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**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

FROM: Economic Development Agency / Facilities Management

SUBMITTAL DATE:
December 8, 2011

SUBJECT: Second Amendment to Lease – Department of Public Social Services

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve the attached Second Amendment to Lease and authorize the Chairman of the Board to execute the same on behalf of the County;
2. Find that the project is exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15301, Existing Facilities.

BACKGROUND: (Commences on Page 2)

FISCAL PROCEDURES APPROVED
 PAUL ANGULO, CPA, AUDITOR-CONTROLLER
 BY Samuel Wong 12/18/11
 SAMUEL WONG

Robert Field
 Robert Field
 Assistant County Executive Officer/EDA

FINANCIAL DATA	Current F.Y. Total Cost:	\$ (20,834)	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ (594)	Budget Adjustment:	No
	Annual Net County Cost:	\$ 58,762	For Fiscal Year:	2011/12

COMPANION ITEM ON BOARD OF DIRECTORS AGENDA: No

SOURCE OF FUNDS: Federal 60.80%; State 36.35%; County 2.85%

Positions To Be Deleted Per A-30	<input type="checkbox"/>
Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION: APPROVE

BY: Jennifer L. Sargent
 Jennifer L. Sargent

County Executive Office Signature

REVIEWED BY CIP FORM APPROVED COUNTY COUNSEL
 Christopher Hanshaw
 DATE 11/17/11
 CONCURRENCE DATE
 Susan Loew, Director
 Department of Public Social Services
 By: Susan Loew
 Policy Consent
 Policy Consent
 Dep't Recomm.: Per Exec. Ofc.:

Prev. Agn. Ref.: 3.11 of 5/08/08; 3.19 of 7/27/04

District: 3

Agenda Number:

3.12

ATTACHMENTS FILED
WITH THE CLERK OF THE BOARD

BACKGROUND:

The Department of Public Social Services (DPSS) Self Sufficiency Division has occupied the office located at 541 N. San Jacinto, Hemet, since September 1999, with a lease expiration date of February, 2015.

The current floor plan includes two separate lobbies for the Temporary Assistance and MediCal (TAMD) and Greater Avenues for Independence (GAIN) programs. Due to an organization redesign, TAMD and GAIN have combined into the CALWORKS branch. As a result, the model has changed regarding the way clients are received, and the existing floor plan is outdated functionally. Therefore, tenant improvements to update the lobby to current operating standards are requested, which will be completed in several phases over several months.

In addition, a new lease term has been negotiated at a reduced rent commencing January 1, 2012.

Pursuant to the California Environmental Quality Act (CEQA), the Lease was reviewed and determined to be categorically exempt from CEQA under CEQA Guidelines 15301, Class 1 – Existing Facilities. The proposed project, the Lease, is the letting of property involving existing facilities with tenant improvement alterations. No expansion of an existing use will occur.

Lessor:	SIC/LEED Civic Plaza, LLC P.O. Box 17777 Beverly Hills, CA 90209	
Premises Location:	541 N. San Jacinto Hemet, CA 92543	
Size:	58,820 square feet	
New Term:	Commencing January 1, 2012, through December 31, 2021.	
Rent:	Current	New
	\$ 1.53 per sq. ft.	\$ 1.45 per sq. ft.
	\$ 89,973.37 per month	\$ 85,474.70 per month
	\$1,079,680.44 per year	\$1,025,696.40 per year
	Savings per month:	\$ 4,498.67
	Savings per year:	\$ 53,984.04
Rent increases:	Reduced from 4% annually to 2.5% for five years, and 2% remaining five years.	
County Improvements:	Not to exceed \$1,978,352.00. County to reimburse Lessor in three equal payments over three fiscal years. Second and third payments to include 6% interest.	
RCIT:	\$186,070.00	

(Continued)

BACKGROUND: (Continued)

- Lessor Improvements: Lessor shall provide new carpet and paint at no cost to County in the areas unaffected by the remodel. In addition, Lessor shall repair building exterior areas.
- Option to Terminate: County's option to terminate for loss of funding in the Hemet region will be available after January 1, 2017.

The attached Second Amendment to Lease has been reviewed and approved by County Counsel as to legal form.

FINANCIAL DATA:

All associated costs for the Second Amendment to Lease will be fully funded through the DPSS budget. DPSS has budgeted these costs in FY 2011/12. While EDA will front the costs for the Lease Amendment with the property owners, DPSS will reimburse EDA for all associated lease costs.

Attachments:
Exhibit A
Exhibit B

Exhibit A

DPSS Lease Cost Analysis FY 2011/12 541 N. San Jacinto, Hemet, California

Total Square Footage to be Leased:

BUDGETED AMOUNTS

Current office:	58,820 SQFT	
Total Budgeted Lease Cost for FY 2011/12		\$ 1,079,680.00

ACTUAL AMOUNTS

Current Office:	58,820 SQFT	
Approximate Cost per Sq Ft (July - Aug)	\$ 1.47	
Approximate Cost per Sq Ft (Sept-Dec)	\$ 1.53	
Approximate Cost per Sq Ft (Jan-June)	\$ 1.45	
Lease Cost per Month (July - Aug)	\$ 86,512.86	
Lease Cost per Month (Sept - Dec)	\$ 89,973.37	
Lease Cost per Month (Jan - June)	<u>\$ 85,474.70</u>	
Total Lease Cost (July - Aug)	\$ 173,025.72	
Total Lease Cost (Sept - Dec)	\$ 359,893.48	
Total Lease Cost (Jan - June)	\$ 512,848.20	
Total Actual Lease Cost for FY 2011/12		<u>\$ 1,045,767.40</u>
Total Lease Cost Variance for FY 2011/12		\$ (33,912.60)

Estimated Additional Costs:

BUDGETED AMOUNTS

Utility Cost per Square Foot	\$ 0.12	
Estimated Utility Costs per Month	<u>\$ 7,058.40</u>	
Total Budgeted Additional Cost for FY 2011/12	\$ 84,700.80	
EDA Lease Management Fee (Based @ 3.79%)	<u>\$ 40,919.87</u>	
Total Estimated Additional Cost Included in Budget for FY 2011/12		\$ 125,620.67

ACTUAL AMOUNTS

Utility Cost per Square Foot	\$ 0.12	
Costs per Month (July - June)	<u>\$ 7,058.40</u>	
Total Estimated Actual Utility Cost for FY 2011/12	\$ 84,700.80	
Day Porter (Jan - June)	\$ 13,839.66	
EDA Lease Management Fee (Based @ 3.79%)	<u>\$ 40,159.11</u>	
Total Estimated Additional Actual Cost for FY 2011/12		<u>\$ 138,699.57</u>
Total Estimated Additional Cost Variance for FY 2011/12		<u>\$ 13,078.90</u>
TOTAL ESTIMATED COST SAVINGS FOR FY 2011/12		<u>\$ (20,833.70)</u>
TOTAL COUNTY COST 2.85%		\$ (593.76)

Exhibit B

DPSS Lease Cost Analysis FY 2012/13 541 N. San Jacinto, Hemet, California

Current Square Feet Occupied:

Office:	58,820	SQFT		
Cost per Square Foot: (July 1, 2012 - Dec 31, 2012) \$	1.45			
Cost per Square Foot: (Jan 1, 2013 - June 30, 2013) \$	1.49			
Lease Cost per Month (July 1, 2012 - Dec 31, 2012)		\$	85,474.70	
Lease Cost per Month (Jan 1, 2013 - June 30, 2013)		\$	87,611.57	
Lease Cost (July - Dec)		\$		512,848.20
Lease Cost (Jan - June)		\$		525,669.42
Total Estimated Lease Cost for FY 2012/13		\$		1,038,517.62

Estimated Utility Costs:

Utility Cost per Square Foot	\$	0.12		
Estimated Utility Costs per Month (July 1, 2012 - June 30, 2013)		\$	7,058.40	
Total Estimated Utility Cost for FY 2012/13		\$		84,700.80
RCIT		\$		186,070.00
Tenant Improvements = \$1,978,352.00/3 years		\$		659,450.67
Day Porter		\$		27,679.32
EDA Lease Management Fee (Based @ 3.79%)		\$		65,402.04
TOTAL ESTIMATED COST FOR FY 2012/13		\$		2,061,820.45
TOTAL COUNTY COST 2.85%		\$		58,761.88

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SECOND AMENDMENT TO LEASE
(DEPARTMENT OF PUBLIC SOCIAL SERVICES,
541 N. SAN JACINTO, HEMET, CALIFORNIA)

THIS SECOND AMENDMENT to Lease ("Second Amendment") is made and entered into as of the last date set forth below the signatures of the parties hereon, by and between the **COUNTY OF RIVERSIDE**, a political subdivision of the State of California ("County"), and **SIC/LEED CIVIC PLAZA, LLC**, a Delaware limited liability company ("Lessor").

RECITALS

A. Lessor and County are parties to that certain Lease dated July 27, 2004 (as amended by a First Amendment to Lease dated April 8, 2008, the "Lease") for the premises located at 541 N. San Jacinto, Hemet, California, as more particularly described in the Lease (the "Premises").

B. County and Lessor desire to further amend the Lease.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. **Term**: The Original Term of the Lease is hereby extended for a period of ten (10) years from January 1, 2012, so that the Expiration Date of the Lease shall be December 31, 2021. The Extension Options set forth in Article 6 of the Lease shall remain in force and effect, except for the provisions regarding the monthly Rent payable during the Extended Option Terms, which shall be as set forth in this Amendment.

2. **Rent**: Monthly Rent shall remain at the amount set forth in the Lease through December 31, 2011 (which Monthly Rent is Eighty-Nine Thousand Nine

1 Hundred Seventy-Three and 37/100 Dollars (\$89,973.37). Commencing on January 1,
2 2012, the Monthly Rent shall be \$85,474.70. On the first (1st) day of each January
3 commencing January 1, 2013, and continuing through December 31, 2016, the Monthly
4 Rent shall increase by two and one-half percent (2½%) over the Monthly Rent payable
5 for the immediately preceding month. Commencing January 1, 2017, and thereafter on
6 the first day of January each year thereafter during the remainder of the Original Term
7 and continuing during the Extended Option Terms, if applicable, the Monthly Rent shall
8 increase by two percent (2%) over the Monthly Rent payable for the immediately
9 preceding month. As of January 1, 2012, a "Lease Year" shall be each successive
10 period commencing on January 1 and ending on the following December 31. The Lease
11 Year which commenced on September 1, 2011 shall end on December 31, 2011, and
12 any computation required under the Lease for such Lease Year shall be prorated. For
13 clarification, as of January 1, 2012, the Monthly Rent shall be as follows:
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<u>Lease Year (Commencing)</u>	<u>Monthly Rent</u>
January 1, 2012	\$ 85,474.70
January 1, 2013	\$ 87,611.57
January 1, 2014	\$ 89,801.86
January 1, 2015	\$ 92,046.90
January 1, 2016	\$ 94,348.08
January 1, 2017	\$ 96,235.04
January 1, 2018	\$ 98,159.74
January 1, 2019	\$ 100,122.93
January 1, 2020	\$ 102,125.39
January 1, 2021	\$ 104,167.90

1 541 N. San Jacinto to the southeast corner of
2 547-563 N. San Jacinto.

3 (b) Lessor shall recarpet and paint the interior of the Premises (other
4 than those areas within the Premises which constitute the Additional Leasehold
5 Improvements under Section 4 of this Amendment). Such work shall be commenced
6 within sixty (60) days after receipt of notice from County, but such notice may not be
7 given before August 1, 2012. Lessor will use commercially reasonable efforts to conform
8 the work to any schedule requested by County, and to do the work in phases as
9 requested by County. Lessor's responsibility for such work includes lifting of existing
10 workstations, removal of existing carpeting, installation of "Atlas" carpet tiles and a new
11 top set base. County shall determine the colors of the carpet and paint. The foregoing
12 work shall be performed in accordance with the provisions of the Lease which apply to
13 Lessor's improvement work, including Section 11 of the Lease and Section 4 of
14 Exhibit "B" to the Lease.
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17 **6. Additional Construction Costs.** An itemized breakdown of the estimated
18 construction costs for the Additional Leasehold Improvements (including hard costs, soft
19 costs, reimbursable expenses, and a management fee) are included within Exhibit "M".
20 The County shall reimburse Lessor for total actual cost of constructing the Additional
21 Leasehold Improvements (the "Additional Construction Costs"), but not to exceed the
22 sum of One Million Nine Hundred Seventy-Eight Thousand Three Hundred Fifty-Two
23 Dollars (\$1,978,352). The estimated total Additional Construction Costs, as shown on
24 Exhibit "M", are One Million Seven Hundred Ninety-Eight Thousand Five Hundred Two
25 Dollars (\$1,798,502), plus a contingency in the amount of One Hundred Seventy-Nine
26 Thousand Eight Hundred Fifty Dollars (\$179,850), which contingency has been
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1 budgeted by the County exclusively for the purpose of paying for change orders
2 requested by County during the course of construction of the Additional Leasehold
3 Improvements. Lessor will not unreasonably disapprove any change orders requested
4 by the County which increase the Additional Construction Costs by an amount not
5 exceeding the amount of the contingency.
6

7 Within fourteen (14) calendar days following Substantial Completion of the
8 Additional Leasehold Improvements, Lessor shall provide the County with an itemized
9 breakdown (similar to the itemized breakdown in Exhibit "M") of the actual cost of
10 constructing the Additional Leasehold Improvements, accompanied by vendor,
11 contractor, subcontractor and/or materialman invoices if requested by the County, along
12 with a request for reimbursement of the Additional Construction Costs (the "Itemization
13 and Request for Reimbursement").
14

15
16 **7. Reimbursement of Additional Construction Costs.** In addition to Rent
17 and other sums due under the Lease, the County shall reimburse Lessor, as provided
18 herein, for the amount of the actual Additional Construction Costs (including any part of
19 the contingency used), as set forth in the Itemization and Request for Reimbursement,
20 provided that in no event shall Lessor be reimbursed an amount in excess of One Million
21 Nine Hundred Seventy-Eight Thousand Three Hundred Fifty-Two Dollars (\$1,978,352)
22 unless the County has otherwise agreed in writing. The County shall reimburse Lessor
23 for the Additional Construction Costs as follows:
24

25 (a) The County shall pay to Lessor an amount equal to one-third (1/3) of
26 such Additional Construction Costs within thirty (30) days following the County's receipt
27 of the Itemization and Request for Reimbursement.
28

1 (b) The County shall pay to Lessor an amount equal to one-half (1/2), of
2 the remaining balance of the Additional Construction Costs, together with interest
3 thereon at the rate of six percent (6%) per annum (computed from the date of
4 Substantial Completion of the Additional Leasehold Improvements until the date of
5 payment), on or before October 31st of the fiscal year of the County immediately
6 following the fiscal year in which the payment referenced in subparagraph (a) above is
7 paid (or is payable, if not timely paid).
8

9 (c) The County shall pay to Lessor an amount equal to the remaining
10 balance of the unpaid Additional Construction Costs, together with interest thereon at the
11 rate of six percent (6%) per annum (computed from the date of Substantial Completion
12 of the Additional Leasehold Improvements until the date of payment), on or before
13 October 31st of the fiscal year of the County immediately following the fiscal year in
14 which the payment referenced in subparagraph (b) above was paid (or was payable, if
15 not timely paid).
16

17 (d) In the event that the Lease is terminated by Lessor as a result of a
18 default by the County, any unpaid balance of the Additional Construction Costs (together
19 with accrued interest thereon) shall become immediately due and payable.
20

21 8. **Day Porter.** Lessor shall provide a day porter/custodian on site at the
22 Premises six (6) hours per day Monday through Thursday, during regular business
23 hours. The cost for this service is \$2,306.61 per month and shall be paid by County in
24 addition to, and separate from, the Monthly Rent specified herein. County and Lessor
25 shall mutually agree upon the precise scope of said day porter/custodian's duties. If the
26 cost for the day porter/custodian increases due to wage or operational increases, County
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1 will be responsible for the increase once Lessor provides at least thirty (30) days
2 advance notice of the increase. Such increase shall not exceed ten (10%) percent per
3 Lease Year. The day porter/custodial service contract may be modified or terminated by
4 County upon not less than thirty (30) days advance notice to Lessor. If the number of
5 service days or hours of service increase at County's request, County will pay the related
6 increase without regard to the 10% "cap" mentioned above.
7

8 9. **Notices:** Section 20.19 of the Lease is hereby amended by changing the
9 Notification Addresses of the parties to read as follows:
10

11 COUNTY:	11 LESSOR:
12 County of Riverside	12 SIC/LEED Civic Plaza, LLC
13 Economic Development Agency	13 9538 Brighton Way, #321
14 3403 Tenth Street, Suite 500	14 Beverly Hills, California 90210
15 Riverside, California 92501	15 Telephone: (310) 428-2852
16 Attn: Deputy Director of Real	
17 Estate	
18 Telephone: (951) 955-4820	

19
20 10. **County's Representative.** Section 20.7 of the Lease is hereby amended
21 to read as follows: "County hereby appoints the Assistant County Executive Officer of
22 the Economic Development Agency as its authorized representative to administer this
23 Lease."
24

25 11. **Modification of Lease.** Except as modified by this Second Amendment,
26 all terms and conditions of the Lease shall remain in full force and effect. Capitalized
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1 terms not otherwise defined in this Second Amendment shall have the meanings set
2 forth in the Lease.

3
4 12. **Effectiveness.** This Second Amendment shall not be effective or binding
5 upon either party until it has been approved by the County Board of Supervisors. The
6 County will give Lessor notice when such approval has been obtained.

7
8 Dated: _____

LESSOR
SIC/LEED CIVIC PLAZA, LLC, a Delaware
limited liability company
By SIC/LEED, LLC, a Delaware limited
liability company, its Sole Member

By Leed Properties, Inc., its Manager
By: *Nathan J. Leanse*
Nathan J. Leanse, President

COUNTY OF RIVERSIDE
By: _____
Bob Buster, Chairman
Board of Supervisors

16
17 **ATTEST:**
Kecia Harper-Ihem
18 Clerk of the Board

19 By: _____
Deputy

20 **APPROVED AS TO FORM:**
Pamela J. Walls, County Counsel
21 By: *Synthia M. Gunzel*
22 Synthja M. Gunzel
23 Deputy County Counsel

24
25 HR:ra/102411/HM028/14.417 S:\Real Property\TYPING\Docs-14.000 to 14.499\14.417.doc

COUNTY OF RIVERSIDE
DPSS Building 1 Remodel
Hemet, California
BUDGET

Architect	\$	122,500
Architect, reimbursable expenses		2,500
Construction		1,586,118
Construction, reimbursable expenses		25,000
Permits and fees		10,000
Management fee (3%)		52,384
Total	\$	<u>1,798,502</u>

ESTIMATE SUMMARY

**PROJECT: DPSS Building 1 Tenant Improvement
Hemet California**

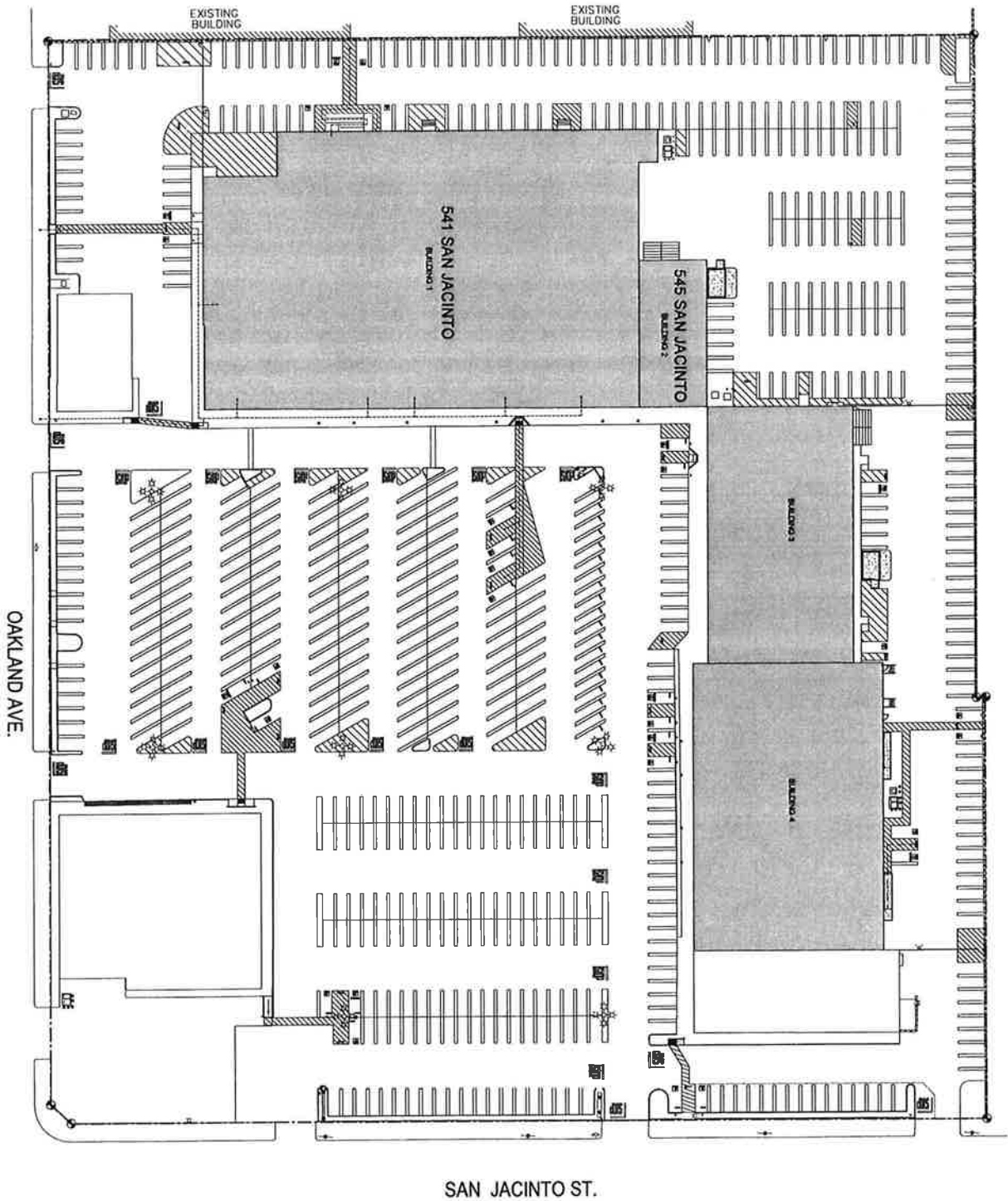
\$369,531

CSI	PHASE 1	TOTAL	Notes
01500	Temporary Protection / Barrier	9,367	
01710	Final Cleaning	8,000	
01711	Construction Clean Up	4,500	
02050	Interior Demolition	8,323	
02051	Removal Of Existing Floor Tile / Hazardous Material Abatement	61,520	
04200	Masonry Infill @ New Exterior Metal Door	4,500	
05120	Supports For New Folding Partition	1,700	
06200	New Storage Cabinet @ Lunch Room 117	2,800	
07200	Insulation @ New Interior Walls	2,364	
08100	Doors / Frames / Hardware	19,664	
08800	Replace Existing Storefront With Insulated Panels	19,211	
09200	Plaster Repair @ New Exterior Metal Door	3,000	
09250	New Drywall / Metal Studs / Patch	49,825	
09500	New Acoustical Ceiling / Repair Existing	5,200	
09300	Porcelian Tile @ New Public Hallway	6,438	
09650	Carpet Tiles & Base	17,190	
09651	Floor Prep	1,267	
09900	Interior Painting / Exterior Touch Up @ New Doors	14,104	
10652	Folding Panel Partition @ APS Lobby	13,500	
15500	Modify Existing HVAC Duct Work & Grilles	16,679	
15501	Modify / Relocate Fire Sprinklers	7,217	
16050	Safe Off / Modify / New Electrical	31,800	
16051	Modify / New Fire Alarm System	3,290	
01010	General Conditions	23,750	
	SUBTOTAL	335,209	
	LIABILITY INSURANCE 0.97%	3,252	
	SUBTOTAL	338,461	
	OVERHEAD & PROFIT 6.00%	20,308	
	SUBTOTAL	358,768	
	CONTRACTOR'S CONTINGENCY 3.00%	10,763	
	TOTAL	369,531	

CSI	PHASE 2	TOTAL	Notes
01500	Temporary Protection / Barrier	8,043	
01710	Final Cleaning	6,000	
01711	Construction Clean Up	4,500	
02050	Interior Demolition	5,672	
02051	Removal Of Existing Sheet Vinyl & VCT / Hazardous Material Abatement	120,644	
05120	Steel Supports For Ceiling Mounted CCTV	500	
07200	Insulation @ New Interior Walls	1,224	
08100	Doors / Frames / Hardware	11,645	
08800	Replace Existing Storefront With Insulated Panels / Auto Sliding Doors	37,620	
09250	Drywall / Metal Studs / Repair	27,916	
09300	Porcelian Tile	109,958	
09500	New Acoustical Ceiling / Repair Existing	1,700	
09650	Carpet Tiles & Base	15,610	
09651	Floor Prep	2,400	
09900	Interior Painting / Exterior Touch Up @ New Doors	8,929	
15500	Modify Existing HVAC Duct Work & Grilles	16,489	
15501	Modify / Relocate Fire Sprinklers	12,220	
16050	Safe Off / Modify / New Electrical	27,900	
16051	Fire Alarm Modifications	1,490	
01010	General Conditions	14,250	
	SUBTOTAL	434,720	
	LIABILITY INSURANCE 0.97%	4,217	
	SUBTOTAL	438,937	
	OVERHEAD & PROFIT 6.00%	26,336	
	SUBTOTAL	465,273	
	CONTRACTOR'S CONTINGENCY 3.00%	13,958	
	TOTAL	479,231	

CSI	PHASE 3	TOTAL	
01500	Temporary Protection	8,043	
01710	Final Cleaning	6,000	
01711	Construction Clean Up	4,500	
02050	Interior Demolition	3,500	
02051	Removal Of Existing VCT / Hazardous Material Abatement	53,435	
07200	Insulation @ New Interior Walls	1,200	
08100	Doors / Frames / Hardware	8,358	
08800	Replace Existing Storefront With Insulated Panels	10,795	
09250	Drywall / Metal Studs / Repair	32,719	
09300	Porcelian Tile	33,849	
09500	New Acoustical Ceiling / Repair Existing	1,800	
09650	Carpet Tiles & Base	11,862	
09651	Floor Prep	2,400	
09900	Interior Painting / Exterior Touch Up @ New Doors	3,794	
15500	Modify Existing HVAC Duct Work & Grilles	49,087	
15501	Modify / Relocate Fire Sprinklers	8,620	
16050	Safe Off / Modify / New Electrical	35,400	
16051	Fire Alarm Modifications	1,490	
01010	General Conditions	23,750	
	SUBTOTAL	300,602	
	LIABILITY INSURANCE 0.97%	2,916	
	SUBTOTAL	303,518	
	OVERHEAD & PROFIT 6.00%	18,211	
	SUBTOTAL	321,729	
	CONTRACTOR'S CONTINGENCY 3.00%	9,652	
	TOTAL	331,381	

CSI	PHASE 4	TOTAL	
01500	Temporary Protection	16,725	
01710	Final Cleaning	12,000	
01711	Construction Clean Up	4,500	
02050	Interior Demolition	7,049	
02051	Removal Of Existing Carpet & VCT / Hazardous Material Abatement	66,812	
03300	Patch Back Existing Concrete Slab @ New Sewer Trench	2,500	
07200	Insulation @ New Interior Walls	247	
08100	Doors / Frames / Hardware	3,580	
08800	Replace Existing Storefront With Insulated Panels	23,288	
09250	Drywall / Metal Studs / Repair	7,759	
09500	New Acoustical Ceiling / Repair Existing	3,200	
09650	Carpet Tiles & Base	13,726	
09651	Floor Prep	1,400	
09900	Interior Painting	7,899	
10652	Folding Panel Partition @ Training Room 163 & 164	13,500	
10800	Toilet Partitions / Accessories	12,500	
15400	New Plumbing & Fixtures @ New Restrooms	77,000	
15500	Modify Existing HVAC Duct Work & Grilles	24,443	
15501	Modify / Relocate Fire Sprinklers	6,340	
16050	Safe Off / Modify / New Electrical	15,800	
16051	Fire Alarm Modifications	500	
01010	General Conditions	47,500	
	SUBTOTAL	368,268	
	LIABILITY INSURANCE 0.97%	3,572	
	SUBTOTAL	371,840	
	OVERHEAD & PROFIT 6.00%	22,310	
	SUBTOTAL	394,151	
	CONTRACTOR'S CONTINGENCY 3.00%	11,825	
	TOTAL	405,975	
GRAND TOTAL PHASE 1, 2, 3, 4		1,586,118	



CURRENT COUNTY OCCUPANCY

EXHIBIT "M"

Hemet Building 1 -- Project Phasing

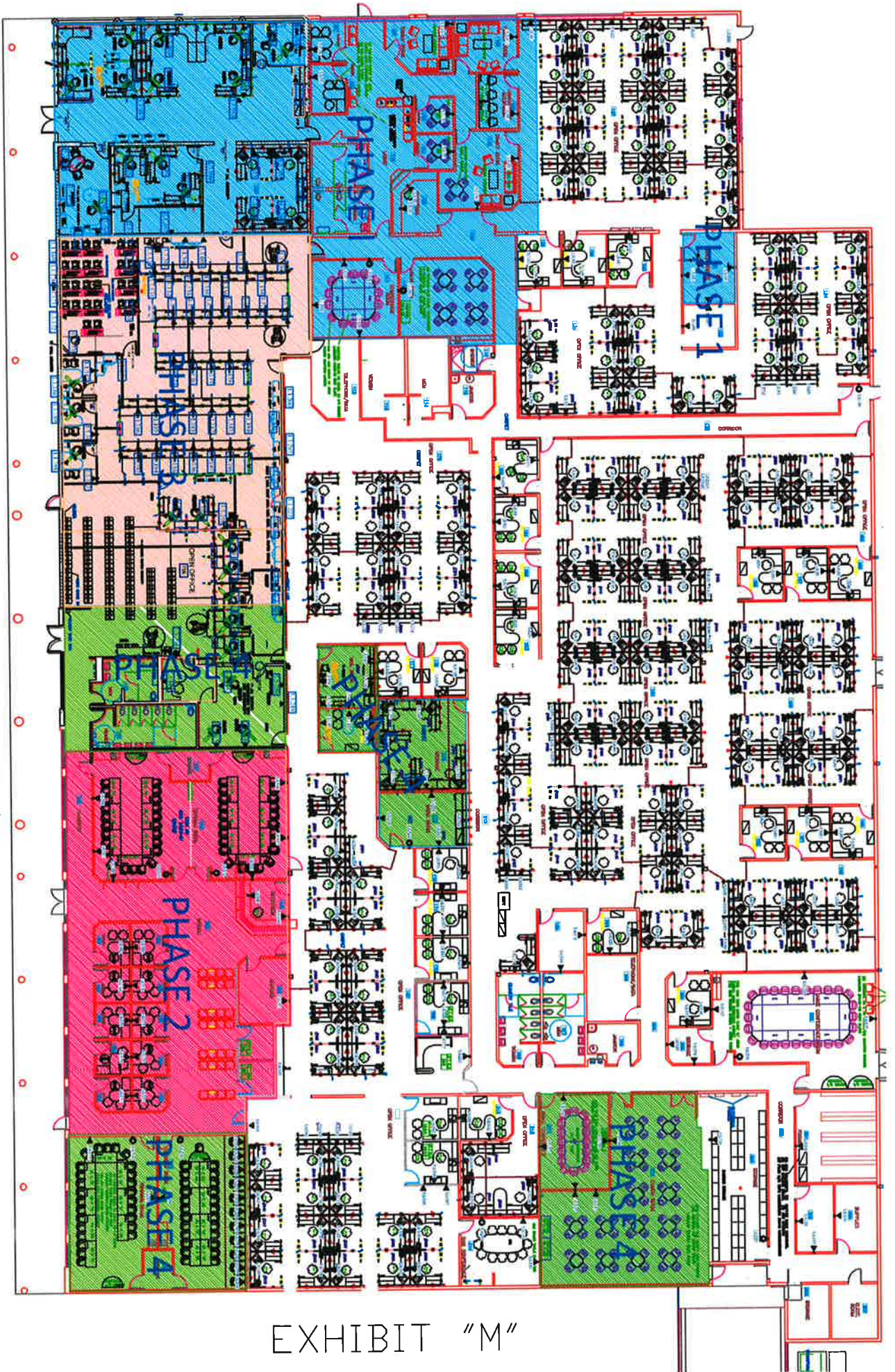


EXHIBIT "M"