

RESPOTHE INFORMATION IN THIS BOX IS NOT A PART OF THE CONTRACT AND IS FOR COUNTY USE ONLY



ORIGINAL

Contract Number

07-247 A6

SAP Number

Real Estate Services Department

Department Contract Representative	<u>Terry W. Thompson, Director</u>
Telephone Number	<u>(909) 387-5000</u>
Contractor	<u>265 East 4th, LLC</u>
Contractor Representative	<u>Ron Krausz</u>
Telephone Number	<u>725-228-7039</u>
Contract Term	<u>6/1/2009 – 5/31/2034</u>
Original Contract Amount	<u>\$30,031,252.72</u>
Amendment Amount	<u>\$18,570,432.00</u>
Total Contract Amount	<u>\$48,601,684.72</u>
Cost Center	<u></u>
GRC/PROJ/JOB No.	<u>57002079</u>
Internal Order No.	<u></u>

IT IS HEREBY AGREED AS FOLLOWS:

WHEREAS, San Bernardino County (“COUNTY”), as tenant, and 265 East 4th, LLC (“LANDLORD”), as landlord, entered into Lease Agreement, Contract No. 07-247 dated April 10, 2007, as amended by the First Amendment dated January 6, 2009 the Second Amendment dated June 16, 2009, the Third Amendment dated September 24, 2013, the Fourth Amendment dated July 8, 2014 and the Fifth Amendment dated September 29, 2020 (collectively, the “Lease”) wherein LANDLORD leases certain premises, as more specifically described in the Lease, containing approximately 50,082 square feet (“PREMISES”) located at 265 E. 4th Street, San Bernardino, California, as more particularly set forth in the Lease, to COUNTY for a term that is currently scheduled to expire on May 31, 2024, and,

WHEREAS, the COUNTY and LANDLORD now desire to amend the Lease to extend the term for a total of ten (10) years from June 1, 2024 through May 31, 2034 through the COUNTY’s timely exercise of its final five-year extension option and an agreed extension of five (5) additional years; and

WHEREAS, the LANDLORD agrees to provide turn-key Improvements on the terms and conditions set forth herein and the parties agree to amend certain other terms of the Lease as more specifically as set forth in this amendment (“Sixth Amendment”); and,

NOW, THEREFORE, in consideration of the mutual covenants and conditions, the parties hereto agree that the Lease is amended as follows:

1. Effective as of the Sixth Amendment Effective Date, which is defined as the first day of the month after the Sixth Amendment is fully executed by the parties, the following shall be added directly to the end of **Paragraph 3, TERM:**

3. **TERM:**

“Notwithstanding anything to the contrary contained herein, the existing term of the Lease (being the First Extended Term) between COUNTY and LANDLORD for the PREMISES, which currently expires on May 31, 2024, shall be extended for ten (10) years, commencing from June 1, 2024 and expiring on May 31, 2034 (the “Second Extended Term”). Unless individually referred to herein, the First Extended Term and the Second Extended Term shall collectively be referred to as the “Term” of the Lease.”

2. Effective as of the Sixth Amendment Effective Date, DELETE in its entirety the existing **Paragraph 4, RENT**, and SUBSTITUTE therefore the following as a new **Paragraph 4, RENT:**

4. **RENT:**

A. Commencing on the Sixth Amendment Effective Date, the COUNTY shall pay to LANDLORD the following Total Monthly Payments in arrears on the last day of each month during the Term for the Premises. The Total Monthly Payments for the remainder of the First Extended Term are equal to the sum of the Monthly Rent, which has been increased to include the cost of the Day Porter services in Exhibit B, and Monthly Amortized 2013 Improvement Payment for the improvements set forth in the Third Amendment. The Total Monthly Payments for the duration of the Second Extended Term are equal to the sum of the Monthly Rent, which is inclusive of the cost of the Day Porter services in Exhibit B, and Monthly Amortized 2023 Improvement Payment for the improvements set forth in this Sixth Amendment. The respective Monthly Amortized Improvement Payment shall stay constant and shall not be subject to annual increases.

Lease Year for Term	Monthly Rent for Term		Monthly Amortized Improvement Payment for Term		Total Monthly Payments for Term
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Sixth Amendment Effective Date – May 31, 2024	\$126,379		\$1980.96	=	\$128,360
June 1, 2024 – May 31, 2025	\$132,211	+	\$3,189	=	\$135,400
June 1, 2025 – May 31, 2026	\$136,177	+	\$3,189	=	\$139,366
June 1, 2026 – May 31, 2027	\$140,262	+	\$3,189	=	\$143,451
June 1, 2027 – May 31, 2028	\$144,470	+	\$3,189	=	\$147,659
June 1, 2028 – May 31, 2029	\$148,804	+	\$3,189	=	\$151,993
June 1, 2029 – May 31, 2030	\$153,268	+	\$3,189	=	\$156,457
June 1, 2030 – May 31, 2031	\$157,866	+	\$3,189	=	\$161,055
June 1, 2031 – May 31, 2032	\$162,602	+	\$3,189	=	\$165,791
June 1, 2032 – May 31, 2033	\$167,481	+	\$3,189	=	\$170,670
June 1, 2033 – May 31, 2034	\$172,505	+	\$3,189	=	\$175,694

B. Rent for any partial month shall be prorated based on the actual number of days of the month. LANDLORD shall accept all rent and other payments from COUNTY under this Lease via electronic funds transfer (EFT) directly deposited into the LANDLORD’s designated checking or other bank

account. LANDLORD shall promptly comply with directions and accurately complete forms provided by COUNTY required to process EFT payments.

3. Effective as of the Sixth Amendment Effective Date, DELETE in its entirety the existing **Paragraph 6, OPTION TO EXTEND TERM** and SUBSTITUTE therefore the following as a **new Paragraph 6, OPTION TO EXTEND TERM**:

6. **OPTION TO EXTEND TERM:**

A. LANDLORD gives COUNTY the option to extend the term of the Lease on the same provisions and conditions, except for the monthly rent, for three (3) option periods of one two-year, one three-year, and one five-year terms (each an "extended term") following expiration of the Term of the lease as defined paragraph 3 TERM, which periods may be exercised by COUNTY in any order or combination, by COUNTY giving notice of its intention to exercise the option to LANDLORD no less than 9 months prior to the expiration of the preceding term. The monthly rent for each extended term shall be adjusted to the fair market rental rate then prevailing based on the monthly rental rate ("FMV Rent") of comparable leased premises in the East San Bernardino submarket of the Inland Empire region of the Greater Los Angeles metropolitan area.

B. If the parties have been unable to agree upon the said fair market rental rate within five (5) months of the COUNTY's notice to exercise an option for an extended term, said fair market rental rate shall be determined through arbitration conducted in accordance with the Commercial Arbitration Rules of the American Arbitration Association.

4. Effective as of the Sixth Amendment Effective Date, DELETE in its entirety the existing **Paragraph 8, HOLDING OVER** and SUBSTITUTE therefore the following as a **new Paragraph 8, HOLDING OVER**:

8. **HOLDING OVER:** In the event that COUNTY continues to occupy the Premises after the expiration or earlier termination of the term of the Lease, COUNTY's tenancy shall be on a month-to-month term ("Holdover Period") on the same terms and conditions as the Lease, including, but not limited to, the Monthly Rent for the Premises, which shall be increased by 3% over the amount in effect as of the expiration or earlier termination of the Lease, provided that any monthly amortized improvement payment, including but not limited to the Monthly Amortized 2013 Improvement Payment and the Monthly Amortized 2023 Improvement Payment, shall not be payable during any Holdover Period (provided that the respective Monthly Amortized Improvement Payments have been paid in full by such date). Notwithstanding anything to the contrary in the Lease, either Party shall have the right to terminate the Lease during the Holdover Period by providing not less than ninety (90) days prior written notice to the other Party.

5. Effective as of the Sixth Amendment Effective Date, DELETE the existing Sub-paragraph a.(7) to **Paragraph 13, MAINTENANCE** and the existing "**Exhibit "B"** and SUBSTITUTE therefore the following as a new Sub-paragraph a.(7) to **Paragraph 13, MAINTENANCE** and a new **Exhibit "B"** attached hereto and incorporated herein by reference:

13. **MAINTENANCE**

a. (7) Maintenance and janitorial services. Maintenance and janitorial services must be performed in a workmanlike-manner by licensed and qualified independent contractors, as set forth in Exhibit "B", Licensed Janitorial and Maintenance Contract Services, attached hereto and incorporated herein by reference. LANDLORD shall follow the carpet manufacturer's maintenance requirements for the cleaning of the carpet. The cost for the services in Exhibit "B" is included in the monthly rent payable to the LANDLORD.

6. Effective as of the Sixth Amendment Effective Date, DELETE the existing **Paragraph 40, COUNTY'S RIGHT TO TERMINATE LEASE**, and SUBSTITUTE therefore the following as a **new Paragraph 40** as follows:

40. **RESERVED**

7. Effective as of the Sixth Amendment Effective Date, DELETE in its entirety the existing **Paragraph 41, LANDLORD'S IMPROVEMENTS** and the existing Exhibit "A" and SUBSTITUTE therefore the following as a **new Paragraph 41, LANDLORD'S IMPROVEMENTS** and ADD a new Exhibit "A" and a new Exhibit "F" each attached hereto and incorporated herein by reference.

41. **LANDLORD'S IMPROVEMENTS:**

A. LANDLORD, at its sole cost and expense but subject to the COUNTY's reimbursement as set forth in Paragraph 41.C, and as applicable, Paragraph 41.D of this Sixth Amendment, agrees to make the improvements to the Premises as more specifically set forth in Exhibit "A ", 2023 Improvement Specifications and the Lease, including but not limited to this Paragraph 41, LANDLORD'S IMPROVEMENTS and Paragraph 11, HEALTH, SAFETY, AND FIRE CODE REQUIREMENTS (collectively, the "2023 Improvements"). The 2023 Improvements shall be deemed completed on the date that LANDLORD has completed the 2023 Improvements in substantial accordance with Exhibit "A" and the Lease, including but not limited to this Paragraph 41, LANDLORD'S IMPROVEMENTS and Paragraph 11, HEALTH, SAFETY, AND FIRE CODE REQUIREMENTS, ("Required Condition"), subject to minor punch list items agreed by the parties, which, subject to force majeure, shall be completed by LANDLORD within ten (10) business days after punchlist has been provided to LANDLORD from COUNTY.

B. In the event LANDLORD contracts for the construction of the 2023 Improvements or any portion thereof, LANDLORD shall comply with the provisions of California Public Contract Code Sections 22000 through 22045 regarding bidding procedures and Labor Code section 1720.2 and 1770 et seq. regarding general prevailing wages, including but not limited to, the provisions set forth in Exhibit "F" attached hereto and incorporated herein by reference. LANDLORD shall indemnify, defend (with counsel reasonably approved by COUNTY) and hold harmless COUNTY and its officers, employees, contractors, and agents from any claims, actions, losses, damages and/or liability arising out of or related to the obligations set forth in this paragraph. The LANDLORD's indemnity obligations shall survive the COUNTY's tenancy and shall not be limited by the existence or availability of insurance.

C. The parties agree that, as of the Sixth Amendment Effective Date, LANDLORD's total cost for the 2023 Improvements is One Million Fifty One Thousand Four Hundred Twenty Three dollars 00/cents (\$1,051,423.00) ("Total Improvement Cost") and the COUNTY shall reimburse LANDLORD for a portion of said total cost in the amount of Three Hundred Eighty Two Thousand Six Hundred Eighty and 00/100 Dollars (\$382,680.00) ("County Reimbursement Amount"), which cost shall be amortized monthly over the Second Extended Term at Three Thousand One Hundred Eight Nine and 00/100 Dollars (\$3,189.00) per month and payable by COUNTY, commencing on June 1, 2024, as set forth in Paragraph 4.A, RENT ("Monthly Amortized 2023 Improvement Payment").

D. Notwithstanding anything to the contrary in Paragraph 41.C above, the parties hereby acknowledge that the Total Improvement Cost is subject to change based on LANDLORD's submission of the 2023 Improvements for final bid ("Final Bid"), which LANDLORD shall obtain within ninety (90) days after the Sixth Amendment Effective Date, provided that should the COUNTY make any changes to the 2023 Improvement plan and specifications after the Sixth Amendment Effective Date but before the LANDLORD's receipt of the Final Bid, such ninety (90) day period shall be extended on a day for day basis due to any actual delays caused by such changes. The Final Bid received by the LANDLORD shall be adjusted to exclude the cost of the construction drawings, which LANDLORD shall pay at its sole cost and expense ("Adjusted Bid"). In the event the Adjusted Bid is less than the Total Improvement Cost, the parties shall execute an amendment to the Lease to proportionately reduce the County Reimbursement Amount and the Monthly Amortized 2023 Improvement Payment. In the event the Adjusted Bid exceeds the Total Improvement Cost, such difference shall be known as an "Overage" and LANDLORD shall provide COUNTY with written notice of such Overage ("Overage Notice") within thirty (30) days after LANDLORD's receipt of the Final Bid.

(i) In the event that the Overage is \$100,000 or less ("Level 1 Overage"), the parties shall have thirty (30) days after the COUNTY's receipt of the LANDLORD's Overage Notice to negotiate modifications to the 2023 Improvements in good faith to reduce or eliminate the Level 1 Overage. Any resulting

Level 1 Overage as agreed by the parties shall be documented as a Change Order and shall be paid by purchase order(s) in accordance with Paragraph 41.G.

(ii) In the event that the Overage is more than \$100,000 (“Level 2 Overage”), the following process shall apply:

(a) Within thirty (30) days after COUNTY’s receipt of an Overage Notice from LANDLORD, the COUNTY shall provide LANDLORD with written notice (“Level 2 Overage Election Notice”) to elect, at its sole discretion, one of the following options:

(1) Negotiate modifications to the 2023 Improvements to reduce or eliminate the Level 2 Overage; in which case, the parties shall have thirty (30) days after LANDLORD’s receipt of the COUNTY’s Level 2 Overage Election Notice to negotiate in good faith and mutually agree on any such modifications (with the parties to promptly confirm in writing the end date of said thirty (30) day period following LANDLORD’s receipt of the COUNTY’s Level 2 Overage Election Notice) and the COUNTY shall pay such agreed overage in accordance with Paragraph 41.D(ii)(b), provided that if modifications are not mutually agreed on or before the confirmed end date of said thirty (30) day period, the COUNTY shall be deemed to have exercised its option in Paragraph 41.D.(ii)(a)(3), rendering this Sixth Amendment null and void and without legal effect; or

(2) Agree to pay the entire Level 2 Overage in accordance with Paragraph 41.D(ii)(b); or

(3) Rescind the extension of the term of this Lease for ten years, as provided in Paragraph 3 of this Sixth Amendment (without any requirement to use the COUNTY’s contingency for the Excess Cost Cap in Paragraph 41.G); in which case the entirety of this Sixth Amendment shall be deemed null and void and without any legal effect and the Lease shall expire on its current expiration date of May 31, 2024.

(b) The COUNTY shall, at its sole discretion, pay for any Level 2 Overage resulting from its election of either Paragraph 41.D(ii)(a)(1) or (2) by: (I) purchase order(s) in accordance with Paragraph 41.G, provided that any such Level 2 Overage that exceeds the Excess Cost Cap (as defined in Paragraph 41.G) is subject to further approval from the COUNTY’s Board of Supervisors; and/or (II) in an amount to be amortized monthly over the Second Extended Term, which amount would be in addition to the Monthly Amortized 2023 Improvement Payment set forth in Paragraph 4.A for the Second Extended Term, provided that any such additional amortized amount is subject to further approval from the COUNTY’s Board of Supervisors. If further approval from the COUNTY’s Board of Supervisors is required, the COUNTY shall have ninety (90) days from the COUNTY’s Level 2 Overage Election Notice to obtain such approval. If such approval is not timely obtained, then this Sixth Amendment shall be deemed null and void and without legal effect.

(c) Notwithstanding anything to the contrary in this Paragraph 41.D(ii), in the event that this Sixth Amendment would be deemed null and void in accordance with the process in Paragraph 41.D(ii) (including any sub-paragraphs), LANDLORD has the right to supersede such nullification and continue the Lease in accordance with this Sixth Amendment by paying the entire amount of the Level 2 Overage that exceeds \$100,000.00 at its sole cost and expense and without any reimbursement by the COUNTY by providing the COUNTY with written notice of election such later than thirty (30) days after the Sixth Amendment would be deemed null and void; in which case the COUNTY shall pay the first \$100,000.00 of the Level 2 Overage.

E. Subject to force majeure (as defined below) and any delays caused by Tenant, LANDLORD shall diligently pursue the 2023 Improvements to completion in the Required Condition by no later than December 31, 2024, (“Completion Date”). LANDLORD agrees to provide the COUNTY a written progress report every sixty (60) days after the mutual execution of this Sixth Amendment. The report shall contain up-to-date information of reasonably pertinent to construction progress, including but not limited to notification of any permit approval. The LANDLORD shall thereafter diligently pursue the 2023 Improvements to completion in the Required Condition by the Completion Date. LANDLORD shall immediately (but not less than three days after

occurrence) notify COUNTY in writing of any anticipated or actual delays to the Completion Date, including those LANDLORD alleges are caused by the COUNTY. In the event LANDLORD fails to timely notify COUNTY in writing of any such delay and/or if such delays are not verified by COUNTY acting reasonably as being caused by COUNTY or force majeure, the Completion Date shall not be modified and COUNTY shall have the remedies set forth in Paragraph 41.F. If LANDLORD provides written notice of such delay and COUNTY verifies that such delay is caused by COUNTY or force majeure, the Completion Date shall be extended for a period equivalent to the period of such verified delay. As used in this Sixth Amendment, the term "force majeure" shall mean that to the extent that a party's performance of any of its obligations (expressly excluding Tenant's monetary obligations set forth in Paragraph 4.A of this Sixth Amendment any subsequent amendment to said paragraph) in relation to the 2023 Improvements is prevented or delayed directly due to fire, flood, earthquake, acts of God, pandemic, public health emergency, acts of war, riots, governmental delays, supply chain delays, or any similar cause beyond the reasonable control of such party and such non-performance could not have been prevented by reasonable precautions, then the non-performing party shall be excused from such the non-performance for only so long as the force majeure event continues.

F. LANDLORD acknowledges that late delivery of the 2023 Improvements to COUNTY in the Required Condition after the Completion Date (subject to extension as set forth in Section (D)) above will cause COUNTY to incur costs not contemplated by the Lease and this Sixth Amendment, the exact amount of such costs being extremely difficult and impracticable to fix. Therefore, if LANDLORD does not deliver the 2023 Improvements in the Required Condition by the Completion Date (as maybe extended) and said delay is not caused by the County or force majeure. LANDLORD agrees to pay the COUNTY liquidated damages of Five Hundred and 00/00 Dollars (\$500.00) for each day of delay, commencing from Completion Date (as may be extended) until such time as the 2023 Improvements are delivered in the Required Condition, excluding minor punch list items. The parties agree that this charge represents a fair and reasonable estimate of the costs that COUNTY will incur by reason of late delivery. Acceptance of any charge shall not constitute a waiver of LANDLORD's default or prevent COUNTY from exercising any of the other rights and remedies available to COUNTY.

G. In the event that during construction of the 2023 Improvements, there is an Overage pursuant to paragraph 41.D or an authorized representative of the COUNTY requests any other new specifications or any modifications to then existing specifications for the 2023 Improvements, the Overage or other proposed new specifications or modifications will be classified as a proposed change order, and prior to incurring any costs or commencing any work for any Overage or other proposed change order, the parties shall following the approval process in Paragraph 41.D for an Overage and the LANDLORD must promptly provide the COUNTY's authorized representative with the cost and timing impacts for any other proposed change order. If the COUNTY approves the Overage in accordance with Paragraph 41.D or approves the cost and timing impacts for any other proposed change order, the authorized representatives of the parties will execute a written change order documenting the agreed Overage or other new or modified specifications, costs, and timing for the subject work ("Approved County Change Order"). LANDLORD will thereafter contract directly with its contractors and/or vendors to commence and complete the Approved County Change Order. COUNTY'S authorized representative may process change orders for any approved Overage or for one or more other proposed change orders in accordance with this paragraph, provided that the total of all Approved County Change Orders (whether for an approved Overage or for any other approved change orders) shall not exceed an aggregate amount of One Hundred Thousand Dollars (\$100,000) ("Excess Cost Cap"), which shall be paid by the COUNTY TO LANDLORD through a COUNTY purchase order upon completion of the change order work and without an adjustment to the Amortized 2023 Improvement Payment during the Second Extended Term as set forth in **Paragraph 4.A, RENT** except as set forth in Paragraph 41.D(ii)(b)(II). Any Approved County Change Order that causes the aggregate cost of all such approved change orders (whether for an approved Overage or for any other approved change orders) to exceed One Hundred Thousand Dollars (\$100,000) shall require a formal amendment to this Lease that is executed by the authorized signatories of the parties prior to commencing any Overage or other proposed change order. County shall be fully responsible for any added costs or delays related to the Approved County Change Orders but only to the extent set forth in writing in the Approved County Change Order.

H. LANDLORD understands and agrees that from the time that this Sixth Amendment is executed through the completion of the 2023 Improvements in the Required Condition, LANDLORD shall not

assign or transfer a controlling interest in the Premises to a third party, without COUNTY's prior review and approval, which approval shall not be unreasonably withheld, delayed or conditioned. LANDLORD understands and agrees to provide to COUNTY all documents and relevant information concerning any proposed transfer. COUNTY will have ten (10) business days after receiving all such documents and information to complete its review. Upon COUNTY approval of an assignment or transfer, the parties shall immediately execute an amendment to this Lease stating the change of ownership of the Premises.

I. LANDLORD, at its sole expense, but subject to the COUNTY's reimbursement as set forth in Paragraph 41.C, and as applicable, Paragraph 41.D of this Sixth Amendment, as part of the Total Improvement Fixed Costs, must furnish all of the design, material, labor and equipment required to construct the 2023 Improvements in the Required Condition, apply for and obtain all permits, licenses, certificates, and approvals necessary for the construction of the 2023 Improvements, and provide all site plans (including elevations of the building and details of the exterior finish), space design plans, construction plans and provide such plans to COUNTY on a compact disc-recordable (CD-R) in file format compatible with MS-DOS and AutoCAD 2002 software (.dwg file extension).

8. Effective as of the Sixth Amendment Effective Date, DELETE in its entirety the existing Paragraph 44, FORMER COUNTY OFFICIALS and the existing Exhibit "C" and SUBSTITUTE therefore the following as a new Paragraph 44, FORMER COUNTY OFFICIALS and ADD a new Exhibit "C" attached hereto and incorporated herein by reference.

44. **FORMER COUNTY OFFICIALS.** LANDLORD has set forth on Exhibit "C" of the Lease certain information on former COUNTY administrative officials (as defined below) who are employed by or represent LANDLORD. The information provided includes a list of the full names of former COUNTY administrative officials who terminated COUNTY employment within the last five years and who are now officers, principals, partners, associates or members of LANDLORD. The information should also include the title/description of the official's last position with COUNTY, the date the official terminated COUNTY employment, the official's current employment and/or representative capacity with LANDLORD, and the date the official entered LANDLORD's employment and/or representation. For purposes of this provision, "COUNTY administrative official" is defined as a member of the Board of Supervisors or such officer's staff, COUNTY Administrative Officer or member of such officer's staff, COUNTY department or group head, assistant department or group head, or any employee in the Exempt Group, Management Unit or Safety Management Unit.

9. Effective as of the Sixth Amendment Effective Date, DELETE the existing Paragraph 45, BROKERS COMMISSION, and SUBSTITUTE therefore the following as a new Paragraph 45, BROKERS COMMISSION:

45. **BROKERS' COMMISSION:** Each party represents to the other that it has not dealt with any brokers in connection with this Sixth Amendment.

10. Effective as of the Sixth Amendment Effective Date, DELETE the existing Paragraph 54, AUTHORIZED SIGNATORS, and SUBSTITUTE therefore the following as a new Paragraph 54, AUTHORIZED SIGNATORS:

54. **AUTHORIZED SIGNATORY:** Each signatory of this Sixth Amendment represents hereby that he or she has the authority to execute and deliver the same on behalf of the party hereto for which such signatory is acting.

11. Effective as of the Sixth Amendment Effective Date, ADD a new Paragraph 58, CERTIFIED ACCESS INSPECTION as follows:

58. **CERTIFIED ACCESS INSPECTION:** Pursuant to Section 1938 of the California Civil Code, LANDLORD hereby notifies County that as of the date of this amendment, the Premises has not undergone inspection by a "Certified Access Specialist" to determine whether the Premises meet all applicable construction-related accessibility standards under California Civil Code Section 55.53. In accordance with

Section 1938, subsection (e), as amended, of the Civil Code of the State of California: "A Certified Access Specialist (CASP) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the costs of making any repairs necessary to correct violations of construction-related accessibility standards within the premises."

12. Effective as of the Sixth Amendment Effective Date, ADD a new Paragraph 59, POLITICAL CONTRIBUTIONS and a new Exhibit G, which is attached to this Sixth Amendment, as follows:

59. **POLITICAL CONTRIBUTIONS:** LANDLORD has disclosed to the COUNTY using Exhibit G, which is attached to this Sixth Amendment and incorporated herein by reference, whether it has made any campaign contributions of more than \$250 to any member of the COUNTY's Board of Supervisors or other County-elected officer [Sheriff, Assessor-Recorder-Clerk, Auditor-Controller/Treasurer/Tax Collector and the District Attorney] within the earlier of: (1) the date of the submission of LANDLORD's proposal to the County, or (2) 12 months before the date this contract was approved by the County's Board of Supervisors. LANDLORD acknowledges that under Government Code section 84308, LANDLORD is prohibited from making campaign contributions of more than \$250 to any member of the COUNTY's Board of Supervisors or other County-elected officer for 12 months after the COUNTY's consideration of this contract.

In the event of a proposed further amendments to this contract, the LANDLORD will provide the COUNTY a written statement disclosing any campaign contribution(s) of more than \$250 to any member of the COUNTY's Board of Supervisors or other County-elected officer within the preceding 12 months of the date of the proposed amendment.

Campaign contributions include those made by any agent/person/entity on behalf of the LANDLORD or by a parent, subsidiary or otherwise related business entity of LANDLORD.

13. County is currently in possession of the Premises as of the Sixth Amendment Effective Date and except as otherwise set forth in the Lease and this Sixth Amendment, agrees that LANDLORD shall not perform any other improvements.

14. Effective as of the Sixth Amendment Effective Date, ADD a new Paragraph 60, COUNTERPARTS, as follows:

60. COUNTERPARTS. This Sixth Amendment may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, and such counterparts shall together constitute one and the same Sixth Amendment. The parties shall be entitled to sign and transmit an electronic signature of this Sixth Amendment (whether by facsimile, PDF or other email transmission), which signature shall be binding on the party whose name is contained therein. Each party providing an electronic signature agrees to promptly execute and deliver to the other party an original signed Sixth Amendment upon request.

15. All other provisions and terms of the Lease shall remain the same and are hereby incorporated by reference. In the event of conflict between the Lease and this Sixth Amendment, the provisions and terms of this Sixth Amendment shall control.

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COUNTY: SAN BERNARDINO COUNTY

LANDLORD: 265 East 4th LLC,
a Delaware limited liability company

► By: The Krausz Companies LLC,
a Delaware limited liability company,
its Manager

►
Dawn Rowe
Dawn Rowe, Chair, Board of Supervisors

DocuSigned by:
By F. Ron Krausz
09BC18F9D906421...

Dated: SEP 12 2023
SIGNED AND CERTIFIED THAT A COPY OF THIS
DOCUMENT HAS BEEN DELIVERED TO THE
CHAIRMAN OF THE BOARD

Name F. Ron Krausz
(Print or type name of person signing contract)

Title President
(Print or Type)

By Lynna Monell
Lynna Monell
Clerk of the Board of Supervisors
of San Bernardino County
Deputy

Dated: 08/18/2023

Address 6823 S. Eastern Boulevard, Suite 101
Las Vegas, NV 89119



FOR COUNTY USE ONLY

Approved as to Legal Form
► [Signature]
Agnes Cheng, Deputy County Counsel
Date 8/17/023

Reviewed for Contract Compliance
► _____
Date _____

Reviewed/Approved by Department
► [Signature]
Lyle Ballard, Real Property Manager, RESD
Date 8/21/23

Exhibit "A"
HUMAN SERVICES, TRANSITIONAL ASSISTANCE DEPARTMENT (TAD)
265 E. 4TH STREET SAN BERNARDINO, CA
2023 IMPROVEMENT SPECIFICATIONS –

The following 2023 Improvements, shall be designed, plan reviewed, inspected and comply with all local Health, Safety, And Fire Code Requirements:

LOBBY REDESIGN

ATC Design Group will provide Turnkey Architectural and Engineering Services related to the lobby redesign Improvement Project for the County of San Bernardino Transitional Assistance Department (TAD) located 265 E. 4th Ave. in the City of San Bernardino, CA.

Pre-design Services

This Phase contemplates those services that will be required prior to initiating the design phase. They are as follows:

- City Research
- Site Meeting
- Limited Building Survey

Concept Layouts for County Approval

This Phase contemplates the required programming of the floor plan and Exhibits to be approved by the County.

- *Preliminary Site Plan*
- Floor Plan
- Meetings with Client and County Staff
- Project Management

Architectural Construction Documents

- Title Sheet containing all Code and Project Data
- ADA Accessibility Sheets and Details
- Green Building Code Specifications
- County Specification Documents
- Existing Site Plan (To be Provided by the Owner)
- *Proposed Site Plan (Fencing Plan)*
- Demolition Floor Plan
- Proposed Floor Plan
- Demolition Ceiling Plan
- Proposed Ceiling Plan
- Existing Roof Plan (To be Provided by the Owner)
- Proposed Interior Elevations
- Existing Exterior Elevations (Provided by the Owner)
- Enlarged Plan Views (Rooms requiring detail)
- Finish, Door and Window, Furniture, etc Schedules
- Non-Structural Details
- Millwork Details

Mechanical, Electrical and Plumbing Construction Documents

- County Specification Sheets
- Trade Specific Notes Sheets
- Existing Mechanical Equipment Plans (Provided by the Owner)
- Proposed HVAC Ducting Plans
- Mechanical Schedules

- Existing Electrical Equipment Specifications (Provided by the Owner)
- Proposed Electrical Power Plan
- Electrical Lighting Plan
- *Card Reader Plan*
- Existing Electrical Roof Plan (Provided by the Owner)
- Electrical Equipment Schedules
- Electrical Panel Schedules and Single Line Diagram
- Proposed Plumbing Plan

Permit Processing

- ATC will process the Construction Documents through the following agencies for approval:
 - City of San Bernardino Planning and Building Departments
 - County of San Bernardino Fire Department

Construction Scope of Work based on Plans provided by ATC Design Group

- Enclose area for 3-4 work stations at Reception
- Enclose two (2) stations at hand off up front
- Enclose area for 10-12 work stations at front lobby area
- Add rear exit door (1) to child drop off area
- Relocate 1-2 walls in Child Drop off to expand square footage
- Add three (3) wall combo/frame/door and hardware
- Replace rear double door/frame and hardware
- Replace front glass entry door/frame and hardware
- Add wall and door to separate lobby from open area on 2nd floor
- Refresh counter tops and cabinet fronts in the 2nd floor breakroom

PERIMETER FENCE

- Wrought Iron Fencing (2,170 lf.)
- Wrought Iron Gates, rolling electromechanical w/low voltage control and timing
- Pedestrian Gates with low voltage badge control
- Concrete Strip for rolling gates
- Gate Openers
- Landscape removal and replace for Fencing/Gates
- Electrical and low voltage electrical for badge system
- Supervision
- General Conditions

SECURITY CAMERA SYSTEM

- Provide all demolition, trenching, conduits, backfill and patch back of asphalt and concrete for approximately 700 LF of utility run.
- Install four (4) pole bases and poles.
- North conduits to terminate into COMM room exterior wall as indicated on plan.
- South conduits to terminate into accessible point of south west corner as indicated on plan.
- Layout of utility run will be modified from plans provided.
- Cleanup, supervision and temporary services.
- Penetration of existing building walls @ 16 locations

DOOR REPLACEMENT (REAR EMPLOYEE ENTRANCE)

- Remove existing doors then furnish and install the following
 - (2) Each 6070 glass aluminum door package.
 - offset doors with clear 1" tempered glass and aluminum anodized finish.
 - (2) Von Duprin motorized rim panics and (2) Von Duprin non-motorized rim panics
 - Top header with (2) surface closers and removable mullion.
 - Package to include (1) 4"x1/4"x 6' threshold complete with all mounting hardware then check doors for safe and proper operation.
 - Install vertical mullion to back door per security recommendations

CARPET AND PAINT

- Paint entire interior of building according to County Specifications.
Remove existing broadloom carpet and replace with 24" X 24" carpet squares. (Patcraft) 4" rubber cove base. No carpet base. ADD LANGUAGE RE COUNTY IS REQUIRED TO REMOVE ALL ITEMS FROM WALLS, MOVE FURNITURE ETC. SO THAT PAINT AND CARPET CAN BE INSTALLED BY THE INSTALLERS WITHOUT ISSUE

EXHIBIT "B"
JANITORIAL SERVICES

The following services are to be performed by a licensed maintenance contractor. Janitorial service to provide/supply all sanitary and paper goods.)

DAILY SERVICES FIVE (5) DAYS PER WEEK:

1. Empty and damp clean all ashtrays.
2. Empty all waste baskets and other waste containers.
3. Dust mop all tiled-terrazzo floors.
4. Vacuum traffic lanes of carpeting.
5. Dust all desks, chairs, tables, filing cabinets and other office furniture.
6. Damp clean lobby counters.
7. Clean and sanitize rest room fixtures, mirrors, chrome pipes, etc.
8. Clean splash marks from walls of rest room.
9. Wet mop and sanitize rest room floors.
10. Refill soap, towel and paper containers.
11. Clean and sanitize drinking fountains.
12. Clean hand marks off glass on entrance doors.
13. Damp clean table tops in coffee rooms.
14. Clean kitchen sinks and counters.
15. Sweep entryways.
16. Brush down steps of inside stairwells.
17. Vacuum elevator carpet.
18. Spot clean elevator walls and doors.
19. Spot clean carpets of small spillages, footprints, etc.
20. Keep janitor closets clean and orderly.

DAY PORTER:

Day Porter shall provide a minimum of four (4) hours per day, five (5) days a week, the hours are to be agreed upon by COUNTY and landlord. Duties will include but not limited to the following:

1. Empty and damp clean all ashtrays.
2. Empty all waste baskets and other waste containers.
3. Dust mop all desks, chairs, tables, filing cabinets and other office furniture.
4. Clean and sanitize rest room walls, fixtures, mirrors, chrome pipes, etc.
5. Clean splash marks from wall of rest rooms and kitchen/break room.
6. Refill soap, towel and paper containers.
7. Clean and sanitize drinking fountains.
8. Damp clean table tops in kitchen/break room/coffee rooms.
9. Clean kitchen/break room/coffee room sinks and counters.
10. Remove paper and debris outside waiting areas and entries.
11. Perform sudden or emergency clean up or cleaning.

WEEKLY SERVICE:

1. Wet mop all tiled-terrazzo floors.
2. Clean all desk tops that are cleared.
3. Clean hand marks from walls, doors and woodwork
4. Vacuum all carpeting completely

EXHIBIT "B"
JANITORIAL SERVICES (Continued)

ONCE-MONTHLY SERVICE:

Interior and exterior Pest Control

TWICE-MONTHLY SERVICE:

1. Dust high areas.
2. Vacuum upholstered furniture.
3. Clean lobby directories and fire extinguisher glass.
4. Machine scrub all tiled floors.
5. Wax all tiled floors.
6. Machine polish all tiled floors.
7. Pressure wash exterior perimeter of the building which includes front entry, employee entrance, sidewalks and walk ways.

OTHER SERVICES WHEN NEEDED:

1. Vacuum dust and dirt accumulation from air-conditioning vents.
2. Replace light bulbs and tubes inside building.
3. Brush down cobwebs inside building.
4. Machine scrub or dry clean all carpeted areas.

EVERY THREE MONTHS:

1. Wash outside windows.
2. Wash inside windows and partitions.
3. Supply and change entry mats.

WEEKLY SERVICE:

1. Contract with a mat service to supply and replace interior entry mats with cleaned mats.
2. Replace light bulbs and tubes inside building when needed.

EXHIBIT "C"

LIST OF FORMER COUNTY OFFICIALS

INSTRUCTIONS: List the full names of former COUNTY Administrative Officials, the title/description of the Official's last position with COUNTY, the date the Official terminated COUNTY employment, the Official's current employment and/or representative capacity with LANDLORD, and the date the Official entered LANDLORD's employment and/or representation.

OFFICIAL'S NAME:

REQUIRED INFORMATION

None

LANDLORD hereby certifies the information it has provided in this Exhibit "C" is true, complete, and accurate.

LANDLORD:

265 East 4th LLC,
a Delaware limited liability company

By: The Krausz Companies LLC,
 a Delaware limited liability company,
 its Manager

DocuSigned by:
F. Ron Krausz

F. Ron Krausz

Title: President

Date: 08/18/2023

EXHIBIT "F"

PREVAILING WAGE REQUIREMENTS

A. All or a portion of the Improvements in the Lease requires the payment of prevailing wages and compliance with the following requirements in this exhibit. As used in this exhibit, the term "Contractor" shall include Landlord and Landlord's contractors and/or subcontractors and the term "Improvements" shall include the Improvements to be performed by Landlord pursuant to the Lease.

1. Determination of Prevailing Rates:

Pursuant to Labor Code sections 1770, et seq., the County has obtained from the Director of the Department of Industrial Relations (DIR) pursuant to the California Labor Code, the general prevailing rates of per diem wages and the prevailing rates for holiday and overtime work in the locality in which the Improvements is to be performed. Copies of said rates are on file with the County, will be made available for inspection during regular business hours, may be included elsewhere in the specifications for the Improvements, and are also available online at www.dir.ca.gov. The wage rate for any classification not listed, but which may be required to execute the Improvements, shall be commensurate and in accord with specified rates for similar or comparable classifications for those performing similar or comparable duties. In accordance with Labor Code section 1773.2, the Contractor shall post, at appropriate and conspicuous locations on the job site, a schedule showing all applicable prevailing wage rates and shall comply with the requirements of Labor Code sections 1773, et seq.

2. Payment of Prevailing Rates

Each worker of the Contractor, or any subcontractor, engaged in the Improvements, shall be paid not less than the general prevailing wage rate, regardless of any contractual relationship which may be alleged to exist between the Contractor or any subcontractor, and such worker.

3. Prevailing Rate Penalty

The Contractor shall, as a penalty, forfeit two hundred dollars (\$200.00) to the County for each calendar day or portion thereof, for each worker paid less than the prevailing rates as determined by the Director of the DIR for such work or craft in which such worker is employed by the Contractor or by any subcontractor in connection with the Improvements. Pursuant to California Labor Code section 1775, the difference between such prevailing wage rates and the amount paid to each worker for each calendar day, or portion thereof, for which each worker was paid less than the prevailing wage rate, shall be paid to each worker by the Contractor.

4. Ineligible Contractors:

Pursuant to the provisions of Labor Code section 1777.1, the Labor Commissioner publishes and distributes a list of contractors ineligible to perform work as a contractor or subcontractor on a public works project. This list of debarred contractors is available from the DIR website at <http://www.dir.ca.gov/Public-Works/PublicWorks.html>. Any contract entered into between a contractor and a debarred subcontractor is void as a matter of law. A debarred subcontractor may not receive any public money for performing work as a subcontractor on a public works contract, and any public money that may have been paid to a debarred subcontractor by a contractor on the project shall be returned to the County. The Contractor shall be responsible for the payment of wages to workers as a debarred subcontractor who has been allowed to work on the Improvements.

5. Payroll Records:

a. Pursuant to California Labor Code section 1776, the Contractor and each subcontractor, shall keep accurate certified payroll records, showing the name, address, social security number, work classification, straight time and overtime hours worked each day and week, and the actual per diem wages paid to each journeyman, apprentice, worker or other employee employed by them in connection with the Improvements. The payroll records enumerated herein shall be verified by a written declaration made under penalty of perjury that the information contained in the payroll record is true and correct and that the Contractor or subcontractor has complied with the requirements of the California Labor Code sections 1771, 1811, and 1815 for any Improvements performed by his or her employees. The payroll records shall be available for inspection at all reasonable hours at the principal office of the Contractor on the following basis:

- i. A certified copy of an employee's payroll record shall be made available for inspection or furnished to such employee or his/her authorized representative on request;
- ii. A certified copy of all payroll records shall be made available for inspection or furnished upon request to the County, the Division of Labor Standards Enforcement of the DIR;
- iii. A certified copy of payroll records shall be made available upon request to the public for inspection or copies thereof made; provided, however, that a request by the public shall be made through either the County or the Division of Labor Standards Enforcement. If the requested payroll records have not been previously provided to the County or the Division of Labor Standards Enforcement, the requesting party shall, prior to being provided the records, reimburse the cost of preparation by

- the Contractor, subcontractor and the entity through which the request was made; the public shall not be given access to such records at the principal office of the Contractor;
- iv. The Contractor shall file a certified copy of the payroll records with the entity that requested such records within ten (10) days after receipt of a written request; and
 - v. Copies provided to the public, by the County or the Division of Labor Standards Enforcement shall be marked or obliterated in such a manner as to prevent disclosure of an individual's name, address and social security number. The name and address of the Contractor or any subcontractor, performing a part of the Improvements shall not be marked or obliterated. The Contractor shall inform the County of the location of payroll records, including the street address, city and county and shall, within five (5) working days, provide a notice of a change of location and address.
- b. The Contractor shall have ten (10) days from receipt of the written notice specifying in what respects the Contractor must comply with the above requirements. In the event Contractor does not comply with the requirements of this section within the ten (10) day period, the Contractor shall, as a penalty to the County, forfeit one-hundred dollars (\$100.00) for each calendar day, or portion thereof, for each worker, until strict compliance is effectuated. Upon the request of the Division of Labor Standards Enforcement, such penalty shall be withheld from any portion of the payments then due or to become due to the Contractor.
- 6. Limits on Hours of Work:**
Pursuant to California Labor Code section 1810, eight (8) hours of labor shall constitute a legal day's work. Pursuant to California Labor Code section 1811, the time of service of any worker employed at any time by the Contractor or by a subcontractor, upon the Improvements or upon any part of the Improvements, is limited and restricted to eight (8) hours during any one calendar day and forty (40) hours during any one calendar week, except as provided for under Labor Code section 1815. Notwithstanding the foregoing provisions, work performed by employees of Contractor or any subcontractor, in excess of eight (8) hours per day and forty (40) hours during any one week, shall be permitted upon compensation for all hours worked in excess of eight (8) hours per day at not less than one and one-half (1½) times the basic rate of pay.
- 7. Penalty for Excess Hours:**
The Contractor shall pay to the County a penalty of twenty-five dollars (\$25.00) for each worker employed on the Improvements by the Contractor or any subcontractor, for each calendar day during which such worker is required or permitted to work more than eight (8) hours in any calendar day and forty (40) hours in any one calendar week, in violation of the provisions of the California Labor Code, unless compensation to the worker so employed by the Contractor is not less than one and one-half (1½) times the basic rate of pay for all hours worked in excess of eight (8) hours per day.
- 8. Senate Bill 854 (Chapter 28, Statutes of 2014) and Senate Bill 96 (Chapter 28, Statutes of 2017) Requirements:**
- a. Contractor shall comply with Senate Bill 854 and Senate Bill 96. The requirements include, but are not limited to, the following:
 - i. No contractor or subcontractor may be listed on a bid proposal (submitted on or after March 1, 2015) for a public works project unless registered with the DIR pursuant to Labor Code section 1725.5, with limited exceptions from this requirements for bid purposes only as allowed under Labor Code section 1771.1(a).
 - ii. No contractor or subcontractor may be awarded a contract for public work or perform work on a public works project (awarded on or after April 1, 2015) unless registered with the DIR pursuant to Labor Code section 1725.5.
 - iii. This project is subject to compliance monitoring and enforcement by the DIR.
 - iv. As required by the DIR, Contractor is required to post job site notices, as prescribed by regulation, regarding compliance monitoring and enforcement by the DIR.
 - v. Contractors and all subcontractors must submit certified payroll records online to the Labor Commissioner for all new public works projects issued on or after April 1, 2015, and for all public works projects, new or ongoing, on or after January 1, 2016.
 - 1) The certified payroll must be submitted at least monthly to the Labor Commissioner.
 - 2) The County reserves the right to require Contractor and all subcontractors to submit certified payroll records more frequently than monthly to the Labor Commissioner.
 - 3) The certified payroll records must be in a format prescribed by the Labor Commissioner.
 - vi. Registration with the DIR and the submission of certified payroll records to the Labor Commissioner are not required if the public works project is \$25,000 or less when the project is for construction, alteration, demolition, installation or repair work, or if the public works project is \$15,000 or less when the project is for maintenance work.

b. Labor Code section 1725.5 states the following:

"A contractor shall be registered pursuant to this section to be qualified to bid on, be listed in a bid proposal, subject to the requirements of Section 4104 of the Public Contract Code, or engage in the performance of any public work contract that is subject to the requirements of this chapter. For the purposes of this section, "contractor" includes a subcontractor as defined by Section 1722.1.

(a) To qualify for registration under this section, a contractor shall do all of the following:

(1) (A) Register with the Department of Industrial Relations in the manner prescribed by the department and pay an initial nonrefundable application fee of four hundred dollars (\$400) to qualify for registration under this section and an annual renewal fee on or before July 1 of each year thereafter. The annual renewal fee shall be in a uniform amount set by the Director of Industrial Relations, and the initial registration and renewal fees may be adjusted no more than annually by the director to support the costs specified in Section 1771.3.

(B) Beginning June 1, 2019, a contractor may register or renew according to this subdivision in annual increments up to three years from the date of registration. Contractors who wish to do so will be required to prepay the applicable nonrefundable application or renewal fees to qualify for the number of years for which they wish to preregister.

(2) Provide evidence, disclosures, or releases as are necessary to establish all of the following:

(A) Workers' compensation coverage that meets the requirements of Division 4 (commencing with Section 3200) and includes sufficient coverage for any worker whom the contractor employs to perform work that is subject to prevailing wage requirements other than a contractor who is separately registered under this section. Coverage may be evidenced by a current and valid certificate of workers' compensation insurance or certification of self-insurance required under Section 7125 of the Business and Professions Code.

(B) If applicable, the contractor is licensed in accordance with Chapter 9 (commencing with Section 7000) of the Business and Professions Code.

(C) The contractor does not have any delinquent liability to an employee or the state for any assessment of back wages or related damages, interest, fines, or penalties pursuant to any final judgment, order, or determination by a court or any federal, state, or local administrative agency, including a confirmed arbitration award. However, for purposes of this paragraph, the contractor shall not be disqualified for any judgment, order, or determination that is under appeal, provided that the contractor has secured the payment of any amount eventually found due through a bond or other appropriate means.

(D) The contractor is not currently debarred under Section 1777.1 or under any other federal or state law providing for the debarment of contractors from public works.

(E) The contractor has not bid on a public works contract, been listed in a bid proposal, or engaged in the performance of a contract for public works without being lawfully registered in accordance with this section, within the preceding 12 months or since the effective date of the requirements set forth in subdivision (e), whichever is earlier. If a contractor is found to be in violation of the requirements of this paragraph, the period of disqualification shall be waived if both of the following are true:

(i) The contractor has not previously been found to be in violation of the requirements of this paragraph within the preceding 12 months.

(ii) The contractor pays an additional nonrefundable penalty registration fee of two thousand dollars (\$2,000).

(b) Fees received pursuant to this section shall be deposited in the State Public Works Enforcement Fund established by Section 1771.3 and shall be used only for the purposes specified in that section.

(c) A contractor who fails to pay the renewal fee required under paragraph (1) of subdivision (a) on or before the expiration of any prior period of registration shall be prohibited from bidding on or engaging in the performance of any contract for public work until once again registered pursuant to this section. If the failure to pay the renewal fee was inadvertent, the contractor may renew its registration retroactively by paying an additional nonrefundable penalty renewal fee equal to the amount of the renewal fee within 90 days of the due date of the renewal fee.

(d) If, after a body awarding a contract accepts the contractor's bid or awards the contract, the work covered by the bid or contract is determined to be a public work to which Section 1771 applies, either as the result of a determination by the director pursuant to Section 1773.5 or a court decision, the requirements of this section shall not apply, subject to the following requirements:

(1) The body that awarded the contract failed, in the bid specification or in the contract documents, to identify as a public work that portion of the work that the determination or decision subsequently classifies as a public work.

(2) Within 20 days following service of notice on the awarding body of a determination by the Director of Industrial Relations pursuant to Section 1773.5 or a decision by a court that the contract was for public work as defined in this chapter, the contractor and any subcontractors are registered under this section or are replaced by a contractor or subcontractors who are registered under this section.

(3) The requirements of this section shall apply prospectively only to any subsequent bid, bid proposal, contract, or work performed after the awarding body is served with notice of the determination or decision referred to in paragraph (2).

(e) The requirements of this section shall apply to any bid proposal submitted on or after March 1, 2015, to any contract for public work, as defined in this chapter, executed on or after April 1, 2015, and to any work performed under a contract for public work on or after January 1, 2018, regardless of when the contract for public work was executed.

(f) This section does not apply to work performed on a public works project of twenty-five thousand dollars (\$25,000) or less when the project is for construction, alteration, demolition, installation, or repair work or to work performed on a public works project of fifteen thousand dollars (\$15,000) or less when the project is for maintenance work.”

c. Labor Code section 1771.1 states the following:

“(a) A contractor or subcontractor shall not be qualified to bid on, be listed in a bid proposal, subject to the requirements of Section 4104 of the Public Contract Code, or engage in the performance of any contract for public work, as defined in this chapter, unless currently registered and qualified to perform public work pursuant to Section 1725.5. It is not a violation of this section for an unregistered contractor to submit a bid that is authorized by Section 7029.1 of the Business and Professions Code or by Section 10164 or 20103.5 of the Public Contract Code, provided the contractor is registered to perform public work pursuant to Section 1725.5 at the time the contract is awarded.

(b) Notice of the requirement described in subdivision (a) shall be included in all bid invitations and public works contracts, and a bid shall not be accepted nor any contract or subcontract entered into without proof of the contractor or subcontractor's current registration to perform public work pursuant to Section 1725.5.

(c) An inadvertent error in listing a subcontractor who is not registered pursuant to Section 1725.5 in a bid proposal shall not be grounds for filing a bid protest or grounds for considering the bid nonresponsive, provided that any of the following apply:

(1) The subcontractor is registered prior to the bid opening.

(2) Within 24 hours after the bid opening, the subcontractor is registered and has paid the penalty registration fee specified in subparagraph (E) of paragraph (2) of subdivision (a) of Section 1725.5.

(3) The subcontractor is replaced by another registered subcontractor pursuant to Section 4107 of the Public Contract Code.

(d) Failure by a subcontractor to be registered to perform public work as required by subdivision (a) shall be grounds under Section 4107 of the Public Contract Code for the contractor, with the consent of the awarding authority, to substitute a subcontractor who is registered to perform public work pursuant to Section 1725.5 in place of the unregistered subcontractor.

(e) The department shall maintain on its Internet Web site a list of contractors who are currently registered to perform public work pursuant to Section 1725.5.

(f) A contract entered into with any contractor or subcontractor in violation of subdivision (a) shall be subject to cancellation, provided that a contract for public work shall not be unlawful, void, or voidable solely due to the failure of the awarding body, contractor, or any subcontractor to comply with the requirements of Section 1725.5 or this section.

(g) If the Labor Commissioner or his or her designee determines that a contractor or subcontractor engaged in the performance of any public work contract without having been registered in accordance with this section, the contractor or subcontractor shall forfeit, as a civil penalty to the state, one hundred dollars (\$100) for each day of work performed in violation of the registration requirement, not to exceed an aggregate penalty of eight thousand dollars (\$8,000) in addition to any penalty registration fee assessed pursuant to clause (ii) of subparagraph (E) of paragraph (2) of subdivision (a) of Section 1725.5.

(h)(1) In addition to, or in lieu of, any other penalty or sanction authorized pursuant to this chapter, a higher tiered public works contractor or subcontractor who is found to have entered into a subcontract with an unregistered lower tier subcontractor to perform any public work in violation of the requirements of Section 1725.5 or this section shall be subject to forfeiture, as a civil penalty to the state, of one hundred dollars (\$100) for each day the unregistered lower tier subcontractor performs work in violation of the registration requirement, not to exceed an aggregate penalty of ten thousand dollars (\$10,000).

(2) The Labor Commissioner shall use the same standards specified in subparagraph (A) of paragraph (2) of subdivision (a) of Section 1775 when determining the severity of the violation and what penalty to assess and may waive the penalty for a first time violation that was unintentional and did not hinder the Labor Commissioner's ability to monitor and enforce compliance with the requirements of this chapter.

(3) A higher tiered public works contractor or subcontractor shall not be liability for penalties assessed pursuant to paragraph (1) if the lower tier subcontractor's performance is in violation of the requirements of Section 1725.5 due to the revocation of a previously approved registration.

(4) A subcontractor shall not be liable for any penalties assessed against a higher tiered public works contractor or subcontractor pursuant to paragraph (1). A higher tiered public works contractor or subcontractor may not require a lower tiered subcontractor to indemnify or otherwise be liable for any penalties pursuant to paragraph (1).

(i) The Labor Commissioner or his or her designee shall issue a civil wage and penalty assessment, in accordance with the provisions of Section 1741, upon determination of penalties pursuant to subdivision (g) and subparagraph (B) of paragraph (1) of subdivision (h). Review of a civil wage and penalty assessment issued under this subdivision may be requested in accordance with the provisions of Section 1742. The regulations of the Director of Industrial Relations, which govern proceedings for review of civil wage and penalty assessments and the withholding of contract payments under Article 1 (commencing with Section 1720) and Article 2 (commencing with Section 1770), shall apply.

(j)(1) Where a contractor or subcontractor engages in the performance of any public work contract without having been registered in violation of the requirements of Section 1725.5 or this section, the Labor Commissioner shall issue and serve a stop order prohibiting the use of the unregistered contractor or the unregistered subcontractor on all public works until the unregistered contractor or unregistered subcontractor is registered. The stop order shall not apply to work by registered contractors or subcontractors on the public work.

(2) A stop order may be personally served upon the contractor or subcontractor by either of the following methods:

(A) Manual delivery of the order to the contractor or subcontractor personally.

(B) Leaving signed copies of the order with the person who is apparently in charge at the site of the public work and by thereafter mailing copies of the order by first class mail, postage prepaid to the contractor or subcontractor at one of the following:

(i) The address of the contractor or subcontractor on file with either the Secretary of State or the Contractors' State License Board.

(ii) If the contractor or subcontractor has no address on file with the Secretary of State or the Contractors' State License Board, the address of the site of the public work.

(3) The stop order shall be effective immediately upon service and shall be subject to appeal by the party contracting with the unregistered contractor or subcontractor, by the unregistered contractor or subcontractor, or both. The appeal, hearing, and any further review of the hearing decision shall be governed by the procedures, time limits, and other requirements specified in subdivision (a) of Section 238.1.

(4) Any employee of an unregistered contractor or subcontractor who is affected by a work stoppage ordered by the commissioner pursuant to this subdivision shall be paid at his or her regular hourly prevailing wage rate by that employer for any hours the employee would have worked but for the work stoppage, not to exceed 10 days.

(k) Failure of a contractor or subcontractor, owner, director, officer, or managing agent of the contractor or subcontractor to observe a stop order issued and served upon him or her pursuant to subdivision (j) is guilty of a misdemeanor punishable by imprisonment in county jail not exceeding 60 days or by a fine not exceeding ten thousand dollars (\$10,000), or both.

(l) This section shall apply to any bid proposal submitted on or after March 1, 2015, and any contract for public work entered into on or after April 1, 2015. This section shall also apply to the performance of any public work, as defined in this chapter, on or after January 1, 2018, regardless of when the contract for public work was entered.

(m) Penalties received pursuant to this section shall be deposited in the State Public Works Enforcement Fund established by Section 1771.3 and shall be used only for the purposes specified in that section.

(n) This section shall not apply to work performed on a public works project of twenty-five thousand dollars (\$25,000) or less when the project is for construction, alteration, demolition, installation, or repair work or to work performed on a public works project of fifteen thousand dollars (\$15,000) or less when the project is for maintenance work."

d. Labor Code section 1771.4 states the following:

"a) All of the following are applicable to all public works projects that are otherwise subject to the requirements of this chapter:

- (1) The call for bids and contract documents shall specify that the project is subject to compliance monitoring and enforcement by the Department of Industrial Relations.
- (2) The awarding body shall post or require the prime contractor to post job site notices, as prescribed by regulation.
- (3) Each contractor and subcontractor shall furnish the records specified in Section 1776 directly to the Labor Commissioner, in the following manner:
 - (A) At least monthly or more frequently if specified in the contract with the awarding body.
 - (B) In a format prescribed by the Labor Commissioner.
- (4) If the contractor or subcontractor is not registered pursuant to Section 1725.5 and is performing work on a project for which registration is not required because of subdivision (f) of Section 1725.5, the unregistered contractor or subcontractor is not required to furnish the records specified in Section 1776 directly to the Labor Commissioner but shall retain the records specified in Section 1776 for at least three years after completion of the work.
- (5) The department shall undertake those activities it deems necessary to monitor and enforce compliance with prevailing wage requirements.
 - (b) The Labor Commissioner may exempt a public works project from compliance with all or part of the requirements of subdivision (a) if either of the following occurs:
 - (1) The awarding body has enforced an approved labor compliance program, as defined in Section 1771.5, on all public works projects under its authority, except those deemed exempt pursuant to subdivision (a) of Section 1771.5, continuously since December 31, 2011.
 - (2) The awarding body has entered into a collective bargaining agreement that binds all contractors performing work on the project and that includes a mechanism for resolving disputes about the payment of wages.
 - (c) The requirements of paragraph (1) of subdivision (a) shall only apply to contracts for public works projects awarded on or after January 1, 2015.
 - (d) The requirements of paragraph (3) of subdivision (a) shall apply to all contracts for public work, whether new or ongoing, on or after January 1, 2016.”

B. STATE PUBLIC WORKS APPRENTICESHIP REQUIREMENTS

1. State Public Works Apprenticeship Requirements:

- a. The Contractor is responsible for compliance with Labor Code section 1777.5 and the California Code of Regulations, title 8, sections 230 – 230.2 for all apprenticeable occupations (denoted with “#” symbol next to craft name in DIR Prevailing Wage Determination), whether employed by the Contractor, subcontractor, vendor or consultant. Included in these requirements is (1) the Contractor’s requirement to provide notification (i.e. DAS-140) to the appropriate apprenticeship committees; (2) pay training fund contributions for each apprenticeable hour employed on the Contract; and (3) utilize apprentices in a minimum ratio of not less than one apprentice hour for each five journeyman hours by completion of Contract work (unless an exception is granted in accordance with Labor Code section 1777.5) or request for the dispatch of apprentices.
- b. Any apprentices employed to perform any of the Improvements shall be paid the standard wage to apprentices under the regulations of the craft or trade for which such apprentice is employed, and such individual shall be employed only for the work of the craft or trade to which such individual is registered. Only apprentices, as defined in California Labor Code section 3077, who are in training under apprenticeship standards and written apprenticeship agreements under California Labor Code sections 3070 et seq. are eligible to be employed for the Improvements. The employment and training of each apprentice shall be in accordance with the provisions of the apprenticeship standards and apprentice agreements under which such apprentice is training.

2. Compliance with California Labor Code section 1777.5 requires all public works contractors to:

- a. Submit Contract Award Information (DAS-140):
 - i. Although there are a few exemptions (identified below), all Contractors, regardless of union affiliation, must submit contract award information when performing on a California public works project.
 - ii. The DAS-140 is a notification “announcement” of the Contractor’s participation on a public works project—*it is not a request for the dispatch of an apprentice.*

- iii. Contractors shall submit the contract award information (you may use form DAS 140) within 10 days of the execution of the prime contract or subcontract, but in no event later than the first day in which the Contractor has workers employed on the public work.
 - iv. Contractors who are already approved to train apprentices (i.e. check "Box 1" on the DAS-140) shall only be required to submit the form to their approved program.
 - v. Contractors who are NOT approved to train apprentices (i.e. those that check either "Box 2" or "Box 3" on the DAS-140) shall submit the DAS-140 TO EACH of the apprenticeship program sponsors in the area of your public works project. For a listing of apprenticeship programs see <http://www.dir.ca.gov/Databases/das/pwaddrstart.asp>.
- b. Employ Registered Apprentices
- i. Labor Code section 1777.5 requires that a contractor performing work in an "apprenticeable" craft must employ one (1) hour of apprentice work for every five (5) hours performed by a journeyman. This ratio shall be met prior to the Contractor's completion of work on the project. "Apprenticeable" crafts are denoted with a pound symbol "#" in front of the craft name on the prevailing wage determination.
 - ii. All Contractors who do not fall within an exemption category (see below) must request for dispatch of an apprentice from an apprenticeship program (for each apprenticeable craft or trade) by giving the program actual notice of at least 72 hours (business days only) before the date on which apprentices are required.
 - iii. Contractors may use the "DAS-142" form for making a request for the dispatch of an apprentice.
 - iv. Contractors who are participating in an approved apprenticeship training program and who did not receive sufficient number of apprentices from their initial request must request dispatch of apprentices from ALL OTHER apprenticeship committees in the project area in order to fulfill this requirement.
 - v. Contractor should maintain and submit proof (when requested) of its DAS-142 submittal to the apprenticeship committees (e.g. fax transmittal confirmation). A Contractor has met its requirement to employ apprentices only after it has successfully made a dispatch request to all apprenticeship programs in the project area.
 - vi. Only "registered" apprentices may be paid the prevailing apprentice rates and must, at all times work under the supervision of a Journeyman (Cal. Code Regs., tit 8, § 230.1).
- c. Make Training Fund Contributions
- i. Contractors performing in apprenticeable crafts on public works projects, must make training fund contributions in the amount established in the prevailing wage rate publication for journeymen and apprentices.
 - ii. Contractors may use the "CAC-2" form for submittal of their training fund contributions.
 - iii. Contractors who do not submit their training fund contributions to an approved apprenticeship training program must submit their contributions to the California Apprenticeship Council (CAC), PO Box 420603, San Francisco, CA 94142-0603.
 - iv. Training fund contributions to the CAC are due and payable on the 15th day of the month for work performed during the preceding month.
 - v. The "training" contribution amount identified on the prevailing wage determination shall not be paid to the worker, unless the worker falls within one of the exemption categories listed below.
- 3. Exemptions to Apprenticeship Requirements:**
- a. The following are exempt from having to comply with California apprenticeship requirements. These types of contractors do not need to submit a DAS-140, DAS-142, make training fund contributions, or utilize apprentices:
- i. When the Contractor holds a sole proprietor license ("Owner-Operator") and no workers were employed by the Contractor. In other words, the contractor performed the entire work from start to finish and worked alone.
 - ii. Contractors performing in non-apprenticeable crafts. "Apprenticeable" crafts are denoted with a pound symbol "#" in front of the craft name on the prevailing wage determination.
 - iii. When the Contractor has a direct contract with the Public Agency that is under \$30,000.
 - iv. When the project is 100% federally-funded and the funding of the project does not contain any city, county, and/or state monies (unless the project is administered by a state agency in which case the apprenticeship requirements apply).
 - v. When the project is a private project not covered by the definition of public works as found in Labor Code section 1720.

4. Exemption from Apprenticeship Ratios:

- a. The Joint Apprenticeship Committee shall have the discretion to grant a certificate, which shall be subject to the approval of the Administrator of Apprenticeship, exempting the Contractor from the 1-to-5 ratio set forth in this Section when it finds that any one of the following conditions are met:
 - i. Unemployment for the previous three-month period in such area exceeds an average of fifteen percent (15%); or
 - ii. The number of apprentices in training in such area exceeds a ratio of 1-to-5 in relation to journeymen; or
 - iii. The Apprenticeable Craft or Trade is replacing at least one-thirtieth (1/30) of its journeymen annually through apprenticeship training, either on a statewide basis or on a local basis; or
 - iv. If assignment of an apprentice to any work performed under the Contract Documents would create a condition which would jeopardize such apprentice's life or the life, safety or property of fellow employees or the public at large, or if the specific task to which the apprentice is to be assigned is of such a nature that training cannot be provided by a journeyman.
- b. When such exemptions from the 1-to-5 ratio between apprentices and journeymen are granted to an organization which represents contractors in a specific trade on a local or statewide basis, the member contractors will not be required to submit individual applications for approval to local Joint Apprenticeship Committees, provided they are already covered by the local apprenticeship standards.

5. Contractor's Compliance:

- a. The responsibility of compliance with this Section for all Apprenticeable Trades or Crafts is solely and exclusively that of the Contractor. All decisions of the Joint Apprenticeship Committee(s) under this Section are subject to the provisions of California Labor Code section 3081 and penalties are pursuant to Labor Code section 1777.7 and the determination of the Labor Commissioner.
- b. 4892-4637-0879, v. 6

EXHIBIT "G"
POLITICAL CONTRIBUTIONS

SENATE BILL 1439
LANDLORD INFORMATION REPORT

DEFINITIONS

Actively supporting the matter: (a) Communicate directly, either in person or in writing, with a member of the COUNTY Board of Supervisors or other County-elected officer [Sheriff, Assessor-Recorder-Clerk, District Attorney, Auditor-Controller/Treasurer/Tax Collector] with the purpose of influencing the decision on the matter; or (b) testifies or makes an oral statement before the COUNTY in a proceeding on the matter; or (c) communicates with COUNTY employees, for the purpose of influencing the COUNTY's decision on the matter; or (d) when the person/company's agent lobbies in person, testifies in person or otherwise communicates with the COUNTY's Board or COUNTY's employees for purposes of influencing the COUNTY's decision in a matter.

Agent: A third-party individual or firm who is representing a party or a participant in the matter submitted to the COUNTY's Board of Supervisors. If an agent is an employee or member of a third-party law, architectural, engineering or consulting firm, or a similar entity, both the entity and the individual are considered agents.

Otherwise related entity: An otherwise related entity is any for-profit organization/company which does not have a parent-subsidiary relationship but meets one of the following criteria:

- (1) One business entity has a controlling ownership interest in the other business entity;
- (2) there is shared management and control between the entities; or
- (3) a controlling owner (50% or greater interest as a shareholder or as a general partner) in one entity also is a controlling owner in the other entity.

For purposes of (2), "shared management and control" can be found when the same person or substantially the same persons own and manage the two entities; there are common or commingled funds or assets; the business entities share the use of the same offices or employees, or otherwise share activities, resources or personnel on a regular basis; or there is otherwise a regular and close working relationship between the entities.

Parent-Subsidiary Relationship: A parent-subsidiary relationship exists when one corporation has more than 50 percent of the voting power of another corporation.

LANDLORD must respond to the questions on the following page. If a question does not apply respond N/A or Not Applicable.

1. Name of LANDLORD: 265 East 4th, LLC

2. Name of Principal (i.e., CEO/President) of LANDLORD, if the individual actively supports the matter and has a financial interest in the decision: F. Ron Krausz

3. Name of agent of LANDLORD:

Company Name	Agent(s)
N/A	

4. Name of any known lobbyist(s) who actively supports or opposes this matter:

Company Name	Contact
N/A	

5. Name of Subcontractor(s) (including Principal and Agent(s)) that will be providing services/work under the awarded contract if the subcontractor (1) actively supports the matter and (2) has a financial interest in the decision and (3) will be possibly identified in the contract with the County or board-governed special district.

Company Name	Subcontractor(s):	Principal and//or Agent(s):
N/A		

6. Is the entity listed in Question No.1 a nonprofit organization under Internal Revenue Code section 501(c)(3)?

Yes No

7. Name of any known individuals/companies who are not listed in Questions 1-5, but who may (1) actively support or oppose the matter submitted to the COUNTY's Board and (2) have a financial interest in the outcome of the decision:

Company Name	Individual(s) Name
N/A	

8. Was a campaign contribution, of more than \$250, made to any member of the San Bernardino County Board of Supervisors or other County-elected officer on or after January 1, 2023, by any of the individuals or entities listed in Question Nos. 1-7?

No If **no**, please skip Question No. 9 and sign and date this form.

Yes If **yes**, please continue to complete this form.

9. Name of COUNTY's Board of Supervisor Member or other County-elected officer:

Name of Contributor:

Date(s) of Contribution(s):

Amount(s):

Please add an additional sheet(s) to identify additional COUNTY Board Members/County-elected officer to whom anyone listed made campaign contributions.

By signing the contract, LANDLORD certifies that the statements made herein are true and correct. LANDLORD understands that the individuals and entities listed in Question Nos. 1-7 are prohibited from making campaign contributions of more than \$250 to any member of the COUNTY's Board of Supervisors or other County-elected officer while award of this contract is being considered and for 12 months after a final decision by the COUNTY.