

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

724



**FROM:** Economic Development Agency/Facilities Management

**SUBMITTAL DATE:**

March 13, 2014

**SUBJECT:** First Amendment to Business Lease Agreement – PSEC, District 3, CEQA Exempt, [\$842,515], PSEC Project Budget and RCIT Budget.

**RECOMMENDED MOTION:** That the Board of Supervisors:

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

**BACKGROUND:  
Summary**

(Commences on Page 2)

FISCAL PROCEDURES APPROVED  
PAUL ANGULO, CPA, AUDITOR-CONTROLLER  
BY: Esteban Hernandez 3/13/14

*[Signature]*

Robert Field  
Assistant County Executive Officer/EDA

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
<b>COST</b>	\$ 25,495	\$ 26,259	\$ 842,515	\$ 0	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
<b>NET COUNTY COST</b>	\$ 0	\$ 0	\$ 0	\$ 0	
<b>SOURCE OF FUNDS:</b> PSEC Project Budget 3% RCIT Budget 97%				<b>Budget Adjustment:</b> No	
				For Fiscal Year: 2013/14	

**C.E.O. RECOMMENDATION:**

APPROVE

BY: Rohini Dasika  
Rohini Dasika

**County Executive Office Signature**

**MINUTES OF THE BOARD OF SUPERVISORS**

FORM APPROVED BY COUNSEL  
 BY: [Signature] 2/26/14  
 PATRICIA JAY

Departmental Concurrence

By: [Signature] Sub 114  
 Kevin Crawford  
 Chief Information Officer

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

Prev. Agn. Ref.: 3.11 of 6/26/12

District: 3/3

Agenda Number:

3-3

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

Economic Development Agency/Facilities Management

**FORM 11:** First Amendment to Business Lease Agreement – PSEC, District 3, CEQA Exempt, [\$842,515],  
PSEC Project Budget and RCIT Budget

**DATE:** March 13, 2014

Page 2 of 2

**BACKGROUND:**

**Summary**

The County entered into a lease agreement on behalf of Public Safety Enterprise Communication (PSEC) on June 26, 2012, for the communication facility located at Toro Peak in the San Jacinto Mountains. Instead of specifying the term or rent commencement date, the original lease stated that the obligations of the parties would begin upon commencement of the site grading or construction work. Motorola did the site grading and construction work for the County, but they could not specify the date work began. By mutual agreement with the Lessor, the parties agree that the rent commencement date shall be October 1, 2012.

Lessor: Santa Rosa Band of Cahuilla Indians, a federally recognized tribe

Premises: Toro Peak

Term: Twenty five years commencing October 1, 2012 and expiring September 30, 2037, with an option to extend an additional 25 years

Size: Approximately 2,950 square feet

Rent: Quarterly payments beginning at \$6,000

Rental Adjustment: Three percent

Improvements: None

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

**Impact on Residents and Businesses**

The PSEC radio network that the Toro Peak communication site is part of has vastly improved Sheriff and Fire communication throughout Riverside County, thus improving public safety.

**SUPPLEMENTAL:**

**Additional Fiscal Information**

Costs for FY 2013/14 are \$25,495; costs for FY 2014/15 are \$26,259; costs for 2015/16 are \$27,047; costs for FY 2016/17 are \$27,859; costs for FY 2017/18 – 2037/38 are \$735,855. The costs are budgeted in the PSEC project budget and in the RCIT Budget. No additional net county costs are required and a budget adjustment is not necessary.

**Contract History and Price Reasonableness**

Not applicable.

Attachments:

First Amendment to Business Lease Agreement

# Exhibit A

FY 2013/14

Public Safety Fund Analysis

71225 Forestry Road, Mountain Center

## **ESTIMATED AMOUNTS**

### **Total Square Footage to be Leased:**

Current Office:	2,950	SQFT		
Approximate Cost per SQFT (July - Sept)	\$	0.68		
Approximate Cost per SQFT (Oct - June)	\$	0.70		
Lease Cost per Month (July - Sept)		\$	2,000.00	
Lease Cost per Month (Oct - June)		\$	2,060.00	
Total Lease Cost (July - Sept)			\$	6,000.00
Total Lease Cost (Oct - June)			\$	18,540.00
<b>Total Estimated Lease Cost for FY 2013/14</b>			\$	<b>24,540.00</b>
EDA Lease Management Fee - 3.89%			\$	954.61
<b>TOTAL ESTIMATED COST FOR FY 2013/14</b>			\$	<b>25,494.61</b>

# Exhibit B

FY 2014/15

Public Safety Fund Analysis

71225 Forestry Road, Mountain Center

## **ESTIMATED AMOUNTS**

### **Total Square Footage to be Leased:**

New Office Space		2,950	SQFT		
Approximate Cost per SQFT (July - Sept)	\$	0.70			
Approximate Cost per SQFT (Oct - June)	\$	0.72			
Lease Cost per Month (July - Sept)			\$	2,060.00	
Lease Cost per Month (Oct - June)			\$	2,121.80	
Total Lease Cost (July - Sept)				\$	6,180.00
Total Lease Cost (Oct - June)				\$	19,096.20
<b>Total Estimated Lease Cost for FY 2014/15</b>				<b>\$</b>	<b>25,276.20</b>
EDA Lease Management Fee - 3.89%				\$	983.24
<b>TOTAL ESTIMATED COST FOR FY 2014/15</b>				<b>\$</b>	<b>26,259.44</b>

# Exhibit C

**FY 2015/16 to FY 2037/38  
Public Safety Fund Analysis  
71225 Forestry Road, Mountain Center**

**ESTIMATED AMOUNTS**

**Total Square Footage to be Leased:**

Current Office:

2,950 SQFT

	FY 2015/16	FY 2016/17	FY 2017/18 - FY 2037/38		
Approximate Cost per SQFT (July - Sept)	\$ 0.72	\$ 0.74			
Approximate Cost per SQFT (Oct - June)	\$ 0.74	\$ 0.76			
Lease Cost per Month (July - Sept)	\$ 2,121.80	\$ 2,185.45	\$ 60,537.23		Annual increase %
Lease Cost per Month (Oct - June)	\$ 2,185.45	\$ 2,251.02	\$ 58,521.14		3%
Total Lease Cost (July - Sept)	\$ 6,365.40	\$ 6,556.36	\$ 181,611.68		# of Months
Total Lease Cost (Oct - June)	\$ 19,669.09	\$ 20,259.16	\$ 526,690.22		3
<b>Total Estimated Lease Cost for FY 2015/16 to FY 2037/38</b>	<b>\$ 26,034.49</b>	<b>\$ 26,815.52</b>	<b>\$ 708,301.90</b>		9
 EDA Lease Management Fee - 3.89%	 \$ 1,012.74	 \$ 1,043.12	 \$ 27,552.94		 3.89%
<b>TOTAL ESTIMATED COST FOR FY 2015/16 to FY 2037/38</b>	<b>\$ 27,047.23</b>	<b>\$ 27,858.64</b>	<b>\$ 735,854.84</b>		
<b>Total Cost</b>			<b>\$ 842,514.77</b>	<b>F11: Cost - Total Cost</b>	
		PSEC	\$ 25,494.61	3%	
		RCIT	\$ 817,020.16	97%	
			\$ 842,514.77		

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
Bureau of Indian Affairs  
Southern California Agency  
1451 Research Park Drive, Suite 100  
Riverside, California 92507-2471

BUSINESS LEASE AGREEMENT NO. 5006141237

FIRST AMENDMENT TO BUSINESS LEASE AGREEMENT

This First Amendment ("First Amendment") to Business Lease Agreement No. 5006141237 (the "Business Lease Agreement") is made and entered by and between the Santa Rosa Band of Cahuilla Indians, hereinafter designated as "Lessor," and the County of Riverside, hereinafter designated as "Lessee."

R E C I T A L S

This First Amendment is entered into by and between the parties based on the following facts, understandings and circumstances:

**WHEREAS**, the Business Lease Agreement's initial effective date is stated as June 26, 2012.

**WHEREAS**, it was the intention and mutual understanding of the parties that the initial term of the Business Lease Agreement and the respective obligations of the parties would commence upon the commencement of Lessee's grading or construction work to prepare the Leased Premises for the installation of Lessee's improvements and equipment.

**WHEREAS**, Lessee's planned mobilization for commencement of work was delayed until the end of September, 2012.

**WHEREAS**, Lessee and Lessor desire by this First Amendment to update and correct the effective date of the Business Lease Agreement to October 1, 2012 and to specify the dates for the payment of rent and the annual escalation of rents in the Rental Schedule.

**NOW, THEREFORE**, the parties agree that Business Lease Agreement No. 500614137 is hereby amended as follows:

1. **Effective Date Revised**. In the Title Paragraph on the top of page 1, the original text is deleted in its entirety and replaced with:

This Business Lease Agreement ("Agreement"), hand signed and notarized in quadruple, is made and entered into effective as of October 1, 2012, by and between the parties identified below as "Lessor" and "Lessee."

2. **Dates of Commencement of Rent Payments and of Annual Escalations of Rent.** In Paragraph 4, **Rent**, the second sentence thereof is hereby deleted in its entirety and replaced with:

The obligation to pay rent shall commence on October 1, 2012, which is the agreed-upon date of the commencement of Lessee's grading or construction work to prepare the Leased Premises for the installation of Lessee's improvements and equipment, and the annual three Percent (3.0%) escalation of rent shall be applicable and due as of October 1 of each subsequent year.

3. **Rental Schedule Replaced.** Attachment 4 to the Business Lease Agreement, entitled RENTAL SCHEDULE FOR INITIAL TERM OF AGREEMENT, is hereby replaced by "Attachment 4 – Revision 1" attached hereto.
4. In all other respects, the Business Lease Agreement, with its attachments and conditions of Secretarial approval, shall remain in full force and effect as originally written.
5. This First Amendment shall become effective on the date of approval hereof by the Secretary of the Interior, or his authorized representative.

LESSOR:  
SANTA ROSA BAND OF CAHUILLA INDIANS

By: John Marcus Dated: 10/23/13  
Title: Tribal Chair

LESSEE:  
COUNTY OF RIVERSIDE, a political subdivision of the State of California

By: \_\_\_\_\_ Dated: \_\_\_\_\_  
Jeff Stone  
Title: Chairman, Board of Supervisors

FORM APPROVED COUNTY COUNSEL  
BY: Patricia Munroe 10/21/13  
PATRICIA MUNROE /DATE

**ATTACHMENT 4 – Revision 1**  
**RENTAL SCHEDULE FOR INITIAL TERM OF AGREEMENT**

ANNUAL ESCALATION: 3.0% OVER RENT IN PREVIOUS YEAR

<u>Due Date</u>	<u>Annual Rent</u>	<u>Quarterly Rent</u>	<u>Annual Fuel Surcharge</u>
10/01/2012	\$ 24,000.00	\$ 6,000.00	TBD
10/01/2013	\$ 24,720.00	\$ 6,180.00	TBD
10/01/2014	\$ 25,461.60	\$ 6,365.40	TBD
10/01/2015	\$ 26,225.45	\$ 6,556.36	TBD
10/01/2016	\$ 27,012.21	\$ 6,753.05	TBD
10/01/2017	\$ 27,822.58	\$ 6,955.65	TBD
10/01/2018	\$ 28,657.26	\$ 7,164.32	TBD
10/01/2019	\$ 29,518.00	\$ 7,379.24	TBD
10/01/2020	\$ 30,402.48	\$ 7,600.64	TBD
10/01/2021	\$ 31,314.56	\$ 7,828.64	TBD
10/01/2022	\$ 32,254.00	\$ 8,063.50	TBD
10/01/2023	\$ 33,221.62	\$ 8,305.41	TBD
10/01/2024	\$ 34,218.27	\$ 8,554.57	TBD
10/01/2025	\$ 35,244.82	\$ 8,811.21	TBD
10/01/2026	\$ 36,302.16	\$ 9,075.54	TBD
10/01/2027	\$ 37,391.22	\$ 9,347.81	TBD
10/01/2028	\$ 38,512.96	\$ 9,628.24	TBD
10/01/2029	\$ 39,688.35	\$ 9,917.09	TBD
10/01/2030	\$ 40,858.40	\$ 10,214.60	TBD
10/01/2031	\$ 42,084.15	\$ 10,521.04	TBD
10/01/2032	\$ 43,346.67	\$ 10,836.67	TBD
10/01/2033	\$ 44,647.07	\$ 11,161.77	TBD
10/01/2034	\$ 45,986.49	\$ 11,496.62	TBD
10/01/2035	\$ 47,366.08	\$ 11,841.52	TBD
10/01/2036	\$ 48,787.06	\$ 12,196.77	TBD



# CALIFORNIA ALL-PURPOSE CERTIFICATE OF ACKNOWLEDGMENT

State of California

County of Riverside

On Oct. 23, 2013 before me, Marcie Russell, notary public  
(Here insert name and title of the officer)

personally appeared John Maseus

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Marcie Russell

Signature of Notary Public

(Notary Seal)



## ADDITIONAL OPTIONAL INFORMATION

### DESCRIPTION OF THE ATTACHED DOCUMENT

First Amendment to  
(Title or description of attached document)  
County of Riverside lease  
(Title or description of attached document continued)

Number of Pages \_\_\_\_\_ Document Date \_\_\_\_\_

(Additional information)

### CAPACITY CLAIMED BY THE SIGNER

- Individual (s)  
 Corporate Officer  
\_\_\_\_\_  
(Title)  
 Partner(s)  
 Attorney-in-Fact  
 Trustee(s)  
 Other \_\_\_\_\_

### INSTRUCTIONS FOR COMPLETING THIS FORM

Any acknowledgment completed in California must contain verbiage exactly as appears above in the notary section or a separate acknowledgment form must be properly completed and attached to that document. The only exception is if a document is to be recorded outside of California. In such instances, any alternative acknowledgment verbiage as may be printed on such a document so long as the verbiage does not require the notary to do something that is illegal for a notary in California (i.e. certifying the authorized capacity of the signer). Please check the document carefully for proper notarial wording and attach this form if required.

- State and County information must be the State and County where the document signer(s) personally appeared before the notary public for acknowledgment.
- Date of notarization must be the date that the signer(s) personally appeared which must also be the same date the acknowledgment is completed.
- The notary public must print his or her name as it appears within his or her commission followed by a comma and then your title (notary public).
- Print the name(s) of document signer(s) who personally appear at the time of notarization.
- Indicate the correct singular or plural forms by crossing off incorrect forms (i.e. he/she/they- is /are ) or circling the correct forms. Failure to correctly indicate this information may lead to rejection of document recording.
- The notary seal impression must be clear and photographically reproducible. Impression must not cover text or lines. If seal impression smudges, re-seal if a sufficient area permits, otherwise complete a different acknowledgment form.
- Signature of the notary public must match the signature on file with the office of the county clerk.
  - ❖ Additional information is not required but could help to ensure this acknowledgment is not misused or attached to a different document.
  - ❖ Indicate title or type of attached document, number of pages and date.
  - ❖ Indicate the capacity claimed by the signer. If the claimed capacity is a corporate officer, indicate the title (i.e. CEO, CFO, Secretary).
- Securely attach this document to the signed document