



ORIGINAL

Contract Number

12-684 A3

SAP Number

## Real Estate Services Department

Department Contract Representative	Terry W. Thompson, Director
Telephone Number	(909) 387-5000
Contractor	MTK SoCal Investments, LLC
Contractor Representative	Jason Tolleson, Agent
Telephone Number	818-396-8880
Contract Term	3/1/2013-12/31/2035
Original Contract Amount	\$1,278,855.00
Amendment Amount	\$3,387,384.00
Total Contract Amount	\$4,666,239.00
Cost Center	9206251000
GRC/PROJ/JOB No.	62003052
Grant Number (if applicable)	

### IT IS HEREBY AGREED AS FOLLOWS:

This **Third Amendment** ("Amendment No. 3") to Lease Agreement No. 12-684 ("Lease") is made and entered into this 16th day of December, 2025, by and between **SAN BERNARDINO COUNTY** ("COUNTY") and **MTK SOCAL INVESTMENTS, LLC** ("LANDLORD").

WHEREAS, COUNTY and LANDLORD entered into Lease Agreement No. 12-684 dated October 23, 2012, for approximately 3,528 square feet of office and medical space located at 1600 Bailey Avenue, Needles, California (the "Premises"); and

WHEREAS, COUNTY and LANDLORD subsequently entered into Amendment No. 1, approved on February 26, 2013, to modify the commencement and termination dates and other related provisions of the Lease; and

WHEREAS, COUNTY and LANDLORD further entered into Amendment No. 2, approved on July 27, 2021, to authorize the LANDLORD to perform tenant improvements to expand the bandwidth for internet services and to update standard lease language; and

WHEREAS, the Lease expired on February 28, 2023, and COUNTY has since remained in permitted holdover occupancy of the Premises; and

WHEREAS, COUNTY and LANDLORD now desire to amend the Lease to extend the term, expand the Premises, update rental rates and options to extend, authorize additional tenant improvements, and update certain provisions of the Lease to current COUNTY standards, all as more particularly set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained herein, the parties agree that the Lease shall be amended as follows:

1. Pursuant to Lease **Paragraph 8, HOLDING OVER**, COUNTY shall, with LANDLORD's express consent granted herein, use the Premises on a month-to-month holdover term for the period of March 1, 2023, through December 31, 2025, in the amount of \$10,125 per month.

2. Effective January 1, 2026, **DELETE** in its entirety the existing **Paragraph 2, PREMISES LEASED** and **SUBSTITUTE** therefore the following as a new **Paragraph 2, PREMISES LEASED** and **EXHIBIT "A"** **PREMISES** attached and incorporated herein, which shall read as follows:

2. **PREMISES LEASED:** The Premises shall consist of approximately 3,528 square feet ("Existing Space") and 1,688 square feet ("Expansion Space") within a 5,216 square feet building, with twenty three (23) common parking spaces, including handicapped parking, located at **1600 Bailey Avenue, Needles, California**, as more particularly shown on **Exhibit "A"** attached hereto and incorporated herein by reference.

3. Effective January 1, 2026, pursuant to **Paragraph 6 OPTION TO EXTEND TERM**, **DELETE** in its entirety the existing **Paragraph 3, TERM** and **SUBSTITUTE** therefore the following as a new **Paragraph 3, TERM** which shall read as follows:

3. **TERM:** The extended term of this Lease ("First Extended Term") shall be for a period of **ten (10) years**, commencing on **January 1, 2026** ("Commencement Date"), and ending on **December 31, 2035** ("Expiration Date"), unless sooner terminated as provided herein.

This extension represents the County's exercise of the two (2) available five-year options to extend the term pursuant to the provisions of the original Lease. Upon the expiration of this First Extended Term, the County shall have one (1) remaining option to extend the Lease for an additional five (5) years in accordance with Paragraph 6, **Option to Extend Term**.

4. Effective January 1, 2026, **DELETE** in its entirety the existing **Paragraph 4, RENT** and **SUBSTITUTE** therefore the following as a new **Paragraph 4, RENT** which shall read as follows:

4. **RENT:** COUNTY shall pay to LANDLORD monthly Base Rent in arrears on the last day of each month as set forth below, subject to annual increases of approximately three percent (3%) throughout the Lease Term:

**A. Existing Space:** (3,528 square feet): Rent for the existing space presently occupied by COUNTY shall commence on December 1, 2025, regardless of the completion of any tenant improvements for the expansion space. Base Rent for the existing space is reflected in the amounts set forth below:

<b>Lease Period (Existing Space)</b>	<b>Monthly Rent Existing Space)</b>
January 1, 2026 –December 31, 2026	\$8,114
January 1, 2027 –December 31, 2027	\$8,357
January 1, 2028 –December 31, 2028	\$8,608
January 1, 2029 –December 31, 2029	\$8,866
January 1, 2030 –December 31, 2030	\$9,132

January 1, 2031 –December 31, 2031	\$9,406
January 1, 2032 –December 31, 2032	\$9,688
January 1, 2033 –December 31, 2033	\$9,979
January 1, 2034 –December 31, 2034	\$10,278
January 1, 2035 –December 31, 2035	\$10,586

**B. Expansion Space:** (1,688 square feet): Rent for the expansion space shall commence upon the later of (i) LANDLORD's substantial completion of the tenant improvements in accordance with Paragraph 41, (ii) issuance of a Certificate of Occupancy, or (iii) COUNTY's written acceptance of the improved space ("Expansion Commencement Date") as stated in a completed Expansion Commencement Date Certificate in the form of Exhibit "H". Base Rent for the expansion space shall be calculated at the same \$2.30 per-square-foot rate and adjustment schedule as the existing space, prorated from the Expansion Commencement Date through the end of the Lease Term. Tenant Improvements totaling approximately **\$1,427,904.00** shall be amortized through monthly rent payments of \$12,864.00 ("Monthly Amortized Improvements") over the Lease Term.

The projected Commencement Date is **October 1, 2026**.

Lease Period (Expansion Space)	Monthly Rent (Expansion Space)	Monthly Amortized Improvements (Expansion Space)	Total Monthly Rent (Expansion Space)
October 1, 2026 – December 31, 2026	\$3,882	\$12,864	\$16,746.00
January 1, 2027 –December 31, 2027	\$3,998	\$12,864	\$16,862.00
January 1, 2028 –December 31, 2028	\$4,118	\$12,864	\$16,982.00
January 1, 2029 –December 31, 2029	\$4,242	\$12,864	\$17,106.00
January 1, 2030 –December 31, 2030	\$4,369	\$12,864	\$17,233.00
January 1, 2031 –December 31, 2031	\$4,500	\$12,864	\$17,364.00
January 1, 2032 –December 31, 2032	\$4,635	\$12,864	\$17,499.00
January 1, 2033 –December 31, 2033	\$4,774	\$12,864	\$17,638.00
January 1, 2034 –December 31, 2034	\$4,917	\$12,864	\$17,781.00
January 1, 2035 –December 31, 2035	\$5,065	\$12,864	\$17,929.00

**C. Combined Rent:** Upon commencement of rent for the Expansion Space, the total monthly and annual Base Rent shall be the combined rent for both the existing and expansion premises.

5. Effective January 1, 2026, 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** which shall read as follows:

#### 6. OPTION TO EXTEND TERM:

A. COUNTY shall have one (1) option to extend the term of this Lease for an additional period of five (5) years on the same terms and conditions, except the Monthly Rent for the Premises. To exercise Option Terms, COUNTY shall provide LANDLORD with written notice at any time on or prior to the expiration or earlier termination of the then current Lease Term or during any period (a "Holdover Period") during which the County is holding over pursuant to **Paragraph 8, Holding Over**.

B. The Monthly Rent for the Premises during each Option Term shall be adjusted by good faith negotiation of the Parties to the fair market monthly rental rate then prevailing based on the monthly rental rent ("FMV Rent") of comparable leased premises in the County of San Bernardino. If the Parties have been unable to agree on the FMV Rent for the Premises within five (5) months of COUNTY's exercise of its option, said FMV Rent shall be determined through arbitration conducted in accordance with the Commercial Arbitration Rules of the American Arbitration Association. During the period between the expiration of the then current Lease Term and the determination of the Monthly Rent for the Premises by arbitration, COUNTY shall continue to pay the Monthly Rent for the Premises in the amount due for the month immediately preceding expiration of the then current Lease Term. If the FMV Rent for the Premises is determined by arbitration and COUNTY does not, for any reason, agree with such determination, COUNTY shall have the right to terminate the Lease by providing LANDLORD with written notice not later than thirty (30) days after COUNTY's receipt of the arbitration-determined FMV Rent. In the event COUNTY does not so terminate the Lease, COUNTY shall commence paying the arbitration-determined FMV Rent for the month immediately following COUNTY's receipt of said rate determination and for the duration of the subject Option Term.

6 Effective January 1, 2026, ~~DELETE~~ in its entirety the existing **Paragraph 11, HEALTH, SAFETY AND FIRE CODE REQUIREMENTS** and ~~SUBSTITUTE~~ therefore the following as a new **Paragraph 11, LEGAL COMPLIANCE** which shall read as follows:

**11. LEGAL COMPLIANCE:**

A. Compliance with Laws. As a condition precedent to COUNTY's obligations under the Lease, (i) the physical condition of the Premises, the Building, and the Property shall comply with the applicable requirements of all municipal, county, state, federal, and regulatory laws, statutes, codes, ordinances, and regulations for public and government buildings then in effect, including, but not limited to, applicable Health, Safety, Fire and Building codes, notice of completion, certificate of occupancy, California Title 24, and the Americans with Disabilities Act (collectively, "Laws"); (ii) an accessible path of travel exists from the immediately adjacent public right of way to the Premises pursuant to California Title 24 requirements; (iii) all improvements in or on the Premises, the Building, and the Property (whether constructed by LANDLORD, prior tenants, or any third party other than County) comply with all applicable covenants or restrictions of record for the Property and all applicable Laws; (iv) LANDLORD has not received any violations of Laws from any relevant government authority with respect to the Premises, the Building, or the Property; and (v) LANDLORD has no knowledge of any pending or threatened claims of any violations of Laws from any third party with respect to the Premises, the Building, or the Property. LANDLORD covenants that LANDLORD shall, at its sole cost and expense, maintain the Premises, the Building, and the Property in compliance with all applicable Laws for the duration of the Lease Term and any extensions thereof. LANDLORD represents and warrants to COUNTY that the forgoing is true and accurate as of the Commencement Date. In the event of a breach of the foregoing representations, warranties, or covenants herein, LANDLORD shall, at its cost and sole expense, promptly remedy any non-compliance with Laws and indemnify, defend (with counsel reasonably approved by COUNTY), and hold harmless COUNTY and its officers, employees, agents, and volunteers from any and all claims, actions, losses, damages and/or liability arising out of or related to said breach. LANDLORD's indemnity obligation shall survive the expiration or earlier termination of the Lease. In the event of that the Premises, the Building or the Property requires modifications due to changes in Laws during the Lease Term or any extensions thereof, LANDLORD shall, at its sole cost and expense, promptly complete such modification, except to the extent the requirement for such repairs or modifications in the Premises is triggered by both a change in Laws enacted after the Commencement Date and is caused by the COUNTY's unique change in use of the Premises after the Commencement Date; in which case, such repairs and modifications in the Premises shall be performed at the COUNTY's sole expense. County shall conduct its use of the Premises, including but not limited to the installation and maintenance of its furniture, fixtures, and equipment, in accordance with all Laws. Landlord's obligations under this **Paragraph 11.A** do not apply to any "Reimbursable Maintenance Event", as such term is defined in **Paragraph 13.F**, or County's failure to conduct its use of the Premises in accordance with all Laws.

B. CASp Inspection. LANDLORD certifies to COUNTY that as of the Commencement Date, an inspection of the Premises, the Building, or the Property has not been performed by a Certified Access Specialist in conjunction with the Lease. Notwithstanding that an access inspection has not been performed, LANDLORD remains obligated for the compliance of the Premises, the Building, and the Property with Laws for the duration of the Lease Term including any extensions thereof. In the event that an access inspection is performed by LANDLORD at any time during the Lease Term including any extensions thereof, LANDLORD shall provide COUNTY with a copy of the inspection report and LANDLORD shall, at its sole cost and expense, promptly complete all required and recommended repairs and modifications to the Premises, the Building, or the Property identified in the inspection report, except to the extent the requirement for such repairs or modifications in the Premises is triggered by both a change in Laws enacted after the Commencement Date and is caused by the COUNTY's alteration of the Premises; installation of furniture, fixtures or equipment at the Premises, or unique change in use of the Premises after the Commencement Date; in which case, such repairs and modifications in the Premises shall be performed at the COUNTY's sole expense. County shall conduct its use of the Premises, including but not limited to the installation and maintenance of its furniture, fixtures, and equipment, in accordance with all Laws.

7. Effective January 1, 2026, DELETE in its entirety the existing **Paragraph 13, MAINTENANCE** and SUBSTITUTE therefore the following as a new **Paragraph 13, MAINTENANCE AND REPAIR** which shall read as follows:

**13. MAINTENANCE AND REPAIR:**

A. LANDLORD represents and warrants to COUNTY that as of the Commencement Date, the Premises, the Building, and the Property, including but not limited to all structural elements, the building systems, and other improvements thereon are in good working order, condition, and repair and watertight. During the Lease Term, including any extensions thereof, LANDLORD shall, at its sole cost and expense (except as provided in Paragraph 13.F), provide the following services and perform all inspections, maintenance, repairs, and replacements as is necessary or as reasonably requested by COUNTY to keep in good working order, condition, and repair and water-tight, all structural elements, the building systems, and other improvements thereon, including but not limited to the following:

(1) All structural and other elements of the Premises, Building, and the Property, inclusive of all components thereto and regardless of where situated on the Property, including, but not limited to, the roof; foundation; slab; sub-flooring; façade; exterior and load-bearing walls; eaves, gutters, and downspouts; exterior windows, frames, and glass; exterior doors; lobbies, elevators, and stairs and stairwells; in the event of water intrusion, LANDLORD shall repair any such intrusions and remediate any and all mold or other contaminants and perform all recommended repairs in a report provided by its third-party contractors; and,

(1)(a) In connection with any remediation, maintenance, repair, or replacement work performed pursuant to Paragraph 13.A(1), including but not limited to work required due to water intrusion, the presence of visible mold, or other moisture-related conditions, LANDLORD shall, at its sole cost and expense, retain qualified and properly licensed environmental consultants to perform all necessary environmental testing and assessments, including but not limited to testing for mold, mildew, lead-based paint, asbestos-containing materials, and any other environmental contaminants as may be applicable to the Premises, the Building, or the Property.

All testing, remediation, and abatement shall be conducted in compliance with all federal, state, and local environmental laws and regulations, including but not limited to applicable requirements of the California Department of Public Health (CDPH), California Occupational Safety and Health Administration (Cal/OSHA), and the U.S. Environmental Protection Agency (EPA).

LANDLORD shall provide COUNTY with copies of all testing results, laboratory analyses, inspection reports, and clearance certificates within five (5) business days after receipt, or sooner if necessary to protect health and safety. Any identified contaminants shall be remediated, removed, and disposed of by LANDLORD at its sole cost and expense using licensed and qualified professionals in accordance with applicable law, and such work shall be completed to COUNTY's reasonable satisfaction prior to COUNTY's re-occupancy of the affected area.

For avoidance of doubt, COUNTY shall have no obligation to pay for or contribute to any costs associated with testing, remediation, or abatement of environmental conditions, contaminants, or hazards unless directly caused by COUNTY's negligence or willful misconduct.

(2) All systems of the Premises, the Building, and the Property inclusive of all components thereto and regardless of where situated on the Property, including, but not limited to, all mechanical, electrical, lighting, plumbing, water, and sewage and electric generators; plumbing maintenance shall include, but is not limited to, unclogging and repairing all drains, pipes, toilets, sinks, and other restroom fixtures and repairing water intrusion issues and remediation of mold and other contaminants regardless of cause; lighting maintenance shall include, but is not limited to, bulb and ballast replacements; and

(3) All heating, ventilation and air conditioning ("HVAC") systems of the Premises, the Building, and the Property, inclusive of all components thereto and regardless of where situated on the Property; HVAC maintenance shall include, but is not limited to, providing certified air balance and maintenance service (with a copy of the certificate to be delivered to COUNTY on the Commencement Date and on each second anniversary of the Commencement Date during the Lease Term) and replacing all filters on a quarterly basis; and

(4) All life-safety systems of the Premises, Building, and the Property, inclusive of all components thereto and regardless of where situated on the Property, including, but not limited to, fire suppression; fire sprinklers; fire alarms; fire extinguishers; and exit signage; and

(5) All grounds of the Property, inclusive of all components thereto, including, but not limited to, parking lot, parking structures, accessible parking spaces, drive lanes, and driveways; sidewalks; fences and gates; exterior lighting; exterior signage; and landscaping; parking maintenance shall include, but is not limited to cleaning, repaving, re-striping, curb and pothole repairs, and replacements; landscaping maintenance shall include, but is not limited to grass, trees, shrubbery, and flora, which shall be kept in a green condition; and

(6) Interior non-structural elements of the Premises, the Building, and the Property, inclusive of all components thereto and regardless of where situated on the Property, including, but not limited to, walls and ceilings; windows, frames, and glass; doors; fixtures, restrooms, break rooms, drinking fountains, and hallways, including, but not limited to, due to vandalism, but excluding COUNTY's furniture, fixtures, and equipment;

(7) Pest control services for the Premises (in accordance with Exhibit "G", attached hereto and incorporated herein by reference), the Building, and the Property, but excluding elimination of infestations caused by the actions of COUNTY, its agents, or its employees; and

(8) INTENTIONALLY DELETED

(9) At any time on or after the fifth anniversary of the Commencement Date, at COUNTY's election, in its sole discretion, LANDLORD shall either: (i) repaint, at LANDLORD's sole cost, the entire interior of the Premises, meeting the same criteria as specified in Exhibit "B-2", Improvement Specifications, within thirty (30) days after COUNTY's election; or (ii) provide COUNTY with Rent Credit in the amount determined in accordance with this paragraph. In the event COUNTY opts to receive Rent Credit, LANDLORD shall, within thirty (30) days after COUNTY'S election, obtain three (3) competitive bids from licensed and bonded local paint vendors not previously formally and publicly barred from

providing services or materials to COUNTY and the amount of the Rent Credit shall be the amount of the lowest of the competitive bids received, which credit will be applied toward Monthly Rent next due to LANDLORD and each Monthly Rent due thereafter until such credit is exhausted. If LANDLORD fails to obtain said competitive bids with the timeframe stated in this paragraph, COUNTY shall have the right to obtain such bids, present said bids to LANDLORD to substantiate the total Rent Credit due to COUNTY and apply such credit toward the Monthly Rent next due to LANDLORD and each Monthly Rent due thereafter until such credit is exhausted. COUNTY shall have the recurring right to elect repainting of the entire interior of the Premises or Rent Credit pursuant to this paragraph during the Lease Term, provided that at least five (5) years has elapsed since the date of COUNTY's immediately preceding election. Notwithstanding any prior provisions of the Lease or amendments thereto, the parties acknowledge that, pursuant to Paragraph 13 of the original Lease, LANDLORD is obligated to repaint the interior of the Premises at the intervals specified therein, which specified provisions survive the adoption of this amended Paragraph. The parties further acknowledge that this repainting obligation has come due and remains outstanding. Accordingly, LANDLORD shall, at its sole cost and expense, complete full interior repainting of the Premises as part of the Tenant Improvements described in this Amendment.

B. LANDLORD shall engage licensed and bonded contractors to perform, where a license and bond are required by applicable law, LANDLORD's maintenance in the Lease, which services shall be performed in a good and workmanlike manner. With respect to the Premises, LANDLORD shall use commercially reasonable efforts to cause maintenance to be performed at times during COUNTY's regular business hours that are approved in writing by COUNTY, acting in its reasonable discretion. LANDLORD's service providers must be escorted by COUNTY staff while in the Premises and such services shall be performed in a manner that will cause the least possible inconvenience, annoyance, or disturbance to COUNTY.

C. Without in any way affecting LANDLORD'S obligations in this paragraph and regardless of whether any specific notice of need for maintenance or repair is provided to LANDLORD by COUNTY, COUNTY may request specific maintenance. Any such request may be made orally, by telephone, or otherwise so long as it is followed up with an email from such individual or individuals as COUNTY may designate by written notice to Landlord. If: (i) COUNTY requests maintenance in accordance with this subparagraph C, and LANDLORD does not commence the performance of its maintenance obligations within ten (10) days of receiving such request or does not diligently prosecute its obligations to completion thereafter; or (ii) in the case of an emergency representing an imminent threat of personal injury, death, or substantial property damage, whether or not COUNTY has given notice to LANDLORD, LANDLORD does not immediately perform its obligations, then in both instances, COUNTY may (but is not obligated to) perform LANDLORD'S obligations, in which case, LANDLORD shall reimburse COUNTY the sum actually expended by COUNTY (including but not limited to charges for COUNTY employees and equipment) in the performance of LANDLORD's obligations. The sum expended by COUNTY shall be due from LANDLORD to COUNTY within thirty (30) days of notice of COUNTY's invoice to LANDLORD along with documentation supporting the expended costs, and if paid at a later date, shall bear interest at the maximum rate COUNTY is permitted by law to charge from the date the sum was paid by COUNTY until COUNTY is reimbursed by LANDLORD. If LANDLORD fails to reimburse COUNTY as required by this paragraph, COUNTY shall have the right to deduct from future Monthly Rent or other sums due the amount COUNTY has paid until COUNTY is reimbursed in full for the sum and interest thereon. The remedies set forth in this paragraph are in addition to and do not in any manner limit other remedies set forth in the Lease.

D. In the event of any sole negligence or willful misconduct of LANDLORD or its employees, contractors, and agents in connection with the maintenance, repair, or replacement by LANDLORD or its employees, contractors, and agents or if LANDLORD fails to fulfill its obligations under the Lease that causes, as determined by COUNTY in its reasonable discretion, the Premises or the Allocated Parking to be inaccessible or the Premises or any portion thereof to be unusable for COUNTY to conduct its operations, and such inaccessibility or usability persists more than two business days after COUNTY's written notice to LANDLORD, Monthly Rent and other sums due under the Lease shall be abated for the

commencement of the need for maintenance, repair, or replacement until such time that said maintenance, repair, or replacement is fully completed in proportion to the Premises or portion thereof that is inaccessible or unusable by COUNTY.

E. At COUNTY's election, in its reasonable discretion, LANDLORD, shall, at LANDLORD's sole cost and expense, hire a licensed, bonded, and qualified property management company to manage the Property and perform LANDLORD'S maintenance obligations as set forth in the Lease provided that so long as MTK SoCal Investments, LLC is serving as LANDLORD, COUNTY may not make such election in the absence of a material, uncured default by LANDLORD. Within fourteen (14) days after the engagement of a property management company, the property manager of the property management company shall inspect the Premises, the Building, and the Property at least every other week to ensure compliance with LANDLORD'S maintenance obligations. COUNTY reserves the right to review the selection of the property management company and to review the engagement agreement.

F. Notwithstanding anything to the contrary in this Paragraph 17, in the event that any maintenance and repairs pursuant to this Paragraph 17, MAINTENANCE AND REPAIRS are required due to an event that: (i) occurred during the COUNTY's normal business hours at the Premises (excluding COUNTY closures and holidays); (ii) occurred entirely within the interior of the Premises; and (iii) was caused by the intentional misconduct of COUNTY's employees, agents, contractors, or invitees (collectively, a "Reimbursable Maintenance Event"), LANDLORD shall, no later than thirty (30) days after the occurrence of such event (but sooner in the event of an emergency) and prior to incurring any costs, deliver written notice to the COUNTY of the occurrence of a Reimbursable Maintenance Event, which notice shall include evidence substantiating that all elements of a Reimbursable Maintenance Event have occurred ("Notice of Reimbursable Maintenance Event"). If LANDLORD timely submits its Notice of Reimbursable Maintenance Event and COUNTY verifies that a Reimbursable Maintenance Event has occurred, LANDLORD and COUNTY shall mutually agree in writing on the scope of work, the costs, and the schedule, including any changes thereto, to complete any necessary maintenance and repairs. Thereafter, the LANDLORD shall promptly perform the agreed maintenance and repair work, and upon final completion of said work to the COUNTY's satisfaction, LANDLORD shall submit a copy of all invoices, receipts, and any other supporting documentation requested by COUNTY for said work and the COUNTY shall reimburse LANDLORD for the agreed costs incurred by LANDLORD for such work, provided that in no event shall the COUNTY's obligation to reimburse the LANDLORD exceed a total of Twenty Five Thousand Dollars (\$25,000.00) per verified Reimbursable Maintenance Event ("Reimbursement Cap"). For avoidance of doubt regarding the Reimbursement Cap, a Reimbursable Maintenance Event shall include any occurrence or series of occurrences of maintenance and repair work, whenever performed, that arise out of or relate to the same, original verified Reimbursable Maintenance Event. If the LANDLORD does not timely submit its Notice of Reimbursable Maintenance Event and/or the COUNTY determines that a Reimbursable Maintenance Event has not occurred, LANDLORD shall promptly perform and complete the required maintenance and repairs at LANDLORD's sole cost and expense as part of LANDLORD's obligations under the Lease and without any reimbursement from the COUNTY. The parties acknowledge and agree that the COUNTY's determinations herein, including but not limited to, the verification of a Reimbursable Maintenance Event, the COUNTY's satisfaction with any completed work, and the limitation of the Reimbursement Cap shall be at the COUNTY's reasonable discretion. The parties further acknowledge and agree that the COUNTY shall not be deemed to be in default of the Lease during the period of time that COUNTY performs said determinations and/or processes any reimbursement payments for a verified Reimbursable Maintenance Event. The County's Director of Real Estate Services shall have the authority, on behalf of the COUNTY, to make determinations and exercise the COUNTY's rights herein.

8. Effective January 1, 2026, DELETE in its entirety the existing **Paragraph 16, UTILITIES, subparagraph B**, and SUBSTITUTE therefore the following as a new **Paragraph 16 UTILITIES, subparagraph B**, which shall read as follows:

B. The Yearly Electric Utility Expense Cap for the first (1st) amended Lease year (starting as of the Commencement Date) is Sixteen Thousand, Two Hundred and 74/100 Dollars (\$16,274.00) [calculated as Three and 12/100 Dollars 16,274.00 (\$3.12) per square foot per year per Lease year]. The Yearly Electric Utility Expense Cap will increase three percent (3%) annually commencing the first anniversary of the Commencement Date.

9. Effective December 16, 2025, DELETE in its entirety the existing **Paragraph 25, NOTICES** and SUBSTITUTE therefore the following as a new **Paragraph 25, NOTICES** which shall read as follows:

**25. NOTICES:**

A. Any notice, demand, request, consent, approval or communication that either party desires or is required to give to the other party, including but not limited to, notices required under the California unlawful detainer statutes, or any other person shall be in writing and either served personally, delivered by a reputable overnight courier service, or sent by postage prepaid, first-class United States mail, certified or registered, return receipt requested. Any notice, demand, request, consent, approval or communication that either party desires or is required to give to the other party shall be addressed to the other party at the addresses set forth below:

LANDLORD'S NOTICE      MTK SoCal Investments, LLC  
ADDRESS                    24 N. Marengo Avenue  
                              Pasadena, CA 91101

COUNTY'S                   San Bernardino County  
NOTICE                      Attn: Real Estate Services Department  
ADDRESS                    385 N. Arrowhead Avenue, Third Floor  
                              San Bernardino, CA 92415

Either party may change its address by notifying the other party of the change of address. Notices shall be deemed delivered upon the earlier of: (i) actual receipt if such notice is personally delivered; (ii) the date of delivery if such notice is delivered by a reputable overnight courier service; or (iii) the date of delivery or refusal of the addressee to accept delivery if such notice is sent by postage pre-paid, first-class United States mail, certified or registered, return receipt requested. Any notices received after 5 pm local time on a business shall be deemed delivered on the following business day.

B. If, at any time after the start of the Commencement Date, LANDLORD intends to transfer its ownership interest (whether controlling or non-controlling) in the Property to a third party, LANDLORD shall notify COUNTY of such transfer at least fifteen (15) COUNTY working days prior to completion of such transfer. In the event of a transfer of controlling interest in the Property, LANDLORD and the new owner shall provide COUNTY with evidence of completion of transfer; in which case, the new owner and COUNTY shall document by written amendment said change of ownership. In addition, the new owner shall, within five (5) of acquiring the Property, provide COUNTY with evidence that it has obtained insurance in compliance with Paragraph 17, INDEMNIFICATION and Paragraph 18, INSURANCE REQUIREMENTS AND SPECIFICATIONS. The COUNTY's RESD Director shall have the authority on behalf of COUNTY to execute a COUNTY standard amendment to this Lease with any new LANDLORD solely for the purposes of reflecting any changes in the legal ownership of the Property and to update the LANDLORD's notice address in the Basic Lease Provisions. The new LANDLORD acknowledges and agrees new LANDLORD execution of such COUNTY standard amendment is a pre-requisite for Rents under this Lease to be paid to the new LANDLORD.

10. Effective January 1, 2026, DELETE in its entirety the existing **Paragraph 40, COUNTY'S RIGHT TO TERMINATE** and SUBSTITUTE therefore the following as a new **Paragraph 40, COUNTY'S RIGHT TO TERMINATE** which shall read as follows:

**40. COUNTY'S RIGHT TO TERMINATE LEASE:** The COUNTY shall have the right to terminate this Lease at any time whenever COUNTY, in its sole discretion, determines it would be in COUNTY'S best interests to terminate this Lease. The Director of the Real Estate Services Department (RESD) shall have the authority to give the LANDLORD notice of any termination pursuant to this paragraph at least ninety (90) days prior to the date of termination. In the event COUNTY terminates this Lease pursuant to this paragraph, the LANDLORD shall be entitled to the rent which will have been earned at the date of termination of this Lease. Termination rights under this paragraph shall apply to any subsequent renewal or holdover period following the expiration of the First Extended Term. Notwithstanding the preceding, COUNTY'S right to terminate the Lease under this paragraph may be exercised only after January 1, 2036.

11. Effective January 1, 2026, DELETE in its entirety the existing **Paragraph 41, LANDLORD'S IMPROVEMENTS** and SUBSTITUTE therefore the following as a new **Paragraph 41, LANDLORD'S IMPROVEMENTS** and ADD a new **EXHIBIT "B" Improvement Work Letter, EXHIBIT "B-1" Floor Plan** and **Exhibit "B-2" Improvement Standards and Specifications** each attached and incorporated herein, which **Paragraph 41** shall read as follows:

**41. LANDLORD'S IMPROVEMENTS:** On or before the Expansion Commencement Date, LANDLORD shall, at its sole cost and expense, Substantially Complete the Improvements in accordance with the Improvement Work Letter attached hereto and made a part hereof as Exhibit "B", the Floor Plan attached hereto and made a part hereof as "Exhibit "B-1", the Improvement Standards and Specifications attached hereto and made a part hereof as "Exhibit "B-2", and the relevant provisions of the Lease.

For purposes of Paragraph 4(B), rent for the Expansion Space shall not commence until LANDLORD has completed the tenant improvements to the Expansion Space, obtained the required Certificate of Occupancy, and COUNTY has provided written acceptance of the improvements.

Following completion of the Improvements, LANDLORD shall, at its sole cost, maintain the Improvements in accordance with Paragraph 13, MAINTENANCE AND REPAIR, and COUNTY shall have no obligation to remove the Improvements upon surrender of the Premises at the end of the Term.

12. Effective January 1, 2026, DELETE in its entirety the existing **Paragraph 47, SUBORDINATION AND ATTORNMENT** and **Exhibit "E" SUBORDINATION, NONDISTURBANCE AND ATTORNMENT AGREEMENT** and SUBSTITUTE therefore the following as a new **Paragraph 47, SUBORDINATION AND ATTORNMENT**, and **EXHIBIT "E" SUBORDINATION, NONDISTURBANCE AND ATTORNMENT AGREEMENT** attached and incorporated herein, which shall read as follows:

**47. SUBORDINATION AND ATTORNMENT:**

A. As a condition precedent to COUNTY's obligations under the Lease, LANDLORD shall obtain from each holder of a lien or encumbrance on the Premises which is senior to the Lease either an executed recordable subordination agreement which either subordinates such lien or encumbrance to the Lease, or subordinates this lease the lien or encumbrance subject to a non-disturbance agreement, substantially in the form of the attornment provisions in Exhibit "E", attached hereto and incorporated herein by reference, including any commercially reasonable modifications requested by LANDLORD's lienor which are at least as favorable to COUNTY as Exhibit "E".

B. If, at any time after the Commencement Date, LANDLORD intends to transfer its ownership interest (whether controlling or non-controlling) in the Property to a third party, LANDLORD shall notify COUNTY of such transfer at least fifteen (15) COUNTY working days prior to completion of such transfer. In the event of a transfer of controlling interest in the Property, LANDLORD shall provide COUNTY with evidence of completion of transfer, including but not limited to a grant deed and an assignment of the Lease; in which case, the new owner and COUNTY shall document by written amendment the new owner as the successor landlord. In addition, the new owner, as the successor landlord, shall, within five (5) days of acquiring the Property, provide COUNTY with evidence that it has

obtained insurance in compliance with Paragraph 19, INDEMNIFICATION and Paragraph 20, INSURANCE REQUIREMENTS AND SPECIFICATIONS. The COUNTY's RESD Director shall have the authority on behalf of COUNTY to execute a COUNTY standard amendment to this Lease with any new successor landlord solely for the purposes of reflecting the successor landlord as LANDLORD under this Lease and to update the LANDLORD's notice address in the Basic Lease Provisions. The successor landlord's execution of such COUNTY standard amendment and submission of a valid W-9 are prerequisites for Rents under this Lease to be paid to the successor landlord.

13. Effective December 16, 2025, DELETE in its entirety the existing **Paragraph 54, USE OF AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009 FUNDS AND REQUIREMENTS** and SUBSTITUTE therefore the following as a new **Paragraph 54, RESERVED** as follows:

**54. RESERVED.**

13. Effective December 16, 2025, DELETE in its entirety the existing **Paragraph 55, SCHEDULE OF EXPENDITURE OF FEDERAL AWARDS** and SUBSTITUTE therefore the following as a new **Paragraph 55, RESERVED** as follows:

**55. RESERVED.**

14. Effective December 16, 2025, ADD new **Paragraph 57, LEVINE ACT CAMPAIGN CONTRIBUTION DISCLOSURE** and **EXHIBIT "I"**- Levine Act Campaign Contribution Disclosure attached and incorporated herein, which shall read as follows:

**57. LEVINE ACT CAMPAIGN CONTRIBUTION DISCLOSURE:** LANDLORD has disclosed to the COUNTY using Exhibit "I" – Levine Act Campaign Contribution Disclosure, whether it has made any campaign contributions of more than \$500 to any member of the 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 Lease was approved by the Board of Supervisors. LANDLORD acknowledges that under Government Code section 84308, LANDLORD is prohibited from making campaign contributions of more than \$500 to any member of the Board of Supervisors or other COUNTY elected officer for 12 months after the COUNTY's consideration of the Lease.

In the event of a proposed amendment to this Lease, the LANDLORD will provide the COUNTY a written statement disclosing any campaign contribution(s) of more than \$500 to any member of the 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.

15. This Third 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 Third Amendment. The parties shall be entitled to sign and transmit an electronic signature of this Third 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 Third Amendment upon request.

16. 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 Third Amendment, the provisions and terms of this Third Amendment shall control.

END OF THIRD AMENDMENT.

SAN BERNARDINO COUNTY

► *Joe Baca Jr.*

Joe Baca, Jr. Dawn Rose, Chair, Board of Supervisors  
Vice Chair

Dated: DEC 16 2025

SIGNED AND CERTIFIED THAT A COPY OF THIS  
DOCUMENT HAS BEEN DELIVERED TO THE  
CHAIRMAN OF THE BOARD



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

By *Deputy*

MTK SOCAL INVESTMENTS, LLC

(Print or type name of corporation, company, contractor, etc.)

By ► *John Gomez*

Authorized signature - sign in blue ink

Jason Tolleson

Name

(Print or type name of person signing contract)

Title *Authorized Agent*

(Print or Type)

Dated: 12/12/25

Address 24 North Marengo Avenue

Pasadena, CA 91101

FOR COUNTY USE ONLY

Approved as to Legal Form

► *John Tubbs II*  
John Tubbs II, Deputy County Counsel

Date 12-5-25

Reviewed for Contract Compliance

►

Date

Reviewed/Approved by Department

► *John Gomez*  
John Gomez, Real Property Manager, RESD

Date 12/7/25

**EXHIBIT "A"  
PREMISES**



## EXHIBIT "B"

### IMPROVEMENT WORK LETTER

Pursuant to Paragraph 41 of the Lease, LANDLORD and COUNTY agree this Improvement Work Letter is part of the Lease for the Premises. All terms not defined herein have the same meaning as set forth in the Lease. To the extent applicable, the provisions of the Lease are incorporated herein by this reference.

1. LANDLORD shall, at its sole cost and expense, construct the improvements ("Improvements") at the Premises and, if applicable, at the Building and the Property in accordance with the plans and specifications set forth on Exhibit B-2, attached hereto and incorporated herein by reference (the "Improvement Specifications"), this Improvement Work Letter, and the Lease, including but not limited to Paragraph 11, LEGAL COMPLIANCE, provided that the cost of the Improvements is amortized over the Lease Term and such amortized amount is payable monthly as set forth in Paragraph 4.B. RENT. Any increase in the cost of the Improvements after the mutual execution of the Lease shall be LANDLORD's sole responsibility regardless of cause except if such cost increase is due to a COUNTY Change Order (as later defined).

2. LANDLORD shall, at its sole cost and expense, furnish all of the design, material, labor and equipment required to construct the improvements and shall apply for and obtain, all permits, licenses, certificates, and approvals necessary for the construction of the Improvements. LANDLORD shall provide all site plans for the Premises, the Building, and the Property, including Building elevations and exterior finishes, space design plans, construction plans, and a complete set of the bid drawings and specifications. The bid drawings shall be provided to COUNTY on a USB Drive in an Adobe Acrobat file format (.pdf file extension) and on AutoCAD software (.dwg file extension). The plans and specifications for the Improvements shall be submitted as a reproducible hardcopy and copied on a USB Drive with formats compatible with Microsoft Word.

3. LANDLORD shall not modify the Improvements without obtaining the prior written consent of the COUNTY's RESD representative, as the authorized COUNTY agent for the Improvements. In the event LANDLORD makes any material modifications to the Improvements without COUNTY's prior written consent, COUNTY shall have no liability for any costs incurred and LANDLORD shall be solely responsible for said costs and for any costs incurred to return the affected portion of the Improvements to its original specifications. During construction of the Improvements, if COUNTY's authorized COUNTY RESD representative proposes any modifications to or additional work that are not set forth in Exhibit "B-2", Improvement Specifications, LANDLORD shall, prior to commencing any proposed work, promptly provide pricing and schedule impacts to COUNTY for the proposed work. If the parties mutually agree to proceed with the proposed modification or additional work to the Improvements ("COUNTY Change Order Work"), the authorized representatives of the Parties shall execute a change order document ("COUNTY Change Order") setting forth the agreed specifications, costs, and schedule impact, if any, for the COUNTY Change Order Work and LANDLORD shall promptly complete said COUNTY Change Order Work. In addition to the cost of the COUNTY Change Order Work, COUNTY shall pay LANDLORD an administrative fee calculated at ten percent (10%) of the cost of the COUNTY Change Order Work. Upon LANDLORD's Substantial Completion of the COUNTY Change Order Work and acceptance of the Improvements for COUNTY's intended use, subject to latent defects and the representations, warranties, and provisions of the Lease. COUNTY shall pay LANDLORD for the COUNTY Change Order Work by separate purchase order (and not by additional amortization into the rent) within ninety (90) days after COUNTY's receipt of an itemized invoice, proof of payment, lien releases, and any other documents requested by COUNTY for the COUNTY Change Order Work, provided that such payment shall in no event be due prior to the Commencement Date. The authorized COUNTY RESD representative may process one or more COUNTY Change Orders in accordance with this Paragraph 3, provided that, notwithstanding anything to the contrary in the Lease or this Improvement Work Letter, the cumulative total of all agreed COUNTY Change Orders shall not exceed \$100,000. Any proposed COUNTY Change Order(s) that cause the cumulative total of all agreed COUNTY Change Orders to exceed \$100,000 shall be processed by a mutually agreed amendment to the Lease that is executed by the parties.

4. In the event LANDLORD contracts for the construction of the Improvements or any portion thereof, LANDLORD shall comply with any applicable provisions of the California Public Contract Code 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, those requirements set forth on 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, agents, and contractors from any, and all claims, actions, losses, damages and/or liability arising out of or related to the obligations set forth in this paragraph. LANDLORD's indemnity obligations shall survive the expiration or earlier termination of the Lease, and such obligations shall not be limited by the existence or availability of insurance.

5. Following the mutual execution of the Lease, Landlord shall promptly and diligently proceed with the construction of the Improvements and use reasonable speed, diligence, and good faith efforts to Substantially Complete the Improvements on or prior to **October 1, 2026** ("Projected Occupancy Date"). The Improvements shall be deemed "Substantially Complete" upon the occurrence of all of the following: (i) LANDLORD has substantially completed the Improvements in accordance with the Specifications, subject only to minor punch list items as mutually agreed by the Parties; (ii) COUNTY's receipt of a certificate of occupancy for the Premises, and if applicable, the Building and the Property, issued by all relevant governmental authorities; and (iii) written acceptance by an authorized agent of COUNTY for the Improvement for COUNTY's intended use, subject to latent defects and the representations, warranties, and provisions of the Lease.

6. All punch list items shall be completed by LANDLORD within thirty (30) days after the Improvements are Substantially Completed. In the event that LANDLORD fails to complete said punch list items within said thirty (30) days and the Commencement Date has occurred, for the period of time from the Commencement Date through the time that the punch list items are all completed, COUNTY shall only pay eighty percent (80%) of the Monthly Rent and other sums due under the Lease with the remaining twenty percent (20%) of the Monthly Rent and other sums due to accrue but shall not be paid to LANDLORD until all such punch list items have been completed and agreed by COUNTY. If COUNTY withholds Monthly Rent or other sums due under this paragraph, COUNTY shall not be in default of the Lease, and no interest or service charges shall be added to the amounts due LANDLORD upon completion of the punch list items.

7. In order to meet the Projected Occupancy Date, the Parties agree on the following schedule for each of the construction milestones.

<u>Milestones</u>	<u>Projected Completion Date</u>	<u>Critical Completion Date</u>
Improvement plan preparation and submittal of Building and Site plans to the City of Needles ("City")	2/1/2026	4/1/2026
Approval and permit Issuance of Building and site plans by City agencies	3/1/2026	5/1/2026
Permit Issuance for Improvements	3/1/2026	5/1/2026
Site Work and Building construction	9/1/2026	11/1/2026
Substantial Completion of Improvements and Certified for Occupancy by City	10/1/2026	11/1/2026

8. LANDLORD shall provide COUNTY with a written progress report every within five (5) business days of COUNTY's written request, to be made not more than once per calendar month days during the construction of the Improvements. The report shall contain the most current information regarding progress, completions, and delays for each milestone of the construction schedule. LANDLORD shall further provide COUNTY with written notice upon LANDLORD's completion of each milestone of the above construction schedule. COUNTY and its representatives shall be given reasonable notice of and may attend all project

meetings, including all design review meetings and construction meetings. At COUNTY's option, Landlord shall meet with COUNTY monthly (or more frequently if reasonably required by COUNTY) to provide detailed progress reports.

9. LANDLORD acknowledges and agrees that its failure to meet any of the above Critical Completion Date(s) will mean that LANDLORD will not be able to deliver the Premises with all Improvements Substantially Completed by the Projected Commencement Date. LANDLORD further acknowledges and agrees that late delivery to COUNTY of the Premises with all Improvements Substantially Completed will cause COUNTY to incur costs not contemplated by the Lease, the exact amount of such costs being extremely difficult and impracticable to fix. Therefore, if LANDLORD fails to meet any of the above Projected Completion Date(s) or fails to deliver the Premises with all Improvements Substantially Completed by the Projected Commencement Date, LANDLORD agrees to pay COUNTY liquidated damages in the amount of Two Hundred Fifty and 00/00 Dollars (\$250.00) for each day of delay, commencing on the day immediately following the Projected Commencement Date until the first to occur of the actual Commencement Date or COUNTY's termination of this Lease in accordance with this Improvement Work Letter.. The parties agree that this amount for liquidated damages represents a fair and reasonable estimate of the costs that COUNTY will incur by reason of late delivery. Acceptance of any amount of liquidated damages shall not constitute a waiver of LANDLORD's default or prevent COUNTY from exercising any of the other rights and remedies available to COUNTY at law or in equity.

10. In the event that LANDLORD fails to meet any of the above Critical Completion Date(s) or the does not deliver the Premises with all Improvement Substantially completed by **November 1, 2026** ("Critical Occupancy Date"), COUNTY shall have the right to elect to terminate the Lease upon written notice to LANDLORD; in which event, neither Party shall have any further obligations to the other, except for those obligations that expressly survive the termination of the Lease. In the event that COUNTY elects to so terminate the Lease, COUNTY's election shall be in writing and shall be given after the subject Projected Completion Date, Critical Completion Date, or Critical Substantial Completion Date has been missed but prior to LANDLORD's completion of the subject milestone completion and LANDLORD's notification of the same to COUNTY.

11. Notwithstanding Paragraphs 6, 7, and 8 of this Improvement Work Letter, in the event LANDLORD, after exercising all due diligence, is unable to meet any of the above mentioned Projected or Critical Completion Dates or the Projected or Critical Occupancy Date(s) due to reasons which LANDLORD proves are outside the control of LANDLORD, such reasons include but are not limited to acts of God, pandemics or government actions publicly described as intended to prevent or mitigate a pandemic, unreasonable acts of governmental agencies causing unavoidable delays (the normal and reasonable times for review, action and reasonably anticipated delays by governmental agencies are already included in the timing of the Critical Completion Dates), strikes, or labor troubles, then the Projected or Critical Completion Dates(s) or the Projected or Critical Occupancy Date(s) shall be extended for a period equivalent to the period of such delay, provided that as soon as LANDLORD becomes aware or should in the exercise of due diligence have become aware of any facts or circumstances that may or will cause such a delay, LANDLORD shall provide written notice to COUNTY of within (30) days after LANDLORD has become aware of such delay or anticipated delay, which is subject to verification by COUNTY, and LANDLORD shall provide documentation reasonably requested by COUNTY for such verification. In the event LANDLORD fails to timely notify COUNTY in writing of any such delay or anticipated delay, the provisions of this Paragraph 11 shall not apply to such delay or anticipated delay and the Projected or Critical Milestone Completion Dates, or the Projected or Critical Commencement Date(s) shall remain unmodified. In the event LANDLORD fails to timely notify COUNTY in writing of any such delay or anticipated delay, the provisions of this Paragraph 11 shall not apply to such delay or anticipated delay and the Projected or Critical Completion Dates, or the Projected or Critical Occupancy Date(s) shall remain unmodified.

12. Until the Improvements are Substantially Completed and all minor punch list items have been completed, LANDLORD understands and agrees that LANDLORD shall not sell the Property, assign the Lease, or transfer a controlling interest in LANDLORD person or entity or the Premises to a third party ("Transfer") without COUNTY's prior review and written approval. In the event LANDLORD desires to make a Transfer, LANDLORD shall submit a written request to COUNTY along with all relevant documents regarding the proposed Transfer to COUNTY for its review and consent. COUNTY's consent shall be deemed denied in the event COUNTY does

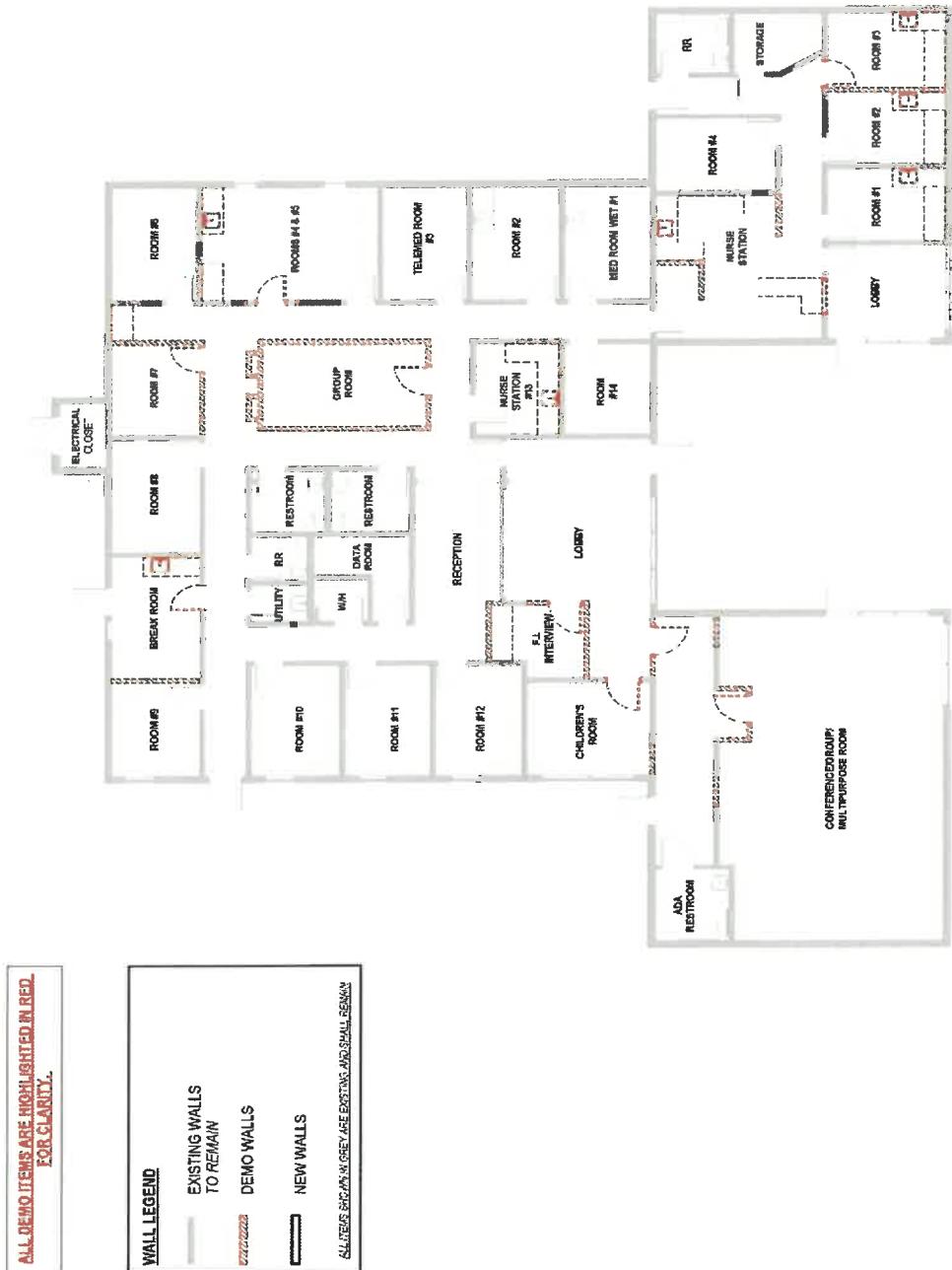
not respond to LANDLORD's Transfer request. In the event COUNTY consents to LANDLORD's Transfer request, the Parties shall execute an amendment to the Lease to confirm the Transfer.

13. During construction of the Improvements, LANDLORD shall allow COUNTY to: (i) have early access ("Early Access") to the Premises at no cost and at any time prior to the Commencement Date for the purpose of COUNTY or its representatives installing communications equipment, modular furniture, alarms and such other items that COUNTY may reasonably desire and to inspect the status of the construction of the Improvements, provided that nothing herein contained shall be construed as creating an obligation upon COUNTY to make such inspections, and it is Landlord's obligation to insure that the Improvements are completed in compliance with the plans and specifications COUNTY shall exercise its Early Access rights at a time and in a manner that will not unreasonably interfere with LANDLORD's construction of the Improvements and any such Early Access shall not affect the Commencement Date or the Expiration Date; and/or (iii) have early use ("Early Use") of the Premises or any portion thereof at any time prior to the Commencement Date. COUNTY shall exercise its Early Use rights at a time and in a manner that will not unreasonably interfere with LANDLORD's construction of the Improvements. If COUNTY exercises its Early Use rights as to the Premises or any portion thereof, the terms of the Lease shall be in effect, provided if COUNTY's Early Use is as to a portion of the Premises, Monthly Rent shall be pro-rated based on the area of COUNTY's Early Use and such Early Use or vacation thereof shall not constitute COUNTY's acceptance of the Premises or the Improvements or any portion thereof as Substantially Complete. Any such Early Use shall not affect the Commencement Date or the Expiration Date. All other terms of the Lease shall, however, be in effect during such period.

14. For a period of one (1) year from Substantial Completion, the Improvements shall be warranted by Landlord against defects in design, materials and workmanship. Without limiting Landlord's repair obligations to the extent expressly set forth in the Lease, Landlord shall, at Landlord's expense, promptly repair or replace any such defective Improvement evidenced by written notice from County to Landlord within such one (1) year period

15. During the Lease Term, Landlord warrants the Improvements against all latent defects and the failure of the Improvements to be completed in accordance with the plans and specifications. The warranties set forth in Paragraph 14 and Paragraph 15 herein cover all design, labor, materials and equipment required to perform any required repairs or other remediation resulting from the breach of any such warranty. Upon and following Substantial Completion, Landlord shall enforce for the benefit of County all such warranties and guarantees relating to the Improvements and all equipment and building systems comprising a portion of the Improvements. Landlord's failure to honor any such warranty made by Landlord shall be a default by Landlord under the Lease.

**EXHIBIT "B-1"  
FLOOR PLAN**



SCOPE OF WORK

EXISTING & DEMO - FLOOR PLAN

## Needles - Office Suite Needles, CA

ALL DEMO ITEMS ARE HIGHLIGHTED IN RED  
FOR CLARITY.

DEMO RCP LEGEND	
	DEMO 2X4 TROFFER
	DEMO 1X4 SURFACE MOUNTED LIGHT
	DEMO CEILING DIFFUSER
	NEW G,W,B CEILING
	NEW T-BAR CEILING
	DEMO (E) G,W,B CEILING
	DEMO (E) T-BAR CEILING

KEY NOTES:  
1. (E) SKYLIGHT TO REMAIN



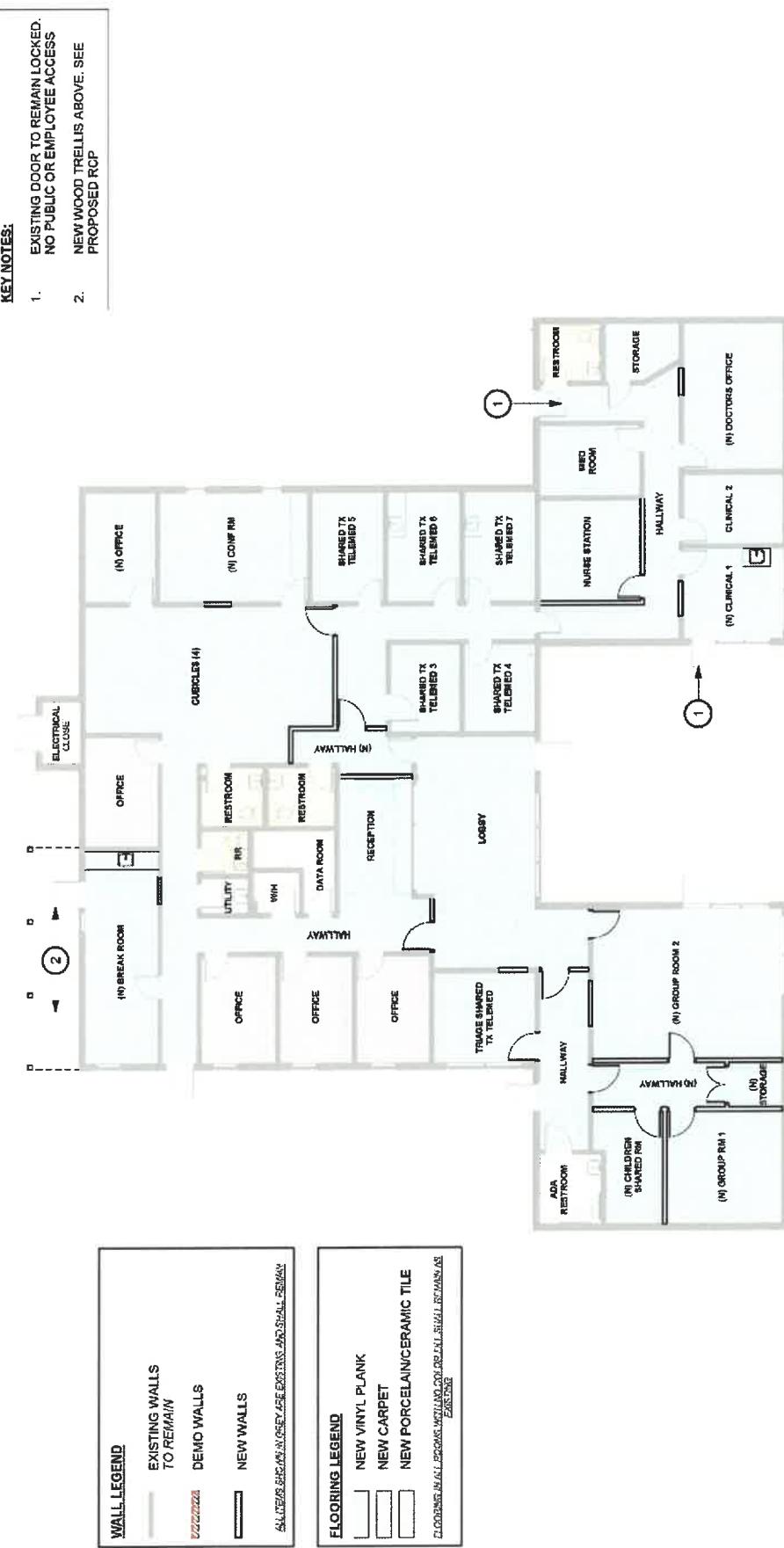
Needles - Office Suite  
Needles, CA

SCOPE OF WORK

EXISTING & DEMO - RCP

A2

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## Needles - Office Suite Needles, CA

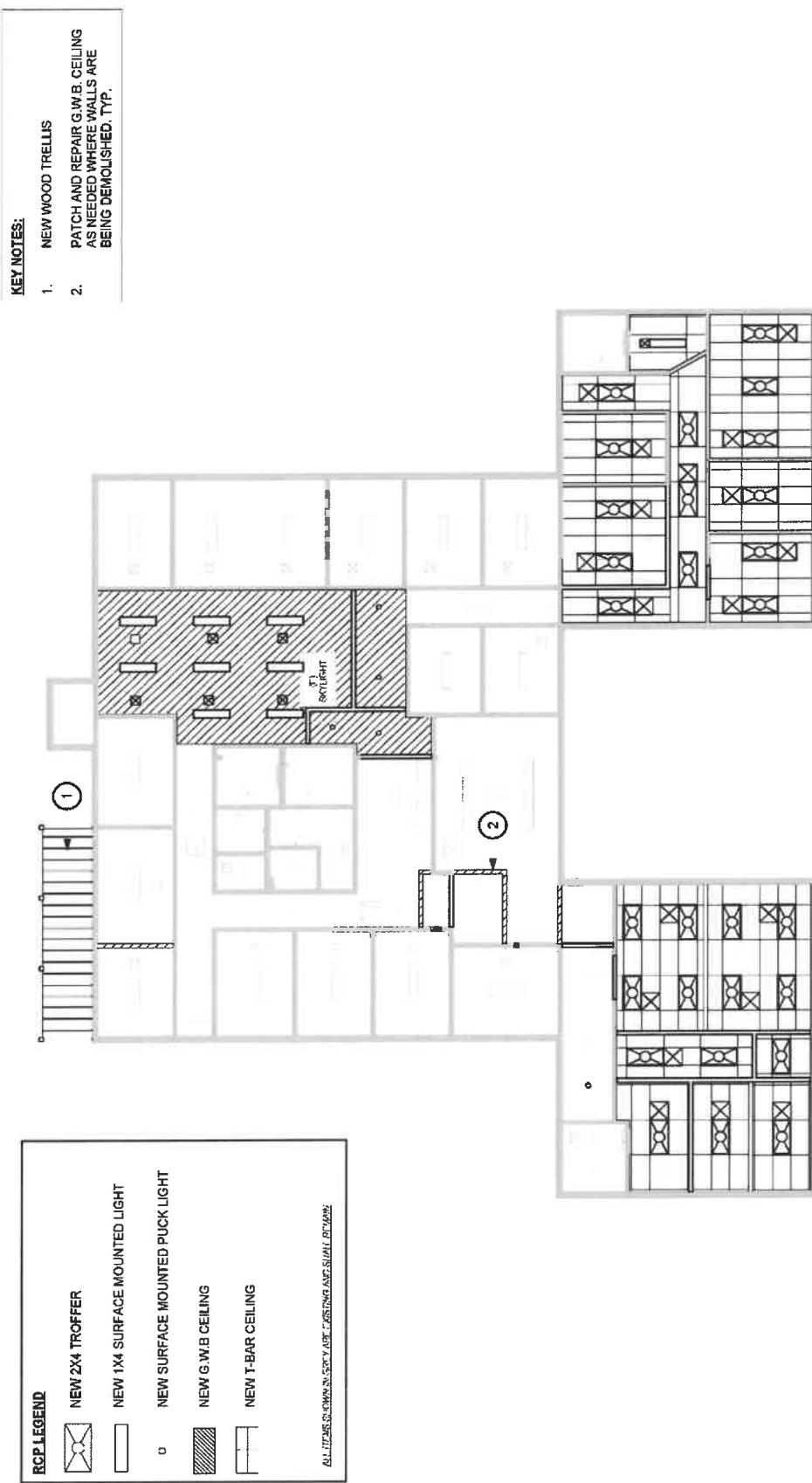
**PROPOSED - FLOOR PLAN**

**SCOPE OF WORK**

**A3**

Ground Floor





**PROPOSED - RCP** **SCOPE OF WORK** **A4**  
Gone girl 2014 94-25

## Needles - Office Suite



## EXHIBIT "B-2"

### IMPROVEMENT STANDARDS AND SPECIFICATIONS

#### GENERAL GUIDELINES:

The **COUNTY** and **LANDLORD** both acknowledge that Exhibit "B-2" Improvement Standards and Specifications sets forth the **COUNTY'S** design standards and that only certain portions of the **COUNTY'S** design standards shall apply to the improvements to be constructed pursuant to the Room-by-Room list in Section 2.0.

On all items listed within **Exhibit "B-2"**, Improvement Standards and Specifications, **COUNTY** is to select and/or approve all finishes, colors, textures, types, models, styles, etc., used on the exterior and interior of the leased facility. Where "**COUNTY** approved color board" (**CACB**) is specified; only those materials and colors on the board may be used; any necessary substitutions must be approved by **COUNTY**. Where a brand name product is indicated, it shall be that brand name identified, or a **COUNTY** approved equal. Any existing building conditions that do not meet the specifications of **EXHIBIT "B-2"** must be noted and approved as acceptable by the **COUNTY**. **LANDLORD** is to coordinate and provide for all health, Americans with Disabilities Act (ADA), building, safety, and fire requirements pursuant to all local, county, state and federal codes. Any required permitted construction drawing set/s is to be provided at **LANDLORD'S** expense. In the event any specified item is discontinued on the open market, **LANDLORD** must notify **COUNTY** to seek approval for an alternate product.

#### **Abbreviations:**

AP1 -	Acoustical ceiling panels
CACB -	COUNTY approved color board
CARP -	Carpet
CT1 -	Glazed porcelain floor tile (restroom)
P1 -	Low Sheen/Eggshell
P2 -	Low Sheen/Eggshell Accent
P3 -	Semi-Gloss
VCT -	Vinyl composite tile floor
VP -	Vinyl plank tile flooring

## **1.0 CONSTRUCTION GUIDELINES**

### **1.1 CEILINGS:**

- a. See **Exhibit B-1, Sheet A4** for location and type of new ceiling.
- b. Ceiling height to match existing, unless otherwise specified.
- c. Where applicable, 2' x 4' suspended acoustic ceiling with exposed ceiling tile tee systems, white. Fire rated system in areas required by Code.
- d. Where applicable, Three-fourths inch (3/4") thick Armstrong #1811 Fine Fissured High NRC acoustical ceiling panels, (**AP1**), NRC range 0.70, color white.

### **1.2 LIGHTING:**

- a. See **Exhibit B-1, Sheet A4** for approximate location and type of new light fixtures.
- b. 4" to 6" surface mounted puck lights or as allowed by current Energy Codes. Lighting must meet all Building Codes applicable to commercial office buildings. All rooms to have separate lighting controls (switches or light sensors).
- c. In areas of suspended acoustical ceiling tiles, utilize 2' x 4' drop-in fixtures.
- d. Lighting fixtures must run parallel of work surfaces or shelving units in storage rooms. All reflected ceiling plans (light fixture locations) must be reviewed and coordinated with the modular furniture vendor and approved by the **COUNTY**.

- e. Provide additional emergency lighting for all restrooms and exit passages per local code approval. If lighting fixtures are utilized for emergency battery backup lighting purposes, they must be marked by dots (no larger than 1/4") or equivalent for easy identification. Dots must be able to be seen from floor level.
- f. All light switches that control lighting in lobbies or open work area are to be ganged together in the adjacent lobbies or open work areas. No light switches are to be located in areas used by the public.
- g. Lighting controls should be located convenient to the designated employee entrance.
- h. Locations of all light switches are to be approved by **COUNTY**.
- i. **LANDLORD** will be responsible for compliance with Title 24 including controlled electrical connection to **COUNTY** provided system furniture, per applicable energy code/s.

#### **1.3 AIR CONDITIONING:**

- a. The facility HVAC system shall be zone controlled properly to provide an even comfortable temperature throughout the facility as defined by the Mechanical Engineering Standards, unless noted otherwise. **COUNTY** is to approve HVAC control locations. Recommended temperature range for indoors to be approved by the **COUNTY**.
- c. **LANDLORD** shall make any adjustments, repairs or replacement of equipment necessary to achieve an even comfortable temperature and even water flow in all areas of the structure as to maintain the Mechanical Engineering Standards.
- d. Air conditioning supply register: Shall be a two-way adjustable type if by a wall and four-way adjustable if in a room or open area. All registers are to be covered with tamper proof shields. Supply and return registers are to be approved by **COUNTY**.
- e. All main heating and air conditioning temperature controls shall be hard wired and placed in electrical room with hard wired remote sensors placed in the return air ducts or zone locations that are not accessible to tampering. All control locations are to be approved by **COUNTY**.

#### **1.4 WALL CONSTRUCTION:**

##### **INTERIOR WALLS:**

- b. All interior walls shall be constructed from floor to ceiling, at a minimum, unless otherwise noted and approved by **COUNTY**.
- c. All interior walls shall be drywall finished, both sides, unless otherwise noted and approved by **COUNTY**.

##### **INSULATION/SOUNDPROOFING:**

- a. All wall cavities around hallways, restrooms, private offices, breakrooms; meeting/conference rooms, lobby areas and any special areas as specified by **COUNTY** shall be completely filled with insulation to help reduce sound transmission.
- b. If walls in these areas do not extend above T-bar, sound tape must be installed between finished ceiling and top wall track.

#### **1.5 WALL FINISHES:**

##### **PAINT:**

- a. All interior walls shall be orange peel textured with one coat of primer. Apply color topcoats needed to match the selected color chip provided by manufacturer, with a minimum of two coats of paint, the final coat rolled on for a smooth finish.
- b. All paint shall be Dulux, Sinclair, or Dunn-Edwards. Paint colors (P1) Low sheen/Eggshell, (P2) Low sheen/Eggshell accent, (P3) Semi-gloss to be approved by **COUNTY**. Placement of accent P2 and Semi-gloss P3 within the facility to be approved by **COUNTY**. All other painted walls will be P1.

**1.6 FLOORING:**

**CARPET:**

- a. High-density carpet squares (**CARP**). Manufacturer, type, color and placement in facility to be approved by **COUNTY**. The **COUNTY** is requesting when able to move toward a no VOC carpet installation whenever possible.
- b. Installation to be as per manufacturer recommendations, using only manufacturer's approved adhesives and seam sealers as needed and as applicable to maintain manufacturer's warranty.
- c. Rubber base to be installed in all carpeted areas. Manufacturer, type, color and placement in facility to be approved by **COUNTY**. Installation to be as per manufacturer recommendations.

**VINYL FLOOR:**

- a. Manufacturer, type, color and placement to be approved by **COUNTY**. **COUNTY** to designate vinyl floor selection and room location.  
Armstrong Exelon vinyl tile (**VCT**) 1/8" gauge, 12" x 12" with 4" rubber wall base. Manufacturer, type, color and placement to be approved by **COUNTY**.
- b. Vinyl planking manufacturer (**VP**), type, color and placement to be approved by **COUNTY**.
- c. Welded seam manufacturer, type, color and placement to be approved by **COUNTY**.

**PORCELAIN OR CERAMIC FLOOR TILE:**

- a. Glazed floor tile (**CT1**) installed with a sanitary base to be of same manufacturer of tile selected. All flooring must meet ADA guidelines. Manufacturer, size, type, color, grout, and placement to be approved by **COUNTY**. (See: **RESTROOM FACILITIES** for additional tile requirements).

**1.7 SIGNS:**

**INTERIOR:**

- a. **LANDLORD** shall provide all Code required signs including, but not limited to, ADA, emergency evacuation and directional interior signage.

**1.8 CABINETRY:**

- a. Unless otherwise noted, all exterior surfaces are to be of high-pressure laminate. All countertops to be of solid surface and/or high-pressure laminate with finished edges. If using high-pressure laminate materials, the seams shall be placed and installed away from all water sources. Material and colors and shop drawings are to be approved by **COUNTY** prior to manufacturing.
- b. The inside of cabinets and drawers are to be completely lined with thermal fused material white in color.
- c. Unless otherwise noted, adjustable shelves in all cabinets,  $\frac{3}{4}$ " stock, thermal fused laminate material installed on all sides.
- d. Where water is present, countertop edges are to be elevated bull-nose or Vcap, with flat end trim. Counters in open areas must have rounded (radius) corners.
- e. Heavy-duty hinges on all lower cabinets.
- f. ADA hardware on all cabinetry.
- g. 4" toe kick on all lower cabinets.

**1.9 DOORS AND DOOR HARDWARE:**

- a. All door schedules and door hardware to be approved by **COUNTY**.
- b. Haley Luan solid core doors for all interior door use color and finish to be approved by **COUNTY**.
- c. Schlage Heavy-Duty locksets are required and all lock functions are to be **COUNTY** approved, unless otherwise specified.
- d. Existing exterior storefront doors with existing hardware to remain in place unless otherwise specified.
- e. Where applicable, Von Duprin 99 L-RH (LH for left side handle) 36" push bar panic device, 2060 finish shall be installed at all required panic bars locations. The Von Duprin electronic break away outer trim (L996E) shall be used with all panic devices prepared for the **COUNTY** card access system unless

otherwise specified. All other interior doors must have the Securitron UNL-24 electronic strike installed in the door frame where County card access is required. County will connect these card access components with a **COUNTY** approved vendor to a County owned card access system.

- f. Any interior or exterior door utilizing **COUNTY** installed card-access system must have data boxes installed, one in wall @ 42" from floor for all proximity card readers, closures and storeroom function locksets and fail-secure outer trim. See drawing for required conduit runs and data box installation locations.
- g. Push plates and pull handles instead of doorknobs or lever handles on restroom entrance doors, except for privacy restrooms, or as described on the room-by-room specifications or/as allowed by code.
- h. All lockable doors must be pinned using a Grand Master hierarchy. **COUNTY** to approve all sub masters and change keys. A copy of the pinning charts must be submitted to the **COUNTY** with the keys for the facility.
- i. All hardware must meet local and ADA requirements.

#### **1.10 RESTROOM FACILITIES:**

- a. All tile, grout, surface materials, and colors to be **COUNTY** approved.
- b. Installation of all components, fixtures and signage must comply with all applicable health, safety, and ADA codes.
- c. Floors: Glazed porcelain tile, 2" x 2", *American Olean* or *Daltile* (**CT1**). The sanitary base tile and trim to be of same tile selected.
- d. Walls: walls shall be orange peel textured with one coat of primer painted (**P1**).
- e. Ceilings (hard lid): Semi-gloss paint color (**P3**). Apply per manufacturer's requirements. Color to be selected by **COUNTY**.
- f. All restrooms to have emergency back-up lights, **COUNTY** to approve design and manufacturer.
- g. Existing restrooms not compliant with CBC- 11b for accessibility requirements shall remain, pursuant to CBC 11B-213.2 Exception 1 subject to acceptance by the Building official. Note that significant redesign, demolition and new construction of restrooms and adjacent spaces will be required for making restrooms compliant with current accessibility codes if required by the building official or County tenant.
- h. Fixtures: Minimum of one (1) hands free motion-activated single-towel dispenser per sink, one (1) soap dispenser per sink. Adequate number of trash bins, size, color and location to be determined and approved by **COUNTY**. In each woman's restroom stall; sanitary napkin dispenser and disposal container. In each stall: one (1) seat cover dispenser and multiple toilet paper roll dispenser, one (1) coat hook. Fixtures must be ADA compliant and sized to hold adequate supplies and be approved by **COUNTY**.

#### **1.11 STORAGE:**

- a. Shelf units, forms racks, and mail racks to be  $\frac{3}{4}$ " thick thermal fused laminate on all exposed surfaces and firmly secured to the wall. All shelves and dividers are to be glued and either nailed or screwed to the sides, top, bottom, and back of the shelf unit, forms rack, or mail rack. The backs of all shelf units, forms racks, and mail racks are to be  $\frac{1}{4}$ " thick finish grade plywood, painted with high gloss paint to match the melamine. **COUNTY** to approve final layout and bin size designs.

#### **1.12 ELECTRICAL CONNECTIONS:**

- a. **LANDLORD** is responsible for all electrical connections from modular furniture systems to receptacle outlets as required per furniture plans.
- b. Large open work areas to have electrical "J" boxes above ceiling for modular furniture power pole connection. The **COUNTY** requires a minimum of a 3:1 ratio, three (3) cubicles per one (1) electrical 20 amp circuit. **COUNTY** will provide final furniture plan with total "J" boxes and circuits needed.
- c. **COUNTY** to approve all data/phone and duplex locations.

#### **1.13 EXTERIOR PATIO AREA:**

a. **LANDLORD** shall provide new wood trellis outside of the existing breakroom. Trellis to be free standing. Horizontal wood members to be minimum 4" apart.

**1.14 WINDOWS**

- a. **LANDLORD** shall evaluate locations for new exterior building windows. See **Room by Room Section 2.0**.
- b. Windows at private offices shall have sill heights above typical desk work surfaces and have a maximum width of 36 inches, when possible unless noted otherwise and approved by **COUNTY**. Sizes of windows in all other rooms and areas to be determined by architect and approved by **COUNTY**.
- c. All exterior elevation designs for new construction or tenant improvements to existing structures will need to be designed by the **LANDLORD'S** architect and structural engineer and approved by **COUNTY**.

**1.15 SHARED/CHILDREN ROOM:**

- a. Locking over-counter storage cabinets and locking under-counter storage cabinets and drawers with countertop per **Section 1.8**. Design and materials to be **COUNTY** approved.
- b. Countertop to be 34" finished height. Design and materials to be **COUNTY** approved.
- c. Soap and paper towel dispensers installed convenient to each sink and paper towel dispensers at each microwave, locations to be approved by **COUNTY**. Dispensers set at location and height to accommodate ADA requirements.
- d. Stainless steel double bowl sink, 36" wide, minimum of 7 1/2" deep or at ADA requirements.
- e. ADA approved faucet set, deck mount, gooseneck spigot, stainless steel or chrome finish, washerless. Delta or **COUNTY** approved equal.
- f. Water heater: Tankless, electric, under-counter. Set at 110 degrees.

**1.16 SEWER MAIN LINE:**

- a. Required repairs to sewer main line will be completed by Landlord.

## SECTION 2.0

### 1600 BAILEY AVE TI EXPANSION - ROOM BY ROOM SPECIFICATIONS

<u>Room Number</u>	<u>Floor</u>	<u>Walls</u>	<u>Comments</u>
<b>Suite 1: Group Room 1</b>	VP	P1	<ul style="list-style-type: none"> <li>• Paint all walls and doors.</li> <li>• New drywall over stud walls as shown on plan. See <b>Sections 1.4 and 1.5</b>.</li> <li>• New lighting only where required, as shown on <b>Exhibit B-1 Sheet A4</b>. See <b>Section 1.2</b>.</li> <li>• Vinyl plank flooring with 4" rubber base. See <b>Section 1.6</b>.</li> <li>• (1) Lockable doors at entrance from interior hallway, keyed separately. See <b>Section 1.9</b>.</li> <li>• Approximately (4) duplex receptacle electrical outlets.</li> <li>(2) Data/Communication outlets; placement based on furniture design/placement.</li> <li>(1) data/communication outlet and (1) duplex outlet, side by side at 72" height from floor for wall mounted TV. Location to be approved by County.</li> </ul>
<b>Suite 1: Group Room 2</b>	VP	P1	<ul style="list-style-type: none"> <li>• Paint all walls and doors.</li> <li>• New drywall over stud walls as shown on plan. See <b>Sections 1.4 and 1.5</b>.</li> <li>• New lighting only where required, as shown on <b>Exhibit B-1 Sheet A4</b>. See <b>Section 1.2</b>.</li> <li>• Vinyl plank flooring with 4" rubber base. See <b>Section 1.6</b>.</li> <li>• Keep (1) existing lockable exterior door, keyed separately.</li> <li>• (1) Lockable door at entrance from lobby, keyed separately. See <b>Section 1.9</b>.</li> <li>• Approximately (4) duplex receptacle electrical outlets.</li> <li>(2) Data/Communication outlets; placement based on furniture design/placement.</li> <li>(1) data/communication outlet and (1) duplex outlet, side by side at 72" height from floor for wall mounted TV. Location to be approved by County.</li> </ul>

Suite 1: Shared Children Room	VP	P1	<ul style="list-style-type: none"> <li>Paint all walls and doors.</li> <li>New drywall over stud walls as shown on plan. See <b>Sections 1.4 and 1.5</b>.</li> <li>New lighting only where required, as shown on <b>Exhibit B-1 Sheet A4</b>. See <b>Section 1.2</b>.</li> <li>Vinyl plank flooring with 4" rubber base. See <b>Section 1.6</b>.</li> <li>Approximately (2) duplex receptacle electrical outlets.</li> <li>(1) Lockable door at entrance from interior hallway, keyed separately. See <b>Section 1.9</b>.</li> <li>(2) Data/Communication outlets; placement based on furniture design/placement.</li> </ul>
Suite 1: Storage Room 1	VP	P1	<ul style="list-style-type: none"> <li>Paint all walls and doors.</li> <li>New drywall over stud walls as shown on plan. See <b>Sections 1.4 and 1.5</b>.</li> <li>New lighting only where required, as shown on <b>Exhibit B-1 Sheet A4</b>. See <b>Section 1.2</b>.</li> </ul>
			<ul style="list-style-type: none"> <li>Vinyl plank flooring with 4" rubber base. See <b>Section 1.6</b>.</li> <li>(1) lockable double doors at entrance from interior hallway, keyed separately. See <b>Section 1.9</b>.</li> </ul> <p>Shelf units, forms racks, and mail racks to be 3/4" thick thermal fused laminate on all exposed surfaces and firmly secured to the wall. COUNTY to approve final layout and bin size designs.</p> <p>4 Duplex outlets; two on each wall.</p>
Suite 1: Hallways	VP	P1	<ul style="list-style-type: none"> <li>Paint all walls and doors.</li> <li>New drywall over new stud walls. Existing drywall to remain on existing walls. As shown on plan. See <b>Sections 1.4 and 1.5</b>.</li> <li>New lighting only where required, as shown on <b>Exhibit B-1 Sheet A4</b>. See <b>Section 1.2</b>.</li> <li>Vinyl plank flooring with 4" rubber base. See <b>Section 1.6</b>.</li> <li>(1) Lockable door at entrance from interior hallway off Suite 2 Lobby. See <b>Section 1.9</b>.</li> </ul>

Suite 1: ADA Restrooms	N/A	P1	<p>Paint all walls and doors.</p> <p><b>Fixtures per Section 1.10.</b></p>
Suite 2: Cubicle Area	VP	P1	<ul style="list-style-type: none"> <li>Paint all walls and doors.</li> <li>New drywall over new stud walls. Existing drywall to remain on existing walls. As shown on plan. See <b>Sections 1.4 and 1.5.</b></li> <li>New lighting only where required, as shown on <b>Exhibit B-1 Sheet A4.</b> See <b>Section 1.2.</b></li> <li>Vinyl plank flooring with 4" rubber base. See <b>Section 1.6.</b></li> <li>(1) lockable door at eastern hallway, keyed separately. No conduit for card access reader is necessary. See <b>Section 1.9.</b></li> <li>Approximately (3) dedicated electrical circuits as required to support new modular furniture and equipment. See <b>Section 1.15.</b></li> </ul>
Suite 2: Existing Offices (4)	CARP	P1	<ul style="list-style-type: none"> <li>Paint all walls and doors.</li> <li>Vinyl plank flooring with 4" rubber base. See <b>Section 1.6.</b></li> </ul>
Suite 2: New Corner Office	VP	P1	<ul style="list-style-type: none"> <li>Vinyl plank flooring with 4" rubber base. See <b>Section 1.6.</b></li> <li>Paint all walls and doors.</li> <li>4 Duplex outlets; one on each wall.</li> <li>2 Data/Communication outlets; placement based on furniture design/placement.</li> </ul>
Suite 2: Conference Room	VP	P1	<ul style="list-style-type: none"> <li>Paint all walls and doors.</li> <li>New drywall over new stud walls. Existing drywall to remain on existing walls. As shown on plan. See <b>Sections 1.4 and 1.5.</b></li> <li>Remove existing cabinetry and countertops and sink at the top of the room only. Patch and paint drywall behind existing cabinetry. See <b>Section 1.8.</b></li> <li>Demolish and infill existing door.</li> <li>4 Duplex outlets; one on each wall.</li> <li>2 Data/Communication outlets; placement based on furniture design/placement.</li> </ul>

			<p>1 data/communication outlet and 1 duplex outlet, side by side at 72" height from floor for wall mounted TV. Location to be approved by County.</p> <p>One (1) wall reinforced with fiberglass backing for mounting of up to 80" TV. County to approve location.</p>
			<ul style="list-style-type: none"> <li>• Vinyl plank flooring with 4" rubber base. See <b>Section 1.6</b>.</li> <li>• (1) lockable door at entrance from interior hallway, keyed separately. See <b>Section 1.9</b>.</li> </ul>
<b>Suite 2: Lobby</b>	<b>VP</b>	<b>P1</b>	<ul style="list-style-type: none"> <li>• Paint all walls and doors.</li> <li>• New drywall over new stud walls. Existing drywall to remain on existing walls. As shown on plan. See <b>Sections 1.4 and 1.5</b>.</li> <li>• Remove walls to the existing security room. Patch drywall and paint to match existing colors. See <b>Sections 1.4 and 1.5</b>.</li> <li>• Vinyl plank flooring with 4" rubber base. See <b>Section 1.6</b>.</li> </ul> <p>4 Duplex outlets at 12 inches from floor; one on each wall.</p> <p>1 data/communication outlet and 1 duplex outlet, side by side at 72" height from floor for wall mounted TV. Location to be approved by County.</p>
<b>Suite 2: Reception</b>	<b>VP</b>	<b>P1</b>	<ul style="list-style-type: none"> <li>• Paint all walls and doors.</li> <li>• New drywall over new stud walls. Existing drywall to remain on existing walls. As shown on plan. See <b>Sections 1.4 and 1.5</b>.</li> <li>• New lockable door at interior hallway, keyed separately. See <b>Section 1.9</b>.</li> </ul> <p>Vinyl plank flooring with 4" rubber base. See <b>Section 1.6</b>.</p>
<b>Suite 2: Triage/Shared Tx./Telemed Room</b>	<b>VP</b>	<b>P1</b>	<ul style="list-style-type: none"> <li>• Paint all doors and walls.</li> <li>• New drywall over new stud walls. Existing drywall to remain on existing walls. As shown on plan. See <b>Sections 1.4 and 1.5</b>.</li> <li>• Demolish and infill existing door.</li> <li>• Utilize existing electrical infrastructure.</li> <li>• Vinyl plank flooring with 4" rubber base. See <b>Section 1.6</b>.</li> </ul> <p>4 Duplex outlets; one on each wall.</p>

			2 Data/Communication outlets; placement based on furniture design/placement.
<b>Suite 2: Shared Tx./Telemed Room 3</b>	<b>VP</b>	<b>P1</b>	<ul style="list-style-type: none"> <li>• Paint all doors and walls.</li> <li>• New drywall over new stud walls. Existing drywall to remain on existing walls. As shown on plan. See <b>Sections 1.4 and 1.5</b>.</li> <li>• Vinyl plank flooring with 4" rubber base. See <b>Section 1.6</b>.</li> <li>• Remove existing countertop, cabinets, and plumbing. Patch and paint drywall where necessary. See <b>Section 1.5</b>.</li> </ul>
<b>Suite 2: Shared Tx./Telemed Rooms 4-7</b>	<b>VP</b>	<b>P1</b>	<ul style="list-style-type: none"> <li>• Paint all doors and walls.</li> <li>• New drywall over new stud walls. Existing drywall to remain on existing walls. As shown on plan. See <b>Sections 1.4 and 1.5</b>.</li> <li>• Vinyl plank flooring with 4" rubber base. See <b>Section 1.6</b>.</li> <li>4 Duplex outlets; one on each wall.</li> <li>2 Data/Communication outlets; placement based on furniture design/placement.</li> </ul>
<b>Suite 2: Break Room</b>	<b>VP</b>	<b>P1</b>	<ul style="list-style-type: none"> <li>• Paint all walls and doors.</li> <li>• Demolish wall behind Room #9 and existing Break Room. Patch and paint drywall behind as needed.</li> <li>• Demolish and infill door to existing Break Room. Door to Room #9 to remain.</li> <li>• New drywall over new stud walls. Existing drywall to remain on existing walls. As shown on plan. See <b>Sections 1.4 and 1.5</b>.</li> <li>• Demolish existing countertop, upper cabinets, sink, and faucet.</li> <li>• Add new countertop, upper cabinets, sink, and faucet. See <b>Section 1.8</b>.</li> <li>• Vinyl plank flooring with 4" rubber base. See <b>Section 1.6</b>.</li> <li>4 Duplex outlets of which one must be a dedicated circuit: one on each wall at 16" height from floor.</li> <li>6 Duplex outlets above countertop; placement based on furniture design/placement.</li> </ul>

<b>Suite 2: Exterior Patio/Trellis</b>	N/A	N/A	<ul style="list-style-type: none"> <li>Paint all walls and doors.</li> <li>New wood trellis canopy installed at break room patio. See <b>Section 1.13</b>.</li> <li>New concrete slab under trellis, where needed.</li> </ul>
<b>Suite 2: Utility</b>	N/A	P1	<ul style="list-style-type: none"> <li>Paint all walls and doors.</li> </ul>
<b>Suite 2: W/H</b>	N/A	P1	<ul style="list-style-type: none"> <li>Paint all walls and doors.</li> </ul>
<b>Suite 2: Data Room</b>	N/A	P1	<ul style="list-style-type: none"> <li>Paint all walls and doors.</li> </ul>
<b>Suite 2: Restrooms (3)</b>	CT1	P1	<ul style="list-style-type: none"> <li>Paint all doors and walls.</li> <li>Glazed porcelain floor tile and base. See <b>Section 1.6</b>.</li> </ul> <p><b>Fixtures per Section 1.10.</b></p>
<b>Suite 2: Hallways</b>	VP	P1	<ul style="list-style-type: none"> <li>Paint all doors and walls.</li> <li>New lighting only where required, as shown on <b>Exhibit B-1 Sheet A4</b>. See <b>Section 1.2</b>.</li> <li>New drywall over new stud walls. Existing drywall to remain on existing walls. As shown on plan. See <b>Sections 1.4 and 1.5</b>.</li> <li>Vinyl plank flooring with 4" rubber base. See <b>Section 1.6</b>.</li> <li>(1) Lockable door at interior hallway, keyed separately. See <b>Section 1.9</b>.</li> </ul>
<b>Suite 3: Med Room</b>	VP	P1	<ul style="list-style-type: none"> <li>Paint all doors and walls.</li> <li>New lighting only where required, as shown on <b>Exhibit B-1 Sheet A4</b>. See <b>Section 1.2</b>.</li> <li>New drywall over new stud walls. Existing drywall to remain on existing walls. As shown on plan. See <b>Sections 1.4 and 1.5</b>.</li> <li>This is an existing private office. (1) Medical countertop with lock.</li> <li>Vinyl plank flooring with 4" rubber base. See <b>Section 1.6</b>.</li> <li>(1) Lockable door at interior hallway, keyed separately. See <b>Section 1.9</b>.</li> </ul>

			<p>8 Duplex outlets; two on each wall. (1) being a dedicated circuit for medical fridge.</p> <p>2 Data/Communication outlet placement based on furniture design/placement.</p> <p>Electrified strike for access control system.</p>
<b>Suite 3: Clinical Room 1</b>	<b>VP</b>	<b>P1</b>	<ul style="list-style-type: none"> <li>• New drywall over new stud walls. Existing drywall to remain on existing walls. As shown on plan. See <b>Sections 1.4 and 1.5</b>.</li> <li>• Paint all doors and walls.</li> <li>• New lighting only where required, as shown on <b>Exhibit B-1 Sheet A4</b>. See <b>Section 1.2</b>.</li> <li>• Vinyl plank flooring with 4" rubber base. See <b>Section 1.6</b>.</li> <li>• Approximately (4) duplex receptacle electrical outlets, final quantity to be determined as required per code.</li> <li>• Add new 36" countertop, upper cabinets, sink, and faucet. See <b>Section 1.8</b>.</li> <li>• (1) Existing storefront to remain.</li> <li>• (1) Lockable door at entrance from interior hallway, keyed separately. See <b>Section 1.9</b>.</li> </ul>
<b>Suite 3: Clinical Room 2</b>	<b>VP</b>	<b>P1</b>	<ul style="list-style-type: none"> <li>• Paint all doors and walls.</li> <li>• New lighting only where required, as shown on <b>Exhibit B-1 Sheet A4</b>. See <b>Section 1.2</b>.</li> <li>• New drywall over new stud walls. Existing drywall to remain on existing walls. As shown on plan. See <b>Sections 1.4 and 1.5</b>.</li> <li>• Remove existing countertop, cabinets, sink, and faucet.</li> <li>• (1) Lockable door at entrance from interior hallway, keyed separately. See <b>Section 1.9</b>.</li> <li>• Vinyl plank flooring with 4" rubber base. See <b>Section 1.6</b>.</li> </ul>
<b>Suite 3: Nurse Station</b>	<b>VP</b>	<b>P1</b>	<ul style="list-style-type: none"> <li>• Paint all doors and walls.</li> <li>• New lighting only where required, as shown on <b>Exhibit B-1 Sheet A4</b>. See <b>Section 1.2</b>.</li> </ul>

			<p>(1) Lockable door at entrance from interior hallway, keyed separately. See <b>Section 1.9</b>.</p> <p>Remove existing countertop, cabinets, sink, and faucets.</p> <p>New drywall over new stud walls. Existing drywall to remain on existing walls. As shown on plan. See <b>Sections 1.4 and 1.5</b>.</p> <p>4 Duplex outlets; one on each wall.</p> <p>2 Data/Communication outlets; placement based on furniture design/placement.</p>
<b>Suite 3: Doctor's Office</b>	<b>VP</b>	<b>P1</b>	<ul style="list-style-type: none"> <li>Paint all doors and walls.</li> <li>New lighting only where required, as shown on <b>Exhibit B-1 Sheet A4</b>. See <b>Section 1.2</b>.</li> <li>Re-use existing door to former Room 2. Demolish and infill door to former Room 3.</li> <li>Remove existing countertops, cabinets, sinks, and faucets.</li> <li>New drywall over new stud walls. Existing drywall to remain on existing walls. As shown on plan. See <b>Sections 1.4 and 1.5</b>.</li> </ul> <p>4 Duplex outlets; one on each wall.</p> <p>2 Data/Communication outlets; placement based on furniture design/placement.</p>
<b>Suite 3: Restroom</b>	<b>CT1</b>	<b>P1</b>	<ul style="list-style-type: none"> <li>Glazed porcelain floor tile and base. See <b>Section 1.6</b>.</li> <li>Paint all doors and walls.</li> </ul> <p><b>Fixtures per Section 1.10.</b></p>

Suite 3: Storage Room	VP	P1	<ul style="list-style-type: none"> <li>Paint all doors and walls.</li> <li>New lighting only where required, as shown on <b>Exhibit B-1 Sheet A4</b>. See <b>Section 1.2</b>.</li> <li>New drywall over new stud walls. Existing drywall to remain on existing walls. As shown on plan. See <b>Sections 1.4 and 1.5</b>.</li> <li>Existing storage room.</li> <li>Vinyl plank flooring with 4" rubber base. See <b>Section 1.6</b>.</li> </ul> <p>Shelf units, forms racks, and mail racks to be 3/4" thick thermal fused laminate on all exposed surfaces and firmly secured to the wall. COUNTY to approve final layout and bin size designs.</p> <p>4 Duplex outlets; two on each wall.</p>
Suite 3: Hallway	VP	P1	<ul style="list-style-type: none"> <li>Paint all doors and walls.</li> <li>New lighting only where required, as shown on <b>Exhibit B-1 Sheet A4</b>. See <b>Section 1.2</b>.</li> <li>New drywall over new stud walls. Existing drywall to remain on existing walls. As shown on plan. <b>Sections 1.4 and 1.5</b>.</li> <li>Vinyl plank flooring with 4" rubber base. See <b>Section 1.6</b>.</li> </ul> <p>Demolish and remove existing desk/millwork.</p>

EXHIBIT "E"

FORM OF SUBORDINATION, NON-DISTURBANCE  
AND ATTORNEY AGREEMENT

RECORDED AT REQUEST OF  
AND TO BE RETURNED TO:

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Attn: \_\_\_\_\_

**SUBORDINATION, NONDISTURBANCE AND ATTORNEY AGREEMENT**

THIS SUBORDINATION, NONDISTURBANCE AND ATTORNEY AGREEMENT ("Agreement") is entered into by and between San Bernardino County ("Tenant"), \_\_\_\_\_ ("Landlord") and, \_\_\_\_\_ ("Lender").  
(Name and type of entity)

**Recitals**

A. Landlord, as landlord, and Tenant, as tenant, have entered into a certain Lease Agreement, County Contract No. \_\_\_\_-\_\_\_\_ dated on \_\_\_\_\_, 20\_\_\_\_ ("Lease") for the lease of certain premises, comprising approximately \_\_\_\_ square feet ("Premises") located at the building with an address of \_\_\_\_\_, \_\_\_\_\_, California \_\_\_\_\_ (zip code), which is situated on certain real property located in the County of San Bernardino, State of California, commonly known as APN \_\_\_\_ ("Property").

B. Landlord represents to County that it has executed and delivered or is about to execute and deliver to Lender a certain promissory note dated substantially contemporaneously herewith ("Note"), in the original principal sum of \$ \_\_\_\_\_. The obligations evidenced by the Note shall be referred to as the "Loan". Landlord further represents to COUNTY that the Note is executed pursuant to the terms of a certain Construction Loan Agreement dated substantially contemporaneously herewith (the "Loan Agreement") between Lender and Landlord.

C. Landlord represents to County that has executed and delivered or is about to execute and deliver to Lender a certain Deed of Trust and Assignment of Rents dated substantially contemporaneously herewith ("Deed of Trust"), encumbering the Property to secure the Loan.

D. Landlord represents that it is a condition precedent to the Loan that the Deed of Trust shall remain at all times a lien upon the Property, prior and superior to the Lease.

E. Landlord represents that it is a condition precedent to the Loan that County will subordinate and subject the Lease, together with all rights and privileges of County thereunder, to the lien of the Deed of Trust.

## Covenants

In consideration of the recitals set forth above, which are incorporated herein, and the covenants and agreements contained herein, the parties agree as follows:

1. Subordination: Tenant hereby subordinates all of Tenant's right, title, interest in the leasehold estate of the Premises to the Deed of Trust, subject to the terms of this Agreement.

2. Nondisturbance: Tenant's peaceful and quiet possession of the Premises shall not be disturbed and Tenant's rights and privileges under the Lease, including but not limited to the provisions of the Lease set forth under the headings "TERM," "OPTION TO EXPAND," "OPTION TO EXTEND TERM," "INSURANCE REQUIREMENTS AND SPECIFICATIONS," "DESTRUCTION OF PREMISES," "COUNTY'S EARLY TERMINATION RIGHT," and "CONDEMNATION," shall not be altered or diminished by Lender's foreclosure, acceptance of a deed in lieu of foreclosure, or any other exercise of Lender's rights or remedies under the Deed of Trust, the Note, the Loan Agreement, any other loan document, or the laws governing secured loans. In the event of any conflict among the Lease and the Deed of Trust, the Note, the Loan Agreement, any other loan document, or the laws governing secured loans, the Lease shall prevail. Tenant shall not be named or joined in any foreclosure, trustee's sale, or other proceeding or action to enforce the Deed of Trust, the Note, the Loan Agreement, or any other loan document, unless such joinder shall be legally required to perfect such foreclosure, trustee's sale, or other proceeding or action.

3. Attornment: If the Deed of Trust is foreclosed for any reason, or Landlord deeds the Property to Lender in lieu of foreclosure, the Lease shall not be extinguished and Tenant shall be bound to Lender under all the terms, covenants, and conditions of the Lease for the balance of the Lease Term, including any options to extend thereunder, with the same force and effect as if Lender was the landlord under the Lease. Tenant shall attorn to Lender as Tenant's landlord and agrees to recognize Lender as the new landlord and promises to pay the Monthly Rent to Lender as landlord. Lender shall assume the interest of Landlord and fulfill all of Landlord's obligations thereunder. This attornment shall be effective and self-operative, without the execution of any other instruments on the part of any of the parties to this Agreement, immediately upon Lender succeeding to the interest of Landlord under the Lease.

4. Disbursements: Lender is under no obligation or duty to monitor the application of the proceeds of the Loan. Any application of such proceeds for purposes other than those provided for in the Loan Agreement or any of the other Loan Documents shall not defeat the effect of this Agreement in whole or in part.

5. Acknowledgment of Assignment: Tenant acknowledges the assignment of Landlord's rights to collect Monthly Rent due under the Lease to Lender pursuant to a certain Assignment of Leases (the "Assignment"). Tenant shall, without duty of inquiry or investigation, pay Monthly Rent to Lender upon receipt of written notice from Lender that Lender has revoked the waiver of Landlord's right to collect the Monthly Rent from the Premises pursuant to the Assignment, notwithstanding the fact that Lender has not foreclosed the Deed of Trust, nor succeeded to the interest of Landlord under the Lease. Landlord hereby releases Tenant and Tenant shall not be liable to Landlord for any payments made to Lender hereunder.

6. Assignment or Sublease: Tenant may assign the Lease or sublease the Premises or any portion thereof in accordance with the Lease, but no such assignment, transfer, or subletting shall relieve Tenant of any of its obligations under the Lease.

7. Notices: Any notice, demand, request, consent, approval or communication that either party desires or is required to give to the other party, or any other person shall be in writing and either served personally, delivered by a reputable overnight courier service, or sent by postage prepaid, first-class United States mail, certified or registered, return receipt requested. Any notice, demand, request, consent, approval or communication that either party desires or is required to give to the other party shall be addressed to the other party at the addresses set forth in the Basic Lease Provisions. Either party may change its address by notifying the other party of the change of address. Notices shall be deemed delivered upon the earlier of: (i) actual receipt if such notice is personally delivered on a COUNTY business day; (ii) the date of delivery if such notice is

delivered by a reputable overnight courier service on a COUNTY business day; otherwise on the next COUNTY business day; or (iii) the date of delivery or refusal of the addressee to accept delivery if such notice is sent by postage pre-paid, first-class United States mail, certified or registered, return receipt requested, if on a COUNTY business day; otherwise on the next COUNTY business day:

to Tenant: San Bernardino County  
Attn: Director, Real Estate Services Department  
385 North Arrowhead Avenue, Third Floor  
San Bernardino, California 92415-0180

to Landlord: MTK SoCal Investments, LLC  
24 N. Marengo Avenue  
Pasadena, CA 91101  
Attn: Jason Tolleson

to Lender: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attn: \_\_\_\_\_

Notwithstanding the foregoing, any notice under or pertaining to this Agreement, given and effective in accordance with applicable law, shall be effective for purposes hereof. Any party may change the address at which it is to receive notices hereunder to another business address within the United States (but not a post office box or similar mail receptacle) by giving notice of such change of address in accordance herewith.

8. **Landlord's Default:** Tenant hereby agrees that Tenant will notify Lender in writing, in accordance with Paragraph 7, Notices, above, of any default by Landlord under the terms of the Lease, provided that, Lender shall have the same time period as Landlord is given under the Lease to remedy a remedy.

9. **Binding Effect:** This Agreement is binding upon and inures to the benefit of the Parties and their respective successors, assigns, heirs, executors, and administrators.

10. **Attorneys' Fees and Costs:** If any legal action is instituted to enforce or declare a party's rights hereunder, each party, including the prevailing party, must bear its own attorneys' fees and costs. This paragraph shall not apply to those attorneys' fees and costs directly arising from any third-party legal action against COUNTY, including such attorneys' fees and costs payable under Paragraph 19, INDEMNIFICATION, Paragraph 13, HAZARDOUS SUBSTANCES, Paragraph 31 PUBLIC RECORDS DISCLOSURE, and Paragraph 32, CONFIDENTIALITY of the Lease.

11. **Law:** This Agreement shall be governed by and construed in accordance with the laws of the State of California.

12. **Venue:** The parties acknowledge and agree that the Agreement was entered into and intended to be performed in the County of San Bernardino, California. The parties agree that the venue for any action or claim brought by any party to the Lease will be the Superior Court of California, County of San Bernardino. Each party hereby waives any law, statute (including but not limited to Code of Civil Procedure section 394), or rule of court that would allow them to request or demand a change of venue. If any third party brings an action or claim concerning the Lease, the parties hereto agree to use their best efforts to obtain a change of venue to the Superior Court of California, County of San Bernardino.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year written below.

**LANDLORD:**

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

**COUNTY:**

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

**LENDER:**

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

**EXHIBIT "G"**  
**PEST CONTROL SERVICES FOR THE PREMISES**

Licensed pest control for interior (after hours only) and exterior spraying or treatments. Provide mosquito control devices or stations (ie: In2Care Mosquito Station). County to approve schedule.

**EXHIBIT "H"**

## **EXPANSION COMMENCEMENT DATE CERTIFICATE**

To: \_\_\_\_\_

Re: Lease Agreement No. \_\_\_\_\_

In accordance with the terms and conditions of the above referenced Lease, the parties hereby acknowledges and agrees to the following:

1. The Commencement Date of the Lease Term is \_\_\_\_\_;
2. The Expiration Date of the Lease Term is \_\_\_\_\_.
3. Monthly Rent commenced to accrue on \_\_\_\_\_, 20\_\_\_\_, and the rent schedule during the Lease Term is as follows:

\_\_\_\_\_ to \_\_\_\_\_ Monthly Rent of \$ \_\_\_\_\_  
\_\_\_\_\_ to \_\_\_\_\_ Monthly Rent of \$ \_\_\_\_\_

4. All other provision and terms of the Lease Agreement, Contract No \_\_\_\_\_, shall remain the same and are hereby incorporated by reference. In the event of any conflict between the Lease, and this Commencement Date Certificate, the terms and conditions of this Commencement Date Certificate shall control.

**LANDLORD:**

**COUNTY:**

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

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

**EXHIBIT "F"**  
**PREVAILING WAGE REQUIREMENTS**

**A. All or a portion of the Scope of Work in the Contract requires the payment of prevailing wages and compliance with the following requirements:**

**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 Scope of Work 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 Scope of Work, and are also available online at [www.dir.ca.gov](http://www.dir.ca.gov). The wage rate for any classification not listed, but which may be required to execute the Scope of Work, 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 Scope of Work, 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 Scope of Work. 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 Scope of Work.

**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 Scope of Work. 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 Scope of Work 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 Scope of Work 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 Scope of Work or upon any part of the Scope of Work, 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 Scope of Work 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 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 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 public works projects.
    - 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 liable 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 Scope of Work 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 Scope of Work. 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.



## EXHIBIT "I"

### Levine Act –Campaign Contribution Disclosure

(formerly referred to as Senate Bill 1439)

The following is a list of items that are not covered by the Levine Act. A Campaign Contribution Disclosure Form will not be required for the following:

- Contracts that are competitively bid and awarded as required by law or County policy
- Contracts with labor unions regarding employee salaries and benefits
- Personal employment contracts
- Contracts under \$50,000
- Contracts where no party receives financial compensation
- Contracts between two or more public agencies
- The review or renewal of development agreements unless there is a material modification or amendment to the agreement
- The review or renewal of competitively bid contracts unless there is a material modification or amendment to the agreement that is worth more than 10% of the value of the contract or \$50,000, whichever is less
- Any modification or amendment to a matter listed above, except for competitively bid contracts.

#### **DEFINITIONS**

**Actively supporting or opposing the matter:** (a) Communicate directly with a member of the Board of Supervisors or other County elected officer [Sheriff, Assessor-Recorder-Clerk, District Attorney, Auditor-Controller/Treasurer/Tax Collector] for 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 for the purpose of influencing the County's decision 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 Board or County employees for purposes of influencing the County's decision in a matter.

**Agent:** A third-party individual or firm who, for compensation, is representing a party or a participant in the matter submitted to the 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: MTK SoCal Investments, LLC
2. Is the entity listed in Question No.1 a nonprofit organization under Internal Revenue Code section 501(c)(3)?
 

Yes  If yes, skip Question Nos. 3-4 and go to Question No. 5      No
3. Name of Principal (i.e., CEO/President) of entity listed in Question No. 1, if the individual actively supports the matter and has a financial interest in the decision: Jason Tolleson
4. If the entity identified in Question No.1 is a corporation held by 35 or less shareholders, and not publicly traded ("closed corporation"), identify the major shareholder(s): Jason Tolleson, Dan Mahoney, Don Kaplan
5. Name of any parent, subsidiary, or otherwise related entity for the entity listed in Question No. 1 (see definitions above):

Company Name	Relationship
N/A	

6. Name of agent(s) of Landlord:

Company Name	Agent(s)	Date Agent Retained (if less than 12 months prior)
N/A		

7. 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		

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

Company Name	Individual(s) Name
N/A	

9. Was a campaign contribution, of more than \$500, made to any member of the San Bernardino County Board of Supervisors or other County elected officer involved with this Contract within the prior 12 months, by any of the individuals or entities listed in Question Nos. 1-8?

No

Yes  If yes, please provide the contribution information in Question 11.

10. Has an agent of Landlord made a campaign contribution of any amount to any member of the San Bernardino County Board of Supervisors or other elected officer involved with this Contract while award of this Contract is being considered?

No  If no, please skip question 11.

Yes  If yes, please provide the contribution information in Question 11.

11. Name of 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 Board Members or other County elected officers to whom anyone listed made campaign contributions.

By signing the Amendment, Landlord certifies that the statements made herein are true and correct. Landlord acknowledges that agents are prohibited from making any campaign contributions, regardless of amount, to any member of the Board of Supervisors or other County elected officer involved with this Amendment, while award of this Amendment is being considered and for 12 months after a final decision by the County. Landlord understands that the other individuals and entities (excluding agents) listed in Question Nos. 1-8 are prohibited from making campaign contributions of more than \$500 to any member of the Board of Supervisors or other County elected officer involved with this Amendment, while award of this Amendment is being considered and for 12 months after a final decision by the County.

<b>Summary report:</b>	
<b>Litera Compare for Word 11.14.0.42 Document comparison done on 11/26/2025 2:38:26 PM</b>	
<b>Style name:</b> Default Style	
<b>Intelligent Table Comparison:</b> Active	
<b>Original DMS:</b> iw://fennemore.cloudimanager.com/imanager/61632080/1 - CON-RESD-DBH-121625-Lease Amd w MTK SoCal Investments LLC 12-684 A3.docx	
<b>Modified DMS:</b> iw://fennemore.cloudimanager.com/imanager/61632080/2 - CON-RESD-DBH-121625-Lease Amd w MTK SoCal Investments LLC 12-684 A3 (FC 11-26-2025).docx	
<b>Changes:</b>	
<u>Add</u>	91
<u>Delete</u>	224
<u>Move From</u>	0
<u>Move To</u>	0
<u>Table Insert</u>	3
<u>Table Delete</u>	4
<u>Table moves to</u>	0
<u>Table moves from</u>	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	0
Embedded Excel	0
Format changes	0
<b>Total Changes:</b>	322