

**INTERLOCAL LEASE AGREEMENT
FORT BEND COUNTY AND SIENNA PLANTATION LEVEE IMPROVEMENT DISTRICT**

1. PARTIES AND AUTHORITY

This Interlocal Lease Agreement ("Lease Agreement") is made and entered into by Fort Bend County, Texas, a governmental entity under the laws of the State of Texas ("Lessor") and the Sienna Plantation Levee Improvement District of Fort Bend County, Texas, a political subdivision of the State of Texas ("District").

District is authorized to enter into this Lease Agreement by Government Code, Chapters 791. Lessor is authorized to enter into this Lease Agreement under Local Government Code, Chapter 272 and Government Code, Chapter 791.

2. "LEASED PREMISES"

This Lease Agreement is for nine hundred twenty-three (923) total square feet of office space in the Fort Bend County Sienna Annex Building, 5855 Sienna Springs Way, Missouri City, Texas 77459 (the "Building"), as depicted on **Exhibit A** attached hereto and incorporated herein for all purposes. District, its employees and visitors also have the nonexclusive right to use Common Areas.

3. TERM OF LEASE

The Initial Term of this Lease Agreement shall be for a period of twelve (12) months, commencing on the 1st day of October, 2018 ("Commencement Date"), and ending on the 30th day of September, 2019 ("Initial Term"), which shall automatically renew for successive one (1) year terms, unless one party provides written notice to terminate as provided under this Lease Agreement.

4. ANNUAL RENT

The District agrees to pay Lessor the sum of twelve dollars (\$12.00) per year as Annual Rent ("Annual Rent") during the term of this Lease Agreement. The Annual Rent is due and payable by the District in advance on the first day of the new lease term. The Annual Rent shall be made payable and submitted to Fort Bend County, 301 Jackson, Suite 301, Richmond, Texas 77469, Attention: Facilities Management & Planning.

5. MONTHLY EXPENSES

- (a) The District agrees to reimburse the Lessor for its use of monthly utilities and other services provided by or through Lessor, on a pro-rata share based on the square footage of the Leased Premises. The reimbursable monthly utilities shall include gas, water, and electric. Other services to be reimbursed by the District shall include trash pickup, custodial and maintenance services, pest control and rodent control.
- (b) The District agrees to pay a monthly custodial fee for the reimbursement of cleaning supplies and outside cleaning services for cleaning of the Leased Premises and the overall Building, and a monthly maintenance fee for maintenance of the Leased Premises and the overall Building. The custodial fee and the maintenance fee are calculated annually based on the previous year experience for all Fort Bend County facilities and payable on a pro-rata share based on the square footage of the Leased Premises.



- (c) Lessor will provide the District with an invoice on a monthly basis with the pro-rata share of all the expenses for the previous month. The combined cost of all monthly expenses described in this Section 5 is expected to be approximately \$400-\$500 per month.
- (d) The District shall be responsible for (i) obtaining and maintaining voice and data services, and (ii) maintenance of the Leased Premises beyond the maintenance Lessor must provide pursuant to Section 6(b) hereof.

6. GENERAL TERMS AND CONDITIONS

- (a) District shall use the Leased Premises solely for office space. District shall not use the Leased Premises under any circumstance for the purposes of storing, manufacturing or selling any explosives, flammables or other inherently dangerous substance, chemical, thing or device. District shall keep the Leased Premises in good repair and free from waste. District shall in good faith continuously conduct and carry on the type of business for which the Leased Premises are leased. Any property kept, stored or maintained within the Leased Premises by District shall be at District's sole risk. District shall not take any action that would constitute a nuisance or would disturb or endanger Lessor or other tenants or unreasonably interfere with their use of their respective premises; nor use, occupy or permit any portion of the Leased Premises to be occupied or used for any unlawful business purpose.
- (b) Maintenance. Lessor agrees to maintain the property and Leased Premises in good repair and condition during the term of this Lease Agreement. Maintenance included in the monthly expenses described in Section 5 above includes the following services: repair or replace worn floor surfaces; painting as needed; replacement of broken window glass; repair of roof and ceiling leaks; building exterior, interior; plumbing, heating, air conditioning and ventilating equipment and filters; fire protection equipment; miscellaneous valves; woodwork, locks, floor surfaces and coverings; lighting fixtures, and the replacement of all defective or burned-out light bulbs, fluorescent tubes, ballasts and starters. If District causes damages to the Leased Premises, requiring maintenance services that go beyond those listed in the immediately preceding sentence or "normal wear and tear", District is responsible for paying to have the damages repaired.
- (c) Lessor warrants that the lease of the premises to the District is authorized by the Lessor's governing body.
- (d) Lessor may enter the Leased Premises to (a) inspect the general condition and state of repair, (b) to make repairs required or permitted under this Lease Agreement, or (c) for any other reasonable purpose.
- (e) Lessor agrees that the District may bring any and all furniture, fixtures and equipment reasonably necessary for the efficient exercise of the District's responsibilities and the parties agree that all property will remain property of the District.
- (f) Build-Out. Prior to the Commencement Date, Lessor shall build out the Leased Premises (the "Build-Out") pursuant to plans and/or specifications (collectively, the "Approved Plans") approved by Lessor and the District, which approval shall not be unreasonably withheld. The District shall reimburse Lessor for the cost of materials used for the Build-Out, pursuant to the Approved Plans up to an amount not exceed \$4,000.00. Any physical additions or improvements to the Leased Premises made by Lessor shall be the property of Lessor.

- (g) Lessor may require that District, at the end of any term and at District's expense, remove any physical additions and improvements, repair any alterations, and restore the Leased Premises to the condition existing at the commencement of the Initial Term, additions and improvements related to the Build-Out and normal wear and tear excepted.
- (h) Following Lessor's consent, District shall have the right to place on the Leased Premises, signs which are permitted by applicable ordinances and Lessor's restrictions. Lessor may refuse consent to any proposed signage that is in Lessor's opinion too large, deceptive, unattractive or otherwise inconsistent with or inappropriate to the Leased Premises or use of any other tenant. District shall repair all damage to the Leased Premises resulting from the removal of signs installed by District.
- (i) On termination of this Lease Agreement the District may, within a reasonable time and at its option and expense, remove any and all equipment or appliances placed or owned by District. District shall deliver the Leased Premises to Lessor in good order and condition given reasonable use and ordinary wear and tear. District shall repair any and all damage to the Leased Premises caused by the removal of any equipment and/or appliances, including holes to any walls, normal wear excepted.
- (j) If during the term of this Lease Agreement the Leased Premises is condemned for any public purpose, the District may elect to terminate and cancel this lease upon thirty (30) days written notice to the Lessor.
- (k) In the event of minor damage to any part of the Leased Premises, and if such damage does not render the Leased Premises unusable for District's purposes, Lessor shall promptly repair such damage subject to the terms of Paragraph 6(b). In making the repairs called for in this paragraph, Lessor shall not be liable for any delays resulting from strikes, governmental restrictions, acts of nature or inability to obtain necessary materials or labor or other matters which are beyond the reasonable control of Lessor. If the Leased Premises cannot be occupied by the District, lease payments otherwise due will be either reduced or withheld for a prorated share of the Leased Premises that cannot be occupied. If the Leased Premises are damaged to a degree that it is unfit for occupancy, this lease will terminate and any rent and other obligations will be prorated from the date the Leased Premises could no longer be occupied. The determination of whether the Leased Premises are damaged to a degree to render them unfit for occupancy will be made by the City of Missouri City. If the Lessor has available space which will meet the District's needs and offers same to the District, the District may at its option, occupy that space under the same terms and conditions as this Lease Agreement.
- (l) During the term of this Lease Agreement, District shall have the non-exclusive use in common with Lessor, other tenants of the Building, their guests and invitees, of the non-reserved common meeting rooms, automobile parking areas, driveways, and footways (collectively, the "Common Areas"), subject to rules and regulations for the use thereof as prescribed from time to time by Lessor.
- (m) Lessor may retain, destroy, or dispose of any property left on the Leased Premises at the end of the term.

7. BREACH, DEFAULT and REMEDIES.

- (a) Breach by Lessor. Lessor is in breach or default of this Lease Agreement if it fails to perform any of duties or obligations of this lease. The District must give Lessor written notice of the breach or default. If Lessor fails or refuses to remedy the condition of the breach or default for a period of thirty days the District may at its option:
- 1) Withhold lease payments until the breach or default is cured or corrected;
 - 2) Terminate the Lease Agreement by providing written notice of intent to terminate and the effective date of termination;
 - 3) Take reasonable action necessary to correct the breach or default and Lessor shall reimburse the costs incurred by District; and
 - 4) Take other legal action as provided by law for breach or default of this Lease Agreement.
- (b) Breach by District. District is in breach and default under this Lease Agreement if District fails to make payments when due or fails to timely perform its duties and obligations under this lease. Lessor must give the District written notice of the breach or default. If District fails or refuses to remedy the condition of the breach or default for a period of thirty (30) days Lessor may at its option:
- 1) Terminate the lease by providing written notice of intent to terminate and the effective date of termination.
 - 2) Take other legal action as provided by law for breach or default of this Lease Agreement.
- (c) No waiver. The failure of either party to enforce rights provided by this Lease Agreement for breach or default will not act as a waiver of the right to demand compliance in the future.

8. VOLUNTARY TERMINATION

This Lease Agreement may be terminated by either party, if neither party is currently in default, by providing the non-terminating party with thirty (30) days written notice of intent to terminate.

9. ASSIGNMENT.

This Lease Agreement may not be assigned.

10. LAW GOVERNING.

This Lease Agreement is governed by the laws of the state of Texas.

11. HAZARDOUS SUBSTANCES

Lessor warrants and represents that any use, storage, treatment or transportation of Hazardous Substances that has occurred in or on the premises prior to Commencement Date of this Lease Agreement has been in compliance with all applicable federal, state and local laws, regulations and ordinances. Lessor additionally warrants and represents that no release, leak, discharge, spill, disposal or emission of Hazardous Substances has occurred in, on or under the premises, and that they are free of Hazardous Substances.

"Hazardous Substance" means any substance that is toxic, ignitable, reactive or corrosive and that is regulated by any local government, the state of Texas, or the United States Government. "Hazardous Substance" includes any and all material or substances that are defined as "hazardous waste," "extremely hazardous waste," or a "hazardous substance" pursuant to state, federal or local

government law. "Hazardous Substance" includes but is not restricted to asbestos, polychloribiphenyls, and petroleum.

12. INSURANCE

At all times during the lease term, Lessor must maintain a policy of all-risk property insurance, issued by and bonded upon an insurance company licensed in the State of Texas, covering the Leased Premises and leasehold improvements (exclusive of contents), in an amount equal to not less than 80% percent of the replacement cost thereof. The District shall have no interest in the policy or policy proceeds and Lessor shall not be obligated to insure any furnishings, equipment, trade fixtures, or other personal property that the District may place or cause to be placed upon the Leased Premises. Lessor must also maintain a policy or policies of comprehensive general liability insurance insuring Lessor against loss of life, bodily injury and/or property damage with respect to Common Areas, operation of the Building, parking lots and other improvements associated with the land upon which the Leased Premises are located, and any other losses caused by or related to the duties and obligations of Lessor under this Lease Agreement. Any obligation by the District under this Lease Agreement to obtain insurance is expressly made subject to the District's authority under state law to obtain such insurance. No insurance carrier of either party shall have a right of subrogation against the other party to this Lease Agreement.

13. LIMITATION OF LIABILITY

The liability for acts or omissions of the agents and employees of either party or for injuries caused by conditions of tangible property is provided for solely by the provisions of the Texas Civil Practice and Remedies Code, Chapters 75, 101 and 102, and Workers' Compensation Insurance coverage for state and county employees is provided as mandated by the provisions of Texas Labor Code, Chapter 504.

14. OTHER TERMS AND CONDITIONS

- (a) Entire agreement. This Lease Agreement, and its amendments and attachments represent the entire agreement of the parties.
- (b) Effective date. This Lease Agreement is effective as of the date provided in Paragraph 15 below.
- (c) Amendment. Amendments to this contract must be in writing and signed by both parties.
- (d) Notices. All notices required by this Lease Agreement must be sent to the following addresses:

<u>Lessor</u>	<u>District</u>
Fort Bend County Facilities Management/Planning Attn: Director 301 Jackson Street, Suite 301 Richmond, Texas 77469	Sienna Plantation Levee Improvement District c/o The Muller Law Group, PLLC 202 Century Square Boulevard Sugar Land, Texas 77478 Attn: Richard L. Muller, Jr.

15. EXECUTION

The parties have executed this Lease Agreement on the dates indicated below. The Effective Date of this Lease Agreement is the date signed by the last party hereto.

[Signatures Follow]

LESSOR
FORT BEND COUNTY, TEXAS

By: _____
Name: Robert E. Hebert
Title: County Judge

Date signed: _____

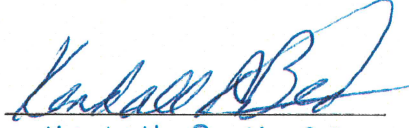
Attest:

Laura Richard, County Clerk

Approved:


James Knight, Director
Facilities Management & Planning Department

DISTRICT
SIENNA PLANTATION LEVEE IMPROVEMENT DISTRICT

By: 
Name: Kendall Beckman
Title: President

Date signed: 9/5/18

Attest:

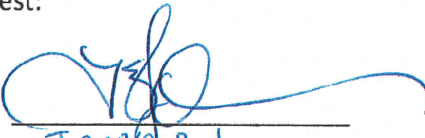
By: 
Name: Temika B. Jones
Title: Secretary

Exhibit A

(see attached)

