

## License Agreement

This License Agreement (“Agreement” or “License”) is entered into on \_\_\_\_\_, 2026 (“Effective Date”) by and between the City of Grass Valley, a charter city (“City”), and the Nevada District Consolidated Fire District (“District”), organized and operating under the laws of the State of California. City and District may be referred to individually as a “Party” and collectively as the “Parties.”

WHEREAS, City is in possession of a mechanic shop located at 110 Spring Hill, Suite 10 in Grass Valley (the “Premises”) for the purposes of maintaining City-owned vehicles; and

WHEREAS, District has a need for a similar facility to maintain its own vehicles; and

WHEREAS, in recognition of the cooperative relationship District has had with City over the years at other facilities, City is willing to grant District this License to outline the terms and conditions under which City is willing to share the Premises with District for the purpose of the Parties maintaining their respective vehicles.

NOW, THEREFORE, for valuable consideration, the receipt of which is hereby acknowledged, City and District agree as follows:

### 1. GRANT OF LICENSE

City hereby grants to District a revocable license to use the Premises for the Permitted Use as set forth in Section 0 subject to the terms, conditions and limitations contained herein. Except as provided herein, District shall not use the Premises for any other purpose. In lieu of a license fee, District shall comply with the terms, conditions and limitations contained in this Agreement.

### 2. TERM AND RENT

This Agreement shall commence on the Effective Date and continue in full force and effect for a period of five (5) years (the “Term”). During the first two years of the Term there shall be no rent due, but starting on the second anniversary of the Effective Date the rent paid by District to City shall be \$1,000 per month.

### 3. PERMITTED USE

Parties shall use the Premises as a vehicle services shop. District and City will each have up to two (2) mechanics (for a total of four mechanics) present on the Premises at any time. District’s and City’s respective mechanics shall have equal rights to use the Premises for maintenance facilities. District and City and their respective mechanics shall negotiate in good faith regarding their use of the Premises in a cooperative manner to ensure that both Parties are able to accomplish their respective maintenance needs. The general public will not have access to the Premises. The Premises will have on site industrial size oil, radiator fluid, limited amounts of fuel and diesel, and vehicle batteries. District shall use the Premises in compliance with the

terms, conditions and limitations contained herein. Except as provided herein, District shall not use the Premises for any other purpose.

#### **4. CONDITIONS AND RESTRICTIONS**

This License is subject to the following terms, conditions and limitations:

4.1 *Permits.* District is responsible for obtaining all permits and any other governmental authorizations required for District's use of the Premises. Such permits include, but are not limited to, a permit from the California Division of Occupational Safety and Health for use of the District's compressor. District shall be required to conduct the Permitted Use as set forth in Section 0 subject to additional conditions imposed by other governmental agencies.

4.2 *"As is" Condition.* District agrees that it is accepting the Premises "as is" without any representation or warranty by City, or City's officers, officials, employees or agents, express, implied or statutory, except as expressly provided herein, as to: (i) the nature or condition of the Premises, (including, without limitation, any design or natural defect of any kind or nature whatsoever), and (ii) the Premise's fitness for District's intended use of same. District is, or prior to its use of the Premises will be, familiar with the Premises. District is relying solely upon, and will have conducted, its own, independent inspection, investigation and analysis of the Premises as it deems necessary or appropriate.

4.3 *Maintenance.* During the term of this License, the Parties shall be jointly (50/50) responsible for the costs of maintaining the Premises in equal or better condition than its current condition, including the provision of janitorial services. District shall be liable for any damage to the Premises, except normal wear and tear, caused by District's use of the Premises during the term of this License.

4.4 *Environmental Precautions & Trash Disposal.* District shall assist City with trash collection. District shall be responsible for ensuring that all necessary environmental precautions are taken to ensure that Hazardous Materials (defined below), chemicals, medical supplies, biological material and other pollutants do not pollute the Premises. District shall be responsible for ensuring that Hazardous Materials (defined below), chemicals, medical supplies, biological material and other pollutants are properly disposed of.

4.5 *No Hazardous Substances.* District agrees not to store any Hazardous Substances on the Premises. "Hazardous Substances" shall mean any substance or material at the level defined or designated as hazardous or toxic waste, hazardous or toxic material, a hazardous or toxic chemical, a hazardous, toxic or radioactive substance, by any federal, State or local environmental statute, regulation or ordinance presently in effect or that may be promulgated in the future, as such statutes, regulations and ordinances may be amended from time to time. "Hazardous Substances" shall not mean those substances or materials contemplated for use under Section 0 for the Permitted Use and those commonly used in the maintenance and repair of motor vehicles.

4.6 *Non-Exclusive License Not a Lease.* This License does not constitute a lease, but constitutes a mere non-exclusive license and District is limited to the use of the Premises expressly and specifically described herein. District disclaims any interest that when coupled with the License herein granted would render it irrevocable. District further disclaims any exclusive right to the Premises.

4.7 *City's Rights.* District shall use the Premises subject the following: (i) City's right to revoke this Agreement with or without cause pursuant to Section 5; (ii) City's rights to establish and enforce reasonable rules and regulations under this Agreement concerning the use of the Premises; (iii) City's right to disapprove any person, employee, subcontractor, or entity retained by District to conduct or perform the Permitted Use as set forth in Section 0 on the Premises; (iv) City's right to temporarily close any portion of the Premises for maintenance purposes; and (v) City's right to permanently close the entirety of the Premises, or any portion thereof.

4.8 *Utilities.* City and District shall share equally the costs for all utilities for the Premises, including, but not limited to, water, sewer, trash, electricity and internet, during District's use of the Premises for the Permitted Use in Section 3. City and District shall share equally the cost of all purchasing and disposing of all motor vehicle fluids (including but not limited to petroleum products and coolant) during District's use of the Premises for the Permitted Use under Section 3.

4.9 *No Smoking is Permitted.* Per City Ordinance, SMOKING IS NOT PERMITTED inside or within 20 feet of the facility. A \$100 fine will be assessed for each infringement. Absolutely no cannabis smoking is allowed on the premises.

4.10 *Discrimination Prohibited.* The City of Grass Valley prohibits discrimination in all its programs, facilities, activities, on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or a part of an individual's income is derived from any public assistance program.

4.11 *Electrical Systems.* Modification of electrical systems or hook up is prohibited unless prior approved is given by City personnel and or Maintenance Department.

## **5. TERMINATION**

This License may be terminated by either party for any reason upon ninety (90) days' notice by delivering a written instrument terminating this License in the manner set forth in Section 12. In the event of termination by either party, City will reasonably permit District to enter the Premises to recover District's personal property, if any, and restore the Premises to its former condition. City may immediately terminate this License for a breach of any condition in this Agreement if, after notice provided under Section 12, such breach remains uncured after five (5) calendar days.

## **6. INDEMNIFICATION**

Each Party shall indemnify and hold the other Parties harmless against all actions, claims, demands, and liabilities, and against all losses, damages, costs, expenses, and attorney's fees, arising directly or indirectly out of an actual or alleged injury to a person or property in the same proportion that its own acts and/or omissions are attributed to said claims, demands, liabilities, losses, damages, costs, expenses, and/or attorney's fees. This provision shall not extend to any claim, demand, liability, loss, damage, cost, expenses, and/or attorney's fees covered by the insurance of any Party. The obligations under this Section shall survive the termination of the Agreement.

## **7. INSURANCE**

7.1 During the term of this Agreement, each Party shall carry, maintain, and keep in full force and effect insurance or coverage through a governmental risk pool against claims for death or injuries to persons or damages to property that may arise from or in connection with use of the Premises and performance of this License. Such insurance shall be of the types and in the amounts as set forth below:

7.1.1 Comprehensive General Liability Insurance with coverage limits of not less than One Million Dollars (\$1,000,000) including products and operations hazard, contractual insurance, broad form property damage, independent consultants, personal injury, underground hazard, and explosion and collapse hazard where applicable.

7.1.2 Automobile Liability Insurance for vehicles used in connection with the performance of this Agreement with minimum limits of One Million Dollars (\$1,000,000) per claimant and One Million dollars (\$1,000,000) per incident.

7.1.3 Workers' Compensation Insurance with statutory limits and employer's liability insurance with limits of not less than one million dollars (\$1,000,000) per accident.

7.2 Insurance will not be canceled, limited, or allowed to expire without renewal until after 30 days advance written notice of any such cancellation, limitation or expiration has been given to City.

7.3 All of the insurance policies required to be obtained by the Parties under this Section 7 shall be with companies and policies whose form is satisfactory and acceptable to the other Party. Each policy shall designate the other Party, and its officers, employees, agents or volunteers, as an additional named insured. Certificates of insurance shall be provided upon request to the other Party.

7.4 The insurance provided by each Party shall be primary to any other coverage available to that Party. Any insurance or self-insurance maintained by each Party and/or its officers, employees, agents or volunteers shall be in excess of the other Party's insurance and shall not contribute with it.

## **8. INDEPENDENT BODY**

District is, and at all times shall remain, independent from City and solely responsible for all acts and omissions of its employees, agents, representatives, contractors, and subcontractors including any alleged negligent acts or omissions. District, its employees, contractors, and subcontractors are not agents of City and shall have no authority to act on behalf of City or to bind City to any obligation whatsoever unless City provides its prior written authorization to District of such an obligation. District is not an officer or employee of City, and District shall not be entitled to any benefit, right, or compensation other than that as provided for in this Agreement.

**9. DEFAULT**

In the event of a breach by District of any of the terms of this License, all rights of District hereunder shall cease and terminate, and in addition to all other rights it may have at law or in equity City may re-enter the Premises and take exclusive possession thereof without notice, and may remove any and all persons therefrom, and may also revoke this License; and upon any such revocation, all rights of District in and to the Premises shall immediately cease and terminate.

**10. WAIVER**

The waiver by City of any breach by District hereunder, or the failure on the part of City to enforce any rights it may have hereunder, shall not constitute a waiver of any other or subsequent, similar, or different breaches, or a waiver of City's power to enforce such rights.

**11. ASSIGNMENT**

This License is personal to District. District agrees not to assign, sell, transfer, encumber, pledge or otherwise hypothecate any part of the License or Premises or District's interest herein to any entity without the prior written consent of City. Any purported assignment by District of this License shall be void and a basis for immediate termination of this License.

**12. NOTICE**

All notices, consents, requests, demands, approvals, waivers, and other communications desired or required to be given hereunder (referred to collectively as "notices") shall be in writing and signed by the Party so giving the notice, and shall be effectively given or served: (i) on the date of personal service upon the person to whom it is directed; or (ii) on the date the notice is received or rejected provided it is sent prepaid, registered or certified mail, return receipt requested; or (iii) on the date the notice is delivered by a courier service to the address of the person to whom it is directed provided it is sent prepaid to the address of the person to whom it is directed. The addresses of the Parties are:

To City: CITY OF GRASS VALLEY  
125 East Main Street  
Grass Valley, CA 95453  
Attn: City Manager

To District: NEVADA COUNTY CONSOLIDATED FIRE DISTRICT  
640 Coyote Street  
Nevada City CA 95959  
Attn:

Either Party may, from time to time, change its address by giving written notice to the other Party thereof in the manner outlined above.

**13. GOVERNING LAW AND VENUE**

This License shall be interpreted, enforced and governed by the laws of the State of California. Any legal action arising out of this License shall be filed and prosecuted in the Nevada County District Superior Court.

**14. SEVERABILITY**

In case any one or more of the provisions contained in this License shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof, and the remainder of the provisions of this License shall continue in full force and effect without impairment.

**15. SOLE AGREEMENT**

This License constitutes the sole agreement between City and District with respect to the Premises. The Parties hereby agree that the persons executing this Agreement on its behalf have express authority to do so, and, in so doing, to bind both Parties thereto.

IN WITNESS WHEREOF, each of the Parties has caused its authorized representative to execute duplicate original counterparts of this License.

NEVADA COUNTY CONSOLIDATED  
FIRE DISTRICT

CITY OF GRASS VALLEY

\_\_\_\_\_  
By:  
Its:

\_\_\_\_\_  
By: Mark Button  
Its: Fire Chief

Date: \_\_\_\_\_

Date: \_\_\_\_\_