



**COUNTY OF HUMBOLDT**

**Master**

**File Number: 18-1257**

|  |                                   |                                 |
|--|-----------------------------------|---------------------------------|
| <b>File ID:</b> 18-1257  | <b>Type:</b> Informational Report | <b>Status:</b> Passed           |
| <b>Version:</b> 1  | <b>Agenda Section:</b> Consent    | <b>Department:</b> Public Works |
| <b>Subject:</b>  |                                   | <b>File Created:</b> 09/25/2018 |
|  |                                   | <b>Final Action:</b> 10/16/2018 |
| <p><b>Title:</b> From: Public Works</p> <p>SUBJECT:<br/>.title</p> |                                   |                                 |

**Internal Notes:**

**Agenda Date:** 10/16/2018

**Agenda Number:** 19.

**Sponsors:**

**Enactment Date:**

**Attachments:** Staff Report, Exhibit 1, Exhibit 2, Exhibit 3  
**Recommendation:**

**Enactment Number:**

**Drafter:** tdeage1@co.humboldt.ca.us

**Public Notice Date:**

**Effective Date:**

**History of Legislative File**

| Version: | Acting Body:  | Date:      | Action:  | Sent To: | Due Date: | Return Date: | Result: |
|----------|---|------------|----------|----------|-----------|--------------|---------|
| 1        | Board of Supervisors  | 10/16/2018 | approved |          |           |              | Pass    |
|          | <p><b>Action Text:</b> A motion was made by Supervisor Wilson, seconded by Supervisor Bass, that the recommendations be approved. The motion carried by the following vote:</p> <p style="margin-left: 150px;"><b>Aye:</b> 5 Supervisor Bohn, Supervisor Fennell, Supervisor Bass, Supervisor Sundberg, and Supervisor Wilson</p> |            |          |          |           |              |         |

**Text of Legislative File 18-1257**

To: Board of Supervisors

From: Public Works

SUBJECT:

.title

..end

Exercise the Third Option to Extend the Leases for Three (3) Modular Units Located at 638 West Clark Street, Eureka, with Performance Modular, Inc.

RECOMMENDATION(S):

That the Board of Supervisors approve the Department of Health and Human Services (DHHS) - Social Services' request to exercise the third option to extend the leases for three (3) modular units located at 638 West Clark Street, Eureka with Performance Modular, Inc. for the period of December 1, 2018 through November 30, 2019; authorize Public Works - Real Property Division to send a notice to Lessor that the county is exercising the third option to extend the leases; and direct the Clerk of the Board to return one (1) executed agenda item to Public Works - Real Property Division.

SOURCE OF FUNDING:

Social Services Fund  
Mental Health Fund

DISCUSSION:

From 2009 to the present, DHHS has leased three (3) modular units located at 638 West Clark Street, Eureka from Performance Modular, Inc. On November 4, 2014 (item C-10), the Board approved new lease agreements for the three (3) modular units located at 638 West Clark Street, Eureka with Performance Modular, Inc. for the time period of December 1, 2014 through November 30, 2017. Each of these leases has three (3), one-year (1) options to extend. On September 20, 2016 (item D-23) the first option to extend the leases for the three (3) modular units was approved by the Board of Supervisors and extended the leases to November 30, 2017. On September 12, 2017 (item C-10) the second option to extend the lease for the three (3) modular units was approved by the Board of Supervisors and extended the leases to November 30, 2018. DHHS continues to require the use of these modular units to provide needed space for DHHS program staff. Accordingly, staff requests approval to exercise the third option to extend the lease through November 30, 2019.

FINANCIAL IMPACT:

The respective monthly costs for each of the three modular units are as follows:

| Modular Buildings                  | Monthly Rent | Monthly Sales Tax | Costs per square foot          |
|------------------------------------|--------------|-------------------|--------------------------------|
| Building D<br>(60'x60', #191-195)  | \$3,600.00   | \$306.00          | approx. \$0.92 per square foot |
| Building E<br>(24'x60', #183-184)  | \$1,240.00   | \$105.40          | approx. \$1.07 per square foot |
| Building G<br>(36'x110', #185-190) | \$3,950.00   | \$335.75          | approx. \$0.92 per square foot |

The total cost of the three (3) leases is \$9,537.15 per month or \$114,445.80 annually. It should be noted that the monthly sales tax is subject to change upon modifications by the City of Eureka. These costs are included in the fiscal year 2018-19 county approved budget in fund 1160, budget unit 511 - Social Services for Building D and Building E, and fund 1170, budget unit 477 - Mental Health Services Act for Building G. There is no impact to the county's General Fund.

Exercising the third option to extend the leases supports the Board's Strategic Framework by continuing to create opportunities for improved safety and health and protecting vulnerable populations.

OTHER AGENCY INVOLVEMENT:

Public Works - Real Property Division

ALTERNATIVES TO STAFF RECOMMENDATIONS:

The Board could choose not to approve exercising the third option to extend the leases for the three (3) modular units. However, DHHS does not recommend this alternative because these programs would have to find adequate replacement office space to carry on operations.

**ATTACHMENTS:**

Exhibit 1 - November 4, 2014 Lease No. 1634 for Building D

Exhibit 2 - November 4, 2014 Lease No. 1635 for Building E

Exhibit 3 - November 4, 2014 Lease No. 1636 for Building G

**PREVIOUS ACTION/REFERRAL:**

Board Order No.: D-23, C-10, C-10

Meeting of: 9/20/2016, 11/04/2014, 9/12/2017

2



ARCATA-EUREKA AIRPORT TERMINAL  
McKINLEYVILLE  
FAX 839-3596

AVIATION 839-5401

DEPARTMENT OF PUBLIC WORKS  
**C O U N T Y O F H U M B O L D T**

MAILING ADDRESS: 1106 SECOND STREET, EUREKA, CA 95501-0579  
AREA CODE 707

PUBLIC WORKS BUILDING  
SECOND & L ST., EUREKA  
FAX 445-7409

|                      |          |                               |          |
|----------------------|----------|-------------------------------|----------|
| ADMINISTRATION       | 445-7491 | ENVIRONMENTAL SERVICES        | 445-7741 |
| BUSINESS             | 445-7652 | NATURAL RESOURCES PLANNING    | 267-9540 |
| ENGINEERING          | 445-7377 | PARKS & TRAILS                | 445-7741 |
| FACILITY MAINTENANCE | 445-7493 | ROADS & EQUIPMENT MAINTENANCE | 445-7421 |

CLARK COMPLEX  
HARRIS & H ST., EUREKA  
FAX 445-7388

LAND USE 445-7205

October 24, 2018

Performance Modular, Inc.  
Attn: Don Shoop  
9090 Union Park Way, Suite 104  
Elk Grove, CA 95624

**RE: MODULAR LEASES AT 638 W. CLARK STREET, EUREKA – LEASE  
EXTENSION**

Dear Don,

This is to notify you that the County of Humboldt is exercising the third option to extend the term of lease numbers 1634, 1635 and 1636 through November 30, 2019.

All other conditions of the leases will remain the same.

If you have any questions, please feel free to call me at 707-268-2667.

Sincerely,

Tom deAge  
Sr. Real Property Agent  
Facilities Division  
1106 2<sup>nd</sup> Street  
Eureka, CA 95501