

STANDARD SUBLEASE FORM

SUBLEASE COVERING PREMISES LOCATED AT**500 Inland Center Drive, Suite 508
San Bernardino, CA 92408**SUBLESSOR'S FED. TAX. I.D. NO. OR SOCIAL SECURITY NO.**95-6002748**SUBTENANT AGENCY**Employment Development Department****Lease No.: 7158-001****Project No.: 8228****Preamble**

This Agreement, made and entered into this 16th day of February, 2022, is a Sublease of that certain Lease Agreement (the "Master Lease") dated April 21, 2020, between WM Inland Investors IV, LP, a Delaware Limited Partnership, as Lessor (the "Master Lessor") and San Bernardino County as Lessee. This Sublease agreement is between

SAN BERNARDINO COUNTY

hereinafter called the Sublessor, without distinction as to number or gender, and the State of California, acting by and through the Director of the Department of General Services, hereinafter called the State;

WITNESSETH

WHEREAS, under the Master Lease, Sublessor hires from Master Lessor certain premises located at 500 Inland Center Drive, Suite 508, San Bernardino, CA as more particularly described in the Master Lease, and

WHEREAS, a copy of the Master Lease is attached hereto, incorporated herein as Exhibit "D" dated November 2, 2021 and made a part of this sublease by this reference; and

WHEREAS, the Master Lease provides that Sublessor shall have the right to sublet any portion of the Master Leased Premises; and Sublessor has obtained necessary consent from the Master Lessor; and

WHEREAS, San Bernardino County and the State of California's Employment Development Department (EDD) desire to consolidate certain of their operations at a facility currently under Master Lease to the Sublessor;

NOW, THEREFORE, it is mutually agreed between the parties as follows:

Description

1. The Sublessor hereby subleases unto the State and the State hereby hires from the Sublessor those certain premises with appurtenances situated in the City of San Bernardino, County of San Bernardino, State of California, and more particularly described as follows:

Approximately 10,350 net usable square feet of office space on the first floor (consisting of 7,243 net usable square feet of shared space as outlined in green and 1,131 net usable square feet of exclusive space as outlined in red and 1,976 square feet of common area as noted on the attached Exhibit A Plan), of the building located at together with Specifications marked Exhibit "B" and Sublessor compliance procedures marked Exhibit "C", said Exhibits "A" and "B" and "C", Project No. 8228 dated November 2, 2021, hereby being incorporated by said reference into this sublease, and including fifty-nine (59) nonexclusive, unobstructed parking spaces contiguous to the subject building, and unlimited use of the building's common facilities.

Term

2. The term of this sublease shall commence on January 1, 2022 and shall end on December 31, 2029, with such rights of termination as may be hereinafter expressly set forth.

Notices

5. All notices and correspondence herein provided to be given, or which may be given by either party to the other, shall be deemed to have been fully given when made in writing and deposited in the United States Mail, certified and postage prepaid and addressed as follows:

To the Sublessor San Bernardino County

Real Estate Services Department

385 North Arrowhead Avenue, Third Floor

San Bernardino, CA 92415-0180

Phone No.: (909) 387-5000

Email: keith.burke@res.sbcounty.gov

and to the State:

DEPARTMENT OF GENERAL SERVICES,

REAL ESTATE SERVICES DIVISION

LEASE MANAGEMENT (C) 7158-001

707 THIRD STREET, SUITE 5-305

WEST SACRAMENTO, CA 95605

PHONE NO. (916) 375-4172

FAX NO. (916) 375-4173

**ALL NOTICES AND CORRESPONDENCE MUST REFERENCE
TENANT AGENCY AND PREMISES ADDRESS**

Rental warrants shall be made payable to: San Bernardino County

and mailed to:

Workforce Development Department

290 North D Street, Suite 600

San Bernardino, CA 92415-0046

Nothing herein contained shall preclude the giving of any such written notice by personal service. The address to which notices and correspondence shall be mailed to either party may be changed by giving written notice to the other party.

**Completion and
Compliance with
Plans and
Specifications**

6. Sublessor agrees that, prior to January 1, 2022, and at Sublessor's sole cost and expense, all required construction, improvements and/or alterations, if any, shall be completed and the subleased premises made ready for State's occupancy in full compliance with Exhibit "A", consisting of one (1) sheet titled, "Office Quarters, Project No. 8228" dated November 2, 2021 and in accordance with Exhibit "B", consisting of twenty-six (26) pages, plus cover sheet, titled, "Outline Specifications, Project No. 8228" dated November 2, 2021, and Exhibit "C" consisting of ten (10) pages titled, "Administrative Requirements, Project No. 8228" dated November 2, 2021 which Exhibits "A" and "B" and "C" are by this reference incorporated herein. The parties hereby acknowledge and agree that as of the date of the sublease, the foregoing improvements have previously been completed and accepted by the State and notwithstanding anything to the contrary in this Sublease, no additional improvements are being constructed by Sublessor as of the date of this sublease.

**Notice of
Completion
and Access to
Premises
during
Construction**

7. ~~Following execution of this sublease, and not more than sixty days (60) prior to completion of construction and occupancy under this sublease, State or its contractors or other representatives shall have the right to enter the premises for the purpose of installing certain equipment such as, but not limited to, modular system furniture, and electrical and telecommunications cabling and equipment.~~

State agrees to indemnify and hold Sublessor harmless from and against any claims, damages, or other injury suffered by Sublessor as a result of the work to be performed pursuant to this right to enter the premises prior to State's acceptance and occupancy of the premises. Sublessor agrees to indemnify and hold State and its agents, contractors or other representatives harmless from and against any claims, damages, injury or other harm suffered by reason of the negligence or other wrongful act of Sublessor or any of Sublessor's agents, contractors, or other representatives.

In no event shall the exercise of this right of entry be construed so as to cause an acceleration of the occupancy date of this sublease or the obligation of the State to pay rent.

Sublessor and State shall each make all reasonable efforts to ensure that the respective construction and installation work is scheduled in such a manner so as to not interfere with or delay the other.

In the event that one or the other party causes a delay in the other party's work, such injured party shall be compensated in the following manner:

**Services, Utilities,
and Supplies**

13. Sublessor, at Sublessor's sole cost and expense, during the term of this sublease shall furnish the following services, utilities, and supplies to the area subleased by the State, and also to the "common" building areas (if any) such as lobbies, elevators, stairways, corridors, etc., which State shares with other tenants, if any:

- A. Sewer, trash disposal, and water service, including both hot and cold water to the lavatories except lavatories in Employment Development Department public toilet rooms in lobby areas which need only cold water.
- B. Elevator (if any) service.
- C. Electricity and/or gas as necessary to provide power for heating, ventilating, and air conditioning, and electrical or gas service as needed for State's operations.
- D. Janitorial services sufficient to maintain the interior in a clean well-maintained condition; that is, to eliminate all visible dust, dirt, litter, grime, stains, smears, finger marks, etc., to the greatest practical degree possible, by performing at least the following:

Daily:

- (1) Empty and clean all trash containers, ashtrays, and dispose of all trash and rubbish.
- (2) Clean and sanitize all restroom fixtures, chrome pipes, mirrors, etc., and maintain in sanitary and odor-free condition all floors, wash mirrors, basins, toilet bowls, and urinals.
- (3) Clean splash marks from walls of restrooms.
- (4) Furnish and replenish all toilet room supplies (including soap, towels, seat covers, toilet tissue, and sanitary napkins).
- (5) Sweep or dust mop all hard surface floors, vacuum and/or carpet sweep traffic lanes of carpet including stairways.
- (6) Remove finger marks and smudges from all glass entrance doors.
- (7) Dust the tops of all furniture, counters and cabinets.
- (8) Clean and sanitize drinking fountain.
- (9) Damp clean coffee table tops in coffee rooms.
- (10) Clean kitchen sink and counters
- (11) Remove papers and debris outside main entrance.
- (12) Sweep entryway.
- (13) Brush down steps of inside stairwells.
- (14) Vacuum elevator carpet. All carpeted areas are to be vacuumed using a dual motor vacuum with a rotating cylindrical brush, rather than a beater bar.
- (15) Spot clean all walls and doors including elevator.
- (16) Spot clean carpets of small spills, footprints, etc.
- (17) Keep janitor closets neat and orderly.

Weekly:

- (1) Wet mop all tiled/terrazzo floors.
- (2) Clean all desktops that are cleared.
- (3) Clean hand marks from walls, doors and woodwork.
- (4) Vacuum all carpeting completely. All carpeted areas are to be vacuumed using a dual motor vacuum with a rotating cylindrical brush, rather than a beater bar.
- (5) Supply and replace interior entry mats with commercial grade cleaned mats.
- (6) Replace light bulbs and tubes inside building, as needed.

Twice Monthly:

- (1) Clean lobby directories and fire extinguisher glass.
- (2) Dust high areas including window coverings.
- (3) Vacuum upholstered furniture
- (4) Machine clean and seal all tiled floors

- D. In case Sublessor, after notice in writing from the State requiring the Sublessor to comply with the requirements of this paragraph in regard to a specified condition, shall fail, refuse or neglect to comply with such notice and Sublessor does not commence to remedy such failure within thirty (30) days after written notice from the State and does not diligently pursue to remedy to completion, or in the event of an emergency constituting a hazard to the health or safety of the State's employees, property, or invitees, the State may terminate this sublease without further obligation or at its option, perform such maintenance or make such repair at its own cost and, in addition to any other remedy the State may have, may withhold rent due and deduct the amount thereof, including necessary costs incurred by the State required for the administration of such maintenance and repairs, from the rent that may then be or thereafter become due hereunder.
- E. Sublessor understands and agrees that State shall not assume any of Sublessor's obligations under the Master Lease.

Painting

~~15. In addition to any painting completed prior to the commencement of this sublease, and touch-up painting required after initial occupancy upon receipt of written request from the State, Sublessor agrees at Sublessor's sole cost and expense to repaint all painted surfaces ([X] interior and [] exterior) of the subleased premises in accordance with the attached Exhibits "A" and "B". In no event shall Sublessor be required to repaint more than once during the first sixty (60) month period of this sublease after the painting completed prior to the commencement date, and once during any succeeding sixty (60) month period. Sublessor shall, within forty-five (45) days from the giving of any such notice, arrange for and complete the painting. Colors are to be approved by the State. Sublessor, at Sublessor's sole cost, shall arrange for moving of furniture and equipment prior and subsequent to the repainting, and provide drop cloths, and covers as necessary.~~

Change Orders and Alterations

16. The State shall have the right during the existence of this sublease to make change orders and alterations; attach fixtures; and erect additions, structures, or signs in or upon the subleased premises with prior written approval of the Sublessor, which shall not be unreasonably withheld. Such fixtures, additions, structures, or signs so placed in or upon or attached to the premises under this sublease or any extension hereof shall be and remain the property of the State and may be removed therefrom by the State prior to the termination or expiration of this sublease or any renewal or extension hereof.

In the event alterations, fixtures, additions, structures, or signs in or upon the subleased premises are desired by State and State elects not to perform the work, any such work, when authorized in writing by the State shall be performed at by Sublessor in accordance with plans and specifications provided by State. Sublessor agrees to obtain competitive bids from at least three licensed contractors and to contract with the lowest bidder. Sublessor further agrees that the overhead and profit for the work shall not exceed fifteen percent (15%) total for Sublessor and any general contractor combined. Within forty-five (45) days after receiving Sublessor's notice of completion of the requested work and an invoice requesting payment therefor, together with a complete detailed accounting of all costs for each trade, State agrees to either reimburse Sublessor by a single total payment for the cost of such work; or, with Sublessor's prior written approval, State will amortize the cost of the requested work over the remaining term of this sublease by increasing the monthly rent by an amount to include principal and interest on the unpaid balance. The interest rate may not exceed the prime rate (the base rate on corporate loans posted by at least seventy-five percent (75%) of the nation's 30 largest banks) plus 2 percent (2%) as of the date of the State's written authorization to proceed.

In the event State terminates this sublease on or after the end of the firm term, but before the expiration date of the sublease, State agrees to pay to Sublessor the portion of the principal balance which is unamortized as of the effective date of termination. Said payment shall be a single payment to be made within forty-five (45) days after the effective date of the termination.

Assignment and Subletting

17. The State shall not assign this sublease without prior written consent of the Sublessor, which shall not be unreasonably withheld, and shall not sublet the subleased premises without the prior written consent of the Sublessor, which consent shall not be unreasonably withheld.

Quiet Possession

18. The Sublessor agrees that the State, while keeping and performing the covenants herein contained, shall at all times during the existence of this sublease, peaceably and quietly have, hold, and enjoy the subleased premises without suit, trouble, or hindrance from the Sublessor or any person claiming under Sublessor.

Inspection

19. The Sublessor reserves the right to enter and inspect the subleased premises at reasonable times, and to render services and make any necessary repairs to the premises.

Fair Employment Practices 23. During the performance of this sublease, the Sublessor shall not deny benefits to any person on the basis of religion, color, ethnic group identification, sex, age, physical or mental disability, nor shall they discriminate unlawfully against any employee or applicant for employment because of race, religion, color, national origin, ancestry, physical handicap, mental disability, medical condition, marital status, age, or sex. Sublessor shall insure that the evaluation and treatment of employees and applicants for employment are free of such discrimination.

Sublessor shall comply with the provisions of the Fair Employment and Housing Act (Government Code, Section 12900 et seq.), the regulations promulgated thereunder (California Administrative Code, Title 2, Section 7285.0 et seq.), the provisions of Article 9.5, Chapter 1, Part 1, Division 3, Title 2 of the Government Code (Government Code, Sections 11135-11139.5), and the regulations or standards adopted by the awarding State agency to implement such article.

DVBE Participation Requirement 24. The State of California supports the use of Disabled Veteran Business Enterprise (DVBE) and California Certified Small Business (SB) and we encourage the Sublessor to utilize DVBE and Certified SB to fulfill its sublease obligation under this sublease.

Service Companies 25. Within fifteen (15) days after occupancy of the subleased premises by the State, Sublessor shall provide the State with the name, address, and telephone number of an agency or person convenient to the State as a local source of service regarding the Sublessor's responsibilities under this sublease as to repairs, maintenance, and servicing of the premises and any or all related equipment, fixtures, and appurtenances.

Service Credit 26. Sublessor agrees that the rental provided under the terms of Paragraph 4 hereof is based in part upon the costs of the services, utilities, and supplies to be furnished by Sublessor in accordance with Paragraph 13 hereof. In the event the State vacate the premises prior to the end of the term of this sublease, or, if after notice in writing from the State, all or any part of such services, utilities, or supplies for any reason are not used by the State, then, in such event, the monthly rental as to each month or portion thereof as to which such services, utilities, or supplies are not used by the State shall be reduced by an amount equal to the average monthly costs of such unused services, utilities, or supplies during the six-month period immediately preceding the first month in which such services, utilities, or supplies are not used.

Holding Over 27. In the event the State remains in possession of the premises after the expiration of the sublease term, or any extension or renewal thereof, and to the extent that the County also remains in possession of the premises, this sublease shall be automatically extended on a month to month basis, subject to ninety (90) days termination by either party, and otherwise on the terms and conditions herein specified, so far as applicable. If the last rental amount shown in Paragraph 4 included the amortization of a capital sum expended by Sublessor for certain alterations and improvements, as described in a separate paragraph herein, and the capital sum has been fully amortized, the holdover rent shall be reduced by the amount of the monthly amortization. If the State fails to vacate the premises within the notice period and remains for an extended period, additional rent shall be paid and prorated on a thirty (30) day month, based on the actual number of days the State occupies the premises following the effective date of termination. ~~In the event the Holding Over period lasts longer than one hundred and eighty (180) days, the State may unilaterally, reduce the monthly rent to seventy percent (70%) of the last base rental amount paid less any amortization under paragraph (4). Notwithstanding the aforementioned option to reduce the monthly rent, anytime during the Holding Over period, the State may unilaterally relinquish any proportion of the Premises thereby reducing the net usable square feet specified in paragraph (1) herein and reduce the monthly rent in proportion to the reduction in net usable square feet. It is understood and agreed by and between the parties that the State, at the State's sole option, may unilaterally amend the sublease to exercise options described herein.~~

Surrender of Possession 28. Upon termination or expiration of this sublease, the State will peacefully surrender to the Sublessor the subleased premises in as good order and condition as when received, except for reasonable use and wear thereof and damage by earthquake, fire, public calamity, the elements, acts of God, or circumstances over which State has no control or for which Sublessor is responsible pursuant to this sublease. The State shall have no duty to remove any improvements or fixtures placed by it on the premises or to restore any portion of the premises altered by it, save and except in the event State elects to remove any such improvements or fixtures and such removal causes damages or injury to the subleased premises, and then only to the extent of any such damage or injury.

Time of Essence, Binding upon Successors 29. Time is of the essence of this sublease, and the terms and provisions of this sublease shall extend to and be binding upon and inure to the benefit of the heirs, executors, administrators, successors, and assigns to the respective parties hereto. All of the parties hereto shall be jointly and severally liable hereunder.

**Subject to Master
Lease**

34. This Sublease is and shall be at all times subject and subordinate to the provisions of the Master Lease and the rights of Master Landlord pursuant to the Master Lease. Except as specifically provided herein, to the extent the terms of this Sublease conflict with the terms of the Master Lease, the Master Lease shall control and to the extent that any of the terms of this sublease directly conflict with a term of the Master Lease or purport to grant State a right that the Sublessor is not entitled to under the Master Lease, such term hereof shall be of no force or effect.

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EXHIBIT A

ON FILE WITH

CLERK OF THE BOARD

EXHIBIT B – OUTLINE SPECIFICATIONS

PROJECT: OFFICE QUARTERS PROJECT NO.: 8228
AGENCY: Employment Development Department LEASE NO.: 7158-001
LOCATION: 500 Inland Center Drive, Suite 508 DATE: 11.02.2021
San Bernardino, CA 92048S

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PLANNER: Carrie Gordon PHONE: 916.375.4169
EMAIL: carrie.gordon@dgs.ca.gov

Confirmation Statement

I/we have read this Exhibit B: Outline Specifications and understand it is incorporated into, and is part of, this lease. I/we have acknowledged each and every page by placing my/our initials on this cover sheet.

Initials _____

EXHIBIT B – OUTLINE SPECIFICATIONS

DIVISION 1

DGS an electronic copy on a compact disc of all documentation submitted to USGBC. Acceptable file format is Adobe PDF saved to disc from the LEED-Online workspace and templates. In addition, a DGS or tenant representative shall have access to the LEED-Online workspace during design and through the term of the lease.

- ii. Prior to the end of the first year of occupancy, if the Lessor fails to achieve LEED Silver certification, the State may assist the Lessor in implementing a corrective action program to achieve a LEED Silver certification and deduct its costs (including administrative costs) from the rent.
- c) In tenant improvements of 10,000 sf or greater, the Lessor shall obtain Silver-level certification or better from USGBC within 12 months of project occupancy. The DGS planner shall be consulted during the point selection process, and selection of which points to obtain shall be decided by mutual agreement. Points related to indoor air quality and lighting are a priority to the State.
 - i. For requirements to achieve certification, Lessor must refer to latest version of the LEED Reference Guide at: <http://www.usgbc.org>. At completion of LEED documentation and receipt of final certification, the Lessor must provide DGS an electronic copy on a compact disc of all documentation submitted to USGBC. Acceptable file format is Adobe PDF copied to disc from the LEED-Online workspace and templates. In addition, the Lessor will provide DGS viewing access to the LEED-Online workspace during design and throughout the time of the lease.
 - ii. Prior to the end of the first year of occupancy, if the Lessor fails to achieve LEED Silver certification, the State may assist the Lessor in implementing a corrective action program to achieve LEED certification and deduct its costs (including administrative costs) from the rent.
- d) When LEED certification is obtained, the Lessor shall provide two original LEED certificates to DGS.
- F. Prevailing wage: For those projects defined as "public works" pursuant to Labor Code §1720.2, Lessor/contractor shall comply with prevailing wage requirements and be subject to restrictions and penalties in accordance with §1770 et seq. of the Labor Code which requires prevailing wages be paid to appropriate work classifications in all bid specifications and subcontracts.
- G. Project schedule: Upon execution of the lease, Lessor shall issue to DGS a complete and detailed Critical Path Method (CPM) schedule for the project, which may be adjusted by mutual agreement as the project proceeds. The schedule shall include allowances for periods of time necessary for the installation of State-owned equipment and modular systems furniture.
- H. Construction costs: Prior to construction, Lessor shall provide to the State competitive bids from at least three licensed contractors/subcontractors and shall contract with the lowest acceptable bidder. The bids shall include all charges such as (but not limited to) labor, materials, tools, equipment, fees, taxes, shipping, handling, permits, inspections, and fabrication for the work defined in the lease exhibits. The bids shall also include any architectural and engineering fees. The bids shall be itemized unit cost construction estimates developed by using the Construction Specification Institute (CSI) format, titles, and numbering system. Lump sum cost estimates are not acceptable.
- I. New shell condition: The following items shall be provided by the Lessor and shall not be construed as tenant improvements:
 - 1. Exterior window coverings
 - 2. Capital improvements to the building's core and shell
 - 3. Building's perimeter walls and core walls with drywall finish ready for paint
 - 4. Fire sprinkler main loop including drops and heads

EXHIBIT B – OUTLINE SPECIFICATIONS

DIVISION 1

9. New and renegotiated state leases shall, when economically feasible, include provisions for reporting water use and installation of sub-meters where appropriate.
- N. Submittals: Lessor shall submit shop drawings of product data, as well as samples, to the State for review prior to construction or fabrication.
- O. Material Safety Data Sheet (MSDS): Prior to construction and upon request by the State, Lessor shall provide MSDS of all products or materials used in the maintenance, repair or renovation of the premises.

1.4 CONSTRUCTION AND CODE CRITERIA

- A. Construction documents: The Exhibit "A" Plan or the Exhibit "A" Facility Design Program (written narrative) are design development guidelines only. Lessor shall provide all required construction documents and calculations necessary to obtain a building permit from the local Building Department and to construct the improvements as indicated. The use of the Exhibit "A" Plan in lieu of construction documents is not acceptable to the State.
 1. Prior to submitting construction documents to the local building department for plan check or permitting, Lessor shall submit said construction documents to DGS for review. Any DGS comments to the construction documents shall be construed as advisory only and shall not relieve the Lessor in any respect from full compliance with Exhibits "A," "B" and "C" or any other exhibits.
 2. Lessor's architect, engineers, consultants, and contractors shall have current and valid licenses/certifications issued by the state of California.
 3. During construction of building's core, shell, and/or tenant improvements, Lessor shall maintain at the project site a complete set of lease exhibits consisting of Exhibits "A," "B," "C" and any other exhibits for DGS use.
- B. Fire and Life/Panic Safety: Concurrent with submission to the building department for permitting, Lessor shall submit a complete set of construction documents, including fire sprinkler plans and fire alarm plans, to the local Fire Marshal or authority having jurisdiction for plan check, permits, and inspections. No construction shall commence without approved plans.
- C. Access compliance: Lessor shall ensure that all new work and existing conditions comply with the requirements of California Code of Regulations (CCR) Title 24, California Building Code (CBC), and Americans with Disabilities Act (ADA). State agencies are public entities and shall comply with Title II of the ADA. Exceptions to the code for existing buildings are not permitted. Where CBC requirements conflict or differ with ADA requirements, the most stringent requirement shall take precedence. Access compliance shall apply to exterior areas such as, but not limited to, path of travel to and from public transportation and public right-of-way; parking; passenger drop-off and loading zones; walks and sidewalks; curb ramps; ramps; and all stairs. Access compliance shall also apply to interior areas such as, but not limited to, entrances and exits; lobbies; building common areas; elevators; access lifts; doors and gates; access to and through all rooms and spaces; restrooms; signs and identification; counters; waiting and seating areas; assistive listening systems; drinking fountains; alarms; and horizontal/vertical access. See Exhibit "C" for procedures.
- D. Codes and ordinances: All new work and existing conditions shall comply with all current regulations, laws, and ordinances of the governmental authorities having jurisdiction, as well as the applicable editions of the following codes, including but not limited to:
 1. Title 8 CCR, Industrial Relations
 2. Title 17 CCR, Public Health
 3. Title 19 CCR, Public Safety, State Fire Marshal Regulations
 4. Title 24 CCR, Part 1-Building Standard Administrative Code
 5. Title 24 CCR, Part 2-CBC, Vols. 1 & 2

EXHIBIT B – OUTLINE SPECIFICATIONS

DIVISION 1

Management Agency (FEMA) 352 indicate an investigation of beam-column connections is warranted.

- i) Visible signs of distress or deterioration of structural or nonstructural systems, e.g., excessively cracked and/or spalling concrete walls or foundations, wood dry rot, etc.
3. Certification of the above requirements must be provided by an independent licensed structural engineer at the Lessor's expense.
4. Lessor shall provide and install all hardware required to brace and anchor all storage cabinets, lockers, bookcases, shelving units and similar furnishings 5'-0" or more in height whether provided by State or Lessor, in accordance with seismic design requirements of the code.
- I. Construction waste management:
 1. Items and materials existing in the premises, or to be removed from the premises during the demolition phase, are eligible for reuse in the construction phase of the project. The reuse of items and materials is preferable to recycling them; however, items considered for reuse shall be in refurbished condition and shall meet the quality standards set forth by the State in this Lease. The Lessor shall submit a list of items for reuse and DGS shall make the final determination for acceptance.
 2. Recycling construction waste is mandatory for initial space alterations and tenant improvements under the Lease.
 3. Recycling construction waste means providing all services necessary to furnish construction materials or wastes to organizations that will employ these materials or wastes in the production of new materials. Recycling includes required labor and equipment necessary to separate individual materials from the assemblies of which they form a part.
 4. The Lessor shall recycle the following items during both the demolition and construction phases of the project, subject to economic evaluation and feasibility:
 - a) Ceiling grid and tile
 - b) Light fixtures, including proper disposal of any transformers, ballasts and fluorescent light bulbs
 - c) Duct work and HVAC equipment
 - d) Wiring and electrical equipment
 - e) Aluminum and/or steel doors and frames
 - f) Hardware
 - g) Drywall
 - h) Steel studs
 - i) Carpet, carpet backing, and carpet padding
 - j) Wood
 - k) Insulation
 - l) Cardboard packaging
 - m) Pallets
 - n) Windows and glazing materials
 - o) All miscellaneous metals
 - p) All other finish and construction materials
 5. If any waste materials encountered during the demolition or construction phase are found to contain lead, asbestos, polychlorinated biphenyls (PCBs) (such as fluorescent lamp ballasts), or other harmful substances, they shall be handled and removed in accordance with federal and state laws and requirements concerning hazardous wastes.
 6. In addition to providing "one-time" removal and recycling of large-scale demolition items such as carpeting or drywall, the Lessor shall provide continuous facilities for the recycling of incidental construction waste during the initial construction.

EXHIBIT B – OUTLINE SPECIFICATIONS

DIVISION 1

- D. Lessors shall, when feasible, use filters with a minimum efficiency reporting value (MERV) rating of no less than 11. Existing HVAC systems incapable of accommodating an 11 MERV rating shall use the highest MERV rating that their fan(s) can accommodate.
- E. All HVAC systems above 2,000 cubic feet per minute (cfm) shall be equipped with outdoor airflow measuring stations and be connected to a building energy management system, which shall be programmed to provide audible and visible alarms. For additional HVAC requirements see Division 2.

1.7 HAZARDOUS MATERIALS

- A. Lessor warrants and guarantees that the premises leased to the State will be operated and maintained free of hazard from asbestos, lead, mold, and PCBs.
 - 1. The areas include:
 - a) Premises leased to the State and air plenums in the same HVAC zone.
 - b) Common public areas which state employees or their invitees would normally and/or reasonably use.
 - c) Building maintenance areas, utility spaces, and elevator shafts within or servicing areas described in items (a) and (b) above.
 - 2. Lessor shall be responsible for all costs associated with the abatement of hazardous materials including (but not limited to) the following: cleanup of contaminated State-leased space, State-owned equipment, furnishings and materials and all required monitoring reports. Copies of all air monitoring reports shall be furnished to the State.
 - 3. The State-leased space shall be maintained at or below the permissible exposure levels for all substances regulated under Title 8 California Code of Regulations Section 5155. If it is determined by the State that the tenant must be relocated to prevent exposure above the permissible level, the Lessor shall provide comparable accommodating space at no cost to the State. In addition, the Lessor shall pay for all costs associated with this move including (but not limited to) to: administrative, furniture, communications contracts and equipment costs.
 - 4. In the event that after written notice is provided by the State, the Lessor fails, refuses, or neglects to diligently pursue abatement of any hazardous material, the State may affect such abatement. The State may deduct all reasonable costs of such abatement of hazardous materials from the rent.
 - 5. The Lessor shall indemnify, defend, and hold the state of California, its officers, and employees harmless from and against any and all losses, damages, judgments, expenses (including court costs and reasonable attorney fees), or claims whatsoever, arising out of, or in any way connected with or related to, directly or indirectly, the presence of hazardous materials within the State-leased space or the building in which the leased premises are located.
- B. Asbestos:
 - 1. For buildings constructed prior to January 1, 1979, the Lessor shall provide the State with a current written asbestos survey of the areas listed in Section 1.6. A.1. An independent California Division of Occupational Safety and Health (CalOSHA) Certified Asbestos Consultant shall complete the survey.
 - 2. For buildings constructed after December 31, 1978, and prior to any tenant improvements or major repairs, the Lessor and Lessor's construction contractor are responsible for sampling any suspected asbestos-containing material (ACM) to be disturbed during the project. Where ACM is suspected to be present, the Lessor shall provide the State with a written asbestos survey covering all materials to be disturbed during the project; the survey shall be performed by an independent Lessor-contracted consultant.

EXHIBIT B – OUTLINE SPECIFICATIONS DIVISION 2

DIVISION 2 – DESIGN REQUIREMENTS

For items that are shown with strikethrough (~~strikethrough~~) please refer to Division 3 – Special Provisions for amendments to the requirements.

2.1 FLOOR CONSTRUCTION AND FINISHES

A. Concrete floor:

1. Concrete floor construction is the standard for comparison. Floor of another material may be acceptable provided its use does not produce or transmit sound or vibration to a greater degree than a 4" reinforced concrete slab.
 - a) Lessor shall provide certification that the concrete slab is level and does not exceed a variance of ¼ inch in 10 feet from a true flat plane.
 - b) Where slab is out of compliance, leveling shall be achieved using a high-strength concrete topping compound, i.e., Mapei, Ardex, Inc., K-500, Hacker Ind., Firm Fill 4010, Maxxon, Level-Right, or approved equal material.
2. Concrete floors in janitor closets, mechanical, and/or electrical utility rooms shall be cleaned and treated with epoxy coating. Office areas throughout shall have carpet or other floor covering with 4" high cove base, unless noted otherwise. Floors in toilet rooms shall be of nonabsorbent material impervious to moisture, such as ceramic tile or approved equal, with minimum 4" high cove base. Floor covering shall extend under counters and cabinets. Colors and patterns shall be as selected or approved by State.
3. Prior to the installation of any finish floor material, Lessor shall perform a quantitative moisture test on the concrete slab. The test shall be administered in accordance with the flooring material manufacturer's written guidelines or recommendations. In the event the moisture content exceeds the flooring material manufacturer's recommendation, the Lessor, at Lessor's sole cost and expense, shall provide and install a waterproofing sealer as recommended by the flooring material manufacturer.
4. Exposed concrete floors are not acceptable in toilet rooms, locker rooms or shower rooms.

B. Carpet flooring – General:

1. Lessor shall provide and install carpet and cove base where shown in Exhibit "A." All carpet shall comply with American National Standards Institute (ANSI) NSF 140-2007 Platinum level.
 - a) When requested by DGS, Lessor shall submit carpet samples to DGS for selection. The samples shall be from a minimum of three different manufacturers and consist of a variety of patterns, textures, colors and styles.
 - b) Carpet shall have random graphic pattern loop non-generic branded, 6 or 6.6 nylon face yarn with inherent static control.
 - c) Broadloom loop pile carpet shall have inherent static control capability to assure a maximum 3.5 KV rating at 20 percent relative humidity and 70° F as measured by American Association of Textile Chemists and Colorists (AATCC) Test Method 134.
 - d) Carpet shall be installed according to manufacturer's guidelines. The carpet shall be securely attached; have a firm cushion, pad or backing; and be of level loop, textured loop, level-cut pile, or level-cut/uncut pile texture. The maximum pile height shall be ½ inch.
 - e) The carpet backing shall have a minimum 10-year guarantee against tuft pull and zippering, and surface wear shall not be more than 10 percent within 10 years.
 - f) Carpet adhesives shall be non-toxic, low-odor, solvent-free, and shall not produce toxic vapors or contain carcinogenic materials.

EXHIBIT B – OUTLINE SPECIFICATIONS

DIVISION 2

2. Resilient flooring shall have a coefficient of friction of at least 0.6 per ASTM D 2047. It shall be installed in strict accordance with manufacturer's approved installation instructions using the appropriate recommended 100 percent solvent-free adhesive.
- G. Rubber base requirements:
 1. Lessor shall provide and install cove wall base at all carpet and resilient floor finish areas. Wall base shall be extruded rubber cove, 1/8" thick x 4" high complying with ASTM F-1861. The color shall be selected by DGS.

2.2 EXTERIOR WALLS

- A. Exterior walls, including door and window assemblies, shall be weatherproof. All cracks that allow outside air to penetrate the building's envelope shall be sealed.
- B. Exterior walls shall be insulated to comply with CCR Title 24.

2.3 INTERIOR WALLS, PARTITIONS AND VESTIBULES

- A. Walls and partitions shall be ceiling height unless otherwise noted in Exhibit "A" or Division 3 'Special Provisions.' Subject to code limitations, those indicated as new partitions may be wood or metal stud with plaster or gypsum wallboard or other construction of equal sound transmission coefficient (STC). Provide a minimum STC 32. Demising walls separating State premises and other building tenants shall extend to the underside of structure above and shall be constructed to achieve an STC 50.
- B. Walls of equipment rooms, toilet rooms, conference rooms, hearing rooms, quiet rooms, training rooms, interview rooms, employee break rooms, and where otherwise indicated in Exhibit "A," shall be insulated to prevent transmission of sound or vibration. Wall construction shall achieve a minimum rating of STC 50 as set forth in ASTM E 90.
- C. Furnish and install insulation batts above the finished ceiling on each side of the wall for the entire length of the wall.
- D. Moisture-resistant wainscot of wall tile or other DGS-approved material shall be installed to all plumbing fixture walls and adjacent walls in the toilet rooms. Wall tile shall be a minimum of 4"x 4" glazed ceramic tile unless otherwise noted in Exhibit A. Wainscot shall extend a minimum of 4'-0" above finished floor, unless noted otherwise.
- E. Glazed openings in office partitions shall be set in metal frame assemblies and comply with Consumer Product Safety Commission impact-safety standards.

2.4 ROOF AND INSULATION

- A. Roof shall be weather tight and provided with a suitable drainage system that will effectively dispose of roof water without interfering with the use of premises.
- B. Roof shall be insulated such that the heat transfer values from roof to occupied areas comply with CCR Title 24.

2.5 CEILINGS

- A. Ceilings of office areas including reception, private offices, open office areas, corridors, and office storage areas shall have suspended "T" bar systems with acoustical lay-in tiles or other approved material with equivalent acoustical qualities. Ceiling heights shall be a minimum of 9'-0" and a maximum of 12'-0" unless otherwise approved by DGS.
- B. Where existing "T" bar system with acoustical lay-in tiles are reused, Lessor shall modify ceiling system as necessary to comply with all seismic safety regulations. "T" bar system and ceiling tiles shall be free of all dirt, dust, stains, and damage. Where replacement tiles are installed, all tiles shall be arranged as necessary to provide a uniform appearance in each enclosed space.
- C. Ceilings shall be a flat plane in each room and shall be suspended and finished as follows unless an alternate equivalent is preapproved by the State:
 1. Restrooms and evidence board rooms: Plastered or spackled and taped gypsum board.

EXHIBIT B – OUTLINE SPECIFICATIONS

DIVISION 2

- C. Cabinets shall be of sizes and types as indicated in the Exhibit "A." Base cabinets shall have one row of drawers and one adjustable shelf below with concealed hinged doors, unless noted otherwise. Lessor shall provide a 4" toe space at base cabinets. Upper cabinets shall have two rows of adjustable shelves and hinged doors, unless noted otherwise.
- D. Counter tops shall be finished with plastic laminate or solid surface material. Counter tops shall be self-edged unless otherwise noted. Counter tops with sinks shall be fully formed and have a no-drip edge, and coved splash joint. All counter tops shall have a back and side splash unless otherwise noted. Sinks shall have a sanitary metal rim or be a self-rim stainless steel sink. Other materials may be submitted to the State for approval.
- E. Shelving units shall be a minimum of 3/4" thick white melamine, per AWS. Cover exposed edges with plastic laminate or hardwood edge bound.
- F. Face of millwork shall be high-pressure decorative plastic laminate. NEMA LD-3 grades as required by AWS.
- G. Lessor shall provide cabinet hardware such as (but not limited to): concealed hinges, pulls, catches, shelf rests, standards and brackets, and drawer slides. All hardware shall comply with ANSI A 156.9-01 and Builders Hardware Manufacturers Association.
- H. All millwork shall be installed in accordance with all seismic safety requirements of the code.
- I. Base cabinets containing sinks shall be CBC/ADA access compliant. Unless otherwise noted, Lessor shall provide cabinet doors with attached toe kicks with rubber base to conceal clear space below.

2.9 GYPSUM BOARD FINISH/PAINTING/WALL COVERING/SEALANTS

- A. Gypsum board finish shall be a smooth, blemish-free, level 4 finish and free of tool marks and ridges. Heavily textured wall surfaces are not acceptable.
- B. Water-based paints shall not be formulated with aromatic hydrocarbons, formaldehyde, halogenated solvents, mercury or mercury compounds, or tinted with pigments of lead, cadmium, chromium VI, antimony and their oxides. All architectural paints and coatings shall comply with VOC limits of the California Green Standards Code unless more stringent local limits apply.
- C. All wall texture and paint colors shall be selected and/or approved by DGS.
- D. New surfaces:
 - 1. New partitions without factory finish shall be painted with one coat of primer/sealer and two finish coats of premium quality latex, eggshell paint. Flat paint is not acceptable.
 - 2. Break rooms, toilet rooms, and janitorial closets shall be painted with semi-gloss enamel paint.
 - 3. Paint-grade doors and trim shall be latex semi-gloss enamel paint.
 - 4. Stained or natural finish wood shall be finished with sealer and two coats lacquer. They shall be finished using non-toxic, water-based urethanes or similar environmentally sensitive products.
- E. Existing surfaces:
 - 1. Interior walls and plaster or gypsum board ceilings shall be finished in latex eggshell paint.
 - 2. Heavy textured walls shall be sanded smooth and prepared for a new paint finish.
 - 3. Existing wall coverings shall be removed (unless otherwise noted), wall surface shall be prepared, and receive a new paint finish.
 - 4. Doors and frames shall be refinished to provide a new-looking appearance.
 - 5. HVAC registers and grilles shall be in a newly painted condition. In the event the registers are in poor condition; registers shall be replaced by the Lessor.
 - 6. Stained or natural finished wood shall be refinished with sealer and lacquer.

EXHIBIT B – OUTLINE SPECIFICATIONS DIVISION 2

3. All signage located within the State's premises shall be tactile identification signage with raised letters and raised numbers between 5/8" and 2" high with a width-to-height ratio of between 3:5 and 1:1 and a stroke width-to-height ratio between 1:5 and 1:10. Letters shall be raised 1/32" above the background, sans-serif uppercase characters. Signage shall be installed per current code. Signage for all private offices shall have a clear 3"-4" high x 6" wide x 1/16" thick non-glare lens slide-out.
 - a) Characters and background of signage shall be eggshell, matte, or other non-glare finish.
 - b) Characters shall contrast with their background.
 4. Grade 2 California braille dots shall be raised 1/40" above the background. Braille shall be 1/10th inch on center within each cell and 2/10th inch between cells. Braille dots shall be domed or rounded.
 5. In addition to room identification signage, Lessor shall provide and install tactile exit signs and tactile exit route signs.
 6. Where signs are mounted on glass, such as but not limited to sidelights, furnish and install a blank of equal material, width, height, and background color to the opposite side of said glass.
 7. State of California identification:
 - a) On or near the suite entrance door, the words "STATE OF CALIFORNIA" shall be installed, and shall indicate the name of the State tenant/department/agency and suite numbers and shall include braille and tactile text and numbering.
 - b) Signage shall be building standard and subject to approval by the State. Painted or pressure-sensitive vinyl letters are not acceptable. Provide agency identification in the building directory, where available.
 8. Lessor shall provide "maximum occupancy" signage on the wall above or near the entry door for all conference, meeting, lunch, auditorium and assembly rooms.
 9. Exterior signs (applicable only if building is totally occupied by the State): Lessor shall provide and install exterior signs. Letters shall be of cast aluminum alloy, bronze, black anodized finish or dimensional plastic. Submit samples to DGS for approval. The words "STATE OF CALIFORNIA" and the name of the occupying department, and street address shall be in scale with the building elevation.
 - a) Lessor shall be solely responsible for any additional permits and fees.
- H. Assistive listening devices:
1. Lessor shall provide an assistive listening device system for all meeting, conference, quiet, assembly, and gathering rooms. The system shall comply with all accessibility requirements.
 - a) Occupant load less than 50:

One portable system per floor can be shared between rooms with occupant loads less than 50. The system shall be designed to accommodate the largest room size that is being shared. The portable, wireless FM-based system shall include high output acoustic headset(s) such as the Centrum Motiva PFM 360 (or current model) with disposable ear plugs, neck-loop(s), conference microphones and a lockable charger/accessory carry case large enough to hold all equipment. The system shall be hearing aid compatible. Lessor shall provide signage at reception area indicating that the device is available.
 - b) Occupant load of 50 or more:

Rooms with more than a 50-person occupant load and fixed seating must have a fixed assistive listening device system for 4 percent of the total number of seats in these rooms, but not less than two seats. Lessor shall provide signage inside each room and in the common hallway and/or corridor indicating that the device is available.
- I. Modular systems furniture (MSF):

EXHIBIT B – OUTLINE SPECIFICATIONS DIVISION 2

- c) Flagpoles mounted to building shall extend 14' above building parapet.
- d) Flagpoles shall be equipped with lockable halyard box.
- e) Flagpole and halyard shall be CBC/ADA access compliant.
- f) Flags shall be in scale with building and flagpole.
- g) Lessor shall provide automatic lighting for nighttime illumination.

2.11 LANDSCAPING

Where State is the sole tenant of the building:

- A. Landscape management practices shall prevent pollution by:
 - 1. Employing practices which avoid or minimize the need for fertilizers and pesticides.
 - 2. Prohibiting the use of 2,4-Dichlorophenoxyacetic Acid (2,4-D), herbicide and organophosphates.
 - 3. Composting/recycling all yard waste.
- B. The Lessor shall use landscaping products with recycled content as required by EPA.
- C. If the Lessor satisfies performance of this Lease by new construction, and where conditions permit, the site shall be landscaped with plants that are native or of low water use and are non-invasive to the area.
- D. Lessor should design landscape to survive a drought with reclaimed water whenever possible. Lessor shall maintain and design landscape to:
 - 1. Protect high priority landscape elements, such as trees.
 - 2. Protect all slopes from erosion.
 - 3. Convert conventional spray heads or rotors to drip and/or low-precipitation rate nozzles.
 - 4. Minimum three-inch layer of mulch applied on all exposed soil surfaces or planting areas.
- E. During a declared drought, Lessor shall water low-priority landscapes only to the extent required to control dust and erosion. Trees in lawn areas that provide shade to buildings are high priority. Lessor shall add drip irrigation around the drip line of the tree, or water slowly and deeply with a trickling hose. Lawns should not be fertilized.
- F. Installation of irrigation sub-meters, flow meters, master valves and smart irrigation controllers are recommended. Overhead irrigation shall be scheduled between 8:00 p.m. and 10:00 a.m.

2.12 PLUMBING

- A. Lessor shall furnish and install plumbing fixtures in quantity and type as shown in Exhibit "A" and as required by code. Where State occupies multiple floors, Lessor shall provide accessible toilet rooms on each floor. Lessor shall provide one or more drinking fountains within close proximity to office quarters or as indicated on plan. Drinking fountains shall be CBC/ADA access compliant.
- B. For new installations and whenever plumbing fixtures are being replaced (replacement per floor is required prior to Lease commencement in all instances of nonconformance where the State occupies the full floor):
 - 1. Water closets must conform to U.S. Environmental Protection Agency (EPA) WaterSense, or fixtures with equivalent flush volumes must be utilized.
 - 2. Urinals must conform to EPA WaterSense, or fixtures with equivalent flush volumes must be utilized. Waterless urinals are acceptable.
 - 3. Faucets must conform to EPA WaterSense, or fixtures with equivalent flow rates must be utilized.
- C. Lessor shall provide hot and cold water at each lavatory and sink. Domestic water heaters shall be located not more than 25 feet from furthest point of use unless a hot water recirculation or other temperature maintenance system is provided. Water heaters shall initially deliver water at 110° F.

EXHIBIT B – OUTLINE SPECIFICATIONS

DIVISION 2

- L. Ductwork construction and installation shall conform to the appropriate Sheet Metal and Air Conditioning Contractors' National Association, Inc. (SMACNA) low-velocity or high-velocity duct construction standards. Ductwork shall be concealed or aesthetically compatible with the architectural design of the interior space. Individual supply and return air outlets and ductwork shall be provided in each enclosed area. Undercutting of doors, door grilles, or jumper ducts is not acceptable. Return air shall be conducted through registers connected to ductwork or plenum above ceilings, except as otherwise approved by the State.
- M. Air distribution system shall be equipped with air volume controls and shall be capable of draftless operation at an acceptable noise level while handling the design flow of air. The acceptable noise level shall comply with ASHRAE Handbook - HVAC Applications.
- N. The complete HVAC system shall be checked, adjusted, and balanced. The air balance report shall be submitted to the State upon project completion.
- O. Lessor shall provide vibration isolation supports for all mechanical equipment, piping, and ductwork to prevent transmission of vibration to building structure.
- P. Where the heating design of outdoor temperature is below 35° F, Lessor shall provide one winter night setback thermostat for each HVAC system. The thermostat shall cycle the heating system to maintain 55° F.
- Q. Lessor shall provide automatic-control time clocks (7-day-programmable) or energy management systems (microprocessors) to allow the shutoff and startup of the HVAC equipment according to the State's occupancy schedule. State shall determine maximum daily hours of operation. Lessor shall provide one-hour bypass timers for each HVAC system for after-hours operation.
- R. Indirect evaporative cooling, desiccant dehumidification, and passive solar design measures are acceptable when approved by DGS.

2.14 ENERGY AND ELECTRICAL

- A. Energy efficiency and conservation
 - 1. Reporting Requirement Where the State is the sole tenant:
- B. General electrical requirements:
 - 1. Lessor shall provide electrical engineering and installation of all transformers, main switchboard, subpanels, branch circuits, wiring devices, electrical switching, energy management systems, lighting, receptacles, and control equipment for HVAC systems.
 - 2. Service and metering equipment shall be in accordance with utility company requirements. An Electrical Arc-Flash Hazard Analysis and Short-Circuit and Protective Device Coordination Study shall be performed based on the available fault current from the utility system and contribution from the facilities' motors. Electrical equipment warning labels shall be provided based upon the available arc hazard energy at each piece of electrical equipment. Labels shall comply with the requirements of the California Electrical Code and NFPA 70E.
 - 3. Where electrical service panels are installed to provide service to State premises, Lessor shall provide and install panels with a minimum of 20 percent more circuit capacity than the Lessor's calculated load total.
 - 4. The electrical panels serving the State's premises shall be accessible from the building core or from within the State's quarters. The location of the panels shall be coordinated and approved by DGS prior to installation.
 - 5. All appliances and all energy-consuming devices shall be Energy Star certified by the U.S. EPA.
- C. Power requirements:
 - 1. Duplex convenience outlets shall be 20A, 125V, three-wire grounding type provided in quantities indicated on the Exhibit "A." Lessor shall provide a minimum of two convenience outlets in each private office.

EXHIBIT B – OUTLINE SPECIFICATIONS DIVISION 2

- a) Minimum Color Rendering Index (CRI) of 75 percent
- b) Option of common Color Temperature lamps (CCT) (2700° K through 4100° K)
- c) Minimum power factor of 90 percent
- d) Minimum system efficacy of 60 lumens per watt
- e) Electronic ballast
- f) Maximum Total Harmonic Distortion (THD) of 20 percent
- g) Minimum lamp life of 10,000 hours
- 6. Minimum requirements for LED lighting systems
 - a) Minimum Color Rendering Index (CRI) of 80
 - b) Option of common Color Temperature lamps (CCT) (3000° K through 4100° K)
 - c) Minimum power factor of 90 percent
 - d) Minimum system efficacy of 90 lumens per watt
 - e) Internal LED Driver
 - f) Lamps capable of being dimmed from 100 percent to 0 percent of maximum lighting output
 - g) Minimum lamp life of 50,000 hours
- 7. Pairs of one-lamp or three-lamp recessed fluorescent luminaires and continuous mounted fluorescents that are (1) on the same switch control, (2) in the same area, (3) within 10 feet of each other in accessible ceiling spaces; and (4) do not use electronic ballasts, shall be tandem wired and shall not use single lamp ballasts.
- 8. Where required, lighting panel switches, including exterior lighting, shall have a two-schedule, programmable, seven-day with holiday setting, battery-backup time clock. Time clock operation shall have manual override with a two-hour bypass. Override shall be accessible to the tenant.
- 9. Where exterior illumination is required, Lessor shall provide and install exterior solid-state luminaires that are designed for and exclusively use LED lamp technology. Luminaires shall include integrated controls and the required Backlight, Uplight, and Glare (BUG) ratings based on the Lighting Zone the luminaires are in for accent light and outdoor building security lighting. All building entrances shall be illuminated.
- E. Communication equipment requirements:
 - 1. Lessor shall provide and install all conduits and telephone service cabling from the building's main point of entry to the tenant agency's Telecommunication closet.
 - 2. Lessor shall furnish and install telephone terminal backboard. Backboard shall be 4' x 8' x 3/4" thick, fire-retardant plywood, and painted per code to match adjacent surfaces.
 - 3. Lessor shall furnish and install termination blocks, cable management hardware, and terminate and label all cables at both ends.
 - 4. Lessor shall provide and install all components as required by the telephone service provider's requirements.
 - 5. Unless otherwise noted, Lessor shall furnish and install a complete structured cabling system from the tenant agency's telecommunication closet to the final point of termination. Lessor shall provide all components such as (but not limited to): cabling, cable labels, cable trays, cable management hardware, patch panels, cross connects, patch cords, faceplate, jacks, wall outlets and MSF workstation outlets, as necessary or required for a complete and operational system.
 - 6. Lessor shall provide and install all conduit and outlet boxes with pull-wire.
 - 7. The system shall be tested pursuant to and meet ANSI/TIA/EIA standards.
 - 8. BICSI Certified cabling installers shall perform all work, and shall comply with all ANSI/TIA/EIA cabling standards.
 - 9. The system shall comply with the requirements of the tenant agency's specifications.

EXHIBIT B – OUTLINE SPECIFICATIONS DIVISION 3

DIVISION 3 – SPECIAL PROVISIONS

The following Special Provisions supplement the requirements specified in Divisions 1 and 2. Where Division 3 requirements conflict with Divisions 1 and 2, Division 3 supersedes those requirements.

There are NO SPECIAL PROVISIONS for this Project.

END OF DIVISION 3



EXHIBIT C – ADMINISTRATIVE REQUIREMENTS

PROJECT: OFFICE QUARTERS
AGENCY: Employment Development Department
LOCATION: 500 Inland Center Drive, Suite 508
San Bernardino, CA 92048

PROJECT NO.: 8228
LEASE NO.: 7158-001
DATE: 11.02.2021

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PLANNER: Carrie Gordon

PHONE: 916.375.4169

EMAIL: carrie.gordon@dgs.ca.gov

Confirmation Statement

I/we have read this Exhibit 'C' Administrative Requirements and understand it is incorporated into, and is part of, this lease. I/we have acknowledged each and every page by placing my/our initials on this cover sheet.

Initials _____

- E. The DSA has delegated a component of the access compliance responsibility to RESD for leased facilities. Conforming to DSA delegation, RESD is requiring the Lessor to ensure compliance by utilizing one of the two procedures defined in this document. Refer to Division 3 (below) for specific requirements and procedures.
- F. Public right- of- way access is required for all State leased facilities. If the existing conditions do not meet the required codes and regulations, the design professional (Lessor's architect) must demonstrate and document a diligent effort to request that the authority (having control) over the public right- of- way, makes the necessary modifications to secure right-of-way access. All correspondence shall be documented and provided to the RESD Space Planner for the project file.

End of Division 1

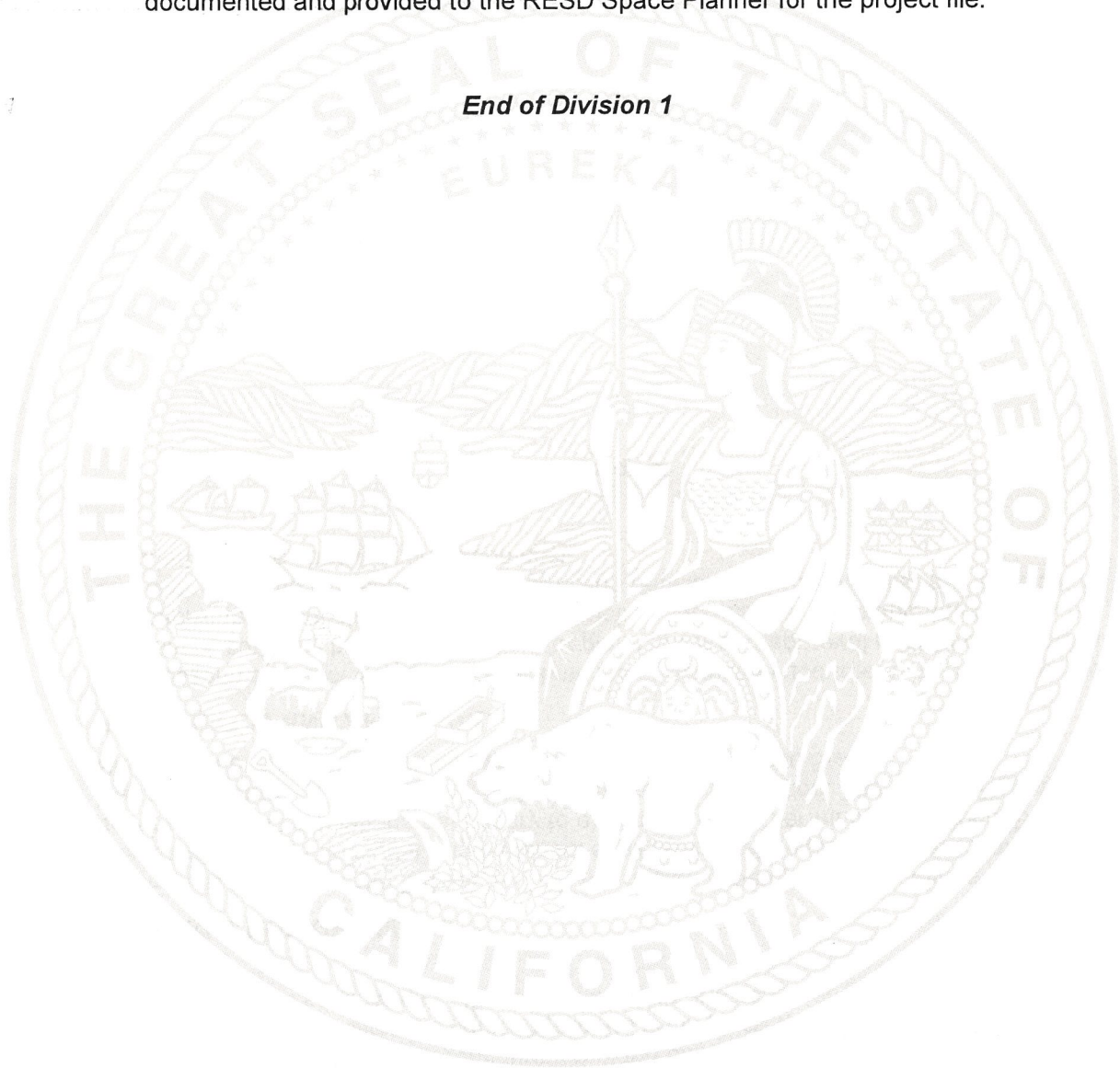


EXHIBIT C – ADMINISTRATIVE REQUIREMENTS

DIVISION 3 – CBC/ADA ACCESS COMPLIANCE PROCEDURE

3.1 GENERAL

- A. In cases where the lessor is in agreement to use the lease paragraph titled "Accessibility Compliance", then full compliance with current accessible building codes and the Americans with Disabilities Act (ADA) is the responsibility of the lessor, therefore, requirements listed in the remainder of this division would not apply to this lease.
- B. To comply with the accessibility requirements and ensure that the facility has complied with all accessibility codes and regulations, the Lessor is required to complete one of the two processes defined below. In each case the RESD Space Planner will remain the primary contact. The facilities are categorized according to size as either Group I or Group II projects. Each category has specific requirements as defined. Group I projects are submitted to RESD and Group II facilities are submitted to DSA for plan review and approval. The Lessor is required to follow the procedure of the applicable process and is responsible for the associated costs.

3.2 FEE REQUIREMENT

- A. The Lessor is required to submit the project fee to RESD for Group I or directly to the DSA regional office for Group II facilities. The RESD Space Planner will calculate the required fee using the CBC/ADA Access Compliance Fee Calculation Form E (attached) and include this in the Exhibit C lease document.

3.3 DETERMINATION OF FACILITY GROUP

- A. The group is determined by the category and the size of the State's net usable leased area. The respective administrative process is defined in the following Sections 3.3 (Group I) and 3.4 (Group II). The Group Types are defined below:

GROUP I:

Building Type:

Existing Office Buildings
Existing Warehouse Buildings
Any Building to be Constructed

Net Usable Square Footage:

Less than 100,000 square feet
Less than 500,000 square feet
Less than 30,000 square feet

GROUP II:

Building Type:

Existing Office Buildings with Alterations
Existing Warehouse Buildings with Alterations
Any Building to be Constructed

Net Usable Square Footage:

100,000 sq. ft. or greater
500,000 sq. ft. or greater
30,000 sq. ft. or greater

Note: Certain Group I projects, at the discretion of the State, may be determined compatible with Group II process regardless of the building size. The RESD Space Planner shall inform the Lessor which process applies to this particular project during lease negotiations.

3.5 GROUP II FACILITY PROCEDURE

The Lessor is required to submit plans and specifications to the **Division of the State Architect (DSA)** for access compliance review and approval. Although the formal process for access compliance plan review and approval is processed through DSA, the DGS RESD Space Planner will continue as the project manager. The Lessor's architect shall inform RESD of the status of plan review/approval from DSA.

For Group II facilities the Lessor's architect is required to complete the requirements outlined in paragraphs A through F below:

Note: See Section 3.3.A. (Group I Facility Procedure) for parameters of survey.

- A. **Construction Drawings and Specifications:** The Lessor is required to retain an architect licensed in the State of California to design and develop plans and specifications in accordance with the lease exhibits and applicable codes and regulations. The Lessor's architect will incorporate all items defined in the accessibility survey into the construction documents. The architect is required to stamp and sign the construction documents.
- B. **Fee Payment:** In accordance with the calculation of fees per the CBC/ADA Access Compliance Fee Calculation Form E (attached), the Lessor shall prepare a check payable to the Division of the State Architect. This check along with a copy of the CBC/ADA Access Compliance Fee Calculation Form E shall be forwarded directly to the appropriate regional DSA office in the submittal package.
- C. **Submittal Package:** The submittals shall be sent to the appropriate DSA regional office. The state is divided into four regions, San Francisco Bay Area, Sacramento, Los Angeles and San Diego. The DSA regional office that will review this project can be confirmed by calling DSA at (916) 445-8100. The submittal package must be complete before the DSA accepts the project for review. Proceed to the DSA website using the link below for instructions on this process:

<https://www.dgs.ca.gov/DSA/Services/Page-Content/Division-of-the-State-Architect-Services-List/Start-Construction-Project-by-Submitting-Plans-for-Review>

Upon receipt of the submittal package, a DSA application number is assigned to the project for tracking purposes. A preliminary review of your submittal is performed within a few days. Plan review is scheduled after DSA verifies that a complete submittal package has been received. The Lessor's architect shall verify the estimated time for this project review with DSA at submittal. The architect shall make the necessary adjustments to the overall project schedule accordingly.

- D. **DSA Plan Approval:** Once approval has been granted by DSA, the Lessor is required to construct the project in compliance with the plans, specifications and lease exhibits. The Lessor shall provide a copy of DSA's letter of approval to the RESD Space Planner. Construction shall not commence until this process has been completed.
- E. **Verified Report:** Following completion of construction, the Lessor's architect shall visit the site to verify that the building and site are in compliance with the DSA approved plans and specifications. The Verified Report Form G (attached) shall be completed and signed by the Lessor's architect. The architect shall forward the Verified Report to RESD Space Planner prior to the final construction inspection by RESD. The project will not be accepted for occupancy prior to receipt of this document.

End of Group II Procedure

End of Division 3

DIVISION 4 – REFERENCE FORMS
DVBE PROGRAM CERTIFICATION SHEET – FORM F
CALIFORNIA DISABLED VETERAN BUSINESS ENTERPRISE
PROGRAM CERTIFICATION SHEET

Lessor must complete and sign to certify if DVBE Participation was or was not obtained

LEASE AMOUNT/DVBE CERTIFICATION

Project No.: 8228

I hereby certify that the Lease Contract Amount, as defined below, is in the amount of

\$_____ of which \$_____ was awarded to a certified

DVBE firm resulting in _____% DVBE participation. I understand that the Lease Contract

Amount is the total dollar figure against which the DVBE participation will be evaluated.

Lessor: _____ Date: _____

Lessor's Signature: _____ Printed Name: _____

DEFINITION: Lease contract amount is the total amount of lease costs expended by the Lessor over the firm term of the lease which are attributable to expenditures by the lessor to make the leased property sufficient for state occupancy. This typically includes, but is not necessarily limited to, tenant improvements, extraordinary maintenance, and janitorial services specified in the lease. In the case of a build-to-suit facility, the total of the construction and off-site development costs, as well as architectural and engineering costs, would be included.

EXHIBIT D

File No.: 7158-001

Project 8228

November 2, 2021

500 Inland Center Drive, Suite 508
San Bernardino, CA 92048

MASTER LEASE dated April 20, 2020

CONSENT TO SUBLEASE see Paragraph 18 of Master Lease dated April 20, 2020

I/we have read this Exhibit "D" and understand it is incorporated into, and is part of, this lease. I/we have acknowledged each and every page by placing my/our initials on this cover sheet.

Initials_____

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

**ORIGINAL**

Contract Number

10-1410

SAP Number

Real Estate Services Department

Department Contract Representative	<u>Terry W. Thompson, Director</u>
Telephone Number	<u>(909) 387-5252</u>
Contractor	<u>WM Inland Investors IV, LP</u>
Contractor Representative	<u>Arun Parmar</u>
Telephone Number	<u>(909) 381-2481</u>
Contract Term	<u>10 years (projected commencement 4/1/2021)</u>
Original Contract Amount	<u>\$6,811,608</u>
Amendment Amount	<u></u>
Total Contract Amount	<u>\$6,811,608</u>
Cost Center	<u>7810001000</u>
GRC/PROJ/JOB No.	<u>61003853</u>
Internal Order No.	<u></u>

Briefly describe the general nature of the contract:

The Lease Agreement is for a lease of certain premises, comprising a total of approximately 24,000 square feet located at 500 Inland Center Drive, Suite 508 for the period of 10 years, which is projected to commence on April 1, 2021 and expire on March 31, 2031, subject to: (i) LANDLORD's substantial completion of the Improvements in accordance with the Improvement Specifications, subject only to minor punchlist items as mutually agreed by the Parties; (ii) COUNTY's receipt of a final certificate of occupancy for the Premises, and if applicable, the Building and the Property, issued by all relevant governmental authorities; and (iii) written confirmation by an authorized agent of COUNTY that the Improvements were completed in accordance with the Improvement Specifications but without waiver as to any defects, representations and warranties, and warranties set forth in the Lease.

FOR COUNTY USE ONLY

Approved as to Legal Form

► Please See Signature Page

Agnes Cheng, Deputy County Counsel

Date _____

Reviewed for Contract Compliance

►

Date _____

Reviewed/Approved by Department

A handwritten signature in blue ink, appearing to read "Jim Miller".

Jim Miller, Real Property Manager, RESD

Date

4-20-2020

LEASE AGREEMENT

BETWEEN

**WM INLAND INVESTORS IV, LP,
a Delaware limited partnership**

AS LANDLORD

AND

COUNTY OF SAN BERNARDINO

AS TENANT

for certain premises at

**500 Inland Center Drive, Suite 508
San Bernardino, CA 92408**

LEASE AGREEMENT

In consideration of the mutual covenants contained in the Lease Agreement ("Lease") and for other good and valuation consideration, the receipt and sufficiency of which is hereby acknowledged by the parties, LANDLORD, as landlord, and COUNTY, as tenant, agree on the terms and conditions set forth in the Lease.

SECTION I – BASIC LEASE PROVISIONS

The following basic lease provisions ("Basic Lease Provisions") are hereby made a part of the Lease and incorporated herein for the purposes of setting forth the meanings of certain terms in the Lease. In the event of any conflict between terms in the Basic Lease Provisions and the provisions in Section II – Lease Provisions, the provisions in Section II – Lease Provisions shall govern.

- | | | |
|----|-------------------|---|
| A. | LANDLORD | WM Inland Investors IV, LP, a Delaware limited partnership |
| B. | COUNTY | County of San Bernardino |
| C. | PROPERTY | Certain real property, comprising the grounds and all improvements thereon (whether now or subsequently existing) located in the City of San Bernardino, County of San Bernardino, commonly known as APN 0136-531-08 |
| D. | BUILDING | The building located on the Property with an address of 500 Inland Center Drive, Suite 508, San Bernardino, CA 92408 |
| E. | PREMISES | A total of approximately 24,000 square feet, comprising (i) Suite 508, located on a portion of the on-grade lower level of the Building, and (ii) an adjacent exterior covered patio, as the Premises are set forth in Exhibit "A" to the Lease |
| F. | PERMITTED USE | General office use |
| G. | ALLOCATED PARKING | 138 non-exclusive parking spaces on the Property and five (5) reserved parking spaces within the parking area on the Property, as the areas for the non-exclusive spaces and reserved spaces are shown on Exhibit "A" to the Lease |
| H. | LEASE TERM | Ten (10) Years, commencing on the Commencement Date and expiring on the Expiration Date unless earlier terminated in accordance with the Lease |
| I. | COMMENCEMENT DATE | The date the latest of all of the following occurs: (i) LANDLORD has substantially completed the Improvements in accordance with the Improvement Specifications, subject only to minor punchlist items as mutually agreed by the Parties; (ii) COUNTY's receipt of a final certificate of occupancy for the Premises, and if applicable, the Building and the Property, issued by all relevant governmental authorities; and (iii) written confirmation by an authorized agent of COUNTY that the Improvements were completed in accordance with the Improvement Specifications (as defined herein) but without waiver as to any defects, representations and warranties, and warranties set forth in the Lease. As of the date this Lease is |

executed the Commencement Date is projected to occur on April 1, 2021 ("**Projected Commencement Date**").

- J. EXPIRATION DATE Ten (10) years from the Commencement Date
- K. MONTHLY RENT FOR PREMISES
- | Period during Lease Term | Monthly Rent | Total Monthly Rent |
|--------------------------|--------------|--------------------|
| Lease Year 1 | \$51,840 | \$622,080 |
| Lease Year 2 | \$52,877 | \$634,524 |
| Lease Year 3 | \$53,934 | \$647,208 |
| Lease Year 4 | \$55,013 | \$660,156 |
| Lease Year 5 | \$56,113 | \$673,356 |
| Lease Year 6 | \$57,236 | \$686,832 |
| Lease Year 7 | \$58,380 | \$700,560 |
| Lease Year 8 | \$59,548 | \$714,576 |
| Lease Year 9 | \$60,739 | \$728,868 |
| Lease Year 10 | \$61,954 | \$743,448 |
- L. OPTION TO EXTEND LEASE TERM COUNTY shall have the right, at its option, to extend the Lease Term for two (2) additional terms of five years each, subject to Paragraph 7 of the Lease
- M. EARLY TERMINATION OPTION If at any time after the expiration of the initial Lease Term, whenever COUNTY, in its sole discretion, determines it would be in COUNTY's best interests to terminate the Lease, COUNTY shall have the right, its option, to terminate the Lease as to the Premises or any portion thereof by providing not less than eighteen (18) months prior written notice to LANDLORD, subject to Paragraph 8
- N. IMPROVEMENTS LANDLORD shall, at its sole cost and expense, complete the Improvements in accordance with the Exhibit "B", Improvement Work Letter, Exhibit "B-1" Improvement Specifications, and this Lease on or before the Projected Commencement Date
- O. LANDLORD'S NOTICE ADDRESS WM Inland Investors IV LP
500 Inland Center Drive
San Bernardino, CA 92408
Attention: Center Manager
- With a copy of notices to:
Wm Inland Investors IV LP
P.O. Box 2172
401 Wilshire Boulevard, Suite 700
Santa Monica, CA 90407
Attn: Correspondence Routing System/Legal Department

P. COUNTY'S
NOTICE
ADDRESS

County of San Bernardino
Attn: Real Estate
Services Department
385 N. Arrowhead Avenue, Third Floor
San Bernardino, CA 92415

with a copy to:
County of San Bernardino
Attn: Workforce Development Department
290 North "D" Street
San Bernardino, CA 92401

Q. EXHIBITS

Exhibit "A"	Depiction of Premises, Expansion Space, Allocated Parking, Exterior Signage and Center Court
Exhibit "B"	Improvement Work Letter
Exhibit "B-1"	Improvement Specifications
Exhibit "C"	Commencement Date Certificate
Exhibit "D"	Custodial Service Requirements
Exhibit "E"	Form of Estoppel Certificate
Exhibit "F"	Form of Subordination, Non-disturbance, and Attornment
Exhibit "G"	List of Former County Officials
Exhibit "H"	Prevailing Wage Requirements

SECTION II – LEASE PROVISIONS

1. **PARTIES.** The parties to the Lease are LANDLORD, as landlord, and COUNTY, as tenant (each a "Party" and collectively, "Parties"), as each Party is set forth in the Basic Lease Provisions. LANDLORD represents and warrants to COUNTY that LANDLORD is the legal owner with sole fee simple title to the Property, including, but not limited to, the Premises, and has the right to enter into the Lease without consent or approval from any other party or parties. In the event of a breach of the foregoing representation and warranty, COUNTY shall have the right to terminate the Lease with immediate effect upon written notice to LANDLORD and LANDLORD shall 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 shall survive the expiration or earlier termination of the Lease.

2. **PREMISES.** LANDLORD leases to COUNTY and COUNTY leases from LANDLORD the Premises as set forth in the Basic Lease Provisions for the duration of the Lease Term, including any extensions thereof. The Parties acknowledge and agree that the Premises shall not be re-measured during the Lease Term nor during any extensions thereof. Along with its lease of the Premises, COUNTY shall have the right to access and use the Allocated Parking at no additional cost or expense to COUNTY for the duration of the Lease Term and any extensions thereof. COUNTY shall further have the right to access and use all common areas meaning those areas located within the Building or on the Property ("Common Areas") at no additional cost or expense to COUNTY for the duration of the Lease Term and any extensions thereof.

3. **TERM.** The Lease Term shall commence on the Commencement Date and expire on the Expiration Date as set forth in the Basic Lease Provisions unless earlier terminated in accordance with the terms of the Lease. In the event that the Commencement Date is subject to Improvements to be completed by a Projected Commencement Date, the Parties shall execute a Commencement Date Certificate substantially in the form of Exhibit "C," attached hereto and incorporated herein by reference, to confirm the occurrence of the actual Commencement Date, the actual Expiration Date, and any other pertinent terms of the Lease. COUNTY shall prepare the Commencement Date Certificate and LANDLORD shall execute and return said certificate within ten (10) days after its receipt from COUNTY. If LANDLORD does not timely execute and return said certificate, LANDLORD shall be deemed to have accepted all of the terms of the Lease as confirmed in the Commencement Date Certificate prepared by COUNTY. COUNTY's Director of the Real Estate Services Department ("RESD") shall have the authority on behalf of COUNTY to execute said certificate but only if the occurrence of the actual Commencement Date does not exceed ninety (90) days from the Projected Commencement Date.

4. **RENT.** COUNTY shall pay to LANDLORD, in arrears on or before the last day of each calendar month during the Lease Term, the Monthly Rent for the Premises in accordance with the rent schedule set forth in the Basic Lease Provisions but subject to any deductions, offsets, and adjustments that are permitted under the Lease. Monthly Rent for the Premises during any partial calendar month during the Lease Term shall be pro-rated based on the actual number of days the Premises is occupied by COUNTY in said month. LANDLORD agrees to accept all Monthly Rent for the Premises and other payments due from COUNTY to LANDLORD under the Lease via electronic payments directly deposited to LANDLORD's designed bank account. LANDLORD shall complete any and all COUNTY standard forms and provide all information required by COUNTY to process such electronic payments. In addition, on or before the date LANDLORD executes the Lease, LANDLORD shall register with COUNTY's then current electronic procurement system.

5. **PERMITTED USE.** COUNTY shall have the right to use the Premises for the Permitted Use set forth in the Basic Lease Provisions and shall have access to the Premises, the Building, and the Property 24 hours a day and seven days a week.

6. **EXPANSION SPACE OPTIONS.**

A. **Right of First Refusal.** Subject to any pre-existing rights granted by LANDLORD, COUNTY shall have the recurring right of first refusal during the Lease Term and any extensions thereof to lease space that is

available or becomes available within the Building and located adjacent to the Premises and designated as "Expansion Area" on the attached Exhibit "A". Prior to LANDLORD's execution of any lease with a third party for the Expansion Space, LANDLORD shall provide written notice to COUNTY of LANDLORD's intent to lease the subject Expansion Space. If COUNTY opts to exercise its right of first refusal, COUNTY shall provide written notice to LANDLORD within thirty (30) days after receipt of LANDLORD's written notice as to all or a portion of the subject Expansion Space COUNTY intends to lease. The parties shall thereafter promptly execute an amendment to the Lease to add the subject Expansion Space to the Premises on the same terms and conditions as the Lease, provided that the Lease Term for the subject Expansion Space shall, at the option of COUNTY, be co-terminous with the then current Lease Term for the Premises.

B. Right of First Offer for Expansion Space. Subject to any pre-existing rights granted by LANDLORD, COUNTY shall have the recurring right of first offer during the Lease Term and any extensions thereof to lease the Expansion Space or any portion thereof on the same terms and conditions as the Lease, provided that the Lease Term for the subject Expansion Space shall, at the option of COUNTY, be co-terminous with the then current Lease Term for the Premises. If COUNTY opts to exercise its right of first offer, COUNTY shall provide written notice to LANDLORD for the subject Expansion Space and the parties shall thereafter promptly execute an amendment to the Lease to add the subject Expansion Space to the Premises.

7. OPTION TO EXTEND LEASE TERM.

A. COUNTY shall have the Option to Extend Lease Term as to the Premises or any portion thereof for the number of option terms ("Option Terms") and the period of time during each option term set forth in the Basic Lease Provisions on the same terms and conditions as the Lease, except the Monthly Rent for the Premises. COUNTY shall not be required to exercise the Option Terms consecutively and COUNTY may opt to exercise one or multiple Option Terms at once. To exercise Option Terms, COUNTY shall provide LANDLORD with written notice no later than three hundred sixty-five (365) days prior to the expiration or earlier termination of the then current Lease Term or during any Holdover Period (as later defined).

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 three (3) 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.

C. The good faith negotiations and arbitration used to determine FMV Rent pursuant to Paragraph 7.B shall be guided by the fact that the monthly rent in Paragraph 4, RENT, includes amounts for base rent and amortized costs for improvements made by LANDLORD pursuant to this Lease, including but not limited to Exhibit "B" and Exhibit "B-1" Improvement Specifications. All improvements made by the LANDLORD pursuant to Exhibit "B" and Exhibit "B-1" will have been fully paid for within the Initial Term and no further payment for said improvements shall be made by COUNTY during any extended term. The negotiated/arbitrated FMV Rent during an extended term shall be based upon the base rental rate for the Premises and shall not include any amount for the improvements made by LANDLORD pursuant to Exhibit "B" and Exhibit "B-1"

8. EARLY TERMINATION OPTION. COUNTY shall have the Early Termination Option as set forth in the Basic Lease Provisions. COUNTY's RESD Director shall have the authority on behalf of COUNTY to provide

LANDLORD with notice of any termination pursuant to this paragraph. In the event COUNTY terminates the Lease as to the Premises or any portion thereof pursuant to this paragraph, LANDLORD shall only have the right to receive from COUNTY the Monthly Rent or other sums due which will have been earned under the Lease for the Premises or portion thereof through the effective termination date and for no other amounts. For avoidance of doubt, provided that the required notice is given, a termination pursuant to this paragraph is not required to be at the end of a calendar month in order to be effective.

9. **HOLDOVER.** In the event that COUNTY continues to occupy the Premises after the expiration or earlier termination of the Lease Term, COUNTY's tenancy shall be on a month-to-month term ("Holdover Period") on the same terms and conditions as the Lease, including, but not limited to, the Monthly Rent for the Premises in effect as of the expiration or earlier termination of the Lease. Notwithstanding anything to the contrary in the Lease, either Party shall have the right to terminate the Lease during the Holdover Period by providing not less than ninety (90) days prior written notice to the other Party.

10. **TAXES.** LANDLORD shall, at its sole cost and expense, pay, prior to delinquency, any and all real property taxes and general and special assessments levied and assessed against the Premises, the Building, and the Property and all improvements thereon.

11. **UTILITIES.**

A. Subject to reimbursement by COUNTY for any Excess Electric Utility Expenses (as later defined), LANDLORD shall furnish to the Premises, the Building, and the Property and pay all service charges and related taxes for electric, gas, water, sewer, trash, fire alarm service and all other utilities. COUNTY shall furnish and pay for vending machines and its own telephone service including pay telephones in the Premises. COUNTY shall have the option to provide security services for the interior of the Premises for COUNTY's own purposes, which security services, if opted by COUNTY, shall not alter LANDLORD's obligations in Paragraph 13, MAINTENANCE.

B. **Excess Electric Utility Expenses.**

- i. **Electric Utility Expense.** LANDLORD shall pay for all direct charges and related taxes due to COUNTY's electric usage at the Premises ("Electric Utility Expenses"), which are invoiced to LANDLORD by the electric utility company on a monthly basis for each twelve month period during the Lease Term, commencing from the Commencement Date ("Lease Year"). LANDLORD shall deduct from the Electric Utility Expenses any and all credits, rebates, or other offsets given by the electric utility company to LANDLORD but LANDLORD shall not increase the Electric Utility Expense due to any late fees, penalties, or interest payable by LANDLORD to the electric utility company. On or before the Commencement Date, the parties shall jointly read the electric meter for the Premises to establish the point at which Electric Utility Expenses for the Premises start to accrue.
- ii. **Electric Utility Expense Cap.** LANDLORD shall pay the Electric Utility Expenses for the Premises but in the event that the Electric Utility Expenses exceed the Electric Utility Expense Cap as hereinafter defined, COUNTY shall reimburse LANDLORD for such excess pursuant to Paragraph 11.B.iii. The term "Electric Utility Expense Cap," as used in this paragraph, shall mean the maximum amount payable by LANDLORD for the Electric Utility Expenses for a Lease Year. The Electric Utility Expense Cap for the initial Lease Year, commencing as of the Commencement Date, shall be Forty Eight Thousand and 00/100 Dollars (\$48,000.00), which cap shall be increased annually by two percent (2%) at each anniversary of the Commencement Date.
- iii. **Excess Electric Utility Expenses.** For each Lease Year where the Electric Utility Expenses for the subject Lease Year exceeds the Electric Utility Expense Cap for the subject Lease

Year, COUNTY shall reimburse LANDLORD for such excess costs ("Excess Electric Utility Expenses").

- iv. Reconciliation Statement. Not later than thirty (30) days following the end of each Lease Year or the earlier termination of the Lease, LANDLORD shall provide COUNTY with a written reconciliation statement, along with all supporting invoices and any other documents requested by COUNTY, setting forth the Electric Utility Expenses for the subject Lease Year, the Electric Utility Expense Cap for the subject Lease Year, and any Excess Electric Utility Expenses reimbursable by COUNTY for the subject Lease Year. In the event COUNTY approves said statement, COUNTY shall pay to LANDLORD the Excess Electric Utility Expenses. Failure by LANDLORD to provide a written reconciliation statement for Excess Electric Utility Expenses for any Lease Year or to provide COUNTY with invoices or other supporting documents to verify said excess shall be deemed to be LANDLORD's waiver of any and all Excess Electric Utility Expenses for the subject Lease Year. The provision of this paragraph shall survive the expiration or earlier termination of the Lease.
- v. Audit Rights. COUNTY shall have the right to audit LANDLORD's records concerning the Electric Utility Expenses and LANDLORD's calculation of the Excess Electric Utility Expense payable by COUNTY for one or more Lease Years. If an audit demonstrates that a discrepancy of five percent (5%) or more between the Excess Electric Utility Expenses paid by COUNTY for the subject Lease Year(s) and the Excess Electric Utility Expense that should have been paid by COUNTY as demonstrated by the audit for the subject Lease Year(s), at COUNTY's option, LANDLORD shall reimburse COUNTY for such discrepancy and pay for the actual cost of said audit (including but not limited to the value of COUNTY's employee and staff time and equipment used) or COUNTY shall have the right to deduct the amount of said discrepancy and the actual cost of the audit (including but, not limited to, the value of COUNTY's employee and staff time and any equipment used) against the Monthly Rent payable for the Premises until such time that the amounts due to COUNTY have been fully reimbursed.

C. Interruptions. In the event of any interruption of any utilities provided to the Premises, the Building, or the Property and COUNTY determines, in its sole discretion, that COUNTY is unable access the Premises or the Allocated Parking or unable to conduct its operations at the Premises as a result of such interruption, LANDLORD shall immediately restore the affected utility service(s) and Monthly Rent shall be abated for the duration of the interruption in proportion to the Premises or portion thereof that is inaccessible or unusable by COUNTY to conduct its operation and COUNTY shall have the right to deduct the abated amount from the Monthly Rent and other sums next due for the period from the date the interruption commenced until such time that the affected utility is fully restored.

12. LEGAL COMPLIANCE.

A. Compliance with Laws. As a condition precedent to COUNTY's obligations under the Lease, (i) the Premises, and the Allocated Parking 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 public transportation to the Premises pursuant to California Title 24 requirements; (iii) all improvements in or on the Premises, and the Allocated Parking (whether constructed by LANDLORD, prior tenants, or any third party) 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 Allocated Parking. LANDLORD covenants that LANDLORD shall, at its sole cost and expense, maintain the Premises, and the Allocated Parking in compliance with all applicable Laws for the duration of the Lease Term and any extensions thereof. Additionally, LANDLORD covenants that in the event that the Premises and the Allocated Parking do not comply with all applicable Laws as of the Commencement Date or at any time thereafter, LANDLORD, at its sole cost and expense, is required to remedy such non-compliance. LANDLORD represents and warrants to COUNTY that the foregoing is true and accurate as of the Commencement Date. In the event of a breach of the foregoing representations, warranties, or covenants herein with respect to the Premises or the Allocated Parking, LANDLORD, at its cost and sole expense, is required to remedy such non-compliance. LANDLORD further acknowledges and agrees that LANDLORD (and without obligation or responsibility of COUNTY) is subject to applicable Laws for the remainder of Building and the Property, including all improvements thereon, provided that if any non-compliance of the remainder of the Building and the Property impacts COUNTY's access to the Premises or the Allocated Parking or COUNTY's ability to provide services at the Premises, LANDLORD shall, at its cost and sole expense, promptly remedy any non-compliance with Laws with respect to the remainder of the Building and the Property. LANDLORD shall 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 LANDLORD's breach of its obligations in this Paragraph 12.A. 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.

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.

13. HAZARDOUS SUBSTANCES.

A. LANDLORD hereby represents and warrants to COUNTY that, as of the Commencement Date: (i) the Premises, the Building, and the Property have not been exposed to Hazardous Substances and are free of all Hazardous Substances; (ii) neither LANDLORD nor any existing or former tenants or occupants at the Property were or are in violation of or subject to an existing, pending or threatened investigation by any governmental authority under any applicable local, state, and federal law, regulation, ordinance or other legislation pertaining to air, water, or soil quality or the handling, transportation, storage, treatment, usage or disposal of Hazardous Substances; (iii) any handling, transportation, storage, treatment, usage, or disposal of Hazardous Substances at the Premises, the Building, and the Property has been or are in compliance with applicable laws; and (iv) no reportable use has occurred on the Premises, the Building, and the Property and the vapor, groundwater and soil on or under the Premises, the Building, and the Property is free of Hazardous Substances.

B. LANDLORD shall indemnify, defend (with counsel reasonably approved by COUNTY), protect, and hold harmless COUNTY and its officers, employees, agents, and volunteers and the Premises, from any and all claims, actions, losses, damages, judgments, costs, expenses, penalties, and/or liability, including, but not limited to, attorneys' and consultant's fees, arising out of or related to the existence of any Hazardous Substances located in, on, under, or about the Premises, the Building, and the Property occurring: (i) prior to the Commencement Date and (ii) during the Lease Term to the extent not directly and solely caused by COUNTY. Additionally, the issuance of an order by any governmental authority directing LANDLORD or any of LANDLORD's other tenants or occupants on the Property to cease and desist any illegal action in connection

with a Hazardous Substance, or to remediate a contaminated condition caused by LANDLORD or any person acting under LANDLORD's direct control and authority is a default of the Lease, and LANDLORD shall be responsible for all costs and expenses of complying with such order, including any and all expenses imposed on or incurred by COUNTY in connection with or in response to such order. LANDLORD's obligations under this paragraph shall include, but shall not be limited to, the effects of any contamination or injury to person, property or the environment created or suffered by COUNTY, and the cost of investigation, removal, remediation, restoration and/or abatement thereof. LANDLORD's obligations under this provision shall survive the expiration or early termination of the Lease. No termination, cancellation or release agreement entered into by COUNTY and LANDLORD shall release LANDLORD from its obligations under the Lease with regard to Hazardous Substances unless specifically agreed to by COUNTY in writing. LANDLORD's indemnity obligation shall survive the expiration or earlier termination of the Lease.

C. For the purposes of this paragraph, the following definitions shall apply:

i. "Hazardous Substance," as used in the Lease, shall mean any product, substance, material, or waste whose presence, use, manufacture, disposal, transportation, or release, either by itself or in combination with other materials expected to be on the Premises, is either: (a) potentially injurious to the public health, safety or welfare, the environment or the Premises, the Building, or the Property; (b) regulated or monitored by any governmental authority; or (c) a basis for potential liability of LANDLORD or COUNTY under any applicable statute or common law theory.

ii. "Reportable use" shall mean: (a) the installation or use of any above- or below-ground storage tank; (b) the generation, possession, storage, use, transportation or disposal of a Hazardous Substance that requires a permit from, or with respect to which a report, notice, registration or business plan is required to be filed with any governmental authority and/or (c) the presence at the Premises, the Building, or the Property of a Hazardous Substance with respect to which any Applicable Requirements requires that a notice be given to persons entering or occupying the Premises, the Building, the Property or neighboring properties.

iii. The term "applicable requirements" shall be deemed to refer to all applicable laws, covenants or restrictions of record, building codes, regulations and ordinances.

14. **ALTERATIONS.** COUNTY shall not make any structural or exterior improvement or alterations to the Premises during the Lease Term without LANDLORD's prior written consent. If LANDLORD does not respond within thirty (30) days after COUNTY's request for consent for any structural or exterior improvements or alterations, LANDLORD shall be deemed to have approved COUNTY's request. Upon the expiration or earlier termination of the Lease, such improvements or alterations shall be surrendered along with the Premises and COUNTY shall have no removal or restoration obligation except that COUNTY shall return the Premises in as good a condition as received on the Commencement Date of the initial Lease Term, reasonable wear and tear excepted; and COUNTY will remove all unattached fixtures, furniture and equipment, and repair any damage caused by the removal thereof.

15. **FIXTURES.** COUNTY shall have the right to install shelving and fixtures and make interior, non-structural improvements or alterations in the Premises during the Lease Term without LANDLORD's prior consent. Such shelving, fixtures, improvements, and alterations shall remain the property of COUNTY during the Lease Term, and may, at COUNTY's option, in its sole discretion, either: (i) be removed during the Lease Term or upon the expiration or earlier termination of the Lease or within sixty (60) days thereafter without the payment of Monthly Rent or other sums, provided that COUNTY restores any damage caused by such removal; or (ii) be surrendered along with the Premises, in which case, COUNTY shall have no removal or restoration obligation. COUNTY shall have the right, at its options to install at the Premises, telephone and data cabling, a security system (if COUNTY opts to install said system for the interior of the Premises), and vending machines.

16. **SIGNS.** COUNTY shall at no additional cost to COUNTY, have the right to install any signage, including, but not limited to: (i) in the interior of the Premises, including those that may be visible from outside the Premises; (ii) at or near the entry to the Premises, including those that may be located outside of the Premises but inside

the Building; (iii) in the Building directory and in the Building lobby; and (iv) on the exterior of the Building or the Property, including the exterior sign specified on Exhibit "A", provided that such exterior signage complies with applicable laws and is approved by LANDLORD. If LANDLORD does not respond within thirty (30) days after COUNTY's request for consent for exterior signage, LANDLORD shall be deemed to have approved COUNTY's request. Without limiting the effect of the foregoing, COUNTY shall have the right to one (1) panel (both sides) on the pylon sign owned by LANDLORD, located at the intersection of I-215 and Inland Center Drive, and shown on Exhibit "A", in a position on the pylon sign to be assigned by LANDLORD, in its sole discretion, and at LANDLORD's cost. In addition, COUNTY shall have the right to a position on three (3) Property entrance monument signs and directional "wayfinding" signage, which shall be installed by LANDLORD prior to the Commencement Date, and used for identification of tenants, in locations to be assigned by LANDLORD, in its sole discretion, and at LANDLORD's cost. Notwithstanding anything in the foregoing, unless COUNTY assigns the Lease, COUNTY shall not have the right to assign, sublease or otherwise transfer its rights with regard to the pylon sign, monument signs, or directional "wayfinding" signage, to any third party without Landlord's prior approval, which Landlord may grant or withhold at its sole discretion.

17. **MAINTENANCE & 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 water-tight; except that the COUNTY will be responsible for the installation, maintenance and repair of the following County systems: the computer systems, networking, data cabling, security systems and card reader systems ("County Systems"). During the Lease Term, including any extensions thereof, LANDLORD shall, at its sole cost and expense, 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:

i. 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,

ii. All systems of the Premises, the Building, and the Property inclusive of all components thereto and regardless of where situated on the Property, but expressly excluding the County Systems as defined in Paragraph A above, 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

iii. 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 upon written request by the COUNTY, provided that such request shall not occur more than once every two years thereafter unless a certificate is requested as a result of Landlord's repairs obligations herein) and replacing all filters on a quarterly basis; and

iv. 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

v. 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. Without limiting the effect of the foregoing, prior to the Commencement Date, LANDLORD shall seal, repair where necessary, and restripe the parking areas located directly in front of the Building where the Premises are located, as said area is more specifically shown on Exhibit "A"; and

vi. 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; except that the COUNTY shall be responsible for maintaining, repairing, and replacing the Cubicles (as defined in Exhibit "B") installed by LANDLORD at all times during the Lease Term, including any extensions thereof;

vii. Custodial, janitorial, and pest control services for the Premises (in accordance with Exhibit "D", attached hereto and incorporated herein by reference), the Building, and the Property; including, but not limited to, due to vandalism; and

viii. At any time on or after the seventh (7th) anniversary of the Commencement Date, at COUNTY's election, in its sole discretion, LANDLORD shall either: (i) replace, at LANDLORD's sole cost and expense, the carpet throughout the entire Premises, meeting the same criteria as specified in Exhibit "B-1", Improvement Specifications, within ninety (90) days after COUNTY's election; or (ii) provide COUNTY with credit against the Monthly Rent ("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 carpet vendors approved by 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 the replacement of the carpet throughout the entire 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.

ix. At any time on or after the fifth (5th) 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-1", Improvement Specifications, within ninety (90) 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 approved by 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 three (3) years has elapsed since the date of COUNTY's immediately preceding election.

B. LANDLORD shall engage licensed and bonded contractors to perform LANDLORD's maintenance and custodial obligations in the Lease, which services shall be performed in a good and workmanlike manner. With respect to the Premises, LANDLORD's maintenance and custodial obligations shall be performed at times during COUNTY's regular business hours that are approved in writing by COUNTY. 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. If: (i) COUNTY requests maintenance 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, 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 five (5) 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 that any maintenance, repair, or replacement by LANDLORD causes, as determined by COUNTY in its sole 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, 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 sole 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 and custodial obligations as set forth in the Lease, and COUNTY hereby acknowledges that Macerich Management Company LANDLORD's property manager as of the Commencement Date. 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 and daily to ensure compliance with LANDLORD'S custodial obligations. COUNTY reserves the right to review the selection of the property management company and to review the engagement agreement.

18. **ASSIGNMENT AND SUBLEASE**. COUNTY shall have the right to assign the Lease or sublease the Premises or any portion thereof with LANDLORD's prior written consent, which consent shall not be unreasonably withheld, delayed, or conditioned. Notwithstanding anything to the contrary in the foregoing or elsewhere in the Lease, at any time during the Lease Term, COUNTY shall have the right to assign the Lease, sublease the Premises or a portion of thereof, or share occupancy of the Premises or any portion thereof with any one or more national, state, or local governmental agency without LANDLORD's prior written consent and without prior notice to LANDLORD except that notice shall be provided for any assignment to a national, state, or local governmental agency. In the event of any assignment, subleasing, or shared occupancy, whether with any national, state, or local governmental agency or agencies or not, LANDLORD shall not have the right to share in any rents that exceed the Monthly Rent or to recapture the Premises or any portion thereof.

19. **INDEMNIFICATION**. LANDLORD agrees to 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 the Lease from any cause whatsoever, including the acts, errors or omissions of any person and for any costs or expenses incurred by COUNTY on account of any claim except where such indemnification is prohibited by law. This indemnification provision shall apply regardless of the existence or degree of fault of Indemnities. LANDLORD's indemnification obligation applies to COUNTY's "active" as well as "passive" negligence but does not apply to COUNTY's "sole negligence" or "willful misconduct" within the meaning of Civil Code Section 2782. The provision of the Lease shall survive the expiration or earlier termination of the Lease.

20. **INSURANCE REQUIREMENTS AND SPECIFICATIONS**.

A. COUNTY is a self-insured public entity for purposes of general liability and workers' compensation

B. LANDLORD agrees to provide insurance set forth in accordance with the requirements herein. If LANDLORD uses existing coverage to comply with these requirements and that coverage does not meet the specified requirements, LANDLORD agrees to amend, supplement or endorse the existing coverage to do so. The type(s) of insurance required is determined by the scope of the Lease.

Without in anyway affecting the indemnity herein provided and in addition thereto, LANDLORD shall secure and maintain throughout the Lease Term the following types of insurance with limits as shown:

i. **Workers' Compensation/Employers Liability** – A program of Workers' Compensation insurance or a state-approved, self-insurance program in an amount and form to meet all applicable requirements of the Labor Code of the State of California, including Employer's Liability with \$250,000 limits covering all persons including volunteers providing services on behalf of LANDLORD and all risks to such persons under the Lease.

If LANDLORD has no employees, it may certify or warrant to COUNTY that it does not currently have any employees or individuals who are defined as "employees" under the Labor Code and the requirement for Workers' Compensation coverage will be waived by COUNTY's Director of Risk Management.

If LANDLORD is a non-profit corporation, organized under California or Federal law, volunteers for LANDLORD are required to be covered by Workers' Compensation insurance.

ii. **Commercial/General Liability Insurance** – LANDLORD shall carry General Liability Insurance covering all operations performed by or on behalf of LANDLORD providing coverage for bodily injury and property damage with a combined single limit of not less than one million dollars (\$1,000,000), per occurrence. The policy coverage shall include:

- a. Premises operations and mobile equipment.
- b. Products and completed operations.
- c. Broad form property damage (including completed operations).
- d. Explosion, collapse and underground hazards.
- e. Personal injury
- f. Contractual liability.
- g. \$2,000,000 general aggregate limit.

iii. **Commercial Property Insurance** providing all risk coverage for the Premises, Building, fixtures, equipment, including the Cubicles to the extent the Cubicles are the property of LANDLORD pursuant to Exhibit B, Paragraph 7 and all property constituting a part of the Premises. Coverage shall be sufficient to insure One Hundred percent (100%) of the replacement cost.

iv. Automobile Liability Insurance – Primary insurance coverage shall be written on ISO Business Auto coverage form for all owned, hired and non-owned automobiles or symbol 1 (any auto). The policy shall have a combined single limit of not less than one million dollars (\$1,000,000) for bodily injury and property damage, per occurrence.

If LANDLORD is transporting one or more non-employee passengers in relation to the Lease, the automobile liability policy shall have a combined single limit of two million dollars (\$2,000,000) for bodily injury and property damage per occurrence.

If LANDLORD owns no autos, a non-owned auto endorsement to the General Liability policy described above is acceptable.

v. Umbrella Liability Insurance - An umbrella (over primary) or excess policy may be used to comply with limits or other primary coverage requirements. When used, the umbrella policy shall apply to bodily injury/property damage, personal injury/advertising injury and shall include a “dropdown” provision providing primary coverage for any liability not covered by the primary policy. The coverage shall also apply to automobile liability.

C. If LANDLORD performs any construction of the Premises on behalf of COUNTY, LANDLORD shall also procure and maintain coverages as follows:

i. For construction contracts for projects over One Million Dollars (\$1,000,000) and less than Three Million Dollars (\$3,000,000) require limits of not less than Three Million Dollars in General Liability and Auto Liability coverage.

ii. For construction contracts for projects over Three Million Dollars (\$3,000,000) and less than Five Million Dollars (\$5,000,000) require limits of not less than Five Million Dollars (\$5,000,000) in General Liability and Auto Liability coverage.

iii. For construction contracts for projects over Five Million Dollars (\$5,000,000) and less than Ten Million Dollars (\$10,000,000) require limits of not less than Ten Million Dollars (10,000,000) in General Liability and Auto Liability coverage.

iv. LANDLORD agrees to require all parties, subcontractors, or others, including, but not limited to, architects, it hires or contracts with in relation to the Lease to provide insurance covering the operations contracted by LANDLORD under this Lease with the requirements in this Paragraph 20, (including, but not limited to, waiver of subrogation rights) and naming COUNTY as an additional insured. LANDLORD agrees to monitor and review all such coverage and assumes all responsibility ensuring that such coverage is provided as required here.

v. Course of Construction/Installation (Builder's Risk) property insurance providing all risk, including theft coverage for all property and materials to be used on the project. The insurance policy shall not have any coinsurance penalty.

D. Additional Insured – All policies, except for the Workers' Compensation, shall contain endorsements naming COUNTY and its officers, employees, agents and volunteers as additional insureds with respect to liabilities arising out of the Lease. The additional insured endorsements shall not limit the scope of coverage for COUNTY to vicarious liability but shall allow coverage for COUNTY to the full extent provided by the policy. Such additional insured coverage shall be at least as broad as Additional Insured (Form B) endorsement form ISO, CG 2010.11 85.

E. Waiver of Subrogation Rights – LANDLORD shall require the carriers of required coverages to waive all rights of subrogation against COUNTY, and its officers, employees, contractors, sub-contractors, and agents. All general or auto liability insurance coverage provided shall not prohibit LANDLORD and LANDLORD's

employees or agents from waiving the right of subrogation prior to a loss or claim. LANDLORD hereby waives all rights of subrogation against COUNTY.

F. Policies Primary and Non-Contributory – All policies required herein are to be primary and non-contributory with any insurance or self-insurance programs carried or administered by COUNTY.

G. Severability of Interests – LANDLORD agrees to ensure that coverage provided to meet these requirements is applicable separately to each insured and there will be no cross liability exclusions that preclude coverage for suits between LANDLORD and COUNTY or between COUNTY and any other insured or additional insured under the policy.

H. Proof of Coverage – LANDLORD shall furnish Certificates of Insurance to COUNTY's RESD administering the Lease evidencing the insurance coverage at the time the Lease is executed, additional endorsements, as required, shall be provided prior to the commencement of performance of services hereunder, which certificates shall provide that such insurance shall not be terminated or expire without ten (10) days written notice to COUNTY RESD, and LANDLORD shall maintain such insurance from the time the Lease is executed until the expiration or earlier termination of the Lease. Within fifteen (15) days of the Commencement Date, LANDLORD shall furnish a copy of the declaration page for all applicable policies and will provide complete certified copies of the policies and endorsements immediately upon request.

I. Acceptability of Insurance Carrier – Unless otherwise approved by COUNTY's Director of Risk Management, insurance shall be written by insurers authorized to do business in the State of California and with a minimum "Best" Insurance Guide rating of "A- VII".

J. Deductibles and Self-Insured Retention - Any and all deductibles or self-insured retentions in excess of \$10,000 shall be declared to and approved by COUNTY's Director of Risk Management.

K. Failure to Procure Coverage – All insurance required must be maintained in force at all times by LANDLORD. In the event that any policy of insurance required under the Lease does not comply with the requirements, is not procured, or is canceled and not replaced, COUNTY has the right but not the obligation or duty to cancel the Lease or obtain insurance if it deems necessary and any premiums paid by COUNTY will be promptly reimbursed by LANDLORD or COUNTY payments to LANDLORD will be reduced to pay for COUNTY purchased insurance.

L. Insurance Review – Insurance requirements are subject to periodic review by COUNTY. COUNTY's Director of Risk Management or designee is authorized, but not required, to reduce, waive or suspend any insurance requirements whenever COUNTY's Director of Risk Management determines that any of the required insurance is not available, is unreasonably priced, or is not needed to protect the interests of COUNTY. In addition, if COUNTY's Director of Risk Management determines that heretofore unreasonably priced or unavailable types of insurance coverage or coverage limits become reasonably priced or available, COUNTY's Director of Risk Management or designee is authorized, but not required, to change the above insurance requirements to require additional types of insurance coverage or higher coverage limits, provided that any such change is reasonable in light of past claims against COUNTY, inflation, or any other item reasonably related to COUNTY's risk.

Any change requiring additional types of insurance coverage or higher coverage limits must be made by amendment to the Lease. LANDLORD agrees to execute any such amendment within thirty (30) days of receipt.

Any failure, actual or alleged, on the part of COUNTY RESD or COUNTY to monitor or enforce compliance with any of the insurance and indemnification requirements will not be deemed as a waiver of any rights on the part of COUNTY RESD or COUNTY.

M. COUNTY shall have no liability for any premiums charged for such coverage(s). The inclusion of COUNTY as additional named insured is not intended to and shall not make a partner or joint venturer with LANDLORD in LANDLORD's operations.

N. LANDLORD agrees to require all parties, subcontractors, or others it hires or contracts with in relation to the Lease to provide insurance covering the contracted operation with the requirements in this Paragraph 20, (including, but not limited to, waiver of subrogation rights) and naming COUNTY as an additional insured.

21. DESTRUCTION OF PREMISES.

A. In the event the Premises, the Allocated Parking, the Building, the Property, or COUNTY's access thereto, or any portion thereof, is damaged or destroyed by any casualty, LANDLORD shall, at its sole cost and expense, promptly repair and restore the Premises, the Allocated Parking, the Building, the Property or COUNTY's access thereto to substantially the same condition as existing immediately prior to the damage or destruction, including, but not limited to: (i) all mechanical, electrical, and plumbing systems serving the Premises, the Building, and the Property; (ii) the heating, ventilation, and air conditioning systems serving the Premises and the Building; (iii) the roof, foundation, and all interior and exterior windows and walls of the Premises and the Building; and (iv) all Improvements constructed in the Premises (whether by LANDLORD or COUNTY) prior to the date of damage or destruction and the Lease shall continue in full force and effect. LANDLORD shall use any and all insurance proceeds received as a result of such casualty for the repair and restoration of the Premises, provided that LANDLORD's failure to carry any required insurances, shall not relieve LANDLORD of its repair and restoration obligation. Notwithstanding the foregoing, LANDLORD shall have no obligation to repair any damage to, or to replace any of COUNTY's personal property, furnishings, fixtures, and equipment, unless such damage is caused by LANDLORD's negligence or intentional misconduct, provided that LANDLORD shall repair and/or replace any damaged Cubicles if the Cubicles are owned by LANDLORD pursuant to Exhibit B, Paragraph 7 at the time the damage occurs. LANDLORD shall commence the required repair and restoration in a substantial and meaningful way within thirty (30) days of the date of damage or destruction and shall thereafter diligently pursue such repair and restoration to completion within thirty (30) days of commencement of said repair and restoration. For the purposes of this paragraph, the phrase "commence . . . in a substantial and meaningful way" shall mean the unconditional authorization to prepare the plans required for repair and restoration work, the issuance of any required building permits from the relevant governmental authority, or the beginning of actual repair or restoration work. In the event that within thirty (30) days after the casualty date, COUNTY is notified by LANDLORD that the time required to restore the Premises, the Allocated Parking, the Building, the Property, or COUNTY's access thereto, or any portion thereof, is estimated by LANDLORD's licensed and qualified architect, in its professional opinion, to exceed ninety (90) days, COUNTY may, at its option, terminate this Lease immediately upon written notice to the LANDLORD without further obligation by COUNTY.

B. In the event: (i) the Premises, the Allocated Parking, the Building, the Property, or COUNTY's access thereto, or any portion thereof, is damaged or destroyed; (ii) LANDLORD fails to timely commence and complete the repair and restoration required in Paragraph 21.A above; and (iii) COUNTY determines, in its sole discretion, that COUNTY is unable to conduct its operations at the Premises as a result of such damage or destruction, COUNTY shall have the right, at its option, to terminate the Lease effective as of the date the damage or destruction occurred.

C. In the event the Premises, the Allocated Parking, the Building, the Property, or COUNTY's access thereto is damaged or destroyed by any casualty and COUNTY determines, in its sole discretion, that COUNTY is unable to conduct its operations at the Premises as a result of such damage or destruction, the Monthly Rent and any other sums due under the Lease shall be abated in whole or in proportion to square footage of the Premises, Allocated Parking, or access thereto that are not usable by COUNTY to conduct its business, which abatement shall commence on the date the damage or destruction occurred and shall continue until the date the such damage or destruction is fully restored. In the event undamaged space is available in the Building, LANDLORD shall provide COUNTY with temporary space during the restoration period at no cost to COUNTY.

22. **CONDEMNATION.**

A. Notice. In the event the Property or any portion thereof is taken under the power of eminent domain by a condemning authority or voluntarily transferred to such authority under the threat of the exercise of said power ("Condemnation"), within five (5) days of its receipt of a notice of Condemnation from a condemning authority ("Condemnation Notice"), LANDLORD shall provide COUNTY with a copy of said notice.

B. Total. In the event the entirety of Premises, the Allocated Parking, the Building the Property, or COUNTY's access thereto, is taken by Condemnation, the Lease shall terminate as of the date the condemning authority takes title or possession, whichever first occurs.

C. Partial. In the event that any portion of the Premises, the Allocated Parking, the Building, the Property, or COUNTY's access thereto, is taken by Condemnation and COUNTY determines, in its sole discretion, that COUNTY is unable to conduct its operations at the Premises as a result of such partial taking, COUNTY shall have right, at its option, to terminate the Lease by providing LANDLORD with notice to be given within thirty (30) days after COUNTY's receipt of the Condemnation Notice from LANDLORD, or if LANDLORD fails to provide COUNTY with a Condemnation Notice, within thirty (30) days after the date the condemning authority takes possession. If COUNTY does not exercise its right to terminate the Lease as provided herein, the Lease shall continue in full force and effect, except that if a portion of the Premises was taken, the Premises shall be reduced by the portion taken and the Monthly Rent and any other sums due under the Lease shall be reduced in the same proportion as the floor area of the Premises taken bears to the original floor area of the Premises and if the Allocated Parking, COUNTY's access, or other portions of the Property affecting COUNTY's use of the Premises was partially taken, the Monthly Rent and other sums due shall be equitably adjusted. In addition, LANDLORD shall within thirty (30) days make all repairs or alterations to the Premises, Building, and Property required as a result of the Condemnation to restore the remaining portions thereof to substantially the same conditions as existing immediately prior to the Condemnation and in accordance with the provisions of the Lease.

D. Awards. COUNTY shall be entitled to receive the following amounts of any award for the taking of the Premises or any portion thereof under Condemnation, whether from LANDLORD or by separate claim to the condemning authority, with COUNTY having the right to negotiate directly with the condemning authority for such award,: (i) one hundred percent (100%) of any amount attributable to any excess of the market value of the Premises for the remainder of the Lease Term over the present value as of the date the Lease is terminated of the Monthly Rent payable for the remainder of the Lease Term (commonly referred to as the "bonus value" of the Lease); (ii) the amortized or undepreciated value of any Improvements and trade fixtures owned by COUNTY and the removal and relocation costs of such Improvements and trade fixtures; (iii) relocation costs; (iv) loss of goodwill, and (v) any other permitted under condemnation law.

23. **LANDLORD'S DEFAULT.** Except where another time period is specifically provided, LANDLORD shall be in default of the Lease if LANDLORD fails or refuses to perform any material provisions of the Lease and such failure or refusal to perform is not cured within thirty (30) days following LANDLORD's receipt of written notice of default from COUNTY; provided however, if the nature of the default is such that it cannot reasonably be cured within thirty (30) days, LANDLORD shall not be in default of the Lease if LANDLORD commences to cure the default within the thirty (30) day period and thereafter diligently and in good faith prosecutes such cure to completion, provided that such completion shall not exceed sixty (60) days after Landlord's receipt of COUNTY notice.

24. **COUNTY'S REMEDIES ON LANDLORD'S DEFAULT.** COUNTY may, at any time after LANDLORD is in default beyond any applicable notice and cure period, terminate the Lease immediately upon written notice to LANDLORD without further liability. Alternatively, COUNTY may, at its option and in its sole discretion, after notice to LANDLORD, cure LANDLORD's default. If COUNTY elects to cure LANDLORD's default, LANDLORD shall reimburse COUNTY the sum actually expended by COUNTY (including but not limited to charges for COUNTY employees and equipment) in curing LANDLORD's default. The sum expended by COUNTY shall be

due from LANDLORD to COUNTY within five (5) 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 withhold from future Monthly Rent and other sums due the amount COUNTY has paid until COUNTY is reimbursed in full for the sum and interest on it. 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.

25. **COUNTY'S DEFAULT.** The occurrence of any one or more of the following events shall constitute a material default of the Lease by COUNTY: (i) vacating or abandoning the Premises for more than thirty (30) consecutive days while Monthly Rent is concurrently in arrears; or (ii) failure by COUNTY to perform any material provisions of the Lease to be performed by COUNTY, including the payment of Monthly Rent, where such failure is not cured within thirty (30) days following COUNTY's receipt of written notice of default from LANDLORD; provided, however, if the nature of the default is such that it cannot reasonably be cured within thirty (30) days, COUNTY shall not be in default of the Lease if COUNTY commences to cure the default within the thirty (30) day period and thereafter diligently and in good faith prosecutes such cure to completion. The purpose of this notice requirement is to extend the notice requirements of the unlawful detainer statutes of California.

26. **LANDLORD'S REMEDIES ON COUNTY'S DEFAULT.** LANDLORD may, at any time after COUNTY is in default beyond any applicable notice and cure period, exercise any and all remedies available pursuant to law or granted pursuant to the Lease; provided, however, that notwithstanding anything herein to the contrary, there shall be no right under any circumstances to accelerate the Monthly Rent or other sums due or otherwise declare any Monthly Rent or other sums due to be immediately payable. Each and every covenant hereof to be kept and performed by COUNTY is expressly made a condition and upon the default thereof LANDLORD may, at its option, terminate the Lease, provided that LANDLORD shall use reasonable efforts to mitigate its damages. In the event of such default beyond any applicable notice and cure period, COUNTY shall continue to remain liable for the payment of the Monthly Rent, other sums due, and/or damages for default of the Lease; in which case, such Monthly Rent, other sums, and/or damages shall be payable to LANDLORD only at the same time and in the same manner as provided for the payment of Monthly Rent.

27. **LANDLORD'S ENTRY TO PREMISES.** Upon not less than twenty-four (24) hours prior written notice to COUNTY and subject to Paragraph 32, LANDLORD and its authorized employees, contractors, and agents shall have the right to enter the Premises at all reasonable times during COUNTY's normal business hours, excluding any COUNTY holidays, for any of the following purposes: (i) to determine COUNTY's compliance with its obligations under the Lease; (ii) to perform any necessary maintenance, repair, and restoration of the Premises pursuant to the Lease; (iii) to serve, post, or keep posted any notices required by law; and (iv) to post "for sale" signs at any time during the Lease Term or to post "for rent" or "for lease" signs during the last three (3) months of the Lease Term, provided such signs do not unreasonably interfere with the conduct of COUNTY operations. LANDLORD's entry shall be made in a manner that will cause the least possible inconvenience, annoyance, or disturbance to COUNTY.

28. **SURRENDER.** Upon the expiration or earlier termination of the Lease, COUNTY shall surrender the Premises in as good a condition as received on the Commencement Date, excluding reasonable wear and tear, LANDLORD's obligations pursuant to the Lease, casualty damages, and the removal of the Improvements and any other improvements or alterations in accordance with the Lease. In the event, COUNTY has pre-paid any Monthly Rent or other sums for the Premises, LANDLORD shall, within thirty (30) days after the expiration or earlier termination of the Lease, return to COUNTY any unearned Monthly Rent or other sums.

29. **ESTOPPEL CERTIFICATES.** Each Party within forty-five (45) days after notice from the other Party shall execute and deliver to requesting Party an estoppel certificate to a lender or potential assignee for said Party, substantially in the form of Exhibit "E", attached hereto and incorporated herein. If the receiving party does not timely execute and return said certificate, the receiving party shall be in default under the Lease. COUNTY's RESD Director shall have the authority on behalf of COUNTY to execute an estoppel certificate substantially in the form of Exhibit "E".

30. **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 subordinates such lien or encumbrance to the Lease, or a non-disturbance agreement, substantially in the form of the attornment provisions in Exhibit "F", attached hereto and incorporated herein by reference. If, after execution of the Lease, a subsequent lienor requires that the Lease be subordinate to any such encumbrance, the Lease shall be subordinate to that encumbrance if, and only if, LANDLORD first obtains from the subsequent lienor an executed subordination, nondisturbance and attornment agreement ("SNDA"), substantially in the form of Exhibit "F".

B. COUNTY's RESD Director shall have the authority on behalf of COUNTY to execute a SNDA substantially in the form of Exhibit "F".

31. **PUBLIC RECORDS DISCLOSURE.** LANDLORD acknowledges and agrees that all information received by COUNTY from LANDLORD or any source concerning the Lease or the Property, including the Lease itself, may be treated by COUNTY as public information, subject to disclosure under the provisions of the California Public Records Act (Government Code Section 6250 et seq.), the Ralph M Brown Act, or any other open records laws ("Public Records Laws"). LANDLORD further acknowledges and agrees that, although all information received by COUNTY in connection with the Lease or the Property are intended for the exclusive use of COUNTY, such information is potentially subject to disclosure under Public Records Laws. In the event LANDLORD, at the time any information is provided to COUNTY, has reasonably requested in writing that certain information as to the Lease or the Property be held in confidence and a request for disclosure of such information is thereafter received by COUNTY, COUNTY shall endeavor to notify LANDLORD of said request and shall thereafter disclose the requested information unless LANDLORD, within five (5) days of COUNTY's notice of such disclosure request: (i) requests that the information not be disclosed; (ii) provides a legally sound basis for nondisclosure (as determined in COUNTY's sole discretion); and (iii) agrees in writing to 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 the required disclosure. Notwithstanding anything to the contrary in the Lease, if COUNTY does not notify LANDLORD of such disclosure request or if COUNTY does not deem LANDLORD's basis for nondisclosure to be legally sufficient, as determined by COUNTY in its sole discretion, COUNTY shall not be liable for any claims for damages, lost profits, or other injuries of any and all kinds and LANDLORD waives any and all such claims against COUNTY. LANDLORD's indemnity obligation shall survive the expiration or earlier termination of the Lease.

32. **CONFIDENTIALITY.** LANDLORD acknowledges that the Premises will be used by COUNTY for the processing and storage of confidential information that is protected from unlawful access and disclosure by municipal, county, state, and federal laws ("Confidential Information"). LANDLORD and its officers, agents, volunteers, employees, contractors, and any third parties under LANDLORD's control (including, but not limited, to property management, maintenance, and custodial providers) hereby agree to comply with all applicable municipal, county, state, and federal laws pertaining to the security and protection of Confidential Information and prevent and not permit any unlawful access to or disclosure of Confidential Information when entering the Premises as permitted by the Lease. Prior to any permitted entry of the Premises, except in the event of a life-threatening emergency or an imminent and substantial destruction of the Premises, LANDLORD and its officers, agents, volunteers, employees, contractors and any third parties under LANDLORD's control shall: (i) provide not less than twenty-four (24) hours prior written notice of its desired entry; (ii) enter only during COUNTY's normal business hours; (iii) be escorted by COUNTY during its entry; and (iv) remain in the Premises only for so long as reasonably necessary to complete LANDLORD's obligations under the Lease. Should it be necessary for LANDLORD to enter the Premises due to a life-threatening emergency or imminent and substantial destruction of the Premises,

LANDLORD and its agents, volunteers, employees, contractors, and any third parties under LANDLORD's control shall: (a) immediately notify COUNTY of such entry, (b) remain in the Premises only for so long as reasonably necessary to abate such emergency or destruction, and (c) upon departure, secure the Premises in the same manner as the Premises were secured upon entry, (i.e., arming alarm system and locking entry points). During any permitted entry of the Premises, LANDLORD and its officers, agents, volunteers, employees or any third parties under LANDLORD's control shall not access, disclose, or remove any Confidential Information from the Premises, including but not limited to, access of file cabinets, locked storage rooms, and desks. Any entry of the Premises that does not comply with the requirements of this paragraph is unauthorized. LANDLORD agrees to include the entry requirements contained in this paragraph in its agreements with all third party providers who may enter the Premises. LANDLORD acknowledges that any unlawful access to or disclosure of Confidential Information may result in the imposition of civil and criminal sanctions

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

34. **MATERIAL MISREPRESENTATION.** If during the Lease Term, COUNTY determines that LANDLORD has made a material misstatement or misrepresentation or that materially inaccurate information has been provided to COUNTY, COUNTY shall have the right, at its option, to terminate the Lease with immediately effect; in which case, COUNTY shall be entitled to pursue any available remedies under the Lease, at law, or in equity.

35. **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 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; (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 day shall be deemed delivered on the following business day.

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 subsequent to completion of such transfer if permitted by SEC disclosure requirements (as long as LANDLORD is a publicly traded company). 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) 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 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.

36. **BROKER'S COMMISSIONS.** LANDLORD is solely responsible for the payment of any commissions to any broker who has negotiated or otherwise provided services in connection with the Lease and shall 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 LANDLORD's default of this obligation. LANDLORD's indemnity obligation under this Lease shall survive the expiration or earlier termination of the Lease.

37. **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 13, HAZARDOUS SUBSTANCES, Paragraph 19, INDEMNIFICATION, Paragraph 31, PUBLIC RECORDS DISCLOSURE; and Paragraph 32, CONFIDENTIALITY.

38. **OMNITRANS.** COUNTY acknowledges that LANDLORD has provided a letter from Omnitrans dated October 11, 2019 confirming that Omnitrans will install a smaller, secondary bus stop at the Property near the entrance of the Premises on or about the Commencement Date of this Lease and that such letter from Omnitrans is satisfactory to COUNTY.

39. **JOB FAIR.** Nothing contained herein shall prohibit COUNTY from requesting the right to conduct a "Job Fair" in the "Center Court" of the Common Areas of the Property, as shown on Exhibit "A"; provided, however, that such activities do not impede access or the flow of pedestrian traffic in the Common Areas, and further provided that COUNTY provides LANDLORD, at least sixty (60) days in advance, a reasonably detailed proposal regarding such "Job Fair", including vendors, location, time, dates, and any other information requested by LANDLORD. LANDLORD shall have the right to approve or disapprove the proposal in LANDLORD's sole discretion, which approval or disapproval shall be provided by LANDLORD within fifteen (15) days after COUNTY's request. Without limiting the effect of the foregoing, Common Areas may not be used for any such "Job Fair" more than two (2) times per calendar year, and in each case, for more than one (1) calendar day, which shall not occur during the period commencing October 1 and ending January 15 in any calendar year. In the event that COUNTY's request is approved by LANDLORD, COUNTY shall be permitted to use the "Center Court" or portions thereof at no additional cost and shall keep the area where the activities occur professionally displayed and in a good clean condition consistent with the remainder of the Property, and shall repair any damage caused by such activities.

40. **WEBSITE.** COUNTY shall have the right, at no additional cost to COUNTY, to have a presence on a page of the LANDLORD's website for the Property ("Mall Website"), including a link to COUNTY's own website. COUNTY shall be responsible for creating the content for its page on the Mall Website, and LANDLORD shall have the right to approve, in its sole discretion, the format and content of COUNTY's page. Without limiting the effect of the foregoing, COUNTY agrees that the content of its page must comply with the website developer's format requirements, as they exist from time to time. LANDLORD shall not be liable to COUNTY for technical difficulties in connection with the Mall Website.

41. **NO PARTNERSHIP.** Neither Party shall, in any way or for any purpose, become a partner of the other Party in the conduct of its business, or otherwise, or joint venturer or a member of a joint enterprise with the other Party as a result of execution of the Lease.

42. **BINDING EFFECT.** The Lease is binding upon and inures to the benefit of the Parties and their respective successors, assigns, heirs, executors, and administrators.

43. **JOINT AND SEVERAL LIABILITY.** In the event that one or more individuals and/or entities comprise LANDLORD, all obligations of each individual and/or entity named as LANDLORD under the Lease are joint and several and may not be waived or apportioned except by written consent of COUNTY. COUNTY may recover monies due or remedies available from any one or all individuals and/or entities named as LANDLORD under the Lease at COUNTY's sole option.
44. **SURVIVAL.** The obligations of the Parties that, by their nature, continue beyond the term of the Lease, will survive the expiration or earlier termination of the Lease.
45. **QUIET ENJOYMENT.** Provided that COUNTY is not in default beyond any applicable notice and cure periods, COUNTY shall, at all times during the Lease Term, have quiet and peaceful possession and enjoyment of the Premises against any persons claiming by, through or under LANDLORD or any third parties.
46. **TIME OF ESSENCE.** Time is of the essence of each provision of the Lease which specifies a time within which performance is to occur. In the absence of any specific time for performance, performance may be made within a reasonable time.
47. **CONSENT.** Unless otherwise expressly provided otherwise in the Lease, whenever consent or approval of either Party is required, that Party shall not unreasonably withhold, condition, or delay such consent or approval.
48. **INTERPRETATIONS.** As the Lease was jointly prepared by the Parties, the language in all parts of the Lease shall be construed, in all cases, according to its fair meaning, and not for or against either party hereto.
49. **HEADINGS.** The headings of any paragraphs, sub-paragraphs, table of contents, and cover page of the Lease are for convenience and reference only and shall have no effect on its interpretation.
50. **PROVISIONS ARE COVENANTS AND CONDITIONS.** All provisions, whether covenants or conditions, on the part of either Party shall be deemed to be both covenants and conditions.
51. **LAW.** The Lease shall be governed by and construed in accordance with the laws of the State of California.
52. **VENUE.** The parties acknowledge and agree that the Lease 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.
53. **EXHIBITS.** All exhibits referred to in the Lease are attached hereto and incorporated herein by reference.
54. **ENTIRE AGREEMENT.** The Lease contains the entire agreement of the Parties with respect to the subject matter hereof and supersedes all prior and contemporaneous agreements and understandings, express or implied, oral or written, of any nature whatsoever with respect to the subject matter hereof.
55. **AMENDMENTS.** The Lease shall not be amended or modified except by written agreement executed by the Parties.
56. **WAIVERS.** No waiver by either Party of any provisions of the Lease shall be effective unless given in writing by such Party and a waiver given in one instance shall not be deemed to be a waiver of any other provision hereof or of any subsequent default by either party of the same or any other provisions.

57. **SEVERABILITY**. If any word, phrase, clause, sentence, paragraph, section, article, part or portion of the Lease is or shall be invalid for any reason, the same shall be deemed severable from the remainder hereof and shall in no way affect or impair the validity of the Lease or any other portion thereof.

58. **COUNTERPARTS**. This Lease 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 agreement. For purposes of this Lease only, the parties shall be entitled to sign and transmit an electronic signature of this Lease (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 execute and deliver to the other party an original signed Lease upon request. Unless expressly otherwise set forth in an amendment, any subsequent amendments to the Lease shall be executed by original signatures only.

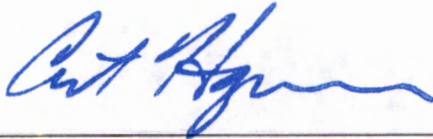
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59. **AUTHORIZED SIGNATORS:** The Parties to the Lease represent that the signators executing this document are fully authorized to enter into this agreement.

IN WITNESS WHEREOF, the parties hereto have caused the Lease to be executed.

COUNTY:
COUNTY OF SAN BERNARDINO

By:



Curt Hagman, Chairman
Board of Supervisors

Date:

APR 21 2020

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

LYNNA MONELL, Clerk of the Board of
Supervisors

By:


Deputy

Date:

APR 21 2020

Approved as to Legal Form:

MICHELLE D. BLAKEMORE, County Counsel
San Bernardino County, California

By:


Agnes Cheng, Deputy County Counsel

Date:

4/17/20

LANDLORD:

WM Inland Investors IV, LP,
a Delaware limited partnership

WM INLAND INVESTORS IV GP LLC
a Delaware limited liability company,
its general partner

By:

DocuSigned by:

1D193F0CCC08485...

Cassie Malayil

Title: Vice President and Senior Leasing
Counsel

Date:

April 17, 2020

EXHIBIT "A"
Depiction of Premises, Expansion Space, Allocated Parking, Exterior Signage and Center Court
(PREMISES DEPICTION and CENTER COURT)

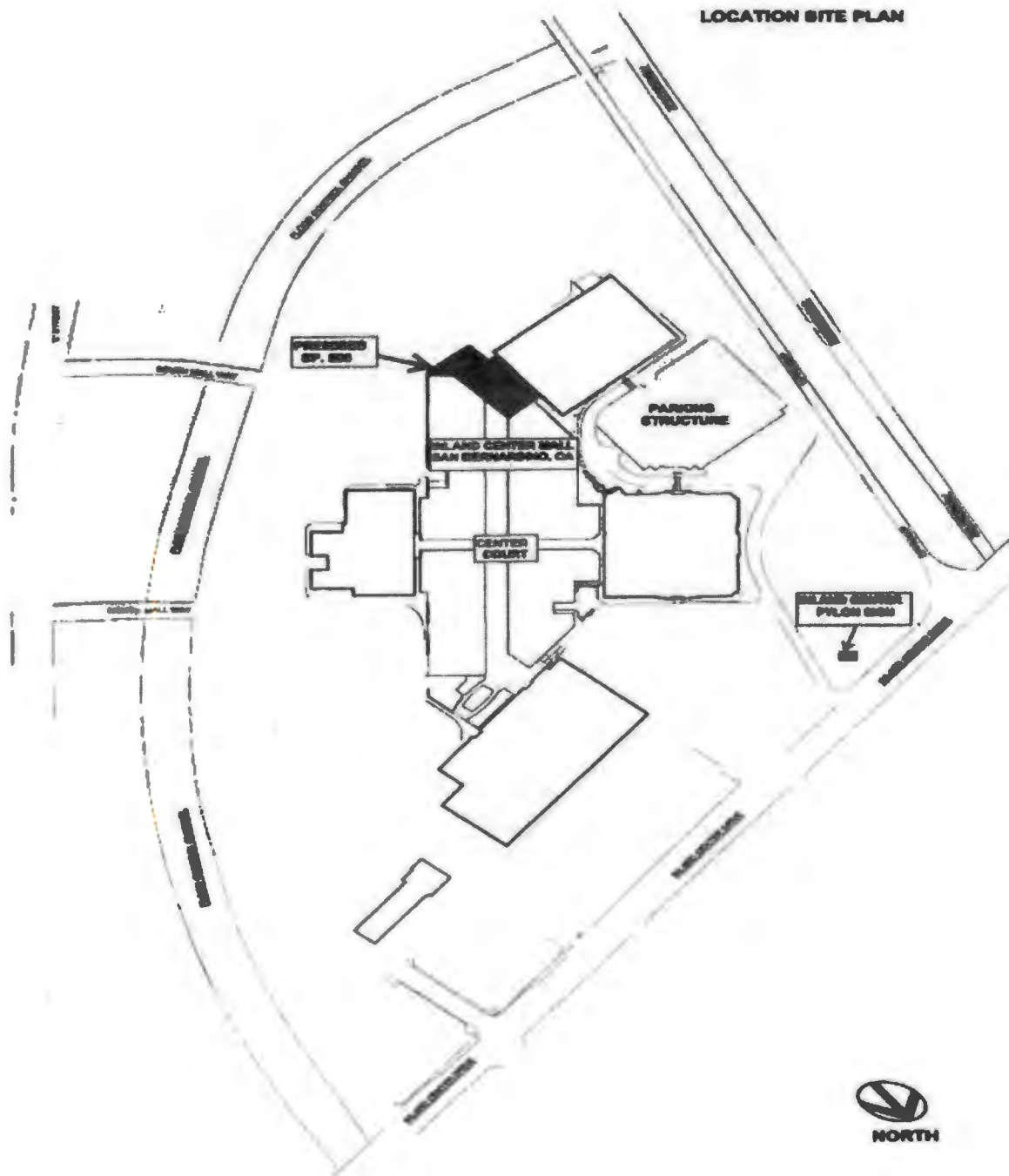


EXHIBIT "A"
(PREMISES AND ALLOCATED PARKING)
(Premises highlighted in yellow)
(Expansion Area)

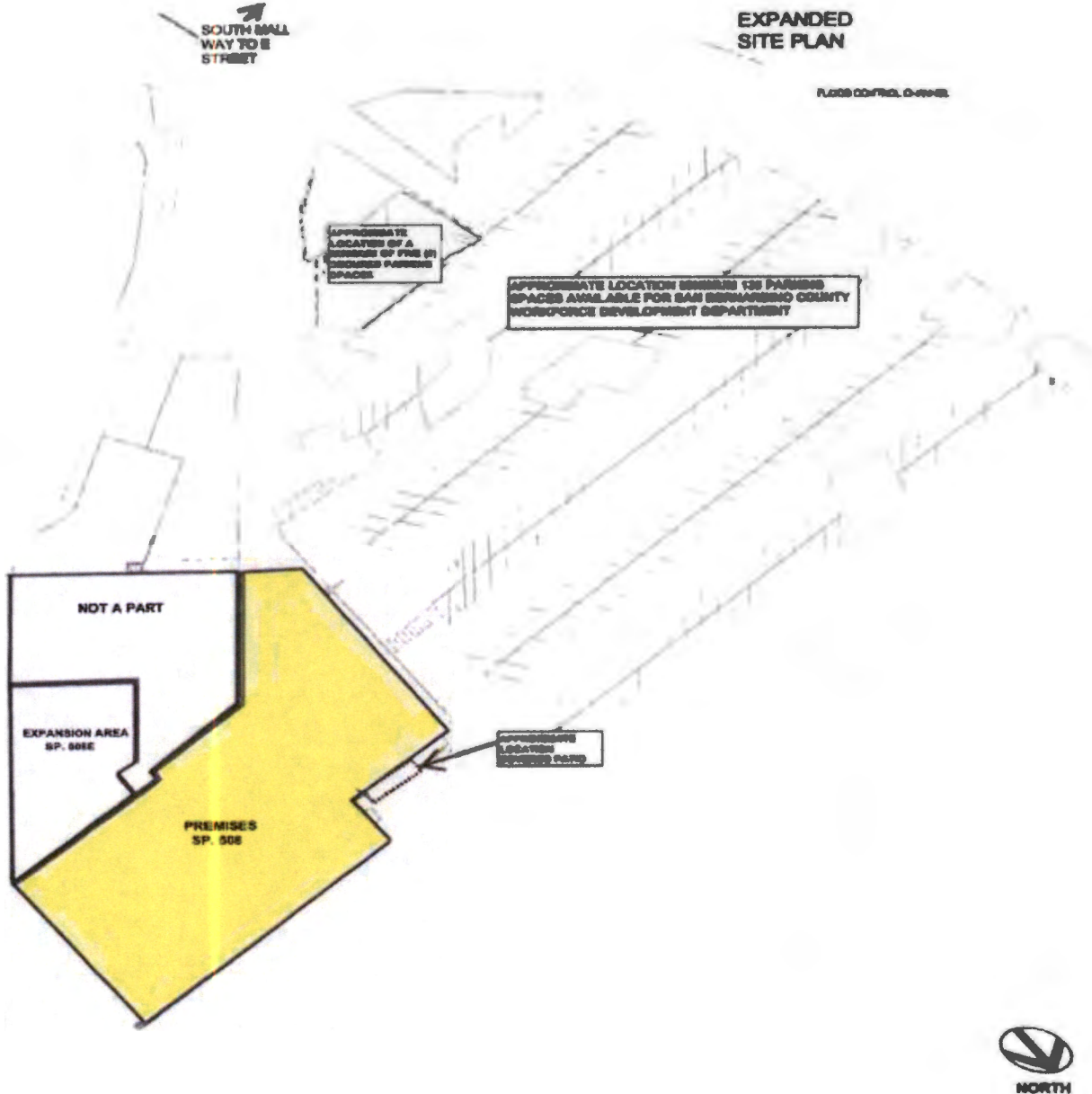


EXHIBIT "A"
(Conceptual floor plan)
(Final floor plan to be designed with approval by County)
(Expansion Area Shown crosshatched)

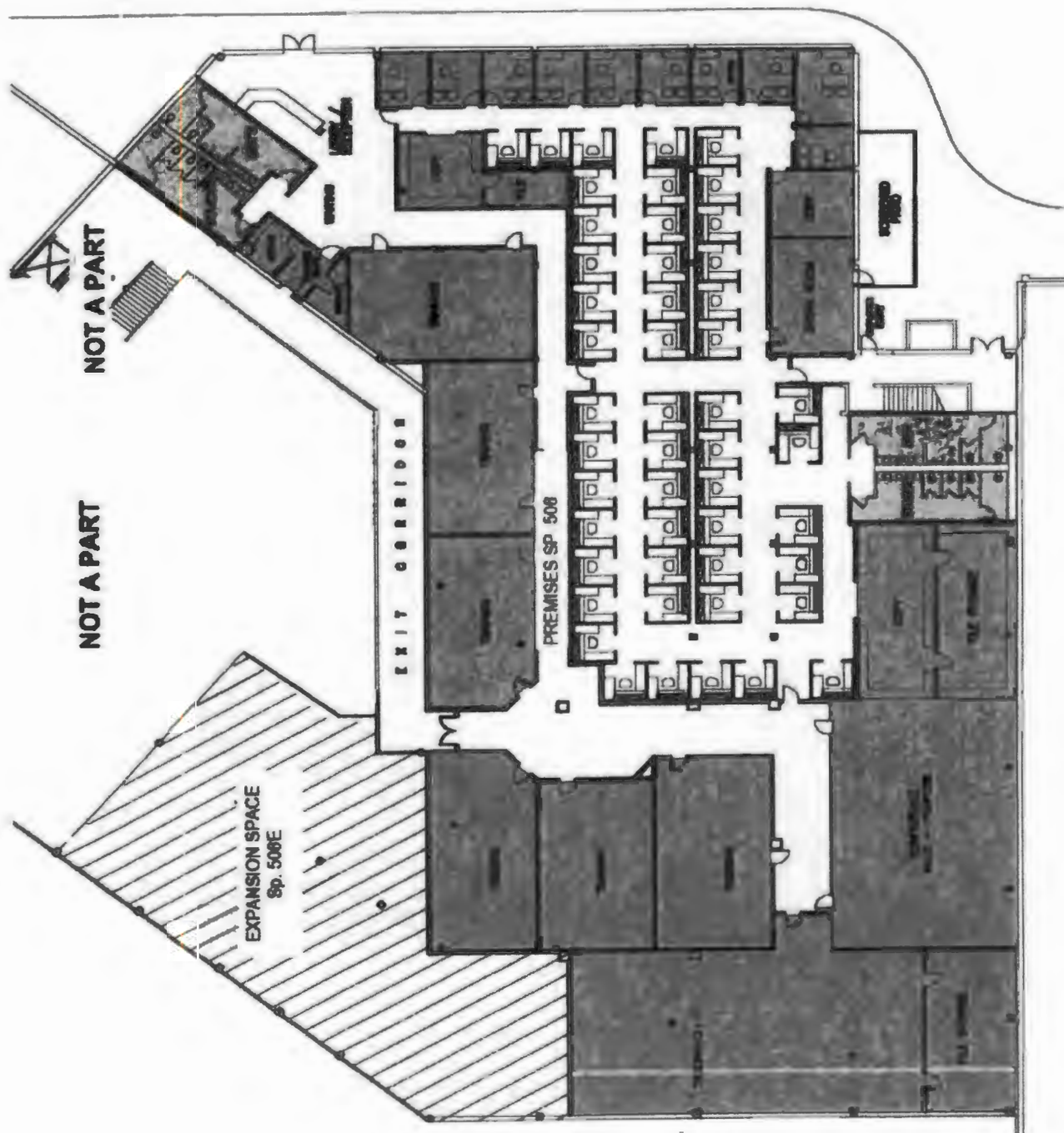
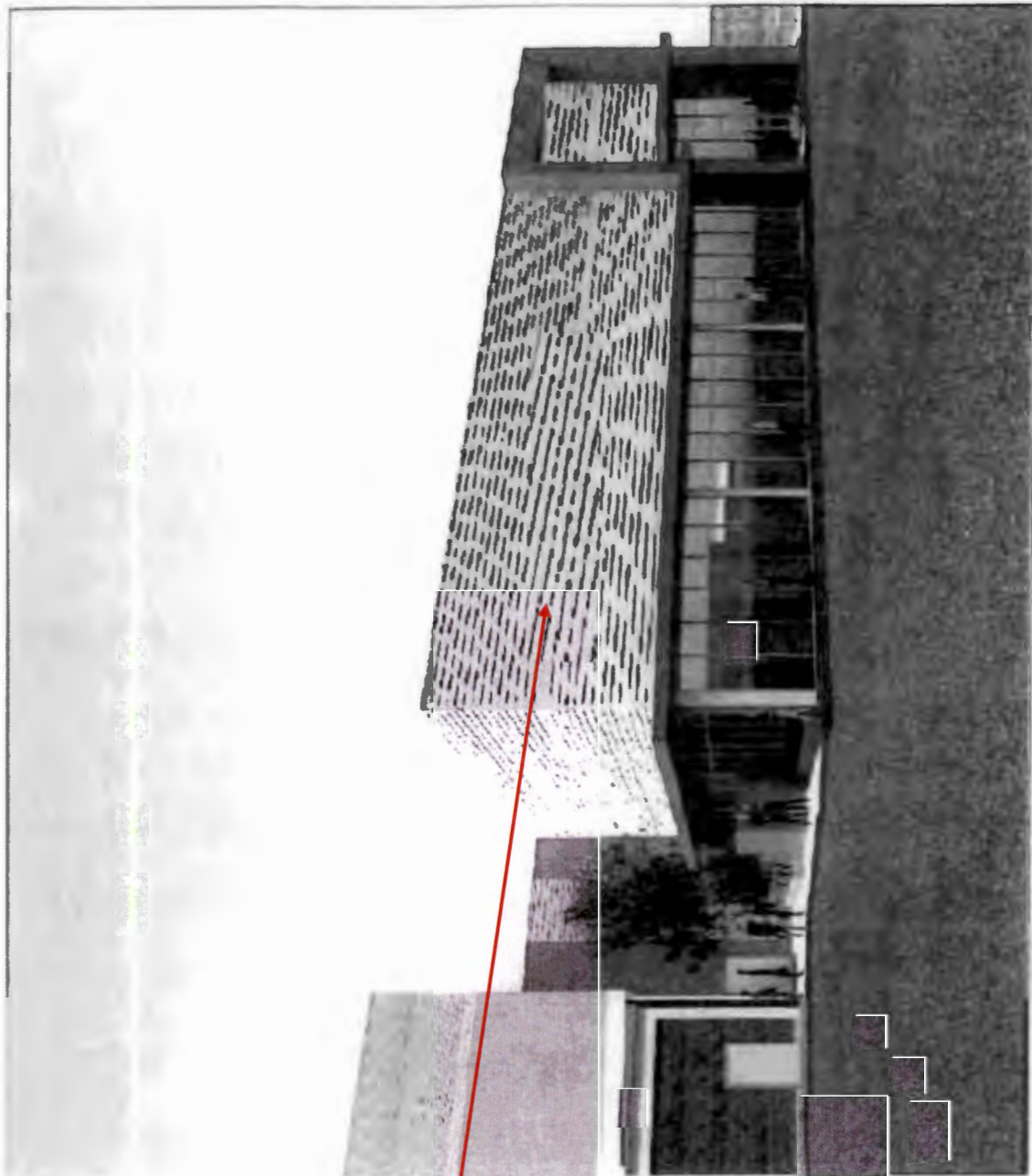


EXHIBIT "A"
(Conceptual Exterior Elevation)
(Final Elevations to be designed with approval by County)



Signage Area (design to be approved by County)

EXHIBIT "B"

IMPROVEMENT WORK LETTER

Concurrently with the execution of this Improvement Work Letter, LANDLORD and COUNTY have entered into 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 space plan, interior layout plan, and specifications set forth on Exhibit "B-1", attached hereto and incorporated herein ("Improvement Specifications"), this Improvement Work Letter, and the Lease, including but not limited to Paragraph 12, LEGAL COMPLIANCE, provided that the cost of the Improvements has been amortized over the Lease Term and included in the monthly rent set forth in the Basic Lease Provisions. On completion of the construction drawings that incorporate the Improvement Specifications, LANDLORD and COUNTY, through their respective authorized signatories, will evidence their approval by signing a set of the construction drawings, which will remain on the job site until completion of construction and thereafter retained by LANDLORD with a copy to be provided to COUNTY. 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 reproducible transparent vellum with the architect's/engineer's professional stamp and signature and on a compact disc-recordable (CD-R) 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 CD-R 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 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-1", 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 \$45,000.

Any proposed COUNTY Change Order(s) that cause the cumulative total of all agreed COUNTY Change Orders to exceed \$45,000 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 the 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 "H", 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 April 1, 2021 ("Projected Commencement 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 punchlist 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 punchlist 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 punchlist 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 punchlist 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 punchlist 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 punchlist items.

7. As part of the Improvements, LANDLORD shall pay, at its sole cost and expense up to the Cubicles Cost Cap (as hereinafter defined), for office furniture and modular workstations or cubicles to the COUNTY's specifications (collectively, the "Cubicles") to be generally located within the Premises at the approximate location depicted on Exhibit "B-1", pages 1 and 2. No less than thirty (30) days prior to the Projected Commencement Date, COUNTY shall identify Cubicles that meet COUNTY's requirements. LANDLORD shall confirm that the cost of the identified Cubicles do not exceed the Cubicles Cost Cap, which confirmation shall not be unreasonably withheld, delayed, or conditioned, within five (5) days after COUNTY's confirmation request and such request shall be deemed confirmed if LANDLORD fails to timely respond. At the time of confirmation, the Parties shall also affirm in writing the amount, if any, of the total cost of the Cubicles that exceeds the Cubicles Cost Cap, which excess shall be reimbursed by the COUNTY as a Change Order. If LANDLORD confirms or is deemed to confirm the identified Cubicles, LANDLORD shall order the Cubicles, and arrange for their delivery and installation at the Premises. Notwithstanding anything herein to the contrary, the total cost to LANDLORD of the Cubicles, including without limitation, the cost of taxes, material, labor, and equipment, shall not exceed the amount of Two Hundred Twenty Five Thousand Dollars (\$225,000.00) ("Cubicles Cost Cap"). All costs for the Cubicles exceeding the Cubicles Cost Cap, as affirmed in writing by COUNTY, shall be the responsibility of the COUNTY, which shall be reimbursed by COUNTY as a Change Order. Notwithstanding anything in the Lease to the contrary, including Section 15 and Section 28, if the Lease is terminated prior to the seventh (7th) anniversary of the Commencement Date of the initial term of the Lease, the Cubicles shall remain the property of LANDLORD, provided that if such termination is caused by LANDLORD's default, LANDLORD shall reimburse COUNTY for the amortized costs of the Cubicles paid by COUNTY as of the termination date and for

any costs in excess of the Cubicles Cost Cap paid by COUNTY. For any termination of the Lease after the seventh (7th) anniversary of the initial term of the Lease or upon the expiration of the then current term of the Lease, at COUNTY's sole option, COUNTY shall: (i) remove the Cubicles, at COUNTY's sole cost and expense, or (ii) surrender the Cubicles, in which case the COUNTY shall not have any removal or restoration obligation. At any time after the seventh (7th) anniversary of the Commencement Date of the initial term of the Lease, the Cubicles shall become the sole property of the COUNTY without compensation to LANDLORD. In the event LANDLORD does not timely pay the cost of the Cubicles up to the Cubicles Cost Cap, COUNTY shall have the right to deduct from the Monthly Rent due such amount plus any late fees and interest resulting from LANDLORD's failure to timely pay, which late fees and interest shall not be limited by the Cubicles Cost Cap until all amounts due are fully paid.

8. In addition to LANDLORD's obligation to pay for the Cubicles pursuant to the foregoing paragraph, within thirty (30) days of the Commencement Date, LANDLORD shall, at its sole cost and expense, pay to COUNTY's relocation vendor a one-time relocation amount of Thirty Thousand Dollars (\$30,000.00) ("Relocation Cost Cap") and provide evidence of such payment to COUNTY. No less than thirty (30) days prior to the Projected Commencement Date, COUNTY shall identify a relocation vendor that meets COUNTY's requirements to relocate COUNTY from its existing facility to the Premises. LANDLORD shall confirm that the cost for the identified relocation vendor does not exceed the Relocation Cost Cap, which confirmation shall not be unreasonably withheld, delayed, or conditioned, within five (5) days after COUNTY's confirmation request and such request shall be deemed confirmed if LANDLORD fails to timely respond. At the time of confirmation, the Parties shall also affirm in writing the amount, if any, of the total cost of the relocation that exceeds the Relocation Cost Cap, which excess shall be reimbursed by the COUNTY as a Change Order. If LANDLORD confirms or is deemed to confirm the identified relocation vendor, LANDLORD shall engage the identified relocation vendor. Any costs for the relocation vendor in excess of the Relocation Cost Cap related to relocation by COUNTY shall be borne by the COUNTY and reimbursed to LANDLORD as a Change Order. In the event LANDLORD does not timely pay the relocation vendor, COUNTY shall have the right to deduct from the Monthly Rent due such amount plus any late fees and interest resulting from LANDLORD's failure to timely pay until all amounts due are fully paid.

9. Without limiting the effect of the foregoing, the Improvements shall include and LANDLORD shall, at its sole cost and expense, install security bollards per COUNTY standard requirements on the sidewalk directly in front of the entrance of the Premises, at the location to be mutually agreed by the Parties.

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

<u>Milestones</u>	<u>Projected Completion Date For Milestone</u>	<u>Critical Completion Date For Milestone</u>
Preparation and submittal of Building and site plans to the City of San Bernardino	July 1, 2020	August 4, 2020
Approval and permit Issuance of Building and site plans by City agencies	October 6, 2020	October 15, 2020
Lot split approval	N/A	N/A
Improvement plan preparation and submittal to City	N/A	N/A
Permit Issuance for Improvements	N/A	N/A
Site work and Building construction	October 19, 2020	October 26, 2020

Construction of Improvements and Certified
for Occupancy by City

N/A

April 1, 2021

11. LANDLORD shall provide COUNTY with a written progress report every thirty (30) 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.

12. LANDLORD acknowledges and agrees that its failure to meet any of the Projected or Critical Completion Dates for any Milestone 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 Projected or Critical Completion Dates for any Milestone 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 One Thousand and 00/100 Dollars (\$1,000.00) for each day of delay, commencing on the day immediately following the Projected Commencement Date until the day the Projected Commencement Date occurs. 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.

13. In the event that LANDLORD fails to meet any of the Projected or Critical Completion Dates for any Milestone or the does not deliver the Premises with all Improvement Substantially completed by the Projected Commencement 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 for each Milestone and Critical Completion Date for each Milestone has been missed but prior to LANDLORD's completion of the subject milestone completion and LANDLORD's notification of the same to COUNTY.

14. Notwithstanding Paragraphs 10, 12, and 13 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 for each Milestone or the Projected Commencement Date due to reasons which LANDLORD proves are outside the control of LANDLORD, such reasons include but are not limited to acts of God, 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 Date(s) for applicable Milestone), strikes or comparable labor troubles, and government orders for mandated social distancing due to the COVID-19 pandemic that delay the issuance of required building permits from the relevant jurisdiction's building department, delay the performance of required inspections by building department officials, or delay LANDLORD's performance of the physical construction of the Improvements, but for each such reason only to the extent LANDLORD documents to the County that (a) such reason resulted in an actual delay to LANDLORD's compliance with subject timeline, (2) the LANDLORD's inability to comply or delay in complying with the subject timeline was the sole and direct result of such reason, (3) the delay cannot be avoided by alternative means; and (4) LANDLORD did not cause or contribute to such delay (each an "Unavoidable Event"), then the Projected or Critical Completion Date(s) for subject Milestone or the Projected Commencement Date 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 immediately provide written notice to COUNTY of any such delay or anticipated delay and documentation that an Unavoidable Event has occurred. In the event LANDLORD fails to timely notify COUNTY in writing of any such delay or anticipated delay and fails to prove an Unavoidable Event has occurred, the provisions of this Paragraph 11 shall not apply to such delay or anticipated delay and the Projected or Critical Completion Dates for the Milestones and the Projected Completion Date shall remain unmodified. For avoidance of doubt, in no event shall an Unavoidable Event relieve LANDLORD from the performance of obligations that are not affected by the Unavoidable Event (e.g. LANDLORD shall diligently complete all activities up to the point that it cannot continue to meet the subject timeline due to an Unavoidable Event), any period of permitted delay related to the government's mandated social distancing order regarding the Covid-19 pandemic shall end on the date the government's social distancing mandate is lifted, and Developer's financial inability to perform its obligation in this Lease shall not constitute an Unavoidable Event.

Until the Improvements are Substantially Completed and all minor punchlist 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

15. 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.

16. For a period of two (2) years 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 two (2) year period

17. 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.

IN WITNESS WHEREOF, LANDLORD and COUNTY have caused this Improvement Work Letter to be duly executed by their authorized representatives as of the date of the Lease.

COUNTY:
COUNTY OF SAN BERNARDINO

LANDLORD:
WM Inland Investors IV, LP,
a Delaware limited partnership
WM INLAND INVESTORS IV GP LLC
a Delaware limited liability company,
its general partner

By: _____
Curt Hagman, Chairman
Board of Supervisors

By: _____
Cassie Malayil

DocuSigned by:
Cassie Malayil
ID: 193F0CCC08465...

Title: Vice President and Senior Leasing
Counsel

Date: _____

Date: April 17, 2020

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

By: _____
(name)

LYNNA MONELL, Clerk of the Board of
Supervisors

Title: _____

Date: _____

By: _____
Deputy

Date: _____

Approved as to Legal Form:

MICHELLE D. BLAKEMORE, County Counsel
San Bernardino County, California

By: _____
Agnes Cheng, Deputy County Counsel

Date: 4/17/20

EXHIBIT "B-1"

IMPROVEMENT SPECIFICATIONS

WORKFORCE DEVELOPMENT DEPARTMENT (WDD) EAST VALLEY AMERICA'S JOB CENTER OF CALIFORNIA (AJCC)

GENERAL SPECIFICATIONS:

On all items listed within Exhibit "A", Premises Specifications, COUNTY is to select and/or approve all 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 "A" 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 (lobby)
CT2	-	Glazed ceramic wall tile (restroom)
CT3	-	Glazed ceramic wall tile (accent)
CT4	-	Glazed porcelain floor tile (restroom)
P1	-	Low Sheen/Eggshell
P2	-	Low sheen/Eggshell (accent)
P3	-	Low sheen/Eggshell (accent)
P4	-	Semi-gloss
VF	-	Vinyl floor

1.0 CONSTRUCTION GUIDELINES

1.1 CEILINGS:

- a. 2' x 4' suspended acoustic ceiling with *Dann DX* exposed ceiling tile tee systems, white. Fire rated system in areas required by Code.
- b. Ceilings are to be nine foot (9'), unless otherwise specified.
- c. Three-fourths inch (3/4") thick Armstrong #1811 Fine Fluted High NCR acoustical ceiling panels, (AP-1), NRC range 0.70, color - white, when specified in Finish Specifications.

EXHIBIT "B-1"

IMPROVEMENT SPECIFICATIONS

1.2 LIGHTING:

- a. 2' x 4' three (3), or four (4) tube fluorescent drop-in fixtures or as allowed by current Energy Codes. Lighting must meet all Uniform Building Codes applicable to commercial office buildings. All rooms to have separate lighting controls (switches or light sensors).
- b. Each fluorescent light fixture shall be identified; with black permanent pen or equivalent, as to which circuit and electrical sub panel it receives power. Marking must be done in such a way as to be easily seen when cover is removed, but not seen with cover on.
- c. 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.
- d. Night light fluorescent fixtures are to remain on at all times in each lobby, open area, and inside employee entrance door.
- e. Energy efficient emergency exit signs must be provided as per local building code. Provide additional emergency lighting for all restrooms and exit passages per local code approval. If fluorescent light fixtures are utilized for emergency battery back-up 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. Hallway 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 of Title 24 including connection to COUNTY provided system furniture.

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.
- b. LANDLORD shall provide the COUNTY with a copy of an air and hydraulic balance report from a "third party" firm duly licensed to inspect and certify the performance of the HVAC and hydraulic systems.
- c. LANDLORD shall make any adjustments, repairs or replacement of equipment necessary to achieve an even comfortable temperature and even air 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 rooms are to have ducted air conditioning supplies and returns. Except the janitor, IDF and telephone rooms.

EXHIBIT "B-1"

IMPROVEMENT SPECIFICATIONS

- e. Main heating and air conditioning controls shall be placed in electrical room with remote sensors placed in the return air ducts or otherwise not accessible to employees.
- f. Air conditioning requirements for the Telephone/Data Room are included in Exhibit "A" (see Section 2.0 through 4.0).

1.4 CEILING FANS:

- a. Ceiling fans are to be installed as noted on the floor plans.
- b. Fans are to be *Hunter-Douglas*, model 20736, white, 52" 5 blade, three speeds, white blades mounted down, or COUNTY approved equal, installed using short extension rod.
- c. Do not allow fan blade to be less than eight feet from floor unless otherwise approved by COUNTY.
- d. Switches to control fan on/off shall be installed by lighting controls or convenient to the fan.

1.5 WINDOW COVERINGS:

- a. Window coverings to be made of shade cloth material that will provide solar insulation to reduce glare and heat gain. Valance size to be consistent throughout facility. Product and design to be approved by COUNTY.

1.6 WALL CONSTRUCTION:

- a. The interior sides of all exterior concrete or block walls, and all interior concrete or block walls, are to be furred.
- b. All interior walls shall be constructed from floor to ceiling, at a minimum, unless otherwise noted and approved by COUNTY.
- c. All exposed interior walls shall be drywall finished, both sides, unless otherwise noted.

1.7 WALL COVERINGS: See RESTROOM FACILITIES for complete specifications.

1.8 PAINTED WALLS:

- 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, Dunn-Edwards, or Spectratone.
- c. Paint colors (P1) Low sheen/Eggshell, (P2) Low sheen/Eggshell accent, (P3) Low sheen/Eggshell accent, (P3) Low sheen/Eggshell accent and (P4) Semi-gloss to be approved by COUNTY. Placement of accent P2, P3 and Semi-gloss P4 within the facility to be approved by COUNTY. All other painted walls will be P1.

EXHIBIT "B-1"
IMPROVEMENT SPECIFICATIONS

1.9 INSULATION/SOUNDPROOFING:

- a. All wall cavities around hallways, rest rooms, offices, break rooms; 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.

1.10 FLOORING:

Ground floor flooring must be constructed to withstand a minimum force of 125 pounds per square foot; all floors above the first floor must meet local building code.

1.11 FLOOR COVERINGS:

CARPET:

- a. High-density carpet squares (CARP). Manufacturer, type, color and placement in facility to be approved by COUNTY.
- b. Installation to be as per manufacturer recommendations, using approved adhesives and seam sealers, as applicable to maintain manufacturer's warranty.
- c. Blinded carpet base to be installed in all carpeted areas. Blinded carpet base to match carpet. Installation to be as per manufacturer recommendations.

1.12 VINYL FLOOR:

- a. Manufacturer, type, color and placement to be approved by COUNTY.
Armstrong Exelion vinyl tile (VT) 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, type, color and placement to be approved by COUNTY.
- c. Welded seam Manufacturer, type, color and placement to be approved by COUNTY.
- d. COUNTY to select vinyl floor type and approve prior to consultation with Architect and purchase by Landlord.

1.13 PORCELAIN FLOOR TILE:

Glazed floor tile (CT-1) and (CT-4) 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 Section 1.19 for additional tile requirements).

1.14 SIGNS:

INTERIOR:

Contractor shall provide all ADA, emergency, evacuation and directional interior signage.

EXTERIOR:

EXHIBIT "B-1" IMPROVEMENT SPECIFICATIONS

- a. If exterior signage/monuments are present COUNTY has first right of refusal/approval to use as representing the department. Landlord will be responsible for design modifications, permits, fees and/or removal disposal costs.
- b. Landlord will provide exterior premise signage, as consistent with adjacent building/businesses, if applicable, and as approved by COUNTY.
- c. Raised, non-illuminated letters, monument type on stand-alone buildings, per City regulation and COUNTY approval.
- d. Landlord to provide building signage to have address and logo COUNTY to approve logo design.
- e. Landlord to provide entry door lettering: COUNTY name, agency name, and hours of operation, as allowed by jurisdiction and COUNTY approved.

1.15 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 to be approved by COUNTY prior to manufacturing.
- b. The inside of cabinets and drawers are to be completely lined with thermal fused material black in color.
- c. Unless otherwise noted, adjustable shelves in all cabinets, ¾" stock, thermal fused laminate material installed on all sides.
- d. Where water is present, countertop edges are to be elevated bull-nosed or V-cap, with flat end trim. Counters in open areas must have rounded corners.
- e. Heavy-duty hinges on all lower cabinets.
- f. ADA hardware on all cabinetry.
- g. 4" toe kick on all lower cabinets.
- h. Millwork shop drawings, material and colors to be approved by COUNTY prior to manufacturing.

1.16 EMPLOYEE BREAKROOM:

- a. Locking over-counter storage cabinets with microwave enclosures, under-counter storage cabinets and drawers with counter top. Design and materials to be COUNTY approved.
- b. Counter top to be 34" finished height. Design and materials to be COUNTY approved.
- c. Soap and paper towel dispensers must be installed convenient to sink and microwaves, 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
- e. ADA approved faucet set, deck mount, gooseneck spigot, stainless steel or chrome finish, washerless. Delta or COUNTY approved equal.
- f. Garbage disposal, minimum 1/2 h.p. In-Sink Erator or County approved equal
- g. 22 C.F. refrigerators, black color, with icemaker. LANDLORD to provide a total of four (2) refrigerators and upon installation, the refrigerators will be the property of the COUNTY.

EXHIBIT "B-1"

IMPROVEMENT SPECIFICATIONS

- h. 1 1/2 C.F. microwave ovens, black in color. LANDLORD to provide a total of four (4) microwave ovens and upon installation, the microwave ovens will be the property of the COUNTY.
- i. Plumbing connection for icemaker shall be recessed into wall, one per refrigerator.
- j. All water line connections from recessed valve to refrigerators must be made by landlord and deemed operational.
- k. All break rooms shall be designed to minimize the migration of food/cooking smells into the general open work areas. Designs to include the segregation of the break areas into the more utility portions of the building and separately zoning the AC as to not carry smells into other areas, and placing high-volume, quiet exhaust fan/s inside the room at the door exiting into the work area, wiring the fan to the lighting for continual operation.

1.17 DOORS AND DOOR HARDWARE:

- a. Door schedules 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. Von Duprin 99L-RH (LH for left side handle) panic bars, 36" device, 2060 finish, electronic outer trim door access controls will be required on all doors utilizing the COUNTY installed card access system unless otherwise specified (see attached specification for the outer trim pg. 23).
- e. Any interior or exterior door utilizing COUNTY installed card-access system shall have data boxes installed in wall @ 42" from floor. See drawing for conduit and data box locations (see attached drawings for reference pg. 22).
- f. Door closures on all lobby, rest room, entry/exit and any door that requires the COUNTY card access system.
- g. Push plates and pull handles instead of doorknobs or lever handles on rest room entrance doors, except for privacy restrooms, 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.

1.19 RESTROOM FACILITIES:

- a. All elements of rest room facilities must meet ADA requirements. All tile, grout, surface materials, and colors to be COUNTY approved.
- b. Installation of all components, fixtures and signage must be compliant to all applicable health, safety, and ADA codes.
- c. Floors: Glazed porcelain tile, 2" x 2", *American Olean* or *Daltile* (CT-4). The sanitary base tile and trim to be of same tile selected.
- d. Walls: Glazed ceramic interior wall tile, 4 1/4" x 4 1/4", *American Olean* or *Daltile*, (CT-2), tiled floor to ceiling with an accent tile (CT-3) or feature strip. A sanitary base to be of same manufacturer of tile selected. Use small grout width on all walls.

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- e. *Custom Building Products-Polyblend, or Hydromet Standard/Designer Series* grout. Tile and grout colors to be selected by COUNTY.
- f. Design: Recessed canned lighting over sink cabinet, minimum of one (1) light per sink.
- g. Rimless under-counter sinks with countertop to be 34" finished height. Mirrors to be installed above counters centered on sinks. Size and locations to be approved by COUNTY.
- h. Sink faucets to be Sloan, Optima Systems sensor operated electronic hand washing faucet #EAF-200-ISM with transformer, and grid strainer drain assembly #ETF-460-A.
- i. Hot water, 110 degrees, with recirculating hot water loop to eliminate cold water wait times.
- j. Non-ADA toilets to be Kohler Wellcome K4350, white, with Olsonite No. 95 ComfortCurve plastic seat, white, Royal Model Flushometer #111 ES-S 1.6 gallon valves with hands free flushing plumbing feature.
- k. ADA toilets to be Kohler Highcliff K4368 with Olsonite No. 95 ComfortCurve plastic seat, white, and Royal Model Flushometer # 111 ES-S 1.6 gallon valves with hands free flushing plumbing feature.
- l. Urinals, white, Kohler Dexter K-5016-ET, with hands free flushing plumbing feature.
- m. Stall and urinal partitions are to be Stainless Steel, COUNTY to approve selections. Stalls are to be Overhead Braced in addition to both walls and floor installed per manufacturers specifications using manufacturers hardware and fittings in brushed stainless steel finish. Urinal partitions are to be Mills, Model 5, installed using Mills GSA hardware, "Government flanged with Wing Bracket."
- n. Floor drains are to be located central to the stalls, out of the path of travel, under a partition. All floor drain P-Traps shall have a means of filling from a water primer device.
- o. 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 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 sized to hold adequate supplies, and be approved by COUNTY.
- p. One (1) automatic air freshener per restroom, to be approved by COUNTY. Refills to be provided by LANDLORD.
- q. Exhaust fans are required in each restroom and should provide one (1) exchange every 10 minutes.
- r. Provide and install, per all manufacturers guidelines, diaper changing tables in each restroom and public restroom ADA stall: Diaper Deck manufactured by American Infant Care Products, Koala, Rubbermaid Commercial line, or COUNTY approved equal.
- s. All restrooms to be equipped with emergency lighting in case of power failure.

1.20 DRINKING FOUNTAIN:

EXHIBIT "B-1"

IMPROVEMENT SPECIFICATIONS

Two- (2), two-station wall mount electric refrigerated water cooler, installed per manufacturers and ADA guidelines.

1.21 STORAGE:

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. 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 1/4" thick finish grade plywood, painted with high gloss paint to match the melamine. Typical designs are included in Exhibit "A" (see page 24). COUNTY to approve final layout and bin size designs.

1.22 ELECTRICAL CONNECTIONS:

- a. LANDLORD is responsible for all electrical connections from portable partitions to power source on site. Landlord to ensure electrical connections to County owned furniture complies with Title 24 regulations.
- b. Large open work area 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 circuit. COUNTY will provide final furniture plan with total "J" boxes and circuits needed, approx. 10' centers.
- c. COUNTY to approve all data/phone and duplex locations.

1.23 TELEPHONE AND DATA ROOMS AND EQUIPMENT:

Specifications are included in Exhibit "A" (see Sections 2.0 through 4.0, pages 11-18), and as shown on plans. LANDLORD is responsible for the following:

- a) All telephone/data jack locations shall have 3/4-inch conduit, with pull strings, stubbed out above the ceiling. If the ceiling is not accessible for pulling cable, the conduit must home run to the nearest IDF location.
- b) Blank covers must be installed over all unused telephone/data outlets.
- c) Telephone and data equipment, lines, and jacks to be installed by COUNTY.

1.24 OUTSIDE PATIO AREA:

- a. All building entrance, exit areas, including sidewalk leading to patio are to be concreted and covered. Patio area to have a minimum of 7' height wrought iron fence with lockable gate. COUNTY to approve design of patio area and covers.
- b. County will require card access at the exterior gate(s) for the patio. Landlord to provide conduit runs to support the COUNTY card access system to be installed. County approval required.
- c. LANDLORD to supply a minimum of four (5) commercial-type picnic table with attached benches; model and installation location to be approved by COUNTY.
- d. LANDLORD shall provide lighting under patio cover and/or wall area.

1.25 EXTERIOR REFUSE:

- a. At a minimum, one (1) secured covered block constructed enclosure with swinging metal gates. Enclosure should hold a minimum of four (4) dumpsters

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IMPROVEMENT SPECIFICATIONS

with one (1) dumpster designated for recycling. Design and location of enclosure to be approved by COUNTY and must meet all City, COUNTY, State and Federal code requirements.

- b. At a minimum, four (6) deluxe boulder trash receptacles (concrete) with plastic liner and attached lids. Location and style to be approved by COUNTY.
- c. At a minimum, four (6) pebble ash urns (concrete) filled with silica sand. Location and style to be approved by COUNTY.

1.26 MAIL BOX:

The LANDLORD is responsible for providing and installing a properly identified US mail box outside the building that will meet United States Postal Service requirements. Location must be approved by the local Post Master to ensure delivery of mail to this COUNTY facility. Landlord to install a properly identified drop box for the use of COUNTY clients. COUNTY to approve design and location.

1.27 FIRE ALARM:

- a. Fire alarm system to be installed at LANDLORD expense with strobe lights and audible alarm in all rest rooms, general usage areas, hallways, lobbies, and any other area for common use as required meeting ADA requirements.
- b. COUNTY to approve location of fire alarm control panel.
- c. Fire alarm system must meet all City, COUNTY, State and Federal fire code requirements.

1.28 FLAG POLE:

- a. Exposed height to the highest allowable as permitted by local codes and regulations
- b. Cast aluminum pole
- c. External single halyard with revolving cast aluminum halyard truck
- d. Cast aluminum cleat enclosed in an opening, lockable box or other tamperproof arrangement for securing the halyard
- e. Lighting for the flag to be mounted on building or parking lot pole in accordance with all applicable codes and regulations

1.29 PLAN COPIES:

LANDLORD will supply to COUNTY:

- a. Two (2) clean, complete and reproducible hardcopy sets of building construction plans.
- b. One (1) electronic CAD copy of the same plans in .dwg format, one (1) As-Built set of permitted drawings and one (1) set of red line drawings with building changes noted in red pen, over an approved set of plans; attach Change Orders and Addendum's that reflect the Tenant Improvements Only.
- c. The As-built plan set must be delivered to the COUNTY within 60 days of issuance of Certificate of Occupancy.
- d. COUNTY to approve building site elevations, including exterior paint colors, and monument signs design.

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IMPROVEMENT SPECIFICATIONS

1.30 LANDSCAPING – PEST CONTROL

- a. LANDLORD to supply, install and maintain landscaping appropriate to the local flora.
- b. LANDLORD shall maintain all flora to thrive and maintain a hardy attractive appearance at all times.
- c. LANDLORD to keep landscape areas weed free at all times.
- d. LANDLORD shall maintain a monthly exterior and interior pest control service and/or provide these services as needed.

1.31 EXTERIOR PARKING

- a. LANDLORD shall provide a parking ratio to building square footage of (9) per 1,000 square feet. LANDLORD, in addition to parking lot lightning, shall install wall peck lighting on all sides of building to provide adequate security lighting at night. See Room by Room specifications (page 38) for additional parking, perimeter fencing and driveway requirements.
- b. LANDLORD shall supply, install and maintain secured parking for (30) COUNTY vehicles, located adjacent to the building, and may be included in the count of general parking required by the County
- c. Secured parking area must be enclosed with fence, automatic gate operator and pedestrian gate. COUNTY to approve fence material and gate locations.
- d. Secured parking must have perimeter lighting.
- e. LANDLORD to install all necessary conduit and power required to operate gates and COUNTY card access system

1.32 DOORS – EXTERIOR TO INTERIOR ACCESS

- a. All exterior doors that lead into the lobby, hallways or any other work areas shall have a solid, water-tight and water-proofed overhead covering extending at least 3' from the door with a width that covers the entire entrance. See Room by Room specifications (page 38) for exterior windbreak and other exterior door requirements

1.34 EXTERIOR BUILDING PENETRATIONS

LANDLORD to provide up to 30 ¾" to 1" exterior penetrations to permit / facilitate mounting and wiring of COUNTY-supplied and installed security camera system, all locations to be indicated by COUNTY. See Room by Room specs for additional information on Exterior Building Penetrations and Windows.

2.0 INFORMATION TECHNOLOGY (IT) TELEPHONE SWITCH / DATA / MICROWAVE ROOM

2.1 DIMENSIONS:

The main Telephone/Data/Microwave/Communication room size shall be a minimum of 12 feet by 14 feet in dimension. The room should be centrally located on a given floor within the proposed building. Do not use other equivalent area within the building to substitute for this specified location. This room is to be used for Telecommunications/data equipment only. No fire alarm equipment or other services shall be placed in this room except for security alarm systems. An illuminated exit sign, and emergency battery

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backup light device shall be installed above the room entrance door. Please note that all portions of the room, including power, air-conditioning, grounding, and lighting shall be completed prior to the requested "in service" date.

2.2 POWER AND ELECTRICAL OUTLETS:

- a. The main Telephone/Data/Communication room shall have an independent 24 position, 100/200 Amp, 120/208, three phase, four wire, surface mounted, sub-panel with a White Neutral buss bar, and an Isolated Green Ground buss bar inside. The normal size sub-panel in the room for the majority of the locations will be specified at 100 Amp capabilities unless otherwise identified. The grounding screw in the sub panel neutral buss will not be tightened to make contact with the sub-panel frame unless otherwise required by code.
- b. EMT conduits attached to the sub-panel frame and run to receptacle box(es) attached to the overhead cable tray would otherwise transport voltage irregularities such as voltage spikes and noise onto the frames of the installed equipment racks that have to be earthquake braced to the overhead cable trays. Grounding the cable trays through the EMT conduit attachments would defeat the purpose of the isolated green ground and void equipment warranties. (See COUNTY electrical receptacle drawing).
- c. This room shall have a second, separate/independent (Home Run) 4/0 or less size cable, depending on the distance between the Edison meter ground and the Telephone/Data/Microwave Radio Room. This Green Ground cable, if not a green sheath will be banded green at both ends. This cable will be properly terminated on the Edison Meter Ground Rod and on the Communication Room cable tray in the room. This green ground cable shall be in contiguous conduct from beginning to destination. (See COUNTY electrical receptacle drawing).
- d. The COUNTY will install a Green Ground copper buss bar on a wall in this room, and will further connect a #8 stranded green sheath cable between the buss bar and the green ground bus bar in the sub-panel. OR if the county wall mounted buss bar is not in place at the time, connect the green ground cable in the sub panel and leave approximately 15 to 20 feet coiled above the drop ceiling of the room, ready to be extended to wherever the wall green ground buss bar is to be eventually installed by the COUNTY. Do not connect the green ground buss bar to the overhead cable tray in the room.

2.3 ADDITIONAL ITEMS (NOTES):

- a. Long distances will require this second Green Ground cable to be of larger size and home run. Keep in mind that this cable is a non-current carrying conductor; the larger diameter is used only to reduce the resistance per foot over the pull. In no case, will the second green ground cable be less in size than either the electrical panel green ground, neutral or hot conductors in the room sub-panel (See COUNTY electrical receptacle drawing).
- b. The room shall have Type "A" isolated green ground, Orange color duplex, 20 Amp dedicated wall receptacles. There will be 4s wall boxes, surface mounted, one foot off the floor level with two duplex receptacles per wall box. In addition, One each simplex, Orange color Hubbell twist lock NEMA IG- L5-

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30R receptacle, rated at 30 Amps will be dedicated and installed in a single gang box at the bottom rear rail of an electrical equipment rack, or other suitable location adjacent to where a planned Data ATM switch would be installed. The location of this 30 Amp Dedicated receptacle will be dictated by the proposed equipment layout as identified on the room floor plan (Install Only if a data switch is planned for installation in the room. (See county electrical receptacle standard wiring drawing).

- c. One each, additional Hubbell twist lock, NEMA IG L14-30R simplex orange color receptacle will be installed in a 4S box, mounted on the rear rail of the room overhead cable tray, above the designated location where the communication room battery charger is to be located and installed. (See COUNTY electrical receptacle standard drawing).
- d. Communication rooms requiring use of MFA 150-48 or MFA 600-48 to support Telephone Switching centers, shall have two (2) circuits, if MFC-150, or up to six circuits, if MFA 600. Each circuit will be 208-volt AC circuits, hard-wired between the power supply location and the communication room sub-panel. Each of these circuits will be connected to a dedicated two pole 20-Amp circuit breaker. All conduits between the frame of either of the above power supplies and the communication room sub-panel are required to be gray color, water tight insulated flex. Conduit size is to be determined through coordination with the county technician involved with the specific installation. All circuits must carry two hot, and a green ground.
- e. If Intermediate Distribution Frame (IDF) rooms are required, each shall have a minimum of Five each 5-20R type "A" isolated green ground, 20 Amp Orange color, 120 VAC receptacles with dedicated circuit breakers using isolated green ground sub-panel, located and near the room/s. Where IDF closets/rooms are located above the main Telephone/Data rooms, run these IDF AC circuits out of the Main Telephone / Data Room.
- f. COUNTY needs for future electrical capacity may be required to be installed. The planning for these may require some deviation from these specifications. Please refer to COUNTY approved construction documents for final layout. See 4.0, APPROVAL

2.4 BACKBOARDS:

The main Telephone/Data room walls shall be covered with 3/4 inch, White Melamine composite sheets. These sheets shall be 4' wide by 8' feet, mounted vertically beginning at floor level. The top of the door way shall be covered to the ceiling. Each IDF location shall have a minimum of two each 3/4 inch, White melamine composite sheets installed in a similar manner. Each Microwave radio room, if separate, shall have at least one wall covered with this material if separated from the Main and IDF rooms.

2.5 FIRE SPRINKLERS:

If a fire sprinkler system is required in a building, having Telephone/Data rooms/Microwave Radio Rooms, the sprinklers shall be a high temperature standard response with a 360 Degree coverage head, with heavy-duty safety cage.

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2.6 AIR CONDITIONING:

- a. The heat load within the Telephone/Data/Microwave-Radio Rooms will vary directly with the installation of the type and quantity of active electronic equipment to be placed there. If an individual is assigned and positioned there, additional BTU per person should be added to the calculations. The room's air-conditioning should be designed to handle the equipment load in addition to normal construction heat load designs. Once the total heat load requirements are calculated and the air conditioner size is selected, an additional matching redundant air conditioning unit will be required and electronically controlled by the room controls. The electronic controls shall include a "Lead-Lag" system, programmed to alternate the lead starting unit with the two independent air conditioning units. The COUNTY shall approve the set-up temperature settings and the time frames for the "Lead-Lag" programming.
- b. The electronic equipment and backup battery plant requires a normal operating temperature of 77 degrees Fahrenheit with a relative humidity range of 30 % to 55 %, and must be controlled by a thermostat within the room. The room air-conditioning units may require a heat pump depending on the elevation above sea level such as in remote mountain locations. This air-conditioning system should be installed as stand-alone systems and not a part of the building air-conditioning system. This system is required to be available for operation on a 24-7 basis. The BTU heat loading for equipment and personnel can be computed as follows:
 - 12,000 BTU (British Thermal Units) equals one ton of Air Conditioning.
 - Allow 400 BTU for each person assigned to work permanently in the room as applies.
 - If you know the wattage of the equipment, multiply the Watts/Hr. times 3.409 to obtain BTU.

2.7 FLOOR COVERING:

The floor shall be covered with dust sealed vinyl tile. The room dust density should be zone 4 (0.00014g/m to the third order) or better.

2.8 DOOR:

The Telephone/Data/Microwave Radio room door shall be no less than 36 inches wide with standard height. This door shall be keyed separately from the doors in the rest of the building.

2.9 LIGHTING:

The room shall have ceiling lights strategically placed to provide for adequate and best working conditions. Coordinate positions with electronic rack line up in the room.

2.10 WEATHER SEAL:

All exterior doors shall be weather sealed.

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IMPROVEMENT SPECIFICATIONS

2.11 CONDUIT REQUIREMENTS:

Conduit requirements will vary with each installation and type of room involved. Depending on the type of building construction, conduits will be of adequate size and will be based on the length and configuration of the pull involved. Contiguous runs are required from a room having hard ceilings and extending to a point where the area becomes open above where drop ceilings begin. Contiguous runs of conduit are required for ALL installations within a jail area, or other retention areas. In jail instances, no conduits will be run on the surface of walls. Pull ropes are required to be placed in all contiguous conduit runs. In non-security areas, where there is no threat of disruption or where data, control, and telephone drop pairs are free from interference, conduits of adequate size and number may be stubbed off 6 inches above the drop ceiling of the communication room. All conduit runs will use sweeps ten times the diameter of the conduit, where out of line directions are required.

2.12 ENTRANCE CONDUITS:

To accommodate for future expansion, there shall be at least three (3) each 4-inch diameter schedule 40 conduits placed underground and stubbed off 3-inches above the Telephone/Data/Microwave Communication Room floor level and to provide adequate cabling from the telephone company serving the building. Pull ropes will be placed in these entrance conduits. Bends within 10-feet of the building shall be 48-inch / 45 degrees, and mid point bends shall be a minimum of 72-inches. See attached drawing for conduit placement location in the Telephone room. Contact the local telephone operating company for their connection requirements at the street.

2.13 MDF TO IDF CONDUITS:

ALL IDF rooms shall be connected to the Telephone room/data/communication room using a minimum of two (2) each, 4-inch diameter, Schedule 40 gray PVC conduit, in the event that both phone and data are required, there shall be a minimum quantity of Two (2) each. If only phone or only data is required, there shall be only one (1) of these 4-inch conduits required. Do not intermingle fiber and copper in the same conduit. One is used for Fiber optic cabling, one is used for copper cable pulls. If overhead cable tray is installed, between the phone room and an IDF on the same floor, no conduits are required.

2.14 JACK CONDUITS:

All Telephone/Data wall jack locations installed within room walls shall have 3/4-inch EMT conduit connected to a 2x4s wall box one foot above the floor level and stubbed off 6 inches above a drop ceiling. Each conduit will have a pull rope installed. Where modular furniture is to be installed in an office, coordination for conduit placement is required.

2.15 INTER FLOOR CONDUITS:

- a. In buildings where IDF rooms are stacked one above the other, there shall be a minimum of two (2) each 4-inch diameter schedule 40 PVC gray conduits

EXHIBIT "B-1" IMPROVEMENT SPECIFICATIONS

through the ceiling of the room below and the room above. These conduits will extend into the rooms at least three inches below drop ceilings and above floor level.

- b. In buildings where IDF rooms are not planned to be one above the other these two 4-inch conduits shall be contiguous runs with pull ropes. In this event Minimum bend radius will be 48 inches / 45 degrees.

2.16 CONDUIT SLEEVES:

The Telephone/Data room shall have a minimum of Four (4) each EMT conduit sleeves Extending above the drop ceiling for cable access. Each sleeve shall extend 5" on either side of the ceiling.

2.17 BUILDING Interconnect:

Conduits used between buildings shall be 4-inch minimum diameter using schedule 40 gray PVC. Bends within 10 feet of each building shall be 48-inch/45 degrees and midpoint bends shall be a minimum of 72-inch radius.

2.18 FIRE WALLS:

Conduit sleeves through firewalls, block, or concrete walls connecting units within a building or to adjacent buildings shall use either 3-inch or 4-inch I.D. Gray PVC Conduit, unless otherwise specified by code. These sleeves will extend 6-inches on either side of the wall, and will be made fire safe after the cabling has been passed through.

3.0 IDF ROOMS:

3.1 SIZE:

Each floor above the ground floor, minimum size of 10 feet D x 10 feet W. Whenever possible, the room(s) shall be stacked directly above one another and directly above the ground floor communication room.

3.2 POWER:

Provide three (3) 4" EMT conduits that will run between the main communication room/data room and the individual IDF room(s) on each floor to separate the phone, data and fiber cabling. Do not use equivalent area to substitute for the room 10 D x 10 W dimensions. The rooms are to be used for telecommunications/data equipment only. No building alarm equipment or other services shall be placed in these rooms unless COUNTY approved. Provide two (2) each 4S quad boxes with two (2) each orange color duplex isolated ground, 20 amp receptacles on opposite walls in each IDF. Connect both 4S box (with 2 duplex outlets) to a dedicated 20 Amp circuit breaker to be installed in the nearest electrical sub-panel on each respective floor. Install (2) 208/230-30 amp circuits with a L5-30P for rack mounted UPS equipment. Where IDF closets are located above the main communication room, run these circuits out of the main communication room sub-panel. Identify the circuit breakers and receptacles for their use (See attached floor plan and room electrical requirements).

EXHIBIT "B-1" IMPROVEMENT SPECIFICATIONS

- 3.3 IDF Conduits:**
The room(s) shall have two (2) EACH 4 inch EMT conduit sleeves in the ceiling for local fiber/data/communication cable access. Each sleeve shall extend 6 inches on either side of the ceiling.
- 3.4 IDF Backboard:**
The room walls shall be covered with ¾ inch x 4 ft. x 8 ft. melamine composite sheets mounted vertically starting at floor level.
- 3.5 IDF Fire Sprinkler:**
If a fire sprinkler is required in the room, the sprinkler shall be of high temperature standard response (360 Degree) Head with heavy-duty safety cage.
- 3.6 IDF Floor Covering:**
The floor shall be covered with dust sealed vinyl tile. The room dust density should be zone 4 (0.00014g/m to the third power) or better. The floor must be capable of supporting minimum bearing loads of 100 pounds / Ft. squared.
- 3.7 IDF Door:**
The IDF door shall be a minimum of 36 inches wide and keyed separately from the rest of the building.
- 3.8 IDF Lighting:**
The IDF room shall have adequate lighting positioned for good visibility, reflecting on each of the room walls, so as not to create human shadows when working on punch blocks.
- 3.9 Earthquake Bracing, All Communication Rooms:**
Most, if not all of San Bernardino County is considered Zone 4 for this purpose. Where walls, ceilings and or overhead cable tray are not positioned directly adjacent to electrical equipment racks, this required support would be provided using Southwest Data Products part number "SWE2562 that includes, nuts and bolts and swivel brackets. NOT INCLUDED but REQUIRED, is the 5/8-11 all thread rods. Specify this diameter and length of "all thread" rod. Additionally, a "B"-Line / Saunders Bros. Part number SB 1157 (For 5/8-11 rod) red color insulator is to be inserted in the 5/8-11 "All thread" rod. The purpose of the insulator is to isolate the rack from the support point that could produce ground loops.
In the event that the overhead cable tray is immediately adjacent and above the electrical equipment racks, and where the above identified SWE brace cannot be used for earthquake bracing, a "B" Line / Saunders Bros. Part number insulated brace kit, Part number SB2501 that includes an insulator is to be used for this purpose so as to prevent ground loops but provide the required earthquake support.

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4.0 Approval:

The County of San Bernardino, Information Services Department, and Network Services Division must approve any exceptions or modifications to these specifications. Any questions regarding these specifications should be directed to the Telecommunications Engineering Section at 909-387-3383.

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IMPROVEMENT SPECIFICATIONS

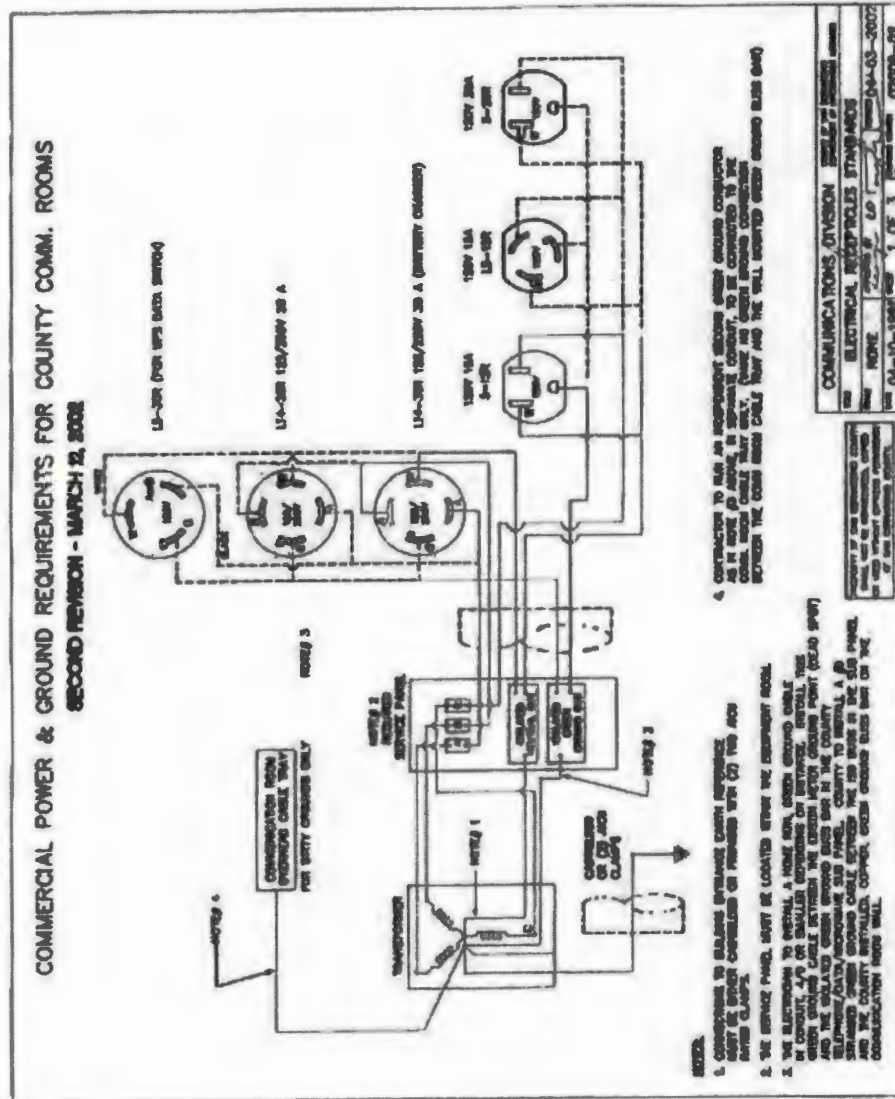


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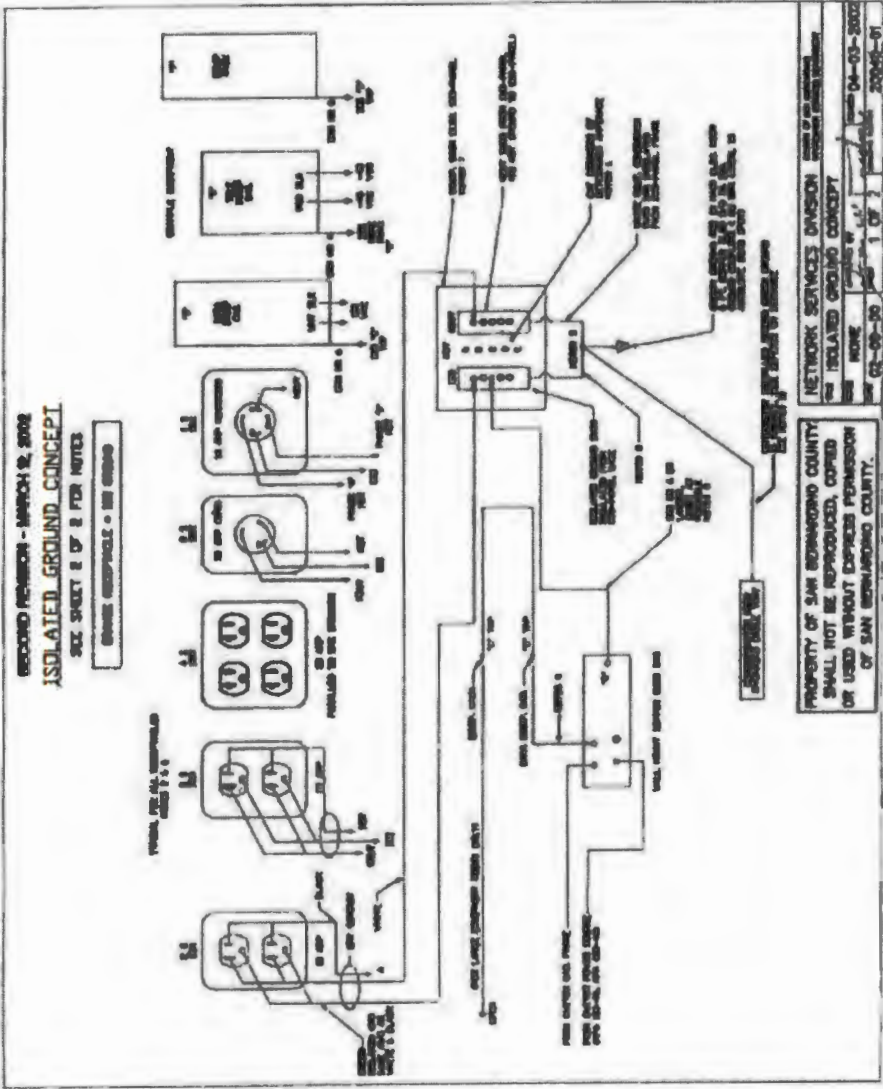


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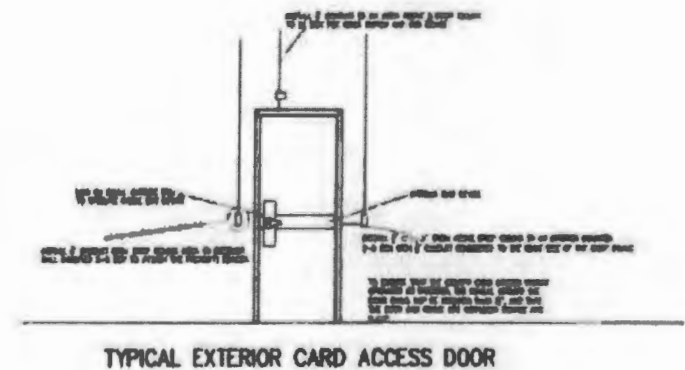
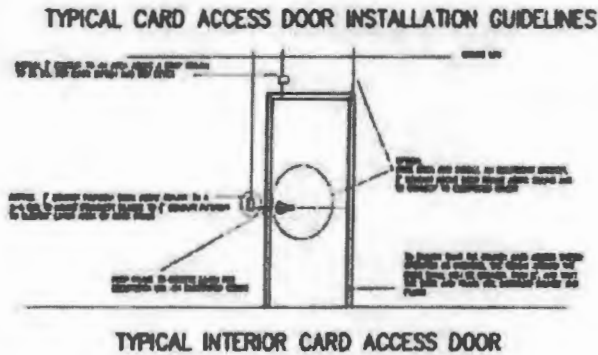


EXHIBIT "B-1" IMPROVEMENT SPECIFICATIONS

VON DUPREL ESM ElectroMed Breakaway™ Lever Trim

ESM ElectroMed Breakaway lever trim provides smooth feeling and satisfying operation with increasing the patented Breakaway trim design.

The ESM ElectroMed can be equipped with a standard controller, thus allowing remote control of the opening. The control of this switch in high-rise buildings is a common application for this trim.

When electrically actuated the trim operates as a standard lever trim. When electrically locked, the trim lock is locked, but otherwise this trim is made of heavy material. It is made, the Breakaway trim before opening.

The ESM ElectroMed is a 100% steel unit, but can be made of a 100% steel unit (ESM) when desired. The trim can be ordered with a door, added to an existing ESM trim door installation, or a standard ESM trim can be added to an existing ESM. Breakaway trim can be added to an existing ESM.

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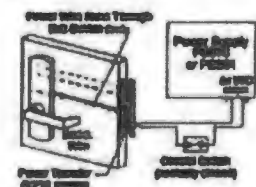
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Breakaway trim can be added to an existing ESM.



ESM ElectroMed Breakaway
- Power Supply (ESM & ESM)
- The trim is 100% steel (ESM & ESM)



ESM ElectroMed Breakaway



EXHIBIT "B-1"
IMPROVEMENT SPECIFICATIONS

SHELF UNIT SPECIFICATIONS

NOTE: Shelving 3/4" thick
Enclosed back 1/4" wood

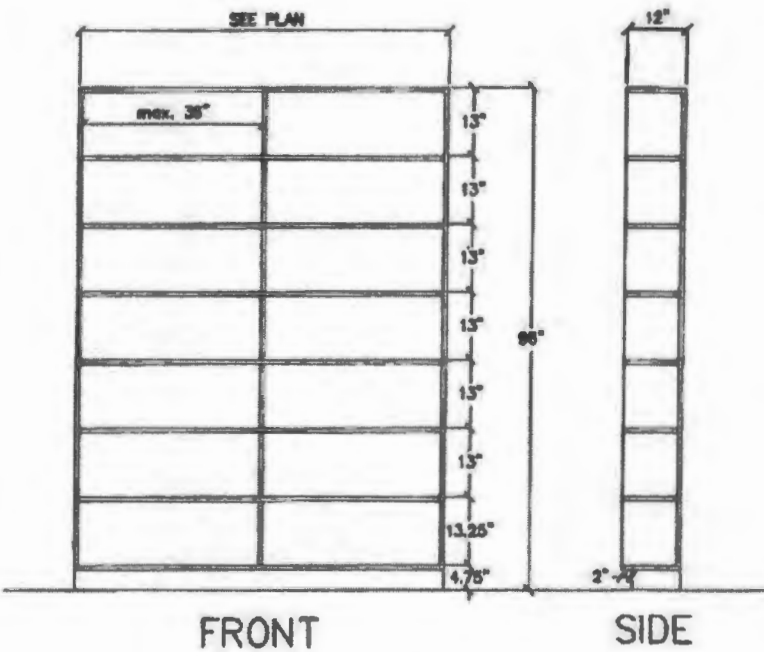
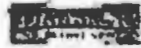


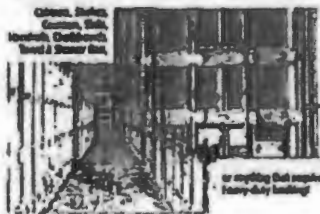
EXHIBIT "B-1" IMPROVEMENT SPECIFICATIONS

JUST SNAP, FLEX and SCREW

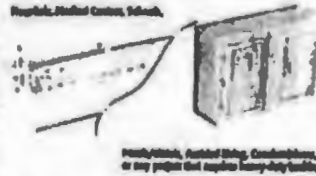
Reduce steel stud backing installation time up to 90%. It's that fast!



The Perfect Solution Exists Now



Remember that too.



Features and Benefits

- Reduces installation time up to 90%
- Available for 10" and 12" R-C backing
- Eliminates cutting, nailing, drying and setting
- Eliminates vibration! No hammering, no dust

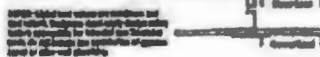
- Compatible with all exterior building codes
- 50% lighter and stronger than traditional wood
- No greater vibration than other exterior wood

Product Specifications and Dimensions

Stud	Width	Depth	Weight per sq. ft.	Weight per sq. ft.
10"	10"	12"	1.25	1.25
12"	12"	12"	1.50	1.50

Minimum Load Table

Stud	Width	Depth	Weight per sq. ft.
10"	10"	12"	1.25
12"	12"	12"	1.50



100% recycled steel studs are available for all applications. Snap, Flex and Screw studs are available for use in all applications. Snap, Flex and Screw studs are available for use in all applications.

request a quote online www.dietrichmetal.com or call 1-800-638-1908

Our company carries heavy-duty steel studs and backing. We are a subsidiary of Dietrich Metal Framing. They used traditional wood backing studs on our job and it took 3 men 4 days. We switched them to Dietrich and on the second day, three men were off backing. It took the crew 3 men 3 hours!

Andy Spence
New York Supply - London, NY

DIETRICH
METAL FRAMING
A Washington Industries Company

EXHIBIT "B-1"
IMPROVEMENT SPECIFICATIONS

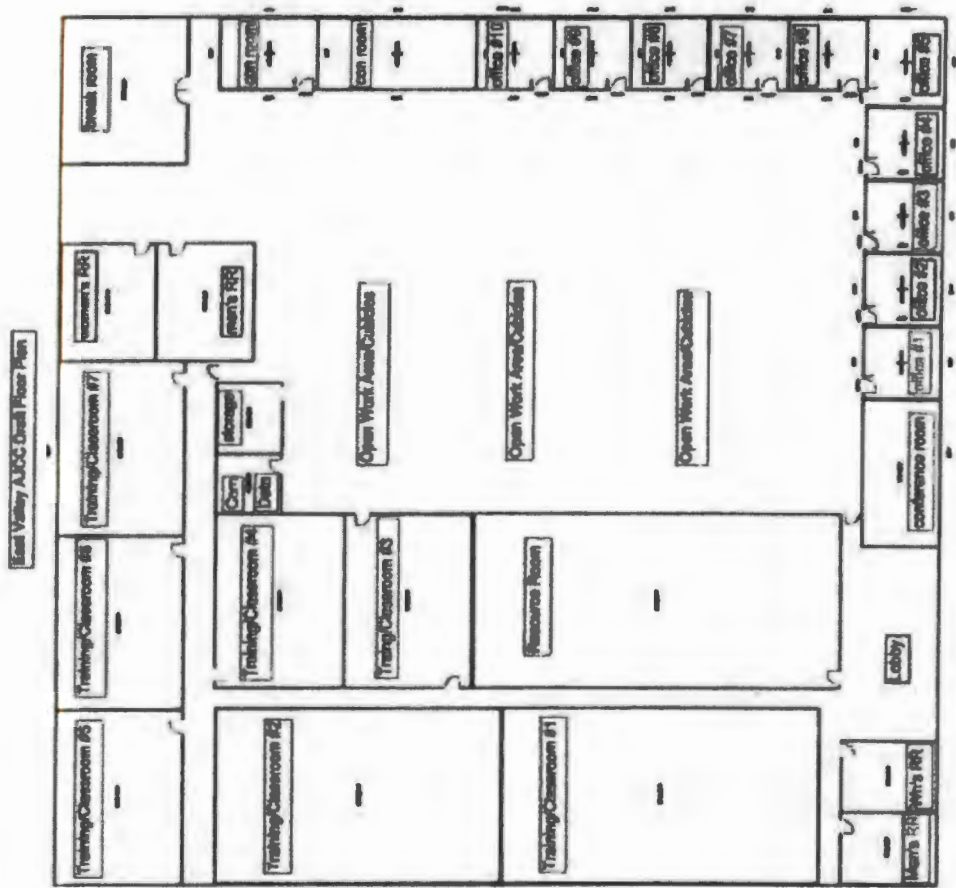


EXHIBIT "B-1"
IMPROVEMENT SPECIFICATIONS

<u>Room</u>	<u>Floor</u>	<u>Walls</u>	<u>Comments</u>
Lobby	CT1	P1, P2, P3	• Install in lobby automatic sliding doors, locking controls, manufacture and type to be approved by County • Install exterior glass mullion wind break. See Section 'Doors – Exterior to Interior Access', page 39. • 10' high ceiling • 4 ceiling fans • 10 duplex, 2 @ 72" from floor • 10 data/phone, 2 @ 72" from floor • Bracing in walls to support up to an 80" plasma television, mounting bracket to be supplied by County, installed by Landlord; or, installation of mounting post installed/reinforced above T-bar to support hanging of two plasma televisions from ceiling, County to approve location. • 8 cork boards, 2 4'x 8' and 6 4'x 4', County to approve locations • 2 interior locking door in divider walls with safety vision window, keyed separately; hardware either storeroom function or Von Duprin panic hardware, pending Fire Marshall direction; County card access system to be installed, Landlord to prep door. • 4 data/phone @ 42" from floor for interior card access, 1 on each side of both divider walls. • Guard station furniture per furniture plan, provided by County for use in coordinating power/data locations.
Reception Area	CARP	P1, P2	• 10' high ceiling • 10 duplex, 3 above counter and 3 NEMA type 5-20R receptacle on dedicated circuit • 6 data/phone • Approximately 22' transaction window with shatter-proof glazing, to include offset glass surface as speaking holes and full width document pass-through

EXHIBIT "B-1"

IMPROVEMENT SPECIFICATIONS

<u>Room</u>	<u>Floor</u>	<u>Walls</u>	<u>Comments</u>
			at counter-top for client/staff use; Design and materials to be County approved • Approximately 22' of transaction counter tops, 18" wide. Design and materials to be County approved • 1 Lockable door keyed separately with a safety vision window. County Card access system to be installed by County, doors to be prepared by landlord • 1 data/phone @ 42" from floor for interior card access • Reception furniture per furniture plan, provided by County for use in coordinating power/data locations.
1-10 Offices	CARP	P1, P2	• 3 duplex locations to be defined and approved by COUNTY • 2 data/phone locations to be defined and approved by COUNTY • Lockable door, office / entry function, keyed separately.
Data/Communication Room	VF	White Melamine	• See Section 2.0 through 4.0 INFORMATION TECHNOLOGY (IT) TELEPHONE SWITCH DATA/MICROWAVE ROOM for complete COUNTY guideline requirements • Six 4-plex, three with dedicated 20 amp circuit, three with two 20 amp isolated circuits • Two 240 volt duplex, each with dedicated 30 amp circuit • Lockable door, storeroom function, keyed separately. County Card access system to be installed by County, doors to be prepared by landlord. • Vinyl tile to anti-static.
Electrical Room	VF	P1	• Built to code • 1 exterior metal lockable door, keyed separately.

EXHIBIT "B-1"

IMPROVEMENT SPECIFICATIONS

<u>Room</u>	<u>Floor</u>	<u>Walls</u>	<u>Comments</u>
Training/Classrooms 1-2	CARP	P1, P2	• 8 duplex, 1 @ 72" • 8 data/phone, 1 @ 72" • Lockable door w/ safety vision window, keyed separately • 2 4'x8' dry erase boards w/tray • Bracing in walls to support up to an 80" plasma television, mounting bracket to be supplied by County, installed by Landlord. • 2 ceiling fans
Training/Classrooms 3-7	CARP	P1, P2	• 6 duplex, 1 @ 72" • 6 data/ phone, 1 @ 72" • Lockable door w/ safety vision window, keyed separately • 2 4'x8' Dry Erase boards with tray • Bracing in walls to support up to an 80" plasma television, mounting bracket to be supplied by County, installed by Landlord. • 2 ceiling fans
Entry Way	CT1	P1	• 1 exterior lockable door, storeroom function, keyed separately, County card access system to be installed, Landlord to prep door. Door scope viewer to be installed. • 1 data/electrical @ 42" from floor at exterior for card access • Install lighting at this area both interior (emergency) and exterior • Exterior door area to have weather proof awning or cover to be installed above the exterior side of door for protection from weather • 2 floor mats 4' x 5' min, per janitorial specifications
Janitor's Closet	VT	P4	• 2 duplex with GFI • 1 exhaust fan • Service/ Mop Sink Kohler Whitby, No. K-6710, Flat 830-AA Service Faucet • Lockable door, keyed separately.

EXHIBIT "B-1"

IMPROVEMENT SPECIFICATIONS

<u>Room</u>	<u>Floor</u>	<u>Wells</u>	<u>Comments</u>
Storage	VT	P1, P2	• Water-proof splash guard on walls by mop sink, min 36" • 1 lockable door, office /entry function, keyed separately • Shelving per furniture plan • 4 duplex, 2 dedicated with NEMA 5-20R receptacles for copiers, 2 above countertop (future use) • 4 data/phone, 2 above countertop (future use)
Men's Restroom - Staff	CT4	CT3, P4	• 1 duplex with GFI • See Exhibit A, General Specifications Section 1.19 for complete details.
Women's Rest Room - Staff	CT4	CT3, P4	• 1 duplex with GFI • See Exhibit A, General Specifications Section 1.19 for complete details.
Entry to Rest Rooms	CT1	P1	• 1 duplex with GFI • ADA compliant two-station drinking fountain. See general Specifications.
Employee Break Room	VF	P1, P2, P3	• See General Specification, Section 1.16, page 5 for complete Employee Lounge and Break Room requirements. • Approximately 25' of counter top surface with lockable drawers and cabinets, above and below surface. Design and materials to be COUNTY approved. • Sink with garbage disposal, per Section 1.16 • 17 duplexes, 1 dedicated for garbage disposal, 6 dedicated above counter top with GFI, 6 dedicated circuits to support refrigerators and vending machines • 10' high ceiling • Water service for 2 refrigerators, recessed into wall • 2 Refrigerators, black color with ice maker • 2 Microwave Ovens, black color

EXHIBIT "B-1"

IMPROVEMENT SPECIFICATIONS

<u>Room</u>	<u>Floor</u>	<u>Walls</u>	<u>Comments</u>
			• 4 doors, 2 interior passage function with safety vision window, 1 exterior lockable door storefront function, keyed separately, Card access system to be installed on exterior doors, landlord to prep door. • 2 data/electrical @ 42" from floor at exterior for card access
Patio	concrete		• Covered, well-lit, enclosed patio area with W/I fence and lockable gate; Cover to be constructed from solid, weather-proof permanent material, COUNTY to approve final design • Gate entry/exit with County card access system to be installed on exterior by COUNTY, landlord to prep gate • 3 duplex GFI in lockboxes • 1 Hose Bib, keyed valve & lockable • Provide 6 picnic style tables with seating, County to approve • See General Specification, Section 1.24, page 8 for complete patio requirements.
Conference Rooms 1-3	CARP	P1, P2	• 6 duplex, 1 @ 72" • 6 data/phone, 1 @ 72" • Lockable door with safety vision window, keyed separately • 2 4'x8' dry erase boards w/tray • Bracing in walls to support up to an 80" plasma television, mounting bracket to be supplied by County, installed by Landlord. • 2 ceiling fans
Entry Way	CT1	P1	• 1 exterior lockable door, storeroom function, keyed separately, County card access system to be installed, Landlord to prep door. Door scope viewer to be installed. • 1 data/electrical @ 42" from floor for card access • Install lighting at this area both interior (emergency) and exterior

EXHIBIT "B-1" **IMPROVEMENT SPECIFICATIONS**

<u>Room</u>	<u>Floor</u>	<u>Walls</u>	<u>Comments</u>
			• Exterior door area to have weather proof awning or cover to be installed above the exterior side of door for protection from weather • Flooring to be ceramic tile extending from exterior door to the end of the hallway. • 2 floor mats 4' x 6' min, per janitorial specifications • 10' high ceiling • 6 duplexes
Resource Room	CARP	P1, P2, P3	• 10' high ceiling • 24 phone/data 24 duplex, no more than 3 duplex per circuit, 3 NEMA type 5-20R receptacle on dedicated circuit. • 4 ceiling fans • 3 white dry erase boards, 4'x8' with trays, COUNTY to approve locations • 3 Cork boards, 4'x8' • Lockable door, keyed separately with safety vision window • Bracing in walls to support up to an 80" plasma television, mounting bracket to be supplied by County, installed by Landlord
Corridor	CT1	P1, P2	• 10' high ceiling • Full height divider wall between corridor and open work area • Flooring to be ceramic tile extending from exterior door to the end of the hallway • Interior locking door in divider wall, keyed separately; hardware either office/entry function or Von Duprin panic hardware, pending Fire Marshall direction; County card access system to be installed, Landlord to prep door
Entry & Corridor	CT1	P1, P2	• 10' high ceiling • Flooring to be ceramic tile extending from exterior door to the end of the hallway at open work area. • 6 duplexes

EXHIBIT "B-1"

IMPROVEMENT SPECIFICATIONS

<u>Room</u>	<u>Floor</u>	<u>Walls</u>	<u>Comments</u>
			• 1 data/phone @ 42" from floor for interior card access • 1 lockable interior door keyed separately with a safety vision window. County card access system to be installed, door to be prepared by landlord. • 3 cork boards, 4'x 8', County to approve locations • 1 exterior lockable door, storeroom function, keyed separately, County card access system to be installed, Landlord to prep door. Door scope viewer to be installed. • 1 data/electrical @ 42" from floor for exterior card access • Install lighting at this area both interior (emergency) and exterior • Exterior door area to have weather proof awning or cover to be installed above the exterior side of door for protection from weather
Men's Rest Room, Public	CT4	CT2, CT3, P4	• 1 duplex with GFI • See Exhibit A, General Specifications for complete details.
Women's Rest Restroom, Public	CT4	CT2, CT3, P4	• 1 duplex with GFI • See Exhibit A, General Specifications for complete details
Entry to Rest Rooms, Public	CT1	P1	• 1 duplex with GFI • ADA compliant two-station drinking fountain. See general Specifications
Open Work Areas	CARP	P1, P2, P3	• 24 duplexes, 5 dedicated duplex with NEMA 5-20R receptacles for copiers, County to approve locations • J-boxes distributed in ceiling to contain sufficient electrical circuits to provide a 3-1 ratio of workstations to circuits MAXIMUM, approx. 20 circuits for 60 workstations. Distribution of J-boxes (normally at 10' centers), to be

EXHIBIT "B-1"

IMPROVEMENT SPECIFICATIONS

<u>Room</u>	<u>Floor</u>	<u>Walls</u>	<u>Comments</u>
			determined by furniture/workstation plan supplied by County/Furniture Vendor. • 10' ceiling • Full height wall to separate open work area • 1 Interior locking door in divider wall, keyed separately; hardware either entry /office function or Von Duprin panic hardware, pending Fire Marshall direction; County card access system to be installed, Landlord to prep door. • 2 data/phone @ 42" from floor for interior card access, 1 on both sides of divider wall.
Exterior Penetrations & Preparation for security cameras			• See General Specifications, Section 1.34, page 10. • <u>County will install security cameras and wiring.</u> • <u>Landlord shall supply:</u> • Coring through exterior walls to allow cameras at all corners of building and at 2-3 exterior entrances • Conduit to and in 4 parking lot light poles, including pull boxes and under pavement conduits, boring or cutting of pavement as needed to allow full run(s) from Data Room to camera locations; County to approve locations • Data box and electrical j-box at two interior door locations, locations to be provided by County • Conduit per specifications (2.11 & 2.12 page 15) with pull rope marked 'future exterior cameras' • COUNTY will install an exterior camera system mounted to building exterior walls and parking lot light poles. Landlord shall provide and install necessary electrical conduit(s) and power. COUNTY to provide scope of work from vendor.

EXHIBIT "B-1"

IMPROVEMENT SPECIFICATIONS

<u>Room</u>	<u>Floor</u>	<u>Walls</u>	<u>Comments</u>
Exterior Parking (additional items)			• See General Specifications, Section 1.31, page 10. • A portion of the ADA accessible parking spaces shall be located to serve employees at employee entrances, as approved by County. Quantity and location of ADA accessible parking spaces shall meet code requirements. • Two loading spaces shall be included in the overall parking numbers
Doors – Exterior to Interior Access (additional items)			• Automatic front doors, swing or slide type, which shall have ADA compliant triggering switch, to meet code and County approval. • Exterior wind break of sufficient length and angle to block North / Northeast winds (Santa Ana winds) from the public entrance and primary employee entrances; material shall provide maximum visibility and safety. COUNTY to approve the conceptual and final designs and materials. • All solid exterior doors intended for employee access shall have view scope, County approved manufacturer and model.
EXTERIOR Building Penetrations (additional items) and Windows			• LANDLORD shall provide exterior building window at each office and conference room areas that will provide ambient lighting to the interior areas. • Private supervisor office window sizes will be two by four feet (2"x4") and window locations to be determined based on what is allowed by the local approving authority and designed by the LANDLORD's architect and structural engineer, as approved by the County. • All other room(s) and areas with windows shall have sizes determined by Architect and approved by County

EXHIBIT "C"

COMMENCEMENT DATE CERTIFICATE

To: _____

Re: Lease Agreement No. _____

In accordance with the terms and conditions of the above referenced Lease, the parties hereby acknowledge and agree 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 \$_____
_____ to _____ Monthly Rent of \$_____
_____ 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 "D"

CUSTODIAL SERVICE REQUIREMENTS

LICENSED JANITORIAL AND MAINTENANCE CONTRACTOR SERVICES

(Janitorial Service to provide/supply all sanitary and paper goods.)

The shift hours scheduled for the Day Janitor are to be reviewed and approved by COUNTY.

The Day Janitor shall be on site for a minimum of four (4) hours per day M-F, excluding County Holidays. Following are the services to be performed by a licensed janitorial contractor – Day Janitor:

DAILY SERVICES FIVE (5) DAYS PER WEEK:

1. Empty and damp clean all ashtrays.
2. Empty all waste baskets and other waste containers.
3. Dust mop all tiled/terrazzo floors.
4. Dust all desks, chairs, tables, filing cabinets and other office furniture.
5. Clean and sanitize rest room fixtures, mirrors, chrome pipes, etc.
6. Clean splash marks from walls of rest rooms.
7. Refill soap, towel and paper containers.
8. Clean and sanitize drinking fountains.
9. Damp clean table tops in coffee rooms.
10. Clean kitchen sinks and counters.
11. Remove papers and debris outside main entry.

TWICE-MONTHLY SERVICE:

1. Clean lobby directories and fire extinguisher glass.

EVERY THREE MONTHS:

1. Wash inside windows and partitions.

The following services are to be performed by a licensed janitorial contractor – Evening Janitor:

WEEKLY SERVICE:

1. Wet mop all tiled/terrazzo floors.
2. Clean all desk tops that are cleared.
3. Clean hand marks from walls, doors and woodwork.
4. Vacuum all carpeting completely. All carpeted areas are to be vacuumed using a dual motor vacuum with a rotating cylindrical brush, rather than a beater bar.

TWICE-MONTHLY SERVICE:

1. Dust high areas, including window coverings.
2. Vacuum upholstered furniture.
3. Machine clean and seal all tiled floors.

EVERY THREE MONTHS:

1. Vacuum dust and dirt accumulation from air conditioning vents.
2. Brush down cobwebs inside building.
3. Replace cartridge in rest room automatic air fresheners.
4. Clean and sanitize the lobby, child care, training, meeting and conference rooms, Including and not limited to furniture, chairs, toys, removable floor carpeting and/or floor mats.

EXHIBIT "D"

LICENSED JANITORIAL AND MAINTENANCE CONTRACTOR SERVICES (Continued):

DAILY SERVICES FIVE (5) DAYS PER WEEK:

1. Empty and damp clean all ashtrays.
2. Empty all waste baskets and other waste containers.
3. Dust mop all tiled/terrazzo floors.
4. Vacuum traffic lanes of carpeting. All carpeted areas are to be vacuumed using a dual motor vacuum with a rotating cylindrical brush, rather than a beater bar.
5. Dust all desks, chairs, tables, filing cabinets and other office furniture.
6. Damp clean lobby counters.
7. Clean and sanitize rest room fixtures, mirrors, chrome pipes, etc.
8. Clean splash marks from walls of rest rooms.
9. Wet mop and sanitize rest room floors.
10. Refill soap, towel and paper containers.
11. Clean and sanitize drinking fountains.
12. Clean hand marks off glass on entrance doors.
13. Damp clean table tops in coffee rooms.
14. Clean kitchen sinks and counters.
15. Sweep entryway.
16. Brush down steps of inside stairwells.
17. Vacuum elevator carpet. All carpeted areas are to be vacuumed using a dual motor vacuum with a rotating cylindrical brush, rather than a beater bar.
18. Spot clean all walls and doors including elevator.
19. Spot clean carpets of small spillage, footprints, etc.
20. Keep janitor closets clean and orderly.

The above are considered the minimum standard janitorial items, and are to be performed by a licensed janitorial contractor. LANDLORD is responsible for providing all services related to the health and cleanliness of the leased facility.

The following services are to be performed by a licensed maintenance contractor.

WEEKLY SERVICE:

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

ONCE-MONTHLY SERVICE OR AS NEEDED:

1. Licensed pest control for interior and exterior spraying or treatments to be provided after COUNTY's normal business hours or a COUNTY recognized holidays or weekends and in accordance with all health and safety laws.

EVERY THREE MONTHS:

1. Carpet to be cleaned by a professional carpet cleaning company using a wet/dry extraction process per the carpet manufactures cleaning instructions.
2. Wash exterior and interior windows and partitions.
3. Wash and clean all exterior patio areas including patio furniture.
4. Pressure wash/clean all exterior walk-ways leading to the Leased Facility.

The foregoing to be provided after COUNTY's normal business hours or on COUNTY recognized holidays or weekends and in accordance with all health and safety laws.

EXHIBIT "E"

FORM OF ESTOPPEL CERTIFICATE

Date: _____

To: _____

Re: _____, _____
(address) (city)

The undersigned, on behalf of the County of San Bernardino ("County"), hereby certifies, to the best of his or her knowledge as of the date of this Estoppel Certificate ("Certificate"), to Lender the following:

1. County, as tenant, leases certain Premises, comprising _____ square feet at _____ from Landlord, as landlord pursuant to Lease Agreement, Contract No. _____ dated _____ ("Lease").
2. The Lease Term commenced on _____, 20____, and is scheduled to expire _____, 20____. County has no options to extend the Lease Term, except as follows: _____ (____) _____-year options.
4. The current Monthly Rent for the Premises is \$_____.____, payable monthly in arrears, and has been paid through _____.
5. County has not provided a security deposit to Landlord.
6. County is current not in default beyond any applicable notice and cure period under the terms of the Lease.

COUNTY OF SAN BERNARDINO

By: _____
Director
Real Estate Services Department

EXHIBIT "F"

FORM OF SUBORDINATION, NON-DISTURBANCE
AND ATTORNMENT AGREEMENT

RECORDED AT REQUEST OF
AND TO BE RETURNED TO:

Attn: _____

SUBORDINATION, NONDISTURBANCE AND ATTORNMENT AGREEMENT

THIS SUBORDINATION, NONDISTURBANCE AND ATTORNMENT AGREEMENT ("Agreement") is entered into by and between the County of San Bernardino ("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: County of San Bernardino
Attn: Director, Real Estate Services Department
385 North Arrowhead Avenue, Third Floor
San Bernardino, California 92415-0180

to Landlord: _____

Attn: _____

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.

Tenant:

Lender:

COUNTY OF SAN BERNARDINO

_____, Director
Real Estate Services Department

By: _____
(Name)

Date: _____

Title: _____

Date: _____

Landlord:

By: _____
(Name)

Date: _____

Approved as to Legal Form:

_____, County Counsel
San Bernardino County, California

By: _____
Deputy

Date: _____

EXHIBIT "G"

LIST OF FORMER COUNTY OFFICIALS

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

OFFICIAL'S NAME:

REQUIRED INFORMATION

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

LANDLORD:

By: _____
(Name)
(Title)

Date: _____

EXHIBIT "H"**PREVAILING WAGE REQUIREMENTS**

A. The payment of prevailing wages and compliance with the following requirements in this exhibit for all or a portion of the Improvements is subject to Paragraph 4 of Exhibit B. As used in this exhibit, the term "Contractor" shall include Landlord and Landlord's contractors and/or subcontractors and the term "Improvements" shall include the improvements to be performed by Landlord pursuant to the Lease.

1. Determination of Prevailing Rates:

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

2. Payment of Prevailing Rates

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

3. Prevailing Rate Penalty

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

4. Ineligible Contractors:

Pursuant to the provisions of Labor Code section 1777.1, the Labor Commissioner publishes and distributes a list of contractors ineligible to perform work as a contractor or subcontractor on a public works project. This list of debarred contractors is available from the DIR website at www.dir.ca.gov. 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 County. The Contractor shall be responsible for the payment of wages to workers as a debarred subcontractor who has been allowed to work on the Improvements.

5. Payroll Records:

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

- i. A certified copy of an employee's payroll record shall be made available for inspection or furnished to such employee or his/her authorized representative on request;
- ii. A certified copy of all payroll records shall be made available for inspection or furnished upon request to 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 County or the Division of Labor Standards Enforcement. If the requested payroll records have not been previously provided to 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 County or the Division of Labor Standards Enforcement shall be marked or obliterated in such a manner as to prevent disclosure of an individual's name, address and social security number. The name and address of the Contractor or any subcontractor, performing a part of the Improvements shall not be marked or obliterated. The Contractor shall inform 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 County, forfeit one-hundred dollars (\$100.00) for each calendar day, or portion thereof, for each worker, until strict compliance is effectuated. Upon the request of the Division of Labor Standards Enforcement, such penalty shall be withheld from any portion of the payments then due or to become due to the Contractor.

6. Limits on Hours of Work:

Pursuant to California Labor Code section 1810, eight (8) hours of labor shall constitute a legal day's work. Pursuant to California Labor Code section 1811, the time of service of any worker employed at any time by the Contractor or by a subcontractor, upon the Improvements or upon any part of the Improvements, is limited and restricted to eight (8) hours during any one calendar day and forty (40) hours during any one calendar week, except as provided for under Labor Code section 1815. Notwithstanding the foregoing provisions, work performed by employees of Contractor or any subcontractor, in excess of eight (8) hours per day and forty (40) hours during any one week, shall be permitted upon compensation for all hours worked in excess of eight (8) hours per day at not less than one and one-half (1½) times the basic rate of pay.

7. Penalty for Excess Hours:

The Contractor shall pay to County a penalty of twenty-five dollars (\$25.00) for each worker employed on the Improvements by the Contractor or any subcontractor, for each calendar day during which such worker is required or permitted to work more than eight (8) hours in any calendar day and forty (40) hours in any one calendar week, in violation of the provisions of the California Labor Code, unless compensation to the worker so employed by the Contractor is not less than one and one-half (1½) times the basic rate of pay for all hours worked in excess of eight (8) hours per day.

8. Senate Bill 854 (Chapter 28, Statutes of 2014) and Senate Bill 96 (Chapter 28, Statutes of 2017) Requirements:

- a. Contractor shall comply with Senate Bill 854 and Senate Bill 96. The requirements include, but are not limited to, the following:
 - i. No contractor or subcontractor may be listed on a bid proposal (submitted on or after March 1, 2015) for a public works project unless registered with the DIR pursuant to Labor Code section 1725.5, with limited exceptions from this requirements for bid purposes only as allowed under Labor Code section 1771.1(a).
 - ii. No contractor or subcontractor may be awarded a contract for public work or perform work on a public works project (awarded on or after April 1, 2015) unless registered with the DIR pursuant to Labor Code section 1725.5.
 - iii. This project is subject to compliance monitoring and enforcement by the DIR.
 - iv. As required by the DIR, Contractor is required to post job site notices, as prescribed by regulation, regarding compliance monitoring and enforcement by the DIR.
 - v. Contractors and all subcontractors must submit certified payroll records online to the Labor Commissioner for all new public works projects issued on or after April 1, 2015, and for all public works projects, new or ongoing, on or after January 1, 2016.
 - 1) The certified payroll must be submitted at least monthly to the Labor Commissioner.
 - 2) 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 the address on file with either 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 on the site of the public work.

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

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

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

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

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

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

d. Labor Code section 1771.4 states the following:

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

(1) The call for bids and contract documents shall specify that the project is subject to compliance monitoring and enforcement by the Department of Industrial Relations.

(2) The awarding body shall post or require the prime contractor to post job site notices, as prescribed by regulation.

(3) Each contractor and subcontractor shall furnish the records specified in Section 1776 directly to the Labor Commissioner, in the following manner:

(A) At least monthly or more frequently if specified in the contract with the awarding body.

(B) In a format prescribed by the Labor Commissioner.

(4) If the contractor or subcontractor is not registered pursuant to Section 1725.5 and is performing work on a project for which registration is not required because of subdivision (f) of Section 1725.5, the unregistered contractor or subcontractor is not required to furnish the records specified in Section 1776 directly to the Labor Commissioner but shall retain the records specified in Section 1776 for at least three years after completion of the work.

(5) The department shall undertake those activities it deems necessary to monitor and enforce compliance with prevailing wage requirements.

(b) The Labor Commissioner may exempt a public works project from compliance with all or part of the requirements of subdivision (a) if either of the following occurs:

(1) The awarding body has enforced an approved labor compliance program, as defined in Section 1771.5, on all public works projects under its authority, except those deemed exempt pursuant to subdivision (a) of Section 1771.5, continuously since December 31, 2011.

(2) The awarding body has entered into a collective bargaining agreement that binds all contractors performing work on the project and that includes a mechanism for resolving disputes about the payment of wages.

(c) The requirements of paragraph (1) of subdivision (a) shall only apply to contracts for public works projects awarded on or after January 1, 2015.

(d) The requirements of paragraph (3) of subdivision (a) shall apply to all contracts for public work, whether new or ongoing, on or after January 1, 2016."

B. STATE PUBLIC WORKS APPRENTICESHIP REQUIREMENTS

1. State Public Works Apprenticeship Requirements:

a. The Contractor is responsible for compliance with Labor Code section 1777.5 and the California Code of Regulations, title 8, sections 230 – 230.2 for all apprenticeable occupations (denoted with "#" symbol next to craft name in DIR Prevailing Wage Determination), whether employed by the Contractor, subcontractor, vendor or consultant. Included in these requirements is (1) the Contractor's requirement to provide notification (i.e. DAS-140) to the appropriate apprenticeship committees; (2) pay training fund contributions for each apprenticeable hour employed on the Contract; and (3) utilize apprentices in a minimum ratio of not less than one apprentice hour for each five journeyman hours by completion of Contract work (unless an exception is granted in accordance with Labor Code section 1777.5) or request for the dispatch of apprentices.

b. Any apprentices employed to perform any of the improvements shall be paid the standard wage to apprentices under the regulations of the craft or trade for which such apprentice is employed, and such individual shall be employed only for the work of the craft or trade to which such individual is registered. Only apprentices, as defined in California Labor Code section 3077, who are in training under apprenticeship standards and written apprenticeship agreements under California Labor Code sections 3070 et seq. are eligible to be employed for the improvements. The employment and training of each apprentice shall be in accordance with the provisions of the apprenticeship standards and apprentice agreements under which such apprentice is training.

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

a. Submit Contract Award Information (DAS-140):

i. Although there are a few exemptions (identified below), all Contractors, regardless of union affiliation, must submit contract award information when performing on a California public works project.

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

4. Exemption from Apprenticeship Ratios:

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

5. Contractor's Compliance:

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