

SAN DIEGO REGIONAL BUILDING AUTHORITY (SDRBA)
JOINT POWERS AGENCY
OF THE COUNTY OF SAN DIEGO AND
THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM (MTS)

MINUTES
May 24, 2021

1. Roll Call

Commissioner Fletcher called the meeting to order at 11:03am. Authority members present included Commissioner Goble and Commissioner Vargas.

2. Approval of Minutes

Commissioner Fletcher moved for approval of the minutes of the May 12, 2020, San Diego Regional Building Authority (SDRBA) meeting. Commissioner Goble seconded the motion, and the vote was 3 to 0 in favor.

3. Election of Officers

Commissioner Fletcher moved to recommend Commissioner Goble as Chair, Commissioner Fletcher as Vice Chair and Dalia Gonzalez as Clerk of the Board / Secretary to the SDRBA. Commissioner Vargas seconded the motion, and the vote was 3 to 0 in favor.

4. Approve the Amended and Restated Rules and Regulations of the SDRBA and Adopt a Resolution to Set the Annual Meeting Schedule

Karen Landers, MTS General Counsel provided an overview of the changes to the rules and regulations of the SDRBA. She highlighted the most significant change that would allow the meeting schedule to coincide with the County Board of Supervisors Land Use Session to facilitate a member quorum for future SDRBA meetings.

Commissioner Fletcher moved to 1) Approve the Amended and Restated Rules and Regulations; and 2) Adopt the Resolution setting the SDRBA annual regular meeting schedule. Commissioner Vargas seconded the motion, and the vote was 3 to 0 in favor.

5. SDRBA Transfer of Title to Parking Structure Parcel to County and MTS

Ms. Landers provided a brief explanation on the Transfer of Title to Parking Structure Parcel to County and MTS. She explained that under the lease documents and explained that once the bonds for the building are paid in full, the title would be transferred to the County and MTS in designated percentages. She provided Commissioners a brief historical overview of the SDRBA.

Commissioner Fletcher moved to authorize the Executive Director of the SDRBA to effectuate the transfer of title of the Mills Building Parking Structure land and improvements to the County of San Diego and MTS, according to the respective shares identified in the Lease dated May 1, 2011 between County and the SDRBA. Commissioner Vargas seconded the motion, and the vote was 3 to 0 in favor.

6. Amendments to Mills Building Ground Lease, Lease and Sublease Agreements

Ms. Landers explained that the proposed item would authorize the Executive Director of the SDRBA to negotiate and execute amendments to the Mills Building Ground Lease and Lease

documents that implement the Sublease Agreement changes agreed to by the County and MTS. She stated that the County and MTS Cost Shares were determined based on allocated square footage at the time of construction. The county is releasing some of its 8th floor space to MTS and MTS is giving its 1st floor vacant unit to the County, resulting in an 8.2% net increase in square footage by MTS. The revised Ground Lease, Lease, and Sublease will cause the County and MTS shares of Mills Building operating and capital project costs to be adjusted.

Commissioner Fletcher moved to authorize the Executive Director of the SDRBA to negotiate and execute amendments to the Mills Building Ground Lease and Lease documents that implement the Sublease Agreement changes agreed to by the County and MTS, in substantially the same format as Attachment A and Attachment B. Commissioner Vargas seconded the motion, and the vote was 3 to 0 in favor.

7. Evaluation of Mills Building Lease Structure

Ms. Landers gave a brief synopsis of the evaluation of Mills Building lease structure agenda item and explained the item would allow staff to negotiate additional proposed amendments to the lease and ground lease to potentially remove the Regional Building Authority from participation with the Mills Building daily operations to prioritize administrative efficiency.

Commissioner Fletcher moved to authorize the Executive Officer to negotiate on behalf of SDRBA additional proposed amendments to the (i) Lease; and (ii) Ground Lease. Upon successful negotiation, staff will return to the SDRBA Board with a recommended action for the Board's consideration which would remove SDRBA from any involvement with the James R. Mills Building including its lease structure. Commissioner Vargas seconded the motion, and the vote was 3 to 0.

8. James R. Mills Building – Adoption of Operating Budget and Capital Improvement Projects for Fiscal Year 2021/2022 (FY21/22)

Marko Medved, County of San Diego Director of General Services provided a brief budget presentation and outlined: the overall budget, separated budget items, operational and capital budgets. He stated the proposed operational budget increased due to security service increases. He stated the capital budget increase was due to maintenance. He acknowledged that because the building did not have as much parking revenue during the pandemic. Parking revenue estimates for FY 22 budget do not include Padres game or special events revenue, even though it looks like many returned during FY 22. A joint accrual of \$143,000 would need to be incurred for the building to restore the operation reserve. Finally, he outlined the allocations between the County and MTS.

Commissioner Fletcher acknowledged that he favored conservative estimates. He cited the June 15th Padres game that had no capacity limits and acknowledged that he anticipated more parking revenue as industries reopen.

Commissioner Goble agreed that he also anticipates an increase in parking revenue.

Commissioner Vargas moved to 1) Approve the proposed FY 21/22 Operating Budget (Attachment A) and authorize the Executive Officer to approve the expenditures in accordance therewith; and 2) Approve the proposed FY 21/22 Capital Improvement Budget (Attachment B) and authorize the Executive Officer to approve the expenditure of \$1,174,000 from the Capital Reserve Account. Commissioner Fletcher seconded the motion, and the vote was 3 to 0 in favor.

9. Public Comments

There were no public comments.

10. Board Member Comments

There were no additional comments.

11. Next Meeting Date

The next SDRBA meeting will be determined at a later date.

12. Adjournment

The meeting adjourned at 11:24 a.m.

/S/ Steve Goble

Chairman

Attachment: Roll Call Sheet

SAN DIEGO REGIONAL BUILDING AUTHORITY (SDRBA)
JOINT POWERS AGENCY OF THE COUNTY OF SAN DIEGO &
THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM (MTS)

ROLL CALL

MEETING OF (DATE) May 24, 2021 CALL TO ORDER (TIME) 11:03 am

RECESS _____

RECONVENE _____

ADJOURN 11:24 am

| BOARD MEMBER | | PRESENT (TIME ARRIVED) | ABSENT (TIME LEFT) |
|--------------|-------------------------------------|---------------------------|-----------------------|
| Fletcher | <input checked="" type="checkbox"/> | 11:03 am | 11:24 am |
| Goble | <input checked="" type="checkbox"/> | 11:03 am | 11:24 am |
| Vargas | <input checked="" type="checkbox"/> | 11:03 am | 11:24 am |

SIGNED BY THE CLERK OF THE BOARD:



San Diego Regional Building Authority

Agenda Item No. 3

SAN DIEGO REGIONAL BUILDING AUTHORITY (SDRBA)
JOINT POWERS AGENCY OF THE COUNTY OF SAN DIEGO &
THE SAN DIEGO METROPOLITAN TRANSIT SYSTEM (MTS)

May 11, 2022

SUBJECT:

JAMES R. MILLS BUILDING – ADOPTION OF OPERATING BUDGET AND CAPITAL IMPROVEMENT PROJECTS (CIP) FOR FISCAL YEAR 2022/2023 (FY22/23)

RECOMMENDATION:

- 1) Approve the proposed FY 22/23 Operating Budget (Attachment A) and authorize the Executive Officer to approve the expenditures in accordance therewith; and
- 2) Approve the proposed FY 22/23 Capital Improvement Budget (Attachment B) and authorize the Executive Officer to approve the expenditure of \$1,511,856 from the Capital Reserve Account.

Budget Impact

None.

DISCUSSION:

The James R. Mills Building located at 1255 Imperial Avenue (Mills Building) is jointly operated by the County of San Diego (County) and San Diego Metropolitan Transit System (MTS) through ground lease, lease, and sublease agreements with the San Diego Regional Building Authority (SDRBA). The SDRBA is a joint powers authority created by the County and MTS to fund, construct, maintain and operate the Mills Building. Under the lease agreements, MTS controls the trolley infrastructure, station areas, a portion of the first-floor retail spaces, a portion of the eighth floor and the ninth and tenth floor office areas. County controls the office areas on the second through seventh floors and portions of the first and eighth floors. The parking garage is shared proportionately by the County and MTS. County and MTS pay for individual monthly employee parking spaces, and additional revenue is generated from the garage for daily and special event parking, including an agreement with the Padres for 300 spaces during each Padres home game and some Petco Park special events. The SDRBA has a property management agreement with Colliers International Management Company (Colliers) to handle day-to-day operations and maintenance of the Mills Building.

Today's actions would approve the budgets for Mills Building operations and capital improvement projects for FY 22/23.

Mills Building Budget and Expense Overview

The Mills Building Budget is made up of five major categories of expenses and revenue:

1. Operating Expenses. This includes expenses related to property management, janitorial, landscaping, security, utilities, parking, and general repairs and maintenance activities for the Mills Building. Under the MTS-County sublease amendment, MTS pays 33.22% and County pays 66.78% of Operating Expenses.
2. Capital Improvement Expenses. This includes costs for Mills Building Capital Improvements and major repair projects. Under the MTS-County sublease amendment, MTS pays 33.22% and County pays 66.78% of Capital Improvement Expenses. Some projects are in process and may have funding from prior fiscal years. The expenses in the FY 22/23 budget reflect new projects or additional funding needed to complete projects approved in previous budgets.
3. Parking Revenue. This is a credit for actual parking revenue from daily parking fees, monthly parking fees for MTS or County employees, the Padres parking lease, and special event parking fees. This credit is used to reduce the required Operating Expense contribution from County and MTS and will remain allocated based on historical percentages (MTS 24.95% and County 75.05%).
4. Direct Owner Expenses. This includes expenses that are solely related to either the County's occupancy or MTS's occupancy. They are not split according to the Operating Expenses proportionate share percentage, but are added to either the County or MTS costs shares as appropriate. Mills Building expenses subject to the County/MTS proportionate share allocation are calculated by the following formula:

| | | <u>MTS-County %</u> |
|--------|---|---------------------|
| Line A | Operating Expenses | 33.22%-66.78% |
| Line B | (+ Capital Improvement Expenses | 33.22%-66.78% |
| Line C | <i>Mills Building Expense Subtotal</i> | |
| Line D | (+ Reserve Contribution or Parking Revenue Shortfall | 24.95%-75.05% |
| Line E | (-) Parking Revenue | 24.95%-75.05% |
| Line F | <i>Total Mills Building Expenses Subject to Proportionate Share</i> | |

The County and MTS annual contributions to Mills Building Expenses are then calculated as follows:

| <u>County</u> | <u>MTS</u> |
|---|--|
| 66.78% of Line C | 33.22% of Line C |
| (+) 75.05% of Line D | (+) 24.95% of Line D |
| (-) 75.05% of Line E | (-) 24.95% of Line E |
| <u>+ County Direct Owner Expenses</u> | <u>+ MTS Direct Owner Expenses</u> |
| <i>County Total Mills Building Expenses</i> | <i>MTS Total Mills Building Expenses</i> |

FY 22/23 Operating Budget (Attachment A)

The proposed total Operating Expense budget for FY 22/23 totals \$4,246,533. Annual Operating Expenses have increased by approximately 18.36% over the annual Operating Expenses for FY 21/22. The primary reasons for the increase are statutory wage increases, security contract increases, utility cost increases, and increased maintenance due to the age of the asset.

The proportionate distribution of shared operating expenses is \$2,835,835 (County) and \$1,410,698 (MTS).

Direct Owner Expenses of \$1,417,363 are allocated to County (\$1,398,812) and MTS (\$18,551) according to their respective use. These costs generally relate to additional utilities, trash collection, cleaning, and security for County or MTS units.

FY 22/23 Capital Improvement Program Budget (Attachment B)

Proposed Capital Improvements in FY 22/23 total \$1,511,856 (Attachment B). Proposed Capital Improvement items for FY 22/23 include: Lobby/interior Elevator/Restroom upgrades additional funds requested for increase in construction costs, additional funds for OSHA requirements for window washing stage, HVAC implementation of air handler unit, VAV for 3 floors, replace exhaust fan and air intake for entire asset, additional funds required for the auto park improvements, GFI 3-year certification & Electrical repairs.

The proportionate distribution of shared Capital Improvement Program expenses is \$1,009,617 (County) and \$502,239 (MTS).

FY 22/23 Reserve Contribution

No contribution is requested for FY 22/23

FY 21/22 Actual Parking Revenue Received July 2021- March 2022

FY 21/22 Parking Revenue to be deducted from building operating costs totals \$1,122,161.

(This number reflects total actual parking revenue received July 2021-March 2022 \$1,539,480, after subtracting the amount previously deducted in FY 21/22 Table 1: Budget Summary Line E 417,319)

The proposed parking revenue credit is shared according to a formula that remains unchanged for the proposed budget: The County is allocated 75.05%, or \$842,182; MTS is allocated 24.95%, or \$279,979.

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TABLE 1: BUDGET SUMMARY:

The above budget categories and proportionate shares are set forth in table format below:

| Line | Expenses and Parking Revenue | Current Budget FY21/22 | Estimated Actuals FY21/22 | Proposed Budget FY22/23 |
|------|---|------------------------|---------------------------|-------------------------|
| A | Project Operating Expense | \$3,587,821 | \$3,581,138 | \$4,246,533 |
| B | Total Capital Improvements | \$1,174,000 | \$1,174,000 | \$1,511,856 |
| C | <i>Mills Building Expense Subtotal</i> | <i>\$4,761,821</i> | <i>\$4,755,138</i> | <i>\$5,758,389</i> |
| D | Restore Operating Reserves due to a Parking Revenue Shortfall | \$143,493 | \$143,493 | \$0 |
| E | Less: Parking Revenue* | (\$417,319) | (\$417,319)** | (\$1,122,161)** |
| F | <i>Mills Building Expenses Subject to Proportionate Share</i> | <i>\$4,487,995</i> | <i>\$4,481,312</i> | <i>\$4,636,228</i> |
| | Direct Owner Expenses | \$1,232,341 | \$1,232,341 | \$1,417,363 |
| | <i>Total Mills Building Opex and CIP Budget</i> | <i>\$5,720,336</i> | <i>\$5,713,653</i> | <i>\$6,053,591</i> |

*Note: FY 22/23 column reflects actual parking revenue received from July 2021-March 2022

** Reflects combined Parking Revenue of \$1,539,480 received July 2021-March 2022

| Total Cost Shares (Operating Expense, Parking, Capital Improvements and Direct Expenses) | | | |
|---|-------------|-------------|-------------|
| MTS Share | \$1,558,450 | \$1,556,230 | \$1,651,509 |
| County Share | \$4,161,886 | \$4,157,423 | \$4,402,082 |
| Total | \$5,720,336 | \$5,713,653 | \$6,053,591 |

Attachments:

- A: Proposed FY 22/23 Operating Budget and Capital Expenditures
- B: Proposed FY 22/23 Capital Improvements
- C: FY 20/21 to FY 22/23 Current vs Proposed Budget
- D: Capital Expenditure Project Summary

**Attachment A: Proposed FY 2019-2020
Operating Budget and Capital Expenditures
James Mills Building (5097-sd)
July 2022 Through June 2023
Project Sq. Ft. 183,245
Type: Office**

| Acct No | Jul 2022 | Aug 2022 | Sep 2022 | Oct 2022 | Nov 2022 | Dec 2022 | Jan 2023 | Feb 2023 | Mar 2023 | Apr 2023 | May 2023 | Jun 2023 | Total |
|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|------------------|
| REVENUE (Ties to Income Schedule) | | | | | | | | | | | | | |
| RENT | | | | | | | | | | | | | |
| 4110-0000 MTS Retail Rent | 7,175 | 7,175 | 7,175 | 7,175 | 7,175 | 7,175 | 7,175 | 7,175 | 7,175 | 7,175 | 7,175 | 7,175 | 86,095 |
| | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| TOTAL RENT | 7,175 | 7,175 | 7,175 | 7,175 | 7,175 | 7,175 | 7,175 | 7,175 | 7,175 | 7,175 | 7,175 | 7,175 | 86,095 |
| OPERATING EXP REIMB | | | | | | | | | | | | | |
| 4310-0000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 4330-0000 HNSA Reimbursed Utilities * | 25,375 | 25,375 | 25,375 | 25,375 | 25,375 | 25,375 | 25,375 | 25,375 | 25,375 | 25,375 | 25,375 | 25,375 | 304,495 |
| 4332-0000 Trash Removal Reimb (Amart) | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 2,400 |
| TOTAL OPERATING EXP REIMB. | 25,575 | 25,575 | 25,575 | 25,575 | 25,575 | 25,575 | 25,575 | 25,575 | 25,575 | 25,575 | 25,575 | 25,575 | 306,895 |
| PARKING INCOME | | | | | | | | | | | | | |
| 4405-0100 Parking Padres | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 460,789 | 0 | 0 | 0 | 460,789 |
| 4405-0100 Parking Game Revenue | 0 | 55,000 | 70,000 | 0 | 0 | 0 | 0 | 0 | 0 | 60,000 | 60,000 | 55,000 | 300,000 |
| 4405-2000 Parking- MTS Monthly Parkin | 4,000 | 4,000 | 4,000 | 4,000 | 4,000 | 4,000 | 4,000 | 4,000 | 4,000 | 4,000 | 4,000 | 4,000 | 48,000 |
| 4405-3000 Parking-Daily (Transient) | 22,000 | 22,000 | 22,000 | 22,000 | 22,000 | 22,000 | 22,000 | 22,000 | 22,000 | 22,000 | 22,000 | 22,000 | 264,000 |
| 4405-0100 (A) Parking HNSA Monthly Parking * | 1,900 | 1,900 | 1,900 | 1,900 | 1,900 | 1,900 | 1,900 | 1,900 | 1,900 | 1,900 | 1,900 | 1,900 | 22,800 |
| 4405-0100 SanDag | 80 | 80 | 80 | 80 | 80 | 80 | 80 | 80 | 80 | 80 | 80 | 80 | 960 |
| 4405-0100 Retail Tenants | 240 | 240 | 240 | 240 | 240 | 240 | 240 | 240 | 240 | 240 | 240 | 240 | 2,880 |
| 4405-0200 (B) Parking Contribution MTS * | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 1,440 |
| 4405-0002 Parking - Coupons | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 | 18,000 |
| 4405-1000 Parking - Events | 50,000 | 10,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 60,000 |
| TOTAL PARKING INCOME | 79,840 | 94,840 | 99,840 | 29,840 | 29,840 | 29,840 | 29,840 | 29,840 | 490,629 | 89,840 | 89,840 | 84,840 | 1,178,869 |
| OTHER INCOME | | | | | | | | | | | | | |
| 4801-0000 HNSA Security/Janitorial/Pest Control Reimb * | 68,054 | 68,054 | 68,054 | 68,054 | 68,054 | 68,054 | 68,054 | 68,054 | 68,054 | 68,054 | 68,054 | 68,054 | 816,647 |
| 4803-0000 MTS dedicated Expense Reimb * (1st Floor Exp reimb) | 1,426 | 1,426 | 1,426 | 1,426 | 1,426 | 1,426 | 1,426 | 1,426 | 1,426 | 1,426 | 1,426 | 1,426 | 17,111 |
| 4880-0000 Interest Income | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 120 |
| 4890-0000 Other Income* (City Maintenance Assessment) | 1,139 | 1,139 | 1,139 | 1,139 | 1,139 | 1,139 | 1,139 | 1,139 | 1,139 | 1,139 | 1,139 | 1,139 | 13,670 |
| 4890-0002 Contributions MTS-San Diego Opex * | 94,227 | 94,227 | 94,227 | 94,227 | 94,227 | 94,227 | 94,227 | 94,227 | 94,227 | 94,227 | 94,227 | 94,227 | 1,130,719 |
| 4890-0003 Contributions San Diego County Opex * | 166,138 | 166,138 | 166,138 | 166,138 | 166,138 | 166,138 | 166,138 | 166,138 | 166,138 | 166,138 | 166,138 | 166,138 | 1,993,653 |
| 4890-0004 Contributions MTS-San Diego-Capital * | 41,853 | 41,853 | 41,853 | 41,853 | 41,853 | 41,853 | 41,853 | 41,853 | 41,853 | 41,853 | 41,853 | 41,853 | 502,239 |
| 4890-0005 Contributions-San Diego County-Capital * | 84,135 | 84,135 | 84,135 | 84,135 | 84,135 | 84,135 | 84,135 | 84,135 | 84,135 | 84,135 | 84,135 | 84,135 | 1,009,617 |
| TOTAL OTHER INCOME | 456,981 | 456,981 | 456,981 | 456,981 | 456,981 | 456,981 | 456,981 | 456,981 | 456,981 | 456,981 | 456,981 | 456,981 | 5,483,776 |
| TOTAL REVENUE | 569,571 | 584,571 | 589,571 | 519,571 | 519,571 | 519,571 | 519,571 | 519,571 | 980,360 | 579,571 | 579,571 | 574,571 | 7,055,635 |

Note: Parking Revenues are allocated based on 24.95%/75.05% splits

**Attachment A: Proposed FY 2019-2020
Operating Budget and Capital Expenditures
James Mills Building (5097-sd)
July 2022 Through June 2023
Project Sq. Ft. 183,245
Type: Office**

| Acct No | Jul 2022 | Aug 2022 | Sep 2022 | Oct 2022 | Nov 2022 | Dec 2022 | Jan 2023 | Feb 2023 | Mar 2023 | Apr 2023 | May 2023 | Jun 2023 | Total | Square Feet: 183,245 | | | |
|--|----------------------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|---------|----------------------|---------|---------|---------|
| | | | | | | | | | | | | | | County | MTS | Cost | |
| | | | | | | | | | | | | | | 66.78% | 33.22% | P.S.F. | |
| | | | | | | | | | | | | | | New Percentages | | | |
| | | | | | | | | | | | | | | 0 | 0 | \$ - | |
| Operating Expenses | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | 0 | 0 | 0 | |
| Administration | | | | | | | | | | | | | | | | | |
| 5810 | Payroll Building Manager | 12,137 | 12,137 | 12,137 | 12,137 | 12,137 | 12,137 | 12,137 | 12,137 | 12,137 | 12,137 | 12,137 | 145,639 | 97,258 | 48,381 | \$ 0.79 | |
| 5845 | Telephone | 3,960 | 4,048 | 4,048 | 4,040 | 4,044 | 4,044 | 4,164 | 4,164 | 4,164 | 4,164 | 4,164 | 49,169 | 32,835 | 16,334 | \$ 0.27 | |
| 5840 | Office Supplies/Postage | 475 | 475 | 475 | 475 | 475 | 475 | 475 | 475 | 475 | 475 | 475 | 5,700 | 3,806 | 1,894 | \$ 0.03 | |
| 5843 | Repairs & Maintenance | 292 | 42 | 42 | 292 | 42 | 42 | 292 | 42 | 42 | 42 | 42 | 1,500 | 1,002 | 498 | \$ 0.01 | |
| 5805 | Management Fees | 6,892 | 6,892 | 6,892 | 6,892 | 6,892 | 7,064 | 7,064 | 7,064 | 7,064 | 7,064 | 7,064 | 83,738 | 55,920 | 27,818 | \$ 0.46 | |
| 5884 | Tenant Relations | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | \$ - | |
| 5890 | Other Administrative Expenses | 8,955 | 3,150 | 8,303 | 3,150 | 3,150 | 5,198 | 7,980 | 8,330 | 3,273 | 3,225 | 3,225 | 61,212 | 40,877 | 20,335 | \$ 0.33 | |
| Total Administrative | | 32,710 | 26,743 | 31,896 | 26,985 | 26,740 | 28,788 | 32,112 | 32,212 | 27,155 | 27,357 | 27,107 | 27,155 | 346,959 | 231,699 | 115,260 | \$ 1.89 |
| General Building | | | | | | | | | | | | | | | | | |
| 5255 | Engineers Payroll | 16,248 | 16,248 | 16,248 | 16,248 | 16,248 | 16,248 | 16,248 | 16,248 | 16,248 | 16,248 | 16,248 | 194,978 | 130,206 | 64,772 | \$ 1.06 | |
| 5690 | Repairs & Maintenance | 7,213 | 6,313 | 5,813 | 11,113 | 5,613 | 5,813 | 7,913 | 5,613 | 5,613 | 7,213 | 5,613 | 79,460 | 53,063 | 26,397 | \$ 0.43 | |
| 5680 | Pest Control | 7,040 | 340 | 340 | 7,040 | 340 | 340 | 7,040 | 340 | 340 | 7,040 | 340 | 30,880 | 20,622 | 10,258 | \$ 0.17 | |
| 5667 | Painting | 3,000 | 0 | 300 | 3,000 | 0 | 300 | 3,000 | 0 | 300 | 3,000 | 0 | 13,200 | 8,815 | 4,385 | \$ 0.07 | |
| 5673 | Tools & Equipment | 300 | 0 | 0 | 300 | 0 | 0 | 300 | 0 | 0 | 0 | 0 | 1,200 | 801 | 399 | \$ 0.01 | |
| 5410 | Plumbing | 6,928 | 3,553 | 4,353 | 6,193 | 3,553 | 4,843 | 7,953 | 3,553 | 43,743 | 5,353 | 3,553 | 98,771 | 65,959 | 32,812 | \$ 0.54 | |
| 5685 | Roof | 0 | 0 | 0 | 0 | 0 | 0 | 6,800 | 3,000 | 0 | 0 | 0 | 9,800 | 6,544 | 3,256 | \$ 0.05 | |
| Total General Building | | 40,729 | 26,454 | 27,054 | 43,894 | 25,754 | 27,544 | 49,254 | 28,754 | 66,244 | 39,154 | 25,754 | 27,694 | 428,288 | 286,011 | 142,277 | \$ 2.34 |
| Janitorial | | | | | | | | | | | | | | | | | |
| 5505 | Cleaning Contract | 46,109 | 44,509 | 45,509 | 44,509 | 44,509 | 45,509 | 48,895 | 47,295 | 48,295 | 47,295 | 48,295 | 558,024 | 372,648 | 185,376 | \$ 3.05 | |
| 5515 | Cleaning Supplies | 6,800 | 6,800 | 6,800 | 6,800 | 6,800 | 6,800 | 6,800 | 6,800 | 6,800 | 6,800 | 6,800 | 81,600 | 54,492 | 27,108 | \$ 0.45 | |
| 5230 | Refuse Removal | 3,481 | 3,481 | 3,481 | 3,481 | 3,481 | 3,481 | 3,655 | 3,655 | 3,655 | 3,655 | 3,655 | 42,816 | 28,593 | 14,224 | \$ 0.23 | |
| 5520 | Window Washing Contract | 9,000 | 64,471 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 73,471 | 49,064 | 24,407 | \$ 0.40 | |
| Total Janitorial | | 65,390 | 119,261 | 55,790 | 54,790 | 54,790 | 55,790 | 59,350 | 57,750 | 58,750 | 57,750 | 57,750 | 58,750 | 755,911 | 504,797 | 251,114 | \$ 3.72 |
| Electrical & Lighting Systems | | | | | | | | | | | | | | | | | |
| 5315 | Electrical Supplies | 350 | 200 | 200 | 350 | 200 | 200 | 350 | 200 | 200 | 350 | 200 | 200 | 3,000 | 2,003 | 997 | \$ 0.02 |
| 5310 | Electrical Repairs & Maintenance | 310 | 310 | 310 | 310 | 310 | 310 | 10,184 | 31,035 | 310 | 310 | 310 | 310 | 44,319 | 29,596 | 14,723 | \$ 0.24 |
| Total Electrical | | 660 | 510 | 510 | 660 | 510 | 510 | 10,534 | 31,235 | 510 | 660 | 510 | 510 | 47,319 | 31,599 | 15,719 | \$ 0.26 |
| Elevator | | | | | | | | | | | | | | | | | |
| 5455 | Elevator Contract | 3,200 | 3,200 | 3,200 | 3,200 | 3,200 | 3,200 | 3,200 | 3,200 | 3,200 | 3,200 | 3,200 | 38,400 | 25,644 | 12,756 | \$ 0.21 | |
| 5460 | Elevator Repair & Maintenance | 1,800 | 1,600 | 1,800 | 1,600 | 2,400 | 5,800 | 1,800 | 1,600 | 2,000 | 1,600 | 2,400 | 26,000 | 17,363 | 8,637 | \$ 0.14 | |
| 5463 | Elevator Telephone Lines | 3,172 | 6,757 | 5,945 | 5,173 | 5,495 | 5,497 | 5,560 | 5,560 | 5,560 | 5,560 | 5,560 | 65,399 | 43,674 | 21,726 | \$ 0.36 | |
| Total Elevator | | 8,172 | 11,557 | 10,945 | 9,973 | 11,095 | 14,497 | 10,560 | 10,360 | 10,760 | 10,360 | 11,160 | 10,360 | 129,799 | 86,680 | 43,119 | \$ 0.35 |
| HVAC | | | | | | | | | | | | | | | | | |
| 5355 | HVAC Contract Service | 5,989 | 5,989 | 11,822 | 23,216 | 10,357 | 11,822 | 9,503 | 6,017 | 11,850 | 6,017 | 6,017 | 11,850 | 120,450 | 80,436 | 40,013 | \$0.66 |
| 5365 | HVAC Materials & Supplies | 1,250 | 1,250 | 1,250 | 1,250 | 1,250 | 1,250 | 1,250 | 1,250 | 1,250 | 1,250 | 1,250 | 15,000 | 10,017 | 4,983 | \$0.08 | |
| 5360 | HVAC Repairs & Maintenance | 4,550 | 4,550 | 4,550 | 4,550 | 14,550 | 4,550 | 4,550 | 4,550 | 4,550 | 4,550 | 4,550 | 64,600 | 43,140 | 21,460 | \$0.35 | |
| 5390 | HVAC Water Treatment | 484 | 484 | 484 | 484 | 484 | 484 | 484 | 484 | 484 | 484 | 484 | 5,808 | 3,879 | 1,929 | \$0.03 | |
| Total HVAC | | 12,273 | 12,273 | 18,106 | 29,500 | 26,641 | 18,106 | 15,787 | 12,301 | 18,134 | 12,301 | 12,301 | 18,134 | 205,858 | 137,472 | 68,386 | \$ 1.09 |

**Attachment A: Proposed FY 2019-2020
Operating Budget and Capital Expenditures
James Mills Building (5097-sd)
July 2022 Through June 2023
Project Sq. Ft. 183,245
Type: Office**

| Acct No | | Jul 2022 | Aug 2022 | Sep 2022 | Oct 2022 | Nov 2022 | Dec 2022 | Jan 2023 | Feb 2023 | Mar 2023 | Apr 2023 | May 2023 | Jun 2023 | Total | | | | |
|--|---|----------------|----------------|----------------|----------------|----------------|----------------|-----------------|----------------|----------------|----------------|----------------|----------------|------------------|------------------|------------------|----|--------------|
| Landscape & Grounds | | | | | | | | | | | | | | | | | | |
| 5555 | Landscape Contract | 1,905 | 1,905 | 2,505 | 1,905 | 1,905 | 5,705 | 1,905 | 1,905 | 2,505 | 1,905 | 1,905 | 2,505 | 28,460 | 19,006 | 9,454 | \$ | 0.16 |
| 5565 | Landscape Materials & Supplies | 1,300 | 100 | 100 | 1,300 | 100 | 100 | 1,971 | 100 | 771 | 1,300 | 771 | 100 | 8,013 | 5,351 | 2,662 | \$ | 0.04 |
| 5560 | Landscape Repairs & Maintenance | 250 | 250 | 250 | 7,132 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 9,882 | 6,599 | 3,283 | \$ | 0.05 |
| | Total Landscape | 3,455 | 2,255 | 2,855 | 10,337 | 2,255 | 6,055 | 4,126 | 2,255 | 3,526 | 3,455 | 2,926 | 2,855 | 46,355 | 30,956 | 15,399 | \$ | 0.25 |
| Parking Expenses | | | | | | | | | | | | | | | | | | |
| 5618-0000 | Operating Expenses (Ace Parking) | 32,064 | 32,564 | 34,308 | 15,264 | 15,264 | 15,264 | 18,989 | 15,264 | 15,264 | 34,308 | 29,054 | 31,574 | 289,181 | 193,115 | 96,066 | \$ | 1.58 |
| 5645-0300 | Parking-Electrical Supplies & Repairs | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 1,200 | 801 | 399 | \$ | 0.01 |
| 5645-0400 | Parking- Elevator Expenses | 2,953 | 2,953 | 4,633 | 2,953 | 2,953 | 4,633 | 2,953 | 2,953 | 4,633 | 2,953 | 2,953 | 4,633 | 42,156 | 28,152 | 14,004 | \$ | 0.23 |
| 5645-0500 | Parking Fire/Life/Safety | 2,795 | 120 | 120 | 395 | 120 | 120 | 1,595 | 320 | 120 | 395 | 120 | 120 | 6,340 | 4,234 | 2,106 | \$ | 0.03 |
| 5645-0700 | Landscape & Grounds | 825 | 325 | 325 | 825 | 325 | 325 | 825 | 325 | 325 | 825 | 325 | 325 | 5,900 | 3,940 | 1,960 | \$ | 0.03 |
| 5645-0800 | Pest Control | 95 | 575 | 95 | 95 | 575 | 95 | 95 | 575 | 95 | 95 | 575 | 95 | 3,060 | 2,043 | 1,017 | \$ | 0.02 |
| 5645-1000 | Parking-Materials & Supplies | 50 | 50 | 550 | 50 | 730 | 550 | 50 | 50 | 550 | 50 | 730 | 550 | 3,960 | 2,644 | 1,316 | \$ | 0.02 |
| 5645-1100 | Parking-Repairs & Maintenance | 600 | 1,350 | 350 | 900 | 150 | 150 | 6,850 | 600 | 900 | 150 | 150 | 1,350 | 13,500 | 9,015 | 4,485 | \$ | 0.07 |
| 5645-1200 | Parking-M&S Parking Equipment | 45 | 45 | 45 | 45 | 45 | 45 | 45 | 45 | 45 | 45 | 45 | 45 | 540 | 361 | 179 | \$ | 0.00 |
| 5645-1300 | Parking-Sweeping & Steam Cleaning | 0 | 0 | 2,200 | 0 | 0 | 2,200 | 0 | 0 | 2,200 | 0 | 0 | 2,200 | 8,800 | 5,877 | 2,923 | \$ | 0.05 |
| 5645-1400 | Parking-Security Contract | 31,672 | 31,672 | 31,672 | 22,099 | 22,099 | 22,099 | 23,425 | 23,425 | 23,425 | 32,998 | 32,998 | 32,998 | 330,585 | 220,764 | 109,820 | \$ | 1.80 |
| 5645-1500 | Electricity- Auto park | 5,912 | 5,921 | 6,292 | 6,108 | 4,772 | 5,148 | 5,347 | 5,732 | 6,145 | 6,145 | 6,145 | 6,145 | 69,810 | 46,619 | 23,191 | \$ | 0.38 |
| 5645-1600 | Water-Auto park | 177 | 140 | 140 | 140 | 128 | 128 | 129 | 129 | 129 | 129 | 129 | 129 | 1,628 | 1,087 | 541 | \$ | 0.01 |
| | Total Parking | 77,288 | 75,815 | 80,830 | 48,974 | 47,262 | 50,857 | 60,404 | 49,518 | 53,931 | 78,193 | 73,324 | 80,264 | 776,660 | 518,654 | 258,007 | \$ | 4.24 |
| Security/Fire/Safety | | | | | | | | | | | | | | | | | | |
| 5775-0100 | SFS- Telephone/Alarm | 217 | 217 | 1,210 | 1,642 | 217 | 1,210 | 217 | 217 | 1,210 | 1,642 | 217 | 1,210 | 9,426 | 6,295 | 3,131 | \$ | 0.05 |
| 5775-0200 | SFS- Contract Service | 90,169 | 89,484 | 89,484 | 90,169 | 89,484 | 90,584 | 92,308 | 91,623 | 91,623 | 92,308 | 91,623 | 91,623 | 1,090,480 | 728,223 | 362,258 | \$ | 5.95 |
| 5775-0300 | SFS-Materials & Supplies | 2,800 | 3,900 | 1,975 | 1,975 | 3,525 | 1,975 | 2,925 | 3,675 | 2,125 | 2,125 | 3,675 | 2,125 | 32,800 | 21,904 | 10,896 | \$ | 0.18 |
| 5775-0400 | SFS-Permits/Testing | 3,474 | 0 | 2,900 | 5,049 | 484 | 685 | 3,474 | 0 | 0 | 3,474 | 0 | 0 | 19,540 | 13,049 | 6,491 | \$ | 0.11 |
| 5775-0500 | SFS Repairs & Maintenance | 5,500 | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 | 5,670 | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 | 26,170 | 17,476 | 8,694 | \$ | 0.14 |
| | Total Security/Fire/Safety | 102,160 | 95,101 | 97,069 | 100,335 | 95,210 | 95,954 | 104,594 | 97,015 | 96,458 | 101,049 | 97,015 | 96,458 | 1,178,416 | 786,946 | 391,470 | \$ | 6.43 |
| Utilities | | | | | | | | | | | | | | | | | | |
| 5205 | Electricity-Common Area | 28,720 | 31,992 | 29,556 | 26,169 | 21,495 | 16,476 | 16,442 | 16,746 | 19,396 | 20,343 | 19,396 | 21,619 | 268,351 | 179,205 | 89,146 | \$ | 1.46 |
| 5210 | Gas | 392 | 191 | 194 | 850 | 1,721 | 2,816 | 1,752 | 1,841 | 632 | 888 | 670 | 692 | 12,640 | 8,441 | 4,199 | \$ | 0.07 |
| 5215 | Water- Building | 3,770 | 4,804 | 5,016 | 4,134 | 3,776 | 3,170 | 3,552 | 3,663 | 4,551 | 4,773 | 4,218 | 4,551 | 49,977 | 33,375 | 16,602 | \$ | 0.27 |
| | Total Utilities | 32,882 | 36,987 | 34,766 | 31,152 | 26,992 | 22,462 | 21,746 | 22,250 | 24,580 | 26,004 | 24,285 | 26,863 | 330,968 | 221,020 | 109,948 | \$ | 1.81 |
| TOTAL OPERATING EXPENSES | | 375,720 | 406,957 | 359,821 | 356,602 | 317,249 | 320,563 | 368,466 | 343,651 | 360,048 | 356,283 | 332,132 | 349,043 | 4,246,533 | 2,835,835 | 1,410,698 | \$ | 23.17 |
| Net Operation Income | | 193,851 | 177,614 | 229,750 | 162,969 | 202,321 | 199,007 | 151,104 | 175,920 | 620,312 | 223,288 | 247,439 | 225,528 | 2,809,102 | 1,875,918 | 933,184 | \$ | 15.33 |
| Capital Expenses | | | | | | | | | | | | | | | | | | |
| | Capital | 125,988 | 125,988 | 125,988 | 125,988 | 125,988 | 125,988 | 125,988 | 125,988 | 125,988 | 125,988 | 125,988 | 125,988 | 1,511,856 | 1,009,618 | 502,239 | \$ | 8.25 |
| | Total Capital | 125,988 | 125,988 | 125,988 | 125,988 | 125,988 | 125,988 | 125,988 | 125,988 | 125,988 | 125,988 | 125,988 | 125,988 | 1,511,856 | 1,009,618 | 502,239 | \$ | 8.25 |
| Direct Owner Expenses (not calculated on 66.78%/33.22% split) * | | | | | | | | | | | | | | | | | | |
| 5655-1000 | HHSA Additional Security & Cleaning Expenses | 50,521 | 56,321 | 56,321 | 50,521 | 56,321 | 58,530 | 77,486 | 83,286 | 83,286 | 77,486 | 83,286 | 83,286 | 816,647 | 816,647 | | \$ | 4.46 |
| 5655-2000 | County Electric (floors 2-9) | 19,583 | 19,555 | 21,339 | 21,636 | 20,408 | 19,470 | 29,925 | 30,696 | 30,471 | 30,471 | 30,471 | 30,471 | 304,495 | 304,495 | | \$ | 1.66 |
| 5655-3000 | MTS & 1st Floor Tenants/PY Covid-19 Reimb/Audit Fees | 1,363 | 1,432 | 1,633 | 1,388 | 1,344 | 1,332 | 1,412 | 1,402 | 1,452 | 1,452 | 1,452 | 1,452 | 17,111 | | 17,111 | \$ | 0.09 |
| 5140-0000 | County portion City Maint Assoc./PY Covid-19 Reimb/Audit Fees | 1,139 | 1,139 | 1,139 | 1,139 | 1,139 | 1,139 | 1,139 | 1,139 | 1,139 | 1,139 | 1,139 | 1,139 | 13,670 | 13,670 | ** | \$ | 0.07 |
| | HHSA Monthly Parking | 22,000 | 22,000 | 22,000 | 22,000 | 22,000 | 22,000 | 22,000 | 22,000 | 22,000 | 22,000 | 22,000 | 22,000 | 264,000 | 264,000 | | \$ | 1.44 |
| | MTS Monthly Parking | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 1,440 | | 1,440 | \$ | 0.01 |
| | Total Tenant Direct Owner Expenses | 94,726 | 100,566 | 102,552 | 96,804 | 101,331 | 102,591 | 132,081 | 138,643 | 138,467 | 132,667 | 138,467 | 138,467 | 1,417,363 | 1,398,812 | 18,551 | \$ | 7.73 |
| Total Direct Owner and Capital | | 220,714 | 226,554 | 228,540 | 222,792 | 227,319 | 228,579 | 258,069 | 264,631 | 264,455 | 258,655 | 264,455 | 264,455 | 2,929,219 | 2,408,430 | 520,789 | \$ | 15.99 |
| Adjusted Cash Flow after Direct and Capital | | -26,863 | -48,941 | 1,210 | -59,823 | -24,998 | -29,572 | -106,965 | -88,712 | 355,857 | -35,367 | -17,016 | -38,927 | -120,117 | | | | |

**Direct Owners Expenses are not calculated on a split and are charges attributed 100% to either MTS or the County.

James R Mills Building
 Capital Improvements (Attachment B)
 July 2022 Through June 2023

| Project | Job # | Prior Years 2016/2017 thru 2019/2020 Cumulative | 2020/2021 | 2021/2022 | 2022/2023 |
|---|-------|--|------------------|------------------|------------------|
| 9190 BUILDING IMPROVEMENTS | | | | | |
| EIFS: EXT BLDG, CLOCK TOWER, MECH PLANT SEALING© | #001 | \$111,050 | | | |
| EXTERIOR BUILDING PAINT/CLOCK TOWER © | #002 | \$17,000 | | | |
| EXTERIOR BUILDING TILE RESEAL | #032 | \$23,000 | | | |
| LOBBY ADA SLIDING DOOR INSTALL© | #026 | \$17,000 | | | |
| "New" project LED Platform lighting, 9 AND 10 Floor change can lighting to LED, fire pump room, chiller room and electrical rooms | #28B | \$0 | \$52,000 | | |
| BUILDING & AUTO PARK, LED LIGHTING RETROFIT & LIGHTING CONTROL PANELS© | #011 | \$431,000 | | | |
| SECURITY CAMERA UPGRADES© AND SOFTWARE UPGRADES AND ADD NEW INTERCOMSYSTEM/CAMERA SYSTEM | #015 | \$20,000 | | \$20,000 | \$109,500 |
| X RAY & METAL DETECTOR © | #014 | \$42,000 | | | |
| WATER STATIONS ON 2,3,4,5,6,8,9 © | #027 | \$27,000 | | | |
| CLOCK TOWER RED WINDOW PAINTING | #030 | \$56,500 | | | |
| CLOCK FACE REFURBISHMENT | #029 | \$38,000 | | | |
| EMERGENCY MANAGEMENT SYSTEM | #037 | \$0 | \$125,000 | | |
| PAINT FIRE PUMP ROOM | #038 | \$0 | \$6,325 | | |
| PAINT/FLOORS/CABINETS ENGINEERING OFFICE AND MOVE IN AND OUT FURNITURE | #036 | \$0 | \$26,700 | | |
| BUILDING RESTROOMS HANDS FREE FAUCETS (42), HANDE FREE FLUSH VALAVES (40) AND PAPER TOWEL DISPENSER (34) | #039 | \$0 | \$45,000 | \$37,000 | |
| WIRELESS TWO-WAY RADIO COMMUNICATION SYSTEM UPGRADE FOR ENTIRE BUILDING | #046 | | | \$42,000 | |
| NEW FIRE-RATED GROUND FLOOR STAIRWELL #1 DOOR AND HARDWARE | #047 | | | \$28,000 | |
| REPAIRS FOR EXPANSION JOINTS IN PLAZA SIDEWALKS | #048 | | | \$52,500 | |
| REPLACE CHECK CASHING 2 SETS ADA DOORS | #049 | | | | |
| (10) WATER HEATER REPLACEMENTS | #051 | | | \$45,000 | |
| WINDOW WASHING STAGE REPAIRS REQUIRED | #053 | | | \$118,500 | \$68,000 |
| DESIGN/BUILD CONSULTANT FOR SHARED SPACE ON 8TH FLOOR (IT ROOM) | #054 | | | \$200,000 | |
| | | | | | |
| TOTAL 9190 BUILDING IMPROVEMENTS | | \$782,550 | \$255,025 | \$543,000 | \$177,500 |
| LOBBY UPRADES | | | | | |
| COMMON AREA INTERIOR DOOR REPLACEMENT 1st FLOOR and AMART DOORS | #031 | \$73,500 | | | |
| SPACE PLANNER and CONSTRUCTION MANAGEMENT FEES | #009 | \$65,000 | \$135,000 | \$90,000 | \$112,000 |
| MANAGEMENT OFFICE FURNITURE, PAINT, CARPET AND MOVE | #031 | \$27,000 | \$20,000 | | \$16,500 |
| LOBBY UPGRADE: REMODEL -SECURITY CONSOLE, FLOORING, PAINT, AND EXTERIOR RESTROOMS | #031 | \$526,000 | | \$258,000 | \$275,000 |
| ELEVATOR INTERIOR UPGRADE & DOOR FAÇADE FL 1-10 AND ADA | #031 | \$145,000 | \$28,000 | \$60,000 | \$21,000 |
| RESTROOM UPGRADE: ADA COMPLIANCE & INTERIOR FINISHES 1ST FLOOR | #031 | \$319,000 | | | \$111,650 |
| SOUTH LOBBY DOOR INSTALL and INTERIOR FIRST FLOOR DOORS | #026 | \$16,500 | \$55,000 | | |
| FIRST FLOOR CHANGE HVAC AHU | | \$0 | | | \$89,100 |
| | | | | | |
| TOTAL LOBBY UPRADES | | \$1,172,000 | \$238,000 | \$408,000 | \$625,250 |

| Project | Job # | Prior Years | 2020/2021 | 2021/2022 | 2022/2023 |
|--|-------|---|------------------|------------------|------------------|
| | | 2016/2017 thru 2019/2020 Cumulative | | | |
| HVAC Upgrades | | | | | |
| BUILDING ECONOMIZERS / BLDG MAKE UP AIR RETROFIT | #021 | \$212,000 | | | |
| MECHANICAL ENGINEER TO DEVELOP SCOPE and Project manager | #020 | \$178,457 | | | |
| HVAC upgrades 1st FLOOR | #020 | \$0 | | | |
| COOLING TOWER REPLACEMENT REPAIRS | #021 | \$375,134 | | | |
| 200 TON CHILLER REPLACEMENT | #021 | \$319,386 | | | |
| 250 TON CHILLER #2 REPLACEMENT | #021 | \$300,000 | | | |
| REPLACE AHU VALVES FL 2-9 | #021 | \$0 | | | |
| CONSULTANT REVIEW OF EXISTING HVAC EQUIPMENT (AHU, VAV'S ETC..)INVENTORY ALL EQUIPMENT AND STATUS | #044 | \$0 | \$120,000 | | |
| RE-DUCTING 9TH FLOOR@ | #023 | \$47,860 | | | |
| CONSTRUCTION MANAGEMENT (PM) FEESHVAC | #021 | \$150,150 | | | \$79,556 |
| INSPECTION FEES HVAC | #021 | \$29,000 | | | |
| CONTINGENCY HVAC | #021 | \$78,206 | | | |
| HVAC WILDAN ENERGY INCENTIVE | | | | | -\$50,000 |
| RE-DUCTING 6, 7 AND 8TH FLOOR | #040 | \$0 | \$217,000 | | |
| PAINT CHILLER ROOM | #041 | \$0 | \$9,800 | | |
| HVAC FIRE CONTROL ROOM | #042 | \$0 | \$12,000 | | |
| CONSULTANT FOR NEW MAIN WATER BOILERS | #050 | | | \$130,000 | |
| NEW AHU FOR RESTROOMS CONTINGENT UPON RESTROOM REMODELS 2-10 | | \$0 | | | |
| UPGRADE ALLERTON EMS SYSTEM, ELIMINATE ALL TIME CLOCKS | | \$0 | | | |
| HVAC ANCILLARY EQUIPMENT REPLACEMENT PER CONSULTANT FOR AHU AND CHILLED WATER VALVES (3 floors) | | \$0 | | | \$191,250 |
| HVAC ANCILLARY EQUIPMENT REPLACEMENT PER CONSULTANT FOR VAV, DUCTING AND HEATING VALVES (3 floors) | | | | | \$166,800 |
| HVAC ANCILLARY EQUIPMENT REPLACEMENT PER CONSULTANT FOR FRESH AIR INTAKE AND EXHAUSE FANS ON ROOF | | | | | \$82,500 |
| TOTAL HVAC UPGRADES | | \$1,690,193 | \$358,800 | \$130,000 | \$470,106 |
| AUTOPARK IMPROVEMENTS | | | | | |
| AUTO PARK 5TH & 6TH FL DECK REPAIRS & RE-SURFACING - CONSULTANT TO ACCESS PARKING STRUCTURE | #003 | \$210,000 | \$155,000 | | |
| AUTO PARK STRIPING & ASHPHALT REPAIRS | #004 | \$50,000 | | | |
| AUTO PARK SIGNAGE PROGRAM | #005 | \$165,000 | | | |
| AUTO PARK INTERIOR PAINTING | #013 | \$365,000 | | | \$40,000 |
| AUTOPARK PAINTING | #013 | \$150,000 | | | |
| AUTO PARK SECURITY CAMERA INSTALL | | \$0 | | | \$66,000 |
| AUTO PARK PARKING PAY STATION UPGRADE (Approved in special session February 2018) | #006 | \$140,000 | | | |
| ADDITIONAL FUNDING FOR AUTO PARK PARKING PAY STATION UPGRADE (MTS AND COUNTY APPROVAL) | #006 | \$160,000 | | | |
| EV CHARGING STATIONS | #024 | \$30,000 | | | |
| TOTAL AUTOPARK IMPROVEMENTS | | \$1,270,000 | \$155,000 | \$0 | \$106,000 |
| LANDSCAPE IMPROVEMENT | | | | | |
| LANDSCAPE FENCING | #012 | \$25,000 | | | |
| MONUMENT Plaza upgrade landscape, lighting and way finding | #043 | | \$65,000 | | |
| EXTERIOR LANDSCAPE AUTOPARK | #052 | | | \$68,000 | |
| TOTAL LANDSCAPE IMPROVEMENTS | | \$25,000 | \$65,000 | \$68,000 | \$0 |

| Project | Job # | Prior Years 2016/2017 thru 2019/2020 Cumulative | 2020/2021 | 2021/2022 | 2022/2023 |
|--|-------|--|--------------------|--------------------|--------------------|
| FLS UPGRADES | | | | | |
| CODE COMPLIANCE/NEW REGULATIONS FOR PRINGLE SWITCH | #010 | \$30,000 | | | |
| CALC CARDS FOR FIRE SPRINKLERS | #010 | \$35,000 | | | |
| FIRE HOSES FOR AUTOPARK | #010 | \$25,000 | | | |
| ADDITIONAL FLS CODE COMPLIANCE (additional interior signage/evacuation plan per Fire Marshall) | #010 | \$25,000 | \$25,000 | \$25,000 | \$35,000 |
| GFI 3 year certification and electrical repairs | | | | | \$98,000 |
| UPGRADE FIRE CONTROL PANEL | #045 | \$0 | \$185,000 | | |
| TOTAL FLS UPGRADES | | \$115,000 | \$210,000 | \$25,000 | \$133,000 |
| TOTAL BUILDING CAPITAL | | \$5,054,743 | \$1,281,825 | \$1,174,000 | \$1,511,856 |

ATTACHMENT C
MILLS BUDGET FY 21-22 TO FY 22-23 COMPARISON: CURRENT VS. PROPOSED

| PROJECT OPERATING EXPENSE CATEGORIES: | 2021-2022 (Budget) | 2021-2022 (Reforecasted YE) | 2022-2023 (Proposed Budget) | DIFFERENCES \$ (Budget to Budget) | DIFFERENCE % (Budget to Budget) | NOTES |
|---|-----------------------|--------------------------------|--------------------------------|--------------------------------------|------------------------------------|--|
| | \$ - | \$ - | \$ - | \$ - | | |
| ADMINISTRATION and ENGINEERING EXPENSE | \$ 330,855 | \$ 334,297 | \$ 346,959 | \$ (16,103) | 4.87% | Increase due to PM, Engineer, & Maint. Tech wage increase. |
| GENERAL BUILDING | \$ 385,032 | \$ 340,309 | \$ 428,288 | \$ (43,256) | 11.23% | Increase due to R and M -age of asset, main water and sewer annual maintenance |
| JANITORIAL | \$ 622,955 | \$ 606,087 | \$ 755,911 | \$ (132,956) | 21.34% | Increase due to min. wage increases, and added 1 security guard |
| ELECTRICAL & LIGHTING SYSTEM | \$ 15,220 | \$ 21,528 | \$ 47,319 | \$ (32,099) | 210.90% | Increase due to GFI testing |
| ELEVATORS | \$ 83,012 | \$ 125,131 | \$ 129,799 | \$ (46,787) | 56.36% | Increase due to 7 lines at an \$272 increase per line * 12 =\$22,848, and annual AT&T increase |
| HVAC SYSTEM | \$ 193,176 | \$ 198,773 | \$ 205,858 | \$ (12,682) | 6.56% | Increase in budget due to annual contract increase |
| LANDSCAPE & GROUNDS | \$ 46,355 | \$ 40,918 | \$ 46,355 | \$ - | 0.00% | |
| PARKING EXPENSES | \$ 593,421 | \$ 648,459 | \$ 776,660 | \$ (183,239) | 30.88% | \$90k for Padre/events staffing, and security Padres extended season, and utilities error in budgeting in 21/22 and 7.8% rate increase |
| SECURITY/FIRE/SAFETY | \$ 1,046,670 | \$ 962,154 | \$ 1,178,416 | \$ (131,746) | 12.59% | Decrease in reforecast due to auditing prior years and credit reduced actuals. |
| UTILITIES | \$ 271,124 | \$ 303,483 | \$ 330,968 | \$ (59,844) | 22.07% | Actuals based on historical data underbudgeted 21/22, and 7.8% rate electricity increase, 23% gas, and 11% water |
| | | | | \$ - | | |
| (equals) TOTAL PROJECT OPERATING EXPENSE | \$ 3,587,821 | \$ 3,581,138 | \$ 4,246,533 | \$ 658,712 | 18.36% | 18.36% increase is due to the following: minimum wage increases, additional security staff, Annual Mainline Jetting and sewer maint, window washing, Padre and event staffing, Electrical expenses Thermal Scan Testing, GFI testing and calibration /Arc Flash Testing /Annual infrared testing scan inspection |
| (minus) Actual projected Parking Revenue 21/22 as of March 31, 2022 | \$ 417,319 | \$ 417,319 | \$ 1,122,161 | \$ 704,842 | 168.90% | Actual projected Parking Revenue 21/22 as of March 31, 2022 |
| (plus) DIRECT OWNER BILLINGS* | \$ 1,232,341 | \$ 1,232,341 | \$ 1,417,363 | \$ 185,022 | 15.01% | The increase in Budget vs. Budget is due to additional Security personnel and 21/22 budget included \$113k in prior year expenses that are not applicable to 22/23. The reforecast is under budget primarily due to the \$113k of reimbursables that are included in budget but are a PY. |
| (equals) OWNERS OPERATING CONTRIBUTION | \$ 4,402,843 | \$ 4,396,160 | \$ 4,541,735 | \$ 138,892 | 3.15% | Reforecast lower than 21/22 budget due to : Parking revenues up \$1.095m, Opex increased \$50k, Direct owner billings decreased \$159k. |
| (plus) OWNERS CAPITAL PROJECTS CONTRIBUTION + AMENDED | \$ 1,174,000 | \$ 1,174,000 | \$ 1,511,856 | \$ 337,856 | 28.78% | Capex is Higher than FY 20-21, Please see Attach B for Cap Ex expenses detail |
| Restore Operating Reserves due to a Parking Revenue shortfall | \$ 143,493 | \$ 143,493 | \$ - | \$ (143,493) | -100.00% | \$143,943 was funded by owner, and \$493k was received but not budgeted. |

| PROJECT OPERATING EXPENSE CATEGORIES: | 2021-2022 | 2021-2022 | 2022-2023 | DIFFERENCES \$ | DIFFERENCE % | NOTES |
|--|--------------|--------------|--------------|----------------|--------------|---|
| (equals) ANNUAL OWNER'S EXPENSE | \$ 5,720,336 | \$ 5,713,653 | \$ 6,053,591 | \$ 333,255 | 5.83% | Owner's Annual Expense increased 5.15% due to: 1. Opex increase of 18.36% 2. Parking revenue increased (195%) due to Padres Annual Payment and Budgeted Special events 3. Capex (CIP) increased (34.91%) 4. Direct Owner Expense & Parking increased 15.01% |
| (minus) CAPITAL RESERVE ACCOUNT DRAW DOWN | \$ - | \$ - | \$ - | | | |
| (minus) OPERATING ACCOUNT TRANSFER | | \$ - | \$ - | | | |
| (equals) TOTAL PROJECTED NET PROJECT EXPENSE | \$ 5,720,336 | \$ 5,713,653 | \$ 6,053,591 | \$ 333,255 | 5.83% | Owner's Annual Expense increased 5.15% due to: 1. Opex increase of 18.36% 2. Parking revenue increased (195%) due to Padres Annual Payment and Budgeted Special events 3. Capex (CIP) increased (34.91%) 4. Direct Owner Expense & Parking increased 15.01% |

Attachment “D” - Capital Expenditure Project Summary

Proposed and/or upcoming projects

1. **Space planner and construction management fees** – Additional fees required to complete this project for project management fees and city and state permits.
2. **Lobby upgrade:** remodel -security console, flooring, and paint – additional funds needed for increase in construction costs as this was originally estimated 3 years ago.
3. **Elevator interior upgrade** - need additional funds for after hours/weekend work. With 4 elevators for the building and social distancing 92 per elevator), we cannot take an elevator out of service during business hours without affecting the tenants.
4. **Management office** - additional funds needed for increase in construction costs.
5. **Restroom Upgrade** - additional funds needed for increase in construction costs.
6. **Additional FLS (Fire Life Safety) code compliance** - annual allowance for Fire Marshall inspections
7. **Security Cameras** - upgrade analog cameras to digital and update software as the software as it is at capacity and install garage intercom.
8. **Window washing stage repairs required** – During recent inspections of the swing stage equipment for the building, it was brought to our attention by Skyrider and A- Plus Window some upgrades that the current equipment is in need in order to bring up to code compliance required by OSHA California.. These upgrades require repairs and replacement of critical equipment use to clean the glass and the safety of the workers utilizing the swing stage. OSHA has mandated for add'l repairs and fencing on the roof, add'l funds required.
11. **CM Fees coverage for HVAC chiller upgrade from 21/22 (Kitchel consulting)**
12. **Wildan Utility rebate for \$50,000**
13. **HVAC** implementation of air handler unit and chilled water valves for 3 floors per consultant report due to the age of the asset.
14. **HVAC** implementation of VAV, ducting and heating valves for 3 floors per consultant report due to the age of the asset.
15. **HVAC** implementation of fresh air intake and exhaust fans on the roof per consultant report due to the age of the asset.
16. **Auto-park improvements**–Re-stripping and painting the walls white with identifying wayfinding color. Exterior cladding of elevators. Add'l funds required per IFB bid
17. **GFI 3-year certification & Electrical repairs.**

Work in progress:

1. **Lobby remodel** – New: flooring, security desk, wall cladding and lighting. In progress
2. **Elevator interior** – Upgrade and refinish. In progress
3. **Auto-park improvements**–Re-stripping and painting the walls white with identifying wayfinding color. Exterior cladding of elevators. In progress
4. **Spalling repairs** in the Auto park, County to perform repairs.
5. **Landscape Monument** – to add directory signage and lighting and California Native plant material
6. **Clock tower refurbishment** - Clock movements and face to be refurbished.
7. **New fire-rated ground floor stairwell #1 door and hardware** –Stairwell number 1 fire rated door/locks and camera need to be replaced (wear and tear of the old door – original to building)
8. **Repairs for expansion joints in plaza sidewalks**– We have about 1200 linear feet of expansion joints around the property, the majority of these joints are in front of the building and around the tower clock. The joints are showing very much signs of the deterioration and in need of replacement. The life expectancy for expansion joints is between 5 – 8 years and suggested to replace every 8-10 years. Expansion Joints are used to adsorb thermal expansion.
9. **Window washing stage repairs required** – During recent inspections of the swing stage equipment for the building, it was brought to our attention by Skyrider and A- Plus Window some upgrades that the current equipment is in need in order to bring up to code compliance required by OSHA California.. These upgrades require repairs and replacement of critical equipment use to clean the glass and the safety of the workers utilizing the swing stage.
10. **Exterior landscape auto park** – Upgrade the exterior landscape of the garage for a more cohesive design with all California Native plant material.
11. **8TH Floor IT Room** - Design/build for shared space on 8th floor (IT Room), to include dry FLS system.

Completed

1. **Common area doors** – Replacement with sliding doors. Rear building door and Amart.
2. **HVAC upgrades** - Mechanical engineer study recommended chiller one and two replacement and cooling tower replacement.
3. **LED** – additional funds for can lighting and back of house electrical rooms
4. **Paint Fire Pump room** – floors and walls painted
5. **Hands free faucets, flush valves** - ½ building complete (also all soap dispensers and paper towels are hands free)
6. **Paint Chiller room** - floors and walls painted
7. **HVAC for the Fire control room** – add supply and return to this room
8. **EMS Software upgrade** - Emergency management proprietary system complete
9. **Engineering Office upgrade** - Paint and carpet complete
10. **Security exterior camera upgrades** – additional exterior cameras/upgrades for older cameras on the property
11. **Building restrooms hands free faucets , hands free flush valves** – Additional funds to complete auto flush and hands free sinks for floors 2,3,4 and 5
12. **Wireless two-way radio communication system upgrade for entire building** – upgrade 2-way radios to Bluetooth communication to improve communication and eliminate dead spots
13. **(10) water heater replacements** – We have total of 9 electric water heaters that supply hot water for the restrooms not including the first floor (to be replace under remodel of the main lobby) The average condition is poor based on the life expectancy of electric water heaters being between 10 -15 years
14. **Engineering office** – Paint and carpet and upgrade efficiencies
15. **Consultant for HVAC AND new main water boilers** ancillary building equipment review and recommendation
 Consultant for new main water boilers- The building is currently divided into four functional spaces: the Trash Enclosure, the Generator Room, the Cooling Tower Enclosure, and the Mechanical Room. In order to comply with CMC 2016, Chapter 10, (California Mechanical Code) a wall within the existing Mechanical Room is required to effectively create two separate rooms; a Boiler Room and a chiller Room, due to this complexity we recommend a consultant to define the scope of work for replacement boilers (original to asset – 30 years old)
16. **HVAC consultant** - to review and access our ancillary inventory equipment