

MEMORANDUM OF UNDERSTANDING BETWEEN COUNTY OF LAKE AND CITY OF CLEARLAKE FOR TOBACCO RETAIL LICENSING

THIS MEMORANDUM OF UNDERSTANDING, hereinafter referred to as “MOU,” is made and entered into on this _____, 2026 (“Effective Date”) by and between the County of Lake, hereinafter referred to as “County,” and the City of Clearlake, hereinafter referred to as “City,” collectively, the “Parties.”

RECITALS

WHEREAS, on August 13, 2024, the Board of Supervisors of the County of Lake (the “Board of Supervisors”) adopted County Ordinance No. 3141 establishing a comprehensive program for the licensing of tobacco retailers within the County.

WHEREAS, on December 3, 2024, the City Council of the City of Clearlake (the “City Council”) adopted City Ordinance No. 272-2024 establishing a comprehensive program for the licensing of tobacco retailers within the City (the “City Ordinance”).

WHEREAS, section 6-10.112a. of the Ordinance authorizes the City Council to enter into an agreement with the County to carry out and enforce the Ordinance as deemed necessary and advisable.

WHEREAS, the Parties desire to enter into an agreement by which the County will carry out the administration and enforcement of the Ordinance on behalf of the City.

NOW, THEREFORE, in consideration of the mutual benefits to be derived by the Parties and of the promises contained in this MOU, the Parties agree as follows:

1. **Recitals**. The recitals set forth above are true and correct and hereby incorporated into this MOU.
2. **Term**. This MOU shall commence on the Effective Date and shall remain in effect until terminated by either Party in accordance with Section 8.
3. **County Responsibilities**. The County will:
 - a. Process and approve or deny any applications for a tobacco retailer’s license to engage in tobacco retailing within the boundaries of the City;
 - b. Process and approve or deny applications for renewal of a tobacco retailer’s license to engage in tobacco retailing within the boundaries of the City;
 - c. Perform compliance monitoring activities to verify compliance with the City Ordinance, as authorized by Section 6-10.112a. thereof;

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- d. Respond to complaints or referrals from the public and/or from City staff and investigate alleged violations of the City Ordinance;
 - e. Pursue legal enforcement to correct violations of the City Ordinance, including but not limited to the imposition of fines or suspension or revocation of a tobacco retailer's license, and process any appeals challenging such enforcement action(s) in accordance with the City Ordinance;
 - f. Collect any and all application fees, license fees, and fines authorized by and in accordance with the City Ordinance;
 - g. Perform public education and outreach regarding the City Ordinance;
 - h. Make available, within a reasonable timeframe, any records pertaining to enforcement of Ordinance within City upon request by authorized representatives of the City.
 - i. Upon the reasonable request of the City, and in no event less than once per calendar year, provide a written report to the City Council thereof concerning the services provided pursuant to this MOU; and
 - j. Perform such other acts as necessary to carry out the purposes and provisions of the City Ordinance.
4. **City Responsibilities.** The City will:
- a. Refer to the County for investigation any complaint alleging a violation of the Ordinance;
 - b. Support the County's administration and enforcement of the Ordinance, including, but not limited to the County's collection of any and all application fees, license fees, and fines from retailers, with information and cooperation as reasonably required by the County.
5. **Joint Obligations.**
- a. Each Party will retain all records and documents in its possession pertaining to the MOU for a period of three (3) years following termination of this MOU.
 - b. The Parties will make a good faith effort to cooperate with one another to achieve the purposes of this MOU. Each Party will promptly provide any information and documentation in their possession or otherwise available for release upon reasonable request of the other Party.

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6. **Fees.** All costs to County for performance of services provided under this MOU shall be recouped by County from tobacco retailer's license fees. County shall collect fees recoverable under the County's fee schedule directly from permittees and applicants. City shall collect no fees on behalf of the County.
7. **Modification.** This MOU and each provision contained herein may be waived, amended, supplemented or eliminated only by mutual written agreement of the Parties.
8. **Termination.** Either Party may terminate this MOU, with or without cause, upon sixty (60) days' written notice to the other Party. In case of termination, any enforcement action(s) commenced before the effective date of termination shall remain with the County until fully resolved.
9. **Mutual Indemnification.**
 - a. City shall defend, indemnify, and hold harmless the County, its Board of Supervisors, officers, directors, agents, employees, volunteers, and assigns from and against all demands, claims, actions, liabilities, losses, damages, injuries to or death of persons, regulatory fines and/or penalties imposed by any local, state, or federal and/or costs, to the extent arising out of or resulting from the negligent or intentional acts or omissions of the City, its City Council, officers, directors, agents, employees, assigns, contractors, or volunteers in connection with this MOU, except where caused by the active negligence, sole negligence, or willful misconduct of County.
 - b. County shall defend, indemnify, and hold harmless the City, its City Council, officers, directors, agents, employees, volunteers, and assigns from and against all demands, claims, actions, liabilities, losses, damages, injuries to or death of persons, regulatory fines and/or penalties imposed by any local, state, or federal authority and/or costs, to the extent arising out of or resulting from the negligent or intentional acts or omissions of the County, its Board of Supervisors, officers, directors, agents, employees, assigns, contractors, or volunteers in connection with this MOU, except where caused by the active negligence, sole negligence, or willful misconduct of City.
 - c. This indemnity shall not be limited by the types and amounts of insurance or self-insurance maintained by the Parties.
 - d. Nothing in this indemnity section shall be construed to create any duty, any standard of care with reference, or any liability or obligation, contractual or otherwise, to any third party.
 - e. The provisions of this indemnity section shall survive the termination of the MOU.

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10. **Insurance.** Each Party, at its sole cost and expense, shall carry insurance or shall self-insure its activities in connection with this MOU and obtain, keep in force, and maintain insurance or equivalent programs or self-insurance for general liability, worker's compensation, property, professional liability, environmental liability, and automobile liability adequate to cover its potential liabilities hereunder.
11. **Notices.** Any notices or other written communication related to this MOU shall be delivered personally or mailed, U.S. first class postage prepaid, addressed as follows:

CITY OF CLEARLAKE

Alan Flora, City Manager
14050 Olympic Drive
Clearlake, California
95422

COUNTY OF LAKE

Lake County Health Services
255 N Forbes Street
Lakeport, California 95453

Either Party may amend its address for notice by giving notice to the other Party in writing.

12. **Non-assignment.** County shall not delegate, transfer, subcontract or assign its duties or rights hereunder, either in whole or in part, without City's prior written consent, and any attempt to do so shall be void and of no effect. City shall not be obligated or liable under this MOU to any party other than County.
13. **Relationship of the Parties.** It is expressly understood that this is an agreement between two independent entities and that no individual agency, employee, partnership, joint venture, or other relationship is established by this MOU. The Parties are, and shall at all times remain as to each other, wholly independent entities. No Party to this MOU shall have power to incur any debt, obligation, or liability on behalf of any other Party. Neither Party, nor any of its officers, agents, or employees, volunteers, or contractors, shall for any reason be considered agents or employees of the other Party, nor authorized to act as agents or employees of the other Party, with respect to the performance of this MOU.
14. **Binding Effect; No Third Party Beneficiaries.** This MOU shall be binding upon and shall be to the benefit of the respective successors, heirs, and permitted assigns of each Party. The Parties hereby disclaim intent to benefit third parties or to allow any person other than Party to enforce or benefit from this MOU.
15. **Waiver.** Waiver by either Party to this MOU of any term, condition, or covenant of this MOU shall not constitute a waiver of any other term, condition, or covenant. Waiver by any Party of any breach of the provisions of this MOU shall not constitute a waiver of any other provision, nor a waiver of any subsequent breach or violation of any provision of this MOU.

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16. **No Presumption Against Drafter.** Each Party had an opportunity to consult with an attorney in reviewing and drafting this MOU. Any uncertainty or ambiguity shall not be construed for or against any Party based on attribution of drafting.
17. **Authority.** The Parties warrant that the signatories to this MOU have the authority to bind their respective entities.
18. **Headings.** The headings and captions appearing at the commencement of the Sections hereof, and in any paragraph thereof, are descriptive only and for convenience in reference to this MOU. Should there be any conflict between such heading, and the Section or Subsection thereof at the head of which it appears, the language of the Section or Subsection shall control and govern in the construction of this MOU.
19. **Entire Agreement.** This MOU constitutes the entire agreement between the City and County concerning the subject matter herein. Adoption of this MOU supersedes any prior agreements to the extent they are inconsistent herewith.
20. **Severability.** If any provision of this MOU is determined by any court to be invalid, illegal, or unenforceable to any extent, then the remainder of this MOU will not be affected, and this MOU will be construed as if the invalid, illegal, or unenforceable provision had never been contained in this MOU.
21. **Governing Law.** This MOU shall be governed and construed in accordance with the laws of the State of California.
22. **Venue.** The venue for any litigation for purposes of resolving any dispute or enforcing any obligation arising under this MOU shall be in the Superior Court of California for the County of Lake.
23. **Attorneys' Fees.** If legal action shall be necessary to enforce any term, covenant or condition contained in this MOU, each Party shall pay its own costs, including any accountants' and attorneys' fees expended in the action.
24. **Remedies Non-Exclusive.** Each right, power and remedy provided for herein or now or hereafter existing at law, in equity, by statute, or otherwise shall be cumulative and shall be in addition to every other right, power, or remedy provided for herein or now or hereafter existing at law, in equity, by statute, or otherwise. The exercise, the commencement of the exercise, or the forbearance from the exercise by any Party of any one or more of such rights, powers or remedies shall not preclude the simultaneous or later exercise by such Party of any or all of such other rights, powers or remedies.
25. **Counterparts; Electronic Signatures.** This MOU may be signed in one or more counterparts, each of which shall be deemed an original, but all of which together shall be deemed one and the same instrument. The Parties acknowledge and agree that this MOU may be executed by electronic signature, which shall be considered as an original signature

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for all purposes and shall have the same force and effect as an original signature. Without limitation, “electronic signature” shall include faxed or emailed versions of an original signature, electronically scanned and transmitted versions (e.g., via pdf) of an original signature, or a digital signature.

[Signature page to follow.]

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IN WITNESS THEREOF, the Parties hereto have executed this MOU in duplicate effective on the Effective Date.

COUNTY OF LAKE

CITY OF CLEARLAKE

By:

By: Alan Flora

DocuSigned by:
Alan Flora
D49F63C52345486...

*Chair, Board of Supervisors
County of Lake*

, City of Clearlake

5/7/2026

Date

Date

Attest:

Attest:

Signed by:
Melissa Swanson
DE5304EE4B3A474...

City Clerk

*Clerk of the County of Lake
Board of Supervisors*

5/7/2026


Date

Date

Approved as to Form

Approved as to form:

Signed by:
Scott Drexel
D17464C079EE495...


Digitally signed by Lloyd C. Guintivano
DN: cn=Lloyd C. Guintivano, c=US,
o=County of Lake, ou=Office of the County
Counsel,
email=Lloyd.Guintivano@lakecountyca.gov
Date: 2026.05.01 10:07:56 -07'00'

City Attorney

County Counsel

5/7/2026

May 1, 2026

Date

Date