

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



107

FROM: Economic Development Agency / Facilities Management

SUBMITTAL DATE:
January 26, 2012

SUBJECT: Revenue Lease Agreement between County and Administrative Office of the Courts, Riverside, California

RECOMMENDED MOTION: That the Board of Supervisors:

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

BACKGROUND: (Commences on Page 2)

Robert Field
Assistant County Executive Officer/EDA

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 547,427	In Current Year Budget:	No
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0	For Fiscal Year:	2011/12

COMPANION ITEM ON BOARD OF DIRECTORS AGENDA: No

SOURCE OF FUNDS: Economic Development Agency Real Estate Budget	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

County Executive Office Signature

FISCAL PROCEDURES APPROVED
 PAUL ANGULO, CPA, AUDITOR-CONTROLLER
 BY: Samuel Wong 1/24/12
 DATE: 1-20-12
 Departmental Concurrence: SAMUEL WONG
 FORM APPROVED COUNTY COUNSEL
 BY: Cynthia M. Gunzel
 SYNTHIA M. GUNZEL

Dep't Recomm.: Consent Policy
 Per Exec. Ofc.: Consent Policy

Prev. Agn. Ref.:

District: 2/2

Agenda Number:

3.11

ATTACHMENTS FILED
WITH THE CLERK OF THE BOARD

BACKGROUND:

The Lockyer-Isenberg Trial Court Funding Act of 1997, AB233 provides for transfer of the primary obligation for funding of court operations from the counties to the State of California. The restructuring of funding for trial court operations accomplished by the Lockyer-Isenberg Trial Court Funding Act of 1997 ended a dual system of county and state funding, and created a more stable and consistent funding source for trial court operations. The Trial Court Facilities Act of 2002 (Act) was adopted to provide for the transfer of responsibility for funding and operation of trial court facilities from the counties to Administrative Office of Courts. In 2003, and per the Courts Transfer Agreement, County and AOC acted upon the courts transfer agreement, which transferred certain court facilities from County to State. In connection with those transfers parties executed certain Memorandum's of Understanding (MOU).

On November 24, 2009, the Board of Supervisors approved the MOU via minute order 3.37 and on April 20, 2010, the MOU via minute order 3.17 which provided for the continued usage by the courts of certain facilities located at 4129 Main Street, Riverside and 505 S. Buena Vista Street, Corona totaling approximately 5,901 square feet. The MOU's provide that the County, at the County's discretion and sole cost, has the right to relocate the courts from these facilities into a "Replacement Facility" containing 5,901 square feet, and in this event, the County will be responsible for the ongoing operation and maintenance of the replacement facilities. In addition, the MOU's state that the Replacement Facility must have suitable and necessary facilities at least equal to those of the existing facilities and be within reasonable walking distance to the Hall of Justice and the Historic Courthouse. The MOU's further state that the County will be responsible for the operation and maintenance of the Replacement Facility and that the County will be responsible for all out of pocket costs associated with relocating the Court including moving costs. It should be noted that the County's liability for costs pursuant to the MOU's pertain only to the 5,901 square feet of Replacement Facilities.

The purpose of this Revenue Lease Agreement is to provide a Replacement Facility in compliance with the MOU requirements. The parties have agreed on the Replacement Facility which is located at 3535 Tenth Street in Riverside (former County Counsel Building) and will enter into this Lease Agreement for the purpose of providing office space at the County's sole cost, except for certain improvements required by AOC's Department of State Architect's requirements, in lieu of providing a court facility payment to AOC in perpetuity.

Pursuant to the California Environmental Quality Act (CEQA), the Revenue Lease was reviewed and determined to be categorically exempt from CEQA under CEQA Guidelines 15301, Class 1 – Existing Facilities with minor tenant improvement alterations and no expansion of an existing use will occur.

This Revenue Lease is summarized below:

Location: 3535 Tenth Street, Riverside, California 92501
Lessee: Administrative Office of the Courts (AOC)
Size: Approximately 9,267 square feet

(Continued)

BACKGROUND: (Continued)

Term: Five years, upon completion of construction

Revenue:	<u>Monthly</u>	<u>Yearly</u>
	Year 1 \$13,900.50	Year 1 \$166,806.00
	Year 2 \$14,317.52	Year 2 \$171,810.24
	Year 3 \$14,747.05	Year 3 \$176,964.60
	Year 4 \$15,189.47	Year 4 \$182,273.64
	Year 5 \$15,645.16	Year 5 \$187,741.92

Annual Increase: Three percent

Tenant Improvements:	<u>County's Share</u>	<u>Lessee's Share</u>	<u>Total Cost</u>
	\$547,427	\$415,000	\$962,427

Option to Extend: One option to extend for a five year term

Option to Terminate: Yes, Lessee may terminate with sixty days notice due to funding.

Utilities: Lessee pays for telephone, data and 26.38% share of electrical power. County pays for water, sewer and refuse collection.

Custodial: Lessee pays for custodial.

Maintenance: County, at its expense, provides interior and exterior maintenance of premises.

The attached Revenue Lease Agreement has been reviewed and approved by County Counsel as to form.

FINANCIAL DATA:

All associated costs for the Revenue Lease Agreement will be fully funded by the Economic Development Agency Real Estate budget. The Administrative Office of the Courts will reimburse the County a sum in the amount of \$415,000 for their share of the tenant improvement costs.

Attachments:
Revenue Lease Agreement
Exhibit A
Exhibit B

Exhibit A

Revenue Law Library Lease Cost Analysis FY 2011/12 3535 Tenth Street, Riverside, California

Total Square Footage to be Leased:

EXPECTED AMOUNTS

Current office: SQFT
Total Expected Revenue Lease Cost for FY 2011/12

ACTUAL AMOUNTS

Current Office: SQFT
 Proposed Office: SQFT

Approximate Cost per SQFT (July- June)

Revenue Lease Cost per Month (July- June)	\$	-	
Total Revenue Lease Cost (July- June)	\$	-	
Total Actual Revenue Lease Cost for FY 2011/12		\$	-
Total Revenue Lease Cost Variance for FY 2011/12			\$ -

Estimated Additional Revenue Lease Costs:

New Lease. Will not occupy until FY 12/13

EXPECTED AMOUNTS

Utility Cost per Square Foot \$ -
 Estimated Utility Costs per Month \$ -
Total Expected Additional Revenue Cost for FY 2011/12 \$ -

RCIT \$ -

EDA Lease Management Fee (Based @ 3.79%) \$ -
Total Expected Additional Cost Included in Budget for FY 2011/12 \$ -

ACTUAL AMOUNTS

Utility Cost per Square Foot \$ -
 Costs per Month (July - Oct) \$ -
 Total Estimated Actual Revenue Utility Cost for FY 2011/12 \$ -

RCIT \$ -

Revenue Lease Tenant Improvements/County's share \$ 547,427.00

EDA Lease Management Fee (Based @ 3.79%) \$ -
Total Estimated Additional Actual Revenue Lease Cost for FY 2011/12 \$ 547,427.00

Total Estimated Additional Revenue Lease Cost Variance for FY 2011/12 **\$ 547,427.00**

TOTAL ESTIMATED REVENUE LEASE FOR FY 2011/12 **\$ 547,427.00**

Exhibit B

Revenue Law Library Lease Cost Analysis FY 2012/13 3535 Tenth Street, Riverside, California

Current Square Feet Occupied:

Office:	9,267 SQFT		
Cost per Square Foot: (Aug 1, 2012 - June 30, 2013)	1.50		
Lease Cost per Month (Aug 1, 2012 - June 30, 2013)	\$	13,900.50	
	\$	-	
Revenue Lease Cost (Aug - June)		\$	152,905.50
		\$	-
Total Estimated Revenue Lease Cost for FY 2012/13		\$	152,905.50

Estimated Utility Costs:

Utility Revenue Cost per Square Foot	\$	-	
Estimated Revenue Utility Costs per Month (August 1, 2012 - June 30, 2013)	\$	-	
Total Estimated Additional Revenue Lease Cost for FY 2012/13		\$	-
EDA Lease Management Fee (Based @ 3.79%)		\$	-
TOTAL ESTIMATED REVENUE LEASE FOR FY 2012/13		\$	152,905.50



**Judicial Council of California
Administrative Office of the Courts
Office of Court Construction and Management
455 Golden Gate Avenue, San Francisco, CA 94102-3688**

For the benefit of: Superior Court of California, County of Riverside.

Location of Premises: 3535 Tenth Street, Riverside, CA 92501

LEASE AGREEMENT

1. Basic Provisions.

1.1. **Parties.** This Lease Agreement (“**Lease**”) dated _____, which date is for reference purposes only, is made by and between the Judicial Council of California, acting through the Administrative Office of the Courts, hereinafter referred to as “**Lessee**,” for the benefit of the Superior Court of California, County of Riverside, a political subdivision of the State of California (“**Court**”), and the County of Riverside, hereinafter referred to as “**Lessor**,” Lessee and Lessor hereinafter collectively referred to as the “**Parties**” or individually as a “**Party**.”

1.2. **Premises.** The premises include approximately 9,267 square feet of space as shown on the floor plan attached hereto as Exhibit “**A-1**” and incorporated herein, together with all improvements therein or to be provided by Lessor under the terms of this Lease, (“**Premises**”) in the building located at 3535 Tenth Street, Riverside, California, in the building commonly known as the “**County Law Library Building**” (“**Building**”).

In addition to the Premises, Lessee and Court currently have rights to use a total of 5,901 contiguous square feet of space in the Building (the “**MOU Space**”) pursuant to that certain Memorandum of understanding, dated November 24, 2009, and that certain Memorandum of Understanding, dated April 20, 2010, hereinafter collectively referred to as MOUs. Lessee’s and Court’s rights to use that space is provided by the terms and conditions set forth in the MOUs. The MOUs do not set forth the terms and conditions of this Lease, they are for reference purposes only.

In addition to Lessee’s rights to use and occupy the Premises as hereinafter specified, Lessee shall have non-exclusive rights to the Common Area, as defined in section 2.5, as herein specified, but shall not have any rights to the roof, exterior walls or

utility raceways of the Building. The Premises, the Building, the Common Areas, and the land upon which they are located, are collectively referred to as the “**Property**” as shown on the site plan attached hereto as Exhibit “**A-2.**”

1.3. **Original Term.** This Lease shall be effective upon the date of its execution, but its term shall be for a period of five (5) years (“**Original Term**”) commencing on the first day of Lessee Occupancy (as defined in section 2.1 below) (“**Commencement Date**”), subject to early termination, or any options to extend, if any, as set forth in section 3 of this Lease. After the Commencement Date, Lessee or Lessor may execute and deliver to the other a factually correct commencement date letter which sets forth the Commencement Date (“**Commencement Date Letter**”), and the Commencement Date included in the Commencement Date Letter shall thereafter be the Commencement Date for the purposes of this Lease.

1.4. **Rent.**

1.4.1. **Rent.** Lessee’s obligation to pay rent begins on the Commencement Date, but rent is due to Lessor in arrears on the last day of each month, beginning on the last day of the first full month following the Commencement Date in accordance with the following schedule.

<u>Lease Month</u>	<u>Monthly Installment of Rent</u>
1 through 12	\$ 13,900.50
13 through 24	\$ 14,317.52
25 through 36	\$ 14,747.05
37 through 48	\$ 15,189.47
49 through 60	\$ 15,645.16

If the Lease commences on a date other than the first of the calendar month, then Lease Month one will begin on the first day of the calendar month following the Commencement Date and any partial month prior to Lease Month One will be prorated at the same rate as Lease Month one.

1.4.2. [Reserved]

1.4.3. All Rent shall be payable by State of California warrants or any other warrant from any account utilized by Lessee. A failure to pay any amount that constitutes Rent shall not be considered an event of default under this Lease unless Lessee fails to pay such Rent within ten (10) business days after written notice that the

same is due, owing, and payable. An event of default shall not occur if Lessee is unable to pay any Rent or any other payment due under this Lease because of the State of California's failure to timely approve and adopt a State budget. If Lessee fails to pay any Rent as a result of the State of California's failure to timely approve and adopt a State budget, Lessee shall promptly pay any previously due and unpaid Rent upon approval and adoption of the State budget.

1.5. **Use.** The Premises shall be primarily used as a Family Law Self-Help Center and for administrative offices by the Court or any other legal use which is reasonably comparable thereto.

1.6. **Notices.**

1.6.1. Lessee's Notification Address.

Notwithstanding any provision to the contrary contained in this Lease, all notices required or permitted to be given to Lessee under this Lease shall be addressed to Lessee as follows:

Administrative Office of the Courts
Office of Court Construction and Management
Attn: Portfolio Administration Analyst
455 Golden Gate Avenue
San Francisco, CA 94102-3688
Telephone: 415-865-4053
Fax: 415-865-8885

with a copy to: Administrative Office of the Courts
Office of Court Construction & Management
Attn: Manager, Real Estate
455 Golden Gate Avenue
San Francisco, CA 94102-3688
Telephone: 415-865-4048
Fax: 415-865-8885

In addition, all notices relating to termination of the Lease or an alleged breach or default by Lessee must also be sent to:

Administrative Office of the Courts
455 Golden Gate Avenue
San Francisco, CA 94102-3688
Attention: Senior Manager, Business Services
Telephone: 415-865-4090
Fax: 415-865-4326

All notices and correspondence to Lessee must reference the address of the Premises and the name of the entity occupying the Premises.

1.6.2. Lessor's Notification Address.

County of Riverside
Economic Development Agency
Real Estate Division
3403 Tenth Street Suite 500
Riverside, CA 92501
Attention: Assistant County Executive Officer/EDA
Telephone: 951-955-4820
Fax: 951-955-4837

1.7. **Lease Provisions Control.** In the event of any conflict between a provision in this "Basic Provisions" section and any other provision in this Lease, the latter shall control.

2. Premises.

2.1. **Condition.** On the Commencement Date, Lessor shall deliver the Premises to Lessee in a turnkey, in a final, detailed clean and safe condition, free of hazards and debris, with the "Improvements" "Substantially Complete" as those terms are defined in Exhibit "C." The Premises in this condition shall be referred to as in "**Delivery Condition.**" Immediately following delivery of the Premises to Lessee in Delivery Condition, Lessee may commence moving into the Premises, and upon completion of that moving process, commence occupancy and use of the Premises ("**Lessee Occupancy**"). Lessor further warrants that all systems and equipment, including, but not limited to, electrical, plumbing, fire alarm system, elevator, lighting, heating, ventilating and air conditioning systems ("**HVAC**"), loading doors, if any, that serve the Premises and the Building and all other such elements in the Building (herein collectively defined as the "**Base Building Systems**"), other than those installed or constructed by Lessee, shall be in safe, hazard free, good operating condition, and the structural elements of the roof, bearing walls and foundation of the Building shall be free of material defect. The Property in its entirety shall be in similar condition when the Premises are so delivered.

2.2. **Compliance.** Lessor warrants and represents that the Premises, the improvements in the Premises and the Property comply with all applicable State and Federal laws, covenants or restrictions of record, building codes, regulations and ordinances ("**Applicable Requirements**"), regardless of the use to which Lessee will put the Premises. If the Premises and the Property do not comply with said warranty, Lessor shall, promptly after receipt of written notice setting forth the nature and extent of such non-compliance, rectify the same at Lessor's expense. If the Applicable Requirements are changed during the term of this Lease, other than as the result of the use to which

Lessee puts the Premises, so as to require the construction of an addition to or an alteration of the Premises, the Property, the remediation of any Hazardous Substance as hereinafter defined, or the reinforcement or other physical modification of the Premises and the Property, Lessor shall, promptly after receipt of written notice from Lessee or any governmental agency having jurisdiction over such matters setting forth the nature and extent of such non-compliance requiring the construction or alteration as defined above, perform such construction or alteration to comply with the Applicable Requirements at Lessor's expense.

2.2.1. For purposes of this Lease, the term "**Hazardous Substance**" includes, without limitation, any material or substance which is (i) defined as "Hazardous Waste," "Extremely Hazardous Waste," or "Restricted Hazardous Waste" under sections 25115, 25117 or 25122.7, or listed pursuant to section 25140, of the California Health and Safety Code, Division 20, Chapter 6.5 (Hazardous Waste Control Law), (ii) defined as a "Hazardous Substance" under section 25316 of the California Health and Safety Code, Division 20, Chapter 6.8 (Carpenter-Presley-Tanner Hazardous Substance Account Act), (iii) defined as a "Hazardous Material," "Hazardous Substance," or "Hazardous Waste" under section 25501 of the California Health and Safety Code, Division 20, Chapter 6.95 (Hazardous Materials Release Response Plans and Inventory), (iv) defined as a "Hazardous Substance" under section 25281 of the California Health and Safety Code, Division 20, Chapter 6.7 (Underground Storage of Hazardous Substances), (v) petroleum, (vi) asbestos, (vii) listed under Article 9 or defined as Hazardous or extremely hazardous pursuant to Article 11 of Title 22 of the California Administrative Code, Division 4, Chapter 20, (viii) designated as a "Hazardous Substance" pursuant to Section 311 of the Federal Water Pollution Control Act (33 U.S.C. § 1317), (ix) defined as a "Hazardous Waste" pursuant to section 1004 of the Federal Resource Conservation and Recovery Act, 42 U.S.C. § 6901 et seq. (42 U.S.C. § 6903), (x) defined as a "Hazardous Substance" pursuant to section 101 of the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9601 et seq. (42 U.S.C. § 9601), or (xi) any product, substance, or waste whose presence, use, manufacture, disposal, transportation, or release, either by itself or in combination with other materials, is either (a) potentially injurious to the public health, safety or welfare, the environment or the Property; (b) regulated or monitored by any governmental authority; or (c) a basis for potential liability of Lessee to any governmental agency or third party under any applicable statute or common law theory.

2.2.2. Lessor warrants and represents the Premises and the Property shall be readily accessible to and usable by individuals with disabilities in compliance with Disability Accessibility Laws (defined below) as from time to time amended and regulations issued pursuant thereto and in effect from time to time. Any cost incurred to cause the Premises or the Property to comply with the Disability Accessibility Laws shall be borne by Lessor.

“Disability Accessibility Laws” shall include, but not be limited to, Title II of the Americans with Disabilities Act, 42 U.S.C. sections 12131 et seq., the Americans with Disabilities Act Architectural Guidelines, 28 C.F.R. pt. 36, app. A, those provisions of the California Government Code relating to Access to Public Buildings by Physically Handicapped Persons, including California Government Code sections 4450–4461 et. seq., the accessibility provisions of then-applicable editions of the California Building Code, currently codified at California Code Regs., Title 24, sections 1101B.1 et seq., the Unruh Civil Rights Act, California Civil Code section 51 et seq., and the Disabled Persons Act, California Civil Code section 54 et seq.

2.3. **Sick Building Syndrome.** Lessor warrants and represents the Premises and the Property shall be constructed, operated and maintained to avoid elevated levels of certain hazards, including, but not limited to: carbon dioxide, spores, fungus, molds, bacteria, chemicals or fumes or other causes of any hazardous micro-environments, also known as “Sick Building Syndrome,” emanating from or within the Premise or the Property that may cause bodily injury, sickness or death. Any cost incurred to cause the Premises or the Property to eliminate or control such hazard shall be borne by Lessor.

2.4. **Asbestos.** Lessee acknowledges that the Building has been identified as containing asbestos containing construction materials (“ACCMs”), as set forth in Exhibit “D” attached hereto.

2.5. **Common Areas.** The term “Common Areas” is defined as all areas and facilities outside the Premises and within the exterior boundary line of the Property and interior utility raceways and installations within the Building that are for the general non-exclusive use of Lessor, Lessee, and other tenants of the Property and their respective employees, suppliers, shippers, customers, contractors, and invitees, including parking areas, loading and unloading zones, trash areas, roadways, walkways, driveways, and landscaped areas.

2.6. **Lessee’s Rights-Common Areas.** Lessor grants to Lessee, for the benefit of Lessee and the Court along with their employees, suppliers, shippers, customers, contractors, and invitees, during the term of this Lease, the non-exclusive right to use, in common with others entitled to such use, the Common Areas as same may from time to time exist. Lessor shall have the right to promulgate rules and regulations for the management, safety, care, and cleanliness of the Common Areas provided, however, that said rules and regulations shall be subject to the approval of Lessee. Any change to the Common Areas as said Common Areas exist upon Lease commencement shall be subject to the approval of Lessee.

3. **Term.**

3.1. **Delay in Delivery of Premises.** Lessor covenants to Substantially Complete the Improvements (as those terms are defined in Exhibit “C”) by the

Scheduled Substantial Completion Date. If for any reason Lessor cannot deliver to Lessee possession of the Premises in the condition set forth in section 2.1 by the Scheduled Substantial Completion Date, Lessee shall not, except as otherwise provided herein, be obligated to pay rent or perform any other obligation of Lessee under the terms of this Lease until Lessor delivers possession of the Premises to Lessee and Lessee Occupancy has commenced. If Lessor fails to Substantially Complete the Improvements on or before thirty (30) days after the Scheduled Completion Date (as the same may be adjusted for Lessee Delay in accordance with Exhibit "C"), then following the end of that thirty (30) day period, Lessee may, at its option, terminate the Lease upon the giving of ten (10) days written notice by Lessee to Lessor in which event the parties shall be discharged from all obligations under the Lease including those in Exhibit "C," provided further, however, that if such written notice of Lessee is not received by Lessor within said ten (10) day period, Lessee's right to cancel the Lease hereunder shall terminate and be of no further force or effect.

3.2. Lessee's Right to Early Termination.

3.2.1. **Funding.** The Parties hereto recognize and acknowledge that part of the rental consideration for this Lease may originate from specific State of California and/or Federal funding programs (as opposed to general funding sources). In the event that funding for those specified programs located in the Premises is reduced by more than fifty percent (50%), or otherwise becomes unavailable based on Lessee's annual fiscal budget, Lessee shall have the right to terminate this Lease. Termination shall be effected by giving Lessor sixty (60) days' notice thereof in writing.

3.3. **Relocation of MOU Space.** The Parties hereto recognize and acknowledge that Lessee is leasing the Premises because it is contiguous to the MOU Space. In the event that if Lessor relocates the MOU Space from its location in the Building as of the date of this Lease, then Lessor shall simultaneously provide to Lessee space of comparable size, quality and condition that is contiguous to the new MOU Space under the same terms and conditions as under this Lease except Lessor will be responsible for (a) construction and installation of Lessee Improvements at the new space that would be comparable to those to be completed pursuant to Exhibit "C" of this Lease, and (b) all cost and expense of Lessee's move from the Premises to the new space. Notwithstanding the foregoing, Lessee shall also have the option to terminate this Lease and all obligations hereunder by the giving of sixty (60) days prior written notice to.

3.4. **Option to Extend Term.** Lessor grants to Lessee one option to extend the Lease term ("**Extension Option**"). The Extension Option shall be for one period of five (5) years ("**Extended Term**"), subject to the conditions described in this section 3.3.

3.4.1. **Exercise.** The Extension Option may be exercised by Lessee delivering to Lessor notice thereof no later than sixty (60) days prior to the expiration of the Original Term.

3.4.2. **Rent for Extended Term.** The Rent for the Extended Term shall be increased on the date of the commencement of the Extended Term (“**Adjustment Date**”), by an amount equal to three percent (3%) of the current Rent, and increased three percent (3%) annually thereafter.

3.4.3. All terms and conditions of this Lease with exception of Lease Term shall remain in full force and effect during the Extended Term, subject to modification upon mutual consent of the parties.

3.5. **Right of First Refusal to Extend Lease Term.** Lessor hereby grants to Lessee a right of first refusal to extend the Lease term following the Original Term or the Extended Term, as applicable. In the event Lessor receives a bona fide offer from a third party to lease the Premises for any period of time following the Original Term or the Extended Term, which offer is acceptable to Lessor, Lessor shall promptly notify Lessee in writing of the offer, including: (a) the amount of the rent; (b) the square footage and area of the proposed premises if different square footage than this Lease; and (c) the proposed term. Lessee shall have thirty (30) business days within which to notify Lessor in writing whether Lessee agrees to extend the Lease of the Premises at the offered rent, square footage, and the proposed term as the third party offer. In the event Lessee elects to extend the Lease of the Premises pursuant to this section, the parties shall amend this lease to include the offered rent, the square footage and the proposed term as the third party offer. In the event Lessee fails to give written notice of its election to extend the Lease of the Premises, Lessor shall be free to accept the bona fide offer and lease the Premises to the third party. If the third party fails to lease the Premises and the Premises remains available, Lessee shall have the same right of first refusal granted herein with respect to a bona fide offer to lease the Premises by a subsequent third party offer.

3.6. **Holding Over.** Any holding over by Lessee after the expiration of said term or any extension thereof shall be deemed a month to month tenancy upon the same terms and conditions as set forth in this Lease with monthly rent to continue at the rate payable immediately prior to expiration.

4. **Custodial and Building Services.**

4.1. **Custodial Services.** All custodial services for the Premises will be provided by the Court at the Court’s sole cost and expense.

4.2. **Building Services.**

4.2.1. **Basic Services.** Lessor, at Lessor’s sole cost and expense, agrees to furnish to the Premises and Building, the following services and utilities: (a) air conditioning and heat, all in such reasonable quantities as reasonably necessary for the comfortable occupancy of the Premises, from 7:00 a.m. to 6:00 p.m. Mondays through Fridays and 9:00 a.m. to 4:00 p.m. on Saturdays, excepting local and national holidays;

(b) adequate electric power for normal lighting and office machines, elevator service, and
(c) hot and cold water on the same floor as the Premises for lavatory and drinking purposes as reasonably necessary for Lessee's use under this Lease and in compliance with Applicable Requirements.

4.2.2. Additional Electrical Service. If Lessee requires electric current in excess of that which Lessor is obligated to furnish under section 5.1 below, Lessee must first obtain the written consent of Lessor, which Lessor may only refuse to give for a commercially viable reason. Additionally, Lessor may cause an electric current meter or sub meter to be installed in or about the Premises to measure the amount of any such excess electric current consumed by Lessee in the Premises. The cost of any such meter and of installation, maintenance and repair thereof shall be paid for by Lessee and Lessee agrees to pay to Lessor, no later than thirty (30) days after Lessee's receipt of an invoice or copy of the utility bill from Lessor, for all excess electric current consumed by any such use as shown by said meter at the rates charged for such service by the local governmental agency or public utility, as applicable.

4.2.3. After-Hour HVAC Service. If Lessee requires heating, ventilation, and/or air conditioning for human occupancy purposes during times other than the times provided in section 4.3.1 above, Lessee shall give Lessor such advance notice as Lessor shall reasonably require and shall pay Lessor a fee in the amount of Thirty-five Dollars (\$35.00) per hour for such after-hours use equal to the actual costs incurred by Lessor. In addition to the foregoing, Lessor acknowledges that Lessee will be using and maintaining computer and electronic equipment within the Premises which must remain on at all times and may require twenty-four (24) hour cooling and ventilation, and Lessor agrees to reasonably cooperate with Lessee to provide at Lessor's cost sufficient after-hours air conditioning to such office suites to ensure the continued operation of such equipment.

4.2.4. Telecommunications. Upon request from Lessee from time to time, Lessor will provide Lessee with a listing of telecommunications and media service providers serving the Property, and Lessee (including the Court) shall have the right to contract directly with the providers of its choice. If Lessee (including the Court) wishes to contract with or obtain service from any provider which does not currently serve the Property, or wishes to obtain services from an existing carrier which will require the installation of additional equipment, Lessor agrees to allow Lessee (including the Court) and/or the provider to install necessary telecommunications cabling or equipment at the Property, as long as the proposed service will not unreasonably interfere with or interrupt services of other tenants in the Building. All such installations shall be subject to Lessor's prior approval, which shall not be unreasonably withheld or delayed, and shall be performed in accordance with the terms of section 7 of this Lease or Exhibit "D," as applicable.

4.2.5. Abatement. Notwithstanding anything to the contrary contained in this Lease, if Lessee is prevented from using, and does not use, the Premises or any

portion thereof, or if Lessee's ability to conduct its operations from the Premises is materially impaired as a result of (i) any repair, alteration or maintenance work performed by Lessor for which Lessor failed to timely perform and which was required to be performed by Lessor under this Lease, or (ii) any failure to provide services to the Premises, and such failure was not caused directly or indirectly by the negligence of Lessee, its employees, agents or visitors, guests, invitees or licensees (collectively, an "**Abatement Event**"), then Lessee shall give written notice of such Abatement Event to Lessor. If an Abatement Event occurs, then all Rent shall be abated or reduced for such time that Lessee continues to be so prevented from using, and does not use, the Premises or a portion thereof or parking areas (to the extent the inability to use said parking areas prevents Lessee from being able to use the Premises), in the proportion that the rentable area of the portion of the Premises that Lessee is prevented from using, and does not use, bears to the total rentable area of the Premises, provided that Rent shall be abated completely if the portion of the Premises or the parking areas that Lessee is prevented from using, and does not use, is so significant as to make it impractical for Lessee to conduct its business in the Premises and Lessee does not, in fact, for that reason, conduct its business in the Premises.

5. Utilities.

5.1. Lessor warrants and represents to Lessee that during the term of this Lease, and any extension thereof, sufficient utility services to provide water and sewer, telecommunications, electric power, natural gas, and refuse collection services necessary to meet Lessee requirements exist or will be available for use by Lessee within the Premises.

5.2. Lessee shall pay for all telecommunications services used in connection with the Premises. Lessee shall reimburse Lessor for its allocable share of the cost of the following utilities provided by Lessor based on the number of square feet of the Premises over the total number of square feet in the Building which Lessor and Lessee acknowledge and agree equals 26.38% of electrical power, Lessor shall provide and pay for water, sewer, natural gas and refuse collection services. Lessee's allocable share of the electric cost shall be payable within 45 days after receipt of a written invoice including reasonable supporting documentation.

6. Repairs and Maintenance.

6.1. Lessor's Repair and Maintenance Obligations. Lessor shall, at Lessor's sole expense and in accordance with the terms of this Lease, repair and maintain in good order and condition (reasonable wear and tear excepted): (a) the structural portions of the Building; (b) the nonstructural portions of the Building, including but not limited to, all improvements, alterations and fixtures, but excluding furnishings; (c) all systems and equipment, including but not limited to, Base Building Systems as heretofore described that serve the Premises and the Building; and (d) the exterior portions of the Property,

including, but not limited to, landscaping, driveways, sidewalks, lighting and parking facilities servicing the Premises and the Property if applicable.

6.2. Lessor's Default. Repairs shall be made promptly when appropriate to keep the Premises, the Property and other items in the condition described in this section. Lessor shall not be in default of its repair and maintenance obligations under this section 6, if Lessor performs the repairs and maintenance within thirty (30) days after written notice by Lessee to Lessor of the need for such repairs and maintenance. If, due to the nature of the particular repair or maintenance obligation, more than thirty (30) days are reasonably required to complete it, Lessor shall not be in default under this section 6 if, within five (5) business days after written notice by Lessee to Lessor of the need for such repairs and maintenance, if Lessor provides Lessee with a date that Lessor anticipates that the repair or maintenance will be complete, and Lessor begins work within thirty (30) days after written notice by Lessee and diligently prosecutes this work to completion.

6.3. Lessee's Right to Make Repairs and Deduct Cost. If Lessee provides notice to Lessor of an event or circumstance that requires the action of Lessor with respect to the repairs or maintenance to the Premises or Base Building Systems serving the Premises as set forth in section 6.1 and Lessor fails to provide such action as required by the terms of this Lease within the period specified in section 6.2 or provide the date for such action within the period specified in section 6.2, Lessee may take the required action if: (a) Lessee delivers to Lessor an additional written notice advising Lessor that Lessee intends to take the required action if Lessor does not begin the required repair or maintenance within ten (10) days after the written notice or commence diligent pursuit of the repair, and (b) Lessor fails to begin the required work within this ten (10) day period.

6.3.1. Lessor grants to Lessee a license, effective during the Lease Term, to enter upon those portions of the Premises and the Property which is reasonably necessary for Lessee to take such action under section 6.3.

6.3.2. If such action was required under the terms of this Lease to be taken by Lessor, Lessee shall be entitled to prompt reimbursement by Lessor of Lessee's reasonable costs and expenses in taking such action. Lessor's obligation to reimburse Lessee shall survive expiration or earlier termination of this Lease.

6.3.3. If, within thirty (30) days after receipt of Lessee's written demand for payment of Lessee's costs incurred in taking such action on Lessee's behalf, Lessor has not paid the invoice or delivered to Lessee a detailed written objection to it, Lessee may deduct from Rent payable by Lessee under this Lease the amount set forth in the invoice.

6.4. **Emergency and Urgent Repairs.**

6.4.1. An “**Emergency Repair Situation**” is defined as the existence of any condition that is an imminent threat to life, safety, health, documents, or security and requires immediate repair, replacement or service to eliminate that imminent threat. An “**Urgent Repair Situation**” is defined as the existence of any condition that requires prompt repair, replacement or service to enable the Court to conduct business in a neat, clean, safe, and functional environment. The determination of whether a repair is an Emergency/Urgent Repair Situation shall be based upon the impact of the situation upon the Court, and shall be at the sole, but reasonable, discretion of Lessee.

6.4.2. If Lessee notifies Lessor of an Emergency/Urgent Repair Situation which occurs in or about the Property which is the responsibility of the Lessor to repair or maintain, then Lessor shall commence appropriate repairs or maintenance immediately with respect to an Emergency Repair Situation, and promptly with respect to an Urgent Repair Situation, after notice of the condition is given by Lessee, which notice may be via telephone, facsimile, personal contact or any other means, and Lessor shall thereafter diligently pursue to completion said repairs or maintenance.

6.4.3. If, after receiving notice from Lessee, Lessor fails to commence and diligently pursue repairs within four (4) hours for an Emergency Repair Situation, and twenty-four (24) hours for an Urgent Repair Situation, or if Lessee is unable to contact Lessor or any designated agent within a reasonable time based upon the seriousness of the event or situation, Lessee may, but shall not be so obligated to, cause said repairs to be made or such maintenance to be performed. Upon demand by Lessee, Lessor shall promptly reimburse Lessee, the action cost and expenses thereof. Should Lessor fail to reimburse the cost and expenses within thirty (30) days from receipt of Lessee’s written demand for reimbursement, Lessee may deduct and offset that amount from Rent payable under this Lease.

6.5. **Work Status Reporting.** Lessee shall report all work order requests by contacting Lessor’s Customer Service Center via telephone (951-955-4850). Lessor’s Customer Service Center shall provide status reports until the applicable repair or maintenance is successfully completed.

7. **Alterations and Additions.**

7.1. **Improvements by Lessor.**

7.1.1. Lessor shall complete the Improvements by the Scheduled Substantial Completion Date in accordance with Exhibit “**C-2.**” In addition to its other rights and remedies on account of Lessor’s default, if Lessor fails to Substantially Complete the Improvements on or before thirty (30) days after the Scheduled completion Date (as the same may be adjusted for Lessee Delay in accordance with this Exhibit),

then following the end of that thirty (30) day period, Lessee may, at its option, terminate the Lease upon the giving of ten (10) days written notice by Lessee to Lessor in which event the parties shall be discharged from all obligations under the Lease including this Exhibit "C," provided further, however, that if such written notice of Lessee is not received by Lessor within said ten (10) day period, Lessee's right to cancel the Lease hereunder shall terminate and be of no further force or effect. Lessor recognizes and understands that any improvements requested by Lessee, during the term of the Lease, may be subject to the provisions contained in the California Labor Code (commencing with section 1720) relating to general prevailing wage rates and other pertinent provisions therein.

7.1.2. Lessor shall comply and stay current with all applicable building codes and laws as amended from time to time, including but not limited to, the Americans with Disabilities Act.

7.1.3. Preliminary design specifications are set forth in Exhibit "D-3." Upon completion of final design specifications the design specifications shall be inserted as Exhibit "D-4."

7.2. **Improvements by Lessee.**

7.2.1. Any alterations, improvements or installation of fixtures to be undertaken by Lessee shall have the prior written consent of Lessor after the Lessee has submitted plans for any such proposed alterations, improvements or fixtures to Lessor in writing. Such consent shall not be unreasonably withheld, conditioned or delayed by Lessor.

7.2.2. All alterations and improvements to be made **other than those approved herein**, and fixtures installed, or caused to be made and installed, by Lessee shall become the property of Lessor with the exception of trade fixtures as such term is used in Section 1019 of the Civil Code. At or prior to the expiration of this Lease, Lessee may remove such trade fixtures; provided, however, that such removal does not cause injury or damage to the leased premises, or in the event it does, Lessee shall restore the premises to their original shape and condition as nearly as practicable. In the event such trade fixtures are not removed, Lessor may, at its election, either: 1) remove and store such fixtures and restore the premises for the account of Lessee, and in such event, Lessee shall within thirty (30) days after billing and accounting therefore reimburse Lessor for the costs so incurred, or 2) take and hold such fixtures as its sole property.

7.3. **Free From Liens.** Lessee shall pay, when due, all sums of money that may become due for any labor, services, material, supplies, or equipment, alleged to have been furnished or to be furnished to Lessee, in, upon, or about the leased Premises, and which may be secured by a mechanic's, material man's or other lien against the leased Premises or Lessor's interest therein and will cause each such lien to be fully discharged and

released at the time the performance of any obligation secured by such lien matures or becomes due; provided, however, that if Lessee desires to contest any such lien, it may do so, but notwithstanding any such contest, if such lien shall be reduced to final enforcement thereof is not promptly stayed, or if so stayed, and said stay thereafter expires, then and in such event, Lessee shall forthwith pay and discharge said judgment.

7.4. **Employees and Agents of Lessee.** It is understood and agreed that all persons hired or engaged by Lessee shall be considered to be employees or agents only of Lessee and not Lessor.

8. **Permits, Licenses and Taxes.** Lessee shall secure and maintain, at its expense, all necessary permits and licenses as it may be required to obtain and/or hold, and Lessee shall pay for all fees and taxes levied or required by any authorized public entity. Lessee recognizes and understands that his Lease may create a possessory interest subject to property taxation and that Lessee may be subject to the payment of property taxes levied on such interest.

9. **Exculpation, Indemnification, Insurance, and Seismic Liability.**

9.1. **Exculpation and Indemnity:**

9.1.1. **Lessor's Exculpation and Indemnity.** To the fullest extent permitted by law, Lessor knowingly and voluntarily, waives and will indemnify defend and hold harmless Lessee and Lessee Parties from and against all Claims, arising in whole or in part from Lessor's or Lessor's Parties' (a) acts; (b) willful misconduct; (c) errors; (d) omissions; (e) negligence; or (f) breach of any provisions of this Lease which results in any of the following: (i) injury to or death of any person; or (ii) loss of, injury or damage to, or destruction of any tangible or intangible property, including the resulting loss of use, economic losses, and consequential or resulting damage arising out of (i) and (ii) above.

9.1.2. **Lessee's Exculpation and Indemnity.** To the fullest extent permitted by law, Lessee knowingly and voluntarily waives and will indemnify, defend and hold harmless Lessor and Lessor Parties, from and against all Claims, arising in whole or in part from Lessee's or Lessee Parties' (a) possession, use or occupancy of the Premises; (b) acts; (c) willful misconduct; (d) errors; (e) omissions; (f) negligence, or (g) breach of any provisions of this Lease which results in any of the following: (i) injury to or death of any person; or (ii) loss of, injury or damage to, or destruction of any tangible or intangible property, including the resulting loss of use, economic losses, and consequential or resulting damage arising out of (i) or (ii) above.

9.1.3. Notwithstanding the above, neither Lessor nor Lessee shall be required to indemnify the other Party to the extent that a Claim arises from the other Party's negligence, or willful misconduct. Accordingly, where the Lessor and the Lessee,

including their officers, directors, partners, members, consultants, and employees, participated in the liability causing event, each Party shall contribute to the common liability a pro rata share based on the relative degree of negligence or willful misconduct of the parties as established by compromise, arbitration or litigation as may be appropriate.

9.1.4. Definition of “Lessee Parties” and “Lessor Parties.” “Lessee Parties” shall mean and refer to the Judicial Council of California, the Administrative Office of the Courts, and the Court and their respective officers, agents and employees. The term “Lessor Parties” refers singularly and collectively to Lessor and its manager, parent, if any, subsidiaries, affiliated entities and agents, servants, and employees.

9.1.5. Definition of Claims. For purposes of this Lease, “Claims” is defined as any and all claims, losses, costs, damage, expenses, liabilities, liens, actions, causes of action, alleged violations of any Disability Accessibility Laws (whether in tort or contract, law or equity, or otherwise), charges, assessments, fines, and penalties of any kind (including consultant and expert expenses, court costs, and attorney fees actually incurred).

9.1.6. Survival of Exculpation and Indemnity. Section 8 shall survive the expiration or earlier termination of this Lease until all claims within the scope of this section 8 are either concluded by Lessor or Lessee, or are fully, finally, and absolutely barred by the applicable statutes of limitations.

9.2. Insurance:

9.2.1. Lessor Insurance. Without limiting or diminishing any indemnification contained within this Lease, Lessor and/or its authorized representatives, including a property management company, if any, shall procure and maintain or cause to be maintained, at its sole cost and expense, the insurance coverage required in sections 9.2.1(a) 9.2.1(b) 9.2.1(c) and 9.2.1 (d) during the term of this Lease. Lessor’s obligation to provide any of the insurance may be satisfied, in whole or in part, by self-insurance or deductible maintained by the Lessor, and/or the Lessor’s participation in a joint powers authority established for the purpose of pooling self-insured claims.

(a) Property (Physical Damage) and Earthquake Coverage. Property Insurance that insures the Building against those risks covered under a form of coverage with terms and conditions as comprehensive as those in an All-Risk/Special Form property insurance policy including insurance for earthquake related damage and, when applicable, the comprehensive form of equipment breakdown insurance, with coverage amounts equal to the following:

(i) All risk perils: at least one hundred percent (100%) of the Building’s replacement cost, with sub-limit as applicable;

(ii) Earthquake related damage: At least \$25,000,000 per occurrence; and

(iii) Equipment breakdown insurance: (Covering Lessor's owned equipment only.) At least \$5,000,000 per occurrence with sub-limits as applicable.

(b) Workers' Compensation. Workers' compensation insurance coverage shall include: (a) Workers' Compensation Insurance (Coverage A) as prescribed by the laws of the State of California; and (b) Employers' Liability (Coverage B) including Occupational Disease with limits not less than \$500,000 for each accident, \$500,000 as the aggregate disease policy limit, and \$500,000 as the disease limit for each employee.

(c) Commercial General Liability. Commercial general liability insurance coverage that shall include, but not be limited to, premises liability, contractual liability, products/completed operations, personal and advertising injury insuring for bodily injury, property damage, and personal injury arising out of or relating, directly or indirectly, to the ownership, operation, maintenance, repair, and alteration of the Building and all areas appurtenant thereto including claims which may arise from or out of Lessor's operations, use, and management of the Premises, or the performance of its obligations hereunder. The commercial general liability insurance coverage shall be provided with limits of not less than \$2,000,000 per occurrence and \$2,000,000 annual aggregate limit applicable solely to this Lease. The insurance shall apply separately to each insured against whom a claim is made or lawsuit brought subject to the policy limit of liability.

(d) Vehicle Liability. If Lessor's vehicles are used on or about the Premises, or used in any manner on or in the parking areas, or near or on the landscaped areas of the Premises, then Lessor shall maintain auto liability insurance for all owned, non-owned or hired automobiles in an amount not less than \$1,000,000 per accident.

9.2.2. General Insurance Provisions – Lessor's Insurance.

(a) Any insurance company providing Lessor's insurance coverage hereunder shall be approved by the State of California and have an A.M. BEST rating of not less than an A-:VIII (A-:8).

(b) The Lessor or Lessor's insurance company(ies) must declare its insurance deductibles or self-insured retention (SIR). Lessor will be responsible for reimbursement of any deductible to its insurers or payment of any claim within its SIR. Lessor will administer any self-insurance program in a responsible manner that ensures sufficient funds are available to cover all losses Lessor must insure against under the terms of this Lease.

(c) The Lessor shall cause each of its insurance companies to furnish the Lessee with 1) a properly executed original Certificate of Insurance evidencing that the required insurance is in full force and effect, or 2) if requested to do so orally or in writing by the Lessee's Risk Manager, provide certified copies of policies including all endorsements and all exhibits thereto, showing such insurance is in full force and effect. Further, Lessor shall provide no less than thirty (30) days written notice be given to the Lessee prior to any material modification or cancellation of such insurance. In the event of a material modification or cancellation of coverage, this Lease may be terminated by Lessee, unless the Lessee receives, prior to such effective date, another properly executed original Certificate of Insurance or certified original policy, including all endorsements and exhibits thereto, evidencing coverage and the insurance required herein is in full force and effect.

(d) It is understood and agreed by the Parties hereto and each of the Lessor's insurance companies, and/or joint powers authority that Lessor's insurance or programs of self-insurance are primary insurance, and that Lessee's insurance and/or deductibles and/or self-insured retentions or self-insured programs shall not be construed as contributory insurance.

(e) Lessor agrees to, and to require each of its insurers issuing the insurance described in this section 9.2 to waive any rights of recovery that such insurer may have against Lessee.

9.2.3. Lessee Insurance. Notwithstanding anything in this Lease which may state or imply anything to the contrary, Lessor acknowledges and accepts that Lessee is self-insured and is not required to maintain commercial insurance coverage for workers compensation, or general liability. However, should the Lessee determine that the purchase of commercial insurance is in its best interest it shall do so under the following terms applicable solely to the insurance related to this Lease.

(a) Property of Lessee. Lessee agrees that all property owned by Lessee in, or about the Premises shall be at the sole risk and hazard of the Lessee. Lessor shall not be liable or responsible for any loss or damage to Lessee, or anyone claiming under or through Lessee, or otherwise, whether caused by or resulting from a peril required to be insured hereunder, and whether or not originating in the demised premises or elsewhere, irrespective of whether or not Lessor may be deemed to have been negligent with respect thereto, and provided such damage of loss is not the result of an intentional and willful wrongful act of Lessor. Lessee agrees that, if any property owned by Lessee and located in the Leased Premises shall be damaged or destroyed by an insured peril, Lessor shall not have any liability to Lease, nor to any insurer of Lessee, for or in respect of such damage or destruction, and Lessee shall require all policies of risk insurance carried by Lessee on its property in the leased premises to contain or be

endorsed with a provision in and by which the insurer designated therein shall waive its right of subrogation against Lessor.

(b) Workers' Compensation. Lessee shall maintain, in full force and effect throughout the term of this Lease, Workers' Compensation insurance, or a program of self-insurance, in accordance with the laws of California, and employers' liability insurance with a limit of not less than \$1,000,000 per occurrence.

(c) Commercial General Liability. Commercial general liability insurance coverage that shall include premises liability, contractual liability, products/completed operations, personal and advertising injury insuring for bodily injury, property damage, and personal injury arising out of or relating, directly or indirectly, to the Lessee's operations, use, and occupancy of the Premises, or the performance of its obligations hereunder. The commercial general liability insurance coverage shall be provided with limits of not less than \$2,000,000 per occurrence and \$2,000,000 annual aggregate. The policy shall apply separately to each insured against whom a claim is made or lawsuit brought subject to the policy limit of liability.

9.2.4. General Insurance Provisions – Lessee Insurance.

(a) Any commercial liability insurance purchased by Lessee under this Lease shall be issued as a primary policy and shall name the Lessor directors, officers, agents, and employees as additional insureds.

(b) Concurrent with the execution of the Lease and prior to any use by Lessee of the Premises, Lessee will provide Lessor with written documentation verifying that it is either self-insuring its liability exposure under the terms of the Lease or has purchased commercial insurance as provided in this Section 9.2.4.

9.2.5. Attorney Fees. The prevailing party shall be entitled to recover its actual attorney fees and court costs incurred in enforcing the indemnification clauses set forth in this section 9.

9.2.6. Survival of Indemnification. Section 9 shall survive the expiration or earlier termination of this Lease until all claims against Lessee involving any of the indemnified matters are either concluded by Lessor or fully, finally, and absolutely barred by the applicable statutes of limitations.

9.2.7. Duty to Defend. Lessor's duty to defend Lessee Parties is separate and independent of Lessor's duty to indemnify and to hold harmless Lessee Parties. The duty to defend includes claims for which Lessee Parties may be liable without fault or strictly liable. The duty to defend applies regardless of whether the issues of negligence, liability, fault, default or other obligation on the part of Lessee Parties have been

determined. The duty to defend applies immediately, regardless of whether Lessee Parties have paid any sums or incurred any detriment arising out of or relating (directly or indirectly) to any claims. It is the express intention of the Parties that Lessee Parties be entitled to obtain summary adjudication or summary judgment regarding Lessor's duty to defend Lessee Parties at any stage of any claim or suit within the scope of this section 9. Notwithstanding the above, the duty to defend applies to claims whose proximate cause is the Property, including the maintenance for any and all of them; however, for all other claims, the duty to defend applies to claims caused by Lessor's acts, errors, omissions or negligence.

10. Damage and Destruction.

10.1. **Repair of Damage.** Lessee agrees to notify Lessor in writing promptly of any damage to the Property resulting from fire, earthquake, or any other identifiable event of a sudden, unexpected, or unusual nature ("**Casualty**"). If the Property is damaged by a Casualty, or the Casualty results in the Property not being provided with Base Building Systems or parking facilities (if applicable) and if neither Lessor nor Lessee has elected to terminate this Lease under this section 9, Lessor shall promptly and diligently restore the Property to the same condition as existed before the Casualty, subject to modifications required by building codes and other laws. If Lessee requests that Lessor make any modifications to the Property in connection with the rebuilding, Lessor may condition its consent to those modifications on: (a) confirmation by Lessor's contractor that the modifications shall not increase the time needed to complete the Property; or (b) an agreement by Lessee that the additional construction period shall not extend the rent abatement period, or (c) the costs of an additional construction shall be paid by Lessee.

10.2. **Repair Period Notice.** Lessor shall within thirty (30) days after the date of the Casualty, provide written notice to Lessee indicating the anticipated period for repairing the Casualty ("**Repair Period Notice**"). The Repair Period Notice shall be accompanied by a written statement executed by the contractor retained by Lessor to complete the repairs or, if Lessor has not retained a contractor, a licensed contractor not affiliated with Lessor, certifying the contractor's opinion about the anticipated period for repairing the Casualty. The Repair Period Notice shall also state, if applicable, Lessor's election either to repair or to terminate the Lease under section 10.3.

10.3. **Lessor's Option to Terminate or Repair.** Lessor may elect either to terminate this Lease or to effectuate repairs if: (a) the Repair Period Notice estimates that the period for repairing the Casualty exceeds one hundred twenty (120) days from the date of the Casualty; or (b) the estimated repair cost of the Property, even though covered by insurance, exceeds fifty percent (50%) of the full replacement cost.

10.4. **Lessee's Option to Terminate.** If the Repair Period Notice provided by Lessor indicates that the anticipated period for repairing the Casualty exceeds one

hundred twenty (120) days, Lessee may elect to terminate this Lease by providing written notice (“**Lessee’s Termination Notice**”) to Lessor within thirty (30) days after receiving the Repair Period Notice. If Lessee does not elect to terminate within this thirty (30) day period; Lessee shall be considered to have waived the option to terminate.

10.5. Rent Abatement Due to Casualty. Lessor and Lessee agree that the Lessee’s Rent shall be fully abated during the period beginning on the later of: (a) the date of the Casualty; or (b) the date on which Lessee ceases to occupy the Premises and ending on the date of substantial completion of Lessor’s restoration obligations as provided in this section 10 (“**Abatement Period**”). If, however, Lessee is able to occupy and does occupy a portion of the Premises, Rent shall be abated during the Abatement Period only for the portion of the Premises not occupied by Lessee.

10.6. Damage Near End of Term. Despite any other provisions of this section 10, if the Premises are destroyed or damaged by a Casualty during the last eighteen (18) months of the original Lease Term, Lessor and Lessee shall each have the option to terminate this Lease by giving written notice to the other of the exercise of that option within thirty (30) days after that damage or destruction, provided, however, Lessee may negate Lessor’s election to terminate under this section 10.6 by electing, within ten (10) days after receipt of Lessor’s termination notice, to exercise any unexercised option to extend this Lease. If Lessee negates Lessor’s election, this Lease shall continue in effect unless Lessor has the right to, and elects to, terminate this Lease under section 10.3.

10.7. Effective Date of Termination; Rent Apportionment. If Lessor or Lessee elects to terminate this Lease under this section 9 in connection with a Casualty, this termination shall be effective thirty (30) days after delivery of notice of such election. Lessee shall pay Rent, properly apportioned up to the date of the Casualty. After the effective date of the termination, Lessor and Lessee shall be discharged of all future obligations under this Lease, except for those provisions that, by their terms survive the expiration or earlier termination of the Lease.

11. Estoppel Certificates.

11.1. Obligation to Provide Estoppel Certificates. Lessee, shall upon not less than thirty (30) business days prior written notice from Lessor, execute, acknowledge, and deliver to Lessee a statement in writing certifying the following information: (i) that this Lease is unmodified and in full force and effect (or, if modified, stating the nature of such modification and certifying that this Lease, as modified, is in full force and effect); (ii) the dates to which the rental and other charges are paid in advance, if any; (iii) the amount of Lessee’s security deposit, if any; and (iv) acknowledging that there are not, to Lessee’s knowledge, any uncured defaults on the part of the Lessor hereunder, and no events or conditions then inexistence which, with the passage of time or notice or both, would constitute a default on the part of Lessor hereunder, or specifying such defaults, events or conditions, if any are claimed. It is expressly understood and agreed that any

such statement may be relied upon by any prospective purchaser or encumbrancer of all or any portion of the Property.

11.2. Additional Requested Documents or Instruments. Lessee shall not be required to provide any other documents, instruments, or other estoppel forms whether required by an existing or prospective lender, mortgagee, or purchaser of the Property.

12. Subordination, Non-Disturbance, and Attornment.

This Lease is subject and subordinate to all existing ground or underlying leases, mortgages, and deeds of trust which affect the Property, including all renewals, modifications, consolidations, replacements and extensions thereof; provided, however, if the holder or holders of any such mortgage or deed of trust shall advise Lessor that they desire or require this Lease to be prior and superior thereto, upon written request of Lessor to Lessee, Lessee agrees to promptly execute, acknowledge and deliver any and all documents or instruments which Lessor or such Lessor, holder or such holders deem necessary or desirable for purposes thereof. Lessor shall have the right to cause this Lease to be and become and remain subject and subordinate to any mortgages or deeds of trust which may hereafter be executed covering the Premises, the Property or any renewals, modifications, replacements or extensions thereof, for the full amount of all advances made or to be made thereunder and without regard to the time or character of such advances, together with interest thereon and subject to all the terms and provisions thereof, however, Lessor must obtain from the lender or other party in question a written undertaking in favor of Lessee to the effect that such lender or other party will not disturb Lessee's right of possession under this Lease if Lessee is not then or thereafter in breach of any covenant or provision of this Lease. Lessee agrees, within twenty (20) business days after Lessor's written request therefore, to execute, acknowledge and deliver upon request any and all documents or instruments reasonably requested by Lessor or reasonably necessary or proper to assure the subordination of this Lease to any such mortgages, deed of trust, or leasehold estates. Lessee agrees that in the event any proceedings are brought for the foreclosure of the mortgage or deed of trust, or any deed in lieu thereof, to attorn to the purchaser or any successors thereto upon any such foreclosure sale or deed in lieu thereof as so requested to do so by such purchaser and to recognize such purchaser as the Lessor under this Lease; Lessee shall, within twenty (20) business days after request execute such further instruments or assurances as such purchaser may reasonably deem necessary to evidence or confirm such attornment.

13. Breach by Lessor.

13.1. Lessor's Default. Except as provided to the contrary in this Lease, Lessor's failure to perform any of its obligations under this Lease shall constitute a default by Lessor under the Lease if the failure continues for thirty (30) days after written notice of the failure from Lessee to Lessor. If the required performance cannot be completed within thirty (30) days, Lessor's failure to perform shall constitute a default

under the Lease unless Lessor undertakes to cure the failure within thirty (30) days and diligently attempts to complete this cure as soon as reasonably possible.

13.2. **Lessee's Right to Cure Lessor's Default and Deduct Cost.** Except as provided to the contrary in this Lease, if Lessee provides notice to Lessor of Lessor's failure to perform any of its obligations under this Lease and Lessor fails to provide such action as required by the terms of this Lease within the period specified, Lessee may take the required action if: (a) Lessee delivers to Lessor an additional written notice advising Lessor that Lessee intends to take the required action if Lessor does not begin the required action within ten (10) days after the written notice; and (b) Lessor fails to begin the required action within this ten (10) day period.

13.3. **Rent Setoff.** If, within sixty (60) days after receipt of Lessee's written demand for payment of Lessee's costs incurred in taking such action on Lessor's behalf, Lessor has not paid the invoice or delivered to Lessee a detailed written objection to it, Lessee may deduct from Rent payable by Lessee under this Lease the amount set forth in the invoice.

14. **Miscellaneous.**

14.1. **Quiet Enjoyment.** Lessor covenants that Lessee shall at all times during the term of this Lease peaceably and quietly have, hold and enjoy the use of the Premises so long as Lessee shall fully and faithfully perform the terms and conditions that it is required to do under this Lease.

14.2. **Non Waiver.** No waiver of any provision of this Lease shall be implied by any failure of either party to enforce any remedy for the violation of that provision, even if that violation continues or is repeated. Any waiver by a party of any provision of this Lease must be in writing. Such written waiver shall affect only the provision specified and only for the time and in the manner stated in the writing.

14.3. **Binding on Successors.** The terms and conditions herein contained shall apply to and bind the heirs, successors in interest, executors, administrators, representatives and assigns of all the Parties hereto.

14.4. **Severability.** The invalidity of any provision in this Lease as determined by a court of competent jurisdiction shall in no way affect the validity of any other provision hereof.

14.5. **Attorney's Fees.** In the event of any litigation or arbitration between Lessee and Lessor to enforce any of the provisions of this Lease or any right of either party hereto, the unsuccessful party to such litigation or arbitration agrees to pay to the successful party all costs and expenses, including reasonable attorneys' fees, incurred

therein by the successful party, all of which shall be included in and as a part of the judgment rendered in such litigation or arbitration.

14.6. **Lessor's Representative.** Lessor hereby appoints the Assistant County Executive Officer/EDA as its authorized representative to administer this Lease.

14.7. **Lessee's Representative.** Lessee hereby appoints its Portfolio Administration Analyst as its authorized representative to administer this Lease.

14.8. **Agent for Service of Process.** It is expressly understood and agreed that in the event Lessor is not a resident of the State of California or it is an association or partnership without a member or partner resident of the State of California, or is a foreign corporation, then in any such event, Lessor shall file with Lessee's Representative upon its execution hereof, a designation of a natural person residing in the State of California, giving his or her name, residence and business addresses, as its agent for the purpose of service of process in any court action arising out of or based upon this Lease, and the delivery to such agent of a copy of any process in any such action shall constitute valid service upon Lessor. It is further expressly understood and agreed that if for any reason service of such process up on such agent is not feasible, then in such event, Lessor may be personally served with such process and that such service shall constitute valid service upon Lessor. It is further expressly understood and agreed that Lessor is amenable to the process so served, submits to the jurisdiction of the court so obtained and waives any and all objections and protests thereto.

14.9. **Entire Lease.** This Lease is intended by the Parties as a final expression of their understanding with respect to the subject matter hereof and as a complete and exclusive statement of the terms and conditions thereof and supersedes any and all prior and contemporaneous leases, agreements and understandings, oral or written, in connection therewith. This Lease may be changed or modified only upon the written consent of the Parties hereto.

14.10. **Interpretation.** The Parties have negotiated this lease at arms length and have been advised by their respective attorneys, or if not represented by an attorney, represent that they had an opportunity to be so represented and no provision contained herein shall be construed against Lessee solely because it prepared this Lease in its executed form.

14.11. **Recording.** Either Lessor or Lessee shall, upon request of the other, execute, acknowledge, and deliver to the other a short form memorandum of this Lease for recording purposes. The Party requesting recordation shall be responsible for payment of any fees applicable thereto.

14.12. **Consent.** Whenever Lessor's or Lessee's consent is required under any provision of this Lease, it shall not be unreasonably withheld, conditioned or delayed.

14.13. **Title.** Lessor covenants that Lessor has good title to the Property, and the Lessor does warrant and will defend the title thereto, and will indemnify Lessee against any damage and expense which Lessee may suffer by reason of any lien, encumbrance, restriction, or defect in title or description herein of the Property. If, at any time Lessor's title or right to receive Rent and any other sums due hereunder is disputed, Lessee may withhold such sums thereafter accruing until Lessee is furnished satisfactory evidence as to the Party entitled thereto.

14.14. **Surrender.** Lessee shall, after the last day of the term of any extension thereof or upon any earlier termination of such term, surrender and yield up to Lessor the Premises in good order, condition and state of repair, reasonable wear and tear and damage by fire or other Casualty excepted. Lessee may, but shall not be required to: (a) patch or paint any walls/surfaces; (b) remove any leasehold improvements constructed or installed prior to or during the term of this Lease or any extension thereof; or (c) remove any fixtures of equipment installed prior to or during the term of this Lease or any extension thereof, (d) implement repairs to the Premises caused by removal of same.

14.15. **Notice.** Except as expressly provided elsewhere in this Lease, all notices and other communication required under this Lease shall be in writing and delivered by: (a) Certified Mail, postage prepaid, return receipt requested, in the United States mail; or (b) to the Party hereto to whom the same is directed at the addresses set forth in section 1.6 herein. A Party hereto may from time to time change its mailing address by written notice to the other Party.

14.16. **Authority.** If Lessor is a corporation, general or limited partnership or individual owner, each individual executing this Lease on behalf of said corporation, partnership or individual represents and warrants that he or she is duly authorized to execute and deliver this Lease on behalf of said corporation, in accordance with bylaws of said corporation, or as a partner or individual is authorized to execute this Lease and that this Lease is binding upon said corporation and/or partnership or individual.

14.17. **Approval of Lessee.** Anything to the contrary notwithstanding, this Lease shall not be binding or effective until its approval by the Lessee.

14.18. **Disabled Veterans.** To the extent required by law, Lessor shall comply with all Disabled Veteran Business Enterprise (DVBE) requirements including any participation goals or good faith efforts, as the case may be, as required by Military and Veterans Code section 999 et seq. with respect to any services, materials or supplies provided under this Lease. If required by law, efforts to include DVBEs as part of the services, materials or supplies under this Lease shall continue throughout the Lease term and any extensions or renewals thereof. Lessor agrees to provide Lessee or its designees with any requested relevant supporting documents and to maintain such documents for a period of three (3) years after final payment under this Lease. DVBE resources can be

found at: <http://www.pd.dgs.ca.gov/dvbe/default.htm>, or by calling the Office of Small Business and DVBE Services at (916) 375-4940.

14.19. Signage.

14.19.1. Identification Signs. If not already present, Lessee may, at Lessee's sole expense, install identification signs (including its logo) anywhere in the Common Areas of the Property, including the elevator lobby of the Building, subject to the following requirements:

(a) Lessee must obtain Lessor's prior written approval for such signs, which Lessor may not unreasonably withhold, condition or delay; and

(b) All signs must be in keeping with the quality, design, and style of the Building.

14.19.2. Lobby Directory. Lessee shall, at Lessee's sole expense, provide and maintain through the Lease term a directory in the lobby of the Building exclusively for the names and suite numbers of tenants in the Building. At Lessee's sole discretion, Lessee may opt out of the directory.

14.20. No Acceleration of Rent. Lessor shall not under any circumstance have the right to accelerate any Rent that falls due in future rental periods or otherwise declare any Rent not then in default to be immediately due and payable.

15. Approval. This Lease shall not be binding or consummated until its approval by the Riverside County Board of Supervisors.

[SIGNATURE PAGE TO IMMEDIATELY FOLLOW]

IN WITNESS WHEREOF, the Parties hereto have executed this Lease Agreement on the day and year set forth below their respective signatures.

APPROVED AS TO FORM:
Administrative Office of the Courts,
Office of the General Counsel

By: Charles R. Martel
Name: Charles R. Martel
Title: Attorney
Date: 11-16-2011

**JUDICIAL COUNCIL OF CALIFORNIA,
ADMINISTRATIVE OFFICE OF THE
COURTS**

By: Grant S. Walker
Name: Grant S. Walker
Title: Senior Manager, Business Services
Date: 11/29/11

ATTEST:
Kecia Harper-Ihem
Clerk of the Board

By: _____
Deputy

LESSOR: COUNTY OF RIVERSIDE

By: _____
Name: John Tavaglione
Title: Chairman, Board of Supervisors
Date: _____

APPROVED AS TO FORM:
Pamela J. Walls
County Counsel

By: Synthia M. Gunzel
Name: Synthia M. Gunzel
Title: Deputy County Counsel
Date: 12-20-11

EXHIBIT "A-1"

FLOOR PLAN

DEMOLITION PLAN LEGEND

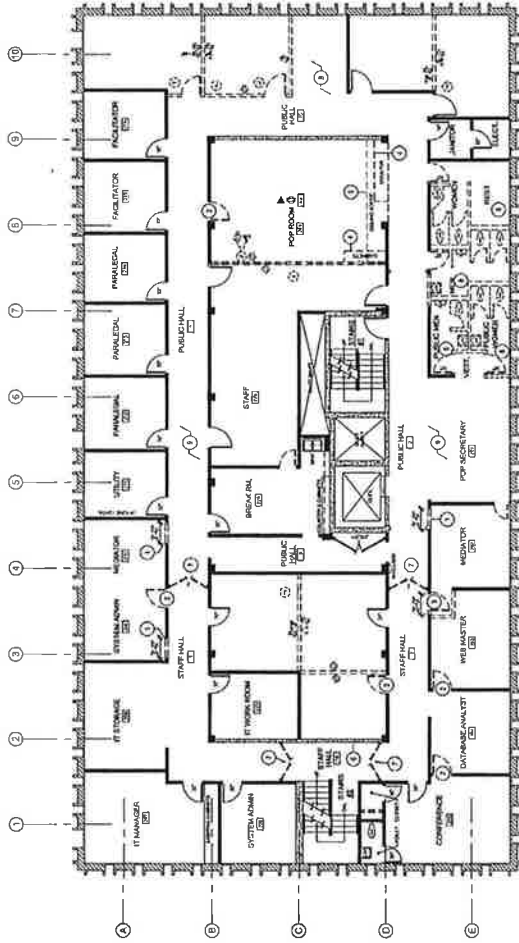
- EXISTING WALL TO REMAIN
- ▬ EXISTING CONCRETE WALL TO REMAIN
- ⋯ EXISTING PARTITION TO BE REMOVED
- ⋯ EXISTING TO BE REMOVED
- ⌒ EXISTING DOOR TO REMAIN
- ⌒ EXISTING DOOR AND SEICLERT TO BE REMOVED AND SAVED FOR REUSE IN A NEW LOCATION

DEMOLITION PLAN KEY NOTES

- 1 DEMO WALL PORTION TO ALLOW NEW OPENING FOR NEW 24" DOOR
- 2 DEMO EXISTING DOOR AND FILL IN TO MATCH EXISTING PARTITION
- 3 ENLARGE WALL OPENING TO ALLOW NEW OPENING FOR NEW 24" DOOR
- 4 DEMO EXISTING MILLWORK
- 5 REMOVE EXISTING CEILING SPLIT
- 6 STRIP EXISTING VINYL WRAPPED PANELS
- 7 REMOVE EXISTING DOOR AND PROVIDE TEMPORARY FEE UNED BARREL
- 8 DEMO EXISTING RESTROOM FEATURES
- 9 REMOVE EXISTING BASE AND FLOORING AND PREP FOR NEW THROUGHOUT U.O.A.L

DEMOLITION GENERAL NOTES

1. ARCHITECTURAL SOLUTIONS DRAWINGS INDICATE SPECIFICATION OF ARCHITECTURAL ITEMS ONLY. THIS INCLUDES BUT IS NOT LIMITED TO: NONSTRUCTURAL WALLS, CEILING FINISHES, FLOORS & BASE FINISHES, DOORS & FRAMES, HARDWARE & FITTINGS AND FIXTURES AS INDICATED IN THE DRAWINGS. CONTRACTOR SHALL REFER TO A COORDINATE WITH ALL CONSULTANT DEMOLITION DRAWINGS FOR COMPLETE SCOPE OF DEMOLITION.
2. FOR COMPLETE SCOPE OF DEMOLITION, CONTRACTOR SHALL REFER TO ALL ELEMENTS OF THE ARCHITECTURAL SOLUTIONS DRAWINGS AND ALL CONSULTANT DRAWINGS. WORK SPECIFICALLY CONTRACTOR SHALL REFER TO FLOOR PLANS, REFLECTED CEILING PLANS, FINISH PLANS AND INTERIOR ELEVATIONS FOR EXTENT OF DEMOLITION WORK.
3. CONTRACTOR SHALL REMOVE ALL NEWLY ABANDONED UTILITIES INCLUDING CONDUIT, PIPE, LIGHTING PANELS, ELECTRICAL BOXES, BRACKETS, CAPS AND HARDWARE WITHIN CONTRACT LIMITS. REMOVED UTILITIES SHALL BE CAPPED OR CONCEALED WITHIN WALLS, CABINETS, ABOVE CEILING, OR BELOW CONCRETE SLABS AS NOT TO BE EXPOSED TO THE PUBLIC. CONTRACTOR TO INDICATE LOCATION OF DISCONNECTED SERVICES, IF APPLICABLE.
4. AT EXISTING WALLS TO BE DEMOLISHED, CONTRACTOR SHALL BRIDGE AND/OR RE-ROUTE UTILITIES AND SERVICES TO REMAIN INCLUDING BUT NOT LIMITED TO CONDUITS, LINES, ELECTRICAL OUTLETS, SWITCHES AND CONTROLS, PIPES ETC., TO ADJACENT EXISTING WALL TO REMAIN, OR NEW WALL TO BE INSTALLED.
5. CONTRACTOR SHALL FILL VOID, REFINISH CONCRETE SURFACES AND, AS REQUIRED, FIRE STOP VOIDS AFTER DEMOLITION OF ITEMS INDICATED.
6. CONTRACTOR TO PATCH & REPAIR SURFACES AS NEEDED AFTER DEMOLITION OF ITEMS INDICATED. PATCH SHALL MEAN REPAIRING ALL REMAINING EXISTING CONDITIONS AFFECTED BY DEMOLITION WORK BY IMPROVING EXISTING MATERIAL & FINISH.
7. DEMOLITION OF EXISTING DOORS SHALL INCLUDE DOOR FRAME, HARDWARE, THRESHOLD AND SILL. CONTRACTOR SHALL REMOVE ALL DOORS AND HARDWARE TO BE DEMOLISHED. CONTRACTOR SHALL REMOVE ALL DOORS WHERE DOORS ARE BEING REPLACED WITH NEW DOORS.
8. EXISTING FIRE ALARM IN OCCUPIED AREAS SHALL REMAIN IN SERVICE DURING CONSTRUCTION.
9. CONTRACTOR TO PROTECT EXISTING CONSTRUCTION, FINISHES, AND EQUIPMENT DURING DEMOLITION AND CONSTRUCTION.



DEMOLITION PLAN 2ND FLOOR
 SCALE: 1/8"=1'-0"



COUNTY OF RIVERSIDE LAW LIBRARY
 PROJECT ADDRESS
 RIVERSIDE, CA

OWNER
 COUNTY OF RIVERSIDE
 LAW LIBRARY
 OWNER'S CONTACT ADDRESS
 1000 CALIFORNIA AVENUE, 2ND FLOOR
 RIVERSIDE, CA 92501

This drawing is prepared by Heery, Inc. and is the property of Heery, Inc. It is not to be used for any other project without the written consent of Heery, Inc. The user of this drawing is advised that Heery, Inc. is not responsible for any errors or omissions in this drawing or for any consequences arising from its use.

NO.	DATE	DESCRIPTION
1	11/15/2011	ISSUED FOR PERMIT
2	01/10/2012	REVISED PER PERMIT COMMENTS
3	01/10/2012	REVISED PER PERMIT COMMENTS
4	01/10/2012	REVISED PER PERMIT COMMENTS
5	01/10/2012	REVISED PER PERMIT COMMENTS
6	01/10/2012	REVISED PER PERMIT COMMENTS
7	01/10/2012	REVISED PER PERMIT COMMENTS
8	01/10/2012	REVISED PER PERMIT COMMENTS
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16	01/10/2012	REVISED PER PERMIT COMMENTS
17	01/10/2012	REVISED PER PERMIT COMMENTS
18	01/10/2012	REVISED PER PERMIT COMMENTS
19	01/10/2012	REVISED PER PERMIT COMMENTS
20	01/10/2012	REVISED PER PERMIT COMMENTS

PARTITION PLAN LEGEND

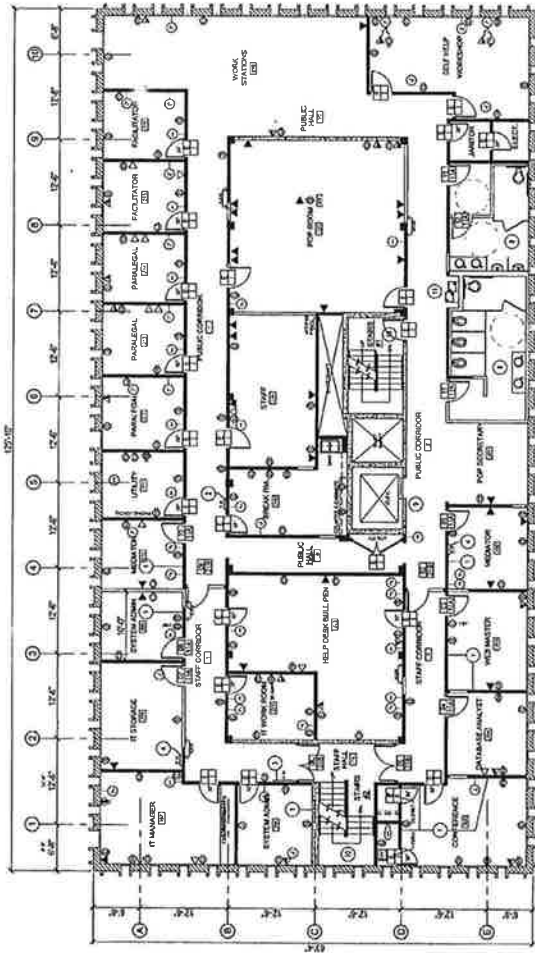
- EXISTING WALL TO REMAIN
- - - EXISTING CONCRETE WALL TO REMAIN
- - - NEW PARTITION, TO MATCH EXISTING
- EXISTING DOOR
- NEW DOOR
- DOOR NUMBER
- DOOR GROUP
- DOOR TYPE
- ROOM NUMBER
- ⊕ EXISTING DATA OUTLET
- ⊕ EXISTING A-TELE OUTLET
- ⊕ EXISTING TELEDATA OUTLET
- ⊕ EXISTING SEPARATE CIRCUIT OUTLET
- ⊕ EXISTING TELEPHONE/PHONE OUTLET
- ⊕ EXISTING DATA
- ⊕ EXISTING THERMISTAT
- ⊕ EXISTING JACK
- ⊕ EXISTING POWER WHIP

PARTITION PLAN KEY NOTES

- 1 EXISTING WOOD WALL PANELS.
- 2 EXISTING FIRE EXTINGUISHER.
- 3 EXISTING FIRE HOSE CABINET.
- 4 EXISTING ELECTRICAL PANEL.
- 5 PATCH AND REBATE WALL THROUGHOUT FLOOR.
- 6 PROVIDE NEW CARPET AND BASE THROUGHOUT FLOOR.
- 7 REMOVE T-SHAP CARPETING AND NEW OR MODIFIED WALLS OCCUR. GRID AND TILE TO MATCH EXISTING. REPLACE ALL STAINED OR DAMAGED CEILING TILES.
- 8 INSTALL NEW ACCESSIBLE RESTROOMS.
- 9 REPLACE EXISTING ELEVATOR CONTROLS WITH NEW ACCESSIBLE CONTROLS.
- 0 REPLACE EXISTING PAINTS WITH NEW ACCESSIBILITY AND BUILDING CODE REQUIREMENTS.
- 1 PROVIDE NEW FLOW ACCESSIBLE DRINKING FOUNTAINS.

PARTITION PLAN GENERAL NOTES

- 1 ALL CLEAR DIMENSIONS INDICATE MINIMUM DIMENSIONS TO COMPLY WITH CODE REQUIREMENTS.
- 2 SEE SHEET "A-2.0" FOR WALL TYPES.
- 3 SEE REFERENCED ENLARGED PLAN FOR EXISTING RESTROOMS.
- 4 MINIMUM WALL THICKNESS DIMENSIONS USE CLOSEST AVAILABLE IDENTIFIED WALL TYPE.
- 5 ALL NEW PARTITIONS TO BE PARTED UNLESS OTHERWISE NOTED.
- 6 ALL WORK NOTED AS REPLACE OR INSTALL TO MATCH EXISTING CONTRACTOR TO PROVIDE NECESSARY PATCHWORK FOR ARCHITECT (CONCRETE, PLASTER, PAINT, AND ATTACHMENT TO MATCH EXISTING).
- 7 INCLUDE ANY PORTALS IN (B) CONCRETE SLAB.
- 8 CONTRACTOR TO PROVIDE EXISTING CONSTRUCTION, FINISHES AND EQUIPMENT DURING DEMOLITION AND CONSTRUCTION.
- 9 CONTRACTOR TO PROTECT EXISTING EQUIPMENT OR CABLING SCHEDULED TO REMAIN DURING DEMOLITION AND CONSTRUCTION U.O.K.



PROPOSED PARTITION PLAN 2ND FLOOR
 SCALE: 3/8" = 1'-0"



COUNTY OF RIVERSIDE JAW LIBRARY
 PROJECT ADDRESS
 RIVERSIDE, CALIFORNIA

DATE:

COUNTY OF RIVERSIDE
 OWNER/CLIENT ADDRESS
 1000 MAIN STREET, 2ND FLOOR
 RIVERSIDE, CALIFORNIA

This work is intended for the use of the client and its authorized representatives only. It is not to be used for any other project or for any other purpose without the written consent of Heery.

PROPOSED PARTITION PLAN
 2ND FLOOR

SHEET: SHEET 2007 OF
 TOTAL SHEETS: 27
 A-2.0

DEMOLITION PLAN LEGEND

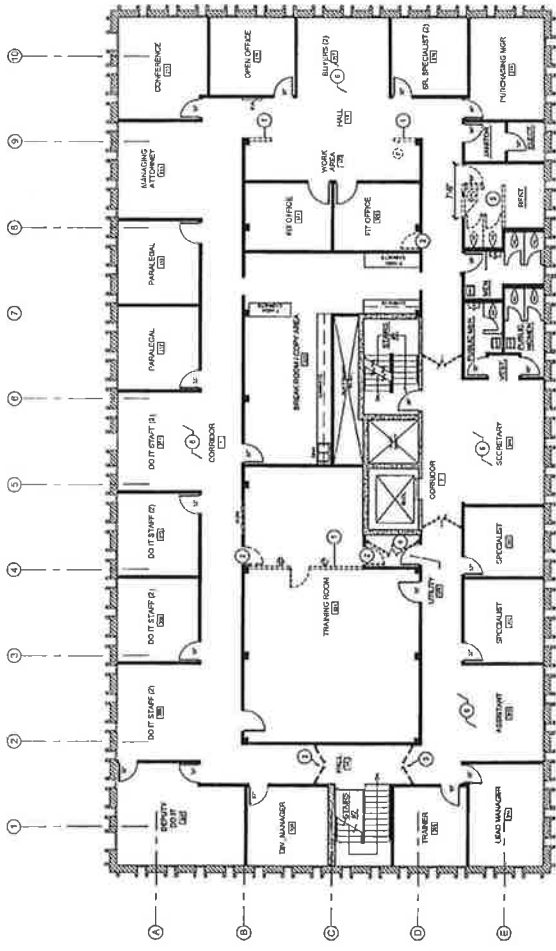
- EXISTING WALL TO REMAIN
- EXISTING CONCRETE WALL TO REMAIN
- EXISTING PARTITION TO BE REMOVED
- EXISTING DOOR TO REMAIN
- EXISTING DOORS AND PARTITION TO BE REMOVED AND SAVED FOR REUSE IN ANOTHER LOCATION

DEMOLITION PLAN KEY NOTES

- 1 DEMO EXISTING WALL AND ELECTRICAL
- 2 DEMO EXISTING DOOR AND FILL IN TO MATCH EXISTING PARTITION
- 3 REMOVE EXISTING EXIT DOORS AND PROVIDE TEMPORARY FIRE RATED BARRIER
- 4 DEMO EXISTING DOUBLE DOORS
- 5 DEMO EXISTING RESTROOM FINISHES
- 6 REMOVE EXISTING BASE AND FLOORING AND PREP FOR NEW FLOOR THROUGHOUT ULDA

DEMOLITION GENERAL NOTES

1. UNEXPECTED DEMOLITION DRAWINGS INDICATE DEMOLITION OF UNEXPECTED ITEMS ONLY. THIS INCLUDES BUT IS NOT LIMITED TO, NONSTRUCTURAL WALLS, CEILING FINISHES, FLOOR FINISHES, DOORS AND FRAMES, HARDWARE & FITTINGS AND FIXTURES AS INDICATED IN THE DRAWINGS. CONTRACTOR SHALL REFER TO A COORDINATE WITH ALL CONSULTANT DEMOLITION DRAWINGS FOR COMPLETE SCOPE OF DEMOLITION.
2. FOR COMPLETE SCOPE OF DEMOLITION, CONTRACTOR SHALL REFER TO ALL RELATED CONTRACT DOCUMENTS FOR ALL DEMOLITION WORK. CONTRACTOR SHALL VERIFY WORK SPECIFICALLY CONTRACTOR SHALL REFER TO FLOOR PLANS, REFLECTED CEILING PLANS, FINISH PLANS AND INTERIOR ELEVATIONS FOR EXTENT OF DEMOLITION WORK.
3. CONTRACTOR SHALL REMOVE ALL NEWLY ABANDONED UTILITIES INCLUDING CONDUIT, PIPE, LIGHTING PANELS, ELECTRICAL BOXES, BRACKETS, CAPS AND HARDWARE, WITHIN CONTRACT LIMITS. REMOVED UTILITIES SHALL BE CAPPED & CONCEALED WITHIN WALLS. CONTRACTOR SHALL VERIFY ALL UTILITIES ARE PROPERLY CAPPED AND TO VERIFY. PLACE MARKERS TO INDICATE LOCATION OF DISCONNECTED SERVICES, AS APPLICABLE.
4. AT EXISTING WALLS TO BE DEMOLISHED, CONTRACTOR SHALL RELOCATE AND/OR RELOCATE UTILITIES AND SERVICES TO REMAIN INCLUDING BUT NOT LIMITED TO CONDUITS, ELECTRICAL OUTLETS, SWITCHES AND CONTROLS, PIPES, ETC., TO NEAREST ADJACENT EXISTING WALL TO REMAIN OR NEW WALL TO BE INSTALLED.
5. CONTRACTOR SHALL FULLY WORK, REFINISH CONCRETE SURFACES, AS REQUIRED.
6. CONTRACTOR TO PATCH AND REPAIR SURFACES AS REQUIRED AFTER DEMOLITION OF ITEMS INDICATED. PATCH SHALL MEAN REPAIRING ALL REMAINING EXISTING CONDITIONS AFFECTED BY DEMOLITION WORK IN FINISHED ADJACENT PARTIALS & FINISH.
7. DEMOLITION OF EXISTING DOORS SHALL INCLUDE DOOR FRAME, HARDWARE, THRESHOLD AND SILL. CONTRACTOR SHALL REMOVE ALL EXISTING DOORS AND HARDWARE. OWNER REINSTALL SPRINGS WHERE ED DOORS ARE BEING REPLACED WITH NEW DOORS.
8. EXISTING FIRE ALARM IN OCCUPIED AREAS SHALL REMAIN IN SERVICE DURING CONSTRUCTION.
9. CONTRACTOR TO PROTECT EXISTING CONSTRUCTION, FINISHES, AND EQUIPMENT DURING DEMOLITION AND CONSTRUCTION.



DEMOLITION PLAN 3RD FLOOR
SCALE: 1/8"=1'-0"



EXHIBIT "A-2"

SITE PLAN

HEERY

11 COLLETT AVENUE, SUITE 200
 BERKELEY, CA 94704
 925.841.1000
 WWW.HEERY.COM

DATE: 08/14/2018

COUNTY OF RIVERSIDE
 LAW LIBRARY BUILDING
 305 10TH STREET
 RIVERSIDE, CA

COUNTY OF RIVERSIDE EDA
 305 10TH STREET
 RIVERSIDE, CA

The responsibility of the engineer is to prepare the plans and specifications for the project in accordance with the applicable laws, rules, regulations, and standards of the State of California. The engineer is not responsible for the accuracy of the information provided by the client or other sources. The engineer is not responsible for the construction of the project or for the performance of the contractor.

NO.	DATE	DESCRIPTION
1	08/14/2018	ISSUED FOR PERMIT
2	08/14/2018	ISSUED FOR PERMIT
3	08/14/2018	ISSUED FOR PERMIT
4	08/14/2018	ISSUED FOR PERMIT
5	08/14/2018	ISSUED FOR PERMIT
6	08/14/2018	ISSUED FOR PERMIT
7	08/14/2018	ISSUED FOR PERMIT
8	08/14/2018	ISSUED FOR PERMIT
9	08/14/2018	ISSUED FOR PERMIT
10	08/14/2018	ISSUED FOR PERMIT
11	08/14/2018	ISSUED FOR PERMIT

SHEET NO.
 SITE PLAN /
 PATH OF TRAVEL

NO. SHEET NO. TOTAL SHEETS
 A-01 2

PLAN SPECIFIC NOTES

- 1 EXISTING ACCESSIBLE PARKING STALLS.
- 2 EXISTING ACCESSIBLE RAMP AND ENTRY.
- 3 EXISTING PATH OF TRAVEL / SIDEWALK DOES NOT EXCEED 2% SLOPE IN ANY DIRECTION.
- 4 EXISTING ACCESSIBLE CURB CUTS.
- 5 EXISTING TACTILE STRIPS IN SIDEWALK.
- 6 EXISTING TRUNCATED DOMES.
- 7 REMOVE 2 EXISTING PARKING STALLS AND PROVIDE NEW ACCESSIBLE VAN PARKING STALL.
- 8 REPLACE EXISTING PARKING STALL WITH NEW ACCESSIBLE PARKING STALL.
- 9 REPLACE EXISTING STOREFRONT ENTRY AND PROVIDE NEW ACCESSIBLE LANDING, RAMP AND ENTRY.
- 10 REMOVE EXISTING STEP AND PROVIDE NEW ACCESSIBLE LANDING AND RAMP.
- 11 REPLACE EXISTING ELEVATOR CONTROLS WITH NEW ACCESSIBLE CONTROLS.

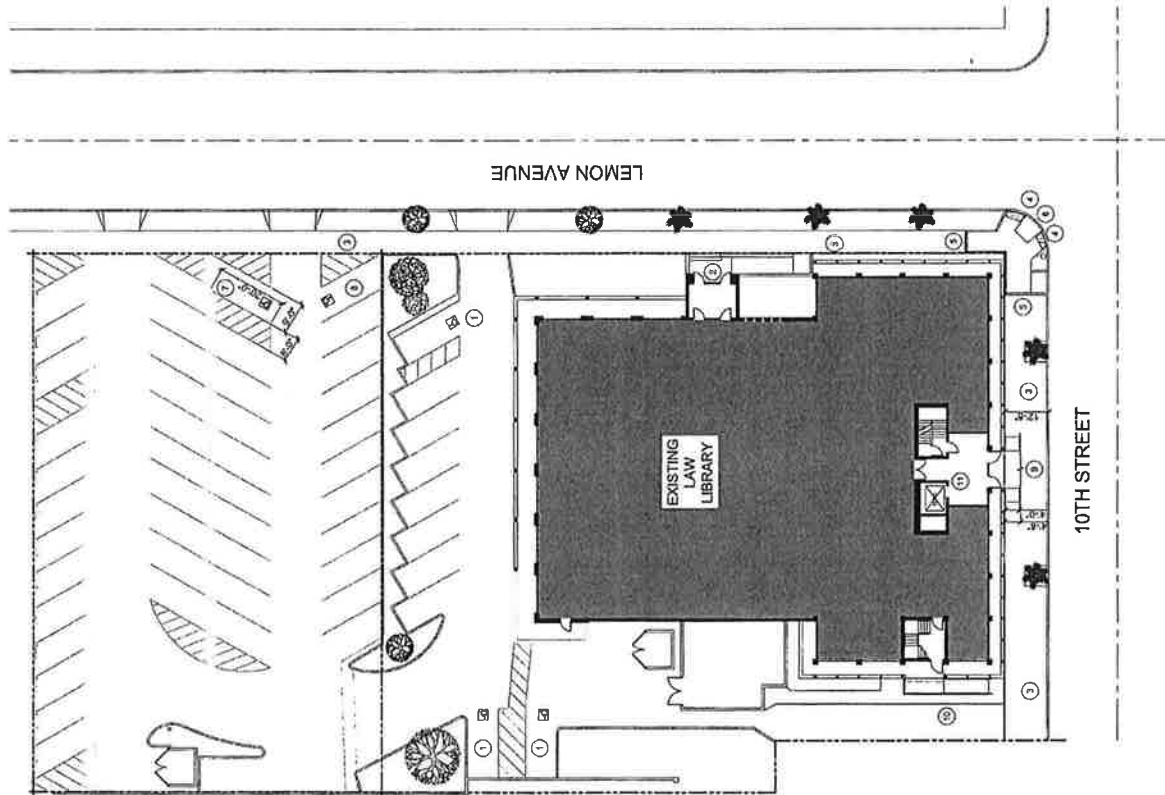


EXHIBIT "B"

ASBESTOS

A. Lessee acknowledges that the receipt of the Asbestos survey conducted on the Premises and the findings found therein, as described in **Exhibit "D"**. In the event that any construction or improvements are made on the Premises, the Lessor and the Lessee shall act in accordance with the law concerning asbestos containing construction materials ("**ACCMs**") as defined in Title 15, sections 1601 and 2607 of the United States Code to maintain the property in good condition and free from hazard as required by law. An asbestos hazard will be recognized if any average concentration exceeds 0.01 fibers longer than five microns per cubic centimeter of air measured over an eight hour period as determined of the Transmission Electron Microscopy (TEM) method. TEM testing will be mandatory if samples tested by the Phase Contrast Microscopy (PCM) method indicate .1 or more fibers per cc of air.

(1) Premises and plenums in the same HVAC zone.

(2) Common Areas which Lessee Parties and their employees or invitees would normally/reasonably use.

(3) Building maintenance areas, utility spaces, and elevator shafts within or serving areas described in items 1 and 2 above.

B. In the event construction of the Building wherein Premises are located was completed prior to 1979, the Lessor shall provide Lessee with certification that the areas referred to above are free of asbestos hazard from ACCMs prior to the execution of this Lease. If said Premises were constructed after 1979, Lessor shall provide Lessee with a written statement to that effect.

C. Certification shall be in the form of an ACCM Survey and Evaluation Reports prepared by a qualified Industrial Hygienist who shall be certified by the American Board of Industrial Hygiene (ABIH) or an Environmental Protection Agency (EPA) – Asbestos Hazard Emergency Response Act (AHERA) certified inspector. Said survey shall include those areas listed in paragraph (A). Survey requirements are: visual walk-through inspection and testing of suspected ACCMs. Bulk samples of suspected ACCMs shall be analyzed by a laboratory Quality Assurance Program using the polarized light microscopy (PLM) method. If friable asbestos is found or the physical condition of suspected ACCMs, indicate possible fiber release, air sampling must be performed. If asbestos fiber concentrations of 0.1 fibers per cc of air or greater are found, further testing by the Transmission Electron Microscopy (TEM) method is mandatory. Said survey and evaluation necessary, and the report shall also specify guidelines for the implementation of any operation and maintenance plan inclusive of any required

monitoring and testing intervals. The report is subject to review and approval by the Lessee and the Lessor shall agree to all conditions contained herein.

D. If at any time during the term of this Lease, or during any extension or renewal hereof, previously unidentified ACCM hazard is discovered, or airborne asbestos fibers above the maximum allowable limits are found to be entering the Premises from any other area within the Building or buildings in which the Premises is located, the Lessor shall immediately, at Lessor's sole cost and expense, control such release and perform abatement of all hazardous ACCMs that are determined to be affecting the Premises.

E. Lessor shall perform asbestos notification as required by Chapter 10.4 of the Health and Safety Code and shall guarantee that all abatement work as required under the conditions of this Lease is performed by a licensed contractor certified by the Contractors State License Board and registered with the Division of Occupational Safety and Health. Lessee reserves the right to establish consultant oversight of any asbestos related work program at its expense.

F. Additionally, Lessor shall be responsible for any and all direct or indirect costs associated with the abatement of the above described ACCMs which include, but is not limited to the actual costs to the Lessor for ACCMs abatement and for all required monitoring reports before, during, and after abatement. In effect, all costs shall be borne by the Lessor that are in any way associated with the abatement of ACCMs from the Building including clean-up of contaminated Lessee-owned equipment, furnishings, and materials. Copies of the air monitoring reports shall be furnished to the Lessee together with certification by an Industrial Hygienist Consultant registered with Cal/OSHA that the area is free of hazard from ACCMs.

G. If it is determined that for safety reasons Lessee's or the Court's employees should be relocated at any time prior to or during the abatement of ACCMs, the Lessor shall provide comparable accommodating space (at no cost to Lessee) throughout the abatement process. Said determination shall be made by a qualified representative of Cal/OSHA. The Lessor specifically agrees to pay for all costs associated with this move or reimburse Lessee or the Court, if Lessee or the Court paid for this cost, including all reasonable administrative costs and cost of moving or renting furniture, data processing, and telephone equipment. However, if the asbestos has been disturbed as a result from any new tenant improvements by Lessee (but not Lessee Improvements or Lessor's Work to be constructed or installed by Lessor pursuant to **Exhibit C** to the Lease), the losses, damages including a replacement facility, rent abatement, alterations, administrative costs, and moving costs, including data processing and telephone equipment shall be the sole responsibility of the Lessee.

H. In the event, after written notice is provided by Lessee, the Lessor fails, refuses, or neglects to diligently pursue abatement of above described asbestos hazard

from ACCMs, Lessee may perform or cause to be performed such abatement; and, in addition to any other remedies it may have, deduct all reasonable costs of such abatement and all costs associated in any way with the abatement of the above described ACCMs from the Rent that may then be or thereafter become due throughout the term of this Lease. For this purpose and as a condition of this Lease, the Lessor shall obtain an EPA generator number and grant license to Lessee for its use.

I. In addition to any other remedies it may have, in the event the Lessor fails to diligently pursue abatement of asbestos hazard from ACCMs, as required under the provisions of this Lease, Lessee may, by notice in writing, terminate this Lease. Lessor shall be liable to Lessee for all expenses, losses and damages reasonably incurred by Lessee as a result of such termination; including, but not limited to additional rental necessary to pay for an available similar replacement facility over the period of what would have been the remaining balance of the lease term plus any option periods, costs of any necessary alterations to the replacement facility, administrative costs, and costs of moving furniture, data processing and telephone equipment. However, if the asbestos has been disturbed as a result from any new tenant improvements conducted by Lessee (but not Lessee Improvements or Lessor's Work to be constructed or installed by Lessor pursuant to **Exhibit C** to the Lease), the losses, damages including a replacement facility, rent abatement, alterations, administrative costs, and moving costs, including data processing and telephone equipment shall be the sole responsibility of the Lessee.

J. The Lessor shall indemnify, defend, and hold Lessee Parties and their officers and employees harmless from and against any and all losses, damages, judgments, expense (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 asbestos hazard from ACCMs within the Premises or the Building in which the Premises are located but excluding the disturbance of ACCMs resulting from the construction or installation of any new improvements by Lessee within the Premises (but not Lessee Improvements or Lessor's Work to be constructed or installed by Lessor pursuant to **Exhibit C** to the Lease).

K. Lessee shall indemnify, defend, and hold Lessor Parties and their officers and employees harmless from and against any and all losses, damages judgments, expense (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 disturbance of ACCMs that is the result of the construction or installation of any new improvements by the Lessee within the Premises but not Lessee Improvements or Lessor's Work to be constructed or installed by Lessor pursuant to **Exhibit C** to the Lease.

EXHIBIT "C"

IMPROVEMENTS

Capitalized terms used, but not otherwise defined, in this Exhibit shall have meaning ascribed to those terms in the Lease. In the event of conflict between this Exhibit and the Lease, this Exhibit shall prevail.

ARTICLE I DEFINITIONS

1.1. **Definitions.** Wherever used in this Exhibit, the following terms are defined as follows:

1.2. **Applicable Laws and Restrictions** means all laws (including, without limitation, the Disability Accessibility Laws and the Prevailing Wage Law (Labor Code § 1720 et seq), building codes, ordinances, regulations, title covenants, conditions, and restriction, and casualty underwriters requirements applicable to the Property, the Premises, and the Improvements. Lessor acknowledges that the County Fire has legal authority to review and approve plans and specifications with respect to the Improvements for compliance with applicable fire and panic safety regulations ("FM Approval"), and that the Division of State Architect has legal authority to review and approve plans and specifications relating to the Improvements for compliance with issues relating to access to public buildings by physically handicapped persons ("DSA Approval").

1.3. **Architect** means the architect selected by Lessor and approved by Lessee, which approval shall not be unreasonably withheld.

1.4. **Base Building** shall consist of those portions of Building which are the responsibility of Lessor and either were in existence prior to the Improvements, or will be completed by Lessor concurrent with the construction of the Improvements. The Base Building shall, at a minimum, include the following items:

1.4.1. Service Core.

1.4.1.1. Building stairways for exiting.

1.4.1.2. Electrical, telephone, janitorial and mechanical rooms (with fan unit) to the extent located on each floor.

1.4.1.3. All sheetrock on core walls, perimeter walls, elevator lobbies, perimeter columns and interior columns all clad with dry wall taped, spackled, sanded and ready for painting.

1.4.1.4. Men's and women's washrooms on each multi-Lessee floor in compliance with all Applicable Laws and Restrictions and finished in accordance with the Building standard washrooms.

1.4.1.5. Access at the core to domestic water, drainage and vent systems.

1.4.1.6. Elevator lobbies installed and complete on multi-Lessee floors which are partially occupied by Lessee and inclusive of the elevator lobby smoke doors and elevator pockets for the elevator lobby smoke doors as required by Applicable Laws and Restrictions.

1.4.2. Core doors. Building standard doors installed for stairwells, electrical, mechanical, janitor and telephone rooms and washrooms, finished and completed with frame, trim, hardware, locking devices where applicable and closers.

1.4.3. Exterior walls.

1.4.3.1. Curtain wall installed and sealed.

1.4.3.2. Exterior windows installed and sealed.

1.4.3.3. Drywall on all perimeter walls and core walls.

1.4.3.4. Columns and exposed service core walls to be clad with drywall.

1.4.3.5. Building standard blinds.

1.4.3.6. Exterior window coverings.

1.4.4. Floors. Smooth and level (in accordance with industry standards) concrete floors with troweled finish and ready to receive carpeting.

1.4.5. Heating, Ventilation and Air-Conditioning (“HVAC”).

1.4.5.1. HVAC fan unit connected to chilled water risers and complete and fully installed to service the core area on all floors.

1.4.5.2. Main air distribution system with main cold air loop from the mechanical equipment room around the Building core.

1.4.6. Lighting. Installed and operating in the Premises and all stairwells, elevators, lobbies, mechanical rooms, utility rooms, janitorial rooms, washrooms, and all other areas where lighting is normally provided in the Property.

1.4.7. Electrical/Power.

1.4.7.1. Electrical closets with power terminated in two electrical panels per floor, one for power and one for lighting, each of 200 amps with capacity for 40 circuit breakers.

1.4.7.2. Electrical service, at an acceptable wattage for Lessee’s intended use, per Applicable Laws and Regulations, stubbed to the Premises.

1.4.8. Life Safety.

1.4.8.1. Lessor shall install, or has installed, life safety systems to the extent required by the Applicable Laws and Restrictions for shell and core construction. All required panels, relays, etc. shall be in place ready for Lessee’s hook-up.

1.4.8.2. The Base Building portion of the cost of installing a fire alarm system in accordance with the Applicable Laws and Restrictions shall be that portion of the cost that would have been incurred had Lessor installed a fire alarm system for the Building and Premises sufficient for minimum coverage for unimproved space in accordance with the Applicable Laws and Restrictions, including main loop connected to core with temporary construction heads installed per the Applicable Laws and Restrictions.

1.4.8.3. Fire hose and fire extinguisher cabinets installed at each stairwell or as required by the Applicable Laws and Restrictions for shell and core construction.

1.4.8.4. Exit signs at all stairwells.

1.4.8.5. Smoke detectors in all elevator lobbies on all multi-Lessee floors which are partially occupied by Lessee.

1.4.8.6. Fire extinguishers as required by the Applicable Laws and Restrictions for shell and core construction.

1.4.8.7. Fire horns, exit signs and communication systems installed as required by the Applicable Laws and Restrictions for shell and core construction.

1.4.8.8. Electric hold-opens installed for all smoke doors at elevator lobbies.

1.4.8.9. Communication System. Sleeves in core telephone rooms for Lessee's telephone access.

1.4.8.10. Other Improvements.

1.4.8.11. Any improvements to the Building required by the Applicable Laws and Restrictions (including fire, life and safety improvements) as a prerequisite or condition to obtaining approval for the Improvements.

1.5. **Construction Costs** means all costs incurred to complete the Improvements, including, the following, to the extent that they relate to the Improvements:

a. Payments to Contractors for labor, material, equipment, and fixtures supplied pursuant to any construction contract entered into in accordance with this Exhibit;

b. Fees paid to Designers for services required by this Exhibit;

c. Taxes, fees, charges, and levies by governmental and quasi-governmental agencies for Permits or for inspections of the work;

d. Utilities incurred in the course of the construction of the Lessee Improvements; and

e. Premiums for bonds, builder's risk insurance and other insurance required by this Exhibit.

In no event, however, shall Construction Costs include:

- (i) The cost of work which was performed prior to the execution of the Lease or which is not authorized by the Contract Documents;
- (ii) The cost of constructing Lessor's Work including any costs for the Base Building;
- (iii) The cost of bringing the existing improvements into compliance with Applicable Laws and Restrictions, including, without limitation, Disability Access Laws and applicable environmental laws;
- (iv) Costs resulting from any default by Lessor or its obligations under this Exhibit;
- (v) Costs resulting from any default by any Architect or Contractor;
- (vi) Costs that are recovered or are reasonably recoverable from a third party (e.g., insurers, warrantors, or tortfeasors); and
- (vii) Any costs incurred for the construction of Lessor's Work.
- (viii) Any costs or fees for the management and/or administration of the construction work.

1.6. **Construction Documents** means:

- a. The Final Plans;
- b. Bid Packages;
- c. Construction contract;
- d. Material supply agreement;
- e. Architect's agreement.

1.7. **Construction Schedule** means the schedule for commencement, prosecution, and Substantial Completion of all Improvements, which is attached to this Exhibit as Exhibit "C-2" and incorporated into this Exhibit by this reference.

1.8. **Contractor** means the General Contractor and all other general contractors, design-build contractors, subcontractors, and material suppliers who provide labor and materials for construction of the Improvements. To the extent required by Applicable Laws and Restrictions, each Contractor (including the General Contractor) shall be appropriately licensed by the State of California for the applicable work being performed by that Contractor/General Contractor and in good professional standing.

1.9. **Cost Estimate** means the estimated total Construction Costs of the Improvements prepared by the Lessor based on the Contractors' bid(s) for the construction of the Improvements, and which is approved by Lessee in accordance with this Exhibit. Cost Estimate shall exclude any costs associated with Lessor's Work. A copy of the Cost Estimate is attached to this Exhibit as Exhibit "C-4" and incorporated into this Exhibit by this reference.

1.10. **Design Schedule** means the schedule for preparation, approval, disapproval modification, and completion of the Final Plans and other Construction Documents and

for obtaining Permits required for the Improvements, which is attached to this Exhibit as Exhibit "C-1" and incorporated into this Exhibit by this reference.

1.11. **Designers** means the Architect and all other Architects, structural engineers, mechanical engineers, and the other design professionals that are needed to design the Improvements, each of whom shall be duly licensed by the State of California and in good professional standing.

1.12. **Final Plans** are those working drawings, plans, specifications, elevations, lighting design, and interior finish design prepared by the Designers for the Improvements and approved by the parties in accordance with this Exhibit.

1.13. **General Contractor** means the general contractor selected by Lessor in accordance with section 4.1 of this Exhibit and approved by Lessee, which approval shall not be unreasonably withheld.

1.14. **Reserved.**

1.15. **Improvements** mean Lessor's Work and Lessee Improvements.

1.16. **Lessee** means Lessee, as defined in the Lease.

1.17. **Lessee Delay** means any actual delay in the Substantial Completion of the Improvements as a consequence of:

a. Lessee's failure to fulfill its obligation as set forth in the Design Schedule, the Construction Schedule, or this Exhibit which is not cured within ten (10) days following written notice to Lessee of the default.

b. Change Orders requested by Lessee: provided the delay will not exceed the amount of delay specified in the Change Order;

c. A willful or negligent act or omission of Lessee or Lessee's Representative, Lessee's Contractors, and/or Lessee's agents, or employees that interferes with the progress of the work and which is not remedied within seventy-two (72) hours after delivery of notice from Lessor's Representative to Lessee's Representative of the interference.

1.18. **Lessee Improvements** mean the improvements, modifications, and alteration of the Premises (other than Lessor's Work) to be constructed in or about the Premises in accordance with this Exhibit.

1.19. **Lessee's Design Requirements** means those design specifications located at http://www.courtinfo.ca.gov/programs/occm/documents/06_April_Facilities_Standards-Final-Online.pdf.

1.20. **Lessee's Representative** means Gary Swanson, or such other person as Lessee shall designate in writing to Lessor as its authorized representative for the purposes of administering this Exhibit.

1.21. **Lessee's Work** means the installment of certain equipment, including, but not limited to, modular systems furniture, and telecommunications cabling and equipment

prior to the Substantial Completion of the Improvements to the extent that these items are not included in the Lessee Improvements.

1.22. **Lessor** means Lessor, as defined in the Lease.

1.23. **Lessor's Representative** means the Assistant County Executive Officer/EDA or such other person as Lessor shall designate in writing to Lessee as its authorized representative for the purposes of administering this Exhibit. Lessor's Representative shall have no right to modify any term or condition of this Exhibit or the Lease.

1.24. **Lessor's Work** includes any portion of the Base Building which was not completed prior to construction of the Lessee Improvements which must be completed by the Delivery Date.

1.25. **"Owner"** means Lessor, as defined in the Lease.

1.26. **Permits** mean the permits, approvals, and consents of governmental authorities and third parties that have jurisdiction over the Improvement which are required for commencement and completion of the Improvements, including, without limitation, the following:

- a. CEQA review;
- b. architectural review board approval;
- c. zoning administrator approval
- d. planning commission approval;
- e. city or county approval
- f. grading permit;
- g. shell permit;
- h. interior improvement permit; and
- i. CC&R architectural review approval.
- j. FM County Fire Marshall Approval
- k. DSA Approval
- l. AOC's inspection and approval

1.27. **Punch list** is defined in section 5.2 of this Exhibit.

1.28. **Scheduled Substantial Completion Date** means the scheduled date for Substantial Completion of the Improvements as specified in the Construction Schedule, as the same may be modified pursuant to section 3.5 of this Exhibit.

1.29. **Substantial Completion** or **Substantially Completed** is defined in section 5.1 of this Exhibit. The Substantial Completion Date is the date the Improvements are substantially completed.

ARTICLE II DESIGNATION OF REPRESENTATIVES

Lessor and Lessee respectively appoint Lessor's Representative and Lessee's Representative as their sole representatives for the purposes of administering the work in this Exhibit. Until replaced upon written notice, Lessor's Representative and Lessee's Representative will have the full authority and responsibility to act on behalf of Lessor and Lessee, respectively, as required in this Exhibit, but shall have no right to modify this Exhibit or the Lease, or to waive any material right of his or her principal under this Exhibit.

ARTICLE III CONTRACT DOCUMENTS AND PERMITS

3.1. **Retention of Architect.** Lessor shall retain the Architect to prepare the plans and specifications for the Improvements. All architectural fee proposals and scope of work to be reviewed and approved by Lessee before executed contracts are issued and delivered.

3.2. **Preparation and Approval of Final Plans.** Lessor shall direct the Architect to seek design input from Lessee with respect to the proposed Lessee Improvements. Lessor shall cause the Architect to prepare: (1) proposed Final Plans, which conform to the Applicable Law and Restrictions; Lessee's Design Requirements; and Lessee's design input, (2) a preliminary Cost Estimate, and (3) any adjustments to the Construction Schedule occasioned by the Final Plans, on or before the last date specified in the Design Schedule for completion of such items. Notwithstanding that the Cost Estimate excludes any costs associated with Lessor's Work, if any portion of the Improvements includes Lessor's Work, the Cost Estimate shall include, as an Exhibit for informational purposes only, an itemization of the costs associated with Lessor's Work.

Lessor and Lessee shall review the schematic design, design development and Final Plans, the Cost Estimate, and any revision to the Construction Schedule, and deliver to the other party and to the Architect, said party's written approval or disapproval of the same within the time limits stated in the Design Schedule. If either party disapproves in any respect the Final Plans, the Cost Estimate and any modifications to the Construction Schedule, the parties shall confer and negotiate in good faith to reach written agreement on such item(s), using all reasonable efforts to achieve final agreement on such item(s) by the last date for agreement specified in the Design Schedule. Both parties shall initial each page of the approved Plans, the Cost Estimate, and the Construction Schedule. Lessee's approval of the Final Plans shall not be interpreted or construed as a warranty of the Final Plans for any purpose including without limitation the constructability of the Improvements. For purposes of this section 3.2, the term "Plans" shall be defined as including schematic design, design development, the construction documentation

(understood as the construction plans submitted to obtain Permits and then used for bidding the Project), and the Final Plans.

3.3. **Standards for Consent:**

a. **By Lessor.** Lessor shall not unreasonably withhold its approval to any element of the Final Plans, unless it adversely affects the building structure, roof, or is visible from the exterior portions of the Property.

b. **By Lessee.** Lessee shall not unreasonably withhold its approval to any element of the Final Plans, unless the element 1) does not conform to the approved Lessee's Design Requirements; or 2) delays the Scheduled Substantial Completion Date pursuant to the Construction Schedule, or makes the Lessee Improvements unsuitable for the conduct of Lessee's business or the costs exceed \$415,000, provided that excess costs are not due to request of additional improvements by Lessee.

3.4. **Application for Approvals.** When Lessor and Lessee approve the Final Plans, Lessor shall submit them to all appropriate governmental agencies and third parties for issuance of the Permits required for the construction of the Improvements and occupancy by Lessee of the Improvements for its intended use. Lessor shall use all reasonable efforts to obtain the Permits within the time permitted by the Design Schedule. Lessor shall not be responsible for any delay or denial of a Permit that is beyond its reasonable control.

3.5. **Changes to Construction Documents.** After agreed upon by the parties in accordance with the foregoing, the Final Plans, Cost Estimate, Construction Schedule, and any other Construction Documents relating to the same may be modified only by a written "Change Order" executed by Lessor and Lessee, which clearly describes (a) the change, (b) the party required to perform the change, and (c) any modifications of the Final Plans, Cost Estimate, Construction Schedule, and other Construction Documents necessitated by the Change Order. Neither Lessor or Lessee shall unreasonably withhold or delay its approval of any change (whether requested by a party or required by an Applicable Law or Restriction), provided however that either party may withhold its approval of any change that could have been disapproved in the party's sole discretion pursuant to section 3.3 of this Exhibit.

ARTICLE IV PERFORMANCE OF THE WORK

4.1. **Selection of General Contractor.** When the parties have approved the Final Plans and Lessor has obtained the Permits required for construction of the Improvements, Lessor shall select the General Contractor by preparing and circulating an appropriate bid package for bidding by at least three (3) prospective Contractors. When the itemized bids are received and approved by Lessor and Lessee, Lessor shall either (1) enter into a construction contract with one of the prospective Contractors who submits one of the two lowest bids for the construction of the Lessee Improvements with the

consent of Lessee which consent Lessee shall not unreasonably withhold; or (2) Lessor may do the work itself or with one of Lessor's subsidiaries (as long as the party performing the work is properly licensed by the State of California to perform the construction work necessary to complete the Lessee Improvements) if (a) Lessor matches the lowest bid submitted by the prospective Contractors and (b) Lessee consents to Lessor or its subsidiary to performing the construction of the Lessee Improvements which consent Lessee shall not unreasonably withhold.

4.2. Commencement and Completion of Improvements. When all Permits for construction of the Improvements have been obtained and Lessor and General Contractor have entered into a construction contract in accordance with section 4.1 of this Exhibit, Lessor shall cause the General Contractor to commence and to thereafter diligently prosecute the construction of the Improvements in accordance with the Permits and the Construction Documents, so that the Improvements will be Substantially Completed on or before the Scheduled Substantial Completion Date.

4.3. Lessee's Entry. Lessor shall notify Lessee when the work has proceeded to the point where it is possible for Lessee to install Lessee's Work, whereupon Lessor shall permit Lessee's contractors to enter into the Premises for the purpose of conducting Lessee's Work. Lessee and Lessor shall cooperate in good faith to schedule, coordinate, and perform their respective construction activities in an orderly manner and Lessee shall comply, and shall cause its contractors to comply, with all reasonable rules and regulations promulgated by Lessor for the performance of Lessee's Work in the Premises. In addition to its other rights and remedies, Lessor shall have the right to suspend any Lessee's Work that interferes with or delays other construction, or detracts from harmonious labor relations if Lessee fails to correct such interference within seventy-two (72) hours following written notice to Lessee, provided that Lessor had made all reasonable accommodations in the conduct of its work to eliminate such interference.

4.4. Standards for Performance of the Work. Lessor shall cause the Improvements to be constructed by well-trained, adequately supervised workers, in a good and workmanlike manner, free from design, material and workmanship defects in accordance with all the Construction Documents and all Applicable Laws and Restrictions. Notwithstanding anything to the contrary in the Lease or this Exhibit, Lessee's acceptance of the Final Plans and/or acceptance of possession of the Improvements shall not waive this warranty, and Lessor shall promptly remedy all violations of the warranty and its sole cost and expense.

ARTICLE V COMPLETION OF THE WORK

5.1. Substantial Completion. The Improvements shall be deemed "Substantially Complete" when (a) construction of the Improvements has been substantially completed in accordance with the Final Plans, the Permits, and the

Applicable Laws and Restrictions; (b) the Architect has certified that the Improvements have been constructed in accordance with the Final Plans; (c) there is no incomplete or defective work that unreasonably interferes with Lessee's use of the Premises; (d) all necessary government approvals for legal occupancy of the Improvements have been obtained (including, if applicable, a Certificate of Occupancy); (e) all utilities are hooked up and available for use by Lessee in the Premises and (f) Lessee has acknowledged in writing that the Improvements are Substantially Completed. The "Substantial Completion Date" shall not occur until the Improvements are Substantially Completed. Lessee Improvements shall not be considered Substantially Completed unless Lessor's Work is also Substantially Completed.

5.2. Inspection and Punch list. Lessee's Representative and Designers shall have the right to enter the Premises and the Property at all reasonable times for the purpose of inspecting all progress of construction of the Improvements. Lessor shall notify Lessee's Representative when the Improvements are Substantially Completed. On receipt of such notice, Lessee's Representative, Lessor's Representative, and the Architect shall immediately inspect the Improvements and prepare a written list of any items that are defective, incomplete, or do not conform to the Final Plans or the Permits and Applicable Laws and Restrictions ("Punch list"). Lessee may augment the Punch list at any time on or before thirty (30) days following the Substantial Completion Date. Lessee's failure to specify any item on the Punch list, however, shall not waive Lessor's obligation to construct the Improvements in accordance with this Exhibit. Lessor shall cause all Punch list items to be remedied within (45) days after the Substantial Completion Date.

5.3. Delay in Substantial Completion. If the Substantial Completion of the Improvements is delayed as a consequence of a Lessee Delay, then the Substantial Completion Date and the date for commencement of Rent under the Lease shall be advanced in time by the number of days that the Substantial Completion of the Improvements is actually delayed as a consequence of the Lessee Delay. Lessor shall have no liability for any delay of Substantial Completion Date beyond the Scheduled Substantial Completion Date caused by a Force Majeure Delay, except as follows:

a. Rent shall not begin to accrue under the Lease until the Substantial Completion Date;

b. Notwithstanding anything to the contrary, Lessee reserves the right to terminate the Lease in accordance with Article VIII of this Exhibit.

d. If either party is delayed or prevented from the performance of any act required under this Exhibit by reason of acts of God, strikes, lockouts, fires or explosions, failure of a governmental entity to timely issue permits as long as Lessor's submittals to that governmental entity for such permits are complete and accurate, or restrictive governmental laws or regulations which is without fault and beyond the control of the party obligated, any period of time in which the party is obligated to perform this act shall be extended for a reasonable period equivalent to the period of delay ("Force Majeure Delay"). Notwithstanding anything to the contrary, any Force

Majeure Delay shall not act to terminate any Rent abatement during such delay and Lessee shall be entitled to abate Rent during any Force Majeure Delay.

5.4. Notice of Completion; Copy of Record Set of Plans. Within ten (10) business days after acceptance of improvements by the Riverside County Board of Supervisors following completion of construction of the Improvements, Lessor shall cause a statutory Notice of Completion to be recorded in the office of the County Recorder for the county in which the Property is located in accordance with section 3093 of the Civil Code of the State of California or any successor statute, and shall furnish a copy thereof to Lessee upon such recordation. At the conclusion of construction, (i) Lessor shall cause the Architect (A) to update the Final Plans as necessary to reflect all changes made to the Final Plans during the course of construction, (B) to certify to the best of the Architect's knowledge that the "record-set" of as-built drawings are true and correct, which certification shall survive the expiration or termination of this Lease, and (C) to deliver to Lessee two (2) sets of copies of such record set of drawings within ninety (90) days following issuance of a certificate of occupancy for the Premises.

ARTICLE VI PAYMENT OF CONSTRUCTION COSTS

6.1. Duty to Pay Construction Costs. The cost for completion of the Improvements shall be paid by Lessor and Lessee as follows: (a) subject to section 6.3 below, Lessee shall pay \$415,000 towards the Construction Costs of the Lessee Improvements; (b) Lessor shall pay the balance of all other the Construction Costs of the Lessee Improvements; (c) Lessor shall pay all other costs incurred by Lessor in performing its obligations under this Exhibit, including, without limitation, all costs associated with completing Lessor's Work; and (d) Lessee shall pay all costs of completing the Lessee's Work.

6.2. Lessee's Contribution Limited by Cost Estimate. Notwithstanding anything to the contrary set forth above, the costs reimbursable by Lessee to Lessor for completion of the Lessee Improvements shall not exceed \$415,000. Any costs beyond the amount calculated pursuant to this section shall be the responsibility of Lessor, unless the additional costs were the result of additions to the scope of work requested by Lessee.

6.3. Method for Payment of Construction Costs. Any Construction Costs which Lessee is required to pay to Lessor pursuant to sections 6.1 and 6.2 of this Exhibit shall be paid to Lessor following Substantial Completion and Lessee sign-off on completion of all Punch List items, in one (1) lump sum within sixty (60) days following Lessee's receipt of certificate of occupancy, and written AIA form invoice approved in advance by Lessee's Representative.

AOC's Request for Payment form and invoice to be submitted to:

Administrative Office of the Courts
Office of Court Construction and Management
Attn: Gary Swanson
2255 North Ontario Street
Suite 200
Burbank, CA 91504-3188
Telephone: (818) 558-3123
Fax: (818) 558-3114

6.4. Reserved.

6.5. Notice of Non-Responsibility. Lessor shall provide Lessee with at least ten (10) days' prior written notice of the date for commencement of construction of the Improvements, in order to permit Lessee to post, file, and record such Notices of Non-Responsibility and other instruments as may be necessary to protect Lessee and its property from claims by Contractors for Construction Costs that are to be paid by Lessor pursuant to this Exhibit.

**ARTICLE VII
RISK OF LOSS**

If the Property or any portion of the Improvements are damaged or destroyed prior to the Substantial Completion Date, the parties shall have the following rights to terminate:

a. Lessee may terminate the portion of the Lease applicable to the Premises, if the Building cannot be restored and the Improvements Substantially Completed prior to thirty (30) days after the Scheduled Substantial Completion Date.

If the Property or the Improvements are damaged or destroyed prior to the Substantial Completion Date and the portion of the Lease applicable to the Premises is not terminated pursuant to this section, Lessor shall promptly and diligently cause the General Contractor to restore the Property and complete the construction of the Improvements.

**ARTICLE VIII
LESSEE'S RIGHT TO TERMINATE**

In addition to its other rights and remedies on account of Lessor's default, if Lessor fails to Substantially Complete the Improvements on or before thirty (30) days after the Scheduled Completion Date (as the same may be adjusted for Lessee Delay in accordance with this Exhibit), then following the end of that thirty (30) day period, Lessee may, at its option, terminate the Lease upon the giving of ten (10) days written notice by Lessee to Lessor in which event the parties shall be discharged from all

obligations under the Lease including this Exhibit "C", provided further, however, that if such written notice of Lessee is not received by Lessor within said ten (10) day period, Lessee's right to cancel the Lease hereunder shall terminate and be of no further force or effect.

ARTICLE IX PREVAILING WAGES

For those projects which are "public works" pursuant to Labor Code § 1720.2, the following applies:

a. Lessor shall require that 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.

b. Lessor shall require that Contractor shall furnish all subcontractors/employees a copy of the Department of Industrial Relations prevailing wage rates at which Lessor will post at the job site. All prevailing wages shall be obtained by the Lessor/Contractor from:

Department of Industrial Relations
Division of Labor Statistics and Research
455 Golden Gate Avenue, 8th Floor
San Francisco, CA 94102

c. Lessor shall require that Contractor shall comply with the payroll record keeping and availability requirement of § 1776 of the Labor Code.

d. Lessor shall require that Contractor shall make travel and subsistence payments to workers needed for performance of work in accordance with § 1773.8 of the Labor Code.

e. Prior to commencement of work, Lessor shall require that Contractor shall contact the Division of Apprenticeship Standards and comply with § 1777.5, § 1777.6, and § 1777.7 of the Labor Code and applicable regulations.

ARTICLE X INSURANCE

Lessor shall require that the General Contractor obtain general liability insurance in the same amount and for the same coverage as Lessor is required to obtain pursuant to section 8 of the Lease, as amended. In addition, Lessor shall require the General Contractor to obtain automobile insurance in the amount of one million dollars

(\$1,000,000.00). Prior to commencement of the Improvements, Lessor shall obtain certificates of insurance from the General Contractor for the required insurance which shall name Lessee and Lessor as additional insured's subject to the same cancellation policies set forth in section 8 of the Lease, as amended, for Lessor's insurance.

EXHIBIT "C-1"

DESIGN SCHEDULE

	SCHEDULED DUE DATE
1. The Final Plans and preliminary Cost Estimate are completed.	January 30, 2012
2. Approval of the Final Plans and Cost Estimate, by both parties.	February 10, 2012
3. Necessary Permits obtained for construction of the Improvements.	May 4, 2012

EXHIBIT "C-2"

CONSTRUCTION SCHEDULE

	SCHEDULED DUE DATE
1. Execution of Construction Contract with General Contractor	May 4, 2012
2. Commencement of Construction Work	May 4, 2012
4. Scheduled Substantial Completion Date	August 3, 2012

EXHIBIT "C-3"

DESIGN SPECIFICATIONS

EXHIBIT "C-4"
COST ESTIMATE

Project Name:	County Location:
Law Library	3535 10th Street
Project Number:	
20100016	Revised 5/25/2011

Figures in this column combines A, C & D for a revised Budget Est.

		A	B	C	D
Items		Original estimate from County 7/22/10 (prior to DSA)	Current Revised Estimate from County 5/25/11	Breakout Cost added by County 10/13/10	Breakout Cost added by DSA 10/13/10
1.	Design:				
a.	Design & Construction Draftsman	\$10,800	\$25,000	\$14,200	\$26,000
b.	Architect Reimbursables		\$2,000	\$2,000	
c.	MEP		\$10,000	\$10,000	
d.	Specialty Consultants	\$9,475	\$9,475		
e.	Civil/Survey		\$0		
f.	Soils Engineering		\$0		
Subtotal		\$20,275	\$46,475	\$26,200	\$26,000
2.	Specialty Inspections and Testing:				
g.	Soils Testing		\$0		
h.	Material Testing		\$0		
i.	Testing, other		\$0		
j.	Inspection	\$0	\$8,000	\$8,000	
Subtotal		\$0	\$8,000	\$8,000	
3.	Construction:				
k.	ADA restroom upgrade	\$25,000	\$25,000		\$12,500
l.	Elevator modernization	\$0	\$150,000		\$150,000
m.	Lobby upgrade	\$0	\$11,000		\$11,000
n.	ADA path of travel (Courts)	\$0	\$18,900		\$18,900
o.	Fire Alarm (Courts)	\$43,410	\$95,000		\$47,500
p.	Environmental Abatement DEMO	\$51,200	\$51,200		
q.	General Construction	\$112,428	\$113,000	\$572	
r.	Flooring	\$42,802	\$42,802		
s.	Painting	\$43,830	\$43,830		
t.	Fire Alarm electrical	\$15,000	\$0		
u.	RCIT	\$98,978	\$98,978		
v.	Contingency (10% of k-u)	\$0	\$64,971	\$64,971	
Subtotal		\$432,648	\$714,681	\$65,543	\$239,900
4.	Project Management:				
v.	Project Management (PMO ONLY)	\$15,000	\$49,950	\$34,950	
w.	Estimating				
x.	Custodial seal & polish VCT		\$0		
y.	Facility Mgmt Maintenance Assistance	\$0	\$10,000	\$10,000	
Subtotal		\$15,000	\$59,950	\$44,950	\$59,950
5.	Furniture, Fixtures and Equipment:				
z.	FF&E		\$0		
aa.	Moving		\$0		
ab.	Signage		\$0		
ac.	Materials		\$0		
Subtotal		\$0	\$0.00	\$0.00	\$0
6.	Project Contingency				
ad.	Project Contingency	\$0	\$83,911	\$0	\$83,911
PROJECT TOTAL BUDGET:		\$467,923	\$913,017	\$144,693	\$265,900
New Total Project Total					\$962,427

\$72,475

\$8,000

\$738,091

\$59,950

\$0

\$83,911

EXHIBIT "D"



AMBIENT ENVIRONMENTAL, INC.

CONFIDENTIAL AND PRIVILEGED

ASBESTOS SURVEY
For the property located at:

**3535 10th Street
2nd and 3rd Floor
Riverside, California**

Prepared for:

**Mr. Rezaldy T. Baluyut
County of Riverside EDA
Design and Construction Division
3403 Teuth Street Suite 400
Riverside, California 92501**

Prepared by:

**Ambient Environmental Inc.
1464 Sixth Street
Norco, California 92860**

March 28, 2010

Ambient Environmental Inc. Project #10 220



Todd Hill
CAC# 09-4544

EXHIBIT "C"

TABLE OF CONTENTS

1.0	EXECUTIVE SUMMARY
2.0	SURVEY PROCEDURES
3.0	BULK SAMPLING PROCEDURES
4.0	POSITIVE ASBESTOS SAMPLE RESULTS AND LOCATIONS
5.0	NEGATIVE ASBESTOS SAMPLE RESULTS AND LOCATIONS
6.0	HAZARDOUS ASSESSMENTS OF (ACM) MATERIALS
7.0	RECOMMENDATIONS

APPENDIX A	CHAIN OF CUSTODY AND BULK SAMPLE LOG
APPENDIX B	LABORATORY CERTIFICATES OF ANALYSIS
APPENDIX C	DRAWING

1.0 EXECUTIVE SUMMARY

Ambient Environmental Inc. was retained by the County of Riverside to conduct a limited asbestos survey for the property located at: 3535 10th Street 2nd and 3rd Floors in Riverside, California.

The survey was conducted on March 11, 2010 by Mr. Cullen Johnson a California Certified Asbestos Consultant and a United States Environmental Protection Agency (USEPA) certified building inspector for Asbestos-Containing Building Materials (ACBM).

The purpose of the asbestos survey was to locate and identify accessible friable and non-friable suspect asbestos-containing materials. Once a visual inspection was performed, representative bulk samples were obtained from each homogeneous material. The sample location, material type, friability and condition of material were documented.

Asbestos bulk sampling was obtained in accordance with the USEPA established guidelines document, "Guidance for Controlling Asbestos-Containing Materials in Buildings" (USEPA 560/S-85-024, 1985) and USEPA 40 CFR Part 763 "Asbestos-Containing Materials in Schools, Final Rule" (AHERA). Each bulk sample was analyzed for asbestos content by Polarized Light Microscopy (PLM). A total of 15 bulk samples were obtained for the subject property and submitted to Forensic Analytical Laboratories for analysis.

The property owner provided keys and access to the property. All areas of the building interior/exterior and roof were visually inspected. Asbestos-containing building materials, not identified in this report, may be present within hidden and/or concealed areas of the building.

Laboratory analysis revealed detectable levels of asbestos in 3 types of materials:

1. Drywall/Joint Compound
2. Carpet Mastic
3. Floor Tile W/ Associated Mastic

Locations and conditions of the materials assessed and sampled can be found in the Material Inventory (Tables).

2.0 SURVEY PROCEDURES

Ambient Environmental Inc. conducted a limited asbestos survey for the property located at 3535 10th Street 2nd and 3rd Floors in Riverside, California. All accessible areas of the building interior were surveyed for asbestos. Intrusive sampling of areas which would have required demolition and/or damage to building components finishes such as hard enclosures; laminates, floor coverings, ceiling tile, gasket material, etc. were not sampled. Asbestos-containing building materials not identified in this report, may be present within hidden or concealed areas of the building.

Asbestos-containing material identification was performed by entering each functional space and assessing all structural/mechanical components and architectural finishes. The physical conditions, friability, accessibility, activity and damage of suspect ACM was also assessed and documented.

For reporting purposes, space designations were assigned each functional space within the facilities using the pre-existing designation on doors or as indicated on the floor plans. Where neither was available, the space was labeled by the inspector and so indicated in this report. The following procedures were performed:

1. A visual assessment to identify the location and type of friable/non-friable asbestos containing building materials.
2. Obtain representative bulk samples from suspect Asbestos-containing building materials.
3. Samples were analyzed by an independent accredited laboratory for the presence of asbestos by PLM testing methods.
5. Present all survey results in a written report including recommendation, locations and laboratory results.

All findings, recommendations, and analytical data presented in this report are based on the information (assessment and sampling data) obtained by our inspector during the survey.

3.0 BULK SAMPLING PROCEDURES

Each suspect asbestos-containing building material identified during the visual survey, was sampled in accordance with sampling guidelines established by the USEPA. The following summarizes the sampling procedures utilized.

1. Building materials were categorized into homogeneous materials. A homogeneous material is defined as being uniform in texture, color, and date of application.
2. A sampling scheme was developed based upon the location and quantities of the various homogeneous materials.
3. Bulk samples were collected by extracting a representative section of each selected building material, placing the selected building material into a sampling container and assigning a unique sample number to each sample. The samples were then placed into a sealed shipping container for delivery to an accredited laboratory for analysis by PLM.
4. Personnel performed proper decontamination procedures to prevent the spread of secondary contamination.
5. Each bulk sample was recorded on a bulk sample log and possession of the samples was tracked by a chain of custody record.

The reported laboratory results in this report are a visual estimate by area of asbestos concentration. Results for heterogeneous samples examined by component are reported as a composite. The lower limit of reliable detection for this method is 1%. Samples, which contain more than 1% asbestos, are reported in 5% ranges. Samples, which contain asbestos in a concentration lower than the limit of reliable detection (<1%) are "Trace."

All bulk samples were analyzed by PLM in accordance with the "Interim Method for the Determination of Asbestos in Bulk Insulation Samples EPA - 600/M4-82-020" dated December 1982 and adopted by the National Voluntary Laboratory Accreditation Program (NVLAP) Title 15, part 7 of the Code of Federal Register as affiliated with the National Institute for Standards and Testing (NIST).

Fifteen bulk samples were obtained from the subject property and analyzed for asbestos content by Forensic Analytical of Rancho Dominguez, California. Forensic Analytical is accredited by the American Industrial Hygiene Association (AIHA), National Voluntary Laboratory Accreditation Program (NVLAP), National Institute of Standards and Testing (NIST), and is a successful participant in the Proficiency Analytical Testing Program (PAT).

4.4 POSITIVE ASBESTOS SAMPLE RESULTS AND LOCATIONS

Material	Sample Number	Asbestos Content	Location of Material	Reliable	Damage
Drywall Joint Compound	1, 2, 3	Trace Chrysotile	Entrance Walls	No	No
Carpet Adhesive	7, 8, 9	3% Chrysotile	Under Carpet	No	No
Stone Tile W/ Associated Mortar	10, 11, 12	25% Chrysotile	Stairwells	No	No

5.0 NEGATIVE ASBESTOS SAMPLE RESULTS AND LOCATIONS

Material	Sample Number	Location of Material	Density
2x4 Ceiling Tiles	4, 5, 6	Throughout	No
Baseboard w/ Acoustical Material	14	Throughout	No
Duct Type	15	HVAC	No

6.0 HAZARDOUS ASSESSMENTS OF (ACM) MATERIALS

Material	Location	Assess
Drywall/Joint Compound	Interior Walls	Good
Ceiling Material	Under Ceiling	Good
Floor Tile W/ Associated Mortar	Stairwells	Good

Good - Material shows little or no damage and requires no remedial action.

Moderate - Material is somewhat damaged and is in need of minor repairs.

Significantly Damaged - Material is in need of immediate remedial action.

7.0 RECOMMENDATIONS

It is Ambient Environmental, Inc.'s professional opinion that all Asbestos-Containing Building Materials (ACBM) can be managed in place. If the ACBM's are to remain at the facility, then an Asbestos Management Program should be implemented. Notification requirements in (AB3713, AB1564) and posting requirements in accordance with Proposition 65 should also be implemented and maintained.

Maintenance, construction and repair personnel should be made aware of the presence of ACBM and instructed not to disturb and/or damage the ACBM. Current federal and state regulations require any repair, renovation and/or demolition of any ACBM shall be conducted only by workers and/or contractors who have been properly trained in the correct handling of asbestos. All asbestos work should proceed under the guidance or direction of an independent State Certified Asbestos Consultant with oversight performed by a State Certified Site Surveillance Technician.

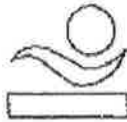
The ACBM identified during this survey are in good condition, and are not likely to pose an environmental and/or public health risk as long as the material is maintained in its present condition.

Ambient Environmental Inc. warrants that our services are performed within the limits prescribed by our client with the usual thoroughness and competence of the engineering profession.

The recommendations in this report are professional opinions based solely on visual observations and analytical analyses, as described in this report. The scope of services was limited to accessible ACBMs. Intrusive investigative techniques were not contracted for and it is possible that unrecognized ACBMs might exist in the facilities.

Opinions and recommendations presented herein apply to site conditions existing at the time of our investigation and those reasonably foreseeable. Recommendations cannot apply to site changes of which this office is not aware of and/or has not had the opportunity to evaluate.

APPENDIX A
CHAIN OF CUSTODY
AND BULK SAMPLE LOG



AMBIENT ENVIRONMENTAL, INC.

Asbestos / Lead Field Services
Indoor Air Quality Services
Phase I Site Assessments
Lab Services

1454 6TH STREET
NORCO, CALIFORNIA 91860
* TEL: (951) 272-4730
* FAX: (951) 272-4731

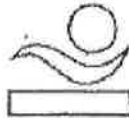
ASBESTOS BULK SAMPLE LOG Page of

Client Name: County of Riverside
Project Location: 3535 10th Street Level 3 + 2
Date: 3-11-10 Field Technician: C.M. Johnson
Project Number: 10-1266 Priority: ASAP 24 HR 3-5 Days

SAMPLE NUMBER	SAMPLE LOCATION	MATERIAL DESCRIPTION	SQUARE FOOTAGE
1	Pop Room ^{2nd floor} NW corner	Drywall/dg	
2	Training Room ^{3rd floor} North corridor	↓	
3	North side corridor	↓	
4	Public corridor ^{2nd floor}	4x2 ceiling tile	
5	Staff corridor ^{2nd floor}	↓	
6	Training Room ^{3rd floor}	↓	
7	Training Room ^{3rd floor}	carpet rustic	15,000 sqft
8	Staff corridor ^{2nd floor}	↓	↓
9	Help Desk Bull Pen ^{2nd floor} rooms	↓	↓
10	3rd floor East Stairwell	tan 9x9 floor tile & rustic	

Chain of Custody Analytical Method: PLM: TLM: Other:

Sampled By	<u>[Signature]</u>	Date	<u>3-11-10</u>	Time	
Relinquished By	<u>[Signature]</u>	Date	<u>3-11-10</u>	Time	
Received By	<u>[Signature]</u>	Date	<u>3/17/10</u>	Time	<u>12:00 pm 9/6</u>
Relinquished By		Date		Time	
Received By		Date		Time	



AMBIENT ENVIRONMENTAL, INC.

Asbestos / Lead Field Services
Indoor Air Quality Services
Phase I Site Assessments
Lab Services

1484 6TH STREET
NORCO, CALIFORNIA 92860
* TEL: (951) 272-4730
* FAX: (951) 272-4731

ASBESTOS BULK SAMPLE LOG, Page 2 of 2

Client Name: County of Riverside
Project Location: 3535 10th Street Level 3 # 2
Date: 3-11-10 Field Technician: C.M. Johnson
Project Number: 10-1220 Priority: ASAP 24 HR 3-5 Days

SAMPLE NUMBER	SAMPLE LOCATION	MATERIAL DESCRIPTION	SQUARE FOOTAGE
11	2nd floor Janitor closet	tan 9x9 floortile & mastic	
12	2nd floor stair well	↓	
13	2nd floor staff rooms south wall	grey base coat	
14	2nd floor staff rooms north wall	tan base coat	
15	2nd floor public corridor	HVAC Duct tape	

Chain of Custody Analytical Method: PLM: TEM: Other:

Sampled By	<i>[Signature]</i>	Date	3-11-10	Time	
Relinquished By		Date	3-11-10	Time	
Received By	<i>[Signature]</i>	Date	3/17/10	Time	10:52 pm
Relinquished By		Date		Time	
Received By		Date		Time	



APPENDIX B
LABORATORY
CERTIFICATES OF ANALYSIS



Bulk Asbestos Analysis

(EPA Method 600/R-93-116, Visual Area Estimation)

Ambient Environmental Inc
J.Payne/J.Lumpkin
1464 6th Street
Norco, CA 92860

Client ID: 5697
Report Number: B133909
Date Received: 03/17/10
Date Analyzed: 03/18/10
Date Printed: 03/18/10
First Reported: 03/18/10

Job ID/Site: 10-1220; 1535 10th Street Level 3 & 2

FALI Job ID: 5697
Total Samples Submitted: 15
Total Samples Analyzed: 15

Date(s) Collected: 03/11/2010

Sample ID	Lab Number	Asbestos Type	Percent in Layer	Asbestos Type	Percent in Layer	Asbestos Type	Percent in Layer
1	50558062						
		Layer: White Drywall		ND			
		Layer: Off-White Skimcoat/Joint Compound	Chrysotile	2 %			
		Layer: Paint		ND			
		Layer: Tan Non-Fibrous Material	Chrysotile	3 %			
		Total Composite Values of Fibrous Components: Cellulose (20 %) Fibrous Glass (10 %)	Asbestos (Trace)				
2	50558063						
		Layer: White Drywall		ND			
		Layer: Off-White Skimcoat/Joint Compound	Chrysotile	2 %			
		Layer: Paint		ND			
		Layer: Tan Non-Fibrous Material	Chrysotile	3 %			
		Total Composite Values of Fibrous Components: Cellulose (20 %) Fibrous Glass (10 %)	Asbestos (Trace)				
3	50558064						
		Layer: White Drywall		ND			
		Layer: Tan Non-Fibrous Material	Chrysotile	3 %			
		Total Composite Values of Fibrous Components: Cellulose (20 %) Fibrous Glass (10 %)	Asbestos (Trace)				
4	50558065						
		Layer: Beige Fibrous Material		ND			
		Layer: Paint		ND			
		Total Composite Values of Fibrous Components: Cellulose (33 %) Fibrous Glass (43 %)	Asbestos (ND)				
5	50558066						
		Layer: Beige Fibrous Material		ND			
		Layer: Paint		ND			
		Total Composite Values of Fibrous Components: Cellulose (33 %) Fibrous Glass (43 %)	Asbestos (ND)				
6	50558067						
		Layer: Beige Fibrous Material		ND			
		Layer: Paint		ND			
		Total Composite Values of Fibrous Components: Cellulose (33 %) Fibrous Glass (43 %)	Asbestos (ND)				

Client Name: Ambient Environmental Inc

Report Number: H133509
Date Printed: 03/13/10

Sample ID	Lab Number	Asbestos Type	Percent in Layer	Asbestos Type	Percent in Layer	Asbestos Type	Percent in Layer
7	50558068	Chrysotile	3 %				
Layer: Black/Green Mastic		Chrysotile	3 %				
Total Composite Values of Fibrous Components:		Asbestos (3%)					
Cellulose (Trace)							
8	50558069	Chrysotile	3 %				
Layer: Black/Green Mastic		Chrysotile	3 %				
Total Composite Values of Fibrous Components:		Asbestos (3%)					
Cellulose (Trace)							
9	50558070	Chrysotile	3 %				
Layer: Black/Green Mastic		Chrysotile	3 %				
Total Composite Values of Fibrous Components:		Asbestos (3%)					
Cellulose (Trace)							
10	50558071	Chrysotile	2 %				
Layer: Brown Tile		Chrysotile	2 %				
Layer: Black Mastic		Chrysotile	2 %				
Total Composite Values of Fibrous Components:		Asbestos (2%)					
Cellulose (Trace)							
11	50558072	Chrysotile	2 %				
Layer: Brown Tile		Chrysotile	2 %				
Layer: Black Mastic		Chrysotile	2 %				
Total Composite Values of Fibrous Components:		Asbestos (2%)					
Cellulose (Trace)							
12	50558073	Chrysotile	2 %				
Layer: Brown Tile		Chrysotile	2 %				
Layer: Black Mastic		Chrysotile	2 %				
Total Composite Values of Fibrous Components:		Asbestos (3%)					
Cellulose (Trace)							
13	50558074		ND				
Layer: Grey Non-Fibrous Material			ND				
Total Composite Values of Fibrous Components:		Asbestos (ND)					
Cellulose (Trace)							
14	50558075		ND				
Layer: Tan Non-Fibrous Material			ND				
Layer: Brown Mastic			ND				
Layer: Paint			ND				
Layer: Off-White Sidercoat/Joint Compound		Chrysotile	2 %				
Total Composite Values of Fibrous Components:		Asbestos (Trace)					
Cellulose (Trace)							
15	50558076		ND				
Layer: Dual Tape with Adhesive			ND				
Total Composite Values of Fibrous Components:		Asbestos (ND)					
Cellulose (35 %)							

Client Name: Ambient Environmental Inc

Report Number: 0103909
Date Printed: 03/13/99

Sample ID	Lab Number	Asbestos Type	Percent in Layer	Asbestos Type	Percent in Layer	Asbestos Type	Percent in Layer
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Steven Takahashi, Laboratory Supervisor, Rancho Dominguez Laboratory

Note: Limit of Quantification (LOQ) = 1%. "Trace" denotes the presence of asbestos below the LOQ. "ND" = None Detected.
Analytical results and reports generated by Rancho Analytical Laboratories Inc. (RALI) at the request of and for the exclusive use of the person or entity (Client) named on such report. Results, reports or copies of same will not be released by RALI to any third party without prior written request from Client. This report applies only to the sample(s) listed. Support of laboratory documentation is available upon request. This report must not be reproduced except in full, without approval by RALI. The Client is solely responsible for the use and interpretation of test results and report requests from RALI. Rancho Analytical Laboratories Inc. is not able to accept the return of samples resulting from multiple analysis. RALI reserves the right to dispose of all samples after a period of thirty (30) days, according to all other test protocols unless otherwise qualified. All samples were received in acceptable condition unless otherwise noted.

3 of 3

1050 Pacific Coastway Drive, Rancho Dominguez, CA 91221 / Telephone: (310) 763-2374 / FAX: (310) 763-0612 / Page (3) of 3 763-0584