

MARINA COAST WATER DISTRICT

11 RESERVATION ROAD • MARINA, CA 93933-2099

Home Page: www.mcwd.org

TEL: (831) 384-6131 • FAX: (831) 883-5995

February 4, 2013

David Gutierrez
GSA Public Buildings Service
Real Estate Division
450 Golden Gate Ave., 3rd Floor East

Re: BLM, Marina CA- Transmittal Letter & Lease Proposal- RLP NO. LCA03074

Dear Mr. Gutierrez,

Please find this letter of transmittal and Marina Coast Water District initial offer of Lease Proposal for the Bureau of Land Management (BLM), Marina CA Lease Proposal- RLP NO. LCA03074.

Please note that the District makes this offer without a clearly defined schedule. If awarded a lease, the District will need to coordinate final design, compile construction documents, obtain a building permit, and construct the space. The timing and expectation of occupancy will be related to each of these activities being completed that will not be entirely in control of the District. If successful and prior to execution of a lease, the District expects the occupancy date to be made part of the final negotiation and do not warrant any occupancy date at the time of this offer.

We look forward to continued consideration of the District's property in Marina, CA.

Please contact Patrick Breen at (831) 233-9718 with any questions or concerns regarding this letter and offer.

Thank you,

Jim Heitzman
General Manager
Marina Coast Water District

November 13, 2012

Resolution No. 2012 - 77
Resolution of the Board of Directors
Marina Coast Water District

Authorize the General Manager to Take Any and All Actions Necessary to
Provide a Conditional Commitment to the General Services Administration to Construct an Imjin
Office Park Building to House the Bureau of Land Management Regional Office

RESOLVED by the Board of Directors ("Directors") of the Marina Coast Water District ("District"), at a regular meeting duly called and held on November 13, 2012 at the business office of the District, 11 Reservation Road, Marina, California as follows:

WHEREAS, the District owns a building lot within the Imjin Office Park; and,

WHEREAS, the Bureau of Land Management (BLM) through the General Services Administration (GSA) is seeking to house their Regional Offices within the City of Marina; and,

WHEREAS, District Staff has submitted the Imjin Office Park building lot and proposed building to GSA for consideration; and,

WHEREAS, the GSA procurement process requires any Offeror is required to provide a conditional commitment to fund construction of proposed space to be considered.

NOW, THEREFORE, BE IT RESOLVED, the Board of Directors of the Marina Coast Water District does hereby authorize the General Manager to take any and all actions necessary to provide a Conditional Commitment to the General Services Administration to Construct an Imjin Office Park Building to house the Bureau of Land Management Regional Office

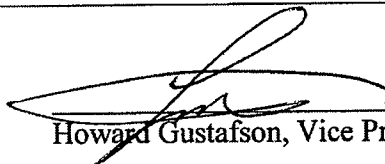
PASSED AND ADOPTED on November 13, 2012 by the Board of Directors of the Marina Coast Water District by the following roll call vote:

Ayes: Directors Nishi, Shriner, Lee, Gustafson

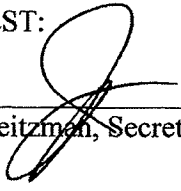
Noes: Directors None

Absent: Directors Burns

Abstained: Directors None


Howard Gustafson, Vice President

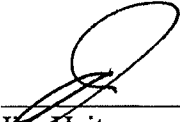
ATTEST:



Jim Heitzman, Secretary

CERTIFICATE OF SECRETARY

The undersigned Secretary of the Board of the Marina Coast Water District hereby certifies that the foregoing is a full, true and correct copy of Resolution No. 2012-77 adopted November 13, 2012.



Jim Heitzman, Secretary

**GENERAL SERVICES ADMINISTRATION
PUBLIC BUILDING SERVICE**

1. SOLICITATION FOR OFFERS

LCA03074

2. STATEMENT DATE

02/13/2013

**LESSOR'S ANNUAL COST STATEMENT
IMPORTANT - Read attached "Instructions"**

3. RENTAL AREA
(SQ. FT.)

3A. ENTIRE BUILDING
8745

3B. LEASED BY GOV'T
8300

BUILDING NAME AND ADDRESS (No., street, city, state, and zip code)

**SECTION I - ESTIMATED ANNUAL COST OF SERVICES AND UTILITIES
FURNISHED BY LESSOR AS PART OF RENTAL CONSIDERATION**

| SERVICES AND UTILITIES | LESSOR'S ANNUAL COST FOR | | FOR GOVERNMENT USE ONLY |
|---|--------------------------|-----------------------|----------------------------|
| | (a) ENTIRE BUILDING | (b) GOV'T-LEASED AREA | |
| A. CLEANING, JANITOR AND/OR CHAR SERVICE | | | |
| 5. SALARIES | 16600 | 16000 | |
| 6. SUPPLIES (Wax, cleaners, cloths, etc.) | 1000 | 1000 | |
| 7. CONTRACT SERVICES (Window washing, waste and snow removal) | 2400 | 18000 | |
| B. HEATING | | | |
| 8. SALARIES | | | |
| 9. FUEL ("X" one) <input type="checkbox"/> OIL <input type="checkbox"/> GAS <input type="checkbox"/> COAL <input checked="" type="checkbox"/> ELEC-TRIC | | | |
| 10. SYSTEM MAINTENANCE AND REPAIR | 1250 | 1250 | |
| C. ELECTRICAL | | | |
| 11. CURRENT FOR LIGHT AND POWER (Including elevators) | | 900 | |
| 12. REPLACEMENT OF BULBS, TUBES, STARTERS | 900 | 600 | |
| 13. POWER FOR SPECIAL EQUIPMENT | 0 | 0 | |
| 14. SYSTEM MAINTENANCE AND REPAIR (Ballasts, fixtures, etc.) | 250 | 250 | |
| D. PLUMBING | | | |
| 15. WATER (For all purposes) (Include sewage charges) | 3600 | 3600 | |
| 16. SUPPLIES (Soap, towels, tissues not in 6 above) | 0 | 0 | |
| 17. SYSTEM MAINTENANCE AND REPAIR | 300 | 300 | |
| E. AIR CONDITIONING | | | |
| 18. UTILITIES (Include electricity, if not in C11) | 750 | 750 | |
| 19. SYSTEM MAINTENANCE AND REPAIR | 750 | 750 | |
| F. ELEVATORS | | | |
| 20. SALARIES (Operators, starters, etc.) | 0 | 0 | |
| 21. SYSTEM MAINTENANCE AND REPAIR | 0 | 0 | |
| G. MISCELLANEOUS (To the extent not included above) | | | |
| 22. BUILDING ENGINEER AND/OR MANAGER | 0 | 0 | |
| 23. SECURITY (Watchmen, guards, not janitors) | 9600 | 9600 | |
| 24. SOCIAL SECURITY TAX AND WORKMEN'S COMPENSATION INS. | 0 | 0 | |
| 25. LAWN AND LANDSCAPING MAINTENANCE | 3500 | 3500 | |
| 26. OTHER (Explain on separate sheet) | | | |
| 27. TOTAL | 40900 | 40900 | |

SECTION II - ESTIMATED ANNUAL COST OF OWNERSHIP EXCLUSIVE OF CAPITAL CHARGES

| | | |
|---|-------|-------|
| 28. REAL ESTATE TAXES | 0 | 0 |
| 29. INSURANCE (Hazard, liability, etc.) | 3100 | 3100 |
| 30. BUILDING MAINTENANCE AND RESERVES FOR REPLACEMENT | 17850 | 17850 |
| 31. LEASE COMMISSION | 6818 | 6818 |
| 32. MANAGEMENT | 6000 | 6000 |
| 33. TOTAL | 33768 | 33768 |

LESSOR'S CERTIFICATION - The amounts entered in Columns (a) and (b) represent my best estimate as to the annual costs of services, utilities and ownership.

34. SIGNATURE OF

☐ OWNER

☐ LEGAL AGENT

TYPED NAME AND TITLE

34A. James Heitzman, General Manager
Marina Coast Water District

SIGNATURE

34B.

DATE

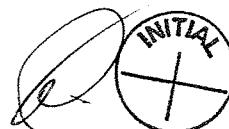
34C.

2/4/2013

35A.

35B.

35C.



INSTRUCTIONS
FOR
LESSOR'S ANNUAL COST STATEMENT
GSA FORM 1217

In acquiring space by lease, it is the established policy of GSA to enter into leases only at rental charges which are consistent with prevailing scales in the community for facilities.

ITEM NUMBER

1. Enter the Government lease or Solicitation for Offers number, if available.
2. Enter the date that your statement was prepared and signed.
3. A. Enter in this block a computation of the rentable area (multiple tenancy basis) for the entire building. The rentable area shall be computed by measurement to the inside finish of permanent outer building walls to the inside finish of corridor walls (actual or proposed) or to other permanent partitions, or both. Rentable space is the area for which a tenant is charged rent. It is determined by the building owner and may vary by city or by building within the same city. The rentable space may include a share of building support/common areas such as elevator lobbies, building corridors, and floor service areas. Floor service areas typically include restrooms, janitor rooms, telephone closets, electrical closets, and mechanical rooms. The rentable space generally does not include vertical building penetrations and their enclosing walls, such as stairs, elevator shafts, and vertical ducts.
- B. Enter in this block a computation of the rentable area to be rented to the Government. For this area, follow the procedure as outlined above, except that measurements are to be made only to the center of the partitions which separate the area to be rented by the Government from adjoining rented or rentable areas.
4. Identify the property by name and address.

SECTION I
ESTIMATED ANNUAL COST
OF SERVICES AND UTILITIES

- 5.-26. The services and utilities listed in this section are required in most of our rented space whether furnished by the Government or the Lessor.

Carefully review the Solicitation for Offers and/or the proposed lease to identify those services and utilities to be furnished by you as part of the rental consideration. Then enter your best cost estimate, or the actual cost from the previous year, for each of these services and utilities in column (a) for the entire building and in column (b) for the area to be rented to the Government. If any service or utility furnished for the space rented

by the Government is not furnished throughout the building, or the cost of a service or utility furnished to the Government space exceeds the cost of the same service or utility furnished to other rented space, explain on a separate sheet. For convenience, each major category has been divided into separate items such as salaries and supplies so that they may be entered when applicable. However, in the event that your records are not maintained for each item contained in Section I, 5 through 26, the total for a major category (A through F) may be entered under the category heading in columns (a) and (b) in lieu of the specific items. System maintenance and repairs includes the annual cost of such items as oiling, inspecting, cleaning, regulating, and routine replacement costs.

SECTION II
ESTIMATED ANNUAL COST OF OWNERSHIP
EXCLUSIVE OF CAPITAL CHARGES

Items 28 through 32 will be useful in the Government's determination of the fair market value of the space to be rented and shall be completed irrespective of whether Section I is applicable, as follows:

28. Include all applicable real estate taxes imposed upon the property.
29. Enter the annual cost of fire, liability, and other insurance carried on the real estate.
30. Enter the annual cost of wages, materials, and outside services used in repairs and maintenance of the building itself and all similar repairs and maintenance costs not included in Section I above (Heating, Electrical, Plumbing, Air Conditioning, and Elevators). This includes major repairs and changes in the nature of a permanent improvement such as annual cost to replace relatively short-lived items such as boiler, compressors, elevators, and roof coverings.
31. Enter any lease commission which you may be responsible for due to the Government leasing action.
32. Include administrative expenses such as agency fees, legal fees, auditing, and advertising. Do not include financial charges such as income or corporate taxes or organization expense.
- 34.-35. Complete Lessor certification.

Annotated Costs for the GSA LCA03074 Lease Proposal (BLM)

For NEW CONSTRUCTION, LEED Certified (Gold) Building at

940 Second Avenue, Marina, CA 93933

Offeror: (Owner) The Marina Coast Water District

| | |
|----------------------------|-----------------------|
| Soft Costs per 8,745sf | \$ 538,113.00* |
| Hard Costs per 8,745sf | <u>1,937,454.70*</u> |
| Buildout Cost Total | \$2,475,567.70 |

*These costs include the TIs (interior buildout) which equals (\$458,077 per lease)

| | |
|--|------------------|
| Total Actual Shell Buildout (Total minus TI Allowance) | \$2,047,491.00** |
|--|------------------|

| | |
|------------------|---------------|
| Land Acquisition | \$ 405,000.00 |
|------------------|---------------|

20 Year Amortization of Shell Buildout at 5%

| | |
|------------------|--------------|
| Monthly Mortgage | \$ 13,512.53 |
|------------------|--------------|

| | |
|------------------------------|---------------------|
| Which Equals @ 8,745sf (RSF) | \$ 1.55 psf, per mo |
|------------------------------|---------------------|

| | |
|----|--------------------|
| Or | \$18.54psf, per yr |
|----|--------------------|

| | |
|-----------------------------------|-------------------|
| Which Equals@ 8,300sf (ANSI/BOMA) | \$ 1.63psf per mo |
|-----------------------------------|-------------------|

| | |
|----|--------------------|
| Or | \$19.54psf, per yr |
|----|--------------------|

20 Year Cost of Land Acquisition

| | |
|---------|-------------|
| Monthly | \$ 1,687.50 |
|---------|-------------|

| | |
|------------------------------|--------------------|
| Which Equals @ 8,745sf (RSF) | \$ 0.19psf, per mo |
|------------------------------|--------------------|

| | |
|----|--------------------|
| Or | \$ 2.32psf, per yr |
|----|--------------------|

| | |
|------------------------------------|--------------------|
| Which Equals @ 8,300sf (ANSI/BOMA) | \$ 0.20psf, per mo |
|------------------------------------|--------------------|

| | |
|----|--------------------|
| Or | \$ 2.44psf, per yr |
|----|--------------------|

The Cost Offered:

| | |
|--------------------------------------|----------------|
| Shell Buildout Plus Land Acquisition | \$2,452,491.00 |
|--------------------------------------|----------------|

| | |
|------------------------------|-------------------|
| Which Equals @ 8,745sf (RSF) | \$ 1.74psf per mo |
|------------------------------|-------------------|

| | |
|----|-------------------|
| Or | \$20.85psf per yr |
|----|-------------------|

| | | |
|-----------------------------|-------------------|----------|
| Plus \$3.86 Ownership Costs | \$24.71psf per yr | Line 16d |
|-----------------------------|-------------------|----------|

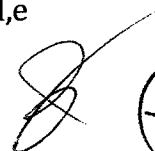

| | |
|------------------------------------|--------------------|
| Which Equals @ 8,300sf (ANSI/BOMA) | \$ 1.858psf per mo |
|------------------------------------|--------------------|

| | |
|----|-------------------|
| Or | \$21.98psf per yr |
|----|-------------------|

| | | |
|-----------------------------|--------------------|----------|
| Plus \$4.07 Ownership Costs | \$26.04 psf per yr | Line 16e |
|-----------------------------|--------------------|----------|

| | |
|--|---------|
| ** (These Costs include \$30,000 Security) | Line 13 |
|--|---------|

| | |
|-------------------------------------|-------------|
| Operating Expenses Will be Charged. | Line 17 d,e |
|-------------------------------------|-------------|

PROPOSAL TO LEASE SPACE
(For use with TI SFO and/or National Broker Contract)IN RESPONSE TO
SOLICITATION
NUMBER →

LCA03074

DATED 02/03/2013

SECTION I - DESCRIPTION OF PREMISES

| | | | |
|---|--|--|---|
| 1a. BUILDING NAME IMJIN OFFICE PARK | | 1b. BUILDING ADDRESS 940 SECOND AVENUE | |
| 1c. CITY MARINA | 1d. STATE CA | 1e. 9-DIGIT ZIP CODE 93933-6009 | 1f. CONGRESSIONAL DISTRICT SEVENTEENTH-CA |
| 2a. FLOORS OFFERED ONE | 2b. TOTAL NUMBER OF FLOORS IN BUILDING ONE | 3. TOTAL RENTABLE SPACE IN OFFERED BUILDING | |
| | | a. GENERAL PURPOSE (Office) 8,300 sq. ft. | b. WAREHOUSE 0 sq. ft. |
| | | c. OTHER 0 sq. ft. | |
| 4. LIVE FLOOR LOAD 0 (slab) lbs. / sq. ft. | 5. MEASUREMENT METHOD ANSI/BOMA <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> | 6. YEAR OF LAST MAJOR RENOVATION (If applicable) NEW | 7. BUILDING AGE NEW CONSTRUCTION |
| | | 8. SITE SIZE 46,609 sq. ft. 1.06 acres | |

SECTION II - SPACE OFFERED AND RATES

| | | |
|--|---|--|
| 9. ANSI/BOMA OFFICE AREA SQUARE FEET (ABOA) 8,300 | 10. RENTABLE SQUARE FEET (RSF) 8,745 | 11. COMMON AREA FACTOR (CAF) 1.05 |
|--|---|--|

"Tenant Improvements" are all alterations for the Government-demised area above the building shell buildout, excluding costs identified as tenant improvements in the Security Unit Price List. Building-Specific Security is the sum of costs identified as such in the Security Unit Price List. Neither the Tenant Improvements as stated in Block 12, nor the Building-Specific Security as stated in Block 13, are to be included in the shell rent. It is expected that the tenant buildout will be fully amortized at the end of the firm term, and the rent will be reduced accordingly. Any desired rent increases or decreases beyond the firm term of the lease should be reflected in the shell rate and fully explained as part of this written proposal. If Tenant Improvements or Building-Specific Security improvements are to be amortized beyond the firm term, those calculations must be itemized as part of this written proposal. The Offeror may attach additional pages as necessary.

| | | | | | | |
|---|---------------------------------------|----------------------------|---------------------------|---------------------------------|---|--------------------------------------|
| Offerors may copy this section through lines 18 as needed. Insert them above Box 20 or in Box 29. | | | | | Number of years each cost per RSF is in effect. State any changes for any rent component. | |
| | a. BUILD-OUT COSTS PER CATEGORY | b. AMORTIZATION TERM | c. AMORTIZATION (%) | d. AMORTIZED COST PER RSF | e. AMORTIZED COST PER ABOA SF | f. NO. YEARS RATE IS EFFECTIVE |
| 12. TENANT IMPROVEMENTS (per SFO requirements) | 458,077 | 20 | 5 | 4.15 | 4.37 | 15 |
| 13. BUILDING-SPECIFIC SECURITY (per SFO requirements detailed on Security Unit Price List) | | | | | | |
| 14. SHELL BUILD-OUT (per SFO requirements) | 2,475,568 | | | | | |
| 15. TOTAL BUILD-OUT COSTS | | | | | | |
| 16. SHELL RENT (Including current real estate taxes. Refer to Line 28 on GSA Form 1217) | | | | 24.71 | 26.04 | 20 |
| 17. OPERATING COSTS (Refer to Line 27 on GSA Form 1217) | | | | 4.59 | 4.83 | 1 |
| 18. TOTAL ANNUAL RATE | | | | 33.45 | 35.24 | 1 |
| 19. TOTAL ANNUAL RENT | | | | | | |
| | PER ANNUM RENT | FOR YEARS | PER ANNUM RENT | FOR YEARS | PER ANNUM RENT | FOR YEARS |
| TOTAL ANNUAL STEP RENTS | \$ 33.45 RSF \$ 35.24 ABOA | 1 Thru 20 | \$ RSF \$ ABOA | Thru | \$ RSF \$ ABOA | Thru |

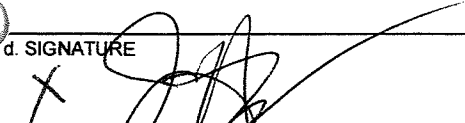
20.

- a. Number of parking spaces for the entire building/facility, which are under the control of the Offeror: 72 surface 0 structured
- b. Number of parking spaces required by local code: 30 surface structured
- c. Number of parking spaces for Employee/Visitor Use (per SFO): 52 surface structured
- d. Number of parking spaces for Official Government Vehicles (per SFO): 20 surface structured
- e. Does the rental rate offered above include SFO-required parking costs?
- YES ☒ NO ☐ If NO, complete the following: Annual cost per space, \$ surface structured

SECTION III - LEASE TERMS AND CONDITIONS

| 21. INITIAL LEASE TERM (Full Term) | | | 22. RENEWAL OPTIONS | | | |
|--|---------------|---|---|---|----------------------|--|
| a. Number of years | b. Years firm | c. Number of days notice for Government to terminate lease: | a. Shell rate / RSF / Yr | b. Years each | c. Number of options | d. Number of days NOTICE to exercise renewal option: |
| 20 | 15 | 120 | n/a | n/a | n/a | n/a |
| 23. OFFER GOOD UNTIL AWARD (In accordance with Federal Acquisition Regulations 15.208) | | | 24. Space will be altered and delivered in accordance with the Government's specifications and requirements in accordance with the Solicitation for Offers and any additional attachments. | | | |
| 25. COMMISSIONS – IF APPLICABLE, ATTACH COMMISSION AGREEMENT | | | | | | |
| a. Tenant Representative Commission: | | b. Owner's Representative Commission: | | c. Schedule of Commission payments: | | |
| n/a % | | n/a % | | n/a % at lease award and n/a % at lease occupancy | | |
| 26. OFFEROR'S TENANT IMPROVEMENT FEE SCHEDULE a. General Conditions will be 5 percent of (choose one): <input type="checkbox"/> 1. Total Subcontractors Costs estimated to be \$ <input type="checkbox"/> 2. Other (state basis) \$ 458,077 b. General Contractor's fee will be 1.5 percent of (choose one): <input type="checkbox"/> 1. Total Subcontractors Costs estimated to be \$ <input type="checkbox"/> 2. Other (state basis) \$ 458,077 c. Architectural/Engineering fees will be (choose one): <input type="checkbox"/> 1. \$ per usable square foot <input type="checkbox"/> 2. 4 % of (state basis) \$ <input type="checkbox"/> 3. \$ flat fee d. Lessor's Project Management fees will be 3 percent of (choose one): <input type="checkbox"/> 1. Total Subcontractors Costs estimated to be \$ 458,077 <input type="checkbox"/> 2. Total Subcontractors Costs plus (add basis): \$ e. If other fees are applicable, state what they are in terms of a per usable square foot amount, or if using a percentage, what is the basis for determining the fee. The Government will add the cost of the proposed fees to the net present value of the offered rental rate as described in the SFO's Price Evaluation paragraph. This schedule will be applicable for Tenant Improvements, Building-Specific Security, and change orders during initial construction arising under any resulting lease contract. | | | 27. ADDITIONAL FINANCIAL ASPECTS OF THE OFFER Adjustment for Vacant Premises: \$ 4.59 per ABOA sf HVAC Overtime Rate: \$ n/a per Areas requiring 24 hour HVAC (LAN, etc.) \$ n/a per sf NOTE: THE COST TO PROVIDE 24 HOUR HVAC SERVICE IS REIMBURSED SEPARATELY FROM RENT. THE COST FOR THESE OVERTIME UTILITIES MUST NOT BE INCLUDED IN THE OFFERED RENTAL RATE OR BASE OPERATING COSTS. Building's Normal Hours of HVAC Operation: Mon - Fri 6:00 AM to 6:00 PM; Saturday var AM to PM; Sunday var AM to PM; Percent of Government Occupancy: 100 % Current Year Taxes: \$ 0 Based on fully assessed value? <input type="checkbox"/> YES <input type="checkbox"/> NO Is the offered space part of multiple tax bills? <input type="checkbox"/> YES <input type="checkbox"/> NO If so, provide tax ID numbers and square footage for each. Attach the legal description of the offered property. If a site is offered, state the total land costs: \$ n/a | | | |
| 29. ADDITIONAL REMARKS OR CONDITIONS WITH RESPECT TO THIS OFFER | | | 28. LIST OF ATTACHMENTS SUBMITTED WITH THIS OFFER (See Solicitation requirements) | | | |
| | | | | | | |

SECTION IV - OWNER IDENTIFICATION AND CERTIFICATION

| | | | |
|--|--------------------------|---|------------------|
| 30. RECORDED OWNER (Name and address including ZIP code) | | | |
| MARINA COAST WATER DISTRICT, 11 RESERVATION ROAD, MARINA, CA 93933 | | | |
| RECORDED OWNER PER GRANT DEED, #2009047436, RECORDED 07/24/2009 | | | |
| 31. BY SUBMITTING THIS OFFER, THE OFFEROR AGREES UPON ACCEPTANCE OF THIS PROPOSAL BY THE HEREIN SPECIFIED DATE, TO LEASE TO THE UNITED STATES OF AMERICA, THE PREMISES DESCRIBED, UPON THE TERMS AND CONDITIONS AS SPECIFIED HEREIN, IN FULL COMPLIANCE WITH AND ACCEPTANCE OF THE AFOREMENTIONED SOLICITATION FOR OFFERS, WITH ATTACHMENTS. | | | |
| 32. OFFEROR'S INTEREST IN PROPERTY | OWNER | AGENT | OTHER (Specify): |
| Sole Owner | <input type="checkbox"/> | <input checked="" type="checkbox"/> | |
| 33. OFFEROR | | | |
| a. Jim Heitzman, General Manager & Secretary of the Board, Marina Coast Water District | | b. E-MAIL ADDRESS mcwd@mcwd.org | |
| d. SIGNATURE  | | c. TELEPHONE NUMBER (Including area code) (831) 384-6131 extension | |
| | | e. DATE SIGNED 2/6/2013 | |