

CORNING HEALTHCARE DISTRICT SERVING SOUTHERN TEHAMA COUNTY
CORNING HEALTHCARE DISTRICTBOARD MEETING
Tuesday Jun 25, 2019
District conference room
275 Solano Street
Corning Healthcare District Campus
Meeting Inquiries (530) 824-5451

Assistance for those with disabilities; If you have a disability and need accommodation to participate in the meeting, please call Shirley Engebretsen, District Manager, at (530) 824-5451 for assistance so the necessary arrangements can be made.

CALL TO ORDER: 6:00 pm

ROLL CALL: Directors: Charles Rouse, Ross Turner, Yvonne Boles, Lilia Rodriguez, Valanne Cardenas
District Manager: Shirley Engebretsen

ALSO PRESENT Attorney Andrews, Jan Irvin, Mike Smith

PLEDGE OF ALLEGIANCE

INVITATION TO PUBLIC TO ADDRESS BOARD:

ADOPTION OF AGENDA:

MINUTES:

POSTED TUESDAY, Jun 18 2019

FINANCIAL REPORT:

PRESIDENT'S REPORT:

COMMENTS AND REPORTS FROM DIRECTORS:

Charles Rouse, Ross Turner, Yvonne Boles, Lilia Rodriguez, Valanne Cardenas

PROCLAMATION, APPOINTMENTS, RECOGNITIONS, PRESENTATIONS:

District Manager

COMMUNICATIONS, CORRESPONDENCE, AND INFORMATION:

Discuss plans for the July Corning in the evening event
Discuss having a dedication for the bench and plaque in Don Holden's honor
Discuss Budget-motion needed

REGULAR AGENDA:

SDRMA Board Elections-motion needed
Sublease Adventist Health-motion needed
NVCSS Lease- motion needed
Quest Diagnostics Lease motion needed

Closed Session

1. **Closed Session pursuant to government code section 54957.5 (e) Employee review,
District Manager**

Open Session

Report out

ADJOURNMENT:

At the discretion of the Board, all items appearing on this agenda, whether or not expressly listed for action, may be deliberated and may be subject to action by the Board.
All public records relating to an agenda item on this agenda are available for public inspection at the time the record is distributed to all, or a majority of all members of the Board. Such records shall be available at the District office located at 275 Solano Street, Corning California This institute is an equal opportunity provider, and employer.

**CORNING HEALTHCARE DISTRICT
BOARD OF DIRECTORS MINUTES
Tuesday, May 28th 2019
DISTRICT CONFERENCE
275 SOLANO STREETS
MEUSER BUILDING, CHD CAMPUS**

CALL TO ORDER: 6:00 p.m.

ROLL CALL: Directors: Charles Rouse, Ross Turner, Yvonne Boles, Lilia Rodriguez, Valanne Cardenas

District Manager: Shirley Engebretsen

Also present : Attorney Andrews, Jan Irvin Mike Smith

PLEDGE OF ALLEGIANCE Given

INVITATION TO PUBLIC TO ADDRESS BOARD: No one in attendance from the public.

ADOPTION OF AGENDA: Motion was made by Ross Turner to accept the agenda as presented. Motion was seconded by all directors.

MINUTES: Director Turner made a motion to accept the minutes as presented, motion was seconded and approved by all directors.

FINANCIAL REPORT: Director Turner made a motion to accept the financial report as presented. Motion was seconded and approved by all directors.

PRESIDENT'S REPORT: Nothing to report.

DIRECTORS' REPORT Nothing to report.

District Manager:
Manager Engebretsen reported on the draft budget.

COMMUNICATIONS, CORRESPONDENCE, AND INFORMATION: None

REGULAR AGENDA:
Director Turner made a motion to purchase a banner with a limit up to \$200.00 max. Motion was seconded and approved by all directors.

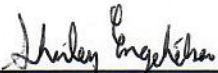
Director Turner made a motion to accept the generous gift of a park bench donated by Mike Smith. Motion was seconded and approved by all directors.

Director Boles made a motion to have Corning Healthcare District purchase a plaque in memory of Don Holden. Motion was seconded and approved by all directors.

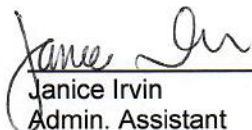
Report was given By Attorney Andrews On his recent webinar regarding The Little Hoover commission

Direction was given donate the karaoke machine to the Senior Center.
Direction was given to find out how many Chip homes are being built.

ADJOURNMENT: 7:15pm



Shirley Engebretsen Ph. D.
District Manager



Janice Irvin
Admin. Assistant

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To file a complaint of discrimination, write USDA Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410 or call (800) 795-3272 (voice) or (202) 720-6382 (TDD)."

9:14 AM

06/20/19

Accrual Basis

CORNING HEALTHCARE DISTRICT

Profit & Loss

May 2019

	<u>May 19</u>
Ordinary Income/Expense	
Income	
CD Interest Income	37.81
RENTALS	17,780.07
Total Income	<u>17,817.88</u>
Expense	
stipend	200.00
Garbage/waste mgmt.	214.77
ADMIN-LEGAL	2,542.50
ADMIN-OTHER EXPENS	
Senior Program	258.82
Advertising	241.56
S. Engebretsen	83.29
ADMIN-OTHER EXPENS - Other	1,163.70
Total ADMIN-OTHER EXPENS	<u>1,747.37</u>
Communications-Postage	8.70
Communications-Telephone	533.46
EMPLOYEE BEN-HLTH INS.	25.34
Employee BenWorkers Compensatio	7,766.78
GEN ACCT-OFFICE SUP	1,674.58
GEN ACCT SALARY & WAGE	1,845.39
INS.-Fire & Liability	16,069.41
Maint-Repair	1,294.45
Outside Services	212.50
Payroll Expense	22,808.09
UtiLity Electric	2,230.64
Utility Water	318.69
Total Expense	<u>59,492.67</u>
Net Ordinary Income	<u>-41,674.79</u>
Net Income	<u><u>-41,674.79</u></u>

CORNING HEALTHCARE DISTRICT

06/20/19

Balance Sheet

Accrual Basis

As of May 31, 2019

	<u>May 31, 19</u>
ASSETS	
Current Assets	
Checking/Savings	
Rabo Checking	318,142.30
Capital Improvement 1200003612	44,057.71
Edward Jones CD 580-14264-1-1	
CitiBank Natl Assn 2-7-23	39,000.00
CitiBank Natl 6-7-21 PD	34,000.00
Capital One Bank USA 7-19-27	24,665.27
Wells Fargo Bank 3-15-22 PD	20,037.81
Cash from interest on CDs	989.12
Capital One Bank USA 3-8-21 PD	20,000.00
Amer EX Centurian 7-11-18 PD	-216.95
Goldman sachs 7-12-19 PD	25,000.00
Goldman Sacha B USDA 2-13-20	29,747.10
State B of India USDA 1/25/23	30,000.00
Edward Jones CD 580-14264-1-1 - Other	-4,874.67
Total Edward Jones CD 580-14264-1-1	218,347.68
Petty Cash	100.00
Total Checking/Savings	580,647.69
Accounts Receivable	
Accounts Receivable	-200.18
Total Accounts Receivable	-200.18
Other Current Assets	
Prepaid Ins.	12,759.35
Total Other Current Assets	12,759.35
Total Current Assets	593,206.86
Fixed Assets	
1210.00-Land Imp-Park Lot	34,081.00
1210.01-Land Imp-Park Lot 1998	71,000.20
Accum Dep Bldg Imp	-93,966.00
Accum Dep Equip	-3,797.00
Accum Dep Land Imp	-126,217.00
Accum Dep Med Bldg	-1,007,803.00
Bldg Improvements	137,261.63
Land	20,313.00
Land-Demolitation Cost	518,035.56
Medical Offic Bldg	3,744,628.76
Office Equipment	3,746.00
Total Fixed Assets	3,297,283.15
TOTAL ASSETS	3,890,490.01
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	276.65
Total Accounts Payable	276.65
Other Current Liabilities	
Accrued Payroll	7,078.98
Interest Payable	24,230.32

9:12 AM

06/20/19

Accrual Basis

CORNING HEALTHCARE DISTRICT

Balance Sheet

As of May 31, 2019

	<u>May 31, 19</u>
Payroll Liabilities	
Accr Fed W/Hold	821.76
Accr FICA-Employee	580.18
Accr FICA-Employer	580.21
Accr S.D.I.	336.74
Accr S.U.I.	-531.25
Accr ST W/Hold	979.12
Payroll Liabilities - Other	<u>3,109.47</u>
Total Payroll Liabilities	5,876.23
Payroll Liabilities,	481.84
USDA Rural Development Loan	<u>-78,706.49</u>
Total Other Current Liabilities	<u>-41,039.12</u>
Total Current Liabilities	-40,762.47
Long Term Liabilities	
Loan Payable - USDA	<u>1,368,300.00</u>
Total Long Term Liabilities	<u>1,368,300.00</u>
Total Liabilities	1,327,537.53
Equity	
2310.00-Fund Bal-Ret Earn	2,617,237.77
net assets	-30,099.00
Net Income	<u>-24,186.29</u>
Total Equity	<u>2,562,952.48</u>
TOTAL LIABILITIES & EQUITY	<u><u>3,890,490.01</u></u>

CORNING HEALTHCARE DISTRICT
Transaction Detail By Account
May 2019

Type	Date	Num	Name	Memo	Clr	Split	Amount	Balance
ADMIN-OTHER EXPENS								
Senior Program								
Check	05/01/19	7855	E. Benwell	mileage check		Rabo Checking	121.01	121.01
Bill	05/22/19		Rabo Bank Credit C...	interland		Accounts Paya...	32.39	153.40
Bill	05/22/19		Rabo Bank Credit C...	Dollar Tree		Accounts Paya...	34.68	188.08
Bill	05/22/19		Rabo Bank Credit C...	interland		Accounts Paya...	70.74	258.82
Total Senior Program								
							258.82	258.82
Advertising								
Bill	05/22/19	11358...	MYRON CORP	invoice 11358...		Accounts Paya...	241.56	241.56
Total Advertising								
							241.56	241.56
S. Engebretsen								
Check	05/01/19	7852	S. Engebretsen	printer		Rabo Checking	31.54	31.54
Check	05/31/19	7891	S. Engebretsen	ESCC		Rabo Checking	51.75	83.29
Total S. Engebretsen								
							83.29	83.29
ADMIN-OTHER EXPENS - Other								
Deposit	05/02/19	40259...	Aramark	overpayment r...		Rabo Checking	-109.00	-109.00
Bill	05/06/19	63675...	Aramark	invoice 63675...		Accounts Paya...	55.00	-54.00
Bill	05/10/19	5-1-19	Battle Creek Pest C...	invoice 48959...		Accounts Paya...	35.00	-19.00
Bill	05/10/19	5-1-19	Battle Creek Pest C...	invoice 48871...		Accounts Paya...	45.00	26.00
Bill	05/13/19	36376...	Aramark	invoice 36376...		Accounts Paya...	55.00	81.00
Bill	05/14/19	100414	Streamline	invoice 100414		Accounts Paya...	75.00	156.00
Bill	05/17/19	need i...	Aramark	invoice		Accounts Paya...	55.00	211.00
Bill	05/20/19	62677...	Comcast Business	services from ...		Accounts Paya...	264.01	475.01
Bill	05/22/19	need i...	Aramark	invoice 63677...		Accounts Paya...	55.00	530.01
Bill	05/24/19	63679...	Aramark	invoice		Accounts Paya...	55.00	585.01
Bill	05/24/19	63679...	Alhambra	invoice 63679...		Accounts Paya...	11.22	596.23
Bill	05/24/19	63679...	Alhambra	invoice 63679...		Accounts Paya...	75.47	671.70
Bill	05/29/19	051967	Northern Services-1...	invoice 051967		Accounts Paya...	55.00	726.70
Bill	05/29/19	051967	Peerless Bldg Maint...	invoice 051967		Accounts Paya...	282.00	1,008.70
Bill	05/31/19	051967	Peerless Bldg Maint...	quarterly		Accounts Paya...	155.00	1,163.70
Total ADMIN-OTHER EXPENS - Other								
							1,163.70	1,163.70
Total ADMIN-OTHER EXPENS								
							1,747.37	1,747.37
TOTAL								
							1,747.37	1,747.37

CORNING HEALTHCARE DISTRICT
LAST MONTH'S CHECK BOOK REGISTER
As of May 31, 2019

Type	Date	Nu...	Name	Memo	Split	Amount	Balance
Rabo Checking							
Paycheck	05/01/1	78...	Smith, Mike A		-SP...	-1,325.43	366,576.33
Paycheck	05/01/1	78...	Benwell, Elaine		-SP...	-620.77	365,250.90
Paycheck	05/01/1	78...	Engbretsen, Shirley I		-SP...	-1,802.21	364,630.13
Paycheck	05/01/1	78...	Ivvin, Janice R		-SP...	-1,242.47	362,827.92
Check	05/01/1	78...	S. Engbretsen	printer	S. E...	-31.54	361,585.45
Check	05/01/1	78...	Michael Smith		-SP...	-88.29	361,553.91
Check	05/01/1	78...	Ivvin, Janice R		-SP...	-164.43	361,465.62
Paycheck	05/01/1	78...	E. Benwell		-SP...	-121.01	361,301.19
Check	05/01/1	78...	Electronic Federal Tax...	VOID: 94-6003824	-SP...	0.00	361,180.18
Liability ...	05/01/1	78...	Internal Revenue Serv...	94-6003824	-SP...	-73.44	361,106.74
Liability ...	05/01/1	78...	Electronic Federal Tax...	94-6003824	Payr...	-21.75	361,084.99
Liability ...	05/01/1	20...			-SP...	10,719.36	371,804.35
Deposit	05/02/1				UND...	829.00	372,633.35
Deposit	05/02/1				AD...	109.00	372,742.35
Deposit	05/02/1				-SP...	6,091.16	378,833.51
Deposit	05/03/1				UND...	240.55	379,074.06
Deposit	05/08/1				-SP...	-620.77	378,453.29
Paycheck	05/15/1	78...	Benwell, Elaine		-SP...	-1,802.21	376,651.08
Paycheck	05/15/1	78...	Engbretsen, Shirley I		-SP...	-1,242.47	375,408.61
Paycheck	05/15/1	78...	Ivvin, Janice R		-SP...	-1,423.16	373,985.45
Paycheck	05/15/1	78...	Smith, Mike A		Capi...	-6,605.02	367,380.43
Check	05/15/1	78...	Corning Healthcare Di...	94-6003824	Acc...	-75.47	367,304.96
Bill Pmt ...	05/15/1	78...	Alhambra		Acc...	-220.00	367,084.96
Bill Pmt ...	05/15/1	78...	Aramark		Acc...	0.00	367,084.96
Bill Pmt ...	05/15/1	78...	At & T U-Verse		Acc...	-251.62	366,833.34
Bill Pmt ...	05/15/1	78...	AT&T	VOID: 127454452 / 1273931...	Acc...	-80.00	366,753.34
Bill Pmt ...	05/15/1	78...	Battle Creek Pest Con...	530-824-9010 and 530-824-...	Acc...	-71.01	366,682.33
Bill Pmt ...	05/15/1	78...	City of Corning-175 So...	34-2046874	Acc...	-165.72	366,516.61
Bill Pmt ...	05/15/1	78...	City of Corning-275 So...	CORO145	Acc...	-81.96	366,434.65
Bill Pmt ...	05/15/1	78...	City of Corning 218 - c...	CORO168	Acc...	-972.00	365,462.65
Bill Pmt ...	05/15/1	78...	Express Employment ...	23391192	Acc...	-2,542.50	362,920.15
Bill Pmt ...	05/15/1	78...	Law Offices of Thoma...		Acc...	-2,216.13	360,704.02
Bill Pmt ...	05/15/1	78...	Pacific Gas & Electric		Acc...	-70.00	360,634.02
Bill Pmt ...	05/15/1	78...	Peerless Bldg Mainten...		Acc...		

9:10 AM
06/20/19
Accrual Basis

CORNING HEALTHCARE DISTRICT
LAST MONTH'S CHECK BOOK REGISTER
As of May 31, 2019

Type	Date	Nu...	Name	Memo	Split	Amount	Balance
Bill Pmt ...	05/15/1	78...	Servicemaster Clean		Acc...	-400.08	360,233.94
Bill Pmt ...	05/15/1	78...	Streamline	invoice 100414	Acc...	-75.00	360,158.94
Bill Pmt ...	05/15/1	78...	Waste Management	533-0000136-0533-2	Acc...	-214.77	359,944.17
Liability ...	05/15/1	78...	Edward Jones A	580-97665	-SP...	-402.00	359,542.17
Liability ...	05/15/1	78...	Edward Jones B	580-97339	-SP...	-398.32	359,143.85
Check	05/15/1	20...	Intuit		GEN...	-10.00	359,133.85
Liability ...	05/17/1	20...	Electronic Federal Tax...	94-6003824	-SP...	-6,769.97	352,363.88
Check	05/20/1	20...	Internal Revenue Serv...	94-6003824	-SP...	-53.44	352,310.44
Paycheck	05/31/1	78...	Benwell, Elaine		Payr...	-793.89	351,516.55
Paycheck	05/31/1	78...	Engbretsen, Shirley I		-SP...	-1,802.22	349,714.33
Paycheck	05/31/1	78...	Irvin, Janice R		-SP...	-1,242.47	348,471.86
Paycheck	05/31/1	78...	Smith, Mike A		-SP...	-1,423.16	347,048.70
Check	05/31/1	78...	Michael Smith		Main...	-63.24	346,985.46
Check	05/31/1	78...	S. Engbretsen	printer	-SP...	-51.75	346,933.71
Bill Pmt ...	05/31/1	78...	Aramark		Acc...	-110.00	346,823.71
Bill Pmt ...	05/31/1	78...	At & T U-Verse	294290689/251727868	Acc...	-179.00	346,644.71
Bill Pmt ...	05/31/1	78...	Comcast Business		Acc...	-264.01	346,380.70
Bill Pmt ...	05/31/1	78...	Express Employment ...	23391192	Acc...	-873.39	345,507.31
Bill Pmt ...	05/31/1	78...	MYRON CORP	life saving tool break window...	Acc...	-241.56	345,265.75
Bill Pmt ...	05/31/1	78...	Northern Services-155...	75-3120754	Acc...	-282.00	344,983.75
Bill Pmt ...	05/31/1	78...	Pacific Gas & Electric	4586584129-5	Acc...	-14.51	344,969.24
Bill Pmt ...	05/31/1	78...	Quill Corporation		Acc...	-75.41	344,893.83
Bill Pmt ...	05/31/1	79...	Rabo Bank Credit Card		Acc...	-2,478.52	342,415.31
Bill Pmt ...	05/31/1	79...	SDRMA - Fire & Liability		Acc...	-16,069.41	326,345.90
Bill Pmt ...	05/31/1	79...	SDRMA Workmans co...		Acc...	-7,766.78	318,579.12
Bill Pmt ...	05/31/1	79...	Special District Risk M...		Acc...	-24.32	318,554.80
Bill Pmt ...	05/31/1	79...	Your Business Office		Acc...	-212.50	318,342.30
Check	05/31/1	79...	Lilia Rodriguez	meeting 5-28-19	stipe...	-50.00	318,292.30
Check	05/31/1	79...	Charles Rouse	meeting stipen 5-28-19	stipe...	-50.00	318,242.30

9:10 AM
 06/20/19
 Accrual Basis

CORNING HEALTHCARE DISTRICT
 LAST MONTH'S CHECK BOOK REGISTER
 As of May 31, 2019

Type	Date	Nu...	Name	Memo	Split	Amount	Balance	
Check	05/31/1	79...	Valanne Cardenas o	meeting stipen 5-28-19	stipe...	-50.00	318,192.30	
Check	05/31/1	79...	Yvonne Boles	meeting stipen 5-28-19	stipe...	-50.00	318,142.30	
Total Rabo Checking							-48,434.03	318,142.30
TOTAL							-48,434.03	318,142.30

**CORNING HEALTHCARE DISTRICT
Expenses by Vendor Summary**

May 2019

	<u>May 19</u>
Alhambra	86.69
Aramark	221.00
At & T U-Verse	281.84
AT&T	251.62
Battle Creek Pest Control	80.00
City of Corning-175 Solano coro 145	71.01
City of Corning-275 Solano coro168	165.72
City of Corning 218 - coro218	81.96
Comcast Business	264.01
Express Employment Services	1,845.39
Internal Revenue Service	53.44
Intuit	10.00
Law Offices of Thomas N. Andrews	2,542.50
MYRON CORP	241.56
Northern Services-155 Solano	282.00
Pacific Gas & Electric	2,230.64
Peerless Bldg Maintenanc Corp	155.00
Quill Corporation	75.41
Rabo Bank Credit Card	2,478.52
S. Engebretsen	83.29
SDRMA - Fire & Liability	16,069.41
SDRMA Workmans comp	7,766.78
Servicemaster Clean	400.08
Special District Risk Management	25.34
Streamline	75.00
Waste Management	214.77
Your Business Office	212.50
TOTAL	<u><u>36,265.48</u></u>

CORNING HEALTHCARE DISTRICT
Income by Customer Summary
May 2019

	<u>May 19</u>
Family Counseling Center	240.55
Adventist Health Feather River Hospital	5,991.16
Northern Valley Catholic Social Service - Tehama County	1,045.56
Children First Foster Family Agency	9,349.99
QUEST DIAGNOSTICS, INC.	323.81
	829.00
TOTAL	<u>17,780.07</u>



SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY

Shirley
Cooper

2019 BOARD OF DIRECTORS ELECTION

OFFICIAL ELECTION BALLOT ENCLOSED

This is an official election packet that contains items that require ACTION by your Agency's governing body for the selection of up to three (3) candidates to the SDRMA Board of Directors.

ELECTION PACKET ENCLOSURES

- Election Ballot Instructions
- Official Election Ballot (Action Required)
- Candidate's Statements of Qualifications (5)
- Self-addressed, Stamped Envelope

SDRMA'S BOARD OF DIRECTORS ELECTION BALLOT INSTRUCTIONS

Notification of nominations for three (3) seats on the Special District Risk Management Authority's (SDRMA's) Board of Directors was mailed to the membership in January 2019.

On May 2, 2019, SDRMA's Election Committee reviewed the nomination documents submitted by the candidates in accordance with SDRMA's Policy No. 2017-10 Establishing Guidelines for Director Elections. The Election Committee confirmed that five (5) candidates met the qualification requirements and those names are included on the Official Election Ballot.

Enclosed is the Official Election Ballot along with a Statement of Qualifications as submitted by each candidate. Election instructions are as follows:

1. The enclosed Official Election Ballot must be used to ensure the integrity of the balloting process.
2. After selecting up to three (3) candidates, your agency's governing body must approve the enclosed Official Election Ballot at a public meeting. **Ballots containing more than three (3) candidate selections will be considered invalid and not counted.**
3. The signed Official Election Ballot **MUST** be sealed and **received by mail or hand delivery at SDRMA's office on or before 4:30 p.m. on Wednesday, August 21, 2019 to the address below.** A self-addressed, stamped envelope is enclosed. Faxes or electronic transmissions are NOT acceptable.

Special District Risk Management Authority
Election Committee
1112 "I" Street, Suite 300
Sacramento, California 95814

4. The four-year terms for newly elected Directors will begin on January 1, 2020 and terminate on December 31, 2023.

5. Important balloting and election dates are:

August 21, 2019:	Deadline for members to return the signed Official Election Ballot
August 22, 2019:	Ballots are opened and counted
August 23, 2019:	Election results are announced, and candidates notified
September 25, 2019:	Newly elected Directors are introduced at the SDRMA Annual Breakfast to be held in Anaheim at the CSDA Annual Conference
November 6-7, 2019:	Newly elected Directors are invited to attend SDRMA board meeting (Sacramento)
January 2020:	Newly elected Directors are seated, and Board officer elections are held

If you have any questions regarding the election and balloting process, please do not hesitate to call SDRMA's Chief Operating Officer Paul Frydendal at 800.537.7790.

**OFFICIAL 2019 ELECTION BALLOT
SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY
BOARD OF DIRECTORS**

VOTE FOR ONLY THREE (3) CANDIDATES

Mark each selection directly onto the ballot, voting for no more than three (3) candidates. Each candidate may receive only one (1) vote per ballot. A ballot received with more than three (3) candidates selected will be considered invalid and not counted. All ballots must be sealed and received by mail or hand delivery in the enclosed self-addressed, stamped envelope at SDRMA on or before 4:30 p.m., Wednesday, August 21, 2019. Faxes or electronic transmissions are NOT acceptable.

- BOB SWAN (INCUMBENT)**
Board Member, Groveland Community Services District
- JESSE D. CLAYPOOL**
Board Chair, Honey Lake Valley Resource Conservation District
- PATRICK K. O'ROURKE, MPA/CFRM**
Board Member, Redwood Region Economic Development Commission
- SANDY SEIFERT- RAFFELSON (INCUMBENT)**
Finance Manager/Treasurer, Herlong Public Utility District
- JAMES (Jim) M. HAMLIN**
Board President, Burney Water District

ADOPTED this ____ day of _____, 2019 by the Corning Healthcare District at a public meeting by the following votes:

AYES: _____
 NOES: _____
 ABSTAIN: _____
 ABSENT: _____

ATTEST:

APPROVED:

**Special District Risk Management Authority
Board of Directors
Candidate's Statement of Qualifications**

This information will be distributed to the membership with the ballot, "exactly as submitted" by the candidates – no attachments will be accepted. No statements are endorsed by SDRMA.

Candidate* Bob Swan

District/Agency Groveland Community Services District (GCSD)

Work Address P.O. Box 350, Groveland, CA 95321

Work Phone (209) 962-7161

Home Phone (408) 398-4731

*The name or nickname and any designations (i.e. CPA, SDA, etc.) you enter here will be printed on the official ballot, exactly as submitted.

Why do you want to serve on the SDRMA Board of Directors? (Response Required)

I am a current Board member. I would like to be elected to a second term because:

1. As a board member of Groveland CSD, I am particularly aware of the great value that smaller districts get from SDRMA, and I'd like to continue to do my part to make sure that this important agency continues to operate smoothly and stably into the indefinite future.
2. The insurance market in California (and nationwide) is going through a period of rapid change. The Board and staff are engaged in a major re-evaluation of SDRMA's approach to fulfilling its mission of providing cost-effective risk management services to its members. I believe that it is important to maintain Board continuity in this effort.
3. SDRMA Board members are either board members ("electeds") or employees of a member agency. I think there is value in having a balance between elected and employee Board members. The Board seats that are NOT up for election are currently 3 employees / 1 elected. I'd like to make sure the new Board has at least 2 elected members.

What Board or committee experience do you have that would help you to be an effective Board Member? (SDRMA or any other organization) (Response Required)

1. SDRMA Board Member since 2016. This year (2019), I serve as Secretary. During our "no CEO" period in late 2017 - early 2018, I was a member of the ad hoc Personnel Committee. I am also a member of the Alliance Executive Council, and a backup member of the Legislative Committee.
2. Groveland CSD Board Member since I was appointed in June 2013. For the years 2014-2018, I served as Board President. (We finally implemented mandatory rotation of the office in 2019).
3. Member of the Board of Southside Community Connections, a local nonprofit in Groveland that provides educational, social, and recreational services to seniors, as well as free transportation to those who cannot drive.
4. Board Member (currently Treasurer) of Pine Cone Performers, a local choral and acting group, since 2010.
5. Back during my work life, I was a corporate representative on an IEEE standards committee concerned with wireless networking. It was very educational being on a committee where the members had widely differing (competing) goals.

**Special District Risk Management Authority
Board of Directors
Candidate's Statement of Qualifications**

**What special skills, talents, or experience (including volunteer experience) do you have?
(Response Required)**

History: BS Physics, MS Computer Science. 3 years in USAF. 30 years in the semiconductor industry, first as an engineering manager, later as a business unit manager. Now retired (so I have plenty of time).

Skills, etc.: Very familiar with financial reports, cost accounting, quantitative analysis. Working knowledge of modern computer and communications technology. Managed distributed organizations with up to 150 technical people and up to \$120M in annual sales. Pretty good at listening to different views, and helping to achieve consensus (or, at least, compromise).

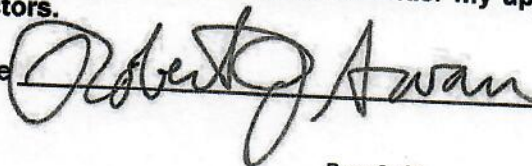
What is your overall vision for SDRMA? (Response Required)

Well, obviously I support our (newly revised) vision statement: "To be the exemplary public agency risk pool of choice for California special districts and other public agencies". In order to achieve this vision, I believe the key issues are:

1. Maintain long term financial stability. This includes ensuring that there is a fair allocation of cost versus risk across the pool membership.
2. Continue to retain / acquire highly qualified staff, and ensure that this is a desirable place to work.
3. Remember who are our target clientele, which in my opinion are small to mid-sized districts with limited options for insurance.
4. In light of ever-evolving California workers-compensation law, expand risk-management training even further than we now provide.
5. Maintain good relations with our re-insurers (who insulate us from catastrophe). In the long run, explore the possibility of joining a "captive" re-insurer to improve stability.

I certify that I meet the candidate qualifications as outlined in the SDRMA election policy. I further certify that I am willing to serve as a director on SDRMA's Board of Directors. I will commit the time and effort necessary to serve. Please consider my application for nomination/candidacy to the Board of Directors.

Candidate Signature



Date

4-24-2019

**Special District Risk Management Authority
Board of Directors
Candidate's Statement of Qualifications**

This information will be distributed to the membership with the ballot, "exactly as submitted" by the candidates – no attachments will be accepted. No statements are endorsed by SDRMA.

Candidate* Jesse D. Claypool
District/Agency Honey Lake Valley Resource Conservation District
Work Address USDA Service Center 170 Russell Avenue, Suite C Susanville, CA 96130
Work Phone 530-257-7271 ext 100 Home Phone 530-310-0232

*The name or nickname and any designations (i.e. CPA, SDA, etc.) you enter here will be printed on the official ballot, exactly as submitted.

Why do you want to serve on the SDRMA Board of Directors? (Response Required)

My interest for being on the SDRMA Board of Directors is because I believe it is imperative for there to be a knowledgeable and experienced voice on the Board with the perspective of the small to mid-size special district, working together with the other SDRMA Board Members, to ensure relevant—affordable solutions are available to all size special districts.

What Board or committee experience do you have that would help you to be an effective Board Member? (SDRMA or any other organization) (Response Required)

I am currently serving my fifth (5th) consecutive term as Chairman of the Board of a special district. I served two (2) yrs. on a Technical Advisory Committee for the prevention of violence against schools K-12. I served one (1) term on an elementary school board. I am currently serving my second (2nd) consecutive term on CSDA's committee for Professional Development. I am currently serving my sixth (6th) consecutive term on the board of a Regional Water Management Group. I am currently serving my second (2nd) consecutive term on CSDA's committee for Member Services. I am currently serving as a member of the County's Civil Grand Jury.

I have attended and completed the California School Board Association's New Board Member Training. I have Certificates of Completion from CSDA for General Manager Evaluation, Exercising Legislative Authority and Achieving Transparency. I attended and completed CSDA's Extraordinary Leader training. I attended and completed CSDA's Special District Leadership Academy and I have received CSDA's Recognition in Special District Governance certificate.

**Special District Risk Management Authority
Board of Directors
Candidate's Statement of Qualifications**

**What special skills, talents, or experience (including volunteer experience) do you have?
(Response Required)**

My experience with special districts and governance, belief in the importance of quality governing policies, the ability to work effectively with the other board members and staff and a desire to give back to SDRMA and its membership will be what I bring to the SDRMA Board of Directors.

What is your overall vision for SDRMA? (Response Required)

For SDRMA to continually advance as an industry leader providing affordable solutions for special districts of any size enabling them to be effective within the communities they serve.

I certify that I meet the candidate qualifications as outlined in the SDRMA election policy. I further certify that I am willing to serve as a director on SDRMA's Board of Directors. I will commit the time and effort necessary to serve. Please consider my application for nomination/candidacy to the Board of Directors.

Candidate Signature



Date

4-26-19

**Special District Risk Management Authority
Board of Directors
Candidate's Statement of Qualifications**

This information will be distributed to the membership with the ballot, "exactly as submitted" by the candidates – no attachments will be accepted. No statements are endorsed by SDRMA.

Candidate* Patrick K. O'Rourke, MPA/CFRM
District/Agency Redwood Region Economic Development Commission (RREDC)
Work Address 520 E Street Eureka, CA 95501
Work Phone 707-445-9651 Home Phone 707-726-6700

*The name or nickname and any designations (i.e. CPA, SDA, etc.) you enter here will be printed on the official ballot, exactly as submitted.

Why do you want to serve on the SDRMA Board of Directors? (Response Required)

I have considerable interest, knowledge, and experience in board leadership; board service; and board governance/policy development & oversight in for-profits, nonprofits, a joint powers authority/SDRMA member organization, and as an elected city councilman. I also have considerable experience (as a top-level executive board leader and manager) in organizational risk management and risk mitigation/prevention. I would like to share my knowledge, skills, abilities, and experience in service to SDRMA members, via my service on SDRMA's board of directors. I believe that my knowledge, experience, and dedication to excellence and implementation of best practices in governance and policy development/oversight will serve SDRMA well, and will assist SDRMA in maintaining its "Excellence" accreditation via the California Association of Joint Powers Authorities (CAJPA).

What Board or committee experience do you have that would help you to be an effective Board Member? (SDRMA or any other organization) (Response Required)

Having served in board leadership roles (25+ years in for-profit entities; 25+ years in nonprofit & private/public foundations; and 2+ years in a Joint Powers Authority [SDRMA member organization]), I am well-versed and experienced in board governance; policy development; financial statement analysis and budget review; executive management search/selection, oversight and evaluation; organizational risk management/mitigation; litigation oversight; and best practices in organizational governance. At SDRMA member organization, Redwood Region Economic Development Commission (RREDC), I have served as 2019 Immediate Past Chair; 2018 Board Chair; 2017 Vice Chair; Chair of Executive Committee; and Member of the Loan Committee. I have in-depth knowledge of policy governance (Culver, et al.); I am an advocate for transparency & best practices; and I am knowledgeable & experienced in California's Ralph M. Brown Act and Roberts Rules of Order. I have also served in board governance and board leadership roles in several nonprofit organizations and in both public and private foundations, including as Board Chair (12+ years) and in President & Vice President roles. I have also Chaired Search/Selection committees; Public Relations committees; Fund Development committees; and Finance/Audit committees.

**Special District Risk Management Authority
Board of Directors
Candidate's Statement of Qualifications**

**What special skills, talents, or experience (including volunteer experience) do you have?
(Response Required)**

Besides holding a Master of Public Affairs degree, with a specialty in nonprofit management; having completed all coursework and written/oral exams (all except dissertation) for a PhD in Mass Communication, with a specialty in public relations and a cognate in organizational communication management, I have several other directly-relevant skills/talents/experience including: I am expertly adept at executive-level relationship development and stewardship, and have served as an organizational & industry advocate and liaison working closely with community organizations, local/county/state elected officials, and public/private entities/organizations and foundations. I am expertly adept at financial and operational analysis, and at asset/portfolio management and risk mitigation. I have taught for-credit university courses in corporate leadership; in entrepreneurial leadership research and practice; as well as having published peer-reviewed academic research on leadership in public relations.

What is your overall vision for SDRMA? (Response Required)

My vision for SDRMA would be for SDRMA to continue to add value to its members; operate with the highest ethical practices and transparency; continue in providing excellence in service, education, safety and compliance training; help members to mitigate and reduce risk; provide expedient claims review and response; provide members with state-of-the-art education and information; educate members to minimize losses/risk in member workplaces; and to continue to provide members with comprehensive coverage for property/liability, workers comp, and health benefits.

I would envision SDRMA management and staff enjoying a quality of life that will ensure their happiness and continue an atmosphere of dedicated service to SDRMA members. I would also envision that SDRMA will continue to operate with efficiencies that minimize costs/expenses, continue to enable SDRMA to maintain competitive premium rates, and (when possible) lower organizational and member costs. I would also envision a governing board that embraces and employs best governing practices in all areas of policy development; executive management oversight; financial review/audit; and in investing and spreading portfolio assets to minimize portfolio investment risks and maximize return on investments. Finally, I would envision SDRMA, and its management team/staff, operating in ways that will continue to earn accreditation "Excellence" from the California Association of Joint Powers Authorities (CAJPA).

I certify that I meet the candidate qualifications as outlined in the SDRMA election policy. I further certify that I am willing to serve as a director on SDRMA's Board of Directors. I will commit the time and effort necessary to serve. Please consider my application for nomination/candidacy to the Board of Directors.

Candidate Signature _____

Date

3/25/2019

**Special District Risk Management Authority
Board of Directors
Candidate's Statement of Qualifications**

What special skills, talents, or experience (including volunteer experience) do you have?

I have my Bachelor's Degree in Business with a minor in Sociology. I have audited Small Districts for 5 years, worked for a Small District for almost 15 years and have over 30 years of accounting experience. I am a good communicator and organizer. I have served on several Boards and feel I work well within groups or special committee. I am willing to go that extra mile to see things get completed.

I believe in recognition for jobs well done. I encourage incentive programs that get members motivated to participate and strive to do their very best to keep all losses at a minimum and reward those with no losses.

I have completed my Certificate for Special District Board Secretary/Clerk Program in both regular and advance course work through CSDA and co-sponsored by SDRMA. I have completed the CSDA Special District Leadership Academy and Special District Governance Academy. I am in the processes of getting my small District re-certified for their District of Transparency and hope one day to attain our District of Distinction.

I work for a District in Northeastern California that has under gone major changes from a Cooperative Company to a 501c12 Corporation, to finally a Public Utility District. I have worked with LAFCo to become a District. Also our small District consolidated another small District into our District. Through past experience I feel I make a great Board member representing the small districts of Northern California and their unique issues and will make decisions that would help all rural/small districts.

What is your overall vision for SDRMA?

For SDRMA to be at the top of the risk management field and to continue communicating and listening to the needs of all California Special Districts and meeting those needs at a reasonable price that Special Districts can afford. I would like to continue education and rewards for no claims and explore avenues of financial endeavors that will benefit our customers.

I certify that I meet the candidate qualifications as outlined in the SDRMA election policy. I further certify that I am willing to serve as a director on SDRMA's Board of Directors. I will commit the time and effort necessary to serve. Please consider my application for nomination/candidacy to the Board of Directors.

Candidate Signature *Sandy Seifert-Raffelson* Date 4/16/19

**Special District Risk Management Authority
Board of Directors
Candidate's Statement of Qualifications**

This information will be distributed to the membership with the ballot, "exactly as submitted" by the candidates No statements are endorsed by SDRMA.

Candidate* Sandy Seifert-Raffelson

District/Agency Herlong Public Utility District

Work Address 447-855 Plumas St., P o Box 115, Herlong, CA 96113

Work Phone (530) 827-3150 Cell Phone (530) 310-4320

*The name or nickname and any designations (i.e. CPA, SDA, etc.) you enter here will be printed on the official ballot, exactly as submitted.

Why do you want to serve on the SDRMA Board of Directors?

I am a current Board member of SDRMA and feel that I have added my financial background to make better informed decisions for our members. As a Board member, I continue to improve my education of insurance issues and look forward to representing small District's and Northern California as a voice on the SDRMA Board. I feel I am an asset to the Board with my degree in Business and my 30 plus years' experience in accounting and auditing.

I understand the challenges that small District face every day when it comes to managing liability insurance, worker's compensation and health insurance for a few employees with limit revenue and staff. My education and experience give me an appreciation of the importance of risk management services and programs, especially for smaller District that lack expertise with insurance issues on a daily basis.

I feel I am an asset to this Board, and would love a chance to stay on 4 more years!

What Board or committee experience do you have that would help you to be an effective Board Member? (SDRMA or any other organization)

While serving on the SDRMA Board, I have been privilege to be Secretary of the Board for two years, and currently the Vice-President. I have served on CSDA's Audit and Financial Committee's for 6 years; I have served on the SDLF Board; Northeastern Rural Health Clinic Board; Fair Board; School and Church boards; 4-H Council and leader for 15 years; and UC Davis Equine Board. In the past 25 years, I have learn that there is no "I" in Board and it can be very rewarding to be part of a team that makes a difference for others.

As part of my many duties working with Herlong PUD, I worked to form the District and was directly involved with LAFCo, Lassen County Board of Supervisors and County Clerk to establish the initial Board of Directors and first Policies for HPUD. I have administered the financial portion of 2 large capital improvement project with USDA as well as worked on the first ever successful water utility privatization project with the US Army and Department of Defense. I am currently working on a 4.2 million grant from California for new infrastructure for the small District HPUD absorb through LAFCo in 2017. I am also the primary administrator of a federal contract for utility services with the Federal Bureau of Prison and the US Army.

**Special District Risk Management Authority
Board of Directors
Candidate's Statement of Qualifications**

This information will be distributed to the membership with the ballot, "exactly as submitted" by the candidates
- no attachments will be accepted. No statements are endorsed by SDRMA.

Candidate* James (Jim) M. Hamlin
District/Agency Burney Water District
Work Address 20222 Hudson St. Burney, Ca. 96013
Work Phone (530) 335-3582 Cell Phone _____

*The name or nickname and any designations (i.e. CPA, SDA, etc.) you enter here will be printed on the official ballot, exactly as submitted.

Why do you want to serve on the SDRMA Board of Directors? (Response Required)

Hope to serve and help with decisions being made to both strengthen SDRMA and
move into new areas. Our districts are facing new challenges constantly.

**What Board or committee experience do you have that would help you to be an effective Board Member?
(SDRMA or any other organization) (Response Required)**

See Next

**Special District Risk Management Authority
Board of Directors
Candidate's Statement of Qualifications**

What special skills, talents, or experience (including volunteer experience) do you have? (Response Required)

September 1972 until January 2014, owned and operated a Insurance brokerage
Sold business and retired.

Board Member of Mayers Memorial Hospital District From 1990 until 2014
Served on the Associal of Hospital Districts for six years.

Served on the board of Burney Water District the previous six years. Current
Serving on Mayers Memorial Hospital Financial Board.

What is your overall vision for SDRMA? (Response Required)

SDRMA Board must be strong and protect the concerns of their members. Need
to have a listening ear for the districts that are represented. Need to
use caution when jumping into new areas, not jepordise their strong programs
and beliefs for new programs.

I certify that I meet the candidate qualifications as outlined in the SDRMA election policy. I further certify that I am willing to serve as a director on SDRMA's Board of Directors. I will commit the time and effort necessary to serve. Please consider my application for nomination/candidacy to the Board of Directors.

Candidate Signature James M. Hamble Date 3-27-2019

**CORNING HEALTHCARE DISTRICT
BOARD MEETING
Tuesday Jun 25, 2019
District conference room
275 Solano Street
Corning Healthcare District Campus
Meeting Inquiries (530) 824-5451**

Regular Agenda – Adventist Health Clinic subleasing.

Adventist Health Clinic would like to sublease an area (the lab section) to Adventist Health and Rideout.

The District would continue to bill Adventist Health for the usual rent. The sublease should not affect that relationship.

Recommendation: Allow the sublease to move forward.

MEDICAL OFFICE SUBLEASE

THIS MEDICAL OFFICE SUBLEASE ("Sublease") is entered into as of May 7, 2019 (the "Execution Date"), by and between, RIDEOUT MEMORIAL HOSPITAL d/b/a ADVENTIST HEALTH AND RIDEOUT a California corporation (the "Sublessor") and ADVENTIST HEALTH PHYSICIANS NETWORK, a California nonprofit corporation ("Sublessee"). Sublessor and Sublessee are sometimes referred to in this Sublease as a "Party" or, collectively, as the "Parties."

RECITALS

Sublessor (also, "Lessee") is the Lessee under that certain Lease Agreement (the "Master Lease") for the Premises known 155 Solano Street, Corning, CA 96021 by and between Sublessor and Corning Healthcare District, a local hospital district ("Master Lessor").

Sublessor now desires to sublease Suite 1 to Sublessee and Sublessee now desires to sublease Suite 1 from Sublessor.

DEFINITIONS

The following terms, as used herein, shall have the meanings set forth below:

"Building" shall mean that certain building owned by Master Lessor and located at 155 Solano Street, Corning, CA 96021.

"Building Common Area" shall mean the corridors, lobbies, landings, stairways, elevators, restrooms, equipment storage rooms and utility rooms and all other interior and exterior improvements which are part of the Building (and located outside of the Premises).

"Premises" shall mean that certain interior space within the office suite commonly known as Suite 1 of the Building as shown on the floor plan attached hereto as Exhibit I.

"Other Subleases" shall mean subleases Sublessor has entered into with Other Occupants for Other Premises.

"Other Occupants" shall mean the occupants of the Other Premises.

"Property" shall mean the Building and related improvements.

AGREEMENT

THE PARTIES AGREE AS FOLLOWS:

ARTICLE I. BASIC LEASE PROVISIONS

This Article I contains the basic provisions of this Sublease between Sublessor and Sublessee. Other Articles, Sections and Paragraphs of the Sublease explain and define the basic provisions and are to be read together with these basic provisions.

- 1.1 **Sublessor's Address.** 989 Plumas Street, Yuba City, CA 95991.
- 1.2 **Sublessee's Address.** 1 Adventist Health Way, Roseville, CA 95661.
- 1.3 **Premises.** Sublessor hereby leases to Sublessee and Sublessee hereby leases from Sublessor the Premises, and Sublessor hereby grants to Sublessee the right to use the Building Common Area in common with other tenants excluding all areas within the Building used for shafts, stacks, pipes, conduits, electric, air conditioning or other ducting or utilities, and other general building facilities. Pursuant to this Sublease, Sublessor leases the Premises to Sublessee for Sublessee's exclusive use.
- 1.4 **Term.** The term of this Sublease shall commence on May 7, 2019 (the "**Commencement Date**") and shall continue, subject to the termination provisions of this Sublease, for a period equal to the Term of the Master Lease (the "**Term**"). This Sublease shall automatically terminate upon the termination of the Master Lease.
- 1.5 **Master Lease.** Sublessor is a Lessee of the Premises under the Master Lease, a copy of which is attached hereto as **Exhibit 1.5** by and between Sublessor and Lessor. During the term of this Sublease and for purposes of this Sublease, except as otherwise set forth in this Sublease, all rights and obligations of the Lessor under the Master Lease shall be that of Sublessor under this Sublease; and all rights and obligations of Sublessor as Lessee under the Master Lease shall be that of Sublessee under this Sublease which Sublessee agrees to perform with respect to the Premises and the Building Common Area. If for any reason the Master Lease is terminated: (i) this Sublease shall automatically terminate; and (iii) Sublessor shall refund any Rent already paid for such month.

ARTICLE II. RENT AND SECURITY DEPOSIT

- 2.1 **Rent.** The Parties acknowledge and agree that as of the Commencement Date, the monthly rent ("**Rent**") is equal to Six Hundred Nineteen Dollars and Fifty Cents (\$619.50). Sublessee shall pay Rent and any Additional Rent (as defined in the Master Lease), as well as any Rent adjustments and/or Additional Rent increases implemented by Master Lessor pursuant to the Master Lease, to Sublessor at Sublessor's address as set forth in Article I of this Sublease, or at such other place as Sublessor may designate from time to time.

ARTICLE III.
ASSIGNMENT AND SUBLETTING

3.1 Assignment and Subletting. Neither Party shall assign this Sublease or sublet the Premises to a third party without the prior written consent of the other Party.

ARTICLE IV.
INDEMNIFICATION

4.1 Indemnification. Sublessor shall indemnify, defend and hold harmless Sublessee from and against Damages that arise out of or result from Sublessor's intentional or grossly negligent acts or omissions relating to the Master Lease, other than the act of entering into this Sublease. Sublessee shall indemnify, defend and hold harmless Sublessor from and against Damages that arise out of or result from Sublessee's acts or omissions in any way relating to the Premises or which constitute a breach of Sublessor's obligations under the Master Lease.

(a) **Payments by Indemnified Party; No Limitation of Rights.** Payments by Sublessee of amounts for which Sublessee is indemnified under this Sublease, and payments by Sublessor of amounts for which Sublessor is indemnified, shall not be a condition precedent to recovery. Sublessor's obligation to indemnify Sublessee, and Sublessee's obligation to indemnify Sublessor, shall not limit any other rights, including rights of contribution which either Party may have under any other agreement, statute or common law.

(b) **Cooperation.** The indemnified Party shall cooperate in all reasonable respects with the indemnifying Party and such attorneys in the investigation, trial and defense of any lawsuit or action and any appeal arising therefrom; provided, however, that the indemnified Party may, at its own cost, participate in the investigation, trial and defense of such lawsuit or action and any appeal arising therefrom. The Parties shall cooperate with each other in any notifications to insurers.

(c) This Article shall survive the expiration or termination of this Sublease.

ARTICLE V.
RELATIONSHIP OF PARTIES

5.1 Independent Contractors. Sublessor's relationship to Sublessee by virtue of this Sublease shall be that of an independent contractor supplying the Premises and any services required by this Sublease. Nothing in this Sublease is intended to create a partnership, employer-employee or joint venture relationship between the Parties, or to allow either Party to exercise any control or direction over the other Party.

5.2 Referrals. No term of this Sublease shall be construed as requiring or inducing patient referrals. Neither Party's rights under this Sublease shall be dependent in any way on the referral of patients.

ARTICLE VI.
TERM AND TERMINATION

- 6.1 **Term.** The Term shall be as set forth in Section 1.4 of this Sublease.
- 6.2 **Termination.** No Party shall have the right to terminate this Sublease, except this Sublease shall automatically terminate upon the expiration or termination of the Master Lease.
- 6.3 **Rights upon Termination.** Upon any termination or expiration of this Sublease, all rights and obligations of the Parties shall cease except those rights and obligations that have accrued or expressly survive such termination or expiration.

ARTICLE VII.
GENERAL PROVISIONS

- 7.1 **Amendment.** This Sublease may be modified or amended only by mutual written agreement of the Parties. Any such modification or amendment must be in writing, dated, signed by the Parties and attached to this Sublease.
- 7.2 **Dispute Resolution.** In the event of any controversy or dispute related to or arising out of this Sublease, the Parties agree to meet and confer in good faith to attempt to resolve the controversy or dispute without an adversary proceeding. If the controversy or dispute is not resolved to the mutual satisfaction of the Parties within five (5) business days of notice of the controversy or dispute, the Parties agree to waive their rights, if any, to a jury trial, and to submit the controversy or dispute to a retired judge or justice pursuant to Section 638 et seq. of the California Code of Civil Procedure, or any successor provision, for resolution in accordance with Chapter 6 (References and Trials by Referees), of Title 8 of Part 2 of the California Code of Civil Procedure, or any successor chapter. The Parties agree that the only proper venue for the submission of claims is the County of Los Angeles, California, and that the hearing before the referee shall be concluded within nine (9) months of the filing and service of the complaint. The Parties reserve the right to contest the referee's decision and to appeal from any award or order of any court.
- 7.3 **Attorneys' Fees.** If either Party brings an action for any relief or collection against the other Party, declaratory or otherwise, arising out of the arrangement described in this Sublease, the losing Party shall pay to the prevailing Party a reasonable sum for attorneys' fees and costs actually incurred in bringing such action, all of which shall be deemed to have accrued upon the commencement of such action and shall be paid whether or not such action is prosecuted to judgment. Any judgment or order entered in such action shall contain a specific provision providing for the recovery of attorneys' fees and costs incurred in enforcing such judgment. For the purpose of this Section 7.3, attorneys' fees shall include fees incurred in connection with discovery, post judgment motions, contempt proceedings, garnishment and levy.
- 7.4 **Choice of Law.** This Sublease shall be construed in accordance with and governed by the laws of the State of California, except choice of law rules that would require the application of the laws of any other jurisdiction.

7.5 Confidentiality. Neither Party shall disclose any of the terms of this Sublease to any person or entity, other than its attorneys and accountants, without the prior written consent of the other Party, unless and only to the extent such disclosure is required by law.

7.6 Counterparts. This Sublease may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

7.7 Entire Agreement. This Sublease is the entire understanding and agreement of the Parties regarding its subject matter, and supersedes any prior oral or written agreements, representations, understandings or discussions between the Parties. No other understanding between the Parties shall be binding on them unless set forth in writing, signed and attached to this Sublease.

7.8 Exhibits. The attached exhibits, together with all documents incorporated by reference in the exhibits, form an integral part of this Sublease and are incorporated into this Sublease wherever reference is made to them to the same extent as if they were set out in full at the point at which such reference is made.

7.9 Headings. The headings in this Sublease are intended solely for convenience of reference and shall be given no effect in the construction or interpretation of this Sublease.

7.10 Notices. All notices or communications required or permitted under this Sublease shall be given in writing and delivered personally or sent by United States registered or certified mail with postage prepaid and return receipt requested or by overnight delivery service (e.g., Federal Express, DHL). In each case, notice shall be delivered or sent to the Parties at the addresses set forth in Article I of this Sublease. Any letter sent to these addresses in the manner set out above will be deemed to have been received by the addressee within five (5) days of postmark.

7.11 Severability. If any provision of this Sublease is determined to be illegal or unenforceable, that provision shall be severed from this Sublease, and such severance shall have no effect upon the enforceability of the remainder of this Sublease.

7.12 Waiver. No delay or failure to require performance of any provision of this Sublease shall constitute a waiver of that provision as to that or any other instance. Any waiver granted by a Party must be in writing to be effective, and shall apply solely to the specific instance expressly stated.

[signature page follows]

The Parties have executed this Sublease on the Execution Date.

SUBLESSEE

ADVENTIST HEALTH PHYSICIANS NETWORK, a
California nonprofit corporation

Date: _____

By: _____
Its: Adrian Serna
Finance Officer

SUBLESSOR

RIDEOUT MEMORIAL HOSPITAL d/b/a ADVENTIST
HEALTH AND RIDEOUT a California corporation

Date: _____

By: _____
Its: Rick Rawson
President

LANDLORD CONSENT

CORNING HEALTHCARE DISTRICT

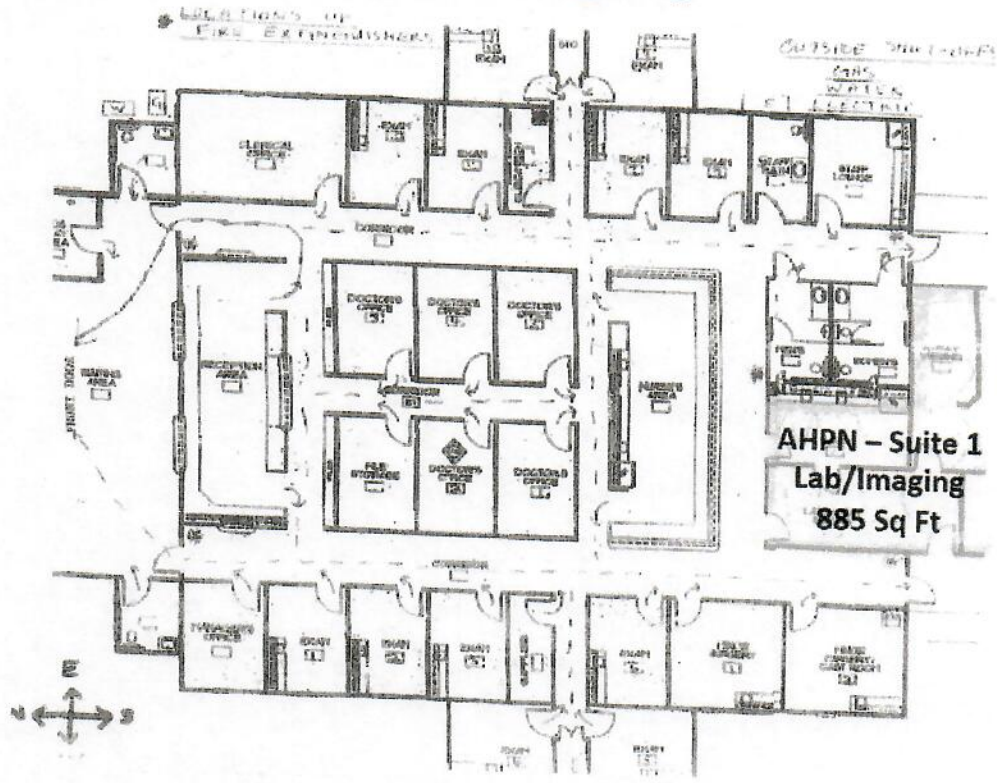
Date: _____

By: _____
Its: _____

Exhibit I

FLOOR PLAN

Corning – AHPN Lab/Imaging



**CORNING HEALTHCARE DISTRICT
BOARD MEETING
Tuesday May, 28th 2019
District conference room
275 Solano Street
Corning Healthcare District Campus
Meeting Inquiries (530) 824-5451**

Regular Agenda-NVCSS

Attorney Andrews has worked diligently with ongoing communication regarding Northern Catholic Social Services in building 175. They hadn't renewed the lease in over a year. We increased the rent by 4%. The lease agreement is ready for your review and approval.

LEASE AGREEMENT

1. PARTIES:

THIS LEASE AGREEMENT ("Lease") is made and entered into this 1st of July 2019 by and between Corning Healthcare District (hereinafter referred to as "Landlord") and Northern Valley Catholic Social Services (hereinafter referred to as "Tenant"). The parties acknowledge that nothing contained in the Lease or otherwise is to be construed so as to create or indicate that there exists any type of relationship, except that of Landlord and Tenant.

2. TERM:

The terms of this lease shall be for one (1) year commencing on the 1st of July, 2019 and ending on the 30th of June, 2020. Prior to the expiration of this Lease, if Tenant wishes to extend the Lease for an additional term, then Tenant shall provide advance written notice to Landlord sixty (60) days prior to the expiration of this Lease.

3. RENT:

Tenant agrees to pay to Landlord as basic rent, for the use and occupancy of the Leased Space, the sum of One thousand seventy-seven Dollars and ninety-six Cents (\$1,077.96) per month payable on the first day of each and every month commencing on July 1, 2019 and continuing through the term of this lease. Tenant shall pay rent at the office of the Landlord at P.O. Box 996, Corning, CA. 96021 or any other place or places that Landlord may designate by written notice given to Tenant.

4. PREMISES AND COMMON AREAS:

1Premises. Landlord hereby leases to Tenant and Tenant hereby leases from landlord, on the terms and conditions hereinafter set forth, that certain space outlined on the plat map attached and marked Exhibit "A" of the Building located at 175 Solano Street, situated in the City of Corning, State of California, (hereinafter called the "Premises"). Tenant is accepting the Leased Space in an "as is" condition.

2Common Areas. The term "Common Areas" means the portions of the Building that have been designated for common use by or for the benefit of more than one tenant. Common Areas include, without limitation, main entry lobby, interior corridors, restrooms, parking facilities and the driveways and landscaped areas.

5. USE OF PREMISES:

1Permitted Use. The Leased Space shall be used for counseling and health-related educational services and related office uses and for no other use or uses without the prior express written consent of Landlord.

2Prohibited Uses. Tenant shall not commit or permit the commission of any act nor use or permit the use of the Leased Space in any way that

- a. Increases the existing rates for or causes cancellation of any fire, casualty, liability, or other insurance policy insuring the Building or its contents;
- b. Violates or conflicts with any law, statute, ordinance, or governmental rule or regulation, whether now in force or hereinafter enacted, governing the Leased Space or the Building;
- c. Obstructs or interferes with the rights of other tenants or occupants of the Building or injures or annoys them; or
- d. Constitutes the commission of waste on the Leased Space or the commission or maintenance of a nuisance as defined by the laws of California.

1. **UTILITIES AND SERVICES:**

Landlord shall provide the following utilities and services to the Leased Space and Building:

- 1Water and electricity for the Leased Space and Building.
- 2Heating and air-conditioning for the Leased Space and Building.
- 3Janitorial services for Common Areas.
- 4Pest control/extermination services for the Leased Space and Building.
- 5Trash removal service for non-hazardous materials in and about the Common Areas and Building.

2. **REPAIRS AND MAINTENANCE:**

Landlord shall keep all portions of the Building in good repair and condition and shall make all repairs as needed.

1During the term of this Lease, Tenant shall maintain the Leased Space in a good, clean, and safe condition, and shall on expiration or earlier termination of this Lease surrender the Leased Space to Landlord in as good condition and repair as existed on the date of this Lease, ordinary wear and tear excepted.

2Tenant, at Tenant's own expense, shall repair all deteriorations or injuries to the Leased Space or to the Building occasioned by Tenant's lack of ordinary care.

3. **ALTERATIONS:**

Tenant shall make no alteration, addition, or improvement to the Leased Space without the advance express written consent of Landlord, which consent shall not be unreasonably withheld, delayed or conditioned. Tenant shall submit to Landlord preliminary plans for the alteration, addition, or improvement. Landlord shall approve or disapprove the proposed alteration, addition, or improvement within thirty (30) days after its receipt of Tenant's written request for approval. Tenant shall obtain all necessary governmental permits required for any alteration, addition or improvement and shall comply with all applicable governmental law, regulations, ordinances, and codes. Any fixtures installed as part of the construction, shall at Landlord's option become the property of Landlord on the expiration or other earlier termination of this Lease.

SIGNS/ADVERTISING:

Tenant shall have the right to place on or in the Premises such signs, as it deems necessary and proper in the conduct of its business. Such signs will comply with all federal, state, and city laws, codes, ordinances, rules, and regulations applicable to the property. Landlord agrees to allow placement of one (1) signs on the exterior wall of the Building.

4. **LOCKS; SECURITY:**

Tenant is hereby granted the right to change the locks on the doors to the Premises, provided it supplies Landlord with a copy of the keys thereto. Upon the advance express written consent of Landlord, Tenant shall also have the right to install additional security measures to the Premises.

5. **INSURANCE:**

1Tenant's Liability Insurance. Tenant shall during the term of this Lease, maintain public liability insurance in the sum of at least five hundred thousand dollars (\$500,000.00) for injury to or death of one person, and one million dollars (\$1,000,000.00) for injury to or death of more than one person in any one accident, insuring the Tenant against liability for injury and/or death occurring in the Building, Leased Space, or the Common Areas. Landlord shall be named as an additional insured and the policy shall

contain cross-liability endorsements. The Tenant shall maintain all such insurance in full force and effect during the entire term of this Lease and shall pay all premiums for the insurance. Evidence of insurance and of the payment of premiums shall be delivered to Landlord.

2Insurance for Tenant's Personal Property. Tenant agrees at all times during the term of this Lease to keep, at Tenant's sole expense, all of Tenant's personal property, including trade fixtures and equipment of Tenant that may be on or in the Leased Space, Building, and Common Areas insured against loss or damage by fire and by any peril included within fire and extended coverage insurance for an amount that will insure the ability of Tenant to fully replace the personal property, trade fixtures, and equipment.

6. **INSPECTION BY LANDLORD:**

Tenant shall permit Landlord or Landlord's agents, representatives, or employees to enter the Leased Space upon reasonable notice for the purpose of inspecting the Leased Space to determine whether Tenant is complying with the terms of this Lease and for the purpose of doing other lawful acts that may be necessary to protect Landlord's interest in the Lease Space under this Lease.

7. **ASSIGNMENT AND SUBLETTING:**

Tenant shall not encumber, assign, sublet, or otherwise transfer this Lease, any right or interest in this Lease, or any right or interest in the Leased Space without obtaining the advance express written consent of Landlord.

8. **INDEMNIFICATION:**

1Landlord shall not be liable to Tenant, and Tenant hereby waives all claims against Landlord, for any injury or damage to any person or property in or about the Leased Space or any part of the Leased Space by or from any cause whatsoever, except injury or damage to Tenant resulting from the acts or omissions of Landlord or Landlord's authorized agents.

2Tenant shall hold Landlord harmless from and defend Landlord against any and all claims or liability for any injury or damage to any person or property whatsoever occurring in, on, or about the Leased Space or any part of it, and occurring in, on, or about any Common Areas of the Building when that injury or damage was caused in part or in whole by the act, neglect, fault of, or omission of any duty by Tenant, its agents, servants, employees, or invitees.

9. **CASUALTY AND CONDEMNATION:**

1**CASUALTY.** In the event any portion of the Premises are damaged or destroyed or the Building is destroyed or extensively damaged by fire or other casualty, Landlord shall inform Tenant, within thirty (30) days of the date of such destruction or damage, of Landlord's intent to rebuild. If Landlord decides not to rebuild, at Tenant's election the Lease shall immediately cease without further obligation on the part of Tenant and Tenant shall vacate the Premises within thirty (30) days of Tenant's election to terminate. If Landlord decides to rebuild, the Building and the Premises must be restored to their original condition within sixty (60) days of the date of destruction or damage and, if the damage has rendered the Premises untenable, in whole or in part, there shall be abatement of the Rent to the extent of the portion of the Premises rendered untenable until the damage has been repaired. If Landlord is unable to restore the Building and the Premises within sixty (60) days, Tenant may, at Tenant's option, cancel this Lease without further obligation on the part of Tenant, and Tenant shall vacate the Premises within thirty

(30) days of its election to terminate. Upon Tenant's vacation of the Premises, this Lease shall become null and void and neither party hereto shall have any further rights or liabilities hereunder, except those that expressly survive termination.

2CONDEMNATION. If all or any part of the Leased Space is taken by any public or quasi-public agency or entity under the power of eminent domain during the term of this Lease, either Landlord or Tenant may terminate this Lease by giving the other thirty (30) days written notice of termination; provided, however, that Tenant cannot terminate this Lease unless the portion of the Leased Space taken by eminent domain is so extensive as to render the remainder of the Leased Space useless for the uses permitted by this Lease. If only a portion of the Leased Space is taken by eminent domain and neither Landlord nor Tenant terminates this Lease, the rent thereafter payable under this Lease shall be reduced by the same percentage that the floor area of the portion taken by eminent domain bears to the floor area of the entire Leased Space. If any portion of the Building other than the Leased Space is taken by eminent domain, Landlord may, at its option, terminate this Lease by written notice to Tenant. Any and all damages and compensation awarded or paid because of a taking of the Leased Space or the Building shall belong to Landlord, and Tenant shall have no claim against Landlord or the entity exercising eminent domain power for the value of the unexpired term of this Lease or any other right arising from this Lease.

10. **ACTS CONSTITUTING BREACH BY TENANT:**

The following shall constitute a default under and a breach of this Lease by Tenant:

- .1The nonpayment of rent when due, when the nonpayment continues for ten (10) days after written notice to pay rent or surrender possession of the Leased Space has been given by Landlord to Tenant;
- .2Failure to perform any provision, covenant, or condition of this Lease other than one for the payment of rent, when that failure is not cured within thirty (30) days after written notice of the specific failure is given by Landlord to Tenant;
- .3The breach of this Lease and abandonment of the Lease Space without payment of rent before expiration of the term of this Lease;
- .4A receiver is appointed to take possession of all or substantially all of Tenant's property located at the Leased Space or of Tenant's interest in this Lease, when possession is not restored to Tenant within thirty (30) days;
- .5Tenant makes a general assignment for the benefit of creditors;
- .6The execution, attachment, or other judicial seizure of substantially all of Tenant's assets located at the Leased Space or of Tenant's interest in the Lease, when the seizure is not discharged within fifteen (15) days; or
- .7The filing by or against Tenant of a petition to have Tenant adjudged a bankrupt or of a petition for reorganization or arrangement under the federal bankruptcy law (unless, in the case of a petition filed against Tenant, it is dismissed within sixty (60) days).

The notices provided for in subsection (15.1) and (15.2) of this Paragraph 15 are not intended to replace, but rather are in addition to any required statutory notices for unlawful detainer proceedings under Code of Civil Procedure 1161, et. seq.

2 **ATTORNEYS' FEES/GOVERNING LAW:**

.1**Attorneys' Fees.** If any litigation is commenced between the parties to this Lease concerning the Lease Space, this Lease, or the rights and duties of either in relation to the Leased Space or the Lease, the party prevailing in that litigation shall be entitled, in addition to any other relief granted, to a reasonable sum as and for its attorneys' fees in the litigation, which shall be determined by the court in that litigation or in a separate action brought for that purpose.

2. Governing Law. This Lease shall be construed and enforced in accordance with the laws of the state in which the Property is located, without regard to conflicts of law principles.

1. **BINDING ON HEIRS AND SUCCESSORS:**

This Lease shall be binding on and shall inure to the benefit of the heirs, executors, administrators, successors, and assigns of the parties, but nothing in this paragraph shall be construed as a consent by Landlord to any assignment of this Lease or any interest therein by Tenant except as provided in Paragraph 13 of this Lease.

2. **NOTICES:**

Except as otherwise expressly provided by law, any and all notices or other communications required or permitted by this Lease or by law to be served on or given to either party to this Lease by the other party shall be in writing, and shall be deemed duly served and given when personally delivered to the party to whom it is directed or any managing employee of that party or, in lieu of personal service, when deposited in the United States mail, first-class postage prepaid, addressed to Landlord at P.O. Box 996, Corning, California 96021 or to Tenant at 220 Sycamore Street, Suite 101, Red Bluff, CA 96080.

3. **AMERICANS WITH DISABILITIES ACT COMPLIANCE**

Landlord is responsible for seeing that the Premises and the common areas are in compliance with the applicable provisions of the Americans with Disabilities Act of 1990 and its implementing regulations, as amended or supplemented from time to time (together the "ADA"), and all similar applicable state and local laws, rules and regulations. Tenant warrants that it will not do anything in or about the Premises which would violate the ADA, and all similar applicable state and local laws, rules and regulations. Landlord will hold Tenant harmless and indemnify Tenant for all claims, demands, judgments, costs, expenses (including reasonable attorneys' fees) and losses arising out of or related to Landlord's failure to comply with the ADA and all similar applicable state and local laws, rules and regulations.

IN WITNESS WHEREOF, the parties have caused this Lease to be executed the day and year first above written.

LANDLORD:

CORNING HEALTHCARE DISTRICT

TENANT:

NORTHERN VALLEY CATHOLIC SOCIAL SERVICES
A California Non-profit Corporation

By: _____
Name: Charles Rouse
Title: President

By: _____
Name: Cathy Wyatt
Title: Executive Director

MEDICAL OFFICE SUBLEASE

THIS MEDICAL OFFICE SUBLEASE ("Sublease") is entered into as of May 7, 2019 (the "Execution Date"), by and between, RIDEOUT MEMORIAL HOSPITAL d/b/a ADVENTIST HEALTH AND RIDEOUT a California corporation (the "Sublessor") and ADVENTIST HEALTH PHYSICIANS NETWORK, a California nonprofit corporation ("Sublessee"). Sublessor and Sublessee are sometimes referred to in this Sublease as a "Party" or, collectively, as the "Parties."

RECITALS

Sublessor (also, "Lessee") is the Lessee under that certain Lease Agreement (the "Master Lease") for the Premises known 155 Solano Street, Corning, CA 96021 by and between Sublessor and Corning Healthcare District, a local hospital district ("Master Lessor").

Sublessor now desires to sublease Suite 1 to Sublessee and Sublessee now desires to sublease Suite 1 from Sublessor.

DEFINITIONS

The following terms, as used herein, shall have the meanings set forth below:

"Building" shall mean that certain building owned by Master Lessor and located at 155 Solano Street, Corning, CA 96021.

"Building Common Area" shall mean the corridors, lobbies, landings, stairways, elevators, restrooms, equipment storage rooms and utility rooms and all other interior and exterior improvements which are part of the Building (and located outside of the Premises).

"Premises" shall mean that certain interior space within the office suite commonly known as Suite 1 of the Building as shown on the floor plan attached hereto as Exhibit I.

"Other Subleases" shall mean subleases Sublessor has entered into with Other Occupants for Other Premises.

"Other Occupants" shall mean the occupants of the Other Premises.

"Property" shall mean the Building and related improvements.

AGREEMENT

THE PARTIES AGREE AS FOLLOWS:

ARTICLE I. BASIC LEASE PROVISIONS

This Article I contains the basic provisions of this Sublease between Sublessor and Sublessee. Other Articles, Sections and Paragraphs of the Sublease explain and define the basic provisions and are to be read together with these basic provisions.

1.1 **Sublessor's Address.** 989 Plumas Street, Yuba City, CA 95991.

1.2 **Sublessee's Address.** 1 Adventist Health Way, Roseville, CA 95661.

1.3 **Premises.** Sublessor hereby leases to Sublessee and Sublessee hereby leases from Sublessor the Premises, and Sublessor hereby grants to Sublessee the right to use the Building Common Area in common with other tenants excluding all areas within the Building used for shafts, stacks, pipes, conduits, electric, air conditioning or other ducting or utilities, and other general building facilities. Pursuant to this Sublease, Sublessor leases the Premises to Sublessee for Sublessee's exclusive use.

1.4 **Term.** The term of this Sublease shall commence on May 7, 2019 (the "Commencement Date") and shall continue, subject to the termination provisions of this Sublease, for a period equal to the Term of the Master Lease (the "Term"). This Sublease shall automatically terminate upon the termination of the Master Lease.

1.5 **Master Lease.** Sublessor is a Lessee of the Premises under the Master Lease, a copy of which is attached hereto as **Exhibit 1.5** by and between Sublessor and Lessor. During the term of this Sublease and for purposes of this Sublease, except as otherwise set forth in this Sublease, all rights and obligations of the Lessor under the Master Lease shall be that of Sublessor under this Sublease; and all rights and obligations of Sublessor as Lessee under the Master Lease shall be that of Sublessee under this Sublease which Sublessee agrees to perform with respect to the Premises and the Building Common Area. If for any reason the Master Lease is terminated: (i) this Sublease shall automatically terminate; and (iii) Sublessor shall refund any Rent already paid for such month.

ARTICLE II. RENT AND SECURITY DEPOSIT

2.1 **Rent.** The Parties acknowledge and agree that as of the Commencement Date, the monthly rent ("Rent") is equal to Six Hundred Nineteen Dollars and Fifty Cents (\$619.50). Sublessee shall pay Rent and any Additional Rent (as defined in the Master Lease), as well as any Rent adjustments and/or Additional Rent increases implemented by Master Lessor pursuant to the Master Lease, to Sublessor at Sublessor's address as set forth in Article I of this Sublease, or at such other place as Sublessor may designate from time to time.

ARTICLE III.
ASSIGNMENT AND SUBLETTING

3.1 **Assignment and Subletting.** Neither Party shall assign this Sublease or sublet the Premises to a third party without the prior written consent of the other Party.

ARTICLE IV.
INDEMNIFICATION

4.1 **Indemnification.** Sublessor shall indemnify, defend and hold harmless Sublessee from and against Damages that arise out of or result from Sublessor's intentional or grossly negligent acts or omissions relating to the Master Lease, other than the act of entering into this Sublease. Sublessee shall indemnify, defend and hold harmless Sublessor from and against Damages that arise out of or result from Sublessee's acts or omissions in any way relating to the Premises or which constitute a breach of Sublessor's obligations under the Master Lease.

(a) **Payments by Indemnified Party; No Limitation of Rights.** Payments by Sublessee of amounts for which Sublessee is indemnified under this Sublease, and payments by Sublessor of amounts for which Sublessor is indemnified, shall not be a condition precedent to recovery. Sublessor's obligation to indemnify Sublessee, and Sublessee's obligation to indemnify Sublessor, shall not limit any other rights, including rights of contribution which either Party may have under any other agreement, statute or common law.

(b) **Cooperation.** The indemnified Party shall cooperate in all reasonable respects with the indemnifying Party and such attorneys in the investigation, trial and defense of any lawsuit or action and any appeal arising therefrom; provided, however, that the indemnified Party may, at its own cost, participate in the investigation, trial and defense of such lawsuit or action and any appeal arising therefrom. The Parties shall cooperate with each other in any notifications to insurers.

(c) This Article shall survive the expiration or termination of this Sublease.

ARTICLE V.
RELATIONSHIP OF PARTIES

5.1 **Independent Contractors.** Sublessor's relationship to Sublessee by virtue of this Sublease shall be that of an independent contractor supplying the Premises and any services required by this Sublease. Nothing in this Sublease is intended to create a partnership, employer-employee or joint venture relationship between the Parties, or to allow either Party to exercise any control or direction over the other Party.

5.2 **Referrals.** No term of this Sublease shall be construed as requiring or inducing patient referrals. Neither Party's rights under this Sublease shall be dependent in any way on the referral of patients.

ARTICLE VI.
TERM AND TERMINATION

- 6.1 **Term.** The Term shall be as set forth in Section 1.4 of this Sublease.
- 6.2 **Termination.** No Party shall have the right to terminate this Sublease, except this Sublease shall automatically terminate upon the expiration or termination of the Master Lease.
- 6.3 **Rights upon Termination.** Upon any termination or expiration of this Sublease, all rights and obligations of the Parties shall cease except those rights and obligations that have accrued or expressly survive such termination or expiration.

ARTICLE VII.
GENERAL PROVISIONS

- 7.1 **Amendment.** This Sublease may be modified or amended only by mutual written agreement of the Parties. Any such modification or amendment must be in writing, dated, signed by the Parties and attached to this Sublease.
- 7.2 **Dispute Resolution.** In the event of any controversy or dispute related to or arising out of this Sublease, the Parties agree to meet and confer in good faith to attempt to resolve the controversy or dispute without an adversary proceeding. If the controversy or dispute is not resolved to the mutual satisfaction of the Parties within five (5) business days of notice of the controversy or dispute, the Parties agree to waive their rights, if any, to a jury trial, and to submit the controversy or dispute to a retired judge or justice pursuant to Section 638 et seq. of the California Code of Civil Procedure, or any successor provision, for resolution in accordance with Chapter 6 (References and Trials by Referees), of Title 8 of Part 2 of the California Code of Civil Procedure, or any successor chapter. The Parties agree that the only proper venue for the submission of claims is the County of Los Angeles, California, and that the hearing before the referee shall be concluded within nine (9) months of the filing and service of the complaint. The Parties reserve the right to contest the referee's decision and to appeal from any award or order of any court.
- 7.3 **Attorneys' Fees.** If either Party brings an action for any relief or collection against the other Party, declaratory or otherwise, arising out of the arrangement described in this Sublease, the losing Party shall pay to the prevailing Party a reasonable sum for attorneys' fees and costs actually incurred in bringing such action, all of which shall be deemed to have accrued upon the commencement of such action and shall be paid whether or not such action is prosecuted to judgment. Any judgment or order entered in such action shall contain a specific provision providing for the recovery of attorneys' fees and costs incurred in enforcing such judgment. For the purpose of this Section 7.3, attorneys' fees shall include fees incurred in connection with discovery, post judgment motions, contempt proceedings, garnishment and levy.
- 7.4 **Choice of Law.** This Sublease shall be construed in accordance with and governed by the laws of the State of California, except choice of law rules that would require the application of the laws of any other jurisdiction.

**CORNING HEALTHCARE DISTRICT
BOARD MEETING
Tuesday May, 28th 2019
District conference room
275 Solano Street
Corning Healthcare District Campus
Meeting Inquiries (530) 824-5451**

Regular Agenda-

Quest Diagnostics Lease agreement.

We are proud to present a tentative lease agreement for the board of directors to review.

Quest has been with us since 2009 and has offered a great medical service in our community.

Recommendation: Accept the lease as presented.

Amendment To Lease Agreement

On this 11th day of June 2019, **CORNING HEALTHCARE DISTRICT** ("Landlord") and **UNILAB CORPORATION, d/b/a QUEST DIAGNOSTICS**, a Delaware corporation ("QUEST") have entered into this Third Amendment and Renewal of Lease Agreement ("Amendment").

RECITALS

- A. Landlord and QUEST entered into a written Lease Agreement dated August 17, 2009 (the "Lease") in which Landlord leased to QUEST the premises known as 275 Solano Street, Suite 501, Corning, CA 96021 (the "Premises").
- B. Landlord and QUEST now desire, among other things, to modify and extend the term of the Lease.

NOW THEREFORE, intending to be legally bound, Lessor and QUEST agree as follows:

AGREEMENT

1. Notwithstanding anything to the contrary contained in the Lease, the term of the Lease shall be extended for an additional Five (5) years commencing on September 1, 2019 and continuing until August 31, 2024 (the "Extended Term") under the same terms and conditions as contained in the lease and any amendment(s) thereto except as specifically set forth herein.
2. QUEST may, at its sole option, at any time after the third year of the Extended Term of this Lease, upon ninety (90) days prior written notice to Landlord, terminate this Lease in all parts without penalty. Upon expiration this Lease shall become null and void and neither party hereto shall have any further rights or liabilities hereunder, except those that expressly survive termination.
3. The monthly rental payment during the entire Extended Term shall be Eight Hundred Fifty-six and 84/100 Dollars (\$856.84), subject to annual increases of 3 percent.
4. All remaining terms and conditions contained in the Lease shall remain in full force and effect except to the items listed above.

IN WITNESS WHEREOF, the Landlord and QUEST agree to all terms and conditions set forth above and hereby execute this Third Amendment to be affixed the day and year first written above.

CORNING HEALTHCARE DISTRICT

**UNILAB CORPORATION, d/b/a
QUEST DIAGNOSTICS**

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____