees, agents or contractors, or defects in the Premises.

## **ARTICLE 6. IMPROVEMENTS/ALTERATIONS/REPAIRS**

**Section 6.01. Acceptance of Premises.** AMR represents and warrants that it has independently inspected the Premises and made all tests, investigations, and observations necessary to satisfy itself of the condition of the Premises. AMR acknowledges it is relying solely on such independent inspections, tests, investigations, and observations in making this Agreement. AMR further acknowledges that the Premises are in the condition called for by this Agreement and that AMR will not hold RSF responsible for any defects in the Premises.

**Section 6.02. Maintenance.** AMR agrees to assume full responsibility and cost for the operation and maintenance of the Premises throughout the term of this Agreement. AMR will make all repairs and replacements necessary to maintain and preserve the Premises in a decent, safe, and healthy, and sanitary condition satisfactory to RSF and in compliance with all applicable laws.

**Section 6.03 Improvements/Alterations.** No improvements, structures, or installations shall be constructed on the Premises, and the Premises may not be altered by AMR without the prior written consent of RSF which consent maybe granted or withheld by RSF in its sole discretion. This provision shall not relieve AMR of any obligation under this Agreement to maintain the Premises in a decent, safe, healthy, and sanitary condition, including structural repair and restoration of damaged or worn improvements. RSF shall not be obligated by this Agreement to make or assume any expense for any improvements or alterations.

**Section 6.04. Utilities.** RSF shall furnish to the Premises, and pay for at all times during the Term, all utilities necessary for the use and enjoyment by AMR of the Premises for AMR's intended use. Such utility services shall include, but not necessarily be limited to gas, water, and elevator service if required for AMR's intended use of the Premises; provided, however, that RSF shall not be obligated to provide telephone equipment or facilities to the Premises nor shall RSF be obligated to provide internet service.

**Section 6.05. Liens.** AMR shall not, directly or indirectly create, incur, assume or suffer to exist any mortgage, pledge, lien, charge, and encumbrance or claim on or with respect to all or any portion of the Premises. AMR shall promptly, at its own expense, take such action as may be necessary to duly discharge or remove any such mortgage, pledge, lien, charge, and encumbrance or claim on or with respect to all or any portion of the Premises.

**Section 6.06. Signs.** AMR shall not erect or display any banners, pennants, flags, posters, signs, decorations, marquees, awnings, or similar devices or advertising without the prior written consent of RSF which consent maybe granted or withheld by RSF in its sole discretion. If any such unauthorized item is found on the Premises, AMR shall remove the items at its expenses within twenty-four (24) hours of written notice thereof by RSF, or RSF may thereupon remove the items at AMR's cost.

## **ARTICLE 7. OWNERSHIP**

### **Section 7.01. Ownership of Improvements and Personal Property.**

a. Any and all improvements, trade fixtures, structures, and installations or additions to the Premises now existing or constructed on the Premises by AMR shall at Agreement expiration or earlier termination be deemed to be part of the Premises and shall become, at RSF's option, RSF's property, free of all liens and claims except as otherwise provided in this Agreement.

b. If RSF elects not to assume ownership of all or any improvements, trade fixtures, structures and installations, RSF shall so notify AMR in writing thirty (30) days prior to termination and AMR shall remove all such improvements, structures and installations as directed by RSF at AMR's sole cost on or before Agreement expiration or termination. If AMR fails to remove any improvements, structures, and installations as directed, AMR agrees to pay RSF the full cost of any removal.

c. AMR-owned machines, appliances, equipment (other than trade fixtures), and other items of personal property shall be removed by AMR the date of the expiration or termination of this Agreement. Any of said items which AMR fails to remove will be considered abandoned and become RSF's property free of all claims and liens, or RSF may, at its option, remove said items at AMR's expense.

d. If any removal of such personal property by AMR results in damage to the remaining improvements on the Premises, AMR shall repair all such damage.

e. Notwithstanding any of the foregoing, in the event AMR desires to dispose of any of its personal property used in the operation of said Premises upon expiration or termination of this Agreement, then AMR shall have the first right to acquire or purchase said personal property.

## **ARTICLE 8. USE OF PREMISES**

**Section 8.01. Permitted Uses.** AMR shall use the Premises for the Permitted Use only, and for no other use. AMR shall not allow the Premises to be used for any immoral or unlawful purpose, nor shall AMR cause, maintain or permit any nuisance in, on or about the Premises. AMR shall not commit or suffer to be committed any waste in or upon the Premises.

**Section 8.02. Compliance with Laws.** AMR shall not use the Premises in any way (or permit or suffer anything to be done in or about the Premises) which will conflict with any law, statute, ordinance or governmental rule or regulation or any covenant, condition or restriction (whether or not of public record) affecting the Premises, now in force or which may hereafter

be enacted or promulgated including, but not limited to, the provisions of any city or county zoning codes regulating the use of the Premises. AMR shall, at its sole cost and expense, promptly comply with (a) all laws, statutes, ordinances, and governmental rules and regulations, now in force or which may hereafter be in force, (b) all requirements, covenants, conditions, and restrictions, now in force or which may hereafter be in force, which affect the Premises and (c) all requirements, now in force or which may hereafter be in force, of any board of fire underwriters or other similar body now or hereafter constituted relating to or other similar body now or hereafter constituted relating to or affecting the condition, use or occupancy of the Premises. The judgment of any court of competent jurisdiction or the admission by AMR in any action against AMR, whether RSF be a party thereto nor not, that AMR has violated any law, statute, ordinance, governmental rule or regulation or any requirement, covenant, condition or restriction shall be conclusive of the fact as between RSF and AMR. AMR agrees to fully indemnify RSF against any liability, claims or damages arising as a result of a breach of the provisions of this Article by AMR, and against all costs, expenses, fines or other charges arising therefrom, including, without limitation, attorneys' fees and related costs incurred by RSF in connection therewith, which indemnity shall survive the expiration or earlier termination of this Lease.

**Section 8.03. Hazardous Waste.** Without limiting the generality of the obligations of AMR pursuant to Paragraph 8.01 above, AMR shall not permit the storage, delivery or use of "hazardous materials", as defined below, on the Premises. The term "hazardous materials" shall mean any substance or material defined or designated as hazardous or toxic, or other similar term, by any present or future local, state or federal environmental statute, regulation or ordinance including, without limitation, California Health and Safety Code §25100 et seq. and §39000 et seq., California Water Code §13000 et seq., the Porter-Cologne Water Quality Act, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. §9601 et seq., as now or hereafter amended ("CERCLA"), the Resource Conservation and Recovery Act of 1976, 42 U.S.C. §6901 et seq., as now or hereafter amended ("RCRA"), the Hazardous Materials Transportation Act, 49 U.S.C. §801 et seq., as now hereafter amended ("HMTA") the Toxic Substances Control Act of 1976, 15 U.S.C. §2601 et seq., as now or hereafter amended ("TSCA"), the Clean Water Act, 33 U.S.C. §7901 et seq., as now or hereafter amended ("CWA") the Clean Air Act 42 U.S.C. §7901 et seq., as now or hereafter amended ("CAA"), and the regulations promulgated pursuant to said laws (collectively "Environmental Laws"). AMR agrees to immediately indemnify, defend and hold RSF and its officers, directors, partners and employees entirely harmless from and against any and all liabilities, losses, demands, actions, expenses or claims, including attorney's fees and court costs, incurred directly or indirectly in connection with or arising from (i) the discovery of any hazardous materials which have been placed on or beneath the Premises by AMR and/or by any of AMR's Agents or the presence of any hazardous materials on or beneath any real property adjacent to the Premises which have been placed on or beneath any such adjacent real property by AMR and/or by any of AMR's Agents or which originated from hazardous materials placed on or beneath the Premises by AMR and/or by any of AMR's Agents and (ii) any failure of AMR to

perform its obligations under this Paragraph. This indemnification and AMR's obligations to cause the Premises to comply with such Environmental Laws and governmental standards shall survive the termination of this Lease.

AMR does not intend to use, and will not use, the Premises for the storage of any gasoline, diesel, or any other petroleum product. AMR does not intend to use, and will not use the Premises for the storage of Bio or Medical Waste.

## **ARTICLE 9. GENERAL PROVISIONS**

**Section 9.01. Notices.** All notices, demands, requests, consents or other communications which this Agreement contemplates or authorizes, or requires or permits either party to give to the other, shall be in writing and shall be personally delivered or mailed to the respective party as follows:

**To RSF:** Rancho Santa Fe Fire Protection District  
P.O. Box 410  
Rancho Santa Fe, California 92067-0410  
**[For U.S. Mail]**

Rancho Santa Fe Fire Protection District  
18027 Calle Ambiente  
Rancho Santa Fe, California 92067  
**[For Delivery]**

**To AMR:** American Medical Response of Southern California, Inc.  
8808 Balboa Ave., Ste. 150  
San Diego, CA 92123

**Copy to:** Legal Department  
American Medical Response, Inc.  
6200 S. Syracuse Way, Suite 200  
Greenwood Village, CO 80111

Either party may change its address by notice to the other party as provided.

Communications shall be deemed to have been given and received on the first to occur of (i) actual receipt at the offices of the party to whom the communication is to be sent, as designated above, or (ii) three (3) working days following the deposit in the United States mail of registered or certified mail, postage prepaid, return receipt requested, addressed to the offices of the party to whom the communication is to be sent, as designated above.



**Section 9.02. RSF Approval.** Unless otherwise specified in this Agreement, the Fire Chief shall be RSF's authorized representative in connection with this Agreement. The Fire Chief may delegate authority in connection with this Agreement to the Fire Chief's designee(s).

**Section 9.03. Nondiscrimination.** AMR agrees not to discriminate in any manner against any person or persons on account of race, marital status, sex, religious creed, color, ancestry, national origin, age, or physical handicap in AMR's use of the Premises.

**Section 9.04. Entire Agreement.** This Agreement comprises the entire integrated understanding between RSF and AMR concerning the use and occupation of the Premises and supersedes all prior negotiations, representations, or agreements.

**Section 9.05. Governing Law.** The interpretation, validity and enforcement of this Agreement shall be governed by and construed under the laws of the State of California.

**Section 9.06. Invalid.** Should any provision herein be found or deemed to be invalid, the Agreement shall be construed as not containing such provision, and all other provisions which are otherwise lawful shall remain in full force and effect, and to this end the provisions of this Agreement are severable.

**Section 9.07. Successor.** This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

**Section 9.08. Agreement Modification.** This Agreement may not be modified orally or in any manner other than by a writing signed by the parties hereto.

**Section 9.09. Waiver.** Any RSF waiver of a default is not a waiver of any other default. Any waiver of a default must be in writing and be executed by the Fire Chief in order to constitute a valid and binding waiver. RSF's delay or failure to exercise a remedy or right for any default does not waive the use of another remedy or right for the same default or for another or later default. RSF's acceptance of any rents is not a waiver of any default preceding the Rent payment. RSF and AMR specifically agree that the property constituting the Premises is RSF-owned and held in trust for the benefit of the citizens of Rancho Santa Fe and that any failure by the Fire Chief to discover a default or take prompt action to require the cure of any default shall not result in an equitable estoppel, but RSF shall as all times, subject to applicable statute of limitations, have the legal right to require the cure of any default when and as such defaults are discovered or when and as the Fire Board directs the Fire Chief to take action or require the cure of any default after such default is brought to the attention of the Fire Board by the Fire Chief or by a taxpayer.

**Section 9.10. Assignment and Subletting - No Encumbrance.** This Agreement and any portion thereof shall not be assigned, transferred, or sublet, nor shall any of AMR's duties be delegated without the express written consent of RSF shall be void and of no force or effect. A consent by RSF to one assignment, transfer, sublease, or delegation shall not be deemed to be a consent to any subsequent assignment, transfer, sublease, or delegation. This Paragraph shall not be construed or applied to allow use of the Premises by a contractor or franchisee of AMR providing paramedic services.

**Section 9.11. Defaults and Termination.** If AMR shall default in the payment of any rent and such default shall continue for five (5) days after written notice to AMR from RSF of such default; or if AMR shall default in the observance of any of the other covenants contained in this Agreement and on AMR's part to be performed or observed and shall fail, within thirty (30) days after written notice to AMR from RSF of such default, to cure such default (or, if such default is not susceptible of cure within thirty (30) days, to commence such cure within said thirty (30) day period and thereafter to pursue such cure to completion); or if the estate hereby created shall be taken on execution, or by other process of law; or if AMR shall be found by a court of competent jurisdiction to be bankrupt or insolvent, then and in any of said cases, RSF may, to the extent permitted by law, immediately or at any time thereafter while the situation still exists enter into and upon the Premises, or any part thereof in the name of the whole, and repossess the same as of RSF's former estate, and expel AMR and those claiming through or under AMR and remove its effects without being deemed guilty of any manner of trespass, and without prejudice to any remedies which might otherwise be used for arrears of rent or preceding breach of covenant, and upon entry as aforesaid this Sublease shall terminate.

**Section 9.12. Time is of the Essence.** Time is of the essence in the performance of each provision of this Lease.

**Section 9.13. Attorney's Fees.** AMR shall pay to RSF all amounts for costs, including, but not limited to reasonable attorney's fees and amounts paid to any collection agency, incurred by RSF in connection with any breach or default by AMR under this Lease or incurred in order to enforce or interpret the terms or provisions of this Lease. Such amounts shall be payable upon demand. In addition, if any action shall be instituted by either RSF or AMR for the enforcement or interpretation of any of its rights or remedies in or under this Lease, the prevailing party shall be entitled to recover from the losing party all costs incurred by the prevailing party in said action and any appeal therefrom, including reasonable attorneys' fees and court costs to be fixed by the court therein. In the event RSF is made a party to any litigation between AMR and any third party, then AMR shall pay all costs and attorneys' fees incurred by or imposed upon RSF in connection with such litigation; provided, however, if RSF is ultimately held to be liable, then RSF shall reimburse AMR for the cost of any attorneys' fees paid by AMR on behalf of RSF.

**Section 9.14. Counterparts.** This Lease may be executed in several counterparts, each of which shall be deemed an original of this Lease for all purposes.

**Section 9.15. Signature.** The individuals executing this Agreement represent and warrant that they have the right, power, legal capacity and authority to enter into and to execute this Agreement on behalf of the respective legal entities of AMR and RSF.

**Section 9.16. Brokers.** Each party hereto represents and warrants to the other that it has not dealt with any broker in connection with the Premises or this lease. Each party hereto hereby indemnifies and holds the other harmless from and against any liability for commissions due any broker or finder with whom such party has dealt in connection with this lease.

#### **ARTICLE 10. SPECIAL PROVISIONS**

**Section 10.01. Use of Cooking Facilities, Recreational Areas and Parking Lots.** Subject to rules established by the Fire Chief of RSF, personnel assigned by AMR shall have reasonable access to and use of the cooking, eating and recreational facilities of the Rancho Santa Fe Fire Station No. 2, and to the parking lots generally available to Rancho Santa Fe Fire District personnel for the parking of vehicles while at work.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed as of the day and year respectively first appearing above.

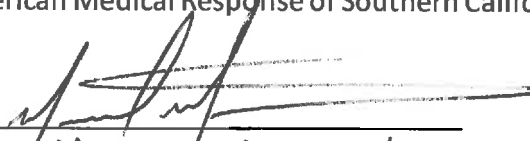
#### **RSF**

Rancho Santa Fe Fire Protection District

By:   
Tony Michel, Fire Chief

#### **AMR**

American Medical Response of Southern California, Inc.

By:   
Name: MICHAEL MURPHY  
Its: GM

## LEASE AGREEMENT

This Lease Agreement ("**Agreement**") is executed this 18<sup>th</sup> day of December 2013 ("**Effective Date**") by and between RANCHO SANTA FE FIRE PROTECTION DISTRICT, a Political Sub-division ("**RSF**"), and AMERICAN MEDICAL RESPONSE OF SOUTHERN CALIFORNIA, INC., a California corporation ("**AMR**").

WHEREAS, RSF is a special district charged with providing fire and medical services within the County of San Diego; and

WHEREAS, AMR operates emergency medical equipment within the County of San Diego; and

WHEREAS, AMR desires to rent from RSF on a month-to-month basis such space in RSF's Fire Station No. 1 to house and dispatch emergency medical equipment.

NOW THEREFORE, the Parties hereto mutually agree as follows:

### ARTICLE 1. USES

**Section 1.01. Space.** RSF hereby agrees that AMR shall have the right to occupy and to use in accordance with the terms of this Agreement approximately 993 square foot portion of that certain real property located at 18040 Calle Ambiente, Rancho Santa Fe, California 92067, commonly known as "**Rancho Santa Fe Fire Station No. 4.**" The approximate 993 square foot shall consist of approximately 287 square feet of dorm space, including six lockers for personal equipment; 10 square feet of secured storage space for paramedic supplies; 84 square feet of shared use bathroom/shower facilities; parking for two (2) AMR employee vehicles; 612 square feet of enclosed apparatus storage (garage) as shown on the diagram attached as Exhibit "A" hereto and by this reference made a part hereof ("**Premises**").

**Section 1.02. Uses.** It is expressly agreed that AMR is given the right to occupy and use the Premises solely and exclusively for the purpose of housing paramedic vehicles, personnel and equipment relating to its contract with CSA-17 and for such other related or incidental purposes as may be first approved in writing by RSF and for no other purpose ("**Permitted Use**").

AMR covenants and agrees to use the Premises for the above-specified purposes and to diligently pursue said purposes throughout the term hereof. In the event that AMR fails to continuously use the Premises for said purposes, or uses the Premises not expressly authorized herein, AMR shall be deemed in default under this Agreement. AMR shall not use the Premises in any manner which interferes with the use of Rancho Santa Fe Fire Station No. 4 by RSF as a fire station.

**Section 1.03. Related Board Actions.** By the granting of this Agreement, RSF is not obligating itself to any other governmental agent, board, commission, or agency with regard to any other discretionary action relating to development or operation of the Premises. Discretionary action includes, but is not limited to rezoning, variances, conditional use permits, environmental clearances or any other governmental agency approvals which may be required for the development and operations of the Premises.

**Section 1.04. Reservation of Rights.** RSF shall not unreasonably or substantially interfere with AMR's use of the Premises while AMR is occupying and using the Premises, however, RSF specifically retains the following rights:

- a. **Subsurface Rights.** RSF hereby reserves all rights, title and interest in any and all subsurface natural gas, oil, minerals and water on or within the Premises.
- b. **Easements.** RSF reserves the right to grant and use easements or to establish and use rights-of-way over, under, along and across the leased Premises for utilities, thoroughfares, or access as it deems advisable for the public good.
- c. **Right to Enter.** RSF has the right to enter the Premises for the purpose of performing maintenance, inspections, repairs or improvements, or developing municipal resources and services, or as necessary in the use of the entire property for the purposes of operating the Rancho Santa Fe Fire District.
- d. **Right to Use.** RSF has the right to use the Premises as may be necessary from time to time in the operation of Rancho Santa Fe Fire District, provided that such use shall not unreasonably interfere with AMR's use and occupancy.
- e. **RSF's use of the Premises is paramount to that of AMR's use.**

RSF will not reimburse AMR for damages, if any, to the improvements, located on the leased Premises resulting from RSF exercising the rights reserved in this Agreement. RSF will pay the costs of the maintenance and repair of all RSF installations made pursuant to these reserved rights.

## **ARTICLE 2. TERM**

**Section 2.01. Commencement.** This Agreement shall be for a month-to-month basis commencing January 1, 2014 ("**Commencement Date**").

If RSF for any reason cannot deliver possession of the Premises to AMR at the Commencement of the term, or if during the term of this Agreement AMR is dispossessed for any reason whatsoever, RSF shall not be liable to AMR for any loss or damage resulting therefrom.

**Section 2.02. Termination Provisions.** AMR's right to use and occupy the Premises may be terminated at any time by either Party upon thirty (30) days prior written notice, except as may otherwise provided herein.

**Section 2.03. Surrender of Premises.** At the expiration or earlier termination of this Agreement, AMR shall surrender the Premises to RSF free and clear of all liens and encumbrances. The Premises, when surrendered by AMR, shall be in safe and sanitary condition and shall be in as good or better condition as of the Commencement Date, normal wear and tear accepted.

### **ARTICLE 3. PAYMENT**

**Section 3.01. Base Monthly Occupancy Payments.** AMR shall pay to RSF as base monthly occupancy payment ("**Rent**") a sum of two thousand, four hundred, twenty-nine dollars and forty-nine cents (\$2,429.49) per month, and such sum is subject to adjustment by RSF on thirty (30) day notice to AMR. All Rent due under this Lease shall be payable in advance on the first day of each calendar month. If the Commencement Date is not the first day of a calendar month, then the advance Rent for the partial month at the beginning of the Term shall be pro-rated on a per diem basis.

**Section 3.02. Time and Place of Payment.** AMR shall make all Rent payments to the Administration Office of RSF as set forth in Section 9.1.

### **ARTICLE 4. INSURANCE**

**Section 4.01. Insurance to be Carried by AMR.**

a. AMR shall carry and maintain during the entire term hereof, at AMR's sole cost and expense, broad form comprehensive public liability insurance with limits of not less than Three Million Dollars (\$3,000,000.00) per person and Three Million Dollars (\$3,000,000.00) each occurrence, insuring against any and all liability of AMR with respect to the Premises or arising out of the maintenance, use or occupancy thereof, and property damage liability insurance with a limit of not less than Three Million Dollars (\$3,000,000.00) each accident.

b. All policies of insurance to be carried and maintained by AMR hereunder shall be issued by companies having not less than Best's VII A+ rating and shall be

issued in the name of AMR with RSF named as additional insured and for the mutual and joint benefit and protection of the parties. All such policies shall contain a provision that RSF, although named as an additional insured, shall nevertheless be entitled to recovery under such policies for any loss, injury, or damage to RSF and/or RSF's agents, servants, and employees by reason of the negligence of AMR.

c. AMR shall deliver to RSF certificates of coverage from the insurance company or companies writing the policy or policies of insurance, which certificates shall, among other things, designate the company writing the same, the number, amount, and provisions thereof.

d. All insurance policies shall contain a provision that such policies shall not be canceled or terminated without thirty (30) days prior notice from the insurance company to RSF. AMR agrees that on or before ten (10) days prior to expiration of any insurance policy, AMR will deliver to RSF written notification in the form of a receipt or other similar document from the applicable insurance company that said policy or policies have been renewed, or deliver certificates of insurance coverage from another good and solvent insurance company for such coverage.

e. AMR shall carry Worker's Compensation Insurance for all AMR's employees.

f. In the event RSF deems it necessary to increase the amounts or limits of insurance required to be carried by AMR hereunder, RSF may reasonably increase such amounts or limits of insurance, and AMR shall increase the amounts or limits of the insurance required to be carried by AMR hereunder and shall provide RSF with policies or original certificates indicating the increased amounts or limits.

## **ARTICLE 5. INDEMNITY**

**Section 5.01. AMR's Indemnity.** AMR shall indemnify, defend and hold RSF and its directors and employers harmless from and against all damages, demands, actions, expenses, claims, losses or liabilities (collectively, a "**Claim**"), to the extent arising from (i) any breach or default by AMR of its obligations under this Agreement or (ii) the negligence or willful misconduct of AMR or AMR's agents, invitees, employees or contractors or (iii) the use, occupancy or enjoyment of Premises by AMR or AMR's agents, employees, invitees or contractors or any work, activity or other things allowed or suffered by AMR or AMR's agents to be done in or about the Premises. AMR shall, at its expense and with counsel approved by RSF, defend RSF in any action or proceeding arising from any Claim, provided, that AMR shall not defend such action or proceeding or bear the costs thereof in a suit involving the intentional misconduct or gross negligence of RSF, or its employees, agents or contractors, or defects in the Premises.

## **ARTICLE 6. IMPROVEMENTS/ALTERATIONS/REPAIRS**

**Section 6.01. Acceptance of Premises.** AMR represents and warrants that it has independently inspected the Premises and made all tests, investigations, and observations necessary to satisfy itself of the condition of the Premises. AMR acknowledges it is relying solely on such independent inspections, tests, investigations, and observations in making this Agreement. AMR further acknowledges that the Premises are in the condition called for by this Agreement and that AMR will not hold RSF responsible for any defects in the Premises.

**Section 6.02. Maintenance.** AMR agrees to assume full responsibility and cost for the operation and maintenance of the Premises throughout the term of this Agreement. AMR will make all repairs and replacements necessary to maintain and preserve the Premises in a decent, safe, and healthy, and sanitary condition satisfactory to RSF and in compliance with all applicable laws.

**Section 6.03 Improvements/Alterations.** No improvements, structures, or installations shall be constructed on the Premises, and the Premises may not be altered by AMR without the prior written consent of RSF which consent maybe granted or withheld by RSF in its sole discretion. This provision shall not relieve AMR of any obligation under this Agreement to maintain the Premises in a decent, safe, healthy, and sanitary condition, including structural repair and restoration of damaged or worn improvements. RSF shall not be obligated by this Agreement to make or assume any expense for any improvements or alterations.

**Section 6.04. Utilities.** RSF shall furnish to the Premises, and pay for at all times during the Term, all utilities necessary for the use and enjoyment by AMR of the Premises for AMR's intended use. Such utility services shall include, but not necessarily be limited to gas, water, and elevator service if required for AMR's intended use of the Premises; provided, however, that RSF shall not be obligated to provide telephone equipment or facilities to the Premises nor shall RSF be obligated to provide internet service.

**Section 6.05. Liens.** AMR shall not, directly or indirectly create, incur, assume or suffer to exist any mortgage, pledge, lien, charge, and encumbrance or claim on or with respect to all or any portion of the Premises. AMR shall promptly, at its own expense, take such action as may be necessary to duly discharge or remove any such mortgage, pledge, lien, charge, and encumbrance or claim on or with respect to all or any portion of the Premises.

**Section 6.06. Signs.** AMR shall not erect or display any banners, pennants, flags, posters, signs, decorations, marquees, awnings, or similar devices or advertising without the prior written consent of RSF which consent maybe granted or withheld by RSF in its sole discretion. If any such unauthorized item is found on the Premises, AMR shall remove the items at its expenses within twenty-four (24) hours of written notice thereof by RSF, or RSF may thereupon remove the items at AMR's cost.



## **ARTICLE 7. OWNERSHIP**

### **Section 7.01. Ownership of Improvements and Personal Property.**

a. Any and all improvements, trade fixtures, structures, and installations or additions to the Premises now existing or constructed on the Premises by AMR shall at Agreement expiration or earlier termination be deemed to be part of the Premises and shall become, at RSF's option, RSF's property, free of all liens and claims except as otherwise provided in this Agreement.

b. If RSF elects not to assume ownership of all or any improvements, trade fixtures, structures and installations, RSF shall so notify AMR in writing thirty (30) days prior to termination and AMR shall remove all such improvements, structures and installations as directed by RSF at AMR's sole cost on or before Agreement expiration or termination. If AMR fails to remove any improvements, structures, and installations as directed, AMR agrees to pay RSF the full cost of any removal.

c. AMR-owned machines, appliances, equipment (other than trade fixtures), and other items of personal property shall be removed by AMR the date of the expiration or termination of this Agreement. Any of said items which AMR fails to remove will be considered abandoned and become RSF's property free of all claims and liens, or RSF may, at its option, remove said items at AMR's expense.

d. If any removal of such personal property by AMR results in damage to the remaining improvements on the Premises, AMR shall repair all such damage.

e. Notwithstanding any of the foregoing, in the event AMR desires to dispose of any of its personal property used in the operation of said Premises upon expiration or termination of this Agreement, then AMR shall have the first right to acquire or purchase said personal property.

## **ARTICLE 8. USE OF PREMISES**

**Section 8.01. Permitted Uses.** AMR shall use the Premises for the Permitted Use only, and for no other use. AMR shall not allow the Premises to be used for any immoral or unlawful purpose, nor shall AMR cause, maintain or permit any nuisance in, on or about the Premises. AMR shall not commit or suffer to be committed any waste in or upon the Premises.

**Section 8.02. Compliance with Laws.** AMR shall not use the Premises in any way (or permit or suffer anything to be done in or about the Premises) which will conflict with any law, statute, ordinance or governmental rule or regulation or any covenant, condition or restriction (whether or not of public record) affecting the Premises, now in force or which may hereafter

be enacted or promulgated including, but not limited to, the provisions of any city or county zoning codes regulating the use of the Premises. AMR shall, at its sole cost and expense, promptly comply with (a) all laws, statutes, ordinances, and governmental rules and regulations, now in force or which may hereafter be in force, (b) all requirements, covenants, conditions, and restrictions, now in force or which may hereafter be in force, which affect the Premises and (c) all requirements, now in force or which may hereafter be in force, of any board of fire underwriters or other similar body now or hereafter constituted relating to or other similar body now or hereafter constituted relating to or affecting the condition, use or occupancy of the Premises. The judgment of any court of competent jurisdiction or the admission by AMR in any action against AMR, whether RSF be a party thereto nor not, that AMR has violated any law, statute, ordinance, governmental rule or regulation or any requirement, covenant, condition or restriction shall be conclusive of the fact as between RSF and AMR. AMR agrees to fully indemnify RSF against any liability, claims or damages arising as a result of a breach of the provisions of this Article by AMR, and against all costs, expenses, fines or other charges arising therefrom, including, without limitation, attorneys' fees and related costs incurred by RSF in connection therewith, which indemnity shall survive the expiration or earlier termination of this Lease.

**Section 8.03. Hazardous Waste.** Without limiting the generality of the obligations of AMR pursuant to Paragraph 8.01 above, AMR shall not permit the storage, delivery or use of "hazardous materials", as defined below, on the Premises. The term "hazardous materials" shall mean any substance or material defined or designated as hazardous or toxic, or other similar term, by any present or future local, state or federal environmental statute, regulation or ordinance including, without limitation, California Health and Safety Code §25100 et seq. and §39000 et seq., California Water Code §13000 et seq., the Porter-Cologne Water Quality Act, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. §9601 et seq., as now or hereafter amended ("CERCLA"), the Resource Conservation and Recovery Act of 1976, 42 U.S.C. §6901 et seq., as now or hereafter amended ("RCRA"), the Hazardous Materials Transportation Act, 49 U.S.C. §801 et seq., as now hereafter amended ("HMTA") the Toxic Substances Control Act of 1976, 15 U.S.C. §2601 et seq., as now or hereafter amended ("TSCA"), the Clean Water Act, 33 U.S.C. §7901 et seq., as now or hereafter amended ("CWA") the Clean Air Act 42 U.S.C. §7901 et seq., as now or hereafter amended ("CAA"), and the regulations promulgated pursuant to said laws (collectively "Environmental Laws"). AMR agrees to immediately indemnify, defend and hold RSF and its officers, directors, partners and employees entirely harmless from and against any and all liabilities, losses, demands, actions, expenses or claims, including attorney's fees and court costs, incurred directly or indirectly in connection with or arising from (i) the discovery of any hazardous materials which have been placed on or beneath the Premises by AMR and/or by any of AMR's Agents or the presence of any hazardous materials on or beneath any real property adjacent to the Premises which have been placed on or beneath any such adjacent real property by AMR and/or by any of AMR's Agents or which originated from hazardous materials placed on or beneath the Premises by AMR and/or by any of AMR's Agents and (ii) any failure of AMR to

perform its obligations under this Paragraph. This indemnification and AMR's obligations to cause the Premises to comply with such Environmental Laws and governmental standards shall survive the termination of this Lease.

AMR does not intend to use, and will not use, the Premises for the storage of any gasoline, diesel, or any other petroleum product. AMR does not intend to use, and will not use the Premises for the storage of Bio or Medical Waste.

## **ARTICLE 9. GENERAL PROVISIONS**

**Section 9.01. Notices.** All notices, demands, requests, consents or other communications which this Agreement contemplates or authorizes, or requires or permits either party to give to the other, shall be in writing and shall be personally delivered or mailed to the respective party as follows:

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P.O. Box 410  
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**[For U.S. Mail]**

Rancho Santa Fe Fire Protection District  
18027 Calle Ambiente  
Rancho Santa Fe, California 92067  
**[For Delivery]**

**To AMR:** American Medical Response of Southern California, Inc.  
8808 Balboa Ave., Ste. 150  
San Diego, CA 92123

**Copy to:** Legal Department  
American Medical Response, Inc.  
6200 S. Syracuse Way, Suite 200  
Greenwood Village, CO 80111

Either party may change its address by notice to the other party as provided.

Communications shall be deemed to have been given and received on the first to occur of (i) actual receipt at the offices of the party to whom the communication is to be sent, as designated above, or (ii) three (3) working days following the deposit in the United States mail of registered or certified mail, postage prepaid, return receipt requested, addressed to the offices of the party to whom the communication is to be sent, as designated above.

**Section 9.02. RSF Approval.** Unless otherwise specified in this Agreement, the Fire Chief shall be RSF's authorized representative in connection with this Agreement. The Fire Chief may delegate authority in connection with this Agreement to the Fire Chief's designee(s).

**Section 9.03. Nondiscrimination.** AMR agrees not to discriminate in any manner against any person or persons on account of race, marital status, sex, religious creed, color, ancestry, national origin, age, or physical handicap in AMR's use of the Premises.

**Section 9.04. Entire Agreement.** This Agreement comprises the entire integrated understanding between RSF and AMR concerning the use and occupation of the Premises and supersedes all prior negotiations, representations, or agreements.

**Section 9.05. Governing Law.** The interpretation, validity and enforcement of this Agreement shall be governed by and construed under the laws of the State of California.

**Section 9.06. Invalid.** Should any provision herein be found or deemed to be invalid, the Agreement shall be construed as not containing such provision, and all other provisions which are otherwise lawful shall remain in full force and effect, and to this end the provisions of this Agreement are severable.

**Section 9.07. Successor.** This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

**Section 9.08. Agreement Modification.** This Agreement may not be modified orally or in any manner other than by a writing signed by the parties hereto.

**Section 9.09. Waiver.** Any RSF waiver of a default is not a waiver of any other default. Any waiver of a default must be in writing and be executed by the Fire Chief in order to constitute a valid and binding waiver. RSF's delay or failure to exercise a remedy or right for any default does not waive the use of another remedy or right for the same default or for another or later default. RSF's acceptance of any rents is not a waiver of any default preceding the Rent payment. RSF and AMR specifically agree that the property constituting the Premises is RSF-owned and held in trust for the benefit of the citizens of Rancho Santa Fe and that any failure by the Fire Chief to discover a default or take prompt action to require the cure of any default shall not result in an equitable estoppel, but RSF shall as all times, subject to applicable statute of limitations, have the legal right to require the cure of any default when and as such defaults are discovered or when and as the Fire Board directs the Fire Chief to take action or require the cure of any default after such default is brought to the attention of the Fire Board by the Fire Chief or by a taxpayer.

**Section 9.10. Assignment and Subletting - No Encumbrance.** This Agreement and any portion thereof shall not be assigned, transferred, or sublet, nor shall any of AMR's duties be delegated without the express written consent of RSF shall be void and of no force or effect. A consent by RSF to one assignment, transfer, sublease, or delegation shall not be deemed to be a consent to any subsequent assignment, transfer, sublease, or delegation. This Paragraph shall not be construed or applied to allow use of the Premises by a contractor or franchisee of AMR providing paramedic services.

**Section 9.11. Defaults and Termination.** If AMR shall default in the payment of any rent and such default shall continue for five (5) days after written notice to AMR from RSF of such default; or if AMR shall default in the observance of any of the other covenants contained in this Agreement and on AMR's part to be performed or observed and shall fail, within thirty (30) days after written notice to AMR from RSF of such default, to cure such default (or, if such default is not susceptible of cure within thirty (30) days, to commence such cure within said thirty (30) day period and thereafter to pursue such cure to completion); or if the estate hereby created shall be taken on execution, or by other process of law; or if AMR shall be found by a court of competent jurisdiction to be bankrupt or insolvent, then and in any of said cases, RSF may, to the extent permitted by law, immediately or at any time thereafter while the situation still exists enter into and upon the Premises, or any part thereof in the name of the whole, and repossess the same as of RSF's former estate, and expel AMR and those claiming through or under AMR and remove its effects without being deemed guilty of any manner of trespass, and without prejudice to any remedies which might otherwise be used for arrears of rent or preceding breach of covenant, and upon entry as aforesaid this Sublease shall terminate.

**Section 9.12. Time is of the Essence.** Time is of the essence in the performance of each provision of this Lease.

**Section 9.13. Attorney's Fees.** AMR shall pay to RSF all amounts for costs, including, but not limited to reasonable attorney's fees and amounts paid to any collection agency, incurred by RSF in connection with any breach or default by AMR under this Lease or incurred in order to enforce or interpret the terms or provisions of this Lease. Such amounts shall be payable upon demand. In addition, if any action shall be instituted by either RSF or AMR for the enforcement or interpretation of any of its rights or remedies in or under this Lease, the prevailing party shall be entitled to recover from the losing party all costs incurred by the prevailing party in said action and any appeal therefrom, including reasonable attorneys' fees and court costs to be fixed by the court therein. In the event RSF is made a party to any litigation between AMR and any third party, then AMR shall pay all costs and attorneys' fees incurred by or imposed upon RSF in connection with such litigation; provided, however, if RSF is ultimately held to be liable, then RSF shall reimburse AMR for the cost of any attorneys' fees paid by AMR on behalf of RSF.

**Section 9.14. Counterparts.** This Lease may be executed in several counterparts, each of which shall be deemed an original of this Lease for all purposes.

**Section 9.15. Signature.** The individuals executing this Agreement represent and warrant that they have the right, power, legal capacity and authority to enter into and to execute this Agreement on behalf of the respective legal entities of AMR and RSF.

**Section 9.16. Brokers.** Each party hereto represents and warrants to the other that it has not dealt with any broker in connection with the Premises or this lease. Each party hereto hereby indemnifies and holds the other harmless from and against any liability for commissions due any broker or finder with whom such party has dealt in connection with this lease.

#### **ARTICLE 10. SPECIAL PROVISIONS**

**Section 10.01. Use of Cooking Facilities, Recreational Areas and Parking Lots.** Subject to rules established by the Fire Chief of RSF, personnel assigned by AMR shall have reasonable access to and use of the cooking, eating and recreational facilities of the Rancho Santa Fe Fire Station No. 4, and to the parking lots generally available to Rancho Santa Fe Fire District personnel for the parking of vehicles while at work.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed as of the day and year respectively first appearing above.


#### **RSF**

Rancho Santa Fe Fire Protection District

By:   
Tony Michel, Fire Chief

#### **AMR**

American Medical Response of Southern California, Inc.

By:   
Name: Michael Murphy  
Its: GM

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# STAFF REPORT

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# 2014-01

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TO: BOARD OF DIRECTORS  
FROM: TONY MICHEL, FIRE CHIEF  
SUBJECT: VEHICLE REPLACEMENT – PURCHASE (CAPITAL)  
DATE: JANUARY 3, 2014



The following budget action is requested for approval and/or modification:

Description	FY14 Budget	Funding Request	Funding Source	Action Requested
(1) *2014 Ford Explorer	\$70,000	\$28,400.87	100% Fleet Reserves	Authorize Purchase
(2) Radios and Emergency Lighting Package		Not to Exceed \$20,000	*This vehicle was previously approved in November 2013 (Staff Report 13-18). This vehicle will be changed from a Ford Expedition to a Ford Explorer.	
(3) 2014 Ford Explorer <i>(Replacement for the 2009 Ford Expedition that was determined to be a total loss by our insurance carrier.)</i>		\$28,400.87	\$20,021 of vehicle cost will come from VFIS Insurance reimbursement. Remainder from fleet reserves.	Authorize Purchase
(4) Radios and Emergency Lighting Package		Not to Exceed \$20,000	Labor to install equipment will come from VFIS Insurance reimbursement. Cost of equipment will come from fleet reserves.	

### **JUSTIFICATION for Funding Request:**

Staff seeks authorization to purchase two (2) replacement Command/Staff vehicles with Radio and Emergency Lighting packages. Vehicles will be purchased off The City of San Diego Bid #10032675-13-E with San Diego County options.

- Total Vehicle costs including sales tax and fees (\$56,802)
- Mobile Radios, Emergency Lighting, and Console, (\$40,000)

**Total Cost: (\$96,802)**

*Note: Changing vehicle models from Ford Expeditions to Ford Explorers will result in approximately \$15,900 in vehicle cost savings, \$6,000 in outfitting costs and \$10,000 in fuel savings over the life of the both vehicles.*

The FY13/14 Capital Replacement plan identified the purchase of two (2) replacement staff vehicles. A fleet needs assessment was completed and with the purchase of these two vehicles combined with the reshuffling of current vehicles, the purchase of an additional staff vehicle will not be warranted.

Additionally, the 2008 Ford Expedition used by the Fire Chief will be rotated to the District's Public Education Coordinator and her car will be rotated into the Fire Prevention Pool. Sold at auction will be a 2003 Ford Expedition with over 100,000 miles.

***Funding Source:***

73.5% Capital Replacement

26.5% Insurance Reimbursement