



**REGIONAL TRANSPORTATION COMMISSION**

*Metropolitan Planning • Public Transportation & Operations • Engineering & Construction*

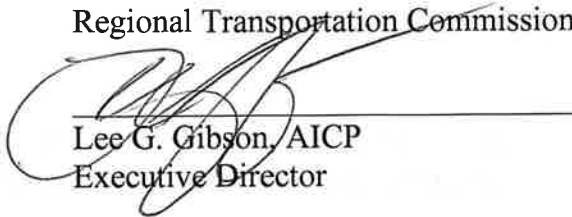
Metropolitan Planning Organization of Washoe County, Nevada

April 19, 2019

**AGENDA ITEM 3.12**

**TO:** Regional Transportation Commission

**FROM:**

  
\_\_\_\_\_  
Lee G. Gibson, AICP  
Executive Director

**SUBJECT: Truckee Meadows Regional Planning Agency (TMRPA) Office Space Lease**

**RECOMMENDATION**

Approve a lease agreement with the Truckee Meadows Regional Planning Agency (TMRPA) for office space at 1105 Terminal Way; authorize the RTC Executive Director to execute the lease.

**SUMMARY**

The TMRPA entered into a lease with the RTC for office space at 1105 Terminal Way on May 1, 2017, which ended March 31, 2019. An extension of this lease was granted until April 30, 2019, to allow time for the TMRPA and the RTC to present to their respective boards before execution.

The existing lease is for 1,874 square feet at a \$1.09 per square foot (\$2043.00 per month). The proposed lease has a modest increase of 3% or \$0.0327 per square foot (\$61.00 per month), reflecting a new rate of \$1.1227 per square foot or \$2,104 per month.

Federal Transit Administration (FTA) funds were used to buy and renovate the Terminal Way building. As a result, the RTC is required to charge a fair market rate for non-transit use of those spaces. Indeed, the RTC Engineering and Construction department leases office space at the same rate as is proposed for the TMRPA. Proceeds from the leases go to the provision of public transportation in the Truckee Meadows as required by the FTA.

The RTC is proposing a 14 month lease that will expire on June 30, 2020, coinciding with the end of the fiscal year. The term of the lease shall be extended automatically for an additional 12 months beginning July 1, unless either party sends written notice to the other party at least ninety (90) days before June 30 that the party does not intend to extend the term.

**FISCAL IMPACT**

There is no fiscal impact related to this action. The RTC will realize \$29,456 over the lease period.

**PREVIOUS ACTIONS BY BOARD**

April 20, 2017    Approved a two-year lease agreement with the Truckee Meadows Regional Planning Agency (TMRPA) for their continued use of the office space at 1105 Terminal Way.

**ADVISORY COMMITTEE(S) RECOMMENDATION**

There are no advisory committee recommendations pertaining to this report.

Attachments

**LEASE**

This Lease is entered into as of May 1, 2019, by and between THE REGIONAL TRANSPORTATION COMMISSION OF WASHOE COUNTY ("Lessor") and the TRUCKEE MEADOWS REGIONAL PLANNING AGENCY ("Lessee").

1. Premises. Lessor leases to Lessee and Lessee hereby leases from Lessor the office space known as Suite #316, 1105 Terminal Way, Reno, Nevada, more particularly shown on Exhibit "A" (the "Premises"). Lessee acknowledges that Lessee, as a tenant in possession of the Premises prior to the effective date of this Lease, has inspected and accepted the premises, the Premises are suitable for the purpose for which Lessee intends them, are in good and satisfactory condition, that Lessor has made no representation concerning the suitability of the Premises for Lessee's intended use and that Lessor has not promised to alter, remodel or improve the Premises in any way.

Lessor will make available to Lessee the 1<sup>st</sup> Floor Conference Room and the 3<sup>rd</sup> Floor Conference Room located at 1105 Terminal Way, Lessor's building premise, on a first come, first serve basis, for meeting use. Lessor will retain the right to relocate or deny use of either conference room should a scheduling conflict arise. Lessee is responsible for all scheduling and clean-up of the conference rooms.

2. Term.
  - (a) The term of this lease shall begin on May 1, 2019 and end on June 30, 2020, unless sooner terminated pursuant to any provision hereof. The term of this lease shall be extended automatically for an additional term of twelve (12) months beginning on July 1 unless either party sends written notice to the other party at least ninety (90) days before June 30 that the party does not intend to extend the term.
  - (b) Either party may terminate this Lease upon ninety (90) days' written notice of intent to terminate.
  - (c) In the event of the expiration or earlier termination of this Lease, LESSEE will peaceably and quietly leave, surrender and yield up to the LESSOR all of the Premises in good order, condition and repair, reasonable use and wear thereof excepted.
  - (d) It is further mutually covenanted and agreed that upon the expiration or earlier termination of the term hereof, LESSEE shall remove or cause to be removed, at its own expense, any and all personal property or improvements erected or employed by LESSEE on said

leasehold, leaving and surrendering said Premises in as good order and condition as the Premises were in when delivered to LESSEE.

- (e) No holding over by LESSEE shall operate to renew this Lease without the prior written consent of LESSOR.
- (f) If Lessee holds possession of the Premises after the expiration or earlier termination of this Lease, Lessee shall become a Lessee at sufferance upon all of the terms contained herein, except as to Term and Rent. The monthly rental rate due during such holdover shall be 110% of the Rent payable immediately prior to such expiration or earlier termination of this Lease, payable monthly in advance on the first day of each month. Without limiting the foregoing, Lessee hereby agrees to indemnify, defend and hold harmless Lessor, its beneficiary, and their respective agents, contractors and employees, from and against any and all claims, liabilities, actions, losses, damages (including without limitation, direct, indirect, incidental and consequential) and expenses (including, without limitation, court costs and reasonable attorneys' fees) asserted against or sustained by any such party and arising from or by reason of such retention of possession, which obligations shall survive the expiration or termination of the term.

3. Rent.

- (a) The rent for the Premises shall be \$2,104.00 per month (the "Rent"), payable in advance on the first day of each and every month. Rent for any period less than one month shall be a pro rata portion of the monthly installment.
- (b) Rent will be subject to an increase of 3% upon each automatic extension of the term.
- (c) If the Rent is not paid within 10 days after it is due, Lessee shall pay a late payment fee of 5% of the late payment. Lessor need not accept a late payment unless the 5% fee accompanies it. Any payment by Lessee or receipt by Lessor of an amount less than the full amount then due and owing by Lessee to Lessor shall be deemed a payment on account. Lessor may accept any such check or payment without prejudice to Lessor's right to recover the balance on any Rent due and may pursue any other remedy.

4. Maintenance and Repairs: Lessee. Lessee shall maintain the interior walls, carpet, plumbing, ceiling and clean the interior surface of the glass. Lessee

shall be responsible for any repairs or replacements to the Premises, necessitated by the negligence or willful misconduct of Lessee, its agents, contractors, employees, customers, invitees and assigns.

5. Utilities, Sewer and Taxes. Lessor shall be responsible for the following utilities: electricity, gas water, sewer and garbage pickup and these utilities are included in the monthly lease rate. Lessee shall be responsible for taxes on Lessee's leasehold estate and personal property. Lessee shall not participate in the payment of property taxes, if any.
6. Premises in Clean Condition. Lessee must keep their Premises in a clean and sanitary condition, free from trash and other objectionable matter and in good condition and repair in all respects. All repairs and replacements made by lessee must be at least equal in quality to the original.
7. Alterations by Lessee. Lessee shall not, without Lessor's prior written consent, which consent shall not be unreasonably withheld, make any alterations, additions or improvements to the Premises, whether interior or exterior. However, Lessee may, with the prior written consent of Lessor, which consent may not be unreasonably withheld, install trade fixtures and additional telephone lines as are reasonably appropriate if such fixtures do not alter the basic character of the building or overload or damage it and if the installation thereof complies with all applicable laws, ordinances and regulations applicable to the Premises. Lessee must remove any such trade fixtures at the termination of this Lease and Lessee must restore the Premises to its condition existing before the installation of the trade fixtures. Property of Lessee and improvements or alterations to the Premises which are not removed upon expiration or earlier termination of this Lease shall be deemed abandoned by Lessee, and Lessor may retain, sell, or otherwise dispose of any or all such property. Lessee must promptly pay and discharge all claims for services, supplies, labor or materials furnished, or alleged to have been furnished to or for Lessee for use or inclusion in the Premises.
8. Surrender. Lessee shall surrender the Premises at the expiration or sooner termination of this Lease in a clean and sanitary condition, ordinary wear and tear excepted. All obligations of Lessee under this Lease, not fully performed as of the termination of this Lease, survive the termination of the Lease, including but not limited to all payment obligations for Rent and for other monetary obligations imposed on Lessee by the terms of this Lease. All sums due pursuant to this Lease and all damages due Lessor from Lessee by reason of Lessee's breach of any obligation of this Lease must be paid upon the termination of this Lease before vacating the Premises.

9. Indemnity. Lessee shall indemnify, defend and save Lessor and Lessor's agents, employees, partners, officers and directors harmless against any and all liabilities, claims, suits, fines, penalties, damages, losses, fees, costs and expenses (including reasonable attorney's fees) which may be imposed upon, incurred by, or asserted against any of the indemnities by reason of :
- (a) Any work or thing done in, on or about the premises by or on behalf of Lessee or any of Lessee's officers, employees, agents, sub-tenants, Licensees, permittees, customers or invitees (collectively, "Lessee's Agents");
  - (b) Any use, occupation, condition or operation of the Premises;
  - (c) Any act or omission on the part of lessee or Lessee's Agents;
  - (d) Any incident, injury (including death) or damage to any person or property occurring in, on or about the Premises or any part of it;
  - (e) Any incident, injury or damage to any person or property occurring as a result of Lessee's use of or access to Lessor's computer system, or computer network, including, without limitation,
    - i. an unauthorized release of personal identifiable, protected health or third-party corporate confidential information
    - ii. failure to prevent unauthorized access to, use or misuse of or modification to the Lessor's computer network; or
    - iii. failure to protect the Lessor's network from attack from hostile acts including but not limited to the use of malware, viruses, worms, Trojan horses and denial of service attacks; or
  - (f) Any breach of lessee's obligations under this Lease.

The provisions of this Paragraph 9 survive the expiration or termination of this Lease with respect to any claims or liabilities occurring before such expiration or termination.

10. Insurance. Prior to commencement of this Lease, Lessee shall furnish Lessor with a certificate of insurance, executed by a duly authorized representative of each insurer, showing compliance with the insurance requirements set forth herein.
- Lessee or its insurers shall provide for 30 days' written notice to Lessor prior to the cancellation or non-renewal of any insurance referred to therein.

By requiring insurance herein, Lessor does not represent that coverage and limits will necessarily be adequate to protect Lessee and such coverage and limits shall not be deemed as a limitation on Lessee's liability under the indemnities granted to Lessor in this contract.

Lessee shall obtain insurance of the types and in the amounts described below.

- (a) Commercial General Liability and Umbrella Liability Insurance: Lessee shall maintain commercial general liability (CGL) and, if necessary, commercial umbrella insurance with a limit of not less than \$1,000,000 each occurrence. If such CGL insurance contains a general aggregate limit, it shall apply separately to this location.

CGL insurance shall be written on ISO occurrence form CG 00 01 04 13 (or a substitute form providing equivalent coverage) and shall cover liability arising from premises, operations, independent contractors, products-completed operations, personal injury and advertising injury, and liability assumed under an insured contract.

Lessor shall be included as an insured under the CGL, using ISO additional insured endorsement CG 20 11 04 13 (Additional Insured – Managers or Lessors of Premises) or a substitute providing equivalent coverage, and under the commercial umbrella, if any.

This insurance shall apply as primary insurance with respect to any other insurance or self-insurance programs afforded to Lessor. There shall be no endorsement or modification of the CGL to make it excess over other available insurance; alternatively, if the CGL states that it is excess or pro rata, the policy shall be endorsed to be primary with respect to the additional insured.

Lessee waives all rights against Lessor and its agents, officers, directors and employees for recovery of damages to the extent these damages are covered by the commercial general liability or commercial umbrella liability insurance maintained pursuant to this agreement.

- (b) Commercial Property Insurance: Lessee shall maintain commercial property insurance covering the Lessee's personal property, fixtures, equipment, improvements and betterments. Commercial property insurance shall, at minimum, cover the perils insured under the ISO special causes of loss form (CP 10 30). Commercial property insurance shall cover the replacement cost of the property insured.

Lessee may, at its option, purchase business income, business interruption, extra expense or similar coverage as part of this commercial property insurance, and in no event shall Lessor be liable for any business interruption or other consequential loss sustained by Lessor, whether or not it is insured, even if such loss is caused by the negligence of Lessor, its employees, officers, directors, or agents.

Lessor and Lessee hereby waive any recovery of damages against each other (including their employees, officers, directors, agents, or representatives) for loss or damage to the building, Lessor improvements and betterments, fixtures, equipment, and any other personal property to the extent covered by the commercial property insurance or boiler and machinery insurance required above.

If the commercial property insurance purchased by Lessee as required above does not allow the insured to waive rights of recovery against others prior to loss, Lessee shall cause them to be endorsed with a waiver of subrogation as required above.

- (c) Workers Compensation Insurance: Lessor shall maintain workers compensation and employers liability insurance in compliance with Nevada statutory requirements.

The employers liability limits shall not be less than \$1,000,000 each accident for bodily injury by accident or \$1,000,000 each employee for bodily injury by disease.

Lessee waives all rights against Lessor and its agents, officers, directors, and employees for recovery of damages to the extent these damages are covered by the workers compensation and employers liability insurance obtained by Lessor pursuant to this agreement.

- (d) Automobile Insurance: Lessee shall maintain automobile liability and, if necessary, commercial umbrella liability insurance with a limit of not less than \$1,000,000 each accident.

Such insurance shall cover liability arising out of any auto (including owned, hired, and non-owned autos).

Coverage shall be written on ISO form CA 00 01 or a substitute form providing equivalent liability coverage. If necessary, the policy shall be endorsed to provide contractual liability coverage equivalent to that provided in the 1990 and later editions of CA 00 01.



Lessee waives all rights against Lessor and its agents, officers, directors and employees for recovery of damages to the extent these damages are covered by the business auto liability or commercial umbrella liability insurance obtained by Lessee pursuant to this Agreement.

- (e) Network Security & Privacy Insurance: Lessee shall maintain network security and privacy insurance with a limit of not less than \$1,000,000 per incident or event.

Such insurance shall cover liability arising out of an unauthorized release of personal identifiable, protected health or third-party corporate confidential information; failure to prevent unauthorized access to, use or misuse of or modification to the network; or failure to protect the network from attack from hostile acts including but not limited to the use of malware, viruses, worms, Trojan horses and denial of service attacks.

Lessee waives all rights against Lessor and its agents, officers, directors and employees for recovery of damages to the extent these damages are covered by the network security & privacy insurance obtained by Lessee pursuant to this Agreement.

11. Casualty. If any improvements on the Premises or any part thereof are damaged or destroyed by fire or other casualty, Lessee must immediately notify Lessor in writing. Lessor has 30 days after the casualty to determine whether or not Lessor, in Lessor's sole discretion, wishes to reconstruct or repair the Premises or wishes to terminate this Lease. If the Lease is not terminated by Lessor after a casualty, Lessor shall restore the Premises to substantially its previous condition except that Lessor is not required to rebuild, repair or replace any part of the Premises constructed or installed by or for the benefit of Lessee. If the restoration has not been substantially completed within 120 days after the casualty, Lessee may, as Lessee's sole remedy, terminate this Lease. During the time the Premises are untenable or one or more of the Essential Services are not available to the Premises due to such a casualty, the Rent due need not be paid by Lessee.

12. Defaults. The following are events of default by Lessee (an "event of default" or "default") hereunder:

- (a) Lessee fails to pay any Rent when due and payable under this lease and such failure continues for ten (10) days from the date such payment was due;

- (b) Any representation or warranty made by Lessee in this is false or misleading in any material respect;
  - (c) Lessee vacates or abandons the premises or any substantial part thereof or removes Lessee's property therefrom other than in the ordinary course of business;
  - (d) Lessee (i) becomes insolvent; (ii) admits in writing its inability to pay its debts; (iii) makes a general assignment for the benefit of creditors; (iv) files a voluntary petition or becomes the subject of an involuntary petition for arrangement or reorganization or seeks the appointment of a receiver or other relief under bankruptcy laws, and such petition remains undischarged for a period of thirty (30) days; or (v) takes any action to authorize or in contemplation of any of the actions set forth above in this paragraph;
  - (e) There is an attachment, execution or other seizure of all or substantially all of Lessee's assets or this leasehold;
  - (f) Lessee fails to discharge any mechanic's lien or other lien or encumbrances placed upon the premises within twenty (20) days after any such lien or encumbrance is filed against the Premises;
  - (g) Lessee fails to maintain or cause to be maintained any insurance coverage required to be maintained by Lessee or Lessee's contractors under this Lease;
  - (h) Lessee fails to comply with any covenant, agreement or obligation hereunder (other than those listed above in this Section), and such failure continues for twenty (20) days after written notice thereof to Lessee.
13. Remedies. Upon occurrence of an Event of Default, Lessor has the following rights and remedies, which are distinct, separate and cumulative and shall not operate to exclude or deprive Lessor of any other right or remedy allowed at law or equity or elsewhere in this Lease:
- (a) Lessor may terminate this Lease by written Notice to Lessee.
  - (b) Lessor may terminate Lessee's right to possession of the Premises without terminating this Lease by written notice to Lessee.
  - (c) Lessor may enforce the provisions of this Lease by a suit or suits in equity or at law for specific performance of any provision herein, and for any other appropriate legal or equitable remedy, including without

limitation, injunctive relief and recovery of all Rent due or to become due from Lessee under this Lease;

- (d) Lessor may declare due and payable by acceleration the aggregate amount of the Rent for the period from the date of the Event of Default to the end of the term, and Lessee must pay the amount thereof to Lessor immediately upon demand and Lessor may commence an action for recovery thereof without prior notice or grace.

If Lessor terminates this Lease or Lessee's right of possession, Lessee shall immediately surrender the Premises to Lessor, and Lessor may reenter and take possession of the Premises, with or without process of law, and remove all occupants and property therefrom, without being liable for prosecution of any claim therefore and without waiving any other right of Lessor under this lease or at law or in equity.

If Lessor terminates this Lease as provided above, Lessor shall be entitled to recover from Lessee all Rent for the period up to such termination date, and all other sums payable hereunder.

If Lessee fails to make any payment when due hereunder, to help defray the additional cost to Lessor for processing late payments, Lessee shall pay to Lessor on demand a late charge in an amount equal to five percent (5%) of such late payment. This late charge in not to be considered liquidated damages.

14. Lessor's Default; Limitations. Lessee has no remedy or cause of action against Lessor for Lessor's failure to perform any of Lessor's obligations under this Lease unless Lessor fails to cure the default within 30 days after written notice from Lessee specifying such default (or with respect to any default that cannot be cured within 30 days, if Lessor does not begin to cure within such period and diligently pursue the cure), and in such event, Lessee's exclusive remedy shall be an action for damages. Lessor shall not be in any default under this Lease on account of any failure or delay in performing any obligations to be performed by Lessor if the failure or delay is due in whole or in part to any strike, riot, lockout, labor dispute, civil disorder, war, shortage of or delay in obtaining labor or material, power or fuel shortage or disruption, restrictive governmental law or regulation, accident, casualty, act of God, act caused directly or indirectly by Lessee or any or Lessee's Agents or any other cause beyond the reasonable control of Lessor.
15. Assignment. Lessee shall not assign, mortgage, pledge or otherwise transfer this Lease in whole or in part, nor sub-let or permit any occupancy other than Lessee of all or any part of the Premises without the prior written consent of

Lessor, which consent may be given or withheld in Lessor's sole discretion. The term "transfer" as used above includes any assignment or subletting by operation of law and any change in ownership of 5% or more of the stock or 5% or more of the partnership or limited liability company membership interest in Lessee. Any purported transfer forbidden by this section without Lessor's prior written consent is void. No such transfer need be honored by Lessor and no such transfer relieves Lessee of its obligations under this Lease.

16. Environmental Compliance.

- (a) The following terms shall have the following meanings herein:
- "Environmental Law" mean all laws and regulations of the United States, Nevada and any other Governmental Authority relating to the environmental condition of the Premises of any part thereof, including without limitation the Resources Conservation Recovery Act, 42 U.S.C. Sections 6901 et seq., The Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. Sections 9601 et seq., and any common law theory, such as nuisance or strict liability, as any of the foregoing may be amended from time to time.
- "Governmental Authority" means any agency, board, bureau, commission, department or body of any municipal, county, state or federal government unit, or any subdivision thereof.
- "Hazardous Substance" means any matter giving rise to liability or other obligation under any Environmental Law, and shall also include petroleum, petroleum products and oil or used oil.
- "Release" has the meaning set forth in 42 U.S.C. Section 9601, as such may be amended or replaced from time to time.
- "Solid Waste" has the meaning set forth in 40 C.F.R. Section 261.2, as such may be amended or replaced from time to time.
- (b) Lessee shall not cause or permit any Hazardous Substance or other dangerous toxic substances or any Solid Waste to be generated, manufactured, refined, transported, treated, stored, disposed of, handled, processed, produced or Released on the Premises except in compliance with all applicable Environmental Laws.
- (c) Lessee shall promptly provide Lessor with copies of all communications, permits or agreements with any Governmental Authority or any private entity relating in any way to the generation, manufacture, refining, transportation, treatment, storage, disposal,

handling, processing, production or Release of any Hazardous Substance or Solid Waste at the Premises.

- (d) Lessor and Lessor's Agents have the right, but not the obligation, to enter the Premises to conduct appropriate tests for the purpose of ascertaining that Lessee complies with all Environmental Laws. Upon written request by Lessor, Lessee must provide Lessor with copies of the results of appropriate test of air, water or soil to demonstrate that Lessee complies with all applicable Environmental Laws.
- (e) If the presence on or in the Premises or any part thereof, or the generation, manufacture, refining, transportation, treatment, storage, disposal, handling, processing, production or Release at the Premises of any Hazardous Substance or other dangerous toxic substances or Solid Waste is due to the breach in any way of subsection 16(b) above by Lessee or Lessee's Agents and it (i) gives rise to liability (including, but not limited to, a response action, remedial action, or removal action) under any Environmental Law, (ii) causes a significant public health effect, or (iii) pollutes or threatens to pollute the environment, Lessee shall promptly take any and all remedial and removal action necessary to clean up the Premises and mitigate exposure to liability arising from the Hazardous Substance or other dangerous toxic substances or Solid Waste, whether or not required by law.
- (f) Without limiting Lessee's obligations elsewhere in this Lease, Lessee shall indemnify, defend and hold Lessor harmless from all damages, costs, fines, penalties, liability, losses, expenses (including, but not limited to actual attorneys' fees and engineering fees) arising from or attributable to any breach by Lessee of any of its obligations, warranties or representations in this Section 16. The provisions of this Section 16 shall survive expiration or sooner termination of this Lease.

17. Notices. Any notice under this Lease shall be given in writing to the party to whom it is intended by personal delivery, facsimile, or by registered mail at the following address or such future address as may be designated in writing: to the Lessee, Truckee Meadows Regional Planning Board, c/o Executive Director, 1105 Terminal Way, Suite 316, Reno, Nevada 89502 and to the Lessor, Regional Transportation Commission of Washoe County c/o Executive Director, 1105 Terminal Way, Suite 217, Reno, Nevada 89502. Notices sent by mail shall be deemed received three (3) days after mailing.

18. Parties Bound. This Lease is binding upon and inures to the benefit of the parties hereto and their respective heirs, successors, legal representatives and

assigns. Nothing contained in this subsection, however, shall be deemed in any manner to give a right of assignment to Lessee without the written consent of Lessor.

19. Entire Agreement. This lease contains the entire agreement between the parties and no oral agreements or representations or prior written matters not contained in this Lease has any force or effect. This Lease shall not be modified in any way except in writing and executed by both parties.

Dated this May 1, 2019.

**TRUCKEE MEADOWS REGIONAL PLANNING AGENCY**

By \_\_\_\_\_

Title \_\_\_\_\_

**REGIONAL TRANSPORTATION COMMISSION**

By \_\_\_\_\_

Lee G. Gibson, AICP  
Executive Director

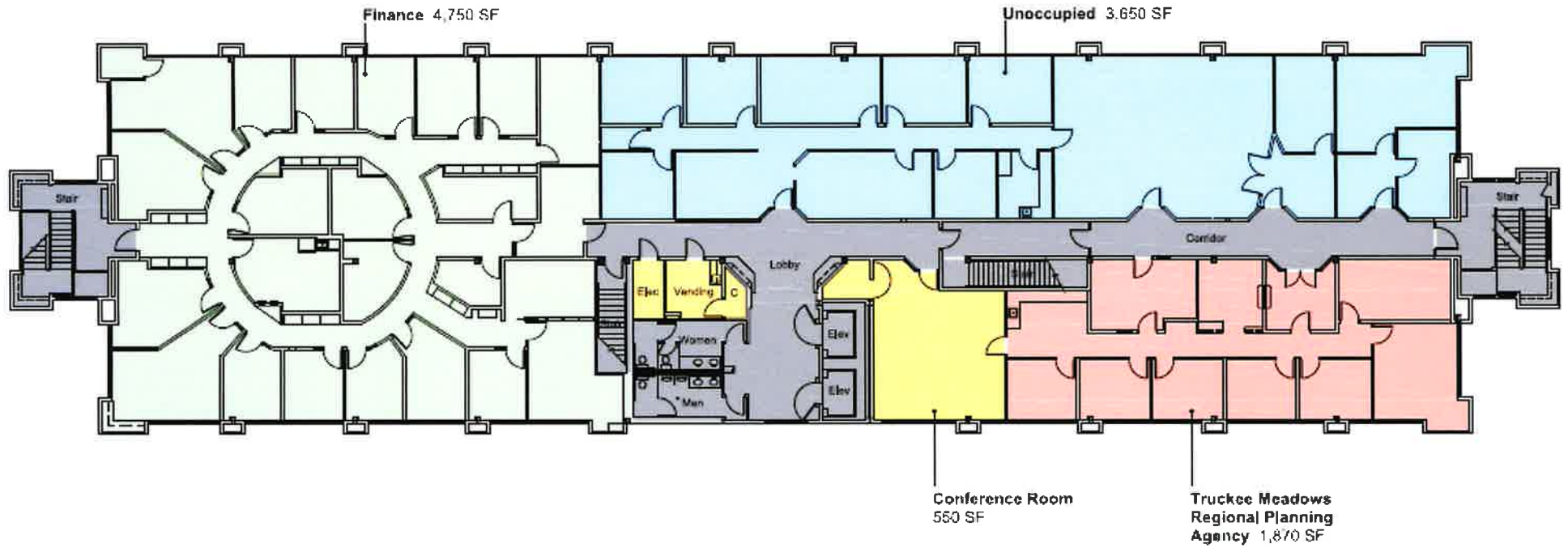
EXHIBIT "A"  
DESCRIPTION OF TERMINAL WAY PREMISES

DRAFT

**Conference and Meeting Rooms**

**Exhibit "A"**

Finance  
No Conference Room  
(1) Meeting Room



**Existing Third Floor**  
Regional Transportation Commission  
1105 Terminal Way Space Planning  
January 4, 2019  
H+K Architects  
1/16"=1'-0"