

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

755



FROM: Department of Mental Health

SUBMITTAL DATE:

SUBJECT: Approval of the Operating Lease Renewal Addendum with Modular Space Corporation.(District: 1) [\$42,624] State Funds

RECOMMENDED MOTION: That the Board of Supervisors:

1. Authorize the Purchasing Agent to sign an operating lease renewal addendum with Modular Space Corporation for the leasing of the modular space located at 4060A County Circle Drive, on a month to month basis for \$3,552 per month, a maximum of \$42,624 per year;
2. Authorize the Purchasing Agent, in accordance with Ordinance No. 459, to sign renewals, based on the availability of funding, and to sign amendments that do not change the substantive terms of the agreement through June 30, 2015
3. Authorize the Purchasing Agent to sign a purchasing agreement for approximately \$30,000 for the removal of the trailer in FY 14/15.

(Continued on page 2)

JW:JZ:MS:LT

Jerry Wengert

Jerry Wengert
Director

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ 42,624	\$ 72,624	\$ 115,248	\$ 42,624	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0	

SOURCE OF FUNDS: State 100% **Budget Adjustment:** No
For Fiscal Year: 13/14

C.E.O. RECOMMENDATION: APPROVE
BY: *Jennifer L. Sargent*

Jennifer L. Sargent
County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

FORM APPROVED COUNTY COUNSEL
DATE 12-4-13
Purchasing: *Mark Seiler* Assistant Director
BY: ELENA M. BOEVA

- A-30
- Positions Added
- 4/5 Vote
- Change Order

Prev. Agn. Ref.: Oct 25,2011(3.18) | District: 1 | Agenda Number:

3-34

**SUBMITTAL TO THE BOARD OF SUPERVISORS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA
FORM 11: Approval of the Operating Lease Renewal Addendum with Modular Space Corporation.**

DATE:

PAGE: Page 2 of 2

BACKGROUND:

Summary (continued)

The Department of Mental Health (DMH) has leased its modular building located at 4060A County Circle Drive from the Modular Space Corporation since 2006. The modular building is approximately 5,760 square feet and is currently used as additional office space for staff. With the expansion of the County's provision of mental health services, DMH found it necessary to utilize the modular building as office space.

This Purchase Order will be in place for one fiscal year with the ability to continue the month to month lease into FY14/15. The DMH plans to cease utilizing the space and locate staff in permanent space by June 30, 2015. As soon as staff are relocated, the DMH will terminate its current lease with Modular Space Corporation for the trailer and will return the trailer to Modular Space Corporation at the required estimated price of \$30,000 as set forth in the DMH's lease agreement with the Modular Space Corporation.

Impact on Citizens and Businesses

The DMH staff who occupy the modular space and the services they provide are a component of the Department's system of care aimed at improving the health and safety of consumers and the community.

SUPPLEMENTAL:

Contract History and Price Reasonableness

The current price per foot for the modular trailer is \$.60 per square foot. A cursory search for comparable office space in areas adjacent to County Circle Drive is approximately \$1.25 per square foot, a \$.65 per square foot cost savings to the DMH. A month-to-month lease is the most economical option because the department needs to continue to use the trailer throughout FY 13/14, but does not anticipate needing the modular space for a full two (2) years.

OPERATING LEASE RENEWAL ADDENDUM

CUSTOMER & LEASE INFORMATION:

Customer Name:	COUNTY OF RIVERSIDE	Expiring Lease Number:	267870
Customer Number:	205753	Expiring Lease Rate:	3229 per month
Contact Name:	Melanie Hurst	P.O. /Project Name:	8 plex-Trailer A 8 plex-Trailer A
Contact Telephone:		Delivery Location:	Mental Health Trailer A 4060 County Circle Drive

LEASE RENEWAL OPTIONS:

Please indicate your lease renewal term and rate preference by selecting a standard term below or writing in your custom term, initialing your selection below, signing and faxing this form to ModSpace at 909-574-1470.

INITIALS	TERM	RATE
	Month-To-Month	\$ 3552 per month
	12 Months <i>-or select between 13 to 23 months-</i> ____ Months	\$ 3487 per month
	24 Months <i>-or select between 25 to 35 months-</i> ____ Months	\$ 3358 per month

This Addendum will serve to amend the terms, conditions and provisions of the above referenced Lease Agreement including all exhibits, attachments and modifications previously made (the "Lease") by and between ModSpace, and COUNTY OF RIVERSIDE ("Customer").

Now, therefore, in consideration of the Equipment, the Lease and other good and valuable consideration the sufficiency of which is hereby acknowledged the parties hereby agree to the following:

1. ModSpace and Customer hereby agree to extend the term of the Lease for the number of months selected above, and Customer agrees to pay ModSpace the corresponding Rent indicated above. The absence of, or Customer's failure to issue, a renewal purchase order will not eliminate or alter the Customer's obligations under the Lease or this Addendum.
2. The rates for tear down and return freight previously agreed to in lease number 267870 are no longer applicable, all future tear down and return freight charges will be billed at the prevailing rate at the time of final lease termination.
3. The undersigned represents that they are fully authorized to enter into this Addendum with ModSpace.
4. Except as expressly set forth herein, all other terms, conditions and provisions of the Lease will remain the same. In the event of any conflict between the terms, conditions and provisions of the Lease and this Addendum, then this Addendum shall prevail.

ACCEPTANCE:

COUNTY OF RIVERSIDE

By: _____
Authorized Signature

Print Name

Title

Date

Email

MODSPACE

By: _____
Authorized Signature

Print Name

Title

Date

FORM APPROVED COUNTY COUNSEL

BY: Elena M. Boeva 12-10-13
ELENA M. BOEVA DATE