

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS
OF SAN BERNARDINO COUNTY
AND RECORD OF ACTION**

May 20, 2025

FROM

**TERRY W. THOMPSON, Director, Real Estate Services Department
MELANIE OROSCO, County Librarian, County Library**

SUBJECT

Amendment to Lease Agreement with the Running Springs Water District for Land in Running Springs

RECOMMENDATION(S)

1. Find that approval of Amendment No. 5 to Lease Agreement No. 08-1163 with the Running Springs Water District for Library space, is an exempt project under the California Environmental Quality Act Guidelines, Section 15301 - Existing Facilities (Class 1).
2. Approve **Amendment No. 5 to Lease Agreement No. 08-1163** with the Running Springs Water District, to extend the term of the lease three years by exercising the existing three-year option to extend, for the period of June 1, 2025, through May 31, 2028, following a permitted holdover period of November 1, 2024, through May 31, 2025, adjust the rent schedule, add one five-year option to extend the term of the lease, and update standard lease agreement terms, for approximately 17,828 square feet of land in Running Springs, to be used by the County Library for a County-owned modular library facility, in the amount of \$45,551, which includes the holdover amount of \$7,175, for a total cost in the amount of \$215,790.
3. Direct the Real Estate Services Department to file the Notice of Exemption in accordance with the California Environmental Quality Act.

(Presenter: Terry W. Thompson, Director, 387-5000)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Operate in a Fiscally-Responsible and Business-Like Manner.

Provide for the Safety, Health and Social Service Needs of County Residents.

FINANCIAL IMPACT

Approval of Amendment No. 5 (Amendment) to Lease Agreement No. 08-1163 (Lease) will not result in the use of Discretionary General Funding (Net County Cost) as the County Library (Library) lease cost will be funded by Library's property tax revenues. The total cost of this five-year Amendment is \$45,551. Lease payments will be made from the Real Estate Services Department (RESD) Rents budget (7810001000) and reimbursed from the Library Claim budget (6402252600). Other Costs associated with this Lease include maintenance of the grounds and utility expenses for the modular unit, which will be paid from the Library budget. Sufficient appropriation is included in the 2024-25 Rents and Library Claim budgets and will be included in future recommended budgets. Annual lease costs related to the Amendment are as follows:

Year	Annual Lease Cost
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*November 1, 2024 – May 31, 2025	\$7,175
June 1, 2025 – May 31, 2026	\$12,540
June 1, 2026 – May 31, 2027	\$12,792
June 1, 2027 – May 31, 2028	\$13,044
Total Cost:	\$45,551

*Permitted holdover period

BACKGROUND INFORMATION

On November 18, 2008 (Item No. 58), the Board of Supervisors approved the five-year Lease with the Running Springs Water District for continued use of a 17,828-square-foot County-owned modular unit located at 2677 Whispering Pines in Running Springs (Premises), designated for library services. The original Lease term covered the period from November 18, 2008, through October 31, 2013. Since then, the Lease has been amended four times to extend the term through October 31, 2024, and to incorporate changes such as extension options, rent adjustments, and updates to standard lease provisions.

Amendment No.	Approval Date	Item No.
1	December 17, 2013	59
2	October 6, 2015	53
3	October 17, 2017	19
4	October 22, 2019	30

Due to the continued need to provide library services in the Running Springs Area, Library requested RESD negotiate an amendment to extend the existing term of the Lease, which expired on October 31, 2024. The Running Springs Water District initiated negotiations to extend the term, and due to ongoing discussions between the County and the landlord, the Lease went into a permitted holdover on November 1, 2024. Library has continued to occupy the Premises and abide by the terms of the Lease.

RESD negotiated a renewal of the Lease at the current rate. The Amendment extends the term for three years, from June 1, 2025, through May 31, 2028, by exercising the existing extension option, adjusts the rent schedule, adds one five-year option to extend the term, and updates standard lease agreement language. All other terms and conditions of the Lease remain unchanged.

The project to approve the Amendment was reviewed pursuant to the California Environmental Quality Act (CEQA) and determined to be categorically exempt under Section 15301 - Existing Facilities (Class 1) because there is no possibility that the leasing of the subject property will have a significant effect on the environment.

Summary of Lease Terms

Lessor: Running Springs Water District
Ryan Gross, General Manager

Location: A portion of Accessor’s Parcel Number 0295-105-11-0000

Size: Approximately 17,828 square feet of land

Term: June 1, 2025 – May 31, 2028

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Options: One five-year option

Rent: Cost per square foot: approximately *\$.06
Monthly: \$1,045
Annual: \$12,540
*Low-range for comparable facilities in the Running Springs area per the competitive set analysis of file with RESD

Annual Increases: 2%

Improvement Costs: None

Custodial: Provided by Lessor

Maintenance: Provided by Lessor

Utilities: Provided by Lessor; County to pay electrical costs \$0.22 per square foot per month (electrical utility expense cap) and to pay gas costs \$0.06 per square foot per month (gas expense cap), both subject to 3% annual increase

Insurance: The Certificate of Liability Insurance, as required by each lease, is on file with RESD

Holdover: Upon the end of the term, if permitted by Lessor, the Lease shall continue on a month-to-month term upon the same terms and conditions which existed at the time of expiration with 3% annual increases

Right to Terminate: County has the right to terminate with a 90-day written notice; Lessor has the right to terminate during any extended term of the lease with 12-months' notice

Parking: Sufficient for County needs

PROCUREMENT

Not applicable.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (John Tubbs II, and Daniella Hernandez, Deputies County Counsel, 387-5455) on May 8, 2025; Library (Melanie Orosco, County Librarian, 387-2220) on May 7, 2025; Purchasing (Ariel Gill, Supervising Buyer, 387-2070) on May 8, 2025; Finance (Celia McDonald, 387-4286, and Eduardo Mora, 387-4376, Administrative Analysts) on

May 8, 2025; and County Finance and Administration (Paloma Hernandez-Barker, Deputy Executive Officer, 387-5423) on May 8, 2025.

(AR: 501-7579)

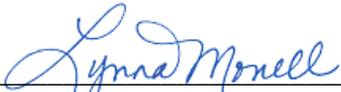
**Amendment to Lease Agreement with the Running Springs Water
District for Land in Running Springs
May 20, 2025**

Record of Action of the Board of Supervisors
San Bernardino County

APPROVED (CONSENT CALENDAR)

Moved: Joe Baca, Jr. Seconded: Curt Hagman
Ayes: Col. Paul Cook (Ret.), Dawn Rowe, Curt Hagman, Joe Baca, Jr.
Absent: Jesse Armendarez

Lynna Monell, CLERK OF THE BOARD

BY 
DATED: May 20, 2025



cc: RESD - Thompson w/agree
Contractor - c/o RESD w/agree
File - w/agree
MBA 05/27/2025