

LAKE FORK HEALTH SERVICE DISTRICT
BOARD OF DIRECTORS MONTHLY MEETING AGENDA

MISSION STATEMENT

The mission of the Lake Fork Health Service District is to enhance the quality of life in our community by compassionately promoting wellness and providing quality health services.

Tuesday, October 20, 2020 – Moseley Health Care Complex, Zeller Wellness Center

I. CALL TO ORDER- Approximately 8:30AM

II. ROLL CALL

III. WORKSHOP

A. Executive Director Report

1. Financial (Michael M., Lynn, Dr. Carr, Jessica)
Checking account signer update. Add account for behavioral health.
2. Business Development (Mike A., Michael M.)
3. Community Relations (Julie, Jerry)
4. Personnel (Medical Director, Jessica, Lynn, Jerry)- Dental Director update.
5. CMS survey update
6. Policies update for approval
7. Alpine Gateway Lease for behavioral health

B. Board Members Report

C. Medical Director Report

D. Dental Director Report

E. Strategic Planning Updates

F. Any other items-

IV. MEETING AGENDA ITEMS

- A. Consider any updates to the meeting agenda.
- B. Consider approval of minutes from prior board meetings- 09/24/2020
- C. Consider approval of updates to policies Operations.
- D. Consider approval of Alpine Gateway Lease for behavioral health

V. CITIZEN COMMENTS FROM THE FLOOR

VI. ADJOURN

Times stated are approximate and the agenda may be modified as necessary at the discretion of the Board.

LAKE FORK HEALTH SERVICE DISTRICT BOARD OF DIRECTORS- REGULAR MONTHLY MEETING

Today's Date is Thursday, September 24, 2020.

I. The regular monthly meeting of the Lake Fork Health Service District was called to order by Lynn McNitt at 8:30 a.m.

II. Roll Call: In attendance were board members: Lynn McNitt, Jerry Johnson, Mike Schell, Mike Mines and Julie Stephens. Jess Whiddon, Bob Downs, Grant Houston, Ashley Mines and William Gattis were also present. Malinda McDonald is the recording secretary.

Board of Directors:

President: Lynn McNitt

Vice-President: Jerry Johnson

Secretary: Mike Schell

Treasurer: Michael Mines

Board Member: Julie Stephens

III. Workshop

A. Executive Director Report-

1. Financial-

Patient count comparison- 2015-2020

Review of August 2020- Medical Patient counts through August 2020 were 1,875 vs 2,102 in 2019. Dental patient counts through August 2020 were 385 vs 501 in 2019.

August 2020 YTD P&L- Dental income is down about \$15,000. Medical income is down about \$59,000. Dental expenses are down approximately \$8,800. Dues and subscription are up about \$6,700 due to lab, veam, and zoom. Staff education is down about \$6,000. Personnel expenses are down about \$31,000. Repairs and maintenance are up about \$10,000 due to parking lot reseal, EMS garage, and fire alarm panel replacement. Supplies are down approximately \$4,000. Grant income shows as up by about \$222,000 due to HSS funding received for COVID. Net income is around \$186,000 better than August of 2019. If you subtract the HHS funding, net income is around \$4,600 less than August of 2019.

Budget committee- Will work on the budget over the next month to present a preliminary budget at the October board meeting.

2. Business Development- *None*

3. Community Relations-

2020 Health Fair has been CANCELLED due to COVID.

Mental Health Hub- Would like to add a checking account for this.

4. Personnel-

Dental Director Position Update- Interviewed 2 dentists. There was a unanimous preference for Dr. Bret Bergseid. We would like to offer the position to him.

Welcome to Dr. Gattis! - Consider board meeting days for next year either on Tuesday or Wednesday.

Bob's employee agreement- To be reviewed and consider assistant medical director position and how that could work. Bob & Dr. Gattis to discuss then provide feedback at a board meeting. Could consider possible roles with the personnel committee and/or financial committee and possible other items.

5. Grants still out- A \$20,000 request was submitted 8/1/20 to Duncan Trust for a digital x-ray system upgrade and one grant is out to El Pomar for \$10,000 to support behavioral health services.

6. Board Members Report- *The board is thankful for the grant work that Ashley has been doing and also for those who participated in the dental interview process.*

Michael Mines - The CPA has finally caught up so we are no longer months behind on financials. The biggest thing of note on the *DASHBOARD* is the change in cash position.

Julie Stephens – In the Silver World you will see mention of Dr. Gattis's arrival. Julie would like to eventually have all the staff introduce themselves and describe their connection to Lake City and the medical center. In an effort to keep the staff from feeling neglected by the board, Julie is reaching out and offering her email to anyone that would like to talk about any concerns, issues, or positive comments.

7. Medical Director- Duty assignments from Dr. Carr will be discussed in a meeting between Dr. Gattis, PA's, and Jess following this board meeting.

8. Dental Director- *None*

9. Strategic Planning Update- *Marketing committee should meet soon to discuss ideas for advertising for new MD. We are advertising free physicals with the new MD today and will have those available through December.*

10. Any other items- *None*

IV. MEETING

A. Consider any updates to the meeting agenda:

Motion, Add item C, action item to approve making an offer to Dr. Brett Bergseid for Dental Director position.

Motion: Jerry Johnson

Second: Julie Stephens

Vote: All vote yes

Motion Carries

B. Consider approval of Minutes from prior board meetings 08/27/2020, 09/01/2020, and 09/09/2020:

Motion: Mike Schell
Second: Mike Mines
Vote: All vote yes
Motion Carries

C. Approve making an offer to Dr. Brett Bergseid for Dental Director position:

Motion: Jerry Johnson
Second: Julie Stephens
Vote: All vote yes
Motion Carries

V. CITIZEN COMMENTS FROM FLOOR: None

VII. Adjourn

Meeting is adjourned at 9:16am. Next meeting will be October 20, 2020 at approximately 8:30 a.m. in the Zeller Wellness & Education Center in the Mosley Health Care Complex.

(President)

Date

(Secretary)

Date

(Recording Secretary)

Date

BUSINESS LEASE

THIS LEASE, in duplicate, is dated with an effective date of November 1, 2020 at the Town of Lake City, Hinsdale County, Colorado, as follows:

1. OWNER. The LANDLORD is:
DANIEL L. PLIES (hereinafter "LANDLORD"),
2. TENANT. The TENANT is: Lake Fork Health Services District
, hereinafter "TENANT").

3. LEASE ON PREMISES. In consideration of the terms of this Lease, the LANDLORD leases to TENANT Unit of Alpine Gateway, being approximately 250 square feet, known as 807 Highway 149 North, (hereinafter "Premises").

4. TERMS OF LEASE. The term of this Lease shall commence at 12:01 o'clock a.m. on November 1, 2020 and end at 5:00 o'clock p.m. on November 1, 2021 under the terms and conditions herein contained, unless sooner terminated as hereafter provided.

5. RENTAL PAYMENTS. The TENANT agrees to pay as base rent to the LANDLORD at the address specified in the Lease or at such other place as the LANDLORD may from time to time designate in writing, the sum of \$250.00 in advance monthly installments on the 1st day of each month during the initial term. The first and last months' rent shall be due at the time of execution of this Lease.

6. ADDITIONAL RENTAL PAYMENTS. The TENANT shall pay to the LANDLORD as additional rent for the Premises the following:

6.1 Utilities. The TENANT is responsible for timely payment of its trash hauling, electricity, and propane gas expenses, and snow plowing of the parking areas assigned to 807 Highway 149 North. TENANT covenants and agrees to pay and discharge when the same will become due, as additional rent, all of the above enumerated obligations. In the event of any failure on the part of the TENANT to timely pay or discharge the same, the LANDLORD shall have all the rights, powers and remedies provided herein or by law or equity in the case of nonpayment of rent.

6.2 Late Charges and Interest. TENANT shall pay a late charge of 10% for any rental payment which is not received by LANDLORD on or before the fifth day of each month during the term hereof. TENANT shall also pay interest on delinquent rent in the amount of 12% per annum, compounded monthly. Said late charges and interest shall be due and payable with the payment of the delinquent rent.

6.3 Transactional Costs. TENANT shall pay LANDLORD'S reasonable attorney fees for the cost of preparation of this Lease, up to the amount of \$-0-. Said fees shall be paid upon execution of this Lease.

7. SECURITY DEPOSIT. A security deposit in an amount equal to one month's rent, or none been paid by TENANT as security for TENANT'S full and faithful performance of all covenants and conditions of this Lease to be kept and performed by TENANT. Prior to the time when TENANT shall be entitled to the return of the security deposit, LANDLORD shall be entitled to intermingle such deposit with his own funds and to use such for such purposes as LANDLORD may determine. TENANT shall not be entitled to any interest on the security deposit. At termination of this Lease, or any extended period hereunder, the LANDLORD will inspect the Premises and determine if any amounts are due to LANDLORD. LANDLORD shall send TENANT written notice if he withholds all or part of the security deposit, and remit the balance of

the security deposit within 60 days of lease termination. The security deposit is also held to pay for any cleaning necessary at the end of the term to render the Premises in a condition that is at least as clean as when the Premises were delivered to TENANT, ordinary wear and tear excepted. The security deposit is not a fund against which TENANT may apply its rent obligations. In the event of default by TENANT with respect to any provision of this Lease, including, but not limited to, the payment of rent, LANDLORD may use, apply or retain all or any part of such security deposit for the payment of any unpaid rent, or for any other amount which LANDLORD may be required to spend by reason of the default of TENANT, including any damages or deficiency in releasing the Premises, regardless of whether the accrual of such damages or deficiency occurs before or after an eviction or a summary reentry or other reentry by LANDLORD. If any portion of the security deposit is so used or applied, TENANT shall within five (5) days after notice from LANDLORD, deposit funds with LANDLORD in an amount sufficient to restore the security deposit to its original amount, and failure to do so shall constitute a default under this Lease.

8. USE OF PREMISES. The Premises is to be used as counselling office and may only be used for lawful purposes and purposes permitted by Hinsdale County and Town of Lake City ordinances relating to zoning or other use limitations. Parking areas are common to all tenants, no restrictive parking space is permitted except for handicapped spaces marked for this purpose. Employees and business owners shall use parking provided at the north end or back side of the building, and customers may use parking on the front (south side) of the building.

9. LANDLORD'S RESPONSIBILITIES. The LANDLORD shall at all times during the term of the Lease be responsible for:

9.1 All necessary repairs to the structural components of the building and Premises, including exterior wall, floor joists, roof and foundations, and repairs to any defects in the plumbing, heating or electrical systems, as well as any damage that may result from the negligent acts of the LANDLORD or his representatives.

9.2 Maintenance of the common hall, public access restrooms and parking areas.

Notwithstanding the foregoing, any damage or destruction to the building or Premises caused by any intentional acts or acts of negligence or omission of the TENANT, its agents, customers, employees, contractors or invitees, shall be the sole responsibility of the TENANT.

10. TENANT'S RESPONSIBILITIES. The TENANT shall at all times during the term of the Lease:

10.1 Maintain and keep in good repair the interior of the Premises, including all interior floors, walls, doors, windows.

10.2 Maintain and repair any damage or destruction to the building or Premises caused by any acts or omissions of the TENANT, its agents, customers, employees, contractors or invitees.

10.3 Maintain the Premises in a clean and attractive condition.

10.4 Remove all refuse from the Premises. TENANT shall not place any refuse, cartons, or other items of any nature in the common areas, or on the exterior of the Premises, including exterior decks.

10.5 Provide all janitorial services to the Premises.

10.6 Provide telephone service to the Premises.

10.7 Pay, as the same become due and owing, all costs, charges,

statements or assessments for all utility services of every nature and description used by TENANT or supplied to the Premises.

11. COMPLIANCE WITH LAWS AND REASONABLE USAGE. TENANT will comply with all federal, state, municipal and other laws, ordinances, rules and regulations applicable to the Premises and the business conducted therein by TENANT; will not engage in any activity which would cause LANDLORD'S fire and extended coverage insurance to be canceled or the rate therefor increased (or, at LANDLORD'S option, will pay any such increase); will not commit any act which is a nuisance or annoyance to the LANDLORD or to other tenants, or which might, in the sole judgment of the LANDLORD, appreciably damage LANDLORD'S goodwill or reputation, or tend to injure or depreciate the building or Premises; and will not commit or permit waste in the Premises or building.

12. AMERICANS WITH DISABILITIES ACT. LANDLORD makes no representation or warranty that the Premises comply with or are in conformity with the requirements and guidelines of the Americans With Disabilities Act. It is the sole duty and responsibility of the TENANT, at TENANT'S sole cost, to take such actions and make such modifications as may be necessary to bring the Premises in full compliance and conformity with the guidelines of the Americans With Disabilities Act. TENANT agrees to be responsible therefor and, to the extent any modifications or actions are required, to comply with such guidelines and shall accomplish the same within thirty days from being required to do so. If such modifications are estimated to cost more than \$3,000.00, TENANT may terminate this Lease by providing LANDLORD with 30 days written notice. In such case, LANDLORD may chose to pay for the modification cost above \$3,000.00 and the Lease may not be terminated pursuant to this paragraph.

13. FIRE AND EXTENDED COVERAGE INSURANCE.

13.1 The LANDLORD shall insure the building, common and parking areas, and keep them insured against fire and extended coverage hazards in an aggregate amount of not less than the fair market value of the building.

13.2 The TENANT shall carry fire and extended coverage insurance on all items of personal property, fixtures and improvements located upon the Premises and owned or held by it, and shall be solely responsible and liable for any damage or destruction of such personal property, fixtures and improvements.

14. LIABILITY INSURANCE. The TENANT, at its sole cost and expense, shall obtain and maintain a policy or policies of comprehensive public liability insurance, including property damage, covering the Premises and all use and occupancy of the Premises and any portion of the building or property utilized by TENANT in an amount of not less than \$500,000.00 comprehensive blanket general liability limit, and against liability for property damage in an amount of not less than \$500,000.00 per occurrence, and against liability for bodily injury in an amount of not less than \$500,000.00 per occurrence, with a reputable insurance company or companies licensed to do business in the State of Colorado. Such insurance policy or policies shall name the LANDLORD as an additional insured thereunder and state that the insuring company or companies will give not less than fifteen days prior written notice to the LANDLORD and TENANT of any cancellation or reduction of insurance under such policy or policies. A copy of such policy or policies, together with all endorsements pertaining thereto, shall be furnished to LANDLORD within ten days after the commencement date hereof, annually thereafter on or before April 10 of each year during the term of this Lease or any extension hereof, and upon reasonable request of the LANDLORD.

15. LIABILITY AND INDEMNITY.

15.1 TENANT agrees to hold harmless and to indemnify the LANDLORD from all claims (including all costs, expenses, liabilities and reasonable witnesses' and attorneys' fees) arising or alleged to arise from any act or

omission of TENANT or TENANT'S agents, customers, employees, contractors, or invitees, or arising from any injury or damage to any person or the property of any person occurring during the term of this Lease in or about the Premises. TENANT agrees to use and occupy the Premises and use the building at its own risk and hereby releases LANDLORD, his agents and employees from claims for any damage or injury to the full extent permitted by law.

15.2 LANDLORD agrees to indemnify and save the TENANT harmless from all claims (including all costs, expenses, liabilities and reasonable witnesses' and attorneys' fees) arising or alleged to arise from any act or omission of LANDLORD or LANDLORD'S agents, employees, contractors or invitees, or arising from any injury or damage to any person or the property of any person occurring during the term of this Lease as to other portions of the building and property not within the Premises or areas used by TENANT or its customers or invitees.

16. ADDITIONS OR ALTERATIONS TO PREMISES.

16.1 TENANT will make no changes, alterations, additions or improvements to the Premises without the prior written consent of the LANDLORD, which consent shall not be unreasonably withheld.

16.2 All costs, fees and expenses, including all permits and licenses required in connection therewith, pertaining to any such change, alteration, addition or improvement shall be timely paid by TENANT. TENANT will not permit any mechanic's lien or materialman's lien, or other liens, to be filed against the Premises or building for any labor or material furnished in connection with such change, alteration, addition or improvement.

16.3 TENANT may remove its trade fixtures, supplies and movable furniture and equipment not attached to the building provided: (1) such removal is made prior to the termination of the term of this Lease or any extension hereof; (2) TENANT is not in default of any obligation or covenant under this Lease at the time of such removal; and (3) TENANT promptly repairs all damage caused by such removal. All other property in the Premises and any alteration or addition to the Premises (including without limitation wall-to-wall carpeting, paneling or other wall covering) and any other article attached or affixed to the floor, walls or ceiling of the Premises shall become the property of LANDLORD and shall remain upon and be surrendered with the Premises at the termination of the Lease, TENANT hereby waiving all rights to any payment or compensation therefor. If, however, LANDLORD so requests in writing, TENANT will, prior to the termination of the Lease, remove any or all alterations, additions, fixtures, equipment and property in the Premises as requested by LANDLORD and will repair any damage caused by such removal.

17. ASSIGNMENT AND SUBLETTING. TENANT shall not assign this Lease, in whole or in part, or sublet any part of the Premises to any other person or entity, nor grant any right of possession therein, without the prior written consent of the LANDLORD.

18. LANDLORD'S TRANSFER OF INTEREST. LANDLORD shall have the right to transfer, sell, convey or in any other manner dispose of his interest in the building or the Premises. Upon any such transfer, the LANDLORD shall be relieved of any and all obligations hereunder to the TENANT and any successor or transferee of LANDLORD shall take title to the property and to TENANT'S security deposit subject to this Lease, and shall assume all of the obligations of the LANDLORD hereunder.

19. SIGNS AND ADVERTISING. TENANT shall be permitted to display signs and/or advertising devices under the following conditions:

19.1 TENANT has provided, at TENANT'S expense, a sign for the

outside of the Premises The size and location of such sign complies with the sign code and required approvals of the Town of Lake City. Any other signs desired by TENANT shall be placed at TENANT'S expense, shall comply with the sign code and any approvals of the Town of Lake City, and shall be subject to approval by LANDLORD. TENANT shall maintain any such signs in good, readable condition at its expense.

19.2 No free standing sign or advertising shall be allowed on the exterior of the building, except as specifically approved by LANDLORD, in compliance with requirements of the Town of Lake City.

20. JANITORIAL SERVICE. TENANT shall provide, at TENANT'S sole expense, janitorial or cleaning service for the Premises to maintain it in a clean manner. TENANT shall keep clean and maintain the exterior area of the Premises free of trash and debris resulting from customers' usage of the Premises.

21. NON-SMOKING ENVIRONMENT. TENANT shall maintain a smoke free environment throughout the Premises and the building, and shall not smoke or permit smoking of cigarettes, pipes, cigars or other products within the Premises or building.

22. ABIDE BY LANDLORD'S RULES. TENANT recognizes that its use of the areas outside the Premises is subject to control by LANDLORD and TENANT agrees to abide by any reasonable rules adopted by LANDLORD on use of such areas.

23. SUBORDINATION. This Lease may, at the option of the LANDLORD, be made subordinate to any first mortgage or first deed of trust now or hereafter placed upon or affecting the building and Premises and to all renewals, modifications, replacements or extensions thereof, subject to the provision that notwithstanding any default or foreclosure of such mortgage or deed of trust or the enforcement of any other rights and remedies including the right of sale thereunder, this Lease shall be recognized and shall remain in full force and effect during the initial and any subsequent term of this Lease so long as the TENANT is not in default of the Lease provisions. TENANT shall upon request by LANDLORD execute and deliver such instruments as may be reasonably necessary or convenient to evidence such subordination.

24. ACCESS BY LANDLORD. LANDLORD, his agents and employees, shall have access and the right to enter upon the Premises at any time for emergency purposes, and upon prior notice of at least 24 hours to examine the condition thereof, to make any repairs required to be made by LANDLORD hereunder, to show the Premises to prospective purchasers or building tenants, and/or any other lawful purpose deemed reasonable by LANDLORD. For each of the aforesaid purposes, LANDLORD shall at all times have and retain a key with which to unlock all of the doors in, upon and about the Premises.

25. DEFAULT BY TENANT. Any of the following events shall constitute an "event of default" by TENANT:

25.1 The failure to make the rental or any other payments on the due date or within the grace period set forth in Paragraph 6.2.

25.2 An assignment by TENANT for the benefit of creditors.

25.3 The filing of any case, petition or answer by or against the TENANT under any provision of the Federal Bankruptcy Act.

25.4 Any petition or other proceedings by or against the TENANT for the appointment of a trustee, receiver or liquidator of the TENANT or of any of the TENANT'S property.

25.5 Any attachment or execution levied upon the Premises or

TENANT'S property or interest under this Lease.

25.6 Any failure in the performance or observance of any covenant, agreement or obligation to be performed by the TENANT under the terms and provisions of this Lease and such failure continuing for ten days after written notice thereof by LANDLORD to TENANT; provided, however, that if the nature of TENANT'S failure is such that more than ten days is reasonably required for its cure, then TENANT shall not be deemed to be in default if TENANT shall commence such cure within the ten-day period and thereafter diligently prosecute such cure to completion.

25.7 Abandonment by TENANT of the Premises for a period of ten days except following damage to, or destruction of the Premises.

26. LANDLORD'S REMEDY UPON TENANT'S DEFAULT. Upon any event of default by TENANT, the LANDLORD shall have the following rights and remedies, in addition to any other remedy or right by law or in equity by reason of such event of default:

26.1 The right to terminate this Lease, in which event the TENANT shall immediately surrender possession of the Premises to the LANDLORD and pay to the LANDLORD all rental payments and other amounts payable by TENANT to LANDLORD to the date of termination. In the event the LANDLORD elects to terminate the Lease by reason of default, TENANT shall be liable for and shall pay to LANDLORD, at the time of termination, damages in an amount equal to the then present value of the rent for the remaining portion of the Lease term, (had the Lease not been terminated by LANDLORD). Any monthly rent actually received by a third party for the Premises for the remaining portion of the Lease term shall be refunded to TENANT up to the monthly amount paid by TENANT.

26.2 To enter upon and take possession of the Premises, with or without terminating this Lease or any extension hereof, and, at LANDLORD'S option, remove TENANT and any other occupant therefrom, with or without having terminated the Lease, and to alter and change any locks or other security devices at the Premises. No such re-entry by the LANDLORD shall be considered to be a forcible entry of the Premises. TENANT shall be liable for and shall pay to the LANDLORD all rent and other amounts due to the date of such repossession, together with all rent required to be paid by the TENANT to the LANDLORD during the remainder of the Lease term, less any monthly rent actually received by the LANDLORD.

26.3 In addition, TENANT shall be liable for and shall pay to LANDLORD any broker's fees or rental fees incurred by LANDLORD in connection with the re-leasing of the Premises; the cost of removing from the Premises and storing TENANT'S or other occupants' property; the costs of repairing, altering, remodeling or otherwise putting the Premises into a condition acceptable to a new tenant; and all reasonable expenses incurred by LANDLORD in enforcing the remedies of the LANDLORD, including reasonable attorneys' and witnesses' fees.

27. DEFAULT BY LANDLORD. If the LANDLORD shall be in default as to the performance of any covenant, agreement or obligation to be performed by LANDLORD under the terms and provisions of this Lease, and such default shall continue for ten days after written notice thereof by TENANT to LANDLORD; provided, however, that if the nature of LANDLORD'S failure is such that more than ten days is reasonably required for its cure, then LANDLORD shall not be deemed to be in default if it commences such cure within the ten day period and thereafter diligently prosecutes such cure to completion; then the TENANT shall have the following rights and remedies:

27.1 To cure such default with the reasonable costs and expenses thereof to be paid by LANDLORD.

27.2 To abate the rental payments to the extent that the LANDLORD'S default interferes with the TENANT'S normal business operation.

28. SURRENDER OF PREMISES. TENANT covenants and agrees that on the last date of this Lease or any renewal or extension hereof, it will quietly and peaceably leave and surrender the Premises to LANDLORD in as good condition as when received, ordinary wear and tear, repairs and replacements previously required to be made by LANDLORD, or alterations, additions and improvements, excepted. All keys to the building and Premises must be delivered to the LANDLORD at termination.

29. HOLDING OVER. In the event of holding over by TENANT after the expiration or termination of this Lease, the holdover shall be as a tenancy for month to month only, and all of the terms and provisions of this Lease shall be applicable during that period, except that TENANT shall pay LANDLORD as rental for the period of such holdover an amount not less than one hundred twenty-five percent (125%) of the rent which was owed for the month prior to the holdover period. TENANT agrees to vacate and deliver the Premises to LANDLORD upon TENANT'S receipt of notice from LANDLORD to vacate. The rent payable during the holdover period shall be payable to LANDLORD on demand. No holding over by TENANT, whether with or without consent of LANDLORD, shall operate to extend this Lease except as otherwise expressly provided in this Lease. In the event TENANT fails to surrender the Premises upon termination or expiration of this Lease, then TENANT shall indemnify LANDLORD against loss or liability resulting from any delay by TENANT in surrendering the Premises, including, but not limited to any amounts required to be paid to third parties which were to have occupied the Premises and any reasonable attorneys' and witnesses' fees related thereto.

30. TAXES PAYABLE BY TENANT. The TENANT will promptly pay all sales taxes, and taxes and assessments levied upon the personal property and fixtures of the TENANT located upon the Premises and will not allow the same to become delinquent.

31. TAXES PAYABLE BY LANDLORD. LANDLORD shall pay all real property taxes assessed to the Premises as the same become due.

32. DAMAGES OR DESTRUCTION OF PREMISES. If the Premises shall be damaged or destroyed by fire or other casualty in an amount exceeding 40 percent of its fair market value, or in such a manner as to prevent the TENANT'S conduct of business for a period in excess of two months, then either party may terminate this Lease upon written notice to the other party within 10 business days of the date of damage.

If the Premises shall be damaged or destroyed, but such damage or destruction shall not cause a termination of this Lease, then the LANDLORD and TENANT, subject to the rights and obligations set forth in Paragraphs 9 and 10 above, shall promptly repair all such damage and restore the Premises using any and all insurance proceeds, subject to delays due to adjustments in insurance claims, strikes and other causes beyond the parties' control. During any period of time in which the TENANT cannot conduct its business, the monthly rent due hereunder to the LANDLORD shall be abated.

33. NON-WAIVER OF REMEDY. The waiver by the LANDLORD or the TENANT of any breach or default of any term, covenant or condition of this Lease shall not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant or condition of the Lease.

34. NOTICES. All notices and communications required herein shall be in writing and hand delivered, transmitted by facsimile when a successful transmission is evidenced by an answer back transmission receipt, or sent by registered or certified mail at the following addresses or such other addresses as the parties may designate

by notice as set forth herein from time to time:

LANDLORD: Daniel L. Plies
22706 Aspan Street, Suite 701
Lake Forest, CA 92630
Fax: 949/770-2253

TENANT: Lake Fork Health Services District
700 Henson Street
Lake City, CO 81235

The date of delivery shall be the date of hand delivery or facsimile, or the date of mailing.

35. SEVERABILITY CLAUSE. If any term or provision of this Lease shall be invalid or unenforceable, the remainder of this Lease and the terms and provisions hereof shall not be affected thereby and all other terms and provisions of this Lease shall be valid and enforceable to the full extent permitted by law.

36. ENTIRE AGREEMENT, AMENDMENT. This written agreement contains the entire and only agreement between LANDLORD and TENANT, and no oral statements or representations not contained in this Agreement shall be of any force or effect between said parties. This Lease shall not be modified or amended in any manner except by written instrument executed by the parties.

37. APPLICABLE LAW. This Lease is entered into in the County of Hinsdale and State of Colorado, and it is agreed that the proper jurisdiction and venue of any action pertaining to the interpretation or enforcement of this Lease shall be in the County or District Court of Hinsdale County, Colorado.

38. ATTORNEYS' FEES. It is agreed that if any action is brought in a court of law by either party to this Lease as to the enforcement, interpretation or construction of this Lease, or any document provided for herein, or the rights and obligations of the parties, the prevailing party in such action shall be entitled to reasonable attorneys' and witnesses' fees as well as all other costs incurred in the prosecution or defense of such action.

39. CAPTIONS. The headings and captions contained in this Lease are inserted for the convenience of reference only and are not to be deemed a part of, nor to be used in, construing this Lease.

40. TIME OF ESSENCE. Time is of the essence of this Lease and any term, covenant and other condition contained herein.

40.1 The parties agree that this Lease may be executed by facsimile signature and/or in counterparts. In such cases, when both parties have so executed, this Lease shall have the same binding force and effect as if executed in person and as a whole.

41. GOODS AND EQUIPMENT, ETC., LEFT BY TENANT. TENANT shall remove all of its goods, equipment and other personal property prior to termination, and any such property left by the TENANT may be destroyed, stored or sold by LANDLORD, in any manner determined by LANDLORD in his sole discretion, and any costs incurred by LANDLORD in so doing shall be TENANT'S obligation.

42. BINDING AGREEMENT. Except as provided in Paragraph 17, it is understood and agreed that this Lease shall be binding upon the heirs, personal representatives, successors and assigns of the parties hereto.

43. OPTION TO RENEW. TENANT shall have the option to renew this lease for an additional term of one year subject to the following conditions:

43.1 TENANT shall give LANDLORD written notice of its intention to renew this Lease not less than 90 days prior to the termination date of this Lease.


43.2 The rental payments \$250.00 per month.

43.4 No event of default by TENANT has occurred during the term of the Lease.

44. **FACSIMILE AND COUNTERPARTS.** This Lease may be executed by facsimile signature and in counterparts, and such documents so executed shall constitute one and the same legally binding Lease.

45. Grace Fellowship shall have use of the Premises Sunday AM and Thursday AM. This is to be coordinated with Lyn Lampert of Grace Fellowship.

IN WITNESS WHEREOF, this Lease is executed to be effective the day and year first above written.

LANDLORD:

Daniel L. Plies

TENANT:

Lake Fork Health Services District

By: _____

GUARANTEE OF PAYMENT

The undersigned Guarantor unconditionally guarantees to LANDLORD a prompt and complete payment of all rental payments due under the above Business Lease in the event that TENANT defaults on any timely rental payments. The obligations of the Guarantor are and shall be absolute under any and all circumstances, without regard to the validity, regularity, or enforceability of the Business Lease, a true copy of which the Guarantor hereby acknowledges having received, reviewed and approved.

Dated this 1st day of November 2020

GUARANTOR:
