



**CALIFORNIA VANPOOL AUTHORITY (CVA)
A JOINT POWERS AGENCY
BOARD OF DIRECTORS SPECIAL MEETING AGENDA**

Meeting Date: Thursday, April 27, 2023
Meeting Time: *1:00 P.M. | Virtual Teleconference

*Dates, times, and teleconference information are subject to change. Please contact CalVans for accurate meeting date, times and teleconference information or check online at <https://calvans.org/agenda-items> for updates.

Zoom link as follows:

Direct Link: <https://us06web.zoom.us/j/92158770933?pwd=SnlEWU94dUVRNVh4K1N5ZFhHYk9sdz09>

Meeting ID: 921 5877 0933 **Passcode:** 3ifRYw

One tap mobile: US (San Jose)

+14086380968,,92158770933#,,,,*898831#

+16694449171,,92158770933#,,,,*898831#

Dial in: +1 669 900 6833 US (San Jose)

+1 877 853 5257 US Toll-free

- Prior to the meeting, participants should download the Zoom app at: <https://zoom.us/download>
- Call-in instructions: enter meeting ID followed by #, enter # for participant ID, enter passcode followed by #.
- When calling in via Zoom, please mute your computer/phone until the request for public comment is announced.
- The full agenda packet, supplemental and presentation materials will be available for download at <https://calvans.org/agenda-items>

You may submit public comment via the following methods:

- 1) Submitting comments via Zoom:
 - Enter an email address and your full name.
 - If you do not wish to enter your name, enter another identifier, which will be used when it is your turn to speak.
 - Your identifier will be visible while you speak.
 - When the Chair calls on the item(s) for which you wish to speak, click "raise hand."
 - You will be notified before you are called to speak.
 - Mute all other audio before speaking. Using multiple devices will cause audio feedback.
 - When called upon, please unmute yourself
 - Dial *6 if you are using your phone.
 - After comments have been given or 3 minutes expire, the microphone will be muted.
- 2) Submitting written comments prior to meeting:
 - Send an email to calvans@co.kings.ca.us and indicate "Public Comment" on the subject line.
 - Emailed comments received by 2:00 P.M. on Wednesday, March 8, 2023, will be provided to the Board in advance of the meeting and will be included as part of the permanent meeting record.
 - Comments received after that time will be provided to the Board following the meeting.
 - Please submit your comments prior to the meeting as far in advance as possible.

2023 MEMBER AGENCIES AND BOARD OF DIRECTORS

Steve McShane, Chair Councilmember District 3, City of Salinas
Representing Association of Monterey Bay Area Governments
Robert Poythress, Vice-Chair Supervisor District 3, County of Madera
Representing Madera County Transportation Commission
James Horn, Mayor, City of Coalinga
Representing Fresno Council of Governments
Ana Beltran, Council Member, City of Westmoreland
Representing Imperial County Transportation Commission
Joe Neves, Supervisor District 1, County of Kings
Representing Kings County Association of Governments
Paul Llenez, Mayor, City of Los Baños
Representing Merced County Association of Governments

Joey DeConinck, Councilmember, City of Blythe
Representing Riverside County Transportation Commission

Vacant
Representing San Joaquin Council of Government

Ariston Julian, Mayor, City of Guadalupe,
Representing Santa Barbara County Association of Governments
Javier Lopez, Mayor, City of Ceres,
Representing Stanislaus Council of Governments
Kellie Carrillo, Vice-Mayor, City of Porterville
Representing Tulare County Association of Governments
Jim White, Citizen Representative
Representing Ventura County Transportation Commission

AGENDA

1) CALL TO ORDER-

1-1. Roll Call. **Welcome New Board Members City of Coalinga Mayor, James Horn and City of Kingsburg, Mayor Pro Tem, Brandon Purcell, Jr.**

2) NOTICE TO THE PUBLIC. PUBLIC COMMENT PERIOD - (Unscheduled appearances)

At this time, members of the public may comment on any item of interest to the public and within the subject matter jurisdiction of California Vanpool Authority but not appearing on this agenda. Under state law, matters presented under this item cannot be discussed or acted upon by the Board at this time. For items appearing on the agenda, the public is invited to make comments at the time the item comes up for Board consideration. Any person addressing the Board will be limited to a maximum of three (3) minutes so that all interested parties have an opportunity to speak with a total of fifteen (15) minutes allotted for the Public Comment Period. Speakers are requested to state their name(s) and address(es) for the record. Preserve the order in meetings. Moreover, if a group willfully interrupts a meeting and the order can only be restored by the removal of disruptive individuals, then the legislative body may order the meeting room to be cleared. The session might be reinitiated, and representatives of the media shall be allowed to stay and attend the session. The legislative body may also establish a procedure for readmitting individual(s) not responsible for the disruptive conduct that caused the meeting room to be cleared (§ 54957.9).

3) CONSENT CALENDAR ITEMS-

All Consent Calendar Items are considered routine and will be enacted in one motion. There will be no separate discussion of these matters unless a request is made. The item will be removed from the Consent Calendar. All items removed from the Consent Calendar for further discussion will be heard at the end of Information and Action Items in Section 5.

3-1. Request approval of Draft February 9, 2023, CalVans Board meeting Minutes (Page12)

4) STAFF REPORT AND SYSTEM UPDATES-

4-1. Lobbyist Update: California Environmental & Energy Consulting (CalEEC) (Page 16)

4-2. Agency Financials Update (Page 19)

4-3. Regional Updates and Fleet Activity (Page 3, 6 & 22)

4-4. Marketing and Outreach Updates (Page 9 & 27)

5) OTHER BUSINESS/ INFORMATION/ ACTION ITEMS-

~~5-1. **ACTION** Resolutions for Three AHSC (Affordable Housing and Sustainable Communities) Collaborations (Page 9)~~

5-2. **ACTION** Approval of new 5-year Lease for 11050 13th Ave, Hanford, CA 93230 (Page 9 & 30)

5-3. **ACTION** Approval of new 5-year Lease for 430 S. 1st Steet, King City, Ca 93930 (Page 9 & 62)

5-4. **ACTION** Approval of the Donation of Vans from Employer (Page 9)

5-5. **ACTION** Approval of three (3) EVX Athena EV Conversion Kits (Page 9 & 66)

5-6. Informational Items: Executive Director, CalVans Staff or Board Members

5-7. Requests from Board Members for Future Agenda Items

6) CLOSED SESSION- It is the intention of the Board of Directors to meet in closed session concerning:

6-1. None

9) NEXT SCHEDULED MEETING- The next scheduled California Vanpool Authority meeting will be Thursday, May 11, 2023, at 10:00 a.m.

10) ADJOURN



3. Consent Agenda

3-1. **Approval of the Draft February 9, 2023, CalVans Board meeting Minutes (Page 12)**

CONSENT

4. Staff Report and System Updates

4-1. **Lobbyist Update: California Environmental & Energy Consulting (CalEEC) (Pg 16)**

Discussion of various Senate and Assembly Bills to determine CalVans BOD support.

4-2. **Agency Financials Update (Page 19)**

Trial Balance Summary submitted for review of present agency standing as of March 31, 2023. Additionally, the CalVans Accounting team has put together comparisons from the last 3 years, per Director White's request at the previous Board meeting. CalVans Accounting staff is happy to discuss and/or answer questions regarding the agency's financial snapshot for the month of March 2023 or the nearly completed audits currently under way with Price Paige and Company.

4-3. **Regional Updates and Fleet Activity (Page 03 & 22)**

Fleet Activity- There are 714 active vanpools as of the preparation of this agenda, comprised of 608 agricultural (Ag) vanpools and 106 non-ag occupation (General) vanpools. The data and the map of the fleet is only a snapshot of where the vans were located at the time of the preparation of this agenda. This data does not reflect the volunteer driver or their employer's county of origin, or the city of origin, only where the vanpool was located at the time of the report.

	City	# of Vanpools	State	County	Program	
1	Coalinga	1	CA	Fresno	FL	28
	Firebaugh	2	CA	Fresno	FL	
	Fresno	3	CA	Fresno	FL	
	Huron	5	CA	Fresno	FL	
	Kingsburg	5	CA	Fresno	FL	
	Mendota	1	CA	Fresno	FL	
	Orange Cove	2	CA	Fresno	FL	
	Parlier	1	CA	Fresno	FL	
	Reedley	5	CA	Fresno	FL	
	Selma	3	CA	Fresno	FL	
	Clovis	4	CA	Fresno	VP	23
	Coalinga	1	CA	Fresno	VP	
	Fresno	12	CA	Fresno	VP	
	Kingsburg	1	CA	Fresno	VP	
	Selma	5	CA	Fresno	VP	

51

1	Brawley	13	CA	Imperial	FL	71
	Calexico	14	CA	Imperial	FL	
	El Centro	34	CA	Imperial	FL	
	Heber	4	CA	Imperial	FL	
	Holtville	4	CA	Imperial	FL	
	Imperial	1	CA	Imperial	FL	
	Winterhaven	1	CA	Imperial	FL	

71

1	Bakersfield	1	CA	Kern	FL	1
	Bakersfield	8	CA	Kern	VP	8

9



1	Avenal	1	CA	Kings	FL	9
	Hanford	7	CA	Kings	FL	
	Lemoore	1	CA	Kings	FL	
	Armona	1	CA	Kings	VP	30
	Avenal	2	CA	Kings	VP	
	Corcoran	2	CA	Kings	VP	
Hanford	18	CA	Kings	VP		
Lemoore	7	CA	Kings	VP		

39

1	Yerington	5	NV	Lyon	FL	5
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5

1	Boonville	1	CA	Mendocino	FL	5
	Hopland	3	CA	Mendocino	FL	
	Hopland	1	CA	Mendocino	FL	

5

1	Atwater	1	CA	Merced	VP	4
	Merced	3	CA	Merced	VP	

4

1	Castroville	1	CA	Monterey	FL	98
	Gonzales	7	CA	Monterey	FL	
	Greenfield	6	CA	Monterey	FL	
	King City	27	CA	Monterey	FL	
	Salinas	46	CA	Monterey	FL	
	Soledad	11	CA	Monterey	FL	

98

1	American Canyon	1	CA	Napa	FL	26
	Napa	22	CA	Napa	FL	
	Pope Valley	2	CA	Napa	FL	
	St Helena	1	CA	Napa	FL	

26

1	Coachella	2	CA	Riverside	FL	22
	Indio	9	CA	Riverside	FL	
	Mecca	1	CA	Riverside	FL	
	Murrieta	1	CA	Riverside	FL	
	San Jacinto	3	CA	Riverside	FL	
	Temecula	3	CA	Riverside	FL	
	Thermal	1	CA	Riverside	FL	
	Valley Center	2	CA	Riverside	FL	

22

1	Hollister	3	CA	San Benito	FL	3
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3

1	Escondido	4	CA	San Diego	FL	5
	Pauma Valley	1	CA	San Diego	FL	

5

1	Stockton	2	CA	San Joaquin	FL	2
	Lodi	1	CA	San Joaquin	VP	1

3



1	Arroyo Grande	8	CA	San Luis Obispo	FL	30
	Nipomo	11	CA	San Luis Obispo	FL	
	Oceano	4	CA	San Luis Obispo	FL	
	Paso Robles	2	CA	San Luis Obispo	FL	
	San Luis Obispo	1	CA	San Luis Obispo	FL	
	San Miguel	4	CA	San Luis Obispo	FL	

30

1	Lompoc	1	CA	Santa Barbara	FL	56
	Santa Maria	55	CA	Santa Barbara	FL	

56

1	Gilroy	5	CA	Santa Clara	FL	5
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5

1	Watsonville	4	CA	Santa Cruz	FL	4
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4

1	Fairfield	11	CA	Solano	FL	13
	Suisun City	2	CA	Solano	FL	

13

1	Geyserville	1	CA	Sonoma	FL	5
	Rohnert Park	1	CA	Sonoma	FL	
	Santa Rosa	1	CA	Sonoma	FL	
	Sebastopol	1	CA	Sonoma	FL	
	Windsor	1	CA	Sonoma	FL	

5

1	Patterson	1	CA	Stanislaus	VP	1
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1

1	Dinuba	3	CA	Tulare	FL	12
	Orosi	1	CA	Tulare	FL	
	Porterville	7	CA	Tulare	FL	
	Visalia	1	CA	Tulare	FL	
	Porterville	9	CA	Tulare	VP	39
	Tulare	7	CA	Tulare	VP	
Visalia	23	CA	Tulare	VP		

51

1	Camarillo	9	CA	Ventura	FL	103
	Carpinteria	1	CA	Ventura	FL	
	Fillmore	18	CA	Ventura	FL	
	Ojai	1	CA	Ventura	FL	
	Oxnard	36	CA	Ventura	FL	
	Port Hueneme	3	CA	Ventura	FL	
	Santa Paula	21	CA	Ventura	FL	
	Ventura	14	CA	Ventura	FL	

103

1	San Luis	34	AZ	Yuma	FL	105
	Somerton	6	AZ	Yuma	FL	
	Tacna	1	AZ	Yuma	FL	
	Wellton	8	AZ	Yuma	FL	
	Yuma	56	AZ	Yuma	FL	

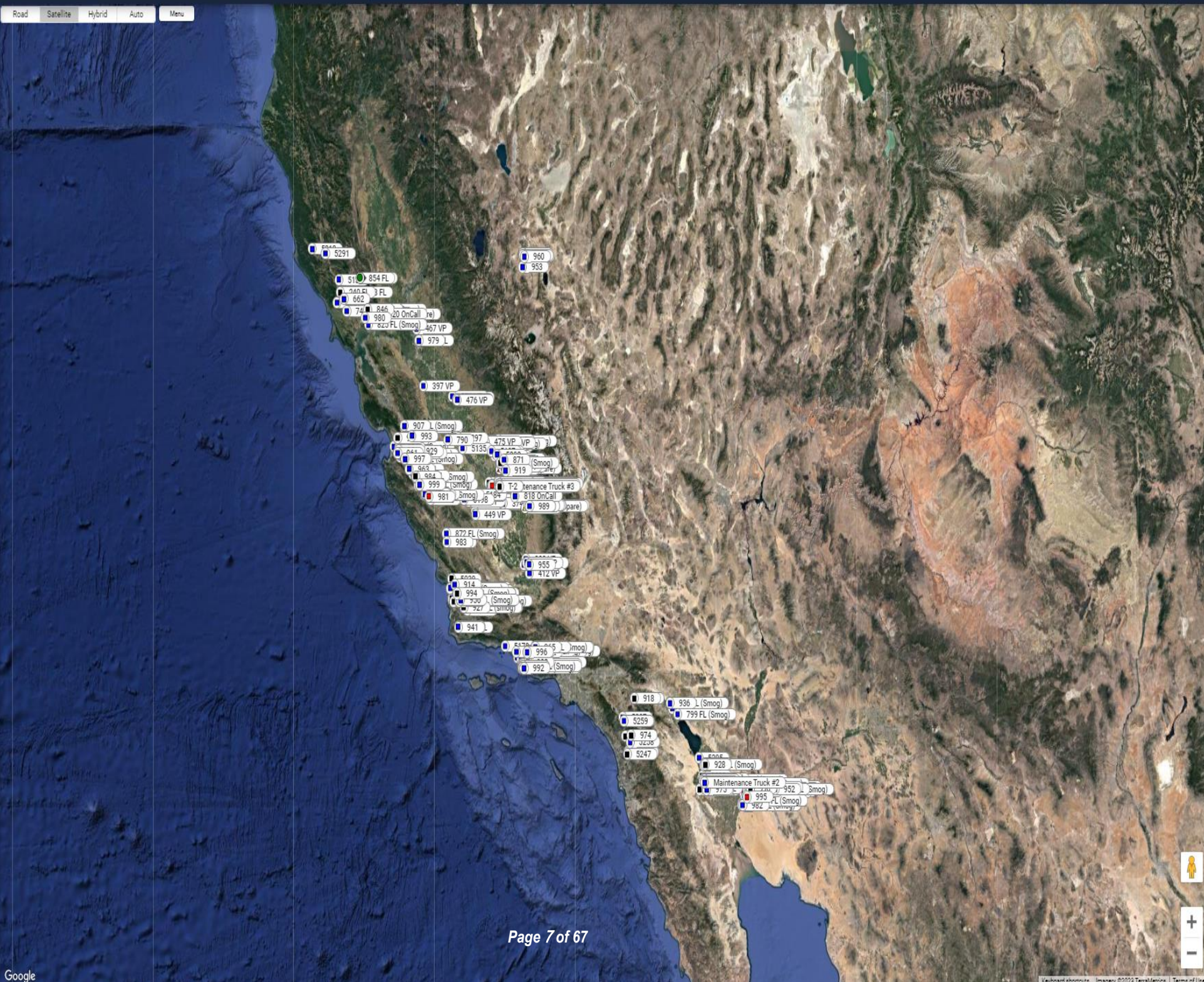
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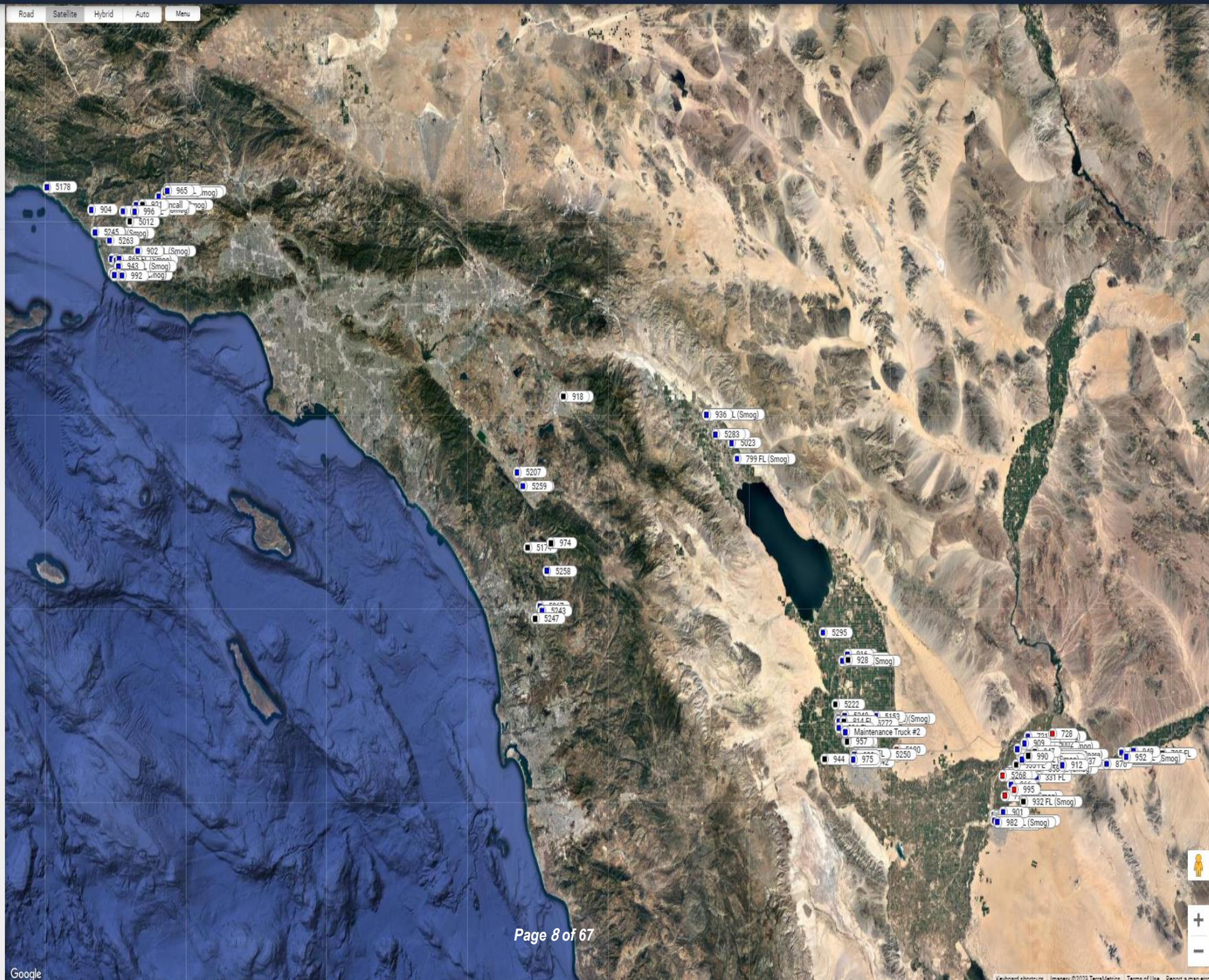
- Analytics
- Telematics
- Vehicle Service
- Garmin
- Administration
- AI Dash Cam
- Inspect
- Operations IQ
- Fuel Manager
- Maintenance

Road Satellite Hybrid Auto Menu



- Analytics
- Telematics
- Vehicle Service
- Garmin
- Administration
- AI Dash Cam
- Inspect
- Operations IQ
- Fuel Manager
- Maintenance

Road Satellite Hybrid Auto Menu





4-4. Marketing and Outreach Updates (Page 9 & 27)

Regional Updates- The Transit Coordinator for each region will provide a brief update regarding vehicle activity in their area.

Central Valley: On Thursday, March 30th, 2023, Staff attended the Public Transit Celebration Feast with The SI in Patterson at the Stonegate Village Apartments. Staff collaborated with Self-Help Enterprise (SHE) to provide residents information about CalVans as they did not appear to be familiar with CalVans. This led to questions and great conversation! We are scheduled to acquire 20 vans from AHSC award for Stonegate Village.

Upcoming event- April 14th, 2023: CalVans will present for the California Highway Patrol (CHP) Farm Labor Vehicle Inspection of the SAFE Program. As a result of the pandemic, new CHP officers were not provided the benefit of learning about CalVans vanpools.

Ventura: In the last month, Santa Paula CalVans staff met with three new farm labor companies. Unfortunately, CalVans could not provide service as we are running at organizational capacity. Staff also met with Port of Hueneme officials to discuss electric vanpools for dock workers as a part of statewide "Greening" initiatives. (Source: <https://www.portofhueneme.org/cmaq-shoreside-plug-in-grant-12-05-2022/>)

5. Other Business/ Information/ Action Items

~~5-1. ACTION Resolutions for Three AHSC Collaborations (Page 00 & 00)~~

~~CONSENT~~

~~Staff has collaborated with three Affordable Housing and Sustainable Communities (AHSC) applicants to secure an additional 132 EV (Electric Vehicles) from the Round 7 grants applications. These vans will be for City of Manteca, City of Riverside, and the City of Fresno. The award would have a vehicle value of approximately \$15,440,000 at no cost to CalVans. In return, CalVans would continue to market the program to low-income and disadvantaged populations, report greenhouse gas (GHG) and vehicle miles traveled (VMT) reduction to the project sponsors.~~

~~Staff is requesting signatures for Resolutions 2023-04-01, 02 and 03 for agency records and to memorialize the applications. Awards will be tentatively announced August 2023.~~

5-2. ACTION Approval of new 5-year Lease for 11050 13th Ave, Hanford, CA 93230 (Page 09 & 30)

CONSENT

Staff has researched various locations in the Central Valley to relocate the Kings County Headquarters. Staff had negotiated a 5 and a 10-year lease agreement in the City of Lemoore for a 20,000sf building on 4.6 acres has fallen through. The new property is the City of Hanford.

Staff is requesting approval of the 5-year lease agreement.

5-3. ACTION Approval of new 5-year Lease for 430 S. 1st Steet, King City, Ca 93930 (Page 09 & 62)

CONSENT

Due to a 27% increase in the Greenfield CalVans office, staff has located a more affordable location in King City. Staff has negotiated a 5-year lease agreement in the City of King City for a 5,000sf, 3-bay building on about 1/2 acre at a cost of \$3,500.

Staff is requesting approval of the 5-year lease agreement.

5-4. ACTION Approval of the Donation of Vans from Employer (Page 09)

CONSENT

Staff has invited representatives from the grower, Peri & Sons, who would like to donate vehicles to CalVans for their exclusive use. Staff would like to credit the current rate until the value of the vehicles is paid off.

Staff is open to suggestions but is requesting approval to move forward with accepting the vehicle donations.

5-5. ACTION Approval of three (3) EVX Athena EV Conversion Kits (Page 09 & 66)

CONSENT

Staff has included the following quote for \$290,000 to convert four 2016-17 Model Mercedes-Benz 3500 vans with bad internal combustion engines to electric. The time from ordering to install is 8 weeks, mainly due to the 6-week shipping time. Staff anticipates using the vans in this spring for the ag vanpool program as they can recover the cost of conversion much faster and would be a good pilot for EV's in agricultural settings.

Staff is proposing to purchase one per month to manage the overall costs and is requesting approval to purchase 4 EV kits.



5-6. Informational Items: Executive Director, CalVans Staff or Board Members

Staff has asked NCL Government Capital and Merchant's Leasing to secure up to 150 used vehicles due to the extensive time the agency has been waiting to acquire new vans.

About NCL: "NCL provides flexible, customized financing solutions for the government sector and understand the intricacies and advantages of municipal financing options. NCL Government Capital offers competitively-bid financing contract awarded by Sourcewell, the largest government purchasing cooperative in the country. NCL simplifies the municipal procurement process and expedites project completion."

5-7. Requests from Board Members for Future Agenda Items



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CalVans Board of Directors Meeting Minutes

A regular meeting of the California Vanpool Authority was called to order by Chairman Steve McShane at 10:00am on February 9, 2023, via teleconference and site conference at Visalia Convention Center.

California Vanpool Authority Member Agencies

AMBAG	Association of Monterey Bay Area Governments
FresnoCOG	Fresno Council of Governments
ICTC	Imperial County Transportation Commission
KCAG	Kings County Association of Governments
MCTC	Madera County Transportation Commission
MCAG	Merced County Association of Governments
RCTC	Riverside County Transportation Commission
SJCOG	San Joaquin Council of Governments
SBCAG	Santa Barbara County Association of Governments
StanCOG	Stanislaus Council of Governments
TCAG	Tulare County Association of Governments
VCTC	Ventura County Transportation Commission

1. CALL TO ORDER

Roll Call – Clerk of the Board

Area of Representation	Commissioner	Present	Absent	Joined After Roll Call
AMBAG	Steve McShane (CVA Chair); Scott Funk (A)	X		
Fresno COG	Scott Robertson (CVA Vice-Chair); Ray Leon(A)	X		
ICTC	Ana Beltrán; María Nava Froelich (A)			X
KCAG	Joe Neves; Doug Verboon (A)		X	
MCTC	Robert Poythress; Jose Rodriguez (A)	X		
MCAG	Paul Llanez; Pat Nagy (A)	X		
RCTC	Joseph DeConinck	X		
SJCOG	Vacant			
SBCAG	Bob Nelson; Ariston Julian (A)	X		
StanCOG	Javier Lopez; Buck Condit (A)	X		
TCAG	Kellie Carrillo; Hipólito Cerros (A)		X	
VCTC	James White; Lynn Edmonds (A)	X		

Counsel present via teleconference: David Kahn with KSC. CalVans staff in attendance via teleconference: Georgina Landecho, Monica Sarzi, Gabriela Pacheco, Miguel Solorio, Amanda Ruch, Tomas Hernandez, and Carmen Mora
 Visitors in attendance via teleconference: None. Unscheduled Appearances: None.

2. CONSENT CALENDAR

2-1. Approval of the January 12, 2022, Meeting Minutes

3. STAFF REPORT AND SYSTEM UPDATES-

3-1. Agency Financials Update – Georgina Landecho and Amanda Ruch, Commissioner White would like a year-to-year comparison for financials and NTD.

3-2. Regional Updates and Fleet Activity – Tulare Co, UZA – Graphs, update reports (available per district). El Centro/Yuma, 277 vans, 2 staff, 3 TA's moving to Monterey, Riverside/Hemet, Napa/Mendocino/Lake/Humboldt Counties. Oxnard/Ventura, 71 to 150 vans, season now 3/1 – 12/1. Central Valley season beginning 3/1.



CalVans Board of Directors Meeting Minutes

- 3-3. Marketing and Outreach Updates- Transit Coordinators provided updates for their regions.
- 3-4. Lobbyist Update- EEC provided and overview of the various assembly and senate bills to gauge Board support.
- 3-5. Statements of Economic Interests- reminder to all Board members to submit Form 700 before April 1, 2023

4. OTHER BUSINESS/ INFORMATION/ ACTION ITEMS-

- 4-1. Informational Items: Executive Director, CalVans Staff or Board Members – From Commissioner Poythress regarding Selma Police Officer, sending prayers for the family and committee.
- 4-2. Requests from Board Members for Future Agenda Items – Year to Year Comparison on Financials and NTD.
- 4-3. ACTION Election and Seating of Vice Chair of Board – Robert Poythress (Accepted)

Motion Made By: White			
2nd Motion: McShane			
Motion (Pass/Fail) Pass			
Commissioner	Yea	Nay	Abstain
Steve McShane	X		
Scott Robertson	X		
Ana Beltran	X		
Joe Neves			Absent
Robert Poythress	X		
Paul Llanez	X		
Joseph DeConinck	X		
Vacant			
Ariston Julian	X		
Buck Condit	X		
Kellie Carrillo			Absent
James White	X		

- 4-4. ACTION Approval of 10-year Lease for 1356 Iona Avenue, Lemoore, CA 93245

Motion Made By: Poythress			
2nd Motion: Condit			
Motion (Pass/Fail) Pass			
Commissioner	Yea	Nay	Abstain
Steve McShane	X		
Scott Robertson	X		
Ana Beltran	X		
Joe Neves			Absent
Robert Poythress	X		
Paul Llanez	X		
Joseph DeConinck	X		
Vacant			
Ariston Julian	X		
Buck Condit	X		
Kellie Carrillo			Absent
James White	X		



CalVans Board of Directors Meeting Minutes

4-5. ACTION Approval by of Independent Intrastate Letter for .gov domain name (Kings Co-IT)

Motion Made By: White			
2nd Motion: McShane			
Motion (Pass/Fail) Pass			
Commissioner	Yea	Nay	Abstain
Steve McShane	X		
Scott Robertson	X		
Ana Beltran	X		
Joe Neves			Absent
Robert Poythress	X		
Paul Llanez	X		
Joseph DeConinck	X		
Vacant			
Ariston Julian	X		
Buck Condit	X		
Kellie Carrillo			Absent
James White	X		

5. CLOSED SESSION- Start: 10:50 AM

5-1. Public Employee Performance Evaluation (Government Code Section 54957(b)(1))
Title: Executive Director

5-2. Conference with Legal Counsel
Exposure to litigation pursuant to Paragraph (2) of subdivision (d) of Section 54956.9: (1 Case)

6. ADJOURN TO OPEN SESSION- at 11:20 AM

6-1. Report out any action taken in Closed Session.

7. ATTACHMENTS-None.

8. NEXT SCHEDULED MEETING-

The next scheduled California Vanpool Authority meeting will be Thursday, March 9, 2023, at 10:00 a.m.

9. ADJOURN

Respectfully Submitted,


 Georgina Landocho
 CalVans Executive Director



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CalVans Bill Report

Support

AB 641 (Fong, Vince R) **Automobile dismantlers: catalytic converters.**

Introduced: 2/9/2023

Status: 2/17/2023-Referred to Com. on TRANS.

Location: 2/17/2023-A. TRANS.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chapted
1st House				2nd House							

Summary: Current law defines an "automobile dismantler" as a person who is engaged in the business of buying, selling, or dealing in vehicles that are required to be registered under the Vehicle Code, for the purpose of dismantling the vehicles, buys or sells the integral parts and component materials of those vehicles, or deals in used motor vehicle parts, as specified. The definition of "automobile dismantler" also includes a person who keeps or maintains on property owned by the person, or under their possession or control, 2 or more unregistered motor vehicles no longer intended for, or in condition for, legal use on the highways, as specified. Current law makes it a crime for a person to act as an automobile dismantler without having an established place of business, meeting specified requirements, and having a current, valid license or temporary permit issued by the Department of Motor Vehicles. This bill would revise the definition of an automobile dismantler to include a person who keeps or maintains on property owned by the person, or under their possession or control, for any of the above-described purposes 2 or more used catalytic converters that have been cut from a motor vehicle using a sharp implement.

AB 1195 (Calderon D) **Climate Change Preparedness, Resiliency, and Jobs for Communities Program: climate-beneficial projects: grant funding.**

Introduced: 2/16/2023

Status: 3/2/2023-Referred to Com. on NAT. RES.

Location: 3/2/2023-A. NAT. RES.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chapted
1st House				2nd House							

Summary: Would establish the Climate Change Preparedness, Resiliency, and Jobs for Communities Program, to be administered by the Strategic Growth Council, and would require the council to fund grants to develop and implement multibenefit, community-level, climate-beneficial projects to support community and landscape resiliency and workforce development. The bill would require the council to award competitive grants to eligible entities, as defined, through an application process, as provided. The bill would require the council, on or before July 1, 2024, to develop guidelines to implement the program and criteria to select projects eligible for grant funding that include, at a minimum, specified information related to community resiliency grants, landscape resiliency grants, and climate and career pathways grants.

SB 55 (Umberg D) **Vehicles: catalytic converters.**

Introduced: 12/6/2022

Last Amend: 3/13/2023

Status: 3/13/2023-From committee with author's amendments. Read second time and amended. Re-referred to Com. on TRANS.

Location: 1/18/2023-S. TRANS.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chapted
1st House				2nd House							

Summary: Current law requires a core recycler that accepts, ships, or sells used catalytic converters to maintain specified information regarding the purchase and sale of the catalytic converters. Current law prohibits a core recycler from providing payment for a catalytic converter unless, among other requirements, the payment is made by check, as specified. This bill, in addition to payment by check, would allow for payment by credit card or any other form of traceable payment other than cash.

SB 507 (Gonzalez D) **Electric vehicle charging station infrastructure: assessments.**

Introduced: 2/14/2023

Status: 3/13/2023-Set for hearing March 21.

Location: 2/22/2023-S. E. U., & C.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chapted
1st House				2nd House							

Summary: Current law requires the State Energy Resources Conservation and Development Commission (Energy Commission), working with the State Air Resources Board and the Public Utilities

Commission, to prepare, and update biennially, a statewide assessment of the electric vehicle charging infrastructure needed to support the levels of electric vehicle adoption required for the state to meet its goals of putting at least 5,000,000 zero-emission vehicles on California roads by 2030, and of reducing emissions of greenhouse gases to 40% below 1990 levels by 2030, as specified. This bill would require the Energy Commission to also assess the electric vehicle charging infrastructure needed to support the levels of electric vehicle adoption required for the state to meet the goal of ensuring 100% of new cars and light trucks sold in California are zero-emission vehicles by 2035, and evaluate the electric vehicle charging infrastructure needs of specified use cases to ensure an equitable deployment of electric vehicle charging infrastructure by 2035.

SB 529

(Gonzalez D) Electric vehicle sharing services: public housing facilities and affordable multifamily housing properties.

Introduced: 2/14/2023

Status: 2/22/2023-Referred to Coms. on E., U. & C. and TRANS.

Location: 2/22/2023-S. E. U., & C.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
1st House				2nd House				Conc.			

Summary: Would require the Energy Commission to create a program to award grants to facilitate electric vehicle sharing services, as defined, operated at permanent affordable multifamily housing properties. The bill would specify the eligible entities that may be awarded grants pursuant to the program, and would require those eligible entities to submit an application to the Energy Commission, as specified. The bill would require the Energy Commission to consider specified criteria in awarding grants and would require a grant recipient to only use grant funds for specified purposes to facilitate an electric vehicle sharing service operated at a public housing facility. The bill would require that a grant awarded pursuant to this program not exceed \$250,000 to cover the cost of 2 electric vehicles and 2 Level 2 charging stations. The bill would provide that a grant recipient may be eligible for an additional \$100,000 under this program for the purchase of 2 direct current fast chargers if the grant recipient meets specified requirements. The bill would require, as a condition of receiving a grant, a grant recipient to annually submit a report to the Energy Commission that includes specified information.

Total Measures: 5

Total Tracking Forms: 5



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County of Kings
KCFEFS Trial Balance Summary

Accounting Period 9/2023

As Of Mar 31, 2023

Selection Criteria: Fund(s) 710355 - Calvans

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Page 1 of 1

Fund: 710355 - Calvans

GL Account	GL Account Description	Debit Balance	Credit Balance
Assets			
710355-10000	CalVans/Cash In Treasury	853,905.43	
710355-10001	CalVans/Imprest Cash	100.00	
710355-22000	CalVans/Deposit With Others	443,843.63	
710355-22007	CalVans/Prepaid Expenses	1,038.60	
710355-34000	CalVans/Structures And Improvements	110,833.51	
710355-35000	CalVans/Equipment	20,005,705.00	
710355-35900	CalVans/Accum Depr - Equip		14,393,604.00
710355-36900	CalVans/Accum Depr - Infrastructure		32,923.00
710355-41000	CalVans/Deferred Outflow	220,505.00	
710355-42000	CalVans/Net Pension Asset		54,255.00
Subtotal - Assets		21,635,931.17	14,480,782.00
Liabilities			
710355-51000	CalVans/Warrants Payable		67,252.60
710355-51010	CalVans/Due Other Agencies		38,806.59
710355-51260	CalVans/Compensated Absences Pay		118,720.00
710355-51261	CalVans/Sick Leave Payable		24,132.00
710355-51296	CalVans/Loans Payable		2,273,897.34
710355-51297	CalVans/Loans Payable - Current	1,048,836.96	
710355-51316	CalVans/Leases Payable - Current	9,789.64	
710355-59999	CalVans/VOUCHERS PAYABLE	26,076.10	
710355-61000	CalVans/Deferred Inflow		50,455.00
Subtotal - Liabilities		1,084,702.70	2,573,263.53
Fund Balance			
710355-71008	CalVans/Capital Contribution		5,683,093.00
710355-71009	CalVans/Fund Balance Available	325,774.17	
710355-72000	CalVans/Rstr for Net Pension Asset	54,255.00	
Subtotal - Fund Balance		380,029.17	5,683,093.00
Revenue			
917000-84000	CalVans/Interest On Current Deposits		6,361.74
917000-88025	CalVans/Other Revenue		48.26
917100-80000	Gen Vanpool/Other Intergovernmental		261,146.24
917100-85103	Gen Vanpool/St Aid - SJVUAPCD Grant		30,720.00
917100-88013	Gen Vanpool/Van Pool		981,773.36
917100-88025	Gen Vanpool/Other Revenue		14,060.00
917200-80000	Ag Vanpool/Other Intergovernmental		210,239.57
917200-85047	Ag Vanpool/St Aid - Grants		12,485.00
917200-85103	Ag Vanpool/St Aid - SJVUAPCD Grant		2,790.00
917200-88014	Ag Vanpool/Advertisement		17,000.00
917200-88019	Ag Vanpool/Passenger Fares		8,588,521.79
Subtotal - Revenue			10,125,145.96
Expenditure			
917000-91000	CalVans/Regular Employees	429,749.17	
917000-91002	CalVans/Special Pays	31,807.72	
917000-91005	CalVans/Retirement	48,569.92	
917000-91007	CalVans/Health Insurance	90,792.12	
917000-91008	CalVans/Management Life Insurance	2,072.17	
917000-91010	CalVans/Insurance - Workers Comp	16,910.00	
917000-91011	CalVans/Unemployment Insurance	2,326.50	
917000-91012	CalVans/Social Security - Medicare	6,441.77	
917000-92001	CalVans/Supplies & Materials	59,355.49	
917000-92006	CalVans/Communications	35,978.66	
917000-92014	CalVans/Insurance	19,354.44	
917000-92018	CalVans/Office Equipment & Supplies	20,261.62	
917000-92019	CalVans/Maintenance - Equipment	9,967.96	
917000-92021	CalVans/Maintenance - S. I. & G.	11,700.86	
917000-92023	CalVans/Fuel And Oil	24,420.62	
917000-92032	CalVans/Record Storage	651.00	
917000-92033	CalVans/Postage And Freight	5,646.70	
917000-92035	CalVans/Printing/Stores	118.80	

917000-92036	CalVans/Computer Software	44.63	
917000-92037	CalVans/Prof & Spec Services	111,287.87	
917000-92038	CalVans/Legal	11,552.75	
917000-92045	CalVans/Outreach	1,073.32	
917000-92046	CalVans/Auditing & Accounting	17,085.00	
917000-92058	CalVans/Rents & Leases - Software	46,412.53	
917000-92059	CalVans/Rents & Leases - S.I. & G.	144,222.00	
917000-92062	CalVans/Small Tools & Instruments	2,117.35	
917000-92064	CalVans/Personnel Testing	225.00	
917000-92068	CalVans/Purchasing Charges	1,577.92	
917000-92090	CalVans/Travel	2,426.00	
917000-92094	CalVans/Utilities	30,937.98	
917000-92103	CalVans/Electronic Hardware	17,599.77	
917000-92132	CalVans/Prof & Spec Svcs-COVID 19	150.00	
917000-92134	CalVans/Supplies & Materials-COVID 19	475.00	
917000-93003	CalVans/Interest On Other Long-Term De	1,402.00	
917000-93038	CalVans/Cost Allocation Plan Charges	15,378.00	
917000-93048	CalVans/Info Tech Services	37,897.80	
917100-91000	Gen Vanpool/Regular Employees	157,736.29	
917100-91001	Gen Vanpool/Extra Help	377.02	
917100-91002	Gen Vanpool/Special Pays	7,701.48	
917100-91005	Gen Vanpool/Retirement	17,652.78	
917100-91011	Gen Vanpool/Unemployment Insurance	688.65	
917100-91012	Gen Vanpool/Social Security - Medicare	2,126.42	
917100-92001	Gen Vanpool/Supplies & Materials	1,776.93	
917100-92006	Gen Vanpool/Communications	69,744.37	
917100-92014	Gen Vanpool/Insurance	438,548.98	
917100-92018	Gen Vanpool/Office Equipment & Supplies	103.78	
917100-92019	Gen Vanpool/Maintenance - Equipment	408,311.16	
917100-92023	Gen Vanpool/Fuel And Oil	567,756.39	
917100-92033	Gen Vanpool/Postage And Freight	10.41	
917100-92037	Gen Vanpool/Prof & Spec Services	14,985.27	
917100-92045	Gen Vanpool/Outreach	1,410.00	
917100-92057	Gen Vanpool/Rents & Leases - Equipmt	199,355.68	
917100-92064	Gen Vanpool/Personnel Testing	7,212.00	
917200-91000	Ag Vanpool/Regular Employees	385,536.61	
917200-91002	Ag Vanpool/Special Pays	26,027.04	
917200-91005	Ag Vanpool/Retirement	42,646.60	
917200-91011	Ag Vanpool/Unemployment Insurance	1,790.35	
917200-91012	Ag Vanpool/Social Security - Medicare	5,729.09	
917200-92001	Ag Vanpool/Supplies & Materials	49,142.82	
917200-92006	Ag Vanpool/Communications	161,299.51	
917200-92014	Ag Vanpool/Insurance	1,297,495.30	
917200-92018	Ag Vanpool/Office Equipment & Supplies	13,786.06	
917200-92019	Ag Vanpool/Maintenance - Equipment	1,123,826.94	
917200-92023	Ag Vanpool/Fuel And Oil	2,719,655.61	
917200-92033	Ag Vanpool/Postage And Freight	197.67	
917200-92037	Ag Vanpool/Prof & Spec Services	465,999.16	
917200-92045	Ag Vanpool/Outreach	400.00	
917200-92057	Ag Vanpool/Rents & Leases - Equipmt	108,168.43	
917200-92058	Ag Vanpool/Rents & Leases - Software	956.65	
917200-92062	Ag Vanpool/Small Tools & Instruments	3,564.69	
917200-92064	Ag Vanpool/Personnel Testing	33,419.01	
917200-92090	Ag Vanpool/Travel	40,410.53	
917200-92094	Ag Vanpool/Utilities	8,227.77	
917200-92103	Ag Vanpool/Electronic Hardware	1,063.61	
917200-93003	Ag Vanpool/Interest On Other Long-Term De	118,789.95	
Subtotal - Expenditure		9,761,621.45	
Fund Totals		32,862,284.49	32,862,284.49
Fund is in Balance			

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IN SUMMARY:

UNADJUSTED-CASH BASIS REVENUES - 3/31/2023 **\$ 10,125,145.96**

UNADJUSTED-CASH BASIS EXPENSES - 3/31/2023 **\$ 9,761,621.45**

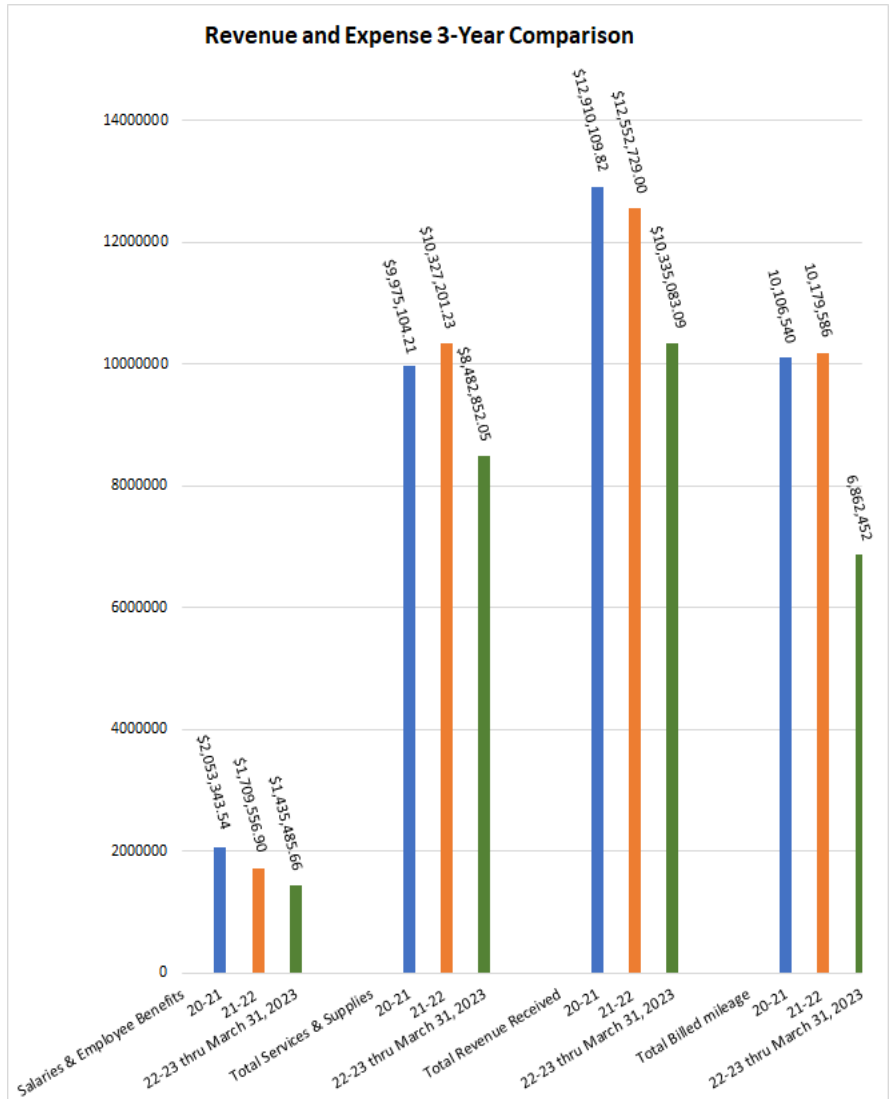
PROFIT/(LOSS) - 3/31/2023 **\$ 363,524.51**

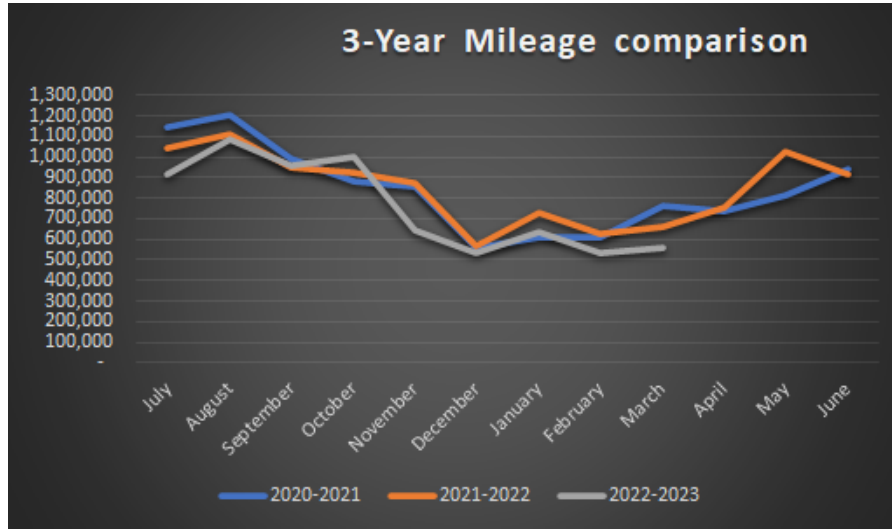
MERCHANTS LOANS - DEBT SCHEDULE:

	Original Principle Balance	Interest Rate	Principal Paid Thru 3/31/2023	Interest Paid Thru 3/31/2023	Principle Paid In Prior Yrs	Principal Balance AS of 3/31/2023
Loan #1	\$691,204		\$0.00	\$0.00	\$691,204.08	\$ -
Loan #2	\$1,000,000		\$440,655.64	\$222,834.79	\$285,874.17	\$ 273,470.19
Loan #3	\$1,852,870		\$608,181.32	\$399,687.34	\$293,098.92	\$ 951,590.19
TOTALS	\$3,544,075		\$1,048,836.96	\$622,522.13	\$1,270,177.17	\$1,225,060.38

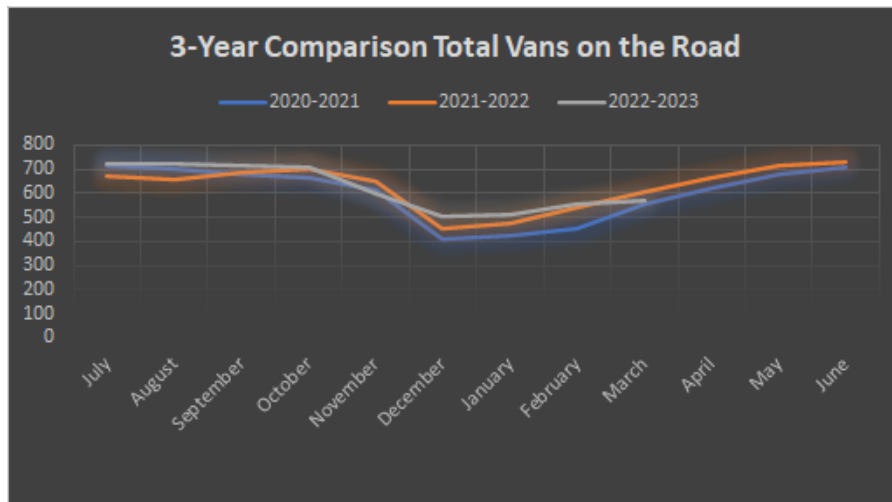


3-Year comparison 2020-2023	
Salaries & Employee Benefits	
20-21	\$ 2,053,343.54
21-22	\$ 1,709,556.90
22-23 thru March 31, 2023	\$ 1,435,485.66
Total Services & Supplies	
20-21	\$ 9,975,104.21
21-22	\$ 10,327,201.23
22-23 thru March 31, 2023	\$ 8,482,852.05
Total Revenue Received	
20-21	\$ 12,910,109.82
21-22	\$ 12,552,729.00
22-23 thru March 31, 2023	\$ 10,335,083.09
Total Billed mileage	
20-21	10,106,540
21-22	10,179,586
22-23 thru March 31, 2023	6,862,452





	July	August	September	October	November	December	January	February	March	April	May	June
2020-2021	1,143,468	1,204,512	990,786	884,611	858,053	562,536	610,820	611,228	758,445	734,136	809,469	938,476
2021-2022	1,045,088	1,109,956	951,871	924,297	870,503	569,456	724,987	625,725	658,760	755,397	1,025,021	918,525
2022-2023	913,119	1,083,626	956,579	1,003,481	641,637	534,585	636,051	535,989	557,385			



	July	August	September	October	November	December	January	February	March	April	May	June
2020-2021	713	702	679	662	615	412	424	451	558	623	680	711
2021-2022	669	659	685	704	649	452	478	541	607	667	713	732
2022-2023	724	723	714	707	596	506	508	555	568			

BUDGET UNIT ALL- CalVans

Expenses

Title	Account	FY 22/23 Budget	Amended Budget	FY 22/23 Accrual	8% Jul-22	17% Aug-22	25% Sep-22	33% Oct-22	42% Nov-22	50% Dec-22	58% Jan-23	67% Feb-23	75% Mar-23	FY 22/23 Accrual	Total YTD	% of Budget Spent	Budget Remaining	Over/(Under) Budget YTD	Average per month for 12 months	12 months	Compared to Amended Budget	
Salaries & Employee Benefits																						
Regular Employees	91000	1,630,000	1,630,000	(70,446)	189,977	181,881	119,952	116,954	119,860	123,244	121,155	119,244	-	70,446	1,092,266.25	67%	537,733.75	1,092,266.25	182,044.38	2,184,532.50	554,532.50	0.22
Overtime	91002	90,000	90,000	(3,232)	9,853	13,871	10,237	7,496	9,016	7,299	8,142	8,067	-	3,232	73,980.08	82%	16,019.92	73,980.08	12,330.01	147,960.16	57,960.16	0.01
Retirement	91005	170,000	170,000	(7,838)	21,275	20,110	13,499	13,210	13,584	13,603	13,588	13,484	-	7,838	122,353.74	72%	47,646.26	122,353.74	20,392.29	244,707.49	74,707.49	0.02
Health Insurance	91007	188,604	188,604	(6,522)	13,045	13,045	13,045	13,045	13,045	13,045	13,045	12,261	-	6,522	103,575.83	55%	85,028.17	103,575.83	17,262.64	207,151.66	18,547.66	0.02
MGMT Benefits/Life	91008	5,000	5,000	(323)	576	519	389	387	(370)	178	300	138	-	323	2,117.17	42%	2,882.83	2,117.17	352.86	4,234.34	(765.66)	0.00
Insurance-Workercomp	91010	30,000	30,000	(1,871)	5,507	2,491	2,721	2,430	2,450	2,450	3,930	2,449	(5,068)	1,871	19,360.00	65%	10,640.00	19,360.00	3,226.67	38,720.00	8,720.00	0.00
Unemployment Insurance	91011	6,200	6,200	-	-	-	-	-	-	-	3,962	1,651	-	-	5,612.30	91%	587.70	5,612.30	935.38	11,224.60	5,024.60	0.00
Social Security/Medicare	91012	19,636	19,636	(1,027)	2,801	2,714	1,805	1,722	1,786	1,835	1,792	1,767	-	1,027	16,220.29	83%	3,415.71	16,220.29	2,703.38	32,440.58	12,804.58	0.00
Total Salaries & Employee Benefits		2,139,440	2,139,440	(91,259)	243,034	234,631	161,647	155,244	159,370	161,653	165,914	159,061	(5,068)	91,259	1,435,485.66	67%	703,954.34	1,435,485.66	239,247.61	2,870,971.33	731,531.33	0.29
Services & Supplies																						
Supplies & Materials	92001	164,000	164,000	(26,557)	15,336	19,076	10,196	13,322	24,978	4,906	8,023	13,433	2,338	26,557	111,608.49	68%	52,391.51	111,608.49	18,601.42	223,216.98	59,216.98	0.02
	92005	4,500	4,500	-	-	-	-	-	-	-	-	-	-	-	-	0	4,500.00	-	-	-	(4,500.00)	-
Communications	92006	332,000	332,000	(6,891)	35,890	28,851	28,876	26,122	29,031	28,454	32,373	29,045	28,035	6,891	266,677.24	80%	65,322.76	266,677.24	44,446.21	533,354.48	201,354.48	0.05
Insurance	92014	2,485,000	2,485,000	(139,688)	215,794	240,658	215,658	210,747	212,047	220,508	224,083	215,904	-	139,688	1,755,398.71	71%	729,601.29	1,755,398.71	292,566.45	3,510,797.42	1,025,797.42	0.35
Office Expense	92018	40,500	40,500	(1,800)	4,490	3,844	2,697	2,232	3,878	4,490	5,746	7,685	1,726	1,800	34,151.46	84%	6,348.54	34,151.46	5,691.91	68,302.92	27,802.92	0.01
Maintenance - Repairs-O	92019	1,016,500	1,016,500	(143,877)	132,895	100,277	192,365	141,392	83,434	59,047	40,775	53,597	5,452	143,877	809,234.07	80%	207,265.93	809,234.07	134,872.35	1,618,468.14	601,968.14	0.16
Maintenance - Repairs-L	92019	95,000	95,000	-	1,837	1,693	2,119	1,784	11,262	6,529	6,653	5,250	25	-	37,151.04	39%	57,848.96	-	-	-	-	-
Maintenance - Maintenance-O	92019	603,000	603,000	(83,420)	61,946	66,413	61,221	50,870	115,897	83,926	68,435	40,709	4,688	83,420	554,104.87	92%	48,895.13	554,104.87	92,350.81	1,108,209.74	505,209.74	0.11
Maintenance - Maintenance- L	92019	160,000	160,000	-	13,776	15,589	14,237	11,779	19,982	19,062	8,716	16,316	164	-	119,620.84	75%	40,379.16	-	-	-	-	-
Maintenance - Accident Rep	92019	40,000	40,000	(5,235)	5,235	-	4,663	(7,932)	(3,035)	-	(1,016)	24,081	(3,828)	5,235	18,166.80	45%	21,833.20	18,166.80	3,027.80	36,333.60	(3,666.40)	0.00
Maintenance - SIG	92021	17,000	17,000	-	1,500	1,260	1,811	1,260	1,465	1,260	1,260	625	-	-	11,700.86	69%	5,299.14	11,700.86	1,950.14	23,401.72	6,401.72	0.00
Fuel and Oil	92023	4,711,000	4,711,000	(271,310)	589,241	278,720	705,863	264,685	475,140	332,769	249,401	238,000	178,015	271,310	3,311,832.62	70%	1,399,167.38	3,311,832.62	551,972.10	6,623,665.25	1,912,665.25	0.66
Memberships	92027	5,000	5,000	-	-	-	-	-	-	-	-	-	-	-	-	0	5,000.00	-	-	-	(5,000.00)	-
Bank Charges	92030	12,000	12,000	-	-	-	-	-	-	-	-	-	-	-	-	0	12,000.00	-	-	-	(12,000.00)	-
Record Storage	92032	300	300	-	169	238	-	-	-	-	-	244	-	-	651.00	217%	(351.00)	651.00	108.50	1,302.00	1,002.00	0.00
Postage & Freight	92033	11,500	11,500	(170)	719	650	521	1,169	718	489	977	621	(10)	170	5,854.78	51%	5,645.22	5,854.78	975.80	11,709.56	209.56	0.00
Computer Software Expense	92036	60,000	60,000	(45)	45	-	-	-	-	-	-	-	-	45	44.63	0%	59,955.37	44.63	7.44	89.26	(59,910.74)	0.00
Prof & Spec Services	92037	673,500	673,500	(113,857)	48,135	63,816	61,973	48,656	142,482	61,683	56,483	49,957	59,088	113,857	592,272.30	88%	81,227.70	592,272.30	98,712.05	1,184,544.60	511,044.60	0.12
Legal Expenses	92038	40,000	40,000	(3,034)	3,004	416	126	953	-	-	3,104	-	3,950	3,034	11,552.75	29%	28,447.25	11,552.75	1,925.46	23,105.50	(16,894.50)	0.00
Outreach Expense	92045	7,000	7,000	-	200	421	775	73	377	200	540	297	-	-	2,883.32	41%	4,116.68	2,883.32	480.55	5,766.64	(1,233.36)	0.00
Auditing & Accounting	92046	45,000	45,000	-	-	-	-	4,092	854	2,004	10,135	-	-	-	17,085.00	38%	27,915.00	17,085.00	2,847.50	34,170.00	(10,830.00)	0.00
Pubs & Legal Notices	92056	1,000	1,000	-	-	-	-	-	-	-	-	-	-	-	-	0	1,000.00	-	-	-	(1,000.00)	-
Rents & Leases - Equipment	92057	1,000,000	1,000,000	-	43,241	38,344	62,777	36,261	27,015	30,484	24,746	21,792	22,864	-	307,524.11	31%	692,475.89	307,524.11	51,254.02	615,048.22	(384,951.78)	0.06
Rents & Leases - Software	92058	65,000	65,000	-	-	13,965	3,813	140	391	13,926	1,034	-	13,535	-	46,803.34	72%	18,196.66	46,803.34	7,800.56	93,606.68	28,606.68	0.01
Rents Office Space-R & L SIG	92059	350,000	350,000	-	17,707	17,707	17,707	17,707	17,707	17,707	14,417	12,063	-	-	144,785.00	41%	205,215.00	144,785.00	24,130.83	289,570.00	(60,430.00)	0.03
Small Tools	92062	5,400	5,400	(1,698)	2,530	1,091	914	96	508	335	193	34	-	1,698	5,702.04	106%	(302.04)	5,702.04	950.34	11,404.08	6,004.08	0.00
Fitness Examinations	92064	20,400	20,400	(13,907)	9,499	6,163	2,014	5,967	3,672	5,795	2,466	3,269	2,571	13,907	41,416.01	203%	(21,016.01)	41,416.01	6,902.67	82,832.02	62,432.02	0.01
Purchasing Charges	92068	3,000	3,000	-	197	197	197	197	197	197	197	197	-	-	1,577.92	53%	1,422.08	1,577.92	262.99	3,155.84	155.84	0.00
Motor Pool Service	92089	1,000	1,000	-	-	-	-	-	-	-	-	-	-	-	-	0	1,000.00	-	-	-	(1,000.00)	-
Travel & Expense	92090	85,000	85,000	(2,346)	300	3,303	6,692	11,255	9,620	560	11,106	-	-	2,346	42,836.53	50%	42,163.47	42,836.53	7,139.42	85,673.06	673.06	0.01
Utilities	92094	60,000	60,000	(938)	1,042	3,962	3,233	4,658	3,325	4,922	6,866	6,086	5,387	938	39,481.59	66%	20,518.41	39,481.59	6,580.27	78,963.18	18,963.18	0.01
Electronic Hardware	92103	8,000	8,000	-	82	477	900	-	-	-	16,141	1,064	-	-	18,663.38	233%	(10,663.38)	18,663.38	3,110.56	37,326.76	29,326.76	-
In Services Training	92110	1,000	1,000	-	-	-	-	-	-	-	-	-	-	-	-	0	1,000.00	-	-	-	(1,000.00)	-
Prof & Spec Services-COVID19	92132	2,000	2,000	-	-	-	150	-	-	-	-	-	-	-	150.00	8%	1,850.00	150.00	25.00	300.00	(1,700.00)	-
Towing- Covid 19	92133	225	225	-	-	-	-	-	-	-	-	-	-	-	-	0	225.00	-	-	-	(225.00)	-
Supplies & Materials-COVID19	92134	6,000	6,000	-	-	-	-	-	-	225	125	-	-	-	475.00	8%	5,525.00	475.00	79.17	950.00	(5,050.00)	-
Interest Expense	93003	151,682	151,682	-	15,263	14,793	14,318	13,838	13,354	12,866	12,373	11,875	-	-	120,051.75	79%	31,630.65	120,051.75	20,008.63	240,103.50	88,421.10	-
Cap Charges	93038	35,000	35,000	-	-	-	5,126	-														

BUDGET UNIT ALL- CalVans

Expenses

6

Title	Account	FY 22/23 Budget	Amended Budget	FY 22/23 Accrual	8% Jul-22	17% Aug-22	25% Sep-22	33% Oct-22	42% Nov-22	50% Dec-22	58% Jan-23	67% Feb-23	75% Mar-23	FY 22/23 Accrual	Total YTD	% of Budget Spent	Budget Remaining	Over/(Under) Budget YTD
Total Fixed Assets		-	-	-										-	-	not budgeted	-	-
Gross Expenditures		14,502,947	14,502,947	(906,032)	1,468,048	1,161,318	1,587,298	1,021,338	1,363,297	1,076,275	981,098	916,549	343,117	906,032	9,918,337.72	68%	4,584,609.68	9,761,565.84

BUDGET UNIT ALL- CalVans

Revenue

Title	Account	FY 22/23 Budget	Amended Budget	FY 22/23 Accrual	8% Jul-22	17% Aug-22	25% Sep-22	33% Oct-22	42% Nov-22	50% Dec-22	58% Jan-23	67% Feb-23	75% Mar-23	FY 16/17 Accrual	Total YTD	% of Budget Spent	Budget Remaining	Over/(Under) Budget YTD
Other InterGovtl Rev	80000	580,498	580,498	(106,346)	106,346	82,447	49,035	45,025	49,155	50,005	38,350	-	-	106,346	420,363.00	72%	160,135.00	420,363.00
Interest on Current Deposits	84000	9,000	9,000	-	-	-	-	3,028	-	-	3,334	-	-	-	6,361.74	71%	2,638.26	6,361.74
JARC Funds	85047	8,000	8,000	-	10,385	-	-	-	-	-	2,100	-	-	-	12,485.00	156%	(4,485.00)	12,485.00
SJV Air District Grant	85103	20,750	20,750	(11,070)	11,070	900	12,210	6,510	2,820	-	-	-	-	11,070	33,510.00	161%	(12,760.00)	33,510.00
Van Pool Revenue - Gen	88013	2,500,000	2,500,000	(2,900)	140,055	115,017	132,324	127,910	117,993	115,472	119,807	100,037	100,674	2,900	1,069,289.49	43%	1,430,710.51	1,069,289.49
Advertisement Revenue	88014	15,000	15,000	-	8,500	8,500	-	-	-	-	-	-	-	-	17,000.00	113%	(2,000.00)	17,000.00
Van Pool Revenue - Ag (FL)	88019	11,400,000	11,400,000	(34,440)	1,004,141	1,436,270	1,070,032	1,093,999	1,050,155	762,270	852,900	644,758	796,418	34,440	8,710,942.79	76%	2,689,057.21	8,710,942.79
Other Revenue	88025	46,000	46,000	-	-	-	-	-	-	51,023	14,108	-	-	-	65,131.07	142%	(19,131.07)	65,131.07
Total Revenue		14,579,248	14,579,248	(154,756)	1,280,496.98	1,643,133.79	1,263,601	1,276,472	1,220,123	927,747	1,067,513	758,904	897,092	154,756	10,335,083.09	71%	4,244,164.91	10,335,083.09
		76,301	76,301	751,276	(187,551.25)	481,815.82	(323,697)	255,134	(143,174)	(148,528)	86,415	(157,645)	553,976	(751,276)	416,745.37		(340,444.77)	573,517.25
COST																		AVG month
Total Admin cost		13,127,447	13,127,447	(262,501)	404,084.07	405,659.52	324,582.20	311,613.44	421,165.94	310,023.15	358,271.41	300,899.35	122,202.23	262,500.68	2,958,501.31		328,722.37	
Total Insurance Cost		2,485,000	2,485,000	(139,688)	215,794	240,658	215,658	210,747	212,047	220,508	224,083	215,904	-	139,688	1,755,399		195,044.30	
Total Maint Cost		1,056,500	1,056,500	(149,112)	138,130	100,277	197,028	133,460	80,398	59,047	39,759	77,678	1,624	149,112	827,401		118,200.12	
Total Fuel Cost		4,711,000	4,711,000	(271,310)	589,241	278,720	705,863	264,685	475,140	332,769	249,401	238,000	178,015	271,310	3,311,833		473,118.95	
Total Leases		1,000,000	1,000,000	-	43,241	38,344	62,777	36,261	27,015	30,484	24,746	21,792	22,864	-	1,577.92		225.42	
Total		22,379,947	22,379,947	(822,611.41)	1,390,489.78	1,063,657.61	1,505,907.66	956,765.27	1,215,766.07	952,831.84	896,260.92	854,273.89	324,704.58	822,611.41	8,854,711.44		1,115,311.16	
Total Miles		10,880,000	10,880,000	-	913,119	1,083,626	956,579	1,003,481	641,637	534,585	636,051	535,989	557,385	-	6,862,451.71	63%	571,870.98	4,017,548.29
Total Vehicles		-	-	-	724	723	714	707	596	506	508	555	568	-	5,601			
CPM Admin cost		1.21	1.21		0.44	0.37	0.34	0.31	0.66	0.58	0.56	0.56	0.22	#DIV/0!	0.43		0.57	
Insurance Cost		0.23	0.23		0.24	0.22	0.23	0.21	0.33	0.41	0.35	0.40	-	#DIV/0!	0.12		0.21	
CPM Maint Cost		0.10	0.10		0.15	0.09	0.21	0.13	0.13	0.11	0.06	0.14	0.00	#DIV/0!	0.48		0.34	
Total Fuel Cost		0.43	0.43		0.65	0.26	0.74	0.26	0.74	0.62	0.39	0.44	0.32	#DIV/0!	0.48		0.83	
Total Leases		0.09	0.09		0.05	0.04	0.07	0.04	0.04	0.06	0.04	0.04	0.04	#DIV/0!	0.00		0.00	
Total		2.06	2.06	-	1.52	0.98	1.57	0.95	1.89	1.78	1.41	1.59	0.58	#DIV/0!	1.52		1.95	
PMT CPM		1.33	#REF!		1.37	1.51	1.31	1.26	1.90	1.74	1.59	1.39	1.61	#DIV/0!	1.49		5.09	



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Public Transit Celebration

Feast with The S!

Join Stanislaus Regional Transit Authority (StanRTA) for a **FREE** community feast to celebrate improved service on The S!

We are pleased to offer more frequent route schedules and increased service hours in the neighborhood. Learn about the improvements as you enjoy good food and company in addition to a bean bag toss tournament, and prize giveaways.

Don't cook dinner that night and learn how to save gas money by riding The S.

Location: 625 Logan way, Patterson, CA 95363, Stonegate Village apartments!

Date/Time: Thursday, March 30, 5:30 - 7:30 p.m.



Everyone 18 and under rides The S for **FREE**, all day, every day.

StanRTA.org | 209-527-4900



CALA 1st. Annual Safety & Labor Summit

Join us on Thursday, April 27th, 2023
from 8:00 AM to 4:00 PM



Invited Keynote Speaker
Congressman Jim Costa (D) CD21

We will have representatives from multiple agencies including:

US Department of Labor

California Highway Patrol

California Department of Industrial Relations

Tulare County Ag Commissioner

Tulare County Ag Crimes Unit

Law offices of Griswold Lasalle, Cobb, Dowd & Gin LLP

****Ticket Info****

California Agricultural Labor Association
125 S. Mount Vernon Ave. Lindsay CA 93247
(559) 372-2822

www.calaglabor.com



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COMMERCIAL LEASE

by and between

Brandon L. Holloway and Jami A. Holloway, Trustees of the BLH Family Trust

"Landlord"

and

California Vanpool Authority

"Tenant"

COMMERCIAL LEASE

THIS COMMERCIAL LEASE ("**Lease**") is dated to be effective as of May 1, 2023, and entered into by and between (i) Brandon L. Holloway & Jami A. Holloway, Trustees of the BLH Family Trust ("**Landlord**"), on the one hand, and (ii) California Vanpool Authority ("CalVans"), a California joint powers public transportation agency ("**Tenant**"), on the other hand.

ARTICLE I FUNDAMENTAL LEASE PROVISIONS

1.1 Definitions. For purposes of this Lease, the following terms shall have the following meanings:

Premises: That real property particularly identified as Kings County Assessor's Parcel Number 017-280-016-000, otherwise identified as 11050 13th Avenue, Hanford, California, having approximately Three Thousand, Four Hundred Forty-Two (3,442) square feet of floor area, as shown in the attached legal description hereto as **Exhibit "A"**.

Use of Premises: For the operation of executive, professional and administrative offices, specifically in connection with the operation of a public transit agency to provide public transportation for employers and residents in the area, and all other uses incidental and related thereto (as more particularly described in Section 5.1).

Lease Term: Five (5) years commencing May 1, 2023 ("**Effective Date**").

Annual Rent: Shall be based on the rent schedule as described in Section 4.1.

Security Deposit: The security deposit is made up of the first month's rent of Five Thousand, One Hundred Sixty Three Dollars and No Cents (\$5,163.00); and last month's rent of Six Thousand, Twenty-Three Dollars and Fifty Cents (\$6,023.50), which totals Eleven Thousand, One Hundred Eight Six and Fifty Cents (\$11,186.50).

Address for Notices:

To Landlord: Brandon L. Holloway & Jami A. Holloway, Trustees of the BLH Family Trust
13101 13th Road West
Hanford, California 93230

Attn: Brandon L. Holloway

with copy to:

Dias Law Firm, Inc.
502 W. Grangeville Blvd.
Hanford, California 93230
Attn: Michael A. Dias, Esq.

To Tenant:

California Vanpool Authority
11050 13th Avenue,
Hanford, California 93230
Attn: Georgina Landecho

1.2 Exhibits. The following drawings, documents and provisions are attached hereto as Exhibits and incorporated herein by this reference:

Exhibit "A": General legal description of the Premises.

Exhibit "B": Tenant's Letter of Intent.

Exhibit "C": A collection of images depicting the current conditions outside of the Premises "**AS-IS**", including the parking lot located on the Premises and the area falling within the scope of the Premises.

ARTICLE II PREMISES

2.1 Premises. Landlord hereby leases to Tenant and Tenant hereby leases from Landlord the Premises. Except as may be provided in **Exhibit "B"** attached hereto, Tenant is accepting the Premises from Landlord in an "**AS-IS**" condition as depicted in **Exhibit "C"**.

ARTICLE III TERM

3.1 Commencement of Term. The Lease shall be effective as of the Effective Date hereof and shall continue thereafter for the period of the Lease Term set forth in Section 1.1 above. The term "**Lease Year**" shall mean each consecutive twelve (12) month period from and after the Effective Date until expiration of the Lease Term. The term "**Lease Term**" shall collectively mean the original Lease Term and any exercised extended term. Landlord agrees to deliver to Tenant, and Tenant agrees to accept from Landlord, possession of the Premises but not before Landlord has received from Tenant, the following: (i) the Security Deposit of \$11,186.50 set forth in Section 1.1 and 21.21, and (ii) proof of insurance required for the operation of Tenant's business and for the purposes of securing Tenant's personal property as requested by Landlord. Landlord estimates turning over possession of the Premises to Tenant on or about May

1, 2023. Landlord shall have no liability of any kind to Tenant on account of later delivery of the Premises.

3.2 Tenant's Certificate. Upon the Effective Date, and at any other time during the Lease Term, within ten (10) days following request in writing by Landlord, Tenant will execute and deliver to Landlord an estoppel certificate as outlined in Section 19.4, indicating therein any exceptions thereto which may exist at that time. The failure of Tenant to execute and deliver such certificate on a timely basis shall constitute an express acknowledgment by Tenant that the statements included are true and correct, without exception.

3.3 Tenant's Work. Tenant, at its sole expense, shall be required to install all trade fixtures and personal property suitable or appropriate for the regular and normal operation of the type of business in which Tenant is engaged. All materials, furnishings, trade fixtures, personal property, furniture and fixtures shall be new or of like-new quality.

3.4 Options. Landlord shall have the option to extend the Lease Term for one (1) additional period of five (5) years (the "**Option Term**") on the same terms and conditions herein set forth, other than the Minimum Annual Rent.

ARTICLE IV RENT

4.1 Minimum Annual Rent. Tenant agrees to pay to Landlord, at the times and in the manner herein provided, the Minimum Annual Rent for the Lease Term, which is specified as follows:

- **Year One (1):** Sixty-One Thousand Nine Hundred and Fifty-Six and No/100 Dollars (\$61,956.00), made up of Five Thousand One Hundred and Sixty-Three and No/100 Dollars (\$5,163.00) monthly payments, based on an estimated One and 50/100 Dollars (\$1.50) per square foot out of a total Three Thousand Four Hundred and Forty-Two square feet (3,442).
- **Year Two (2):** Sixty-Four Thousand Four Hundred and Thirty-Four and 24/100 Dollars (\$64,434.24), made up of Five Thousand Three Hundred and Sixty-Nine and 52/100 Dollars (\$5,369.52) monthly payments, based on an estimated One and 56/100 Dollars (\$1.56) per square foot out of a total Three Thousand Four Hundred and Forty-Two square feet (3,442).
- **Year Three (3):** Sixty-Six Thousand Nine Hundred and Twelve and 48/100 Dollars (\$66,912.48), made up of Five Thousand Seven Hundred and Seventy-Six and 04/100 Dollars (\$5,576.04) monthly payments, based on an estimated One and 62/100 Dollars (\$1.62) per square foot

out of a total Three Thousand Four Hundred and Forty-Two square feet (3,442).

- **Year Four (4):** Sixty-Nine Thousand Three Hundred and Ninety and 72/100 Dollars (\$69,390.72), made up of Five Thousand Seven Hundred and Eighty-Two and 56/100 Dollars (\$5,782.56) monthly payments, based on an estimated One and 68/100 Dollars (\$1.68) per square foot out of a total Three Thousand Four Hundred and Forty-Two square feet (3,442).
- **Year Five (5):** Seventy-Two Thousand Two Hundred and Eighty-Two and No/100 Dollars (\$72,282.00), made up of Six Thousand and Twenty-Three and 50/100 Dollars (\$6,023.50), based on an estimated One and 75/100 Dollars (\$1.75) per square foot out of a total Three Thousand Four Hundred and Forty-Two square feet (3,442).

The Minimum Annual Rent shall be payable in advance in twelve (12) equal monthly installments on the first day of each calendar month, without demand or offset. The first (1st) month's installment of the Minimum Annual Rent shall be due on the Effective Date, which shall be included as part of the Security Deposit as outlined in 21.23. If the Effective Date falls on a day of the month other than the first (1st) day of such month, the rental for the first (1st) fractional month shall accrue on a daily basis for the period from the date of such commencement to the end of such fractional calendar month at a rate equal to 1/365th of the Annual Rent per day and the portion of the Annual Rent payable for second month of the Lease Term shall be adjusted accordingly. All taxes and insurance and all other charges required to be paid by Tenant on a monthly basis shall be prorated on the same basis as the Annual Rent.

4.2 Place of Payment. All rent and other charges shall be paid by Tenant to Landlord at the address specified for service of notice upon Landlord in Section 1.1 of this Lease, or at such other place as may from time-to-time be designated by Landlord in writing at least ten (10) days prior to the next ensuing payment date.

ARTICLE V PERMITTED USE

5.1 Permitted Uses. Tenant shall use the Premises for the purposes of operating executive, professional and administrative offices, specifically in connection with the operation of a public transit agency to provide public transportation for employers and residents in the area, and all other uses incidental and related thereto. Tenant shall not use or permit the use of the empty lot adjacent to the Premises to be used for any purpose, including for the storage or parking of vehicles. Tenant shall not use or permit the Premises to be used for any other purpose or purposes or under any trade name not approved by Landlord without the prior written consent of Landlord, which consent may be withheld in Landlord's sole discretion. Tenant further covenants and agrees that it will not use, nor suffer or permit any person or persons to use the Premises or any part thereof for any use or purpose contrary to the covenants, terms and conditions herein or in

violation of the laws of the United States of America, the State of California, or the ordinances, regulations or requirements of the local, municipal or county governing bodies or any other lawful governmental or quasi-governmental authorities having jurisdiction over the Premises, or in violation of any regulations of any insurance carrier providing insurance for the Premises. Tenant is solely responsible for complying with all local laws, ordinances and similar government requirements in connection with the use of the Premises, including making any additional improvements and alterations to the interior and exterior of the Premises to fall within the requirements of American with Disabilities Act ("ADA"), and Tenant's failure to obtain any necessary governmental approvals shall not be a valid basis for the termination of this Lease.

Tenant agrees not to conduct or operate its business in any manner which could jeopardize or increase the rate of any fire or other insurance on the Premises or to engage in conduct which may constitute a nuisance to, or interfere with the property or business of other neighboring property owners. Any sign placed or erected by Tenant and permitted hereunder shall be kept by Tenant safe, secure and in conformance with the requirements of the local governing body having jurisdiction over the Premises. No aerial or antenna shall be erected on the roof or exterior walls of the Premises without, in each instance, the prior written consent of Landlord. Any aerial or antenna so installed without such written consent shall be subject to removal by Landlord, Landlord's agents, and Landlord's employees, without notice at any time.

In the event Tenant violates any provisions of this section and changes the use of the Premises from that specified in the "Use of Premises" clause in Section 1.1 hereof, then Landlord may, in addition to the remedies set forth in Article XVI hereof, terminate this Lease upon written notice to Tenant. If this Lease shall be so terminated by Landlord, Tenant shall be held to have breached the Lease and Landlord may reenter and regain possession of the Premises in the manner provided by the laws of unlawful detainer of the State of California then in effect.

ARTICLE VI UTILITIES

6.1 Utility Installation. The Tenant, at its sole cost and expense, shall determine the availability of, and shall cause to be installed in, on, and above the Premises, all facilities necessary to supply all sewage, gas, electricity, telephone, internet, and other like services required in Tenant's operations hereunder. Such utilities, except for water, shall be separately metered. Tenant shall also, at its sole cost and expense, be responsible for any and all engineering and management, maintenance and repairs of the air compressor within the Premises. Tenant agrees to use such utilities in connection with the use of the Premises.

6.2 Payment of Utility Cost. Tenant agrees, at its own expense, to pay for all sewage, gas, electricity, telephone, internet, and other like services used by Tenant on or from the Premises, and Tenant agrees to provide, at Tenant's sole expense, any meters of the type reasonably required for the operation of the business. In the event that any utilities are furnished to the Premises by Landlord, whether sub-metered or

otherwise, then and in that event, Tenant shall pay Landlord for such utilities, but those rates charged to Tenant shall not exceed those of the public utility company furnishing same to Landlord as if its services were being furnished directly to Tenant.

6.3 No Liability. Except for Landlord's gross negligence or willful misconduct, Landlord shall not be liable in damages or otherwise for any failure or interruption of any utility service being furnished to the Premises, and no such failure or interruption shall entitle Tenant to terminate this Lease or withhold any rent or any other sums due under the terms of this Lease.

ARTICLE VII TAXES, INSURANCE, AND INDEMNITY

7.1 Tax Obligations. Commencing upon the Effective Date and for the balance of the Lease Term, Tenant shall be responsible for any and all taxes in connection with the operation of their business. This shall mean that Tenant is responsible for all taxes, assessments, license fees and other governmental charges or impositions levied or assessed against or with respect to Tenant's personal property or Trade Fixtures in the Premises. If Landlord pays Tenant's taxes or any portion thereof, Tenant shall reimburse Landlord upon demand for the amount of such payment, together with interest at the interest rate from the date of Landlord's payment to the date of Tenant's reimbursement. Landlord shall be responsible for any and all real property taxes in connection with the ownership of the land.

7.2 Tenant's Insurance Obligation. Tenant further covenants and agrees that it will carry and maintain during the entire Lease Term hereof, at Tenant's sole expense, the following types of insurance for the operation of the business in the amounts and forms hereinafter specified:

(a) **Public Liability and Property Damage.** Tenant shall at all times during the Lease Term maintain in effect a policy or policies of bodily injury liability and property damage liability insurance with limits of not less than Two Million and 00/100 Dollars (\$2,000,000.00) combined single limit per occurrence and in the aggregate, insuring against any and all liability of the insured with respect to the Premises or arising out of the maintenance, condition, use or occupancy thereof, and property damage liability. All such bodily injury liability insurance and property damage liability insurance shall ensure the performance by Tenant of the indemnity agreement as to liability for injury to or death of persons and injury or damage to property contained in Section 7.8. Such policies shall include, without limitation, coverage for fire, explosion, water damage and legal liability coverage.

(b) **Air Compressor.** Tenant shall be responsible for the maintenance and repairs of the air compressor on the Premises, but shall have the option either to insure the risk pursuant to Section 7.2(c) hereof or to self-insure same, which shall obligate Tenant to be personally liable for any claim, loss or damage related thereto, together with the cost of the repair of same. Tenant's responsibility for maintenance of the air compressor includes its replacement in the

event repair of the air compressor would not restore the air compressor to its original condition at the time of installation.

(c) **Tenant Improvements.** Insurance covering all of Tenant's Work, Tenant's leasehold improvements, alterations or additions permitted under Article VIII hereof, Tenant's trade fixtures, merchandise and all personal property from time-to-time in, on or upon the Premises, in an amount not less than one hundred percent (100%) of their full replacement cost, without depreciation, during the Lease Term, providing protection against any peril included within the classification "Fire and Extended Coverage", together with insurance against sprinkler damage, vandalism and malicious mischief. Any insurance policy proceeds shall be used for the repair or replacement of the property damaged or destroyed unless this Lease shall cease and terminate under the provisions of Article XV hereof, whereupon any proceeds of insurance covering Tenant's leasehold improvements and any alterations or additions permitted under Article VIII hereof shall be payable to Landlord.

(d) **Workers' Compensation.** Tenant shall carry Workers' Compensation insurance for all of Tenant's employees.

(e) **Business Interruption.** Business interruption or loss of income insurance in amounts sufficient to cover Minimum Annual Rent and all other rent due under the Lease for twelve (12) months.

7.3 Policy Requirements. All policies of insurance provided for herein shall be issued by insurance companies with a general policy holder's rating of not less than A and a financial rating of not less than Class VII as rated in the most current available Best's Insurance Reports and qualified to do business in the State of California. All such policies shall name Landlord as an additional insured and, if requested by Landlord, Landlord's first mortgagee or beneficiary and/or Landlord's lessor, which policies shall be for the mutual and joint benefit and protection of Landlord, Tenant, Landlord's first mortgagee or beneficiary, and/or Landlord's lessor. Executed copies of such policies of insurance or original certificates thereof shall be delivered to Landlord within ten (10) days after delivery of possession of the Premises to Tenant and thereafter at least thirty (30) days prior to the expiration of the term of each such policy. All public liability and property damage policies shall contain a provision that Landlord, although named as an additional insured, shall nevertheless be entitled to recovery under such policies for any loss occasioned to it, its servants, agents, or employees by reason of any act or omission of Tenant or its servants, agents, employees or contractors. As often as any such policy shall expire or terminate, renewal or additional policies shall be procured and maintained by Tenant pursuant to the terms of this Article VII. All policies of insurance delivered to Landlord must contain a provision that the company writing such policy will give to Landlord at least thirty (30) days' notice in writing in advance of any cancellation or lapse or the effective date of any reduction in the amount of or other material change of insurance. All public liability, property damage, and other casualty policies maintained by Tenant shall be written as primary policies, and any insurance maintained by Landlord shall be excess insurance only.

7.4 Increase in Coverage. In the event Landlord or Landlord's first mortgagee or beneficiary deems it necessary to increase the amounts or limits of insurance required to be carried by Tenant hereunder, Landlord may reasonably increase such amounts or limits of insurance, and Tenant shall increase the amounts or limits of the insurance required to be carried by Tenant hereunder and shall provide Landlord with policies or original certificates indicating the increased amounts or limits as provided in Section 7.2 hereof.

7.5 Blanket Coverage. Tenant's obligations to carry insurance provided for in this Article may be brought within the coverage of a so-called blanket policy or policies of insurance carried and maintained by Tenant, provided that Landlord, or Landlord's first mortgagee or beneficiary and Landlord's lessor, shall be named as an additional insured thereunder as their respective interests may appear; and that the coverage afforded Landlord will not be reduced or diminished by reason of the use of such blanket policy of insurance, and provided further that the requirements set forth herein are otherwise satisfied. Tenant agrees to permit Landlord at all reasonable times to inspect the policies of insurance of Tenant covering risks upon the Premises for which policies or copies of certificates thereof are not required to be delivered to Landlord.

7.6 Landlord's Insurance Obligations. Landlord shall maintain in effect a policy or policies of insurance covering the Premises, including the leasehold improvements included as part of the Premises as of the Effective Date (but not Tenant's Work, Tenant's leasehold improvements, alterations or additions permitted under Article VIII hereof, Tenant's trade fixtures, merchandise or other personal property), in an amount of not less than ninety percent (90%) of its full replacement cost (excluding excavations, foundations and footings) during the Lease Term, providing protection against any peril generally included within the classification "Fire and Extended Coverage" (and "Earthquake Insurance" and "Flood Insurance" if Landlord or its lender deems such insurance to be necessary or desirable), together with insurance against sprinkler damage, vandalism and malicious mischief and such further insurance as Landlord or Landlord's lender deems necessary or desirable. Landlord's obligation to carry the insurance provided for herein may be brought within the coverage of a so-called blanket policy or policies of insurance carried and maintained by Landlord, provided that the coverage afforded will not be reduced or diminished by reason of the use of such blanket policy of insurance.

7.7 Insurance Use Restrictions. Tenant agrees that it will not at any time during the Lease Term carry any stock of goods or do or permit anything to be done in or about the Premises which will tend to increase the insurance rates upon the Premises. Tenant agrees to pay to Landlord forthwith upon demand the amount of any increase in premiums for insurance against loss by fire or any other peril normally covered by fire and extended coverage insurance that may be charged during the Lease Term on the amount of insurance to be carried by Landlord for the Premises resulting from the foregoing or from Tenant doing any act in or about the Premises which does so increase the insurance rates, whether or not Landlord shall have consented to such act on the part of Tenant. If Tenant installs upon the Premises any electrical equipment which constitutes an overload on the electrical lines of the Premises, Tenant shall at its own

expense make whatever changes or provide whatever equipment safeguards are necessary to comply with the requirement of the insurance underwriters and any governmental authority having jurisdiction thereover, but nothing herein contained shall be deemed to constitute Landlord's consent to such overloading.

7.8 Indemnification and Waiver. Except for any damage or liability caused by the gross negligence or willful misconduct of Landlord, Tenant agrees that Landlord shall not be liable for any damage or liability of any kind, or for any injury to or death of persons, or damage to property of Tenant or any other person during the Lease Term, from any cause whatsoever, resulting from the use, occupation or enjoyment of the Premises or the operation of business therein or therefrom by Tenant or any person holding under Tenant. Tenant hereby further agrees to defend, indemnify and save harmless Landlord from all liability whatsoever including, without limitation, liability for any real or claimed damage or injury and from all liens, claims and demands arising out of the use of the Premises and its facilities, any repairs or alterations which Tenant may make upon the Premises and any claims of any employee of Tenant against Landlord. Tenant shall not be liable for damage or injury occasioned by the gross negligence or willful misconduct of Landlord and its designated agents, servants or employees, unless the same is covered by insurance Tenant is required to provide. The foregoing obligation of Tenant to indemnify shall survive the expiration or earlier termination of the Lease Term and shall include all costs of legal counsel and investigation, together with other costs, expenses and liabilities incurred in connection with any and all claims of damage. To the extent any such loss or damage is covered by insurance, Landlord and Tenant each hereby waive any rights one may have against the other on account of any loss or damage occasioned to Landlord or Tenant, as the case may be, their respective properties, the Premises or their contents, or to other portions of the Center arising from any risk generally covered by fire and extended coverage insurance or from vandalism, malicious mischief or sprinkler leakage. The parties hereto, on behalf of their respective insurance companies insuring such losses, waive any right of subrogation that one may have against the other. The foregoing waivers of subrogation shall be operative provided that no policy of insurance required herein is invalidated thereby.

ARTICLE VIII TENANT'S ALTERATIONS

8.1 No Tenant Alternations Allowed. Tenant understands and agrees to make no alterations, additions and changes in and to the interior and exterior of the Premises. Any Alterations approved by Landlord will be performed by Landlord's construction company. Tenant agrees to pay Landlord for any alterations, additions and/or changes in and to the interior and exterior of the Premises.

8.2 Construction Insurance. In the event that Tenant shall make any permitted alterations, additions or changes to the Premises under the terms and provisions of this Article, Tenant agrees to carry "Builder's All Risk" insurance in an appropriate amount covering the construction of such alterations, additions or changes, and such other insurance as Landlord may require; it being understood and agreed that all such alterations, additions or changes shall be insured by Tenant immediately upon

completion thereof. In addition, Landlord may, in its discretion, require Tenant to obtain a lien and completion bond or some alternate form of security satisfactory to Landlord in an amount equal to one hundred fifty percent (150%) of the estimated cost of the Tenant Improvements to assure the lien-free completion of such Tenant improvements.

ARTICLE IX MECHANICS' LIENS

9.1 Tenant's Lien Obligations. Tenant agrees that it will pay, or cause to be paid, all costs for work done by it or caused to be done by it on the Premises and that it will keep the Premises free and clear of all mechanics' liens and other liens for or arising from work done by or for Tenant or for persons claiming under it. Tenant agrees to, and shall indemnify and save Landlord free and harmless from and against, liability, loss, damage, costs, attorneys' fees, and all other expenses on account of claims of contractors, subcontractors, laborers or materialmen or others for work performed or materials or supplies furnished for Tenant or persons claiming under it. If any laborer, person or firm supplying or providing labor, materials or equipment or services to Tenant, or to any of Tenant's contractors or subcontractors for Tenant's Work, shall make any claim or demand against Landlord, the Premises, or shall file any claim, stop notice, lien, or otherwise, against Landlord, the Premises, or the lender for the Premises and Tenant shall not cause the effect of such claim, stop notice or lien to be removed, rescinded or dismissed, including, without limitation, the posting of a bond pursuant to California Civil Code §§3143 and/or 3171, as the case may be, and in the event Tenant shall fail to do so within five (5) days after written demand by Landlord to cause the effect of said claim, stop notice or lien to be removed, rescinded or dismissed, such failure shall constitute a default hereunder. In such event, in addition to such other remedies it may have, Landlord shall have the right (but not the obligation) to use whatever means in its discretion it may deem appropriate to cause said claim, stop notice, or lien to be rescinded, discharged, compromised, dismissed or removed including, without limitation, (a) posting a bond pursuant to California Civil Code §§3143 and/or 3171; or (b) paying a sum sufficient to discharge, in full, any and all such claims, demands, or liens. Any such sums paid by Landlord, including attorneys' fees and bond premiums, shall be immediately due and payable to Landlord by Tenant.

9.2 Notice. Tenant shall immediately give Landlord notice of any claim, demand, stop notice or lien made or filed against the Premises or any action affecting the title to such Premises.

9.3 Inspection. Landlord or its representative shall have the right to go upon and inspect the Premises at all reasonable times, and shall have the right to post and keep posted thereon notices as permitted or provided by law or which Landlord may deem to be proper for the protection of Landlord's interest in the Premises. Tenant shall, before the commencement of any work which might result in any such lien, give to Landlord a written notice of its intention to do so in sufficient time to enable Landlord to file and record such notices.

ARTICLE X SIGNS

10.1 Signage. The cost of all signage shall be borne by Tenant. Subject to the other conditions of this Lease, Tenant shall affix signage at the specific location on the Premises identified by Landlord. All signage shall comply with applicable governmental requirements and any restrictions or requirements applicable to the Premises. Tenant shall not affix or maintain upon the doors, roof or exterior walls of the Premises, any signs, advertising placards, names, insignia, trademarks, descriptive material or any other similar item or items except those approved in writing in advance by Landlord as to the size, design, type, color, location, content, nature and display qualities of such item. Tenant shall not display, paint or place or cause to be displayed, painted or placed, any handbills, bumper stickers or other advertising devices on any vehicle parked in the parking area or structure of the Premises, whether belonging to Tenant or to Tenant's agents or to any other person; nor shall Tenant distribute, or cause to be distributed, in the Premises any handbill or other advertising devices. In the event Tenant shall violate any provision of this Article X. Tenant hereby grants to Landlord the right to enter the Premises and correct such violation at Tenant's expense.

ARTICLE XI TRADE FIXTURES AND PERSONAL PROPERTY

11.1 Ownership. Any trade fixtures, signs and other personal property of Tenant not permanently affixed to the Premises shall remain the property of Tenant, and Landlord agrees that Tenant shall have the right, provided Tenant is not in default under the terms of the Lease, at any time, and from time-to-time, to remove any and all of its trade fixtures, signs and other personal property which it may have stored or installed in the Premises including, but not limited to, counters, shelving, showcases, mirrors and other movable personal property. Nothing contained in this Article shall be deemed or construed to permit or allow Tenant to remove any personal property without the immediate replacement thereof with similar personal property of comparable or better quality, so as to render the Premises unsuitable for conducting the type of business described in Section 1.1. Tenant, at its expense, agrees to immediately repair any damage occasioned to the Premises by reason of the removal of any such trade fixtures, signs, and other personal property and, upon expiration or earlier termination of this Lease, Tenant agrees to leave the Premises in a neat and broom-clean condition and free of trash and debris. All trade fixtures, signs and other personal property installed in or attached to the Premises by Tenant shall be new or of new quality when so installed or attached.

11.2 Removal. If Tenant fails to remove any of its trade fixtures, furniture and other personal property upon expiration or the sooner termination of this Lease, Landlord may at Landlord's option retain all or any of such property, and title thereto shall thereupon automatically vest in Landlord, or Landlord may remove same from the Premises and dispose of all or any portion of such property, in which latter event Tenant shall, upon demand, pay to Landlord the actual expense of such removal and disposition together with the cost of repair of any and all damage to the Premises resulting from or

caused by such removal. Tenant waives any and all rights it may have under California Civil Code §1980 et seq.

11.3 Personal Property Tax. Tenant shall pay before delinquency all taxes, assessments, license fees and public charges levied, assessed or imposed upon its business operation, as well as upon its trade fixtures, merchandise and other personal property in or upon the Premises. In the event any such items of property are assessed with property of Landlord, such assessment shall be divided between Landlord and Tenant to the end that Tenant shall pay only its equitable portion of such assessment as conclusively determined by Landlord.

ARTICLE XII ASSIGNMENT, SUBLEASE AND OTHER TRANSFERS

12.1 Restrictions.

(a) Tenant shall not transfer, assign, sublet, mortgage or otherwise hypothecate or encumber this Lease, or Tenant's interest in and to the Premises, nor enter into any license or concession agreements with respect to the Premises.

12.2 Bankruptcy.

(a) If this Lease is assigned to any person or entity pursuant to the provisions of the United States Bankruptcy Code, 11 U.S.C. Section 101 et. seq. ("**Bankruptcy Code**"), any and all monies or other consideration payable or otherwise to be delivered in connection with such assignment shall be paid or delivered to Landlord, shall be and remain the exclusive property of Landlord, and shall not constitute property of Tenant or of the estate of Tenant within the meaning of the Bankruptcy Code. Any and all monies or other considerations constituting Landlord's property under this Section 12.2 not paid or delivered to Landlord shall be held in trust for the benefit of Landlord and be promptly paid or delivered to Landlord.

(b) Any person or entity to which this Lease is assigned pursuant to the provisions of the Bankruptcy Code shall be deemed without further act or deed to have assumed all of the obligations arising under this Lease on and after the date of such assignment, including the obligation to operate the business which Tenant is required to operate pursuant to Section 1.1 hereof.

ARTICLE XIII OPERATION OF TENANT'S BUSINESS

13.1 Operating Hours. Tenant shall use reasonable efforts to generally keep the Premises open for business and cause Tenant's business to be conducted therein during the usual business hours of each and every business day.

13.2 Rules and Regulations. Tenant agrees that it will keep the Premises in a neat, clean and orderly condition. Tenant shall observe faithfully and comply with and shall cause its employees and invitees to observe faithfully and comply with the covenants, terms, provisions, and rules and regulations governing the Premises as provided within the Lease.

ARTICLE XIV REPAIRS AND MAINTENANCE

14.1 Tenant's Maintenance Obligations. Tenant agrees at all times from and after delivery of possession of the Premises to Tenant, and at its own cost and expense, to repair and maintain the air compressor on the Premises. Landlord will be responsible for all other maintenance obligations of the Premises not otherwise specified herein.

14.2 Right to Enter. Tenant agrees to permit Landlord and its authorized representatives to enter the Premises at all times for the purpose of making emergency repairs and during usual business hours for the purpose of inspecting the same. Tenant further agrees that Landlord may go upon the Premises and make any necessary repairs thereto and perform any work therein which may be necessary to comply with any laws, ordinances, rules or regulations of any public authority, any fire rating bureau, or of any similar body, or that Landlord may deem necessary to prevent waste or deterioration in connection with the Premises if Tenant does not make or cause such repairs to be made or performed or cause such work to be performed promptly after receipt of written demand from Landlord. Nothing herein contained shall imply any duty on the part of Landlord to do any such work which, under provisions of this Lease, Tenant may be required to do, nor shall Landlord's failure to elect to perform such work constitute a waiver of Tenant's default. No exercise by Landlord of any rights herein reserved shall entitle Tenant to any damage for any injury or inconvenience occasioned thereby, to any abatement of rent, or to terminate this Lease.

ARTICLE XV DAMAGE OR DESTRUCTION

15.1 Insured Casualty. In the event that the Premises are partially or totally destroyed by fire or any other peril covered by insurance maintained by Landlord, Landlord shall, within a period of one hundred eighty (180) days after the occurrence of such destruction, but only to the extent that proceeds of such insurance are available to Landlord for such purpose, commence reconstruction and restoration of the Premises and prosecute the same diligently to completion, in which event this Lease shall continue in full force and effect. In the event insurance proceeds are not sufficient to pay the cost of such reconstruction, or if the damage or destruction is due to the acts or omissions of Tenant, its agents, employees or contractors, or if Landlord is restricted by any governmental authority, Landlord may elect to either terminate this Lease or pay the cost of such reconstruction. Such reconstruction shall be only to the extent necessary to restore the Premises to its condition as of the Effective Date of this Lease, and Tenant shall be obligated for the restoration of Tenant's Work in the event of such reconstruction,

as well as Tenant's other leasehold improvements, trade fixtures and other personal property on the Premises.

15.2 Uninsured Casualty. In the event that the Premises are partially or totally destroyed as a result of any casualty or peril not covered by Landlord's insurance, Landlord may, within a period of one hundred eighty (180) days after the occurrence of such destruction (a) commence reconstruction and restoration of the Premises and prosecute the same diligently to completion, in which event this Lease shall continue in full force and effect; or (b) notify Tenant in writing that it elects not to reconstruct or restore the Premises, in which event this Lease shall cease and terminate as of the date of service of such notice, unless Tenant is unable to continue the operation of its business after the occurrence of such destruction, in which event this Lease shall cease and terminate as of the date of such destruction. In the event of any reconstruction of the Premises by Landlord following destruction as a result of any casualty or peril not covered by Landlord's insurance, such reconstruction shall be only to the extent necessary to restore the Premises to its condition as of the Effective Date of this Lease and Tenant shall be obligated for the restoration of all of the items specified as Tenant's Work in the event of such reconstruction, as well as Tenant's other leasehold improvements, trade fixtures and other personal property on the Premises.

15.3 Damage Near End of Term. Notwithstanding the foregoing, in the event that the Premises are partially or totally destroyed during the last two (2) years of the Lease Term, Landlord and Tenant each shall have the option to terminate this Lease by giving written notice to the other of the exercise of such option within thirty (30) days after such destruction, in which event this Lease shall cease and terminate as of the date of service of such notice. For the purposes of this Article, partial destruction shall be deemed to be a destruction to an extent of at least one-third (1/3) of the full replacement cost of the Premises as of the date of destruction.

15.4 Release of Liability. Except for any and all liability associated in any way with the Environmental Condition, in the event of any termination of this Lease in accordance with this Article, the parties shall be released thereby without further obligation to the other party coincidental with the surrender of possession of the Premises to Landlord except for items which have theretofore accrued and are then unpaid or unperformed.

15.5 Abatement of Rent. In the event of reconstruction and restoration as herein provided, and provided Tenant has maintained the business interruption or loss of income insurance required pursuant to Article VII, to the extent that the proceeds of such business interruption or loss of income insurance may be exhausted during the period of reconstruction and restoration, Minimum Annual Rent payable hereunder shall be thereafter abated proportionately with the degree to which Tenant's use of the Premises is impaired during the remainder of the period of reconstruction and restoration, provided the amount of Minimum Annual Rent abated pursuant to this Section 15.5 shall in no event exceed the amount of loss of rental insurance proceeds actually received by Landlord. Tenant shall continue the operation of its business on the Premises during any such period to the extent reasonably practicable from the standpoint of prudent business

management, and the obligation of Tenant under this Lease, except the entire obligation to pay the Minimum Annual Rent, shall remain in full force and effect. Tenant shall not be entitled to any compensation or damages from Landlord for loss of the use of the whole or any part of the Premises, Tenant's personal property or any inconvenience or annoyance occasioned by such destruction, reconstruction or restoration. Tenant hereby waives any statutory rights of termination which may arise by reason of any partial or total destruction of the Premises which Landlord is obligated to restore or may restore under any of the provisions of this Lease.

ARTICLE XVI DEFAULTS; REMEDIES

16.1 Events of Default By Tenant. The occurrence of any of the following shall constitute a default and material breach of this Lease by Tenant:

(a) Any failure by Tenant to pay any rent or any other charge required to be paid under this Lease, or any part thereof, for a period of five (5) days after written notice from Landlord to Tenant (provided any notice shall be in lieu of, and not in addition to, any notice required under Section 1161 of the Code of Civil Procedure of California or any similar, superseding statute); or

(b) Any failure by Tenant to observe or perform any other provision, covenant or condition of this Lease to be observed or performed by Tenant where such failure continues for ten (10) days after written notice thereof from Landlord to Tenant; provided that, if the nature of such default is such that the same cannot reasonably be cured within a ten (10)-day period, Tenant shall not be deemed to be in default if it shall commence such cure within such period and thereafter diligently pursue such cure to completion (provided any notice shall be in lieu of, and not in addition to, any notice required under Section 1161 of the Code of Civil Procedure of California or any similar, superseding statute); or

(c) Except as may otherwise be excused by a force majeure event under Section 21.4, the cessation of Tenant's business from the Premises or closure of the Premises following the initial construction of tenant improvements to the Premises for a period in excess of ten (10) days; or

(d) Abandonment or vacation of the Premises by Tenant; or

(e) To the extent permitted by law, a general assignment by Tenant of this Lease for the benefit of creditors, or the filing by or against Tenant of any proceeding under an insolvency or bankruptcy law, unless in the case of a proceeding filed against Tenant the same is dismissed within ninety (90) days, or the appointment of a trustee or receiver to take possession of all or substantially all of the assets of Tenant, unless possession is restored to Tenant within thirty (30) days, or any execution or other judicially authorized seizure of all or substantially all of Tenant's assets located upon the Premises or of Tenant's interest in this Lease, unless such seizure is discharged within thirty (30) days.

16.2 Remedies. In the event of a default by Tenant, Landlord, in addition to any other remedies available to it at law or in equity, including injunction, at its option, and without further notice or demand of any kind to Tenant or any other person may:

(a) Terminate this Lease and declare the Lease Term hereof ended and re-enter the Premises and take possession thereof and remove all persons and property therefrom, and Tenant shall have no further claim thereon or hereunder.

(b) Have the remedy described in California Civil Code Section 1951.4 (Landlord may continue the Lease in effect after Tenant's breach and recover rent as it becomes due).

(c) Even though Landlord may have re-entered the Premises, thereafter elect to terminate this Lease and all of the rights of Tenant in or to the Premises.

In addition to any rights or remedies hereinbefore or hereafter conferred upon Landlord under the terms of this Lease, the following remedies and provisions shall specifically apply in the event Tenant engages in any one or more of the acts contemplated by the provisions of Section 16.2(e) of this Lease.

(d) Any receiver or trustee in bankruptcy shall either expressly assume or reject this Lease within sixty (60) days following the entry of an "Order for Relief" or within such earlier time as may be provided by applicable law.

(e) In the event of an assumption of this Lease by a debtor or by a trustee, such debtor or trustee shall, within fifteen (15) days after such assumption (i) cure any default or provide adequate assurance that defaults will be promptly cured; and (ii) compensate Landlord for actual pecuniary loss or provide adequate assurance that compensation will be made for actual pecuniary loss including, but not limited to, all attorneys' fees and costs incurred by Landlord resulting from any such proceedings; and (iii) provide adequate assurance of future performance.

(f) Where a default exists in this Lease, the trustee or debtor assuming this Lease may not require Landlord to provide services or supplies incidental to this Lease before its assumption by such trustee or debtor, unless Landlord is compensated for such services and supplies provided and the default cured before the assumption of such Lease.

(g) The debtor or trustee may assign this Lease only if each of the following conditions is satisfied: (i) the Lease is assumed; (ii) adequate assurance of future performance by the assignee is provided, whether or not the Lease is then under default; and (iii) any consideration paid by any assignee in excess of the rental reserved in this Lease shall be the sole property of, and paid to, Landlord.

(h) Landlord shall be entitled to the fair market value for occupancy of the Premises and the services provided by Landlord (but in no event

less than the rental reserved in this Lease) subsequent to the commencement of a bankruptcy event.

(i) The parties agree that Landlord is entitled to adequate assurance of further performance of the terms and provisions of this Lease in the event of any assumption and assignment of the Lease under the provisions of the Bankruptcy Code. For purposes of any such assumption or assignment, the parties agree that the term "adequate assurance" shall include, without limitation, the following:

(i) Any proposed assignee must have demonstrated to Landlord's satisfaction a net worth (as defined in accordance with generally accepted accounting principles consistently applied) of an amount sufficient to assure that the proposed assignee will have the resources with which to conduct the business to be operated in the Premises, including the payment of all rent and other charges hereunder, for the balance of the Lease Term. The financial condition and resources of Tenant are material inducements to Landlord entering into this Lease.

(ii) Any proposed assignee must have engaged in the permitted use described in Section 1.1 hereof for at least five (5) consecutive years prior to the proposed assignment.

(iii) In entering into this Lease, Landlord considered extensively Tenant's permitted use and determined that such permitted business would add substantial value to the Premises, and were it not for the Tenant's agreement to operate only Tenant's permitted business on the Premises, Landlord would not have entered into this Lease. Landlord's operation of the Premises will be materially impaired if a trustee in bankruptcy or any assignee of this Lease operates any business other than Tenant's permitted business.

(iv) Any proposed assignee of this Lease must assume and agree to be personally bound by each term, provision and covenant of this Lease. Any assumption of this Lease by a proposed assignee shall not adversely affect the Premises.

Should Landlord have re-entered the Premises under the provisions of paragraph B above, Landlord shall not be deemed to have terminated this Lease or the liability of Tenant to pay any rental or other charges thereafter accruing, or to have terminated Tenant's liability for damages under any of the provisions hereof by any action in unlawful detainer or otherwise to obtain possession of the Premises, unless Landlord shall have notified Tenant in writing that it has so elected to terminate this Lease, and Tenant further covenants that the service by Landlord of any notice pursuant to the unlawful detainer statutes of the State of California and the surrender of possession pursuant to such notice shall not (unless Landlord elects to the contrary at the time of or

at any time subsequent to the serving of such notice and such election is evidenced by a written notice to Tenant) be deemed to be a termination of this Lease.

Should Landlord elect to terminate this Lease pursuant to the provisions of paragraph A or C above, Landlord may recover from Tenant as damages the following:

(a) The Worth At The Time Of The Award (hereinafter defined) of any unpaid rent and other charges which had been earned at the time of termination; plus

(b) The Worth At The Time Of The Award of the amount by which the unpaid rent and other charges, which would have been earned after termination until the time of the award exceeds the amount of the loss of such rental and other charges that Tenant proves could have been reasonably avoided; plus

(c) The Worth At The Time Of The Award of the amount by which the unpaid rent and other charges for the balance of the Lease Term after the time of the award exceeds the amount of the loss of such rental and other charges that Tenant proves could have been reasonably avoided; plus

(d) Any other amount necessary to compensate Landlord for all of the detriment proximately caused by Tenant's failure to perform its obligations under this Lease or which in the ordinary course of things would be likely to result therefrom including, but not limited to, any costs or expenses incurred by Landlord in (a) retaking possession of the Premises, including reasonable attorneys' fees thereof; (b) maintaining or preserving the Premises after such default; (c) preparing the Premises for reletting to a new tenant, including repairs or alterations to the Premises for such reletting (except for alterations to the Premises required to have the Premises come into compliance with the state/federal law or regulations); (d) leasing commissions; or (e) any other costs necessary or appropriate to relet the Premises; plus

(e) At Landlord's election, such other amounts in addition to or in lieu of the foregoing as may be permitted from time-to-time by applicable California law.

16.3 Computations. For the purposes of the preceding paragraph, all rental and charges other than Minimum Annual Rent, if any, shall be computed on the basis of the average monthly amount thereof accruing during the twelve (12) month period immediately preceding notice to Tenant of Tenant's default unless a twelve (12) month period of this Lease has not elapsed, in which case the average monthly amount shall be based upon the entire period of Tenant's occupancy of the Premises. In the event of default, all of Tenant's fixtures, furniture, equipment, improvements, additions, alterations and other personal property shall remain on the Premises and, during the period of such default, Landlord shall have the right to require Tenant to remove the same forthwith.

16.4 Definition of Worth at the Time of Award. As used in subparagraph (iii) above, the "Worth At The Time Of The Award" shall be computed by discounting such amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of award, plus one percent (1%).

16.5 Efforts to Relet. For the purposes of this Article, Tenant's right to possession shall not be deemed to have been terminated by efforts of Landlord to relet the Premises, by its acts of maintenance or preservation with respect to the Premises, or by appointment of a receiver to protect Landlord's interests hereunder. The foregoing enumeration is not exhaustive, but merely illustrative of acts which may be performed by Landlord without terminating Tenant's right to possession. Landlord agrees to use its best efforts to relet the Premises and mitigate Tenant's damages in the event Tenant's possession of the Premises is terminated pursuant to the terms of this Lease.

16.6 No Waiver. The waiver by Landlord of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition or any subsequent breach of the same or any other term, covenant or condition herein contained. The subsequent acceptance of rent by Landlord shall not be deemed to be a waiver of any preceding breach by Tenant of any term, covenant or condition of this Lease other than the failure of Tenant to pay the particular rent so accepted, regardless of Landlord's knowledge of such preceding breach at the time of acceptance of such rent. No covenant, term or condition of this Lease shall be deemed to have been waived by Landlord unless such waiver is in writing and executed by Landlord.

16.7 Default by Landlord. Landlord shall not be in default hereunder unless Landlord fails to perform the obligations required of Landlord within a reasonable time, but in no event later than thirty (30) days after written notice by Tenant to Landlord and, following Landlord's failure to act within such thirty (30) day notice period, to the holder of any first mortgage or deed of trust covering the Premises, whose name and address shall have theretofore been furnished to Tenant in writing specifying wherein Landlord has failed to perform such obligation, provided if the nature of Landlord's obligation is such that more than thirty (30) days are required for performance, then Landlord shall not be in default if Landlord commences performance within such thirty (30) day period and thereafter diligently prosecutes the same to completion. In the case of a default by Landlord, prior to Tenant's exercise of any remedy, the holder of any first mortgage or deed of trust encumbering the Premises shall have the right, but not the obligation, to cure such a default. In no event shall Tenant have the right to terminate this Lease as a result of Landlord's default, and Tenant's remedies shall be limited to an action at law for monetary damages. Nothing herein contained shall be interpreted to mean that Tenant is excused from paying rent due hereunder as a result of any default by Landlord.

ARTICLE XVII EMINENT DOMAIN

17.1 Taking Resulting in Termination. In the event that all or substantially all of the Premises shall be taken under the power of eminent domain, or

that any portion of the Premises shall be so taken so as to render the Premises not reasonably suitable for continuation of business in Landlord's or Landlord's lender's absolute discretion, this Lease shall thereupon terminate as of the date possession shall be so taken. In the event that a portion of the area of the Premises shall be taken under the power of eminent domain and the portion not so taken will not be reasonably adequate for the operation of Tenant's business, notwithstanding Landlord's performance of restoration as hereinafter provided, this Lease shall terminate as of the date possession of such portion is taken. If this Lease is terminated, all rent shall be paid up to the date that actual possession of the Premises, or a portion thereof, is taken by public authority, and Landlord shall make an equitable refund of any rent paid by Tenant in advance and not yet earned.

17.2 Partial Taking. In the event of any taking under the power of eminent domain which does not terminate this Lease as aforesaid, any obligation of Tenant under this Lease shall remain in full force and effect, except that the Minimum Annual Rent only shall be reduced in the same proportion that the amount of floor area of the Premises taken bears to the floor area of the Premises immediately prior to such taking, and Landlord shall, to the extent of the condemnation award, at Landlord's own cost and expense, restore the Premises (to the condition as of the Effective Date) as is not taken to as near its former condition as the circumstances will permit, and Tenant shall do likewise with respect to such part of Tenant's Work as is not taken.

17.3 Award. All damages awarded for any such taking under the power of eminent domain, whether for the whole or a part of the Premises, shall belong to and be the property of Landlord, whether such damages shall be awarded as compensation for diminution in value of the leasehold or for the fee of the Premises, provided nothing herein contained shall prevent Tenant from making claim for loss or damage to Tenant's trade fixtures and removable personal property and for lost profits and goodwill to the extent such damages do not diminish Landlord's recovery.

17.4 Transfer Under Threat of Taking. A voluntary sale by Landlord of all or any portion of the Premises to a public or quasi-public body, agency or person, corporate or otherwise, having the power of eminent domain, either under threat of condemnation or while condemnation proceedings are pending, shall be deemed to be a taking by eminent domain.

17.5 Requisitioning. Notwithstanding anything to the contrary in the foregoing provisions, the requisitioning of the Premises or any part thereof by military or other public authority for purposes arising out of a temporary emergency or other temporary situation or circumstances shall constitute a taking of the Premises by eminent domain only when the use and occupancy by the requisitioning authority has continued for one hundred eighty (180) days. During such one hundred eighty (180) consecutive day period, and if this Lease is not terminated under the foregoing provisions, then for the duration of the use and occupancy of the Premises by the requisitioning authority, any obligation of Tenant under this Lease shall remain in full force and effect, except that Minimum Annual Rent shall be reduced in the same proportion that the amount of the floor area of the Premises requisitioned bears to the total floor area of the Premises, and

Landlord shall be entitled to whatever compensation may be payable from the requisitioning authority for the use and occupation of the Premises for the period involved.

ARTICLE XVIII SUBORDINATION; ATTORNMENT

18.1 Subordination. This Lease is subject and subordinate to all ground and/or other underlying leases including sale and leaseback leases, mortgages and deeds of trust or other encumbrances which now affect the Premises, or any portion thereof, together with all renewals, modifications, consolidations, replacements and extensions thereof, provided if the lessor under any such lease or the holder or holders of any such mortgage, deed of trust or any encumbrance shall advise Landlord that it or they desire to require this Lease to be prior and superior thereto, upon written request of Landlord to Tenant, Tenant agrees to promptly execute, acknowledge and deliver any and all documents or instruments which Landlord or such lessor, holder or holders deem necessary or desirable for purposes therefor. This Lease is further subject and subordinate to (a) all covenants, conditions, restrictions, easements and any other matters or documents of record, together with all renewals, modifications, consolidations, replacements and extensions thereof; and (b) any zoning laws of the city, county and state where the Premises is situated. Tenant hereby covenants that Tenant, and all persons in possession or holding under Tenant, will conform to and will not violate the terms of said matters of record.

18.2 Future Encumbrance. Landlord shall have the right to cause this Lease to be and become and remain subject and subordinate to any and all ground and/or other underlying leases, including the sale and leaseback leases, mortgages or deeds of trust or other encumbrances which may hereafter be executed covering the Premises, the real property thereunder or any portion thereof, for the full amount of all advances made or to be made thereunder and without regard to the time or character of such advance, together with interest thereon, and subject to all of the terms and provisions thereof; and Tenant agrees, within ten (10) days after Landlord's written request therefor, to execute, acknowledge and deliver upon request any and all documents or instruments requested by Landlord or necessary or proper to assure the subordination of this Lease to any such mortgages, deeds of trust, leasehold estates or other encumbrances.

18.3 Attornment. Notwithstanding anything to the contrary set forth in this Article, Tenant hereby attorns and agrees to attorn to any person, firm or corporation purchasing or otherwise acquiring Landlord's interest in the Premises, or the real property thereunder or any portion thereof, at any sale or other proceeding or pursuant to the exercise of any rights, powers, or remedies under such mortgages or deeds of trust or ground or underlying leases as if such person, firm or corporation had been named as Landlord herein, it being intended hereby that, if this Lease shall be terminated, cut off, or otherwise defeated by reason of any act or actions by the owner or holder of any such mortgage or deed of trust, or the lessor under any such leasehold estate, then at the option of any such person, firm or corporation so purchasing or otherwise acquiring Landlord's interest in the Premises, or the real property thereunder or any portion thereof, this Lease shall continue in full force and effect. Tenant hereby irrevocably appoints

Landlord the attorney-in-fact of Tenant to execute and deliver any documents provided herein for and in the name of Tenant, and such power, being coupled with any interest, is irrevocable.

18.4 Estoppel Certificate. If, upon any sale, assignment or hypothecation of the Premises or the land thereunder by Landlord, an estoppel certificate shall be required from Tenant, Tenant agrees to deliver in recordable form within ten (10) days after written request therefor by Landlord, an estoppel certificate. Tenant's failure or refusal to timely execute such certificate, or such other certificate the party (other than Landlord) to the sale, assignment, or hypothecation may request, shall constitute an acknowledgment by Tenant that the statements in such certificate are true and correct without exception.

18.5 Subordination and Non-Disturbance Agreement. Tenant agrees that it shall within ten (10) days upon receipt of Landlord's written request, execute and deliver to Landlord the Subordination and Non-Disturbance Agreement or such other form as is required by Landlord's lender.

ARTICLE XIX HOLDOVER BY TENANT

19.1 Holdover Tenancy. In the event that Tenant shall hold the Premises after the expiration of the Lease Term hereof with the consent of Landlord, express or implied, such holding over, in the absence of written agreement on the subject, shall be deemed to have created a tenancy from month-to-month, terminable on thirty (30) days' written notice by either party to the other, upon a monthly rental hereinafter stated, but otherwise subject to all of the terms and provisions of this Lease. Such monthly rental shall equal one hundred fifty percent (150%) of the average monthly rental payable by Tenant to Landlord for the preceding twelve (12) month period including, but not limited to, Minimum Annual Rent and any other charges payable by Tenant under this Lease.

19.2 Failure to Surrender. If Tenant fails to surrender the Premises upon the termination or expiration of this Lease, in addition to any other liabilities to Landlord accruing therefrom, Tenant hereby agrees to indemnify and hold Landlord harmless from loss or liability resulting from such failure including, but not limited to, any claims made by any succeeding tenant based upon Tenant's failure to surrender.

ARTICLE XX NOTICES

20.1 Notices. Wherever in this Lease it shall be required or permitted that notice, approval, advice, consent or demand be given or served by either party to this Lease to or on the other, such notice, approval, advice, consent or demand shall be given or served, and shall not be deemed to have been duly given or served unless, in writing and forwarded by certified or registered mail, or commercial courier services which obtain a signature for receipt of delivery (such as FedEx) addressed to the parties at the

addresses listed in Section 1.1 hereof. Either party may change such address by written notice sent by certified or registered mail to the other.

20.2 Default Notices. Notwithstanding anything to the contrary contained herein, any notices Landlord is required or authorized to serve upon Tenant in order to advise Tenant of alleged violations of Tenant's covenants contained in Article X (improper advertising medium/signs) or Article XIV (failure of Tenant to properly repair and/or maintain the Premises), must be in writing but shall be deemed to have been duly given or served upon Tenant by delivery of a copy of such notice to one of Tenant's managing or responsible employees at the Premises or by mailing a copy of such notice to Tenant in the manner specified above.

ARTICLE XXI MISCELLANEOUS PROVISIONS

21.1 Severability. It is agreed that, if any provision of this Lease shall be determined to be void by a court of competent jurisdiction, then such determination shall not affect any other provision of this Lease, and all such other provisions shall remain in full force and effect.

21.2 Merger. It is understood and acknowledged that there are no oral agreements between the parties hereto affecting this Lease, and this Lease entirely supersedes and cancels any and all previous negotiations, arrangements, brochures, agreements and understandings, if any, between the parties hereto or displayed by Landlord to Tenant with respect to the subject matter thereof, and none thereof shall be used to interpret or construe this Lease. This Lease contains all of the terms, covenants, conditions, warranties and agreements of the parties relating in any manner to the rental, use and occupancy of the Premises and shall be considered to be the only agreement between the parties hereto and their representatives and agents. None of the terms, covenants, conditions or provisions of this Lease may be modified, deleted or added to except by written Lease Amendment signed by the parties hereto. All negotiations and oral agreements acceptable to both parties have been merged into and are included herein. There are no other representations or warranties between the parties, and all reliance with respect to representations is totally upon the representations and agreements contained in this Lease.

21.3 Governing Law. The laws of the State of California shall govern the validity, construction, performance and enforcement of this Lease. Should either party institute legal action to enforce any obligation contained herein, it is agreed that the proper venue of such suit or action shall be the county and judicial district in which the Premises is located. Although the printed provisions of this Lease were drawn by Landlord, this Lease shall not be construed either for or against Landlord or Tenant but shall be interpreted in accordance with the general tenor of its language.

21.4 Force Majeure. Any prevention, delay or stoppage due to strikes, lockouts, labor disputes, acts of God, inability to obtain labor or materials or reasonable substitutes therefor, governmental actions, civil commotions, fire or other casualty,

medical incapacity (as certified in writing by the individuals' treating physician), and other non-financial causes beyond the reasonable control of the party obligated to perform, shall excuse the performance of such party for a period equal to any such prevention, delay or stoppage; provided, that no force majeure event shall relieve or delay Tenant's obligation to pay rent and other charges pursuant to this Lease.

21.5 Cumulative Rights. The various rights, options, elections, powers and remedies contained in this Lease shall be construed as cumulative, and no one remedy shall be exclusive of any other remedy, or of any other legal or equitable remedy which either party might otherwise have in the event of breach or default in the terms hereof, and the exercise of one right or remedy by such party shall not impair its right to any other right or remedy until all obligations imposed upon the other party have been fully performed.

21.6 Time. Time is of the essence with respect to the performance of each of the covenants and agreements contained in this Lease.

21.7 Relationship of Parties. Nothing contained in this Lease shall be deemed or construed by the parties hereto or by any third person to create the relationship of principal and agent or of partnership or of joint venture or of any association between Landlord and Tenant, and neither the method of computation of rent nor any other provision contained in this Lease nor any acts of the parties hereto shall be deemed to create any relationship between Landlord and Tenant other than the relationship of landlord and tenant.

21.8 Late Charges. Tenant hereby acknowledges that late payment by Tenant to Landlord of rent or other sums due hereunder will cause Landlord to incur costs not contemplated by this Lease, the exact amount of which is extremely difficult to ascertain. Such costs include, but are not limited to, processing and accounting charges, and late charges which may be imposed upon Landlord by the terms of any mortgage or deed of trust covering the Premises. Accordingly, if any installment of rent or any other sum due from Tenant shall not be received by Landlord or Landlord's designee when due, then Tenant shall pay to Landlord a late charge equal to Two Hundred Fifty and 00/100 Dollars (\$250.00) or four percent (4%) of the amount due, whichever is higher, provided that such amount will not exceed the maximum rate permitted by law, plus any attorneys' fees incurred by Landlord by reason of Tenant's failure to pay rent and/or other charges when due hereunder. The parties hereby agree that such late charge represents a fair and reasonable estimate of the costs that Landlord will incur by reason of the late payment by Tenant. Acceptance of such late charge by Landlord shall in no event constitute a waiver of Tenant's default with respect to such overdue amount, nor prevent Landlord from exercising any of the other rights and remedies granted hereunder. Tenant hereby agrees that, if Tenant is subject to a late charge for two (2) consecutive months, Minimum Annual Rent for the following twelve (12) months shall automatically be adjusted to be payable quarterly, in advance, commencing upon the first day of the month following such consecutive late month and continuing for the next twelve (12) months on a quarterly basis in advance.

21.9 Financial Statements. At any time during the Lease Term, Tenant shall, upon ten (10) days' prior written notice from Landlord, provide Landlord or any institutional lender which is negotiating with Landlord for interim, construction or permanent financing, with a confidential current financial statement dated within ninety (90) days of the date Tenant receives Landlord's notice and financial statements for each of the two (2) years prior to the then current fiscal statement year. Such current statement shall be prepared in accordance with generally accepted accounting principles and, if such is the normal practice of Tenant, shall be audited by an independent certified public accountant.

21.10 Real Estate Brokers. Landlord and Tenant represent and warrant that there are no claims for brokerage commissions or finder's fees in connection with the execution of this Lease, and agree to indemnify the other against and hold it harmless from all liability arising from any such claim including, without limitation, the cost of attorneys' fees in connection therewith.

21.11 Interest. Tenant shall pay to Landlord when due all sums of money required to be paid pursuant to this Lease. If such amounts or charges are not paid at the time provided in this Lease, they shall nevertheless be collectible with the next installment of Minimum Annual Rent thereafter falling due, but nothing herein contained shall be deemed to suspend or delay the payment of any amount of money or charge at the time the same becomes due and payable hereunder, or limit any other remedy of Landlord. If Tenant shall fail to pay, when the same is due and payable, any rent or other charge, such unpaid amounts shall bear interest at ten percent (10%) per annum or the maximum lawful rate from the date due to the date of payment.

21.12 No Offer to Lease. The submission of this document for examination and negotiation does not constitute an offer to lease, or a reservation of, or option for, occupancy of the Premises; and this document shall become effective and binding only upon execution and delivery hereof by Tenant and by Landlord (or, when duly authorized, by Landlord's agent or employee). No act or omission of any agent of Landlord or Landlord's broker, if any, shall alter, change or modify any of the provisions hereof.

21.13 Exculpation. Notwithstanding any other provision hereof, neither Landlord nor Landlord's partners or members shall not have any personal liability hereunder. If Landlord shall fail to perform any covenant, term or condition of this Lease upon Landlord's part to be performed, and if as a consequence of such default Tenant shall recover a money judgment against Landlord, such judgment shall be satisfied only out of the proceeds of sale received upon execution of such judgment and levied thereon against the right, title and interest of Landlord in the Premises and out of rents or other income from such property receivable by Landlord, or out of the consideration receivable by Landlord from the sale or other disposition of all or any part of Landlord's right, title and interest in the Premises, subject to the rights of Landlord's mortgagee, and neither Landlord nor its employees, officers, directors, partners, members, shareholders or affiliates shall be liable for any deficiency.

21.14 Hazardous Materials. To the current knowledge of Landlord, no Hazardous Substances currently exist on or under the Premises in violation of applicable governmental regulations. Tenant covenants as follows:

(a) Except for ordinary and general office supplies typically used in the ordinary course of business, such as copier toner, liquid paper, glue and ink and common household cleaning materials (some or all of which may constitute "Hazardous Materials" as herein defined), Tenant agrees not to cause or permit any Hazardous Materials to be brought upon, stored, used, handled, generated, released or disposed of, on, in, under or about the Premises, or any portion of the Premises by Tenant, its agents, employees, subtenants, assignees, contractors or invitees (collectively, "**Tenant Parties**"), without the prior written consent of Landlord, which consent Landlord may withhold in its sole discretion. At all times and in all respects, Tenant and the other Tenant Parties shall comply with all federal, state and local laws, statutes, ordinances and regulations including, but not limited to, the Federal Water Pollution Control Act (33 U.S.C. Section 1251 et seq.), Resource Conservation & Recovery Act (42 U.S.C. Section 16901 et seq.), Safe Drinking Water Act [42 U.S.C. Section 3000(f) et seq.], Toxic Substances Control Act (15 U.S.C. Section 2601 et seq.), the Clean Air Act (42 U.S.C. Section 7401 et seq.), Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. Section 9601 et seq.), California Health & Safety Code (Section 25100 et seq. and 39000 et seq.), California Water Code (Section 13000 et seq.) and other comparable state laws (collectively, "**Hazardous Materials Laws**"), relating to industrial hygiene, environmental protection or the use, analysis, generation, manufacture, storage, disposal or transportation of any oil, flammable explosives, asbestos, urea formaldehyde, radioactive materials or waste, or other hazardous, toxic, contaminated or polluting materials, substances or wastes, including, without limitation, any "hazardous substances", "hazardous wastes", "hazardous materials", or "toxic substances" under any such federal, state or local laws, statutes, ordinances or regulations (collectively, "**Hazardous Materials**").

(b) At Tenant's expense, Tenant shall procure, maintain in effect and comply with all conditions of any and all permits, licenses, and other governmental and regulatory approvals required for the use of the Premises including, without limitation, discharge of (appropriately treated) materials or wastes into or through any sanitary sewer serving the Center or the Premises. Except as discharged into the sanitary sewer in strict accordance and conformity with all applicable Hazardous Materials Laws, Tenant shall not cause any and all Hazardous Materials removed from the Premises to be removed and transported, except solely by duly licensed haulers to duly licensed facilities for final disposal of such materials and wastes. Tenant shall in all respects handle, treat, deal with and manage any and all Hazardous Materials in, on, under or about the Premises in total conformity with all applicable Hazardous Materials Laws and prudent industry practices regarding management of such Hazardous Materials. Upon transfer of possession of the Premises, such transferor shall cause all Hazardous Materials to be removed from the Premises, transferred and transported for use, storage or disposal in accordance with and in compliance with all applicable Hazardous

Materials Laws. Upon the expiration or sooner termination of this Lease, Tenant agrees to remove from the Premises, at its expense, any and all Hazardous Materials, including any equipment or systems containing Hazardous Materials which are installed, brought upon, stored, used, generated or released upon, in or under the Premises or any portion thereof by Tenant or any of the Tenant Parties.

(c) Tenant shall immediately notify Landlord in writing of (i) any enforcement, clean-up, removal or other governmental or regulatory action instituted, completed or threatened pursuant to any Hazardous Materials Laws; (ii) any claim made or threatened by any person against Tenant, any of the Tenant Parties, the Premises, or any portions of the Premises including, without limitation, any buildings located thereon, relating to damage, contribution, cost recovery compensation, loss or injury resulting from or claimed to result from any Hazardous Materials; and (iii) any reports made to any environmental agency arising out of or in connection with any Hazardous Materials in or removed from the Premises or any portions thereof, including any complaints, notices, warnings or asserted violations in connection therewith. Tenant shall also supply to Landlord as promptly as possible, and in any event within five (5) business days after any Tenant Party first receives or sends the same, copies of all claims, reports, complaints, notices, warnings or asserted violations, relating in any way to the Premises, or any portion thereof, or any Tenant Party's use thereof.

(d) Tenant shall immediately remove all Hazardous Materials and indemnify, defend, protect, and hold Landlord and each of its partners, employees, agents, attorneys, successors and assigns, free and harmless from and against any and all claims, liabilities, penalties, forfeitures, losses and expenses (including attorneys' fees), as well as the death of or injury to any person and damage to any property whatsoever, arising from or caused in whole or in part, directly or indirectly, by Tenant's or any Tenant Party's use, analysis, storage, transportation, disposal, release, threatened release, discharge or generation of Hazardous Materials to, in, on, under, about or from the Premises or any portion thereof including, without limitation, any buildings located thereon. Tenant's obligations hereunder shall include, without limitation, and whether foreseeable or unforeseeable, all costs of any required or necessary repair, clean-up or detoxification or decontamination of the Premises or any building thereon, or the preparation and implementation of any closure, remedial action or other required plans in connection therewith. For purposes of the release and indemnity provisions hereof, any acts or omissions of Tenant or any Tenant Party, or anyone holding under Tenant or any Tenant Party, or by any of their employees, agents, assignees, contractors or subcontractors or others acting for or on behalf of Tenant or any Tenant Party (whether or not they are negligent, intentional, willful or unlawful) shall be strictly attributable to Tenant. The terms of the indemnification by Tenant set forth in this Section 22.16 shall survive the expiration or earlier termination of this Lease.

21.15 Nondiscrimination. Tenant herein covenants by and for itself, its heirs, executors, administrators, successors and assigns, and all persons claiming under

or through them, and this Lease is made and accepted upon and subject to the following conditions:

That there shall be no discrimination against or segregation of any person, or group of persons, on account of race, color, creed, religion, sex, marital status, age, physical or mental disability, ancestry or national origin, in the leasing, renting, subleasing, transferring, use, occupancy, tenure or enjoyment of the land herein leased, nor shall the lessee itself, or any person claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, sublessees, subtenants or vendees in the land herein leased.

21.16 Attorney's Fees. In the event either party hereto shall commence any action or proceeding for damages, for an alleged breach of any provision of this Lease, for the forfeiture of this Lease, or to enforce, protect, or establish any right or remedy of either party, the prevailing party in such action shall be entitled to recover as part of such action or proceeding, their Court costs and reasonable attorney's fees as fixed by the Court, to be made a part of the judgment in said suit. The jurisdiction of the any proceeding regarding this Lease will be in Kings County, California.

21.17 Successors and Assigns. Each and all of the provisions of this Lease shall be binding upon and inure to the benefit of the parties hereto, and except as otherwise specifically provided in this Lease, their respective heirs, executors, administrators, successors and assigns, subject, however, to all agreements, covenants, and restrictions contained elsewhere in this Lease with respect to the assignment, transfer, encumbering or subletting of all or any part of Tenant's interest in this Lease or the Premises.

21.18 Reference Only. The captions of Articles and Sections of this Lease are for convenience only and do not in any way limit or amplify the terms and provisions of this Lease.

21.19 Parties. If more than one (1) person or corporation is named as Tenant in this Lease and executes the same as such, the word "Tenant", wherever used in this Lease, is intended to refer to all such persons or corporations, and the liability of such persons or corporations for compliance with the performance of all of the terms, covenants and provisions of this Lease shall be joint and several. The masculine pronoun used herein shall include the feminine or the neuter as the case may be, and the use of the singular shall include the plural, as the context may require.

21.20 Sale of Premises by Landlord. In the event of any sale, exchange or other conveyance of Landlord's interest in the Premises or any portion or portions thereof by Landlord and an assignment by Landlord of this Lease, Landlord shall be and is hereby entirely freed and relieved of all liability under any and all of its covenants and obligations contained in or derived from this Lease arising out of any act, occurrence or omission relating to the Premises or this Lease occurring after the consummation of such sale, exchange or conveyance and assignment.

21.21 Security Deposit. Tenant has deposited with Landlord the sum specified in the Fundamental Lease Provisions (Section 1.1) as security for Tenant's payment of rent and performance of its other obligations under this Lease. In the event of any default under Section 16.1 of this Lease (an "Event of Default"), Landlord may use all or part of the security deposit for the payment of rent, or for the payment of any other amount that Landlord may spend or become obligated to spend by reason of the Event of Default, or for the payment to Landlord of any other loss or damage that Landlord may suffer by reason of Tenant's default. If Landlord so uses any portion of the security deposit, Tenant will restore the security deposit to its original amount within five (5) days after written demand from Landlord. Landlord will not be required to keep the security deposit separate from its own funds, and Tenant will not be entitled to interest on the security deposit. The security deposit will not be a limitation on Landlord's damages or other rights under this Lease, or a payment of liquidated damages, or an advance payment of the Rent. The security deposit is not, and may not be construed by Tenant to constitute, rent for the last month or any portion thereof. Landlord will be entitled to use the security deposit for all necessary repairs and damages. Should the security deposit not cover the necessary repairs or damages, Tenant will be obligated to pay for those additional necessary repairs or damages. Under any and all circumstances Tenant will be required to pay the last months rent without offset from the security deposit. Tenant hereby waives the application of California Civil Code Section 1950.7.

Landlord Initials

Tenant Initials

21.22 Certified Access Specialist. The Premises have not been inspected by a Certified Access Specialist. Tenant acknowledges that Landlord makes no representations as to the Premises' compliance with any applicable construction – related accessibility standards.

A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the Tenant may obtain a CASp inspection of the subject premises at their own costs. Any repairs necessary to correct violations of construction-related accessibility standards within the Premises will be paid by the Tenant to Landlord and Landlord's construction company to perform the work.

IN WITNESS WHEREOF, Landlord and Tenant have duly executed this Lease as of the day and year first above written.

**BRANDON L. HOLLOWAY & JAMI A. HOLLOWAY, TRUSTEES OF THE BLH FAMILY TRUST
"LANDLORDS"**

Dated: _____

BRANDON L. HOLLOWAY, Trustee

Dated: _____

JAMI A. HOLLOWAY, Trustee

**CALIFORNIA VANPOOL AUTHORITY
"TENANT"**

Dated: _____

Attn:

APPROVED AS TO FORM:

DIAS LAW FIRM, INC.

Dated: _____

Michael A. Dias, Esq.



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COMMERCIAL LEASE AGREEMENT

Mihir Patel, herein known and referred to as (Owner/Landlord) and CalVans, herein known and referred to as (Tenant) agree as follows:

1) PROPERTY

- A) Landlord Leases to Tenant the Property described as 430 S. 1st Steet, King City, Ca 93930
- B) The following commercial property includes the Office, Shop and Unimproved yard

2) TERM

The term begins on April 14, 2023 & will terminate on April 14, 2028. As per agreement, the original Lease on this property is \$3,500.00 (Three Thousand Five Hundred Dollars) monthly.

3) LEASE

- A) Tenant agrees to pay Lease at the rate of \$3,500.00 (Three Thousand Five Hundred Dollars) per month for the term of the agreement.
- B) Lease is payable in advance on the 1st day of each calendar month and is delinquent on the next day.
- C) **Payment:** The Lease shall be paid by check or money order, paid to the order of: **Mihir Patel**

4) SECURITY DEPOSIT

- A) Tenant agrees to pay \$3,500.00 (Three Thousand Five Hundred Dollars) as a security deposit. Owner of the premises will hold security deposit.
- B) All or any portion of the security deposit may be used, as reasonably necessary, to:(1) cure Tenant's default in payment of Lease, late charges, non sufficient funds fees, or any other sums due; (2) repair damage, excluding ordinary wear & tear, caused by Tenant or by a guest; (3) clean Premises, if necessary, upon termination of tenancy; and (4) replace or return personal property or appurtenances.
- C) **SECURITY DEPOSIT SHALL NOT BE USED BY TENANT IN LIEU OF LAST MONTH'S LEASE.** If all or any portion of the security deposit is used during tenancy, Tenant agrees to reinstate the total security deposit within five days after written notice is delivered to Tenant. Within three weeks after Tenant vacates the premises, Landlord shall: (1) furnish Tenant an itemized statement indicating the amount of any security deposit received and the basis for its deposition; and (2) return any remaining portion of security deposit to Tenant.
- D) No interest will be paid on security deposit.

5) MOVE-IN COSTS DUE

- A) First month's Lease: \$3,500.00 Date Paid: _____
- B) Security deposit: \$3,500.00 Date Paid: _____

6) LATE CHARGES/NSF CHECKS

- A) Tenant acknowledges that either late payment of Lease or issuance of an NSF check may cause Landlord to incur cost and expense. This cost may include, but not limited to, processing, enforcement and accounting expenses, and late charges imposed on landlord. If any installment of Lease due from Tenant is not received by Landlord within 5 calendar days after due date, or if a check is returned NSF, Tenant shall pay to Landlord an additional sum of \$25.00.
- B) Landlord and Tenant agree that these charges represent a fair and reasonable estimate of the cost Landlord may incur by reason of Tenant's late or NSF payment.

7) UTILITIES

Tenant agrees to transfer and pay all utilities and services.

8) PETS

No animals or pets shall be kept on or about the Premises without Landlord's prior written consent.

9) RULES AND REGULATIONS

Tenant agrees to comply with all rules and regulations of Landlord. Tenant agrees that the Premises will not be used for unlawful purposes, including, but not limited to using, manufacturing, selling, storing, or transporting illicit drugs or other contraband, or violate any law or ordinance, or commit a waste or nuisance on or about the Premises.

10) MAINTENANCE

- A) Tenant shall properly use, operate and safeguard Premises, including if applicable, any furniture, furnishings, and appliances, and all mechanical, electrical, gas and plumbing fixtures, and keep them clean and sanitary.
- B) Tenant shall immediately notify landlord, in writing, of any problems, malfunction or damage. Tenant shall pay for all repairs or replacements caused by Tenant, or guests of Tenant. Tenant shall pay for all damage to Premise as a result of failure to report a problem in a timely manner. Tenant shall pay for repair of drain blockage or stoppages, unless caused by defective plumbing parts or tree roots invading sewer lines.
- B) Tenant shall not make any alterations in or about the Premises without Landlord's prior written consent, including: painting, adding or changing locks, installing antenna or satellite dish, placing signs, displays or exhibits, or using screws, fastening devices, large nails or adhesive materials.

11) KEYS

- A) Tenant acknowledges receipt of ___ key(s).
- B) If Tenant rekeys existing locks or opening devices, Tenant shall immediately deliver copies of all keys to Landlord. Tenant shall pay all cost and charges related to loss of any keys or opening devices.

12) ENTRY

Tenant shall make Premises available to Landlord or representative for the purpose of entering to make necessary or agreed repairs, decorations, alterations, or improvements, or to supply necessary or agreed services. Landlord & Tenant agree that twenty-four (24) hours notice (oral or written) shall be reasonable and sufficient notice. In an emergency Landlord or representative may enter Premises at any time without prior notice.

13) ASSIGNMENT/SUBLETTING

Tenant shall not sublet all or any part of Premises or assign or transfer this agreement or any interest in it.

14) TENANT'S OBLIGATION UPON VACATING PREMISES

Upon termination of agreement, Tenant shall:

- a) give Landlord all copies of keys or opening devices to Premises,
- b) vacate Premises and surrender it to Landlord empty of all persons;
- c) vacate any/all parking;
- d) deliver Premises to Landlord in the same condition as referenced in page 8;
- e) clean Premises, including professional cleaning of carpet and drapes, if applicable;
- f) give written notice to Landlord of Tenant's forwarding address.

15) DAMAGE TO PREMISES

If, by no fault of Tenant, Premises are partially damaged or destroyed by fire, earthquake, accident or other casualty, which render Premises uninhabitable. Either Landlord or Tenant may terminate Agreement by giving the other written notice. Lease shall be abated as of date of damage. The abated amount shall be the then current monthly Lease prorated on a 30- day basis. If Agreement is not terminated Landlord shall promptly repair the damage, and Lease shall be reduced based on extent to which the damage interferes with the Tenant's reasonable use of Premises, if damage occurs as a result of an act of Tenant or Tenant's guest, only Landlord shall have the right of termination, and no reduction of Lease shall be made.

16) INSURANCE

Landlord does not insure Tenant's or guest's personal property and vehicles against loss or damage due to fire, theft, vandalism, rain, water, criminal, or negligence acts of others or any other cause. Tenant is to carry insurance to protect Tenant and Tenant's guest from such loss.

17) NOTICE

Notices may be served at the following address, or at any other location subsequently designated:

Landlord:

Mihir Patel
1230 Morey Circle
Hollister, Ca 95023
1-831-524-5815
Mihir4486@yahoo.com

Tenant:

California Vanpool Authority – d.b.a.
CalVans P.O. Box 209
Hanford, Ca. 93232
1-866-655-5444
calvans@co.kings.ca.us

18) JOINT AND INDIVIDUAL OBLIGATIONS

If there is more than one Tenant, each one shall be individually and completely responsible for the performance of all obligations of Tenant under this agreement, jointly with every other Tenant, and individually, whether or not in possession.

19) TENANT REPRESENTATION

Tenant warrants that all statements in Tenant's Letter of Intent (LOI) are accurate. Tenant authorizes Landlord to obtain Tenant's credit inquiries and periodically during tenancy in connection with approval, modification, or enforcement of this agreement. Landlord may cancel this agreement: (a) before occupancy begins; (b) upon disapproval of Tenant's actions, if not cured; or at any time, upon discovering that information in Tenant's LOI is false.

20) OTHER TERMS AND CONDITIONS/SUPPLEMENTS (if any)

21) ATTORNEY FEES

In any action or proceeding arising out of this Agreement, the prevailing party between Landlord and Tenant shall be entitled to reasonable attorney fees and costs.

22) ENTIRE CONTRACT

All prior agreements between Landlord and Tenant are incorporated in this Agreement, which constitutes the entire contract. It is intended as a final expression of the parties' agreement and may not be contradicted by evidence of any prior agreement or contemporaneous oral agreement. The parties further intend that this Agreement constitutes the complete and exclusive statement of its terms, and that no extrinsic evidence whatsoever may be introduced in any judicial or other proceedings, if any, involving this Agreement. Any provisions of this Agreement that is held to be invalid shall affect the validity or enforceability of any other provision in this agreement.

Tenant

Date

Landlord

Date



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DATE	QUOTE ID #
3/6/2023	230603KG-123
NAME / ADDRESS	
Quote For:	Georgina Landecho
Company:	Cal Vans
Address:	1340 North Drive Hanford, CA 93230



A-1 SALES REPRESENTATIVE	
Name	Bryan Macias
Phone	(256) 548-2014
Email	bryan@a1altfuels.com
Terms	
End User	Due on Completion Cal Vans
FOB	Fresno, CA

ITEM	PRODUCT	PRODUCT DESCRIPTION	QTY
MSprinter ZEVx	ZEVx - Athena 1	Mercedes Sprinter Van 2014-2017, 100+ Estimated Mile Range System includes: Both DC Fast Charge and Level 2 Charge, driver and maintenance training, O.E. powertrain provider telematics and 12 months of fleet analytics. System also includes: 5-year extended warranty	4
INST	Installation	Ship thru and install at A-1's Fresno, CA facility. 93721. Includes removal of internal combustion engine ("ICE"), powertrain parts and components.	4

Base Price Per Unit	\$	77,500.00
Discounts	\$	(5,000.00)
Price Per Unit	\$	72,500.00
ORDER TOTAL PRICE	\$	290,000.00

Vehicle(s) ETA: _____

Notes:
Note: Price does not include applicable federal excise tax or sales tax and is in USD.
Note: Quote is valid for up to 10 working days.
Note: After receipt of purchase order, please allow 6 - 8 weeks for parts procurement. After parts and vehicle(s) arrive, please allow up to 10 weeks for completion of vehicle.
Note: Quote is contingent upon engineering confirmation of quoted EV package fitment on vehicle.

BUYER AUTHORIZATION & ACCEPTANCE : Buyer's signature below is acceptance to purchase the product identified above. Buyer agrees to A-1's Standard Terms and Conditions.

Signature: _____ Date: _____ Purchase Order # _____



SELLER'S CONFIRMATION & ACCEPTANCE OF ORDER: Order is subject to Seller's Acceptance. Seller's signature below is acceptance to provide the product identified above.

Signature _____ Date _____

RETURN TO AGENDA



End