AGENDA
REGULAR MEETING OF THE BOARD OF COMMISSIONERS
HUMBOLDT BAY HARBOUR, RECREATION AND CONSERVATION DISTRICT

DATE: July 23, 2015
TIME: Executive Closed Session - CANCELLED
               Regular Session – 6:00 PM
PLACE: Woodley Island Marina Meeting Room

The Meeting Room is wheelchair accessible. Accommodations and access to Harbor District meetings for people with other handicaps must be requested of the Director of Administrative Services at 443-0801 at least 24 hours in advance of the meeting.

1. Call to Order Regular Session at 6:00 P.M. and Roll Call

2. Pledge of Allegiance

3. Public Comment

   Note: This portion of the Agenda allows the public to speak to the Board on the various issues not itemized on this Agenda. A member of the public may also request that a matter appearing on the Consent Calendar be pulled and discussed separately. Pursuant to the Brown Act, the Board may not take action on any item that does not appear on the Agenda. Each speaker is limited to speak for a period of three (3) minutes regarding each item on the Agenda. Each speaker is limited to speak for a period of three (3) minutes during the PUBLIC COMMENT portion of the Agenda regarding items of special interest to the public not appearing on the Agenda that are within the subject matter jurisdiction of the Board of Commissioners. The three (3) minute time limit may not be transferred to other speakers. The three (3) minute time limit for each speaker may be extended by the President of the Board of Commissioners or the Presiding Member of the Board of Commissioners at the regular meeting of the District. The three (3) minute time limit for each speaker may be enforced by the President of the Board of Commissioners or the Presiding Member of the Board of Commissioners at the regular meeting of the District.

4. Consent Calendar: None

5. Communications and Reports
   a. Executive Directors Report
   b. Staff Reports
   c. District Counsel, District Planner and District Treasurer Reports
   d. Commissioner and Committee Reports
   e. Other

6. Non Agenda

7. Unfinished Business

8. New Business
   a. Consideration of elimination of State and County vessel moorage discount.
   b. Consideration of a lease with Hagfish Corporation for operation of a hagfish holding and packing facility at Redwood Marine Terminal Berth 1.
   c. Consideration of Permit and Agreement to Operate a Charter Service with Luck Cochran dba Silver Star Sportfishing.
   d. Consideration of US Government Lease for Real Property for the US Coast Guard.
Agenda for July 23, 2015 Regular Board Meeting

   e. Consideration of Commercial Lease with Humboldt State University Department of Fisheries Biology for the Aquaponics Pilot Project, Greenhouse and Aquaponics System.

   f. Consideration of MM Diving, Inc. Contract for diving services for ocean outfall pipe inspections, maintenance and repair.

   g. Discussion of relocation of former Naval Vessel 1091.

9. Administrative and Emergency Permits

10. Adjournment
July 15, 2015

To whom it may Concern:

In the original California Department of Boating and Waterways loan documents was a required moorage fee waiver for all State owned vessels. For over thirty years, the Harbor District has provided moorage for all State and County owned vessels at a discounted rate of fifty percent of the Districts normal rate. This fee was put in place in order to assist in covering costs of security, electrical, water, dredging and other typical marina maintenance.

In 2015 the Harbor District paid off all California Boating and Waterways loans including the original loan that required the moorage fee waiver.

On July 23, 2015 at 7:00 P.M. the District Board of Commissioners will consider removing this discounted rate as an agenda item at their regularly scheduled Board Meeting in the Woodley Island Marina Conference Room. All interested parties are welcome to attend and take part in the meeting.

Sincerely,

Adam Wagschall
Deputy Director
HUMBOLDT BAY HARBOR, RECREATION
AND CONSERVATION DISTRICT

PERMIT AND AGREEMENT TO
OPERATE A CHARTER SERVICE

Startare Drive
Woodley Island Marina
P.O. Box 1030
Eureka, CA 95501

PERMITTEE:
Luke Cochran
Silver Star Sportfishing LLC
dba Silver Star Sportfishing
P.O. Box 235
Myers Flat, CA 95554

This Permit and Agreement is executed in triplicate at Woodley Island Marina,
Eureka, California, between HUMBOLDT BAY HARBOR, RECREATION AND
CONSERVATION DISTRICT, hereinafter referred to as "District", and Luke Cochran,
Silver Star Sportfishing LLC, dba Silver Star Sportfishing hereinafter referred to as
"Luke Cochran."

WHEREAS, Luke Cochran is the Lessee of Slip Number 09, Float D, at the
Woodley Island Marina for a vessel, pursuant to a Berthing Permit and Rental
Agreement for the Woodley Island Marina, a copy of which is attached hereto and
incorporated by reference as Exhibit "A" hereto; and

WHEREAS, on or about July 20, 2012, Luke Cochran made a written application
to the District for a Permit from the District to operate the business Silver Star
Sportfishing on a vessel moored at Slip Number 09, Float D at the Woodley Island
Marina; and

WHEREAS, on March 14, 2013, a request to renew the permit for one year was
received in the Harbor District office; and

WHEREAS, on July 03, 2014, a request to renew the permit for one year was
received in the Harbor District office; and

2015 Silver Star Sportfishing
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WHEREAS, on July 17, 2015, a request to renew the permit for one year was received in the Harbor District office; and

WHEREAS, Ordinance Number 9, Section 6.78, subparagraph a of the District prohibits any commercial endeavor or charter service for hire without a special permit from the District.

AFTER REVIEW AND CONSIDERATION thereof by the Board of Commissioners of the District of the application of Luke Cochran:

THE PARTIES, THEREFORE, AGREE AS FOLLOWS:

1. District shall permit Luke Cochran, Silver Star Sportfishing, to operate the business Silver Star Sportfishing for the purpose of charter service at the Woodley Island Marina. The charter services shall consist primarily of sport fishing. Diving or diving instruction from or on said vessel shall not be allowed and shall be prohibited at all times at any locations within or without the boundaries of Woodley Island Marina while Luke Cochran operates the business of charter services from the Woodley Island Marina.

2. The term of this Permit and Agreement shall be for one (1) year commencing July 26, 2015 and terminating on July 26, 2016. District or Luke Cochran may terminate this Permit and Agreement by giving sixty 60 days written notice of termination to the other party. District may terminate this Permit and Agreement with Luke Cochran with or without cause or reason by giving Luke Cochran sixty 60 days written notice of termination and Luke Cochran shall terminate their business, as defined in Paragraph 1, 60 days from the date of personal service of said written notice of termination or sixty 60 days from the date of deposit or the written notice of termination deposited, enclosed in a sealed envelope with postage thereon fully prepaid, in the United States mail, and addressed to Luke Cochran, at P.O. Box 235, Myers Flat, CA 95554. In the event Luke Cochran are in default of any of the provisions of the Berthing Permit and Rental Agreement for the Woodley Island Marina, a copy of which is attached hereto as Exhibit "A", and Luke Cochran's Berthing Permit is terminated pursuant to said Agreement, this
Permit and Agreement to operate a Charter Service shall terminate forthwith on the date of termination of Luke Cochran’s Berthing Permit and Rental Agreement for the Woodley Island Marina without the requirement of the hereinabove set forth sixty 60 day notice of termination provisions.

3. In addition to the monthly rental payable by Luke Cochran to the District pursuant to the Berthing Permit and Rental Agreement for the Woodley Island Marina, a copy of which is attached hereto as Exhibit "A", Luke Cochran shall pay District the sum of Two hundred fifty dollars and no cents ($250.00) per year, however all rates may be changed pursuant to paragraph 3 of the Berthing Permit and Rental Agreement for Woodley Island Marina which provides that the District may change or increase the rates by giving thirty (30) days notice.

4. On or prior to the date of the Agreement, to wit: July 26, 2015, Luke Cochran shall purchase and maintain throughout the term of the Permit and Agreement Commercial General Liability insurance covering Luke Cochran pursuant to the terms of this Permit and Agreement. Said insurance policy of "protection and indemnity insurance" insuring Luke Cochran from liability for bodily injury, death, or property damage as a result of their operation and shall name District as an additional insured and provide District, prior to July 01 each year, with a Certificate of Insurance stating the amount of the insurance and proof that the District is an additional named insured, and the agreement of said insurance company that District shall be notified forthwith of the event of non-payment of the premium or termination of said insurance policy. The amount of insurance shall be One Million Dollars and no cents ($1,000,000.00) per occurrence. In the event said liability insurance policy referred to in Paragraph 4 is cancelled or terminated, Luke Cochran shall forthwith cease and stop their Silver Star Sportfishing business at District's premises at the Woodley Island Marina and shall not resume operations until said liability insurance policy is fully reinstated and in full force and effect.
5. **Luke Cochran** shall, prior to commencing operation of *Silver Star Sportfishing*, obtain any and all necessary permits, if applicable, including but not limited to City of Eureka business license and California Department of Fish and Wildlife licenses.

6. **Luke Cochran** agrees that neither the Humboldt Bay Harbor, Recreation and Conservation District, nor its Board of Commissioners, nor any Officer of the District shall be liable to any extent for the injury or damages to any person or property or for the death of any person arising out of or connected with **Luke Cochran**, and **Luke Cochran** shall indemnify and hold harmless District, its Commissioners, and Officers free and harmless from any liability for any such injury, death or damages. In addition, **Luke Cochran** agrees to hold harmless, indemnify, and hold District non-responsible for any of **Luke Cochran**’s operations according to the provisions of paragraphs 11, 13, and 19 of the Berthing Permit and Rental Agreement for Woodley Island Marina, a copy of which is attached hereto as Exhibit "A" and incorporated by reference as though set forth in full.

7. **Luke Cochran** at all times shall comply and shall obtain compliance of Lessees’ family, agents, employees, business visitors, and invitees of all laws, ordinances, rules and regulations, including Ordinance No.9, the Woodley Island Marina Rules and Regulations, and those of local, state, and federal government.

8. **Luke Cochran** at all times shall ensure that walkways and finger piers are not obstructed in any manner. No tires, ropes, canvas, or other material shall be nailed or attached to finger piers, docks, and piles without the written approval of the District. No person shall throw, discharge, or deposit from any vessel or from the shore or float or in any other manner, any fish or shellfish parts into or upon the waters of the Woodley Island Marina or upon the banks, walls, sidewalks, or parking areas within the boundaries of the Woodley Island Marina. No person shall place or leave dead animals, fish, shellfish, bait, or other putrefying matter on or along seawalls, harbor
structures, floats, piers, sidewalks, or parking areas within the boundaries of the Woodley Island Marina. Vessel must be kept free of trash and waste product so as not to attract seagulls, sea lions, harbor seals, and other animals. All trash and waste product shall be properly disposed of each day.

9. **Luke Cochran** may place a sign on the vessel the size of which must be approved by the District's Executive Director. **Luke Cochran** may place a directional sign for incoming traffic onto Woodley Island Marina in an area approved by the Executive Director. Type and size of all signs are to be approved by the Executive Director of the District and, shall reasonably conform in size, shape, and colors of the signs heretofore existing on Woodley Island and the Woodley Island Marina.

10. This Permit and Agreement is not transferable or assignable by **Luke Cochran** without approval in writing by the District. Any transfer of assignment or attempted transfer or assignment of this Permit by **Luke Cochran** shall be null and void.

11. This Permit and Agreement is non-exclusive and District retains the right to enter into agreements with and grant permits to other persons or business for the same purposes as set forth in this Permit and Agreement.

12. The covenants and conditions herein contained shall apply to and bind the heirs, legal representatives, successors, and assigns of all of the parties hereto; and all of the parties hereto shall be jointly and severally liable hereunder.

13. Time is of the essence of this Permit and Agreement and of each and every covenant, term, and condition, and provision hereof.

14. **Luke Cochran** is hereby notified by the District that this Permit and Agreement to Operate **Silver Star Sportfishing** in conjunction with the Berthing Permit and Rental Agreement for a vessel at the Woodley Island Marina or property interests created herein, if any, may be subject to a possessory interest tax or property taxation if created pursuant to Sections 107 to 108 of the California Revenue and Taxation Code and that **Luke Cochran**
Cochran and/or the party in whom the possessory interest is vested may be subject to the payment of property taxes levied upon such interests. Luke Cochran agrees and acknowledges that they have actual notice pursuant to Section 107.6 of the California Revenue and Taxation Code and that Luke Cochran may be required to pay a possessory interest tax as a result of this Permit and Agreement to operate a charter service in conjunction with the Berthing Permit and Rental Agreement for the vessel for Woodley Island Marina. Luke Cochran hereby acknowledge that they have actual knowledge of the existence of a possessory interest tax and have read the provision of Section 107 to 108 of the California Revenue and Taxation Code. Luke Cochran agrees to and shall pay all possessory interest taxes levied by any governmental agency by reason of this Permit and Agreement and their Berthing Permit and Rental Agreement for their vessel, for Woodley Island Marina.

EXECUTED on, _____________, 2015, by authority of the Board of Commissioners of the HUMBOLDT BAY HARBOR, RECREATION, AND CONSERVATION DISTRICT.

RICHARD MARKS, President
Board of Commissioners
HUMBOLDT BAY HARBOR, RECREATION
AND CONSERVATION DISTRICT

Luke Cochran, dba, Silver Star Sportfishing, as Permittee in this Permit and Agreement hereby accepts and agrees to all terms and conditions herein above set forth.

Dated: _______________, 2015

By

LUKE COCHRAN, Owner
Silver Star Sportfishing LLC
dba Silver Star Sportfishing
U. S. GOVERNMENT LEASE FOR REAL PROPERTY

DATE OF LEASE
July 23, 2015

LEASE NO.
HSCG89-15-1-0

PURPOSE. Pursuant to specific Congressional appropriations and 14 U.S.C. 92(f), the statutory authority, the parties understand that the sole purpose of this lease is to secure for the United States a lease for mooring, office, land and GOV parking. The address of the leased building is 601 Startare Dr, Eureka, CA 95501.

THEREFORE THIS LEASE, made and entered into this date by and between Humboldt Bay Harbor, Recreation and Conservation District, whose address is 601 Startare Dr, Eureka, CA 95501, and whose interest in the property hereinafter described is that of owner ("LESSOR"), and the Commanding Officer, U.S. Coast Guard SILC, Product Line Division, Portfolio Management Branch, Oakland, California, on behalf of the UNITED STATES OF AMERICA, hereinafter called the ("Government:"), for the consideration hereinafter mentioned.

WITNESSETH: The parties hereto for the considerations hereinafter mentioned, covenant and agrees as follows:

1. Lessor hereby leases to the Government the following described premises:

   A) Exclusive use of the End tie of Dock F, Approximately 132 Linear Feet
      a. Dock shall have a soft fendering system consisting of four (4) soft fender units attached to the side of the floating dock. Each fender shall be capable of resisting energy of 1.0 ton-meter.
      b. Dredging shall be completed by the lessee on a 7 year cycle.
   B) Exclusive use of office space number 103, approximately 500sqft.
   C) Parking space for a 10 X 40 foot Government Owned trailer
   D) Exclusive use of approximately 150sqft of land that contains a Government Owned storage building
   E) Exclusive use of approximately 750 sqft of outside storage space and work area
   F) Exclusive use of one (1) designated outside GOV parking spot – public marina parking is sufficient
   G) One man-gate (for access) in the fence between the support trailer and the official parking space

   To be used for: Property will be used as a maintenance and storage facility for Coast Guard Sector Humboldt Bay.

2. TO HAVE AND TO HOLD the said premises with their appurtenances for the term beginning on October 1, 2015 Through September 30, 2016 subject to termination and renewal rights as may be hereinafter set forth.

3. The Government shall pay the Lessor annual rent of $25,364.16, at a rate of $2,113.68 a month in arrears. ("Rent"). Rent for a lesser period will be prorated. Rent for a lesser amount will be prorated. Electronic (ACH) Rent payments shall be made payable to Lessor.

   At this time, the Government will exercise its first option right for FY16. The option period for FY15 will be for the term beginning on October 1, 2014 through September 30, 2015, provided annual appropriations are granted by Congress.

   Accounting Data: FY14: 2/L/601/111/30/0/63/13301/2329  $25,364.16

4. The Government may terminate this lease, at any time without cause and without cost, by giving at least thirty (30) days’ notice in writing or via email notification to the Lessor. Said notice shall be computed commencing with the day after the date of mailing.

5. This lease may be renewed at the option of the Government, for the following term: six (6), one (1) year successive option renewal terms, provided notice is given in writing or via email notification to the Lessor at least thirty (30)
days before the end of the original lease. The rental rate for each successive year, starting in FY17 will be adjusted based upon a 2% increase, over the immediate preceding year, provided annual appropriations are granted by Congress. All conditions of this lease, except for the rental rate adjustment as described in this Section, shall remain the same during the renewal term. Said notice shall be computed commencing with the day after the date of mailing.

   a. AVALABILITY OF FUNDS: The Government’s liability hereunder is contingent upon the availability of congressionally appropriated funds, and unless the Lessor is notified otherwise, funds will become available on an annual (fiscal year) basis. The Lessor will be notified immediately if the funds are not available.

6. The Lessor shall furnish to the Government the following:
   a. The right of ingress and egress over the adjacent property of the Lessor for the Government, its contractors or other duly authorized representatives, necessary or convenient for the maintenance, repair operation and replacement of Government equipment located on its leased premises.
   b. The Lessor shall provide to the Government all utilities associated with the use of this lease, that shall be included as part of the rental amount, except for the separately metered power to the dock and the telephone services.
      i. Water: 1 ½ inch diameter hose connections with 60 psi static pressure.
      ii. Fire Hose Cabinets: Positioned so that any area can be reached with a 75 foot length of 1 ½ hose.
      iii. Fire Water Flow: 500 gpm at 20 psi residual pressure (60 psi static)
      iv. Sewer: Sewage discharge line consisting of 3 inch diameter standard ship-to-shore quick coupling sewer connection and a 4 inch sewage discharge line under the floating dock. The 3 inch line is to be connected to a 2 inch buried line running from the head of the floating dock to the sewer holding tank.
      v. Electrical Service: 480 volt, 3 phase, 200 amp service, with receptacle on mounting platform. 110 volt, 1 phase, 20 amp ground fault interrupt protected convenience outlet.
      vi. Bilge Water Collection: 1 ½ inch standpipe connection with piping to shoreside bilge water holding tank with a minimum capacity of 500 gallons.
      vii. Telephone: 2 inch telephone conduit from the end tie at Dock A to support trailer and to office space.
      viii. Mooring Cleats: For bow, stern and spring lines for 110 feet long, 162 tonsWPB.
      viii. Office Electrical Service: Sufficient overhead lights to provide 100 candlepower at desk top level. One 120 volt electrical outlet per every 100 square foot of space.
      x. Office Environmental Controls: A sufficient heating and cooling system to maintain temperature between 65 and 70 degrees Fahrenheit during heating season and between 76 and 80 degrees during cooling season.
      xi. Trailer Parking Space: Electrical service of 110 volt, 1 phase, 50 amp shall be provided to support CG trailer.
   c. Public toilet facilities, showers and Laundromat located adjacent to the leased Premises shall be available for use by Government personnel.
   d. The Lessor shall notify the Government, in writing, within thirty (30) days of any:
      1) Transfer of ownership of the described premises.
      2) Change of payment or mailing address for ACH payments

7. The following are attached and made a part hereof:
   a. The General Clauses (GSA form 3517A as amended) – Attachment “A”
   b. Area Map Exhibit “A”

8. SUCCESSORS BOUND: The Lease shall bind, and inure to the benefit of, the parties and their respective heirs, executors, administrators, successors, and assigns.

9. SUBLetting/ASSIGNMENT: Government may not sublet or assign lease premises to without the prior written consent of the Lessor, which consent shall not be unreasonably withheld.

10. ENVIRONMENTAL PROTECTION: The Government is limited by Federal Law as to the assumption of liability for its acts or omissions. Within its legal limitations and appropriations, the Government agrees to the following: Government may not unlawfully pollute the air, ground or water, nor create a public nuisance. Licensee shall, at no cost to the Licensor, promptly comply with all applicable Federal, state, and local laws, regulations, and directives regulating the quality of the environment. This does not affect the Government’s right to contest the validity of such laws, regulations or directives or to try to enjoin their applicability. Government shall use all required means to protect the environment and natural resources from any damage arising from Licensee’s use of the facility and activities incident to its use. If any damage results
to the environment or natural resources, Government shall restore the environment or damaged resources. Government agrees to comply with all applicable federal, state and local environmental laws and regulations, including, but not limited to, those laws concerning any petroleum products, toxic substances, medical wastes and hazardous materials, substances or wastes.

11. ANTI-DEFICIENCY ACT: (31 USC §1341 as amended). Nothing in this Lease shall constitute an obligation of funds of the United States in advance of appropriation thereof.

12. INDEMNIFICATION: The Government, in the manner and to the extent provided by the Federal Tort Claims Act (28 USC Sections 2671-2680 as amended) shall be liable for, and shall hold Lessor harmless from, claims for damage or loss of property, personal injury or death caused by the acts or omissions of the Government, its officers, employees and agents in the use of the leased premises.

13. INSURANCE: Government is a self-insured entity and as such is not required to provide Lessor with any certificate of insurance or notice of renewal, termination, cancellation, expiration or alteration of insurance policy.

14. OWNERSHIP OF IMPROVEMENTS:
It is understood and agreed that any improvements added by the Government belong to the Government.

15. EQUIPMENT INSTALLATION AND OPERATION. The Government shall have the right during the term of this Lease to install, operate, maintain, repair, and replace upon the Premises, including but not limited to any shore-tie or other improvement presently existing or to be constructed upon the Premises, or related or ancillary to, the operation, performance, and maintenance of the equipment and infrastructure. Upon termination of this Lease, the Lessor shall permit the Government all reasonable access to the Premises for the purpose of removing or otherwise disposing of the equipment or any part thereof, and the Government shall conduct its removal of the equipment or any part thereof in a reasonable and safe manner and within a reasonable period of time, in accordance with all Federal, state, and local law.

16. IMPROVEMENTS AND ALTERATIONS. The Government shall have the right during the term of this lease, as long as the prior written consent of Lessor is received by the Government, which consent shall not be unreasonably withheld or delayed by Lessor, to make improvements and alterations, erect structures, and attach fixtures and signs upon the Premises. Government acknowledges that Lessor’s consent to the installation of any such improvements may be conditioned upon a reasonable increase in the Rental Amount payable by Government to Lessor pursuant to condition 3 of this Agreement. If Lessor consents to the installation of such improvements, Lessor shall deliver to Government an amendment to this Agreement and any other documents required to evidence such a modification. The Government shall have the right to tie into or make any physical connection with any structure located on the property as is reasonably necessary for appropriate utilization of the Premises. Any improvements, structures, fixtures or signs attached to or otherwise erected upon the Premises shall remain the property of the Government and may be removed or otherwise disposed of by the Government. Such disposition by the Government may include abandoning the improvement, structure, fixture, or sign in place. The Government shall be under no obligation to restore the Premises, or any part thereof, upon termination of this Lease.

17. OFFICIALS NOT TO BENEFIT: No member or delegate to Congress or Resident Commissioner shall be admitted to any share or part of this Lease or any benefit to arise there from, but this provision shall not be construed to extend to this Lease if made with a corporation whose membership, includes a member or delegate to Congress or Resident Commissioner, who indirectly receives a general benefit from this Lease.

18. AMENDMENT OR MODIFICATION: No amendment or modification shall be valid unless evidenced by an agreement in writing signed by both parties.

19. GOVERNING LAW: The parties shall construe the Lease to be in accordance with and governed by the laws of the State of California, insofar as those laws are consistent with applicable federal laws and regulations.

20. SEVERABILITY: If any term or provision of this Lease is held invalid or unenforceable, the remainder of this Lease shall not be affected thereby and each term and provision hereof shall be valid and enforced to the fullest extent permitted by law.

21. PAYMENTS OF TAXES AND ASSESSMENTS:
The Government is not responsible for or liable for the payment of any real property taxes, personal taxes or assessments levied or assessed upon or against the leased premises.

22. ENTIRE AGREEMENT: This Lease, with attachment, constitutes the only agreement between Lessor and Government. Any prior understanding or representation of any kind, which preceded the date of this Lease, are not binding on either party, except to the extent the understandings are incorporated into this Lease.

23. MUTUAL AUTHORITY: Lessor and Government represent and warrant to each other that they have full right, power and authority to enter into this Lease without the consent or approval of any other entity or person and make these representations knowing that the other party will rely thereon. Furthermore, the signatories on behalf of Lessor and Government further represent and warrant that they have full right, power and authority to act for and on behalf of Lessor and Government in entering into this lease.

24. ATTORNEY FEES: To the extent not in conflict with federal law, should any dispute arise between the parties hereto or their legal representatives, successors and assigns concerning any provision of this Lease or the rights and duties of any person in relation thereto, the party prevailing in such dispute shall be entitled, in addition to such other relief that may be granted, to recover reasonable attorneys' fees and legal costs in connection with such dispute as determined by the judgment or award of any court or tribunal of competent jurisdiction.

25. LEASE ADMINISTRATION:
The following office shall administer this Lease:
Commanding Officer
Civil Engineering Office Oakland
1301 Clay Street, Suite 700N
Oakland, CA 94612-5203

26. TAX IDENTIFICATION: Government regulations require a Lessor tax identification number (TIN/SSN). Lessor hereby certifies that the following TIN/SSN and telephone number are correct:

TIN/SSN: ____________________________
Telephone Number: __________________
DUNS: ______________________________
Registered in SAM: _____Yes _____No

______________________________
Date Signature

27. PAYMENT BY ELECTRONIC FUNDS TRANSFER- SYSTEM FOR AWARD MANAGEMENT:
   a. Method of Payment:
      1) All payments by the Government under this contract shall be made by electronic transfer (EFT), except as provided in paragraph (a)(2) of this clause. As used in this clause, the term “AFT” refers to the funds transfer and may also include the payment information transfer.
      2) In the event the Government is unable to release one or more payments by EFT, the Lessor agrees to either accept payment by check or some other mutually agreeable method of payment or request the Government extend the payment due date until such time as the Government can make payment by EFT (see paragraph (d) of this clause).
   b. Lessor EFT information. The Government shall make payment to the Lessor using the EFT information contained in the System for Award Management (SAM) database. In the event that the EFT information changes, the Lessor shall be responsible for providing the updated SAM database.
c. Mechanisms for EFT payment. The Government may make payments by EFT through either the Automated Clearing House (ACH) network, subject to the rules of the National Automated Clearing House Association, or Fedwire Transfer System. The rules governing Federal payments through the ACH are contained in 31 CFR part 210.

d. Suspension of payment. If the Lessor EFT information in the SAM database is incorrect, then the Government need not make payment to the Lessor under this contract until correct EFT information is entered into the SAM database; and any invoice or contract financing request shall be deemed not to be proper invoice for the purpose of prompt payment under this contract. The prompt payment terms of the contract regarding notice of an improper invoice and delays in accrual of interest penalties apply.

e. Lessor EFT arrangements. If the Lessor has identified multiple payment receiving points (i.e., more than one remittance address and/or EFT information set) in the SAM database, and the Lessor has not notified the Government of the payment receiving point applicable to this contract, the Government shall make payment to the first payment receiving point (EFT information set or remittance address is applicable) listed in the SAM database.

f. Liability for incomplete or erroneous transfer:

1) If an incomplete or erroneous transfer occurs because of Government used the Lessor's EFT information incorrectly, the Government remains responsible for making a correct payment, paying any prompt payment penalty due and recovering any erroneously directed funds.

2) If any incomplete or erroneous transfer occurs because the Lessor's EFT information was incorrect, or was revised within 30 days of Government release of the EFT payment instruction to the Federal Reserve System, and if funds are no longer under the control of the payment office, the Government is deemed to have made payment and the Lessor is responsible for recovery of an erroneously directed funds or if the funds remain under the control of payment office, the Government shall not make payment, and the provisions of paragraph (d) of this clause shall apply.

g. EFT and prompt payment. A payment shall be deemed to have been made in a timely manner in accordance with the prompt payment terms of this contract if, in the EFT payment transaction instruction released to the Federal Reserve System, the date specified for settlement of the payment is on or before the prompt payment due date, provided the specified payment date is a valid date under the rules of the Federal Reserve System.

h. EFT and assignment claims. If the Lessor assigns the proceeds of this contract as provided for in the assignment of claims terms of this contract, the Lessor shall require as a condition of any such assignment, that the assignee shall register in the SAM database and shall be paid by EFT in accordance with the terms of this clause. In all respects, the requirements of this clause shall apply to the assignee as if it were the Lessor. EFT information that shows the ultimate recipient of the transfer to be other than the Lessor, in the absence of proper assignment of claims acceptable to the Government, is incorrect EFT information within the meaning of paragraph (d) of this clause.

i. Liability for change to EFT information by financial agent. The Government is not liable for errors resulting from changes to EFT information made by the Lessor's financial agent.

j. Payment information. The payment or disbursing office shall forward to the Lessor available payment information that I suitable for transmission as of the date of release of EFT instruction to the Federal Reserve System. The Government may request the Lessor to designate a desired format and method(s) for delivery of payment information from a list of formats and methods the payment office is capable of executing. However, the Government does not guarantee that any particular format or method of delivery is available at any particular payment office and retains the latitude to use the format and delivery method most convenient to the Government. If the Government makes payment by check in accordance with paragraph (a) of this clause, the Government shall mail the payment information to the remittance address contained in the SAM database.
IN WITNESS WHEREOF, the parties hereto have hereunto subscribed their names as of the date first above written.

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COMMERCIAL LEASE

Date: August 1, 2015

Between: Humboldt Bay Harbor, Recreation & Conservation District
P.O. Box 1030
Eureka, CA 95502-1030

("District")

And: Humboldt State University
Department of Fisheries Biology
Rafael Cuevas Uribe, Ph.D.

("Tenant")

Area: Redwood Marine Terminal Berth 1, 930 Vance Ave., Samoa, CA 95564

District leases to Tenant and Tenant leases from District the following described property (the "Premises") on the terms and conditions stated below:

Aquaponics Pilot Project, Greenhouse and Aquaponics System

Section 1. Occupancy

1.1 Original Term. The term of this lease shall be August 1, 2015, to, August 1, 2016 unless sooner terminated as hereinafter provided.

1.2 Possession. Tenant's right to possession and obligations under the lease shall commence on August 1, 2015.

1.3 Renewal Option. If the lease is not in default at the time each option is exercised or at the time the renewal term is to commence, Tenant shall have the option to renew this lease for one successive term, as follows:

(1) Each of the renewal terms shall commence on the day following expiration
of the preceding term.

(2) The option may be exercised by written notice to District given not less than 120 days prior to the last day of the expiring term. The giving of such notice shall be sufficient to make the lease binding for the renewal term without further act of the parties. District and Tenant shall then be bound to take the steps required in connection with the determination of rent as specified below.

(3) The terms and conditions of the lease for each renewal term shall be identical with the original term except for rent and except that Tenant will no longer have any option to renew this lease that has been exercised. Rent for a renewal term shall be the greater of (a) the rental during the preceding original or renewal term increased as set forth in Section 2 or (b) a fair market value of similar land.

Section 2. Rent

2.1 Base Rent. During the original term, Tenant shall pay no rent to the District. Tenant shall be responsible for all monthly utilities.


2.3 Additional Rent. All taxes, insurance costs, utility charges that Tenant is required to pay by this lease, and any other sum that Tenant is required to pay to District or third parties shall be additional rent.

2.4 Late Charges. Tenant acknowledges that late payment of any rent or other payment required by this lease from Tenant to District will result in costs to District, the extent of which is extremely difficult and economically impractical to ascertain. Tenant therefore agrees that if Tenant fails to make any rent or other payment required by this lease to be paid to District within ten days of the date it is due, District shall impose a late charge of five percent (5%) of the overdue payment, to reimburse District for the cost of collecting the overdue payment. District may levy and collect a late charge in addition to all other remedies available for Tenant's default, and collection of a late charge shall not be in lieu of nor shall it waive the breach caused by

Page 2 – Commercial Lease
2.5 Escalation

(1) The base rent provided in Section 2.1 shall be increased beginning the month of September of each year by a percentage equal to the percentage change in the Consumer Price Index published by the United States Bureau of Labor Statistics of the United States Department of Labor for the most recent twelve months available as of August 15. Comparisons shall be made using the index entitled U.S. City Average—All Items and Major Group Figures for All Urban Consumers (1982-84=100), or the nearest comparable data on changes in the cost of living if such index is no longer published. The change shall be determined by comparison of the figure for the date of the term (or renewal term) with that of each succeeding year. In no event, however, shall base rent be reduced below that of the prior year.

(2) In lieu of a rent adjustment pursuant to the Consumer Price Index as set forth in 2.5(1), on each fifth annual anniversary of the commencement date of this lease, the District shall have to option to increase the Base Rent to reflect the increase in the fair market rental value of the Premises disregarding the existence of this lease and any improvements on the Premises constructed by Tenant. Fair market rental value shall be determined by an appraiser jointly hired by the parties or, if Tenant elects not to participate, by the District. District shall give Tenant a copy of the appraisal and 60 days written notice of the increase in rent. If Tenant does not accept the increase in rent, it may terminate this lease by giving District written notice and vacating the Premises prior to the date the increased rate becomes effective.

Alternate (2) In lieu of a rent adjustment pursuant to the Consumer Price Index as set forth in 2.5(1), on each fifth annual anniversary of the commencement date of this lease, the District shall have to option to increase the Base
Rent to reflect any increase in the fair market value of the Premises disregarding the existence of this lease and any improvements on the Premises constructed by Tenant. If the parties cannot agree on the fair market value of the Premises, then the matter shall be settled by final binding arbitration. The parties shall select an arbitrator, and if the parties cannot agree, then the parties will request that an arbitrator be appointed by the judge of the Humboldt County, California Superior Court who has the primary responsibility for hearing civil matters, or by the presiding judge of that court. Each party shall submit its proposed rental value to the arbitrator with the supporting information for that value, and the jurisdiction of the arbitrator shall be limited to selecting as the prevailing position the value proposed by one of the parties. The losing party shall pay all the costs of the arbitration and the reasonable attorney fees incurred in the arbitration by the prevailing party. Except as otherwise provided, the procedures for the arbitration shall be in accordance with the provisions of the California Code of Civil Procedure relating to arbitration.

Section 3. Use of the Premises

3.1 Permitted Use. The Premises shall be used for Aquaponics purposes only, and for no other purpose without the consent of Landlord, which consent shall not be withheld unreasonably. If this use is prohibited by law or governmental regulation, or if a higher and better use required by the zoning of the Premises is developed, this lease shall terminate on 180 days notice to Tenant.

3.2 Restrictions on Use. In connection with the use of the Premises, Tenant shall:

(1) Conform to all applicable laws and regulations of any public authority affecting the premises and the use, and correct at Tenant's own expense any failure of compliance created through Tenant's fault or by reason of Tenant's use, but Tenant shall not be required to make any structural
changes to effect such compliance [unless such changes are required because of Tenant's specific use].

(2) Refrain from any activity that would make it impossible to insure the Premises against casualty, would increase the insurance rate, or would prevent District from taking advantage of any ruling of the California Insurance Rating Bureau, or its successor, allowing District to obtain reduced premium rates for long-term fire insurance policies, unless Tenant pays the additional cost of the insurance.

(3) Refrain from any use that would be reasonably offensive to other tenants or owners or users of neighboring premises or that would tend to create a nuisance or damage the reputation of the Premises.

(4) Refrain from loading the electrical system or floors beyond the point considered safe by a competent engineer or architect selected by District.

(5) Refrain from making any marks on or attaching any sign, insignia, antenna, aerial, or other device to the exterior or interior walls, windows, or roof of the premises without the written consent of District.

(6) Tenant shall not cause or permit any Hazardous Substance to be spilled, leaked, disposed of, or otherwise released on or under the Premises. Tenant may use or otherwise handle on the Premises only those Hazardous Substances typically used or sold in the prudent and safe operation of the business specified in Section 3.1. Tenant may store such Hazardous Substances on the Premises only in quantities necessary to satisfy Tenant's reasonably anticipated needs. Tenant shall comply with all Environmental Laws and exercise the highest degree of care in the use, handling, and storage of Hazardous Substances and shall take all practicable measures to minimize the quantity and toxicity of Hazardous Substances used, handled, or stored on the Premises. Upon the expiration or termination of this lease, Tenant shall remove all Hazardous Substances from the Premises. The term Environmental Law shall mean any federal, state, or local statute, regulation, or ordinance or any judicial
or other governmental order pertaining to the protection of health, safety or the environment. The term Hazardous Substance shall mean any hazardous, toxic, infectious or radioactive substance, waste, and material as defined or listed by any Environmental Law and shall include, without limitation, petroleum oil and its fractions.

Section 4. Common Areas

4.1 Tenant's Use. Tenant, its customers, agents and invitees shall have the non-exclusive right to use areas designated by District as common areas. "Common areas" means any parking areas, roadways, sidewalks, landscaped areas, security areas and any other areas owned by District where such areas have been designated or may be designated in the future by District as areas to be used by the general public or in common by tenants.

4.1 District's Rights. With respect to the common areas the District reserves the following rights;

(1) To establish reasonable rules and regulations for the use of the common areas;

(2) To close all or any portion of the common areas to make repairs or changes;

(3) To construct, alter, or remove buildings or other improvements in the common areas and to change the layout of such common areas, including the right to add to or subtract from their shape and size or to eliminate such common areas;

(4) To exercise any of District's governmental powers over the common areas; and

(5) To grant the right to use the common areas to third parties.

Section 5. Insurance

5.1 Insurance Required. District shall keep the Premises insured at District's expense against fire and other property damage and loss risks covered by a standard
fire insurance policy with an endorsement for extended coverage. Tenant shall bear the expense of any insurance insuring the personal property, equipment and fixtures of Tenant on the Premises against such risks but shall not be required to insure. District shall not be liable to Tenant for any loss or damage to Tenant’s personal property, equipment or fixtures.

5.2 Waiver of Subrogation. Tenant shall not be liable to the District or to its successors or assigns for any loss or damage caused by fire or any of the risks enumerated in a standard fire insurance policy with an extended coverage endorsement, and in the event of insured loss, District’s insurance company shall not have a subrogated claim against the Tenant. This waiver shall be valid only if the insurance policy in question expressly permits waiver of subrogation or if the insurance company agrees in writing that such a waiver will not affect coverage under the policies. Nothing in this provision shall be construed to waive any rights of District against Tenant for losses or damages to the premises that are caused by Tenant’s negligence or for which the Tenant is otherwise legally liable, if such damage or loss is not covered by insurance.

Section 6. Taxes; Utilities

6.1 Property Taxes and Assessments. Tenant shall pay as due all taxes on its personal property located on the Premises. Tenant shall pay as due all real property taxes and special assessments levied against the Premises before the same become past due. As a public entity, District does not pay property taxes, but Tenant will be assessed directly by the County a possessory use tax on the leasehold premises. Tenant shall provide District, on or before May 15 of each year, with proof of payment of all taxes and any other assessments.

Section 7. Damage and Destruction

7.1 Partial Damage. If the Premises are partly damaged other than through the fault of the Tenant and Section 7.2 does not apply, the Premises shall be repaired by District at District’s expense. Repairs shall be accomplished within a reasonable
time.

7.2 Destruction. If the Premises are destroyed or damaged such that the cost of repair exceeds 50% of the value of the structure before the damage, either party may elect to terminate the lease as of the date of the damage or destruction by notice given to the other in writing not more than 45 days following the date of damage. In such event all rights and obligations of the parties shall cease as of the date of termination, and Tenant shall be entitled to the reimbursement of any prepaid amounts paid by Tenant and attributable to the anticipated term. If neither party elects to terminate, District shall proceed to restore the Premises to substantially the same form as prior to the damage or destruction. Work shall be commenced and completed within a reasonable time.

7.3 Rent Abatement. Rent shall be abated during the repair of any damage to the extent the premises are untenantable, except that there shall be no rent abatement where the damage occurred as the result of the fault of Tenant.

7.4 Damage Late in Term. If damage or destruction to which Section 7.2 would apply occurs within one year before the end of the then-current lease term, Tenant may elect to terminate the lease by written notice to District given within 30 days after the date of the damage. Such termination shall have the same effect as termination by Landlord.

Section 8. Liability and Indemnity

8.1 Liens

(1) Except with respect to activities for which District is responsible, Tenant shall pay as due all claims for work done on and for services rendered or material furnished to the Premises, and shall keep the Premises free from any liens. If Tenant fails to pay any such claims or to discharge any lien, District may do so and collect the cost as additional rent. Any amount so added shall bear interest at the rate of 9% per annum from the date expended by District and shall be payable on demand. Such action by District shall not constitute a waiver of any right
or remedy which District may have on account of Tenant's default.

(2) Tenant may withhold payment of any third party claim in connection with a good-faith dispute over the obligation to pay the third party, as long as District's property interests are not jeopardized. If a lien is filed as a result of nonpayment, Tenant shall, within 10 days after knowledge of the filing, secure the discharge of the lien or deposit with District cash or sufficient corporate surety bond or other surety satisfactory to District in an amount sufficient to discharge the lien plus any costs, attorney fees, and other charges that could accrue as a result of a foreclosure or sale under the lien.

8.2 Indemnification. Tenant shall indemnify and defend District from any claim, loss, or liability arising out of or related to any activity of Tenant or its customers, invitees, employees, or contractors on the Premises or any condition of the Premises in the possession or under the control of Tenant. District shall have no liability to Tenant for any injury, loss, or damage caused by third parties, or by any condition of the Premises. Tenant shall inspect the premises upon taking possession, and shall notify District in writing within three days of any condition of the premises Tenant believes constitutes a hazard or dangerous condition of the property. Failure to provide such a notice shall constitute an agreement by the Tenant that there is no such hazard or dangerous condition for which the District is responsible.

8.3 Liability Insurance. Before going into possession of the Premises, Tenant shall procure and thereafter during the term of the lease shall continue to carry the following insurance at Tenant's cost: comprehensive general liability insurance in a responsible company with limits of not less than $1,000,000 for injury to one person, $2,000,000 for injury to two or more persons in one occurrence, and $1,000,000 for damage to property. Such insurance shall cover all risks arising directly or indirectly out of Tenant's activities on or any condition of the Premises. Such insurance shall protect Tenant against the claims of District on account of the obligations assumed by Tenant under Section 8.2, and shall name District as an additional insured. The insurance procured by Tenant shall be primary to any similar insurance coverage procured by
District. Certificates evidencing such insurance and bearing endorsements requiring 10 days' written notice to District prior to any change or cancellation shall be furnished to District prior to Tenant's occupancy of the property.

Section 9. Quiet Enjoyment; As Is

9.1 District's Warranty. District warrants that it is the owner of the Premises and has the right to lease them. Tenant takes the Premises "AS IS", with all faults, except as to those conditions of which it gives notice to the District pursuant to 8.2. Tenant shall be responsible for all maintenance of the premises except for structural components and the roof.

9.2 Estoppel Certificate. Either party will, within 20 days after notice from the other, execute and deliver to the other party a certificate stating whether or not this lease has been modified and is in full force and effect and specifying any modifications or alleged breaches by the other party. The certificate shall also state the amount of monthly base rent, the dates to which rent has been paid in advance, and the amount of any security deposit or prepaid rent. Failure to deliver the certificate within the specified time shall be conclusive upon the party from whom the certificate was requested that the lease is in full force and effect and has not been modified except as represented in the notice requesting the certificate.

Section 10. Assignment and Subletting

No part of the Premises may be assigned, mortgaged, or subleased, nor may a right of use of any portion of the property be conferred on any third person by any other means, without the prior written consent of District. This provision shall apply to all transfers by operation of law. If Tenant is a corporation or partnership, this provision shall apply to any transfer of a majority voting interest in stock or partnership interest of Tenant. No consent in one instance shall prevent the provision from applying to a subsequent instance. District may withhold or condition such consent in its sole and arbitrary discretion.

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Section 11. Default

The following shall be events of default:

11.1 Default in Rent. Failure of Tenant to pay any rent or other charge within 10 days after written notice that it is due.

11.2 Default in Other Covenants. Failure of Tenant to comply with any term or condition or fulfill any obligation of the lease (other than the payment of rent or other charges) within 20 days after written notice by District specifying the nature of the default with reasonable particularity. If the default is of such a nature that it cannot be completely remedied within the 20-day period, this provision shall be complied with if Tenant begins correction of the default within the 20-day period and thereafter proceeds with reasonable diligence and in good faith to effect the remedy as soon as practicable.

11.3 Insolvency. Insolvency of Tenant; an assignment by Tenant for the benefit of creditors; the filing by Tenant of a voluntary petition in bankruptcy; an adjudication that Tenant is bankrupt or the appointment of a receiver of the properties of Tenant; the filing of any involuntary petition of bankruptcy and failure of Tenant to secure a dismissal of the petition within 30 days after filing; attachment of or the levying of execution on the leasehold interest and failure of Tenant to secure discharge of the attachment or release of the levy of execution within 10 days shall constitute a default. If Tenant consists of two or more individuals or business entities, the events of default specified in this Section shall apply to each individual unless within 10 days after an event of default occurs, the remaining individuals produce evidence satisfactory to District that they have unconditionally acquired the interest of the one causing the default. If the lease has been assigned, the events of default so specified shall apply only with respect to the one then exercising the rights of Tenant under the lease.

11.4 Abandonment. Failure of Tenant for twenty (20) days or more to occupy the Premises for one or more of the purposes permitted under this lease, unless such failure is excused under other provisions of this lease.
Section 12. Remedies on Default

12.1 Termination. In the event of a default the lease may be terminated at the option of District by written notice to Tenant. Whether or not the lease is terminated by the election of District or otherwise, District shall be entitled to recover damages from Tenant for the default, and District may reenter, take possession of the premises, and remove any persons or property by legal action or by self-help with the use of reasonable force and without liability for damages and without having accepted a surrender.

12.2 Reletting. Following reentry or abandonment, District may relet the Premises and in that connection may make any suitable alterations or refurbish the Premises, or both, or change the character or use of the Premises, but District shall not be required to relet for any use or purpose other than that specified in the lease or which District may reasonably consider injurious to the Premises, or to any tenant that District may reasonably consider objectionable. District may relet all or part of the Premises, alone or in conjunction with other properties, for a term longer or shorter than the term of this lease, upon any reasonable terms and conditions, including the granting of some rent-free occupancy or other rent concession.

12.3 Damages. In the event of termination or retaking of possession following default, District shall be entitled to recover immediately, without waiting until the due date of any future rent or until the date fixed for expiration of the lease term, the following amounts as damages:

(1) The loss of rental from the date of default until a new tenant is, or with the exercise of reasonable efforts could have been, secured and paying out.

(2) The reasonable costs of reentry and reletting including without limitation the cost of any cleanup, refurbishing, removal of Tenant's property and fixtures, or any other expense occasioned by Tenant's default including but not limited to, any remodeling or repair costs, attorney fees, court costs, broker commissions, and advertising costs.

(3) Any excess of the value of the rent and all of Tenant's other obligations
under this lease over the reasonable expected return from the Premises for the period commencing on the earlier of the date of trial or the date the premises are relet, and continuing through the end of the term. The present value of future amounts will be computed using a discount rate equal to the prime loan rate of major California banks in effect on the date of trial.

12.4 Right to Sue More than Once. District may sue periodically to recover damages during the period corresponding to the remainder of the lease term, and no action for damages shall bar a later action for damages subsequently accruing.

12.5 District's Right to Cure Defaults. If Tenant fails to perform any obligation under this lease, District shall have the option to do so after 30 days' written notice to Tenant. All of District's expenditures to correct the default shall be reimbursed by Tenant on demand with interest at the rate of 9% annum from the date of expenditure by District. Such action by District shall not waive any other remedies available to District because of the default.

12.6 Remedies Cumulative. The foregoing remedies shall be in addition to and shall not exclude any other remedy available to District under applicable law.

Section 13. Surrender at Expiration

13.1 Condition of Premises. Upon expiration of the lease term or earlier termination on account of default, Tenant shall deliver all keys to District and surrender the Premises in good repair and broom clean. District shall have the option, in its sole discretion, to permit alterations constructed by Tenant to remain at no cost to the District, or be removed or restored to the original condition at the expense of Tenant. Repairs and restoration for depreciation and wear from ordinary use for the purpose for which Tenant is responsible shall be completed to the latest practical date prior to such surrender. Tenant's obligations under this section shall be subordinate to the provisions of Section 9 relating to destruction.

13.2 Fixtures

(1) All fixtures placed upon the Premises during the term, other than
Tenant's trade fixtures, shall, at District's option, become the property of District at no cost to the District. If District so elects, Tenant shall remove any or all fixtures that would otherwise remain the property of District, and shall repair any physical damage resulting from the removal. If Tenant fails to remove such fixtures, District may do so and charge the cost to Tenant with interest at the legal rate from the date of expenditure.

(2) Prior to expiration or other termination of the lease term Tenant shall remove all furnishings, furniture, and trade fixtures that remain its property. If Tenant fails to do so, this shall be an abandonment of the property, and District may retain the property and all rights of Tenant with respect to it shall cease or, by notice in writing given to Tenant within 20 days after removal was required, District may elect to hold Tenant to its obligation of removal. If District elects to require Tenant to remove, District may effect a removal and place the property in public storage for Tenant's account. Tenant shall be liable to District for the cost of removal, transportation to storage, and storage, with interest at the legal rate on all such expenses from the date of expenditure by District.

13.3 Holdover

(1) If Tenant does not vacate the Premises at the time required, District shall have the option to treat Tenant as a tenant from month to month, subject to all of the provisions of this lease except the provisions for term and renewal and at a rental rate equal to 150 percent of the rent last paid by Tenant during the original term, or to eject Tenant from the Premises and recover damages caused by wrongful holdover. Failure of Tenant to remove fixtures, furniture, furnishings, or trade fixtures that Tenant is required to remove under this lease shall constitute a failure to vacate to which this section shall apply if the property not removed will substantially interfere with occupancy of the Premises by another tenant or with occupancy by District for any purpose including preparation for a new tenant.
(2) If a month-to-month tenancy results from a holdover by Tenant under this Section, the tenancy shall be terminable at the end of any monthly rental period on written notice from District given not less than 10 days prior to the termination date which shall be specified in the notice. Tenant waives any notice that would otherwise be provided by law with respect to a month-to-month tenancy.

Section 14. Miscellaneous

14.1 Nonwaiver. Waiver by either party of strict performance of any provision of this lease shall not be a waiver of or prejudice the party's right to require strict performance of the same provision in the future or of any other provision.

14.2 Attorney Fees. If suit or action is instituted in connection with any controversy arising out of this lease, the prevailing party shall be entitled to recover in addition to costs such sum as the court or arbitrator may adjudge reasonable as attorney fees at trial, on petition for review, and on appeal.

14.3 Notices. Any notice required or permitted under this lease shall be given when actually delivered or 48 hours after deposited in United States mail as certified mail addressed to the address first given in this lease or to such other address as may be specified from time to time by either of the parties in writing.

14.4 Succession. Subject to the above-stated limitations on transfer of Tenant's interest, this lease shall be binding on and inure to the benefit of the parties and their respective successors and assigns.

14.5 Recordation. This lease shall not be recorded without the written consent of District. [District shall execute and acknowledge a memorandum of this lease in a form suitable for recording, and Tenant may record the memorandum.]

14.6 Entry for Inspection. District shall have the right to enter upon the Premises at any time to determine Tenant's compliance with this lease, to make necessary repairs to the building or to the Premises, or to show the Premises to any prospective tenant or purchaser, and in addition shall have the right, at any time during the last two months of the term of this lease, to place and maintain upon the Premises
notices for leasing or selling of the Premises.

14.5 Interest on Rent and Other Charges. Any rent or other payment required of Tenant by this lease shall, if not paid within 10 days after it is due, bear interest at the rate of 9% per annum (but not in any event at a rate greater than the maximum rate of interest permitted by law) from the due date until paid.

14.8 Proration of Rent. In the event of commencement or termination of this lease at a time other than the beginning or end of one of the specified rental periods, then the rent shall be prorated as of the date of commencement or termination and in the event of termination for reasons other than default, all prepaid rent shall be refunded to Tenant or paid on its account.

14.9 Time of Essence. Time is of the essence of the performance of each of Tenant's obligations under this lease.

14.10 Complete Agreement. This Agreement constitutes the complete and entire agreement of the parties. No modification of the Agreement is effective unless in writing and signed by the parties.

Section 15. Arbitration

15.1 Disputes to Be Arbitrated. If any dispute arises between the parties arising out of this lease other than the rental value pursuant to section 2.5(2), the matter shall be resolved by binding arbitration. The arbitrator and arbitration procedures shall be mutually agreed upon by the parties. If the parties cannot agree on the selection of an arbitrator, they shall request the judge of the Humboldt County, California Superior Court with primary responsibility for hearing civil matters, or the presiding judge of that Court, to select an arbitrator.

15.2 Procedure for Arbitration. The arbitrator shall proceed according to the California statutes governing arbitration, and the award of the arbitrator shall have the effect therein provided. The arbitration shall take place in Humboldt County, California, unless the parties stipulate in writing to a different location. Costs of the arbitration shall be shared equally by the parties, but each party shall pay its own attorney fees incurred in connection with the arbitration.
Humboldt Bay Harbor, Recreation & Conservation District

By: ____________________________
    President

By: ____________________________
    Secretary

APPROVED AS TO FORM:

____________________________________
Counsel for District

APPROVED BY COMMISSION ON:

____________________________________

Tenant:

By: ____________________________
    HSU Director GP&RM

Print: ________________

Date: 7-6-15

Page 17 – Commercial Lease
# CERTIFICATE OF COVERAGE

**PRODUCER**

Alliant Insurance Services, Inc.  
100 Pine Street, 11th Floor  
San Francisco CA 94111

**NAMED COVERED PARTY**

Humboldt State University  
1 Harpet Street  
Arcata CA 95521-8222

**COVERAGE**

This certificate is issued as a matter of evidence only and confers no rights upon the certificate holder. This certificate does not affirmatively or negatively amend, extend or alter the coverage afforded by the memorandum(s) of coverage below.

This certificate of coverage does not constitute a contract between the issuing coverage provider, authorized representative or producer, and the certificate holder.

Important: If the certificate holder is an additional covered party, the memorandum of coverage must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

Important: If subrogation is waived, subject to the terms and conditions of the memorandum(s) of coverage any endorsement may be required. A statement on the certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

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<td>SCHEDULED AUTOS: $1,000,000</td>
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<td>HIRED AUTOS: $1,000,000</td>
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<td>NON-OWNED AUTOS: $1,000,000</td>
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**OTHER**

**DESCRIPTION OF OPERATIONS, LOCATIONS, VEHICLES, EXCLUSIONS ADDED BY ENDORSEMENT/SPECIAL/PROVISIONS**

Note: Workers' Compensation Coverage is provided as evidence only. Evidence of coverage only.

**CERTIFICATE HOLDER**

Humboldt State University  
1 Harpet Street  
Arcata CA 95521

**CANCELLATION**

Should any of the above described memorandum(s) of coverage be cancelled before the expiration date thereof, notice will be delivered in accordance with the memorandum(s) of coverage provisions.

Authorized Representative: [Signature]
Humboldt Bay Harbor, Recreation and Conservation District

AGREEMENT FOR PROFESSIONAL DIVING SERVICES
JULY 15, 2015

This is an AGREEMENT for professional diving services (referred to as "PROJECT") between the Humboldt Bay Harbor, Recreation and Conservation District, a California public entity (referred to as "DISTRICT"), and MM Diving Inc. (referred to as "CONTRACTOR").

1. SCOPE OF SERVICES

DISTRICT agrees to engage CONTRACTOR and CONTRACTOR agrees to perform professional services for DISTRICT in accordance with Exhibit A, Scope of Work attached hereto and incorporated herein.

2. TERMS AND CONDITIONS

Services shall be performed to complete all tasks as specified in Exhibit A. All work and professional services will be provided by CONTRACTOR and/or subcontractors to the CONTRACTOR. Work shall be performed in a manner consistent with the usual and customary standards of the applicable profession. All work products and services shall be subject to review and acceptance by the DISTRICT.

3. TERM

Services of CONTRACTOR shall commence on the date that the DISTRICT authorizes this AGREEMENT, and the AGREEMENT shall remain in effect for a period of one (1) year from the date of execution unless extended in writing by mutual agreement.

4. COMPENSATION & SCHEDULE

As compensation for the services performed hereunder, the DISTRICT shall pay CONTRACTOR a sum not to exceed $12,500 per day nor $87,500 for the contract period. CONTRACTOR to submit invoices to the DISTRICT, with payments due within 30 days after receipt. This sum is based on the plan scope of work – EXHIBIT A. Should the DISTRICT require a more extensive plan, or additional studies, the scope and costs may be amended accordingly by a written amendment to this contract.

5. RELATIONSHIP OF PARTIES

The parties intend that CONTRACTOR in performing services herein specified shall act as an independent contractor and shall have control over the work and the manner in which it is performed. DISTRICT is hiring CONTRACTOR for its specific skills and expertise and is contracting for specific results to be achieved, and not to control the details of how CONTRACTOR achieves those results. CONTRACTOR shall be free to contract for similar services to be performed for others while under contract with DISTRICT. CONTRACTOR shall also be free to subcontract portions of the work with other parties. CONTRACTOR and its employees or agents are not agents or employees of DISTRICT, and are not entitled to participate in any pension plans, worker's compensation insurance, or similar benefits.
6. INSURANCE REQUIREMENTS FOR CONTRACTOR

CONTRACTOR shall, at all times during the term of this Agreement, maintain and keep in full force and effect, the following policies of insurance with minimum limits as indicated below and issued by insurers with A.M. Best ratings of no less than A-: VI.

- Commercial general liability at least as broad as ISO CG 0001 (per occurrence) $1,000,000
  (General aggregate) $2,000,000
- Commercial auto liability at least as broad as ISO CA 0001 (per accident) $1,000,000
- Errors and Omissions liability (per claim and aggregate) $1,000,000
- Workers’ compensation Statutory Limits

All insurance required by this section shall apply on a primary basis as to any insurance maintained by DISTRICT that may cover the DISTRICT for the same loss. CONTRACTOR agrees that it will not cancel or reduce said insurance coverage while performing services under this Agreement. CONTRACTOR agrees that if it does not keep the aforesaid insurance in full force and effect DISTRICT may either immediately terminate this Agreement or, if insurance is available at a reasonable cost, DISTRICT may take out the necessary insurance and pay, at CONTRACTOR’s expense, the premium thereon.

Auto liability insurance shall cover owned, non-owned and hired autos. If CONTRACTOR owns no vehicles, auto liability coverage may be provided by means of a non-owned and hired auto endorsement to the general liability policy.

At all times during the term of this Agreement; CONTRACTOR shall maintain on file with DISTRICT a certificate of insurance, in a form acceptable to DISTRICT, showing that the aforesaid policies are in effect in the required amounts. The general liability policy shall contain or be endorsed to contain a provision including the Indemnities as additional insured. CONTRACTOR shall promptly file with DISTRICT such certificate or certificates and endorsements if applicable. Coverage for the additional insured shall apply to the fullest extent permitted by law.

No policy required by this section shall prohibit CONTRACTOR from waiving any right of recovery prior to loss. CONTRACTOR hereby waives such right with regard to the Indemnities. All insurance coverage and limits provided by CONTRACTOR and available or applicable to this agreement are intended to apply to the full extent of the policies. Nothing contained in this Agreement limits the application of such insurance coverage.
7. HOLD HARMLESS AND INDEMNIFICATION

CONTRACTOR shall indemnify, defend and hold harmless DISTRICT and its employees, officials and agents (the Indemnities) from and against any liability (including liability for claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or costs of any kind, whether actual, alleged or threatened, including attorneys' fees and costs, courts costs, interest, defense costs, and expert witness fees), where the same arise out of, are a consequence of, or are in any way attributable to, in whole or in part, the performance of this Agreement by CONTRACTOR or by any individual or entity for which CONTRACTOR is legally liable, including but not limited to officers, agents, employees or subcontractors of CONTRACTOR.

Notwithstanding the foregoing, the CONTRACTOR shall not be liable to indemnify DISTRICT for damage arising out of bodily injury to persons or damage to property caused by or resulting from the sole negligence of DISTRICT, or its employees.

8. CONTRACT TERMS TO BE EXCLUSIVE

This written AGREEMENT contains the sole and entire AGREEMENT between the parties. The parties acknowledge and agree that neither of them has made any representation with respect to the subject matter of this AGREEMENT or any representations inducing the execution and delivery hereof except such representations as are specifically set forth herein; and each party acknowledges that it has relied on its own judgment in entering into the AGREEMENT. The parties further acknowledge that any statements or representations that may have therefore been made by either of them to the other are void and of no effect and that neither of them has relied thereon in connection with its dealings with the other.

9. WAIVER OR MODIFICATION INEFFECTIVE UNLESS IN WRITING

No waiver or modification of this AGREEMENT or of any covenant, condition, or limitation herein contained shall be valid unless in writing and duly executed by both parties. Furthermore, no evidence of any waiver or modification shall be offered or received in evidence in any proceeding, arbitration, or litigation between the parties arising out of or affecting this AGREEMENT, or the rights or obligations of any party hereunder, unless such waiver or modification is in writing, duly executed as aforesaid. The provisions of this paragraph may not be waived except as herein set forth.

10. CONTRACT GOVERNED BY LAW OF STATE OF CALIFORNIA

This AGREEMENT and performance hereunder and all suits and special proceedings hereunder shall be construed in accordance with the laws of the State of California. In any action, special proceeding, or other proceeding that may be brought arising out of, in connection with, or by reason of this AGREEMENT, the laws of the State of California shall be applicable and shall govern to the exclusion of the law of any other forum. This AGREEMENT is entered into in Eureka, Humboldt County, California and is to be performed in Humboldt County, California. The scope of work involves improvement to interests of the DISTRICT in real property located in Humboldt County, California. Any action, special proceeding or other proceeding must be brought and maintained in Humboldt County, California unless DISTRICT agrees to some other forum, venue or jurisdiction in writing.

11. CONTRACT TERMINATION

DISTRICT or CONTRACTOR may, upon thirty (30) days written notice, terminate this AGREEMENT and be liable only for services rendered to the date termination is effective. All papers and documents relating to the services described in the AGREEMENT, and all materials supplied to the DISTRICT will remain the property of the DISTRICT.
12. BINDING EFFECT OF AGREEMENT

This AGREEMENT shall be binding on and inure to the benefit of the respective parties and their respective legal representatives, successors, and assigns except as provided above.

HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT

By: __________________________
   Jack Crider
   Executive Director

Date: _________________________

MM DIVING Inc.

By: __________________________
   Vic Markytan
   President

Date: _________________________
EXHIBIT A

SCOPE OF WORK

General:

A subsea buoy was secured to the end of the outfall August 7, 2014 in order to relocate the pipe due to burial. As reported in July 2014, Section #1 or diffuser section is buried and filled with sediment. No effluent discharge was located during the inspection. This PROJECT covers the methodology to make the Samoa Outfall function as engineered.

A vessel or work platform will be provided for the PROJECT by the DISTRICT. DISTRICT vessel "Fire 1" will be utilized as the work platform in order to accommodate with its water pumping capability. The anchoring of the vessel will be discussed and agreed upon by the DISTRICT and CONTRACTOR prior to the start of the PROJECT. DISTRICT vessel “Port Authority” will be available as a support vessel if needed. Additionally the USCG will be notified of the anchoring system configuration and positioning.

KEY ELEMENTS:

Expose the diffusers, establish communication between diffusers, establish flow at the most inshore set of diffusers, install toggle blinds, add zinc as necessary during inspection as time and conditions allow in seven working days.