

# Agenda



## County of Inyo Board of Supervisors

Board of Supervisors Room  
County Administrative Center  
224 North Edwards  
Independence, California

All members of the public are encouraged to participate in the discussion of any items on the Agenda. Anyone wishing to speak, please obtain a card from the Board Clerk and indicate each item you would like to discuss. Return the completed card to the Board Clerk before the Board considers the item (s) upon which you wish to speak. You will be allowed to speak about each item before the Board takes action on it.

Any member of the public may also make comments during the scheduled "Public Comment" period on this agenda concerning any subject related to the Board of Supervisors or County Government. No card needs to be submitted in order to speak during the "Public Comment" period.

**Public Notices:** (1) In Compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting please contact the Clerk of the Board at (760) 878-0373. (28 CFR 35.102-35.104 ADA Title II). Notification 48 hours prior to the meeting will enable the County to make reasonable arrangements to ensure accessibility to this meeting. Should you because of a disability require appropriate alternative formatting of this agenda, please notify the Clerk of the Board 72 hours prior to the meeting to enable the County to make the agenda available in a reasonable alternative format. (Government Code Section 54954.2). (2) If a writing, that is a public record relating to an agenda item for an open session of a regular meeting of the Board of Supervisors, is distributed fewer than 72 hours prior to the meeting, the writing shall be available for public inspection at the Office of the Clerk of the Board of Supervisors, 224 N. Edwards, Independence, California and is available per Government Code § 54957.5(b)(1).

**Note:** Historically the Board does break for lunch; the timing of a lunch break is made at the discretion of the Chairperson and at the Board's convenience.

### January 15, 2019

**8:30 a.m. 1. PUBLIC COMMENT**

#### **CLOSED SESSION**

2. **CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION – [Pursuant to paragraph (1) of subdivision (d) of Government Code §54956.9] – Los Angeles Department of Water and Power v. County of Inyo, Kern Superior Court Case No. BCV-18-101513-KCT (CEQA).**
3. **CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION – [Pursuant to paragraph (1) of subdivision (d) of Government Code §54956.9] – County of Inyo v. Los Angeles Department of Water and Power, Kern Superior Court Case Nos. BVC-18-101260; BVC-18-101261; and BVC-18-101262.**
4. **CONFERENCE WITH COUNTY'S LABOR NEGOTIATORS [Pursuant to Government Code §54957.6] –** Regarding employee organizations: Deputy Sheriff's Association (DSA); Elected Officials Assistant Association (EOAA); Inyo County Correctional Officers Association (ICCOA); Inyo County Employees Association (ICEA); Inyo County Probation Peace Officers Association (ICPPOA); IHSS Workers; Law Enforcement Administrators' Association (LEAA). Unrepresented employees: all. County designated representatives – Administrative Officer Clint Quilter, Assistant County Administrator Rick Benson, Deputy Personnel Director Sue Dishion, County Counsel Marshall Rudolph, and Assistant County Counsel John Vallejo.

**OPEN SESSION** (With the exception of timed items, all open-session items may be considered at any time and in any order during the meeting in the Board's discretion.)

**10:00 a.m. PLEDGE OF ALLEGIANCE**

5. **REPORT ON CLOSED SESSION**
6. **PUBLIC COMMENT**
7. **COUNTY DEPARTMENT REPORTS (Reports limited to two minutes)**

#### **DEPARTMENTAL – PERSONNEL ACTIONS**

8. **AG COMMISSIONER – Eastern Sierra Weed Management Area –** Request Board find that, consistent with the adopted Authorized Position Review Policy: A) the availability of funding for two (2) Seasonal Field Assistants exists in the ESWMA budget as certified by the Agricultural Commissioner and concurred with by the County Administrator and Auditor-Controller; B) where internal candidates may meet the qualifications for the positions, the vacancies could possibly be filled through internal recruitment, but an open recruitment is more appropriate to ensure qualified applicants apply; and C) approve the hiring of two (2) seasonal Field

Assistants 01, Range 050PT (\$15.35 - \$18.63/hr.), from May 2, 2019 through October 2, 2019, contingent upon the adoption of the Fiscal Year 2019-2020 Budget.

9. **AG COMMISSIONER – Owens Valley Mosquito Abatement Program** – Request Board find that, consistent with the adopted Authorized Position Review Policy: A) the availability of funding for four (4) Seasonal Field Assistants exists in the OVMAP budget as certified by the Agricultural Commissioner and concurred with by the County Administrator and Auditor-Controller; B) where internal candidates may meet the qualifications for the positions, the vacancies could possibly be filled through internal recruitment, but an open recruitment is more appropriate to ensure qualified applicants apply; and C) approve the hiring of four (4) seasonal Field Assistants 01, Range 050PT (\$15.35 - \$18.63/hr.), from April 4, 2019 through October 2, 2019, contingent upon the adoption of the Fiscal Year 2019-2020 Budget.
10. **COUNTY ADMINISTRATOR – Personnel** – Request Board: A) approve the contract between the County of Inyo and Aaron Steinwand for the provision of personal services as the Water Director at a monthly salary of \$9,431 effective January 24, 2019 and authorize the Chairperson to sign; and B) approve Resolution No. 2019-03 titled, “A Resolution of the Board of Supervisors, County of Inyo, State of California, Amending Resolution 2006-06, Changing Salary and/or Terms and Conditions of Employment for Appointed Officials Employed in the Several Offices or Institutions of the County of Inyo,” and authorize the Chairperson to sign.
11. **COUNTY ADMINISTRATOR/SHERIFF** – Request Board: A) approve the job description of the Public Relations Officer, Range 78; and B) consistent with the Fiscal Year 2018-2019 Board Approved Budget, reclassify the Administrative Analyst III, Range 72 (\$4,787 - \$5,815) within the Sheriff’s Office to the Public Relations Officer, Range 78 (\$5,518 - \$6,705), effective January 24, 2019.
12. **PUBLIC ADMINISTRATOR/PUBLIC GUARDIAN** – Request Board, consistent with the Fiscal Year 2018-2019 Board Approved Budget: A) reclassify the BPAR Public Guardian Specialist, Range 57 (\$18.03 - \$21.90/hr.) to a full-time Deputy Public Administrator/Public Guardian, Range 57 (\$3,363 - \$4,086); and B) change the authorized staffing of the Public Administrator/Public Guardian’s Office as follows:
  1. Delete one (1) BPAR Public Guardian Specialist, Range 57 (\$18.03 - \$21.90/hr.) and add one (1) full-time Deputy Public Administrator/Public Guardian, Range 57 (\$3,363 - \$4,086).
13. **TREASURER-TAX COLLECTOR** – Request Board:
  - A) Consistent with the Fiscal Year 2018-2019 Board Approved Budget, increase the authorized strength in the Treasurer-Tax Collector’s Office by adding one (1) Office Technician I-III position at Range 55-63; and
  - B) Find that, consistent with the adopted Authorized Position Review Policy:
    1. The availability of funding for one (1) Office Technician position exists in the Treasurer-Tax Collector budget, as certified by the Treasurer-Tax Collector and concurred with by the County Administrator and Auditor-Controller;
    2. Where internal candidates may meet the qualifications of the position, the vacancy could possibly be filled by an internal candidate, but an open recruitment is more appropriate to ensure qualified applicants apply; and
    3. Approve the hiring of one (1) Office Technician I-III, Range 55-63 (\$3,213 - \$4,705).
14. **SHERIFF** – Request Board find that, consistent with the adopted Authorized Position Review Policy: A) the availability of funding for one (1) Public Safety Dispatcher I exists in the General Fund, as certified by the Sheriff and concurred with by the County Administrator and Auditor-Controller; B) where internal candidates may meet the qualifications for the position, the vacancy could possibly be filled by an internal recruitment, but an open recruitment is more appropriate to ensure qualified applicants apply; and C) approve the hiring of one (1) Public Safety Dispatcher I, Range 55AC (\$3,213 - \$3,538).

**CONSENT AGENDA** (Approval recommended by the County Administrator)

**HEALTH & HUMAN SERVICES**

15. Request Board authorize payment of \$13,000 to Sierra Vista Hospital for an involuntary hospitalization of an Inyo County Medi-Cal beneficiary placed in the facility pursuant to Welfare and Institutions Code (WIC) 5150.

**PUBLIC WORKS**

16. **Airport** – Request Board:
- A) Declare the following County vehicles as surplus
    - 1. (a) County asset #6993, 1988 Ford F250, License Plate No. 370798, VIN. 1FTHF26H2JPB7058
    - 2. (b) County asset #5801, 1988 Chevrolet S15, License Plate No. 206817, VIN. 1GTBS14E6J8535917
    - 3. (c) County asset #8237, 1990 GMC Jimmy, License Plate No. 334251, VIN. 1GKCT18ZXM8517041;
  - B) Authorize the County Purchasing Agent (CAO) or his designee to offer the vehicles for sale utilizing the Public Surplus auction site; and
  - C) Authorize the County Purchasing Agent (CAO) or his designee to utilize either the previously approved consignment auction agreement with Enterprise Fleet Management or another auctioneer for the removal and sale of any vehicles remaining unsold after the Public Surplus process.

**DEPARTMENTAL** (To be considered at the Board’s convenience)

17. **BOARD OF SUPERVISORS – Chairperson Pucci** – Request Board: A) approve the 2019 Board of Supervisors committee assignments as recommended by the Chairperson; and B) for the purposes of Form 806 reporting, make separate motions for the following assignments:
- 1. Eastern Sierra Transit Authority Board of Directors (two)
  - 2. Great Basin Unified Air Pollution Control District Board (two, plus an alternate)
  - 3. Local Agency Formation Commission (two, plus an alternate)
- (Recommendations for appointment will be made during the discussion.)*
18. **PLANNING** – Per the County’s Tribal Consultation Policy, request Board make its annual appointments of two Supervisors to serve on the Tribal Consultation Committees for each of the five Tribes located in Inyo County.
19. **PLANNING** – Per the County’s Tribal Consultation Policy, request Board direct staff to begin scheduling a meeting with the Board and Tribal representatives from all local Tribes.
20. **PLANNING** – Request Board provide direction to staff regarding the County’s potential participation in the County-Optional Agreement to Conduct Outreach Related to the California Complete Count for Census 2020.
21. **PLANNING** – Request Board approve and authorize the Chairperson to sign a Letter of “Public Convenience or Necessity” for an Alcoholic Beverage License Application for the convenience store located at 133 South Edwards Street, Independence, CA.
22. **PLANNING** – Request Board approve and authorize the Chairperson to sign a Letter of “Public Convenience or Necessity” for an Alcoholic Beverage License Application for the Creekside RV Park Store, located in the Bishop Creek Area.

**TIMED ITEMS** (Items will not be considered before scheduled time but may be considered any time after the scheduled time)

- 11 a.m. 23. **COUNTY ADMINISTRATOR** – Request your Board: A) consider and potentially approve County entry into a proposed Build-to-Suit Lease Agreement with Wolverine/Inyo LLC for the Inyo County Consolidated Office Building and authorize the Board Chair to sign said Agreement on behalf of the County; B) find that entry into said Lease Agreement is categorically exempt from review under the California Environmental Quality Act (CEQA) as a Class 32 in-fill development project and direct staff to file a Notice of Exemption; and C) provide any other desired direction to staff.

**Note: The agenda items listed below may be considered by the Board at any time during the meeting in the Board’s discretion, including before scheduled timed items.**

**COMMENT** (Portion of the Agenda when the Board takes comment from the public and County staff)

24. **PUBLIC COMMENT**

**BOARD MEMBER AND STAFF REPORTS**

**CORRESPONDENCE – INFORMATIONAL**

25. **Inyo County Auditor-Controller** – Actual count of money in the hands of the Treasurer on January 8, 2019.



**AGENDA REQUEST FORM**  
BOARD OF SUPERVISORS  
COUNTY OF INYO

For Clerk's Use Only:  
AGENDA NUMBER

8

- Consent     Departmental     Correspondence Action     Public Hearing  
 Scheduled Time for     Closed Session     Informational

**FROM:** Agriculture – Eastern Sierra Weed Management Area (ESWMA)

**FOR THE BOARD MEETING:** January 15, 2018

**SUBJECT:** Recruitment of Two Seasonal Field Assistants for the ESWMA

**DEPARTMENTAL RECOMMENDATION:**

Request Board find that consistent with the adopted Authorized Position Review Policy; A) the availability of funding for the requested positions exists as certified by the Agricultural Commissioner and concurred with by the County Administrator and Auditor-Controller; and B) although where internal candidates meet the qualifications for the positions and the vacancies could possibly be filled through internal recruitment, an open recruitment would be more appropriate; and C) approve the hiring of two seasonal Field Assistants 01, Range 050PT (\$15.35 to \$18.63 per hour), from May 2, 2019 through October 2, 2019, contingent upon the adoption of the fiscal year 2019-2020 budgets.

**SUMMARY DISCUSSION:**

The ESWMA hires seasonal Field Assistants annually during the warm season to assist with noxious weed abatement activities including site monitoring, surveillance, and treatments.

**ALTERNATIVES:**


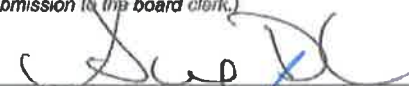
The Board could not approve the personnel action outlined in the Departmental Recommendation. This alternative would limit the scope of noxious weed abatement treatments, allowing for an increase in noxious weed populations in Inyo and Mono Counties, and potentially preclude this program from fulfilling commitments to current grant funding requirements and contracted work for other agencies.

**OTHER AGENCY INVOLVEMENT:**

The Inyo County Personnel Department will assist with the recruitment of the requested positions.

**FINANCING:**

Sufficient funds are available for these positions from April 4, 2019 through June 30, 2019 in the ESWMA fiscal year 2018-2019 budget (unit 621300, object code 5012, Part Time Employees) previously approved by the Board. Funding for these positions from July 1, 2019 through October 2, 2019 will be included in the department requested budget for the fiscal year 2019-2020, but is contingent upon Board approval of that budget. The ESWMA is a non-general fund program. There will be no fiscal impact to the Inyo County General Fund.

<u>APPROVALS</u>	
BUDGET OFFICER:	BUDGET AMENDMENTS <i>(Must be reviewed and approved by Budget Officer prior to being approved by others, as needed, and prior to submission to the Assistant Clerk of the Board.)</i>  Approved: _____ Date _____
COUNTY COUNSEL:	AGREEMENTS, CONTRACTS AND ORDINANCES AND CLOSED SESSION AND RELATED ITEMS <i>(Must be reviewed and approved by county counsel prior to submission to the board clerk.)</i>  Approved: _____ Date _____
AUDITOR/CONTROLLER:	ACCOUNTING/FINANCE AND RELATED ITEMS <i>(Must be reviewed and approved by the auditor-controller prior to submission to the board clerk.)</i>   Approved: <u>yes</u> Date <u>1/3/2019</u>
PERSONNEL DIRECTOR:	PERSONNEL AND RELATED ITEMS <i>(Must be reviewed and approved by the director of personnel services prior to submission to the board clerk.)</i>   Approved: <u>✓</u> Date <u>1/3/19</u>

**DEPARTMENT HEAD SIGNATURE:**  
 (Not to be signed until all approvals are received)  Date: 1-4-19

(The Original plus 14 copies of this document are required)



**AGENDA REQUEST FORM**  
BOARD OF SUPERVISORS  
COUNTY OF INYO

For Clerk's Use Only:  
**AGENDA NUMBER**  
9

- Consent     Departmental     Correspondence Action     Public Hearing  
 Scheduled Time for     Closed Session     Informational

**FROM:** Agriculture – Owens Valley Mosquito Abatement Program (OVMAP)

**FOR THE BOARD MEETING:** January 15, 2018

**SUBJECT:** Recruitment of Four Seasonal Field Assistants for the OVMAP

**DEPARTMENTAL RECOMMENDATION:**

Request Board find that consistent with the adopted Authorized Position Review Policy; A) the availability of funding for the requested positions exists as certified by the Agricultural Commissioner and concurred with by the County Administrator and Auditor-Controller; and B) although where internal candidates meet the qualifications for the positions and the vacancies could possibly be filled through internal recruitment, an open recruitment would be more appropriate; and C) approve the hiring of four seasonal Field Assistants 01, Range 050PT (\$15.35 to \$18.63 per hour), from April 4, 2019 through October 2, 2019, contingent upon the adoption of the fiscal year 2019-2020 budgets.

**SUMMARY DISCUSSION:**

The OVMAP hires seasonal Field Assistants annually during the warm season to assist with mosquito abatement activities including source monitoring, surveillance, and treatments.

**ALTERNATIVES:**

The Board could not approve the personnel action outlined in the Departmental Recommendation. This alternative would limit the scope of mosquito abatement treatments performed and potentially affect the health and comfort of the public through increased risk of mosquito-borne disease transmission and nuisance mosquito conditions.

**OTHER AGENCY INVOLVEMENT:**

The Inyo County Personnel Department will assist with the recruitment of the requested positions.

**FINANCING:**

Sufficient funds are available for these positions from April 4, 2019 through June 30, 2019 in the OVMAP fiscal year 2018-2019 budget (unit 154101, object code 5012, Part Time Employees) previously approved by the Board. Funding for these positions from July 1, 2019 through October 2, 2019 will be included in the department requested budget for the fiscal year 2019-2020, but is contingent upon Board approval of that budget. The OVMAP is a non-general fund program. There will be no fiscal impact to the Inyo County General Fund.

APPROVALS	
BUDGET OFFICER:	BUDGET AMENDMENTS <i>(Must be reviewed and approved by Budget Officer prior to being approved by others, as needed, and prior to submission to the Assistant Clerk of the Board.)</i>  Approved: _____ Date _____
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(Not to be signed until all approvals are received)



Date: 1-4-19

(The Original plus 14 copies of this document are required)





**AGENDA REQUEST FORM**  
**BOARD OF SUPERVISORS**  
**COUNTY OF INYO**

For Clerk's Use Only:  
**AGENDA NUMBER**  
 10

- Consent   
  Departmental   
  Correspondence Action   
  Public Hearing  
 Scheduled Time for   
  Closed Session   
  Informational

**FROM:** County Administrator/PERSONNEL

**FOR THE BOARD MEETING OF:** January 15, 2019

**SUBJECT:** Personnel Services Contract

**DEPARTMENTAL RECOMMENDATION:**

Request your Board ratify: A ) Contract between the County of Inyo and Aaron Steinwand for the provision of personal services as the Water Director at a monthly salary of \$9,431.00 effective January 24, 2019 and authorize the Chairperson to sign. B) Approve Resolution 2019-\_\_\_\_\_, "A Resolution of the Board of Supervisors, County of Inyo, State of California, Amending Resolution 2006-06, Changing Salary and/or Terms and Conditions of Employment for Appointed Officials Employed in the Several Offices or Institutions of the County of Inyo" and authorize the Chairperson to sign.

**SUMMARY DISCUSSION:**

At the conclusion of interviews and negotiations, your Board directed Staff to prepare this contract and bring it to your Board for final consideration and action. This is standard contract 202, which outlines all the terms and condition of employment.

**ALTERNATIVES:**

Your Board could choose to not approve this contract and re-negotiate the terms and conditions.

**OTHER AGENCY INVOLVEMENT:**

County Counsel  
 Personnel

**FINANCING:**

This position will be budgeted in FY 2018/2019 Water Department Budget

<b>APPROVALS</b>	
COUNTY COUNSEL:	AGREEMENTS, CONTRACTS AND ORDINANCES AND CLOSED SESSION AND RELATED ITEMS (Must be reviewed and approved by county counsel prior to submission to the board clerk.)  Approved: _____ Date 01/09/2019
AUDITOR/CONTROLLER:	ACCOUNTING/FINANCE AND RELATED ITEMS (Must be reviewed and approved by the auditor-controller prior to submission to the board clerk.)  Approved: <i>yes</i> Date 1/9/19
PERSONNEL DIRECTOR:	PERSONNEL AND RELATED ITEMS (Must be reviewed and approved by the director of personnel services prior to submission to the board clerk.)  Approved: <i>✓</i> Date 1/9/19

**DEPARTMENT HEAD SIGNATURE:**

(Not to be signed until all approvals are received)  
 (The Original plus 20 copies of this document are required)

*Clint Ault* Date: 1/9/19

*by Sue D L*



**AGENDA REQUEST FORM**  
**BOARD OF SUPERVISORS**  
**COUNTY OF INYO**

For Clerk's Use Only:  
**AGENDA NUMBER**

- Consent     
  Departmental     
  Correspondence Action     
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**SUMMARY DISCUSSION:**

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**ALTERNATIVES:**

Your Board could choose to not approve this contract and re-negotiate the terms and conditions.

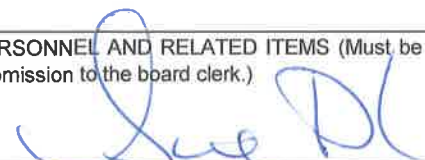
**OTHER AGENCY INVOLVEMENT:**


County Counsel  
 Personnel

**FINANCING:**

This position will be budgeted in FY 2018/2019 Water Department Budget

**APPROVALS**

COUNTY COUNSEL:	AGREEMENTS, CONTRACTS AND ORDINANCES AND CLOSED SESSION AND RELATED ITEMS (Must be reviewed and approved by county counsel prior to submission to the board clerk.)  Approved: _____ Date <u>01/09/2019</u>
AUDITOR/CONTROLLER:	ACCOUNTING/FINANCE AND RELATED ITEMS (Must be reviewed and approved by the auditor-controller prior to submission to the board clerk.)  Approved: _____ Date _____
PERSONNEL DIRECTOR:	PERSONNEL AND RELATED ITEMS (Must be reviewed and approved by the director of personnel services prior to submission to the board clerk.)   Approved: <input checked="" type="checkbox"/> Date <u>1/9/19</u>

**DEPARTMENT HEAD SIGNATURE:**  Date: 1/9/19  
 (Not to be signed until all approvals are received)  
 (The Original plus 20 copies of this document are required)  
 by Sue D L

**RESOLUTION NO. 2019-\_\_\_\_\_**

**A RESOLUTION OF THE BOARD OF SUPERVISORS, COUNTY OF INYO,  
STATE OF CALIFORNIA, AMENDING RESOLUTION 2006-06 CHANGING SALARY AND/OR  
TERMS AND CONDITIONS OF EMPLOYMENT FOR APPOINTED OFFICIALS EMPLOYED IN  
THE SEVERAL OFFICES OR INSTITUTIONS OF THE COUNTY OF INYO**

**WHEREAS**, the Board of Supervisors, pursuant to Government Code Section 25300, shall prescribe the compensation of all County Officers and shall provide for the number, compensation, tenure, appointment and conditions of employment of all County employees; and

**WHEREAS**, Appointed Officers are employees of the County of Inyo; and

**WHEREAS**, the Board of Supervisors desires to change the compensation, tenure, appointment and/or conditions of employment for Appointed County Officials;

**NOW THEREFORE, BE IT RESOLVED** that the Board of Supervisors hereby amends Article 7A of Resolution 2006-06 to read as follows:

**ARTICLE 7. SALARIES**

**A. Salaries**

Appointed Officials shall be paid a monthly salary as set forth in the schedule below:

<b>Appointed Officers</b>	<b>November 15, 2018 through January 23, 2019</b>
Ag Comm/Weights and Measures	\$12,070.00
County Administrator	\$15,000.00
County Counsel	\$15,576.00
Child Support Director	\$10,045.00
Environmental Health Director	\$ 8,757.00
Water Director	\$10,734.00
Health and Human Services Director	\$11,343.00
Planning Director	\$ 8,757.00
Chief Probation Officer	\$10,385.00
Public Works Director	\$11,963.00

<b>Appointed Officers</b>	<b>January 24, 2019 and on</b>
Ag Comm/Weights and Measures	\$12,070.00
County Administrator	\$15,000.00
County Counsel	\$15,576.00
Child Support Director	\$10,045.00
Environmental Health Director	\$ 8,757.00
Water Director	\$ 9,431.00
Health and Human Services Director	\$11,343.00
Planning Director	\$ 8,757.00
Chief Probation Officer	\$10,385.00
Public Works Director	\$11,963.00

**PASSED AND ADOPTED** this 15th of January, 2019 following vote of the Inyo County Board of Supervisors:

AYES:

NOES:

ABSTAIN:

ABSENT:

\_\_\_\_\_  
Rick Pucci  
Chairperson, Inyo County Board of Supervisors

Attest: Clint Quilter  
Clerk of the Board

BY: \_\_\_\_\_  
Darcy Ellis, Assistant

**AGREEMENT BETWEEN COUNTY OF INYO  
AND AARON STEINWAND  
FOR THE PROVISION OF PERSONAL SERVICES  
AS COUNTY WATER DIRECTOR**

**INTRODUCTION**

WHEREAS AARON STEINWAND\_ (hereinafter referred to as "Department Head") has been duly appointed as Water Director for Inyo County; and

WHEREAS, The County of Inyo (hereinafter referred to as "County") and Department Head desire to set forth the manner and means by which Department Head will be compensated for performance of duties;

NOW THEREFORE, in consideration of the mutual promises, covenants, terms, and conditions hereinafter contained, County and Department Head hereby agree as follows:

**TERMS AND CONDITIONS**

**1. SCOPE OF WORK.**

The Department Head shall furnish to the County, those services and work set forth in Attachment A, attached hereto and by reference incorporated herein.

Services and work provided by the Department Head under this Agreement will be performed in a manner consistent with the requirements and standards established by applicable federal, state, and County laws, ordinances, resolutions, and directions.

**2. TERM.**

The term of this Agreement shall be from January 24, 2019 until terminated as provided below.

**3. CONSIDERATION.**

A. Compensation. County shall pay Department Head in accordance with the Schedule of Fees (set forth as Attachment B) for the services and work described in Attachment A which are performed by Department Head.

B. Travel and Per Diem. County shall reimburse Department Head for the travel expenses and per diem which Department Head incurs in providing services and work under this Agreement. Travel and per diem expenses will be reimbursed in accordance with the rates set forth in the Schedule of Travel and Per Diem Payment (Attachment C). County reserves the right to deny reimbursement to Department Head for travel or per diem expenses which are either in excess of the amounts that may be paid under the rates set forth in Attachment C, or which are incurred by the Department Head without the proper approval of the County.

C. No Additional Consideration. Except as expressly provided in this Agreement, Department Head shall not be entitled to, nor receive, from County, any additional consideration, compensation, salary, wages, or other type of remuneration for services rendered under this Agreement.

D. Manner of Payment. Department Head will be paid in the same manner and on the same schedule of frequency as other County Department Heads and employees.

E. Federal and State Taxes. From all payments made to Department Head by County under the terms and provisions of this Agreement, County shall withhold all appropriate federal and state income taxes (resident and non-resident).

#### **4. WORK SCHEDULE.**

Department Head's obligation is to perform the services and work identified in Attachment A which are needed within the County. It is understood by Department Head that the performance of these services and work will require a varied schedule. Department Head, in arranging his schedule, will coordinate and make arrangements to fulfill the requirements of the services and work which is necessary.

#### **5. REQUIRED LICENSES, CERTIFICATES, AND PERMITS.**

Any licenses, certificates, or permits required by the federal, state, county, or municipal governments for Department Head to provide the services and work described in Attachment A must be procured by Department Head and be valid at the time Department Head enters into this Agreement. Further, during the term of this Agreement, Department Head must maintain such licenses, certificates, and permits in full force and effect. Licenses, certificates, and permits may include, but are not limited to, driver's licenses, and professional licenses or certificates. The County will pay the cost of the licenses, certificates, and permits necessary for Department Head to perform. All other licenses, certificates, and permits will be procured and maintained in force by Department Head at no expense to the County. Department Head will provide County, at County's request, with evidence of current and valid licenses, certificates and permits which are required to perform the services identified in Attachment A. Where there is a dispute between Department Head and County as to what licenses, certificates, and permits are required to perform the services identified in Attachment A, County reserves the right to make such determinations for purposes of this Agreement.

#### **6. OFFICE SPACE, SUPPLIES, EQUIPMENT, ETC.**

County shall provide Department Head with such supplies, reference materials, telephone service, and staff as is deemed necessary by the County for Department Head to provide the services identified in Attachment A to this Agreement.

#### **7. COUNTY PROPERTY.**

A. Supplies, Equipment, etc. All supplies, equipment, tools, protective or safety devices, badges, identification cards, keys, uniforms, vehicles, reference materials, furniture, appliances, etc. provided to Department Head by County pursuant to this Agreement are, and at the termination of this Agreement remain, the sole and exclusive property of County. Department Head will use reasonable care to protect, safeguard and maintain such items while they are in Department Head's possession.

B. Products of Department Head's Work and Services. Any and all compositions, publications, plans, designs, specifications, blueprints, maps, formulas, processes, photographs, slides, video tapes, computer programs, computer disks, computer tapes, memory chips, soundtracks, audio recordings, films, audio-visual presentations, exhibits, reports, studies, works of art, inventions, patents, trademarks, copyrights, or intellectual properties of any kind which are created, produced, assembled, compiled by, or are the result or product of, Department Head's services or work under this Agreement are, and at the termination of this Agreement remain, the sole and exclusive property of the County. At the termination of the Agreement, Department Head will convey possession and title to all such properties to County.

**8. WORKERS' COMPENSATION.**

County shall provide workers' compensation coverage to Department Head for all acts performed in the course and scope of providing the services described in Attachment A to this Agreement. In the event a claim is made by Department Head for injuries received in the course and scope of providing such services, County's liability shall be limited to workers' compensation benefits payable under the California Labor Code.

**9. STATUS OF DEPARTMENT HEAD.**

All acts of Department Head relating to the performance of this Agreement shall be performed by Department Head as the Water Director of the County. Department Head has no authority to bind, incur any obligation on behalf of, or exercise any right or power vested in, the County, except as expressly provided by law or set forth in Attachment A.

**10. DEFENSE AND INDEMNIFICATION.**

In the event the Department Head is sued for acts performed within the course and scope of providing services and work described in Attachment A of this Agreement, County shall defend, indemnify, and hold the Department Head harmless from any and all liability arising from such acts as required by law.

**11. TERMINATION AND DISCIPLINE.**

Department Head's services under this Agreement may be terminated by County without cause, and at will, for any reason by giving to Department Head ninety (90) days written notice of such intent to terminate.; provided however, that after January 24, 2020, Water Director shall be given One Hundred Fifty (150) days written notice of such intent to terminate and after January 24, 2021, Water Director shall be given One Hundred Eighty (180) days written notice of such intent to terminate.

Department Head may terminate this Agreement without cause, and at will, for any reason whatsoever by giving thirty (30) days written notice of such intent to terminate to County.

**12. ASSIGNMENT.**

This is an agreement for the personal services of Department Head. County has relied upon the skills, knowledge, experience, and training of Department Head as an inducement to enter into this Agreement. Department Head shall not assign or subcontract this Agreement, or any part of it, without the express written consent of the County.

**13. NONDISCRIMINATION.**

Department Head agrees to comply with various provisions of the federal, state, and county statutes, laws, and ordinances applicable to the County, and providing that no person in the United States shall, on the grounds of race, color, religion, ancestry, sex, age, physical handicap, or national origin, be subjected to discrimination.

**14. CONFIDENTIALITY.**

Department Head agrees to comply with various provisions of the federal, state, and county laws and ordinances providing that information and records kept, maintained, or accessible by the County, shall be privileged, restricted, or confidential. Disclosure of such confidential, privileged, or protected information shall be made by Department Head only as allowed by law.

**15. CONFLICTS.**

Department Head agrees that she has no interest, and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of the work and services under this Agreement. Department Head agrees to complete and file appropriate conflict of interest statements.

**16. POST AGREEMENT COVENANT.**

Department Head agrees not to use any confidential, protected, or privileged information which is gained from the County in the course of providing services and work under this Agreement, for any personal benefit, gain, or enhancement. Further, Department Head agrees for a period of two years after the termination of this Agreement, not to seek or accept any employment with any entity, association, corporation, or person who, during the term of this Agreement, has had an adverse or conflicting interest with the County, or who has been an adverse party in litigation with the County, and concerning such, Department Head by virtue of this Agreement has gained access to the County's confidential, privileged, protected, or proprietary information.

**17. AMENDMENT.**

This Agreement may be modified, amended, changed, added to, or subtracted from, by the mutual consent of the parties hereto, if such amendment or change is in written form, and executed with the same formalities as this Agreement, and attached to the original Agreement to maintain continuity.

**18. NOTICE.**

Any notice, amendments, or additions to this Agreement, including change of address of either party during the term of this Agreement, which Department Head or County shall be required, or may desire, to make shall be in writing and shall be sent by prepaid first class mail to the respective parties as follows:

**County of Inyo**

County Administrator _____	Department
P.O. Drawer N _____	Mailing Address
Independence, CA 93526 _____	City and State

**Department Head:**

AARON STEINWAND _____	Name
3105 S. Tumbleweed _____	Street
Bishop, CA 93514 _____	City and State

**19. ENTIRE AGREEMENT.**

This Agreement contains the entire agreement of the parties, and no representations, inducements, promises, or agreements otherwise between the parties not embodied herein or incorporated herein by reference, shall be of any force or effect. Further, no term or provision hereof may be changed, waived, discharged, or terminated, unless the same be in writing executed by the parties hereto.



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**AGREEMENT BETWEEN COUNTY OF INYO  
AND AARON STEINWAND  
FOR THE PROVISION OF PERSONAL SERVICES  
AS COUNTY WATER DIRECTOR**

IN WITNESS THEREOF, THE PARTIES HERETO HAVE SET THEIR HANDS AND SEALS THIS  
24th DAY OF January, 2019.

**COUNTY OF INYO**

**DEPARTMENT HEAD**

By: \_\_\_\_\_

By: AARON STEINWAND

Print or Type Name

Dated: \_\_\_\_\_

Aaron S  
Signature

Dated: 1-9-19

APPROVED AS TO FORM AND  
LEGALITY:

\_\_\_\_\_  
County Counsel

APPROVED AS TO ACCOUNTING  
FORM:

\_\_\_\_\_  
County Auditor

APPROVED AS TO PERSONNEL  
REQUIREMENTS:

\_\_\_\_\_  
Personnel Services

**AGREEMENT BETWEEN COUNTY OF INYO  
AND AARON STEINWAND  
FOR THE PROVISION OF PERSONAL SERVICES  
AS COUNTY WATER DIRECTOR**

IN WITNESS THEREOF, THE PARTIES HERETO HAVE SET THEIR HANDS AND SEALS THIS  
24th DAY OF January, 2019.

**COUNTY OF INYO**

**DEPARTMENT HEAD**

By: \_\_\_\_\_

By: AARON STEINWAND  
Print or Type Name

Dated: \_\_\_\_\_

Aaron S  
Signature

Dated: 1-9-19

APPROVED AS TO FORM AND  
LEGALITY:

\_\_\_\_\_  
County Counsel

APPROVED AS TO ACCOUNTING  
FORM:

\_\_\_\_\_  
County Auditor

APPROVED AS TO PERSONNEL  
REQUIREMENTS:

[Signature]  
Personnel Services

**ATTACHMENT A**

**AGREEMENT BETWEEN COUNTY OF INYO  
AND AARON STEINWAND  
FOR THE PROVISION OF PERSONAL SERVICES  
AS COUNTY WATER DIRECTOR**

**TERM:**

**FROM:** January 24, 2019      **TO:** Termination

**SCOPE OF WORK:**

Department Head shall perform the duties and responsibilities as identified in the job description for Water Director attached hereto.

**ATTACHMENT B**

**AGREEMENT BETWEEN COUNTY OF INYO  
AND AARON STEINWAND  
FOR THE PROVISION OF PERSONAL SERVICES  
AS COUNTY WATER DIRECTOR**

**TERM:**

**FROM:** January 24, 2019

**TO:** Termination

**SCHEDULE OF FEES:**

1. Department Head shall be paid \$9,431 per month, and shall be paid every two weeks on County paydays (26 pay periods per year).
2. Except as otherwise provided in this contract, Department Head shall be compensated and receive benefits according to Inyo County Resolution Number 2018-02 or a successor resolution applicable to Management Employees.
3. Department Head is entitled to eighty paid administrative hours off every fiscal year. The administrative leave hours shall not accumulate and will be lost if not utilized during the fiscal year. The administrative leave shall have no cash value.
4. County will provide and maintain a motor pool vehicle for Water Director use travelling between work locations and in conducting other County business. Said vehicle will be garaged overnight at a County facility unless prior permission is granted by the County Administrator or his designee.

**ATTACHMENT C**

**AGREEMENT BETWEEN COUNTY OF INYO  
AND AARON STEINWAND  
FOR THE PROVISION OF PERSONAL SERVICES  
AS COUNTY WATER DIRECTOR**

**TERM:**

**FROM:** January 24, 2019

**TO:** Termination

**SCHEDULE OF TRAVEL AND PER DIEM PAYMENT:**

1. Subject to Paragraph 2 below, County will reimburse Officer for travel and per diem expenses in the same amount and to the same extent as County reimburses its permanent status merit system employees.
2. Officer will not be reimbursed for intra-county travel by private automobile to destinations less than seventy-five (75) miles from Independence or Bishop, California.

**\\\ NOTHING FOLLOWS ///**



**AGENDA REQUEST FORM**  
BOARD OF SUPERVISORS  
COUNTY OF INYO

For Clerk's Use Only: <b>AGENDA NUMBER</b>  11
---

- Consent     Departmental     Correspondence Action     Public Hearing  
 Scheduled Time for     Closed Session     Informational

**FROM:** County Administrator/Sheriff

**FOR THE BOARD MEETING OF:** January 15, 2019

**SUBJECT:** Public Relations Officer reclassification

**DEPARTMENTAL RECOMMENDATION:**

1. Request Board approve the job description of the Public Relations Officer, Range 78.
2. Consistent with the Fiscal Year 2018-2019 Board Approved Budget, reclassify the Administrative Analyst III, Range 72 (\$4,787-\$5,815) with in the Sheriff's Office to the Public Relations Officer, Range 78 (\$5,518-\$6,705) effective January 24, 2019.

**CAO RECOMMENDATION:**

**SUMMARY DISCUSSION:**

The 2018-2019 Board approved budget included funding to reclassify an Administrative Analyst in the Sheriff's Department to a Public Information Officer to be shared between the Administration and the Sheriff's Department. The County Administrator and Sheriff are now requesting that Board approve both the PIO job description and the reclassification. The Sheriff and County Administrator have worked closely to develop the job description and define the cooperative nature of the position. The position will reside in the Sheriff's Department but will receive 30% of its funding from the Administrators Budget.

The Sheriff and County Administrator have developed and will execute an MOU that clearly states the expectations and responsibilities of both departments with respect to this position. The highlights include:

1. PIO will provide training to County staff as requested by the Administration in coordination with the Sheriff.
2. PIO will be available to work with the Board, Administration and other County Departments to assist with developing and distributing public information on an ongoing basis and for specific occurrences.
3. PIO will prepare and participate in workshops as requested with the Board of Supervisors to plan, discuss, and review messaging.
4. Administration will schedule of PIO in advance except in instances when time is of the essence.
5. Administration will fund 30% of the PIO position.
6. Sheriff and Administrator shall meet annually to evaluate the effectiveness of the MOU.

We believe this provides for an efficient use of County resources.

**ALTERNATIVES:**

None.

**OTHER AGENCY INVOLVEMENT:**

**FINANCING:**

Funds are budgeted 70% in the Sheriff's Budget and 30% in the CAO's budget.

<b>APPROVALS</b>	
COUNTY COUNSEL:	AGREEMENTS, CONTRACTS AND ORDINANCES AND CLOSED SESSION AND RELATED ITEMS (Must be reviewed and approved by county counsel prior to submission to the board clerk.)  Approved: _____ Date _____
AUDITOR/CONTROLLER:	ACCOUNTING/FINANCE AND RELATED ITEMS (Must be reviewed and approved by the auditor-controller prior to submission to the board clerk.)   Approved: <u>ye</u> Date <u>1/9/2019</u>
PERSONNEL DIRECTOR:	PERSONNEL AND RELATED ITEMS (Must be reviewed and approved by the director of personnel services prior to submission to the board clerk.)   Approved: <u>✓</u> Date <u>1/9/19</u>

**DEPARTMENT HEAD SIGNATURE:** Clint Baulta Date: 1/9/19  
(Not to be signed until all approvals are received)

by Sue D





AN EQUAL OPPORTUNITY EMPLOYER  
(WOMEN, MINORITIES, AND DISABLED ARE ENCOURAGED TO APPLY)

### **PUBLIC INFORMATION OFFICER**

**DEPARTMENT:** Sheriff  
**LOCATION:**  
**SALARY:** Range 78 \$5410 \$5675 \$5963 \$6261 \$6574\*\*

**\*\*BENEFITS:** CalPERS Retirement System: Existing ("Classic") CalPERS members as of January 1, 2013, (2% at 55) – Inyo County pays employee contribution for current CalPERS members; new CalPERS members hired after January 1, 2013 (2% at 62) will be required to pay at least 50% of normal cost. Medical Plan – Inyo County pays a portion of employee and dependent monthly premium on PERS medical plans; 100% of employee and dependent monthly premium paid for dental and vision; \$20,000 term life insurance policy on employee. Vacation – 10 days per year during the first three years; 15 days per year after three years; 1 additional day for each year of service after ten years to a maximum of 25 days per year. Sick leave – 15 days per year. Flex (personal days) – 5 days per fiscal year. Paid holidays – 11 per year.

**DEFINITION:** Under general direction of the Sheriff or their designee, this position plans, coordinates, directs, manages and carries out the day-to-day activities of the Department's Public Information and Communications functions during times of non-emergency and, during an emergency, supports the County's response and recovery efforts as directed or necessary; provides liaison between media and Department; administers Department's social media platforms, drafting and releasing new information to the media and the public in Inyo and beyond, as necessary.

**ESSENTIAL JOB DUTIES:** With minimal, general supervision, directs and coordinates all aspects of the day-to-day activities of the Department Public Information and Communications functions including planning, training, education, intra-County and inter-agency communications. Supports the mission, vision, values, and goals of the Department. Drafts original text and messaging to the media, the public, the Sheriff, and other agencies. Serves as media and public spokesperson for the Department; make statements and responds to interviews. Prepares talking points and press briefings. Be available and responsive to Department staff. Receive and respond to inquiries regarding news items, events, laws or procedures. Provide information to public on Departmental policies and procedures. Plan and organize events. Develop and implement media strategies for new programs. Maintain Department website, social media platforms, archiving software, and/or other technology applications in coordination and consistent with County policy. Facilitate media requests and interview requests. Evaluate and make recommendations regarding Department media/public information policies and procedures. Manage RIMS mapping. Prepare grant applications and perform reporting on grants received. Maintain and manage emergency alerting systems including CodeRed, OnSolve, IPAWS-WEA, and State/Federal EAS, including the EAS Plan. Complete NIMS Implementation Annual Survey. Attend and participate in meetings, conferences, and trainings that enhance skill; and perform other duties as assigned.

**CORE COMPETENCIES:** The core competencies listed below and the ability to immediately demonstrate these competencies consistent with the position's level in the department and the specific work assignment:

**Intensity:** Goes after the goal with passion; is results oriented, and gets the job done. Key Concepts: Risk-taker; results-oriented; and initiative driver.

**Ethical Behavior:** Does what is right regardless of temptations and pressures to do otherwise; upholds the public's trust; and conducts self-according to a set of principles. Key Concepts: Respect; trust; responsible; fair; and caring.

**Influence:** Affects successful outcomes for the organization through the use of masterful leadership, collaboration, and a keen understanding of the organization, its goals, and the interests of all parties. Key Concepts: Engaged; collaborative; strategic orientation; situational awareness; organizationally savvy; inspirational; energizing-empowering; team orientation; and change agent.

**Commitment:** Successfully builds relationships with and promotes involvement of diverse groups; considers the needs of diverse clients when developing policies and procedures related to service; works closely with diverse groups to identify and deliver services that meet their needs and the strategic objectives of the program; establishes customer service as the single purpose to which all resources are dedicated; focuses on delivering the best services possible to the public; focuses on customer needs; and is committed to public service. Key Concepts: Public servant; and customer service.

**Interpersonal Skills:** Possesses and uses versatile communication styles and approaches; understands the underlying psychology of why people act as they do and changes approach to affect positive outcomes; builds rapport throughout the organization; and develops human potential. Key Concepts: Staff development; communication; listening; delegation; recognition; and buy-in.

**Resiliency:** Is adaptable; takes direct action; leads by example; exhibits tenacity. This leader is ready, flexible, self-reliant, and has a reputation for finding opportunities in difficult situations. Key Concepts: Action-orientation; adaptability; flexibility; agility; tenacity; survivability; courage; confidence; and intuition.

**Craftsmanship:** Rejects the "good enough for government work" attitude; takes ownership of work done and results accomplished; takes pride in delivering quality services to customers; seeks out opportunities to develop new and creative solutions and programs; imagines possibilities; defines a vision, and works to bring vision into reality. Key Concepts: Innovative; imaginative; inventive; pride-in-work; accountability; self-development; and self-starter.

## **EMPLOYMENT STANDARDS**

**Education/Experience:** Minimum of five years' experience in public information/public relations. Bachelor's Degree in communications or related field desired or Any combination of education, skills and experience that demonstrate an ability to excel in the position may be considered. While a Bachelor's degree is desirable, typical demonstrations of such education and experience include considerable Public Information/Public Relations experience and California local government experience, or a combination of training, education and experience that is equivalent.

**Knowledge of:** Principles, practices, and methods of Public Information in general and as it relates to emergency management, including the Incident Command System (ICS), Standard Emergency Management System (SEMS), National Incident Management Systems (NIMS), GIS applications, Website maintenance, Social Media Platforms, emergency alerting systems, and communications with other Departments, Agencies, the Media, and the Public-at-Large.

Principles of California local government organization and operations. Government budgeting and accounting principles and practices. Principles of employee supervision and discipline.

**Ability to:** Communicate clearly, concisely, and persuasively in writing and verbally. Think critically and perform comprehensive analyses. Work independently, and manage multiple priorities. Exercise sound independent judgment within general directions and policy guidelines. Remain calm under pressure. Establish and maintain project and program files and records, including financial, training and time records. Prepare clear and concise reports; analyze complex problems, evaluate alternatives, and make sound recommendations, and

do so in a manner that minimizes costs to the County and its citizens. Work cooperatively with those contacted in the course of work. Ability to stand, sit, bend, squat, climb, kneel, twist, and lift and carry up to 50 pounds in the course of work.

Plan, organize, manage, supervise, and coordinate employees and consultants; prepare and manage budgets; develop and administer grant applications and contracts; interpret, analyze and apply pertinent federal, state and local laws, rules and regulations, policies and procedures; develop, implement and interpret goals, objectives, policies and procedure; represent the County effectively in meetings with others. Interpret budgetary and financial statements; use computers effectively for word processing, records management and presentation.

**Special requirements:** Must possess a valid operator's license issued by the California Department of Motor Vehicles. Must successfully complete a pre-employment background investigation.

**SELECTION:** Selection procedures will be determined by the number and qualifications of applicants and may include a qualification screening, written examination, computer skills exercise, and oral examination.

**APPLICATION:** Applications **must be received** by the Inyo County Personnel Department, P.O. Box 249, Independence, CA 93526, no later than 5:00 p.m. on (**postmarks not accepted**). Must apply on Inyo County application form. A cover letter and/or resume will be accepted in addition to the application form but will not serve as a substitute for a completed application. **It is not acceptable to complete the application with statements like "See/Refer to Resume" or "See Attached"**. Incomplete applications will not be processed. Applications may be faxed to meet the deadline—original application with original signature must be received.

**THIS RECRUITMENT MAY ESTABLISH AN ELIGIBILITY LIST THAT MAY BE USED FOR ONE YEAR IN FILLING COUNTYWIDE VACANCIES THAT MAY OCCUR IN THIS JOB CLASSIFICATION AND SALARY RANGE.**

**REASONABLE ACCOMMODATION FOR INDIVIDUALS WITH QUALIFYING DISABILITIES:** Inyo County will make reasonable efforts in the examination process on a case- basis to accommodate persons with disabilities. If you have special needs, please contact (760) 878-0377 prior to the examination process.

**CITIZENSHIP/IMMIGRATION STATUS:** Inyo County hires only U.S. citizens and lawfully authorized non-citizens in accordance with the Immigration Reform and Control Act of 1986.

The County of Inyo has work sites located throughout Inyo County in the Owens Valley (Independence, Bishop, Lone Pine, Big Pine, and Olancho) and the Death Valley area (Death Valley, Shoshone, and Tecopa). This position will be based primarily in Independence to maintain proximity to the Office of the County Administrator/Director of Emergency Services and the Sheriff's Office. Positions are assigned to a work site based upon the needs of the County. The Department Head, on a case-by-case basis, may temporarily or permanently reassign positions to another work site as deemed necessary.



**AGENDA REQUEST FORM**  
**BOARD OF SUPERVISORS**  
**COUNTY OF INYO**

For Clerk's Use Only:  
**AGENDA NUMBER**  
 12

- Consent   
  Departmental   
  Correspondence Action   
  Public Hearing  
 Scheduled Time for   
  Closed Session   
  Informational

**FROM:** Public Guardian/Public Administrator

**FOR THE BOARD MEETING OF:** January 15, 2019

**SUBJECT:** Hiring a full-time Deputy Public Administrator Public Guardian

**DEPARTMENTAL RECOMMENDATION:**

- 1) Request Board, consistent with the Fiscal Year 2018-2019 Board Approved Budget: A) reclassify the BPAR Public Guardian Specialist, Range 57 (\$18.03-\$21.90 per hour) to a full-time Deputy Public Administrator Public Guardian, Range 57 (\$3,363-\$4,086); and B) change the authorized staffing of the Public Guardian/Public Administrators Office as follows:
1. Delete on (1) BPAR Public Guardian Specialist, Range 57 (18.03 - \$21.90) and add one (1) fulltime Deputy Public Administrator Public Guardian, Range 57 (\$3,363-\$4,086).

**SUMMARY DISCUSSION:**

The office of Public Administrator Public Guardian requires restoration of a full time Deputy position to adequately comply with the legal duties and responsibilities dictated by California Probate Code.

**ALTERNATIVES:** Your Board could choose not to approve the hiring of this position, but this would negatively impact the daily operations of the Public Guardian/Public Administrator's Office.

**OTHER AGENCY INVOLVEMENT:**

**FINANCING:** Funding for this position is from the General Fund. This position is currently budgeted for in the Public Guardians/Public Administrator Budget

<b>APPROVALS</b>	
COUNTY COUNSEL:	AGREEMENTS, CONTRACTS AND ORDINANCES AND CLOSED SESSION AND RELATED ITEMS <i>(Must be reviewed and approved by county counsel prior to submission to the board clerk.)</i>  Approved: _____ Date _____
AUDITOR/CONTROLLER:	ACCOUNTING/FINANCE AND RELATED ITEMS <i>(Must be reviewed and approved by the auditor-controller prior to submission to the board clerk.)</i>  Approved: <u>yes</u> Date <u>1/4/19</u>
PERSONNEL DIRECTOR:	PERSONNEL AND RELATED ITEMS <i>(Must be reviewed and approved by the director of personnel services prior to submission to the board clerk.)</i>  Approved: <u>✓</u> Date <u>1/4/19</u>

**DEPARTMENT HEAD SIGNATURE:**  Date: 1-3-2019  
 (Not to be signed until all approvals are received)  
 (The Original plus 20 copies of this document are required)



**AGENDA REQUEST FORM**  
BOARD OF SUPERVISORS  
COUNTY OF INYO

For Clerk's Use Only:  
AGENDA NUMBER

13

- Consent     Departmental     Correspondence Action     Public Hearing  
 Scheduled Time for     Closed Session     Informational

**FROM:** Treasurer-Tax Collector

**FOR THE BOARD MEETING:** January 15, 2019

**SUBJECT:** Increase the authorized strength in the Treasurer-Tax Collector's office and approve the recruitment of one Office Technician I-III.

**DEPARTMENTAL RECOMMENDATION:**

Request Board find that:

- A. Consistent with the Fiscal Year 2018-2019 Board Approved Budget, increase the authorized strength in the Treasurer-Tax Collector's Office by:
  - a. Adding one (1) Office Technician I-III position Range 55-63.
- B. Consistent with the adopted Authorized Position Review Policy, find that:
  - a. Available funding for one Office Technician exists in the Treasurer-Tax Collector budget, as certified by the Treasurer-Tax Collector and concurred with by the County Administrator and Auditor-Controller; and
  - b. Where internal candidates may meet the qualifications for the position of Office Technician, the vacancy could possibly be filled by internal candidates, however an open recruitment would be more appropriate to ensure qualified candidates apply; and
  - c. Approve the hiring of one (1) Office Technician I-III, Range 55-63 (3,213-\$4,705)

**SUMMARY DISCUSSION:**

The approved 2018-2019 annual budget included both a recommendation and partial funding of the addition of one office technician I-III to the authorized strength of the Treasurer-Tax Collector's office.

The staffing level for this department has not changed since the mid-1980's. Since that time we have seen the onset of online hosting, the cannabis industry and the related taxation, a distinct increase in roll changes across all tax rolls from the Assessor's office as well as significant changes, resulting in more extensive and efficient services for our treasury pool participants but resulting in a major increase to the workload of the treasury department since the size of our portfolio has increased four times over since 1999.

By approving the additional office technician I-III position, we will be able to restructure the workload throughout the department, allow for better, more comprehensive coverage during work hours, and contribute to the departmental mission: providing courteous, professional, and timely services to the citizens of Inyo County and all of the treasury pool participants.

**ALTERNATIVES:**

Your Board could choose not to approve the change in authorized staffing for the Treasurer-Tax Collector department.

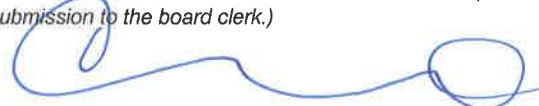
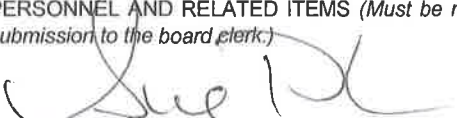
**OTHER AGENCY INVOLVEMENT:**

Personnel

**FINANCING:**

Since the funding for this position was included in the approved 2018-2019 annual budget, there is no increase to Net County Costs. This position is funded for six (6) months during this fiscal year's budget.

**APPROVALS**

<p>BUDGET OFFICER:</p> <p><b>N/A</b></p>	<p>BUDGET AMENDMENTS <i>(Must be reviewed and approved by Budget Officer prior to being approved by others, as needed, and prior to submission to the Assistant Clerk of the Board.)</i></p> <p>Approved: _____ Date _____</p>
<p>COUNTY COUNSEL:</p> <p><b>N/A</b></p>	<p>AGREEMENTS, CONTRACTS AND ORDINANCES AND CLOSED SESSION AND RELATED ITEMS <i>(Must be reviewed and approved by county counsel prior to submission to the board clerk.)</i></p> <p>Approved: _____ Date _____</p>
<p>AUDITOR/CONTROLLER:</p>	<p>ACCOUNTING/FINANCE AND RELATED ITEMS <i>(Must be reviewed and approved by the auditor-controller prior to submission to the board clerk.)</i></p> <p> Approved: <u>12/21/18</u> Date <u>yes</u></p>
<p>PERSONNEL DIRECTOR:</p>	<p>PERSONNEL AND RELATED ITEMS <i>(Must be reviewed and approved by the director of personnel services prior to submission to the board clerk.)</i></p> <p> Approved: <u>✓</u> Date <u>12/20/18</u></p>

**DEPARTMENT HEAD SIGNATURE:**

(Not to be signed until all approvals are received)



Date: 12/21/18

(The Original plus 14 copies of this document are required)



**AGENDA REQUEST FORM**  
BOARD OF SUPERVISORS  
COUNTY OF INYO

For Clerk's Use Only:  
AGENDA NUMBER

14

- Consent     Departmental     Correspondence Action     Public Hearing  
 Scheduled Time for     Closed Session     Informational

**FROM:** Sheriff Bill Lutze

**FOR THE BOARD MEETING OF:** January 15, 2019

**SUBJECT:** Request to fill one (1) vacant Public Safety Dispatcher I position.

**DEPARTMENTAL RECOMMENDATION:**

Request Board find that consistent with the adopted Authorized Position Review Policy:

1. The availability of funding for the requested position comes from the General Fund, as certified by the Sheriff, and concurred by the County Administrator and the Auditor-Controller; and
2. Where internal candidates may meet the qualifications for the position and the position could possibly be filled by an internal recruitment, but an open recruitment is more appropriate to ensure the position is filled with the most qualified applicant; and
3. Approve the hiring of one (1) candidate for the Public Safety Dispatcher I position (Range 55AC, \$3213-\$3538).

**CAO RECOMMENDATION:**

**SUMMARY DISCUSSION:**

This dispatcher position is anticipated to be vacated on March 16, 2019. It is imperative that we fill the vacant position as soon as possible as there are currently only five other dispatchers to cover the duties seven days a week, 24 hours a day. From the time the position is vacated until the position is filled, we will have to have other Dispatchers, Deputies or Supervisors fill in as necessary, which results in additional unanticipated overtime expenses. We request your Board to authorize, pursuant to the candidate's qualifications and experience, the hiring of a qualified candidate for the Public Safety Dispatcher I position. Hiring of this position falls within the Sheriff's Office current authorized strength.

**ALTERNATIVES:**

Deny filling the Public Safety Dispatcher I position.

**OTHER AGENCY INVOLVEMENT:**

Personnel

Auditor's office

**FINANCING:**

The Public Safety Dispatcher I position is included in the 2018-2019 Sheriff's General budget (022700).

<b>APPROVALS</b>	
AUDITOR/CONTROLLER:	ACCOUNTING/FINANCE AND RELATED ITEMS (Must be reviewed and approved by the auditor-controller prior to submission to the board clerk.)  Approved: <u>Yes</u> Date <u>12/21/2018</u>
PERSONNEL DIRECTOR:	PERSONNEL AND RELATED ITEMS (Must be reviewed and approved by the director of personnel services prior to submission to the board clerk.)  Approved: <u>✓</u> Date <u>12/20/18</u>

**DEPARTMENT HEAD SIGNATURE:**

(Not to be signed until all approvals are received)  
(The Original plus 20 copies of this document are required)



Date: 12/27/18





**AGENDA REQUEST FORM**  
**BOARD OF SUPERVISORS**  
**COUNTY OF INYO**

For Clerk's Use Only:  
**AGENDA NUMBER**  
  
15

- Consent     
  Departmental     
  Correspondence Action     
  Public Hearing  
 Scheduled Time for     
  Closed Session     
  Informational

**FROM:** HEALTH & HUMAN SERVICES (HHS) -Behavioral Health Division

**FOR THE BOARD MEETING OF: January 15, 2019**

**SUBJECT:** Approval to pay for Inpatient Psychiatric Hospitalization

**DEPARTMENTAL RECOMMENDATION:**

Request approval to pay \$13,300 to Sierra Vista Hospital for an involuntary hospitalization of an Inyo County Medi-Cal beneficiary placed in the facility pursuant to Welfare and Institutions Code (WIC) 5150.

**CAO RECOMMENDATION:**

**SUMMARY DISCUSSION:**

Inyo County HHS Behavioral Health, as the Specialty Mental Health Managed Care Plan, has the responsibility to pay for medically necessary in-patient psychiatric hospital stays for Inyo County Medi-Cal beneficiaries. This is the responsibility of the Mental Health Plan (MHP), regardless of whether the person is hospitalized by Inyo County personnel or whether we have a contract for these services with the hospital. These services are considered emergent and do not need prior approval. In the past, this type of hospitalization has been paid via a Treatment Authorization Form (ARF) which authorizes a partial offset to Realignment. Hospitalizations for certain stand-alone psychiatric facilities (Short Doyle hospitals) are now paid directly by the County of Responsibility. We respectfully request approval of payment to Sierra Vista Hospital for these services at the host county Medi-Cal rate which is currently \$792.00 per day.

**ALTERNATIVES:** Inyo County HHS Behavioral Health as the Mental Health Plan is fiscally responsible for payment. The alternative to refuse payment would be in breach of our contract with Department of Healthcare Services (DHCS) as the MHP.

**OTHER AGENCY INVOLVEMENT:**

DHCS, hospitals and agencies designated to place involuntary holds under WIC 5050.

**FINANCING**

Realignment funds. This expense is budgeted under Behavioral Health (045200) in Support and Care (5508).

**APPROVALS**

**AUDITOR/CONTROLLER:**

**ACCOUNTING/FINANCE AND RELATED ITEMS** (Must be reviewed and approved by the Auditor/Controller prior to submission to the Board Clerk.)

Approved: yes

Date: 12/24/2018

**DEPARTMENT HEAD SIGNATURE:**

(Not to be signed until all approvals are received)

Date: 12/21/18



**AGENDA REQUEST FORM**  
BOARD OF SUPERVISORS  
COUNTY OF INYO

For Clerk's Use Only:  
**AGENDA NUMBER**

16

- Consent     Departmental     Correspondence Action     Public Hearing  
 Scheduled Time for     Closed Session     Informational

**FROM:** Public Works / Airport – Engineering

**FOR THE BOARD MEETING OF:** JAN 15 2013

**SUBJECT:** Request to dispose of surplus Public Works vehicles

**DEPARTMENTAL RECOMMENDATION:**

Request Board;

1. Declare these County vehicles as surplus;
  - (a) County asset #6993, 1988 Ford F250, License Plate No. 370798, VIN. 1FTHF26H2JPB7058
  - (b) County asset #5801, 1988 Chevrolet S15, License Plate No. 206817, VIN. 1GTBS14E6J8535917
  - (c) County asset #8237, 1990 GMC Jimmy, License Plate No. 334251, VIN. 1GKCT18ZXM8517041
2. Authorize the County Purchasing Agent (CAO) or his designee to offer the vehicles for sale utilizing the Public Surplus auction site; and
3. Authorize the County Purchasing Agent (CAO) or his designee to utilize either the previously approved consignment auction agreement with Enterprise Fleet Management or another auctioneer for the removal and sale of any vehicles remaining unsold after the Public Surplus process

**SUMMARY DISCUSSION:**

In 2015 your Board approved a comprehensive vehicle acquisition process utilizing Enterprise Fleet Management. Most County Motor Pool vehicles are now being leased through Enterprise. As County owned vehicles reach the end of their useful life, the vehicles have been auctioned using the Public Surplus online auction site and the proceeds credited to the County.

This is a list of vehicles that have been identified by Public Works that either recently have, or soon will be taken out of service by the County. It is requested that your Board declare these vehicles as surplus and authorize the County Purchasing Agent (CAO) or his designee to offer these items for sale through publics surplus.com. Any remaining vehicles will then be sold through a traditional auction agreement or through Enterprise Fleet Management.

**ALTERNATIVES:**

Your Board could authorize the County Purchasing Agent to utilize a sealed bid process. This alternative is not recommended as it is very time-consuming and does not maximize cost recovery. Your Board could also authorize the County Purchasing Agent to utilize a vehicle auction either through Enterprise or another auction house. This would limit the ability of local residents to bid on the vehicles. Or your Board could authorize the County Purchasing Agent to conduct a physical live auction at a location in the County. This would limit the number of prospective bidders and, therefore, would not maximize cost recovery.

**OTHER AGENCY INVOLVEMENT:**


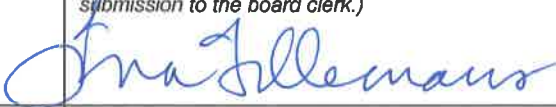
County Purchasing Agent (CAO)

County Counsel  
Auditor

**FINANCING:**

The proceeds received as a result of the auction sale will dictate the amount received by the County. The funds received will be allocated to the Motor Pool Internal Service Fund.

**APPROVALS**

COUNTY COUNSEL:	AGREEMENTS, CONTRACTS AND ORDINANCES AND CLOSED SESSION AND RELATED ITEMS (Must be reviewed and approved by county counsel prior to submission to the board clerk.)   Approved: <u>yes</u> Date <u>1/3/19</u>
AUDITOR/CONTROLLER:	ACCOUNTING/FINANCE AND RELATED ITEMS (Must be reviewed and approved by the auditor-controller prior to submission to the board clerk.)   Approved: <u>yes</u> Date <u>1/4/19</u>
PERSONNEL DIRECTOR: N/A	PERSONNEL AND RELATED ITEMS (Must be reviewed and approved by the director of personnel services prior to submission to the board clerk.)  Approved: <u>N/A</u> Date _____

**DEPARTMENT HEAD SIGNATURE:**

(Not to be signed until all approvals are received)  
(The Original plus 14 copies of this document are required)



Date: 1/4/19



**AGENDA REQUEST FORM**  
**BOARD OF SUPERVISORS**  
**COUNTY OF INYO**

For Clerk's Use Only:  
**AGENDA NUMBER**  
 17

- Consent     Departmental     Correspondence Action     Public Hearing  
 Scheduled Time for     Closed Session     Informational

**FROM:** Board of Supervisors – Chairperson Rick Pucci  
**By:** Darcy Ellis, Assistant Clerk of the Board

**FOR THE BOARD MEETING:** January 8, 2019

**SUBJECT:** Board of Supervisors Committee Appointments for calendar year 2019

**DEPARTMENTAL RECOMMENDATION:**

Request Board: A) approve the 2019 Board of Supervisors committee assignments as recommended by the Chairperson; and B) for the purposes of Form 806 reporting, make separate motions for the following assignments:

1. Eastern Sierra Transit Authority Board of Directors (two)
2. Great Basin Unified Air Pollution Control District Board (two, plus an alternate)
3. Local Agency Formation Commission (two, plus an alternate)

*(Recommendations for appointment will be made during the discussion.)*

**SUMMARY DISCUSSION:**

Each year the newly elected Chairperson makes recommendations for Board of Supervisors appointments to the various boards, committees, and commissions upon which the Board of Supervisors has representation. The requirement for County Supervisor representation on the various boards, committees, and commissions comes from a variety of sources, including but not limited to State law, County law, and/or Inyo County Board of Supervisors order.

At this time your Board is asked to make the necessary appointments as recommended by this year's Chairperson, Rick Pucci, who will present the recommendations during today's discussion. Additionally, you are being asked to make separate motions for appointments to boards, committees, and commissions that pay a stipend for their members for both regular and alternate membership. These appointments require the completion of Form 806: Agency Report of Public Official Appointments, necessitating a different approval mechanism than the other annual appointments. This form is posted on the County's website as required and once the Board confirms these appointments, the Form will be updated.

**ALTERNATIVES:** Your Board could choose to change any of the recommendations for appointments.

**OTHER AGENCY INVOLVEMENT:** N/A

**FINANCING:** There is no expected fiscal impact associated with this request.

**APPROVALS**

COUNTY COUNSEL: <b>N/A</b>	AGREEMENTS, CONTRACTS AND ORDINANCES AND CLOSED SESSION AND RELATED ITEMS <i>(Must be reviewed and approved by county counsel prior to submission to the board clerk.)</i>
AUDITOR/CONTROLLER: <b>N/A</b>	ACCOUNTING/FINANCE AND RELATED ITEMS <i>(Must be reviewed and approved by the auditor-controller prior to submission to the board clerk.)</i>
PERSONNEL DIRECTOR: <b>N/A</b>	PERSONNEL AND RELATED ITEMS <i>(Must be reviewed and approved by the director of personnel services prior to submission to the board clerk.)</i>

**DEPARTMENT HEAD SIGNATURE:**

(Not to be signed until all approvals are received)

Date: 01-10-19



**AGENDA REQUEST FORM  
BOARD OF SUPERVISORS  
COUNTY OF INYO**

For Clerk's Use Only:  
AGENDA NUMBER

18

- Consent     Departmental     Correspondence Action     Public Hearing  
 Scheduled Time.     Closed Session     Informational

**FROM:** Inyo County Planning Department

**FOR THE BOARD MEETING OF:** January 15, 2019

**SUBJECT:** Annual appointment of representatives to Tribal Consultation Committees.

**DEPARTMENTAL RECOMMENDATION:** In accordance with the County's Tribal Consultation Policy<sup>1</sup> every year the Board of Supervisors will appoint two Supervisors to serve on each Tribal Consultation Committee, staff is recommending your Board select two members for each of the five Tribes located in Inyo County.

**SUMMARY DISCUSSION:** On October 11, 2016 the Board adopted the County's Tribal Consultation Policy. This Policy establishes a consistent, efficient, and culturally suitable protocol for how the County conducts Tribal/County intergovernmental consultation under existing State and local laws and it applies to all County/Tribal consultations

Pursuant to the Policy, each year, your Board is to designate two of its members to serve as Consultation Committee representatives assigned to consult with an individual Tribe. Under the Policy, the County's stated preference is that each consulting Tribe also appoints at least two members of its Tribal Counsel to serve as its Consultation Committee representatives; however, the Policy also recognizes that each tribe may designate other Consultation Committee representatives.

Currently, the County's consultation committee assignments are:

- Bishop Paiute Tribe – Supervisors Totheroh and Pucci
- Big Pine Paiute Tribe of the Owens Valley – Supervisors Tillemans and Totheroh
- Fort Independence Indian Community of Paiutes – Supervisors Tillemans and Kingsley
- Lone Pine Paiute-Shoshone Tribe – Supervisors Kingsley and Tillemans
- Timbisha Shoshone Tribe – Supervisors Kingsley and Griffiths.

The Board may decide to leave the assignments as they are for 2019 or consider changes.

**ALTERNATIVES:**

1. Do NOT provide consultation committee assignments for 2019. This is not recommended as it is contrary to the County's Tribal Consultation Policy.
2. Leave the consultation committee assignment as they are for 2019.
3. Assign different Supervisors to each committee.

**OTHER AGENCY INVOLVEMENT:** Tribal governments, Native American Heritage Commission and other agencies working with the County and local tribes.

<sup>1</sup> <http://www.inyoplanning.org/projects/Tribal%20Consultation/Documents/TribalConsultationPolicy.pdf>

***FINANCING:*** General fund resources are used to implement the policy. Consultations regarding specific projects are paid for through project fees.

<b><u>APPROVALS</u></b>	
COUNTY COUNSEL:	AGREEMENTS, CONTRACTS AND ORDINANCES AND CLOSED SESSION AND RELATED ITEMS <i>(Must be reviewed and approved by county counsel prior to submission to the board clerk.)</i>
AUDITOR/CONTROLLER:	ACCOUNTING/FINANCE AND RELATED ITEMS <i>(Must be reviewed and approved by the auditor-controller prior to submission to the board clerk.)</i>
PERSONNEL DIRECTOR:	PERSONNEL AND RELATED ITEMS <i>(Must be reviewed and approved by the director of personnel services prior to submission to the board clerk.)</i>

***DEPARTMENT HEAD SIGNATURE:***  
(Not to be signed until all approvals are received)



Date: 11/3/19



**AGENDA REQUEST FORM  
BOARD OF SUPERVISORS  
COUNTY OF INYO**

For Clerk's Use Only: AGENDA NUMBER  19
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- Consent     Departmental     Correspondence Action     Public Hearing  
 Scheduled Time     Closed Session     Informational

**FROM:** Inyo County Planning Department

**FOR THE BOARD MEETING OF:** January 15, 2019

**SUBJECT:** County Board of Supervisors and all local Tribes, Tribal Government representatives, meeting.

**DEPARTMENTAL RECOMMENDATION:** The County's Tribal Consultation Policy<sup>1</sup>, Section V, includes that County will endeavor to schedule regular meetings with all local Tribes to discuss general issues and the implementation of the County's Consultation Policy. Based on this Policy, staff is requesting the Board direct staff to begin scheduling a meeting with the Board and Tribal representatives from all local Tribes.

**SUMMARY DISCUSSION:** On October 11, 2016 the Board adopted the County's Tribal Consultation Policy. This Policy establishes a consistent, efficient, and culturally suitable protocol for how the County conducts Tribal/County intergovernmental consultation under existing State and local laws and it applies to all County/Tribal consultations.

The Policy, under Section V, directs the County to try to schedule regular meetings with the Tribes to discuss issues relevant to both governing bodies as well as the potential development of Memorandums of Understanding with individual Tribes. These meetings can be with each individual Tribe or with all of them together. The Policy also provides that these types of meetings are not considered 'Consultations' and sets forth that they can be held at regularly scheduled Board meetings, Special Board meetings, or with two designated Supervisors.

Meet and Greet meeting invitations were sent to each Tribe soon after the Policy was adopted in December 2016. Two meet and greet meetings were held, one with the Big Pine Paiute Tribe in early 2017 and one with the Bishop Paiute Tribe in early 2018. These were productive meetings, but time did not allow for substantive discussions on shared issues and ideas. Based on the County's Policy, setting up a meeting(s) with the Tribes is encouraged and is good for strong relationships with the Tribes.

Since this meeting can be a special meeting of the Board of Supervisors, per the policy, a venue other than the Board Hearing Room could be used, such as the Legion Hall in Independence or the Big Pine Town Hall. These, or similar venues, would be a good choice as they are centrally located, neutral, and can be setup in a round table format.

**ALTERNATIVES:**

1. Do NOT direct staff to begin scheduling a meeting with the Tribes. This is not recommended as the County's policy includes holding such meetings and these meetings can help build strong relationships between the County and the Tribes.

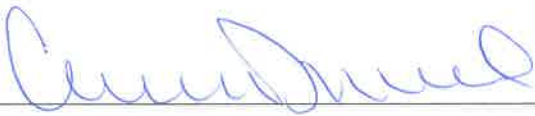
**OTHER AGENCY INVOLVEMENT:** Local Tribal governments.

<sup>1</sup> <http://www.inyoplanning.org/projects/Tribal%20Consultation/Documents/TribalConsultationPolicy.pdf>

**FINANCING:** General fund resources are used to implement the policy.

<b><u>APPROVALS</u></b>	
COUNTY COUNSEL:	AGREEMENTS, CONTRACTS AND ORDINANCES AND CLOSED SESSION AND RELATED ITEMS <i>(Must be reviewed and approved by county counsel prior to submission to the board clerk.)</i>
AUDITOR/CONTROLLER:	ACCOUNTING/FINANCE AND RELATED ITEMS <i>(Must be reviewed and approved by the auditor-controller prior to submission to the board clerk.)</i>
PERSONNEL DIRECTOR:	PERSONNEL AND RELATED ITEMS <i>(Must be reviewed and approved by the director of personnel services prior to submission to the board clerk.)</i>

***DEPARTMENT HEAD SIGNATURE:***  
(Not to be signed until all approvals are received)



Date: 11/3/19





**AGENDA REQUEST FORM**  
**BOARD OF SUPERVISORS**  
**COUNTY OF INYO**

For Clerk's Use Only:  
AGENDA NUMBER

20

- Consent     Departmental     Correspondence Action     Public Hearing  
 Scheduled Time     Closed Session     Informational

**FROM:** Inyo County Planning Department

**FOR THE BOARD MEETING OF:** January 15, 2019

**SUBJECT:** Census 2020, County-Optional Agreement to Conduct Outreach Related to the California Complete Count (CCC).

**DEPARTMENTAL RECOMMENDATION:** Request the Board of Supervisors provide direction to staff regarding the County's potential participation in the County-Optional Agreement to Conduct Outreach Related to the CCC. If the County chooses to participate a resolution and opt in letter must be submitted to the CCC – Census 2020, by February 8, 2019.

**SUMMARY DISCUSSION:** Every 10 years, the U.S. Census conducts a nationwide population count. A complete and accurate count of the population is essential to all levels of government because the data collected by the Census determines the number of seats each state has in the U.S. House of Representatives; effects local elected officials' district boundaries; and, is also used to distribute billions of dollars in federal funds to local communities.

In order to support the 2020 Census effort the State of California is making funds available to Counties to help plan for and implement a strategy to reach populations that are considered "hard-to-count". According to the State, these populations include, but are not limited to:

- Latinos
- African-Americans
- Native Americans and Tribal Communities
- Asian-Americans/Pacific Islanders
- Middle-Eastern North Africans
- Immigrants and Refugees
- Farm-workers
- People with Disabilities
- Seniors
- Homeless Individuals and Families
- Children Ages 0-5
- Veterans
- Areas with low broadband subscription rates and limited or no access
- Households with limited English proficiency

The County has people who can identify with most of these groups, but staff is not aware of the percentage that participated in 2000 Census to know whether or not there was a significant undercount of them in the County. There is also no direct call out on the list of rural populations, but they too, are likely a "hard-to-count" population.

To participate in this program, the State has rather stringent responsibilities and requirements (Attachment 1, page 5-7) that must be met. These include:

- A Board approved resolution or other legally binding document authorizing the agreement to participate in the program
- Strategic Plan with
  - Outreach Plan
  - Approach to outreach
  - Partnership Coordination
  - Resources and Infrastructure
  - Provision of geo-spatial data or mapping
  - Language Access Plan
  - Local Complete County Committee
  - Workforce Development
  - Budget
  - Timeline of Activities
  - A Plan to Measure Results
- Monthly meetings
- Quarterly Reports
- Implementation Plan
- Final Report.

The State has also provided the amount of funding each County can expect to receive if they are approved to participate. For Inyo County this amount is \$25,000 (Attachment 1, last page). Considering the scope of work required for this program, the funds provided by the State may not cover as much of the actual outreach as administering the program and planning for the outreach. Staff has roughly estimated that close to \$21,000 would be needed to prepare the Strategic Plan with all of its components and manage the project, leaving around \$4,000 for the actual outreach (travel and materials are not included in the estimate) (Attachment 2). This could leave the County in a position where it might have to expend General Fund dollars to make up for possible deficits in the State funding and the actual costs to complete the program.

**ALTERNATIVES:** Staff is asking the Board for direction related to participating in the program and the Board may consider the following alternatives.

1. Direct staff to prepare a resolution to participate in the program.
2. Direct staff not to participate.
3. Return to staff with direction.

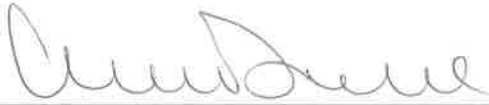
**OTHER AGENCY INVOLVEMENT:** State of California – CCC, US Census Bureau, potentially the City of Bishop and local Tribes.

**FINANCING:** Costs to prepare an outreach plan and administer the program should be covered by the allocation of funds by the State. All of the outreach activities may not be covered and general fund dollars would be used to make up for any potential deficit.

<b>APPROVALS</b>	
COUNTY COUNSEL:	AGREEMENTS, CONTRACTS AND ORDINANCES AND CLOSED SESSION AND RELATED ITEMS <i>(Must be reviewed and approved by county counsel prior to submission to the board clerk.)</i>
AUDITOR/CONTROLLER:	ACCOUNTING/FINANCE AND RELATED ITEMS <i>(Must be reviewed and approved by the auditor-controller prior to submission to the board clerk.)</i>
PERSONNEL DIRECTOR:	PERSONNEL AND RELATED ITEMS <i>(Must be reviewed and approved by the director of personnel services prior to submission to the board clerk.)</i>

**DEPARTMENT HEAD SIGNATURE:**

(Not to be signed until all approvals are received)



Date: 1/7/19

**Attachments:**

1. California Complete County Information Packet
2. Cost estimate spreadsheet

COUNTY-OPTIONAL OUTREACH AGREEMENT

As defined in the Statement of Work (SOW), Exhibit A, the Census Office requires California counties to agree to do all of the following:

1. Prepare a board resolution, order, motion, ordinance or similar document from the local governing body authorizing execution of the agreement;
2. Prepare a Strategic Plan;
3. Participate in a monthly in-person meeting/or call with assigned Regional Program Manager;
4. Prepare Quarterly Written Reports;
5. Prepare an Implementation Plan; and
6. Prepare a Final Report

Counties choosing to opt-in, must submit the following attached documents to the California Complete Count - Census 2020 office by Feb. 8, 2019:

1. County Opt-In Letter (Attachment I)
2. County board resolution, order, motion, ordinance or similar document

Documents must be sent to:

California Complete Count - Census 2020  
Attention: Contracts Unit  
400 "R" Street, Suite 359  
Sacramento, CA 95811

Attachment II displays a planning allocation for all counties.

Questions regarding this letter should be directed to the California Complete Count - Census 2020, at (916) 852-2020 or by email at [Contracts@census.ca.gov](mailto:Contracts@census.ca.gov).

Sincerely,

***Original Document Signed By:***

DITAS KATAGUE  
Director  
California Complete Count - Census 2020

**EXHIBIT A**  
**(Standard Agreement)**

**STATEMENT OF WORK (SOW)**

County of \_\_\_\_\_, herein called (Contractor) is entering into this agreement with the California Complete Count Census 2020 (CCC Office), hereinafter referred to as "State or CCC Office" to provide marketing and outreach services on behalf of the State as described herein.

**1. BACKGROUND**

The California Complete Count Census 2020 effort is a statewide outreach and awareness campaign designed to ensure an accurate and complete count of all Californians in the upcoming 2020 United States Census. The 2020 Census is the decennial census, mandated by Article 1, Section 2 of the United States Constitution. The results are used to allocate Congressional seats, electoral votes, and government program funding to state and local governments. Just based on the funding component, a census that undercounts Californians could cost the state billions of dollars. For every Californian missed during the Census 2020 count, the State is expected to lose approximately \$1,950 per person, per year, for 10 years, in federal program funding.

In preparation for the 2020 census, Governor Brown issued an Executive Order (B-49-18) describing California's Census 2020 initiative. The Executive Order established a California Complete Count Committee to develop, recommend, and assist in the administration of a census outreach strategy to encourage full participation in the 2020 Census. The California Complete Count outreach strategy is funded by a Budget Bill, which allocated \$90.3 million in the state budget for efforts related to the upcoming 2020 Census. The State has authorized \$26.5 million of those funds to be directed towards county-based outreach efforts.

**2. PURPOSE**

The State's 2020 Complete Count Census outreach campaign will focus on both the geographic areas and demographic populations who are "least likely to respond". These areas and populations are commonly referred to as "hard-to-count (HTC)." The terms "least likely to respond" and "HTC" are often used interchangeably.

This program aims to address the following goals:

Increase awareness and knowledge about the 2020 Census in HTC communities and populations;

Deliver focused messages via trusted messengers in trusted environments about the 2020 Census process to HTC areas and populations concentrated in Census tracts that are least likely to respond.

Ensure that all outreach, messaging and publicity is culturally relevant and linguistically appropriate;

Support the California Complete Count statewide community outreach and media relations efforts through a strategy that is focused, timely, cost-effective and tailored to addressing barriers that prevent HTC communities and populations from completing and returning their forms;

Complement as well as add value to the outreach, messaging and advertising provided by the U.S. Census Bureau;

Work collaboratively with a network of community-based organizations, other local governments and others across sectors; and

The ultimate goal is to ensure that HTC/least likely to respond communities and populations in California are accurately counted in the 2020 Census, thereby achieving the highest self-response rate possible for California.

### **3. OBJECTIVES**

The local county office (herein called Contractor) will collaborate and work with other contracted community-based-organizations (CBOs) and State media contractor(s) to inform the general public of the importance of completing the census questionnaire. The goal is to avoid duplication, identify outreach gaps and fill them accordingly. Contractor will implement outreach to encourage full participation and avoid an undercount as stated in the Governor's Executive Order B-49-18.

#### **A. THE STATE'S OUTREACH OBJECTIVES ARE:**

1. To further promote awareness about the census, the process, its pre-notice advisory, the questionnaire and the key deadlines.
2. To publicize locations where the public may receive information regarding the census in their native language and assistance completing the census questionnaire. Locations may include neighborhood Questionnaire Assistance Centers (QACs), Questionnaire Action Kiosks (QAKs), and other venues. A QAC can be established at a public venue such as a library, school, or post office staffed with knowledgeable personnel that can assist the public with completing the census questionnaire, and answer questions related to the Census 2020.

3. To motivate all Californians to complete and return their questionnaires by explaining in ways that are relevant to them what the census means to California, and when possible, to their counties and cities.
4. To focus funding and efforts in geographic areas and demographic populations who are least likely to respond including, but not limited to:
  - Latinos
  - African-Americans
  - Native Americans and Tribal Communities
  - Asian-Americans/Pacific Islanders
  - Middle-Eastern North Africans
  - Immigrants and Refugees
  - Farm-workers
  - People with Disabilities
  - Seniors
  - Homeless Individuals and Families
  - Children Ages 0-5
  - Veterans
  - Areas with low broadband subscription rates and limited or no access
  - Households with limited English proficiency

**B. THE CONTRACTOR SHALL ACHIEVE THE FOLLOWING OBJECTIVES:**

**EDUCATE**

1. Inform the public about the census process, purpose and timeline.
2. Inform the public of the importance of the census. The State will receive billions of dollars of federal funds for education, health care, job training, transportation and other vital services based on the census numbers. The federal government also uses census data to determine how to apportion the House of Representatives seats among states.
3. Inform the public that the census data is confidential. No one except sworn U.S. Census Bureau ("Census Bureau") employees can see the complete census questionnaire forms or link names to responses. The Census Bureau requires that any individuals with access to census materials adhere to strict confidentiality and security guidelines. The law, Section 214 of Title 13, "Wrongful Disclosure of Information," sets forth severe penalties applicable to federal government officials and local government census liaisons if they misuse information they receive from the census responses. These penalties include fines up to \$5,000, 5 years in prison, or both. The Census Bureau's dedication to confidentiality plays an important role in everything it does. All employees must pass a security and employment reference check, swear they are not employed as tax collectors or assessors or law enforcement officials and establish they have no felony convictions as adults. The

Census Bureau employs a host of safeguards, such as electronic barriers and secure telephone lines, to block outside access to any confidential information in Census Bureau computers.

4. Identify areas and populations within Contractor's local jurisdiction that are least likely to respond, as identified in Task 1.2.
5. To establish, manage, and announce locations where the public may receive information regarding the census in their native language and assistance completing the census questionnaire. Locations may include neighborhood QAC's and QAK's

#### **MOTIVATE**

6. Eliminate the fear of completing the census questionnaire. Instill trust that the government will not use this data in a negative way. No one outside the Census Bureau can ever be given any information to link names to addresses on the census questionnaire. Not even the President of the United States is permitted to look at individual census records.
7. Utilize trusted messengers and sources to encourage members of the public to participate in the census by completing their census questionnaire.
8. Establish comfortable environment(s) and settings early on and leading to the Census 2020 to encourage the public to participate in the census, following the education phase. Continue to educate and inform on the importance of the census as a motivator.
9. Where possible, Contractor should assess messaging efforts, outreach and tools.

#### **ACTIVATE**

10. Engage trusted messengers in trusted environments to help the public participate in the census.
11. Conduct and participate in community gatherings and other forums to rally the public to participate in the census.
12. Collaborate with other stakeholders and across sectors to activate the public to participate in the census process by filling out the census questionnaire.

#### **4. STRATEGIC OUTREACH DEVELOPMENT AND IMPLEMENTATION**

Contractor shall design and implement a multi-faceted, multi-channel, multi-lingual cohesive strategic outreach plan to reach all census audiences in California. The overarching strategic plan should address broad census goals and objectives and specific



outreach strategies, as well as integrate with other outreach efforts. The plan shall be submitted to the CCC Office as described in Task 1.

## 5. RESPONSIBILITIES & REQUIREMENTS

The board resolution, order, motion, ordinance or similar document shall be approved by the State before the parties can enter into a valid contract. The Contractor shall not perform any tasks prior to contract execution. A list of all tasks and deliverables are set forth below.

<b>Administrative Requirement - Board Resolution</b>	
Each county is required to have a Board legally binding resolution, order, motions or ordinance or similar document from the local governing body authorizing execution of the agreement.	
<b>Task 1 -- Strategic Plan</b> Within sixty (60) days of entering into contract, the Contractor must provide the State with the Contractor's Strategic Plan, which shall address subtasks 1.1 through 1.11. The CCC Office must approve (in writing) the Strategic Plan.	
1.1	Outreach Plan – Contractor shall provide a plan that includes a local, grassroots approach to reaching the least likely to respond with specific strategies, tactics and timeline(s), as well as description of specific collaboration(s), partnership(s), and leveraging of resources to achieve the highest self-response rate on the census 2020 questionnaire. Further components are listed below:
1.2	Approach -- Contractor shall describe its approach to outreach, including: <ul style="list-style-type: none"> <li>• Identification of least likely to respond areas and populations vis-a-vis census tracts within the local jurisdiction.</li> <li>• Describe research methodology used to identify HTC/least likely to respond populations, barriers, challenges and opportunities for outreach</li> </ul>
1.3	Partnership Coordination -- Contractor shall provide a plan showing its integrated and coordinated approach working with the US Census Bureau, the CCC Office, cities, schools, CBOs, and other civil society organizations to avoid duplication and to identify methodology to address gaps.
1.4	Resources and Infrastructure -- Contractor shall provide a primary designee who has geographic information systems (GIS) knowledge that will interface with the Statewide Outreach and Rapid Deployment (SwORD) mapping portal. Contractor shall also provide a plan for establishing, managing, and announcing QACs and/or QAKs which should include locations and resources. Contractor shall work with their assigned State RPM to activate a reasonable number of QACs/QAKs within their local jurisdiction.

1.5	<p>Contractor shall provide geospatial data or mapping of the following:</p> <ul style="list-style-type: none"> <li>• County HTC/least likely to respond areas</li> <li>• County resources/office to be leveraged in outreach to the HTC/least likely to respond</li> <li>• Potential partners including CBOs and any other partners across various sectors</li> </ul>
1.6	<p>Language Access Plan – California has over 200 non-English languages spoken across the state. Contractor shall provide a plan that includes strategies, tactics and resources, including partnerships, to address language access in the local jurisdiction.</p>
1.7	<p>Local Complete Count Committee (LCCC) -- Structure of the county's LCCC and organization chart, if available.</p>
1.8	<p>Workforce Development -- Plan describing how the county may assist the U.S. Census Bureau with local hiring of census enumerators and other personnel. Based on previous census efforts, it is known that hiring locally for these critical jobs is an important factor in establishing trusted messengers that may impact the enumeration positively.</p>
1.9	<p>Budget -- Contractor shall provide a budget proposal of the County's allocated funding provided by the State including, but not limited to:</p> <ul style="list-style-type: none"> <li>• Administrative costs (not to exceed 10% of total allocation)</li> <li>• Outreach (e.g. events, meetings, materials, etc.)</li> <li>• Media</li> </ul>
1.10	<p>Timeline of activities during the term of this contract.</p>
1.11	<p>Contractor to describe its plan to measure results throughout the contract such as:</p> <ul style="list-style-type: none"> <li>• Accountability Measures</li> <li>• Data to be collected – Type and Quantity</li> <li>• Evaluation Methodology/Approach</li> </ul>
<p><b>Task 2 - Monthly Meetings</b></p>	
2.0	<p>Immediately upon contract execution, the Contractor shall participate in monthly in-person meetings or phone calls with the area's assigned State Regional Program Manager (RPM) to discuss operations and provide updates of the strategic plan and progress. The monthly meetings shall continue through September 30, 2020. The Contractor shall be responsible for scheduling monthly meetings with the RPM.</p>
<p><b>Task 3 - Quarterly Written Reports</b></p>	

3.0	<p>Immediately upon contract execution or starting April 1, 2019, whichever comes later, the Contractor shall provide written quarterly reports to the assigned RPM. The quarterly written reports must include:</p> <ul style="list-style-type: none"> <li>• Information for SwORD data uploads, upon request by the RPM</li> <li>• Language access plan updates</li> <li>• Calendar and event updates</li> <li>• Budget Update</li> <li>• Other criteria to be determined by the RPM (e.g. Activity Summary, Deliverable Status, Concerns/Issues)</li> </ul>
<b>Task 4 - Implementation Plan</b>	
4.0	<p>An Implementation Plan is due by September 30, 2019. The Implementation Plan shall include:</p> <ul style="list-style-type: none"> <li>• Overview of outreach and marketing/communications</li> <li>• List of subcontractors, including address, audience reached</li> <li>• Non-Response Follow-Up (NRFU) Period Plans and Activities, specifically during the May- August, 2020 timeframe</li> <li>• Update on Task 1.11</li> </ul>
<b>Task 5 - Final Report</b>	
5.0	<p>A final report is due on September 30, 2020. At a minimum, the final report shall include:</p> <ul style="list-style-type: none"> <li>• Local response outcome including specific self-response rate</li> <li>• Overview of NRFU activities</li> <li>• Detailed report on strategies, tactics and timeline(s) used throughout the outreach campaign</li> <li>• Lessons learned and best practices that may inform subsequent census outreach efforts in the local jurisdiction and, if appropriate, across California</li> <li>• Evaluations, criteria used and further recommendations for 2030</li> </ul>

**6. PROJECT REPRESENTATIVES DURING THE TERM OF THIS AGREEMENT**

State (Regional Program Manager):		Contractor:	
Name:		Name:	
Telephone Number:	(xxx) xxx-xxxx	Telephone Number:	(xxx) xxx-xxxx
Address		Address	
E-mail address	@census.ca.gov	E-mail address	@county.gov

Direct all financial and administrative inquiries to:

State:		Contractor:	
Name:		Name:	
Telephone Number:	(xxx) xxx-xxxx	Telephone Number:	(xxx) xxx-xxxx
Address		Address	
E-mail address	@census.ca.gov	E-mail address	@county.gov

**7. DELIVERABLE SCHEDULE**

	Milestone	Payment Amount	Timeline
1	Board Resolution (Upon contract execution)	10% of Total Contract Amount, less 10% withhold	Upon Receipt by the State
2	Strategic Plan	35% of Total Contract Amount, less 10% withhold	Upon State Approval
3	First Quarterly Report	10% of Total Contract Amount, less 10% withhold	April 1, 2019
4	Second Quarterly Report	10% of Total Contract Amount, less 10% withhold	July 1, 2019
5	Third Quarterly Report / Implementation Plan (January 2020- July 2020)	25% of Total Contract Amount, less 10% withhold	September 30, 2019

6	Completion / Results of Outreach (Final plans for Census week of outreach events)	Release of Withhold	February 15, 2020
7	NRFU Plan	5% NRFU Plan	April 15, 2020
8	Final Report	5% of Total Contract Amount	September 30, 2020

**8. DOCUMENTS AND DELIVERY**

1. Document Format

- a. All documents shall be provided in a format compatible with the State Census Office standard applications (currently, Microsoft Office and Adobe). In all cases, the Contractor shall verify application compatibility with the State Contract Manager prior to creation or delivery of any document. Any deviations to these standards shall be approved by the State’s Contract Manager.
- b. The delivery media shall be compatible with the State storage devices. (currently, USB Flash Drives or CD/DVD ROM)
- c. Contractor shall have the capability to collect and store data in formats such as Excel, .csv or others used in geographic information systems.
- d. Internet access is required.

2. Electronic and hard copy submissions:

- a. One (1) electronic copy and two (2) hard copies of all documents are to be submitted to:

California Complete Count – Census 2020  
Attn: Contracts Unit  
Agreement #XXXXXXXX  
400 R Street Suite 359  
Sacramento, CA. 95811  
[Contracts@census.ca.gov](mailto:Contracts@census.ca.gov)

**9. SUBSTITUTE PERSONNEL**

- 1. If the Contractor’s assigned representative is unable to perform their duties due to illness, resignation, other factors beyond the Contractor’s control, or upon mutual agreement of the Parties, the Contractor shall make every reasonable effort to provide suitable substitute personnel. If the Contractor is unable to provide a substitute, or if the State does not approve of the substitute, either the Contractor or the State may terminate this Agreement with a 30-day advance written notice.

2. If the addition or substitution of Contractor personnel does not increase the total cost of the Agreement, no amendment shall be required to make this change(s) to the Agreement.

## **10. TERM OF AGREEMENT**

This Agreement will commence on the start date as noted on the Standard Agreement, STD 213, or the date approved by the State Census Office, whichever is later, and no work shall begin before that time. The Contractor shall not receive payment for work performed prior to approval of the Agreement and before receipt of notice to proceed by the State Contract Manager. This Agreement shall expire on the date noted on the STD 213.

**EXHIBIT B**  
**BUDGET DETAIL AND PAYMENT PROVISIONS**

**1. INVOICING AND PAYMENT**

For services satisfactorily rendered, and upon receipt and approval of the invoices, the State agrees to compensate Contractor for actual expenditures in accordance with the rates/costs specified herein.

**EXAMPLE BREAKDOWN OF PAYMENT**

**Total Allocation: \$250,000**

	<b>Milestone</b>	<b>Payment Percentage</b>	<b>Invoice Amount</b>	<b>Actual Payment (Less Withhold)</b>	<b>Payment Date</b>
1	Board Resolution**	10%	\$25,000	\$22,500	Upon Receipt
2	Strategic Plan**	35%	\$87,500	\$78,750	Upon State Approval
3	Quarterly Report**	10%	\$25,000	\$22,500	April 1, 2019
4	Quarterly Report**	10%	\$25,000	\$22,500	July 1, 2019
5	Implementation Plan (January 2020- July 2020) **	25%	\$62,500	\$56,250	September 30, 2019
6	Implementation Outreach	Release of Withhold		\$22,500	
7	NRFU Plan	5%	\$12,500	\$11,250	
8	Final Report	5%	\$12,500	\$13,750	September 30, 2020
			<b>Total Contract:</b>	<b>\$250,000.00</b>	

\*\* Payments shall include a 10% withhold pursuant to Public Contract Code section 10346.

Contractor will be paid for satisfactorily completing each task through a series of progress payments. Pursuant to California Public Contract Code section 10346 and State Contract Manual Vol. I, Section 7.33, each progress payment will contain a 10% withhold to be paid according to the dates set forth in the table below.

- A. In no event shall the Contractor request or be entitled to reimbursement from the State for obligations entered into or for cost(s) incurred prior to the effective date or after this Agreement terminates.
- B. The Contractor shall submit invoices, in accordance with the payment schedule above. Invoices must include the following:
  - 1) State Agreement number;
  - 2) Invoice number;
  - 3) Invoice date;
  - 4) Invoice total;
  - 5) Contractor's remittal address;
  - 6) Billing and/or performance period covered by invoice;

C. Invoices shall be submitted physically to the address listed below:

**California Complete Count – Census 2020  
Administration Office  
Agreement #XXXXXXXX  
400 R Street Suite 359  
Sacramento, CA. 95811**

**2. BUDGET CONTINGENCY**

- A. It is mutually agreed that if the Budget Act of the current year and/or any subsequent years covered under this Agreement does not appropriate sufficient funds for the program, this Agreement shall be of no further force and effect. In this event, the State shall have no liability to pay any funds whatsoever to the Contractor or to furnish any other consideration under this Agreement, and the Contractor shall not be obligated to perform any provisions of this Agreement.
- B. If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this program, the State shall have the option to either cancel this Agreement with no liability occurring to the State, or offer an agreement to the Contractor to reflect a reduction in the amount.

**3. PROMPT PAYMENT CLAUSE**

Payment will be made in accordance with, and within the time specified in, Government Code Chapter 4.5, commencing with section 927.

**4. TIMELY SUBMISSION OF FINAL INVOICE**

- A. A final undisputed invoice that is clearly marked "Final Invoice" shall be submitted for payment no more than thirty (30) calendar days following the expiration or termination date of this Agreement.
- B. If the State disputes the Final Invoice or any item in the Final Invoice, the State shall provide written notice to the Contractor describing the reason or reasons the State disputes the Final Invoice, and the Contractor shall be required to submit a corrected Final Invoice to the State no later than ten (10) calendar days after the date the Contractor received the State's written notice.
- C. If the Contractor fails to submit a corrected Final Invoice within the time required, or if the Contractor's corrected Final Invoice fails to correct the disputed item, the State shall have the right to elect to deny payment of the disputed item and pay only the undisputed amounts under the Final Invoice.
- D. The State may, at its discretion, choose not to honor any final invoice submitted after the deadline specified in Exhibit B, Budget Detail and Payment Provisions Section 5.A above if the Contractor fails to obtain prior written State approval of an alternate Final Invoice submission deadline.



**EXHIBIT C**

**GENERAL TERMS AND CONDITIONS (GTC-04/2017)**

The General Terms and Conditions are herein incorporated by reference and are available at the Internet site:

<http://www.dgs.ca.gov/LinkClick.aspx?fileticket=x6TrRwzYLxs%3d&tabid=6133&portalid=32&mid=10104>

## EXHIBIT D

### SPECIAL TERMS AND CONDITIONS

#### 1. PERFORMANCE COMMENCEMENT

This Agreement is of no force and effect until signed by both Parties.

#### 2. RIGHT TO TERMINATE

The State reserves the right to terminate this Agreement without cause upon thirty (30) days advance written notice to the Contractor. Contractor may submit a written request to terminate this agreement only if the State should substantially fail to perform its responsibilities as provided herein.

However, the State may terminate the Agreement for cause. The term "for cause" shall mean that the Contractor fails to meet the terms, conditions, and/or responsibilities of the Agreement. In this instance, the termination of the Agreement shall be effective as of the date indicated on the State's notification to the Contractor. In the event of such termination, the State may proceed with the work in any manner deemed proper by State and all costs to the State shall be deducted from any sum due to the Contractor under this agreement.

This parties may agree to suspend or cancel the agreement if the Contractor or State's premises or equipment are destroyed by fire or other catastrophe, or so substantially damaged that it is impractical to continue service, or in the event the Contractor is unable to render service as a result of any action by any governmental authority.

#### 3. AMENDMENTS

Upon mutual consent, CCC Office and the Contractor may execute amendments to this Agreement. No amendment or variation of the terms of this Agreement shall be valid unless made in writing, and agreed upon by both parties and approved, as required. No verbal understanding or agreement not incorporated into the Agreement is binding on any of the parties.

#### 4. POTENTIAL SUBCONTRACTORS

Nothing contained in this Agreement or otherwise, shall create any contractual relation between the State and any subcontractors, and no subcontract shall relieve the Contractor of his responsibilities and obligations hereunder. The Contractor agrees to be as fully responsible to the State for the acts and omissions of its subcontractors and of persons either directly or indirectly employed by any of them as it is for the acts and omissions of persons directly employed by the Contractor. The Contractor's obligation to pay its subcontractors is an independent obligation from the State's obligation to make payments to the Contractor. As a result, the State shall have no obligation to pay or to enforce the payment of any moneys to any subcontractor.

**5. CONTRACTOR STAFF EXPENSES**

The Contractor represents that it has or shall secure at its own expense, all staff required to perform the services described in this Agreement. Such personnel shall not be employees of or have any contractual relationship with the California Complete Count – Census 2020 or the State of California.

**6. COPYRIGHT**

All rights in copyright works created by the Contractor in the performance of work under this contract are the property of the State.

**7. INSURANCE REQUIREMENTS**

**A. General Provisions Applying to All Policies**

- 1) Coverage Term – Coverage needs to be in force for the complete term of the contract. If insurance expires during the term of the contract, a new certificate must be received by the State at least ten (10) days prior to the expiration of this insurance. Any new insurance must still comply with the original terms of the contract.
- 2) Policy Cancellation or Termination & Notice of Non-Renewal – Contractor and/or Permittee is responsible to notify the State within five business days before the effective date of any cancellation, non-renewal, or material change that affects required insurance coverage. In the event Contractor and/or Permittee fails to keep in effect at all times the specified insurance coverage, the State may, in addition to any other remedies it may have, terminate this Contract upon the occurrence of such event, subject to the provisions of this Contract.
- 3) Deductible – Contractor and/or Permittee is responsible for any deductible or self-insured retention contained within their insurance program.
- 4) Primary Clause – Any required insurance contained in this contract shall be primary, and not excess or contributory, to any other insurance carried by the State.
- 5) Insurance Carrier Required Rating – All insurance companies must carry a rating acceptable to the Office of Risk and Insurance Management. If the Contractor and/or Permittee is self-insured for a portion or all of its insurance, review of financial information including a letter of credit may be required.
- 6) Endorsements – Any required endorsements requested by the State must be physically attached to all requested certificates of insurance and not substituted by referring to such coverage on the certificate of insurance.
- 7) Inadequate Insurance – Inadequate or lack of insurance does not negate the Contractor and/or Permittee's obligations under the contract.

- 8) Satisfying a SIR – All insurance policies required by this contract/permit must allow the State to pay and/or act as the Contractor's agent in satisfying any self-insured retention (SIR). The choice to pay and/or act as the contractor's agent in satisfying any SIR is at the State's discretion.
- 9) Available Coverages/Limits – All coverage and limits available to the Contractor shall also be available and applicable to the State.
- 10) Subcontractors – In the case of Contractor and/or Permittee's utilization of subcontractors to complete the contracted scope of work, Contractor and/or Permittee shall include all subcontractors as insureds under Contractor and/or Permittee's insurance or supply evidence of insurance to The State equal to policies, coverages and limits required of Contractor and/or Permittee.

**B. Insurance Requirements:** The Contractor shall furnish to the State evidence of the following required insurance:

- 1) Commercial General Liability – Contractor shall maintain general liability on an occurrence form with limits not less than one-million dollars (\$ 1,000,000.00) per occurrence and two-million dollars (\$ 2,000,000.00) aggregate for bodily injury and property damage liability. The policy shall include coverage for liabilities arising out of premises, operations, independent contractors, products, completed operations, personal and advertising injury, and liability assumed under an insured Contract. This insurance shall apply separately to each insured against which claim is made, or suit is brought subject to the Contractor's limit of liability. The policy must name The State of California, its officers, agents, and employees as additional insured, but only with respect to work performed under the contract.

The policy must include the following additional ensured designation and endorsement:

**“California Complete Count – Census 2020, State of California, its officers, agents, and employees are included as additional insureds, but only with respect to work performed under this contract.”**

The endorsement must be supplied under form acceptable to the Office of Risk and Insurance Management.

- 2) Automobile Liability – By signing this Agreement, the Contractor certifies that the Contractor and any employees, subcontractors or servants possess valid automobile coverage in accordance with California Vehicle Code Sections 16450 to 16457, inclusive. The State reserves the right to request proof at any time)
- 3) Workers Compensation and Employers Liability – Contractor shall maintain statutory worker's compensation and employer's liability coverage for all its employees who shall be engaged in the performance of the Contract. Employer's liability limits of \$1,000,000 are required. When work is performed on State owned or controlled property the

workers' compensation policy shall contain a waiver of subrogation in favor of the State (Census). A waiver of subrogation in favor of the State of California shall be provided.

- 4) Professional Liability Contractors shall maintain errors and omissions/professional liability insurance with limits no less than \$1,000,000 each occurrence and \$3,000,000 annual aggregate covering any damages caused by negligent error, act, or omission. The policy's retroactive date shall be shown on the certificate of insurance and shall be no later than the date of this contract or the date work under this contract begins. Contractor is responsible for maintaining continuous coverage for up to three (3) years after the notice of completion of the contract.

Subsequent renewals of the insurance certificate shall be sent to CCC Office , c/o Census, Attn: Sara Murillo, 400 R Street, Suite 359, Sacramento, California 95811. This name and address shall appear on the certificate as the certificate holder.

## **8. PERMITS AND LICENSES**

The Contractor shall procure all permits and licenses, pay all charges and fees and give all notices necessary and incidental to the due and lawful prosecution of the work.

## **9. POLITICAL REFORM ACT**

The Contractor shall comply with the language stated in the Standard Contract Provisions Concerning the Political Reform Act, Exhibit D, Attachment 2. Contractor shall file a Statement of Economic Interests (Fair Political Practices Commission Form 700) upon assuming office, annually, and within 30 days after leaving office.

## **10. SETTLEMENT OF DISPUTES**

In the event of a dispute, the Contractor shall file a written dispute notice with the State Contract Manager within ten (10) State business days after discovery of the problem. Pending resolution of any dispute, the Parties shall continue to perform under this Agreement, and Contractor shall diligently continue all work and comply with all of the State Contract Manager's orders and directions.

- A. The written dispute notice shall contain the following information:
  - 1) The decision under dispute;
  - 2) The reason(s) the Contractor believes the decision in dispute to have been in error (if applicable, reference pertinent Agreement provisions);
  - 3) Identification of all documents and substance of all oral communications that support the Contractor's position; and
  - 4) The dollar amount in dispute, if applicable.
- B. Upon receipt of the written dispute notice, the State Contract Manager will examine the matter and issue a written decision to the Contractor within ten (10) State business days. The decision shall contain the following information:
  - 1) A description of the dispute;

- 2) A reference to pertinent Agreement provisions, if applicable;
  - 3) A statement of the factual areas of the agreement or disagreement; and
  - 4) A statement of the representative's decision with supporting rationale.
- C. The decision of the State Contract Manager shall be final unless, within thirty (30) calendar days from the date of the receipt of the State Project Director's decision, the Contractor files with the State a notice of appeal addressed to:

California Complete Count Census 2020  
Attn: Director  
400 "R" Street, Suite 350,  
Sacramento, CA 95811

The decision of the Director or the Director's designee shall be final.

## **11. ENTIRE AGREEMENT**

This Agreement (including the Exhibits and documents incorporated into this Agreement by reference) is the complete and exclusive statement of the Agreement between the Parties relating to the subject matter of this Agreement and supersedes all prior contracts or prior representations, oral or written, between the Parties relating to the subject matter of this Agreement.

## **12. INCOMPATIBLE ACTIVITIES & STATEMENT OF ECONOMIC INTEREST FORM 700**

- A. The County Employee is subject to the following incompatible activities provision of Government Code section 1126 during the term of this Agreement:
- "(a) Except as provided in Section 1128 and 1129, a local agency officer or employee shall not engage in any employment activity or enterprise for compensation which is inconsistent, incompatible, in conflict with, or inimical to his or her duties as a local agency officer or employee or with the duties, functions, or responsibilities of his or her appointing power or the agency to which he or she is employed. The officer or employee shall not perform any work, service or counsel for compensation outside his or her local agency employment where any part of his or her efforts will be subject to approval by any other officer, employee, board or commission of his or her employing body, unless otherwise approved in the manner prescribed by subdivision (b)."
- B. Any employment or other arrangement for compensated services by a county employee performing services pursuant to this agreement with a community-based organization or media service during the performance of this contract, shall be deemed an incompatible activity within the meaning of Government Code section 1126, subdivision (a), and is prohibited during the term of this Agreement.
- C. The Contractor staff is subject to the State's conflict of interest laws, and as such will be required to complete the Statement of Economic Interests, Form 700, prior to performing any work under this Agreement, on an annual basis thereafter, and

within 30 days of leaving office: <http://www.fppc.ca.gov/Form700.html>. In addition, upon Agreement award and every two (2) years thereafter, Contractor staff shall complete the State's online Ethics Training Course, as maintained by the California Office of the Attorney General, and submit the certificate of completion to the State Project Director or designee.

**13. DATA SECURITY**

Contractor will be required to sign a data security policy prior to uploading any data and/or documents into SwORD. Contractor shall provide the signed policy to the CCC Office within ten days (10) of receiving the document and request for signature.

**14. PROTECTION OF STATE FINANCIAL, STATISTICAL, PERSONAL, TECHNICAL AND OTHER DATA**

All financial, statistical, personal, technical, and other data and information relating to the State's operation that are designated confidential by the State and made available to County employee(s) in order to perform under this Agreement, or which become available to County employee(s) in performing under this Agreement, shall be protected by the Contractor and the County employee(s) from unauthorized use and disclosure through the observance of the same or more effective procedural requirements as are applicable to the State. The identification of all such confidential data and information as well as the State's procedural requirements for protection of such data and information from unauthorized use and disclosure shall be provided by the State in writing to the Contractor and the County employee(s). If the methods and procedures employed by the Contractor and the County employee(s) for the protection of the Contractor's and County employee(s)' data and information are deemed by the State to be adequate for the protection of the State's confidential information, such methods and procedures may be used with the written consent of the State to carry out the intent of this paragraph. The Contractor and the County employee(s) shall not be required under the provisions of this paragraph to keep confidential any data or information that is or becomes publicly available, is already rightfully in the Contractor or County employee(s)' possession, is independently developed by the Contractor or the County employees outside the scope of this Agreement, or is rightfully obtained from third parties

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# Attachment I





California Complete Count - Census 2020  
400 "R" Street, Suite 359  
Sacramento, CA 95811

Dear Director Katague,

The purpose of this letter is to inform the California Complete Count Census 2020 (CCC Office) that \_\_\_\_\_ County elects to opt-in to the County-Optional Outreach Agreement (herein referred to as the Outreach Agreement) for fiscal year (FY) \_\_\_\_\_. By choosing to participate in the Outreach Agreement, \_\_\_\_\_ County agrees to perform all of the following requirements, as defined in EXHIBIT A, Statement of Work:

- Prepare a board resolution, order, motion, ordinance or similar document authorizing the County to enter into this Agreement.
- Prepare a Strategic Plan.
- Participate in a monthly in-person meeting or call with the assigned State Regional Program Manager
- Prepare quarterly written reports.
- Prepare an Implementation Plan.
- Prepare a Final Report.

\_\_\_\_\_ County agrees that by choosing to opt-in and participate in the Outreach Agreement, the county will contract with the Census Office in good faith to use State funding to conduct outreach activities to promote the 2020 Census. In addition, \_\_\_\_\_ County agrees to conduct post enumeration outreach activities after April 1, 2020, if the Census Office determines that post-enumeration outreach is needed.

The County Opt-In Letter must be received by the Census Office on or before **February 8, 2019**.

\_\_\_\_\_  
Signature of Authorized County Representative

\_\_\_\_\_  
Date

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Title

# Attachment II



## CENSUS 2020 COUNTY FUNDING ALLOCATION TABLE

County	Allocation
Alameda	\$843,249
Alpine	\$25,000
Amador	\$50,000
Butte	\$133,958
Calaveras	\$50,000
Colusa	\$25,000
Contra Costa	\$362,605
Del Norte	\$50,000
El Dorado	\$100,000
Fresno	\$1,088,443
Glenn	\$50,000
Humboldt	\$100,000
Imperial	\$284,435
Inyo	\$25,000
Kern	\$852,723
Kings	\$121,055
Lake	\$75,000
Lassen	\$50,000
Los Angeles	\$9,393,090
Madera	\$133,610
Marin	\$100,000
Mariposa	\$25,000
Mendocino	\$75,000
Merced	\$289,390
Modoc	\$25,000
Mono	\$25,000
Monterey	\$401,996
Napa	\$100,000
Nevada	\$75,000

County	Allocation
Orange	\$1,555,519
Placer	\$100,000
Plumas	\$25,000
Riverside	\$1,210,891
Sacramento	\$862,308
San Benito	\$75,000
San Bernardino	\$1,482,128
San Diego	\$1,565,350
San Francisco	\$546,212
San Joaquin	\$474,168
San Luis Obispo	\$100,000
San Mateo	\$228,835
Santa Barbara	\$354,319
Santa Clara	\$963,854
Santa Cruz	\$111,586
Shasta	\$100,000
Sierra	\$25,000
Siskiyou	\$50,000
Solano	\$145,572
Sonoma	\$100,000
Stanislaus	\$318,521
Sutter	\$86,138
Tehama	\$75,000
Trinity	\$25,000
Tulare	\$582,714
Tuolumne	\$75,000
Ventura	\$288,754
Yolo	\$127,079
Yuba	\$100,000

<b>Total County Funding</b>	<b>\$26,683,500</b>
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**AGENDA REQUEST FORM**  
BOARD OF SUPERVISORS  
COUNTY OF INYO

For Clerk's Use Only:  
AGENDA NUMBER

21

- Consent       Departmental       Correspondence Action       Public Hearing  
 Scheduled Time for       Closed Session       Informational

**FROM:** Inyo County Planning Department

**FOR THE BOARD MEETING OF:** January 15, 2018

**SUBJECT:** Letter of 'Public Convenience or Necessity' for an Alcoholic Beverage License Application for the convenience store located at 133 South Edwards Street, Independence, California.

**RECOMMENDATION:** Request the Board of Supervisors approve and authorize the Chairperson to sign a Letter of 'Public Convenience or Necessity' (Attachment 1) for an Alcoholic Beverage License Application for the convenience store located at 133 South Edwards Street, Independence, California.

**SUMMARY DISCUSSION:** Mr. Gurpreet Singh, on behalf of Independence Stations, Inc., has submitted an application to the California State Department of Alcoholic Beverage Control (ABC) for a Type 20 Off-sale Beer and Wine License, to transfer license number 539604 from Fresh & Easy LLC to Independence Stations, Inc. (Attachment 2). The license is for the convenience store located at 133 South Edwards Street and is connected to the Independence Chevron Station. The ABC, through the California Business and Professions Code #23958 (Attachment 3), is required to deny an application if its issuance would result in, or add to, an undue concentration of licenses. The governing body of a City or County, the Board of Supervisors, may determine within 90-days of the application that either the public convenience or necessity would be served by the issuance of the alcoholic beverage license.

The off-sale beer and wine license at the convenience store at 133 South Edwards Street would not result in an undue concentration of alcoholic beverage license in either Inyo County Census Tract #5 or in the community of Independence. This is evidenced by the fact that while ABC has determined that there is an undue concentration of licenses in the County as a whole, 4 licenses are allowed in Inyo County Census Tract #5. This license is the 4<sup>th</sup> license in this census tract, and only the second one in the community of Independence. The convenience store, under the previous owners, has offered sales of alcoholic beverages for many years. The nearest other off-sale licenses are 16 miles to the south in the community of Lone Pine or 26 miles to the north in the community of Big Pine 26. Additionally the convenience store, while serving the community of Independence, also serves the tourist traffic for which U.S. Highway 395 is the primary route of travel to many resort areas.

By approving the letter of 'Public Convenience or Necessity,' and authorizing the Chairperson to sign, the Board will establish that the off-sale of alcoholic beverages at the conveniences store at 133 South Edwards Street, Independence, does serve the public convenience.

**ALTERNATIVES:** Do not approve the letter of 'Public Convenience of Necessity' and authorize the Chairperson to sign: if the Board chooses not to approve and authorize the Chair to sign, per the Business and Professions Code 23958.4(b)(2) the ABC can still issue the license following a public hearing, if the applicant persuades the ABC that the issuance of the license will serve the public's convenience or necessity.

**OTHER AGENCY INVOLVEMENT:** State of California Department of Alcoholic Beverage Control.

**FINANCING:** No direct impact.

<b>APPROVALS</b>	
COUNTY COUNSEL:	AGREEMENTS, CONTRACTS AND ORDINANCES AND CLOSED SESSION AND RELATED ITEMS <i>(Must be reviewed and approved by county counsel prior to submission to the board clerk.)</i>
AUDITOR/CONTROLLER:	ACCOUNTING/FINANCE AND RELATED ITEMS <i>(Must be reviewed and approved by the auditor-controller prior to submission to the board clerk.)</i>
PERSONNEL DIRECTOR:	PERSONNEL AND RELATED ITEMS <i>(Must be reviewed and approved by the director of personnel services prior to submission to the board clerk.)</i>

**DEPARTMENT HEAD SIGNATURE:**

(Not to be signed until all approvals are received)

 \_\_\_\_\_ Date: 1/9/19

**Attachments:**

1. Letter of Public Convenience or Necessity
2. Independence Stations, Inc., Application
3. State of California Business and Professions – Code Section 23950-23962.

January 15, 2018

Department of Alcoholic Beverage Control  
Bakersfield District Office  
4800 Stockdale Highway, Suite 213  
Bakersfield, CA 93309

Department of Alcoholic Beverage Control:

It has been brought to our attention that Independence Stations, Inc., represented by Mr. Gurpreet Singh, has submitted an application for the transfer of an off-sale alcoholic beverage license for the convenience store located at 133 South Edwards Street, Independence, California. This store is connected to the Independence Chevron Station. We understand that the ratio of off-sale beverage licenses to the people within the County is considered by the Alcoholic Beverage Control (ABC) to constitute an undue concentration of licenses within the County.

Business and professions Code Section 23958 requires the ABC to deny an application if the issuance of a license would result in, or add to, an undue concentration of licenses. The governing body of a City or County, in this case the Board of Supervisors, may determine within 90-days of the application that either the public convenience or necessity would be served by the issuance of the alcoholic beverage license.

The issuance of a license for the convenience store at 133 South Edwards Street would not result in an undue concentration of alcoholic beverages in the community of Independence. While ABC had determined that there is an undue concentration of licenses in the County as a whole, 4 off-sale licenses are allowed in Inyo County Census Tract #5. This license is the 4<sup>th</sup> off-sale license in this census tract, and only the second one in the community of Independence. The convenience store, under the previous owners, has offered sales of alcoholic beverages for many years. The nearest other off-sale licenses are 16 miles to the south in the community of Lone Pine or 26 miles to the north in the community of Big Pine 26. Additionally the convenience store, while serving the community of Independence, also serves the tourist traffic for which U.S. Highway 395 is the primary route of travel to many resort areas.

By approving this Letter of 'Public Convenience or Necessity' and authorizing the Chairperson to sign, we establish that the on-sale of alcoholic beverages at the convenience store at 133 South Edwards Street does serve the public convenience.

The Inyo County Board of Supervisors would like to thank the Department of Alcoholic Beverage Control for the opportunity to support Independence Stations, Inc. application and encourage you to approve it.

Sincerely,



Department of Alcoholic Beverage Control

State of California

**APPLICATION FOR ALCOHOLIC BEVERAGE LICENSE(S)**

ABC 211 (6/99)

TO: Department of Alcoholic Beverage Control  
4800 STOCKDALE HWY  
STE 213  
BAKERSFIELD, CA 93309  
(661) 395-2731

File Number: **600523**  
Receipt Number: **2536483**  
Geographical Code: **1400**  
Copies Mailed Date: **October 29, 2018**  
Issued Date:

DISTRICT SERVING LOCATION: **BAKERSFIELD**First Owner: **INDEPENDENCE STATIONS INC.**Name of Business: **NA**Location of Business: **130 S EDWARDS ST  
INDEPENDENCE, CA 93526**County: **INYO**Is Premise inside city limits? **No** Census Tract **0005.00**Mailing Address:  
(If different from  
premises address)Type of license(s): **20**Transferor's license/name: **539604 / FRESH & EASY LLC**Dropping Partner: Yes  No 

<u>License Type</u>	<u>Transaction Type</u>	<u>Fee Type</u>	<u>Master</u>	<u>Dup</u>	<u>Date</u>	<u>Fee</u>
20 - Off-Sale Beer And Win	PREMISE TO PREMISE TRANSFER	NA	Y	0	10/29/18	\$100.00
20 - Off-Sale Beer And Win	PERSON-TO-PERSON TRANSFER	NA	Y	0	10/29/18	\$50.00
20 - Off-Sale Beer And Win	ANNUAL FEE	NA	Y	0	10/29/18	\$283.00
NA	FEDERAL FINGERPRINTS	NA	N	1	10/29/18	\$24.00
NA	STATE FINGERPRINTS	NA	N	1	10/29/18	\$39.00
<b>Total</b>						<b>\$496.00</b>

Have you ever been convicted of a felony? **No**Have you ever violated any provisions of the Alcoholic Beverage Control Act, or regulations of the Department pertaining to the Act? **No**

Explain any "Yes" answer to the above questions on an attachment which shall be deemed part of this application.

Applicant agrees (a) that any manager employed in an on-sale licensed premises will have all the qualifications of a licensee, and (b) that he will not violate or cause or permit to be violated any of the provisions of the Alcoholic Beverage Control Act.

STATE OF CALIFORNIA County of **INYO**Date: **October 29, 2018**

Under penalty of perjury, each person whose signature appears below, certifies and says: (1) He is an applicant, or one of the applicants, or an executive officer of the applicant corporation, named in the foregoing application, duly authorized to make this application on its behalf; (2) that he has read the foregoing and knows the contents thereof and that each of the above statements therein made are true; (3) that no person other than the applicant or applicants has any direct or indirect interest in the applicant or applicant's business to be conducted under the license(s) for which this application is made; (4) that the transfer application or proposed transfer is not made to satisfy the payment of a loan or to fulfill an agreement entered into more than ninety (90) days preceding the day on which the transfer application is filed with the Department or to gain or establish a preference to or for any creditor or transferor or to defraud or injure any creditor of transferor; (5) that the transfer application may be withdrawn by either the applicant or the licensee with no resulting liability to the Department.

Effective July 1, 2012, Revenue and Taxation Code Section 7057, authorizes the State Board of Equalization and the Franchise Tax Board to share taxpayer information with Department of Alcoholic Beverage Control. The Department may suspend, revoke, and refuse to issue a license if the licensee's name appears in the 500 largest tax delinquencies list. (Business and Professions Code Section 494.5.)

Applicant Name(s)

Applicant Signature(s)

**INDEPENDENCE STATIONS INC.****See 211 Signature Page**

**INFORMATION AND INSTRUCTIONS -**

**SECTION 23958.4 B&P**

Instructions This form is to be used for all applications for original issuance or premises to premises transfer of licenses.

- Part 1 is to be completed by an ABC employee, given to applicant with pre-application package, with copy retained in holding file or applicant's district file.
- Part 2 is to be completed by the applicant, and returned to ABC.
- Part 3 is to be completed by the local governing body or its designated subordinate officer or body, and returned to ABC.

**PART 1 - TO BE COMPLETED BY ABC**

1. APPLICANT'S NAME

INDEPENDENCE STATIONS INC

2. PREMISES ADDRESS (Street number and name, city, zip code)

130 S EDWARD ST, INDEPENDENCE CA 93526

3. LICENSE TYPE

20

4. TYPE OF BUSINESS

- |                              |                   |                                 |                       |
|------------------------------|-------------------|---------------------------------|-----------------------|
| Full Service Restaurant      | Hofbrau/Cafeteria | Cocktail Lounge                 | Private Club          |
| Deli or Specialty Restaurant | Comedy Club       | Night Club                      | Veterans Club         |
| Cafe/Coffee Shop             | Brew Pub          | Tavern: Beer                    | Fraternal Club        |
| Bed & Breakfast:             | Theater           | Tavern: Beer & Wine             | Wine Tasting Room     |
| Wine only      All           |                   |                                 |                       |
| Supermarket                  | Membership Store  | Service Station                 | Swap Meet/Flea Market |
| Liquor Store                 | Department Store  | Convenience Market              | Drive-in Dairy        |
| Drug/Variety Store           | Florist/Gift Shop | X Convenience Market w/Gasoline |                       |
| Other - describe:            |                   |                                 |                       |

5. COUNTY POPULATION

6. TOTAL NUMBER OF LICENSES IN COUNTY

7. RATIO OF LICENSES TO POPULATION IN COUNTY

On-Sale    Off-Sale    1104                      On-Sale    X Off-Sale

8. CENSUS TRACT NUMBER

9. NO. OF LICENSES ALLOWED IN CENSUS TRACT

10. NO. OF LICENSES EXISTING IN CENSUS TRACT

5                                      4                                      On-Sale    X Off-Sale    4                                      On-Sale    X Off-Sale

11. IS THE ABOVE CENSUS TRACT OVERCONCENTRATED WITH LICENSES? (i.e., does the ratio of licenses to population in the census tract exceed the ratio of licenses to population for the entire county?)

X Yes, the number of existing licenses exceeds the number allowed

No, the number of existing licenses is lower than the number allowed

12. DOES LAW ENFORCEMENT AGENCY MAINTAIN CRIME STATISTICS?

Yes (Go to Item #13)                      No (Go to Item #20)

13. CRIME REPORTING DISTRICT NUMBER

14. TOTAL NUMBER OF REPORTING DISTRICTS

15. TOTAL NUMBER OF OFFENSES IN ALL REPORTING DISTRICTS

16. AVERAGE NO. OF OFFENSES PER DISTRICT

17. 120% OF AVERAGE NUMBER OF OFFENSES

18. TOTAL NUMBER OF OFFENSES IN REPORTING DISTRICT

19. IS THE PREMISES LOCATED IN A HIGH CRIME REPORTING DISTRICT? (i.e., has a 20% greater number of reported crimes than the average number of reported crimes as determined from all crime reporting districts within the jurisdiction of the local law enforcement agency)

Yes, the total number of offenses in the reporting district equals or exceeds the total number in item #17

No, the total number of offenses in the reporting district is lower than the total number in item #17

20. CHECK THE BOX THAT APPLIES (check only one box)

a. If "No" is checked in both item #11 and item #19, Section 23958.4 B&P does not apply to this application, and no additional information will be needed on this issue. Advise the applicant to bring this completed form to ABC when filing the application.

b. If "Yes" is checked in either item #11 or item #19, and the applicant is applying for a non-retail license, a retail bona fide public eating place license, a retail license issued for a hotel, motel or other lodging establishment as defined in Section 25503.16(b) B&P, or a retail license issued in conjunction with a beer manufacturer's license, or winegrower's license, advise the applicant to complete Section 2 and bring the completed form to ABC when filing the application or as soon as possible thereafter.

X c. If "Yes" is checked in either item #11 or item #19, and the applicant is applying for an off-sale beer and wine license, an off-sale general license, an on-sale beer license, an on-sale beer and wine (public premises) license, or an on-sale general (public premises) license, advise the applicant to take this form to the local governing body, or its designated subordinate officer or body to have them complete Section 3. The completed form will need to be provided to ABC in order to process the application.

Governing Body/Designated Subordinate Name:

**FOR DEPARTMENT USE ONLY**

PREPARED BY (Name of Department Employee)

Timothy Huddleston

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**PART 2 - TO BE COMPLETED BY THE APPLICANT (If box #20b is checked)**

21. Based on the information on the reverse, the Department may approve your application if you can show that public convenience or necessity would be served by the issuance of the license. Please describe below the reasons why issuance of another license is justified in this area. You may attach a separate sheet or additional documentation, if desired. Do not proceed to Part 3.

22. APPLICANT SIGNATURE

23. DATE SIGNED

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**PART 3 - TO BE COMPLETED BY LOCAL OFFICIALS (If box #20c is checked)**

The applicant named on the reverse is applying for a license to sell alcoholic beverages at a premises where undue concentration exists (i.e., an over-concentration of licenses and/or a higher than average crime rate as defined in Section 23958.4 of the Business and Professions Code). Sections 23958 and 23958.4 of the Business and Professions Code requires the Department to deny the application unless the local governing body of the area in which the applicant premises are located, or its designated subordinate officer or body, determines within 90 days of notification of a completed application that public convenience or necessity would be served by the issuance. Please complete items #24 to #30 below and certify or affix an official seal, or attach a copy of the Council or Board resolution or a signed letter on official letterhead stating whether or not the issuance of the applied for license would serve as a public convenience or necessity.

24. WILL PUBLIC CONVENIENCE OR NECESSITY BE SERVED BY ISSUANCE OF THIS ALCOHOLIC BEVERAGE LICENSE?

Yes

No

See Attached (i.e., letter, resolution, etc.)

25. ADDITIONAL COMMENTS, IF DESIRED (may include reasons for approval or denial of public convenience or necessity):

26. CITY/COUNTY OFFICIAL NAME

27. CITY/COUNTY OFFICIAL TITLE

28. CITY/COUNTY OFFICIAL PHONE NUMBER

29. CITY/COUNTY OFFICIAL SIGNATURE

30. DATE SIGNED

## **BUSINESS AND PROFESSIONS CODE**

### **SECTION 23950-23962**

23950. Application for a license shall be made to the department upon a form prescribed by the department and shall be accompanied by such other information as the department may require to assist it in determining whether the applicant and the premises qualify for a license.

23951. The application shall contain the following information:

- (a) The name of the applicant.
- (b) For a general partnership, the names of the individual partners.
- (c) For a limited partnership, limited liability company, or a corporation, the name of the entity.
- (d) The location of the premises for which the license is applied.

23952. The application shall also contain a statement to the effect that the applicant has not been convicted of a felony and has not violated and will not violate or cause or permit to be violated any of the provisions of this division or any rule of the department applicable to the applicant or pertaining to the manufacture, sale, or distribution of alcoholic beverages, particularly any of the provisions of Sections 25500 to 25504, inclusive, or Sections 25611 to 25615, inclusive. If the applicant cannot make this statement the application shall contain a statement of the violation, if any, or reasons which will prevent the applicant from being able to comply with the requirements with respect to the statement.

23953. (a) The application shall be signed by the applicant.

(b) For a general partnership, the application shall be signed by each of the partners, and for the purposes of this division the partners shall be deemed the applicant for any license and the licensees under any license issued pursuant to that application.

(c) For a limited partnership, the application for any license shall be signed by each of the general partners.

(d) For a limited liability company that has elected to be managed by its members, the application shall be signed by each member or by

an officer authorized by the articles of organization or the operating agreement to bind the company. In the case of a limited liability company that has elected to be managed by a manager or managers, the application shall be signed by the manager or managers or by an officer authorized by the articles of organization or the operating agreement to bind the company.

(e) For a corporation, the application shall be signed by two officers of the corporation, one from each of the following categories:

(1) The chairperson of the board, the president, or a vice president.

(2) The secretary, assistant secretary, chief financial officer, or assistant treasurer.

23954. The application shall be verified under oath and accompanied by the license fee.

23954.5. (a) An applicant for an original on-sale general license shall, at the time of filing the application for the license, accompany the application with a fee as determined by the department pursuant to subdivision (b) of this section. At the time of filing an application for a license, an applicant for an original on-sale general license for seasonal business shall accompany the application with a fee as determined by the department pursuant to subdivision (b) of this section. An applicant for an original on-sale beer and wine license shall accompany the application with a fee of three hundred dollars (\$300). An applicant for an original on-sale beer license shall accompany the application with a fee of two hundred dollars (\$200). An applicant for an original off-sale general license shall, at the time of filing the application for the license, accompany the application with a fee as determined by the department pursuant to subdivision (b) of this section. An applicant for an original off-sale beer and wine license or an original license not specified in this section, shall accompany the application with a fee of one hundred dollars (\$100).

"Original on-sale general license," "original on-sale general license for seasonal business," "original on-sale beer and wine license," "original on-sale beer license," "original off-sale general license," and "original off-sale beer and wine license," as used in this division, do not include a license issued upon renewal or transfer of a license.

(b) The fee for an original on-sale general license or an original off-sale general license shall be thirteen thousand eight hundred dollars (\$13,800). Beginning January 1, 2011, and each January thereafter, the department may adjust this fee as provided in subdivisions (c) and (d) of Section 23320.

(c) All money collected from the fees provided for in this section shall be in the Alcohol Beverage Control Fund as provided in Section 25761.

23954.6. As used in Section 23954.5, "original onsale general license" includes an original special onsale general license; provided, that the fee prescribed in Section 23954.5 shall not be required in connection with the exchange of an onsale general license for a special onsale general license, or for the exchange of a special onsale general license for an onsale general license.

23954.7. An applicant for an original on-sale general bona fide public eating place intermittent dockside license for vessels of more than 7,000 tons displacement shall, at the time of filing the application for the license, accompany the application with a fee of two thousand dollars (\$2,000), but such fee shall not be payable upon the renewal or transfer of such license.

23955. Any applicant for a wine grower's license shall, at the time of filing application for license, accompany the application with a license fee based upon a reasonable estimate of the amount of wine gallonage to be produced by the applicant.

23956. Any applicant for an offsale general license shall, at the time of filing application for such license, accompany the application with the minimum license fee required or such larger fee as the applicant elects.

23957. Applications for licenses for the retail sale of alcoholic beverages for premises which are to be constructed or which are in the process of construction shall contain the information required by this article and such other information concerning the proposed premises as the department may require to assist it in determining whether the proposed premises will qualify for a license.

23958. Upon receipt of an application for a license or for a transfer of a license and the applicable fee, the department shall make a thorough investigation to determine whether the applicant and the premises for which a license is applied qualify for a license and whether the provisions of this division have been complied with, and

shall investigate all matters connected therewith which may affect the public welfare and morals. The department shall deny an application for a license or for a transfer of a license if either the applicant or the premises for which a license is applied do not qualify for a license under this division.

The department further shall deny an application for a license if issuance of that license would tend to create a law enforcement problem, or if issuance would result in or add to an undue concentration of licenses, except as provided in Section 23958.4.

23958.1. Notwithstanding the provisions of Section 23958, the department is not required to investigate the personal qualifications of a licensed beer and wine wholesaler who applies for additional beer and wine wholesaler licenses.

23958.2. Notwithstanding the provisions of Section 23958, the department is not required to investigate the personal qualifications or premises of a currently licensed person when a license is being transferred between partners and no new partner is being licensed.

23958.4. (a) For purposes of Section 23958, "undue concentration" means the case in which the applicant premises for an original or premises-to-premises transfer of any retail license are located in an area where any of the following conditions exist:

(1) The applicant premises are located in a crime reporting district that has a 20 percent greater number of reported crimes, as defined in subdivision (c), than the average number of reported crimes as determined from all crime reporting districts within the jurisdiction of the local law enforcement agency.

(2) As to on-sale retail license applications, the ratio of on-sale retail licenses to population in the census tract or census division in which the applicant premises are located exceeds the ratio of on-sale retail licenses to population in the county in which the applicant premises are located.

(3) As to off-sale retail license applications, the ratio of off-sale retail licenses to population in the census tract or census division in which the applicant premises are located exceeds the ratio of off-sale retail licenses to population in the county in which the applicant premises are located.

(b) Notwithstanding Section 23958, the department may issue a license as follows:

(1) With respect to a nonretail license, a retail on-sale bona fide eating place license, a retail license issued for a hotel,

motel, or other lodging establishment, as defined in subdivision (b) of Section 25503.16, a retail license issued in conjunction with a beer manufacturer's license, or a winegrower's license, if the applicant shows that public convenience or necessity would be served by the issuance.

(2) With respect to any other license, if the local governing body of the area in which the applicant premises are located, or its designated subordinate officer or body, determines within 90 days of notification of a completed application that public convenience or necessity would be served by the issuance. The 90-day period shall commence upon receipt by the local governing body of (A) notification by the department of an application for licensure, or (B) a completed application according to local requirements, if any, whichever is later.

If the local governing body, or its designated subordinate officer or body, does not make a determination within the 90-day period, then the department may issue a license if the applicant shows the department that public convenience or necessity would be served by the issuance. In making its determination, the department shall not attribute any weight to the failure of the local governing body, or its designated subordinate officer or body, to make a determination regarding public convenience or necessity within the 90-day period.

(c) For purposes of this section, the following definitions shall apply:

(1) "Reporting districts" means geographical areas within the boundaries of a single governmental entity (city or the unincorporated area of a county) that are identified by the local law enforcement agency in the compilation and maintenance of statistical information on reported crimes and arrests.

(2) "Reported crimes" means the most recent yearly compilation by the local law enforcement agency of reported offenses of criminal homicide, forcible rape, robbery, aggravated assault, burglary, larceny, theft, and motor vehicle theft, combined with all arrests for other crimes, both felonies and misdemeanors, except traffic citations.

(3) "Population within the census tract or census division" means the population as determined by the most recent United States decennial or special census. The population determination shall not operate to prevent an applicant from establishing that an increase of resident population has occurred within the census tract or census division.

(4) "Population in the county" shall be determined by the annual population estimate for California counties published by the Population Research Unit of the Department of Finance.

(5) "Retail licenses" shall include the following:

(A) Off-sale retail licenses: Type 20 (off-sale beer and wine) and Type 21 (off-sale general).

(B) On-sale retail licenses: All retail on-sale licenses, except Type 43 (on-sale beer and wine for train), Type 44 (on-sale beer and wine for fishing party boat), Type 45 (on-sale beer and wine for



boat), Type 46 (on-sale beer and wine for airplane), Type 53 (on-sale general for train and sleeping car), Type 54 (on-sale general for boat), Type 55 (on-sale general for airplane), Type 56 (on-sale general for vessels of more than 1,000 tons burden), and Type 62 (on-sale general bona fide public eating place intermittent dockside license for vessels of more than 15,000 tons displacement).

(6) A "premises-to-premises transfer" refers to each license being separate and distinct, and transferable upon approval of the department.

(d) For purposes of this section, the number of retail licenses in the county shall be established by the department on an annual basis.

(e) The enactment of this section shall not affect any existing rights of any holder of a retail license issued before April 29, 1992, whose premises were destroyed or rendered unusable as a result of the civil disturbances occurring in Los Angeles from April 29 to May 2, 1992, to reopen and operate those licensed premises.

(f) This section shall not apply if the premises have been licensed and operated with the same type license within 90 days of the application.

23959. If an application is denied or withdrawn, one-fourth of the license fee paid, or not more than one hundred dollars (\$100), shall be deposited in the Alcohol Beverage Control Fund as provided in Section 25761. The balance of this amount shall be credited on any taxes then due from the applicant under Part 14 (commencing with Section 32001) of Division 2 of the Revenue and Taxation Code or the Sales and Use Tax Law, and the remaining portion shall be returned to the applicant.

23961. (a) If, at the conclusion of the period prescribed by the department for the filing of applications for issuance or transfer of onsale general licenses or offsale general licenses in any county in its notice of intention to receive applications therefor published pursuant to Sections 23821 and 24070, the department finds that there are more applicants for the particular type of license than there are licenses available for issuance or transfer under Sections 23821 and 24070 the department shall, within 60 days following the conclusion of said period, conduct a drawing to determine the priority in which all of such applications filed with it shall be considered. No more than one such drawing shall be made in any county in any one year, and no person will be entitled to more than one opportunity to participate in such a drawing in any county with respect to an application for issuance or transfer of any one type of license. The number drawn by any applicant shall indicate the priority to be given to the consideration of his application but

shall not insure the issuance of a license by the department.

(b) If a drawing is not conducted as provided in subdivision (a) of this section, applications for issuance of original onsale general licenses and offsale general licenses in a county or transfer of such licenses into such county shall be made and considered as otherwise provided in this article.

(c) No person shall be qualified to participate in such a drawing unless such applicant is a resident of California for at least 90 days prior to the drawing. Prior to the issuance of any license, pursuant to such a drawing, the applicant shall present proof of such residency status. A corporation incorporated in a state other than California, but registered with the Secretary of State to do business in California for 90 days, shall be deemed to have satisfied the residency requirement for the purpose of this section.

(d) The department shall advertise, in connection with a drawing conducted pursuant to this section, that participation in such a drawing is available only to California residents.

23962. Notwithstanding the provisions of subdivision (b) of Section 23961, if at the conclusion of the period prescribed by the department for the filing of applications for issuance or transfer of on-sale general licenses in any county in its notice of intention to receive applications therefor published pursuant to Sections 23821 and 24070, the department finds there are less applicants than there are on-sale general licenses available for issuance or transfer under Sections 23821 and 24070, the department may, within 90 days of the conclusion of the period, publish pursuant to Section 6061 of the Government Code in the county where such new original on-sale general licenses may be issued or into which on-sale general licenses may be transferred, notice of the department's intention to receive applications for the issuance of such new original licenses or for the intercounty transfer of such licenses, setting forth the date, time, manner, and place of acceptance of such applications within the county.

If at the conclusion of the period prescribed by the department pursuant to this section, the department finds there are more applicants for such licenses than there are licenses available for issuance or transfer under Sections 23821 and 24070, the provisions of subdivision (a) of Section 23961 requiring priority drawings shall apply.

No person who has applied in any county for a new original on-sale general license or for intercounty transfer of an on-sale general license during the period prescribed by the department in its notice of intention to receive applications therefor published pursuant to Sections 23821 and 24070, shall be permitted to file application for such new original license or for the intercounty transfer of such license in that county during the period prescribed for receiving applications pursuant to this section.



**AGENDA REQUEST FORM**  
BOARD OF SUPERVISORS  
COUNTY OF INYO

For Clerk's Use Only: AGENDA NUMBER  22
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- |   |  |  |   |
|---|--|--|---|
| <input type="checkbox"/> Consent            | <input checked="" type="checkbox"/> Departmental | <input type="checkbox"/> Correspondence Action | <input type="checkbox"/> Public Hearing |
| <input type="checkbox"/> Scheduled Time for | <input type="checkbox"/> Closed Session          | <input type="checkbox"/> Informational         |   |

**FROM:** Inyo County Planning Department

**FOR THE BOARD MEETING OF:** January 15, 2018

**SUBJECT:** Letter of 'Public Convenience or Necessity' for an Alcoholic Beverage License Application for the Creekside RV Park Store, located in the Bishop Creek Area.

**RECOMMENDATION:** Request the Board of Supervisors approve and authorize the Chairperson to sign a Letter of 'Public Convenience or Necessity' (Attachment 1) for an Alcoholic Beverage License Application for the Creekside RV Park Store, located in the Bishop Creek Area.

**SUMMARY DISCUSSION:** Mr. Nicholas Bernard Scira, has submitted an application to the California State Department of Alcoholic Beverage Control (ABC) for a Type 20 Off-sale Beer and Wine License (Attachment 2). Mr. Scira is currently in escrow with his parents for the Creekside RV Park. His parents had previously possessed a Type 41 On-Sale Beer and Wine – Eating Place license, that allowed for both on-sale of beer and wine at the restaurant and off-sale of beer and wine at the store. Mr. Nicholas Scira will no longer have the restaurant, necessitating his application for the Type 20 license. The ABC, through the California Business and Professions Code #23958 (Attachment 3), is required to deny an application if its issuance would result in, or add to, an undue concentration of licenses. The governing body of a City or County, the Board of Supervisors, may determine within 90-days of the application that either the public convenience or necessity would be served by the issuance of the alcoholic beverage license.

The off-sale beer and wine license at the Creekside RV Park Store would not result in an undue concentration of alcoholic beverage license in either Inyo County Census Tract #2 or in the Bishop Creek area. This is evidenced by the fact that while ABC has determined that there is an undue concentration of licenses in the County as a whole, 3 off-sale licenses are allowed in Inyo County Census Tract #2. This license is the 1<sup>st</sup> off-sale license in this census tract. The store, under the previous owners, has offered sales of alcoholic beverages for many years. The nearest other off-sale licenses are 15 miles to the east in the community of Bishop. Additionally the store, while serving the area of Bishop Creek, also serves the tourists who are a primary user of the Bishop Creek area.

By approving the letter of 'Public Convenience or Necessity,' and authorizing the Chairperson to sign, the Board will establish that the off-sale of alcoholic beverages at the conveniences store at the Creekside RV Park Store, does serve the public convenience.

**ALTERNATIVES:** Do not approve the letter of 'Public Convenience of Necessity' and authorize the Chairperson to sign: if the Board chooses not to approve and authorize the Chair to sign, per the Business and Professions Code 23958.4(b)(2) the ABC can still issue the license following a public hearing, if the applicant persuades the ABC that the issuance of the license will serve the public's convenience or necessity.

**OTHER AGENCY INVOLVEMENT:** State of California Department of Alcoholic Beverage Control.

**FINANCING:** No direct impact.

<b><u>APPROVALS</u></b>	
COUNTY COUNSEL:	AGREEMENTS, CONTRACTS AND ORDINANCES AND CLOSED SESSION AND RELATED ITEMS <i>(Must be reviewed and approved by county counsel prior to submission to the board clerk.)</i>
AUDITOR/CONTROLLER:	ACCOUNTING/FINANCE AND RELATED ITEMS <i>(Must be reviewed and approved by the auditor-controller prior to submission to the board clerk.)</i>
PERSONNEL DIRECTOR:	PERSONNEL AND RELATED ITEMS <i>(Must be reviewed and approved by the director of personnel services prior to submission to the board clerk.)</i>

**DEPARTMENT HEAD SIGNATURE:**  
(Not to be signed until all approvals are received)



Date: 11/9/19

**Attachments:**

1. Letter of Public Convenience or Necessity
2. Letter from ABC and Nicholas Bernard Scira, Application
3. State of California Business and Professions – Code Section 23950-23962.

January 15, 2018

Department of Alcoholic Beverage Control  
Bakersfield District Office  
4800 Stockdale Highway, Suite 213  
Bakersfield, CA 93309

Department of Alcoholic Beverage Control:

It has been brought to our attention that Mr. Nicholas Bernard Scira has submitted an application for an off-sale alcoholic beverage license for Creekside RV Park Store, located in the Bishop Creek area. We understand that the ratio of off-sale beverage licenses to the people within the County is considered by the Alcoholic Beverage Control (ABC) to constitute an undue concentration of licenses within the County.

Business and professions Code Section 23958 requires the ABC to deny an application if the issuance of a license would result in, or add to, an undue concentration of licenses. The governing body of a City or County, in this case the Board of Supervisors, may determine within 90-days of the application that either the public convenience or necessity would be served by the issuance of the alcoholic beverage license.

The issuance of a license for the Creekside RV Park Store would not result in an undue concentration of alcoholic beverages in the Bishop Creek area. While ABC has determined that there is an undue concentration of licenses in the County as a whole, 3 off-sale licenses are allowed in Inyo County Census Tract #2. This license is the 1<sup>st</sup> off-sale license in this census tract. The RV Park, under the previous owners, has offered both on-sale and off-sale of alcoholic beverages for many years. On-sale of alcoholic beverages at the restaurant is being discontinued, but off-sale of alcoholic beverages is to continue at the store. The nearest other off-sale licenses are 15 miles to the east in the community of Bishop. Additionally the store, while serving the area of Bishop Creek, also serves the tourists who are a primary user of the Bishop Creek area.

By approving this Letter of 'Public Convenience or Necessity' and authorizing the Chairperson to sign, we establish that the on-sale of alcoholic beverages at the Creekside RV Park Store does serve the public convenience.

The Inyo County Board of Supervisors would like to thank the Department of Alcoholic Beverage Control for the opportunity to support Mr. Scira's application and encourage you to approve it.

Sincerely,

## Attachment 2

STATE OF CALIFORNIA — BUSINESS, TRANSPORTATION AND HOUSING AGENCY

Edmund G. Brown, Jr., Governor

### DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL

Bakersfield District Office  
4800 Stockdale Highway, Ste. 213  
Bakersfield, CA 93309

 (661) 395-2731 Phone Number

 (661) 322-5929 Fax Number



Public Convenience or Necessity to be determined by local governing body

Date: \_\_\_\_\_

Applicant(s): Nicholas Scing

Dear Applicant(s):

Due to legislation passed in 1994, effective as of January 1<sup>st</sup>, 1995, per section 23958.4 of the Business and Professions Code, "the Department shall deny an application if issuance (of a license) would result in or add to an undue concentration of licenses." In part per this Section, exceptions can be made "if the local governing body of the area in which the applicant premises are located determines that public convenience or necessity would be served by the issuance."

The "local governing body" is the City Council or County Board of Supervisors. They may delegate such determination to another Department, such as Planning or City Manager's Office, but such delegation must be in writing or passed by a resolution. Also, the determination itself must be in writing from the properly delegated authority to the Department. The Department will not accept a verbal determination of public convenience or necessity.

Because your application has been filed after January 1<sup>st</sup>, 1995, you must contact whatever local governing body which has jurisdiction over the area in which the applied-for premises is located and obtain a determination of public convenience or necessity.

Your application will not be submitted for review to our Department Headquarters until written documentation has been received from the appropriate governing body finding such determination. If you have any questions, please feel free to contact this office at the telephone number listed above.

Sincerely,

BAKERSFIELD A.B.C. DISTRICT OFFICE

**INFORMATION AND INSTRUCTIONS -**

**SECTION 23958.4 B&P**

- Instructions This form is to be used for all applications for original issuance or premises to premises transfer of licenses.
- Part 1 is to be completed by an ABC employee, given to applicant with pre-application package, with copy retained in holding file or applicant's district file.
  - Part 2 is to be completed by the applicant, and returned to ABC.
  - Part 3 is to be completed by the local governing body or its designated subordinate officer or body, and returned to ABC.

**PART 1 - TO BE COMPLETED BY ABC**

1. APPLICANT'S NAME

SCIRA, NICHOLAS BERNARD

2. PREMISES ADDRESS (Street number and name, city, zip code)

1949 S LAKE RD, BISHOP CA

3. LICENSE TYPE

93514

4. TYPE OF BUSINESS

- |   |  |  |  |
|---|--|--|--|
| <input type="checkbox"/> Full Service Restaurant                | <input type="checkbox"/> Hofbrau/Cafeteria | <input type="checkbox"/> Cocktail Lounge               | <input type="checkbox"/> Private Club          |
| <input type="checkbox"/> Deli or Specialty Restaurant           | <input type="checkbox"/> Comedy Club       | <input type="checkbox"/> Night Club                    | <input type="checkbox"/> Veterans Club         |
| <input type="checkbox"/> Cafe/Coffee Shop                       | <input type="checkbox"/> Brew Pub          | <input type="checkbox"/> Tavern: Beer                  | <input type="checkbox"/> Fraternal Club        |
| <input type="checkbox"/> Bed & Breakfast:                       | <input type="checkbox"/> Theater           | <input type="checkbox"/> Tavern: Beer & Wine           | <input type="checkbox"/> Wine Tasting Room     |
| <input type="checkbox"/> Wine only <input type="checkbox"/> All |  |  |  |
| <input type="checkbox"/> Supermarket                            | <input type="checkbox"/> Membership Store  | <input type="checkbox"/> Service Station               | <input type="checkbox"/> Swap Meet/Flea Market |
| <input type="checkbox"/> Liquor Store                           | <input type="checkbox"/> Department Store  | <input checked="" type="checkbox"/> Convenience Market | <input type="checkbox"/> Drive-in Dairy        |
| <input type="checkbox"/> Drug/Variety Store                     | <input type="checkbox"/> Florist/Gift Shop | <input type="checkbox"/> Convenience Market w/Gasoline |  |
| <input type="checkbox"/> Other - describe:                      |  |  |  |

5. COUNTY POPULATION

6. TOTAL NUMBER OF LICENSES IN COUNTY

7. RATIO OF LICENSES TO POPULATION IN COUNTY

On-Sale  Off-Sale 564  On-Sale  Off-Sale

8. CENSUS TRACT NUMBER

2

9. NO. OF LICENSES ALLOWED IN CENSUS TRACT

3

10. NO. OF LICENSES EXISTING IN CENSUS TRACT

0

On-Sale  Off-Sale

11. IS THE ABOVE CENSUS TRACT OVERCONCENTRATED WITH LICENSES? (i.e., does the ratio of licenses to population in the census tract exceed the ratio of licenses to population for the entire county?)

- Yes, the number of existing licenses exceeds the number allowed
- No, the number of existing licenses is lower than the number allowed

12. DOES LAW ENFORCEMENT AGENCY MAINTAIN CRIME STATISTICS?

- Yes (Go to Item #13)  No (Go to Item #20)

13. CRIME REPORTING DISTRICT NUMBER

14. TOTAL NUMBER OF REPORTING DISTRICTS

15. TOTAL NUMBER OF OFFENSES IN ALL REPORTING DISTRICTS

16. AVERAGE NO. OF OFFENSES PER DISTRICT

17. 120% OF AVERAGE NUMBER OF OFFENSES

18. TOTAL NUMBER OF OFFENSES IN REPORTING DISTRICT

19. IS THE PREMISES LOCATED IN A HIGH CRIME REPORTING DISTRICT? (i.e., has a 20% greater number of reported crimes than the average number of reported crimes as determined from all crime reporting districts within the jurisdiction of the local law enforcement agency)

- Yes, the total number of offenses in the reporting district equals or exceeds the total number in item #17
- No, the total number of offenses in the reporting district is lower than the total number in item #17

20. CHECK THE BOX THAT APPLIES (check only one box)

- a. If "No" is checked in both item #11 and item #19, Section 23958.4 B&P does not apply to this application, and no additional information will be needed on this issue. Advise the applicant to bring this completed form to ABC when filing the application.
- b. If "Yes" is checked in either item #11 or item #19, and the applicant is applying for a non-retail license, a retail bona fide public eating place license, a retail license issued for a hotel, motel or other lodging establishment as defined in Section 25503.16(b) B&P, or a retail license issued in conjunction with a beer manufacturer's license, or winegrower's license, advise the applicant to complete Section 2 and bring the completed form to ABC when filing the application or as soon as possible thereafter.
- c. If "Yes" is checked in either item #11 or item #19, and the applicant is applying for an off-sale beer and wine license, an off-sale general license, an on-sale beer license, an on-sale beer and wine (public premises) license, or an on-sale general (public premises) license, advise the applicant to take this form to the local governing body, or its designated subordinate officer or body to have them complete Section 3. The completed form will need to be provided to ABC in order to process the application.

Governing Body/Designated Subordinate Name:

Bishop Planning

**FOR DEPARTMENT USE ONLY**

PREPARED BY (Name of Department Employee)

Timothy Huddleston

**PART 2 - TO BE COMPLETED BY THE APPLICANT (If box #20b is checked)**

21. Based on the information on the reverse, the Department may approve your application if you can show that public convenience or necessity would be served by the issuance of the license. Please describe below the reasons why issuance of another license is justified in this area. You may attach a separate sheet or additional documentation, if desired. Do *not* proceed to Part 3.

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22. APPLICANT SIGNATURE

23. DATE SIGNED

**PART 3 - TO BE COMPLETED BY LOCAL OFFICIALS (If box #20c is checked)**

The applicant named on the reverse is applying for a license to sell alcoholic beverages at a premises where undue concentration exists (i.e., an over-concentration of licenses and/or a higher than average crime rate as defined in Section 23958.4 of the Business and Professions Code). Sections 23958 and 23958.4 of the Business and Professions Code requires the Department to deny the application unless the local governing body of the area in which the applicant premises are located, or its designated subordinate officer or body, determines within 90 days of notification of a completed application that public convenience or necessity would be served by the issuance. Please complete items #24 to #30 below and certify or affix an official seal, or attach a copy of the Council or Board resolution or a signed letter on official letterhead stating whether or not the issuance of the applied for license would serve as a public convenience or necessity.

24. WILL PUBLIC CONVENIENCE OR NECESSITY BE SERVED BY ISSUANCE OF THIS ALCOHOLIC BEVERAGE LICENSE?

Yes

No

See Attached (i.e., letter, resolution, etc.)

25. ADDITIONAL COMMENTS, IF DESIRED (may include reasons for approval or denial of public convenience or necessity):

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26. CITY/COUNTY OFFICIAL NAME

27. CITY/COUNTY OFFICIAL TITLE

28. CITY/COUNTY OFFICIAL PHONE NUMBER

29. CITY/COUNTY OFFICIAL SIGNATURE

30. DATE SIGNED



## **BUSINESS AND PROFESSIONS CODE**

### **SECTION 23950-23962**

23950. Application for a license shall be made to the department upon a form prescribed by the department and shall be accompanied by such other information as the department may require to assist it in determining whether the applicant and the premises qualify for a license.

23951. The application shall contain the following information:

- (a) The name of the applicant.
- (b) For a general partnership, the names of the individual partners.
- (c) For a limited partnership, limited liability company, or a corporation, the name of the entity.
- (d) The location of the premises for which the license is applied.

23952. The application shall also contain a statement to the effect that the applicant has not been convicted of a felony and has not violated and will not violate or cause or permit to be violated any of the provisions of this division or any rule of the department applicable to the applicant or pertaining to the manufacture, sale, or distribution of alcoholic beverages, particularly any of the provisions of Sections 25500 to 25504, inclusive, or Sections 25611 to 25615, inclusive. If the applicant cannot make this statement the application shall contain a statement of the violation, if any, or reasons which will prevent the applicant from being able to comply with the requirements with respect to the statement.

23953. (a) The application shall be signed by the applicant.

(b) For a general partnership, the application shall be signed by each of the partners, and for the purposes of this division the partners shall be deemed the applicant for any license and the licensees under any license issued pursuant to that application.

(c) For a limited partnership, the application for any license shall be signed by each of the general partners.

(d) For a limited liability company that has elected to be managed by its members, the application shall be signed by each member or by

an officer authorized by the articles of organization or the operating agreement to bind the company. In the case of a limited liability company that has elected to be managed by a manager or managers, the application shall be signed by the manager or managers or by an officer authorized by the articles of organization or the operating agreement to bind the company.

(e) For a corporation, the application shall be signed by two officers of the corporation, one from each of the following categories:

(1) The chairperson of the board, the president, or a vice president.

(2) The secretary, assistant secretary, chief financial officer, or assistant treasurer.

23954. The application shall be verified under oath and accompanied by the license fee.

23954.5. (a) An applicant for an original on-sale general license shall, at the time of filing the application for the license, accompany the application with a fee as determined by the department pursuant to subdivision (b) of this section. At the time of filing an application for a license, an applicant for an original on-sale general license for seasonal business shall accompany the application with a fee as determined by the department pursuant to subdivision (b) of this section. An applicant for an original on-sale beer and wine license shall accompany the application with a fee of three hundred dollars (\$300). An applicant for an original on-sale beer license shall accompany the application with a fee of two hundred dollars (\$200). An applicant for an original off-sale general license shall, at the time of filing the application for the license, accompany the application with a fee as determined by the department pursuant to subdivision (b) of this section. An applicant for an original off-sale beer and wine license or an original license not specified in this section, shall accompany the application with a fee of one hundred dollars (\$100).

"Original on-sale general license," "original on-sale general license for seasonal business," "original on-sale beer and wine license," "original on-sale beer license," "original off-sale general license," and "original off-sale beer and wine license," as used in this division, do not include a license issued upon renewal or transfer of a license.

(b) The fee for an original on-sale general license or an original off-sale general license shall be thirteen thousand eight hundred dollars (\$13,800). Beginning January 1, 2011, and each January thereafter, the department may adjust this fee as provided in subdivisions (c) and (d) of Section 23320.

(c) All money collected from the fees provided for in this section shall be in the Alcohol Beverage Control Fund as provided in Section 25761.

23954.6. As used in Section 23954.5, "original onsale general license" includes an original special onsale general license; provided, that the fee prescribed in Section 23954.5 shall not be required in connection with the exchange of an onsale general license for a special onsale general license, or for the exchange of a special onsale general license for an onsale general license.

23954.7. An applicant for an original on-sale general bona fide public eating place intermittent dockside license for vessels of more than 7,000 tons displacement shall, at the time of filing the application for the license, accompany the application with a fee of two thousand dollars (\$2,000), but such fee shall not be payable upon the renewal or transfer of such license.

23955. Any applicant for a wine grower's license shall, at the time of filing application for license, accompany the application with a license fee based upon a reasonable estimate of the amount of wine gallonage to be produced by the applicant.

23956. Any applicant for an offsale general license shall, at the time of filing application for such license, accompany the application with the minimum license fee required or such larger fee as the applicant elects.

23957. Applications for licenses for the retail sale of alcoholic beverages for premises which are to be constructed or which are in the process of construction shall contain the information required by this article and such other information concerning the proposed premises as the department may require to assist it in determining whether the proposed premises will qualify for a license.

23958. Upon receipt of an application for a license or for a transfer of a license and the applicable fee, the department shall make a thorough investigation to determine whether the applicant and the premises for which a license is applied qualify for a license and whether the provisions of this division have been complied with, and

shall investigate all matters connected therewith which may affect the public welfare and morals. The department shall deny an application for a license or for a transfer of a license if either the applicant or the premises for which a license is applied do not qualify for a license under this division.

The department further shall deny an application for a license if issuance of that license would tend to create a law enforcement problem, or if issuance would result in or add to an undue concentration of licenses, except as provided in Section 23958.4.

23958.1. Notwithstanding the provisions of Section 23958, the department is not required to investigate the personal qualifications of a licensed beer and wine wholesaler who applies for additional beer and wine wholesaler licenses.

23958.2. Notwithstanding the provisions of Section 23958, the department is not required to investigate the personal qualifications or premises of a currently licensed person when a license is being transferred between partners and no new partner is being licensed.

23958.4. (a) For purposes of Section 23958, "undue concentration" means the case in which the applicant premises for an original or premises-to-premises transfer of any retail license are located in an area where any of the following conditions exist:

(1) The applicant premises are located in a crime reporting district that has a 20 percent greater number of reported crimes, as defined in subdivision (c), than the average number of reported crimes as determined from all crime reporting districts within the jurisdiction of the local law enforcement agency.

(2) As to on-sale retail license applications, the ratio of on-sale retail licenses to population in the census tract or census division in which the applicant premises are located exceeds the ratio of on-sale retail licenses to population in the county in which the applicant premises are located.

(3) As to off-sale retail license applications, the ratio of off-sale retail licenses to population in the census tract or census division in which the applicant premises are located exceeds the ratio of off-sale retail licenses to population in the county in which the applicant premises are located.

(b) Notwithstanding Section 23958, the department may issue a license as follows:

(1) With respect to a nonretail license, a retail on-sale bona fide eating place license, a retail license issued for a hotel,

motel, or other lodging establishment, as defined in subdivision (b) of Section 25503.16, a retail license issued in conjunction with a beer manufacturer's license, or a winegrower's license, if the applicant shows that public convenience or necessity would be served by the issuance.

(2) With respect to any other license, if the local governing body of the area in which the applicant premises are located, or its designated subordinate officer or body, determines within 90 days of notification of a completed application that public convenience or necessity would be served by the issuance. The 90-day period shall commence upon receipt by the local governing body of (A) notification by the department of an application for licensure, or (B) a completed application according to local requirements, if any, whichever is later.

If the local governing body, or its designated subordinate officer or body, does not make a determination within the 90-day period, then the department may issue a license if the applicant shows the department that public convenience or necessity would be served by the issuance. In making its determination, the department shall not attribute any weight to the failure of the local governing body, or its designated subordinate officer or body, to make a determination regarding public convenience or necessity within the 90-day period.

(c) For purposes of this section, the following definitions shall apply:

(1) "Reporting districts" means geographical areas within the boundaries of a single governmental entity (city or the unincorporated area of a county) that are identified by the local law enforcement agency in the compilation and maintenance of statistical information on reported crimes and arrests.

(2) "Reported crimes" means the most recent yearly compilation by the local law enforcement agency of reported offenses of criminal homicide, forcible rape, robbery, aggravated assault, burglary, larceny, theft, and motor vehicle theft, combined with all arrests for other crimes, both felonies and misdemeanors, except traffic citations.

(3) "Population within the census tract or census division" means the population as determined by the most recent United States decennial or special census. The population determination shall not operate to prevent an applicant from establishing that an increase of resident population has occurred within the census tract or census division.

(4) "Population in the county" shall be determined by the annual population estimate for California counties published by the Population Research Unit of the Department of Finance.

(5) "Retail licenses" shall include the following:

(A) Off-sale retail licenses: Type 20 (off-sale beer and wine) and Type 21 (off-sale general).

(B) On-sale retail licenses: All retail on-sale licenses, except Type 43 (on-sale beer and wine for train), Type 44 (on-sale beer and wine for fishing party boat), Type 45 (on-sale beer and wine for

boat), Type 46 (on-sale beer and wine for airplane), Type 53 (on-sale general for train and sleeping car), Type 54 (on-sale general for boat), Type 55 (on-sale general for airplane), Type 56 (on-sale general for vessels of more than 1,000 tons burden), and Type 62 (on-sale general bona fide public eating place intermittent dockside license for vessels of more than 15,000 tons displacement).

(6) A "premises-to-premises transfer" refers to each license being separate and distinct, and transferable upon approval of the department.

(d) For purposes of this section, the number of retail licenses in the county shall be established by the department on an annual basis.

(e) The enactment of this section shall not affect any existing rights of any holder of a retail license issued before April 29, 1992, whose premises were destroyed or rendered unusable as a result of the civil disturbances occurring in Los Angeles from April 29 to May 2, 1992, to reopen and operate those licensed premises.

(f) This section shall not apply if the premises have been licensed and operated with the same type license within 90 days of the application.

23959. If an application is denied or withdrawn, one-fourth of the license fee paid, or not more than one hundred dollars (\$100), shall be deposited in the Alcohol Beverage Control Fund as provided in Section 25761. The balance of this amount shall be credited on any taxes then due from the applicant under Part 14 (commencing with Section 32001) of Division 2 of the Revenue and Taxation Code or the Sales and Use Tax Law, and the remaining portion shall be returned to the applicant.

23961. (a) If, at the conclusion of the period prescribed by the department for the filing of applications for issuance or transfer of onsale general licenses or offsale general licenses in any county in its notice of intention to receive applications therefor published pursuant to Sections 23821 and 24070, the department finds that there are more applicants for the particular type of license than there are licenses available for issuance or transfer under Sections 23821 and 24070 the department shall, within 60 days following the conclusion of said period, conduct a drawing to determine the priority in which all of such applications filed with it shall be considered. No more than one such drawing shall be made in any county in any one year, and no person will be entitled to more than one opportunity to participate in such a drawing in any county with respect to an application for issuance or transfer of any one type of license. The number drawn by any applicant shall indicate the priority to be given to the consideration of his application but

shall not insure the issuance of a license by the department.

(b) If a drawing is not conducted as provided in subdivision (a) of this section, applications for issuance of original onsale general licenses and offsale general licenses in a county or transfer of such licenses into such county shall be made and considered as otherwise provided in this article.

(c) No person shall be qualified to participate in such a drawing unless such applicant is a resident of California for at least 90 days prior to the drawing. Prior to the issuance of any license, pursuant to such a drawing, the applicant shall present proof of such residency status. A corporation incorporated in a state other than California, but registered with the Secretary of State to do business in California for 90 days, shall be deemed to have satisfied the residency requirement for the purpose of this section.

(d) The department shall advertise, in connection with a drawing conducted pursuant to this section, that participation in such a drawing is available only to California residents.

23962. Notwithstanding the provisions of subdivision (b) of Section 23961, if at the conclusion of the period prescribed by the department for the filing of applications for issuance or transfer of on-sale general licenses in any county in its notice of intention to receive applications therefor published pursuant to Sections 23821 and 24070, the department finds there are less applicants than there are on-sale general licenses available for issuance or transfer under Sections 23821 and 24070, the department may, within 90 days of the conclusion of the period, publish pursuant to Section 6061 of the Government Code in the county where such new original on-sale general licenses may be issued or into which on-sale general licenses may be transferred, notice of the department's intention to receive applications for the issuance of such new original licenses or for the intercounty transfer of such licenses, setting forth the date, time, manner, and place of acceptance of such applications within the county.

If at the conclusion of the period prescribed by the department pursuant to this section, the department finds there are more applicants for such licenses than there are licenses available for issuance or transfer under Sections 23821 and 24070, the provisions of subdivision (a) of Section 23961 requiring priority drawings shall apply.

No person who has applied in any county for a new original on-sale general license or for intercounty transfer of an on-sale general license during the period prescribed by the department in its notice of intention to receive applications therefor published pursuant to Sections 23821 and 24070, shall be permitted to file application for such new original license or for the intercounty transfer of such license in that county during the period prescribed for receiving applications pursuant to this section.



**AGENDA REQUEST FORM**  
BOARD OF SUPERVISORS  
COUNTY OF INYO

For Clerk's Use Only:  
AGENDA NUMBER

23

- Consent     Departmental     Correspondence Action     Public Hearing  
 Scheduled Time for 11:00 a.m.     Closed Session     Informational

**FROM:** County Administrator

**FOR THE BOARD MEETING OF:** January 15, 2019

**SUBJECT:** Lease-purchase of Consolidated Office Building property in Bishop, CA

**DEPARTMENTAL RECOMMENDATION:**

Request your Board: A) consider and potentially approve County entry into a proposed Build-to-Suit Lease Agreement with Wolverine\Inyo LLC for the Inyo County Consolidated Office Building and authorize the Board Chair to sign said Agreement on behalf of the County; B) find that entry into said Lease Agreement is categorically exempt from review under the California Environmental Quality Act (CEQA) as a Class 32 in-fill development project and direct staff to file a Notice of Exemption; and C) provide any other desired direction to staff.

Under the proposed Agreement, the County would lease-purchase real property described as Assessor's Parcel Number 01049014, located at 1360 N. Main Street in the City of Bishop, with an office building and other associated improvements to be constructed prior to lease commencement.

**SUMMARY DISCUSSION:**

**Background:**

Having determined continued use of rental space for office facilities in Bishop was not sustainable, the County issued an RFP for development of a consolidated office building in Bishop in 2010. The County entered into an exclusive negotiating agreement in 2011. A project was developed and moved forward through a number of public meetings in 2013. At that time, the Board directed staff to negotiate option, lease, and land transaction documents. These negotiations became protracted and led to stalling out of document development. Lease negotiations resumed two years ago and have resulted in more favorable lease terms and pricing for the County.

On June 12, 2018, staff and economic consultant Allan D. Kotin presented a cost analysis to the Board with two options for moving forward. One option had a lowered front-end payment and higher ongoing lease payments and the other had a higher front-end payment and lower ongoing lease payments. The second option has been developed to leverage use of one-time monies for one-time payments and to maximize the positive impact to ongoing operational costs.

**The Building:**

The size of the building was set at 42,000 square feet in 2013 and a corresponding initial test fit was approved. This size was selected to provide for consolidation of all of the current County offices in Bishop without resulting in the loss of services in the County Seat of Independence. Since the June 12, 2018 Board meeting, we had an initial meeting with all of the individual departments that will be occupying the Building to further refine space needs while maintaining the 42,000 square foot size. There were a number of



follow-up meetings and communication to refine space plan. The cooperation of the Departments has been excellent and is greatly appreciated. A couple of exciting concepts that have been added to the revised test fit are the pushing of enclosed offices and interview rooms to the middle of the building in order to allow window access and natural lighting for group work areas and the inclusion of an Area Resource Center with a shared lobby and common space for portions of Probation and HHS. The Area Resource Center was refined through several meetings with both the HHS Director and Probation Chief, who both worked diligently to bring this concept to reality. As HHS and Probation are the two largest occupants of the building we presented the layout and held question and answer sessions for their departments including line staff as well. The comments and ideas they presented were thoughtful and very useful.

**The Lease:**

Under the proposed agreement, the County would lease-purchase certain real property in Inyo County for a consolidated office building through a build-to-suit lease agreement with Wolverine\Inyo LLC. The property proposed to be lease-purchased is described as Assessor's Parcel Number 01049014, located at 1360 N. Main Street in the City of Bishop. Title to the property will transfer to the County at the end of the twenty-year lease term or sooner if the County exercises a purchase option specified in the lease agreement. Because of the lease-purchase arrangement, there is no specific purchase "price" but the estimated fair market value of the property being acquired through the lease-purchase is \$13,750,000.

The County will pay rent in varying amounts specified by the lease agreement over the twenty-year lease term. These include an initial payment of \$7.8 million, lump-sum payments of \$250,000 in the fifth, tenth and fifteenth year of the lease, and monthly payments of approximately \$39,000. The monthly amount will depend on final interest rate at the time of funding but is capped as identified in Exhibit G. The initial and lump-sum payments will be comprised of one-time funding from a combination of CAO- Accumulated Capital Outlay, HHS, Sheriff AB443, and Criminal Justice Realignment funds. Commencement of lease payments does not begin until substantial completion of the building. This scenario was presented to the Board on June 12, 2018. That report and analysis is attached.

**Noticing and CEQA:**

Notice of the County's intention to potentially approve the lease-purchase of this property at today's Board meeting was given in accordance with applicable legal requirements. By the date of your meeting, County staff will also have made a public presentation regarding the matter at the January 14<sup>th</sup> regular meeting of the Bishop City Council.

Approval of the proposed Lease Agreement (and construction of the office building pursuant to that Agreement) is a "project" for which the County is the lead agency under the California Environmental Quality Act (CEQA). Based on relevant information and analysis by the City of Bishop when the underlying parcel was subdivided in 2017 (and the City was aware of and took into account the proposed respective uses of the subdivided parcels for a consolidated county office building and a grocery outlet), County staff has determined that the project is categorically exempt from environmental review as a Class 32 in-fill development project. CEQA Guidelines section 15332 describes "In-Fill Development Projects" as follows:

*Class 32 consists of projects characterized as in-fill development meeting the conditions described in this section. (a) The project is consistent with the applicable general plan designation and all applicable general plan policies as well as with applicable zoning designation and regulations.(b) The proposed development occurs within city limits on a*

*project site of no more than five acres substantially surrounded by urban uses.(c) The project site has no value, as habitat for endangered, rare or threatened species.(d) Approval of the project would not result in any significant effects relating to traffic, noise, air quality, or water quality.(e) The site can be adequately served by all required utilities and public services.*

With respect to the eligibility requirements in the exemption:

- (a) The staff report to the City Planning Commission states that the subdivision is consistent with the City's general plan, all applicable general plan policies and with the City's zoning and zoning regulations.
- (b) The proposed County office building is within the Bishop City limits and would be located on site of less than five acres.
- (c) The staff report cites a Biological Resource Assessment which concludes that the site has no value as habitat for endangered, rare or threatened species.
- (d) The staff report cites a traffic study of the proposed grocery store and office building which concludes that these facilities will not cause any significant impacts relating to traffic. Concerning significant impacts relating to noise, air quality and water quality, the staff report concludes that there will be no such impacts.
- (e) City staff reports that the City of Bishop will supply water to the grocery store and the office building and that the Eastern Sierra Community Services District will convey and treat the wastewater from the grocery store and the office building.

Accordingly, this project meets the requirements for the Class 32 exemption. It is important to note that a categorical exemption (such as the Class 32 "in-fill" exemption) may not be applied if any exception to the categorical exemption applies. (CEQA Guidelines, section 15300.2.) Staff had determined that none of those exceptions would apply here.

**ALTERNATIVES:** The Board could choose not enter into the lease and direct staff to pursue other options regarding office space in Bishop.

**OTHER AGENCY INVOLVEMENT:** Primary assistance in this process has been, and will be, provided by the County's real estate consultant, Allan D. Kotin & Associates, working with the Inyo County Public Works Department, the Inyo County Office of the County Counsel, all County Departments with space in Bishop, Joseph Enterprises, and Wolverine/Inyo LLC, for whom the managing member and primary County contact is Wayne Lamb, as well as Ware Malcomb design and architectural partners.

**FINANCING:** The lump-sum payments described today will be funded from a combination of one-time discretionary and categorical funds relative to the departments occupying the building. These will included CAO- Accumulated Capital Outlay, HHS, Sheriff AB443, and Criminal Justice Realignment funds. Ongoing lease payments will be made from the same sources and current rental payments for the occupying departments are made.

<u>APPROVALS</u>	
COUNTY COUNSEL:	AGREEMENTS, CONTRACTS AND ORDINANCES AND CLOSED SESSION AND RELATED ITEMS (Must be reviewed and approved by county counsel prior to submission to the board clerk.)  Approved:  Date 6/19/19
AUDITOR/CONTROLLER:	ACCOUNTING/FINANCE AND RELATED ITEMS (Must be reviewed and approved by the auditor-controller prior to submission to the board clerk.)   Approved: <u>yes</u> Date 1/10/19
PERSONNEL DIRECTOR:	PERSONNEL AND RELATED ITEMS (Must be reviewed and approved by the director of personnel services prior to submission to the board clerk.)  Approved: _____ Date _____

**DEPARTMENT HEAD SIGNATURE:**  Date: 1/10/19  
(Not to be signed until all approvals are received)



**AGENDA REQUEST FORM**  
BOARD OF SUPERVISORS  
COUNTY OF INYO

For Clerk's Use Only:  
AGENDA NUMBER

**34**

- Consent     Departmental     Correspondence Action     Public Hearing  
 Scheduled Time for 1 p.m.     Closed Session     Informational

**FROM:** County Administrator / Public Works Director / County Counsel

**FOR THE BOARD MEETING OF:** June 12, 2018

**SUBJECT:** Update regarding Consolidated County Office Building in Bishop, California

**DEPARTMENTAL RECOMMENDATION:**

Request your Board receive update regarding the Consolidated County Office Building Project proposed to be built in Bishop, and provide direction to staff.

**SUMMARY DISCUSSION:**

Today's presentation will publicly update your Board of Supervisors and the community regarding the status of the Consolidated County Office Building Project, focusing on current project costs and a corresponding updated analysis of potential savings for the County and its taxpayers. This information is embodied in the attached draft presentation (Attachment A) that will be made today by the County's economic consultant, Allan D. Kotin, Principal with Allan D. Kotin & Associates.

Today's presentation is intended to provide updated information for your Board and the public, provide an opportunity to receive additional public input following the project hiatus, and, for your Board to provide general direction to staff regarding next steps. **No decision to approve the project is being requested.** Project approval will be sought when your Board considers a Build-To-Suit Lease Agreement for the Consolidated Office Building Project. If the lease is approved, your Board's decision will become binding and the project will be approved. However, the lease cannot be brought before your Board for consideration until final project design is substantially completed and incorporated into the lease document. This is expected to occur later this summer.

The last public meetings regarding the project were held in 2013, highlighted by a presentation to the Board of Supervisors on July 16, 2013, and the same presentation being made at community meetings held on July 22<sup>nd</sup> in Independence; July 31<sup>st</sup> in Lone Pine; August 1 in Big Pine; and, August 3<sup>rd</sup> in Bishop. A copy of that presentation, which provides significant historical background, is included as Attachment B.

Following these meetings and additional space planning work between County staff and the developer's architects, on November 12, 2013, the Board of Supervisors approved:

- (a) Non-binding Concept Plans for an Inyo County Consolidated Office Building Project in Bishop, California;
- (b) An updated non-binding Term Sheet for a Build-To-Suit Lease Agreement between Inyo County and Inyo County Development LLC; and,
- (c) Authorizing staff to proceed to work with Inyo County Development LLC to develop a Build-To-Suit Lease Option Agreement for the Consolidated Office Building Project to be considered by the Board at a future date.

A copy of the Board's November 12, 2013 Agenda Request Form pertaining to these actions is included here for more detailed background information as Attachment C.

Following the Board's November 12, 2013 approval of these documents and authorization to staff, the County and the Developer began drafting option, lease and land transaction documents. These negotiations became protracted and resulted in project costs going up, ultimately stalling the development of the option, lease and land transaction documents and threatening the viability of the project.

Lease negotiations resumed almost two years ago and have resulted in a more favorable lease agreement and pricing for the County. However, since 2013, both construction and financing costs increased significantly as described in today's presentation (Attachment A). Over the past year, the developer has updated the construction costs for the project and sought new financing (at higher rates) for the project, the two factors which will determine how much the Consolidated Office Building will ultimately cost the County and how much the project will ultimately save the County in lease and operating costs. As this information has become available, the County's real estate economist has been engaged to review and verify the cost and financing information, and update his prior cost-savings analysis based on current County lease-costs in comparison to the revised project costs. The results of his analyses, and an "apples-to-apples" comparison to his previous analyses prepared in 2013, are the subject of today's presentation.

**ALTERNATIVES:**

Today's presentation is being provided for information purposes only.

**OTHER AGENCY INVOLVEMENT:**

Primary assistance in this process has been, and will be, provided by the County's real estate consultant, Allan D. Kotin & Associates, working with the Inyo County Public Works Department, the Inyo County Office of the County Counsel, Joseph Enterprises, and Inyo County Development LLC, for whom the managing member and primary County contact is Wayne Lamb, as well as previously from Ware Malcomb design and architectural partners and KPRS general contracting and construction partners.

**FINANCING:**

A cost analysis for the revised project is included as part of today's presentation. If the project is approved later this summer, the lump-sum payments described today will be funded from a combination of one-time discretionary and categorical funds relative to the departments occupying the building.

<b>APPROVALS</b>	
COUNTY COUNSEL:	AGREEMENTS, CONTRACTS AND ORDINANCES AND CLOSED SESSION AND RELATED ITEMS (Must be reviewed and approved by county counsel prior to submission to the board clerk.)  Approved: <u>yes</u> Date <u>6/7/18</u>
AUDITOR/CONTROLLER:	ACCOUNTING/FINANCE AND RELATED ITEMS (Must be reviewed and approved by the auditor-controller prior to submission to the board clerk.)  Approved: _____ Date _____
PERSONNEL DIRECTOR:	PERSONNEL AND RELATED ITEMS (Must be reviewed and approved by the director of personnel services prior to submission to the board clerk.)  Approved: _____ Date _____

**DEPARTMENT HEAD SIGNATURE:** [Signature] Date: 6-7-18  
(Not to be signed until all approvals are received)

**DEPARTMENT HEAD SIGNATURE:** [Signature] Date: 6/7/18  
(Not to be signed until all approvals are received)

**DEPARTMENT HEAD SIGNATURE:** [Signature] Date: 6/7/18  
(Not to be signed until all approvals are received)

# ATTACHMENT A



**INYO COUNTY CONSOLIDATED OFFICE BUILDING  
SUMMARY OF TRANSACTION  
and  
ANALYSIS OF POTENTIAL SAVINGS**

**For Presentation to  
INYO COUNTY BOARD OF SUPERVISORS  
June 2018**

**by  
Allan D. Kotin, Principal  
ALLAN D. KOTIN & ASSOCIATES, County Economic Consultant**



# Table of Contents



## ***PRESENTATION IS TWO PARTS---***

- ***PROPOSED CONSOLIDATED OFFICE BUILDING***
- ***ANALYSIS OF POTENTIAL SAVINGS TO COUNTY***

## ***PART ONE – PROPOSED CONSOLIDATED OFFICE BUILDING***

- 1. What has Changed Since this Transaction was Last Presented***
- 2. Cost Changes for Inyo County Build-to-Suit***

## ***PART TWO – THE POTENTIAL SAVINGS TO INYO COUNTY***

- 1. Rent Savings***
- 2. Occupancy Cost Comparison of Status Quo to Consolidated Office with \$2M Up-front Total Payment***
- 3. Occupancy Cost Comparison of Status Quo to Consolidated Office with \$7.8M Up-front Total Payment***

# WHAT HAS CHANGED SINCE THIS TRANSACTION WAS LAST PRESENTED (1 of 2)



- *Cost in November 2013* was \$11.35 million; **current** estimate, completed in May 2018, is \$13.75 million.
- **New costs include** full installation of tenant improvements by the developer as opposed to an allowance in the earlier version which lowers the risk to the County.
- There is some additional re-classification and elimination of certain costs: an “apples to apples” comparison shows current costs just over \$14.0 million, an increase of \$2.66 million. This represents **23.4% overall increase or annual rate of 5% over the 4-1/2 years.**
- This increase is above the ENR index of change over the 2013-2017 period; **ADK&A considers the current cost is reasonable** in light of recent changes created by lumber tariffs, the generally high rate of construction activity, and the huge increase in demand for constructions services created by recent major natural disasters.

# WHAT HAS CHANGED SINCE THIS TRANSACTION WAS LAST PRESENTED (2 of 2)

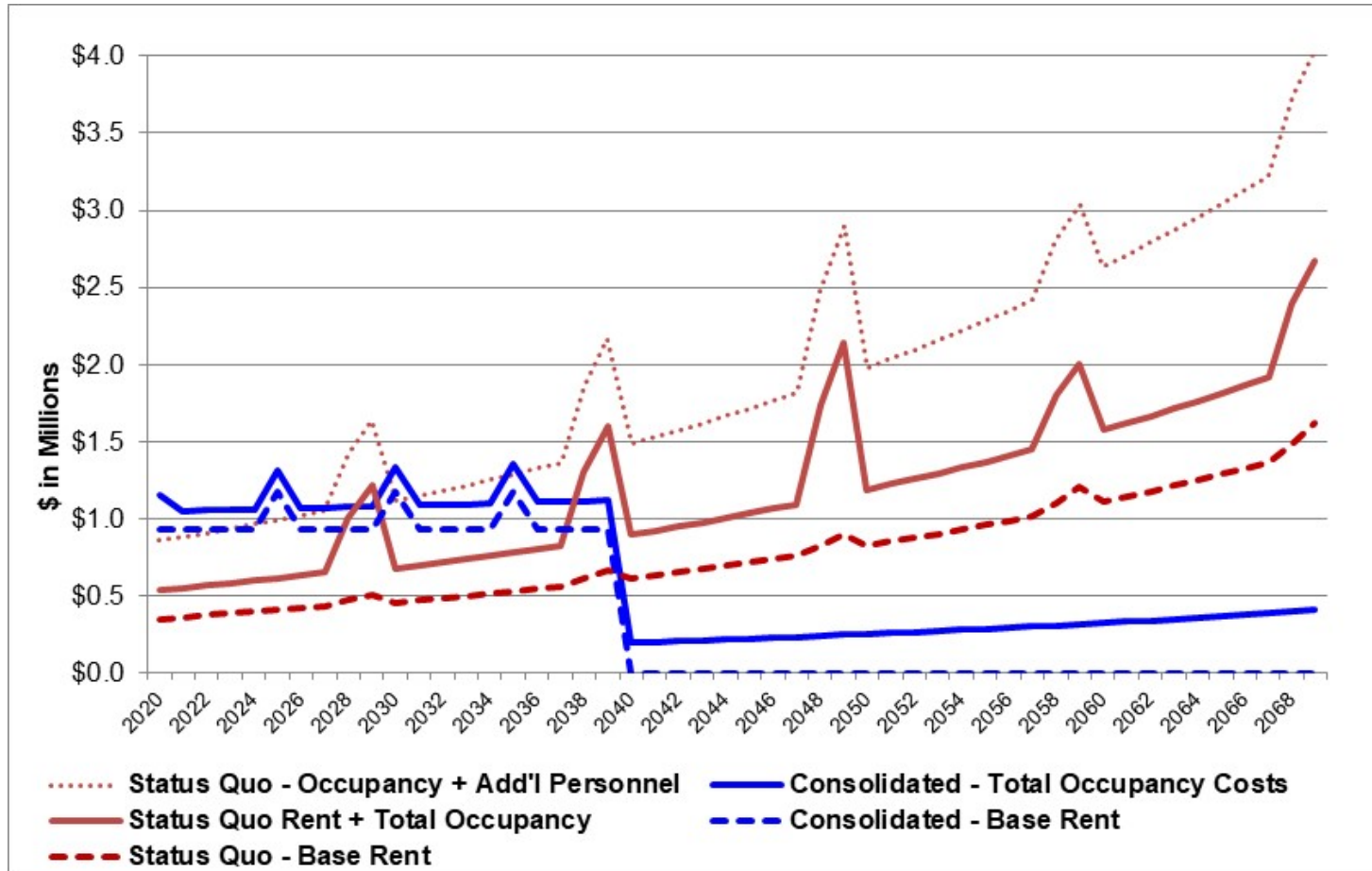


- *During the same period, the **financing costs rose substantially** as well due to an increase in the interest rate from 4.29% to 4.96%.*
- *The current rate assumes taxable financing and, at twenty years and only \$11 million or less, represents **a type of financing that will be necessarily more costly** than traditional public borrowing, even unrated land-secured debt.*
- *Note that during the period between the two estimates, Wayne Lamb, the lead individual for the developer, has moved from the CRESA firm to Saville-Studley, another very large broker, but he has kept intact the same SPE (special purpose entity) and still has the **same contractor and architectural team** that created the project.*

# Additional Cost Comparison by Year, Annual - \$2M Payment\*



## Annual Occupancy Costs for Status Quo and Consolidated Office - \$2M Payment

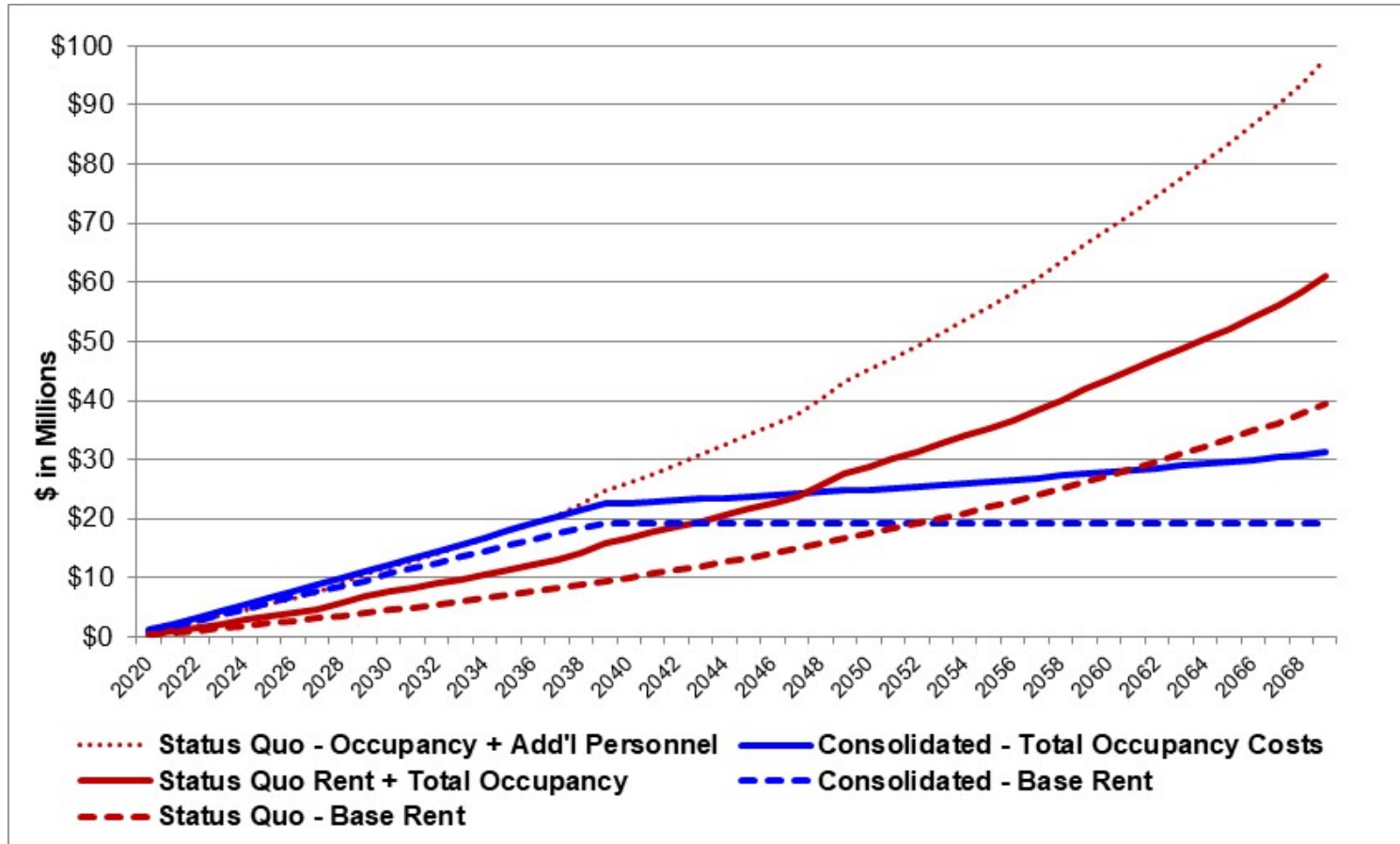


\*These calculations exclude the initial payment, which we understand will come from sources other than the General Fund.

# Additional Cost Comparison by Year, Cumulative - \$2M Payment\*



## Cumulative Occupancy Costs for Status Quo and Consolidated Office - \$2M Payment

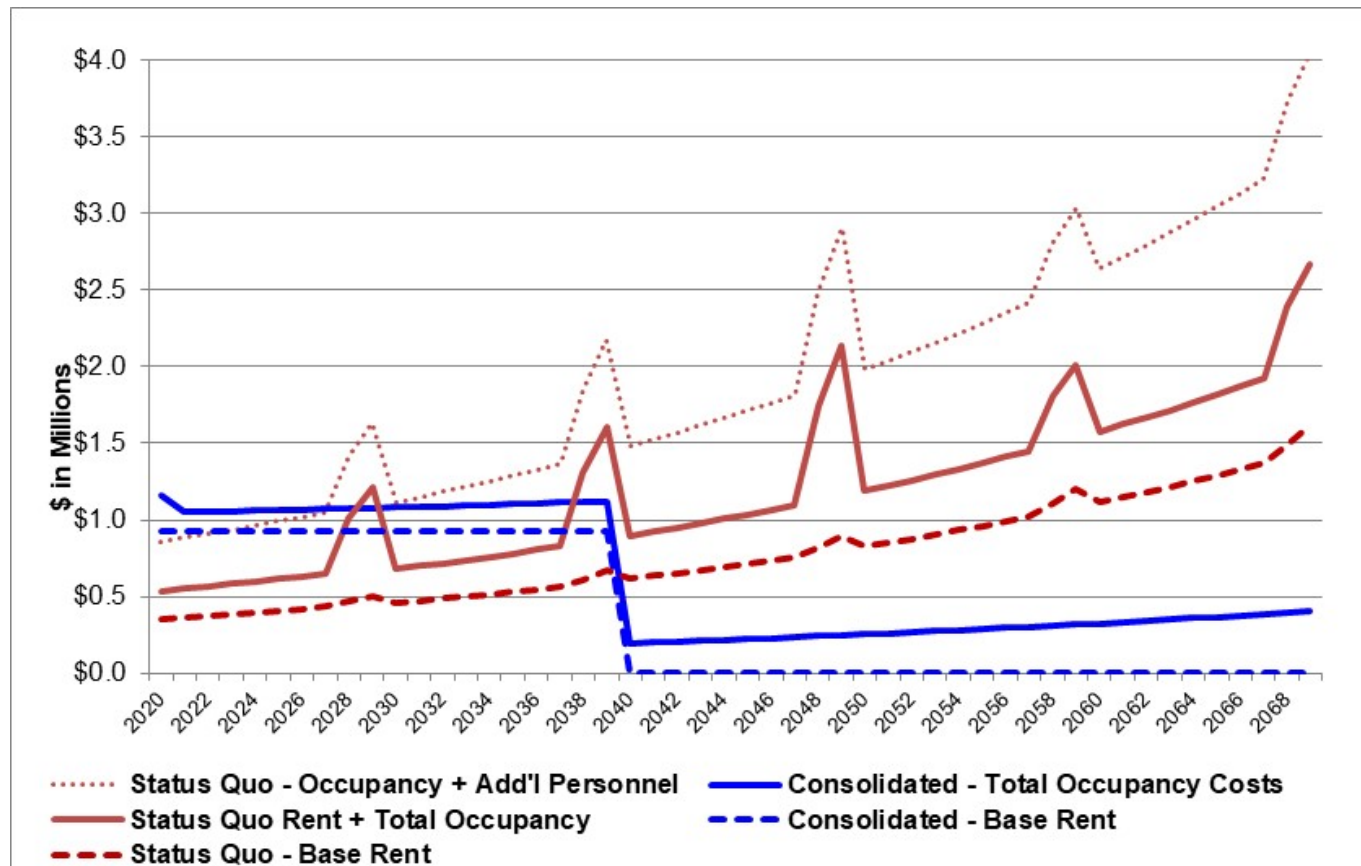


\*These calculations exclude the initial payment, which we understand will come from sources other than the General Fund.

# Additional Cost Comparison by Year, Annual - \$2M Payment\*\*



## Annual Occupancy Costs for Status Quo and Consolidated Office - \$2M Payment Normalized to Exclude 3 Developer Payments of \$250,000 Each

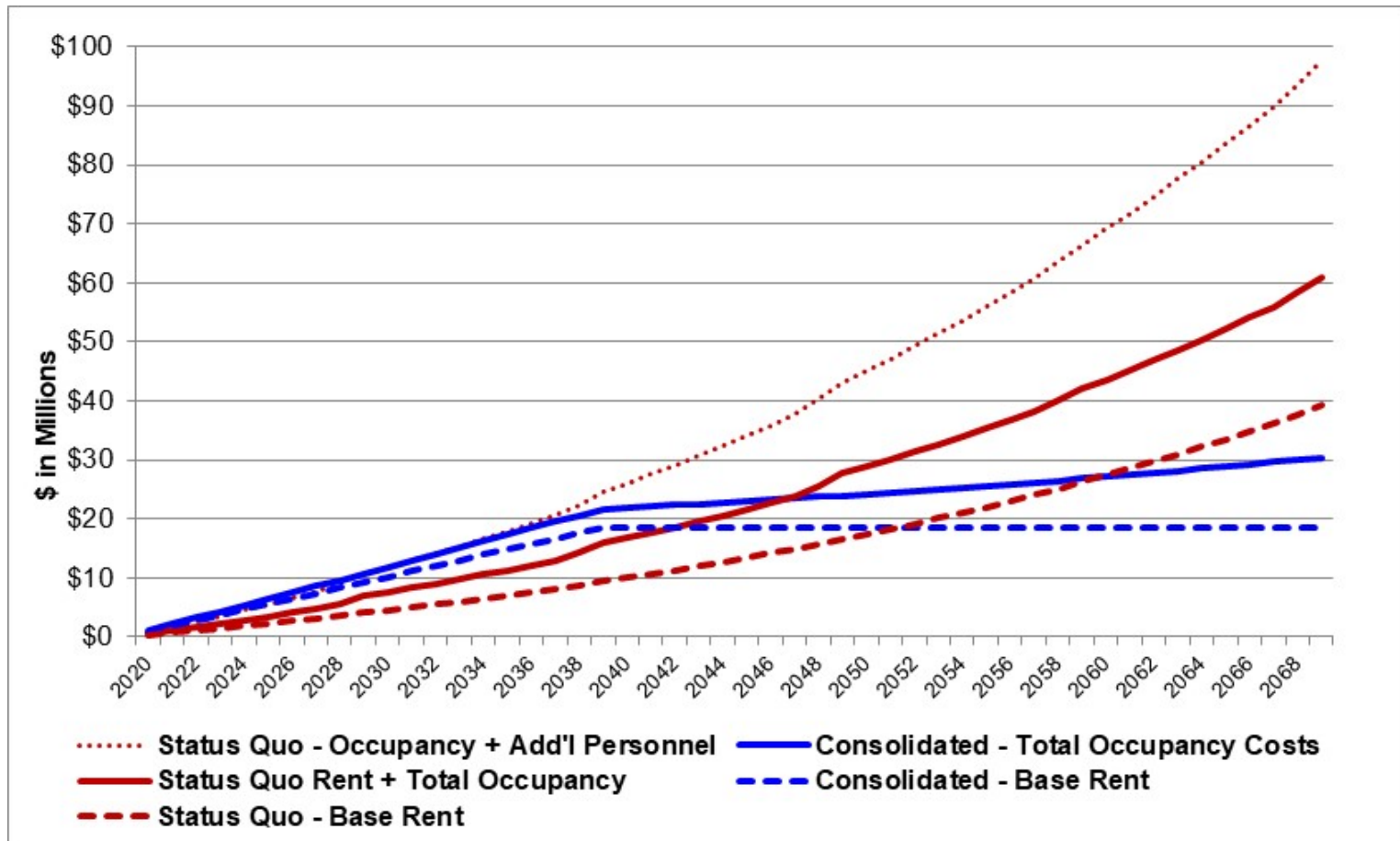


\*\*These calculations exclude the initial payment, which we understand will come from sources other than the General Fund. These calculations also exclude the 3 periodic payments to the developer of \$250,000 each that are not part of debt service.

# Additional Cost Comparison by Year, Cumulative - \$2M Payment\*\*



**Cumulative Occupancy Costs for Status Quo and Consolidated Office - \$2M Payment  
Normalized to Exclude 3 Developer Payments of \$250,000 Each**

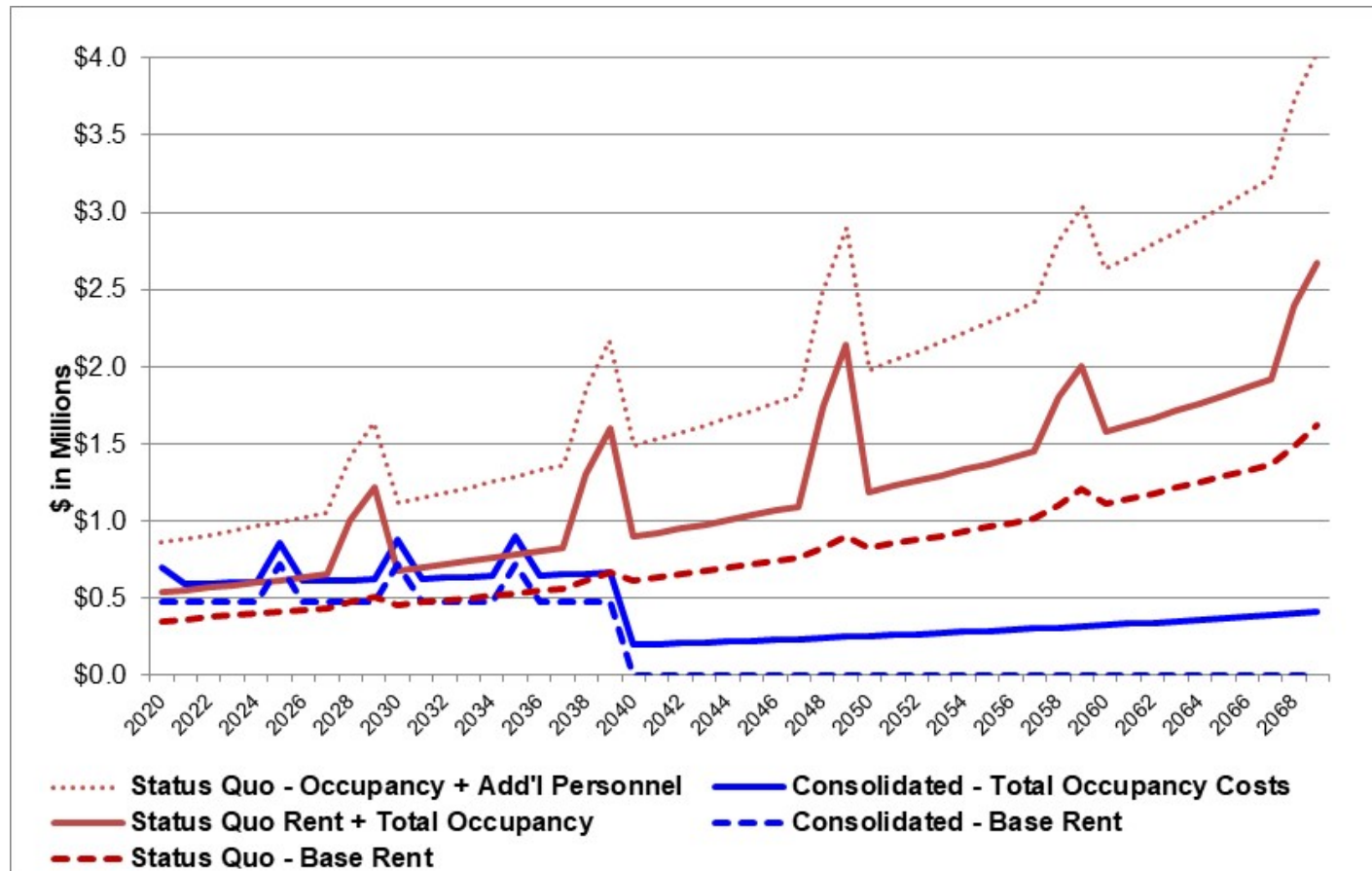


**\*\*These calculations exclude the initial payment, which we understand will come from sources other than the General Fund. These calculations also exclude the 3 periodic payments to the developer of \$250,000 each that are not part of debt service.**

# Additional Cost Comparison by Year, Annual - \$7.8M Payment\*



## Annual Occupancy Costs for Status Quo and Consolidated Office - \$7.8M Payment



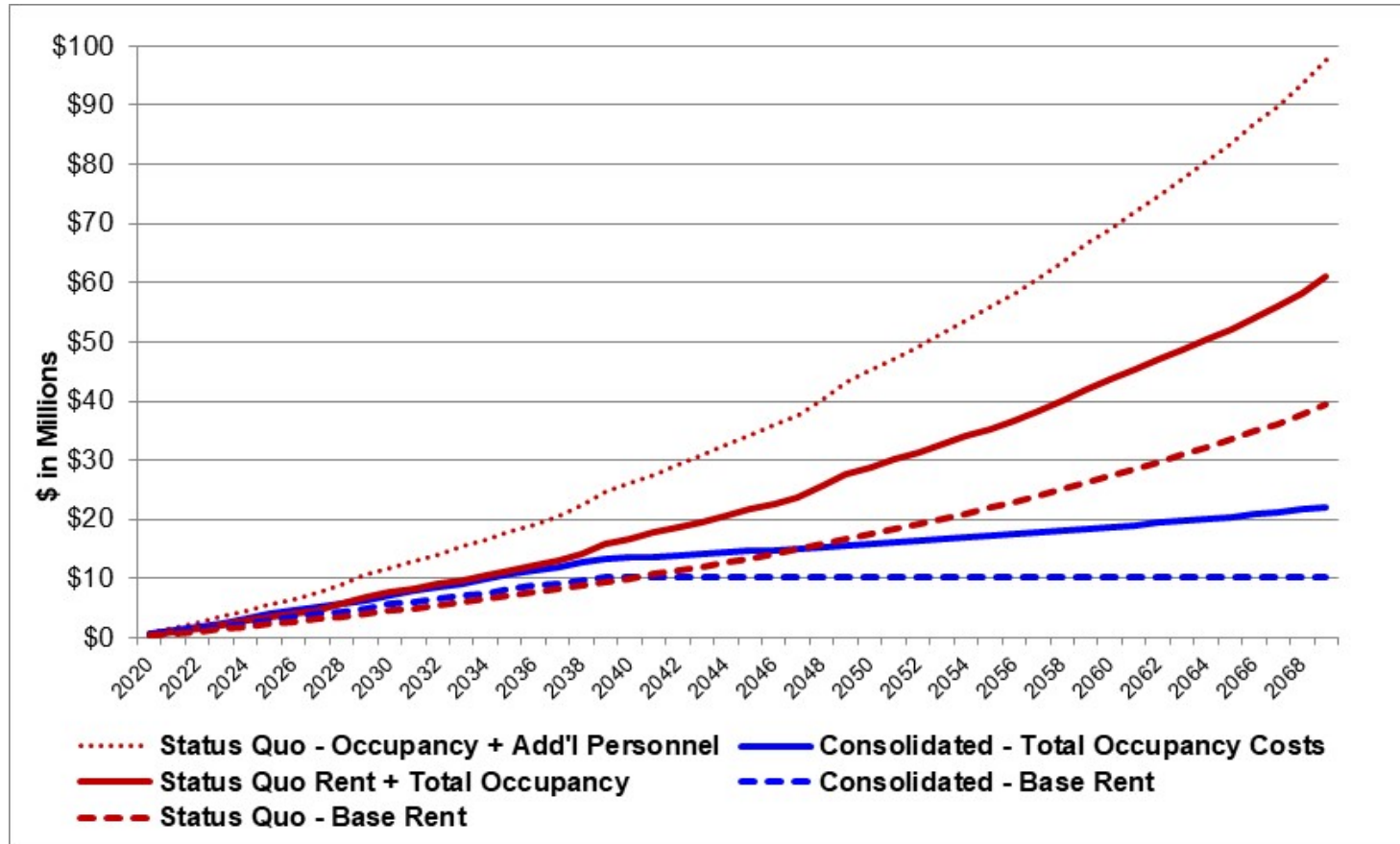
\*These calculations exclude the initial payment, which we understand will come from sources other than the General Fund.



# Additional Cost Comparison by Year, Cumulative - \$7.8M Payment\*



## Cumulative Occupancy Costs for Status Quo and Consolidated Office - \$7.8M Payment

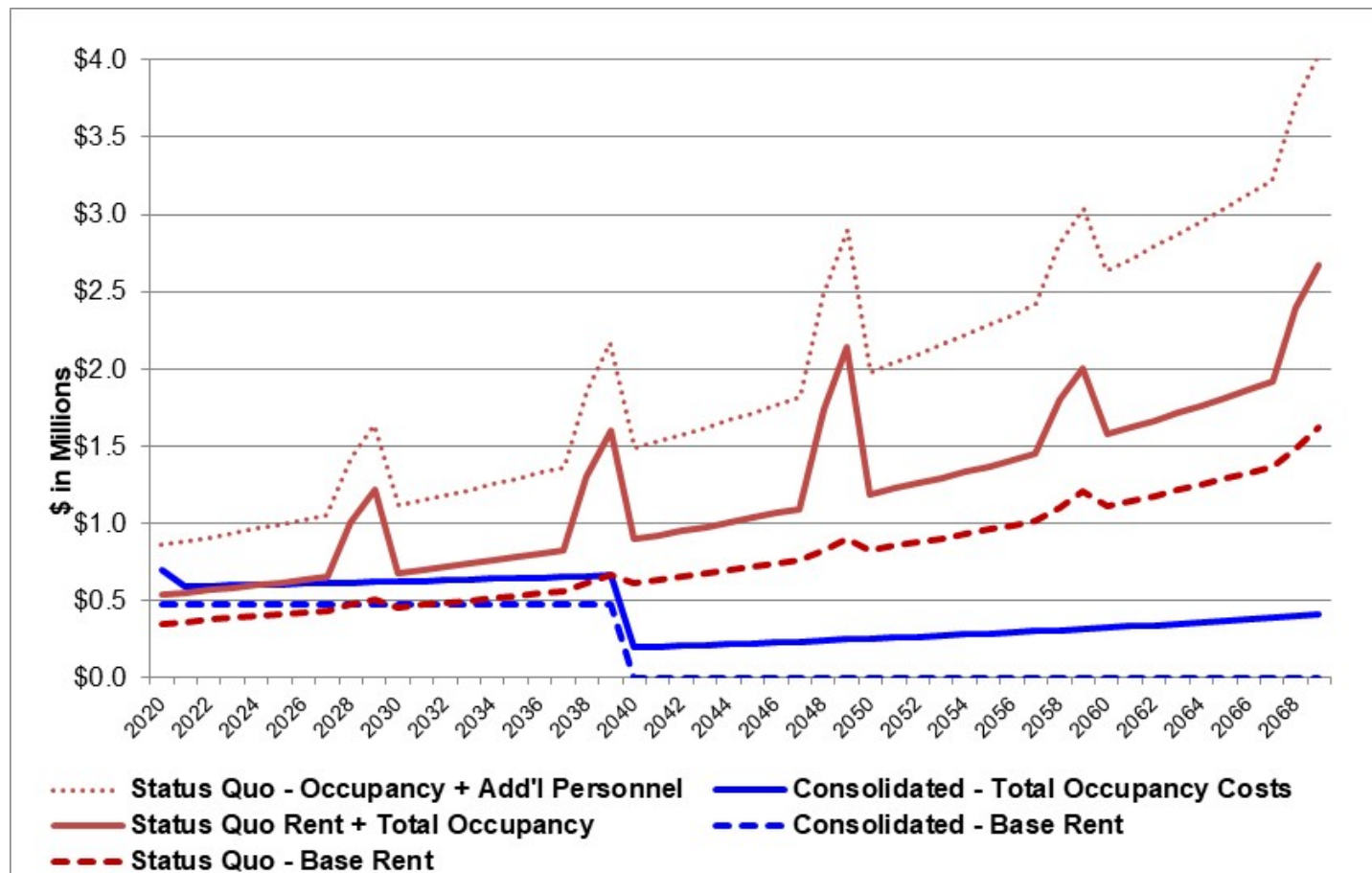


\*These calculations exclude the initial payment, which we understand will come from sources other than the General Fund.

# Additional Cost Comparison by Year, Annual - \$7.8M Payment\*\*



## Annual Occupancy Costs for Status Quo and Consolidated Office - \$7.8M Payment Normalized to Exclude 3 Developer Payments of \$250,000 Each

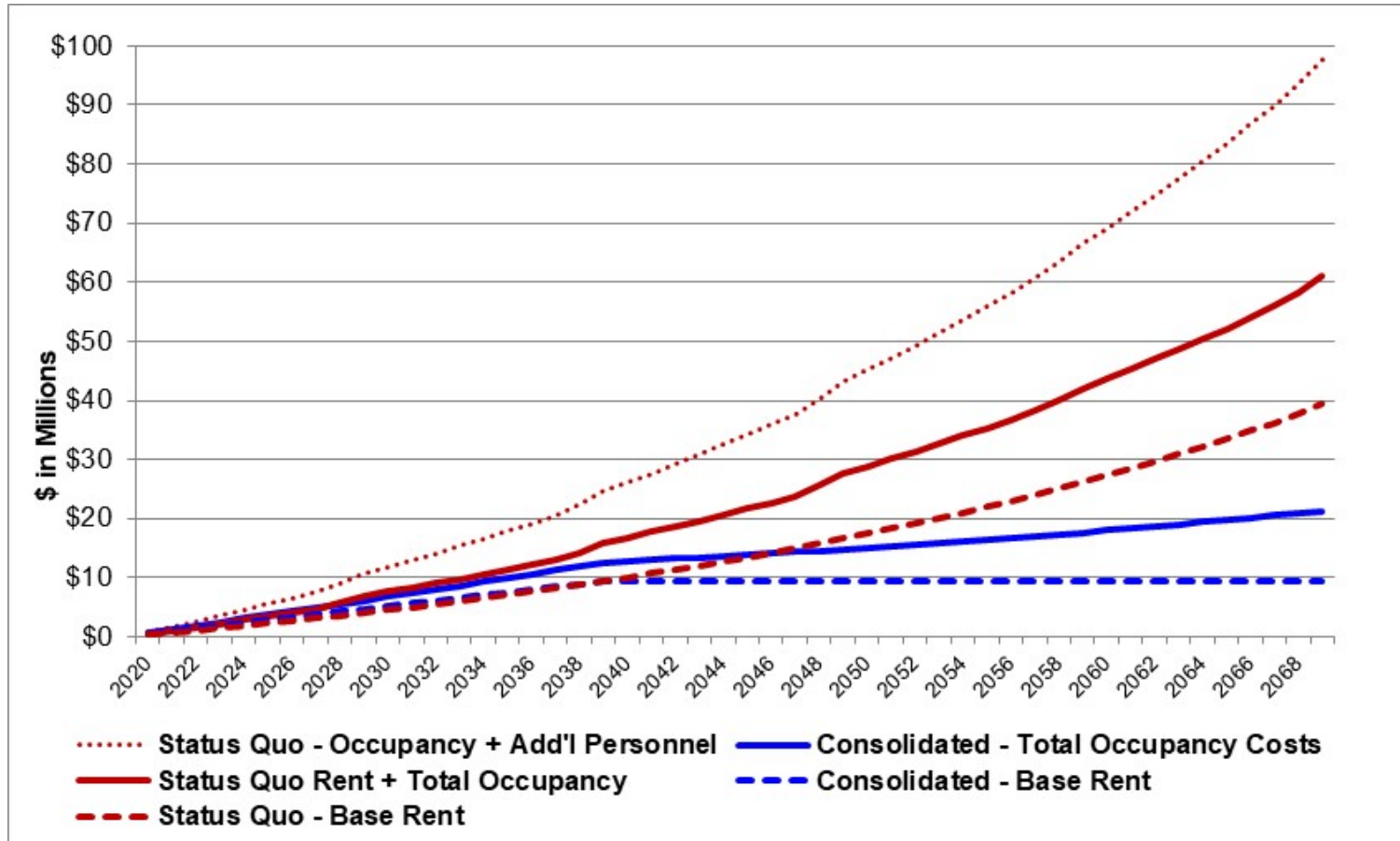


\*\*These calculations exclude the initial payment, which we understand will come from sources other than the General Fund. These calculations also exclude the 3 periodic payments to the developer of \$250,000 each that are not part of debt service.

# Additional Cost Comparison by Year, Cumulative - \$7.8M Payment \*\*



**Cumulative Occupancy Costs for Status Quo and Consolidated Office - \$7.8M Payment Normalized to Exclude 3 Developer Payments of \$250,000 Each**



**\*\*These calculations exclude the initial payment, which we understand will come from sources other than the General Fund. These calculations also exclude the 3 periodic payments to the developer of \$250,000 each that are not part of debt service.**

# Assumptions and Rent Savings



## General Assumptions

Discount Rate: 1.5%

SCENARIOS	1	2
	Build to Suit	Status Quo

## Premises

Rentable/Usable Square Feet †	42,000	40,079
-------------------------------	--------	--------

## General Terms

Commencement Date	1/1/2020	1/1/2020
Expiration Date	12/31/2039	12/31/2066

## General Terms

Parking Ratio per 1,000 SF	6.60	per SF	4.00	per RSF
Unreserved Parking Spaces	277		159	

## Rent Structure per Month

Initial Base Rent Rate - \$2M Payment	<b>\$77,277</b>	\$1.84/RSF/mo	\$28,514.24	\$0.71/RSF/mo
Initial Base Rent Rate - \$7.8M Payment	<b>\$39,127</b>	\$0.93/RSF/mo	\$28,514.24	\$0.71/RSF/mo
Rental Rate Increases	\$0.00	per Year	4.08%	per Year

## Additional Costs Resulting From Occupying Multiple Facilities

Taxes	\$0.00	estimated	\$0.00	estimated
Tax Increase	2.00%	per Year	2.00%	per Year
Excess Utility Costs for Older Construction	\$0.00	estimated	\$2,024/mo.	estimated
Additional Personnel for 5 Locations ††	\$0.00	estimated	\$15,000 /mo	estimated
Month Efficiency Begins	01/01/20		01/01/20	

† The total Status Quo square footage indicated includes 388 sf of storage space recently added at 162 E. Line Street. The financial analysis does not reflect the small marginal cost for this space.

†† It is assumed that the cost of four (4) full-time employee positions will be saved through attrition and reassignment as a result of combining functions into a single facility.

# Occupancy Cost Comparison of Status Quo to Consolidated Office \$2M Total Payment



	----- STATUS QUO -----				----- CONSOLIDATED (a) -----				----- OCCUPANCY COST SAVINGS -----				----- SAVINGS FROM CONSOLIDATION -----				
	Base Rent	Maint., Utility, Tax, Insurance	Relocation & TI Costs	Total Monthly Occup. Costs	Base Rent + Add'l Payments	Maint., Utility, Insurance	Relocation Costs	Monthly Occup. Costs	Base Rent + Add'l Payments	Maint., Utility, Tax, Insurance	Relocation & TI Costs	Total Occup. Cost Savings /(Increase)	Cumul. Total Occup Cost Svgs/(Incrs)	Add'l Con- solidation Savings (b)	Cumul. Add'l Consolid. Svgs (b)	Total Savings with Consol.	Cumul. Svgs with Consol.
2020	\$352,616	\$182,286	\$0	\$534,902	\$927,321	\$121,077	\$110,460	\$1,158,858	-\$574,705	\$61,208	-\$110,460	-\$623,957	-\$623,957	\$324,377	\$324,377	-\$299,580	-\$299,580
2021	\$363,195	\$186,805	\$0	\$550,000	\$927,321	\$124,104	\$0	\$1,051,425	-\$564,127	\$62,701	\$0	-\$501,426	-\$1,125,383	\$334,108	\$658,484	-\$167,318	-\$466,898
2022	\$374,090	\$191,436	\$0	\$565,527	\$927,321	\$127,207	\$0	\$1,054,528	-\$553,231	\$64,229	\$0	-\$489,001	-\$1,614,384	\$344,131	\$1,002,615	-\$144,870	-\$611,768
2023	\$385,313	\$196,183	\$0	\$581,496	\$927,321	\$130,387	\$0	\$1,057,708	-\$542,008	\$65,796	\$0	-\$476,212	-\$2,090,596	\$354,455	\$1,357,070	-\$121,757	-\$733,526
2024	\$396,873	\$201,047	\$0	\$597,920	\$927,321	\$133,647	\$0	\$1,060,968	-\$530,449	\$67,400	\$0	-\$463,048	-\$2,553,644	\$365,089	\$1,722,159	-\$97,960	-\$831,485
2025	\$408,779	\$206,032	\$0	\$614,811	\$1,177,321	\$136,988	\$0	\$1,314,309	-\$768,542	\$69,044	\$0	-\$699,498	-\$3,253,142	\$376,041	\$2,098,200	-\$323,457	-\$1,154,942
2026	\$421,042	\$211,141	\$0	\$632,183	\$927,321	\$140,413	\$0	\$1,067,734	-\$506,279	\$70,729	\$0	-\$435,550	-\$3,688,693	\$387,323	\$2,485,523	-\$48,228	-\$1,203,170
2027	\$433,673	\$216,377	\$0	\$650,050	\$927,321	\$143,923	\$0	\$1,071,244	-\$493,648	\$72,454	\$0	-\$421,194	-\$4,109,886	\$398,942	\$2,884,465	-\$22,251	-\$1,225,421
2028	\$472,624	\$221,743	\$315,919	\$1,010,287	\$927,321	\$147,521	\$0	\$1,074,842	-\$454,697	\$74,222	\$315,919	-\$64,555	-\$4,174,442	\$410,910	\$3,295,375	\$346,355	-\$879,066
2029	\$501,767	\$219,730	\$491,998	\$1,213,496	\$927,321	\$151,209	\$0	\$1,078,530	-\$425,554	\$68,521	\$491,998	\$134,965	-\$4,039,476	\$423,238	\$3,718,613	\$558,203	-\$320,863
2030	\$458,145	\$221,413	\$0	\$679,558	\$1,177,321	\$154,989	\$0	\$1,332,310	-\$719,176	\$66,424	\$0	-\$652,752	-\$4,692,228	\$435,935	\$4,154,548	-\$216,817	-\$537,680
2031	\$471,889	\$226,948	\$0	\$698,838	\$927,321	\$158,864	\$0	\$1,086,185	-\$455,432	\$68,085	\$0	-\$387,347	-\$5,079,576	\$449,013	\$4,603,561	\$61,666	-\$476,015
2032	\$486,046	\$232,622	\$0	\$718,668	\$927,321	\$162,836	\$0	\$1,090,157	-\$441,275	\$69,787	\$0	-\$371,489	-\$5,451,064	\$462,483	\$5,066,044	\$90,995	-\$385,020
2033	\$500,627	\$238,438	\$0	\$739,065	\$927,321	\$166,906	\$0	\$1,094,228	-\$426,694	\$71,531	\$0	-\$355,162	-\$5,806,227	\$476,358	\$5,542,402	\$121,195	-\$263,825
2034	\$515,646	\$244,399	\$0	\$760,045	\$927,321	\$171,079	\$0	\$1,098,400	-\$411,675	\$73,320	\$0	-\$338,355	-\$6,144,582	\$490,649	\$6,033,051	\$152,293	-\$111,531
2035	\$531,116	\$250,509	\$0	\$781,624	\$1,177,321	\$175,356	\$0	\$1,352,677	-\$646,206	\$75,153	\$0	-\$571,053	-\$6,715,635	\$505,368	\$6,538,419	-\$65,685	-\$177,216
2036	\$547,049	\$256,771	\$0	\$803,820	\$927,321	\$179,740	\$0	\$1,107,061	-\$380,272	\$77,031	\$0	-\$303,241	-\$7,018,876	\$520,529	\$7,058,948	\$217,288	\$40,072
2037	\$563,461	\$263,191	\$0	\$826,651	\$927,321	\$184,233	\$0	\$1,111,555	-\$363,861	\$78,957	\$0	-\$284,903	-\$7,303,779	\$536,145	\$7,595,093	\$251,241	\$291,314
2038	\$611,638	\$269,770	\$424,569	\$1,305,978	\$927,321	\$188,839	\$0	\$1,116,160	-\$315,683	\$80,931	\$424,569	\$189,817	-\$7,113,962	\$552,229	\$8,147,322	\$742,047	\$1,033,360
2039	\$666,182	\$276,515	\$661,205	\$1,603,901	\$927,321	\$193,560	\$0	\$1,120,881	-\$261,139	\$82,954	\$661,205	\$483,020	-\$6,630,943	\$568,796	\$8,716,119	\$1,051,816	\$2,085,176
2040	\$615,709	\$283,427	\$0	\$899,136	\$0	\$198,399	\$0	\$198,399	\$615,709	\$85,028	\$0	\$700,737	-\$5,930,206	\$585,860	\$9,301,979	\$1,286,597	\$3,371,773
2041	\$634,180	\$290,513	\$0	\$924,693	\$0	\$203,359	\$0	\$203,359	\$634,180	\$87,154	\$0	\$721,334	-\$5,208,872	\$603,436	\$9,905,414	\$1,324,770	\$4,696,542
2069	\$1,616,998	\$580,008	\$472,276	\$2,669,282	\$0	\$406,006	\$0	\$406,006	\$1,616,998	\$174,002	\$472,276	\$2,263,277	\$29,832,566	\$1,380,618	\$36,588,655	\$3,643,894	\$66,421,221
<b>20-Yr Totals</b>	\$9,462,000	\$4,513,000	\$1,894,000	\$15,869,000	\$19,296,000	\$3,093,000	\$110,000	\$22,500,000	-\$9,835,000	\$1,420,000	\$1,783,000	-\$6,631,000		\$8,716,000	\$8,716,119		
<b>50-Yr Totals</b>	\$39,310,000	\$16,957,000	\$4,776,000	\$61,043,000	\$19,296,000	\$11,803,000	\$110,000	\$31,210,000	\$20,014,000	\$5,153,000	\$4,665,000	\$29,833,000		\$36,589,000	\$36,588,655		
<b>50-Yr Present Value</b>				\$39,400,000				\$24,300,000				\$15,000,000					

(a) Consolidated Cash Flow projections do not include the initial front-end payment. They reflect only debt service and periodic additional payments to the developer.  
 (b) Additional Consolidation savings is anticipated to be generated from reduced personnel needs over time due to operating from a single building, with reductions realized through attrition.

# Occupancy Cost Comparison of Status Quo to Consolidated Office \$7.8M Total Payment



	----- STATUS QUO -----				----- CONSOLIDATED (a) -----				----- OCCUPANCY COST SAVINGS -----					----- SAVINGS FROM CONSOLIDATION -----			
	Base Rent	Maint., Utility, Tax, Insurance	Relocation & TI Costs	Total Monthly Occup. Costs	Base Rent + Add'l Payments	Maint., Utility, Insurance	Relocation Costs	Monthly Occup. Costs	Base Rent + Add'l Payments	Maint., Utility, Tax, Insurance	Relocation & TI Costs	Total Occup. Cost Savings /(Increase)	Cumul. Total Occup Cost Svgs/(Incrs)	Add'l Con- solidation Savings (b)	Cumul. Add'l Consolid. Svgs (b)	Total Savings with Consol.	Cumul. Svgs with Consol.
2020	\$352,616	\$182,286	\$0	\$534,902	\$469,529	\$121,077	\$110,460	\$701,066	-\$116,912	\$61,208	-\$110,460	-\$166,164	-\$166,164	\$324,377	\$324,377	\$158,212	\$158,212
2021	\$363,195	\$186,805	\$0	\$550,000	\$469,529	\$124,104	\$0	\$593,633	-\$106,334	\$62,701	\$0	-\$43,633	-\$209,797	\$334,108	\$658,484	\$290,475	\$448,687
2022	\$374,090	\$191,436	\$0	\$565,527	\$469,529	\$127,207	\$0	\$596,735	-\$95,438	\$64,229	\$0	-\$31,209	-\$241,006	\$344,131	\$1,002,615	\$312,922	\$761,609
2023	\$385,313	\$196,183	\$0	\$581,496	\$469,529	\$130,387	\$0	\$599,916	-\$84,215	\$65,796	\$0	-\$18,420	-\$259,425	\$354,455	\$1,357,070	\$336,035	\$1,097,645
2024	\$396,873	\$201,047	\$0	\$597,920	\$469,529	\$133,647	\$0	\$603,175	-\$72,656	\$67,400	\$0	-\$5,256	-\$264,681	\$365,089	\$1,722,159	\$359,833	\$1,457,478
2025	\$408,779	\$206,032	\$0	\$614,811	\$719,529	\$136,988	\$0	\$856,516	-\$310,750	\$69,044	\$0	-\$241,705	-\$506,386	\$376,041	\$2,098,200	\$134,336	\$1,591,814
2026	\$421,042	\$211,141	\$0	\$632,183	\$469,529	\$140,413	\$0	\$609,941	-\$48,486	\$70,729	\$0	\$22,242	-\$484,144	\$387,323	\$2,485,523	\$409,565	\$2,001,379
2027	\$433,673	\$216,377	\$0	\$650,050	\$469,529	\$143,923	\$0	\$613,451	-\$35,855	\$72,454	\$0	\$36,599	-\$447,545	\$398,942	\$2,884,465	\$435,541	\$2,436,920
2028	\$472,624	\$221,743	\$315,919	\$1,010,287	\$469,529	\$147,521	\$0	\$617,049	\$3,096	\$74,222	\$315,919	\$393,237	-\$54,308	\$410,910	\$3,295,375	\$804,148	\$3,241,068
2029	\$501,767	\$219,730	\$491,998	\$1,213,496	\$469,529	\$151,209	\$0	\$620,738	\$32,239	\$68,521	\$491,998	\$592,758	\$538,450	\$423,238	\$3,718,613	\$1,015,996	\$4,257,064
2030	\$458,145	\$221,413	\$0	\$679,558	\$719,529	\$154,989	\$0	\$874,518	-\$261,384	\$66,424	\$0	-\$194,960	\$343,491	\$435,935	\$4,154,548	\$240,975	\$4,498,039
2031	\$471,889	\$226,948	\$0	\$698,838	\$469,529	\$158,864	\$0	\$628,392	\$2,361	\$68,085	\$0	\$70,445	\$413,936	\$449,013	\$4,603,561	\$519,458	\$5,017,497
2032	\$486,046	\$232,622	\$0	\$718,668	\$469,529	\$162,836	\$0	\$632,364	\$16,517	\$69,787	\$0	\$86,304	\$500,240	\$462,483	\$5,066,044	\$548,787	\$5,566,285
2033	\$500,627	\$238,438	\$0	\$739,065	\$469,529	\$166,906	\$0	\$636,435	\$31,099	\$71,531	\$0	\$102,630	\$602,870	\$476,358	\$5,542,402	\$578,988	\$6,145,273
2034	\$515,646	\$244,399	\$0	\$760,045	\$469,529	\$171,079	\$0	\$640,608	\$46,118	\$73,320	\$0	\$119,437	\$722,307	\$490,649	\$6,033,051	\$610,086	\$6,755,358
2035	\$531,116	\$250,509	\$0	\$781,624	\$719,529	\$175,356	\$0	\$894,885	-\$188,413	\$75,153	\$0	-\$113,260	\$609,047	\$505,368	\$6,538,419	\$392,108	\$7,147,466
2036	\$547,049	\$256,771	\$0	\$803,820	\$469,529	\$179,740	\$0	\$649,268	\$77,521	\$77,031	\$0	\$154,552	\$763,599	\$520,529	\$7,058,948	\$675,081	\$7,822,547
2037	\$563,461	\$263,191	\$0	\$826,651	\$469,529	\$184,233	\$0	\$653,762	\$93,932	\$78,957	\$0	\$172,889	\$936,488	\$536,145	\$7,595,093	\$709,034	\$8,531,581
2038	\$611,638	\$269,770	\$424,569	\$1,305,978	\$469,529	\$188,839	\$0	\$658,368	\$142,109	\$80,931	\$424,569	\$647,610	\$1,584,098	\$552,229	\$8,147,322	\$1,199,839	\$9,731,420
2039	\$666,182	\$276,515	\$661,205	\$1,603,901	\$469,529	\$193,560	\$0	\$663,089	\$196,653	\$82,954	\$661,205	\$940,812	\$2,524,910	\$568,796	\$8,716,119	\$1,509,608	\$11,241,029
2040	\$615,709	\$283,427	\$0	\$899,136	\$0	\$198,399	\$0	\$198,399	\$615,709	\$85,028	\$0	\$700,737	\$3,225,647	\$585,860	\$9,301,979	\$1,286,597	\$12,527,626
2041	\$634,180	\$290,513	\$0	\$924,693	\$0	\$203,359	\$0	\$203,359	\$634,180	\$87,154	\$0	\$721,334	\$3,946,981	\$603,436	\$9,905,414	\$1,324,770	\$13,852,395
2069	\$1,616,998	\$580,008	\$472,276	\$2,669,282	\$0	\$406,006	\$0	\$406,006	\$1,616,998	\$174,002	\$472,276	\$2,263,277	\$38,988,419	\$1,380,618	\$36,588,655	\$3,643,894	\$75,577,074
<b>20-Yr Totals</b>	\$9,462,000	\$4,513,000	\$1,894,000	\$15,869,000	\$10,141,000	\$3,093,000	\$110,000	\$13,344,000	-\$679,000	\$1,420,000	\$1,783,000	\$2,525,000		\$8,716,000	\$8,716,119		
<b>50-Yr Totals</b>	\$39,310,000	\$16,957,000	\$4,776,000	\$61,043,000	\$10,141,000	\$11,803,000	\$110,000	\$22,054,000	\$29,170,000	\$5,153,000	\$4,665,000	\$38,988,000		\$36,589,000	\$36,588,655		
<b>50-Yr Presnt Value</b>				\$39,400,000				\$16,500,000				\$22,900,000					

(a) Consolidated Cash Flow projections do not include the initial front-end payment. They reflect only debt service and periodic additional payments to the developer.

(b) Additional Consolidation savings is anticipated to be generated from reduced personnel needs over time due to operating from a single building, with reductions realized through attrition.

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***QUESTIONS? OR COMMENTS?***

THIS TRANSACTION IS EXEMPT FROM CALIFORNIA DOCUMENTARY TRANSFER TAX PURSUANT TO SECTION 11922 OF THE CALIFORNIA REVENUE AND TAXATION CODE. THIS DOCUMENT IS EXEMPT FROM RECORDING FEES PURSUANT TO SECTION 27383 OF THE CALIFORNIA GOVERNMENT CODE.

**BUILD TO SUIT LEASE AGREEMENT**

**WOLVERINE \ INYO LLC**

**("LANDLORD")**

**AND**

**COUNTY OF INYO, CALIFORNIA**

**("TENANT")**

**INYO COUNTY CONSOLIDATED OFFICE BUILDING  
BISHOP, CALIFORNIA**



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ADDENDUM 1	--	Definitions
EXHIBIT A	--	Site Plan of Property
EXHIBIT B	--	Leased Premises
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**LEASE AGREEMENT**

THIS LEASE (this "Lease") is made as of the \_\_\_\_ day of \_\_\_\_\_, 2019 ("Effective Date"), by and between WOLVERINE \INYO LLC, a Texas limited liability company ("Landlord"), and the COUNTY OF INYO, a political subdivision of the State of California ("Tenant"). Landlord and Tenant are referred to collectively as the "Parties" and each of the Parties is referred to singularly as a "Party."

**WITNESSETH:**

WHEREAS, Landlord is the owner of the Property which is legally described and depicted on the site plan attached hereto as **Exhibit A**;

WHEREAS, Landlord desires to construct the Building on the Property and to lease the Leased Premises to Tenant under the terms and conditions set forth below;

WHEREAS, County desires to lease the Leased Premises to house and consolidate Tenant's departments, for the more efficient operation of County functions and provision of services to County's residents;

WHEREAS, the Tenant's lease of the Leased Premises from Landlord on the terms set forth herein relieves a burden of Tenant to operate and maintain such office building to accommodate Tenant's programs or any other lawful governmental administrative purpose of Tenant (subject to applicable Restrictions relating to same);

WHEREAS, Landlord's proposal to develop, finance and lease to the County the Leased Premises was submitted to the County on March 22, 2010, pursuant to the County's Request For Proposals for Consolidated County Office Space – Bishop Area, and the County selected such proposal as most likely to result in a project that meets the County's service, efficiency and pricing needs;

WHEREAS, the County has determined that its entry into this Lease Agreement is categorically exempt from review under the California Environmental Quality Act (Cal. Public Resources Code Sections 21000 et seq.) and the State CEQA Guidelines (Cal. Code of Regs., Title 14, Sections 15000 et seq.) (collectively, "CEQA") as a Class 32 in-fill development project;

WHEREAS, all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and entering into of this Lease do exist, have happened and have been performed in due time, form, and manner as required by law, and the parties hereto are duly authorized to execute and enter into this Lease; and

WHEREAS, all defined terms used herein shall have the meanings ascribed to such terms in **Addendum "1"** attached hereto, unless otherwise noted.

NOW, THEREFORE, in consideration of the foregoing, the terms and conditions set forth below, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the parties agree as follows:

## I. LEASE OF LEASED PREMISES

A. Lease Of Premises. Landlord hereby leases the Leased Premises to Tenant, and Tenant hereby leases the Leased Premises from Landlord, all under the terms and conditions more fully set forth herein.

B. Leased Premises. The Leased Premises shall consist of (a) the Property and (b) one building that once constructed will contain approximately 42,000 square feet of gross building area constructed in accordance with the Work Letter (the "Building"). The Property and the Building are collectively called the "Leased Premises." A preliminary site plan of the Leased Premises and a depiction of the footprint of the Building to be constructed on the Property are attached hereto as **Exhibit B**, and are subject to modification by mutual agreement of the Parties. The Building has or is anticipated to have a street address of 1360 N. Main Street, Bishop, California.

C. Construction of Leased Premises. Landlord covenants and agrees to complete and deliver the Leased Premises in accordance with and in the manner set forth in the Work Letter.

D. Lease Generally. Except as otherwise expressly provided in this Lease and/or as expressly provided under applicable laws, this Lease shall not terminate, nor shall Tenant be entitled to any abatement or reduction, set-off, counter-claim, defense or deduction with respect to any Basic Annual Rent, Additional Basic Rent, Additional Rent or other sum payable hereunder.

E. Consideration. Tenant and Landlord have agreed and determined that the Rent payments due under this Lease represent fair consideration for the beneficial use and occupancy, and the continued quiet use and enjoyment, of the Leased Premises by Tenant for and during each Lease Year. In making such determination, consideration has been given to the value of the Leased Premises, other obligations of the Parties under this Lease, the uses and purposes which may be served by the Leased Premises and the benefits therefrom which will accrue to Tenant and the general public by reason of Tenant's use and possession of the Leased Premises.

F. Covenant to Budget and Annually Appropriate. Tenant hereby covenants to take such action as may be necessary to include all Rent payments due hereunder in its annual budget and to make the necessary annual appropriations for all such Rent payments as such payments are adjusted per the language of this Lease. The covenants on the part of Tenant herein contained shall be deemed to be and shall be construed to be ministerial duties imposed by law and it shall be the ministerial duty of each and every public official of Tenant to take such action and do such things as are required by law in the performance of such official duty of such officials to enable Tenant to carry out and perform the covenants and agreements on the part of Tenant contained in this Lease. The obligation of Tenant to make Rent payments does not constitute an obligation of Tenant for which Tenant is obligated to levy or pledge any form of taxation or for which Tenant has levied or pledged any form of taxation. The obligation of Tenant to make Rent payments does not constitute indebtedness of Tenant, the State or any of its political subdivisions within the meaning of any constitutional or statutory debt limitation or restriction.

## II. TERM

A. Term. The Lease term (the "Term") shall begin on the Lease Commencement Date (as herein defined) and shall continue for twenty (20) full Lease Years (as hereinafter defined) (i.e., a total of 240 full calendar months plus any partial month), commencing on the Lease Commencement Date and terminating on the first day of the first calendar month following the expiration of twenty (20) full Lease Years [OR the first day of the 241<sup>st</sup> calendar month following the Lease Commencement Date] (the "Lease Termination Date"), or at such earlier time as (i) Landlord's interest in the Leased Premises is purchased by Tenant pursuant to Paragraph II.C hereof, or (ii) this Lease is terminated pursuant to an optional right of termination expressly permitted herein, or (iii) this Lease is terminated due to a taking or condemnation under Paragraph VIII.A hereof. Notwithstanding any language in this Lease to the contrary, if the Term does not commence on or before that date which is thirty-two (32) months after the Effective Date of this Lease, this Lease will automatically terminate, and neither party will have any further liability to the other.

B. Transfer of Title upon Expiration of Lease Term. Notwithstanding anything herein to the contrary, upon payment of all Basic Annual Rent, Additional Basic Rent, Deferred Additional Basic Rent, Additional Rent and other expenses required by Paragraph IV hereof when due as of the Lease Termination Date, Landlord's interest in the Leased Premises shall be transferred to and vest in Tenant on or about the Lease Termination Date. As a condition to such transfer, no Event of Default by Tenant shall have occurred and be continuing at the Lease Termination Date. Assuming that all of the conditions to said title transfer specified above have been met on or before the Lease Termination Date, Landlord will convey the Leased Premises to Tenant or, at the option of Tenant, to any assignee or nominee of Tenant of whom Landlord is notified in writing ("Tenant's Nominee"), by grant deed before close of business on the Lease Termination Date. Concurrently with the transfer of title to the Leased Premises on such date, Landlord shall provide or cause to be provided at its sole cost to Tenant (or Tenant's Nominee, as applicable) an ALTA owner's policy of title insurance, in form and from a title insurance company reasonably acceptable to Tenant, insuring the record title of the Leased Premises in an amount equal to the fair market value of the Leased Premises as determined by Tenant (in no event to exceed \$13,750,000), free and clear of all adverse claims and encumbrances, other than any covenants, conditions, reservations, easements, rights and rights of way of record as of the date of Tenant's execution of this Lease or thereafter imposed with Tenant's consent or otherwise caused or permitted to be caused by Tenant. Upon receipt of said grant deed transferring title, Tenant (or Tenant's Nominee, as applicable) will deliver a Certificate of Acceptance pursuant to California Government Code Section 27281, and Tenant (or Tenant's Nominee, as applicable) will assume all obligations for real estate taxes and assessments thereafter accruing and applicable to the Leased Premises. Upon receipt of said grant deed transferring title, Landlord shall be fully released from any liability thereafter accruing under this Lease, except for those obligations that expressly survive the termination of the Lease Agreement. Except as provided in Paragraph VI.D.2 below, the physical condition of the Leased Premises acquired by Tenant (or Tenant's Nominee, as applicable) shall be on an as-is basis, with absolutely no representations or warranties, express or implied, and consummated pursuant to a form reasonably acceptable to Landlord and Tenant and shall provide for a general release of Landlord effective from and after the Tenant's acceptance of such deed.

C. Option to Purchase Prior to End of Term. Notwithstanding anything herein to the contrary, Tenant shall have the exclusive right and option, which shall be irrevocable during the Lease Term, to purchase Landlord's interest in the Leased Premises on any Business Day, upon payment of the Early Option Purchase Price ("Tenant's Early Option"). As a condition to Tenant's Early Option, no Event of Default by Tenant shall have occurred and be continuing at either the time closing of Tenant's Early Option. In the event Tenant elects to exercise Tenant's Option, it shall notify Landlord in writing (the "Early Option Notice") not later than ninety (90) days but not more than twelve (12) months prior to the anticipated transfer date set forth in such notice (the "Early Option Closing Date"). In the event Tenant delivers the Early Option Notice, the "Early Option Purchase Price" (herein so called) will be payable in cash or certified funds, as directed by Landlord, and shall be equal to the sum of (a) the outstanding principal balance of the Landlord's Financing as of the Early Option Closing Date; plus (b) any prepayment premium, make whole fees, yield maintenance premiums, exit fees and/or similar fees or other amounts due under the Security Instrument securing the Landlord's Financing; plus (c) each installment of Additional Basic Rent unpaid as of the Early Option Closing Date, discounted to present value as of the Early Option Closing Date, at the Prime Rate (defined below) in effect upon the date of delivery of Tenant's Early Option Notice. At closing on the Early Option Closing Date, Tenant shall pay Landlord in cash or certified funds, as directed by Landlord, the Early Option Purchase Price and Landlord will convey the Leased Premises to Tenant or, at the option of Tenant, to Tenant's Nominee, by grant deed. Concurrently with the closing of the purchase of the Leased Premises on such date, Landlord shall provide or cause to be provided at its sole cost to Tenant (or Tenant's Nominee, as applicable) an ALTA owner's policy of title insurance, in form and from a title insurance company reasonably acceptable to Tenant, insuring the record title of the Leased Premises in an amount equal to fair market value of the Leased Premises as determined by Tenant (but subject to the title insurance company's requirements for documenting and/or verifying value for underwriting purposes, and in no event to exceed \$13,750,000, free and clear of all adverse claims and encumbrances, other than any covenants, conditions, reservations, easements, rights and rights of way of record as of the date of Tenant's execution of this Lease or thereafter imposed with Tenant's consent or otherwise caused or permitted to be caused by Tenant. At such closing, Tenant (or Tenant's Nominee, as applicable) will deliver a Certificate of Acceptance pursuant to California Government Code Section 27281, and Tenant (or Tenant's Nominee, as applicable) will assume all obligations for real estate taxes and assessments thereafter accruing applicable to the Leased Premises without adjustment or proration. Upon such closing, Landlord shall be fully released from any liability thereafter accruing under this Lease, except for those obligations that, expressly survive the termination of the Lease Agreement. Except as provided in Paragraph VI.D.2 below, the physical condition of the Leased Premises acquired by Tenant (or Tenant's Nominee, as applicable) shall be on an as-is basis, with absolutely no representations or warranties, express or implied, and consummated pursuant to a form reasonably acceptable to Landlord and Tenant and shall provide for a general release of Landlord effective from and after the Tenant's acceptance of such deed.



### III. LEASE COMMENCEMENT DATE

A. Commencement. The "Lease Commencement Date" shall be the first day of the third calendar month following the month in which Substantial Completion of Landlord's Work as a whole occurs.

B. Lease Commencement Agreement. On the Lease Commencement Date (or such later date as Landlord or Tenant may reasonably request), Landlord and Tenant shall promptly enter into a supplementary written agreement in substantially the form attached hereto as **Exhibit D**, or in such other form as Landlord or Tenant shall prescribe (the "Lease Commencement Agreement"), thereby specifying the Lease Commencement Date and the number of square feet of gross building area contained in the Building .

### IV. RENT AND FINANCIAL MATTERS

A. Security Deposit. Tenant shall not be required to deliver, and has not delivered, any form of security deposit hereunder.

B. Rental Obligation. Commencing on the Lease Commencement Date, Tenant shall be obligated to pay and shall pay Basic Annual Rent (as defined below), Additional Basic Rent (as defined below), Deferred Additional Basic Rent, and Additional Rent (as defined below).

C. Rent. "Rent" means Basic Annual Rent, Additional Basic Rent, Deferred Additional Basic Rent and Additional Rent. "Additional Rent" means all sums of whatever nature payable by Tenant under this Lease other than Basic Annual Rent, Additional Basic Rent, and Deferred Additional Basic Rent.

D. Basic Annual Rent. Tenant agrees to pay Landlord "Basic Annual Rent" of Four Hundred Sixty Nine Thousand Two Hundred Thirty Eight Dollars and 49/100 Dollars [\$469,238.49] which is subject to adjustment based upon the table shown on Exhibit G but will lock in when Landlord finalizes obtaining its financing to construct the Building, payable to Landlord in equal monthly installments of Thirty Nine Thousand One Hundred Three and 21/100 Dollars [\$39,103.21] (or such other amount based upon the above-described adjustment) commencing on the Lease Commencement Date and continuing thereafter on the first (1st) day of each month throughout the Term, without offset or deduction of any kind. The first monthly payment of Basic Annual Rent shall be in addition to the Additional Basic Rent in the amount of \$7,800,000, as provided in Paragraph IV.E below.

E. Additional Basic Rent. In addition to the Basic Annual Rent, Tenant shall pay \$7,800,000.00 on the Lease Commencement Date ("Additional Basic Rent").

F. Deferred Additional Basic Rent. In addition to the Basic Annual Rent and the Additional Basic Rent, Tenant shall make three rent payments of \$250,000 each ("Deferred Additional Basic Rent") on the first day of the 61<sup>st</sup>, 121<sup>st</sup> and 181<sup>st</sup> months of the Lease Term.

G. Payment Procedure. Each installment of the Basic Annual Rent is due in advance on the first (1st) day of each and every month for which payment is due and shall be paid by check or, at Landlord's option, electronic funds transfer in accordance with instructions provided to

Tenant by Landlord as modified by Landlord from time to time; provided, however, that an installment of Basic Annual Rent shall not be deemed delinquent and Tenant shall not be in default hereunder so long as the installment of Basic Annual Rent is paid by the second (2d) day of the month in which such installment is due. Unless a different date for payment is provided for elsewhere in this Lease (including, without limitation, as provided with respect to Landlord's estimate of Operating Expenses and/or Taxes), all Additional Rent will be paid by Tenant within thirty (30) calendar days after Landlord has notified Tenant of the amount due. The foregoing notwithstanding, the portion of Additional Rent which is attributable to Landlord's Estimate of Operating Expenses and/or Taxes (as the foregoing terms are hereinafter defined) shall be paid on the first day of each month together with Tenant's payments of Basic Annual Rent; provided, further, however, that such installments of Additional Rent shall not be deemed delinquent and Tenant shall not be in default hereunder so long as the installment of Additional Rent is paid by the second (2nd) day of the month in which such installment is due. The first two (2) payments of Rent (other than Additional Basic Rent and Deferred Additional Basic Rent) in any calendar year which are not paid within five (5) calendar days after Landlord gives Tenant written notice that such payment is overdue shall bear a late fee of five percent (5%) of the overdue amount and such late fee is payable upon demand. Any subsequent payment of Basic Annual Rent or Additional Rent in that calendar year which is not paid on or before the date due (as extended for the above-described 2-day grace periods) shall bear a late fee of five percent (5%) of the overdue amount and such late fee is payable upon demand. Tenant's obligation for Additional Rent and any unpaid Basic Annual Rent which accrues during the Lease Term will remain in effect after the termination or expiration of this Lease. All payments of Basic Annual Rent and Additional Rent due Landlord under this Lease will be made by Tenant without any deductions or set-offs (except as otherwise provided in this Lease), and without demand (except as otherwise expressly provided in this Lease), to Landlord as set forth herein.

#### H. General Additional Rent

1. Rent Adjustment-Operating Expenses. Commencing on the Lease Commencement Date, during each Operating Year, Tenant shall pay to Landlord, as Additional Rent, with and at the same time as the payments of Basic Annual Rent are due, Tenant's Share of Landlord's then-current estimate of the Operating Expenses, revised not more frequently than twice annually, prorated in equal amounts over the balance of the then-current Operating Year.

2. Taxes. Commencing on the Lease Commencement Date and continuing throughout the Term, Tenant shall pay directly to the applicable taxing authorities, as Additional Rent, any and all Taxes prior to delinquency. Landlord will cooperate with Tenant by preparing and filing such paperwork as may be necessary with the Inyo County Assessor to attempt to obtain any available tax exemption; however, the failure to obtain any such exemption does not (and shall not) relieve Tenant of its obligation to pay Taxes as set forth in this Lease. Upon receipt of any tax bill, Tenant shall deliver a copy thereof to Landlord, and Tenant shall, within ten (10) Business Days after making payment of Taxes, deliver to Landlord proof of payment of Taxes. Tenant shall have the right, at its sole cost and expense, to contest any Taxes assessed against the Leased Premises (including the Building). Tenant acknowledges that it bears the risk that a tax assessment appeal could result in a decision which increases the assessed value of the Leased Premises. If any Taxes are not paid prior to delinquency, Landlord shall have the right but shall not be obligated to pay the same following ten (10) days' written notice to Tenant. If Landlord shall make such

payment, Landlord shall thereupon be entitled to repayment by Tenant following written demand as Additional Rent hereunder. Notwithstanding the foregoing, Tenant shall not be required to pay and shall have no liability for any increase of, or reassessment in, Taxes, resulting from either (1) any Transfer, or (2) any action, including, without limitation, judicial action or action by initiative, which serves to repeal, modify and/or limit the application of Article XIII A of the California Constitution (otherwise known as Proposition 13) to the extent such repeal, modification or limitation causes Tenant to lose the benefit of the foregoing limitation.

3. Impositions. Tenant shall pay and discharge as and when due all assessments, impositions and other like charges of every kind and nature whatsoever, ordinary or extraordinary, foreseen or unforeseen, general or special, together with any interest or penalties imposed upon the late payment thereof, which, pursuant to present or future law, during or after (but attributable to a period falling within) the Term, shall have been or shall be levied, charged, assessed, imposed upon or grow or become due and payable out of or for or have become a lien on the Leased Premises, or any part thereof, any improvements or personal property in or on the Leased Premises, the Rent and income payable by Tenant or on account of any use of the Leased Premises and such franchises as may be appurtenant to the use and occupation of the Leased Premises (all of the foregoing being hereinafter referred to as "Impositions"). In no event, however, will Impositions include any inheritance, estate, succession or income tax, nor shall Impositions include any liens associated with judgments against Landlord or with Landlord's alleged failure to pay third parties (and any such liens shall be paid and discharged by Landlord). Tenant, upon request from Landlord, shall submit to Landlord the proper and sufficient receipts or other evidence of payment and discharge of the same. If any Impositions are not paid when due, Landlord shall have the right but shall not be obligated to pay the same following ten (10) days' written notice to Tenant, provided Tenant does not contest the same as herein provided. If Landlord shall make such payment, Landlord shall thereupon be entitled to repayment by Tenant following written demand as Additional Rent hereunder.

4. Utilities.

(a) Effective as of the Lease Commencement Date, all utilities shall be transferred directly to accounts in Tenant's name and Tenant shall pay directly to all utility providers all charges respecting the Leased Premises incurred during the Term. In furtherance of the foregoing and for the avoidance of doubt, it is the intent of this Lease that Tenant arrange for and pay directly to the applicable utility providers the cost of all electricity, gas and other utility charges used in the Building and at the Leased Premises, and that this Lease therefore be considered to be absolute net of such costs.

(b) Tenant shall pay on a timely basis to the appropriate utility or other supplier all charges for gas, steam, electricity, light, heat, power, telephone, water, metered or unmetered sprinkler, sewerage and all other utility and communication services, used, rendered and/or supplied upon or in connection with the Leased Premises to the extent not paid by Landlord and reimbursed by Tenant as a part of the Operating Expenses. Upon request, Tenant shall promptly furnish Landlord with copies of all paid receipts for such utilities charges. All such utility charges shall be appropriately adjusted between the parties as of the Lease Commencement Date, and again as of the expiration or sooner termination of this Lease.

## V. CONDITIONS OF TENANT'S OCCUPANCY AND POSSESSION

A. Use Restrictions and Rules. Tenant shall use the Leased Premises only for general office, governmental and public use and Tenant's uses ancillary thereto, including, without limitation, uses consistent with Tenant's historical uses or occupancy of governmental office buildings (including sheriff's substation and/or medical services clinic). In no event will smoking be permitted within the Building. Tenant agrees to be bound by all applicable laws, requirements, rules, orders, ordinances, zoning and restrictive covenants applicable to Tenant's use of the Leased Premises, whether in force on or after the Lease Commencement Date (collectively, the "Restrictions"); provided, however, that Landlord shall not create or seek to create any new Restrictions (other than a Security Instrument (hereinafter defined)) after entry into this Lease without Tenant's consent.

### B. Improvements by Tenant other than the Tenant Work.

1. Other than the Tenant Work, which shall be governed by the terms of Exhibit C, Tenant will not make any improvements, alterations, installations or additions to the Leased Premises which (a) involve a modification to the structure of the Building, or (b) exceed \$250,000 in aggregate costs in a calendar year (collectively, "Material Tenant Alterations") unless: (i) Tenant receives Landlord's prior written consent, which will not be unreasonably withheld, conditioned, or delayed; (ii) the work is performed only by Tenant's employees or licensed and adequately insured contractors; (iii) the work is carried out pursuant to properly documented drawings approved in advance by Landlord and pursuant to all necessary permits or governmental and/or other approvals, the responsibility and cost of obtaining which will be borne solely by Tenant; and (iv) Tenant pays all costs of such work. If Tenant elects to use a contractor other than Landlord or its representative or Tenant's employees for any work that exceeds \$250,000 in aggregate costs in a calendar year (which \$250,000 amount shall be increased by the percentage increase in the CPI between the date of this Lease and the date on which such aggregate costs are being measured) or which would materially affect the structural elements of the Building, then the work performed by such contractor will be subject to the reasonable approval of Landlord to assure its compatibility with the existing structures and Tenant will pay Landlord (i) a fee equal to two percent (2%) of the cost of such work or five hundred dollars (\$500), whichever is less, plus (ii) any out-of-pocket costs incurred by Landlord for engaging third party professionals to review Tenant's submissions. For any alterations, additions or installations not constituting Material Tenant Alterations, or the installation of Tenant's furniture, fixtures, and equipment, Tenant shall only be required to notify Landlord of such work, but in any event, all of such work by Tenant shall be completed lien free and in a good and workmanlike manner and in compliance with the Restrictions and all Legal Requirements. The term "CPI" shall mean the Consumer Price Index for All Urban Consumers (CPU-U) for the U.S. City Average for All Items (1984=100) published by the United States Department of Labor, Bureau of Labor Statistics; provided, however, that (a) if the CPI (or any index substituted therefor as hereinafter provided) shall cease to be published, then for the purposes of this Paragraph V.B., there shall be substituted for such index another similar index published by a governmental or other nonpartisan organization as may be reasonably selected by Landlord, and (b) if there is any revision in the computation of the CPI (or any index substituted therefor as provided above), including, without limitation, a change in the base year, then for the purposes of this Paragraph V.B., such revised index shall be substituted for the index in effect prior thereto and Landlord shall make such other adjustments as may be required to obtain,

to the extent feasible, substantially the same result that would have been obtained if the index had not been revised.

2. Tenant shall deliver to Landlord "as built" plans for all Material Tenant Alterations made by Tenant, reasonably promptly following completion of same. Upon termination or earlier expiration of the Lease Term in connection with which Tenant does not acquire the Property pursuant to either Paragraph II.B or II.C, unless otherwise elected by Landlord at the time Landlord approves a Material Tenant Alteration, all alterations, additions and improvements made by Tenant shall become the property of Landlord and will remain a part of the Leased Premises upon the expiration or termination of this Lease. Unless Tenant is acquiring the Property pursuant to Paragraph II.B or II.C, Tenant will, no later than the expiration or termination date of this Lease, remove all Material Tenant Alterations for which Landlord required removal hereunder as a condition to Landlord's approval thereof and repair any damage caused by such removal, all at Tenant's sole cost.

C. Management; Maintenance.

1. Commencing on the Lease Commencement Date and continuing thereafter until the Management Change Date, Tenant shall manage the Leased Premises (including the Building) in a manner consistent with the maintenance standards of other Tenant-owned or Tenant-leased facilities as of the Lease Commencement Date, and shall be exclusively responsible for all repairs, replacements, and maintenance to the Leased Premises, including but not limited to: (i) the interior and exterior portions of the Building (including without limitation, the structural portion of the Building and all walls, roofs, footings, foundations subfloors, utilities, doors, glass, elevators and fire safety systems), (ii) Tenant's security systems of whatever type or nature, (iii) all heating, ventilation and cooling equipment, (iv) any computer room and computer room equipment located within the Building, (v) any and all other furniture, fixtures and equipment of Tenant located in the Leased Premises, (vi) the Communications Equipment (as herein defined), and (vii) all exterior elements of the Property, including non-public driveways and parking improvements, landscaping, and irrigation systems and maintenance. The foregoing maintenance, repairs and replacements obligations of Tenant shall be performed in a good and workmanlike manner. Tenant will not commit or suffer any waste of the Leased Premises.

2. Tenant shall promptly comply with all Legal Requirements applicable to the Leased Premises, and Tenant shall so perform and comply, whether or not such Legal Requirements shall now exist or shall hereafter be enacted or promulgated and whether or not the same may be said to be within the present contemplation of the parties hereto. Tenant agrees to give Landlord notice of violation or claimed violation of any applicable Legal Requirements, which such violation materially adversely affects (A) the Leased Premises, or (B) Tenant's use of the Leased Premises. Tenant shall deliver such notice promptly after the same comes to the attention of Tenant. If applicable, at the same time Tenant will inform Landlord as to the corrective action that Tenant proposes to take in order to comply therewith prior to commencing such action.

3. In the event that title to the Leased Premises does not transfer to Tenant pursuant to Tenant's timely exercise of the Tenant's Early Option or at the expiration of the lease term pursuant to Paragraph II(B) above, then at the earliest of the following to occur: (i) the end of

the Term, (ii) early termination of this Lease, (iii) prior to vacation of the Leased Premises by Tenant, or (iv) prior to rejection of the Lease under applicable provisions of the Bankruptcy Code including Section 365 thereof, Tenant shall: (a) return the Leased Premises to Landlord in as good a condition as existed as of the Lease Commencement Date, excepting only normal wear and tear, Force Majeure, and repairs required to be made by Landlord hereunder; (b) remove all of its personal property and possessions from the Leased Premises except to the extent provided by Paragraph V.B above, and (c) at Tenant's sole cost, deliver to Landlord a self-certification stating that the heating, ventilating and air conditioning system is in good operating condition. Unless Tenant timely exercises the Tenant's Option or the Tenant's Early Option, any items of Tenant's personalty remaining in the Leased Premises after the earliest to occur of the events described in (i) – (iv) above shall be deemed abandoned by Tenant and become the sole property of Landlord. Notwithstanding the foregoing, any costs incurred by Landlord in storing and/or disposing of such abandoned property shall remain the sole obligation of Tenant, which obligation shall survive the expiration or termination of this Lease.

D. Conduct on Leased Premises. Tenant will neither do, nor permit anyone else to do, anything on the Leased Premises which might or would: (i) increase any insurance rates charged to Landlord with respect to the Leased Premises or the Building; (ii) violate any Legal Requirements applicable to the Leased Premises; or (iii) conflict with or invalidate any insurance policy maintained by Landlord for the Leased Premises and of which Tenant is made aware, in writing; provided, however, that, with respect to clauses (i) and (iii) above, (a) it shall not constitute a default if the insurance premiums of Landlord are increased due to Tenant's use or occupancy of the Leased Premises for other than customary uses consistent with Tenant's historical uses or occupancy of governmental office buildings (including sheriff's substation or medical services clinic), nor shall it constitute a basis for Landlord to incur any such increased insurance rates, and (b) any such use or activity shall not constitute a default by Tenant hereunder if Tenant agrees to pay any costs associated with such rate increase in accordance with the following sentence. If the insurance premiums of Landlord are increased due to Tenant's use or occupancy of the Leased Premises for other than customary uses consistent with Tenant's historical uses or occupancy of governmental office buildings(including sheriff's substation or medical services clinic), then the amount of such increase will be paid by Tenant to Landlord as Additional Rent as it becomes due, and Landlord will have the same right to collect such amount as Landlord has under this Lease to collect Additional Rent. Promptly after Landlord becomes aware of any such potential increase, Landlord shall notify Tenant of the condition or action giving rise to such increase so that Tenant shall have an opportunity to dispute, correct or change such situation so as not to incur such increased premium costs.

E. Insurance.

1. Tenant's Insurance. Tenant is a California political subdivision and a member of the CSAC Excess Insurance Authority, a member-directed risk sharing pool of counties and public entities. Tenant shall provide the following insurance coverage:

- 1) general Liability coverage for third party liabilities (including general, automobile, employment practices and errors and omissions) to cover the leased premises and the business and operations conducted by Tenant. The coverage shall be kept in force during the entire Term. The coverage will

have minimum limits of \$3,000,000 occurrence, \$10,000,000 aggregate. The Landlord, its agents, officers and employees shall be included as additional covered parties, but only insofar as the business and operations of Tenant under this Lease and at the Leased Premises.

- 2) Workers' Compensation insurance as required by the State of California with Statutory Limits and Employer's Liability Insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease.
- 3) All Risk property insurance for the full replacement cost of all Tenant's personal property located at the Lease Premises and Landlord shall have no obligation or liability therefor.

At Tenant's option, Landlord and Tenant agree that all risk property coverage for the full actual replacement cost of the Building may be provided by Tenant. Landlord agrees that should Tenant elect to provide all risk property coverage for the full actual replacement cost of the Building, Landlord will not seek reimbursement for that cost as provided. Each insurance policy required above shall provide that coverage shall not be canceled, except with thirty (30) days advance written notice to Landlord. Tenant shall furnish the Landlord with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause. In the event and during any period that Tenant exercises this option, the provisions of this Lease related to Landlord's Insurance shall not apply to the extent they would be duplicative of Tenant's Insurance.

2. Landlord's Insurance. Landlord shall be obligated to obtain Landlord's Insurance. The term "Landlord's Insurance" includes all insurance and all required endorsements which Landlord's lender requires Landlord to maintain, in connection with Landlord's construction and ownership of the Leased Premises or any part thereof, the Building, equipment, fixtures and other improvements installed and/or owned by Landlord and used in connection with the Building and/or the Leased Premises and/or all alterations, rebuilding, replacements and additions thereto, insuring the same against commercial general liability or loss or damage by fire, lightning, explosion, vandalism, malicious mischief, sprinkler leakage (if sprinklered), flood, windstorm (including named windstorm), breach of warranty, explosion, collapse, underground hazards, earthquake and such other hazards, casualties, risks and contingencies now covered by or that may hereafter be considered as included within, the standard casualty and property insurance policy, or such other casualties as Landlord's lender may require. At all times prior to the Lease Commencement Date, such insurance shall be in the "Builder's All Risk" form. Landlord's Insurance shall also include: (i) insurance for loss of rent arising out of any of the occurrences covered by such property casualty insurance, and (ii) commercial general liability coverage to be carried by Landlord in such amounts as would be customarily carried by a landlord of other similar office buildings in other comparably sized and located California cities. Landlord shall use the same efforts as landlords of other similar office buildings in other comparably sized and located California cities to obtain Landlord's Insurance at competitive rates. Tenant shall, as Additional Rent, reimburse Landlord for the premiums for and costs of all policies of Landlord's Insurance as provided in Paragraph IV.H.1 above. Any company underwriting any of Landlord's insurance shall have, according to A.M. Best Insurance Guide, a Best's rating of not less than A- and a Financial Size Category of not less than VIII. All commercial general liability shall name Tenant

and other designees of Tenant as the interest of such designees shall appear, as "additional insureds" and such insurance shall be primary with Tenant's policy (or self-insurance, as applicable) being secondary and noncontributory. Landlord shall give Tenant at least 30 days' advance written notice of any change, cancellation, termination or lapse of insurance. Landlord shall provide Tenant with a certificate of insurance evidencing Landlord's insurance upon and as a condition to the effectiveness of this Lease, and upon renewals at least 30 days prior to the expiration of the insurance coverage. All of Landlord's insurance policies, endorsements and certificates will be on forms and with deductibles and self-insured retention, if any, reasonably acceptable to Tenant. The limits of Landlord's insurance shall not limit Landlord's liability under this Lease.

3. Waiver of Subrogation. To the extent of receipt of insurance proceeds from policies required hereunder, Landlord and Tenant hereby mutually waive all claims for recovery from the other for any loss or damage to any of Landlord's or Tenant's property insured (or required to be insured) under insurance policies to the extent of any recovery for loss insured under those policies. The parties agree that a mutual waiver of subrogation clause will be included in each insurance policy setting forth that the insurance will not be invalidated in the event that the insured waives in writing, before any loss, any or all right of recovery against the other party for any insured loss; provided, however, such waiver shall not apply to the amount of any deductible (up to a maximum of \$25,000.00). Either party shall, upon obtaining any policy of commercial insurance referred to in this Lease, give notice to the insurer that the foregoing mutual waiver does not apply to liability, losses, or damages which are self-insured.

F. Liens. Tenant will not do anything, or permit anything to be done, which subjects all or any part of the Leased Premises or Tenant's interest therein to any lien or encumbrance, including but not limited to mechanics' or materialmen's liens. If at any time prior to or during the Term (or within the statutory period thereafter if attributable to Tenant), any mechanics' or other lien or order for payment of money, which shall have been either created by, caused (directly or indirectly) by, or suffered against Tenant, shall be filed against the Leased Premises or any part thereof, Tenant, at its sole cost and expense, shall cause the same to be discharged by payment, bonding or otherwise, within thirty (30) days after the filing thereof unless such lien or order is contested by Tenant in good faith and Tenant provides sufficient security or evidence of financial ability, in each case to the reasonable satisfaction of Landlord, to pay the amount of such lien or order. Tenant shall, upon notice and request in writing by Landlord, defend for Landlord, at Tenant's sole cost and expense, any action or proceeding which may be brought on or for the enforcement of any such lien or order for payment of money, and will pay any damages and satisfy and discharge any judgment entered in such action or proceeding and save harmless Landlord from any liability, claim or damage resulting therefrom. In the event of default of Tenant's procuring the discharge of any such lien as aforesaid Landlord may, without notice, and without prejudice to its other remedies hereunder, procure the discharge thereof by bonding or payment or otherwise, and all cost and expense which Landlord shall incur shall be paid by Tenant to Landlord as Additional Rent. Landlord shall not under any circumstances be liable to pay for any work, labor or services rendered or materials furnished to or for the account of Tenant upon or in connection with the Leased Premises, and no mechanics' or other lien for such work, labor or services or material furnished shall, under any circumstances, attach to or affect the reversionary interest of Landlord in and to the Leased Premises or any alterations, repairs, or improvements to be erected or made thereon. Nothing contained in this Lease shall be deemed or construed in any way as constituting



the request or consent of Landlord, either express or implied, to any contractor, subcontractor, laborer or materialman for the performance of any labor or the furnishing of any materials for any specific improvement, alteration to or repair of the Leased Premises or any part thereof, nor as giving Tenant any right, power or authority to contract for or permit the rendering of any services or the furnishing of any materials on behalf of Landlord that would give rise to the filing of any lien against the Leased Premises.

G. Environmental Assurances.

1. Landlord's Representations. Landlord represents and warrants to its current actual knowledge as of the Effective Date that, except as disclosed in that certain Phase II Environmental Site Assessment dated as April 2017, prepared by Team Engineering and Management, Inc., located at 459 W. Line Street, Suite 100, Bishop, CA 93514 (a copy of which have been delivered to Tenant prior to the Effective Date) ("Known Pre-Existing Conditions"), no Hazardous Substances exist at the Leased Premises in excess of de minimis amounts, or which violate site closure conditions as required by applicable governmental authorities.

2. Tenant's Covenants. Tenant covenants with Landlord:

(a) that Tenant shall not Generate (as hereinafter defined) Hazardous Substances at, to or from the Leased Premises other than customary amounts of Hazardous Substances found in a typical use similar to those permitted under this Lease at the Leased Premises and of the same size as the Leased Premises;

(b) to comply with all obligations imposed by applicable Legal Requirements related to Hazardous Substances; and

(c) to deliver promptly to Landlord true and complete copies of all notices received by Tenant from the United States Environmental Protection Agency, the United States Occupational Safety and Health Administration, and/or any other federal, state, county or local governmental agency or instrumentality with respect to Hazardous Substances on the Leased Premises.

3. Tenant's Indemnification. Landlord will give Tenant notice within three (3) days of its receipt of any claim, demand, action, suit, or other legal proceeding alleged to arise from, out of or in connection with Tenant's generation of Hazardous Substances at, to or from the Leased Premises in violation of the Requirements. With regard to Tenant's generation of Hazardous Substances, Tenant agrees to defend with County Counsel or outside legal counsel, acceptable to the Inyo County Board of Supervisors, indemnify and hold Landlord (and its owners, shareholders, employees and authorized agents) harmless from and against any judgments, damages, losses, costs, fees or expenses (including, without limitation, environmental assessment, investigation and environmental remediation expenses to the extent such assessment, investigation and/or remediation is required by the regulatory authority(ies) with jurisdiction, third party claims and reasonable attorneys' fees and expenses) related thereto. This indemnification by Tenant will remain in effect after the termination or expiration of this Lease with respect to matters accruing during the Term hereof.

H. Security Services. Tenant shall have the right, at its sole cost and expense, to install a security system within the Building. Tenant shall have the right to provide, at its sole cost and expense, a security force to regularly patrol and inspect the Leased Premises. Such security force will coordinate and cooperate with Landlord and will provide Landlord with appropriate contact numbers and emergency procedures.

I. Signage. As part of the initial construction of the Leased Premises, Landlord shall construct, at its sole cost and expense, an identification sign for Tenant on the exterior of the Building and a monument sign on the Leased Premises (the "Monument Sign"), as provided in the Approved Base Building Plans. Following Lease Commencement Date, any changes requested by Tenant to be made to the Monument Sign shall be subject to Landlord's prior written approval, which shall not be unreasonably withheld, conditioned, or delayed, and, if approved, shall be made by Tenant at Tenant's sole cost and expense. Tenant shall hold Landlord harmless from any damage caused to the Building or the Leased Premises as a result of the maintenance, renovation and/or repair of such signs. Unless Tenant timely exercises the Tenant's Option or the Tenant's Early Option, upon the earliest of the following to occur of: (i) the end of the Lease Term, (ii) vacation of the Leased Premises by Tenant, or (iii) rejection of the Lease under applicable provisions of the Bankruptcy Code including Section 365 thereof, it shall be Tenant's obligation, at its sole expense, to remove such signs and to repair any damage to the Building or Leased Premises resulting from such removal.

J. Rooftop Equipment.

1. Notwithstanding the general limitations on further alterations, additions and improvements set forth in Paragraph V.B above, but subject to the terms therein and the terms set forth in this Paragraph V.J, Tenant is hereby given permission to install transmitting and receiving equipment, including antennae (the "Communications Equipment") on the roof of the Building.

2. Tenant shall bear all of the cost and expense of designing, purchasing, installing, operating, maintaining, repairing, removing and replacing the Communications Equipment, and for repairing or restoring any damage to the Building, the Leased Premises or to Landlord's or any other person's or entity's property arising therefrom.

3. Tenant shall be responsible for obtaining any and all federal, state, county and municipal governmental permits, approvals, licenses and certificates necessary for the installation and operation of the Communications Equipment, and shall comply with all laws, statutes, ordinances, codes, rules and regulations relating thereto, including (without limitation) building and zoning codes. Upon written request from Tenant, Landlord shall reasonably cooperate with Tenant, but without expense to Landlord or significant involvement by Landlord's personnel, in obtaining any necessary permits, approvals, licenses and certificates for the installation and operation of the Communications Equipment to the extent such permits, approvals, licenses and certificates are customary and do not involve receipt of a variance or change in any zoning applicable to the Property. Tenant shall reimburse Landlord within thirty (30) days following written demand for all reasonable costs incurred by Landlord in connection with its efforts to cooperate with Tenant in obtaining such permits, approvals, licenses or certificates.

4. Tenant shall be solely liable for and shall defend, indemnify and hold Landlord harmless from and against any damage claimed to be incurred by a third party as a result of interference from the Communications Equipment.

5. The Communications Equipment shall be installed in a manner reasonably acceptable to Landlord. In addition to other factors set forth in this Lease, Landlord may consider the quality of the proposed physical installation and its safety, and the size, shape and appearance of the Communications Equipment and its effect on the Building's appearance. Without limiting the foregoing, the Communications Equipment must be securely affixed to the roof so as to prevent its dislodging in high winds. All wires and cable must be installed in Building conduit or in an alternative conduit approved by Landlord and must be properly shielded. No Communications Equipment is permitted if its installation will void or adversely affect any warranty of the roof or if its installation and/or operation would otherwise adversely affect the Building.

6. Tenant shall have the right to sole access and control of the roof of the Building except in emergency situations involving imminent threat to safety, property (including the Building) or life. If Landlord, its representatives or their respective employees require access for emergencies, inspections, or repairs, Landlord shall give Tenant prompt notice thereof and shall make all reasonable efforts to coordinate such access such that all such persons shall be accompanied by Tenant.

7. Notwithstanding any provision of this Lease to the contrary, unless otherwise agreed to in writing by Landlord and Tenant at the time Tenant installs the Communications Equipment, the Communications Equipment shall remain the property of Tenant during and after installation and, unless Tenant timely exercises the Tenant's Option or the Tenant's Early Option shall be removed by Tenant at its expense at the expiration or earlier termination of the Term.

8. Tenant shall be solely responsible for the Communications Equipment, any damage thereto, and for any damage caused to the Building or the Leased Premises as a result of or caused by the Communications Equipment.

K. Recycling Regulations. Tenant shall comply with all applicable Legal Requirements regarding the collection, sorting, separation and recycling of waste products, garbage, refuse and trash (hereinafter collectively called "waste products"), including but not limited to the separation of such waste products into proper receptacles and the removal of such receptacles in accordance with any collection schedules prescribed by such applicable Legal Requirements.

L. General Provisions Regarding Tenant's Use. Tenant shall not place a load upon any floor of the Building which exceeds the maximum live load per square foot which Landlord (or Landlord's architect or engineer) reasonably determines is appropriate for the Building based on its as built condition in accordance with Tenant-approved plans without Landlord's prior written consent. All voice, data, video, audio and other low voltage control transport system cabling and/or cable bundles installed in the Building by Tenant or its contractor shall be (i) plenum rated and/or have a composition makeup suited for its environmental use in accordance with NFPA

70/National Electrical Code; (ii) labeled at cable ends with the Tenant's name and origination and destination points; (iii) installed in accordance with all EIA/TIA standards and the National Electrical Code; and (iv) installed and routed in accordance with a routing plan showing "as built" or "as installed" configurations of cable pathways, outlet identification numbers, locations of all wall, ceiling and floor penetrations, riser cable routing and conduit routing (if applicable), and such other information as Landlord may reasonably request. The routing plan shall be available to Landlord and its agents at the Building upon request.

M. Acceptance of Leased Premises. The delivery of Lease Commencement Agreement by Tenant on the Lease Commencement Date shall constitute an acknowledgment by Tenant that, other than with respect to latent defects, completion of Punch List Items and Landlord's performance of its obligations under this Lease, (i) the Leased Premises are in good condition, that Landlord has provided or constructed all improvements to be provided or constructed by Landlord in the Leased Premises in accordance with the Work Letter, and (ii) all materials and labor provided by Landlord are satisfactory.

N. Mortgagees. Subject to Tenant's receipt of a SNDA (as defined in Paragraph XIII(B)), Tenant agrees to give the holder of any Security Instrument securing the Landlord's Financing, by certified mail, a copy of any notice of default served upon the Landlord, provided that prior to such notice Tenant has been notified in writing (by way of notice of assignment of rents and leases, or otherwise) of the addresses of such holder. The provisions of this Paragraph shall be superseded by the terms of any SNDA executed by Tenant and a mortgagee or trust deed holder.

O. Tenant's Fixtures. Tenant may at any time and from time to time in its sole discretion, and at its sole expense, install or permit to be installed, additional items of equipment or other personal property in or upon the Building in addition to the furniture, fixtures and equipment which are initially installed by Landlord as part of the Leased Premises, provided such installation does not affect the building systems or structural portions of the Leased premises. All such additional property shall remain the sole personal property of Tenant. Landlord agrees that Tenant may remove, at its own expense, at any time during the Lease Term, all such other personal property of Tenant; provided, however, that any such removal shall not cause any damage to the Building or that Tenant shall, at its own expense, repair any such damage caused thereby.

## **VI. LANDLORD'S RIGHTS AND RESPONSIBILITIES**

A. Access. Landlord or its authorized agent or representative (e.g., a property manager, asset manager, other advisor, broker, or actual or prospective purchaser or mortgagee or deed of trust holder, etc.) will have the right to enter and examine the Leased Premises (except for secured areas) for any reasonable purpose (including showing the Leased Premises to prospective tenants during the last twelve (12) months of the Term) with at least two (2) Business Days' prior written notice to Tenant and in the presence of a designated Tenant representative (Tenant covenanting to make such a representative available), or at any time in the event of an emergency. If the Leased Premises are accessed by Landlord or its authorized representatives in the case of an emergency, Landlord shall inform Tenant in writing within twenty-four (24) hours after such emergency, indicating the nature of the situation and the outcome. Landlord acknowledges that Tenant use of the Leased Premises will include conferences and other activities, and may involve

the presence of oral and/or written information, that is required as a matter of law and/or County policy to be kept confidential ("County Confidential Business"). Accordingly, Landlord agrees that (i) Tenant's restriction of access to the areas of the Building in which County Confidential business is being conducted or located will not constitute a violation of the foregoing, and (ii) in exercising its access rights under this subsection, Landlord, its employees in agents shall keep confidential all County Confidential Business to which it is exposed.

B. Parking. Landlord shall, as part of Landlord's Work, initially provide Tenant with not less than two hundred sixty (260) surface parking spaces at the Leased Premises in the location shown on the Site Plan (as defined in Exhibit C-1). Tenant shall have access to all parking spaces on the Leased Premises. Tenant shall have the right, subject to applicable legal requirements, from time to time to assign reserved parking spaces for use by its visitors, employees and subtenants.

C. Liens. Except for any Legal Requirements (and any amendments thereto permitted by this Lease) as well as any liens or deeds of trust, mortgages, assignments of rents and leases, and security agreements granted that are part of the financing of the Leased Premises from time to time and that are permitted by the terms of this Lease, Landlord will not do anything, or permit anything to be done, which subjects all or any part of the Leased Premises to any lien or encumbrance including but not limited to, mechanics' or materialmen's liens. If any such lien is filed purporting to be for work or material furnished to Landlord, then Landlord must have such lien discharged or bonded within thirty (30) calendar days of Landlord's receipt of written notice from Tenant of the filing of such lien.

D. Landlord's Environmental Obligations

1. Covenants. Landlord covenants with Tenant that Landlord (i) shall not Generate Hazardous Substances at the Leased Premises; and (ii) shall deliver to Tenant, without any representation or warranty, a copy of any environmental audit in Landlord's or Landlord's agent's possession as of the date hereof.

2. Indemnification. Landlord agrees to defend with legal counsel reasonably acceptable to Tenant, indemnify and hold Tenant (and its Supervisors, officers, employees and authorized agents) harmless from and against any claims, demands, actions, suits, proceedings, judgments, damages, losses, costs, fees or expenses (including, without limitation, environmental assessment, investigation and environmental remediation expenses, third party claims and environmental impairment expenses and reasonable attorneys' fees and expenses) incurred by the indemnitee in connection with (a) any and all Hazardous Substances existing in, on, under or around the Leased Premises as of the Effective Date of this Lease and/or (b) Landlord's Generation of Hazardous Substances at, to or from the Leased Premises and/or (c) in connection with Landlord's failure to comply with its representations, warranties and covenants set forth in Paragraph V.G.1 above. This indemnification by Landlord will remain in effect after the termination or expiration of this Lease.

3. The presence or release of Hazardous Substances on the Leased Premises which were present on the Lease Commencement Date or which were thereafter Generated by Landlord or Landlord's agents, employees, invitees or subcontractors and which, in the reasonable judgment of Tenant, threatens the health and safety of Tenant's agents, officers; employees or

invitees, shall entitle Tenant to a proportionate abatement in the Rent Payments until such presence or release is remediated.

E. Inspections; Termination of Tenant Management. Upon providing Tenant at least two (2) business days' prior notice and in the presence of a designated representative of Tenant (Tenant covenanting to make such a representative available during normal business hours), Landlord shall have the right to make an inspection of the Leased Premises to verify compliance by Tenant with its obligations under this Lease. In the event that the Leased Premises is not being maintained by Tenant in compliance by Tenant with its obligations under this Lease, Landlord shall give Tenant written notice that identifies the obligation(s) or condition(s) requiring performance in reasonable detail and notifies Tenant that such condition(s) must be cured within sixty (60) days after Tenant's receipt of such notice or Landlord may terminate Tenant's right to self-manage the Leased Premises (the "Termination Warning"). If Tenant fails to cure such failure(s) within such sixty (60) day period (which period will be extended so long as Tenant has commenced a cure and is diligently prosecuting it to completion), then Landlord may elect to (i) terminate Tenant's right to self-manage the Leased Premises by delivering written notice thereof to Tenant (a "Management Notice"), in which event Landlord shall assume such management of the Leased Premises as of the Management Change Date specified by Landlord in such written notice; or (ii) make the repair or perform the defaulted obligation on behalf of Tenant and charge Tenant, as Additional Rent due on the first day of the second calendar month after Landlord's demand, the documented cost thereof. In addition to and without limiting the foregoing, during the existence of any monetary Event of Default, Landlord shall be entitled to terminate Tenant's right to self-manage the Leased Premises by delivering a Management Notice to Tenant, in which event Landlord shall assume such management of the Leased Premises as of the termination date specified by Landlord in such written notice. The date specified in a Management Notice on which Landlord will assume the management of the Leased Premises pursuant to this Paragraph VI.E is referred to as the "Management Change Date" for purposes of this Lease. Commencing on the Management Change Date, Landlord shall manage, operate, maintain and repair the Leased Premises in the same manner as required of Tenant hereunder. Tenant shall reimburse Landlord, as part of Operating Expenses, all costs and expenses arising from Landlord's performance of its obligations hereunder, which reimbursement (together with a management fee as provided for in the definition of Operating Expenses hereunder) shall be in addition to all other Additional Rent payable by Tenant hereunder. Upon the Management Change Date, Tenant shall be released of all future obligations relating to the operation, management, maintenance, repair and replacement of the Leased Premises accruing from and after such date.

F. Additional Provisions. Following the Lease Commencement Date and prior to the Management Change Date, Landlord and its agents, officers, directors and employees assume no liability or responsibility whatsoever with respect to the conduct or operation of the business to be conducted in the Leased Premises and shall not be liable for any loss, injury or damage to property caused by or resulting from any variation, interruption, or failure of utility or other services due to any cause whatsoever, or from failure to make any repairs or perform any maintenance that is Tenant's responsibility pursuant to this Lease. In no event shall Landlord be liable to Tenant for (i) any damage to the Leased Premises, except to the extent caused by the negligence or willful misconduct of Landlord, its agents, contractors or employees or breach of Landlord's express obligations under this Lease, (ii) any loss, damage or injury to any property therein or thereon except to the extent caused by the negligence or willful misconduct of Landlord, its agents,

contractors or employees or breach of Landlord's express obligations under this Lease, (iii) any claims for the interruption of or loss to Tenant's business or for any indirect damages or consequential losses occasioned by bursting, rupture, leakage or overflow of any plumbing or other pipes or other similar cause in, above, upon or about the Leased Premises, except to the extent caused by the negligence or willful misconduct of Landlord, its agents, contractors or employees or breach of Landlord's express obligations under this Lease, or (iv) Tenant's management of the Leased Premises.

G. Indemnification by Tenant. Tenant agrees to hold Landlord and its agents, officers, directors and employees harmless against claims arising from or related to Tenant's performance of its obligations under this Lease and/or Tenant's occupancy and use of the Leased Premises during the Term, except to the extent resulting from the negligence, willful misconduct, or breach of obligations under this Lease of Landlord, its agents, contractors or employees during any period of the Term. Landlord and its agents, officers, directors and employees shall not be liable to Tenant, its employees, agents, business invitees, licensees, customers, clients, family members or guests for any damage, compensation or claim arising out of or related to managing the Leased Premises, repairing any portion of the Leased Premises, the interruption in the use of the Leased Premises, accident or damage resulting from the use or operation (by Landlord and its agents, officers, directors and employees, Tenant, or any other person or persons whatsoever) or failure of elevators, or heating, cooling, electrical or plumbing equipment or apparatus, or the termination of this Lease by reason of the destruction of the Leased Premises, or from any fire, robbery, theft, mysterious disappearance and/or any other casualty, or from any leakage in any part of portion of the Building, or from water, rain or snow that may leak into or flow from any part of the Building, or from any other cause whatsoever, unless (i) occasioned by the negligence, willful misconduct or breach of Landlord's obligations under this Lease by Landlord, its agents, contractors and employees or (ii) Landlord's responsibility pursuant to Paragraph VI.H below. If any public utility or governmental body shall require Landlord or Tenant to restrict the consumption of any utility or reduce any service to the Leased Premises, Landlord and Tenant shall comply with such requirements, without any abatement or reduction of the Basic Annual Rent. Any goods, property or personal effects, stored or placed by Tenant in or about the Leased Premises shall be at the sole risk of Tenant, and Landlord and its agents, officers, directors and employees shall not in any manner be held responsible therefor, except if such injury or damage results from Landlord's (or its agent's or affiliate's) negligence or willful misconduct. Notwithstanding the foregoing, in the event that an interruption in any utilities or services caused by the negligence or willful misconduct of Landlord, or caused by Landlord's breach of its obligations under this Lease renders the Leased Premises or a portion thereof untenantable for general office use, provided such interruption (i) is not caused by Tenant, its agents, employees, contractors or invitees, (ii) exists for more than five (5) consecutive business days, and (iii) Tenant in fact ceases to use the Leased Premises or such portion during such period of cessation or interruption (an "Interruption"), then, commencing on the sixth (6th) business day after such Interruption, Rent hereunder shall be abated until such services or utilities have been restored (or, if earlier, the date Tenant re-opens for business in the Leased Premises or applicable portion thereof). The foregoing specific remedies shall be Tenant's sole and exclusive remedies resulting from such Interruption.

H. Indemnification by Landlord. Landlord agrees to hold Tenant and its agents, officers, directors and employees harmless against claims arising from or related to Landlord's performance of its obligations under this Lease and/or Landlord's occupancy and use of the

Property prior to the commencement of the Term, except to the extent resulting from the negligence, willful misconduct, or breach of obligations under this Lease of Tenant, its agents, contractors or employees during any period of the Term.

I. Landlord's Warranty Responsibility. Landlord warrants that the entire Leased Premises, including but not limited to the Building, shall be free of defects and all building systems shall be fully operational in accordance with manufacturers' specifications for a period of one (1) year from the date of Substantial Completion. If a defective item or component of the Leased Premises requires repair or replacement within one-year of the date of Substantial Completion, Landlord shall, at its sole cost and expense, repair or replace such defective item or component. Landlord agrees to obligate any general or subcontractor hired by Landlord to deliver warranties and guarantees of workmanship imposed by state law or state agency at the time of contracting. Landlord shall use best efforts to make the benefits of any warranty and guarantee of any contract or subcontract for the construction and installation of the Leased premises' available to Tenant (by assignment or otherwise). Landlord shall assure that the roof meets the specifications of a 20-year roof and that the installation is completed by a licensed roofing contractor. Landlord shall obtain a written manufacturer's warranty for the roofing material as may be customary in the roofing industry for comparable materials and applications. Landlord shall also obtain a written manufacturer's warranty for the heating, ventilation and air conditioning system as may be customary for comparable systems. In the event that any of the items required to be maintained and repaired by Landlord under the provisions of this Paragraph are protected by warranties or guarantees, Landlord or Landlord's successors in interest shall assign to Tenant joint access to the benefit of such protection thereunder to the extent Landlord is entitled to make such assignment by the terms and conditions of such warranties or guarantees. Tenant shall promptly reimburse Landlord for all costs and expenses reasonably incurred by Landlord to pursue such claims against the applicable contractors, subcontractors and suppliers if such action is requested by Tenant.

J. Non Discrimination. Landlord certifies and agrees that (i) all persons employed thereby, are and shall be treated equally without regard to or because of race, religion, ancestry, national origin or sex, or any other legally-protected status, and in compliance with all federal and state laws prohibiting discrimination in employment, including, but not limited to, the Federal Civil Rights Act of 1964; the Unruh Civil Rights Act; the Cartwright Act; and the California Fair Employment and Housing Act and agrees to include a non-discrimination provision in any agreement with a Contractor or Subcontractors, and will require its contractor to also provide a non-discrimination provision in any agreement with its subcontractors, (ii) subcontractors, bidders and vendors thereof are and shall be selected without regard to or because of race, religion, ancestry, national origin or sex, or any other legally-protected status, (iii) all employment records shall be open for inspection and reinspection at any reasonable time during the term of this agreement for the purpose of verifying the practice of non-discrimination by Landlord in the areas heretofore described, and (iv) the sum of \$200.00 is hereby agreed upon as the amount of damages that will be sustained by Tenant for each breach of the promises on non-discrimination herein contained. Said amount has been set by the parties hereto in recognition of the difficulty in fixing actual damages arising from a breach thereof and not as a penalty. Nothing in this Paragraph shall be construed as limiting any obligation Landlord would have under this Lease to indemnify Tenant against any claims asserted by third parties for breach of the promises on non-discrimination herein contained.



## **VII. DAMAGE AND DESTRUCTION**

A. General Rule. If a part of the Leased Premises shall be damaged or destroyed by casualty ("Casualty"), (i) Tenant shall promptly notify Landlord if the estimated cost of rebuilding, replacing and repairing the same shall be or exceed Two Hundred Fifty Thousand Dollars (\$250,000); (ii) Landlord shall provide to the Insurance Trustee or Tenant, as may be required under Paragraph VII.B, any insurance proceeds it is paid in association with the loss; (iii) Tenant shall use all insurance proceeds paid against the loss by Landlord's insurer and Tenant's insurer to rebuild, replace and repair any damage or destruction to the Leased Premises with reasonable promptness and diligence in conformity with the requirements of Paragraph VI.B (as if such work were Material Tenant Alterations) in such manner as to restore the same to the same or better condition and equivalent or better value, as nearly as possible, as existed immediately prior to such casualty and (iv) during this time rent shall be paid to Landlord consistent with the rent continuation insurance it secures.

B. Insurance Trustee. Unless this Lease is terminated as set forth above, Landlord and Tenant shall cooperate fully to obtain the largest possible recovery under the policies of Landlord's Insurance required under Paragraph VI.E.2. All such insurance proceeds in excess of \$250,000 shall be paid to an "Insurance Trustee" (as hereinafter defined), who shall apply the proceeds as required by this Lease. Insurance proceeds not exceeding \$250,000 shall be paid to Tenant, who shall apply the proceeds as required by this Lease. The term "Insurance Trustee" means the holder of the Security Instruments, or if such holder is unwilling or unable to serve as insurance trustee, then a responsible, independent and established trustee approved by Landlord, Tenant and such holder. The \$250,000 threshold specified in this subparagraph B shall be increased upon the commencement of each Lease Year by the percentage increase if any in the CPI between the Effective Date of this Lease and the commencement of the applicable Lease Year.

## **VIII. CONDEMNATION**

A. Termination. This Lease will terminate immediately upon: (1) a taking or condemnation of the entire Leased Premises for public purposes; (2) a partial taking which prevents Tenant from being reasonably able to use the remainder of the Leased Premises for the purposes intended by this Lease; (3) a taking or condemnation that reduces the number of parking spaces at the Leased Premises to less than the minimum number of spaces that would be required under the Legal Requirements of the City (whether or not Tenant is legally subject to such Legal Requirements) ("Minimum Required Parking") and Landlord fails, within six (6) months following the date of the taking or condemnation, to provide additional parking reasonably convenient to the Building in order to provide such Minimum Required Parking; or (4) with respect to the Leased Premises, upon Landlord's conveyance or lease of the Leased Premises to any condemning authority in settlement of a threat of condemnation or taking. The Rent will be adjusted to the date of termination due to such taking, leasing or conveyance.

B. Award. In the event of a partial taking for which this Lease is not terminated, the Rent will abate in an amount which, in Landlord's and Tenant's reasonable judgment, is proportionate to the extent the Leased Premises are rendered untenable for the ordinary course of Tenant's business. Tenant, however, will not have any claim against Landlord, nor any claim for any award from the condemning authority arising out of any such taking, lease, conveyance or

condemnation action nor in any way arising out of Landlord's residual interest in the Leased Premises, but will have the right to pursue a separate claim against the condemning authority for Tenant's loss of leasehold interest in the Leased Premises, its residual interest in the Leased Premises under the Option, Tenant's property owned or leased by Tenant in the Leased Premises, Tenant's own loss of business and its moving expenses. In addition, notwithstanding the immediately preceding sentence, Tenant shall have a claim against Landlord if Landlord receives a portion of any award based on Tenant's loss of leasehold interest in the Leased Premises, its residual interest in the Leased Premises under the Option, Tenant's property owned or leased by Tenant in the Leased Premises, Tenant's own loss of business and its moving expenses.

## **IX. HOLDING OVER**

This Lease is for a specific Term. In the event that title to the Leased Premises does not transfer to Tenant pursuant to Tenant's timely exercise of the Tenant's Early Option or at the expiration of the lease term pursuant to Paragraph II(B) above, if Tenant, without Landlord's specific written consent, continues its possession of the Leased Premises after the expiration or earlier termination date of this Lease, then all of the following conditions will apply: (i) Tenant will occupy the Leased Premises as a month to month tenant on the terms of this Lease, except that its occupancy will be at one hundred twenty-five percent (125%) of the monthly Basic Annual Rent payable during the last year of the Term and one hundred percent (100%) of the monthly Additional Rent as determined hereunder and will be subject to termination on thirty (30) calendar days' prior written notice from either party to the other; and (ii) in the event such holdover by Tenant continues for a period of sixty (60) days following Tenant's receipt of written notice that Landlord has executed a term sheet for the lease of the Leased Premises (or any portion thereof) by a new tenant, Tenant will defend, indemnify and hold Landlord harmless from and against any and all claims, demands, actions, suits, proceedings, judgments, damages, losses, costs or expenses (including reasonable attorneys' fees) incurred by Landlord in connection with claims or litigation (e.g., due to a delayed commencement date for a new tenant) arising because of such holdover by Tenant.

## **X. DEFAULT**

A. Events of Default. Upon the expiration of any applicable notice or cure period, each of the following constitutes a material breach and a default by Tenant or Landlord, as the case may be, under this Lease (an "Event of Default"):

1. If Tenant (i) files a petition for relief under the Bankruptcy Code, or under any other present or future state or federal law regarding bankruptcy, reorganization or other debtor relief law, (ii) files any pleading or an answer in any involuntary proceeding wherein Tenant is a debtor under the Bankruptcy Code or other debtor relief law which admits the jurisdiction of the court of the petition's material allegations regarding Tenant's insolvency, (iii) makes an assignment in violation of this Lease; or (iv) is a party to any order or decree entered by a court of competent jurisdiction enjoining or prohibiting Tenant from performing its obligations under this Lease, then and in any said events if such condition is not cured, within thirty (30) days of Tenant's receipt of written notice of such condition from Landlord (or such additional time as is

reasonably necessary to cure or correct such condition so long as Tenant uses Tenant's good faith efforts to diligently pursue such cure and/or correction to completion), at Tenant's option, by: (A) correcting or eliminating such condition; or (B) providing Landlord with an irrevocable standby letter of credit in the amount equal to the Basic Annual Rent payable by Tenant for the then-current calendar year.

2. Landlord's making an assignment for the benefit of creditors.

3. Tenant's causing or permitting the Leased Premises to be vacant, or its abandoning or ceasing to do business actively in the Leased Premises for a period in excess of thirty (30) consecutive calendar days, subject to Force Majeure; provided, however, that Tenant's vacating the Leased Premises shall not be deemed an Event of Default so long as Tenant: (i) continues to pay all sums payable by Tenant hereunder when due; and (ii) continues to perform all other obligations of Tenant hereunder when the same are required to be performed; and (iii) provides Landlord Tenant's updated address for notices.

4. Tenant's failure to pay Rent when due and such failure continues for more than ten (10) Business Days after written notice of such failure to Tenant.

5. Tenant's or Landlord's failure to perform any other term, covenant or condition required by this Lease and such failure to cure within thirty (30) calendar days after receipt of written notice of such failure from Landlord or Tenant, as the case may be, which thirty (30) calendar days shall be extended for a reasonable period if the defaulting party promptly has commenced and is proceeding diligently to cure such failure.

Upon the occurrence of an Event of Default by Tenant, Landlord shall, in addition to all rights and remedies of Landlord set forth in this Lease, be excused from any obligation to continue and complete Landlord's Work (as defined in Exhibit C-1).

B. No Waiver of Default. Even if Landlord or Tenant does not seek the other's strict performance of any provision of this Lease, or does not exercise any right it has, neither Tenant nor Landlord will be construed as waiving its right to strictly enforce Landlord's or Tenant's performance in the future. There will be no waiver by Landlord or Tenant of any Lease provision unless expressed in writing and signed by the party against whom such waiver is being alleged. If Landlord receives Rent with knowledge of Tenant's breach of this Lease, or Tenant pays Rent with knowledge of Landlord's breach of this Lease, then neither party will be construed as having waived such breach.

C. Damages. Subject to the terms and provisions of, and except as otherwise expressly provided in, this Lease, in the event of any Event of Default, the non-defaulting party will be entitled to receive from the defaulting party as damages, upon demand, all reasonable expenses which the non-defaulting party incurs as a result of such breach.

D. Termination of Lease and Possession of Leased Premises.

1. Upon any Event of Default by Tenant, Landlord may then, upon at least thirty (30) calendar days' prior written notice to Tenant, terminate this Lease and/or Tenant's right to possess the Leased Premises without terminating this Lease. Landlord may then (with or

without formal court action) take possession of the Leased Premises and remove Tenant or any other occupant, and any property, whether belonging to Landlord, Tenant or others (but subject to being redeemed by Tenant upon Tenant's prompt cure of such default and payment of any costs incurred in removing and/or storage of such property) without relinquishing any other rights Landlord may have against Tenant. The thirty (30) day notice set forth above in this subparagraph is for notice purposes only and does not create, grant or allow (nor shall it be interpreted to create, grant or allow) an additional cure period, opportunity to cure, right of redemption, or other similar right.

2. If, upon the occurrence of any Event of Default, Landlord terminates Tenant's possession of the Leased Premises without terminating this Lease, Tenant shall pay to Landlord within thirty (30) days after written demand all reasonable expenses incurred by Landlord to relet the Leased Premises, or any portion thereof, including but not limited to, the cost of renovating, remodeling, repairing and altering the Leased Premises for a new tenant or tenants, advertisements, legal, and brokerage fees and any deficiency that may arise by reason of such reletting. Landlord shall have the right as the agent of Tenant to divide or subdivide the Leased Premises in any manner and relet the Leased Premises, or any portion thereof, for a term or terms which may, at Landlord's option, be less than or exceed the period which would otherwise have constituted the balance of the term of this Lease.

3. Without duplication of the damages set forth in Paragraph X.C or X.D.2, if Landlord terminates this Lease, Landlord will also be entitled to Basic Rent due to the date of termination plus, at Landlord's option, either (a) or (b) below:

(a) Liquidated damages equal to the total Rent which Landlord would have received under this Lease (had Tenant made all such Rent payments as required) for the remainder of the Term minus the fair rental value of the Leased Premises for the same period, discounted to present value at the Prime Rate (defined below) in effect upon the date of determination. For purposes hereof, the "Prime Rate" shall be the per annum interest rate publicly announced by Wells Fargo, N.A. on the date of the computation. If Landlord enters into a lease with an unaffiliated third party in an arm's-length transaction for the lease of the Leased Premises, the rent payable pursuant to such lease or term sheet shall be prima facie evidence of the fair rental value of the Leased Premises. The foregoing Paragraph shall not be construed as relieving Landlord of any obligation it would otherwise have under the law to mitigate damages

(b) Damages for each month of the unexpired portion of the Term from the date of termination equal to the sum of (i) the aggregate expenses (other than Additional Rent payable pursuant to Paragraph IV.G) paid by Landlord for items which this Lease requires Tenant to pay for each applicable month; plus (ii) the amount of the installments of Basic Annual Rent which would have been payable by Tenant if this Lease had not been terminated; plus (iii) the monthly average of Additional Rent payable pursuant to Paragraph IV.G paid in the Lease Year (or an annualized portion if the Term has been less than a total of 12 months to the date of termination) immediately preceding the Event of Default; plus (iv) Landlord's costs incurred (including court costs, reasonable attorneys' fees and similar costs of collection) in collecting such amounts, minus the rents, if any, actually collected by Landlord for each such month through re-renting or through permitted subleases of the Leased Premises. The damages under this subparagraph will be due in monthly installments, in advance, on the first day of each calendar

month following such termination and will continue until the originally-intended expiration of the Term. Landlord's action to collect, or its collection of, any damages for one month will not prejudice its rights to bring actions to collect damages for subsequent months, whether in multiple actions from time to time or in a single action brought after the originally-intended expiration of the Term. The foregoing Paragraph shall not be construed as relieving Landlord of any obligation it would otherwise have under the law to mitigate damages.

4. If Landlord does terminate this Lease in the manner provided for in Paragraph X.D.1 above, Tenant shall remain liable and agrees to keep or perform all covenants and conditions herein, contained to be kept or performed by Tenant and, if the property is not re-let, to pay the full amount of the Rent to the end of the term of this Lease or, in the event that the Leased Premises is re-let, to pay any deficiency in Rent that results therefrom; and further agrees to pay said Rent and/or deficiency in Rent punctually at the same time and in the same manner as hereinabove provided for the payment of Rent hereunder, notwithstanding the fact that Landlord may have received in previous years or may receive thereafter in subsequent years rental in excess of the Rent herein specified, and notwithstanding any entry or re-entry by Landlord or suit in unlawful detainer, or otherwise, brought by Landlord for the purpose of effecting such re-entry or obtaining possession of the Leased Premises. Should Landlord elect to re-enter as herein provided, Tenant hereby irrevocably appoints Landlord as the agent and attorney-in-fact of Tenant to re-let the Leased Premises, or any part thereof, from time to time, either in Landlord's name or otherwise, upon such terms and conditions and for such use and period as Landlord may deem advisable and to remove all persons in possession thereof and all personal property whatsoever situated upon the Leased Premises and to place such personal property in storage in any warehouse or other suitable place located within the geographical boundaries of Tenant, for the account of and at the expense of Tenant, and Tenant hereby indemnifies and agrees to save harmless Landlord from any reasonable costs, loss or whatsoever arising out of, in connection with, or incident to any such re-entry upon and re-letting of the Leased Premises and removal and storage of such property by Landlord or its duly authorized agents in accordance with the provisions herein contained. Tenant agrees that the terms of this Lease constitute full and sufficient notice of the right of Landlord to re-let the Leased premises in the event of such re-entry without effecting a surrender of this Lease, and further agrees that no acts of Landlord in effecting such re-letting shall constitute a surrender or termination of this Lease irrespective of the use or the term (subject to the preceding sentence) for which such re-letting is made or the terms and conditions of such re-letting, or otherwise, but that, on the contrary, in the event of such default by Tenant the right to terminate this Lease shall vest in Landlord to be effected in the sole and exclusive manner provided for in Paragraph X.D.5 below. Tenant further waives the right to any rental obtained by Landlord in excess of the Rent herein specified and hereby conveys and releases such excess to Landlord as compensation to Landlord for its services in re-letting the Leased Premises.

5. An acceptance of surrender of the Leased Premises must be in writing signed by Landlord.

6. LANDLORD AND TENANT AGREE THAT ANY DUTY OF LANDLORD TO MITIGATE UNDER CALIFORNIA LAW SHALL BE SATISFIED IF LANDLORD LISTS THE LEASED PREMISES WITH A BROKER OR LEASING AGENT (INCLUDING IN-HOUSE LEASING PERSONNEL) AND TAKES SUCH OTHER

COMMERCIALLY REASONABLE ACTIONS TO RELET THE LEASED PREMISES,  
SUBJECT TO THE FOLLOWING CONDITIONS:

(a) Landlord may decline to incur out-of-pocket costs to relet the Leased Premises, other than customary leasing commissions and legal fees for the negotiation of a lease with a new tenant;

(b) Landlord may decline to relet the Leased Premises at rental rates below then prevailing market rental rates; and

(c) Before reletting the Leased Premises to a prospective tenant, Landlord may require the prospective tenant to demonstrate the financial capacity to satisfy the reasonable lease obligations satisfactory to Landlord in Landlord's reasonable discretion.

Nothing in this Paragraph shall preclude Tenant from taking steps at its own expense to identify a prospective tenant with the capacity to relet or sublet the Leased Premises.

E. Self-Help Rights.

1. If a party shall violate any covenant or agreement made by it in this Lease and such violation shall not have been corrected within thirty (30) calendar days following receipt of written notice thereof, or if such violation is such that it cannot be corrected within thirty (30) calendar days and the nonperforming party shall not have commenced to correct such violation within thirty (30) calendar days, then the other party may, in addition to whatever other rights and remedies it may have at law or in equity, take such action which is considered to be commercially reasonable and prudent in scope and cost to correct the violation for and on behalf of the nonperforming party at the nonperforming party's expense. Upon completion of such cure, the performing party shall invoice the nonperforming party for the reasonable costs and expenses incurred by the performing party in correcting such violations. The cure or correction of the violation by the non-defaulting party shall not be deemed to waive the Event of Default, unless the nonperforming party makes payment to the performing party within the periods set forth in this subparagraph.

2. If the nonperforming party is Landlord and Tenant cures the nonperformance as set forth above but Landlord fails to make the payment as set forth above within thirty (30) calendar days from the receipt of such invoice, then Tenant shall notify Landlord in writing that it has not received payment and shall provide Landlord with five (5) Business Days to deliver payment to Tenant. Such notice shall contain a legend in bold type that if Landlord fails to pay such amounts to Tenant within five (5) Business Days Tenant shall exercise its right to offset such amounts against Rent. If Tenant has not received payment within such five (5) Business Day period, then Tenant shall have the right to offset such actual costs and expenses, against Rent due Landlord; provided, however, such unpaid amounts are to be offset against the Rent in the following order: first, against any Deferred Additional Rent, second, against Additional Basic Rent, third, against Additional Rent, and, finally, against Basic Annual Rent; provided, further, that Tenant shall not be entitled to offset such unpaid amounts against Basic Annual Rent unless and until Tenant has received a non-appealable judgment against Landlord, and any such offset against Basic Annual Rent is and shall be limited to the amount of the

judgment and any accrued interest thereon. Tenant shall give Landlord written notice of the exercise of any such offset right and the amount being offset pursuant to this Paragraph X.E.2.

3. If the nonperforming party is Tenant, Landlord shall have all rights and remedies set forth elsewhere in this Lease or provided by law for Events of Default. In addition, if Landlord cures the nonperformance but Tenant fails to make the payment as set forth above within thirty (30) calendar days from the receipt of such invoice, then, after the expiration of any notice and/or cure period set forth in this Lease, an additional Event of Default shall exist for Tenant's failure to make such payment and Landlord shall have all rights and remedies relating thereto.

F. Mutual Indemnity. Landlord and Tenant agree that each will defend, indemnify and hold harmless the other for all claims, demands, actions, suits, proceedings, judgments, damages, losses, costs and expenses (including, without limitation reasonable attorneys' fees) incurred by one party (the "Indemnitee") to the extent resulting from any claim or action (whether or not such claim or action proceeds to final judgment) brought or threatened for any negligence or any willful misconduct of the of the other party (the "Indemnitor"), and/or of the Indemnitor's servants, employees, agents, licensees or invitees. This indemnification will remain in effect after the termination or expiration of this Lease.

G. Remedies Cumulative. Landlord's or Tenant's rights and remedies under this Lease will be cumulative. The enumeration or exercise of certain rights and remedies above will not exclude any other right or remedy available at any time under applicable law. Upon the occurrence of an Event of Default, the damaged, non-defaulting party will be entitled to all remedies set forth above or existing at law or in equity (except that Tenant shall not have a right of termination except as may be otherwise expressly set forth herein or unless the Event of Default by Landlord rises to the level of a constructive eviction). The foregoing notwithstanding, except as may be otherwise specifically set forth herein, neither party shall be liable for consequential, punitive or other special damages as a result of an Event of Default by such party hereunder.

## **XI. ASSIGNMENT AND SUBLETTING**

A. General Rule. Tenant shall, subject to the provisions of Paragraph V.A hereof and the further provisions of this Paragraph, have the right without Landlord's prior approval to sublease the Leased Premises to the State, any political subdivision of the State, any Department of Tenant, any municipal corporation, or any agency of the State so long as the Leased Premises or subleased portion thereof used in the same manner as provided in Paragraph V.A hereof.

Except as otherwise specifically set forth in this Paragraph, no Assignment (as defined below) of this Lease or Subletting except as set forth hereinabove (as defined below) of the Leased Premises is permitted without the prior written consent of Landlord. Landlord shall not unreasonably withhold or condition its consent to any proposed Assignment or Subletting. In addition, Landlord and Tenant hereby agree and stipulate that any one or more of the following factors shall be deemed to be sufficient grounds, but shall not be the exclusive grounds, for Landlord's deciding to deny Tenant's request to sublet, assign, or otherwise transfer the Leased Premises, or any portion thereof: (i) if Tenant is being released in connection with such assignment or subletting, the credit rating and/or credit strength of the proposed subtenant/assignee is lower than Tenant's on the effective date of Assignment; (ii) whether the proposed subtenant/assignee has been adjudicated a

bankrupt or insolvent or filed a petition or action seeking any reorganization, arrangement, recapitalization, readjustment, liquidation, dissolution or similar relief under any federal bankruptcy act or any other laws in the preceding seven (7) years; (iii) the proposed use of the Leased Premises by the proposed subtenant/licensee or concessionaire is not permitted by this Lease; (iv) any violation of any laws, ordinances, government regulations, or any Restrictions by reason of such Assignment or Subletting; or (v) if any proposed assignment or subletting would jeopardize the real estate investment trust status of the Landlord, including if such assignment or subletting was (1) with any person in which Landlord owns, directly or indirectly (by applying the constructive ownership rules set forth in Section 856(d)(5) of the Internal Revenue Code of 1986, as amended (the "Code")), (a) in the case of any person which is a corporation, stock of such person possessing 10% or more of the total combined voting power of all classes of stock entitled to vote, or 10% or more of the total value of shares of all classes of stock of such person, or (b) in the case of any person which is not a corporation, an interest of 10% or more in the assets or net profits of such person; or (2) consummated in any manner which could cause any portion of the amounts received by Landlord pursuant to this Lease or any assignment or subletting document to fail to qualify as "rents from real property" within the meaning of Section 856(d) of the Code, or any similar or successor provision thereto. The prohibition set forth in item (v) of this Paragraph XI.A shall hereinafter be referred to as the "REIT Restriction".

B. Definitions. The term "Assignment" will include, but not be limited to, the following: (1) any assignment of this Lease; and/or (2) any other event similar in effect to any of the foregoing, whatsoever it is called and however it may be implemented. Notwithstanding anything to the contrary contained or implied herein or provided by applicable Restrictions, in no event may Tenant mortgage, pledge, hypothecate, grant a security interest in, or otherwise encumber this Lease (or the Leased Premises or any portion thereof). The term "Subletting" shall mean (1) a subletting of all or any part of the Leased Premises except to any public entity as allowed herein; (2) any permission to a third party to use all or part of the Leased Premises except as allowed herein; and/or (3) any other event similar in effect to any of the foregoing, whatsoever it is called and however it may be implemented.

C. Cost. In connection with any proposed Assignment or Subletting which requires Landlord's consent hereunder, Tenant shall pay Landlord's actual and reasonable legal fees and expenses in connection with any requested assignment or sublease, except that Tenant's obligation to pay such legal fees and expenses shall not exceed \$3,000.00 in connection with any Subletting.

D. Effect of Approval.

1. If required, Landlord's consent to a specific Assignment or Subletting does not waive Landlord's right to withhold consent to any future or additional Assignment or Subletting.

2. If the amount of rent and other sums received by Tenant under any Assignment or Subletting is more than the Rent due from Tenant under this Lease, then Tenant will retain the entirety of such excess and Landlord shall have no claim thereto.

3. Even if Landlord consents to an Assignment or Subletting, Tenant will remain jointly liable under this Lease with the assignee or subtenant unless Landlord agrees in



writing and in fact releases, in writing, Tenant from such primary liability, which Landlord may elect to do so in its sole and absolute discretion.

E. Assignment of Rent. If Tenant defaults under this Lease, Landlord may collect rent from the assignee, subtenant, occupant or user (the "Assignee/Subtenant") of the Leased Premises and apply it towards the Rent due under this Lease. Such collection will not be deemed an acceptance of the Assignee/Subtenant as tenant, will not waive or prejudice Landlord's right to initiate legal action against Tenant to enforce Tenant's fulfillment of its obligations under this Lease, and will not release Tenant from such obligations.

F. No Release of Tenant. Notwithstanding any assignment or subletting, Tenant shall at all times remain fully responsible and liable for the payment of the Rent herein specified and for compliance with all of its other obligations under this Lease (even if future assignments and sublettings occur subsequent to the assignment or subletting by Tenant and regardless of whether or not Tenant's approval has been obtained for such future assignments and sublettings). Finally, in the event of an assignment or subletting, it is understood and agreed that all rentals paid to Tenant during the existence of an Event of Default shall be received by Tenant in trust for Landlord, to be forwarded immediately to Landlord to the extent provided herein without offset, deduction, or reduction of any kind.

G. Assignment by Landlord. Subject to compliance with the following requirements, Landlord shall have the right to transfer and assign, in whole or in part, all of its rights and obligations under this Lease and in the Leased Premises and all other property referred to in this Lease, and in such event and upon such transfer (a "Transfer"), the transferor Landlord will be entirely relieved of all covenants and obligations which arise from and after the date the transferee executes and delivers a written agreement in writing in form reasonably acceptable to Tenant all of Landlord's obligations hereunder arising from and after the date of such assumption. Notwithstanding anything to the contrary set forth herein, Landlord may not assign its rights and obligations under this Lease at any time prior to the date of Substantial Completion of Landlord's Work. Landlord shall use due diligence and best efforts to inquire and ensure that any party to which it assigns its rights and obligations under this Lease has sufficient experience in comparable real estate transactions and sufficient financial resources to be able to satisfy all of Landlord's obligations to Tenant under this Lease, including but not limited to those obligations set forth in the following Paragraphs: II(B) (Transfer of Title Upon Expiration of Lease Term); II(C) (Option to Purchase Prior to End of Term); V(E)(2) (Landlord's Insurance); VI(D) (Environmental Obligations); VI(H) (Indemnification); VI(I) (Warranty Responsibility); and X(F) (Mutual Indemnity).

1. Each assignee or transferee shall certify and agree in writing that such assignee or transferee has read and is familiar with the requirements of Paragraphs 5950-5955 of the California Government Code, which prohibit the offer or sale of any security constituting a fractional interest in this Lease of any portion thereof, without the prior written consent of Tenant.

2. Violation by Landlord of the provisions of Paragraph 5951 of the California Government Code will constitute a material breach of this Lease, upon which Tenant may impose in an amount equal to the greater of (i) \$500,000 or (ii) 10% of the aggregate principal portion of all Annual Basic Rent payments payable by Tenant during the entire Lease Term, it being

expressly agreed that the aforesaid amount shall be imposed as liquidated damages, and not as a forfeiture or penalty. It is further specifically agreed that the aforesaid amount is presumed to be the amount of damages sustained by reason of any such violation, because from the circumstances and nature of the violation it would be impracticable and extremely difficult to fix actual damages. In addition, Tenant may exercise or pursue any other right or remedy it may have under this Lease or the applicable Legal Requirements. Tenant hereby agrees and acknowledges that distributions of profits by Landlord to its constituent members, partners and/or shareholders shall not constitute a violation of Paragraph 5951 of the California Government Code.

3. Landlord shall give Tenant notice and a copy of each instrument of Transfer and any other instrument relating thereto fifteen (15) business days prior to the effective date thereof.

4. Landlord shall not furnish any information concerning Tenant or the subject matter of this Lease (including, but not limited to, offering memoranda, financial statements, economic and demographic information, and legal opinions rendered by the Office of the County Counsel) to any person or entity, except with Tenant's prior written consent which consent shall not be unreasonably withheld, conditioned or delayed; provided however, nothing contained herein shall restrict Landlord from disclosing such information as may be already in the public domain, required by law or to its employees, agents, consultants, accountants or attorneys.

5. The provisions of this Paragraph shall be binding upon and applicable to the parties hereto and their respective successors and assigns. Whenever in this Paragraph Landlord is referred to, such reference shall be deemed to include Landlord's successors or assigns, and all covenants and agreements by or on behalf of Landlord herein shall bind and apply to Landlord's successors and assigns whether so expressed or not.

## **XII. ESTOPPEL CERTIFICATES**

Either party shall at any time upon not less than thirty (30) days' prior written notice from the other party execute, acknowledge and deliver to, the requesting party a statement in writing (a) certifying that this Lease is unmodified and in full force and effect (or, if modified, stating the nature of such modification and certifying that this Lease, as so modified, is in full force and effect) and the date to which the rent and other charges are paid in advance, if any, and (b) acknowledging that there are not to the declarant's knowledge, any uncured defaults on the part of either party hereunder, or specifying such defaults if any are claimed. Any such statement may be conclusively relied upon by any prospective purchaser or encumbrancer of the building complex or any other interested party. Failure to deliver such statement within such time shall be conclusive evidence (i) that this Lease is in full force and effect without modification except as may be represented by the requesting party in the written request for the certificate, (ii) that there are no uncured defaults in either party's performance, and in the case of Tenant's estoppel (iii) that not more than one month's Basic Annual Rent has been paid in advance. Any notice and cure provisions set forth in any other part of this Lease do not apply to the provisions of this Paragraph XII.

### **XIII. SUBORDINATION AND ATTORNMENT**

A. Security Instruments. Landlord may collaterally assign, transfer, mortgage, hypothecate or encumber Landlord's right, title and interest in and to this Lease or any portion thereof (including the right to receive Rental Payments), and Landlord may execute any and all instruments providing for the payment of Rental Payments directly to an assignee or transferee, but only in compliance with the conditions set forth in Paragraph XI.G. and this Paragraph XIII. Any document or agreement purporting to collaterally assign, transfer, mortgage, hypothecate or encumber Landlord's right, title and interest in and to this Lease or any portion thereof, is hereinafter referred to as a "Security Instrument." Any Security Instrument which is executed without full compliance with the requirements of this Paragraph shall be void.

B. Subordination. Landlord agrees not to subject the Leased Premises to any Security Instrument other than the existing Security Instrument securing repayment of the Landlord's Financing on the Lease Commencement Date, unless such deed of trust or mortgage shall meet each and every one of the following conditions: (i) that the aggregate amount of indebtedness, the repayment of which is secured by such proposed new Security Instrument does not exceed the outstanding principal amount of the Landlord's Financing immediately prior to issuance of such proposed Security Instrument (in other words, no "cash out" loan secured by Security Instruments will be permitted), (ii) that the repayment of all outstanding indebtedness is amortized over a term not to exceed the remaining Lease Term and is repayable on an annual, semiannual, quarterly, or monthly basis, and (iii) that such Security Instrument shall require that it be reconveyed for nominal consideration by the beneficiary or the beneficiary's assignee immediately upon payment in full and the delivery by Tenant of a Certificate of Acceptance pursuant to Paragraph II.B or II.C of this Lease.

Landlord agrees to notify Tenant in writing of each such proposed new Security Instrument and to assure compliance with the conditions specified herein.

Subject to Tenant's receipt of an SNDA (hereinafter defined), Tenant accepts this Lease, and the tenancy it creates, subject and subordinate to any Security Instruments securing the Landlord's Financing as of the Lease Commencement Date, and/or any extensions, modifications or amendments thereof, which are now or later will be a lien, or now affect or will affect all or any part of the Leased Premises meeting the requirements set forth above in this Paragraph XIII. Tenant agrees to execute, on request, any instruments which may be required to subordinate Tenant's interest to such financing arrangement, provided Tenant is provided with a commercially reasonable subordination, non-disturbance and attornment agreement in a form reasonably approved by Tenant and any then applicable lender (an "SNDA"), providing that so long as Tenant is not then in default of the Lease Tenant's use and occupancy of the Leased Premises shall not be disturbed as a result of any foreclosure under such financing and any such lender shall remain subject to Tenant's right to purchase the Premises upon the terms set forth herein. Landlord agrees to provide Tenant with an SNDA from Landlord's current lender, if any, in such form as may be reasonably acceptable to such lender and Tenant. Any SNDA may be made on the condition that neither the mortgagee nor anyone claiming by, through or under such mortgagee shall be:

1. liable for any act or omission of any prior Landlord (including, without limitation, the then defaulting Landlord), except that the mortgagee or its successor shall be

responsible for the cure of any default by Landlord continuing at the time the mortgagee or its successor acquires title to the Leased Premises, provided that the mortgagee had prior notice of the existence of the default by Landlord and the default is of a type or nature that is reasonably susceptible to cure by the mortgagee or its successor;

2. subject to any defense or offsets which Tenant may have against any prior Landlord (including, without limitation, the then defaulting Landlord) which arise prior to the date such mortgagee (or someone acquiring at a foreclosure sale related to the mortgagee's mortgage) acquires title to the Leased Premises, except to the extent the mortgagee received notice of the Landlord default giving rise to such offset or defense pursuant to the SNDA, the default by Landlord was of a type or nature that is reasonably susceptible to cure by the mortgagee, and the mortgagee elected not to cure such default;

3. bound by any payment of Rent which Tenant might have paid for more than the current month to any prior Landlord (including, without limitation, the then defaulting Landlord);

4. bound by any obligation to make any payment to Tenant which was required to be made prior to the time such Landlord succeeded to any prior Landlord's interest (but without limiting Tenant's defenses and offset rights in the event any such payment is not made);

5. bound by any material modification, amendment or supplement to this Lease made without the prior written consent of the mortgagee, provided that (i) such consent shall not be required for an amendment documenting the exercise by Tenant of any rights granted in this Lease; and (ii) the mortgagee's consent shall not be unreasonably withheld or conditioned and shall be deemed given if the mortgagee does not give Tenant written notice denying such consent within ten (10) days after receipt of written request for such consent accompanied by a copy of the proposed modification, amendment or supplement.

C. Attornment. Subject to Tenant's receipt of an SNDA, Tenant agrees, upon the Transfer (as defined below) or termination of Landlord's interest in the Leased Premises and upon written request, to attorn to the person or entity that holds title to the reversion of the Leased Premises (the "Successor") and to all subsequent Successors. Tenant also will pay to the Successor all rents and other sums required to be paid by Tenant, and perform all of the other covenants, agreements and terms required of Tenant under this Lease from the date of the applicable Transfer.

#### **XIV. LANDLORD'S LIABILITY**

A. Upon Transfer. Upon any Transfer, the transferor Landlord will be entirely relieved of all covenants and obligations which arise after the date the transferee executes and delivers a written agreement in writing in form reasonably acceptable to Tenant all of Landlord's obligations hereunder arising from and after the date of such assumption.

B. No Personal Liability. No member, partner, shareholder, director, officer, employee or other principal or agent of Landlord, as it may now or hereafter be constituted, shall have any personal liability to Tenant and/or any person or entity claiming under, by or through Tenant upon any action, claim, suit or demand brought under or pursuant to the terms and

conditions of this Lease and/or arising out of the use or occupancy by Tenant of the Leased Premises.

**XV. INTENTIONALLY OMITTED**

**XVI. NOTICES**

Except as otherwise provided in this Lease, any requirement for a notice, demand or request under this Lease will be satisfied by a written document: (a) hand-delivered with receipt; (b) mailed by United States registered or certified mail, return receipt requested, postage prepaid; (c) sent by FedEx, Express Mail or any other nationally recognized overnight courier service, and addressed:

- (i) if to Landlord:

Wolverine \ Inyo LLC  
16250 Knoll Trail Drive, #102  
Dallas, Texas 75248  
Attn: Jim Leslie

with a copy to:

Kane Russell Coleman Logan PC  
3700 Thanksgiving Tower  
1601 Elm Street  
Dallas, Texas 75201  
Attn: Raymond J. Kane

- (ii) if to Tenant:

County of Inyo  
Office of the County Administrator  
Attention: Office Consolidation Project  
224 N. Edwards  
Independence, CA 93526

With a copy to:

Inyo County Counsel  
P.O. Box M,  
224 No. Edwards St  
Independence, CA 93526

All notices that are sent in accordance with this Paragraph will be deemed received by the other party on the earliest of the following applicable time periods: (a) three (3) Business Days after being mailed in the aforesaid manner; (b) the date the return receipt is executed; or (c) on the date delivered as documented by the overnight courier service or the hand delivery receipt. Either party may designate a change of address by written notice to the other party. Notices may be given on behalf of a party by an agent or outside counsel.

## **XVII. COMMISSIONS**

A. Indemnification by Tenant. Tenant represents that Tenant has dealt with no broker in connection with this Lease and that no broker has been involved in the procurement or negotiation of this Lease on behalf of Tenant nor is any other broker entitled to any commissions in connection herewith. Tenant will defend, hold harmless and indemnify Landlord from any claims, demands, actions, suits, proceedings, judgments, losses, damages, costs and expenses (including, without limitation, reasonable attorneys' fees) incurred by Landlord arising out of any other broker's claim that such other broker has assisted, represented or been engaged by Tenant with respect to this Lease.

B. Indemnification by Landlord. Landlord represents that Landlord has dealt with no broker in connection with this Lease, and that no broker was involved in the procurement or negotiation of this Lease on behalf of Landlord or is entitled to any commissions in connection with this Lease.. Landlord will defend, hold harmless and indemnify Tenant from any claims, demands, actions, suits, proceedings, judgments, losses, damages, costs and expenses (including, without limitation, attorneys' fees) incurred by Tenant arising out of any broker's claim..

## **XVIII. MISCELLANEOUS**

A. Severability, Enforceability. If any provision of this Lease, or its application to any person, is found invalid or unenforceable, the remainder of this Lease or its application will not be affected. Each term and provision of this Lease will be valid and enforceable to the fullest extent permitted by law. Notwithstanding any language in this Lease to the contrary, if the Term does not commence on or before that date which is thirty-two (32) months after the Effective Date of this Lease, this Lease will automatically terminate, and neither party will have any further liability to the other.

B. Captions. All headings contained in this Lease are for convenience only. They are not to be treated as a summary construction of the provisions to which they pertain.

C. Recordation. Either party may record a memorandum of this Lease in the Official Records of Inyo County at any time without the prior written consent of the other party; provided, however, that each party shall cooperate with the other in the execution and delivery of a memorandum of this Lease. The party requesting recordation will pay all recording fees, transfer taxes and/or documentary stamp taxes payable in connection with the recordation.

D. Successors and Assigns. Subject to the restrictions on the transfer of Tenant's and Landlord's interests hereunder as set forth herein, this Lease and all of its provisions, individually and collectively, will bind and inure to the benefit of Landlord and Tenant, and their respective heirs, distributees, executors, administrators, successors, personal and legal representatives and their permitted assigns.

E. Quiet Enjoyment. Landlord covenants to Tenant that, so long as Tenant pays the Rent and performs all other obligations imposed on Tenant under this Lease, and subject to all matters of record and all mortgages and other financing arrangements, Tenant will peaceably hold and enjoy the Leased Premises throughout the Term without hindrance or impairment from Landlord or those claiming through Landlord.

F. Force Majeure. In the event that either party to this Lease is delayed, hindered or prevented, by reason of strikes, lock-outs, inability to procure materials, delays in transportation, failure of power, restrictive governmental laws or regulations that prevent, delay or prohibit the ability to perform, riots, insurrection, war, fire or other casualties, acts of God, extreme rain or other weather conditions beyond normal conditions for the season, or any other reason not reasonably within the control of the party so delayed, hindered or prevented ("Force Majeure"), from performing work or doing any act required under the terms of this Lease, then performance of such act will be excused for the period of the delay, and the period of the performance of any such act will be extended for a period equal to the period of such delay. Notwithstanding the foregoing, (1) Force Majeure shall not be deemed to exist to the extent that materials and supplies are not available from Landlord's preferred providers due to strikes, boycotts, lock-outs or labor troubles if such materials and supplies are otherwise available from other reputable suppliers at comparable costs and Landlord is permitted to obtain such materials and supplies from such suppliers under this Lease and any applicable Legal Requirements, and (2) lack of funds is not an excuse delaying, hindering or preventing a party from performing under this Lease and the occurrence of any event

described in this Paragraph XVIII.F will not operate to excuse Tenant from prompt payments of Rent required by this Lease.

G. Venue. The parties hereto agree that venue for any claims or controversy arising out of this Agreement shall be in Inyo County, California.

H. Gender. As used in this Lease, and where the context requires: (a) the masculine will be deemed to include the feminine and neuter and vice-versa; and (b) the singular will be deemed to include the plural and vice-versa.

I. Governing Law. This Lease is made in the State of California and will be governed in all respects by the laws of the State of California without regard to principles of conflicts of laws.

J. Exhibits Incorporated. All plats, exhibits, riders or other attachments to this Lease are a part of this Lease and are incorporated by reference into this Lease.

K. Entire Agreement. THIS LEASE CONTAINS THE ENTIRE AGREEMENT BETWEEN LANDLORD AND TENANT REGARDING THE SUBJECT MATTER OF THIS LEASE. THERE ARE NO PROMISES, AGREEMENTS, CONDITIONS, UNDERTAKINGS, WARRANTIES OR REPRESENTATIONS, ORAL OR WRITTEN, EXPRESS OR IMPLIED, BETWEEN THEM, RELATING TO THIS SUBJECT MATTER, OTHER THAN AS SET FORTH IN THIS LEASE. THIS LEASE IS INTENDED BY LANDLORD AND TENANT TO BE AN INTEGRATION OF ALL PRIOR OR CONTEMPORANEOUS PROMISES, AGREEMENTS, CONDITIONS, NEGOTIATIONS AND UNDERTAKINGS BETWEEN THEM.

L. Amendments. THIS LEASE MAY NOT BE MODIFIED ORALLY OR IN ANY MANNER OTHER THAN BY AN AGREEMENT IN WRITING SIGNED BY LANDLORD AND TENANT OR THEIR RESPECTIVE SUCCESSORS IN INTEREST.

If Tenant or any of its Departments should, as a condition of receiving funding or otherwise, request any modification of this Lease, Landlord shall consider such request in good faith consistent with the purpose and intent of this Lease and the rights and obligations of the parties under this Lease subject to Landlord's attorney's review, if deemed needed by Landlord, at Tenant's cost; which shall not exceed Two Thousand Dollars \$2,000. Landlord shall approve any such revisions to the terms of this Lease requested by Tenant that (a) are limited to minor, technical or procedural matters; (b) do not result in a reduction in Tenant's Rent, the Term, or other obligations; (c) do not materially adversely affect the financeability of the project pursuant to Landlord's Financing and the Security Instruments given in connection therewith; and (d) do not materially reduce any benefit to Landlord or increase any obligation of Landlord pursuant to this Lease.

M. Counterparts. THIS LEASE MAY BE EXECUTED IN COUNTERPARTS, EACH OF WHICH WILL BE AN ORIGINAL, BUT ALL OF WHICH WILL CONSTITUTE ONE AND THE SAME LEASE.



N. Attorneys' Fees. In the event of any litigation arising under or pursuant to the terms of this Lease, the non-prevailing party in such litigation shall pay the actual and reasonable fees and expenses incurred in connection with such litigation, including court costs and attorneys' fees and expenses.

O. Limits of Liability. In case of an Event of Default hereunder by Landlord, Tenant shall look solely to the equity interests of Landlord in the Leased Premises. Neither Landlord nor any of the officers, directors, members or affiliates of Landlord, nor any parent, subsidiary officer, director or affiliate thereof shall have any personal liability to pay any indebtedness accruing hereunder or to perform any covenant, either express or implied, herein contained. Any such personal liability of Landlord is expressly waived and released by Tenant and by all persons claiming by, through or under Tenant.

P. Time of Essence. Time is of the essence with respect to all provisions of this Lease.

Q. Consents. Unless otherwise expressly provided in this Lease that an election may be made in a party's sole discretion, whenever under this Lease provision is made for either party's securing the consent or approval of the other party, (i) such consent or approval shall be in writing and shall not be unreasonably withheld, delayed or conditioned, and (ii) in all matters contained herein, both parties shall have an implied obligation of reasonableness.

R. Police Power. Except where expressly provided to the contrary in this Agreement, the capacity of Tenant hereunder shall be its proprietary capacity only ("Proprietary Capacity"), and any obligations or restrictions imposed by this Lease on Tenant shall be limited to that capacity and shall not relate to, constitute a waiver of, supersede or otherwise limit, restrict, amend or modify, nor to constitute a waiver or release of, the governmental capacities or police powers of Tenant (its "Governmental Capacity"), or any ordinances, notices, orders, rules, regulations or other Legal Requirements (now or hereafter enacted or adopted and/or as amended from time to time) of Tenant, its departments, commissions, agencies and boards and the officers thereof, including, without limitation, any general plan or any zoning ordinances, or any of Tenant's duties, obligations, rights or remedies thereunder or pursuant thereto or the general police powers, rights, privileges and discretion of Tenant in the furtherance of the public health, welfare and safety of the inhabitants thereof, including, without limitation, the right under law to make and implement independent judgments, decisions and/or acts with respect to planning and/or development matters (including, without limitation, approval or disapproval of plans and/or issuance or withholding of building permits) whether or not consistent with the provisions of this Lease, any Exhibits attached hereto or any other documents contemplated hereby (collectively, "County Rules and Powers"). No portion of this Lease shall be interpreted as an approval by The County of Inyo, acting in its Governmental Capacity, of any design, plan, use or improvement on the Property. Notwithstanding anything herein to the contrary, Tenant when acting in its Governmental Capacity, shall be permitted to utilize its sole and absolute discretion with respect to matters requiring its approval hereunder. In the event of any conflict, inconsistency or contradiction between any terms, conditions or provisions of this Lease, Exhibits or such other documents, on the one hand, and any such County Rules and Powers, on the other hand, the latter shall prevail and govern in each case. This Section shall be interpreted for the benefit of County

S. Warranties or Guarantees. In the event that any of the items required to be maintained and repaired by Landlord under the provisions of Paragraph VI hereof or by Tenant under the provisions of Paragraph V hereof are protected by warranties or guarantees Tenant shall be entitled to the full benefit of such protection as if it were the original purchaser thereof.

T. Impairment of Title. Landlord hereby covenants to notify Tenant in writing within thirty (30) days of each and every occurrence which may impair Landlord's title to the Leased premises. Such occurrences include, but are not limited to, default on a trust deed, transfer of any interest in any trust deed, notification of any lien recordation, and notification of any foreclosure. Landlord further agrees to notify Tenant, in writing, within thirty (30) days of receipt of any written notice regarding redevelopment, zoning, or conditional use permits which affect the Leased Premises.

U. No Merger. There shall be no merger of the leasehold estate hereby created with the fee estate in the Leased Premises or any part thereof if the same person acquires or holds, directly or indirectly, this Lease or any interest in this Lease and the fee estate in the Leased Premises or any interest in such fee estate.

## **XIX. OFAC COMPLIANCE**

A. Representations. Landlord represents and warrants that, to Landlord's actual knowledge, without independent investigation, which knowledge is based solely upon the current actual knowledge of the senior level management of Landlord: (a) Landlord: (i) is not currently identified on the Specially Designated Nationals and Blocked Persons List maintained by the Office of Foreign Assets Control, Department of the Treasury ("OFAC") and/or on any other similar list maintained by OFAC pursuant to any authorizing statute, executive order or regulation (collectively, the "List"), and (ii) is not a person or entity with whom a citizen of the United States is prohibited to engage in transactions by any trade embargo, economic sanction, or other prohibition of United States law, regulation, or Executive Order of the President of the United States, (b) none of the funds or other assets of Landlord constitute property of, or are beneficially owned, directly or indirectly, by any Embargoed Person (as hereinafter defined), (c) no Embargoed Person has any direct or indirect controlling interest of any nature whatsoever in Landlord (whether directly or indirectly), (d) none of the funds of Landlord have been derived from any unlawful activity with the result that the investment in Landlord is prohibited by law or that the Lease is in violation of law, and (e) Landlord has implemented procedures, and will consistently apply those procedures, to ensure the foregoing representations and warranties remain true and correct at all times. The term "Embargoed Person" means any person, entity or government subject to trade restrictions under U.S. law, including but not limited to, the International Emergency Economic Powers Act, 50 U.S.C. §1701 et seq., the Trading with the Enemy Act, 50 U.S.C. App. 1 et seq., and any Executive Orders or regulations promulgated thereunder with the result that the investment in Tenant is prohibited by law or Tenant is in violation of law.

B. OFAC Covenant. Landlord covenants and agrees: (i) to comply with all requirements of law relating to money laundering, anti-terrorism, trade embargos and economic sanctions, now or hereafter in effect, (ii) to promptly notify Tenant in writing as soon as it receives notification that any of the representations, warranties or covenants set forth in this Paragraph or

the preceding Paragraph are no longer true or have been breached, (iii) not to use funds from any "Prohibited Person" (as such term is defined in the September 24, 2001 Executive Order Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism) to make any payment due to Tenant under the Lease and (iv) at the request of Tenant, to provide such information as may be reasonably requested by Tenant to determine its compliance with the terms hereof.

## **XX. FINANCIAL INFORMATION**

Tenant is a California Public Entity whose audited financial statements are available on line.

A. Tenant's Representations. Tenant represents, covenants and warrants to Landlord as follows:

1. Due Organization and Existence. Tenant is a political subdivision of the State, duly organized and validly operating as such under the Constitution and laws of the State.

2. Authorization, Enforceability. The Constitution and laws of the State authorize Tenant to enter into this Lease and to enter into the transactions contemplated by and to carry out its obligations' under this Lease, and Tenant has duly authorized the execution and delivery of this Lease. This Lease constitutes a legal, valid and binding obligation of Tenant, enforceable in accordance with its terms, except as such enforcement may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles affecting the rights of creditors generally.

3. No Violations. None of the execution and delivery of this Lease, the fulfillment of or compliance with the terms and conditions hereof, or the consummation of the transactions contemplated hereby, conflicts with or results in a breach of the terms, conditions or provisions of any restriction or any agreement or instrument to which Tenant is now a party, or by which Tenant is bound, or constitutes a default under any of the foregoing, or results in the creation or imposition of any prohibited lien, charge or encumbrance whatsoever upon any of the property or assets of Tenant.

4. Execution and Delivery. Tenant has taken all actions required to authorize and execute this Lease in accordance with the Constitution and laws of the State and all acts, conditions and things required by the Constitution and statutes of the State to exist, to have happened and to have been performed precedent to and in connection with the execution and delivery by Tenant of this Lease, do exist, have happened and have been performed in due time, form and manner as required by law.

B. Landlord's Representations. Landlord represents, covenants and warrants to Tenant as follows:

1. Due Organization and Existence; Authorization, Enforceability. Landlord is a limited liability company duly organized, existing and in good standing under and by virtue of the laws of the State, and has the full power to enter into this Lease Agreement and to enter into the transactions contemplated by and to carry out its obligations under this Lease Agreement; is

possessed of full power to own and hold real and personal property, and to lease the same; and Landlord has duly authorized the execution and delivery of this Lease Agreement. This Lease Agreement constitutes a legal, valid and binding obligation of Landlord, enforceable in accordance with its terms, except as such enforcement may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles affecting the rights of creditors generally.

2. No Violations. None of the execution and delivery of this Lease, the fulfillment of or compliance with the terms and conditions hereof, or the consummation of the transactions contemplated hereby, conflicts with or results in a breach of the terms, conditions or provisions of the limited liability operating agreement of the Landlord (the "Landlord Formation Documents") or provisions of any restriction or any agreement or instrument to which Landlord is now a party or by which Landlord is bound, or constitutes a default under any of the foregoing, or results in the creation or imposition of any prohibited lien, charge or encumbrance whatsoever upon any of the property or assets of Landlord.

3. Execution and Delivery. Landlord has taken all actions required to authorize and execute this Lease in accordance with Landlord Formation Documents of Landlord and laws of the State and all acts, conditions and things required by Landlord Formation Documents of Landlord and laws of the State to exist, to have happened and to have been performed precedent to and in connection with the execution and delivery by Landlord of this Lease, do exist, have happened and have been performed in due time, form and manner as required by Landlord Formation Documents of Landlord and by law.

## **XXI. CERTAIN CONSTRUCTION MATTERS**

A. Bidding. Any and all construction pertaining to this Lease by Landlord or its designated contractors or subcontractors, including then initial construction of the Improvements pursuant to the Work Letter and the performance of any warranty or repair obligations under Paragraph VI above, shall comply with all applicable Legal Requirements relating to the bidding and procurement of contracts for construction of County buildings.

B. Labor Laws. Any and all construction pertaining to this Lease by Landlord or its designated contractors or subcontractors shall comply with all applicable Legal Requirements, including but not limited to all provisions of the Labor Code of the State of California and the Davis-Bacon Act (40 U.S.C. 276 et. seq.).

1. Compliance with Prevailing Wage Requirements. Landlord shall abide by all prevailing wage requirements during the construction of the Project, to the extent applicable to Landlord. If required by applicable law, Landlord shall pay, or cause to be paid, prevailing wages, for all construction work on the Project. For the purposes of this Agreement, "prevailing wages" means not less than the general prevailing rate of per diem wages, as defined in Section 1773 of the California Labor Code and Subchapter 3 of Chapter 8, Division 1, Title (of the California Code of Regulations (Section 16000 et seq.), and as established by the Director of the California Department of Industrial Relations ("DIR"), for the respective craft classification. In any case where the prevailing wage is established by the DIR, the general prevailing rate of per diem wages shall be adjusted annually in accordance with the established rate in effect as of such date.

2. Landlord agrees that to the extent it is required to comply with the prevailing wage requirements, Landlord shall assure that all workers are paid the prevailing rate of per diem wages, and travel and subsistence payments (defined in applicable collective bargaining agreements filed in accordance with Section 1773.8 of the California Labor Code), in effect on the date of Landlord's first approval of a building permit or other approval of the work. If applicable, copies of the applicable prevailing rate of per diem wages are on file at Landlord's principal office and will be made available to any interested party on request.

3. Prevailing Wage Law. Where Applicable Laws, including DIR decisions, orders, or rules, concerning prevailing wages require that Landlord pay prevailing wages, then Landlord shall comply fully with all applicable requirements of those prevailing wage rules and laws and, upon Tenant's request, promptly demonstrate its full compliance with those rules and laws.

4. Landlord shall indemnify, hold harmless and defend (with counsel reasonably acceptable to Tenant) Tenant against any claim for damages, compensation, fines, penalties or other amounts arising out of the failure or alleged failure of any person or entity (including Landlord, its contractor and subcontractors) to pay prevailing wages as determined pursuant to Labor Code Sections 1720 et seq. and implementing regulation or comply with the other applicable provisions of Labor Code Sections 1720 et seq. and implementing regulations of the Department of Industrial Relations in connection with construction of the improvements or any other work undertaken or in connection with the Leased Premises. Landlord agrees that Tenant has fulfilled any obligation it may have with respect to informing Landlord regarding applicability of prevailing wage requirements, and Landlord shall not seek contribution or indemnity from Tenant for any prevailing wage amount Landlord is ultimately required to pay to any person or entity. Any amounts due from Landlord to Tenant under the foregoing provision, together with interest thereon at the maximum legal rate from the date incurred by Tenant, may be offset against the next due Rent hereunder.

**[Signature page follows]**

IN WITNESS WHEREOF, Landlord and Tenant, intending to be legally bound hereby, have signed this Lease under seal as of the date first above written.

APPROVED AS TO FORM

\_\_\_\_\_  
COUNTY COUNSEL

By: \_\_\_\_\_  
County Counsel

APPROVED AS TO ACCOUNTING FORM:

\_\_\_\_\_  
County Auditor

APPROVED AS TO PERSONNEL REQUIREMENTS:

\_\_\_\_\_  
Personnel Services

APPROVED AS TO INSURANCE REQUIREMENTS:

\_\_\_\_\_  
County Risk Manager

LANDLORD:

**WOLVERINE \\_INYO LLC,**  
a Texas limited liability company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

TENANT:

**COUNTY OF INYO**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: Board Chair

## ADDENDUM 1

### DEFINITIONS

As used in the Lease, the following terms will have the meanings given such terms in this **Addendum 1**.

"Additional Basic Rent" shall have the meaning ascribed to such term in Paragraph IV.E.

"Additional Rent" shall have the meaning ascribed to such term in Paragraph IV.C.

"Assignee/Subtenant" shall have the meaning ascribed to such term in Paragraph XI.E.

"Assignment" shall have the meaning ascribed to such term in Paragraph XI.B.

"Bankruptcy Code" shall mean Title 11 of the United States Code, as now or hereafter in effect, and all other applicable liquidation, conservatorship, bankruptcy, moratorium, rearrangement, insolvency, reorganization, or similar debtor relief laws affecting the rights of creditors generally from time to time in effect.

"Basic Annual Rent" shall have the meaning ascribed to such term in Paragraph IV.D.

"Building" shall have the meaning ascribed to such term in Paragraph I.B.

"Code" shall have the meaning ascribed to such term in Paragraph XI.A.

"Communications Equipment" shall have the meaning ascribed to such term in Paragraph V.J.1.

"County Confidential Business" shall have the meaning ascribed to such term in Paragraph VI.A.

"Early Option Closing Date" shall have the meaning ascribed to such term in Paragraph II.C.

"Early Option Notice" shall have the meaning ascribed to such term in Paragraph III.C.

"Effective Date" means the date set forth in the preamble to the Lease, which is the date the Lease was executed and delivered by Tenant.

"Embargoed Person" shall have the meaning ascribed to such term in Paragraph XIX.A.

"Event of Default" shall have the meaning ascribed to such term in Paragraph X.A.

"Force Majeure" shall have the meaning ascribed to such term in Paragraph XVIII.F.

"Generate" and its grammatical offshoots means to use, collect, generate, store, transport, treat or dispose of.



"Governmental Capacity" shall have the meaning ascribed to such term in Paragraph XVIII.R.

"Hazardous Substance" shall mean: (a) any "hazardous waste" as defined by the Resource Conservation and Recovery Act of 1976 (42 U.S.C. § 6901 et seq.), as amended from time to time, and regulations promulgated thereunder; (b) any "hazardous substance" as defined by the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 U.S.C. § 9601 et seq.), as amended from time to time, and regulations promulgated thereunder; (c) any other hazardous or toxic materials or substances regulated by any federal, state or local laws and regulations relating to pollution control, hazardous or toxic wastes, substances and constituents, including hydrocarbonic substances, and other environmental and ecological matters, including but not limited to the Federal Water Pollution Control Act (33 U.S.C. § 1251 et seq.), Resource Conservation and Recovery Act (42 U.S.C. § 6901 et seq.), Safe Drinking Water Act (42 U.S.C. § 300f et seq.), Toxic Substances Control Act (15 U.S.C. § 2601 et seq.), the Clean Air Act (42 U.S.C. § 7401 et seq.), Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. § 9601, et seq.), (d) any substance the presence of which on the Property is prohibited, regulated or restricted by any law or regulation; and (e) any other substance which by law or regulation; requires special handling in its Generation.

"Impositions" shall have the meaning ascribed to such term in Paragraph IV.H.

"Indemnitee" shall have the meaning ascribed to such term in Paragraph X.F.

"Indemnitor" shall have the meaning ascribed to such term in Paragraph X.F.

"Insurance Trustee" shall have the meaning ascribed to such term in Paragraph VII.B.

"Interruption" shall have the meaning ascribed to such term in Paragraph VI.G.

"Known Pre-Existing Conditions" shall have the meaning ascribed to such term in Paragraph V.G.1.

"Landlord Formation Documents" shall have the meaning ascribed to such term in subparagraph XX.B.2.

"Landlord's Broker" shall have the meaning ascribed to such term in Paragraph XVII.B.

"Landlord's Financing" shall mean the indebtedness of Landlord as of the Lease Commencement Date secured by a Security Instrument on the Leased Premises, the outstanding principal amount of which shall not exceed Six Million Two Hundred Thousand \$6,200,000.00 as of the Lease Commencement Date without Tenant's prior written consent.

"Landlord's Insurance" shall have the meaning ascribed to such term in Paragraph V.E.2.

"Lease Commencement Agreement" shall have the meaning ascribed to such term in Paragraph III.B.

"Lease Commencement Date" shall have the meaning ascribed to such term in Paragraph III.A.

"Leased Premises" shall have the meaning ascribed to such term in Paragraph I.B.

"Lease Year" shall mean each consecutive period of twelve (12) successive calendar months during the Term, beginning on the Lease Commencement Date. If the Lease Commencement Date does not occur on the first day of a month, the first Lease Year will include the partial month following the Lease Commencement Date plus twelve (12) full calendar months.

"Legal Requirements" shall mean each and every law, statute, ordinance, code, rule, order, condition of approval, policy, regulation and/or restrictive covenant recorded against title to the Property applicable to the ownership, development, use, maintenance, repair, replacement and/or use of the Property and/or the Leased Premises, whether in force on or after the Lease Commencement Date, to the extent legally binding on the party to whom such term is applied in this Lease.

"List" shall have the meaning ascribed to such term in Paragraph XIX.A.

"Management Change Date" shall have the meaning ascribed to such term in Paragraph VI.E.

"Management Notice" shall have the meaning ascribed to such term in Paragraph VI.E.

"Material Tenant Alterations" shall have the meaning ascribed to such term in subparagraph V.B.1.

"Minimum Required Parking" shall have the meaning ascribed to such term in Paragraph VIII.A.

"Monument Sign" shall have the meaning ascribed to such term in Paragraph V.I.

"OFAC" shall have the meaning ascribed to such term in Paragraph XIX.A.

"Operating Expenses" shall mean, prior to delivery by Landlord of a Management Notice, (i) premiums for Landlord's Insurance (if applicable) and (ii) any assessments levied against the Property pursuant to the Restrictions. After delivery of a Management Notice, and for so long as Landlord manages the Leased Premises, Operating Expenses shall also include the reasonable costs incurred by Landlord to maintain, repair and replace the Leased Premises. The term "Operating Expenses" does not include the items set forth in Paragraph C of **Exhibit F** attached to this Lease.

"Operating Year" shall mean each respective calendar year during the Term. If the Lease Commencement Date is not on a January 1, or the last day of the Term (whether by expiration or earlier termination) is not on a December 31, then Operating Expenses and Taxes for that Operating Year shall be prorated accordingly based on the applicable number of calendar days elapsed over a 365-day year.

"Option Purchase Price" shall have the meaning ascribed to such term in Paragraph III.B.

"Prime Rate" shall have the meaning ascribed to such term in Paragraph X.D.3(a).

"Prohibited Person" shall have the meaning ascribed to such term in Paragraph XIX.B.

"Property" shall mean that certain tract of land containing approximately 3.31 acres which is located within the Leased Premises and depicted in **Exhibit B** attached to the Lease. Prior to the Effective Date, Landlord has caused the Property to be subdivided from that certain larger tract of real property containing 5.69 acres, so that the Property is legally subdivided from the Joseph Parcel, separately assessed for purposes of Taxes.

"Proprietary Capacity" shall have the meaning ascribed to such term in Paragraph XVIII.R.

"REIT Restriction" shall have the meaning ascribed to such term in Paragraph XI.A.

"Rent" shall have the meaning ascribed to such term in Paragraph IV.C.

"Security Instrument" shall have the meaning ascribed to such term in Paragraph XIII.A.

"SNDA" shall have the meaning ascribed to such term in Paragraph XIII.B.

"State" means the State of California.

"Subletting" shall have the meaning ascribed to such term in Paragraph XI.B.

"Successor" shall have the meaning ascribed to such term in Paragraph XIII.C.

"Taxes" shall mean any present or future federal, state, municipal, local and/or any other taxes, assessments, levies, benefit charges and/or other governmental and/or private impositions (including any special services district), imposed, levied, assessed and/or attributable directly or indirectly to the Leased Premises or any portion of the Leased Premises or upon the Rent due and payable under this Lease, whether now customary or within the contemplation of Landlord and Tenant and whether extraordinary or ordinary, general or special, foreseen or unforeseen, or similar or dissimilar to any of the foregoing. The term "Taxes" does not include any inheritance, estate, succession, income, profits or franchise tax. If, however, at any time during the Term the method of taxation prevailing on the date hereof is altered or eliminated so that one or more of the items listed in the first sentence of this subsection is replaced by a levy, assessment or imposition, wholly or partly as a capital levy, or otherwise, on the rents or income received from the Leased Premises (provided the tax on such income is not a tax levied on taxable income generally) wholly or partly in place of an imposition on, a substitute for, or an increase of, taxes in the nature of Taxes currently issued against the Leased Premises, the charge to Landlord resulting from such altered or replacement method of taxation will be deemed to be within the definition of "Taxes".

"Tenant's Early Option" shall have the meaning ascribed to such term in Paragraph II.C.

"Tenant's Nominee" shall have the meaning ascribed to such term in Paragraph II.B.

"Term" shall have the meaning ascribed to such term in Paragraph II.A.

"Termination Warning" shall have the meaning ascribed to such term in Paragraph VI.E.

"Transfer" shall have the meaning ascribed to such term in Paragraph XI.G.

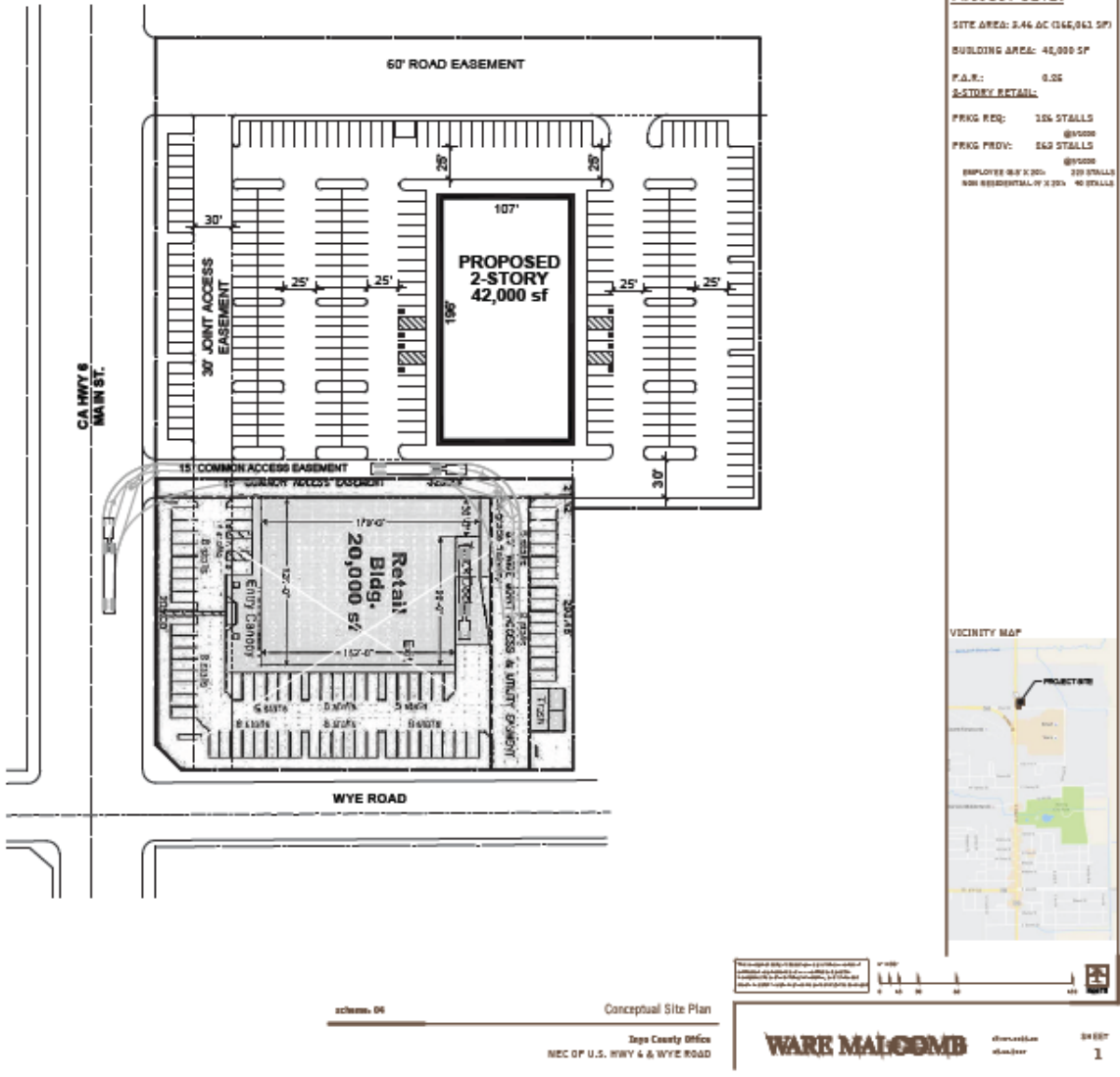
"waste products" shall have the meaning ascribed to such term in Paragraph V.K.

"Work Letter" means, collectively, **Exhibits C-1, C-2, and C-3** attached hereto.

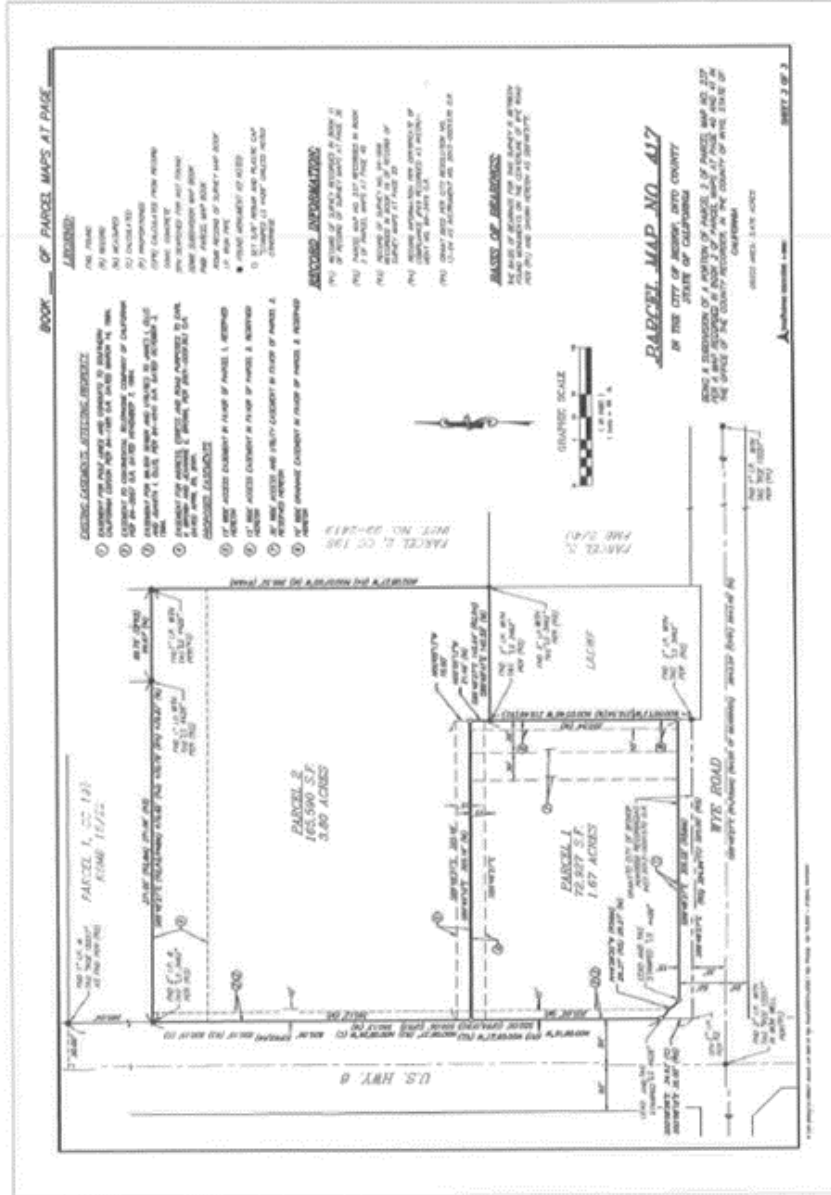
Unless otherwise defined, capitalized terms used in this Lease that are not defined in this **Addendum 1** or the body of the Lease have the meanings given them in the Work Letter.

**EXHIBIT A**  
**SITE PLAN OF PROPERTY**

[see attached]



# EXHIBIT B LEASED PREMISES



**OWNERSHIP STATEMENT**

In the undersigned being hereby and being and intended to be the only party having authority to bind, consent to the preparation and recording of this parcel map.

JOHN J. GIBSON, L.A. 4 CHARTERED MEMBER PLANNERSHIP

State of California, County of Alameda, City of Alameda, California

ALL THE PARTS OF THIS PARCEL MAP, INCLUDING THE CERTIFICATE OF RECORDATION, THE STATEMENT OF THE PLANNERSHIP, AND ALL THE INSTRUMENTS RELATING TO THE SAME, ARE HEREBY APPROVED AND AUTHORIZED BY THE BOARD OF SUPERVISORS OF THE CITY OF ALAMEDA, CALIFORNIA.

State of California, County of Alameda, City of Alameda, California

**CITY COUNCIL CERTIFICATE**

In the presence of \_\_\_\_\_, Mayor of the City of Alameda, California, and \_\_\_\_\_, City Clerk of Alameda, California, the following instrument was read and approved by the City Council of the City of Alameda, California, on this \_\_\_\_\_ day of \_\_\_\_\_, 2008.

Date: \_\_\_\_\_ City: Alameda, City of Alameda

**CITY ENGINEER'S STATEMENT**

I hereby certify that the parcel map is in accordance with the provisions of the City Charter and the City Code of Alameda, California, and that the same is a true and correct copy of the original as filed with me.

Date: \_\_\_\_\_ By: \_\_\_\_\_, City Engineer, City of Alameda

**TAX COLLECTOR'S CERTIFICATE**

I hereby certify that, according to the records of the City of Alameda, California, there are no taxes due on the parcel map, and that the same is a true and correct copy of the original as filed with me.

Date: \_\_\_\_\_ By: \_\_\_\_\_, City Tax Collector, City of Alameda

**SIGNATURE OVERSIGHTS**

The undersigned, the members, their successors and assigns, members of the Board of Supervisors of the City of Alameda, California, do hereby certify that the parcel map is a true and correct copy of the original as filed with me.

Alameda, California, this \_\_\_\_\_ day of \_\_\_\_\_, 2008.

**RECORDERS CERTIFICATE**

I hereby certify that the parcel map is in accordance with the provisions of the City Charter and the City Code of Alameda, California, and that the same is a true and correct copy of the original as filed with me.

Date: \_\_\_\_\_ By: \_\_\_\_\_, Recorder, County of Alameda

**SUPERVISOR'S STATEMENT**

I hereby certify that the parcel map is in accordance with the provisions of the City Charter and the City Code of Alameda, California, and that the same is a true and correct copy of the original as filed with me.



Date: \_\_\_\_\_ By: \_\_\_\_\_, Supervisor, City of Alameda

**CITY SUPERVISOR'S STATEMENT**

I hereby certify that the parcel map is in accordance with the provisions of the City Charter and the City Code of Alameda, California, and that the same is a true and correct copy of the original as filed with me.

Date: \_\_\_\_\_ By: \_\_\_\_\_, City Supervisor, City of Alameda

**PARCEL MAP NO. 417**

IN THE CITY OF ALAMEDA, COUNTY OF ALAMEDA, STATE OF CALIFORNIA

BEING A SUBDIVISION OF A PORTION OF PARCEL 2 OF PARCEL MAP NO. 217 AND A PART RECORDED IN BOOK 3 OF PARCELS MAPS AT PAGE 40 AND 41 IN THE OFFICE OF THE COUNTY RECORDER, IN THE COUNTY OF ALAMEDA, STATE OF CALIFORNIA.

2008 JUL 2 4:00 PM

Alameda

SHEET 1 OF 3

BOOK \_\_\_\_\_ OF PARCEL \_\_\_\_\_

THIS IS THE ONLY ORIGINAL RECORD OF THE ABOVE PROPERTY AND SHALL BE KEPT IN THE OFFICE OF THE COUNTY CLERK.

A COUNTY MAP OF THE CITY OF BROWARD, FLORIDA, COMPLYING WITH THE PROVISIONS OF CHAPTER 348, F.S., AND CHAPTER 218, F.S., IS HEREBY FILED FOR RECORD IN THE OFFICE OF THE COUNTY CLERK, BROWARD COUNTY, FLORIDA.

Date of \_\_\_\_\_

By \_\_\_\_\_, County Clerk.

Witness my hand and the seal of said County at \_\_\_\_\_, Florida, this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_

**PARCEL MAP NO. 417**

OF THE CITY OF BROWARD, BROWARD COUNTY  
STATE OF FLORIDA

BEING A SUBDIVISION OF A PORTION OF PARCELS 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 196, 197, 198, 199, 200, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 228, 229, 230, 231, 232, 233, 234, 235, 236, 237, 238, 239, 240, 241, 242, 243, 244, 245, 246, 247, 248, 249, 250, 251, 252, 253, 254, 255, 256, 257, 258, 259, 260, 261, 262, 263, 264, 265, 266, 267, 268, 269, 270, 271, 272, 273, 274, 275, 276, 277, 278, 279, 280, 281, 282, 283, 284, 285, 286, 287, 288, 289, 290, 291, 292, 293, 294, 295, 296, 297, 298, 299, 300, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 312, 313, 314, 315, 316, 317, 318, 319, 320, 321, 322, 323, 324, 325, 326, 327, 328, 329, 330, 331, 332, 333, 334, 335, 336, 337, 338, 339, 340, 341, 342, 343, 344, 345, 346, 347, 348, 349, 350, 351, 352, 353, 354, 355, 356, 357, 358, 359, 360, 361, 362, 363, 364, 365, 366, 367, 368, 369, 370, 371, 372, 373, 374, 375, 376, 377, 378, 379, 380, 381, 382, 383, 384, 385, 386, 387, 388, 389, 390, 391, 392, 393, 394, 395, 396, 397, 398, 399, 400, 401, 402, 403, 404, 405, 406, 407, 408, 409, 410, 411, 412, 413, 414, 415, 416, 417, 418, 419, 420, 421, 422, 423, 424, 425, 426, 427, 428, 429, 430, 431, 432, 433, 434, 435, 436, 437, 438, 439, 440, 441, 442, 443, 444, 445, 446, 447, 448, 449, 450, 451, 452, 453, 454, 455, 456, 457, 458, 459, 460, 461, 462, 463, 464, 465, 466, 467, 468, 469, 470, 471, 472, 473, 474, 475, 476, 477, 478, 479, 480, 481, 482, 483, 484, 485, 486, 487, 488, 489, 490, 491, 492, 493, 494, 495, 496, 497, 498, 499, 500, 501, 502, 503, 504, 505, 506, 507, 508, 509, 510, 511, 512, 513, 514, 515, 516, 517, 518, 519, 520, 521, 522, 523, 524, 525, 526, 527, 528, 529, 530, 531, 532, 533, 534, 535, 536, 537, 538, 539, 540, 541, 542, 543, 544, 545, 546, 547, 548, 549, 550, 551, 552, 553, 554, 555, 556, 557, 558, 559, 560, 561, 562, 563, 564, 565, 566, 567, 568, 569, 570, 571, 572, 573, 574, 575, 576, 577, 578, 579, 580, 581, 582, 583, 584, 585, 586, 587, 588, 589, 590, 591, 592, 593, 594, 595, 596, 597, 598, 599, 600, 601, 602, 603, 604, 605, 606, 607, 608, 609, 610, 611, 612, 613, 614, 615, 616, 617, 618, 619, 620, 621, 622, 623, 624, 625, 626, 627, 628, 629, 630, 631, 632, 633, 634, 635, 636, 637, 638, 639, 640, 641, 642, 643, 644, 645, 646, 647, 648, 649, 650, 651, 652, 653, 654, 655, 656, 657, 658, 659, 660, 661, 662, 663, 664, 665, 666, 667, 668, 669, 670, 671, 672, 673, 674, 675, 676, 677, 678, 679, 680, 681, 682, 683, 684, 685, 686, 687, 688, 689, 690, 691, 692, 693, 694, 695, 696, 697, 698, 699, 700, 701, 702, 703, 704, 705, 706, 707, 708, 709, 710, 711, 712, 713, 714, 715, 716, 717, 718, 719, 720, 721, 722, 723, 724, 725, 726, 727, 728, 729, 730, 731, 732, 733, 734, 735, 736, 737, 738, 739, 740, 741, 742, 743, 744, 745, 746, 747, 748, 749, 750, 751, 752, 753, 754, 755, 756, 757, 758, 759, 760, 761, 762, 763, 764, 765, 766, 767, 768, 769, 770, 771, 772, 773, 774, 775, 776, 777, 778, 779, 780, 781, 782, 783, 784, 785, 786, 787, 788, 789, 790, 791, 792, 793, 794, 795, 796, 797, 798, 799, 800, 801, 802, 803, 804, 805, 806, 807, 808, 809, 810, 811, 812, 813, 814, 815, 816, 817, 818, 819, 820, 821, 822, 823, 824, 825, 826, 827, 828, 829, 830, 831, 832, 833, 834, 835, 836, 837, 838, 839, 840, 841, 842, 843, 844, 845, 846, 847, 848, 849, 850, 851, 852, 853, 854, 855, 856, 857, 858, 859, 860, 861, 862, 863, 864, 865, 866, 867, 868, 869, 870, 871, 872, 873, 874, 875, 876, 877, 878, 879, 880, 881, 882, 883, 884, 885, 886, 887, 888, 889, 890, 891, 892, 893, 894, 895, 896, 897, 898, 899, 900, 901, 902, 903, 904, 905, 906, 907, 908, 909, 910, 911, 912, 913, 914, 915, 916, 917, 918, 919, 920, 921, 922, 923, 924, 925, 926, 927, 928, 929, 930, 931, 932, 933, 934, 935, 936, 937, 938, 939, 940, 941, 942, 943, 944, 945, 946, 947, 948, 949, 950, 951, 952, 953, 954, 955, 956, 957, 958, 959, 960, 961, 962, 963, 964, 965, 966, 967, 968, 969, 970, 971, 972, 973, 974, 975, 976, 977, 978, 979, 980, 981, 982, 983, 984, 985, 986, 987, 988, 989, 990, 991, 992, 993, 994, 995, 996, 997, 998, 999, 1000.

PRINTED AND SAVED

THIS DOCUMENT IS THE PROPERTY OF THE COUNTY CLERK, BROWARD COUNTY, FLORIDA. IT IS TO BE KEPT IN THE OFFICE OF THE COUNTY CLERK.



## EXHIBIT C-1

### LANDLORD'S WORK

[Unless otherwise defined, capitalized terms used in this Exhibit C-1 have the meanings given them in Paragraph I.E of this Exhibit C-1 or in the Lease, as applicable.]

#### I. GENERAL PROVISIONS

A. Timing. As of Construction Commencement, Landlord represents and warrants that it is the owner of the Land. Notwithstanding any other provision of this Exhibit C-1 to the contrary, the obligation of Landlord is to proceed with the design and completion of Landlord's Work. The submission for permits, and the construction of the Landlord's Work shall be sequenced and undertaken in a manner consistent with the general development timetable which forms a part of Exhibit C-2, attached hereto.

B. Architects and Design. Landlord shall use an architect ("Landlord's Architect") for the architectural design of the Building, including all structural, mechanical, electrical and plumbing aspects and interior fit-out thereof, and any exterior features including but not limited to parking, Monument Sign, walkways, and landscaping. Landlord shall use an engineer, ("Landlord's Engineer") for the civil engineering associated with the Leased Premises. Landlord's Architect and Landlord's Engineer, together with such additions and substitutions thereof as determined by Landlord in its good faith discretion are referred to collectively as the "Design Professionals." Landlord shall supervise the process of obtaining necessary development approvals for Landlord's Work.

C. General Contractor. To ensure cost efficiency and adherence to schedule, Landlord shall retain a general contractor selected by Landlord to serve as general contractor for construction of Landlord's Work.

D. General Responsibility. Landlord shall generally be responsible for all matters that must be accomplished to complete the construction of Landlord's Work to be initially constructed therein, including filing plans and other required documentation with the proper governmental authorities and securing all necessary permits for the performance of any and all work required as Landlord's Work including the Approved Base Building Plans and Approved TI Plans (as such terms are defined below), all of which will be deemed part of Landlord's Work and, upon completion of Landlord's Work, all approvals and permits necessary for Tenant to occupy the Leased Premises including all final inspections for issuance of Tenant's certificate of use and occupancy (to the extent the same is capable of being obtained by Landlord prior to the completion of any Tenant Work to be performed by Tenant within the Leased Premises). Promptly after issuance of the requisite permits for each portion of Landlord's Work, Landlord agrees to cause the GC to commence and thereafter to perform such portion of Landlord's Work in a diligent, workmanlike manner, and in accordance with applicable Legal Requirements, including without limitation, Public Contracting Code, the accessibility requirements of the Americans with Disabilities Act (ADA) and labor laws as described in Paragraph XXI of the Lease. Landlord shall use good faith efforts to cause its GC to complete Landlord's Work within the time frames contemplated by this Lease, including Exhibit C-2.

E. Defined Terms. Unless defined in this Exhibit C-1, capitalized terms used herein shall have the same meanings ascribed to them in the Lease. In addition, the following terms shall have the following meanings:

"30-Day Notice" shall have the meaning ascribed to such term in Paragraph II.B.6 of this Exhibit C-1.

"ADA" shall have the meaning ascribed to such term in Paragraph I.D. of this Exhibit C 1.

"Approved Base Building Plans" shall mean the final construction drawings and specifications for the Base Building, prepared by Landlord's Architect and the other Design Professionals and approved by Tenant without unreasonable delay as provided below, which design concept drawings and concept specifications are incorporated by reference into this Exhibit C-1 and the Lease.

"Approved Building Elevations" shall mean those certain building elevations, dated September 20, 2018 prepared by Ware Malcomb, which elevations are hereby approved by Tenant and are incorporated by reference into this Exhibit C-1 and the Lease.

"Approved TI Plans" shall mean the TI Plans prepared by Ware Malcomb, after the same have been finally approved by Landlord and Tenant as provided below.

"Base Building" shall mean the core and shell components, including without limitation all exterior site improvements such as parking lot, driveways, sidewalks, signage, and landscaping, specifically set forth in the Approved Base Building Plans.

"Certificate of Acceptance" means the written notification of the Tenant to the Landlord evidencing the Tenant's acceptance and occupancy of the Leased Premises.

"Change Order Costs" shall mean the incremental, justifiable and documented additional costs associated with any change order to the Approved TI Plans requested by Tenant. Change Order Costs shall be paid by Tenant in accordance with Paragraph IV.C of this Exhibit C-1.

"Completion Notice" shall have the meaning ascribed to such term in Paragraph II.B.6 of this Exhibit C-1.

"Construction Commencement" shall mean the date upon which the construction of Landlord's Base Building Work is deemed to have commenced, as evidenced by (i) the commencement of site development work at the Leased Premises in preparation for the installation of the foundations of the Building, (ii) Landlord's receipt of a building permit for the foundation of the Building, and (iii) the mobilization of the GC for the commencement of the construction pursuant to the Construction Contract.

"Construction Contracts" shall mean the construction contracts to be entered into by Landlord with the GC for construction of Landlord's Work (including Landlord's Base Building Work, Landlord's TI Work and all exterior site improvements, such as the Monument Sign), which contracts shall comply in all respects with the requirements of the Lease. The parties hereto agree

that Tenant shall be a third party beneficiary of any and all warranties and guarantees of the Construction Contract(s).

"Construction Documents" shall mean the Approved Base Building Plans and the Approved TI Plans, as the same may be modified (i) by any approved change orders, and (ii) all applicable Legal Requirements, including conditions of approval and other specific requirements imposed by governmental authorities in the process of obtaining the issuance of building permits or other approvals for Landlord's Work. The Construction Documents shall comply with all governmental rules, codes and requirements, and shall designate, among other things, the locations of and specifications for all mechanical, electrical, plumbing, and fire/life safety equipment to be installed in all spaces, all partitions, doors, lighting fixtures, electric receptacles and switches, telephone outlets, and air conditioning and other improvements to be installed.

"Design Professionals" shall have the meaning ascribed to such term in Paragraph I.B. of this Exhibit C-1.

"Early Work" shall mean any Tenant Work which Tenant is permitted to undertake at the Leased Premises pursuant to this Exhibit C-1 prior to the Lease Commencement Date, and shall, with Landlord's prior written consent, include any installations of furniture in the Leased Premises, and the installation of phone and data cabling in the Leased Premises.

"Excess Costs" shall mean any one or more of the following (i) additional costs of construction which are incurred by Landlord due to Tenant Delays or Tenant's default under the Lease or this Exhibit C, and (ii) Change Order Costs. For avoidance of doubt, except for payment of Excess Costs as defined herein, Tenant shall have no responsibility or liability for payment of cost overruns, if any, incurred by Landlord in the construction of Landlord's Work.

"Force Majeure" shall mean and refer to delays in Landlord's Work caused by reason of strikes, lock-outs, inability to procure materials, inability to procure labor, delays in transportation, failure of power, unusual governmental delay, including but not limited to any unusual period of time required to obtain any building or similar permit which is not reflected in the Target Schedule, riots, insurrection, war, fire or other casualties, acts of God, extreme rain or other adverse weather conditions beyond normal conditions for the season, or any other reason not reasonably within the control of the party so delayed, hindered or prevented, from performing work or doing any act required under the terms of this Exhibit C-1. The period of the performance of any such act delayed due to Force Majeure will be extended for a period equal to the period of such delay. Notwithstanding the foregoing, (1) Force Majeure shall not be deemed to exist to the extent that materials and supplies are not available from Landlord's preferred providers due to strikes, boycotts, lock-outs or labor troubles if such materials and supplies are otherwise available from other reputable suppliers at comparable costs and Landlord is permitted to obtain such materials and supplies from such suppliers under the Lease and any Restrictions, (2) lack of funds is not an excuse delaying, hindering or preventing a party from performing under this Exhibit C-1, and (3) the maximum Force Majeure extension for Landlord's obligation to commence construction of the Improvements in accordance with the definition of "Construction Commencement" above shall be nine (9) months, and the outside date for Construction Commencement shall be no later than twenty three (23) months after the Effective Date. Any party claiming the benefit of a delay due to Force Majeure shall have the obligations (A) to notify

the other party within a reasonable time period after such delay commences, and (B) to use all reasonable and diligent efforts to minimize the duration of such delay and the effect of the delay upon the Target Schedule.

"GC" shall have the meaning ascribed to such term in Paragraph I.C. of this Exhibit C-1.

"Improvements" shall mean the Building, all interior improvements thereto, and all exterior site improvements to be constructed by Landlord on the Property in accordance with the Approved Base Building Plans, Approved TI Plans, and, ultimately, the Construction Documents.

"Interior Specifications" shall mean and refer to, collectively, (i) the description of interior improvements and finish specifications. The Interior Specifications are hereby approved by Landlord and Tenant and incorporated into Exhibit C-3 and the Lease.

"Landlord's Architect" shall have the meaning ascribed to such term in Paragraph I.B. of this Exhibit C-1.

"Landlord's Base Building Work" shall mean the construction of the Base Building, all of which shall be completed in substantial accordance with the Approved Base Building Plans and the requirements of this Exhibit C-1 and the other provisions of the Lease.

"Landlord's Engineer" shall have the meaning ascribed to such term in Paragraph I.B. of this Exhibit C-1.

"Landlord's Representative" shall be a single individual designated by Landlord in a written notice to Tenant (and who may be changed by Landlord with approval of the Tenant at any time upon giving Landlord prior written notice thereof), who Landlord agrees shall be available to meet and consult with Tenant at the Building as Landlord's Representative respecting the matters which are the subject of this Exhibit C-1 and who, as between Landlord and Tenant, shall have the power to legally bind Landlord with respect to notices from Landlord making requests for and approving changes, giving approval of plans or work, or otherwise giving directions to landlord under this Exhibit C-1. Landlord hereby designates Rick Martin as Landlord's Representative (and Landlord may change such designation at any time by providing written notice to Tenant which designates a different Landlord's Representative).

"Landlord's TI Work" shall mean the construction of interior and exterior leasehold improvements to the Building, all of which shall be in substantial accordance with the Approved TI Plans and the requirements of this Exhibit C-1 and the other provisions of the Lease.

"Landlord's Work" shall mean, collectively, Landlord's Base Building Work and Landlord's TI Work.

"Parking Lot" shall mean the parking lot, which shall initially contain approximately Two Hundred Sixty (260) parking spaces, as described in Landlord's Base Building Plans. A preliminary depiction of the Parking Lot is shown on the Site Plan.

"Penalty Date" shall mean that date which is one (1) day following the Target Date, as set forth on Exhibit C-2 attached hereto, which shall automatically be extended (i) one (1) day for each

day of delay in Landlord's construction caused by Force Majeure, as such term is defined in this Exhibit C-1, and (ii) one (1) day for each day of delay in Landlord's construction caused by a Tenant Delay.

"Punch List Items" shall mean an itemized list prepared in accordance with Paragraph II.B.6(b) hereof, the estimated time to complete of which shall be not more than more than thirty (30) days to complete or repair and the estimated aggregate cost to repair and/or complete of which shall not exceed One Hundred Thousand Dollars (\$100,000).

"Shell Building Specifications" shall mean those certain Shell Building Specifications, which requirements are incorporated by reference into this Exhibit C-1 and the Lease.

"Shell Construction Contract" shall mean the construction contract entered into by Landlord with the GC for construction of Landlord's Work (including without limitation all exterior site improvements, such as the Monument Sign).

"Site Plan" shall mean the site plan attached hereto as Exhibit A.

"Substantial Completion" shall mean, with regard to particular work, completion of the applicable work in accordance with the approved plans therefor (as modified by any approved change orders to the Approved TI Plans), other than minor modifications due to the unavailability of specified equipment or materials and exclusive of incomplete or defective items of the type normally included within a Punch List, which Punch List shall not include any items that would take more than thirty (30) days to complete or repair and shall not have an estimated aggregate cost to complete or repair in excess of \$100,000. Substantial Completion of Landlord's Work as a whole shall mean (1) the Improvements have been substantially completed in accordance with the Approved Base Building Plans and the Approved TI Plans, as applicable, as evidenced by a certificate from the Design Professional who prepared such plans (which shall be included with the Completion Notice); (2) all systems serving the Building have been substantially completed and are operational and all utilities necessary and appropriate for the use and operation of the Base Building Improvements are fully connected and functional; (3) all of Landlord's TI Work shall have been substantially completed except for customary Punch List Items and that do not interfere with the use of the Building for Tenant's regular business operations; (4) all exterior/site improvements, including but not limited to surface parking areas, and exterior utilities, have been substantially completed and are operational, and final landscaping installations (which condition shall be a Punch List Item); (5) the interior of the Building is in broom clean condition, and all construction debris has been removed from the Property; and (6) Landlord has obtained temporary certificates of occupancy for the Building, authorizing the legal occupancy thereof by Tenant for its intended use, and all other governmental inspections and other approvals in connection with the Landlord's Work that are able to be obtained prior to Tenant's installation of its trade fixtures, furniture and equipment. If the date of Substantial Completion of the Leased Premises is not the first day of a calendar month, then the Lease Commencement Date shall be the first day of the calendar month immediately following the date of Substantial Completion. Notwithstanding the foregoing, in the event Tenant has advised or notified Landlord that Tenant does not intend to perform its obligations under the Lease or there is an Event of Default prior to the Lease Commencement Date, Landlord shall not be obligated to pursue and achieve Substantial Completion of Landlord's Work and, in addition to all other rights and remedies available at law, in

equity and under the terms of the Lease, Landlord shall be entitled to reimbursement by Tenant for all costs and expenses incurred by Landlord in the preparation and negotiation of the Lease, the preparation of all plans, specifications and other Construction Documents and all other costs and expenses incurred by Landlord in connection with Landlord's Work. Notwithstanding Landlord's receipt of such notice from Tenant or the occurrence of an Event of Default prior to the Lease Commencement Date, nothing contained in this Exhibit C-1 or the Lease shall prevent, impair or otherwise constitute a waiver of Landlord's rights to pursue and achieve Substantial Completion of Landlord's Work (including Landlord's TI Work) and require the strict performance by Tenant of all obligations of Tenant arising under the Lease following such Substantial Completion, failing such strict performance by Tenant, Landlord shall, following the expiration of applicable notice and cure periods, be entitled to obtain all remedies available to Landlord under the Lease, at law or in equity.

"Substantially Complete" and similar phrases shall mean that the item of Landlord's Work in question has attained Substantial Completion as defined above.

"Target Date" shall mean the date that is twenty-three (23) months following the Effective Date of the Lease, as such date may be extended pursuant to the terms and provisions of the Lease and/or this Exhibit C-1.

"Target Schedule" shall mean the general construction schedule for Landlord's Work which is attached as Exhibit C-2, initialed by each of Landlord and Tenant and made a part hereof.

"Tenant Delay(s)" shall mean any delay (other than due to a Force Majeure event) in the performance of Landlord's Work occasioned by (i) Tenant's failure to review and respond to, provide submissions of, and reach agreement with Landlord on the TI Plans in accordance with the time periods set forth in Exhibits C-1 and C-2, (ii) changes to Landlord's TI Work requested by Tenant, with the period of delay to be specified in the change order signed by Landlord and Tenant authorizing such change, or (iii) the performance of Tenant Work, provided that any acts of Tenant or its contractors in the performance of Tenant Work shall not constitute a Tenant Delay unless such acts continue for more than two (2) Business Days after receipt of written notice from Landlord that such acts are delaying the performance of Landlord's Work. Any Tenant Delay must be claimed by Landlord in writing within five (5) Business Days after the beginning of Landlord's knowledge of the circumstances that constitute the Tenant Delay, and the Tenant Delay shall commence from the date of such notice. Failure to deliver the written notice within the time required shall constitute a waiver of the applicable Tenant Delay.

"Tenant's Personnel" shall have the meaning ascribed to such term in Paragraph II.B(7)(b) of this Exhibit C-1.

"Tenant's Representative" shall be a single individual designated by Tenant in a written notice to Landlord (and who may be changed by Tenant at any time upon giving Landlord prior written notice thereof), who Tenant agrees shall be available to meet and consult with Landlord at the Building as Tenant's Representative respecting the matters which are the subject of this Exhibit C-1 and who, as between Landlord and Tenant, shall have the power to legally bind Tenant with respect to notices from Tenant making requests for and approving changes, giving approval of plans or work, or otherwise giving directions to Landlord under this Exhibit C-1. Tenant hereby

designates County Administrative Officer or Designee as Tenant's Representative (and Tenant may change such designation at any time by providing written notice to Landlord which designates a different Tenant's Representative). Notwithstanding the foregoing, Landlord understands that Tenant may not be legally capable of delegating all such decision-making to an individual representative; in which case Tenant may take such non-delegable decisions to its governing board as soon as reasonably practicable without being in breach of this Exhibit C-1.

"Tenant Work" shall mean any construction work under separate permit to be obtained by Tenant, furniture installations and other installations (including telephone systems, upgraded security systems, computer LAN wiring or other similar installations, Tenant's telephone and data service conduits and cabling brought to the Main Point Of Entry (MPOE) of the Building), to the extent the same are reasonably approved by Landlord in writing and are not provided for under the Construction Documents and are intended by Tenant to be performed by Tenant or under Tenant's supervision prior to Tenant's occupancy.

"TI Construction Contract" shall mean the construction contract to be entered into by Landlord with the GC for construction of Landlord's TI Work with the approval of Tenant or a change order initiated by Tenant under Landlord's existing construction contract with the GC which specifically addresses Landlord's TI Work. The parties hereto agree that Tenant shall be a third party beneficiary of the TI Construction Contract.

"TI Costs" shall mean all costs associated with preparation of the Approved TI Plans and the performance of Landlord's TI Work including but not limited to all costs paid to the GC and the separate contractors, all architectural, engineering and professional fees and costs payable to any architects and engineers in connection with the preparation of the TI Plans and Approved TI Plans and all construction administration costs incurred thereunder, and all permit and inspection fees in connection with Landlord's TI Work. Landlord shall be responsible for and pay when due the TI Costs, subject to the payment by Tenant of any Excess Costs.

"TI Plans" shall mean, collectively, architectural plans, construction drawings and structural, mechanical, electrical and plumbing (MEP) drawings and specifications for Landlord's TI Work, in form sufficient for the permitting and construction of Landlord's TI Work.

## II. LANDLORD'S WORK

### A. Landlord's Base Building Work/Design and General Performance Covenant.

(1) Landlord's Base Building Work - Generally. Upon agreement on the Approved Base Building Plans, and Landlord's receipt of a building permit allowing such construction, Landlord shall cause to be constructed Landlord's Base Building Work, all in accordance with the provisions of this Exhibit C-1. Such construction shall be completed in substantial accordance with the Approved Base Building Plans.

(2) Approved Base Building Plans. Landlord will cause Landlord's Architect and other Design Professionals to commence and complete the Approved Base Building Plans, which plans will be subject to approval by Tenant.

(3) Performance of Landlord's Base Building Work. Following the Tenant's approval of the Approved Base Building Plans, Landlord agrees to apply for and diligently pursue the issuance of one (1) or more building permits for the performance of Landlord's Base Building Work. Tenant acknowledges that Landlord may initially apply for a site development plan approval and thereafter one (1) or more building permits which encompass all or a portion of Landlord's Base Building Work, or which encompass all of Landlord's Work. Promptly after the later to occur of (i) the issuance of such building permits, and (ii) Landlord's entry into the Construction Contract, Landlord will promptly cause Landlord's Base Building Work to be commenced, completed, installed or performed, as the case may be, in accordance with the Approved Base Building Plans, subject only to variations as described below, and any modifications required by applicable governmental authorities in review of the Approved Base Building Plans as part of the process of obtaining a building permit, provided that Landlord shall seek Tenant's approval of any such changes. During construction of the Building, Landlord may with Tenant's reasonable approval make substitutions of material(s) of equivalent grade and quality, and to make changes necessitated by unforeseeable conditions met in the course of construction. If Tenant fails to respond to a request to approve a material change requiring Tenant's approval within thirty (30) business days following the date such request was received by Tenant, provided such request is accompanied by a statement in bold 18 point type on the cover page as follows, then Landlord's request shall be deemed to be approved.

THIS SUBMISSION HAS BEEN SUBMITTED PURSUANT TO LEASE DATED \_\_\_\_\_, 2018 BETWEEN THE COUNTY AND [Wolverine/Inyo LLC], AND PURSUANT TO PARAGRAPH II.A.(3) OF EXHIBIT C-1 THEREOF, COUNTY'S FAILURE TO DISAPPROVE THE CONTENTS HEREOF BY \_\_\_\_\_ **[INSERT DATE THAT IS TEN (10) BUSINESS DAYS AFTER REQUEST] SHALL CONSTITUTE COUNTY'S DEEMED APPROVAL OF SAME.**

(4) Subject to the foregoing notice requirement, if Tenant fails to respond in the times set forth above, such failure shall be deemed to constitute Tenant's approval of such change.

B. Landlord's TI Work/Design, Change Orders and General Performance Covenants.

(1) Approval of and Revisions to Plans and Specifications. Promptly following the date hereof, Landlord shall cause the Design Professionals to prepare and finalize the TI Plans by the applicable dates set forth in Exhibit C-2 attached hereto. The TI Plans shall be consistent with the Interior Specifications and subject to Tenant's approval. Within ten (10) days after a copy of the TI Plans has been provided to Tenant, Tenant shall either (i) approve the TI Plans by written notice to Landlord or (ii) deliver to Landlord a written list ("Tenant's Revision Notice") of any changes reasonably required. Any required changes must be reasonably specific with specific reasons for each required change. If changes are required to the TI Plans, said TI Plans shall thereafter be revised by the Design Professionals to reflect the applicable changes within twenty (20) Business Days following Landlord's receipt of Tenant's Revision Notice, and the same shall be resubmitted to Tenant for approval. After the first submission and resubmission, Tenant agrees to restrict further objections or disputes to matters which have not previously been agreed upon or accepted by Tenant, and to deliver revised submissions or objections within ten (10) Business Days after receipt of proposed modifications. The parties shall, in all events, attempt to reach agreement as soon as possible, and in all events by the date therefor set forth in Exhibit C-2



attached hereto. The process of submissions and resubmissions shall continue thereafter with the parties negotiating diligently and in good faith, until final agreement is reached. Each party agrees that its failure to respond to a submission or resubmission within the above-referenced time frames shall constitute such party's acceptance of the submission or resubmission in question, provided that Tenant's approval shall not be deemed to have been given unless the submission has the following statement in bold 18 point type on the cover page:

THIS SUBMISSION HAS BEEN SUBMITTED PURSUANT TO LEASE DATED \_\_\_\_\_, 2018 BETWEEN THE COUNTY AND [Wolverine/Inyo LLC], AND PURSUANT TO PARAGRAPH II.B.(1) OF EXHIBIT C-1 THEREOF, COUNTY'S FAILURE TO DISAPPROVE THE CONTENTS HEREOF BY \_\_\_\_\_ [INSERT DATE THAT IS TEN (10) BUSINESS DAYS AFTER REQUEST] SHALL CONSTITUTE COUNTY'S DEEMED APPROVAL OF SAME.

The final TI Plans approved as set forth above shall constitute the "Approved TI Plans" hereunder.

(2) Landlord's TI Work. Following Tenant's approval of the Approved TI Plans, Landlord agrees promptly to apply for a building permit for the performance of Landlord's TI Work. Tenant acknowledges that Landlord may apply for a building permit which encompasses only Landlord's TI Work, or which encompasses all or certain portions of Landlord's Work. Promptly after the latest to occur of (i) the issuance of such building permit, and (ii) the completion of such portion of Landlord's Base Building Work as is necessary in order to commence Landlord's TI Work in compliance with prudent construction practices, Landlord will promptly cause Landlord's TI Work to be commenced, completed, installed or performed, as the case may be, in accordance with the Approved TI Plans and the requirements of this Exhibit C-1 and the other provisions of this Lease, subject only to variations necessitated by the unavailability of specified materials and equipment (due to no fault of Landlord) and any modifications required by applicable governmental authorities in review of the Approved TI Plans as part of the process of obtaining a building permit. Landlord shall not make any material changes to the Approved TI Plans without first consulting with Tenant and obtaining Tenant's consent thereto, which shall not be unreasonably withheld, conditioned or delayed.

(3) Change Orders. Tenant shall be allowed to make change orders to the Approved TI Plans provided that (i) any such proposed change order shall be submitted to Landlord and Landlord and Tenant will work together expeditiously and in a commercially reasonable manner to reach agreement on any such proposed change order; (ii) the incremental cost and credits, if any, associated with such change shall be documented in a written change order signed by Landlord and Tenant, and any Change Order Costs resulting from such change shall be paid by Tenant to Landlord in accordance with Paragraph IV below (and any net savings resulting from such change shall be applied as a credit to TI Costs); and (iii) any delay occasioned by any such change order (which shall be specified in the change order) shall be deemed a Tenant Delay within the meaning of this Exhibit C-1.

(4) Tenant's Inspection Right. Subject to the insurance requirements and the reasonable rules and regulations of the GC, Tenant's Representative shall have the right during normal working hours, and accompanied by a representative of either Landlord or the GC, to have

access to the Leased Premises for purposes of observation and inspection during the performance of Landlord's Work, provided that Tenant or Tenant's Representative shall have the obligation to provide prior notice of any such entry to the GC and to Landlord's Representative. Access for such purposes shall not be deemed to constitute possession or occupancy; however, such entry and/or occupancy shall be subject to all of the terms and conditions of the Lease, except for the payment of Rent and Additional Rent including Taxes (as such term is defined in the Lease).

(5) Interim Correction of Defects. Landlord shall promptly undertake and diligently prosecute (or cause the GC to undertake and prosecute) the correction of any defects in Landlord's Work of which Landlord is notified in writing and which have been verified by Landlord as a result of any of the aforesaid inspections by Tenant.

(6) Substantial Completion; Delivery of Possession; Punch List.

(a) Landlord shall deliver to Tenant a written notice (the "30-Day Notice") approximately thirty (30) days prior to the date upon which Landlord in good faith estimates that Landlord's Base Building Work will be Substantially Complete (which estimate shall be subject to Force Majeure and Tenant Delays) and again approximately thirty (30) days prior to the date upon which Landlord in good faith estimates that Landlord's TI Work will be Substantially Complete (which estimate shall be subject to Force Majeure and Tenant Delays).

(b) When the applicable portion of Landlord's Work is Substantially Complete, Landlord shall cause Landlord's Architect to deliver to Tenant a written notice (the "Completion Notice") certifying in good faith that the applicable portion of Landlord's Work is Substantially Complete. As soon as is reasonably practicable after Landlord delivers the Completion Notice and in all events within ten (10) business days thereafter, Tenant and a representative of Landlord shall schedule and participate in a joint inspection of the Leased Premises (with respect to the Landlord's Base Building Work) and, as applicable, the Building (with respect to the Landlord's TI Work). A draft joint inspection report summarizing Landlord's and Tenant's observations shall be prepared by Landlord and sent to Tenant within five (5) Business Days of the inspection. Tenant shall have ten (10) Business Days after receipt of the report to review and approve or object in whole or part, and to add any items, to the Landlord's draft joint inspection report. Landlord and Tenant shall negotiate in good faith to promptly resolve the items to which Tenant has objected or which Tenant has added. If Tenant has not objected to the joint inspection report within the 10 Business Day period, Tenant shall be deemed to have approved same provided that Tenant's approval shall not be deemed to have been given unless the submission has the following statement in bold 18 point type on the cover page:

**THIS SUBMISSION HAS BEEN SUBMITTED PURSUANT TO LEASE DATED \_\_\_\_\_, 2018 BETWEEN THE COUNTY AND [Wolverine/Inyo LLC], AND PURSUANT TO PARAGRAPH II.B.(6) OF EXHIBIT C-1 THEREOF, COUNTY'S FAILURE TO DISAPPROVE THE CONTENTS HEREOF BY \_\_\_\_\_ [INSERT DATE THAT IS TEN (10) BUSINESS DAYS AFTER REQUEST] SHALL CONSTITUTE COUNTY'S DEEMED APPROVAL OF SAME.**

Upon Tenant's approval or deemed approval of the written joint inspection report, Tenant shall be deemed to have accepted the Leased Premises, including the Building in its condition as of the date of the Completion Notice but without waiving Landlord's obligation to correct Punch List Items pursuant to this Paragraph II.B(6) on the date of the Completion Notice, other than latent defects as set forth in Paragraph II.B(6)(d) below. The scheduling and performance of such inspection shall not affect the date of Substantial Completion of the applicable part of Landlord's Work except to the extent such inspection demonstrates that Landlord has failed to achieve Substantial Completion of the applicable part of Landlord's Work as of the date of the Completion Notice.

(c) The joint inspection report shall include a schedule of minor deviations or variations from, as well as compliance of Landlord's Base Building and Landlord's TI Work with the Construction documents requiring completion or repair. The existence of minor deviations and variations commonly referred to a "Punch List" items shall not postpone the Lease Commencement Date of the Lease nor the obligation of Tenant to pay Rent or any other charges due under this Lease. In the event of a dispute, Landlord (or Landlord's Architect) and Tenant shall negotiate in good faith, using their reasonable discretion, to determine which items constitute Punch List Items.

(d) Landlord covenants and agrees to complete all Punch List Items and to obtain permanent (final) certificates of occupancy as soon as reasonably possible thereafter and in any event within thirty (30) days after the date of Substantial Completion. Landlord covenants and agrees to repair or replace any defects in its work or in the Building systems and structures as soon as reasonably practicable after Tenant provides notice thereof to Landlord pursuant to Paragraph VI.I of the Lease; provided, however, that unless otherwise required of Landlord pursuant to the provisions of the Lease, Landlord shall have no obligation to repair nor liability for defects for Landlord's Work which are detected more than one (1) year after the date of the Substantial Completion; or in the case of any such defect previously repaired, first detected more than one (1) year from the date of the last repair of such defect. The foregoing shall not affect, however, any of Landlord's warranty and repair covenants set forth in the Lease.

(e) Within thirty (30) days after completion of the Punch List Items, Landlord shall deliver to Tenant "as built" plans for all Landlord Work.

(7) Early Work and Furniture Installation.

(a) Landlord acknowledges that Tenant wishes to commence operations from the Leased Premises as soon as possible after Landlord's Work is Substantially Complete, and that there may be some aspects of Tenant Work that may need to be completed before Tenant can commence operations at the Leased Premises. Therefore, Landlord and Tenant acknowledge and agree that Tenant shall be given access to the Leased Premises prior to the Substantial Completion of Landlord's Work, as and to the extent set forth below, so that Tenant may perform certain items of Tenant Work, and thereby expedite Tenant's use and occupancy of the Leased Premises. Any such items of Tenant Work shall be agreed upon in writing by Landlord and Tenant in their reasonable discretion prior to the commencement of any such work, and shall be referred to herein as

the Early Work. Landlord and Tenant agree that the performance of any Early Work shall be in accordance with this Paragraph II.B(7) and Paragraph V herein. In no event will any delay in the completion of Tenant Work (including without limitation any Early Work) result in an extension or delay of the Lease Commencement Date.

(b) Any entry onto the Leased Premises prior to Substantial Completion of Landlord's Work or the Lease Commencement Date, including without limitation any early entry for the purposes of performing any Early Work, shall not be deemed to constitute possession or occupancy, but shall be subject to all of the terms and conditions of the Lease except for the obligation to pay Rent, Taxes and any other occupancy charges under the Lease (which will not be applicable until the Lease Commencement Date, as provided in the Lease). Tenant shall request permission to enter the Leased Premises in writing, specifying the requested date, time of entry, and which Early Work Tenant intends to perform, at least ten (10) days prior to any such entry, and Landlord shall cause the GC to respond promptly to such request and to use reasonable efforts to accommodate the request, in accordance with the scheduling restrictions and requirements set forth below. In addition, any entry by the Tenant, its agents, employees or contractors (any and all of which to be referred to hereinafter as "Tenant's Personnel"): (i) shall be subject to the insurance requirements set forth in Paragraph V.D of this **Exhibit C-1**; (ii) shall comply with any reasonable scheduling requirements of the GC; and (iii) shall be performed in a manner reasonably designed to avoid delay in the Substantial Completion of Landlord's Work. Tenant shall bear the full risk of loss for any materials, equipment or other property which Tenant's Personnel bring onto the Leased Premises in connection with any Early Work, which shall be at Tenant's sole risk.

(c) Notwithstanding the foregoing to the contrary, Tenant acknowledges that Tenant's Personnel shall not be permitted to enter the Leased Premises prior to the Substantial Completion of Landlord's Work to perform any Early Work unless and until Tenant receives permission from Landlord for such entry, subject to the terms of Paragraph II.B(7)(d) and Paragraph V below. Landlord shall ensure that the GC's schedule for performance of Landlord's Work shall include a reasonable block of time which is allocated to Early Work.

(d) Landlord agrees to cause the GC to cooperate in good faith with Tenant to accommodate Tenant's requested entry dates, subject to the terms of this Paragraph II.B(7)(d), provided that if the GC determines that it is not feasible for Early Work to be performed on a particular floor or floors of the Building, or determines that allowing such entry would delay the Substantial Completion of Landlord's Work, then Tenant's Personnel shall not have the right to enter such floor(s) until authorized to do so by the GC. Subject to the foregoing sentence, Landlord and the GC shall make all reasonable efforts to enable the Tenant to have access to all floors of the Building as they become available (i.e., as the commencement of Early Work becomes feasible).

(e) Tenant (or its contractors performing such work) shall be responsible for any damage to Landlord's Work caused by Tenant, or its agents, employees and contractors, in the course of performing any Early Work, and Tenant agrees to

indemnify, defend and hold Landlord harmless from any loss, cost, liability or damages incurred by Landlord as a result of Tenant's Early Work.

### III. TIMING OF CONSTRUCTION

A. Target Date. Subject to Force Majeure and Tenant Delays, Landlord agrees to achieve Substantial Completion of Landlord's Work on or before the Target Date. If a delay occurs (or is anticipated by Landlord to occur) due to Force Majeure or Tenant Delays, Landlord will, upon Tenant's written request, investigate with the GC to determine if it is possible to accelerate the completion of Landlord's Work (through overtime and the like) in order to reduce or eliminate any anticipated delay, and, if so, Landlord and the GC will identify the cost which will be associated with accelerating the completion of Landlord's Work to the extent delayed thereby (or the portion thereof which is affected by such delay). If such acceleration is possible, Landlord will, in consultation with and with the approval of Tenant, reasonably approve change orders allowing for such acceleration provided that the cost of such acceleration shall constitute Excess Costs which shall be paid in accordance with Paragraph IV below.

#### B. Effect of Delay.

(1) Notwithstanding any provision contained in the Lease or this Exhibit to the contrary, in the event that Construction Commencement has not occurred on or prior to the date that is nine (9) months following the Effective Date subject to Force Majeure (not to exceed an additional nine (9) months) and Tenant Delays, Tenant shall have the right, as its sole and exclusive remedy, to terminate the Lease by delivering written notice thereof to Landlord at any time prior to the occurrence of Construction Commencement, in which event the Lease shall terminate and neither Landlord nor Tenant shall have any further obligations thereunder.

(2) If and to the extent there is a delay in Substantial Completion beyond the Target Date, then the following shall apply, as the case may be:

(a) If and to the extent such non-completion occurs as a result of any event of Force Majeure, the Lease Commencement Date of this Lease shall be the date upon which Substantial Completion of Landlord's Work occurs.

(b) If and to the extent such non-completion occurs for any reason other than as a result of Force Majeure or any Tenant Delays, then (1) the Lease Commencement Date shall be the date of Substantial Completion of Landlord's Work, and (2) if Substantial Completion is delayed past the Penalty Date, Tenant shall be entitled to receive a credit against Basic Annual Rent (commencing on the Lease Commencement Date, as adjusted pursuant to this subparagraph) in an amount equal to the Per Diem Delay Liquidated Damages (hereinafter defined) as calculated herein multiplied by the number of days elapsing between the Penalty Date and the date Substantial Completion of Landlord's Work is achieved by Landlord. As used herein, the "Per Diem Delay Liquidated Damages" shall be an amount equal to one-half (1/2) of the per diem rent paid by Tenant for alternate office space occupied by Tenant during the period commencing on the Penalty Date and ending on the date of Substantial Completion of Landlord's Work. If, for any reason other than Tenant Delays, Landlord has not delivered the Leased Premises to Tenant by the date

that is thirty-two (32) months following the Effective Date of the Lease, Tenant shall have the right to terminate the Lease upon thirty (30) days' written notice to Landlord; provided, however, Landlord may nullify such notice by delivering the Leased Premises to Tenant prior to the expiration of the 30-day notice period.

IF LANDLORD FAILS TO ACHIEVE SUBSTANTIAL COMPLETION BY THE TARGET DATE (AS THE SAME MAY BE EXTENDED PURSUANT TO THE PROVISIONS OF THIS WORK LETTER), THEN, AS TENANT'S SOLE AND EXCLUSIVE REMEDY FOR DAMAGES FOR SUCH DELAY AND INSTEAD OF ANY ACTUAL DAMAGES, LANDLORD SHALL PAY OR CAUSE TO BE PAID TO TENANT PROMPTLY ON DEMAND BY TENANT, AS COMPENSATION TO TENANT FOR THE LOSS OF THE BENEFICIAL USE OF THE PREMISES DURING THE PERIOD OF THE DELAY, BUT NOT AS A PENALTY, THE PER DIEM DELAY LIQUIDATED DAMAGES. THE PARTIES HERETO HEREBY AGREE THAT THE FOREGOING LIQUIDATED DAMAGES ARE FAIR AND REASONABLE AND COMPRISE THE SUM OF TENANT'S DAMAGES IN THE EVENT OF A DELAY IN SUBSTANTIAL COMPLETION. THE PARTIES HERETO FURTHER AGREE THAT THE PAYMENT OF THE AMOUNTS DESCRIBED IN THIS PARAGRAPH ABOVE AS LIQUIDATED DAMAGES IS NOT INTENDED AS A FORFEITURE OR PENALTY WITHIN THE MEANING OF CALIFORNIA CIVIL CODE SECTIONS 3275 OR 3369, BUT IS INTENDED TO CONSTITUTE LIQUIDATED DAMAGES PURSUANT TO CALIFORNIA CIVIL CODE SECTIONS 1671, 1676 AND 1677. IF LANDLORD FAILS OR IS OTHERWISE UNABLE TO PAY WHEN DUE SUCH LIQUIDATED DAMAGES PURSUANT TO THIS PARAGRAPH, TENANT MAY, IN ITS SOLE AND ABSOLUTE DISCRETION, IMMEDIATELY OFFSET THE LIQUIDATED DAMAGES OWED BY LANDLORD AGAINST THE ADDITIONAL BASIC RENT OR BASIC ANNUAL RENT DUE LANDLORD PURSUANT TO PARAGRAPH V.E OF THE LEASE, TOGETHER WITH INTEREST FROM THE DATE OF ACCRUAL OF SUCH LIQUIDATED DAMAGES AT A RATE EQUAL TO THE ALL IN RATE ON LANDLORD'S FINANCING.

\_\_\_\_\_  
LANDLORD'S INITIALS

\_\_\_\_\_  
TENANT'S INITIALS

(c) If and to the extent Substantial Completion of Landlord's Work is delayed as a result of any Tenant Delay(s), then (1) the Lease Commencement Date of the Lease shall be the date of Substantial Completion of Landlord's Work, (2) Tenant shall pay Landlord the lesser of its actual damages as a result of such delays or liquidated damages in an amount equal to the number of days by which Substantial Completion was delayed due to Tenant Delay multiplied by the per diem amount of Basic Annual Rent, and (3) Landlord shall not be liable to Tenant for any abatement, damages or other rights and remedies as a result thereof.

(d) The provisions of clauses (a), (b) and (c) shall be construed in conjunction with each other in those cases where delays in completion of items of

Landlord's Work are caused in part by Force Majeure, in part by Tenant Delays and/or in part by Landlord's non-performance.

The foregoing shall constitute the sole and exclusive remedies of Landlord and Tenant if Substantial Completion of Landlord's Work is delayed beyond the Target Date.

C. Tenant Delay(s). Tenant acknowledges that Tenant Delay(s) may cause delay in Landlord's ability to complete Landlord's Work within the time frames contemplated by this Lease. Accordingly, (i) Landlord's completion obligations with respect to Landlord's Work (and, if applicable, Construction Commencement and the Target Date) shall be extended one (1) day for each day of delay caused by Tenant Delays; and (ii) Landlord shall not be liable to Tenant for any Rent abatement (including, but not limited to the Per Diem Delay Liquidated Damages), damages or other rights and remedies with respect to the period of delay due to Tenant Delays.

E. Late Delivery of the Leased Premises. Except for Tenant's right to terminate the Lease pursuant to Paragraph III.B(1) above, if Landlord delivers possession of the Leased Premises subsequent to the Target Date, as such date may be extended pursuant to this **Exhibit C-1**, then this Lease will remain fully effective and Tenant may not cancel or rescind this Lease, except as specifically set forth in this **Exhibit C-1**.

#### IV. COST TO COMPLETE

A. Landlord's Base Building Work. Except as otherwise set forth herein, Landlord shall be responsible for and shall pay when due all costs associated with the preparation of the Approved Base Building Plans, and the performance of Landlord's Base Building Work in accordance with this **Exhibit C-1**.

B. Landlord's TI Work. Landlord shall be responsible for and pay when due the TI Costs, subject to the payment by Tenant of any Excess Costs.

C. Payment of Change Order Costs. To the extent of any Change Order Costs, the same shall be paid as follows: on a monthly basis, Landlord shall provide Tenant (or Tenant's Representative) with copies of requisition forms provided by Landlord and certified by the GC, setting forth the amount of any Change Order Costs with respect to the period applicable to such requisition. Tenant shall promptly notify Landlord in the event Tenant determines that any such information delivered by Landlord is inaccurate or incomplete in any respect. Tenant shall be responsible for the payment of 100% of the Change Order Costs, which amounts shall be paid by Tenant within thirty (30) days following Tenant's receipt of a monthly requisition described in this Paragraph IV.C.

D. Payment of Other Excess Costs. Any Excess Costs that Tenant is responsible for shall be paid by Tenant within thirty (30) days following Tenant's receipt of an invoice therefor.

E. Insurance Requirements Applicable to Landlord during Landlord Work. As a condition to performing any Landlord Work and at all times throughout such work, Landlord shall have procured and maintained all insurance required under Paragraph V(E)(2) of the Lease.

F. Warranties. Landlord shall obtain industry standard warranties for all Improvements included in Landlord's Work, which warranties shall in no event be for a period less than one (1) year following Substantial Completion (and Landlord shall use good faith efforts to cause the Construction Contract to provide that in the event any item is replaced or repaired pursuant to such warranty, the warranty period with respect thereto shall recommence anew from the date of each such repair or replacement). Landlord agrees to assign to Tenant all such warranties and guaranties relating to the Base Building and Landlord's TI Work.

## V. TENANT WORK

### A. Generally.

(1) In the event Tenant wishes to perform any Tenant Work in the Leased Premises prior to the Substantial Completion of Landlord's Work, the provisions of this Paragraph V shall apply. Any such Tenant Work, which shall involve only the installation of Tenant's furniture, moveable trade fixtures, equipment, telecommunications equipment, audio/visual equipment, and voice and data cabling, shall be performed by Tenant's employees or a licensed contractor in accordance with plans and specifications approved by Landlord, which approvals shall not be unreasonably withheld. The procedure for submission of any plans and specifications for Tenant Work shall be substantially identical to the procedure for obtaining Tenant's approval of the Approved TI Plans. Tenant agrees that Landlord will have the right to inspect, at the sole cost and expense of Landlord, the performance of Tenant Work by Tenant's contractor(s) and subcontractor(s), through a construction manager appointed by Landlord, and Tenant agrees to cooperate with Landlord to facilitate such inspection, including without limitation: (A) notifying Landlord and such construction manager prior to any and all government inspections of Tenant Work so that Landlord's construction manager can be present therefor; (B) permitting Landlord's construction manager free and clear access to the Leased Premises during the construction period, as necessary to perform such inspections, and (C) complying (or causing its contractor to comply) with the reasonable directions of such construction manager in connection with Tenant Work, as long as such directions are not inconsistent with the Approved Plans. Landlord shall use reasonable efforts not to interfere unreasonably with the performance of any Tenant Work during the course of any inspections by Landlord or Landlord's construction manager pursuant to this Paragraph.

(2) In the performance of any Tenant Work in accordance with this Lease, Tenant shall cause its contractor(s) to use reasonable and diligent efforts not to interfere with ongoing operations at the Leased Premises (including the Building), including, but not limited to Landlord's Work.

(3) Tenant's contractor(s) shall keep all construction areas reasonably clean and free of trash and debris, and Tenant shall police the activities of its contractors, subcontractors and their respective employees with regard to keeping the Building and Leased Premises clean. Tenant's construction contract shall indemnify Tenant and Landlord from damages, losses and expenses associated with the wrongful acts and omissions of Tenant's contractor, its agents, employees and subcontractors, and shall otherwise be consistent with the terms hereof.



(4) In connection with any Tenant Work, Tenant shall provide to Landlord copies of all applications for permits (if such permits are required under Legal Requirements applicable to Tenant), copies of all governmental inspection reports and/or certificates, if any, and any and all notices or violations communicated to Tenant or its contractors by applicable governmental authorities (to the extent that any such governmental authorities have the legal right and power to issue such notices to Tenant), promptly upon receipt and/or submission thereof, as the case may be. Tenant agrees to comply (or to cause its contractors to comply) with all applicable Legal Requirements in the performance of any Tenant Work, and to promptly rectify any violations of such Legal Requirements caused by the acts or omission of Tenant, its employees, agents and/or contractors, and Tenant shall be responsible for any non-compliance by Tenant or its agents, employees and contractors.

(5) Without limiting the generality or applicability of the foregoing provisions, or of any other applicable provision of this Exhibit C-1 or the Lease, Tenant agrees that the following provisions shall apply to the performance of any Tenant Work:

(a) In performing portions of any Tenant Work which involve construction work upon the exterior of the Building, Tenant agrees that it shall, at Tenant's sole expense, restore all other areas of the Building's exterior, including without limitation all adjacent planting areas, sidewalks and parking areas, affected by the execution of such Tenant Work, to their original condition upon the completion of such portions of such Tenant Work; provided, however, that requirement shall not apply to the extent that Landlord and its Contractor still control the area in connection with Landlord Work.

(b) Tenant shall protect and restore all work areas of the Leased Premises (including without limitation any portions of the Building) utilized or affected in performing any Tenant Work, including, but not limited to, Building roofs, floor penetrations and chase wall penetrations. Tenant shall use only roofing contractors who are permitted to perform such work upon the roof without nullifying any then applicable roof warranty for penetrations and reflashings of affected roof areas (if any), which roofing contractors shall be subject to Landlord's reasonable approval and which roofing contractors shall warrant to Landlord's reasonable satisfaction the integrity of any such roof or exterior penetrations and that the same are free from leakage and are otherwise properly waterproof. Tenant shall further ensure that all floor penetrations are properly fire-stopped, in accordance with applicable building and fire codes and prudent construction practices. Landlord's construction manager and/or representatives shall be advised at the time Tenant commences any portion of any Tenant Work involving the exterior of the Building, the Building roof and all floor to floor penetrations, and all such work shall be subject to the inspection and approval of Landlord (and in the case of work involving the exterior of the Building, shall be supervised by Landlord's construction manager and/or other representatives). In regard to the foregoing right of inspection and approval, Tenant and its contractor shall permit such construction manager and/or representatives free access to all affected areas of the Leased Premises and Building necessary for Landlord to conduct such inspections and/or supervision.

(c) Tenant shall, upon Management Change Date, cause its contractor performing any Tenant Work to provide copies of warranties for such Tenant Work and the

materials and equipment which are incorporated into the Building and/or the Leased Premises in connection therewith, as well as provide to Landlord all operating and maintenance manuals for all equipment and materials incorporated into the Building and/or Leased Premises as part of any Tenant Work. Tenant shall either assign to Landlord, or enforce on Landlord's behalf, all such warranties to the extent repairs and/or maintenance on warranted items would be covered by such warranties. Without limitation, all aspects of any Tenant Work shall be warranted to be free from defects in design and workmanship for a period of not less than one (1) year from Substantial Completion of construction.

(6) Except as provided herein, Tenant shall obtain all necessary permits in connection with any Tenant Work, including all final inspection approvals which are required for the proper completion of such Tenant Work.

B. Lien-Free Completion. Landlord and Tenant shall each use only materials substantially consistent in quality with those specific in the Approved Base Building Plans and Approved TI Plans in connection with any work performed by them. All Tenant Work and all of Landlord's Work shall be paid for in full and in a timely fashion by Tenant and Landlord, respectively, as provided herein, and shall be performed in a lien-free, and good and workmanlike manner, and in accordance with all applicable codes and requirements. Tenant's indemnity and covenants as set forth in the Lease shall apply to any liens created by virtue of any Tenant Work. Tenant shall be solely responsible for ensuring that all Tenant Work complies with applicable Legal Requirements.

C. Insurance Requirements Applicable to Tenant during Tenant Work. As a condition to performing any Tenant Work, Tenant shall be in compliance with the insurance requirements of Paragraph V.E of the Lease.

EXHIBIT C-1



OK WITH INCLUSION OF SHERIFF'S LOBBY  
1/3/19 WITH WALL BETWEEN PROBATION & A.R.C.

First Floor  
SPACE PLAN- Revised  
Ipswich County Complex

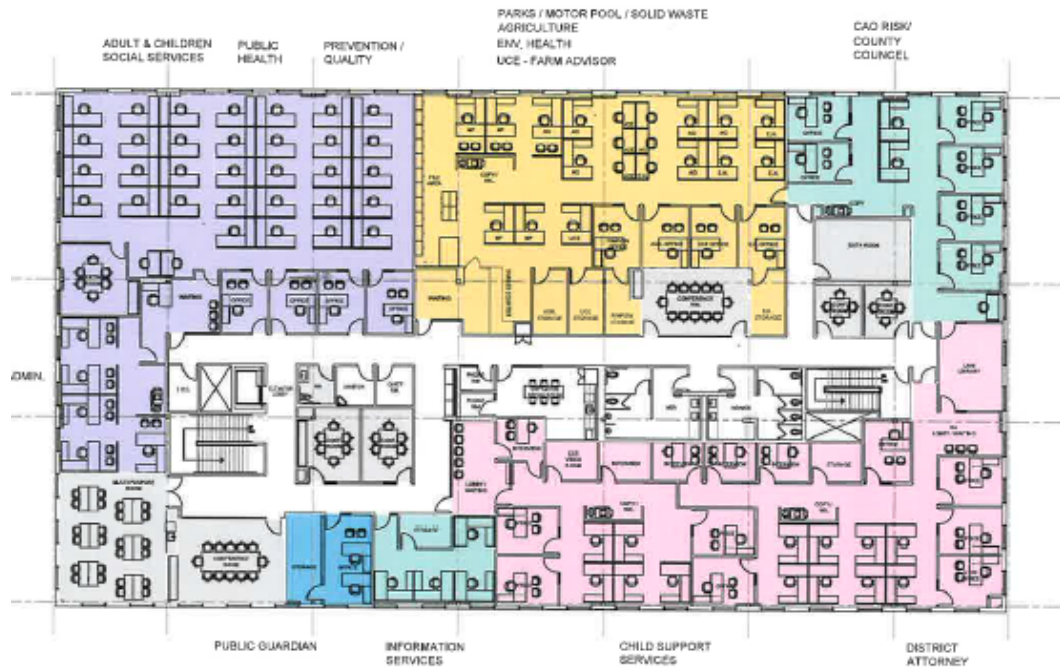
WARE MALCOMB

W/CLASHING  
11/20/18

SHEET  
SP01

SPACE PLANS

Floor 1



OK CA  
11/3/19

Floor 2

**EXHIBIT C-1**  
**ELEVATIONS – COMPAS – N/E W/S**

**NORTH FACING ELEVATION**



**SOUTH FACING ELEVATION**



Provided by Ware Malcomb  
9/20/2018

**EXHIBIT C-1**  
**ELEVATIONS – COMPAS – N/E W/S**

**EAST FACING ELEVATION**



**WEST FACING ELEVATION**



Provided by Ware Malcomb  
9/20/2018

## **EXHIBIT C-1**

### **DRAFT SPECS**

# **Shell Building Specifications**

October 27, 2018

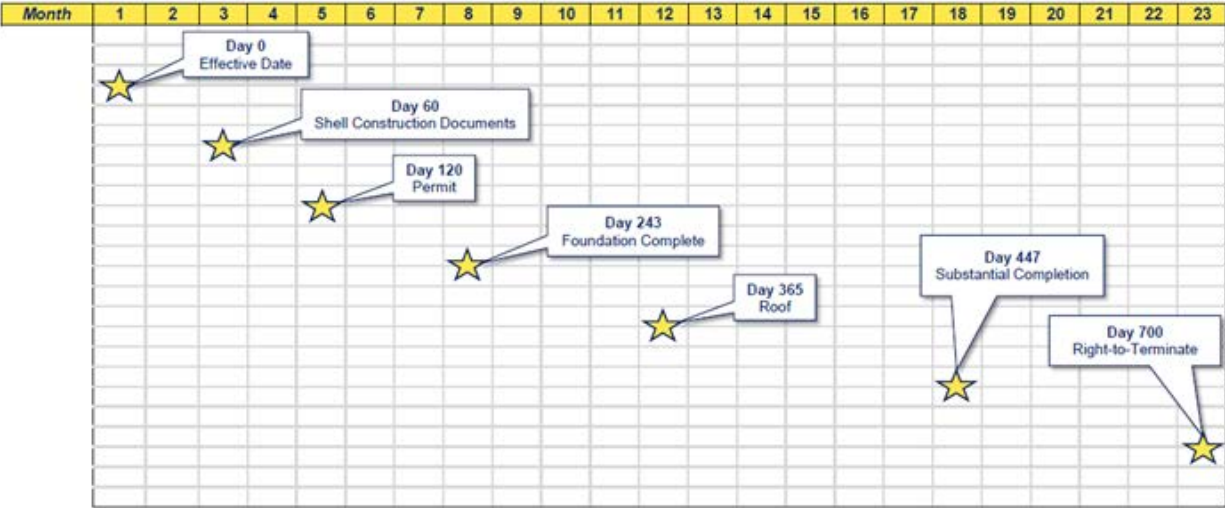
## **Building Shell Materials & Finishes**

1. Main Entry = One Pair Metal Framed Glass Doors, 3'0" by 8'0" with surface mounted closer and manual locking hardware.
2. Standard Exterior Doors = Hollow Metal painted with manual lockset.
3. Parking Area Lighting = Minimum foot candles as required by code.
4. Parking Surface = Asphalt, with painted parking stalls
5. Concrete Curbs, Planters and Walkways
6. Off-Site Improvements = As required by Public Works
7. Exterior Façade = Precision Cut concrete block.
8. Window Mullions = Bronze Anodized Aluminum
9. Windows = Dual Pane Glass
10. Drought Tolerant Landscape
11. Light Bollards at Main Entry (non-impact)
12. Access Easement = Crushed Rock

# EXHIBIT C-2

## DESIGN AND CONSTRUCTION MILESTONES

### INYO Exhibit C-2: Lease Schedule Milestones





## EXHIBIT C-3

In the event of conflicting language the following shall prevail, 1. Miscellaneous Room Details, 2. Finish Schedule Interior and Exterior, 3. Room Data Sheets

# FINISH SCHEDULE INTERIOR & EXTERIOR

January 4, 2019

1. Light fixtures = 2 x 4 LED
2. Acoustic Ceiling = 2 x 4 Second Look
3. Fire Protection = Semi recessed chrome heads
4. Paint = Egg shell finish
5. Office Doors = 7'0 x 3'0 plastic laminate
6. Rated Interior Doors =
7. Frames = Aluminum Metal Frames
8. Hardware = Schlage AL Series Passage Set, PHG ball bearing hinges, PHG 9000 Closers, PHG floor stops.
9. Partitions = Drywall, ceiling high throughout
10. Drywall Finish = Level 4, or equal
11. Base = 4" Rubber Base
12. Flooring = Carpet Tile Mohawk 2867
13. Hard Surface Flooring = 12 x 12 VCT
14. Restroom Partitions = Plastic Laminate Wilsonart, floor mounted and top braced.
15. Restroom Accessories = American Standard, Zurn, Koehler
16. Restroom Counters = Plastic laminate Wilsonart
17. Restroom Sinks = Porcelain drop-in American Standard, Zurn, Koehler
18. Restroom Faucets = Manual American Standard, Zurn, Koehler
19. Wall mounted urinals = Manual Flush Valves
20. Floor mounted water closets = Manual Flush Valves
21. Wall mounted mirrors above sinks
22. Restroom walls = Painted Drywall with Ceramic Tile at all wet walls to 60" AFF Daltile Rittenhouse 3x6 0790 Matte Arch White or porcelain tile equivalent at County's choice
23. Restroom Floors = Daltile Bay Bridge 12 x 12 or porcelain tile equivalent at County's choice.
24. Millwork = Plastic Laminate all locations Wilsonart
25. Window Blinds = Vertical Blinds at all perimeter windows
26. HVAC distribution consistent with ASHRAE Standards for Office Space and Title 24
27. Electrical convenience power = 2 duplex out with each private office, 2 duplex outlets per each work station.
28. Specialty outlets for server room, lunch rooms, conference rooms
29. Lighting distribution consistent with standard office space lighting lumens at work surface tops and Title 24
30. Exit signs = Red LED, White plastic with battery backup

## Building Shell Materials & Finishes

1. Main Entry = One Pair Metal Framed Glass Doors 3'0" by 8'0" with surface mounted closer and manual locking hardware.
2. Standard Exterior Doors = Hollow Metal painted with manual lockset.
3. Parking Area Lighting = minimum foot candles as required by code.
4. Parking Surface = Asphalt, with painted parking stalls
5. Curbs, planters and walkways = Concrete
6. Off-site improvements = as required by Public Works
7. Exterior Façade = Precision Cut concrete block.
8. Window Mullions = Bronze Anodized Aluminum
9. Dual Pane Glass
10. Drought Tolerant Landscape
11. Light Bollards at Main Entry (non impact)
12. Access Easement = Crushed Rock

## Room Data Sheets

**ROOM TYPE: Training Room**

### Architectural:

Floor - Building Standard Carpet. Building Standard Base.  
Walls - Level 4 Gypsum Board, Flat Paint, Sherwin Williams or equal.  
Ceilings - Building Standard Suspended Acoustic Panel Ceiling  
Doors/Hardware Building Standard Door, Frame & Hardware  
-  
Interior  
Sidelights -  
Exterior Window  
Treatments - Building Standard Window Treatment  
Acoustical - Building Standard Ceiling High Partition 5/8" drywall, metal stud.

### Mechanical:

HVAC system designed to meet ASHRAE Standards for Office Space minimum/maximums dry bulb wet bulb conditions within the Bishop CA geographic region.

### Plumbing:

No requirements.

### Electrical:

One 120v Duplex Convenience Receptacle on two walls.  
Electrical WIPS for systems furniture to be provided by Tenant's Furniture provider

### Lighting:

Ceiling Mounted Recessed High Performance LED direct/indirect with controls as mandated by CA Title 24. Lumens at desktop level to be consistent with standard Office Space use and as required by CA Title 24. Switching to allow for AV presentations

### Millwork

### Fire Protection:

-Semi recessed chrome fire protection

### IT & AV:

Data Cabling and Audio Visual Requirements Provided by Tenant.

### Non Standard Requirements

**ROOM TYPE:**

**Exit Stair**

Architectural:

Floor - Concrete filled pan. Building Standard Base.  
Walls - Level 4 Gypsum Board, Egg Shell Paint, Sherwin Williams or equal.  
Ceilings -  
Doors/Hardware Building Standard Door, Frame & Hardware  
-  
Interior  
Sidelights -  
Exterior Window  
Treatments -  
Acoustical - Building Standard Ceiling High Partition 5/8" drywall, metal stud.

Mechanical:

HVAC system designed to meet ASHRAE Standards for Office Space minimum/maximums dry bulb wet bulb conditions within the Bishop CA geographic region.

Plumbing:

No requirements.

Electrical:

Lighting:

Ceiling Mounted Recessed High Performance LED direct/indirect with controls as mandated by CA Title 24. Lumens at desktop level to be consistent with standard Office Space use and as required by CA Title 24.

Millwork

Building Standard Plastic Laminate, Wilson Art Standard Colors Uppers and Lower as may be depicted on Ware Malcomb construction documents

Fire Protection:

-Semi recessed chrome fire protection

IT & AV:

Data Cabling and Audio Visual Requirements Provided by Tenant.

Non Standard Requirements

**ROOM TYPE: Sheriff Offices**

Architectural:

Floor - Building Standard Carpet. Building Standard Base.  
Walls - Level 4 Gypsum Board, Flat Paint, Sherwin Williams or equal.  
Ceilings - Building Standard Suspended Acoustic Panel Ceiling  
Doors/Hardware Building Standard Door, Frame & Hardware  
-  
Interior  
Sidelights -  
Exterior Window  
Treatments - Building Standard Window Treatment  
Acoustical - Building Standard Ceiling High Partition 5/8" drywall, metal stud.

Mechanical:

HVAC system designed to meet ASHRAE Standards for Office Space minimum/maximums dry bulb wet bulb conditions within the Bishop CA geographic region.

Plumbing:

No requirements.

Electrical:

Two 120v Duplex Convenience Receptacle on two walls.  
Electrical WIPS for systems furniture to be provided by Tenant's Furniture provider

Lighting:

Ceiling Mounted Recessed High Performance LED direct/indirect with controls as mandated by CA Title 24. Lumens at desktop level to be consistent with standard Office Space use and as required by CA Title 24.

Millwork

Fire Protection:

-Semi recessed chrome fire protection

IT & AV:

Data Cabling and Audio Visual Requirements Provided by Tenant.

Non Standard Requirements

**ROOM TYPE: Restroom**

Architectural:

Floor - Porcelin/ceramic tile and base.  
Walls - Porcelin/ceramic Tile on Wet Walls, Level 4 Gypsum Board, Semi Gloss Paint, Sherwin Williams or equal.  
Ceilings - Drywall Ceiling  
Doors/Hardware Building Standard Door, Frame & Hardware  
-  
Interior  
Sidelights -  
Exterior Window  
Treatments - Building Standard Window Treatment  
Acoustical - Building Standard Ceiling High Partition 5/8” drywall, metal stud.

Mechanical:

HVAC system designed to meet ASHRAE Standards for Office Space minimum/maximums dry bulb wet bulb conditions within the Bishop CA geographic region.

Plumbing:

Wall Mounted Urinals, Floor Mounted Water Closets, Plastic Laminate Counter Tops, Porcelain Sinks, Manual Faucets, Insta Hot Water Heater. Toilet Accessories Bobrick or Equal.

Electrical:

One GF 120v Duplex Convenience Receptacle.

Lighting:

Ceiling Mounted Recessed High Performance LED direct/indirect with controls as mandated by CA Title 24. Lumens at desktop level to be consistent with standard Office Space use and as required by CA Title 24.

Millwork

Plastic Laminate toilet and urinal privacy screens

Fire Protection:

-Semi recessed chrome fire protection

IT & AV:

Data Cabling and Audio Visual Requirements Provided by Tenant.

Non Standard Requirements

**ROOM TYPE:**

**Quiet Rooms**

Architectural:

Floor -	Building Standard Carpet. Building Standard Base.
Walls -	Level 4 Gypsum Board, Egg Shell Paint, Sherwin Williams or equal.
Ceilings -	Building Standard Suspended Acoustic Panel Ceiling
Doors/Hardware	Building Standard Door, Frame & Hardware
-	
Interior	
Sidelights -	
Exterior Window	
Treatments -	Building Standard Window Treatment
Acoustical -	Building Standard Ceiling High Partition 5/8” drywall, metal stud.

Mechanical:

HVAC system designed to meet ASHRAE Standards for Office Space minimum/maximums dry bulb wet bulb conditions within the Bishop CA geographic region.

Plumbing:

No requirements.

Electrical:

One 120v Duplex Convenience Receptacle on two walls.  
Electrical WIPS for systems furniture to be provided by Tenant’s Furniture provider

Lighting:

Ceiling Mounted Recessed High Performance LED direct/indirect with controls as mandated by CA Title 24. Lumens at desktop level to be consistent with standard Office Space use and as required by CA Title 24.

Millwork

Fire Protection:

-Semi recessed chrome fire protection

IT & AV:

Data Cabling and Audio Visual Requirements Provided by Tenant.

Non Standard Requirements

**ROOM TYPE:                   Private Offices**

Architectural:

Floor -	Building Standard Carpet. Building Standard Base.
Walls -	Level 4 Gypsum Board, Egg Shell Paint, Sherwin Williams or equal.
Ceilings -	Building Standard Suspended Acoustic Panel Ceiling
Doors/Hardware	Building Standard Door, Frame & Hardware
-	
Interior	
Sidelights -	
Exterior Window	
Treatments -	Building Standard Window Treatment
Acoustical -	Building Standard Ceiling High Partition 5/8” drywall, metal stud.

Mechanical:

HVAC system designed to meet ASHRAE Standards for Office Space minimum/maximums dry bulb wet bulb conditions within the Bishop CA geographic region.

Plumbing:

No requirements.

Electrical:

One 120v Duplex Convenience Receptacle on two walls.  
Electrical WIPS for systems furniture to be provided by Tenant’s Furniture provider

Lighting:

Ceiling Mounted Recessed High Performance LED direct/indirect with controls as mandated by CA Title 24. Lumens at desktop level to be consistent with standard Office Space use and as required by CA Title 24.

Millwork

Fire Protection:

-Semi recessed chrome fire protection

IT & AV:

Data Cabling and Audio Visual Requirements Provided by Tenant.

Non Standard Requirements



**ROOM TYPE:                    Open Offices**

Architectural:

Floor -                    Building Standard Carpet. Building Standard Base.  
Walls -                    Level 4 Gypsum Board, Egg Shell Paint, Sherwin Williams or equal.  
Ceilings -                Building Standard Suspended Acoustic Panel Ceiling  
Doors/Hardware        Building Standard Door, Frame & Hardware  
-  
Interior  
Sidelights -  
Exterior Window  
Treatments -            Building Standard Window Treatment  
Acoustical -            Building Standard Ceiling High Partition 5/8” drywall, metal stud.

Mechanical:

HVAC system designed to meet ASHRAE Standards for Office Space minimum/maximums dry bulb wet bulb conditions within the Bishop CA geographic region.

Plumbing:

No requirements.

Electrical:

Electrical WIPS for systems furniture to be provided by Tenant’s Furniture provider

Lighting:

Ceiling Mounted Recessed High Performance LED direct/indirect with controls as mandated by CA Title 24. Lumens at desktop level to be consistent with standard Office Space use and as required by CA Title 24.

Millwork

Fire Protection:

-Semi recessed chrome fire protection

IT & AV:

Data Cabling and Audio Visual Requirements Provided by Tenant.

Non Standard Requirements

**ROOM TYPE: Lobby Waiting**

Architectural:

Floor - Building Standard Carpet or VCT. Building Standard Base.  
Walls - Level 4 Gypsum Board, Flat Paint, Sherwin Williams or equal.  
Ceilings - Building Standard Suspended Acoustic Panel Ceiling  
Doors/Hardware Building Standard Door, Frame & Hardware  
-  
Interior  
Sidelights -  
Exterior Window  
Treatments - Building Standard Window Treatment  
Acoustical - Building Standard Ceiling High Partition 5/8" drywall, metal stud.

Mechanical:

HVAC system designed to meet ASHRAE Standards for Office Space minimum/maximums dry bulb wet bulb conditions within the Bishop CA geographic region.

Plumbing:

No requirements.

Electrical:

One 120v Duplex Convenience Receptacle on two walls.  
Electrical WIPS for systems furniture to be provided by Tenant's Furniture provider

Lighting:

Ceiling Mounted Recessed High Performance LED direct/indirect with controls as mandated by CA Title 24. Lumens at desktop level to be consistent with standard Office Space use and as required by CA Title 24.

Millwork

As shown on approved Test Fit plan

Fire Protection:

-Semi recessed chrome fire protection

IT & AV:

Data Cabling and Audio Visual Requirements Provided by Tenant.

Non Standard Requirements

**ROOM TYPE:**

**Lobbies**

Architectural:

Floor - Building Standard VCT or Carpet. Building Standard Base.  
Walls - Level 4 Gypsum Board, Flat Paint, Sherwin Williams or equal.  
Ceilings - Building Standard Suspended Acoustic Panel Ceiling  
Doors/Hardware Building Standard Door, Frame & Hardware  
-  
Interior  
Sidelights -  
Exterior Window  
Treatments - Building Standard Window Treatment  
Acoustical - Building Standard Ceiling High Partition 5/8" drywall, metal stud.

Mechanical:

HVAC system designed to meet ASHRAE Standards for Office Space minimum/maximums dry bulb wet bulb conditions within the Bishop CA geographic region.

Plumbing:

No requirements.

Electrical:

One 120v Duplex Convenience Receptacle on two walls.  
Electrical WIPS for systems furniture to be provided by Tenant's Furniture provider

Lighting:

Ceiling Mounted Recessed High Performance LED direct/indirect with controls as mandated by CA Title 24. Lumens at desktop level to be consistent with standard Office Space use and as required by CA Title 24.

Millwork

As shown on approved Test Fit plan

Fire Protection:

-Semi recessed chrome fire protection

IT & AV:

Data Cabling and Audio Visual Requirements Provided by Tenant.

Non Standard Requirements

**ROOM TYPE:**

**Law Library**

Architectural:

Floor - Building Standard Carpet. Building Standard Base.  
Walls - Level 4 Gypsum Board, Flat Paint, Sherwin Williams or equal.  
Ceilings - Building Standard Suspended Acoustic Panel Ceiling  
Doors/Hardware Building Standard Door, Frame & Hardware  
-  
Interior  
Sidelights -  
Exterior Window  
Treatments - Building Standard Window Treatment  
Acoustical - Building Standard Ceiling High Partition 5/8" drywall, metal stud.

Mechanical:

HVAC system designed to meet ASHRAE Standards for Office Space minimum/maximums dry bulb wet bulb conditions within the Bishop CA geographic region.

Plumbing:

No requirements.

Electrical:

One 120v Duplex Convenience Receptacle on two walls.  
Electrical WIPS for systems furniture to be provided by Tenant's Furniture provider

Lighting:

Ceiling Mounted Recessed High Performance LED direct/indirect with controls as mandated by CA Title 24. Lumens at desktop level to be consistent with standard Office Space use and as required by CA Title 24.

Millwork

Fire Protection:

-Semi recessed chrome fire protection

IT & AV:

Data Cabling and Audio Visual Requirements Provided by Tenant.

Non Standard Requirements

**ROOM TYPE:                      Lab**

Architectural:

Floor - Building Standard VCT or Carpet. Building Standard Base.  
Walls - Level 4 Gypsum Board, Egg Shell Paint, Sherwin Williams or equal.  
Ceilings - Building Standard Suspended Acoustic Panel Ceiling  
Doors/Hardware Building Standard Door, Frame & Hardware  
-  
Interior  
Sidelights -  
Exterior Window  
Treatments - Building Standard Window Treatment  
Acoustical - Building Standard Ceiling High Partition 5/8” drywall, metal stud.

Mechanical:

HVAC system designed to meet ASHRAE Standards for Office Space minimum/maximums dry bulb wet bulb conditions within the Bishop CA geographic region.

Plumbing:

No requirements.

Electrical:

One 120v Duplex Convenience Receptacle on two walls.  
Electrical WIPS for systems furniture to be provided by Tenant’s Furniture provider

Lighting:

Ceiling Mounted Recessed High Performance LED direct/indirect with controls as mandated by CA Title 24. Lumens at desktop level to be consistent with standard Office Space use and as required by CA Title 24.

Millwork

Building Standard Plastic Laminate, Wilson Art Standard Colors Uppers and Lower as may be depicted on Ware Malcomb construction documents

Fire Protection:

-Semi recessed chrome fire protection

IT & AV:

Data Cabling and Audio Visual Requirements Provided by Tenant.

Non Standard Requirements

**ROOM TYPE: Interior Storage**

Architectural:

Floor - Building Standard VCT or Carpet. Building Standard Base.  
Walls - Level 4 Gypsum Board, Flat Paint, Sherwin Williams or equal.  
Ceilings - Building Standard Suspended Acoustic Panel Ceiling  
Doors/Hardware Building Standard Door, Frame & Hardware  
-  
Interior  
Sidelights -  
Exterior Window  
Treatments - Building Standard Window Treatment  
Acoustical - Building Standard Ceiling High Partition 5/8” drywall, metal stud.

Mechanical:

HVAC system designed to meet ASHRAE Standards for Office Space minimum/maximums dry bulb wet bulb conditions within the Bishop CA geographic region.

Plumbing:

No requirements.

Electrical:

One 120v Duplex Convenience Receptacle on two walls.  
Electrical WIPS for systems furniture to be provided by Tenant’s Furniture provider

Lighting:

Ceiling Mounted Recessed High Performance LED direct/indirect with controls as mandated by CA Title 24. Lumens at desktop level to be consistent with standard Office Space use and as required by CA Title 24.

Millwork

Fire Protection:

-Semi recessed chrome fire protection

IT & AV:

Data Cabling and Audio Visual Requirements Provided by Tenant.

Non Standard Requirements

**ROOM TYPE: Interior Storage Level Two**

Architectural:

Floor - Building Standard VCT or Carpet. Building Standard Base.  
Walls - Level 4 Gypsum Board, Flat Paint, Sherwin Williams or equal.  
Ceilings - Building Standard Suspended Acoustic Panel Ceiling  
Doors/Hardware Building Standard Door, Frame & Hardware  
-  
Interior  
Sidelights -  
Exterior Window  
Treatments - Building Standard Window Treatment  
Acoustical - Building Standard Ceiling High Partition 5/8" drywall, metal stud.

Mechanical:

HVAC system designed to meet ASHRAE Standards for Office Space minimum/maximums dry bulb wet bulb conditions within the Bishop CA geographic region.

Plumbing:

No requirements.

Electrical:

One 120v Duplex Convenience Receptacle on two walls.  
Electrical WIPS for systems furniture to be provided by Tenant's Furniture provider

Lighting:

Ceiling Mounted Recessed High Performance LED direct/indirect with controls as mandated by CA Title 24. Lumens at desktop level to be consistent with standard Office Space use and as required by CA Title 24.

Millwork

Fire Protection:

-Semi recessed chrome fire protection

IT & AV:

Data Cabling and Audio Visual Requirements Provided by Tenant.

Non Standard Requirements

**ROOM TYPE: Interview Phone Room**

Architectural:

Floor - Building Standard Carpet. Building Standard Base.  
Walls - Level 4 Gypsum Board, Egg Shell Paint, Sherwin Williams or equal.  
Ceilings - Building Standard Suspended Acoustic Panel Ceiling  
Doors/Hardware Building Standard Door, Frame & Hardware  
-  
Interior  
Sidelights -  
Exterior Window  
Treatments - Building Standard Window Treatment  
Acoustical - Building Standard Ceiling High Partition 5/8” drywall, metal stud.

Mechanical:

HVAC system designed to meet ASHRAE Standards for Office Space minimum/maximums dry bulb wet bulb conditions within the Bishop CA geographic region.

Plumbing:

No requirements.

Electrical:

One 120v Duplex Convenience Receptacle on one walls  
Electrical WIPS for systems furniture to be provided by Tenant’s Furniture provider

Lighting:

Ceiling Mounted Recessed High Performance LED direct/indirect with controls as mandated by CA Title 24. Lumens at desktop level to be consistent with standard Office Space use and as required by CA Title 24.

Millwork

Fire Protection:

-Semi recessed chrome fire protection

IT & AV:

Data Cabling and Audio Visual Requirements Provided by Tenant.

Non Standard Requirements



**ROOM TYPE:**

**Interior Corridor & Circulation**

Architectural:

Floor - Building Standard Carpet or VCT. Building Standard Base.  
Walls - Level 4 Gypsum Board, Egg Shell Paint, Sherwin Williams or equal.  
Ceilings - Building Standard Suspended Acoustic Panel Ceiling  
Doors/Hardware Building Standard Door, Frame & Hardware  
-  
Interior  
Sidelights -  
Exterior Window  
Treatments - Building Standard Window Treatment  
Acoustical - Building Standard Ceiling High Partition 5/8" drywall, metal stud.

Mechanical:

HVAC system designed to meet ASHRAE Standards for Office Space minimum/maximums dry bulb wet bulb conditions within the Bishop CA geographic region.

Plumbing:

No requirements.

Electrical:

One 120v Duplex Convenience Receptacle at various locations for house keeping..  
Electrical WIPS for systems furniture to be provided by Tenant's Furniture provider

Lighting:

Ceiling Mounted Recessed High Performance LED direct/indirect with controls as mandated by CA Title 24. Lumens at desktop level to be consistent with standard Office Space use and as required by CA Title 24.

Millwork

Fire Protection:

-Semi recessed chrome fire protection

IT & AV:

Data Cabling and Audio Visual Requirements Provided by Tenant.

Non Standard Requirements

**ROOM TYPE: IDF**

Architectural:

Floor - Sealed concrete. Building Standard Base.  
Walls - Level 4 Gypsum Board, Flat Paint, Sherwin Williams or equal.  
Ceilings - Building Standard Suspended Acoustic Panel Ceiling  
Doors/Hardware Building Standard Door, Frame & Hardware  
-  
Interior  
Sidelights -  
Exterior Window  
Treatments - Building Standard Window Treatment  
Acoustical - Building Standard Ceiling High Partition 5/8" drywall, metal stud.

Mechanical:

One Three Ton dedicate HVAC Unit

Plumbing:

No requirements.

Electrical:

One 120v Duplex Convenience Receptacle on two walls.  
Electrical WIPS for systems furniture to be provided by Tenant's Furniture provider

Lighting:

Ceiling Mounted Recessed High Performance LED direct/indirect with controls as mandated by CA Title 24. Lumens at desktop level to be consistent with standard Office Space use and as required by CA Title 24.

Millwork

Fire Protection:

-Semi recessed chrome fire protection

IT & AV:

Data Cabling and Audio Visual Requirements Provided by Tenant.

Non Standard Requirements

**ROOM TYPE: Galley**

Architectural:

Floor - Building Standard VCT. Building Standard Base.  
Walls - Level 4 Gypsum Board, Egg Shell Paint, Sherwin Williams or equal.  
Ceilings - Building Standard Suspended Acoustic Panel Ceiling  
Doors/Hardware Building Standard Door, Frame & Hardware  
-  
Interior  
Sidelights -  
Exterior Window  
Treatments - Building Standard Window Treatment  
Acoustical - Building Standard Ceiling High Partition 5/8" drywall, metal stud.

Mechanical:

HVAC system designed to meet ASHRAE Standards for Office Space minimum/maximums dry bulb wet bulb conditions within the Bishop CA geographic region.

Plumbing:

Cold Water Supply, Waste, Vent, Under Counter insta-hot water heater, stainless steel sink

Electrical:

One 120v Duplex Convenience Receptacle on two walls. Two 120v Fourplex outlets at counter top  
Electrical WIPS for systems furniture to be provided by Tenant's Furniture provider  
120v outlets for refrigerator and microwave.

Lighting:

Ceiling Mounted Recessed High Performance LED direct/indirect with controls as mandated by CA Title 24. Lumens at desktop level to be consistent with standard Office Space use and as required by CA Title 24.

Millwork

Building Standard Plastic Laminate, Wilson Art Standard Colors Uppers and Lower as may be depicted on Ware Malcomb construction documents

Fire Protection:

-Semi recessed chrome fire protection

IT & AV:

Data Cabling and Audio Visual Requirements Provided by Tenant.

Non Standard Requirements

**ROOM TYPE:**

**Elevator Cab**

Architectural:

Floor - Building Standard VCT or Carpet.  
Walls - Plastic Laminate Wall Panels.  
Ceilings - Plastic Laminate Ceiling  
Doors/Hardware  
-  
Interior  
Sidelights -  
Exterior Window  
Treatments -  
Acoustical -

Mechanical:

Plumbing:

Electrical:

Lighting:

Standard Elevator Cab LED Lighting per Elevator Manufacturer.

Millwork

Fire Protection:

IT & AV:

Non Standard Requirements

**ROOM TYPE:                    Elevator Machine Room**

Architectural:

Floor -                    Concrete  
Walls -                    Level 4 Gypsum Board, Flat Paint, Sherwin Williams or equal.  
Ceilings -                No Ceiling  
Doors/Hardware        Building Standard Door, Frame & Hardware  
-  
Interior  
Sidelights -  
Exterior Window  
Treatments -  
Acoustical -

Mechanical:

HVAC system designed to meet ASHRAE Standards for Office Space minimum/maximums dry bulb wet bulb conditions within the Bishop CA geographic region.

Plumbing:

No requirements.

Electrical:

One 120v Duplex Convenience Receptacle

Lighting:

Ceiling Mounted Recessed High Performance LED direct/indirect with controls as mandated by CA Title 24. Lumens at desktop level to be consistent with standard Office Space use and as required by CA Title 24.

Millwork

Fire Protection:

-Semi recessed chrome fire protection

IT & AV:

Data Cabling and Audio Visual Requirements Provided by Tenant.

Non Standard Requirements

**ROOM TYPE: Electrical Room Level 1**

Architectural:

Floor - Sealed Concrete  
Walls - Level 4 Gypsum Board, Flat Paint, Sherwin Williams or equal. 4” base  
Ceilings - No Ceiling  
Doors/Hardware Building Standard Door, Frame & Hardware or as required by code.  
-  
Interior  
Sidelights -  
Exterior Window  
Treatments - Building Standard Window Treatment  
Acoustical - Building Standard Ceiling High Partition 5/8” drywall, metal stud.

Mechanical:

Ventilation system designed to meet ASHRAE Standards for Electrical Utility Space minimum/maximums dry bulb wet bulb conditions within the Bishop CA geographic region.

Plumbing:

No requirements.

Electrical:

One 120v Duplex Convenience Receptacle on two walls.  
Electrical WIPS for systems furniture to be provided by Tenant’s Furniture provider

Lighting:

Ceiling Mounted Recessed High Performance LED direct/indirect with controls as mandated by CA Title 24. Lumens at desktop level to be consistent with standard Office Space use and as required by CA Title 24.

Millwork

Fire Protection:

-Semi recessed chrome fire protection

IT & AV:

Data Cabling and Audio Visual Requirements Provided by Tenant.

Non Standard Requirements

**ROOM TYPE:                      Electrical Room – Level Two**

Architectural:

Floor -                      Concrete  
Walls -                      Level 4 Gypsum Board, Flat Paint, Sherwin Williams or equal.  
Ceilings -                      No Ceiling  
Doors/Hardware              Building Standard Door, Frame & Hardware  
-  
Interior  
Sidelights -  
Exterior Window  
Treatments -                Building Standard Window Treatment  
Acoustical -                Building Standard Ceiling High Partition 5/8” drywall, metal stud.

Mechanical:

Ventilation system designed to meet ASHRAE Standards for Electrical utility Space minimum/maximums dry bulb wet bulb conditions within the Bishop CA geographic region.

Plumbing:

No requirements.

Electrical:

One 120v Duplex Convenience Receptacle on two walls.  
Electrical WIPS for systems furniture to be provided by Tenant’s Furniture provider

Lighting:

Ceiling Mounted Recessed High Performance LED direct/indirect with controls as mandated by CA Title 24. Lumens at desktop level to be consistent with standard Office Space use and as required by CA Title 24.

Millwork

Fire Protection:

-Semi recessed chrome fire protection

IT & AV:

Data Cabling and Audio Visual Requirements Provided by Tenant.

Non Standard Requirements

**ROOM TYPE:**

**EBT CLETS**

Architectural:

Floor - Building Standard Carpet. Building Standard Base.  
Walls - Level 4 Gypsum Board, Egg Shell Paint, Sherwin Williams or equal.  
Ceilings - Building Standard Suspended Acoustic Panel Ceiling  
Doors/Hardware Building Standard Door, Frame & Hardware  
-  
Interior  
Sidelights -  
Exterior Window  
Treatments - Building Standard Window Treatment  
Acoustical - Building Standard Ceiling High Partition 5/8" drywall, metal stud.

Mechanical:

HVAC system designed to meet ASHRAE Standards for Office Space minimum/maximums dry bulb wet bulb conditions within the Bishop CA geographic region.

Plumbing:

No requirements.

Electrical:

One 120v Duplex Convenience Receptacle on two walls.  
Electrical WIPS for systems furniture to be provided by Tenant's Furniture provider

Lighting:

Ceiling Mounted Recessed High Performance LED direct/indirect with controls as mandated by CA Title 24. Lumens at desktop level to be consistent with standard Office Space use and as required by CA Title 24.

Millwork

Fire Protection:

-Semi recessed chrome fire protection

IT & AV:

Data Cabling and Audio Visual Requirements Provided by Tenant.

Non Standard Requirements



**ROOM TYPE:                      Data Room**

Architectural:

Floor -                      Building Standard VCT. Building Standard Base.  
Walls -                      Level 4 Gypsum Board, Flat Paint, Sherwin Williams or equal.  
Ceilings -                      Building Standard Suspended Acoustic Panel Ceiling  
Doors/Hardware              Building Standard Door, Frame & Hardware  
-  
Interior  
Sidelights -  
Exterior Window  
Treatments -                Building Standard Window Treatment  
Acoustical -                Building Standard Ceiling High Partition 5/8” drywall, metal stud.

Mechanical:

One three ton dedicated HVAC unit.

Plumbing:

No requirements.

Electrical:

One 120v Duplex Convenience Receptacle on two walls.  
Electrical WIPS for systems furniture to be provided by Tenant’s Furniture provider

Lighting:

Ceiling Mounted Recessed High Performance LED direct/indirect with controls as mandated by CA Title 24. Lumens at desktop level to be consistent with standard Office Space use and as required by CA Title 24.

Millwork

Building Standard Plastic Laminate, Wilson Art Standard Colors Uppers and Lower as may be depicted on Ware Malcomb construction documents

Fire Protection:

-Semi recessed chrome fire protection

IT & AV:

Data Cabling and Audio Visual Requirements Provided by Tenant.

Non Standard Requirements

**ROOM TYPE: Custodial**

Architectural:

Floor - Sealed Concrete.  
Walls - Level 4 Gypsum Board, Flat Paint, Sherwin Williams or equal, 4” rubber base.  
Ceilings - Building Standard Suspended Acoustic Panel Ceiling  
Doors/Hardware - Building Standard Door, Frame & Hardware  
-  
Interior  
Sidelights -  
Exterior Window  
Treatments - Building Standard Window Treatment  
Acoustical - Building Standard Ceiling High Partition 5/8” drywall, metal stud.

Mechanical:

HVAC system designed to meet ASHRAE Standards for Office Space minimum/maximums dry bulb wet bulb conditions within the Bishop CA geographic region.

Plumbing:

Slop sink, water supply, drane, vent

Electrical:

One 120v Duplex Convenience Receptacle on two walls.  
Electrical WIPS for systems furniture to be provided by Tenant’s Furniture provider

Lighting:

Ceiling Mounted Recessed High Performance LED direct/indirect with controls as mandated by CA Title 24. Lumens at desktop level to be consistent with standard Office Space use and as required by CA Title 24.

Millwork

Fire Protection:

-Semi recessed chrome fire protection

IT & AV:

Data Cabling and Audio Visual Requirements Provided by Tenant.

Non Standard Requirements

**ROOM TYPE: Copy Workrooms**

Architectural:

Floor - Building Standard VCT or Carpet. Building Standard Base.  
Walls - Level 4 Gypsum Board, Egg Shell Paint, Sherwin Williams or equal.  
Ceilings - Building Standard Suspended Acoustic Panel Ceiling  
Doors/Hardware - Building Standard Door, Frame & Hardware  
-  
Interior  
Sidelights -  
Exterior Window  
Treatments - Building Standard Window Treatment  
Acoustical - Building Standard Ceiling High Partition 5/8” drywall, metal stud.

Mechanical:

HVAC system designed to meet ASHRAE Standards for Office Space minimum/maximums dry bulb wet bulb conditions within the Bishop CA geographic region.

Plumbing:

No requirements.

Electrical:

One 120v Duplex Convenience Receptacle on two walls.  
One 120v Duplex outlet above counter  
Electrical WIPS for systems furniture to be provided by Tenant’s Furniture provider

Lighting:

Ceiling Mounted Recessed High Performance LED direct/indirect with controls as mandated by CA Title 24. Lumens at desktop level to be consistent with standard Office Space use and as required by CA Title 24.

Millwork

As shown on approved plans

Fire Protection:

-Semi recessed chrome fire protection

IT & AV:

Data Cabling and Audio Visual Requirements Provided by Tenant.

Non Standard Requirements

**ROOM TYPE: Conference Room**

Architectural:

Floor - Building Standard Carpet. Building Standard Base.  
Walls - Level 4 Gypsum Board, Egg Shell Paint, Sherwin Williams or equal.  
Ceilings - Building Standard Suspended Acoustic Panel Ceiling  
Doors/Hardware Building Standard Door, Frame & Hardware  
-  
Interior  
Sidelights -  
Exterior Window  
Treatments - Building Standard Window Treatment  
Acoustical - Building Standard Ceiling High Partition 5/8” drywall, metal stud.

Mechanical:

HVAC system designed to meet ASHRAE Standards for Office Space minimum/maximums dry bulb wet bulb conditions within the Bishop CA geographic region. Separate Zone sized to serve planned occupancy.

Plumbing:

No requirements.

Electrical:

One 120v Duplex Convenience Receptacle on each wall.  
Electrical WIPS for systems furniture to be provided by Tenant’s Furniture provider  
One 120v Jbox in ceiling to power projector

Lighting:

Ceiling Mounted Recessed High Performance LED direct/indirect with controls as mandated by CA Title 24. Lumens at desktop level to be consistent with standard Office Space use and as required by CA Title 24

Millwork

Building Standard Plastic Laminate, Wilson Art Standard Colors Uppers and Lower as may be depicted on Ware Malcomb construction documents

Fire Protection:

-Semi recessed chrome fire protection

IT & AV:

Data Cabling and Audio Visual Requirements Provided by Tenant.

Non Standard Requirements

**ROOM TYPE:                    Community Room**

Architectural:

Floor -                    Building Standard Carpet Building Standard Base.  
Walls -                    Level 4 Gypsum Board, Flat Paint, Sherwin Williams or equal.  
Ceilings -                Building Standard Suspended Acoustic Panel Ceiling  
Doors/Hardware        Building Standard Door, Frame & Hardware  
-  
Interior  
Sidelights -  
Exterior Window  
Treatments -            Building Standard Window Treatment  
Acoustical -             Building Standard Ceiling High Partition 5/8” drywall, metal stud.

Mechanical:

HVAC system designed to meet ASHRAE Standards for Office Space minimum/maximums dry bulb wet bulb conditions within the Bishop CA geographic region.

Plumbing:

No requirements.

Electrical:

One 120v Fourplex Convenience Receptacle on each wall. One 120v duplex on wall at front of room.

Lighting:

Ceiling Mounted Recessed High Performance LED direct/indirect with controls as mandated by CA Title Lumens at desktop level to be consistent with standard Office Space use and as required by CA Title  
Light switching to allow for AV presentations

Millwork

Fire Protection:

-Semi recessed chrome fire protection

IT & AV:

Data Cabling and Audio Visual Requirements Provided by Tenant.

Non Standard Requirements

**ROOM TYPE: Break Room**

Architectural:

Floor - Building Standard VCT. Building Standard Base.  
Walls - Level 4 Gypsum Board, Egg Shell Paint, Sherwin Williams or equal.  
Ceilings - Building Standard Suspended Acoustic Panel Ceiling  
Doors/Hardware Building Standard Door, Frame & Hardware  
-  
Interior  
Sidelights -  
Exterior Window  
Treatments - Building Standard Window Treatment  
Acoustical - Building Standard Ceiling High Partition 5/8” drywall, metal stud.

Mechanical:

HVAC system designed to meet ASHRAE Standards for Office Space minimum/maximums dry bulb wet bulb conditions within the Bishop CA geographic region.

Plumbing:

Waste, Vent Cold Water Supply. Under Counter Insta-hot water heater. Stainless Steel sink & faucet.

Electrical:

One 120v Duplex Convenience Receptacle on two walls.  
Two 120v Forplex at Counter Top  
Electrical WIPS for systems furniture to be provided by Tenant’s Furniture provider

Lighting:

Ceiling Mounted Recessed High Performance LED direct/indirect with controls as mandated by CA Title 24. Lumens at desktop level to be consistent with standard Office Space use and as required by CA Title 24.

Millwork

Building Standard Plastic Laminate, Wilson Art Standard Colors Uppers and Lower as may be depicted on Ware Malcomb construction documents

Fire Protection:

-Semi recessed chrome fire protection

IT & AV:

Data Cabling and Audio Visual Requirements Provided by Tenant.

Non Standard Requirements

**ROOM TYPE: Arrestee Room**

Architectural:

Floor - Building Standard VCT. Building Standard Base.  
Walls - Level 4 Gypsum Board, Egg Shell Paint, Sherwin Williams or equal.  
Ceilings - Building Standard Suspended Acoustic Panel Ceiling  
Doors/Hardware Building Standard Door, Frame & Hardware  
-  
Interior  
Sidelights -  
Exterior Window  
Treatments - Building Standard Window Treatment  
Acoustical - Building Standard Ceiling High Partition 5/8” drywall, metal stud.

Mechanical:

HVAC system designed to meet ASHRAE Standards for Office Space minimum/maximums dry bulb wet bulb conditions within the Bishop CA geographic region.

Plumbing:

No requirements.

Electrical:

One 120v Duplex Convenience Receptacle on two walls.  
Electrical WIPS for systems furniture to be provided by Tenant’s Furniture provider

Lighting:

Ceiling Mounted Recessed High Performance LED direct/indirect with controls as mandated by CA Title 24. Lumens at desktop level to be consistent with standard Office Space use and as required by CA Title 24.

Millwork

Fire Protection:

-Semi recessed chrome fire protection

IT & AV:

Data Cabling and Audio Visual Requirements Provided by Tenant.

Non Standard Requirements

**ROOM TYPE:                      Miscellaneous Room Details**

- 1. Private offices and Interview rooms shall be reasonably designed to include drywall partitions that extend above the ceiling such that confidential conversations can be held within the room without the content of the conversation being discernable in adjacent rooms or common areas. The intent of this request is that an adjacent occupant or passerby may be able to hear that a conversation is taking place at a reasonable professional voice level but will not be able to easily understand the content of the conversation. It is expressly not the intent to provide a sound proof environment.**
- 2. The Quiet Room shall have standard lighting that may be switched to a lower level.**
- 3. There will be a sink with hot and cold water in the Exam Room.**
- 4. Utility/Convenience outlets will be located to accommodate routine housekeeping.**
- 5. Landlord shall provide Tenant with alternate pricing for solid surface counter tops in lieu of the standard plastic laminate.**
- 6. Landlord shall provide Tenant with alternate pricing for automatic flush valves in lieu of the standard manual flush valves.**



## EXHIBIT D

### LEASE COMMENCEMENT AGREEMENT

THIS DECLARATION is attached to and made a part of that certain Lease dated the \_\_\_\_ day of \_\_\_\_\_, 201\_\_ (the "Lease") entered into by and between WOLVERINE \ INYO LLC, a Texas limited liability company ("Landlord"), and the COUNTY OF INYO, CALIFORNIA ("Tenant").

Landlord and Tenant are parties to the Lease. All capitalized terms used herein shall have the same meaning as was ascribed to such terms in the Lease, unless otherwise indicated.

Landlord and Tenant do hereby declare that (a) the Lease Commencement Date is hereby established to be \_\_\_\_\_ and (b) the term of the Lease shall expire on \_\_\_\_\_ (i.e., 240 full calendar months after the Lease Commencement Date) (the "Lease Expiration Date").

Landlord and Tenant further agree that the gross building area square footage of the Building is approximately 42,000 SF per 2017 BOMA standards.

Landlord and Tenant further agree that Landlord has performed all of its obligations to improve the Leased Premises for occupancy by Tenant under the Work Letter, including without limitation the Substantial Completion of all of Landlord's Work, excepting those Punch List Items (as defined in Exhibit C-1 of the Lease) identified by Tenant as of the date hereof and, if applicable, Tenant's right to add Punch List items for up to 30 days following Substantial Completion pursuant to Paragraph II.B.(6)(c) of Exhibit C-1 of the Lease, and subject to the Landlord's obligation to repair or replace all construction defects pursuant to Paragraph VI.H.1 of the Lease, roof and structural systems pursuant to Paragraph VI.H of the Lease, and latent defects, roof and structural systems pursuant to Paragraph II.B.(6)(d) of Exhibit C-1 of the Lease.

The Lease is in full force and effect as of the date hereof.

IN WITNESS WHEREOF Landlord and Tenant have executed this Declaration as of the  
\_\_\_ day of \_\_\_\_\_, 20\_\_.

WITNESS:

**LANDLORD:**

**WOLVERINE \ INYO LLC,**  
a Texas limited liability company

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

WITNESS:

**TENANT:**

**COUNTY OF INYO, CALIFORNIA**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

## **EXHIBIT E**

### **BUSINESS DAYS**

All calendar days shall be Business Days, except Saturdays, Sundays, and any holiday as observed by the United States Government and/or the County of Inyo (acting in its Governmental Capacity) regardless of any different day observed by any other governmental entity). For the purposes of this Lease, holidays not counted as Business Days include but are not limited to the following:

- New Year's Day
- Martin Luther King's Birthday
- President's Day
- Memorial Day
- Independence Day
- Labor Day
- Veterans Day
- Thanksgiving Day
- Day after Thanksgiving Day
- Christmas Day

## EXHIBIT F

### OPERATING EXPENSES

The following provisions apply from and after the Management Change Date:

A. Statement of Operating Expenses. No later than ninety (90) days after the last day of each calendar year during the Lease Term, Landlord shall furnish to Tenant a statement of the actual Operating Expenses for the Leased Premises for the applicable calendar year or portion thereof. The statement shall be prepared, signed, and certified to be correct by a duly authorized representative of Landlord. If the actual Operating Expenses are in excess of the estimated Operating Expenses paid by Tenant as a component of Additional Rent during the applicable calendar year, Tenant shall within thirty (30) days after the receipt of such statement pay to Landlord the difference between the estimated Operating Expenses paid by Tenant and the actual Operating Expenses. If the actual Operating Expenses are less than the estimated Operating Expenses paid by Tenant during the applicable calendar year, Landlord shall either reimburse such excess to Tenant or credit any such excess to Tenant's obligation to pay estimated Operating Expenses during the following calendar year. Any failure by Landlord in delivering any statement of the actual Operating Expenses for a calendar year will not constitute a waiver of its rights to collect the actual Operating Expenses.

B. Records. Landlord shall keep at its offices full, accurate and separate books of account covering Landlord's actual Operating Expenses, and the statement to Tenant shall accurately reflect the total actual Operating Expenses. The books of account shall be made available by Landlord at its offices for a period of at least 48 months after the expiration of each calendar year. Tenant shall have the right upon reasonable prior written notice to Landlord and for a period of 48 months after the end of the calendar year to inspect the books of account. Within 24 months after the end of each Lease Year, Tenant shall also have the right upon reasonable prior written notice to Landlord and at its sole cost and expense (except as provided further herein) to complete or cause to be completed an audit of Landlord's actual Operating Expenses for any such calendar year by third-party accountants or consultants experienced in the operations of similar office buildings, selected by Tenant; provided, however, that Landlord shall only be responsible for the reasonable cost of such audit if the actual Operating Expenses certified by Landlord during a calendar year are more than 5% greater than the audited actual Operating Expenses. Such audit cost shall include normal and customary charges for third-party accountants and consultants performing such audit and Landlord's liability for such charges shall not exceed \$5,000 per audit. In the event the actual Operating Expenses paid by Tenant during any Lease Year exceed the audited actual Operating Expenses for such calendar year, Landlord shall credit all excess amounts paid by Tenant for such calendar year to the account of Tenant to offset Tenant's obligation to pay estimated Operating Expenses during the following calendar year. In the event the actual Operating Expenses paid by Tenant during any calendar year are less than the audited actual Operating Expenses for such calendar year, Tenant shall pay Landlord the amount of such discrepancy within thirty (30) days after the date of completion of the audit or inspection. Landlord agrees to

maintain its books of account related to this Lease in all respects according to generally accepted accounting principles.

C. Operating Expenses Exclusions. Operating Expenses shall not include the following costs:

- (i) depreciation of the Leased Premises;
- (ii) any other expenses which, in accordance with generally accepted accounting principles, consistently applied, would not normally be treated as operating expenses by landlords of comparable buildings within the cities of comparable size to the City of Bishop, California, consistent with Building Owners and Managers Association standards;
- (iii) fees relating to any ground leases;
- (iv) the costs associated with the remediation or mitigation of Hazardous Substances, except to the extent that the presence of such Hazardous Substances is Generated by Tenant or Tenant's agents or employees (but excluding Landlord and Landlord's agents, employees, contractors, consultants or subcontractors), which shall be paid solely by Tenant;
- (v) replacement of Tenant's furniture, fixtures and equipment and other Tenant Work;
- (vi) except as otherwise expressly provided herein:
  - (1) cost of gross salary and wages, payroll taxes, insurance, worker's compensation, pension benefits and any other benefits of Landlord's supervisory and office personnel;
  - (2) general accounting and reporting services, as such services are considered to be within the reasonable scope of Landlord's responsibilities to Tenant, and except for such services with respect to the Leased Premises as are permitted above;
  - (3) cost of forms, stationery, ledgers and other supplies and equipment used in Landlord's office, except for such items as are specifically required for, or proprietary to, the Leased Premises;
  - (4) cost or pro-rata cost of telephone and general office expenses incurred on the Leased Premises by Landlord for the operation and management of properties other than the Leased Premises;
  - (5) cost or pro-rata cost of data processing equipment, whether located at the Leased Premises or at Landlord's office;

(6) cost or pro-rata cost of data processing provided by computer service companies;

(7) cost of all bonuses, incentive compensation, profit sharing or any pay advances to employees employed by Landlord in connection with the operation and management of the Leased Premises;

(8) cost of automobile purchases and/or rentals, unless and to the extent the automobile is being provided by or for the exclusive benefit of Tenant;

(9) costs attributable to claims, losses and liabilities arising from (y) any breach of this Lease Agreement by Landlord or (z) the negligence, recklessness, willful misconduct, fraud or criminal acts of Landlord's employees, agents, contractors, subcontractors;

(10) costs for meals, travel and hotel accommodations for Landlord's office personnel who travel to and from the Leased Premises;

(11) cost of obtaining and maintaining such licenses and qualifications to do business in the State of California; and

(12) terrorism and mold insurance coverage, unless specifically requested by Tenant.

(vii) costs, including permit, license and inspection costs, incurred in connection with the installation of tenant improvements for any tenant in the Leased Premises or incurred in renovating or decorating vacant space for tenants of or other occupants of the Leased Premises.

(viii) costs of correcting defects in the initial design or construction of the Leased Premises;

(ix) brokerage commissions, space planning costs, finders' fees and attorney's fees incurred by Landlord in connection with leasing or attempting to lease space within the Leased Premises.

## EXHIBIT G

### RENT MODIFICATION

One component of Landlord's cost which is beyond Landlord's control is the fluctuation in financing costs. The amount of monthly rent quoted in Section IV D. of the lease is predicated on a rent constant of 7.886. The final rent may change in accordance with the table below. Notwithstanding, Landlord will limit Tenant's exposure to financing cost fluctuations by allowing the final rent amount to be capped between a rent constant minimum of 7.787 and a maximum of 8.053 per the table below.

PV	\$5,950,000	Months	240	
Rate	Monthly Rent	Annual Rent	Rent Constant	
4.80%	\$38,612.97	\$463,355.63	7.787%	Minimum
4.81%	\$38,645.55	\$463,746.57	7.794%	
4.82%	\$38,678.14	\$464,137.68	7.801%	
4.83%	\$38,710.75	\$464,528.97	7.807%	
4.84%	\$38,743.37	\$464,920.44	7.814%	
4.85%	\$38,776.01	\$465,312.10	7.820%	
4.86%	\$38,808.66	\$465,703.93	7.827%	
4.87%	\$38,841.33	\$466,095.94	7.834%	
4.88%	\$38,874.01	\$466,488.13	7.840%	
4.89%	\$38,906.71	\$466,880.50	7.847%	
4.90%	\$38,939.42	\$467,273.05	7.853%	
4.91%	\$38,972.15	\$467,665.78	7.860%	
4.92%	\$39,004.89	\$468,058.69	7.867%	
4.93%	\$39,037.65	\$468,451.78	7.873%	
4.94%	\$39,070.42	\$468,845.04	7.880%	
4.95%	\$39,103.21	\$469,238.49	7.886%	Per lease
4.96%	\$39,136.01	\$469,632.11	7.893%	
4.97%	\$39,168.83	\$470,025.92	7.900%	
4.98%	\$39,201.66	\$470,419.90	7.906%	
4.99%	\$39,234.50	\$470,814.06	7.913%	
5.00%	\$39,267.37	\$471,208.40	7.919%	
5.01%	\$39,300.24	\$471,602.92	7.926%	
5.02%	\$39,333.13	\$471,997.61	7.933%	
5.03%	\$39,366.04	\$472,392.49	7.939%	
5.04%	\$39,398.96	\$472,787.54	7.946%	
5.05%	\$39,431.90	\$473,182.77	7.953%	
5.06%	\$39,464.85	\$473,578.18	7.959%	
5.07%	\$39,497.81	\$473,973.77	7.966%	
5.08%	\$39,530.79	\$474,369.54	7.973%	

5.09%	\$39,563.79	\$474,765.48	7.979%	
5.10%	\$39,596.80	\$475,161.60	7.986%	
5.11%	\$39,629.83	\$475,557.90	7.993%	
5.12%	\$39,662.87	\$475,954.38	7.999%	
5.13%	\$39,695.92	\$476,351.04	8.006%	
5.14%	\$39,728.99	\$476,747.87	8.013%	
5.15%	\$39,762.07	\$477,144.88	8.019%	
5.16%	\$39,795.17	\$477,542.07	8.026%	
5.17%	\$39,828.29	\$477,939.43	8.033%	
5.18%	\$39,861.41	\$478,336.98	8.039%	
5.19%	\$39,894.56	\$478,734.70	8.046%	
5.20%	\$39,927.72	\$479,132.59	8.053%	Maximum



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Amy Shepherd  
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**COUNTY OF INYO**  
OFFICE OF THE AUDITOR-CONTROLLER  
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January 8, 2019

Honorable Board of Supervisors  
County of Inyo  
Independence, Calif. 93526

Honorable Board Members:

In Accordance with Section 26905 and 26921 of the Government Code and your orders of February 5, 1950 and January 3, 1956, an actual count of money in the hands of the Treasurer was made on this date. The count showed the funds to be in balance, pending written verification of inactive accounts.

Very Truly Yours,

Amy Shepherd  
Auditor-Controller

By: , Deputy  
Ivonne J. Bunn

# STATEMENT

## MONEY IN COUNTY TREASURY

FOR SEPTEMBER TO DECEMBER 2018

STATE OF CALIFORNIA  
COUNTY OF INYO

The undersigned, County Auditor, having counted the money in the County Treasury of said County, as required by Section 26921 of the Government Code, and being duly sworn on oath, makes the following report for the period ending December 31, 2018.

Amount of money that should be in the treasury on December 31, 2018

is	\$126,861,827.03	
Receipts from 09/12/18-12/31/2018	\$61,769,633.20	
(Less paid warrants) Amount actually therein is	(\$46,924,816.78)	
Active Balance		\$1,079,349.52
Silver		\$15.83
Currency		\$7,886.00
Certificates of Deposit		\$118,237,949.11
CD		\$17,574,000.00
Local Agency Debt		\$664,520.48
Deposits on Hand		
Corp Obligation		\$3,642,126.53
	141,706,643.45	\$141,205,847.47

Difference:

09/11/2018 REMOTE DEPOSIT \$496,362.78  
09/10/2018 REMOTE DEPOSIT \$50.00

12/19/18 SIFPD EL D CK 1914  
ACCT ANALYSIS (\$28.61)  
12/31/18 TRNSFR FROM LAIF (\$1,000,000)  
12/31/18 PIONEER PERS \$2,819.85



\_\_\_\_\_  
County Auditor

Subscribed and sworn to before me this 8th day of January 2019



  
\_\_\_\_\_  
Assistant Clerk of the Board of Supervisors  
INYO COUNTY