

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
ACTION AGENDA SUMMARY

DEPT: Chief Executive Office

BOARD AGENDA # *B-2

Urgent

Routine

AGENDA DATE July 16, 2013

CEO Concurs with Recommendation YES NO
(Information Attached)

4/5 Vote Required YES NO

SUBJECT:

Approval of an Interim Facility Plan for the Community Services Facility including Facility Alterations, Furnishings and a Lease Agreement at 275 Third Street in Turlock California to Relocate Non-Public Training Functions and Related Actions

STAFF RECOMMENDATIONS:

1. Approve the Community Services Facility (CSF) Interim Facility Plan.
2. Authorize the Project Manager to implement the CSF Interim Facility Plan to include certain facility alterations and/or furnishings to re-locate the Women, Infant and Children (WIC) Program to the first floor of the CSF and to re-purpose the Community Services Agency File Room for staff space.
3. Authorize the Project Manager to issue a Notice Inviting Informal Bids for the electrical and/or mechanical alterations to repurpose the CSA File Room for staff Facility, and to award the bid to the lowest responsive bidder.

(Continued on Page 2)

FISCAL IMPACT:

The estimated total maximum cost of the CSF Interim Facility Plan over a five-year period is \$1,011,841. Appropriations and Estimated Revenues to support the entire project cost are included within the CSA and WIC Adopted Proposed Budget for Fiscal Year 2013-2014.

(Continued on Page 2)

BOARD ACTION AS FOLLOWS:

No. 2013-348

On motion of Supervisor De Martini, Seconded by Supervisor Withrow
and approved by the following vote,

Ayes: Supervisors: O'Brien, Withrow, De Martini and Chairman Chiesa

Noes: Supervisors: None

Excused or Absent: Supervisors: Monteith

Abstaining: Supervisor: None

1) Approved as recommended

2) Denied

3) Approved as amended

4) Other:

MOTION:



ATTEST: CHRISTINE FERRARO TALLMAN, Clerk

File No.

STAFF RECOMMENDATIONS (Continued):

4. Authorize the Director of the Community Services Agency (CSA) to coordinate with the Purchasing Agent to negotiate and enter into a three-year lease for the property located at 275 Third Street in Turlock CA to accommodate the CSA Staff Development Training Office.

FISCAL IMPACT (Continued):

WIC furnishings necessary for first floor occupancy total approximately \$95,000 and will be 100% Federally funded. There is no impact to the County General Fund from the WIC portion of the CSF Interim Facility Plan.

CSA furnishings necessary for the File Room, Former WIC area on the second floor and planned Staff Development Training Office total \$369,493 of which approximately \$309,493 is modular furniture for 77 cubicles, already procured in Fiscal Year 2012-2013.

The estimated costs for alteration of the File Room mechanical and electrical systems total approximately \$124,188. This project will be funded within existing CSA appropriations as part of the Adopted Proposed Budget.

The estimated cost for the three-year lease for property located in Turlock, CA is \$162,000; should an additional two years be required, lease costs would increase by \$108,000. Utilities, maintenance and janitorial costs associated with the Turlock property lease are estimated at \$58,896 to \$143,160 for three to five years, with an additional \$10,000 reserved for data and communications support.

The total CSA cost of the CSF Interim Facility Plan is estimated at \$916,841 of which \$493,681 is considered generic operating costs and \$423,160 will be charged to StanWORKs programs. StanWORKs programs supported by the Staff Development Training site are 100% Federal/State reimbursed since the County maintenance of effort for these programs has already been met in the Adopted Proposed Budget for 2013-2014. The County share impact of the operating costs is approximately 2.7%, or \$13,329. These funds are already supported within Fiscal Year 2012-2013 for the modular furniture, with the remainder of the CSA costs included in the Fiscal Year 2013-2014 Adopted Proposed Budget and General Fund contribution for CSA Services and Support budget. There is no additional impact to the County General Fund from the CSA portion of the CSF Interim Facility Plan.

The CSF Interim Facility Plan will provide relief to the agencies with significant space needs without requiring capitalized expenditures that would not be eligible for immediate Federal/State reimbursement. Capitalized expenditures, for the purpose of claiming Federal/State reimbursement are defined as expenditures that materially add to the

value of the property or appreciably extend its life. CSA and WIC receive Federal/State funding to support administration of their respective programs. Applicable regulations for reimbursement of Federal/State program administration costs, such as the furnishings and alterations outlined above, are contained in Federal Office of Management and Budget (OMB) Circular A-87, Cost Plan Principles for State, Local and Indian Tribal Governments and the Handbook of Cost Plan Procedures for California Counties as issued by the California State Controller. The Interim Facility Plan for alterations, furnishings and outside lease space for a Staff/Development Training Office qualify as annual operating costs and are eligible for reimbursement in the year of expenditure.

DISCUSSION:

For the past year, the Health Services Agency's Women, Infant and Children (WIC) Program and the Community Services Agency (CSA) have struggled with facility space issues and demands at the Community Services Facility which include aging mechanical systems including an elevator in the Family Services entrance that is critical to WIC customer access to services, and the lack of sufficient available space to meet the staffing levels required to achieve public assistance mandate program services. CSF does not have sufficient space for authorized staff positions and does not have space to accommodate the Regional Call Center (RCC), "the Region 4 Hub" that will take calls from Covered California for Napa, Marin and Stanislaus Counties as required to meet mandates of Health Care Reform legislation by October 1, 2013. CSA needs permanent space for approximately 100 staff positions at this time; conference rooms have been converted to staff space and modular furniture installed in hallways to mitigate the space need, but this is not sustainable and will not support the specific location requirement of the RCC.

CSA serves over 190,000 people in Stanislaus County on a monthly basis, approximately 1 in 3 County residents, at eight sites. CSA operates approximately 72 social welfare programs providing assistance, direct client services and support for the benefit of the community:

- Social Services (Child Welfare/Child Protective Services, Adult Protective Services/In-Home Supportive Services);
- CalWORKs (Temporary Assistance to Needy Families, Employment Services, Welfare Fraud Prevention and Investigation);
- Other Public Welfare Assistance (CalFresh, Medi-Cal, Foster Care, Adoptions and General Assistance); and
- Child Care (Subsidized Child Care Stages 1, 2, 3).

Higher demand for services and a changing business environment has created a critical need for additional space; some of the significant changes include:

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- Relocation of 84 CSA and Partner staff into the CSF due to outstation closures over the past 7 years, including original WIC move in 2006;
- Need for additional on-site partners at CSF include Behavioral Health Services Alcohol and Drug Clinicians, Sheriff Detective, Children's Crisis Center and Stanislaus County Office of Education;
- Increase in staffing in mandated programs requiring restoration/addition of 57 positions between Fiscal Years 2012-2013 and 2013-2014;
- Requirement to replace the elevator in Administration area serving WIC;
- New demand for services and redesign of service delivery models in StanWORKs to task-based and Call Center environments;
- Health Care Reform and the Regional Call Center Hub implementation October 1, 2013;
- AB 109 requirement for early engagement and redesign of Welfare to Work supporting co-location of Alliance and CSA staff in one area of the CSF; and
- Increased Court ordered visitation in Child Welfare.

On September 18, 2012, the Health Services Agency (HSA) sought Board of Supervisors consideration to enter into a five-year lease agreement for property located in Modesto, for the purpose of relocating WIC out of the Community Services Facility to ease these facility pressures. This plan would have allowed for some additional space to meet CSA needs, but would have required implementation of full scale conversion to 6' by 6' cubicles for all staff versus the standard of 6' by 8' cubicles recommend for most positions. The request was pulled from the agenda at the start of the meeting and the Board did not take action on the proposal for WIC relocation. Subsequent analysis by staff acknowledged that the previous colocation of WIC and CSA has been beneficial in other County Service Center sites. Further, the cost of the five year lease estimated at \$602,910 combined with the cost of new 6' by 6' cubicles for CSA estimated at \$658,800 represented almost \$1.3 million in space changes to address a short term need.

Since that date, the CEO Capital Projects Team has been working with HSA and CSA, along with the other CSF occupants, Department of Child Support Services and Alliance Worknet to evaluate all of the space issues and needs at the CSF. Identified issues include: aging mechanical systems and significant annual repairs needed in critical building infrastructure, lack of space to meet growth needs in mandate programs, changes to the campus environment and traffic flow patterns inherent with the build out of the Public Safety Center Master Plan, parking lot impacts from continued customer increases and related staff increases, need for partner space in the CSF to serve common customers, etc. It became clear that there are significant long term issues and needs of all CSF partners that must be evaluated and defined for appropriate long range planning. As a result, as part of the Fiscal Year 2013-2014 Adopted Proposed Budget, the Board approved funding to develop a long-term Master Plan Analysis and Strategy for the Community Services Facility.

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In the interim, until the Master Plan is developed, immediate space needs must be addressed. As a result, the CSF Interim Facility Plan has been developed. The cost savings for the Interim Plan versus the September 2012 Plan is approximately \$249,869 over the five-year period.

The CSF Interim Facility Plan will provide for the immediate space needs of WIC and CSA as described below.

WIC: The Women, Infants, and Children's (WIC) Program is funded by the U.S. Department of Agriculture for eligible pregnant, breastfeeding, and postpartum women, infants 0 – 12 months, and children under the age of five (5) who are determined to be a nutritional risk. The program provides nutrition education guidance and supplemental food in the form of printed checks, which participants can exchange for specified foods from over 120 authorized vendors throughout the County. The program also serves as a gateway and an adjunct to ongoing health care, which is essential to the WIC population.

The goals of the WIC Program are:

1. Decrease the prevalence of low birth weight infants,
2. Reduce pregnancy complications,
3. Reduce iron deficiency anemia in women, infants, and children, and
4. Promote optimum growth and development of infants and young children.

The Health Services Agency WIC Program has provided services, through various Modesto sites to eligible clients in the Modesto area for over 25 years. The current Modesto WIC site has been co-located in the Community Services Facility (CSF) building, on the second floor at 251 E. Hackett Road since 2006 and occupies approximately 7,000 square feet. This WIC site is the largest and currently provides services to approximately 8,000 – 10,000 individuals on a monthly basis. This current location on the second floor has presented some safety concerns. The one small passenger elevator has been unreliable and has been out of service approximately 26% of the time in 2013 in this past year. During these times, staff is pulled from work to escort clients (frequently women with infants in strollers or small children) through Community Services Agency Administrative offices to the freight elevator and through multiple corridors and then exit the building.

Moving to a vacated space on the first floor would increase proximity to participant parking area and eliminate the need for an elevator to serve WIC customers. This alternative space would better accommodate the needs of staff by providing cubicles for confidential counseling, classroom space and private space for lactation services. There are no alterations required for WIC to relocate to the first floor; furnishings of approximately \$95,000 will fully support the plan implementation.

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There are no alterations required for WIC to relocate to the first floor; furnishings of approximately \$95,000 will fully support the plan implementation.

CSA: The following describes the CSF changes and lease space requirements to meet immediate space needs for CSA:

- Relocation of WIC to the first floor will support co-location of Welfare to Work staff with Alliance staff focused on new Welfare to Work program requirements;
- Relocation of Welfare to Work Staff will provide space for the Regional Call Center, "Hub";
- Converting CSA File Room to Staff Space to accommodate approximately 30 to 50 staff. This repurposing of the File Room space will require some facility alterations to electrical and mechanical work that will be competitively bid through the CEO Capital Projects Team upon Board approval; and
- Relocation of CSA Intake staff to accommodate the WIC move to other areas of the CSF requires the movement of the StanWORKs Training Unit and trainees, approximately 50 total staff, offsite to a new CSA Staff Development Training Office. This leased space will be for training purposes only; no customers will be served at this planned Turlock site.

The interim space plan cannot be completed without additional square footage for these programs given these demands. As a result, the team focused on identifying external space options that do not require the public customers of the CSA or the WIC programs to go to a different or separate location.

As a result, the recommended leased space, located at 275 Third Street in Turlock which was formerly occupied by CSA and is now available again at a very favorable rate of \$0.75 per square foot per month over five years for a total of \$270,000, plus utilities, maintenance and janitorial costs (estimated at \$143,160 over five years) with only data and telecommunications improvements needed (at \$10,000) meets this objective well. This location will be used by non-public services only, specifically training and staff development for the Community Services Agency. The initial terms of the recommended lease are for three years, with two one-year extensions.

We expect to complete a long range facility plan for the occupants and programs located at the Community Services Agency during the 2013-2014 Fiscal Year. The recommended Interim Facility Plan will afford immediate relief to current space demands and allow a more thoughtful approach to long term program and facility planning.

As described in the Fiscal Impact Section, the total cost for the CSA portion of the CSF Interim Facility Plan is \$916,841 and will be fully supported within existing budget authority for Fiscal Year 2013-2014 with no additional impact to the County General Fund.

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The recommended CSF Interim Facility Plan was presented to the Board's Capital Facilities Committee, comprised of Supervisors O'Brien and Monteith, on June 28, 2013. The Committee recommended the plan be brought to the full Board of Supervisors for approval.

POLICY ISSUE:

Approval of the Interim CSF Facility Plan recommendations supports the Board of Supervisors' priorities of a Healthy Community and Effective Partnerships by supporting co-location of partners at the CSF to provide mandate services critical to meeting the needs of families in our community.

STAFFING IMPACT:

Existing Capital Projects, CSA and HSA WIC staff is available to support this effort.

CONTACT PERSON:

Patricia Hill Thomas, Chief Operations Officer. 209 525-6333.

-LEASE AGREEMENT

LEASE SUMMARY:

Lease date: August 21, 2013

Landlord:
United Samaritans Foundation

Tenant:
Stanislaus County

Address of Landlord:
220 S. Broadway
Turlock, CA 95380

Address of Tenant:
1010 10th Street, Suite 5400
Modesto, CA 95354

Premises Address: 275 Third Street, Turlock, California (APN: 043-049-073)

Premises Square Footage: 5,954

Term: Three (3) years

Monthly Basic Rent: \$4,465.50 (5,954 sq. ft @ \$0.75/sq. ft.)

Termination date: August 20, 2016

Permitted Use: Staff training

AGREEMENT:

This Lease Agreement (the "Lease Agreement") is entered into in the City of Modesto, State of California, on August 21, 2013 between the **COUNTY OF STANISLAUS**, a political subdivision of the State of California, ("Tenant"), and **UNITED SAMARITANS FOUNDATION**, a California non-profit corporation ("Landlord"), in consideration of the premises, and the agreements, terms and conditions set forth, below.

1. **Premises:** Landlord leases to Tenant, and Tenant hires from Landlord, those certain premises in the County of Stanislaus, more particularly described as 275 Third Street, Turlock, California.
2. **Payment:** Tenant agrees to pay to Landlord for the Premises above-described, during the term designated below, \$4,465.50 (5,954 sq. ft. @ \$0.75/sq. ft.) per month for rent payable on the first day of the month following the month for which the obligation accrues.
3. **Term:** The term of this Lease Agreement shall be for a period of three (3) years commencing at 12:01 A.M. on August 21, 2013 and terminating at 11:59 P.M. on August 20, 2016.
4. **Option to Renew:** Tenant has the option to renew this Lease Agreement for two (2) one-year terms after the expiration of the original term. Tenant shall exercise these options in writing at least one (1) month prior to the termination of the existing lease period. Renewal rental rates will be at the monthly basic rate.
5. **Utilities:**
 - 5.1 Landlord shall pay for the furnishing of real property taxes and insurance for the Premises during the term of this Lease Agreement or any extension or holdover period.
 - 5.2 Tenant shall pay for the furnishing of water, sewer, garbage, gas, electric, landscape maintenance and security alarm monitoring which may be used in or upon the

Premises during the term of this Lease Agreement, or any extension or holdover period, provided that Tenant has contracted directly with the utility companies.

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staff training
client counseling

6. Use of the Premises: Tenant may use the Premises for the purpose of office space. Tenant shall not use or permit the Premises to be used for any other purpose or purposes without first obtaining the written consent of Landlord, which consent shall not be withheld unreasonably.

7. Maintenance:

7.1. Landlord Representations: Landlord represents to Tenant that (i) the Premises, the Building and all Common Areas (including electrical, heating, ventilating and air conditioning ("HVAC"), mechanical, plumbing, gas and fire/life safety systems in the Building and similar building service systems) comply with all current laws, codes, and ordinances, including the Americans With Disabilities Act; and are in reasonable good working order and condition; (ii) the Building and Premises comply with all covenants, conditions, restrictions and underwriter's requirements; and (iii) the Premises, Building and Common Areas are free of the presence of any Hazardous Materials (as hereinafter defined) and (iv) Landlord has not received any notice from any governmental agency that the Building or the Premises are in violation of any law or regulation. Landlord represents, based upon a professional inspection of the Premises and the Building and the Asbestos Report that the Premises and the Building contain no asbestos containing materials (other than as may be reflected in the Asbestos Report). Landlord shall, prior to Tenant's occupancy, abate, at Landlord's sole cost and expense, all asbestos containing materials to the extent required by law and provide Tenant with an updated report from a licensed California Asbestos contractor to that effect.

7.2. Landlord Obligations: Landlord shall, at Landlord's own expense, keep and maintain in good repair and working order and promptly make repairs to and perform maintenance upon and replace as needed: (1) the structural elements of the Building, including without limitation, all permanent exterior and interior walls, floors and ceilings, roof, concealed plumbing, stairways, concealed electrical systems and telephone intrabuilding network cable and pest control service; (2) mechanical (including HVAC), electrical, plumbing and fire/life safety systems serving the Building; (3) the Common Areas; (4) exterior windows of the Building; and (5) elevators serving the Building. Landlord, at its sole cost and expense, shall also perform all maintenance and repairs to the Premises, and shall keep the Premises in good condition and repair, reasonable wear and tear excepted. Landlord's repair obligations include, without limitation, repairs to: (1) the floor covering (if such floor covering is carpeting it shall be replaced as needed but not less often than after five (5) years of use); (2) interior partitions; (3) doors; (4) the interior side of demising walls (which shall be repainted as needed but not less often than every five (5) years and (5) signage.

7.2.1 Landlord to provide HVAC: Landlord shall supply cooling, ventilating and heating with capacity to produce the following results effective during Normal Working Hours established by the Lease Agreement and within tolerances normal in comparable office buildings; maintenance of inside space conditions of not greater than 78 degrees Fahrenheit when the outside air temperature is not more than 93 degrees Fahrenheit dry bulb and 70 degrees Fahrenheit wet bulb, and not less than 70 degrees Fahrenheit when the outside air temperature is not lower than 42 degrees Fahrenheit dry bulb. Interior space is designated at a rate of one zone for approximately each 1,000 square feet and one diffuser

for each 200 square feet of usable square footage within the Premises. If energy requirements prohibit Landlord from complying with these requirements, Tenant shall not unreasonably withhold its consent to temporary waivers or modifications.

7.2.2. Excluding normal wear and tear, and, excluding heating and cooling equipment, Tenant shall, at Tenant's sole expense, be responsible for the cost of repairing any area damaged by Tenant or Tenant's agents, employees, invitees and visitors and the repair of low voltage electronic, phone and data cabling and related equipment that is installed by or for the exclusive benefit of Tenant. All repairs and replacements shall: (a) be made and performed by contractors or mechanics approved by Tenant, which consent shall not be unreasonably withheld or delayed, (b) be at least equal in quality, value and utility to the original work or installation, (c) be in accordance with all laws.

7.3. Entry: Tenant shall permit Landlord, or an authorized agent of landlord, free access to the Premises at all reasonable times for the purpose of inspection or for making necessary improvements or repairs.

7.4. Tenant's Right to Repair: If Tenant provides written notice (or oral notice in the event of an emergency such as damage or destruction to or of any portion of the Building structure and/or the Building systems and/or anything that could cause material disruption to Tenant's business) to Landlord of an event or circumstance which requires the action of Landlord with respect to repair and/or maintenance, and Landlord fails to provide such action within a reasonable period of time, given the circumstances, after the giving of such notice, but in any event not later than five (5) days after the giving of such notice, then Tenant, at its sole option, may either proceed to take the required action (provided, however, that no such notice shall be required in the event of an emergency which threatens life or where there is imminent danger to property or a possibility that a failure to take immediate action could cause a material disruption in Tenant's normal and customary business activities) or may surrender the Premises and shall not be liable for any further lease payments under this Lease Agreement. Tenant shall have access to the Building to the extent necessary to perform the work contemplated by this provision. If such action was required under the terms of this Lease Agreement to have been taken by Landlord and was not taken by Landlord within such period (unless such notice was not required as provided above), and Tenant took such required action, then Tenant shall be entitled to prompt reimbursement by Landlord of Tenant's reasonable costs and expenses in having taken such action. If not reimbursed by Landlord within ten (10) days, Tenant shall be entitled to deduct from Basic Rent payable by Tenant under this Lease Agreement the amount set forth in its invoice for such work.

8. Asbestos Notification: In September, 1989, the Governor of California signed AB-1564, an Asbestos Notification law, codified in Section 25915 et seq. of the Health and Safety Code. Health and Safety Code Section 25915(a) states.

Notwithstanding any other provisions of the law, the owner of any building constructed prior to 1979, who knows that the building contains asbestos-containing construction materials, shall provide notice to all employees of that owner working within the building.

Should the Landlord know of any asbestos-containing material, Landlord will notify Tenant within ten (10) days.

If Tenant suspects or has reason to believe that the Premises contains asbestos-containing material, Landlord shall within ten (10) days of Tenant's request supply Tenant with an Asbestos Survey Report done by a qualified hazardous material specialist. If Landlord fails to have requested testing done, Tenant shall have the required testing done and all related cost shall be deducted from the lease payment. If test is positive and abatement is necessary, Landlord shall provide the Tenant an Asbestos Abatement Plan within thirty (30) days.

9. Building Ventilation: Premises shall comply with Title 8, Section 5142, California Code of Regulations, "Mechanically Driven Heating, Ventilating and Air Conditioning (HVAC) Systems" to provide minimum building ventilation. Provided, however, that Landlord may terminate this Lease Agreement should it decide that repair expenses, do not merit the continuance of this Lease Agreement. Tenant shall be given notice by Landlord of said decision and notice shall provide Tenant adequate time to make other arrangements.
10. CAL/OSHA Inspections: If the Premises is cited by CAL/OSHA, Landlord shall be required to abate said citations. Provided, however, that Landlord may terminate this Lease Agreement should it decide that abatement cost, do not merit the continuance of this Lease Agreement. Tenant shall be given notice by Landlord of said decision and notice shall provide Tenant adequate time to make other arrangements.
11. CASP Inspection: Pursuant to California Civil Code §1938, Landlord certifies that the Premises has undergone inspection by a Certified Access Specialist (CASp), and, that the property has been determined to meet all applicable construction-related accessibility standards pursuant to California Civil Code section 55.53. A true and correct copy of the CASp report has been provided to the Tenant.
12. Confidentiality of Protected Health Information: XX **CHECK IF APPLICABLE**
For purposes of this section this Agreement, "protected health information" or "PHI" shall have the meaning defined by the Standards for Privacy of Individually Identifiable Health Information, 45 C.F.R. Part 160 and Subparts A and E of Part 164 (the "Privacy Standards") as promulgated by the Department of Health and Human Services ("HHS") pursuant to the Administrative Simplification provisions of the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), any applicable amendments pursuant to the Health Information Technology for Economic and Clinical Health (HITECH) Act, (Pub. L No. 111-5), and California law. Tenant agrees to reasonably safeguard PHI from any intentional or unintentional disclosure in violation of the Privacy Standards by implementing appropriate administrative, technical, and physical safeguards to protect the privacy of PHI. Tenant further agrees to implement appropriate administrative, technical and physical safeguards to limit incidental disclosures of PHI, including disclosures to Landlord, its contractors, subcontractors and agents.

The parties agree that neither the Landlord, its contractors, subcontractors or agents shall need access to, nor shall they use or disclose, any PHI of Tenant. In the event, however, PHI is disclosed by Tenant or its agents to Landlord, its contractors, subcontractors or agents, regardless as to whether the disclosure is inadvertent or otherwise, Landlord agrees to take reasonable steps to maintain – and to require its contractors, subcontractors and agents to maintain – the privacy and confidentiality of such PHI. Landlord agrees to promptly notify Tenant upon learning of any disclosure of PHI to Landlord or Landlord's contractors, subcontractors and agents.

The parties agree that the foregoing does not create, and is not intended to create, a "business associate" relationship between the parties as that term is defined by the Privacy Standards.

Landlord has read and understands specifically those terms contained in paragraph number 12 listed directly above.



Landlord's Initials

13. Holding Over: In case Tenant holds over beyond the end of the term of this Lease Agreement, with the consent expressed or implied of Landlord, such tenancy shall be from month to month only, subject to the terms and conditions of this Lease Agreement, but shall not be deemed to be a renewal. The rent to be paid in a hold over situation shall be at the rate provided in the terms of this Lease Agreement.
14. Janitorial Services: Tenant shall furnish janitorial service as is necessary for the Premises.
15. Alterations: The parties agree not to make any alterations in or on the Premises without first securing the written consent of the other party, and further agree to make such alterations only at such time that is agreeable to the other party.
16. Notices: Notices desired or required to be given by this Lease Agreement or by any law now in effect, or later enacted, may be given by enclosing the Notice in a sealed envelope addressed to the party for whom intended and by depositing such envelope, with postage prepaid, in United State mail. The envelope containing the Notice shall be addressed to Landlord as follows:

**United Samaritans Foundation
220 S. Broadway
Turlock, CA 95380**

or other place as may be designated in writing by Landlord and the envelopes containing the Notices to the Tenant shall be addressed as follows:

**Stanislaus County Purchasing Agent
1010 10th Street Place Suite #5400
Modesto, CA 95354**

17. Loss: Landlord agrees that should the demised Premises be so badly damaged by fire, incidents of war, earthquake, or other violent action of the elements as to render them wholly unfit for Tenant's occupancy, then this Lease Agreement shall be terminated immediately upon the happening of any such event whereupon Tenant shall surrender the Premises and shall not be liable for any further payments. In the event of any lesser damage by any such cause, Landlord shall restore the Premises to the condition it was in immediately prior to the event causing the damage, and the lease payment shall abate in proportion to the area not used by Tenant during the period of restoration. If Landlord should fail to pursue restoration work with reasonable diligence to completion, Tenant, at its sole option may surrender the Premises and shall not be liable for any further lease payments under this Lease Agreement.
18. Successors: Each and all of the terms and agreements contained in this Lease Agreement shall be binding upon and shall inure to the benefit of the successors in interest of Landlord, and wherever the context permits or requires, the successors in interest to Tenant.

19. Trade Fixtures: Tenant shall install such fixtures, equipment, and personal property as may be necessary and convenient for its operation. Such furniture, equipment, and personal property may be removed at any time during Tenant's tenancy or within a reasonable time thereafter, and shall not be considered part of the Premises. Removal of the same shall not damage or deface the Premises, and if the Premises shall be so damaged, Tenant shall repair such damage at its own expense.
20. Fire and Other Perils Insurance: The parties agree to be responsible for damage by the perils of fire, extended coverage, and vandalism to those items of real and personal property for which they hold title or for which they have assumed liability to others.
21. Waiver of Rights of Subrogation: Landlord and Tenant agree that in the event of loss due to any of the perils for which they have agreed to provide insurance, each party shall look solely to its insurance for recovery. Landlord and Tenant grant to each other on behalf of any insurer providing insurance to either of them with respect to the Premises, a waiver of any right of subrogation which any insurer of one party may acquire against the other by virtue of payment of any loss under such insurance.
22. Liability Insurance: Tenant agrees to hold Landlord harmless from loss occurring on the Premises and arising out of Tenant's occupancy of the Premises. Tenant assumes no liability for any loss caused by the sole negligence of Landlord.
23. Lack of Funding: If, during the term of this Lease Agreement, Tenant, Stanislaus County, in its sole discretion, determines that sufficient funds are not available to allow for continuation of this Lease Agreement or current County owned space becomes available, Tenant may terminate this Lease Agreement upon one hundred twenty (120) days written notice to Landlord without further obligation to Landlord.

Landlord has read and understands specifically those terms contained in paragraph 23 listed directly above.

Landlord's Initials

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24. Surrender: Tenant shall surrender the Premises to Landlord at the expiration of this Lease Agreement in as good a condition as at the commencement of it, excepting reasonable wear and tear, damages and destruction by the elements, or other persons.
25. Subordination and Mortgages:
 - 25.1. Subordination and Non-Disturbance. Tenant agrees, at Landlord's option, to subordinate this Lease Agreement to the lien of any mortgages or deeds of trust now or hereafter in force against the building; provided, however, Tenant's obligation to subordinate this Lease Agreement is expressly conditioned upon Tenant receiving a written agreement in the form of Document I in the Supplemental Lease Documents delivered to Landlord concurrently with this Lease Agreement and provided further that no such subordination shall affect any option to extend the Term of this Lease Agreement, right of first offer to lease additional Premises, option to purchase or right of first offer to purchase the property which may be included in this Lease Agreement.
 - 25.2 Existing Deeds of Trust. The beneficiary under any existing deed of trust affecting the building shall provide a written agreement to tenant in the form of Document I in the Supplemental Lease Documents delivered to Landlord concurrently with this Lease Agreement within thirty (30) days after the execution of this Lease Agreement.

25.3 Request for Notice. Landlord acknowledges that Tenant intends to record a Request for Notice with respect to any mortgages or deeds of trust affecting the property in the form of Document II in the Supplemental Lease Documents delivered to Landlord concurrently with this Lease Agreement.

25.4 Notice of Default. If any mortgagee or beneficiary under a deed of trust affecting the property gives written notice of its name and address to Tenant by registered mail requesting any such notice with reference to this Section, Tenant agrees to use its best efforts (but without liability for failure to do so) to give such mortgagee a copy of any notice of default served upon Landlord which could permit Tenant to terminate this Lease Agreement and an additional ten (10) days within which to cure such default.

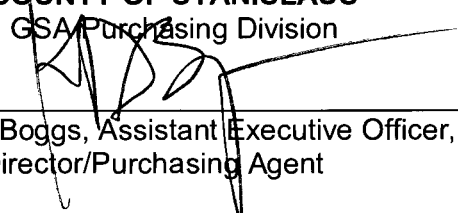
26. Estoppel Certificate: Tenant shall, within thirty (30) days after written request of Landlord, execute, acknowledge and deliver to Landlord or its designee a written statement in the form of Document III in the Supplemental Lease Documents delivered to Landlord concurrently with this Lease Agreement (properly completed) but shall have no other obligation to deliver any other form of estoppel certificate. It is intended that any such statement delivered pursuant to this Section may be relied upon by a prospective purchaser of Landlord's interest or holder of any mortgage upon Landlord's interest in the Premises.

27. Entire Agreement: This Lease Agreement supersedes any and all other agreements, either oral or in writing, between any of the parties herein with respect to the subject matter hereof and contains all the agreements between the parties with respect to such matter. Each party acknowledges that no representations, inducements, promises or agreements, oral or otherwise, have been made by any party, or anyone acting on behalf of any party, which are not embodied herein, and that no other agreement, statement or promise not contained in this Lease Agreement shall be valid or binding.

28. Duplicate Counterparts: This Lease Agreement may be executed in duplicate counterparts, each of which shall be deemed a duplicate original.

IN WITNESS WHEREOF Landlord has executed this Lease Agreement and Tenant, County of Stanislaus, by order of the Board of Supervisors, has caused this Lease Agreement to be executed on its behalf by the County Purchasing Agent on the day, month and year above written.

TENANT
COUNTY OF STANISLAUS
GSA Purchasing Division

By: 
Keith D. Boggs, Assistant Executive Officer,
GSA Director/Purchasing Agent

APPROVED: BOS Resolution 2013-348

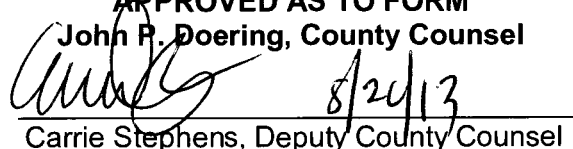
APPROVED AS TO CONTENT:
Community Services Agency

By: 
Kathryn Harwell, Director

LANDLORD
UNITED SAMARITANS FOUNDATION

By: 
Barbara Bawanar, Director

APPROVED AS TO FORM
John P. Doering, County Counsel

By:  8/20/13
Carrie Stephens, Deputy County Counsel

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