



County of Monterey

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Board Report

File #: 17-0871, **Version:** 1

- a. Approve and authorize the Contracts/Purchasing Officer to execute a Lease Amendment to extend Lease Agreement (No. A-13-0296) one (1) year, effective on September 1, 2017, through August 31, 2018, between the County of Monterey and 417 Salinas Road, Inc. c/o PacCom Management Services, Inc., for approximately 2,848 rentable square feet of space at the premises located at 417-A Salinas Road, Watsonville, California, for use by the Agricultural Commissioner's Office; and
- b. Authorize the Auditor-Controller to make lease payments of Two Thousand Nine Hundred and Ninety Dollars (\$2,990) per month and in accordance with the terms of the Lease Agreement as amended. (ADDED VIA ADDENDA)

a.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Approve and authorize the Contracts/Purchasing Officer to execute a Lease Amendment to extend Lease Agreement (No. A-13-0296) one (1) year, effective on September 1, 2017 through August 31, 2018, between the County of Monterey and 417 Salinas Road, Inc., c/o PacCom Management Services, Inc., for approximately 2,848 rentable square feet of space located at 417-A Salinas Road, Watsonville, California, for use by the Agricultural Commissioner's Office; and
- b. Authorize the Auditor-Controller to make lease payments of Two Thousand Nine Hundred and Ninety Dollars (\$2,990) per month and in accordance with the terms of the Agreement as amended.

SUMMARY/DISCUSSION:

Approval of the proposed Amendment will provide for continued occupancy of approximately 2,848 rentable square feet of space to be used by the Agricultural Commissioner's Office for one (1) additional year. The additional term will commence on September 1, 2017, and continue through and including August 31, 2018. Rent will be Two Thousand Nine Hundred Ninety Dollars (\$2,990) per month.

The Agricultural Commissioner's Office has occupied the space at 417-A Salinas Road, Watsonville, California (located in Pajaro, unincorporated Monterey County) since April 2005 and has long maintained an office in Pajaro to serve the agricultural community in North Monterey County. Availability of suitable facilities in the area is very limited. Approximately one-quarter of the Department's clients are served by this branch office, including many small growers most in need of services and large shippers needing export certification of high-value crops. The Agricultural Commissioner's Office is working with the Resource Management Agency to explore the feasibility of consolidating operations into a County Owned Facility in Pajaro. This Lease Amendment will provide the Agricultural Commissioner's Office ample time to determine feasibility and complete buildout of the County Owned Space, should that be the preferred alternative.

OTHER AGENCY INVOLVEMENT:

The Resource Management Agency facilitated the negotiations of the proposed Amendment to said Lease Agreement, and assisted with the development of this report. The Office of the County Counsel has reviewed and approved the proposed Amendment to said Lease Agreement as to form and legality. The Auditor Controller's Office has reviewed and approved the proposed Amendment as to fiscal provisions. No changes

were made to insurance and indemnity provisions pursuant to the proposed Amendment.

FINANCING:

There is no financial impact to the General Fund. Sufficient funds are available in FY 2017-18 Agricultural Commissioner's Office Budget, Fund 001, Unit 2810-8001, and Appropriation Unit AGR001. Ongoing occupation of the leased premises and future extensions of the Lease Agreement will be based on the continued availability of funding. The first-year leasing cost will amount to \$35,884, excluding janitorial, and utility services.

Prepared by:

Sheila Salazar, Finance Manager, 759-7381

Approved by:

Eric Lauritzen, Agricultural Commissioner, 759-7325

Attachments:

Exhibit A - Agreement A-13-0296

Exhibit B - Lease Extension (First Extension/Amendment)

Exhibit C - Proposed Second Amendment