



LEMOORE

CALIFORNIA

LEMOORE CITY COUNCIL  
COUNCIL CHAMBER  
429 C STREET  
August 19, 2025  
5:30 P.M.

## **SPECIAL MEETING AGENDA**

*Please silence all electronic devices as a courtesy to those in attendance. Thank you.*

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### **5:30 pm SPECIAL SESSION**

*This special City Council meeting will run in concurrence with the regular City Council meeting of August 19, 2025.*

### **4 – CONSENT CALENDAR**

- 4-16 Approval – Agreement for Financial Consulting Services with Price Paige & Company for Fiscal Year 2025-2026
- 4-17 Approval – Commercial Lease Agreement between the City of Lemoore and Jason Glaspie DBA Lemoore Boxing Club

### **PUBLIC NOTIFICATION**

I, Marisa Avalos, City Clerk for the City of Lemoore, declare under penalty of perjury that I posted the above Special City Council Agenda for the meeting of August 19, 2025 at Council Chamber, 429 C Street and City Hall, 711 W. Cinnamon Drive, Lemoore, CA on August 18, 2025.

    //s//    

Marisa Avalos, City Clerk



711 West Cinnamon Drive • Lemoore, California 93245 • (559) 924-6744

## Staff Report

**Item No: 4-16**

**To: Lemoore City Council**

**From: Josalynn Valdez, Finance Director**

**Date: August 13, 2025**

**Meeting Date: August 19, 2025**

**Subject: Agreement for Financial Consulting Services with Price Paige & Company for Fiscal Year 2025-2026**

### **Strategic Initiative:**

- |   |  |
|---|--|
| <input type="checkbox"/> Safe & Vibrant Community             | <input type="checkbox"/> Growing & Dynamic Economy         |
| <input checked="" type="checkbox"/> Fiscally Sound Government | <input checked="" type="checkbox"/> Operational Excellence |
| <input type="checkbox"/> Community & Neighborhood Livability  | <input type="checkbox"/> Not Applicable                    |

### **Proposed Motion:**

Approve the agreement with Price Paige and Company for financial consulting services for fiscal year 2025-2026, and authorize the City Manager, or designee, to execute related contract documents.

### **Subject/Discussion:**

Since July of 2019, the City has been working with Price Paige and Company to review current policies and procedures and implement best practices. The financial consultant has been a critical part of the City's efforts to solidify financial practices regarding internal processes, as well as adhering to governmental accounting standards.

City staff and Price Paige have built a strong partnership, ensuring that public funds are accounted for in the most appropriate manner. Our partnership has resulted in a reduction of audit findings and stronger internal controls.

Staff is recommending that City Council continue the partnership with Price Paige and Company and approve a contract for the following tasks:

- 1) Audit preparation and year-end financial statement preparation.
- 2) Annual Financial Transactions Reports
- 3) Contingency

The use of financial consulting will reduce the cost of the annual audit, will provide for necessary review of current practices to ensure compliance with state and federal standards, will help to establish best practices, and will provide a foundation for continued financial practices in the future.

**Financial Consideration(s):**

The cost of the financial consulting for Fiscal Year 2025-2026 is \$75,000. This is funded through the general fund and is included in the FY 2026 budget.

**Alternatives or Pros/Cons:**

**Pros:**

- Completion of year-end closing of the City's financials
- Preparation of financial statements for the annual audit
- Review and development of internal practices
- Compliance with governmental accounting best practices
- Training and consultation for finance staff

**Cons:**

- None noted.

**Commission/Board Recommendation:**

N/A

**Staff Recommendation:**

Staff recommends approval of the agreement with Price Paige & Company for financial consulting services for fiscal year 2025-2026.

**Attachments:**

- ☐ Resolution:
- ☐ Ordinance:
- ☐ Map
- ☒ Contract
- ☐ Other

**Review:**

- ☒ City Attorney
- ☒ City Clerk
- ☒ City Manager
- ☒ Finance

**Date:**

08/14/2025  
08/14/2025  
08/14/2025  
08/13/2025



August 13, 2025

Ms. Marissa Trejo, City Manager  
City of Lemoore  
711 W. Cinnamon Drive  
Lemoore, California 93245

Dear Ms. Trejo:

This letter confirms the engagement of Price Paige & Company by the City of Lemoore (the City). The professional consulting services we expect to provide include the following:

- 1) We will assist the City with the year-end close of its financial records by preparing reconciliations of balance sheet and income statement account balances, as listed in Exhibit A, in preparation for its financial statement audit for the fiscal year ended June 30, 2025 and provide the City with all adjusting journal entries necessary to ensure that its trial balance is complete and accurately stated in accordance with generally accepted accounting principles. As a part of this service, we will also prepare the City's year-end financial statements and serve as the primary liaison to the City's external auditor throughout the duration of the audit for all areas listed in Exhibit A.
- 2) We will prepare the City's State Controller's Reports for the year ended June 30, 2025.
- 3) Additionally, through the end of this agreement, expected to end on July 31, 2026, we will provide the City with any professional consultation as agreed upon with City management. The scope, timing, and extent of the additional consultation will be discussed prior to the commencement of any work.

All workpapers or other documents used by us during this engagement will be maintained in segregated files, and such originals and all copies will be returned to you upon the completion of our engagement.

**Electronic Data Communication and Storage and Use of Third Party Service Provider**

In the interest of facilitating our services to the City, we may communicate by facsimile transmission, send data over the Internet, store electronic data via computer software applications hosted remotely on the Internet, or allow access to data through third-party vendors' secured portals or clouds. Electronic data that is confidential to the City may be transmitted or stored using these methods. We may use third-party service providers to store or transmit this data, such as providers of tax return preparation and document management software. In using these data communication and storage methods, our firm employs measures designed to maintain data security. We use reasonable efforts to keep such communications and data access secure in accordance with our obligations under applicable laws and professional standards. We also require all of our third-party vendors to do the same.

You recognize and accept that we have no control over the unauthorized interception or breach of any communications or data once it has been sent or has been subject to unauthorized access, notwithstanding all reasonable security measures employed by us or our third-party vendors, and consent to our use of these

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electronic devices and applications and submission of confidential client information to third-party service providers during this engagement.

With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

### **Engagement Administration, Fees and Other**

We will schedule the engagement based in part on deadlines, working conditions, and the availability of your key personnel. We will plan the engagement based on the assumption that your personnel will cooperate and provide assistance by performing tasks such as preparing requested schedules, retrieving supporting documents, and preparing confirmations. If, for whatever reason, your personnel are unavailable to provide the necessary assistance in a timely manner, it may substantially increase the work we have to do to complete the engagement within the established deadlines, resulting in an increase in fees over our original fee estimate.

It is our policy to keep records related to this engagement for a minimum of seven years completion of the engagement.

Suralink is used solely as a method of exchanging information and is not intended to store the City's information. Upon completion of the engagement, data and other content will be removed from Suralink in accordance with Price Paige & Company's policy.

Our fees for the services described above will be as follows:

Audit preparation, as listed in item 1	\$ 58,000
Annual Financial Transactions Reports, as listed in item 2	<u>6,500</u>
Total Fixed Fees	64,500
 Contingency, as listed in item 3 (Hourly, not to exceed)	 <u>10,500</u>
Total Maximum Out-of-Pocket Fees	<u>\$ 75,000</u>

Our fees are based on the expected hours required to perform the service at our standard hourly rates. Our standard hourly rates vary according to the degree of responsibility involved and the level of experience of the personnel assigned to your consulting engagement. Our billing rates are reviewed annually and, where appropriate, adjusted for any increases due to inflation and other factors. We will issue a monthly billing statement for the work completed that month. Payments for services are due when rendered and interim billings may be submitted as work progresses and expenses are incurred. Our fee estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the services listed. If significant time is necessary, we will discuss it with you before we incur additional costs. The fees for these services will be billed at the hourly billing rate for the individual involved, plus out-of-pocket expenses.

If any dispute pertaining to our work product arises among the parties hereto, the parties agree first to try in good faith to settle the dispute by mediation administered by the American Arbitration Association under its Rules for Professional Accounting and Related Services Disputes before resorting to litigation. The costs of any mediation proceeding shall be shared equally by all parties.

All work will be suspended if your account becomes 90 days past due. No work will be resumed until your account is fully paid. You acknowledge and agree that in the event we stop work or withdraw from this engagement as a result of your failure to pay on a timely basis for services rendered as required by this engagement letter, we shall not be liable for any damages that occur as a result of our ceasing to render services. Client and accountant both agree that any dispute over fees charged by the accountant to the client will be submitted for resolution by arbitration in accordance with the Rules for Professional Accounting and

Related Services Disputes of the American Arbitration Association. Such arbitration shall be binding and final. IN AGREEING TO ARBITRATION, WE BOTH ACKNOWLEDGE THAT, IN THE EVENT OF A DISPUTE OVER FEES CHARGED BY THE ACCOUNTANT, EACH OF US IS GIVING UP THE RIGHT TO HAVE THE DISPUTE DECIDED IN A COURT OF LAW BEFORE A JUDGE OR JURY AND INSTEAD WE ARE ACCEPTING THE USE OF ARBITRATION FOR RESOLUTION.

If information becomes known that would make our continued involvement in this engagement inappropriate, or parties involved change, we reserve the right to withdraw from this engagement. In addition, we will refuse to perform any requested act that we deem a violation of law, public policy, or our professional ethical standards, and may, as a result, withdraw from the engagement without penalty.

In no event will our firm be liable for incidental or consequential damages resulting from our performance on this engagement, even if we have been advised of the possibility of such damages.

**Non-Solicit Clause**

We value every one of our clients as well as every one of our employees. We have spent a great deal of time and resources to locate, train, and retain our employees. We respectfully request that you do not solicit our employees to work for you. If you do hire one of our employees within 2 years of when they last worked for Price Paige & Company, we will be due a finder's fee equal to 50% of the annual salary they were earning as of their last day of employment. Payment will be due within 10 days of your receipt of our invoice.

If these terms are in accordance with your understanding and meet with your approval, please return a signed copy via email or regular mail at your earliest convenience. This agreement will become effective when you return the signed copy to us.

If the need for additional services arises, our agreement with you will need to be revised. It is customary for us to describe these revisions in an addendum to this letter.

Sincerely,



Joshua Giosa, CPA  
Price Paige & Company

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RESPONSE:

This letter correctly sets forth the understanding of the **City of Lemoore, California**.

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Management Signature

Title

Date

# Exhibit A

We will assist the City in the year-end close of its financial records for the year ended June 30, 2025 by performing reconciliations of balance sheet and income statement balances for the following audit areas:

- 1) Cash and Investments
- 2) Governmental Receivables
- 3) Loans Receivables
- 4) Interfund Advances and Due To/Due From Balances
- 5) Capital Assets
- 6) Accounts Payable
- 7) Payroll Accrual, including Compensated Absences
- 8) Long-term Liabilities and Trustee Statement Reconciliations
- 9) Net Pension Liability and related Deferred Inflows and Outflows of Resources
- 10) Fund Balance and Net Position
- 11) Grant Reconciliation and Schedule of Expenditure of Federal Awards
- 12) Restricted Revenues from Donations (Formerly Considered Deposits)
- 13) Transfers In/Out
- 14) Overhead Allocations



711 West Cinnamon Drive • Lemoore, California 93245 • (559) 924-6744 • Fax (559) 924-9003

## Staff Report

**Item No: 4-17**

**To: Lemoore City Council**

**From: Marissa Trejo, City Manager**

**Date: August 14, 2025**

**Meeting Date: August 19, 2025**

**Subject: Commercial Lease Agreement between the City of Lemoore and Jason Glaspie DBA Lemoore Boxing Club**

**Strategic Initiative:**

- |  |  |
|--|--|
| <input type="checkbox"/> Safe & Vibrant Community            | <input type="checkbox"/> Growing & Dynamic Economy         |
| <input type="checkbox"/> Fiscally Sound Government           | <input checked="" type="checkbox"/> Operational Excellence |
| <input type="checkbox"/> Community & Neighborhood Livability | <input type="checkbox"/> Not Applicable                    |

**Proposed Motion:**

Approve the Commercial Lease Agreement between the City of Lemoore and Jason Glaspie DBA Lemoore Boxing.

**Subject/Discussion:**

Jason Glaspie DBA Lemoore Boxing Club desires to lease the boxing area portion of the Lemoore Recreation Center located at 721 W. Cinnamon Drive to operate a boxing club.

The proposed lease has a five-year term commencing on August 19, 2025, and ending August 18, 2030, with the option for the parties to negotiate an extension upon mutual agreement. The initial annual rent is \$6,615.00, payable in monthly installments of \$551.25, with a 3% annual increase effective each August 1<sup>st</sup>. No security deposit is required with the continuation of the lease.

The lease specifies that the Premises shall be used solely for the operation of a boxing club, includes provisions for insurance, indemnification, maintenance responsibilities, and termination rights for both parties with 90 days' written notice. The City will provide certain amenities, including access to a public restroom, running track, and client registration. Utilities for electricity and gas will be paid by the City.



The lease is structured to protect the City's interests while supporting a community-based recreational activity that promotes health, fitness, and youth engagement.

**Financial Consideration(s):**

The City will receive annual rental income starting at \$6,615.00, with scheduled 3% annual increases throughout the term of the lease. The City will continue to cover electricity and gas utilities for the Premises.

**Alternatives or Pros/Cons:**

**Pros:**

- Maintains a local boxing club that provides fitness, youth engagement, and recreational opportunities for residents.
- Provides the City with steady rental income.

**Cons:**

- None noted.

**Commission/Board Recommendation:**

Not applicable.

**Staff Recommendation:**

Staff recommends approval of the Commercial Lease Agreement

**Attachments:**

- ☐ Resolution:
  - ☐ Ordinance:
  - ☐ Map
  - ☒ Contract
  - ☐ Other
- List:

**Review:**

- I
- ☐ City Attorney
- ☐ City Clerk
- ☐ City Manager
- ☐ Finance

**Date:**

## COMMERCIAL LEASE AGREEMENT

**THIS LEASE AGREEMENT** (hereinafter referred to as "Lease") is made on this 19th day of August 2025 (the "Effective Date"), by and between **CITY OF LEMOORE** (hereinafter referred to as "Landlord"); and **Jason Glaspie DBA Lemoore Boxing Club** (hereinafter referred to as "Tenant"). Landlord and Tenant may be referred to herein individually as "Party" and collectively as "the Parties."

### RECITALS

1. Landlord owns that real property located at 711 Cinnamon Drive, in the City of Lemoore, California (hereinafter "Property").
2. Tenant desires to lease the Boxing area portion of the Property.
3. Tenant intends to use the Premises for the sole purpose of operating a boxing club. Landlord desires to lease the Premises to the Tenant upon the terms and conditions set forth herein.
4. Landlord and Tenant agree that this Lease is in the best interest of the parties and for the mutual benefit of each party.

**THEREFORE**, for good and valuable consideration, the adequacy and receipt of which is acknowledged, Landlord and Tenant agree as follows:

1. DESCRIPTION. Landlord does hereby rent and lease to the Tenant the Premises, located thereon and the contiguous grounds referred to as the Boxing area portion of the Property.
2. TERM: EXTENSION. The term of this Lease shall be for five (5) years. The commencement date shall be August 19, 2025 ("Commencement Date"), and, unless sooner terminated under any provision hereof, this Lease shall end on August 18, 2030. Landlord and Tenant may agree to extend the Lease on such terms and conditions agreed to by the Parties if Tenant gives Landlord notice of Tenant's intent to renew at least 60 days prior to the expiration of the initial term of the Lease. City Manager has the authority to execute extensions of this lease on behalf of the City for a period not to exceed three (3) years, so long as no material modifications are made to the existing terms and conditions of the lease.
3. RENT.
  - A. The initial annual rent shall be six thousand six hundred fifteen dollars (\$6,615.00) divided into twelve (12) equal monthly installments of five hundred fifty one dollars and twenty five cents (\$551.25) ("Rent") and shall increase by three-percent (3%) annually every August 1 throughout the term. Tenant shall pay promptly to Landlord the monthly installment of Rent on the first day of each month in advance during the term of the Lease, without deduction, setoff, prior notice or demand.
  - B. Tenant acknowledges that late payment by Tenant to Landlord of the monthly rent, and other sums due hereunder, will cause Landlord to incur costs not contemplated by this Lease, the exact amount of which will be extremely difficult to ascertain. Such costs include, but are not limited to, processing and accounting charges. Accordingly, if any

installment of rent or any other sum due from Tenant shall not be received by Landlord by 4:00 p.m. within ten (10) days after such amount shall be due, Tenant shall pay to Landlord, as additional rent, a late charge equal to three percent (3%) of such overdue amount. The parties hereby agree that such late charges represent a fair and reasonable estimate of the costs Landlord will incur by reason of late payment by Tenant. Acceptance of such late charge by Landlord shall in no event constitute a waiver of Tenant's default with respect to such overdue amount, nor prevent Landlord from exercising any of its other rights and remedies granted hereunder.

- C. In the event of a default in the payment of rent, Tenant must pay all interest and penalties that may accrue thereon, and all reasonable damages, costs, and attorneys' fees and expenses which Landlord may incur by reason of any default of Tenant or failure on Tenant's part to comply with the terms of this Lease, shall be deemed to be additional rent ("Additional Rent") and, in the event of nonpayment by Tenant, Landlord shall have all of the rights and remedies with respect thereto as Landlord has for the nonpayment of the monthly rent.
4. SECURITY DEPOSIT. No security deposit required with continuation of lease. If, at any time, Tenant shall fail to make any payment or fail to keep or perform any term, covenant or condition on its part to be made or performed or kept under this Lease, Landlord may, but shall not be obligated to and without waiving or releasing Tenant from any obligation under this Lease, use, apply or retain the whole or any part of the Security Deposit: (a) to the extent of any sum due to Landlord; (b) to make any required payment on Tenant's behalf; or, (c) to compensate Landlord for any loss, damage, attorneys' fees or expense sustained by Landlord due to Tenant's default. In such event, Tenant shall, within five (5) days of written demand by Landlord, remit to Landlord sufficient funds to restore the Security Deposit to its original sum. Tenant shall not be entitled to any interest on the Security Deposit. Landlord shall not be deemed a trustee of the Security Deposit, and may commingle the Security Deposit with its other funds. Should Tenant comply with all the terms, covenants, and conditions of this Lease, and at the end of the term of this Lease leave the Premises in the condition required by this Lease, then said Security Deposit, less any sums owing to Landlord, shall be returned to Tenant within thirty (30) days after the termination of this Lease and vacancy of the Premises by Tenant.
5. DELIVERY. Landlord shall deliver possession of the Premises after mutual execution of the Lease. The Premises shall be leased to Tenant on an "AS IS" basis. Landlord shall not be required to make or construct any alterations including structural changes, additions or improvements to the Premises. By entry and taking possession of the Premises pursuant to this Lease, Tenant accepts the Premises as being in good and sanitary order, condition and repair, and accepts the Premises in the condition existing as of the date of Tenant's possession. Tenant acknowledges that neither the Landlord nor Landlord's agents have made any

representation or warranty as to the suitability of the Premises to the conduct of Tenant's business.

6. USE OF PREMISES. Landlord leases to Tenant the Premises for use consistent with the purpose described in Recital 3 of this Lease. Tenant shall not use the Premises for any use other than that specified in this section without the prior written consent of the Landlord. Tenant shall comply with applicable governmental laws, regulations, and rules and ordinances. Furthermore, Tenant shall require all subtenants, licensees, and invitees to use the Premises only in conformance with this use, and also in conformance with applicable governmental laws, regulations, rules and ordinances. Tenant shall indemnify, defend, and hold Landlord harmless against any loss, expense, damage, attorneys' fees or liability arising out of failure of Tenant to comply with any applicable law, regulation, rule or ordinance. The Premises are separate from the remaining portion of the Property, and Landlord will provide Tenant with keys and related items to secure the Premises. Tenant shall not commit or suffer to be committed, any waste upon the Premises, or allow any sale by auction upon the Premises, or allow the Premises to be used for any unlawful purpose, or place any loads upon the floor, walls or ceiling which endanger the structure, or place any harmful liquids in the drainage system of the building. No waste materials or refuse shall be dumped upon or permitted to remain upon any part of the Premises except in trash containers designated for that purpose. Tenant shall comply with Landlord's policy prohibiting the use of tobacco products on the Premises at all times. Tenant agrees to immediately respond to concerns expressed by neighbors or Landlord relating to the operation of the Premises.
7. RESTRICTION ON MUSIC. Tenant is required to not play music at the Premises upon notification from Landlord for a specified period of time. Landlord will provide forty-eight (48) hour notice to Tenant in the event that music must not be played at the Premises.
8. INDEMNIFICATION AND INSURANCE.
  - A. Tenant Indemnification. Tenant agrees to indemnify, reimburse, hold harmless, and defend Landlord, its officers, employees and agents against any and all claims, causes of action, judgments, obligations or liabilities, and all reasonable expenses incurred in investigating or resisting the same (including reasonable attorneys' fees), in connection with, arising out of, or related to the operation, damage to equipment, facilities, condition, use or occupancy of the Premises and all areas appurtenant thereto. This Lease is made on the express representation and covenant by Tenant that Landlord shall not be liable for, or suffer loss by reason of, injury to person or property, from whatever cause in any way connected with the condition, use or occupancy of the Premises specifically including, without limitation, any liability for injury including death to the person or property of the Tenant, its agents, officers, employees, licensees and invitees.
  - B. Landlord Indemnification. Landlord shall hold harmless and defend and indemnify Tenant from any claims, damages or expenses, including attorneys' fees, arising out of or relating to, or in any way connected to Landlord's gross negligence or willful misconduct on the Premises.

C. Commercial General Liability Insurance. Tenant shall, at Tenant's expense, obtain and keep in force during the term of this Lease a policy of commercial general liability insurance insuring Landlord and Tenant against claims and liabilities arising out of the operation, condition, use, or occupancy of the Premises and all areas appurtenant thereto, including asphalt surfaces, parking areas, and equipment. Tenant's commercial general insurance shall be in an amount of not less than Two Million Dollars (\$2,000,000.00) for bodily injury or death and property damage as a result of any one occurrence and a One Million Dollar (\$1,000,000.00) general aggregate policy limit. Prior to the Commencement Date, Tenant shall deliver to Landlord a certificate of insurance evidencing the existence of the policies required hereunder and copies of endorsements stating that such policies shall:

- i) not be canceled or altered without thirty (30) days' prior written notice to Landlord;
- ii) insure performance of the indemnity set forth in Section 8.A above;
- iii) state the coverage is primary and any coverage by Landlord is in excess thereto;
- iv) contain a cross liability endorsement; and,
- v) include a separate endorsement naming Landlord as an additional insured.

At least thirty (30) days prior to the expiration of such certificate, and every such subsequent certificate, Tenant shall deliver to Landlord a new certificate of insurance consistent with all of the terms and conditions required in connection with the original certificate of insurance as described in this Section 8 (C) of this agreement during the entire term of this agreement.

D. Tenant's Property Insurance. Tenant may, at his own expense, maintain in full force and effect an insurance policy on all of the fixtures, equipment, improvements and personal property in, about, or on the Premises.

E. Mutual Release. Each Party hereby releases the other Party, and its parties, officers, agents and employees from any and all claims, demands, loss, expense or injury to the Premises or to the furnishings, fixtures, equipment, inventory or other personal property of Tenant in, about, or upon the Premises, which is caused by perils, events or happenings which are covered by the insurance required by this Lease or which are the subject of insurance carried by Tenant and in force at the time of such loss. Each Party shall procure an appropriate clause in, or an endorsement to, all policies required by this Lease or any other insurance policy maintained by Tenant or Landlord, pursuant to which the insurance company or companies waive subrogation or consent to a waiver of a right of recovery against the other Party.

9. UTILITIES. Landlord shall pay for electricity and gas at the Premises.

10. AMENITIES. Landlord shall provide Tenant the following amenities: a public restroom, running track and client registration.

11. ACCESS. Landlord reserves the right to access the building through the front and rear doors to accommodate other facility rentals that Landlord provides.

**12. MAINTENANCE AND REPAIRS.** During the life of this Lease, Tenant will keep the Premises in clean and sanitary condition; dispose of all rubbish, garbage and waste promptly and in a clean and sanitary manner; properly use and operate all electrical, gas and plumbing fixtures and keep the same in clean condition; not permit any person in or about the Premises with Tenant's permission to deface, damage or remove any part of the structure of the Premises or the facilities, equipment or appurtenances thereto; and will occupy and use the Premises in accord with the purpose for which the Premises was rented to Tenant. Tenant will be responsible for all expenses in connection with any repairs caused by Tenant's failure to comply with the foregoing conditions. Notwithstanding the foregoing, it is Landlord's obligation to maintain the Premises and the Property in a habitable condition. Landlord shall be responsible for any major repairs, including such things as HVAC units, plumbing, electrical and structural items.

Landlord shall have no maintenance or repair obligations with respect to the Premises except as expressly provided in this section. Tenant hereby expressly waives the provisions of Subsection 1 of Section 1932 and Sections 1941 and 1942 of the Civil Code of California and all rights to make repairs at the expense of Landlord as provided in Section 1942 of said Civil Code.

**13. ALTERATIONS AND IMPROVEMENTS.** Tenant shall not make any alterations or improvements to the Premises without prior written approval from Landlord, which approval may be withheld in Landlord's sole discretion.

**14. EQUIPMENT.** All the equipment brought in by Tenant shall remain property of Tenant. Tenant shall not affix any of the equipment to the Premises without prior written permission of Landlord. Any equipment affixed to the Premises that will cause harm or damage to the Premises upon removal must be left at the Premises at the time Tenant surrenders the Premises. Landlord may charge Tenant for the cost of removal of such equipment and may also charge Tenant for the damages to the Premises associated with the equipment being left at the Premises in accordance with Sections 6 and 14 of this agreement.

## **15. CASUALTY DAMAGE**

**A.** In the event that any portion of the Premises are destroyed or damaged by an uninsured peril, Landlord or Tenant may, upon written notice to the other, given within thirty (30) days after the occurrence of such damage or destruction, elect to terminate this Lease; provided, however, that either party may, within thirty (30) days after receipt of such notice, elect to make the required repairs and/or restoration at such party's sole cost and expense, in which event this Lease shall remain in full force and effect, and the party having made such election to restore or repair shall thereafter diligently proceed with such repairs and/or restoration.

**B.** In the event the Premises are damaged or destroyed from any insured peril to the extent of seventy percent (70%) or more of the then replacement cost of the Premises, Landlord or Tenant may, upon written notice, given to the other within thirty (30) days after the occurrence of such damage or destruction, elect to terminate this Lease. If neither party

gives such notice in writing within such period, Landlord shall be deemed to have elected to rebuild or restore the Premises, in which event Landlord shall, at its expense, promptly rebuild or restore the Premises to their condition prior to the damage or destruction. In the event the Premises are damaged or destroyed from any insured peril to the extent of less than seventy percent (70%) of the then replacement cost of the Premises, Landlord shall at Landlord's expense, promptly rebuild or restore the Premises to their condition prior to the damage or destruction. Notwithstanding the foregoing, Tenant may terminate this Lease if the Premises are damaged or destroyed to the extent of fifty percent (50%) or more of the then replacement cost of the Premises.

- C. In the event that, pursuant to the foregoing provisions, Landlord is to rebuild or restore the Premises, Landlord shall, within thirty (30) days after the occurrence of such damage or destruction, provide Tenant with written notice of the time required for such repair or restoration. If such period is longer than one hundred twenty (120) days from the issuance of a building permit, Tenant may, within thirty (30) days of receipt of Landlord's notice, elect to terminate the Lease by giving written notice to Landlord of such election, whereupon the Lease shall immediately terminate. The period of time for Landlord to complete the repair or restoration shall be extended for delays caused by the fault or neglect of Tenant or because of acts of God, labor disputes, strikes, fires, freight embargoes, rainy or stormy weather, inability to obtain materials, suppliers or fuels, acts of contractors or subcontractors, or delays of contractors or subcontractors due to such causes or other contingencies beyond the control of Landlord. Landlord's obligation to repair or restore the Premises shall not include restoration of Tenant's trade fixtures, equipment, merchandise, or any improvements, alterations, or additions made by Tenant to the Premises.
- D. Unless this Lease is terminated pursuant to the foregoing provisions, this Lease shall remain in full force and effect; provided, however, that during any period of repairs or restoration, rent and all other amounts to be paid by Tenant shall be abated in proportion to the area of the Premises rendered not reasonably suitable for the conduct of Tenant's business thereon.

## 16. DEFAULT.

- A. Events of Default. A breach of this Lease shall exist if any of the following events (hereinafter referred to as "Event of Default") shall occur:
  - 1. Default in the payment when due of any installment of rent or other payment required to be made by Tenant hereunder, and such default shall not have been cured within ten (10) days after written notice from Landlord;
  - 2. Tenant's failure to perform any other term, covenant or condition contained in this Lease and such failure shall have continued for thirty (30) days after written notice of such failure is given to Tenant;



3. The sequestration of, attachment of, or execution on, any substantial part of the property of Tenant or on any property essential to the conduct of Tenant's business, shall have occurred and Tenant shall have failed to obtain a return or release of such property within thirty (30) days thereafter, or prior to sale pursuant to such sequestration, attachment or levy, whichever is earlier;
4. The Tenant or any guarantor of Tenant's obligations hereunder shall generally not pay its debts as they become due or shall admit in writing its inability to pay its debts;
5. The Tenant or any guarantor of Tenant's obligations hereunder shall commence any case, proceeding, or other action seeking reorganization, arrangement, adjustment, liquidation, dissolution or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors, or seek appointment of a receiver, trustee, custodian, or other similar official for it or for all or any substantial part of its property;
6. The Tenant or any such guarantor shall take any corporate action to authorize any of the actions set forth in Subsections 4 or 5 above;
7. Any case, proceeding or other action against the Tenant or any guarantor of the Tenant's obligations hereunder shall be commenced seeking to have an order for relief entered against it as debtor, or seeking reorganization, arrangement, adjustment, liquidation, dissolution or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors, or seeking appointment of a receiver, trustee, custodian or other similar official for it or for all or any substantial part of its property, and such case, proceeding or other action (i) results in the entry of an order for relief against it which is not fully stayed within seven (7) business days after the entry thereof, or (ii) remains un-dismissed for a period of forty-five calendar (45) days.

**B. Remedies.** Upon any Event of Default, Landlord shall have the following remedies, in addition to all other rights and remedies provided by law, to which Landlord may resolve cumulatively, or in the alternative:

1. **Recovery of Rent.** Landlord shall be entitled to keep this Lease in full force and effect (whether or not Tenant shall have abandoned the Premises), unless the Lessee suffers a catastrophic illness or death, and to enforce all of its rights and remedies under this Lease, including the right to recover rent and other sums as they become due, plus interest at the rate of Bank of America's or its successor's reference rate plus three percent (3%) per annum from the due date of each installment of rent or other sum until paid. In the case of death or catastrophic illness, Landlord shall retain the security deposit. A catastrophic illness is defined as a permanent and debilitating condition.



2. Termination. Landlord or Tenant may terminate this Lease by providing 90 (ninety) days advance written notice of termination. Upon the notice of termination, all of Tenant's rights in the Premises shall cease upon the effective date of the notice. Upon the serving of termination notice, Tenant shall, by the effective date, surrender and vacate the Premises in the condition required by Section 28 of this agreement, and Landlord may re-enter and take possession of the Premises and all the remaining improvements or property and eject Tenant or any of Tenant's subtenants, assignees or other person or persons claiming any right under or through Tenant, or eject some and not others, or eject none. This Lease may also be terminated by a judgment specifically providing for termination. Any termination under this Section shall not release Tenant from the payment of any sum then due Landlord or from any claim for damages or rent previously accrued or then accruing against Tenant. In no event shall any one or more of the following actions by Landlord constitute a termination of this Lease:

- (a) maintenance and preservation of the Premises;
- (b) efforts to re-let the Premises;
- (c) appointment of a receiver in order to protect Landlord's interest hereunder;
- (d) consent to any subletting of the Premises or assignment of this Lease by Tenant, whether pursuant to provisions hereof concerning subletting and assignment or otherwise; or,
- (e) any other action by Landlord or Landlord's agents intended to mitigate the adverse effects from any breach of this Lease by Tenant.

3. Damages. In the event this Lease is terminated pursuant to Section 16(8)(2) of this agreement, or otherwise, Landlord shall be entitled to damages as authorized by law.

17. INSPECTION OF PREMISES. Landlord shall keep a set of keys for emergency repairs. Barring an emergency, and upon reasonable advance notice with Tenant's consent, which shall not be unreasonably withheld, Tenant shall permit Landlord and its agents to enter the Premises during reasonable times for the purpose of inspecting the same, performing Landlord's maintenance and repair responsibilities, or posting a notice of non-responsibility for alterations, additions, or repairs. Landlord and its authorized agents and representatives shall have the right throughout the Term of this Lease to enter the Premises at all reasonable times during usual business hours and upon reasonable notice for the purpose of inspecting the same or of exhibiting the same to prospective purchasers or mortgagees, and at any time within one (1) year prior to the expiration of this Lease, for the purpose of showing the same to prospective Tenants/bidders or to place upon the Premises, ordinary "For Lease" signs, provided said signs shall not suggest the Tenant's business is for sale.

18. HOLDING OVER. Should Tenant hold over in possession after the expiration of the original term or any extended term of this Lease, such holding over shall not be deemed to extend the term or renew the Lease, but the tenancy thereafter shall continue upon the covenants and conditions herein set forth at 150% (one hundred fifty percent) of the monthly rental (Holding

Over Rent) of the last expiring term unless a different rental amount is mutually agreed to by the Tenant and Landlord prior to August 18, 2030.

19. **NOTICES.** Any notices which either of the parties hereto is required or may desire to send or deliver to give to the other party, shall be mailed, certified mail, return receipt requested, postage prepaid, or delivered, with all charges prepaid, to such other party at the address listed below, or to such address as either party may designate to the other from time to time in writing.

Landlord: City Manager  
City of Lemoore  
119 Fox Street  
Lemoore, CA 93245

Tenant: 18171 Iona Ave  
Lemoore, CA 93245  
Attn: Jason Glaspie

The date of service of any such notice mailed as aforesaid shall be deemed to be five (5) days after the date of such mailing, and the date of service of any such notice hand delivered, as aforesaid, shall be deemed to be one (1) day after delivery thereof to the delivery service office.

20. **ATTORNEYS' FEES.** In the event either party shall bring any action or legal proceeding for damages for any alleged breach of any provision of this Lease, to recover rent or possession of the Premises, to terminate this Lease, or to enforce, protect or establish any term or covenant of this Lease or right or remedy of either party, the prevailing party shall be entitled to recover as a part of such action or proceeding, reasonable attorneys' fees and court costs, including attorneys' fees and costs for appeal, as may be fixed by the court or jury. The term "prevailing party" shall mean the party who received substantially the relief requested, whether by settlement, dismissal, summary judgment, judgment, or otherwise.
21. **ASSIGNMENTS AND SUBLETTING.** Tenant may not assign or sublet the whole or any part of the Premises rented to Tenant by this Lease without the prior written consent of Landlord, which may be withheld in Landlord's sole discretion.
22. **PARKING AND SIGNAGE.** Tenant may use the parking lot surrounding the Premises and may attach signage on the exterior of the Premises with Landlord's written consent, which shall not be unreasonably withheld.
23. **SUCCESSORS.** This Lease contains all of the covenants, agreements, representations and provisions thereof and shall inure to the benefit of and be binding upon the respective heirs, legal representatives, executors, administrators, successors and assigns of the parties hereto.
24. **WAIVER.** The waiver of Landlord or Tenant of any breach of any term, covenant or condition or any subsequent breach of the same or any other term, covenant or condition herein

contained, shall not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant or condition herein contained.

25. TIME IS OF THE ESSENCE. Time is of the essence for the performance of each term, covenant and condition of this Lease.
26. SEVERABILITY AND JURISDICTION. In case any one or more of the provisions contained herein, except for the payment of rent, shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Lease, but this Lease shall be construed as if such invalid, illegal or unenforceable provision had not been contained herein. This Lease shall be construed and enforced in accordance with the laws of the State of California. In the event of litigation, venue shall lie in a court of competent jurisdiction located in Kings County.
27. INTEREST ON PAST DUE OBLIGATIONS. Any amount due to Landlord not paid when due shall bear interest at the rate of Bank of America's or its successor's reference rate plus three percent (3%) per annum commencing thirty (30) days after the due date, but not to exceed the maximum rate permitted by law. Payment of such interest shall be in addition to any late charges owing pursuant to Section 3(B) of this agreement, and shall not excuse or cure any default by Tenant under this Lease.
28. SURRENDER OF THE PREMISES. On the last day of the term hereof, or on sooner termination of this Lease, Tenant shall surrender to Landlord the Premises and any then existing improvements in good order, condition and repair, reasonable wear and tear excepted, free and clear of all liens, claims and encumbrances. Tenant shall remove from the Premises all of Tenant's personal property, trade fixtures, and any improvements made by Tenant which Tenant and Landlord agreed would be removed by Tenant. All property not so removed shall be deemed abandoned by Tenant. If the Premises are not so surrendered at the termination of this Lease, Tenant shall indemnify Landlord against loss or liability resulting from delay by Tenant in so surrendering the Premises including without limitation, any claims made by any succeeding Tenant or losses to Landlord due to lost opportunities to Lease to succeeding Tenants.
29. HAZARDOUS SUBSTANCES. Landlord and Tenant agree as follows with respect to the existence or use of Hazardous Materials on the Premises including any Improvements made by Tenant.
- A. Definition. As used herein, the term "Hazardous Materials" means any hazardous or toxic substance, material or waste which is or becomes regulated by any local governmental authority, the State of California or the United States Government. The term "Hazardous Materials" includes, without limitation, petroleum products, asbestos, PCB's, and any material or substance which is (i) listed under Section 9 or defined as hazardous or extremely hazardous pursuant to Article 1 of Title 22 of the California Administrative Code, Division 4, Chapter 20, (ii) defined as a "hazardous waste" pursuant to Section (14) of the federal Resource Conservation and Recovery Act, 42 U.S.C. 6901 et. seq. (42 U.S.C. 6903), or (iii) defined as a "hazardous substance" pursuant to Section 10 of the

Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. 9601 et. seq. (42 U.S.C. 9601). As used herein, the term "Hazardous Materials Law" shall mean any statute, law, ordinance, or regulation of any governmental body or agency (including the U.S. Environmental Protection Agency, the California Regional Water Quality Control Board, and the California Department of Health Services) which regulates the use, storage, release or disposal of any Hazardous Material.

- B. Hazardous Materials.** Tenant shall not cause or permit any Hazardous Material to be generated, brought onto, used, stored, or disposed of in or about the Premises and any improvements by Tenant or its agents, employees, contractors, subtenants, or invitees, except for limited quantities of standard office and janitorial supplies (which shall be used and stored in strict compliance with Environmental Laws). Tenant shall comply with all Environmental Laws. Tenant shall be solely responsible for all environmental matters affecting the Premises and any improvements that result from or arise out of Tenant's use, storage, treatment, transportation, release or disposal of Hazardous Materials on, under, about or in the vicinity of the Premises from and after the date of Tenant's initial possession, use, or occupancy of the Premises, whichever came first (the "Date of Tenant Possession").
- C. Responsibility of Tenant.** From and after the Commencement Date, Tenant shall be solely responsible for all environmental matters affecting the Premises and any improvements that result from or arise out of the use, storage, treatment, transportation, release or disposal of Hazardous Materials on, under, about or in the Premises by Tenant, its officers, subtenants, contractors, subcontractors, agents, invitees, employees, or any other person or entity that Tenant causes or permits to enter the Premises from and after the Commencement Date. Tenant shall not be responsible for any Hazardous Materials on, under, about or in the Premises that were present prior to the Commencement Date, unless they were released by Tenant. In the event that Tenant causes any Hazardous Materials to be released, spilled or otherwise exposed through its use and occupancy of the Premises, Tenant shall be solely responsible for all costs associated with the proper handling, mitigation, remediation, and disposal of such Hazardous Materials and all related cleanup.
- 30. ENTIRE AGREEMENT.** This Lease constitutes the entire understanding between the parties hereto and no addition to, or modification of, any term or provision of this Lease shall be effective until set forth in writing signed by both Landlord and Tenant.
- 31. EXECUTION IN COUNTERPART.** This Lease may be executed in counterparts, which, when taken together, shall constitute one original version of the Lease. Photocopies of this Lease or of execution signatures on this Lease, or copies made by comparable means (including copies made by facsimile), shall be equivalent to originals.
- 32. WARRANTY OF AUTHORITY.** Each of the persons signing this Lease represents and warrants that such person has been duly authorized to sign this Lease on behalf of the party indicated, and each of the parties by signing this Lease warrants and represents that such party is legally authorized and entitled to enter into this Lease.

**IN WITNESS WHEREOF**, Landlord and Tenant have executed this Lease, through their respective officers or representatives, duly authorized, as of the day and year shown below.

LANDLORD

City of Lemoore

\_\_\_\_\_  
Marissa Trejo, City Manager

\_\_\_\_\_  
Date

TENANT

\_\_\_\_\_  
Jason Glaspie, Lemoore Boxing Club

\_\_\_\_\_  
Date