

**CITY OF WATSONVILLE**

**LICENSE AGREEMENT**

**LICENSEE:** The Internet Store, Inc., a California corporation, d/b/a Cruzio, Cruzio Internet, Cruzeioworks, Cruzio Media and Santa Cruz Fiber  
877 Cedar Street Suite 150  
Santa Cruz, CA 95060

**CITY:** CITY OF WATSONVILLE  
275 Main Street Suite 400  
Watsonville, CA 95076

**SITE:** City of Watsonville Civic Center  
275 Main Street  
Watsonville, CA 95076

**TERM OF LICENSE:** 5-year term

**COMMENCEMENT DATE OF LICENSE:** August 1, 2024

**ANNUAL RENT:** \$21,373 subject to increase as provided below

**CITY CONTRACT NUMBER:**

## **CITY OF WATSONVILLE LICENSE AGREEMENT**

### **Basic License Terms - Reference Pages**

**LICENSOR:** City of Watsonville

**CITY'S ADDRESS FOR NOTICES:** City Clerk  
City of Watsonville  
275 Main St. Suite 400  
Watsonville, CA 95076

**CITY'S ADDRESS FOR RENT:** City of Watsonville  
Finance Department  
250 Main Street  
Watsonville, CA 95076

**LICENSEE:** The Internet Store, Inc., a California corporation, d/b/a Cruzio, Cruzio Internet, Cruzeioworks, Cruzio Media and Santa Cruz Fiber ("Cruzio")

**LICENSEE'S ADDRESS FOR NOTICES:** 877 Cedar Street Suite 150  
Santa Cruz, CA 95060  
Attn: Legal Department

**LICENSEE'S TELEPHONE NO.:** **1-866-862-4404**

**PREMISES:** (1) a portion of the property known as "275 Main Street, Watsonville, CA"  
(see Exhibit "A" for additional description)

**RENTABLE AREA:** (1) 275 Main Street:  
  
Exterior space for the mounting of wireless distribution components on the rooftop enclosure area known as the "Penthouse Equipment Building" and interior space for the installation of networking gear, cabling and related equipment.

**USE:** Wireless Telecommunications Service Distribution

**ANTENNA SPACE:** (1) 275 Main Street:

Twenty-nine wireless distribution components, including fiber cabling on the rooftop enclosure area known as the “Penthouse Equipment Building.

**EQUIPMENT SPACE:** 275 Main Street:

Equipment Space/Rack Space ( not to exceed 2’width x 2’ depth, 7’ height) within the City’s First Floor Data Center also known as Minimum Point of Entry (MPOE)

**SCHEDULED COMMENCEMENT DATE:** August 1, 2024

**TERM OF LICENSE:** 5-year term

**TERMINATION DATE:** May be terminated by either party upon thirty (30) days prior written notice

**RENT:**

(a) Annual rent of \$21,373/year which includes the current 29 antennae at Civic Plaza roof, Rack space at Civic Plaza penthouse and rack space at Civic Plaza’s Minimum Point of Entry (MPOE). Calculated using the State of California Department of General Services Telecom Lease Rate Guideline as follows: Rack Space (penthouse and MPOE) = \$11,017/year and \$10,356 for the 29 antenna’s at their noted rate (exhibit B) for a total of \$21,373/year.

(b) Annual Increase: Three percent (3%) over existing rent

(c) Every 5 years the annual rate will be adjusted to market rate using the California Department of General Services’ Telecom Lease Rate Guidelines

**TERMINATION:** As provided in Section 10

**OPTION TO EXTEND:** 3 options for 5-year extension

**ROAD REPAIRS:** Not applicable

**UTILITIES:** Provided by Licensee

**HOLDING OVER:** Rent shall be increased to 150% of the existing rent at expiration of the term.

**INSURANCE:** Workers’ Compensation - To meet Labor Code of the State of California including Employer’s Liability with limits of \$250,000 each accident/disease/policy limit.

Commercial General Liability with limits of one million dollars per occurrence for bodily injury and property damage and one million dollars (\$1,000,000) general aggregate; and

Commercial Automobile Liability in the amount of one million dollars (\$1,000,000) combined single limit each accident for bodily injury and property damage.

**EXHIBITS:**

“A” Legal Description, Attached

“B” Location of Premises, Site Information & Equipment, Attached

The Reference Pages are incorporated into and made a part of this License. In the event of any conflict between any information on the Reference Pages and this License, this License shall control. This License includes the foregoing Exhibits all of which are made a part of this License.

## **LICENSE AGREEMENT**

This License Agreement (this "License") is entered into as of August 1, 2024, by and between the City of Watsonville, a California charter city and municipal corporation ("CITY") and The Internet Store, Inc., a California corporation, d/b/a Cruzio, Cruzio Internet, Cruzioworks, Cruzio Media and Santa Cruz Fiber ("LICENSEE").

### **RECITALS**

**WHEREAS**, CITY is the record owner of certain real property and improvements located in the County of Santa Cruz, at: (1) 275 Main Street: Watsonville, CA 95076 ("Civic Center Plaza"). The property is more fully described and/or depicted in the attached Exhibit "A-1" to this Agreement (hereinafter collectively referred to as "the Site");

**WHEREAS**, LICENSEE desires to use a portion of the existing CITY communication sites ("Sites"), including space within Civic Center Plaza and on the rooftop enclosure area located at Civic Center Plaza in the area known as the "Penthouse Equipment Building" as legally described on Exhibit A and ,for LICENSEE's communications system equipment ("Equipment"); and

**WHEREAS**, LICENSEE is a federally-licensed telecommunications provider that desires an agreement for the joint use and lease of a portion of City's Properties; and

**WHEREAS**, LICENSEE shall construct, install, maintain and operate Network Distribution Equipment and related backhaul connections and antenna,(the "Network Distribution Equipment"), and appurtenances thereto on a portion of City's Properties (the "Sites") for the sole purpose of providing telecommunications service(s) to customers, including but not limited to residents and businesses within range of its transmission facilities as set forth in this Agreement;

**WHEREAS**, CITY is willing to permit said use of the Site subject to certain conditions; and

**WHEREAS**, portions of the Site are currently excess to the CITY's needs.

**NOW, THEREFORE**, in consideration of the execution of this License, the parties mutually agree to the following conditions.

#### **1. DEFINITIONS:**

- A. "License" means this non-exclusive License Agreement and any relevant Documents (as defined in Paragraph 3.C. below), including any Exhibits and/or Attachments, all of which are made a part of this License; provided that LICENSEE shall have exclusive use of the Premises, as defined hereinbelow, pursuant to the terms and conditions hereof.
- B. "Premises" refers to the Antenna Space, the Equipment Space, utility connections between the Antenna Space, Equipment Space, and the nearest appropriate

utilities provider and, if any, access to the Antenna Space and Equipment Space from a public right-of-way.

- C. “The Site”. The Sites are described as a portion of the Properties. The specific locations of the Site are more particularly described in and/or depicted on the attached Exhibit “B”.
- D. Permitted Use. The Sites may be used by LICENSEE solely for the Permitted Use, pursuant to the terms and conditions of this Agreement. In particular, LICENSEE may use the Sites as a telecommunications network distribution equipment site, which shall house LICENSEE’s Network Distribution Equipment and Improvements, as detailed below, for furnishing telecommunication services that LICENSEE is legally authorized to provide during the Term of this Agreement. LICENSEE shall not use the Sites for any purpose other than specified in this Agreement without the written consent of CITY . Additionally, LICENSEE may install and maintain backhaul connections, wires, cables, and antennae that are needed in the operation of the telecommunication network distribution equipment Ingress, egress, and LICENSEE’s Permitted Use shall not interfere with the CITY’s use of the Properties
- E. “Improvements” (when applicable) refers individually or collectively to the LICENSEE’s communications system and related equipment, cabling, and antenna(s) currently existing at the Sites and depicted and described on Exhibit B attached hereto and any additional antennas, related equipment and cabling as may be approved by the CITY. Changes to this License, including any exhibits, will require approval by the Watsonville City Council and must be in an agreement or writing executed by LICENSEE and CITY.

## **2. LICENSE TO USE.**

CITY hereby gives permission, terminable as hereinafter provided, to LICENSEE to enter the Site and use the Premises for the purpose of installing and maintaining, operating and repairing the Improvements for the term herein provided. LICENSEE shall not be permitted to enter the Site or use the Premises for any other purpose, except by prior written permission of CITY.

## **3. LICENSEE IMPROVEMENTS.**

### **A. Acknowledgement of Responsibility**

LICENSEE acknowledges that the Site has been identified by CITY as being essential to CITY’s fulfilling its mission of public safety and well-being, and the necessity for CITY and LICENSEE’s diligence in safeguarding and restricting access to the Site and protecting CITY property, of all kinds, at said Site. LICENSEE warrants that it will not disturb or tamper with any CITY equipment, to include, but not limited to, electronic, electrical, LPG, buildings, towers,

grounding systems, antennas, feed lines, etc., at the Site, except as otherwise permitted hereunder.

LICENSEE shall be liable for all claims, demands, actions, and causes of action to the extent caused by the negligence or otherwise wrongful conduct on the part of any agent, contractor, or employee of LICENSEE to the extent arising from LICENSEE's installation/maintenance or operation of LICENSEE's Improvements on the Site, except to the extent caused by CITY or its agents, contractors or employees. Further, LICENSEE shall release, remise, and forever discharge CITY of and from any and all claims, demands, actions, and causes of action, except to the extent caused by the intentional acts or negligence of CITY or CITY's agents, contractors or employees, which LICENSEE may acquire by reason of LICENSEE's installation/maintenance or operation of LICENSEE's Improvements on the Site.

**B. Requirements, Limitations, and Installation Conditions – This License is subject to the limitations, requirements and installation conditions as set forth below:**

1. Installation: LICENSEE may construct, install, place, use and operate on the Sites the Network Distribution Equipment and such backhaul connections, wires, cables, antennae, supporting structures, and/or related equipment further described in Exhibit "B" in accordance with the plans and the telecommunications network distribution equipment diagrams as depicted on the attached as Exhibit "C" (the "Improvements"). For any and all Improvements to be constructed by Cruzio, the design, location, and color of the Improvements, including but not limited to, the Network Distribution Equipment, wires, cables and antennae must be approved by the City. LICENSEE will observe standard safety practices when performing any work or installing Improvements. LICENSEE agrees to install, maintain, and operate its Improvements in accordance with the highest standard prevailing in the communications industry.

2. Notwithstanding the foregoing, once the initial Equipment is installed, LICENSEE shall not make any material alterations thereto (or to the Premises structure itself) without obtaining the prior written approval of CITY, which approval shall not be unreasonably withheld, conditioned or delayed, except that LICENSEE may perform routine repairs and maintenance, and replace equipment with equipment of the same general type that meets or exceeds the same technical specifications of the original equipment, uses the same RF frequencies, does not occupy materially more physical space and consumes no additional electrical power. LICENSEE shall immediately notify CITY in writing of such modifications and the date that the modifications are completed.

3. Any Improvements and Modifications to equipment owned by LICENSEE shall be performed at LICENSEE sole cost and expense. LICENSEE shall notify CITY in writing sixty (60) days in advance of any planned modification(s) to equipment.

4. This contract will cover all items in Exhibit B. Lessee will update City with additions, removals, or replacement of items to the list.

5. Photo and physical review will be performed by CITY on an annual basis, if additional equipment is found and not documented or amended to contract, LICENSEE shall either (i) remove such additional equipment within thirty (30) days of receipt of written notice of same, or (ii) amend Exhibit B to this License to include any such equipment and commence payments therefor in accordance with Section 6 of this License..

6. LICENSEE shall remove the Equipment prior to the end of this agreement.

7. Access: In the event LICENSEE requires the use of a crane or other heavy equipment vehicle, in connection with any installation, maintenance or repair at the Premises, LICENSEE must provide written notice of site access three (3) business days prior to the desired access date, provided that advanced notice shall not otherwise be required for routine maintenance and repair activities at the Site or any installation that does not require a crane or other heavy equipment. LICENSEE shall give CITY notice as soon as reasonably possible in the event of an emergency.

Emergency access may be coordinated through the IT Help Desk at 831-768-3434 or [it.servicedesk@watsonville.gov](mailto:it.servicedesk@watsonville.gov). Except in the case of an emergency whereby LICENSEE may access the Premises at any time as reasonably necessary for the emergency, LICENSEE may only access the site Monday through Friday between the hours of 9:30 am to 4:00 pm. For the purposes hereof, an emergency shall be deemed to be LICENSEE's inability to transmit signals from, or receive signals at, the Site or a situation that reasonably appears to present an imminent risk of bodily injury or property damage. 3.Equipment Changes:

- C. Subject to LICENSEE's right to use the Site granted herein, CITY retains the right to make any improvements to the Site as reasonably deemed necessary by the CITY. Nothing contained in this Agreement shall be deemed or construed in any way to limit CITY's authority to exercise any right or power concerning the utilization of the Site, subject to LICENSEE's rights to use the Site pursuant to this License. LICENSEE's use of the Premises shall be subordinate to the CITY's use of the antenna space.
- D. Additional Controlling Documents – The Sites may be subject to leases, licenses, and/or right-of-way grants/temporary use permits secured by the CITY from other governmental or private agencies (collectively, the "Documents"). LICENSEE acknowledges its interest in the License will be subject to the Documents and is responsible for any related costs to the extent incurred directly by CITY due to LICENSEE's use of the Site. LICENSEE will be furnished with copies of Documents and any amendments thereto.



- E. LICENSEE's Maintenance – The costs of any maintenance and operation of the Improvements shall be at the sole expense of LICENSEE.
- F. Interference – Improvements shall be located so as not to interfere, physically or electronically, with any of the CITY's operations; provided however, that CITY acknowledges that the Improvements existing as of the Commencement Date do not cause such interference.

In the event the CITY determines or is notified that the operation of the LICENSEE's Improvements is causing interference to the transmission and/or reception of any other communications systems in use at the Site, CITY shall notify LICENSEE to correct the problem. If such interference is not eliminated within a forty-eight (48) hour period after notice, CITY may take whatever immediate steps are reasonably necessary to eliminate said interference, including powering off LICENSEE's equipment, removing LICENSEE's equipment from service, and/or terminating this License, all without further prior notice.

**4. COMPLIANCE WITH LAWS.** Licensee agrees at all times to comply fully and in a timely manner with, and to cause all of its employees, agents, and contractors to so comply with, all applicable federal, state and local laws, statutes, ordinances, administrative orders, rules or regulations relating to its duties, obligations, rights and performance under the terms of this License. This shall include but not be limited to complying with any and all conditions of approval duly adopted by the CITY in accordance with its Governmental Capacity (as defined below).

**5. TERM; RENEWAL TERMS.**

- A. This License shall commence as of August 1, 2024 ("Commencement Date"), and continue thereafter for a period of five (5) years through and including July 30, 2029 (the "Initial Term").
- B. CITY and Licensee acknowledge and agree that as of the Commencement Date, (1) that certain Site Contract dated December 7, 2016 (the "Civic Plaza Contract") and (2) that certain Trade Agreement dated December 6, 2016 (the "Civic and Airport Trade Agreement") and any amendments, related easements, Memorandum of Lease or other documents related to either the Civic Plaza Contract or the Civic and Airport Trade Agreement (Items (1) and (2) collectively, the "Terminated Agreements") shall automatically terminate and be of no further force or effect. This License supersedes and replaces the Terminated Agreements. CITY and Licensee acknowledge that notwithstanding the termination of the Terminated Agreements and the commencement of this License, Licensee may continue to make, and CITY may continue to receive, rental and other payments pursuant to the Terminated Agreements. In such event, any rental or other payments made pursuant to the Terminated Agreements after the termination shall be applied and credited against any rentals or other payments due under this License.

- C. LICENSEE is granted the option to extend the term of this License (the “Renewal Option”) upon and subject to all of the provisions contained herein, except for the Renewal Option, for two (2) five (5) year periods (each, an “Extended Term”) following expiration of the Initial Term. The Renewal Option may be exercised only by giving notice of exercise of the Renewal Option (“Option Notice”) to City at least six (6) months before the expiration of the Initial Term or Extended Term, as the case may be. If LICENSEE is in default beyond the period of notice and opportunity to cure provided in Section 14 of this License on the date of giving the Option Notice (and has not commenced curing any such default on such date), the Option Notice will be totally ineffective. If LICENSEE is in default beyond the period of notice and opportunity to cure provided in Section 14 of this License on the date the Extended Term is to commence (and has not commenced curing any such default on such date), the Extended Term will not commence, and this License will expire at the end of the applicable term as it may have previously been extended.

**6. RENT.** LICENSEE shall pay to CITY the following annual rental payments in advance on the first day of each August, commencing on the Commencement Date, continuing during the term:

Monthly Rent Amount                      \$21,373/year (the “License Fee”)

- a. In addition to the License Fees specified herein, LICENSEE may be billed for actual time expended by CITY staff for resolution of issues related to the performance of this Agreement to the extent a resolution is requested by LICENSEE and not caused by CITY’s acts or otherwise required as a result of events outside LICENSEE’s control. This shall be limited to costs for staff assistance that is otherwise billed to other CITY departments or agencies. Rates for such services will be billed to LICENSEE at the same rate that the CITY is currently billing CITY departments internally for similar services, subject to modification each July 1.
- b. Pricing for the License Fee will follow State of California telecom lease rate guidelines.
- c. **FEE INCREASES:** Licensee Fee may be increased on each annual anniversary of the Commencement Date for fee to reflect the State of California Lease rate guideline.

**7. PROPRIETARY AND GOVERNMENTAL ROLES; ACTIONS BY LICENSOR.** Except where clearly and expressly provided otherwise in this License, the capacity of the CITY in this License shall be as owner and Licensor of property only (“Proprietary Capacity”), and any obligations or restrictions imposed by this License on the CITY shall be limited to that capacity and shall not relate to, constitute a waiver of, supersede or otherwise limit or affect its governmental capacities, including enacting laws, inspecting structures, reviewing and issuing permits, and all of the other legislative and administrative or enforcement functions pursuant to federal, state or local law (“Governmental Capacity”). When acting in its Proprietary Capacity,

discretionary actions may be undertaken by the City Manager or other designees as designated by the City Manager to the extent otherwise provided for in this License. In addition, nothing in this License shall supersede or waive any discretionary or regulatory approvals required to be obtained from the CITY under applicable law, nor guarantee that the CITY, in its Governmental Capacity, will grant any particular request for a license, permit or other regulatory approval. LICENSEE understands that the CITY may grant or deny such request in its sole discretion and may impose such terms and conditions as it deems consistent with that discretion and applicable law.

**8. HOLDING OVER.** In the event the LICENSEE shall hold over and continue to occupy the Premises with the consent of the CITY, expressed or implied, the tenancy shall be deemed to be a tenancy from month-to-month upon the same terms and conditions, except rent which shall be one hundred fifty percent (150%) of the rent which existed and prevailed at the time of the expiration of the term of this License. For example, if the rent is One Thousand and 00/100 Dollars (\$1,000.00) at the expiration of the term, rent for holding over will be One Thousand Five Hundred and 00/100 Dollars (\$1,500.00).

**9. TAXES.** LICENSEE shall pay before delinquency any and all property taxes, assessments, fees, or charges, including possessory interest taxes, which may be levied or assessed upon any personal property, improvements or fixtures installed or belonging to LICENSEE and located within the Premises. LICENSEE shall also pay all license or permit fees necessary or required by law for the conduct of its operation. LICENSEE recognizes and understands that this License may create a possessory interest subject to property taxation and that the LICENSEE may be subject to the payment of property taxes levied on such interest.

**10. TERMINATION.** Either Party may terminate this License upon the expiration of the Initial Term or any Extended Term for its convenience upon prior written notice from the terminating party to the other party at last twenty-four (24) months prior to the expiration of such Initial Term or any Extended Term. Neither party shall incur any liability to the other by reason of such termination.

## **11. RATES AND PAYMENT TERMS.**

Payment rates and conditions are set forth above in Section 6, RENT. Except for the License Fee, which shall be paid automatically by LICENSEE in accordance with Section 6 above, any other payment required hereunder shall be due upon receipt of invoice and payable within thirty (30) days of receipt of an invoice and reasonable supporting documentation.

Payment address is:

City of Watsonville  
Finance Department  
250 Main Street  
Watsonville, CA 95076

## **12. AGREEMENT AUTHORIZATION.**

LICENSEE warrants and represents that the individual signing this License is a properly authorized representative of the LICENSEE and has the full power and authority to enter into this License on the LICENSEE's behalf.

### **13. ASSIGNMENT.**

This License, or any interest therein, including any claims for monies due with respect thereto, shall not be assigned by LICENSEE except with the consent of CITY, which consent shall not be unreasonably withheld, and any such assignment shall be void without such consent. Notwithstanding the foregoing, without any approval or consent of CITY, this License may be sold, assigned or transferred by LICENSEE to (i) any entity in which LICENSEE directly or indirectly holds an equity or similar interest; (ii) any entity which directly or indirectly holds an equity or similar interest in LICENSEE; (iii) any entity directly or indirectly under common control with LICENSEE; or (iv) to any entity which acquires all or substantially all of LICENSEE's assets in the market defined by the FCC in which the Property is located by reason of a merger, acquisition or other business reorganization.

### **14. DEFAULT AND TERMINATION.**

- A. City's Remedies for Licensee Default. The failure of any of the following requirements shall be deemed a breach of a material term of this License and this License shall be subject to immediate termination under the following circumstances:
1. LICENSEE fails and neglects to comply with any monetary obligation herein, after ten (10) days' written notice and demand; or
  2. LICENSEE fails or neglects to comply with any reasonable requirement of CITY after thirty (30) days' written notice and demand, or, if the failure cannot reasonably be remedied in such time, if the failing Party does not commence a remedy within the allotted 30 days and diligently pursue the cure to completion within 90 days after the initial written notice; or
  3. LICENSEE fails to comply with any recorded agreement or permit to which the CITY is subject after advanced written notice to LICENSEE and LICENSEE's failure to cure such failure after notice and within the cure periods specified in this Section 14 (i.e. thirty (30) days), or, if the failure cannot reasonably be remedied in such time, if LICENSEE does not commence a remedy within the allotted 30 days and diligently pursue the cure to completion within 90 days after the initial written notice.

In the event of such termination, CITY may immediately disconnect. LICENSEE shall, if appropriate, immediately remove any and all of LICENSEE's Improvements from the Site and surrender all rights and privileges under this License. If LICENSEE fails to restore the Premises to its former condition,

reasonable wear and tear excepted, within thirty (30) days after such termination, the CITY may restore the Premises at LICENSEE's sole expense.

- B. LICENSEE's Remedies for CITY's Default. In the event of CITY's default of any material obligation herein, LICENSEE may demand in writing that the default be cured within thirty (30) days after the receipt of such notice by the CITY. The failure to cure such default within the stated period shall constitute a breach of this License, and LICENSEE may elect to terminate this License immediately by providing CITY written notice of termination.

## 15. INDEMNIFICATION AND INSURANCE.

### A. Indemnification.

To the extent permitted by law, LICENSEE agrees to protect, defend, hold harmless and indemnify City, its City Council, commissions, officers, agents, volunteers, and employees from and against any claim, injury, liability, loss, cost, and/or expense or damage, however same may be caused, including all costs and reasonable attorney's fees in providing a defense to any claim arising therefrom for which City shall become legally liable arising from LICENSEE's negligent, reckless, or wrongful acts, errors, or omissions with respect to or in any way connected with this Lease, except to the extent caused by the negligence or willful misconduct of CITY or CITY's agents, employees, or contractors. Lessee shall give City immediate notice of any claim or liability hereby indemnified against.

### B. Insurance.

Without in any way affecting the indemnity herein provided and in addition thereto, the LICENSEE shall secure and maintain throughout the License term the following types of insurance with limits as shown:

1. Workers' Compensation - To meet Labor Code of the State of California including Employer's Liability with limits of \$250,000 each accident/disease/policy limit.
2. Commercial General Liability with limits of one million dollars per occurrence for bodily injury and property damage and one million dollars (\$1,000,000) general aggregate; and
3. Commercial Automobile Liability in the amount of one million dollars (\$1,000,000) combined single limit each accident for bodily injury and property damage.
4. Real Property Insurance - Covering all of the Improvements and LICENSEE's personal property against loss or damage by fire, lightning, extended coverage, vandalism, malicious mischief and earthquake in an amount equal to their replacement value.

5. Additional Insured – LICENSEE agrees that it will include the CITY as an additional insured as their interest may appear under this License on the commercial general liability and automobile on its liability policies.
6. Waiver of Subrogation Rights – LICENSEE hereby waives all subrogation and/or recovery rights against the CITY, its employees, and volunteers.
7. Policies Primary and Non-Contributory – All policies required above are to be primary and non-contributory with any insurance or self-insurance programs carried or administered by the CITY, as relates to LICENSEE's negligence.

CITY is a public entity and is self-insured. LICENSEE and CITY acknowledge that CITY is legally self-insured for Workers' Compensation up to statutory limits. LICENSEE and CITY accept such self-insurance as satisfying the Workers' Compensation requirements under this License.

## **16. HAZARDOUS MATERIALS.**

- A. "Hazardous Materials" shall mean any substance deemed to be hazardous, toxic, or dangerous in any Hazardous Waste Law, and shall include petroleum. "ACMs" shall mean asbestos containing materials. "Hazardous Water Laws" shall mean all applicable federal, state, or local laws or regulations governing Hazardous Materials and/or ACMs.
- B. Neither LICENSEE or CITY has, nor will, generate, store, or dispose of any Hazardous Materials or ACMs on or about the Premises in violation of any Hazardous Waste Laws. To the best of CITY's knowledge, CITY does not know of the existence of any hazardous Materials or ACMs on the Premises in violation of any Hazardous Waste Laws and CITY has not received any written notice of any violation of Hazardous Waste Laws, or any written directive to perform any work in accordance therewith. CITY shall be responsible for remediation of any release of any Hazardous Materials in accordance with all applicable laws, which release does not result from LICENSEE's activities. LICENSEE shall be responsible to the extent any release results from LICENSEE's (including Licensee's agents, employees, or contractors) activities. Notwithstanding the foregoing, CITY shall be responsible for abating any ACMs that will be disturbed by LICENSEE's permitted use.

## **17. CASUALTY.**

In the event of damage by fire or other casualty to CITY'S antenna space or the Premises which LICENSEE did not cause, contribute to or exacerbate and which is not repaired within forty-five (45) days following same or, if the Site is damaged by fire or other casualty so that such damage disrupts LICENSEE'S operations at the Premises for more than forty-five (45) days, then LICENSEE may, at any time following that period, terminate this License upon fifteen (15) days prior written notice to CITY. Any such

notice of termination shall cause this License to expire with the same force and effect as though the date set forth in such notice were the date originally set as the expiration date of this License and the parties shall make an appropriate adjustment, as of such termination date, with respect to payments due to the other under this License. Notwithstanding the foregoing, the rent shall abate during the period of repair following such fire or other casualty in proportion to the degree to which LICENSEE'S use of the Premises is impaired.

## **18. CONDEMNATION.**

In the event of condemnation of all or any portion of the Site, this License shall terminate as to the part so taken as of the date the condemning authority takes title or possession, whichever occurs first. If as a result of a partial condemnation of the Premises or CITY'S antenna space, LICENSEE, in LICENSEE'S sole discretion, is unable to use the Premises for the purposes intended hereunder, or if such condemnation disrupts LICENSEE'S operations at the Premises for more than forty-five (45) days, LICENSEE may, at LICENSEE'S option, which must be exercised in writing within fifteen (15) days after CITY shall have given LICENSEE written notice of such taking (or in the absence of such notice, within fifteen (15) days after the condemning authority shall have taken possession) terminate this License as of the date the condemning authority takes such possession. LICENSEE may on its own behalf make a claim in any condemnation proceeding involving the Premises for its losses related to the equipment, conduits, fixtures, its relocation costs and its damages and losses (but not for the loss of any possessory interest). The parties shall make an appropriate adjustment to payments due to the other under this License for the time of the LICENSEE is unable to use the Premises. If LICENSEE does not terminate this License in accordance with the foregoing, this License shall remain in full force and effect as to the portion of the Premises remaining, except that the rent shall be reduced in the same proportion as the rentable area of the Premises taken bears to the total rentable area of the Premises.

## **19. FORCE MAJEURE.**

Neither party shall be held liable for any delay or failure in performance of any part of this License from any cause beyond its control and without its fault or negligence, such as acts of God, acts of civil or military authority, government regulations, strikes, labor disputes, embargoes, epidemics, war, terrorist acts, riots, insurrections, fire, explosions, earthquakes, nuclear accidents, floods, power blackouts, brownouts, or surges, volcanic action, other major environmental disturbances, unusually severe weather conditions, inability to secure product or services of other persons or transportation facilities, or acts or omissions of transportation common carriers.

## **20. FAA SPECIAL PROVISIONS FOR PREMISES LOCATED AT CITY AIRPORT.**

- A. LICENSEE, for itself, its personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that in event facilities are constructed, maintained, or otherwise operated on the property described in this License for a purpose for

which a DOT program or activity is extended of for another purpose involving the provision of similar services or benefits, LICENSEE shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to Title 49, Code of Federal Regulations, DOT, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-Assisted Programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

- B. The LICENSEE for itself, its personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby further covenant and agree as a covenant running with the land that: (a) no person on the grounds of race, color or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of facilities; (b) that in the construction of any improvements on, over, or under such land and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subject to discrimination; (c) that the LICENSEE shall use the with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-Assisted Programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as such Regulations may be amended.
- C. In the event of breach of any of the nondiscrimination covenants, CITY shall have the right to terminate this License and to reenter and repossess the Premises and the facilities thereon, and hold the same as if this License had never been made or issued. The provision does not become effective until the procedures of 49 CFR Part 21 are followed and completed including expiration of appeal rights.
- D. LICENSEE shall furnish its accommodations and/or services on a fair, equal and not unjustly discriminatory basis to all users thereof and it shall charge fair, reasonable, and not unjustly discriminatory prices for each unit or service; PROVIDED, THAT the LICENSEE may be allowed to make reasonable and nondiscriminatory discounts, rebates, or other similar type of price reductions to volume purchasers.
- E. Non-compliance with paragraph D, above shall constitute a material breach thereof and in the event of such non-compliance CITY shall have the right to terminate this License without liability therefore or at the election of the CITY or the United States either or both Governments shall have the right to judicially enforce paragraph D, above.
- F. LICENSEE shall insert the provisions of this section in any agreement or contract by which LICENSEE grants a right of privilege to any person, firm, or corporation to render accommodations and/or services to the public on the Premises herein licensed, if applicable.



- G. LICENSEE assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall be on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR, Subpart E. LICENSEE assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by such subpart. LICENSEE assures that it will require that it's covered by such subpart. LICENSEE assures that it will require that its covered sub organizations provide assurances to the LICENSEE that they similarly will undertake affirmative action programs and that they will require assurances from their sub-organizations, as provided by 14 CFR Part 152, subpart 2, to the same effect.
- H. The CITY reserves the right to further develop or improve the landing area of the Airport as it sees fit, regardless of the desires or views of LICENSEE and without interference of hindrance. Such reservation included without limitation the right to develop and operate other airports, to relocate existing operations at other airports and to offer services and facilities at the other airports that may compete with the operations of LICENSEE.
- I. This License shall be subordinate to the provisions and requirements of any existing or future agreement between the CITY and the United States or other governmental authority, relative to the development, operation or maintenance of the Airport, the execution of which has been or will be required as a condition precedent to the granting of Federal or other governmental funds for the development of the Airport, to the extent of the provisions of any existing or future funds. CITY agrees to provide LICENSEE written advance notice of any provisions that would adversely modify the material terms of this License.
- J. LICENSEE agrees to comply with the notification and review requirements covered in Part 77 of the Federal Aviation Regulations in the event future construction of a building is planned for the Premises, or in the event of any planned modification or alteration of any present or future building or structure situated on the Premises.
- K. It is understood and agreed that nothing herein contained shall be construed to grant or authorize the granting of an exclusive right within the meaning of Section 308a of the Federal Aviation Act of 1958 (49 U.S.C. 1349a).
- L. There is hereby reserved to the CITY, its successor, and assigns, for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the surface of the Premises. This public right of flight shall include the right to cause in the airspace any noise inherent in the operation of any aircraft used for navigation or flight through the airspace or landing at, taking off from or operation on the Airport.

- M. LICENSEE, by accepting this License expressly agrees for itself, its successors, and assigns, that it will not erect nor permit the erection of any structure or object nor permit the growth of any tree on the Premises above the mean sea level elevation of more than 100 feet. In the event the aforesaid covenants are breached, the CITY reserves the right to enter upon the Premises and to remove the offending structure or object and cut the offending tree, all of which shall be at the expense of LICENSEE.
- N. LICENSEE, by accepting this License expressly agrees for itself, its successors, and assigns, that it will not make use of the Premises in any manner which might interfere with the landing and taking off of aircraft from the Airport or otherwise constitute a hazard. In the event the aforesaid covenant is breached, CITY shall provide LICENSEE written notice of any such identified interference or hazard. In the event LICENSEE fails to cure any identified interference or hazard within thirty (30) days following receipt of such written notice CITY reserves the right to enter upon the Premises and cause the abatement of such interference at the expense of LICENSEE.
- O. This License and all the provisions hereof shall be subject to whatever right the United States government now has or in the future may have or acquire, affecting the control, operation, regulation and taking over of the Airport or the exclusive or non-exclusive use of the Airport by the United States during the time of war or national emergency.

## **21. OTHER OPERATIONS.**

It is understood and agreed that the use authorized at the antenna space by this License is not given to LICENSEE exclusively but may be given to any other licensee at the antenna space at the sole discretion of the CITY, subject to LICENSEE's rights granted herein.

## **22. GENERAL TERMS AND CONDITIONS.**

- A. Permits - LICENSEE is required to and responsible for obtaining and paying any costs of all permits, licenses or approvals by any regulatory bodies having jurisdiction over the uses authorized herein, as appropriate.
- B. Waiver - No waiver of a breach of any provision of this License by either party shall constitute a waiver of any other breach, or of such provision. Failure of CITY to enforce at any time, or from time to time, any provision of this License shall not be construed as a waiver thereof. The remedies herein reserved shall be cumulative and additional to any other remedies in law or equity.
- C. Validity - The invalidity in whole or in part of any provision of this License shall not void or affect the validity of any other provision.

- D. Captions and Paragraph Headings - Captions and paragraph headings used herein are for convenience only and are not a part of this License and shall not be used in construing it.
- E. Exhibits - All Exhibits attached hereto, if any, are an integral part of this License and are incorporated herein by reference.
- F. Entire Agreement - This License shall be governed by the laws of the State of California and constitutes the entire agreement between the parties and supersedes all prior negotiations, discussions, and preliminary understanding. This License may be amended as CITY and the LICENSEE mutually agree in writing. Any such amendment must be signed/approved by authorized representatives of the CITY and LICENSEE.
- G. Notifications - All notices or demands required, or permitted to be given or made hereunder, shall be in writing and shall be deemed validly given if sent by certified mail, return receipt requested or by commercial courier, provided the courier's regular business is delivery service and provided further that it guarantees delivery to the addressee by the end of the next business day following the courier's receipt from the sender. Notice shall be effective upon two (2) days after date of mailing.

Each such notice is to be sent to the respective party at the address indicated below or to any other address or person that the respective party may designate by written notice delivered pursuant hereto:

To **CITY**:  
City Clerk  
City of Watsonville  
275 Main Street, Suite 400  
Watsonville, CA 95076

To **LICENSEE**:  
The Internet Store, Inc., a California Corporation, d/b/a  
Cruzio, Cruzio Internet, Cruzeioworks, Cruzio Media and  
Santa Cruz Fiber  
877 Cedar Street Suite 150  
Santa Cruz, CA 95060

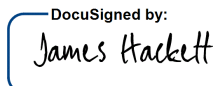
- H. Authority. CITY warrants and represents to LICENSEE that (a) CITY has full authority to enter into this License and to grant the licenses provided herein and to CITY'S knowledge, there are no undisclosed liens, judgments or impeachments

of title on the Site that prevent the use of the Premises by LICENSEE as set forth herein.

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*[Signatures appear on following page]*

IN WITNESS THEREOF, the parties executed this License.

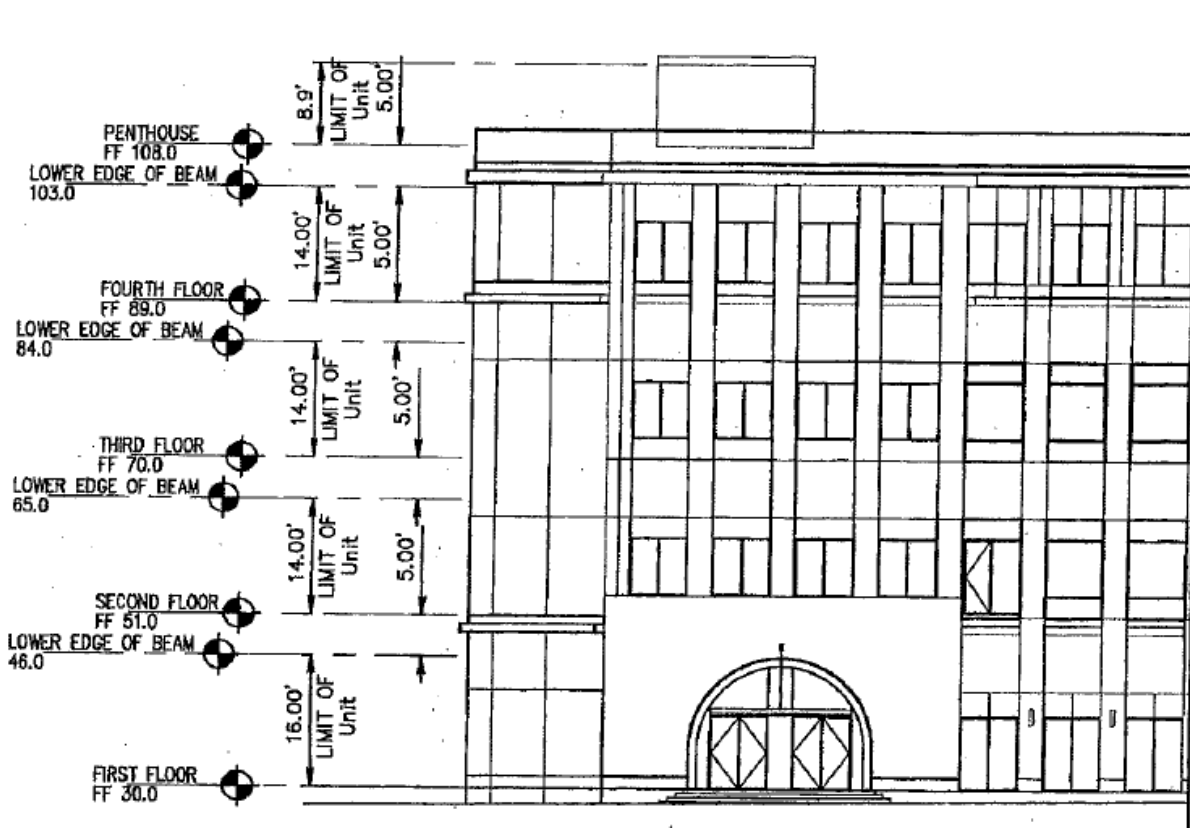
<b>LICENSEE:</b>  The Internet Store, Inc a California Corporation dba Cruzio, Cruzio Internet, Cruzeioworks. Cruzio Media and Cruzio Fiber  By:  <small>73973451436349D...</small> James Hackett, COO	<b>CITY:</b>  CITY OF WATSONVILLE, a California charter city and municipal corporation  By: _____ Tamara Vides, Interim City Manager  ATTEST:  By: _____ Irwin I. Ortiz, City Clerk  APPROVED AS TO FORM:  By: _____ Samantha Zutler, City Attorney
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**EXHIBIT "A"**

## Description of Properties

Exterior space for the mounting of wireless distribution components on the rooftop enclosure area known as the "Penthouse Equipment Building". Interior space for the installation of networking gear, cabling and related equipment located on the first floor known as the Minimum point of entry (MPOE). Both are part of the Civic Plaza Building, as shown on the building layout below, located at 275 Main Street, Watsonville, CA 95076.



**EXHIBIT "B"****Location of Premises, Site Information and Equipment**

Cabinet at City of Watsonville Civic Plaza Building penthouse and in the Minimum Point of Entry (MPOE) shall be provided and installed by Cruzio. Cabinet at City MPOE to be 1 full height cabinet with power.

The table below is a list of the current inventory of Licensee equipment on City's Civic Plaza Building.

<b>Antenna ID</b>	<b>Location</b>	<b>Size</b>	<b>Proposed Billed Size</b>	<b>Annual Rate</b>	<b>Notes</b>
CWN1	Civic Plaza - North Wall	5.16"	1ft	\$204	Ubiquiti 60 degree PrismStation
CWN2	Civic Plaza - North Wall	5.16"	1ft	\$204	Ubiquiti 60 degree PrismStation
CWN4	Civic Plaza - North Wall	15.6"x5.86"	2ft	\$408	Ubiquiti Titanium Sector antenna, upright bar on mount.
CWE1	Civic Plaza - East Wall	5.16"	1ft	\$204	Ubiquiti 60 degree PrismStation
CWE2	Civic Plaza - East Wall	5.16"	1ft	\$204	Ubiquiti 60 degree PrismStation
CWE3	Civic Plaza - East Wall	15.6"x5.86"	2ft	\$408	Ubiquiti Titanium Sector antenna, upright bar on mount.
CWS1	Civic - Plaza - South Wall	5.98"	1ft	\$204	RF elements "stepped" horn
CWS2	Civic - Plaza - South Wall	5.16"	1ft	\$204	Ubiquiti 60 degree PrismStation
CWS3	Civic - Plaza - South Wall	5.16"	1ft	\$204	Ubiquiti 60 degree PrismStation
CWS4	Civic - Plaza - South Wall	5.98"	1ft	\$204	RF Elements Prismstation Horn
CWS5	Civic - Plaza - South Wall	15.6"x5.86"	2ft	\$408	Ubiquiti Titanium Sector antenna, upright bar on mount.
CWW1	Civic Plaza - West Wall	5.16"	1ft	\$204	Ubiquiti 60 degree PrismStation
CWW2	Civic Plaza - West Wall	5.16"	1ft	\$204	Ubiquiti 60 degree PrismStation
CWW3	Civic Plaza - West Wall	15.6"x5.86"	2ft	\$408	Ubiquiti Titanium Sector antenna, upright bar on mount.
CPN2	Civic Plaza - North Penthouse	14.2"	2ft	\$408	AF60LR
CPN3	Civic Plaza - North Penthouse	24"	2ft	\$408	2' 80GHZ antenna for Aviat 80GHz
CPN4	Civic Plaza - North Penthouse	12"	1ft	\$204	Siklu EH1200FX 1ft antenna
CPN5	Civic Plaza - North Penthouse	36"	3ft	\$936	3ft Licensed Radio Antenna for Aviat Licensed link
CPN6	Civic Plaza - North Penthouse	24"	2ft	\$408	2' 80GHZ antenna for Aviat 80GHz
CPN7	Civic Plaza - North Penthouse	36"	3ft	\$936	3ft Licensed Radio Antenna for Aviat Licensed link
CPE1	Civic Plaza - East Penthouse	14.2"	2ft	\$408	AF60LR
CPE2	Civic Plaza - East Penthouse	12"	1ft	\$204	Siklu EH1200FX 1ft antenna
CPE3	Civic Plaza - East Penthouse	14.2"	2ft	\$408	AF60LR
CPE4	Civic Plaza - East Penthouse	12"	1ft	\$204	Siklu EH1200FX 1ft antenna
CPE5	Civic Plaza - East Penthouse	36"	3ft	\$936	Radiowaves HP3
CPS1	Civic Plaza - South Penthouse	14.2"	2ft	\$408	AF60LR
CPS2	Civic Plaza - South Penthouse	14.2"	2ft	\$408	AF60LR
CPS3	Civic Plaza - South Penthouse	5.98"	1ft	\$204	RF Elements 5GHz Horn
CPS4	Civic Plaza - South	12"	1ft	\$204	Siklu EH1200FX 1ft antenna



	Penthouse				
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