



1/19/2021  
City Council Meeting

Handouts received after  
agenda posted

**LEASE AGREEMENT BETWEEN  
CITY OF LEMOORE AND BUSH CONSTRUCTION INC.  
REGARDING APN 024-052-074**

This Real Property Lease Agreement (“Agreement”) is made and entered into on February 1, 2021, between the City of Lemoore, a California Charter City and municipal corporation (“City”) and David A. Bush, Inc. dba Bush Construction (“Lessee”), pursuant to the following recitals, which are a substantive part of this Agreement:

**RECITALS**

- A. City owns property located at APN 024-052-075 in the City of Lemoore, Kings County, California as more particularly described in **Exhibit A** and depicted in **Exhibit B** ("Property").
- B. City desires to lease the Property to Lessee for the purpose of depositing construction waste. City does not currently need the Property.
- C. The Parties now wish to memorialize this relationship in a contract upon the terms and conditions set forth in this Agreement.
- D. This Agreement is intended to be specific to Lessee.

NOW, THEREFORE, City and Lessee agree as follows:

**AGREEMENT**

- 1. Property. City hereby Leases to Lessee the Property, and Lessee hereby accepts the Lease from City.
- 2. Term. The term of this Agreement shall be for a period of 4 (four) years, from the Lease Date until January 31, 2025. This Agreement shall automatically renew for a term of one year at the end of each term, unless terminated by the Parties as set forth in this Agreement.
- 3. Lease Payments. As consideration for the use and occupancy of the Property, Lessee shall pay a lease fee to the City as follows:
  - a. Lease Fees. Upon execution of this Agreement, Lessee shall immediately pay to City a fee in the amount of Three Thousand Dollars (\$3,000.00) for the first year of the Lease. Lessee shall pay to City a fee in the amount of Four Thousand, Two-Hundred Dollars (\$4,200) for the second year of the lease. Lessee shall pay to City a fee in the amount of Four Thousand, Five-Hundred Dollars (\$4,500) for the third year of the lease and for every one-year term that the Agreement is renewed thereafter. The lease fees shall be due and payable annually to City, without deduction, setoff, prior notice,

or demand, on the anniversary date of the Lease Date during the term of this Agreement.

- b. Delivery. All Lease fees shall be paid by Lessee and be personally delivered or mailed to the City of Lemoore, Finance Department, 119 Fox Street, Lemoore, California 93245 or any other place or places that City may designate by written notice to Lessee.
- c. Interest. Any Lease fee not received by the due date shall bear interest from the date due until paid at the rate of ten percent (10%) per annum.

4. Taxes, Assessments and Fees.

- a. Possessory Interest Tax and Assessments. Lessee shall be solely responsible for any property taxes arising out of Lessee's use or occupancy of the Property. Lessee shall pay before delinquency any and all possessory interest taxes and assessments levied against it or resulting from Lessee's use or occupancy of the Property. City makes no representation as to whether or not taxes are due. On demand by City, Lessee shall furnish City with satisfactory evidence of these payments.
- b. Personal Property Tax. Lessee shall pay before delinquency all taxes, assessments, Lease fees, and other charges ("Taxes") that are levied and assessed against Lessee's personal property installed or located in or on the Property, if any, and that become payable during the term of this Agreement. On demand by City, Lessee shall furnish City with satisfactory evidence of these payments.
- c. Business Lease Fees. Lessee owns a business operating in the City of Lemoore. Lessee shall pay before delinquency any and all business Lease fees that are levied and assessed against Lessee, and that become payable during the term of this Agreement, pursuant to the Lemoore Municipal Code. Lessee's failure to pay any applicable business Lease fee to City shall constitute a default under this Agreement.

5. Use of Property.

- Purpose. The Property shall be used by Lessee solely and exclusively for the following purposes: (i) deposit of non-hazardous road recycling materials, Reinforced Concrete Pipe. No other uses shall be permitted on the Property except for incidental or ancillary uses. The Property, including any buildings, structures, or improvements located thereon, shall not be used for displaying signs and notices.
- Alterations or Improvements. No alterations or improvements shall be made to the Property, except that Lessee shall complete the following improvements to the Property before occupancy ("Improvements"):
  - Premise Lighting.
  - Perimeter fencing.

- DG or other drive material approved by both parties for access entry road.
  - Grading and installation of dust control surface material in accordance with City and San Joaquin Valley Air Pollution Control District standards.
  - Such other improvements as City, or any other agency having jurisdiction over the Property, may require to allow use of the Property for the proposed use or for health, safety and welfare purposes.
  - Such other improvements City and Lessee may agree upon in writing.
  - The Improvements are more particularly described and depicted in **Exhibit C**.
- c. Access to Property. Lessee shall construct and maintain access road to site. Access road will be on APN 024-052-075-000.
- d. Restoration of Property and Ownership of Improvements. Upon termination of this Agreement, unless otherwise agreed, Lessee shall remove (personal) property, buildings, structures, debris and other improvements placed by Lessee on the Property, including all such property placed on the Property prior to the execution of this Agreement and Lessee shall restore the Property to substantially the same condition at the time of the Lessee first use of the Property, prior to this Lease Agreement.
- e. Upon Lessee's failure to remove said property, debris or improvements from the Property, such property, debris or improvements shall, at the option of the City, become the sole property of City, or if City so elects, City may remove such property, debris or improvements from the Property and restore the Property to substantially the same condition in which they existed at the time Lessee started placing such property or improvements on the Property prior to the execution of this Agreement and Lessee shall reimburse City for any such costs incurred upon City's written demand to Lessee.
- f. Compliance with Laws. Lessee shall comply with all statutes, ordinances, regulations and requirements of all governmental entities (including those of the City) relating to Lessee's use and occupancy of the Property, whether those statutes, ordinances, regulations and requirements are now in force or are subsequently enacted. Lessee shall not use the Property or permit the Property, or any portion thereof, to be improved, developed, used or occupied in any manner that is in any way in violation of any valid law, ordinance, or regulation of any federal, state, county, or local governmental agency.
- g. Lease/Permit. If any Lease, permit, or other governmental authorization is required for the lawful use or occupancy of the Property, Lessee shall procure and maintain it throughout the term of this Agreement.
- h. Waste and Nuisance. Lessee shall not use the Property, or allow the Property to be used, in any manner that will constitute a waste, nuisance, or unreasonable annoyance to the neighborhood adjacent to the Property.

- i. Maintenance. Lessee, at its sole cost and expense, shall at all times during the term of this Agreement keep and maintain the Property and all personal property, buildings, structures and improvements thereon in good order and condition, and free from rubbish, all satisfactory to City.
6. Utilities. Lessee shall make all arrangements for and be solely responsible for paying for all applicable utilities and services furnished to or used by Lessee or its agents and invitees in connection with the Property including, but not limited to, gas, electricity, water, sewer, telephone, cable, trash collection and for all applicable connection charges.
7. Indemnification. Lessee hereby releases and shall indemnify, hold harmless and defend City and City's officials, officers, employees, agents, and volunteers from and against all liability, claims, suits, damages, losses, costs, and expenses, including reasonable attorneys' fees, incurred in connection with or arising out of (1) the use, occupation or control of the Property by Lessee, its agents, employees, invitees, sub-users, or volunteers; (2) any breach of Lessee's performance obligations under this Agreement; or (3) any acts, omissions or negligence of Lessee or any person or entity claiming through or under Lessee, or Lessee's agents, employees, contractors, invitees or visitors, except to the extent such claim, suit, damage, loss or expense is caused by the sole negligence or willful misconduct of City or City's officials, officers, employees, agents, or volunteers. The provisions of this paragraph shall survive the expiration or termination of this Agreement.
8. Insurance Requirements. Lessee, at its sole cost and expense, shall procure and maintain, for the duration of this Agreement, insurance against claims for injuries to persons and for damage to property that may arise from or in connection with the use, occupation or control of the Property by Lessee or its agents, employees, invitees, sub-users, or volunteers. The cost of such insurance shall be borne by Lessee. The minimum scope, amounts, and terms of the insurance are set forth in **Exhibit D**.
9. Environmental Warranties. City hereby represents and warrants that it has not caused or knowingly permitted any contamination by Hazardous Materials (as defined herein) to occur on, at, about, or within the Property, whether before or after the execution of this Agreement; and otherwise knows of no such contamination of Hazardous Materials on, at, about, or within the Property. The term "Hazardous Materials" when used in this Agreement shall mean any hazardous waste, hazardous substance, hazardous materials or toxic substances as defined, as of the Lease Date, in any federal, state, or local statute, ordinance, rule, or regulation applicable to the Property, and any substance defined as "hazardous waste" in Health and Safety Code section 25117 or as a "hazardous substance" in Health and Safety Code section 25316, and in the regulations adopted and publications promulgated under these laws. "Hazardous Materials" shall also include asbestos or asbestos-containing materials, radon gas, and petroleum or petroleum fractions, whether or not defined as hazardous waste or hazardous substance in any such statute, ordinance, rule, or regulation as of the Lease Date.

Lessee warrants and represents that it will not use, generate, manufacture, produce, store, or dispose of, on, under, or about Property, or transport to or from the Property, any Hazardous Materials, polychlorinated biphenyls (PCBs), or petroleum (including crude oil or any fraction or derivative thereof), except those uses incidental to the installation and maintenance of any approved improvements on the Property and in accordance with all applicable laws and regulations. Lessee shall, at its expense, comply with all applicable laws, regulations, rules and orders, regardless of when they become or became effective, including without limitation those relating to health, safety, noise, environmental protection, waste disposal, and water and air quality, and furnish satisfactory evidence of such compliance upon request of City.

Lessee shall not permit to be piled or stored upon the Property any Hazardous Materials, gun powder, dynamite, gasoline, or explosive substance or material, except where used in the ordinary course of Lessee's business and in compliance with all applicable laws.

Should any discharge, leakage, spillage, emission, or pollution of any type -including but not limited to the substances and materials identified in the previous sentence -occur upon or from the Property due to Lessee's use and occupancy thereof either before or after the execution of this Agreement, Lessee, at its expense, shall be obligated to clean the Property to the satisfaction of City and any governmental body having jurisdiction over the Property.

Lessee agrees to indemnify, defend and hold harmless City against all liability, cost and expense (including without limitation any fines, penalties, judgments, litigation costs and attorneys' fees) incurred by City as a result of Lessee's breach of this section, or as a result of any such discharge, leakage, spillage, emission, or pollution, regardless of whether such liability, cost or expense arises during or after the Agreement term, unless such liability, cost or expense is proximately caused solely by the active negligence of City.

Lessee shall pay all amounts due City under this section, as additional Lease fees, within ten (10) days after any such amounts become due and owing by City. If not timely paid, the amounts due shall bear interest at the rate of ten percent (10%) per annum from the date due.

10. Liens and Claims. Lessee shall promptly and fully pay for all materials for any improvements installed or constructed on the Property and shall promptly and fully pay all persons who perform labor on said improvements. If any mechanics' or material men's liens or any other liens or claims for any work done or materials furnished at Lessee's request are filed against the Property, Lessee shall remove the liens and claims at Lessee's own expense. If Lessee fails to remove the liens or claims and any judgment is entered thereon or thereunder, Lessee shall pay that judgment. Should Lessee fail, neglect, or refuse to remove any lien or claim or to pay any judgment in a timely manner, City shall have the right to pay any amount required to release any such liens or claims, or to defend any action brought on the liens or claims and to pay any judgment entered on the liens or claims. Under those circumstances, Lessee shall be liable to City for all costs, damages, reasonable attorneys' fees, and any amounts expended by City in defending any

proceedings or in the payment of any of said liens or claims or any judgment obtained therefore. City may post and maintain upon the Property a notice of non-responsibility.

11. Leasehold Encumbrances. Lessee shall not encumber by deed of trust, mortgage or other security instrument, all or a part of Lessee's interest under this Agreement without the advance and express written consent of City, and upon such terms and conditions as City may require. Any encumbrance existing as of the Lease Date shall be subject to all covenants, conditions, or restrictions set forth in this Agreement and to all rights and interests of City.
12. Sale or Hypothecation of Lessee's Improvements. Lessee shall not sell or hypothecate any of its fixed improvements upon the Property without first obtaining City's written consent therefor.
13. Non-Assignment. This Agreement is specific to Lessee and the use described herein, may not be assigned or sub-Leased/leased without the prior express written consent of City, and shall automatically terminate should Lessee no longer own or lease the Property.
14. Property Leased "AS IS." The Property are Leased to Lessee, and Lessee accepts the Property, in its existing 'AS IS" condition on the Lease Date. City shall not be required to make or construct any alteration including structural changes, additions or improvements to the Property and shall have no maintenance or repair obligations with respect to the Property. Lessee expressly waives the provisions of sections 1941 and 1942 of the California Civil Code and all rights to make repairs at the expense of City as provided in section 1942 of the Civil Code. Lessee acknowledges that neither City, nor any officer, employee or agent of City has made any representation or warranty with respect to the condition of the Property, the suitability of the Property for the intended use by Lessee, or compliance of the Property with the Americans with Disabilities Act of 1990 (or any accessibility guidelines or other regulations promulgated thereunder). Any agreements, warranties or representations not expressly contained in this Agreement shall in no way bind City or Lessee, and City and Lessee expressly waive all claims for damages by reason of any statement, representation, warranty, promise or agreement, if any, not contained in this Agreement.
15. Bankruptcy. City shall have the right to terminate this Agreement by written notice and to take exclusive possession of the Property in the event (a) Lessee is adjudged a bankrupt; (b) Lessee becomes insolvent; (c) any action or proceeding for debtor relief of Lessee is commenced by Lessee; or (d) Lessee seeks general debtor relief by extrajudicial means.

Receipt of Lease fees, rent or other payments from any person for use of the Property shall not constitute a waiver of City' right to terminate as above set forth. If there are two or more Lessees hereunder, or if Lessee is a partnership, City's right to terminate shall arise in the event any one of the Lessees or partners is adjudged a bankrupt, becomes insolvent, seeks general debtor relief, or commences or becomes subject to any of the proceedings set forth above.

16. Reservations. City reserves for itself and those to whom it grants such right, the right to construct, maintain and operate any existing and new or additional pipes, communication (including, but not limited to, fiber optic) and power transmission facilities upon, over, and beneath the Property, so long as the exercise of such right does not unreasonably interfere with Lessee's rights under this Agreement.

City reserves the title and exclusive right to all of the minerals and mineral ores of every kind and character now known to exist or hereafter discovered upon, within or underlying the Property, or that may be produced therefrom, including, without limiting the generality of the foregoing, all petroleum, oil, natural gas and other hydrocarbon substances and products derived therefrom, together with exclusive and, perpetual right thereto, without, however, the right to use or penetrate the surface of, or to enter upon the Property within five hundred feet (500') of the surface thereof to extricate or remove the same.

17. Subterranean Facilities. The absence of markers, monuments or maps indicating the presence of subterranean facilities, whether belonging to City or otherwise, does not constitute a warranty or representation that none exist. Lessee accepts this Agreement with full cognizance of the potential presence of such, acknowledging that the costs of Lessee's use may increase by reason thereof, and acknowledges that the owner or owners thereof may have acquired the right to continue to maintain such facilities by the passage of time.

18. Damage or Destruction of Property. If the Property are damaged or destroyed during a term of this Agreement through no fault of Lessee, this Agreement shall terminate and neither party shall be obligated to repair or restore the Property to substantially the same condition as existed immediately prior to the damage or destruction.

19. Eminent Domain. In the event of the taking or condemnation of all or any part of the Property, Lessee may receive compensation only for any taking of or damage to Lessee owned improvements. Any compensation awarded and interest thereon, including the compensation for the land value and interest thereon, shall belong to City.

20. Default.

a. Lessee's Default. The occurrence of any of the following shall constitute a default by Lessee:

1. Failure to pay Lease fees, insurance premiums, taxes, or any other sums due hereunder as a result of Lessee's use of the Property within five (5) days of the due date;
2. Abandonment of the Property; or
3. Failure to perform any other provision of this Agreement if the failure to perform is not cured within ten (10) days after notice has been served upon Lessee.



- b. Notice of Default. Notices given under this section shall specify the alleged default and the applicable Agreement provisions and shall demand that Lessee cure the default within ten (10) days, or quit the Property.
  - c. Termination Resulting from Default. City may terminate this Agreement immediately upon written notice to Lessee if Lessee defaults on any obligation under this Agreement and fails to cure such default within ten (10) days after written notice from City of such default. In the event of a default by Lessee under this Agreement, City may terminate this Agreement and regain possession of the Property in the manner provided by the laws of the State of California in effect at the date of such default. At City's option, if Lessee has breached this Agreement and/or abandoned the Property, this Agreement shall continue in effect for so long as City does not terminate Lessee's right to possession, and City may enforce all rights and remedies under this Agreement, including the right to recover the Lease fees as it becomes due. Further, City shall be entitled to recover from Lessee damages and to exercise such other rights and remedies as provided to City under the laws of the State of California.
  - d. Right to Cure at Lessee's Expense. City, at any time after Lessee commits a default, can cure the default at Lessee's cost. If City, by reason of Lessee's default, pays any sum or does any act that requires the payment of any sum, the sum paid by City shall be due immediately from Lessee to City upon City's written demand for payment to Lessee, and if paid at a later date, shall bear interest at the rate of ten percent (10%) per annum from the date the written demand for payment is sent by City until City is reimbursed by Lessee. The sum, together with interest on it, shall be additional rent.
21. Termination. This Agreement shall terminate upon expiration of its term or with six months written notice issued to the other party by either the City or Lessee. Upon termination, Lessee's personal property and any Lessee improvements shall be removed from the Property as set forth in Section 6(d) of this Agreement. Lessee acknowledges and agrees that it is entering into this Agreement voluntarily and that upon termination of the Agreement according to its terms, Lessee shall not be entitled to any relocation assistance or benefits from City.
22. Waiver. No delay or omission in the exercise of any right or remedy of City on any default by Lessee shall impair such right or remedy or be construed as a waiver. The receipt and acceptance by City of delinquent Lease fees shall not constitute a waiver of any other default; it shall constitute only a waiver of timely payment for the particular Lease fee payment involved. If such delinquent Lease fee is accepted after notice of default and termination has been served, the acceptance shall not constitute a waiver. City's consent to or approval of any act by Lessee requiring City's consent or approval shall not be deemed to waive or render unnecessary City's consent to or approval of any subsequent act by Lessee. Any waiver by City of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Agreement.

23. **Entry and Inspection of Property.** City and its authorized representatives shall have the right to enter and inspect the Property at all reasonable times to determine whether the Property are in good condition and whether Lessee is complying with its obligations under this Agreement.
24. **Relationship of Parties.** City is not, nor shall it become or be deemed to be, a partner or a joint venture with Lessee by reason of the provisions of this Agreement nor shall this Agreement be construed to authorize either party to act as the agent for the other.
25. **Notice.** Any notice, demand, request, consent, approval, or communication that either party desires or is required to give to the other party or any other person shall be in writing and either; (a) served personally; (b) sent by prepaid registered mail; or (c) sent by regular first class mail and e-mail with verification of receipt. Notice shall be deemed communicated only when received personally by the party to whom notice is to be given or when received by registered mail at the address of such party as provided below, or to any such address as such party shall notify the other in writing.
26. **Effect of Termination of Agreement.** Termination or expiration of this Agreement shall not release any party hereto from any liability or obligation hereunder, whether of indemnity or otherwise, resulting from any acts, omissions or events happening prior to such termination or expiration, or thereafter in case by the terms of this Agreement it is provided that anything shall or may be done after termination or expiration hereof.
27. **Right of First Refusal to Purchase.** Provided Lessee is not in default on any term of this Agreement, during the initial term of this Agreement and any extension thereof, Lessee shall have the right of first refusal to purchase the Property on the same terms and conditions as contained in a bona fide offer to purchase acceptable to City. City shall notify Lessee in writing of the terms and conditions of the proposed sale which City intends to accept, and Lessee shall have fifteen (15) days to notify City in writing of its exercise of its right to purchase the Property on the same terms set out in City's notice. In the event Lessee waives its right of first refusal to purchase or fails to notify City of its exercise of that right within said fifteen (15) day period, Lessee's right of first refusal to purchase shall cease and City shall be free to sell the Property to a third party.
28. **Amendments.** This Agreement shall not be modified or amended in any way except in writing signed by the parties hereto.
29. **Time and Specific Performance.** Time and specific performance are of the essence for each provision of this Agreement.
30. **Entire Agreement.** This Agreement contains all the agreements of the parties concerning the subject matter of it and cannot be amended or modified except by a subsequent written agreement executed by both parties.

31. Severability. The unenforceability, invalidity, or illegality of any provision of this Agreement shall not render the other provisions unenforceable, invalid, or illegal.
32. Construction. Headings at the beginnings of sections or subsections are solely for the convenience of the parties and are not intended to be used to interpret this Agreement. The singular form shall include the plural, and vice-versa. This Agreement shall not be construed as if it had been prepared by one of the parties, but rather as if both parties have prepared it. Unless otherwise indicated, all references to sections are to this Agreement. All exhibits referred to in this Agreement are attached to it and incorporated in it by this reference.
33. Attorney's Fees. If either party commences an action against the other party arising out of or in connection with this Agreement, the party prevailing in such litigation shall be entitled to have and recover from the losing party reasonable attorney's fees and costs of suit.
34. Voluntary Agreement; Authority to Execute. Lessee and City each represent that they have read this Agreement in full and understand and voluntarily agree to all provisions herein. The Parties further declare that prior to signing this Agreement they each had the opportunity to apprise themselves of relevant information, through sources of their own selection, including consultation with counsel of their choosing if desired, in deciding whether to execute this Agreement. The signatories to this Agreement represent that they have the proper authority to execute this Agreement on behalf of the respective party.
35. Recording of Agreement. Upon request of either party, the other party shall join in the execution of a memorandum or short form of this Agreement for recording purposes. The memorandum or short form of Agreement shall incorporate this Agreement by reference and shall describe the parties hereto, the Property, and the term hereof.
36. Notices. All notices required or permitted to be given under this Agreement shall be in writing and shall be personally delivered, or sent by tele-copier (fax), overnight delivery with tracking capability, or certified mail (postage prepaid and return receipt requested), addressed as follows:

To City:           City Manager  
                      City of Lemoore  
                      711 West Cinnamon Drive  
                      Lemoore, CA 93245

To Lessee:       David A. Bush, Inc.  
                      dba Bush Construction  
                      518 North Redington Street  
                      Hanford, CA 93230

*Signatures on Next Page*

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the dates set forth below.

**LESSEE**

**CITY**

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David A. Bush  
CEO, David A. Bush, Inc.  
Dated: \_\_\_\_\_, 2021

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Nathan Olson  
City Manager, City of Lemoore  
Dated: \_\_\_\_\_, 2021

**APPROVED AS TO FORM:**

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Mary F. Lerner  
City Attorney, City of Lemoore

**EXHIBIT A**  
**LEGAL DESCRIPTION OF CITY PROPERTY**

City-owned Parcel APN 024-052-074

**EXHIBIT B  
DEPICTION OF CITY PROPERTY**

APN 024-052-74



**EXHIBIT C**  
**DETAILED DESCRIPTION AND DEPICTION OF IMPROVEMENTS REQUIRED**  
**TO BE COMPLETED BY LICENSEE**

**(SHOW ACCESS)**

**EXHIBIT D**  
**INSURANCE REQUIREMENTS**

- a. Minimum Scope of Insurance. Coverage shall be at least as broad as:
  1. Insurance Services Office Commercial General Liability coverage ("Occurrence" from CG0001).
  2. Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance.
  3. Property Insurance against all risk of loss to any Lessee property, improvements and betterments.
  
- b. Minimum Limits of Insurance. Lessee shall maintain limits no less than:
  1. General Liability: \$2,000,000.00 (two million dollars) per occurrence and \$5,000,000.00 (five million dollars) aggregate for bodily injury, personal injury, and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit
  2. Workers' Compensation coverage as required by State of California statutory limits.
  3. Employer's Liability: \$1,000,000.00 (one million dollars) per accident for bodily injury or disease.
  4. Property Insurance: Full replacement cost with no coinsurance penalty provision.
  
- c. Deductibles. City hereby approves any deductibles in the amount of \$1,500.00 (fifteen hundred dollars) or less for any policy required by this Agreement. Any deductibles in excess of \$1,500.00 (fifteen hundred dollars) must be declared to and approved by City. Lessee represents that it has the financial ability to satisfy the deductible requirements under any policy required by this Agreement.
  
- d. Other Insurance Provisions. The general liability policy is to contain, or be endorsed to contain, the following provisions:
  1. City, its officers, officials, employees, agents and volunteers are to be covered as additional insureds as respects: liability arising out of Property owned, occupied or used by Lessee. The coverage shall contain no special limitations on the scope of protection afforded to City, its officers, officials, employees, agents, or volunteers.
  2. Lessee's insurance coverage shall be primary insurance as respects City, its officers, officials, employees, agents, and volunteers. Any insurance or self-insurance



maintained by City, its officers, officials, employees, agents, or volunteers shall be in excess of Lessee's insurance and shall not contribute with it.

3. Any failure to comply with reporting or other provisions of the policies including breaches of warranties, shall not affect coverage provided to City, its officers, officials, employees, agents or volunteers.
  4. Coverage shall state that Lessee 's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
  5. Each insurance policy required by this section shall be endorsed to state that coverage shall not be suspended, voided, cancelled, reduced in coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to City.
- e. Acceptability of Insurers. The insurance described in this section is to be placed with an insurer or insurers Licensed to do business in California, admitted by the California Insurance Commissioner, and which have a current A.M. Best's rating of not less than A: VII.
  - f. Verification of Coverage. Lessee shall furnish City with original endorsements or certificates of insurance evidencing the coverage required by this section. The endorsements/ certificates are to be signed by a person authorized by that insurer to bind coverage on its behalf.