

SAN JUAN COUNTY LEASE AGREEMENT

This LEASE AGREEMENT (this “Lease” or “Lease Agreement”) is made and entered into as of June 1, 2021 (the “Effective Date”), by and between San Juan County (“County”) and Utah State University Blanding (“USU”) acting on behalf of the Utah State University Blanding’s Health Profession Program (“USUH”). USU and County may be referred to hereafter individually as “Party” and Collectively as “Parties” herein.

WITNESSETH:

WHEREAS, County owns specific property and building located at 344 West 800 North in Blanding, Utah (“Building”); and

WHEREAS, USUH, desires to continue to operate their Health Profession program at this location and renew its lease with the County; and

WHEREAS, USU and the County entered into the original lease agreement on June 1st, 2018 which has an expiration date of June 15, 2021; and

WHEREAS, USUH is willing to comply with conditions and is willing to continue to lease the County’s property.

NOW, THEREFORE, in consideration of the mutual covenants and promises contained hereafter, the Parties hereto agree as follows:

Section 1. Lease

- 1.1 Lease of Building. Subject to the terms of this Agreement, the County agrees to lease and does hereby lease the Building to USUH for the Lease Term, as defined herein.
- 1.2 Building. Building means all buildings, improvements, equipment, fixtures, property and facilities from time to time located at 344 West 800 North, as from time to time altered, expanded or reduced upon approval from the County. Building also includes all common areas, utilities, equipment, installations in or forming part of the building which from time to time are not designated or intended by the USU to be leased to tenants of the building including without limitation, exterior walls, roofs, entrances, and exits, parking areas, driveways, loading docks and area, storage, mechanical and electrical rooms, areas above and below leasable premises and not included within leasable premises, security and alarm equipment, grassed and landscaped areas, retaining walls and maintenance, cleaning and operating equipment serving the Building and those lands, areas, buildings, improvements, facilities, utilities, equipment that serve or are for the useful benefit of the Building.

- 1.3 Permitted Use. Throughout the Lease Term, USU shall use the Building only for purposes consistent with the mission of USU, including educational Health Professional programs. USU shall carry on no other business in the Building without the prior written consent of the County.
- 1.4 Third Party Use and Subletting. The County authorizes USU to permit third party access to the Building and to sublet for short periods of time at USU's discretion, subject to the terms of this agreement in which those sublet parties support and promote the Health Professional program.
- 1.5 Personal Property. Except as otherwise set forth herein or in writing, USU shall be responsible for furnishing all personal property to be used by USU in the Building.
- 1.6 Access to the Building. USU shall have access to the Building twenty-four (24) hours a day, seven (7) days a week. County shall have access to the Building at all reasonable times during USU's normal business hours and upon not less than twenty-four (24) hours prior notice (except in the event of emergency), to enable County (i) to examine the same and to make such repairs, additions, and alterations as County may be permitted to make hereunder; and (ii) to show the Building to appraisers, prospective lessees, mortgagees, and purchasers.
- 1.7 Parking. USU shall have the ability to park in any and all parking areas associated with and serving the Building to the extent such parking areas are not designated as reserved or ADA parking.
- 1.8 Liens. USU shall not permit any liens to be filed against the Building on account of the furnishing of any labor, material or supplies, or for any other cause or reason. In the event liens are filed, then USU shall promptly cause the same to be released, bonded, or satisfied in full within ten (10) days of the date of such filing.
- 1.9 Quiet Enjoyment. USU shall peaceably and quietly hold and enjoy the Building during the full Lease Term hereof.
- 1.10 Signage. Beginning on the commencement date of the Lease Term, USU and the County may place temporary or permanent signage upon and within the Building in keeping with USU's policies and procedures. The Parties agree to coordinate regarding the design and presentation of any such signage.

Section 2. Term

- 2.1 Term. This Agreement commences on the Effective Date and concludes at the conclusion of the Lease Term.
- 2.2. Lease Term. The "Lease Term" shall commence upon expiration of the current existing lease on June 15, 2021 and concludes in five (5) years on June 15, 2026. The lease may be amended for an additional five (5) years if desired by an official amendment approved by both Parties.
- 2.3. Expiration of Lease Term. Upon the expiration of the Lease Term, if for any reason, this Agreement is terminated for cause by either party prior to the

expiration of the Lease Term, then USU shall quit and surrender to County the Building in the same condition as delivered to USU on the commencement of the Lease Term, ordinary wear and tear excepted.

Section 3. Rent

- 3.1. Rent. No rent shall be due to the County in connection with this Agreement. The Parties acknowledge and deem that the management services and other duties and obligations set forth herein are sufficient consideration.
- 3.2. Security Deposit. No Security Deposit is required in connection with this Lease.

Section 4. Taxes

- 4.1 Taxes. USU will pay for any fees or taxes arising from any USU sublet or business.

Section 5. Utilities, Maintenance and Landscaping.

- 5.1. Utilities. Throughout the Lease Term, all utility services associated with the Building shall be managed and paid for by USU. As needed and requested by USU, the County agrees to provide any utility easements to utility servicers to facilitate access to utility services at the Building.
- 5.2. Maintenance. During the Lease Term, USU agrees to keep and maintain the Building in a clean and orderly condition and repair. County represents that the electrical system, HVAC system, plumbing system, fire sprinkler and alarm systems (if required by local fire code), lighting fixtures, and physical structure of the Building will commence in good working order and shall continue to be maintained in working order, in accordance with all laws and State standards at USU's sole expense.
- 5.3. Landscaping. USU agrees to landscape, and maintain that landscaping throughout the Lease Term, for the Building in a neat and proper manner, which shall include but not be limited to all necessary irrigation and drainage of all planted areas, mowing and maintenance of grassy areas, and weeding of all appropriate areas, as applicable. Landscaping of the Building shall be complementary with USU's master landscaping plan for the USU.

Section 6 Right of Entry

- 6.1 Right of Entry. The Parties acknowledge, understand, and agree that County and any of its authorized agents may enter into and upon the Leased Premises with prior notice and approval by USU, for the purpose of inspecting the same, of posting notices of non-responsibility for alterations, additions or repairs, or for any other reasonable purpose, which approval shall not be unreasonably withheld.

Section 7. Assignment

7.1 Assignment. Notwithstanding anything herein to the contrary, USU may not assign this Lease.

Section 8. Notices

8.1 Notices. All notices, demands or other writings under this Lease shall be in writing and shall be deemed delivered on the date of personal delivery or three days after it is deposited in the United States mail with postage prepaid and addressed as follows:

To Lessee: San Juan County Attn: County Chief Administrative Officer 117 South Main Street, PO Box 9 Monticello, Utah 84535	To Lessor: Utah State University Blanding Attn: Michele Lyman 576 West 200 South Blanding, Utah 84511
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Section 9. Hazardous Materials

9.1 Hazardous Materials. "*Hazardous Substance*" shall mean all substances, materials and wastes that are or become regulated, or classified as hazardous or toxic, under any Environmental Law. USU agrees not to maintain, keep, store, or permit the maintenance or storage of any dangerous, flammable, or hazardous material in the Building (other than reasonable and customary amounts as permitted under existing fire and safety rules and regulations) and further agrees to comply with all fire and safety rules and regulations, provided such compliance does not require USU to install or modify any fire protection, fire detection, or fire alarm systems in the Building. County is not aware of any existing Hazardous Substances within the Building.

Section 10. Causality

10.1 Casualty. If all or any part of the Building shall be damaged or destroyed by fire, earthquake or other casualty so as to render the Building uninhabitable in USU's reasonable opinion, then this Agreement shall terminate, at the written option of County or USU, from the date of such casualty, and upon such notice USU shall at once surrender the Building and all interest therein to County.

Section 11. Force Majeure

11.1 Force Majeure. In the event that either Party hereto shall be delayed or hindered in or prevented from the performance of any act required hereunder by reason of

strikes, lockouts, labor troubles, inability to procure materials, failure of power, restrictive governmental laws or regulations, riots, insurrection, pandemic or epidemic, war or other reason of a like nature not the fault of the party delayed in performing work or doing acts required under the terms of this Agreement, then performance of such act shall be excused for the period of the delay and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay. Neither County nor USU shall be liable for failure to perform any obligation under this Agreement in the event it is prevented from so performing by pandemic or epidemic, strike, lockout, breakdown, accident, act of terrorism, order or regulation of or by any governmental authority or failure to supply, or inability by the exercise of reasonable diligence to obtain supplies, parts or employees necessary to furnish such services or because of war, pandemic, epidemic, or other emergency or for any other cause beyond its reasonable control.

Section 12. Governmental Approvals

- 12.1 Governmental Approvals. In the event any governmental authorities require USU or the County to (i) make modifications to the Building, or (ii) obtain licenses or permits, then the Parties agree to coordinate in good faith to allocate any costs or expenses associated therewith.

Section 13. Property and Liability Coverage

- 13.1 Fire and Extended Coverage. Throughout the Lease Term, USU shall carry fire, earthquake, and extended coverage for the Building. The amount of such coverage shall not be less than 100 percent of the replacement value of the Building. The term "Replacement Value" shall be determined and agreed upon by the Parties at the time the fire and extended coverage is initially secured. USU or County may at any time, but not more than once every five (5) years, by written notice to the other, require the full insurable value of the Building to be redetermined by a certified appraiser at the cost of the party requesting the redetermination, whereupon such redetermination shall be made promptly and each Party promptly notified in writing of the results thereof.
- 13.2 USU's Liability Coverage. USU secures liability coverage through the State Risk Manager of the State of Utah up to the limits required by the State Risk Manager and applicable law. Nothing in the Agreement shall require USU to carry different or additional insurance, and any obligations of USU contained in the Agreement to name a party as additional insured shall be limited to naming such party as additional insured with respect to USU's negligent acts or omissions.
- 13.3 County's Liability Coverage. The County secures liability coverage as a member of the Utah Counties Indemnity Pool with limits adequate to cover its maximum liability under the Utah Governmental Immunity Act.

Section 14. Liability

- 14.1 Liability. Each Party shall be responsible for its own acts and omissions and shall be liable for payment of that portion of any and all claims, liabilities, injuries, suits, and demands and expenses of all kinds that may result or arise out of any alleged malfeasance or neglect caused or alleged to have been caused by such party or its employees, agents, or subcontractors, in the performance or omission of any act or responsibility of said party under this Agreement. Neither Party shall be liable for any special, consequential, lost profit, expectation, punitive or other indirect damages in connection with any claim arising out of or relating to this Agreement, whether grounded in tort (including negligence), strict liability, contract, or otherwise. Nothing in this Agreement shall waive or limit each party's protections under the Utah Governmental Immunity Act.

Section 15. Default

- 15.1 Default. In the event that either Party shall be default in the performance of any other of the terms, covenants, conditions or provisions herein contained binding after the other Party has provided sixty (60) days prior written notice of such non-performance, the notifying Party shall have the right (in addition to all other rights and remedies provided by law) to terminate this Agreement.

Section 16. Miscellaneous.

- 16.1. Choice of Law and Venue. The Agreement will be governed by the laws of the State of Utah, without regard to conflicts of laws principles. Venue for any lawsuits, claims, or other proceedings between the Parties relating to or arising under the Agreement shall be exclusively in the State of Utah.
- 16.2. Government Records and Management Act. County acknowledges that USU is a governmental entity subject to the Utah Government Records Access and Management Act, Utah Code Ann., Section 630-2-101 et seq., as amended ("GRAMA"); that certain records within USU's possession or control, including without limitation, the Agreement, may be subject to public disclosure; and that USU's confidentiality obligations shall be subject in all respects to compliance with GRAMA. Pursuant to Section 630-2-309 of GRAMA, any confidential information provided to USU that County believes should be protected from disclosure must be accompanied by a written claim of confidentiality with a concise statement of reasons supporting such claim. Notwithstanding any provision to the contrary in the Agreement, USU may disclose any information or record to the extent required by GRAMA or otherwise required by law, and to USU's employees, attorneys, accountants, consultants and other representatives on

- a need-to-know basis; provided, that such representatives shall be subject to confidentiality obligations no less restrictive than those set forth in the Agreement.
- 16.3. Governmental Immunity. County further acknowledges that USU is a governmental entity under the Governmental Immunity Act of Utah, Utah Code Ann., Section 63G-7-101 et seq., as amended the “Act”. Nothing in the Agreement shall be construed as a waiver by USU of any protections, rights, or defenses applicable to USU under the Act, including without limitation, the provisions of Section 630-7- 604 regarding limitation of judgments. It is not the intent of USU to incur by contract any liability for the operations, acts, or omissions of County or any third party and nothing in the Agreement shall be so interpreted or construed. Without limiting the generality of the foregoing, and notwithstanding any provisions to the contrary in the Agreement, any indemnity obligations of USU contained in the Agreement are subject to the Act and are further limited only to claims that arise directly and solely from the negligent acts or omissions of USU. Any limitation or exclusion of liability or remedies in the Agreement for any damages other than special, indirect or consequential damages, shall be void and unenforceable.
- 16.4. Attorneys' Fees. If either County or USU institutes any action or proceeding against the other to enforce any provision of this Agreement, the non-prevailing party shall reimburse the prevailing party for all reasonable costs and expenses incurred by the prevailing party in the performance of this Agreement, including court costs, expenses and reasonable attorneys' fees.
- 16.5. Notice. Any payment, notice, or other communication required or permitted to be given to either party hereto shall be in writing and shall be deemed to have been properly given and effective: (a) on the date of delivery if delivered in person during recipient's normal business hours; or (b) on the date of attempted delivery if delivered by courier, express mail service or first-class mail, registered or certified. Such notice shall be sent or delivered to the respective addresses listed in the opening clause of this Agreement.
- 16.6. Assignment. Neither party may assign, transfer, or otherwise dispose of its rights, interests, or duties hereunder, in whole or in part, to any third party without prior written approval from the other Party.
- 16.7. Time of the Essence. Time is of the essence with respect to the performance of each, every, and all of the terms, conditions, promises and provisions of this Agreement.
- 16.8. Relationship of Parties. In assuming and performing the obligations of this Agreement, the Parties are each acting as independent parties and neither shall be considered or represent itself as a joint venture, partner, agent or employee of the other.
- 16.9. Headings. No headings in this Agreement affect its interpretation.

- 16.10. Amendment and Supplement. Any amendment and/or supplement of this Agreement shall come into force only after a written agreement is signed by both Parties. The amendment and supplement duly executed by both Parties shall be part of this Agreement and shall have the same legal effect as this Agreement.
- 16.11. Merger. This Agreement embodies the entire understanding of the Parties and supersedes all previous communications, representations, or understandings, either oral or written, between the Parties relating to the subject matter thereof.
- 16.12. Severability. The provisions of this Agreement are severable, and in the event that any provision of this Agreement shall be determined to be invalid or unenforceable under any controlling body of the law, such invalidity or unenforceability shall not in any way affect the validity or enforceability of the remaining provisions herein.

Section 17. Authority; Counterparts; Electronic Signatures

The Parties signing this Lease represent that they have been duly authorized by their respective principals and by all necessary corporate and public action to enter into and execute this Lease. This Lease may be executed in any number of counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument. For purposes hereof, facsimile and/or e-mail signatures hereon shall be treated the same as, and accorded the same legal significance as original signatures hereon.

In Witness Whereof, the Parties have executed this Lease to be effective on the day and year first above written.

Each party is signing this contract on the date below the party's signature.

<p>COUNTY</p> <p>By: _____ Willie Grayeyes, Chair San Juan County Board of County Commissioners</p> <p>Date: _____</p> <p>ATTEST:</p> <p>_____</p> <p>John David Nielson San Juan County Clerk/Auditor</p> <p>Date: _____</p>	<p>USU</p> <p>By: _____</p> <p>Print Name: _____</p> <p>Title: _____</p> <p>Date: _____</p>
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Exhibit A Building

HCA Asset Management, LLC Utah Counties Indemnity Pool 2018 Insurance Detail Report

As of date: 5/15/2018

ENTITY:	UJ	San Juan County
ITE:	AD002	OLD BLANDING CLINIC
BUILDING:	AD001	OLD BLANDING CLINIC
ADDRESS:	604 N 400 W BLANDING, UT 87811	
OCCUPANCY:	COMMUNITY HEALTH CENTER	
FIRE PROTECTION AND SAFETY:	EMERGENCY BACK-UP GENERATOR EXIT LIGHTING INTRUSION SYSTEM MANUAL FIRE ALARM PULL STATIONS SPRINKLER SYSTEM FIRE EXTINGUISHERS	
SPRINKLERED (YES-N OR NO):	N/A	
FOUNDATION:	CONCRETE FOOTING CONCRETE SLAB	
EXTERIOR WALLS:	BRICK ON MASONRY	
ROOFING:	SHINGLE FLY MEMBRANE	
PARTITION WALLS:	CONCRETE BLOCK DRYWALL ON STUD	
CEILING:	ACoustICAL TILE	
BUILDING SERVICE:	ELECTRIC HVAC - ROOFTOP PACKAGE UNIT PLUMBING VENTILATION	
FLOORING:	VINYL TILE CARPETING	
BUILDING FEATURES:	BUILT-IN CABINETS & SHELVEING PORTE COCHERE	

NO CONSTRUCTION CLAIM:	MACHINERY NONCOMBUST.
FRAMING:	STEEL
DATE OF CONSTRUCTION:	1998
ADDITIONS (YES-YR OR NO):	0
RENOVATIONS (YES-YR OR NO):	2000
NUMBER OF STORIES:	1
GROUNDWATER SF:	6,064 / NO
ELEVATION (FT):	5256
FLOOD ZONE:	NO MAP
LATITUDE/LONGITUDE:	37.506823°N 108.464289°W



REPLACEMENT	
ACTUAL GROSS VALUE:	\$389,700
REPLACEMENT COST NEW (RC):	\$761,200
EXCLUSION AMOUNT:	\$38,000
NET BRIDGE EXCLUSIONS:	\$723,200
PROPERTY IN THE OPEN:	\$0
PERSONAL PROPERTY:	
CONTENT VALUE:	\$0
BDP:	\$0
PERSONAL PROPERTY TOTAL:	\$0

BUILDING NOTES:
ONE STORY HEALTH CLINIC BUILDING. FEATURES INCLUDE EMERGENCY GENERATOR (BANK), PORTE COCHERE, SPRINKLERED, AND INTRUSION SYSTEM. SPACE INCLUDES OFFICES, RECEPTION, EXAMINATION ROOMS, LABORATORY, AND STORAGE, AND MECHANICAL SPACES. BUILDING IS VACANT & CONNECTED TO ADJACENT LAUNDRY FACILITY. NO CONTENTS.