

Southern California Joint Pole Committee

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January 18, 2023

A regular meeting of the **Operating Committee** took place on the above date, at 9:46 a.m., via teleconference:

Those in attendance were:

Mr. Lex Treepaisan	Frontier Communications
Mr. Douglas Sink	Frontier Communications
Mr. Glenn Leckie	Frontier Communications
Mr. John Bacon	City of Los Angeles
Ms. Valerie Mitwasi	Southern California Edison
Ms. Alicia Walsh	Southern California Edison
Ms. April DeBarge	Southern California Edison
Mr. Michael Pearson	Southern California Edison
Ms. Marisol Bailey	Southern California Edison
Mr. Todd Dailey	AT&T California
Mr. Julian Ruiz	AT&T California
Ms. Kay Black	AT&T California
Mr. Barry Consulter	AT&T California
Mr. Troy Stanard	AT&T California
Ms. Veronica C. Romero	AT&T California
Mr. Joy Young	AT&T California
Mr. Earle Carrion	Crown Castle NG West Inc.
Ms. Aarize Dizon	Crown Castle NG West Inc.
Ms. Megan LaMon	Crown Castle NG West Inc.
Ms. Yvonne Johnson	Teleport Communications America
Ms. Dianell Caamano	AT&T Mobility
Mr. Arturo Garcia	City of Glendale
Ms. Katy White	MCI Metro ATS/MCI Telecommunications
Mr. Mina Shehata	City of Burbank
Mr. David Campo	City of Lompoc
Ms. Yesenia Delgado	Time-Warner Cable
Ms. Lynne LaFrenais	Bear Valley Electric Service, Inc.
Ms. Maria Ortiz	XO Communications
Mr. Richard Soriano	City of Banning
Ms. Claudia Arellano	City of Vernon
Mr. Nick Van Stryk	City of Vernon (Petrelli Electric)
Ms. Alicia Smith	Sprint Nextel/Sprint Communications
Mr. Mark Denning	M-Power Communications
Ms. Linda McLean	Extenet Systems
Ms. Shawn Henderson	T-Mobile USA

Mr. Charlie Smith
Ms. Patti Ringo
Ms. Angela Pranata
Ms. Kathleen Allen

Mobilitie, LLC
Sonic Telecom, LLC
Committee Staff
Committee Staff

Chairperson, Mr. Treepaisan called the meeting to order at 9:46 a.m. by addressing the first item on the agenda, the review of the **prior meeting minutes**.

There were no questions or comments.

The second agenda item is the review of the **November 2022 and December 2022 Operating expense sheets**. Mr. Treepaisan stated if he is looking at the sheet correctly that was nine percent under budget. Ms. Pranata stated yes that is correct.

There were no further comments or questions.

The third agenda item is the **Accounts Receivable**. Mr. Treepaisan inquired if the list is getting shorter or longer. Ms. Pranata stated it is the same. Ms. Pranata explained some entries would be deleted and new ones added. Mr. Treepaisan stated at least there is movement and names were changing.

There were no further questions or comments.

The fourth agenda item on the agenda is **Member Board Attendance**.

There were no questions or comments.

The fifth agenda item for discussion is **Billing Standardization of Procedures and Minutes**. Ms. Allen stated she had three staff meetings over the last few months. October 26, 2022, December 14, 2022, and January 12, 2023. Ms. Allen made an example for the staff and explained the Bill Before and Bill After JPAs. Correction of Record JPAs and their requirements were discussed. Ms. Allen also went over NO CHARGE FOR THIS INTENT will no longer be accepted on JPAs and the note must read NO CHARGE FOR THIS FINAL which was per Routine Revision October 19, 2022. Grade and space allocation was discussed on poles that have TN and C lines under power and where the SCZ needs to be allocated. Billers are not to return JPAs where class does not match SCJPC's record on replacement poles unless needed for billing. For example, pole prices 2016 and 2017 require class for billing. Also discussed, on replacement poles the old pole being removed, missing or incorrect treatment is not a reason for return. On JPAs that were memos billers are to remove previously returned JPA notes if returning the JPA again for a different reason. This way members will not waste time researching a previously fixed reason. Lastly, Ms. Allen reminded the staff 2023 JPAs and 18.1F JPAs are being held pending 2023 Pole Prices and Authorized Costs.

Ms. Black inquired if the office already has 2023 constructed Final bills. Ms. Allen replied no and explained that the office is holding 43 18.1F JPAs where Item 14 is based on the current year Authorized Cost.

There were no further questions or comments.

The sixth item on the agenda is **JPA Member Activity**.

- Please contact SCJPC (Angela) if members would like to meet with the

SCJPC to discuss memos.

Ms. Pranata reported for November 2022 bill of sale the staff processed 10,166 poles on regular time. On overtime the staff processed 1,513 poles. In December 2022 bill of sale, the staff processed 11,929 poles on regular time. On overtime the staff processed 1,836 poles.

Ms. Pranata wanted to point out the office received an influx in poles from ATS. Normally ATS does not submit that many poles monthly; however, in November 2022 the office received about 3,000 poles and in December 2022 the office received about 3,400 poles from ATS. If looking at the submission from all members Edison submitted 5,700 poles and other members submitted 7,280 poles. Ms. Pranata added she was unsure if the members were trying to submit as much as they could before the end of 2022 or if this now was going to be the norm.

Ms. Pranata displayed the original Member's submission forecast from May 2022 and showed the forecasted numbers from last year in May 2022. (See attached). Ms. Pranata is going to send another email to all members requesting their 2023 forecast.

Ms. Pranata reiterated the office saw an influx in poles from ATS. They were projected to submit about 1,000 poles a month and again in November and December 2022 ATS submitted 3,000+ poles a month. Mr. Treepaisan stated he hopes it was due to the yearend rush. The office is situated for an 8,500 pole baseline and it seems like the last couple of months JPAs have been coming in over 10,000 poles. Ms. Pranata stated yes and explained the reason the staff was able to process that high amount was the return rate was 79%. The office received a lot of errors on the JPAs, and the staff were unable to bill them and at that point the clock stopped. Whenever the staff finds an error, the staff stops reviewing the JPA and returns it. Mr. Treepaisan added that certain companies may have new people doing the JPAs and that could offset the return rate as well. Ms. Pranata stated she notified ATS via email since the majority of the returns were ATS. Mr. Treepaisan stated that Ms. Pranata identified the issues and working with the members.

There were no further questions or comments.

The seventh item on the agenda is **Miscellaneous Items.**

SCJPC Office update:

- Office productivity without OT
- OT spreadsheet
- Forecast updated

Ms. Pranata displayed the *Productivity without Overtime* table. The return rate for November and December 2022 is high.

Ms. Pranata then displayed the SCJPC – *OVERTIME Monthly* table. Ms. Pranata stated the staff worked joint JPAs (2 owners) and also 3 owner JPAs since there were not enough joint JPAs to work on during overtime.

Ms. Pranata then displayed the *FORECAST UPDATED BASED ON ACTUAL DATA DEC 2022 B/S (updated 1/11/2023)*. Ms. Pranata stated this was the forecast based on May 2022 meeting. The numbers will match the Member Activity. The backlog balance as of the end of December 2022 was 2,086 poles. Mr. Treepaisan inquired if

there was a tentative target that at the rate the office is going of when the backlog might be cleared. Ms. Pranata stated she would like to get a new forecast from all members for 2023; especially from ATS since they have been sending over 3,000 poles a month. Mr. Treepaisan stated that might adjust the current baseline of poles incoming.

There were no further questions or comments.

Billing Errors/ Questions

There were none.

Salary Ranges 2023-2025, Review of Performance rating, Review of Staff Compensation Process from 2019 (emailed to Operating members 10/12/2022 & 11/9/2022, not uploaded to Agenda webpage).

- Action item from last month:
- Ms. Mitwasi to send the company information or contacts for the salary analysis project to Ms. Pranata.

Note: Ms. Pranata will send the minutes to the Operating committee separately since confidential information will be included in the discussion.

2023 SCJPC Operating Budget

- In Admin Board agenda

Ms. Pranata displayed the 2023 SCJPC Operating Budget Draft 2 on the screen. Mr. Treepaisan inquired if the Telecommunicating Reimbursement is the Work from Home (WFH) expense. Mr. Pranata stated yes and explained it was decided that employees would get \$12 a month for working from home. Mr. Treepaisan stated he thinks the reason the committee established this WFH expense was the recommendation of SCJPC's legal representative that expenses incurred by the employees while working from home, there was precedents that they were able to sue their employers. To eliminate that liability the committee decided to implement the WFH reimbursement. Mr. Treepaisan inquired if Ms. Mitwasi felt the \$12 a month WFH expense was excessive to her. Ms. Mitwasi replied no and inquired was there still a need to work from home. Edison was going back into the office as were other companies and if the committee is paying for leasing a facility was there a need for the staff to be working from home. Mr. Treepaisan stated he understood what Ms. Mitwasi was stating; however, the staff productivity was higher with employees working from home. Mr. Treepaisan stated he was almost at the point to make SCJPC virtual and not have to pay for an office or pay for a smaller office. Mr. Treepaisan was unsure when the lease was due or if downsizing the office was possible. Ms. Mitwasi stated that was what Edison wants to have a discussion about if it was even needed to have a building if this was going to be the new normal for the committee and perhaps the committee explores no longer leasing a facility. Mr. Dailey inquired how many hours were the staff at home working. Ms. Pranata stated the staff were full time working from home. However, the accounting team and administrative aide goes into the office sometimes to collect the mail and makes deposits. There were still paper checks that need to be

deposited and other administrative aide duties that need to be done. Mr. Treepaisan stated that the staff also works overtime hours from home as well. Ms. Pranata stated yes the staff does work overtime from home. Ms. Mitwasi inquired about training and if an office was needed or could training be done from Webex. Ms. Pranata stated Administrative Aide training would be done in person for at least one month because there was a facility. Mr. Treepaisan inquired if Ms. Pranata knew the expense for the office and when the lease was due. Ms. Pranata stated the lease will expire in two or three years and she had a meeting with the building manager last year to explore options. He basically stated that if SCJPC wanted to get out of the contract they would still have to pay in its entirety. Ms. Pranata added that usually she looks for a new place a year prior so planning can begin if the office needs to move or she needs to get rid of anything; etc. Ms. Mitwasi inquired if that was last year and this year would be the year to start exploring. Mr. Pranata stated she thinks there are two or three more years left but would have to double check the actual date. Mr. Van Stryk stated that he agrees with Ms. Mitwasi and does not think that the telecommuting reimbursement is necessary anymore. Working from home is more of a benefit. Mr. Treepaisan inquired the rent expense for the year. Ms. Pranata stated it is over one hundred thousand dollars a year and if the committee breaks the contract they were still responsible for paying the full amount for the two years. Ms. Walsh asked Ms. Pranata to confirm that is actually in the contract. Ms. Walsh imagines that the lease should have included a breaking lease contract based on normal practices in the industry where if the committee breaks the contract early and they have the opportunity to rent it out that the committee was not responsible for the remainder of the bill. Ms. Pranata stated she will forward to an attorney. Mr. Treepaisan stated that would be an action item to have legal review on breaking the lease and the implications. Mr. Treepaisan stated if the telecommuting reimbursement is a showstopper it could be reduced or eliminated. Ms. Mitwasi stated it could be eliminated especially when there was a facility they could actually go into. Mr. Dailey stated that AT&T California agrees since the committee was paying the annual fee. Mr. Treepaisan inquired if all members are in agreement eliminating the Work from Home reimbursement. Mr. Bacon inquired what is the committee's legal responsibility in the area of reimbursing the work from home staff. Mr. Bacon also inquired does the committee have any responsibility as a company or employer to pay that. Mr. Treepaisan stated there has been precedence that the attorney mentioned as far as simplistic things disgruntle employees have come back and have sued and have won. Ms. Mitwasi stated that was before when it was a requirement. However, those restrictions have been lifted and no longer exist. There was a facility the staff can go to work from and don't need to work from home in this new environment now. Mr. Treepaisan understands Ms. Mitwasi argument. However, Mr. Treepaisan was answering Mr. Bacon's question that he thinks there is legal liability. Ms. Walsh stated that the committee should explore with the SCJPC attorney, and he should provide the members legal precedence of what he is referring to. Then the members should all weigh that within their own internal legal departments to make sure that they are not exposing their companies to that legal liability. Mr. Bacon agrees and stated to have the attorney produce the precedence and the committee could bring to discussion. The members agreed. Ms. Pranata stated she would contact the attorney and asked if it is okay to eliminate the Telecommuting Reimbursement from the budget.

Ms. Pranata stated it is already January and thinks the employees should still get reimbursed for January. Mr. Treepaisan agreed and stated to keep it the same

until the next meeting. In the meantime, legal can speak to each other and get some clear direction.

Mr. Treepaisan inquired for the line item for Team Building. Ms. Mitwasi stated that two thousand dollars a year, five hundred dollars per quarter, seems a little excessive for the number of staff there. Edison's Team Building was once a year and only about thirty dollars per person. Ms. Mitwasi stated Edison would like to see that change to five hundred dollars for the year. That will allow for a mid-year event and a yearend event of twenty-five to thirty dollars per person. Ms. Pranata stated that there would be eleven employees total with the addition of the two more approved employees. Mr. Dailey inquired what activities occur during the Team Building. Ms. Pranata explained there was an Escape Room where the employees had to work together to escape. Also, the staff went to a driving range and teams were formed and played golf and there was a Christmas event where the staff had lunch and exchanged gifts.

Ms. Mitwasi proposed five hundred dollars for the initial nine employees; however, putting it at 11 employees with about twenty-five dollars an employee the amount could be moved to five hundred and fifty dollars. Two thousand dollars is not necessary. Ms. McLean stated if the committee could compromise and cut the amount in half. Ms. McLean stated that when a company had that many people working and do get together they do talk work and Ms. McLean finds it helpful for her company. Mr. Treepaisan inquire if Ms. Mitwasi was okay with seven hundred and fifty dollars. Ms. Mitwasi stated she just wanted have discussion about the dollar amount because Edison knows the value in Team Building activities, and the reason Edison is not proposing to eliminate it. Ms. Mitwasi wants to make sure that she is being a good steward of Edison's money.

Mr. Treepaisan inquired if between that adjustment and the investigation from the Work from Home expense does that satisfy the two line items. Ms. Mitwasi stated yes.

There were no further questions or comments.

MISC

There were no miscellaneous.

Review of Action Items:

- Ms. Pranata will send the revised 2023 SCJPC Operating budget to the Operating committee via email.
- Ms. Mitwasi to send the company information or contacts for the salary analysis project to Ms. Pranata.

The meeting adjourned at 10:58 a.m. until February 15, 2023.

Ms. Kathleen Allen – Committee Transcriber

SOUTHERN CALIFORNIA JOINT POLE COMMITTEE
Statement of Operating Expenses and Capital Investments

OPERATING EXPENSES		November 30, 2022			YTD Through November, 30 2022				Annual
	Details	Budgeted	Recorded	Variance	Budgeted	Recorded	Variance	% Variance	Budget
EMPLOYEE EXPENSE									
Salaries	WITH OT	51,787	52,391.72	(605)	569,652	585,561.33	(15,909)	-3%	621,439
Regular (Budgeted)	52,391.72					-	-		
Non Budgeted						-	-		
OT (SCE)*			-			275.30			
Insurance		6,839	7,021.02	(182)	75,231	70,887.25	4,344	6%	82,070
Health/Dental	7,021.02					-	-		
Life (quarterly)	-					-	-		
						-	-		
Payroll Taxes		4,143	3,791.73	351	45,572	43,265.80	2,306	5%	49,715
Payroll Taxes (SCE)*			-			18.85			
Workers Compensation		229	241.83	(13)	2,521	2,731.13	(210)	-8%	2,750
Miscellaneous expenses/ Travel mileage reimbursement		33	50.00	(17)	367	218.92	148	40%	400
Telecommuting Reimbursement	semi-annual	96	-	96	1,056	576.00	480	45%	1,152
						-	-		
PENSION EXPENSE									
Contribution-SEP IRA		5,438	5,357.49	80	59,813	59,135.47	678	1%	65,251
Contribution-SEP IRA (SCE)*			-			28.91			
						-	-		
MONTHLY RECURRING									
Rent		9,612	9,700.60	(89)	105,728	105,126.14	602	1%	115,340
Alarm System	Quarterly	55	-	55	605	521.91	83	14%	660
Telephone & Internet	Cell, Fax, Internet, Business Voice	850	511.13	339	9,350	5,555.99	3,794	41%	10,200
Cisco WebEx Online Meeting		69	69.00	-	759	759.00	-	0%	828
Postage & Shipping		25	9.90	15	275	118.25	157	57%	300
Business/Property Insurance	Pro-Rated	167	-	167	1,833	1,509.76	324	18%	2,000
						-	-		
						-	-		
EQUIPMENT & FURNITURE									
						-	-		
Copy Machine - CBE (repair, maintenance, supplies)	QUARTERLY	8	-	8	92	21.17	70	77%	100
						-	-		
						-	-		
						-	-		

SOUTHERN CALIFORNIA JOINT POLE COMMITTEE
Statement of Operating Expenses and Capital Investments

OPERATING EXPENSES		November 30, 2022			YTD Through November, 30 2022				Annual
								%	
	Details	Budgeted	Recorded	Variance	Budgeted	Recorded	Variance	Variance	Budget
<u>NETWORK SYSTEM</u>									
Computer-LAN Maintenance Contract (IT service), offsite server backup, labor for on site support		1,217	1,196.25	20	13,383	13,824.50	(441)	-3%	14,600
FRIEND Support		700	400.00	300	7,700	4,400.00	3,300	43%	8,400
Website, Data Center Hosting, Microsoft Azure VM		1,288	1,166.00	122	14,172	12,819.78	1,352	10%	15,460
Email/Domain Host/Sharefile	Email + Sharefile	198	197.50	-	2,173	2,172.50	-	0%	2,370
Computer (repair, maintenance, supplies)	KEYBOARD/MOUSE HEADSETS	158	143.46	15	1,742	737.75	1,004	58%	1,900
						-			
<u>PRINTING & SUPPLY</u>									
Office Printing	INK	13	63.55	(51)	138	63.55	74	54%	150
Office Supplies		108	-	108	1,192	220.91	971	81%	1,300
						-	-		
						-	-		
<u>CONTRACT SERVICES</u>									
CPA/Auditor	-	417	-	417	4,583	690.00	3,893	85%	5,000
Attorney*		542	499.00	43	5,958	4,990.00	968	16%	6,500
						-	-		
<u>GENERAL EXPENSE</u>									
Payroll Service Fees		93	93.00	0	1,027	1,023.00	4	0%	1,120
Bank fees/Checks printing	Pro-Rated	8	15.00	(7)	92	69.22	22	24%	100
Publications/Subscriptions/Reference	Pro-Rated	29	-	29	321	105.00	216	67%	350
Seminars, professional development, & tuition		117	-	117	1,283	464.46	819	64%	1,400
Team Building	QUARTERLY	167	235.00	(68)	1,833	1,445.72	388	21%	2,000
Member Retirement plaques		33	-	33	367	-	367	100%	400
Scan & shred document	1 box per year	13	-	13	147	-	147	100%	160
Total Operating Expenses		84,451.25	83,153.18	1,298.07	928,963.75	919,337.57	9,802.57	1%	1,013,415

SOUTHERN CALIFORNIA JOINT POLE COMMITTEE
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OPERATING EXPENSES		November 30, 2022			YTD Through November, 30 2022				Annual
	Details	Budgeted	Recorded	Variance	Budgeted	Recorded	Variance	% Variance	Budget
CAPITAL INVESTMENTS AND LONG TERM LIABILITIES CURRENT									
<u>COMPUTER SYSTEM</u>									
Software Purchase and SCJPC website (minor) modification		113	-	113	1,238	1,208.00	30	2%	1,350
FRIEND modification*		2,813	-	2,813	30,938	-	30,938	100%	33,750
Website Upgrade (after FriendPro)		417	-	417	4,583	-	4,583	100%	5,000
<u>EQUIPMENT & FURNITURE</u>									
Purchases and leases (including Copy Machine)	DOWNSIZED	492	337.26	154	5,408	3,784.86	1,623	30%	5,900
Hardware Purchase	-	117	-	117	1,283	1,427.32	(144)	-11%	1,400
						-			
<u>LONG TERM LIABILITY CURRENT</u>									
Total Capital Investments & Long Term Liabilities Current		3,950.00	337.26	3,612.74	43,450.00	6,420.18	37,029.82	85%	47,400
Interest Earned/Misc Income			(0.07)			(0.83)			
MemberFee Credit Sonic Telecomm						(75,963.60)			
*TOTAL SPECIAL BILLING SCE			-			(323.06)			
TOTAL		88,401.25	83,490.37	4,910.81	972,413.75	849,470.26	122,943.49	13%	1,060,815
*Special Billing Items paid by SCE separated									
*Items in blue are assessed equally									
12/6/2022									

SOUTHERN CALIFORNIA JOINT POLE COMMITTEE
Statement of Operating Expenses and Capital Investments

OPERATING EXPENSES		December 31, 2022			YTD Through December, 31 2022				Annual
	Details	Budgeted	Recorded	Variance	Budgeted	Recorded	Variance	% Variance	Budget
EMPLOYEE EXPENSE									
Salaries	3 PAYDAYS	51,787	75,593.82	(23,807)	621,439	661,155.15	(39,716)	-6%	621,439
Regular (Budgeted)		52,391.72				-	-		
Non Budgeted						-	-		
OT (SCE)*			-			275.30			
Insurance		6,839	7,229.47	(390)	82,070	78,116.72	3,953	5%	82,070
Health/Dental		6,953.02				-	-		
Life (quarterly)		276.45				-	-		
						-	-		
Payroll Taxes	3 PAYDAYS	4,143	5,708.35	(1,565)	49,715	48,974.15	741	1%	49,715
Payroll Taxes (SCE)*			-			18.85			
Workers Compensation		229	260.24	(31)	2,750	2,991.37	(241)	-9%	2,750
Miscellaneous expenses/ Travel mileage reimbursement		33	6.64	27	400	225.56	174	44%	400
Telecommuting Reimbursement	semi-annual added 1 staff WFH	96	642.00	(546)	1,152	1,218.00	(66)	-6%	1,152
PENSION EXPENSE									
Contribution-SEP IRA	3 PAYDAYS	5,438	7,735.75	(2,298)	65,251	66,871.22	(1,620)	-2%	65,251
Contribution-SEP IRA (SCE)*			-			28.91			
						-	-		
MONTHLY RECURRING									
Rent		9,612	9,700.60	(89)	115,340	114,826.74	513	0%	115,340
Alarm System	Quarterly	55	173.97	(119)	660	695.88	(36)	-5%	660
Telephone & Internet	Cell, Fax, Internet, Business Voice	850	511.13	339	10,200	6,067.12	4,133	41%	10,200
Cisco WebEx Online Meeting		69	69.00	-	828	828.00	-	0%	828
Postage & Shipping		25	9.90	15	300	128.15	172	57%	300
Business/Property Insurance	Pro-Rated	167	603.00	(436)	2,000	2,112.76	(113)	-6%	2,000
						-	-		
						-	-		
EQUIPMENT & FURNITURE									
						-	-		
Copy Machine - CBE (repair, maintenance, supplies)	QUARTERLY	8	-	8	100	21.17	79	79%	100
						-	-		
						-	-		

SOUTHERN CALIFORNIA JOINT POLE COMMITTEE
Statement of Operating Expenses and Capital Investments

OPERATING EXPENSES		December 31, 2022			YTD Through December, 31 2022				Annual
	Details	Budgeted	Recorded	Variance	Budgeted	Recorded	Variance	% Variance	Budget
						-	-		
NETWORK SYSTEM						-	-		
Computer-LAN Maintenance Contract (IT service), offsite server backup, labor for on site support		1,217	1,927.00	(710)	14,600	15,751.50	(1,152)	-8%	14,600
FRIEND Support		700	400.00	300	8,400	4,800.00	3,600	43%	8,400
Website, Data Center Hosting, Azure VM Server		1,288	3,863.70	(2,575)	15,460	16,683.48	(1,223)	-8%	15,460
Email/Domain Host/Sharefile	Email + Sharefile	198	197.50	-	2,370	2,370.00	-	0%	2,370
Computer (repair, maintenance, supplies)	SERVER REPAIR	158	967.78	(809)	1,900	1,705.53	194	10%	1,900
						-	-		
PRINTING & SUPPLY						-	-		
Office Printing	INK	13	-	13	150	63.55	86	58%	150
Office Supplies		108	88.22	20	1,300	309.13	991	76%	1,300
						-	-		
CONTRACT SERVICES						-	-		
CPA/Auditor	WILL BE DONE IN 2023	417	-	417	5,000	690.00	4,310	86%	5,000
Attorney*		542	499.00	43	6,500	5,489.00	1,011	16%	6,500
						-	-		
GENERAL EXPENSE						-	-		
Payroll Service Fees		93	93.00	0	1,120	1,116.00	4	0%	1,120
Bank fees/Checks printing	Pro-Rated	8	-	8	100	69.22	31	31%	100
Publications/Subscriptions/Reference	Pro-Rated	29	-	29	350	105.00	245	70%	350
Seminars, professional development, & tuition		117	-	117	1,400	464.46	936	67%	1,400
Team Building	QUARTERLY	167	542.89	(376)	2,000	1,988.61	11	1%	2,000
Member Retirement plaques		33	-	33	400	-	400	100%	400
Scan & shred document	NOT DONE PRICE WENT UP	13	-	13	160	-	160	100%	160
Total Operating Expenses		84,451.25	116,822.96	(32,371.71)	1,013,415.00	1,036,160.53	(22,582.47)	-2%	1,013,415

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Statement of Operating Expenses and Capital Investments

OPERATING EXPENSES		December 31, 2022			YTD Through December, 31 2022				Annual
	Details	Budgeted	Recorded	Variance	Budgeted	Recorded	Variance	% Variance	Budget
CAPITAL INVESTMENTS AND LONG TERM LIABILITIES CURRENT									
<u>COMPUTER SYSTEM</u>									
Software Purchase and SCJPC website (minor) modification		113	-	113	1,350	1,208.00	142	11%	1,350
FRIEND modification*		2,813	-	2,813	33,750	-	33,750	100%	33,750
Website Upgrade (after FriendPro)		417	-	417	5,000	-	5,000	100%	5,000
<u>EQUIPMENT & FURNITURE</u>									
Purchases and leases (including Copy Machine)	DOWNSIZED	492	337.26	154	5,900	4,122.12	1,778	30%	5,900
Hardware Purchase	Laptop for 2nd new admin aide (non budgeted item) approved 8/17/2022	117	1,556.24	(1,440)	1,400	2,983.56	(1,584)	-113%	1,400
						-			
<u>LONG TERM LIABILITY CURRENT</u>									
Total Capital Investments & Long Term Liabilities Current									
		3,950.00	1,893.50	2,056.50	47,400.00	8,313.68	39,086.32	82%	47,400
Interest Earned/Misc Income			(0.08)			(0.91)			
MemberFee Credit Sonic Telecomm						(75,963.60)			
*TOTAL SPECIAL BILLING SCE			-			(323.06)			
TOTAL		88,401.25	118,716.38	(30,315.21)	1,060,815.00	968,186.64	92,628.36	9%	1,060,815
*Special Billing Items paid by SCE separated									
*Items in blue are assessed equally									
Completed: 1/5/2023									

Delinquent Accounts
As of 1/11/2023

MEMBERS ACCOUNTS RECEIVABLE - DELINQUENT ACCOUNTS

							PAST DUE NOTICES - DO NOT DELETE THIS INFORMATION Accounting staff: please enter past due sent info in each row/each cell				
Company Name	Invoice Month	Due By	FORMULA 60 Days past due	Amount	Invoice Number	Company Code	Past Due Notice Date Sent	Past due sent to & response notes	Past Due Notices Date by	Input By	Input Date
AT&T Mobility	Apr '22	May 31, 2022	7/30/2022	\$ 946.96	21383	LAC	8/9/2022; 9/13/2022; 10/11/2022; 11/9/2022; 12/13/2022 1/6/2023	Email sent to Msanchez@motiveis.com; LACJPA@motiveis.com	GV/JT	JT	7/12/2022
AT&T Mobility	Sept '22	October 31, 2022	12/30/2022	\$ 950.63	21543	LAC	1/11/2023	msanchez@motiveis.com; LACJPA@motiveis.com	JT	JT	12/13/2022
AT&T Mobility	Oct '22	November 30, 2022	1/29/2023	\$ 932.39	21575	LAC		Not 60 days, will email the following month		JT	1/11/2023
City of Colton	Oct '22	November 30, 2022	1/29/2023	\$ 886.06	21566	F		Not 60 days, will email the following month		JT	1/11/2023
EXTENET Systems	Oct '22	November 30, 2022	1/29/2023	\$ 833.11	21589	EXT		Not 60 days, will email the following month		JT	1/11/2023
MCI Metro/ATS	Oct '22	November 30, 2022	1/29/2023	\$ 1,043.25	21576	ATS		Not 60 days, will email the following month		JT	1/11/2023
MCI Telecomm	Oct '22	November 30, 2022	1/29/2023	\$ 867.86	21577	MCI		Not 60 days, will email the following month		JT	1/11/2023
SPR-Nextel Corp	Oct '22	November 30, 2022	1/29/2023	\$ 850.76	21572	SPR		Not 60 days, will email the following month		JT	1/11/2023
Teleport Comm	Sept '22	October 31, 2022	12/30/2022	\$ 1,137.57	21530	TCA	1/11/2023	TCAJPA@motiveis.com; jcmckinney@att.com	JT	JT	12/13/2022
Teleport Comm	Oct '22	November 30, 2022	1/29/2023	\$ 1,115.69	21562	TCA		Not 60 days, will email the following month		JT	1/11/2023
Time Warner Cable-TWS	Oct '22	November 30, 2022	1/29/2023	\$ 468.40	21583	TWS		Not 60 days, will email the following month		JT	1/11/2023
Time Warner Cable-TWN	Oct '22	November 30, 2022	1/29/2023	\$ 543.41	21584	TWN		Not 60 days, will email the following month		JT	1/11/2023
T-Mobile	Aug '22	September 30, 2022	11/29/2022	\$ 1,059.43	21515	PBM	12/13/2022, 1/11/2023	sherderson@synergy.cc	JT	JT	11/9/2022
T-Mobile	Sept '22	October 31, 2022	12/30/2022	\$ 860.62	21547	PBM	1/11/2023	sherderson@synergy.cc	JT	JT	12/13/2022
T-Mobile	Oct '22	November 30, 2022	1/29/2023	\$ 844.14	21579	PBM		Not 60 days, will email the following month		JT	1/11/2023
Verizon Wireless	Aug '22	September 30, 2022	11/29/2022	\$ 1,551.01	21497	ATC	12/13/2022, 1/11/2023	Email sent to: ATCJPA@motiveis.com; Marco.Murillo@VerizonWireless.com; JHarmon@motiveis.com; kcasey@motiveis.com	JT	JT	11/9/2022
Verizon Wireless	Oct '22	November 30, 2022	1/29/2023	\$ 1,293.39	21561	ATC		Not 60 days, will email the following month		JT	1/11/2023
XO Comm	Oct '22	November 30, 2022	1/29/2023	\$ 893.78	21582	NXT		Not 60 days, will email the following month		JT	1/11/2023

Past due notices will be emailed after 60 days past due, once a month.

TOTAL **\$16,131.50**

 = Members assessed penalty fee

 = Less than 80% but 50% or greater attendance

 = Less than 50% attendance

 = Excused absence

**SOUTHERN CALIFORNIA JOINT POLE COMMITTEE
MEMBER BOARD MEETING ATTENDANCE
JANUARY 2022 - DECEMBER 2022**

		MBR CODE	2022 JAN	2022 FEB	2022 MAR	2022 APR	2022 MAY	2022 JUN	2022 JUL	2022 AUG	2022 SEP	2022 OCT	2022 NOV	2022 DEC	TOTAL	Atten. %	MBR CODE	MONTHS
1	So. California Edison	E	1	1	1	1	1	1	1	1	1	1	1		11	100%	E	11
2	Frontier Communications	FTR	1	1	1	1	1	1	1	1	1	1	1		11	100%	FTR	11
3	City of Los Angeles	M	1	1	1	1	1	1	1	1	1	1	1		11	100%	M	11
4	Crown Castle NG West Inc.	NG	1	1	1	1	1	1	1	1	1	1	1		11	100%	NG	11
5	AT&T California	H / T	1	1	1	1	1	1	1	1	1	1	1		11	100%	H / T	11
6	Bear Valley Electric	BVE	1	1	1	1	1	1	1	1	1	1	1		11	100%	BVE	11
7	Time-Warner	TWC	1	1	1	1	1	1	1	1	1	1	1		11	100%	TWC	11
8	City of Burbank	B	1	1	1	1	1	1	1	1	1	1	1		11	100%	B	11
9	City of Glendale	A	1	1	1	1	1	1	1	1	1	1	1		11	100%	A	11
10	City of Vernon	V	1	1	1	1	1	1	1	1	1	1	1		11	100%	V	11
11	City of Banning	COB	1	1	1	1	1	1	1	1	1	1	1		11	100%	COB	11
12	ATC Outdoor DAS	AMT	1	1	1	1	1	1	1	1	1	1	1		11	100%	AMT	11
13	XO Communications	NXT	1	1	1	1	1	1	1	1	1	1	1		11	100%	NXT	11
14	MCI/Metro	ATS	1	1	1	1	1	1	1	1	1	1	1		11	100%	ATS	11
15	MCI Communications	MCI	1	1	1	1	1	1	1	1	1	1	1		11	100%	MCI	11
16	Mobilitie LLC	MOB	1	1	1	1	1	1	1	1	1	1	1		11	100%	MOB	11
17	Teleport Comm America	TCA	1	1	1	1	1	1	1	1	1	1	1		11	100%	TCA	11
18	Sprint Communications	FON	1	1	1	1	1	1	1	1	1	1	1		11	100%	FON	11
19	Sprint-Nextel	SPR	1	1	1	1	1	1	1	1	1	1	1		11	100%	SPR	11
20	City of Colton	F	1	1	1	1	1	1	1	1	1	1	1		11	100%	F	11
21	City of Lompoc	LLW	1	1	1	1	1	1	1	1	1	1	1		11	100%	LLW	11
22	Sonic Telecom, LLC	STL			1	1	1	1	1	1	1	1	1		9	100%	STL	9
23	T-Mobile, USA	PBM	1	1	1	1	1	1	1	1	1	0	1		10	91%	PBM	11
24	City of Azusa	MA	1	1	1	1	1	1	1	1	0	1	1		10	91%	MA	11
25	Mpower/TelePacific	ICG	1	1	1	1	1	0	1	1	1	1	1		10	91%	ICG	11
26	City of Anaheim	D	1	0	1	1	1	1	1	1	1	1	1		10	91%	D	11
27	Verizon Wireless	ATC	0	1	1	1	1	1	1	1	1	1	0		9	82%	ATC	11
28	City of Riverside	J	1	1	1	1	1	1	0	1	1	1	0		9	82%	J	11
29	ExteNet Systems	EXT	1	1	1	1	1	1	0	1	1	0	1		9	82%	EXT	11
30	AT&T Mobility	LAC	1	1	1	1	1	0	0	1	1	1	1		9	82%	LAC	11
31	City of Pasadena	MP	1	1	1	0	1	1	0	1	1	1	1		9	82%	MP	11
	Total		29	29	31	30	31	29	27	31	30	29	29	0				

Member	ATC	ATS	E	EXT	F	FTR	H/T	LLW	M	MCI	NG	NXT	SPR	TCA	TWC	Totals	YTD
Joint JPAs Billed		6	244			2	8		4	1	10					275	5306
% of Joint JPAs Billed	0.000	0.022	0.887	0.000	0.000	0.007	0.029	0.000	0.015	0.004	0.036	0.000	0.000	0.000	0.000	1.00	
Joint JPAs Returned		48	115		8		11	1	9		10					202	3158
Total Joint JPAs Processed	0	54	359	0	8	2	19	1	13	1	20	0	0	0	0	477	
Section 18.1F JPAs included in above						2	1									3	
Multi JPAs Billed		14	94				5			2	30					145	2067
% of Multi JPAs Billed	0.000	0.097	0.648	0.000	0.000	0.000	0.034	0.000	0.000	0.014	0.207	0.000	0.000	0.000	0.000	1.00	
Multi JPAs Returned	1	208	60	7	1	1	29		10	25	62	2	2	2	2	412	4009
Total Multi JPAs Processed	1	222	154	7	1	1	34	0	10	27	92	2	2	2	2	557	6076
Section 18.1F JPAs included in above	1				1	1	21			3	14	2		2	2	47	
Total # JPAs Billed	0	20	338	0	0	2	13	0	4	3	40	0	0	0	0	420	7373
% of JPAs Billed	0.000	0.048	0.805	0.000	0.000	0.005	0.031	0.000	0.010	0.007	0.095	0.000	0.000	0.000	0.000	1.00	
# of JPAs Returned																614	
Total JPAs Processed	1	276	513	7	9	3	53	1	23	28	112	2	2	2	2	1034	14540
% of JPAs Billed																40.62%	
% of JPAs returned																59.38%	
Member	ATC	ATS	E	EXT	F	FTR	H/T	LLW	M	MCI	NG	NXT	SPR	TCA	TWC	Totals	
Poles Billed (Joint JPAs)		12	1730			9	38		14	2	17					1822	21568
Poles Returned (joint)		269	1464			147	60	51	23		23					2037	24118
Poles Billed (Multi JPAs)		68	702				17			6	161					954	10943
Poles Returned (multi)	17	2653	756	92	2	41	590		62	279	725	30	16	28	62	5353	42146
Total # Poles Billed (Joint & Multi combined)	0	80	2432	0	0	9	55	0	14	8	178	0	0	0	0	2776	32511
% of Total Poles Billed (Joint & Multi combined)	0.000	0.029	0.876	0.000	0.000	0.003	0.020	0.000	0.005	0.003	0.064	0.000	0.000	0.000	0.000	1.00	
# of Poles Returned																7390	66264
Total Poles Processed	17	3002	4652	92	2	197	705	51	99	287	926	30	16	28	62	10166	98775
% of Poles Billed																27.31%	
% of Poles returned																72.69%	
RETURN RATE # OF JPAS	100%	93%	34%	100%	100%	33%	75%	100%	83%	89%	64%	100%	100%	100%	100%		
RETURN RATE # OF POLES	100%	97%	48%	100%	100%	95%	92%	100%	86%	97%	81%	100%	100%	100%	100%		

Note: Held Over Poles include E and E submitted 18.1F's and will be billed first at the next Bill of Sale

SCE HELD OVERS (include E & E submitted 18.1F JPAs)	
HELD OVER JPAS	270
HELD OVER POLES	2944
Average poles/JPA in 2022	6.79

Actual JPAs/poles received from 10/6/2022 - 11/3/2022 (November Bill of Sale):		
	JPAS	POLES
SCE	886	8130
OTHER MEMBERS	466	4458

	JPAS	POLES
SCE CALL BACKS	9	110
SCE FORM 7 DO NOT BILL	5	42

Inspections Billed SCE Only: O&M (Inspection & Pole Tags)
Inspection JPAs Billed
Inspection Poles Billed

SCE's Inspections JPAs/Poles were not included in above table	SCE O&M YTD
19	172
6321	58104

Overtime Only E Only: (JOINTS)
OVERTIME E SUBMITTED JPAs Billed 2P
OVERTIME E SUBMITTED Poles Billed 2P
OVERTIME E JPAs Processed (Billed + Memos) 2P
OVERTIME E Poles Processed (Billed + Memos) 2P
OVERTIME E SUBMITTED JPAs Billed 3P
OVERTIME E SUBMITTED Poles Billed 3P
OVERTIME E JPAs Processed (Billed + Memos) 3P
OVERTIME E Poles Processed (Billed + Memos) 3P
OVERTIME E JPAs Processed (Billed + Memos) 2P/3P
OVERTIME E Poles Processed (Billed + Memos) 2P/3P

E's Overtime JPAs/Poles were not included in above table	E OT YTD
141	-
690	-
180	-
1127	-
30	-
167	-
53	-
386	-
233	4566
1513	21849

Member	ATC	ATS	B	BVE	E	EXT	FTR	H/T	LAC	LLW	M	MCI	NG	PBM	TWC	Totals	YTD
Joint JPAs Billed	11		2	24	277		1	4		1	18	2	6			346	5652
% of Joint JPAs Billed	0.032	0.000	0.006	0.069	0.801	0.000	0.003	0.012	0.000	0.003	0.052	0.006	0.017	0.000	0.000	1.00	
Joint JPAs Returned	1	47	5	80	108		1	4			23	2	2			273	3431
Total Joint JPAs Processed	12	47	7	104	385	0	2	8	0	1	41	4	8	0	0	619	
Section 18.1F JPAs included in above							2	4								6	
Multi JPAs Billed		5			47	1					9	10	28			100	2167
% of Multi JPAs Billed	0.000	0.050	0.000	0.000	0.470	0.010	0.000	0.000	0.000	0.000	0.090	0.100	0.280	0.000	0.000	1.00	
Multi JPAs Returned	3	227	1		57	11	2	17	1		32	65	117	1	2	536	4545
Total Multi JPAs Processed	3	232	1	0	104	12	2	17	1	0	41	75	145	1	2	636	6712
Section 18.1F JPAs included in above	1		1				2	6	1		1	3	9		2	26	
Total # JPAs Billed	11	5	2	24	324	1	1	4	0	1	27	12	34	0	0	446	7819
% of JPAs Billed	0.025	0.011	0.004	0.054	0.726	0.002	0.002	0.009	0.000	0.002	0.061	0.027	0.076	0.000	0.000	1.00	
# of JPAs Returned																809	
Total JPAs Processed	15	279	8	104	489	12	4	25	1	1	82	79	153	1	2	1255	15795
% of JPAs Billed																35.54%	
% of JPAs returned																64.46%	
Member	ATC	ATS	B	BVE	E	EXT	FTR	H/T	LAC	LLW	M	MCI	NG	PBM	TWC	Totals	
Poles Billed (Joint JPAs)	59		4	171	1496		4	12		2	69	2	7			1826	23394
Poles Returned (joint)	1	458	10	955	1332		17	6			180	13	3			2975	27093
Poles Billed (Multi JPAs)		35			423	27					31	64	82			662	11605
Poles Returned (multi)	16	2906	10		901	220	45	140	1		249	693	1213	2	70	6466	48612
Total # Poles Billed (Joint & Multi combined)	59	35	4	171	1919	27	4	12	0	2	100	66	89	0	0	2488	34999
% of Total Poles Billed (Joint & Multi combined)	0.024	0.014	0.002	0.069	0.771	0.011	0.002	0.005	0.000	0.001	0.040	0.027	0.036	0.000	0.000	1.00	
# of Poles Returned																9441	75705
Total Poles Processed	76	3399	24	1126	4152	247	66	158	1	2	529	772	1305	2	70	11929	110704
% of Poles Billed																20.86%	
% of Poles returned																79.14%	
RETURN RATE # OF JPAS	27%	98%	75%	77%	34%	92%	75%	84%	100%	0%	67%	85%	78%	100%	100%		
RETURN RATE # OF POLES	22%	99%	83%	85%	54%	89%	94%	92%	100%	0%	81%	91%	93%	100%	100%		

Note: Held Over Poles include E and E submitted 18.1F's and will be billed first at the next Bill of Sale

SCE HELD OVERS (include E & E submitted 18.1F JPAs)	
HELD OVER JPAS	159
HELD OVER POLES	2086

Average poles/JPA in 2022	7.01
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Actual JPAs/poles received from 11/4/2022 - 12/5/2022 (December Bill of Sale):		
	JPAS	POLES
SCE	664	5703
OTHER MEMBERS	734	7280

	JPAS	POLES
SCE CALL BACKS	6	53
SCE FORM 7 DO NOT BILL	4	26

Inspections Billed SCE Only: O&M (Inspection & Pole Tags)	
Inspection JPAs Billed	
Inspection Poles Billed	

SCE's Inspections JPAs/Poles were not included in above table	SCE O&M YTD
18	190
4715	62819

Overtime Only E Only: (JOINTS)	
OVERTIME E SUBMITTED JPAs Billed	
OVERTIME E SUBMITTED Poles Billed	
OVERTIME E JPAs Processed (Billed + Memos)	
OVERTIME E Poles Processed (Billed + Memos)	

E's Overtime JPAs/Poles were not included in above table	E OT YTD
154	-
907	-
247	4813
1836	23685

PRODUCTIVITY WITHOUT OVERTIME

BILL OF SALE	BILLED JOINT POLES	RETURNED JOINT POLES	JOINT BILLED RATE (longer to process)	JOINT RETURN RATE	BILLED MULTI POLES	RETURNED MULTI POLES	MULTI BILLED RATE (longer to process)	MULTI RETURN RATE	TOTAL PROCESSED POLES	Multi Poles % Processed	POLES RETURN RATE (JT & MULTI)	TOTAL BILLED POLES	BILLED JPAS	NOTES
Jun-2019	2641	1327	67%	33%	1062	1412	43%	57%	6442	38%	43%	3703		PAPER / PRECOVID
Jul-2019	2447	1166	68%	32%	1329	1320	50%	50%	6262	42%	40%	3776		PAPER / PRECOVID
Aug-2019	2608	1273	67%	33%	1185	1667	42%	58%	6733	42%	44%	3793		PAPER / PRECOVID
Sep-2019	2608	1410	65%	35%	1393	1579	47%	53%	6990	43%	43%	4001		PAPER / PRECOVID
Oct-2019	2439	1595	60%	40%	1076	1129	49%	51%	6239	35%	44%	3515		PAPER / PRECOVID
Nov-2019	1808	1200	60%	40%	966	1938	33%	67%	5912	49%	53%	2774		PAPER / PRECOVID
Dec-2019	1967	1182	62%	38%	459	1581	23%	78%	5189	39%	53%	2426		PAPER / PRECOVID
Jan-2020	2794	1145	71%	29%	942	1287	42%	58%	6168	36%	39%	3736		PAPER / PRECOVID
Feb-2020	2208	1483	60%	40%	1048	2533	29%	71%	7272	49%	55%	3256		PAPER / PRECOVID
Mar-2020	1813	1971	48%	52%	122	1863	6%	94%	5769	34%	66%	1935		PAPER-COVID (CLOSED EARLY)
Apr-2020	2099	699	75%	25%	1068	2016	35%	65%	5882	52%	46%	3167		COVID (HALF PAPER-HALF ELECTRONIC)
May-2020	1589	2346	40%	60%	571	1403	29%	71%	5909	33%	63%	2160	636	FULL ELECTRONIC
Jun-2020	2201	3278	40%	60%	258	1210	18%	82%	6947	21%	65%	2459	822	ELECTRONIC
Jul-2020	2034	2707	43%	57%	201	2007	9%	91%	6949	32%	68%	2235	938	ELECTRONIC
Aug-2020	717	3499	17%	83%	188	3377	5%	95%	7781	46%	88%	905	388	ELECTRONIC
Sep-2020	2541	6238	29%	71%	134	2148	6%	94%	11061	21%	76%	2675	1149	ELECTRONIC (high return rate of F48 Violation)
Oct-2020	3658	3446	51%	49%	352	2692	12%	88%	10148	30%	60%	4010	999	ELECTRONIC (Steel Stubbed JPAs & Corrections of Records INSP JPAs)
Nov-2020	3036	2386	56%	44%	486	2238	18%	82%	8146	33%	57%	3522	1094	ELECTRONIC
Dec-2020	2354	2587	48%	52%	487	2330	17%	83%	7758	36%	63%	2841	918	ELECTRONIC
Jan-2021	3051	1692	64%	36%	282	1086	21%	79%	6111	22%	45%	3333	1239	ELECTRONIC
Feb-2021	2330	2086	53%	47%	502	3495	13%	87%	8413	48%	66%	2832	904	ELECTRONIC
Mar-2021	2644	1956	57%	43%	958	2480	28%	72%	8038	43%	55%	3602	1103	ELECTRONIC
Apr-2021	2714	3062	47%	53%	704	3238	18%	82%	9718	41%	65%	3418	910	ELECTRONIC
May-2021	2212	2853	44%	56%	847	3363	20%	80%	9275	45%	67%	3059	774	ELECTRONIC
Jun-2021	3188	2328	58%	42%	692	3257	18%	82%	9465	42%	59%	3880	980	ELECTRONIC
Jul-2021	2432	3469	41%	59%	808	6109	12%	88%	12818	54%	75%	3240	662	ELECTRONIC (note: unusually high return rate 75%)
Aug-2021	2502	1719	59%	41%	394	5890	6%	94%	10505	60%	72%	2896	1033	ELECTRONIC (note: 72% return rate)
Sep-2021	3196	1596	67%	33%	1018	4049	20%	80%	9859	51%	57%	4214	1327	ELECTRONIC (highest)
Oct-2021	2729	820	77%	23%	559	4688	11%	89%	8796	60%	63%	3288	1181	ELECTRONIC
Nov-2021	2580	1144	69%	31%	734	3523	17%	83%	7981	53%	58%	3314	975	ELECTRONIC
Dec-2021	1714	1650	51%	49%	1277	3933	25%	75%	8574	61%	65%	2991	743	ELECTRONIC
Jan-2022	1563	1675	48%	52%	841	4188	17%	83%	8267	61%	71%	2404	545	ELECTRONIC
Feb-2022	1360	2448	36%	64%	616	4472	12%	88%	8896	57%	78%	1976	423	ELECTRONIC
Mar-2022	2229	2298	49%	51%	1031	3836	21%	79%	9394	52%	65%	3260	702	ELECTRONIC
Apr-2022	2658	2586	51%	49%	1258	2817	31%	69%	9319	44%	58%	3916	1045	ELECTRONIC
May-2022	2199	1345	62%	38%	1067	3023	26%	74%	7634	54%	57%	3266	802	ELECTRONIC (Processed 1042 poles from JPAs involving 5+ owners, the office usually processed about 660 poles a month.)
Jun-2022	1628	3767	30%	70%	771	3221	19%	81%	9387	43%	74%	2399	611	Electronic
Jul-2022	2122	1765	55%	45%	972	3971	20%	80%	8830	56%	65%	3094	751	Electronic. (3 staff had vac days)
Aug-2022	2022	2638	43%	57%	1425	3603	28%	72%	9688	52%	64%	3447	852	Electronic
Sep-2022	2049	2201	48%	52%	803	3088	21%	79%	8141	48%	65%	2852	667	Electronic (one holiday, multiple employees were out sick and out on vac)
Oct-2022	1918	1358	59%	41%	1205	4574	21%	79%	9055	64%	66%	3123	555	Electronic
Nov-2022	1822	2037	47%	53%	954	5353	15%	85%	10166	62%	73%	2776	420	Electronic (high return rate)
Dec-2022	1826	2975	38%	62%	662	6466	9%	91%	11929	60%	79%	2488	446	Electronic (high return rate)

FORECAST	8542.24	Poles processed a month Feb 22-Dec 22
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AVERAGE POLES PROCESSED MONTHY ELECTRONIC (WFH)	9225.50	(12 months)
AVERAGE POLES PROCESSED MONTHY ELECTRONIC (WFH)	8945.92	(12 months) Without December 2022

*Regular time per month contingent upon (based on 2021 data):

- Multi received: 48% or lower.
- Complexity of multi JPAs. (5+ owners JPAs take more time and resources).
- Billable poles rate: 38% or lower. Note: Billable poles take more time and resources. (return rate 62% or higher).
- Billable JPAs rate: 57% or lower. Note: Billable JPAs take more time and resources. (return rate 43% or higher).
- Length of committee meetings. Transcribing long meetings will take time away from billing.
- Average 5.26 poles/JPA

JOINT (TWO OWNERS) JPAS

Bill of Sale Month	Poles Billed 2P	Poles Returned	Total Poles (Billed + Returned) Processed	Number of JPAs BILLED	Number of JPAs Returned	Total # of JPAs Processed (Billed + Returned)	Additional work Hrs	NOTES	Poles/Hour	POLE BILLABLE RATE	Poles Return rate %	JPA BILLABLE RATE	JPAs Return Rate %
Mar-22	793	745	1538	162	73	235	106	Started late on 3/7/22	14.51	51.56%	48.44%	68.94%	31.06%
Apr-22	2035	889	2924	632	143	775	226	More Poles/JPAs billable	12.94	69.60%	30.40%	81.55%	18.45%
May-22	1844	571	2415	611	86	697	192	More Poles/JPAs billable	12.58	76.36%	23.64%	87.66%	12.34%
Jun-22	1368	809	2177	304	77	381	155.25		14.02	62.84%	37.16%	79.79%	20.21%
Jul-22	2188	879	3067	659	110	769	224.75		13.65	71.34%	28.66%	85.70%	14.30%
Aug-22	2331	1095	3426	486	106	592	246		13.93	68.04%	31.96%	82.09%	17.91%
Sep-22	1388	902	2290	352	88	440	171		13.39	60.61%	39.39%	80.00%	20.00%
Oct-22	730	376	1106	172	47	219	84.75		13.05	66.00%	34.00%	78.54%	21.46%
Nov-22	690	437	1127	141	39	180	86.15		13.08	61.22%	38.78%	78.33%	21.67%
Dec-22	413	296	709	84	31	115	48.97		14.48	58.25%	41.75%	73.04%	26.96%
Totals	13780	6999	20779	3603	800	4403	1540.87						

Average billing joint (2 owners) poles/hour goal:	12.10
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*Overtime poles per month contingent upon (based on 2020 & 2021 OT data):

1. The % of billable joint poles: 60% (or less) of the volume processed can be billed (based on SCE OT data).
2. The % of billable joint JPAs: 76% (or less) of the volume processed can be billed (based on SCE OT data).
3. Staff availability.

THREE OWNERS JPAS (staff will only process 3P JPAs when the number of joint (2P) JPAs are low)

Bill of Sale Month	3P Poles Billed	3P Poles Returned	Total Poles (Billed + Returned) Processed	Number of JPAs BILLED	Number of JPAs Returned	Total # of JPAs Processed (Billed + Returned)	Additional work Hrs	NOTES	Poles/Hour	POLE BILLABLE RATE	Poles Return rate %	JPA BILLABLE RATE	JPAs Return Rate %
Oct-22	579	814	1393	126	99	225	122.75		11.35	41.56%	58.44%	56.00%	44.00%
Nov-22	167	219	386	30	23	53	34.35		11.24	43.26%	56.74%	56.60%	43.40%
Dec-22	494	633	1127	70	62	132	102.03		11.05	43.83%	56.17%	53.03%	46.97%
Totals	1240	1666	2906	226	184	410	259.13						

FORECAST UPDATED BASED ON ACTUAL DATA DEC 2022 B/S (UPDATED 1/11/2023)

ORIGINAL FORECAST (3/2/2022)	Number of JPAs Members will send to the SCJPC:	1624 JPAs per month (1279 SCE + 345 Non SCE)
ORIGINAL FORECAST (3/2/2022)	Number of Poles Members will send to the SCJPC:	8542.24 Poles per month (SCE + Non SCE JPAs)
NEW FORECAST (5/18/2022 meeting)	Number of Poles Members will send to the SCJPC:	13,309.18 Poles per month (SCE 9000 + Non SCE 4309.18)

B/S 2/22	Actual number of poles members sent to the SCJPC:	11,217.00 poles
B/S 3/22	Actual number of poles members sent to the SCJPC:	9,777.00 poles
B/S 4/22	Actual number of poles members sent to the SCJPC:	11,040.00 poles
B/S 5/22	Actual number of poles members sent to the SCJPC:	4,256.00 poles
B/S 6/22	Actual number of poles members sent to the SCJPC:	17,238.00 poles
B/S 7/22	Actual number of poles members sent to the SCJPC:	11,371.00 poles
B/S 8/22	Actual number of poles members sent to the SCJPC:	8,590.00 poles
B/S 9/22	Actual number of poles members sent to the SCJPC:	9,276.00 poles
B/S 10/22	Actual number of poles members sent to the SCJPC:	7,605.00 poles
B/S 11/22	Actual number of poles members sent to the SCJPC:	12,588.00 poles
B/S 12/22	Actual number of poles members sent to the SCJPC:	12,983.00 poles

SCJPC to process poles/month Forecast	Regular time forecast	Overtime forecast	Total Poles forecast	Processed poles forecast monthly Assuming SCJPC WILL work overtime 126.98 hours per month
	8542.24	1536.46	10,078.70	

SCJPC processed poles (actual #) Actual Data Actual Data	Regular time (actual)	Overtime (Actual)	Total Poles (Actual)	Bill of Sale	Actual pole processed Actual pole processed
	10166	1513	11,679.00	B/S 11/22	
	11929	1836	13,765.00	B/S 12/22	

Bill of sale Month	Description	Count	Balance		Actual or forecast numbers
	Backlog balance as of end of Jan 2022		13,400.00	Poles	Actual
	Internal adjustment (correction)	(90.00)		Poles	Actual
Feb-22	Poles received from SCE this month (new JPAs)-SCE	7,679.00		Poles	Actual
Feb-22	Poles received from all other members this month (new JPAs)-NON SCE	3,538.00		Poles	Actual
Feb-22	SCJPC processed (SCE reg time)	(4,905.00)		Poles	Actual
Feb-22	SCJPC processed (SCE 18.1F reg time)	(453.00)		Poles	Actual
Feb-22	SCJPC processed (NON SCE reg time)	(3,538.00)		Poles	Actual
End of Feb 2022	Balance (backlog is included)		15,631.00	Poles	End of Feb 2022
Mar-22	Internal adjustment (correction)	97.00		Poles	Actual
Mar-22	Poles received from SCE this month (new JPAs)-SCE	7,018.00		Poles	Actual
Mar-22	Poles received from all other members this month (new JPAs)-NON SCE	2,759.00		Poles	Actual
Mar-22	SCJPC processed (SCE reg time)	(5,275.00)		Poles	Actual
Mar-22	SCJPC processed (SCE 18.1F reg time)	(1,360.00)		Poles	Actual
Mar-22	SCJPC processed (NON SCE reg time)	(2,759.00)		Poles	Actual
Mar-22	SCJPC processed during overtime	(1,538.00)		Poles	Actual
Mar-22	SCE Call Backs	(42.00)		Poles	Actual
End of Mar 2022	Balance (backlog is included)		14,531.00	Poles	End of Mar 2022
Apr-22	Internal adjustment (correction)	-		Poles	Actual
Apr-22	Poles received from SCE this month (new JPAs)-SCE	8,176.00		Poles	Actual
Apr-22	Poles received from all other members this month (new JPAs)-NON SCE	2,864.00		Poles	Actual
Apr-22	SCJPC processed (SCE reg time)	(6,034.00)		Poles	Actual
Apr-22	SCJPC processed (SCE 18.1F reg time)	(421.00)		Poles	Actual
Apr-22	SCJPC processed (NON SCE reg time)	(2,852.00)		Poles	Actual
Apr-22	SCJPC processed (NON SCE 18.1F reg time)	(12.00)		Poles	Actual
Apr-22	SCJPC processed during overtime	(2,924.00)		Poles	Actual
Apr-22	SCE Call Backs	(10.00)		Poles	Actual
End of Apr 2022	Balance (backlog is included)		13,318.00	Poles	End of Apr 2022
May-22	Internal adjustment (correction)	-		Poles	Actual
May-22	Poles received from SCE this month (new JPAs)-SCE	1,042.00		Poles	Actual
May-22	Poles received from all other members this month (new JPAs)-NON SCE	3,214.00		Poles	Actual
May-22	SCJPC processed (SCE reg time)	(4,110.00)		Poles	Actual
May-22	SCJPC processed (SCE 18.1F reg time)	(310.00)		Poles	Actual
May-22	SCJPC processed (NON SCE reg time)	(3,214.00)		Poles	Actual
May-22	SCJPC processed (NON SCE 18.1F reg time)	-		Poles	Actual
May-22	SCJPC processed during overtime	(2,415.00)		Poles	Actual

	May-22 SCE Call Backs	(48.00)	Poles	Actual
End of May 2022	Balance (backlog is included)	7,477.00	Poles	End of May 2022 bill of sale
	Jun-22 Internal adjustment (correction)	-	Poles	Actual
	Jun-22 Poles received from SCE this month (new JPAs)-SCE	12,743.00	Poles	Actual
	Jun-22 Poles received from all other members this month (new JPAs)-NON SCE	4,495.00	Poles	Actual
	Jun-22 Poles SCE JPC COR	2.00	Poles	Actual
	Jun-22 Poles NON SCE JPC COR	6.00	Poles	Actual
	Jun-22 SCJPC processed (SCE reg time)	(4,347.00)	Poles	Actual
	Jun-22 SCJPC processed (SCE 18.1F reg time)	(537.00)	Poles	Actual
	Jun-22 SCJPC processed (NON SCE reg time)	(4,495.00)	Poles	Actual
	Jun-22 SCJPC processed (NON SCE 18.1F reg time)	-	Poles	Actual
	Jun-22 SCJPC processed Poles SCE JPC COR	(2.00)	Poles	Actual
	Jun-22 SCJPC processed Poles NON SCE JPC COR	(6.00)	Poles	Actual
	Jun-22 SCJPC processed during overtime	(2,177.00)	Poles	Actual
	Jun-22 SCE Call Backs	(114.00)	Poles	Actual
End of June 2022	Balance (backlog is included)	13,045.00	Poles	End of June 2022 bill of sale
	Jul-22 Internal adjustment (correction)	4.00	Poles	Actual
	Jul-22 Poles received from SCE this month (new JPAs)-SCE	8,903.00	Poles	Actual
	Jul-22 Poles received from all other members this month (new JPAs)-NON SCE	2,468.00	Poles	Actual
	Jul-22 Poles SCE JPC COR	-	Poles	Actual
	Jul-22 Poles NON SCE JPC COR	9.00	Poles	Actual
	Jul-22 SCJPC processed (SCE reg time)	(5,089.00)	Poles	Actual
	Jul-22 SCJPC processed (SCE 18.1F reg time)	(1,206.00)	Poles	Actual
	Jul-22 SCJPC processed (NON SCE reg time)	(2,468.00)	Poles	Actual
	Jul-22 SCJPC processed (NON SCE 18.1F reg time)	-	Poles	Actual
	Jul-22 SCJPC processed Poles SCE JPC COR	-	Poles	Actual
	Jul-22 SCJPC Processed Poles NON SCE JPC COR	(9.00)	Poles	Actual
	Jul-22 SCJPC processed during overtime	(3,067.00)	Poles	Actual
	Jul-22 SCE Call Backs	(261.00)	Poles	Actual
End of July 2022	Balance (backlog is included)	12,329.00	Poles	End of July 2022
	Aug-2022 Internal adjustment (correction)	-	Poles	Actual
	Aug-2022 Poles received from SCE this month (new JPAs)-SCE	5,693.00	Poles	Actual
	Aug-2022 Poles received from all other members this month (new JPAs)-NON SCE	2,897.00	Poles	Actual
	Aug-2022 Poles SCE JPC COR	-	Poles	Actual
	Aug-2022 Poles NON SCE JPC COR	1.00	Poles	Actual
	Aug-2022 SCJPC processed (SCE reg time)	(5,847.00)	Poles	Actual
	Aug-2022 SCJPC processed (SCE 18.1F reg time)	(942.00)	Poles	Actual
	Aug-2022 SCJPC processed (NON SCE reg time)	(2,896.00)	Poles	Actual
	Aug-2022 SCJPC processed (NON SCE 18.1F reg time)	-	Poles	Actual
	Aug-2022 SCJPC processed Poles SCE JPC COR	-	Poles	Actual
	Aug-2022 SCJPC Processed Poles NON SCE JPC COR	(1.00)	Poles	Actual
	Aug-2022 SCJPC processed during overtime	(3,426.00)	Poles	Actual
	Aug-2022 SCE Call Backs	(146.00)	Poles	Actual
End of August 2022	Balance (backlog is included)	7,662.00	Poles	End of August 2022
	Sep-2022 Internal adjustment (correction)	8.00	Poles	Actual
	Sep-2022 Poles received from SCE this month (new JPAs)-SCE	6,047.00	Poles	Actual
	Sep-2022 Poles received from all other members this month (new JPAs)-NON SCE	3,229.00	Poles	Actual
	Sep-2022 Poles SCE JPC COR	-	Poles	Actual
	Sep-2022 Poles NON SCE JPC COR	1.00	Poles	Actual
	Sep-2022 SCJPC processed (SCE reg time)	(4,152.00)	Poles	Actual
	Sep-2022 SCJPC processed (SCE 18.1F reg time)	(766.00)	Poles	Actual
	Sep-2022 SCJPC processed (NON SCE reg time)	(3,229.00)	Poles	Actual
	Sep-2022 SCJPC processed (NON SCE 18.1F reg time)	-	Poles	Actual
	Sep-2022 SCJPC processed Poles SCE JPC COR	-	Poles	Actual
	Sep-2022 SCJPC Processed Poles NON SCE JPC COR	(1.00)	Poles	Actual
	Sep-2022 SCJPC processed during overtime	(2,290.00)	Poles	Actual
	Sep-2022 SCE Call Backs	(78.00)	Poles	Actual
	Sep-2022 SCE F7 DO NO BILLS	(179.00)	Poles	Forecast
End of September 2022	Balance (backlog is included)	6,252.00	Poles	End of September 2022
	Oct-2022 Internal adjustment (correction)	5.00	Poles	Actual
	Oct-2022 Poles received from SCE this month (new JPAs)-SCE	4,921.00	Poles	Actual
	Oct-2022 Poles received from all other members this month (new JPAs)-NON SCE	2,684.00	Poles	Actual
	Oct-2022 Poles SCE JPC COR	-	Poles	Actual
	Oct-2022 Poles NON SCE JPC COR	12.00	Poles	Actual

	Oct-2022	SCJPC processed (SCE reg time)	(5,509.00)	Poles	Actual
	Oct-2022	SCJPC processed (SCE 18.1F reg time)	(858.00)	Poles	Actual
	Oct-2022	SCJPC processed (NON SCE reg time)	(2,681.00)	Poles	Actual
	Oct-2022	SCJPC processed (NON SCE 18.1F reg time)	(3.00)	Poles	Actual
	Oct-2022	SCJPC processed Poles SCE JPC COR	-	Poles	Actual
	Oct-2022	SCJPC Processed Poles NON SCE JPC COR	(12.00)	Poles	Actual
	Oct-2022	SCJPC processed during overtime	(2,499.00)	Poles	Actual
	Oct-2022	SCE Call Backs	(50.00)	Poles	Actual
	Oct-2022	SCE F7 DO NO BILLS	(99.00)	Poles	Actual
End of October 2022		Balance (backlog is included)	2,163.00	Poles	End of October 2022
	Nov-22	Internal adjustment (correction)	-	Poles	Actual
	Nov-22	Poles received from SCE this month (new JPAs)-SCE	8,130.00	Poles	Actual
	Nov-22	Poles received from all other members this month (new JPAs)-NON SCE	4,458.00	Poles	Actual
	Nov-22	Poles SCE JPC COR	16.00	Poles	Actual
	Nov-22	Poles NON SCE JPC COR	8.00	Poles	Actual
	Nov-22	SCJPC processed (SCE reg time)	(4,636.00)	Poles	Actual
	Nov-22	SCJPC processed (SCE 18.1F reg time)	(1,048.00)	Poles	Actual
	Nov-22	SCJPC processed (NON SCE reg time)	(4,458.00)	Poles	Actual
	Nov-22	SCJPC processed (NON SCE 18.1F reg time)	-	Poles	Actual
	Nov-22	SCJPC processed Poles SCE JPC COR (reg time)	(16.00)	Poles	Actual
	Nov-22	SCJPC Processed Poles NON SCE JPC COR (reg t	(8.00)	Poles	Actual
	Nov-22	SCJPC processed during overtime 2P	(1,127.00)	Poles	Actual
	Nov-22	SCJPC processed during overtime 3P	(386.00)	Poles	Actual
	Nov-22	SCE Call Backs	(110.00)	Poles	Actual
	Nov-22	SCE F7 DO NO BILLS	(42.00)	Poles	Actual
End of November 2022		Balance (backlog is included)	2,944.00	Poles	End of November 2022
	Dec-22	Internal adjustment (correction)	-	Poles	Actual
	Dec-22	Poles received from SCE this month (new JPAs)-SCE	5,703.00	Poles	Actual
	Dec-22	Poles received from all other members this month (new JPAs)-NON SCE	7,280.00	Poles	Actual
	Dec-22	Poles SCE JPC COR	2.00	Poles	Actual
	Dec-22	Poles NON SCE JPC COR	1.00	Poles	Actual
	Dec-22	SCJPC processed (SCE reg time)	(4,150.00)	Poles	Actual
	Dec-22	SCJPC processed (SCE 18.1F reg time)	(496.00)	Poles	Actual
	Dec-22	SCJPC processed (NON SCE reg time)	(7,277.00)	Poles	Actual
	Dec-22	SCJPC processed (NON SCE 18.1F reg time)	(3.00)	Poles	Actual
	Dec-22	SCJPC processed Poles SCE JPC COR (reg time)	(2.00)	Poles	Actual
	Dec-22	SCJPC Processed Poles NON SCE JPC COR (reg t	(1.00)	Poles	Actual
	Dec-22	SCJPC processed during overtime 2P	(709.00)	Poles	Actual
	Dec-22	SCJPC processed during overtime 3P	(1,127.00)	Poles	Actual
	Dec-22	SCE Call Backs	(53.00)	Poles	Actual
	Dec-22	SCE F7 DO NO BILLS	(26.00)	Poles	Actual
End of December 2022		Balance (backlog is included)	2,086.00	Poles	End of December 2022

***Regular time per month contingent upon (based on 2021 data):**

1. Multi received: 48% or lower.
2. Complexity of multi JPAs.
3. Billable poles rate: 38% or lower. Note: Billable poles take more time and resources.
4. Billable JPAs rate: 57% or lower. Note: Billable JPAs take more time and resources.
5. Length of committee meetings. Transcribing long meetings will take time away from billing.
6. Average 5.26 poles/JPA

***Overtime poles per month contingent upon (based on 2020 & 2021 OT data):**

1. The % of billable poles: 60% (or less) of the volume processed can be billed (based on SCE OT data).
2. The % of billable JPAs: 76% (or less) of the volume processed can be billed (based on SCE OT data).
3. Staff availability.

2022 FORECAST FROM ALL MEMBERS

Code	Company Name	MONTHLY FORECAST # OF JPAS	MONTHLY FORECAST # OF POLES	YEARLY FORECAST # OF JPAS	YEARLY FORECAST # OF POLES	Notes	2021 poles/month
A	City of Glendale		31.67		380		63.58
AMT	ATC-Outdoor DAS, LLC	0	0.00	0	0		0
ATC	Verizon Wireless		15.42			Will send Q3 & Q4 numbers	15.42
ATS	MCI Metro/ATS					See MCI below	66.25
B	City of Burbank	2.083333	11.25	25	135		28.25
BVE	Bear Valley Electric, Inc	132	552.00	1584	6624		139.33
COB	City of Banning		0.17			No response - used 2021	0.17
D	City of Anaheim		12.50		150	late 2022	0
E	So. Calif. Edison Co.	1279	6727.54			Based on 5.26 poles/JPA	6204.08
EXT	ExteNet Systems, Inc.	12	256.00	144	3072	At the most 10-12 JPAs/mo	293.67
F	City of Colton		0.17			No response - used 2021	0.17
FON	Sprint Comm, L.P.	0	0.00	0	0		0
FTR	Frontier Communications		62.00		744		62
H / T	AT&T California	40	120.00	480	1440		236.08
ICG	Mpower Communications	0	0.00	0	0		0
J	City of Riverside		0.00			No response - used 2021	0
LAC	AT&T Mobility	15.16667	15.17	182	182	From Philip Brown	19.75
LLW	City of Lompoc	0.333333	3.33	4	40		2.33
M	City of Los Angeles		54.50			No response - used 2021	54.5
MA	City of Azusa		0.00		20?		0
MCI	MCI Telecommunications	75	1125.00	900	13500	From Katy White	91.42
MOB	Mobilitie, LLC		0.00			No response - used 2021	0
MP	City of Pasadena	0	0.00	0	0		5.42
NG	Crown Castle NG West Inc.		2000.00		24000	Updated # from NG 5/9/22	1743.67
NXT	XO Communications	0	0.00	0	0		30.42
PBM	T-Mobile USA, Inc.		0.00			No response - used 2021	0
SPR	Sprint Nextel Corporation	0	0.00	0	0		0.58
STL	Sonic Telecom, LLC.		0.00			No response - used 2021	0
TCA	Teleport Communications America, LLC	0	0.00	0	0		9.25
TWC	Time Warner Cable	10	30.00	120	360		21.08
V	City of Vernon		20.00		240		42
TOTAL FORECAST			11,036.72		50,867.00		9129.42

poles per month

poles per year

Difference 2022-2021

1,907.30

poles per month

Southern California Joint Pole Committee

279 E. Arrow Hwy. Suite 104
San Dimas, CA 91773
Phone (909) 599-3801
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February 15, 2023

A regular meeting of the **Operating Committee** took place on the above date, at 9:40 a.m., via teleconference:

Those in attendance were:

Mr. Lex Treepaisan	Frontier Communications
Mr. Douglas Sink	Frontier Communications
Mr. John Bacon	City of Los Angeles
Ms. Valerie Mitwasi	Southern California Edison
Ms. Alicia Walsh	Southern California Edison
Ms. April DeBarge	Southern California Edison
Mr. Michael Pearson	Southern California Edison
Mr. Kevin Flores	Southern California Edison
Mr. Sam Picazo	Southern California Edison
Ms. Marisol Bailey	Southern California Edison
Mr. Todd Dailey	AT&T California
Ms. Kay Black	AT&T California
Mr. Barry Consulter	AT&T California
Mr. Troy Stanard	AT&T California
Ms. Veronica C. Romero	AT&T California
Mr. Earle Carrion	Crown Castle NG West Inc.
Ms. Aarize Dizon	Crown Castle NG West Inc.
Ms. Megan LaMon	Crown Castle NG West Inc.
Mr. Jeremy Harmon	Verizon Wireless
Ms. Yvonne Johnson	Teleport Communications America
Ms. Dianell Caamano	AT&T Mobility
Ms. Mary Li	City of Anaheim
Ms. Ariel Dunning	City of Colton
Mr. Arturo Garcia	City of Glendale
Mr. Joe Armstrong	City of Pasadena
Ms. Katy White	MCI Metro ATS/MCI Telecommunications
Mr. Michael Truong	City of Burbank
Mr. David Campo	City of Lompoc
Ms. Yesenia Delgado	Time-Warner Cable
Ms. Lynne LaFrenais	Bear Valley Electric Service, Inc.
Ms. Maria Ortiz	XO Communications
Mr. Richard Soriano	City of Banning
Ms. Claudia Arellano	City of Vernon
Mr. Nick Van Stryk	City of Vernon (Petrelli Electric)
Ms. Alicia Smith	Sprint Nextel/Sprint Communications

Mr. Mark Denning	M-Power Communications
Mr. Johnny Villaobos	M-Power Communications
Ms. Linda McLean	Extenet Systems
Ms. Shawn Henderson	T-Mobile USA
Ms. Dawn Laffoon	Mobilitie, LLC
Ms. Angela Pranata	Committee Staff
Ms. Kathleen Allen	Committee Staff

Chairperson, Mr. Treepaisan called the meeting to order at 9:40 a.m. by addressing the first item on the agenda, the review of the **prior meeting minutes**.

There were no questions or comments.

The second agenda item is the review of the **January 2023 Operating expense sheets**. Mr. Treepaisan stated with no budget there is no variance. Ms. Pranata replied correct, and Ms. Pranata will revise the Operating expense sheet for the next financial report.

There were no further comments or questions.

The third agenda item is the **Accounts Receivable**.

There were no questions or comments.

The fourth agenda item on the agenda is **Member Board Attendance**.

There were no questions or comments.

The fifth agenda item for discussion is **Billing Standardization of Procedures and Minutes**. Ms. Allen stated she had a staff meeting on February 9, 2023. Ms. Allen reminded the staff that 2023 Pole Prices and Authorized Costs are still not published. The office is holding JPA's with Date Sent or Year Set 2023 and 18.1F JPAs whereas Item 14 is billed by current year Authorized Cost. Ms. Allen notified the staff that if they are returning a SCE COR to please have her review first. Ms. Allen also notified the staff that Examples that were formerly found in Section 18 have been moved to Section 21. Examples 38 and 40 were discussed. Ms. Allen informed the staff that the verbiage for Example 38 regarding F7's reads when the *F7 is resolved U1 would resend the F7 with a "resolved OK TO BILL, and date" on it and email to the SCJPC*. Ms. Allen stated that she as a question on this and will ask for clarification later in the meeting. Example 40 that speaks about GPS Coordinates, is for Preliminary JPA's. Ms. Allen informed the staff that if a JPA comes in without GPS this is NOT a reason for denial. Section 13.4 Records update for attachment acquisition and tenancy/lease conversion will be discussed further with the staff once JPAs start coming in with that Section referenced. Ms. Allen made a sample for Section 5.1D Unauthorized Procedure for Relinquishment for all the billers. Ms. Allen notified the staff when there is an anchor on the JPA that shows FREE billers are not to return via memo requesting an item number. Billers are to bill as FREE. JPAs that show Section 7.13 with U1 – All and U2 UNAUTH on record should be returned via memo. Must have Section 7.7 shown for the unauthorized attachment. Billers were notified to make sure they read notes on the JPAs and when necessary apply to billing. Section 7.13 CLEAR member PTD and failed to send intent was also discussed. Ms. Allen notified the staff that no billing is involved;

however, billers will use billing codes and 0 for monies.

Ms. Allen reminded the billers that Section 4.1 ALL poles with two-digit year set needs to be returned on all JPAs. Ms. Allen stated that she has a question on this as well and will ask for clarification later in the meeting. Lastly, billers were reminded that Section 9.4 and Section 7.11 are conflicting Sections where the old pole is CLEAR and the new pole is CLEAR as well. Billers are to return the JPA via memo.

There were no further questions or comments.

The sixth item on the agenda is **JPA Member Activity**.

- Please contact SCJPC (Angela) if members would like to meet with the SCJPC to discuss memos.
- Notified ATS of errors
- Influx in JPAs submitted by members (non E JPAs)
- Average number of poles per JPA – 9.31 poles according to Jan 2023 B/S

Ms. Pranata displayed the January 2023 bill of sale Member Activity. Ms. Pranata reported there was an increase in the average number of poles per JPA. Currently the count is 9.6 poles rounded up to about 10 poles per JPA. Comparing to last year by the end of 2022 the average number of poles per JPA was seven. Members are submitted more poles per JPA than before. The office processed 10,711 poles. However, the return rate was extremely high again. Ms. Pranata reached out to ATS to have a meeting regarding their memos. Ms. Pranata added she was still waiting to hear back from ATS with a date to meet.

Ms. Pranata announced that if any other members want to schedule a memo review meeting as well to please let her know and Ms. Pranata would schedule.

Ms. Treepaisan stated the baseline of poles seems to be increasing. The office is receiving more JPAs with higher pole counts on the JPAs. Ms. Pranata replied yes and explained the number of JPAs may be the same or less. However, the pole count per JPA has increased.

There were no further questions or comments.

The seventh item on the agenda is **Miscellaneous Items**.

SCJPC Office update:

- *Office productivity without OT*
- *OT spreadsheet*
- *Waiting for forecast from all members for 2023*

Ms. Pranata displayed the *Productivity without Overtime* table. Ms. Pranata stated this spreadsheet is based on the Member Activity and reiterated the number of poles returned has high; especially the multi's. The multi poles return rate was about 91%.

Ms. Pranata then displayed the SCJPC – *OVERTIME Monthly* table. Ms. Pranata stated the staff worked an additional 65.5 hours to process joint JPAs (2 owners) and 50.5 hours to process 3 owner JPAs outside regular office hours.

Ms. Pranata then displayed the *FORECAST UPDATED BASED ON ACTUAL DATA*

JAN 2023 B/S (updated 02/08/2023). Ms. Pranata stated she was still waiting for members to submit their 2023 forecast. Ms. Pranata stated the current forecast displayed on the screen is based on Member Activity and there are about 2,488 poles backlogged. The forecasted numbers are based on 2022 forecast and Ms. Pranata would like to revise it based on members submission. However, Ms. Pranata reiterated that she has not received numbers from many of the members.

Ms. Pranata stated she sent an email to all members requesting 2023 forecasted numbers. Ms. Pranata added she has only heard from five members. If members have any numbers to share with Ms. Pranata to please do so and she can enter them in. Ms. Pranata then stated columns H and I on the 2023 FORECAST FROM ALL MEMBERS displayed on the screen are based on 2022 Member Activity spreadsheet. The columns show how many JPAs and poles processed by the SCJPC in 2022. Ms. Pranata stated she could use last year's numbers as well, but to please let her know. Ms. Pranata added to please let her know via email or in the meeting the number of poles the member's company would like to submit for their forecast for 2023. Mr. Treepaisan stated he will try and get something to Ms. Pranata by the end of the week and then Mr. Treepaisan stated for the members to please get back to Ms. Pranata as soon as they could so Ms. Pranata could have a forecast of what is ahead.

Ms. Pranata inquired if any members would like to share their forecast with her at that time. There was no response.

There were no further questions or comments.

Billing Errors/Questions

Example 38 FORM 7 – JOINT POLE MEMORANDUM PULL FINAL BILL FROM BILLING CYCLE (K. ALLEN)

Ms. Allen stated on Example 38 (4) it reads *when resolved, U1 would resend the F7 with a "Resolved -OK TO BILL, and date" on it and email it to SCJPC Office.* Ms. Allen inquired must it be the original F7 with a *"Resolved -OK TO BILL, and date"* is SCJPC no longer to accept just emails. Ms. Black stated she would look at it and see what needs to be revised. It may have to be put on there that an email alone is not okay. Ms. Black then stated she will work with Ms. Allen offline. Ms. Allen then inquired if the F7 actually has to state the word "resolved". Ms. Black and Ms. Ortiz stated OKAY TO BILL is fine and then Ms. Black inquired if any members had any objections. There were none.

Section 4.X two-digit year set (K. Allen)

Ms. Allen stated discussed previously in the March 16, 2022, Operating Meeting was Section 4.X ALL poles with two-digit year sets. And if billers could assume by looking at Date Sent or the Form 48 Date what the four-digit year set was since years are repeating. For example, year set 20. Was that 1920 or 2020. The consensus at that meeting was for billers to return via memo requesting a four-digit year set. Ms. Allen stated many JPAs are being returned for this and asked once again if the billers could determine the year set by looking at certain dates on the JPA. Mr. Treepaisan inquired if Ms. Allen sees any pitfalls or a chance to miss something if the billers determined the year set by looking at the Form 48 date. Ms. Allen stated that if the

billers do determine it was 2020 and it should be 1920 it would be a big difference in amount billed. Ms. Allen stated if billers could determine the Year Set by the Date Sent or Form 48 date those JPAs could be processed. Mr. Treepaisan stated if the billers could determine by Form 48 date without having to return the JPA he is all with it. It seems like the billers have checks and balances for determining the year set, therefore, in Mr. Treepaisan's mind he is okay with it. However, Mr. Treepaisan is unsure how other members feel. Mr. Carrion stated for Crown Castle their system automatically generates the two digit year set. They enter the four-digit year set, but the system pulls only the two-digit year set. Crown Castle is working on making sure it pulls the four-digit year set, but they are kind of impacted by that decision.

After some further discussion the members agreed that the billers could use the two-digit year sent and determine by Form 48 sent date the year set. For Example, year set shows "20" the Form 48 sent date was 1/21/2020 the billers would determine the year set would be 2020.

Salary Ranges 2023-2025, Review of Performance rating, Review of Staff Compensation Process from 2019 (emailed to Operating members 10/12/2022 & 11/9/2022, not uploaded to Agenda webpage).

- Action item from last month:
- Ms. Mitwasi to send the company information or contacts for the salary analysis project to Ms. Pranata.

Note: Ms. Pranata will send the minutes to the Operating committee separately since confidential information will be included in the discussion.

2023 SCJPC Operating Budget

- In Admin Board agenda

The 2023 SCJPC Operating Budget was approved by the Administrative Board earlier that day.

There were no further questions or comments.

MISC

There were no miscellaneous.

Review of Action Items:

- Mr. Treepaisan to reach out to the third-party company for the salary ranges and analysis.
- Ms. Pranata to provide a copy of the current lease agreement to the Operating committee attendees.

- Members who have a legal department or a real estate department to review the SCJPC's lease agreement with their legal/real estate department. Members to come back with feedback at the next Operating committee meeting.

The meeting adjourned at 10:40 a.m. until March 15, 2023.

Ms. Kathleen Allen – Committee Transcriber

SOUTHERN CALIFORNIA JOINT POLE COMMITTEE
Statement of Operating Expenses and Capital Investments

OPERATING EXPENSES		January 31, 2023			YTD Through January, 31 2023				Annual
								%	
	Details	Budgeted	Recorded	Variance	Budgeted	Recorded	Variance	Variance	Budget
<u>EMPLOYEE EXPENSE</u>		NO BUDGET			NO BUDGET		NO BUDGET	NO BUDGET	NO BUDGET
Salaries		WAITING	49,732.59	WAITING	WAITING	49,732.59	WAITING	WAITING	WAITING
Regular (Budgeted)	49,732.59	FOR		FOR	FOR		FOR	FOR	FOR
		ADMIN BOARD		ADMIN BOARD	ADMIN BOARD		ADMIN BOARD	ADMIN BOARD	ADMIN BOARD
		APPROVAL	-	APPROVAL	APPROVAL	-	APPROVAL	APPROVAL	APPROVAL
Insurance		-	8,654.20		-	8,654.20			
Health/Dental	8,654.20								
Life (quarterly)									
Payroll Taxes		-	4,589.03		-	4,589.03			
Workers Compensation		-	260.16		-	260.16			
Miscellaneous expenses/ Travel mileage reimbursement		-	7.09		-	7.09			
Telecommuting Reimbursement		-	108.00		-	108.00			
<u>PENSION EXPENSE</u>									
Contribution-SEP IRA		-	5,087.17		-	5,087.17			
<u>MONTHLY RECURRING</u>									
Rent		-	9,700.60		-	9,700.60			
Alarm System		-	-		-	-			
Telephone & Internet	Cell, Fax, Internet, Business Voice	-	473.85		-	473.85			
Cisco WebEx Online Meeting		-	69.00		-	69.00			
Postage & Shipping		-	9.90		-	9.90			
Business/Property Insurance	Pro-Rated	-	1,345.00		-	1,345.00			
<u>EQUIPMENT & FURNITURE</u>									
Copy Machine - CBE (repair, maintenance, supplies)	QUARTERLY	-	-	-	-	-			

SOUTHERN CALIFORNIA JOINT POLE COMMITTEE
Statement of Operating Expenses and Capital Investments

OPERATING EXPENSES		January 31, 2023			YTD Through January, 31 2023				Annual
								%	
	Details	Budgeted	Recorded	Variance	Budgeted	Recorded	Variance	Variance	Budget
NETWORK SYSTEM		NO BUDGET			NO BUDGET		NO BUDGET	NO BUDGET	NO BUDGET
Computer-LAN Maintenance Contract (IT service), offsite server backup, labor for on site support		WAITING FOR ADMIN BOARD APPROVAL	1,192.00	WAITING FOR ADMIN BOARD APPROVAL	WAITING FOR ADMIN BOARD APPROVAL	1,192.00	WAITING FOR ADMIN BOARD APPROVAL	WAITING FOR ADMIN BOARD APPROVAL	WAITING FOR ADMIN BOARD APPROVAL
FRIEND Support			400.00		-	400.00			
Website, Data Center Hosting, Azure VM Server		-	1,166.00		-	1,166.00			
Email/Domain Host/Sharefile	Email + Sharefile	-	197.50		-	197.50			
Computer (repair, maintenance, supplies)		-	-		-	-			
PRINTING & SUPPLY									
Office Printing		-	-	-	-	-			
Office Supplies		-	69.34		-	69.34			
CONTRACT SERVICES									
CPA/Auditor		-	-		-	-			
Attorney*		-	499.00		-	499.00			
GENERAL EXPENSE									
Payroll Service Fees		-	93.00		-	93.00			
Bank fees/Checks printing	Pro-Rated	-	-		-	-			
Publications/Subscriptions/Reference	Pro-Rated	-	45.00		-	45.00			
Seminars, professional development, & tuition		-	-		-	-			
Team Building	QUARTERLY	-	-		-	-			
Member Retirement plaques		-	-		-	-			
Scan & shred document		-	-	-	-	-			
Total Operating Expenses		-	83,698.43	-	-	83,698.43	-		0

SOUTHERN CALIFORNIA JOINT POLE COMMITTEE
Statement of Operating Expenses and Capital Investments

OPERATING EXPENSES		January 31, 2023			YTD Through January, 31 2023				Annual
								%	
	Details	Budgeted	Recorded	Variance	Budgeted	Recorded	Variance	Variance	Budget
CAPITAL INVESTMENTS AND LONG TERM LIABILITIES CURRENT									
		NO BUDGET		NO BUDGET	NO BUDGET		NO BUDGET	NO BUDGET	NO BUDGET
COMPUTER SYSTEM		WAITING		WAITING	WAITING		WAITING	WAITING	WAITING
		FOR		FOR	FOR		FOR	FOR	FOR
		ADMIN BOARD		ADMIN BOARD	ADMIN BOARD		ADMIN BOARD	ADMIN BOARD	ADMIN BOARD
Software Purchase and SCJPC website (minor) modification		APPROVAL	-	APPROVAL	APPROVAL	-	APPROVAL	APPROVAL	APPROVAL
FRIEND modification*		-	-	-	-	-			
Website Upgrade (after FriendPro)		-	-	-	-	-			
EQUIPMENT & FURNITURE									
Purchases and leases (including Copy Machine)		-	337.26		-	337.26			
Hardware Purchase		-	-		-	-			
LONG TERM LIABILITY CURRENT									
Total Capital Investments & Long Term Liabilities Current		-	337.26	-	-	337.26	-		0
Interest Earned/Misc Income			(0.08)			(0.08)			
MemberFee Credit Sonic Telecomm									
*TOTAL SPECIAL BILLING SCE			-						
TOTAL		-	84,035.61		-	84,035.61			-
*Items in blue are assessed equally									
Completed: 2/7/2023									

Delinquent Accounts
As of 2/8/2023

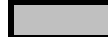
MEMBERS ACCOUNTS RECEIVABLE - DELINQUENT ACCOUNTS

							PAST DUE NOTICES - DO NOT DELETE THIS INFORMATION Accounting staff: please enter past due sent info in each row/each cell				
Company Name	Invoice Month	Due By	FORMULA 60 Days past due	Amount	Invoice Number	Company Code	Past Due Notice Date Sent	Past due sent to & response notes	Past Due Notices Date by	Input By	Input Date
AT&T Mobility	Nov '22	December 31, 2022	3/1/2023	\$ 967.41	21607	LAC		Not 60 days, will email the following month		GV	2/7/2023
City of Colton	Oct '22	November 30, 2022	1/29/2023	\$ 886.06	21566	F	2/7/2023	Email aaguilar@coltonca.gov & adunning@coltonca.gov	GV	JT	1/11/2023
City of Colton	Nov '22	December 31, 2022	3/1/2023	\$ 919.31	21598	F		Not 60 days, will email the following month		GV	2/7/2023
Extenet Systems	Nov '22	December 31, 2022	3/1/2023	\$ 864.33	21621	EXT		Not 60 days, will email the following month		GV	2/7/2023
MCI Metro/ATS	Nov '22	December 31, 2022	3/1/2023	\$ 1,084.23	21608	ATS		Not 60 days, will email the following month		GV	2/7/2023
MCI Telecomm.	Nov '22	December 31, 2022	3/1/2023	\$ 900.41	21609	MCI		Not 60 days, will email the following month		GV	2/7/2023
SPR-Nextel Corp	Oct '22	November 30, 2022	1/29/2023	\$ 850.76	21572	SPR	2/7/2023	Emailed LLStatements@T-Mobile.com & eric.antonick@t-mobile.com	GV	JT	1/11/2023
SPR-Nextel Corp	Nov '22	December 31, 2022	3/1/2023	\$ 882.66	21604	SPR		Not 60 days, will email the following month		GV	2/7/2023
Teleport Comm	Oct '22	November 30, 2022	1/29/2023	\$ 1,115.69	21562	TCA	2/7/2023	Email to TCAJPA@motiveis.com & jcmckinney@att.com	GV	JT	1/11/2023
Time Warner Cable (TWN)	Nov '22	December 31, 2022	3/1/2023	\$ 563.88	21616	TWN		Not 60 days, will email the following month		GV	2/7/2023
Verizon Wireless	Aug '22	September 30, 2022	11/29/2022	\$ 396.00	21497	ATC	12/13/2022, 1/11/2023, 2/7/2023	Email sent to: ATCJPA@motiveis.com; Marco.Murillo@VerizonWireless.com; JHarmon@motiveis.com; kcasey@motiveis.com	JT, GV	JT	11/9/2022
Verizon Wireless	Nov '22	December 31, 2022	3/1/2023	\$ 1,341.61	21593	ATC		Not 60 days, will email the following month		GV	2/7/2023
XO Communications	"Nov '22	December 31, 2022	3/1/2023	\$ 927.33	21614	NXT		Not 60 days, will email the following month		GV	2/7/2023

Past due notices will be emailed after 60 days past due, once a month.

TOTAL **\$ 11,699.68**

 = Members assessed penalty fee

 = Less than 80% but 50% or greater attendance

 = Less than 50% attendance

 = Excused absence

**SOUTHERN CALIFORNIA JOINT POLE COMMITTEE
MEMBER BOARD MEETING ATTENDANCE
FEBRUARY 2023 - JANUARY 2023**

		MBR CODE	2022 FEB	2022 MAR	2022 APR	2022 MAY	2022 JUN	2022 JUL	2022 AUG	2022 SEP	2022 OCT	2022 NOV	2022 DEC	2023 JAN	TOTAL	Atten. %	MBR CODE	MONTHS
1	So. California Edison	E	1	1	1	1	1	1	1	1	1	1		1	11	100%	E	11
2	Frontier Communications	FTR	1	1	1	1	1	1	1	1	1	1		1	11	100%	FTR	11
3	City of Los Angeles	M	1	1	1	1	1	1	1	1	1	1		1	11	100%	M	11
4	Crown Castle NG West Inc.	NG	1	1	1	1	1	1	1	1	1	1		1	11	100%	NG	11
5	AT&T California	H / T	1	1	1	1	1	1	1	1	1	1		1	11	100%	H / T	11
6	Bear Valley Electric	BVE	1	1	1	1	1	1	1	1	1	1		1	11	100%	BVE	11
7	Time-Warner	TWC	1	1	1	1	1	1	1	1	1	1		1	11	100%	TWC	11
8	City of Burbank	B	1	1	1	1	1	1	1	1	1	1		1	11	100%	B	11
9	City of Glendale	A	1	1	1	1	1	1	1	1	1	1		1	11	100%	A	11
10	City of Vernon	V	1	1	1	1	1	1	1	1	1	1		1	11	100%	V	11
11	City of Banning	COB	1	1	1	1	1	1	1	1	1	1		1	11	100%	COB	11
12	ATC Outdoor DAS	AMT	1	1	1	1	1	1	1	1	1	1		1	11	100%	AMT	11
13	XO Communications	NXT	1	1	1	1	1	1	1	1	1	1		1	11	100%	NXT	11
14	MCI/Metro	ATS	1	1	1	1	1	1	1	1	1	1		1	11	100%	ATS	11
15	MCI Communications	MCI	1	1	1	1	1	1	1	1	1	1		1	11	100%	MCI	11
16	Mobilitie LLC	MOB	1	1	1	1	1	1	1	1	1	1		1	11	100%	MOB	11
17	Teleport Comm America	TCA	1	1	1	1	1	1	1	1	1	1		1	11	100%	TCA	11
18	Sprint Communications	FON	1	1	1	1	1	1	1	1	1	1		1	11	100%	FON	11
19	Sprint-Nextel	SPR	1	1	1	1	1	1	1	1	1	1		1	11	100%	SPR	11
20	City of Lompoc	LLW	1	1	1	1	1	1	1	1	1	1		1	11	100%	LLW	11
21	Sonic Telecom, LLC	STL		1	1	1	1	1	1	1	1	1		1	10	100%	STL	10
22	City of Colton	F	1	1	1	1	1	1	1	1	1	1		0	10	91%	F	11
23	T-Mobile, USA	PBM	1	1	1	1	1	1	1	1	0	1		1	10	91%	PBM	11
24	City of Azusa	MA	1	1	1	1	1	1	1	0	1	1		1	10	91%	MA	11
25	Mpower/TelePacific	ICG	1	1	1	1	0	1	1	1	1	1		1	10	91%	ICG	11
26	City of Anaheim	D	0	1	1	1	1	1	1	1	1	1		1	10	91%	D	11
27	Verizon Wireless	ATC	1	1	1	1	1	1	1	1	1	0		1	10	91%	ATC	11
28	City of Riverside	J	1	1	1	1	1	0	1	1	1	0		1	9	82%	J	11
29	ExteNet Systems	EXT	1	1	1	1	1	0	1	1	0	1		1	9	82%	EXT	11
30	AT&T Mobility	LAC	1	1	1	1	0	0	1	1	1	1		1	9	82%	LAC	11
31	City of Pasadena	MP	1	1	0	1	1	0	1	1	1	1		0	8	73%	MP	11
	Total		29	31	30	31	29	27	31	30	29	29	0	29				

Member	ATS	BVE	E	EXT	H/T	LLW	M	MCI	NG	SPR	TCA	Totals	YTD
Joint JPAs Billed	16	1	257		3		9		2			288	288
% of Joint JPAs Billed	0.056	0.003	0.892	0.000	0.010	0.000	0.031	0.000	0.007	0.000	0.000	1.00	
Joint JPAs Returned	61	3	97		8	1	1		10			181	181
Total Joint JPAs Processed	77	4	354	0	11	1	10	0	12	0	0	469	
Section 18.1F JPAs included in above												0	
Multi JPAs Billed	20		52		1		2	1	7	1		84	84
% of Multi JPAs Billed	0.238	0.000	0.619	0.000	0.012	0.000	0.024	0.012	0.083	0.012	0.000	1.00	
Multi JPAs Returned	376		58	40	7		5	15	59	1	1	562	562
Total Multi JPAs Processed	396	0	110	40	8	0	7	16	66	2	1	646	646
Section 18.1F JPAs included in above												0	
Total # JPAs Billed	36	1	309	0	4	0	11	1	9	1	0	372	372
% of JPAs Billed	0.097	0.003	0.831	0.000	0.011	0.000	0.030	0.003	0.024	0.003	0.000	1.00	
# of JPAs Returned												743	743
Total JPAs Processed	473	4	464	40	19	1	17	16	78	2	1	1115	1115
% of JPAs Billed												33.36%	
% of JPAs returned												66.64%	
Member	ATS	BVE	E	EXT	H/T	LLW	M	MCI	NG	SPR	TCA	Totals	
Poles Billed (Joint JPAs)	94	1	1265		50		22		2			1434	1434
Poles Returned (joint)	434	55	1062		63	51	4		11			1680	1680
Poles Billed (Multi JPAs)	81		533		1		6	1	20	4		646	646
Poles Returned (multi)	4870		683	516	105		19	83	655	12	8	6951	6951
Total # Poles Billed (Joint & Multi combined)	175	1	1798	0	51	0	28	1	22	4	0	2080	2080
% of Total Poles Billed (Joint & Multi combined)	0.084	0.000	0.864	0.000	0.025	0.000	0.013	0.000	0.011	0.002	0.000	1.00	
# of Poles Returned												8631	8631
Total Poles Processed	5479	56	3543	516	219	51	51	84	688	16	8	10711	10711
% of Poles Billed												19.42%	
% of Poles returned												80.58%	
RETURN RATE # OF JPAS	92%	75%	33%	100%	79%	100%	35%	94%	88%	50%	100%		
RETURN RATE # OF POLES	97%	98%	49%	100%	77%	100%	45%	99%	97%	75%	100%		

Note: Held Over Poles include E and E submitted 18.1F's and will be billed first at the next Bill of Sale

SCE HELD OVERS (include E & E submitted 18.1F JPAs)	
HELD OVER JPAS	191
HELD OVER POLES	2488

Average poles/JPA in 2023	9.61
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Actual JPAs/poles received from 12/5/2022 - 1/5/2023 (January 2023 Bill of Sale):		
	JPAS	POLES
SCE	738	5540
OTHER MEMBERS	645	7038

	JPAS	POLES
SCE CALL BACKS	15	80
SCE FORM 7 DO NOT BILL	8	51

Inspections Billed SCE Only: O&M (Inspection & Pole Tags)	
Inspection JPAs Billed	
Inspection Poles Billed	

SCE's Inspections JPAs/Poles were not included in above table	SCE O&M YTD
18	18
4715	4715

Overtime Only E Only: (JOINTS)	
OVERTIME E SUBMITTED JPAs Billed	
OVERTIME E SUBMITTED Poles Billed	
OVERTIME E JPAs Processed (Billed + Memos)	
OVERTIME E Poles Processed (Billed + Memos)	

E's Overtime JPAs/Poles were not included in above table	E OT YTD
139	139
778	778
215	215
1412	1412

PRODUCTIVITY WITHOUT OVERTIME

BILL OF SALE	BILLED JOINT POLES	RETURNED JOINT POLES	JOINT BILLED RATE (longer to process)	JOINT RETURN RATE	BILLED MULTI POLES	RETURNED MULTI POLES	MULTI BILLED RATE (longer to process)	MULTI RETURN RATE	TOTAL PROCESSED POLES	Multi Poles % Processed	POLES RETURN RATE (JT & MULTI)	TOTAL BILLED POLES	BILLED JPAS	NOTES
Jun-2019	2641	1327	67%	33%	1062	1412	43%	57%	6442	38%	43%	3703		PAPER / PRECOVID
Jul-2019	2447	1166	68%	32%	1329	1320	50%	50%	6262	42%	40%	3776		PAPER / PRECOVID
Aug-2019	2608	1273	67%	33%	1185	1667	42%	58%	6733	42%	44%	3793		PAPER / PRECOVID
Sep-2019	2608	1410	65%	35%	1393	1579	47%	53%	6990	43%	43%	4001		PAPER / PRECOVID
Oct-2019	2439	1595	60%	40%	1076	1129	49%	51%	6239	35%	44%	3515		PAPER / PRECOVID
Nov-2019	1808	1200	60%	40%	966	1938	33%	67%	5912	49%	53%	2774		PAPER / PRECOVID
Dec-2019	1967	1182	62%	38%	459	1581	23%	78%	5189	39%	53%	2426		PAPER / PRECOVID
Jan-2020	2794	1145	71%	29%	942	1287	42%	58%	6168	36%	39%	3736		PAPER / PRECOVID
Feb-2020	2208	1483	60%	40%	1048	2533	29%	71%	7272	49%	55%	3256		PAPER / PRECOVID
Mar-2020	1813	1971	48%	52%	122	1863	6%	94%	5769	34%	66%	1935		PAPER-COVID (CLOSED EARLY)
Apr-2020	2099	699	75%	25%	1068	2016	35%	65%	5882	52%	46%	3167		COVID (HALF PAPER-HALF ELECTRONIC)
May-2020	1589	2346	40%	60%	571	1403	29%	71%	5909	33%	63%	2160	636	FULL ELECTRONIC
Jun-2020	2201	3278	40%	60%	258	1210	18%	82%	6947	21%	65%	2459	822	ELECTRONIC
Jul-2020	2034	2707	43%	57%	201	2007	9%	91%	6949	32%	68%	2235	938	ELECTRONIC
Aug-2020	717	3499	17%	83%	188	3377	5%	95%	7781	46%	88%	905	388	ELECTRONIC
Sep-2020	2541	6238	29%	71%	134	2148	6%	94%	11061	21%	76%	2675	1149	ELECTRONIC (high return rate of F48 Violation)
Oct-2020	3658	3446	51%	49%	352	2692	12%	88%	10148	30%	60%	4010	999	ELECTRONIC (Steel Stubbed JPAs & Corrections of Records INSP JPAs)
Nov-2020	3036	2386	56%	44%	486	2238	18%	82%	8146	33%	57%	3522	1094	ELECTRONIC
Dec-2020	2354	2587	48%	52%	487	2330	17%	83%	7758	36%	63%	2841	918	ELECTRONIC
Jan-2021	3051	1692	64%	36%	282	1086	21%	79%	6111	22%	45%	3333	1239	ELECTRONIC
Feb-2021	2330	2086	53%	47%	502	3495	13%	87%	8413	48%	66%	2832	904	ELECTRONIC
Mar-2021	2644	1956	57%	43%	958	2480	28%	72%	8038	43%	55%	3602	1103	ELECTRONIC
Apr-2021	2714	3062	47%	53%	704	3238	18%	82%	9718	41%	65%	3418	910	ELECTRONIC
May-2021	2212	2853	44%	56%	847	3363	20%	80%	9275	45%	67%	3059	774	ELECTRONIC
Jun-2021	3188	2328	58%	42%	692	3257	18%	82%	9465	42%	59%	3880	980	ELECTRONIC
Jul-2021	2432	3469	41%	59%	808	6109	12%	88%	12818	54%	75%	3240	662	ELECTRONIC (note: unusually high return rate 75%)
Aug-2021	2502	1719	59%	41%	394	5890	6%	94%	10505	60%	72%	2896	1033	ELECTRONIC (note: 72% return rate)
Sep-2021	3196	1596	67%	33%	1018	4049	20%	80%	9859	51%	57%	4214	1327	ELECTRONIC (highest)
Oct-2021	2729	820	77%	23%	559	4688	11%	89%	8796	60%	63%	3288	1181	ELECTRONIC
Nov-2021	2580	1144	69%	31%	734	3523	17%	83%	7981	53%	58%	3314	975	ELECTRONIC
Dec-2021	1714	1650	51%	49%	1277	3933	25%	75%	8574	61%	65%	2991	743	ELECTRONIC
Jan-2022	1563	1675	48%	52%	841	4188	17%	83%	8267	61%	71%	2404	545	ELECTRONIC
Feb-2022	1360	2448	36%	64%	616	4472	12%	88%	8896	57%	78%	1976	423	ELECTRONIC
Mar-2022	2229	2298	49%	51%	1031	3836	21%	79%	9394	52%	65%	3260	702	ELECTRONIC
Apr-2022	2658	2586	51%	49%	1258	2817	31%	69%	9319	44%	58%	3916	1045	ELECTRONIC
May-2022	2199	1345	62%	38%	1067	3023	26%	74%	7634	54%	57%	3266	802	ELECTRONIC (Processed 1042 poles from JPAs involving 5+ owners, the office usually processed about 660 poles a month.)
Jun-2022	1628	3767	30%	70%	771	3221	19%	81%	9387	43%	74%	2399	611	Electronic
Jul-2022	2122	1765	55%	45%	972	3971	20%	80%	8830	56%	65%	3094	751	Electronic. (3 staff had vac days)
Aug-2022	2022	2638	43%	57%	1425	3603	28%	72%	9688	52%	64%	3447	852	Electronic
Sep-2022	2049	2201	48%	52%	803	3088	21%	79%	8141	48%	65%	2852	667	Electronic (one holiday, multiple employees were out sick and out on vac)
Oct-2022	1918	1358	59%	41%	1205	4574	21%	79%	9055	64%	66%	3123	555	Electronic
Nov-2022	1822	2037	47%	53%	954	5353	15%	85%	10166	62%	73%	2776	420	Electronic (high return rate)
Dec-2022	1826	2975	38%	62%	662	6466	9%	91%	11929	60%	79%	2488	446	Electronic (high return rate)
Jan-2023	1434	1680	46%	54%	646	6951	9%	91%	10711	71%	81%	2080	372	Electronic (high return rate)

AVERAGE 8763.83 Poles processed a month Nov 2021-Oct 2022

*Regular time per month contingent upon (based on 2021 data):

- Multi received: 48% or lower.
- Complexity of multi JPAs. (5+ owners JPAs take more time and resources).
- Billable poles rate: 38% or lower. Note: Billable poles take more time and resources. (return rate 62% or higher).
- Billable JPAs rate: 57% or lower. Note: Billable JPAs take more time and resources. (return rate 43% or higher).
- Length of committee meetings. Transcribing long meetings will take time away from billing.
- Average 5.26 poles/JPA

JOINT (TWO OWNERS) JPAS

Bill of Sale Month	Poles Billed 2P	Poles Returned	Total Poles (Billed + Returned) Processed	Number of JPAs BILLED	Number of JPAs Returned	Total # of JPAs Processed (Billed + Returned)	Additional work Hrs	NOTES	Poles/Hour	POLE BILLABLE RATE	Poles Return rate %	JPA BILLABLE RATE	JPAs Return Rate %
Mar-22	793	745	1538	162	73	235	106	Started late on 3/7/22	14.51	51.56%	48.44%	68.94%	31.06%
Apr-22	2035	889	2924	632	143	775	226	More Poles/JPAs billable	12.94	69.60%	30.40%	81.55%	18.45%
May-22	1844	571	2415	611	86	697	192	More Poles/JPAs billable	12.58	76.36%	23.64%	87.66%	12.34%
Jun-22	1368	809	2177	304	77	381	155.25		14.02	62.84%	37.16%	79.79%	20.21%
Jul-22	2188	879	3067	659	110	769	224.75		13.65	71.34%	28.66%	85.70%	14.30%
Aug-22	2331	1095	3426	486	106	592	246		13.93	68.04%	31.96%	82.09%	17.91%
Sep-22	1388	902	2290	352	88	440	171		13.39	60.61%	39.39%	80.00%	20.00%
Oct-22	730	376	1106	172	47	219	84.75		13.05	66.00%	34.00%	78.54%	21.46%
Nov-22	690	437	1127	141	39	180	86.15		13.08	61.22%	38.78%	78.33%	21.67%
Dec-22	413	296	709	84	31	115	48.97		14.48	58.25%	41.75%	73.04%	26.96%
Jan-23	530	385	915	98	37	135	65.25		14.02	57.92%	42.08%	72.59%	27.41%
Totals	14310	7384	21694	3701	837	4538	1606.12						

Average billing joint (2 owners) poles/hour goal:	12.10
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*Overtime poles per month contingent upon (based on 2020 & 2021 OT data):

1. The % of billable joint poles: 60% (or less) of the volume processed can be billed (based on SCE OT data).
2. The % of billable joint JPAs: 76% (or less) of the volume processed can be billed (based on SCE OT data).
3. Staff availability.

THREE OWNERS JPAS (staff will only process 3P JPAs when the number of joint (2P) JPAs are low)

Bill of Sale Month	3P Poles Billed	3P Poles Returned	Total Poles (Billed + Returned) Processed	Number of JPAs BILLED	Number of JPAs Returned	Total # of JPAs Processed (Billed + Returned)	Additional work Hrs	NOTES	Poles/Hour	POLE BILLABLE RATE	Poles Return rate %	JPA BILLABLE RATE	JPAs Return Rate %
Oct-22	579	814	1393	126	99	225	122.75		11.35	41.56%	58.44%	56.00%	44.00%
Nov-22	167	219	386	30	23	53	34.35		11.24	43.26%	56.74%	56.60%	43.40%
Dec-22	494	633	1127	70	62	132	102.03		11.05	43.83%	56.17%	53.03%	46.97%
Jan-23	248	249	497	41	39	80	50.50	More poles/JPAs billable	9.84	49.90%	50.10%	51.25%	48.75%
Totals	1488	1915	3403	267	223	490	309.63						

FORECAST UPDATED BASED ON ACTUAL DATA JAN 2023 B/S (UPDATED 02/08/2023)

ORIGINAL FORECAST (3/2/2022)	Number of JPAs Members will send to the SCJPC:	1624 JPAs per month (1279 SCE + 345 Non SCE)
ORIGINAL FORECAST (3/2/2022)	Number of Poles Members will send to the SCJPC:	8542.24 Poles per month (SCE + Non SCE JPAs)
NEW FORECAST (5/18/2022 meeting)	Number of Poles Members will send to the SCJPC:	13,309.18 Poles per month (SCE 9000 + Non SCE 4309.18)

B/S 9/22	Actual number of poles members sent to the SCJPC:	9,276.00 poles
B/S 10/22	Actual number of poles members sent to the SCJPC:	7,605.00 poles
B/S 11/22	Actual number of poles members sent to the SCJPC:	12,588.00 poles
B/S 12/22	Actual number of poles members sent to the SCJPC:	12,983.00 poles
B/S 1/23	Actual number of poles members sent to the SCJPC:	12,578.00 poles

SCJPC to process poles/month Forecast	Regular time forecast	Overtime forecast	Total Poles forecast	Processed poles forecast monthly Assuming SCJPC WILL work overtime 126.98 hours per month
	8542.24	1536.46	10,078.70	

SCJPC processed poles (actual #) Actual Data	Regular time (actual)	Overtime (Actual)	Total Poles (Actual)	Bill of Sale	Actual pole processed
	10711	1412	12,123.00	B/S 1/23	

Bill of sale Month	Description	Count	Balance		Actual or forecast numbers
End of August 2022	Balance (backlog is included)		7,662.00 Poles		End of August 2022
End of September 2022	Balance (backlog is included)		6,252.00 Poles		End of September 2022
End of October 2022	Balance (backlog is included)		2,163.00 Poles		End of October 2022
End of November 2022	Balance (backlog is included)		2,944.00 Poles		End of November 2022
	Dec-22 Internal adjustment (correction)	-		Poles	Actual
	Dec-22 Poles received from SCE this month (new JPAs)-SCE	5,703.00		Poles	Actual
	Dec-22 Poles received from all other members this month (new JPAs)-NON SCE	7,280.00		Poles	Actual
	Dec-22 Poles SCE JPC COR	2.00		Poles	Actual
	Dec-22 Poles NON SCE JPC COR	1.00		Poles	Actual
	Dec-22 SCJPC processed (SCE reg time)	(4,150.00)		Poles	Actual
	Dec-22 SCJPC processed (SCE 18.1F reg time)	(496.00)		Poles	Actual
	Dec-22 SCJPC processed (NON SCE reg time)	(7,277.00)		Poles	Actual
	Dec-22 SCJPC processed (NON SCE 18.1F reg time)	(3.00)		Poles	Actual
	Dec-22 SCJPC processed Poles SCE JPC COR (reg time)	(2.00)		Poles	Actual
	Dec-22 SCJPC Processed Poles NON SCE JPC COR (reg t	(1.00)		Poles	Actual
	Dec-22 SCJPC processed during overtime 2P	(709.00)		Poles	Actual
	Dec-22 SCJPC processed during overtime 3P	(1,127.00)		Poles	Actual
	Dec-22 SCE Call Backs	(53.00)		Poles	Actual
	Dec-22 SCE F7 DO NO BILLS	(26.00)		Poles	Actual
End of December 2022	Balance (backlog is included)		2,086.00 Poles		End of December 2022
	Jan-23 Internal adjustment (correction)	65.00		Poles	Actual
	Jan-23 Poles received from SCE this month (new JPAs)-SCE	5,540.00		Poles	Actual
	Jan-23 Poles received from all other members this month (new JPAs)-NON SCE	7,038.00		Poles	Actual
	Jan-23 Poles SCE JPC COR	-		Poles	Actual
	Jan-23 Poles NON SCE JPC COR	8.00		Poles	Actual
	Jan-23 SCJPC processed (SCE reg time)	(3,660.00)		Poles	Actual
	Jan-23 SCJPC processed (SCE 18.1F reg time)	-		Poles	Actual
	Jan-23 SCJPC processed (NON SCE reg time)	(7,038.00)		Poles	Actual
	Jan-23 SCJPC processed (NON SCE 18.1F reg time)	-		Poles	Actual
	Jan-23 SCJPC processed Poles SCE JPC COR (reg time)	-		Poles	Actual
	Jan-23 SCJPC Processed Poles NON SCE JPC COR (reg t	(8.00)		Poles	Actual
	Jan-23 SCJPC processed during overtime 2P	(915.00)		Poles	Actual
	Jan-23 SCJPC processed during overtime 3P	(497.00)		Poles	Actual
	Jan-23 SCE Call Backs	(80.00)		Poles	Actual
	Jan-23 SCE F7 DO NO BILLS	(51.00)		Poles	Actual
End of January 2023	Balance (backlog is included)		2,488.00 Poles		End of January 2023
	Poles received from all members this month (n	13,309.18		Poles	Forecast
	SCJPC to Process (Reg+Overtime)	(10,078.70)		Poles	Forecast
End of February 2023	Balance (backlog is included)		5,718.48 Poles		End of February 2023
	Poles received from all members this month (n	13,309.18		Poles	Forecast
	SCJPC to Process (Reg+Overtime)	(10,078.70)		Poles	Forecast
End of March 2023	Balance (backlog is included)		8,948.96 Poles		End of March 2023

***Regular time per month contingent upon (based on 2021 data):**

- 1. Multi received: 48% or lower.
- 2. Complexity of multi JPAs.
- 3. Billable poles rate: 38% or lower. Note: Billable poles take more time and resources.
- 4. Billable JPAs rate: 57% or lower. Note: Billable JPAs take more time and resources.
- 5. Length of committee meetings. Transcribing long meetings will take time away from billing.
- 6. Average 5.26 poles/JPA

***Overtime poles per month contingent upon (based on 2020 & 2021 OT data):**

- 1. The % of billable poles: 60% (or less) of the volume processed can be billed (based on SCE OT data).
- 2. The % of billable JPAs: 76% (or less) of the volume processed can be billed (based on SCE OT data).
- 3. Staff availability.

2022 FORECAST FROM ALL MEMBERS

Updated 5/18/2022

		MONTHLY	MONTHLY	YEARLY	YEARLY		
Code	Company Name	FORECAST # OF JPAS	FORECAST # OF POLES	FORECAST # OF JPAS	FORECAST # OF POLES	Notes	2021 poles/month
A	City of Glendale		31.67		380		63.58
AMT	ATC-Outdoor DAS, LLC	0	0.00	0	0		0
ATC	Verizon Wireless		15.42		185.04	Will send Q3 & Q4 numbers	15.42
ATS	MCI Metro/ATS					See MCI below	66.25
B	City of Burbank	2.083333	11.25	25	135		28.25
BVE	Bear Valley Electric, Inc	132	552.00	1584	6624		139.33
COB	City of Banning		0.17		2.04	No response - used 2021	0.17
D	City of Anaheim		12.50		150	late 2022	0
E	So. Calif. Edison Co.		9000.00		108000	Per 5/18/2022 meeting	6204.08
EXT	ExteNet Systems, Inc.	12	256.00	144	3072	At the most 10-12 JPAs/mo	293.67
F	City of Colton		0.17		2.04	No response - used 2021	0.17
FON	Sprint Comm, L.P.	0	0.00	0	0		0
FTR	Frontier Communications		62.00		744		62
H / T	AT&T California	40	120.00	480	1440		236.08
ICG	Mpower Communications	0	0.00	0	0		0
J	City of Riverside		0.00		0	No response - used 2021	0
LAC	AT&T Mobility	15.16667	15.17	182	182	From Philip Brown	19.75
LLW	City of Lompoc	0.333333	3.33	4	40		2.33
M	City of Los Angeles		54.50		654	No response - used 2021	54.5
MA	City of Azusa		0.00		?	20? Emailed for clarification	0
MCI	MCI Telecommunications	75	1125.00	900	13500	From Katy White	91.42
MOB	Mobilitie, LLC		0.00		0	No response - used 2021	0
MP	City of Pasadena	0	0.00	0	0		5.42
NG	Crown Castle NG West Inc.		2000.00		24000	Updated # from NG 5/9/22	1743.67
NXT	XO Communications	0	0.00	0	0		30.42
PBM	T-Mobile USA, Inc.		0.00		0	No response - used 2021	0
SPR	Sprint Nextel Corporation	0	0.00	0	0		0.58
STL	Sonic Telecom, LLC.		0.00		0	No response - used 2021	0
TCA	Teleport Communications America, LLC	0	0.00	0	0		9.25
TWC	Time Warner Cable	10	30.00	120	360		21.08
V	City of Vernon		20.00		240		42
	TOTAL FORECAST		13,309.18		159,710.12		9129.42

poles per month

poles per year

Difference 2022-2021

4,179.76

poles per month

2023 FORECAST FROM ALL MEMBERS

Updated 2/15/2023

Based on Member
Activity Spreadsheet

		MONTHLY	MONTHLY	YEARLY	YEARLY		2022
Code	Company Name	FORECAST # OF JPAS	FORECAST # OF POLES	FORECAST # OF JPAS	FORECAST # OF POLES	Notes	# of JPAS PROCESSED BY SCJPC
A	City of Glendale			0	0		150
AMT	ATC-Outdoor DAS, LLC	0	0	0	0		0
ATC	Verizon Wireless			0	0		31
ATS	MCI Metro/ATS			0	0		680
B	City of Burbank			0	0		18
BVE	Bear Valley Electric, Inc			0	0		490
COB	City of Banning			0	0		0
D	City of Anaheim			0	0		0
E	So. Calif. Edison Co.			0	0		9429
EXT	ExteNet Systems, Inc.	25	250	300	3000		155
F	City of Colton			0	0		15
FTR	Frontier Communications			0	0		114
FON	Sprint Comm, L.P.			0	0		0
H / T	AT&T California	10	30	120	360		322
ICG	Mpower Communications			0	0		0
J	City of Riverside			0	0		0
LAC	AT&T Mobility			0	0		137
LLW	City of Lompoc			0	0		8
M	City of Los Angeles	100	300	1200	3600		1287
MA	City of Azusa			0	0		0
MCI	MCI Telecommunications			0	0		313
MOB	Mobilitie, LLC			0	0		0
MP	City of Pasadena			0	0		3
NG	Crown Castle NG West Inc.			0	0		2497
NXT	XO Communications			0	0		15
PBM	T-Mobile USA, Inc.			0	0		3
SPR	Sprint Nextel Corporation			0	0		8
STL	Sonic Telecom, LLC.			0	0		0
TCA	Teleport Communications America, LLC			0	0		6
TWC	Time Warner Cable	30	60	360	720		68
V	City of Vernon			0	0		46
TOTAL FORECAST			640.00		7,680.00		15795
		poles per month		poles per year		1316.25 Monthly 2022	

Southern California Joint Pole Committee

279 E. Arrow Hwy. Suite 104
San Dimas, CA 91773
Phone (909) 599-3801
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March 15, 2023

A regular meeting of the **Operating Committee** took place on the above date, at 9:34 a.m., via teleconference:

Those in attendance were:

Mr. Lex Treepaisan	Frontier Communications
Mr. John Bacon	City of Los Angeles
Ms. Valerie Mitwasi	Southern California Edison
Ms. Alicia Walsh	Southern California Edison
Ms. April DeBarge	Southern California Edison
Mr. Michael Pearson	Southern California Edison
Ms. Marisol Bailey	Southern California Edison
Mr. Kevin Flores	Southern California Edison
Mr. Sam Picazo	Southern California Edison
Ms. Kay Black	AT&T California
Mr. Barry Consulter	AT&T California
Ms. Joy Young	AT&T California
Ms. Veronica Romero	AT&T California
Mr. Earle Carrion	Crown Castle NG West Inc.
Ms. Aarize Dizon	Crown Castle NG West Inc.
Ms. Megan LaMon	Crown Castle NG West Inc.
Mr. Alex Parra	City of Riverside
Mr. John Vu	City of Anaheim
Ms. Yvonne Johnson	Teleport Communications America
Mr. Arturo Garcia	City of Glendale
Ms. Katy White	MCI Metro ATS/MCI Telecommunications
Mr. Michael Truong	City of Burbank
Mr. Mina Shehata	City of Burbank
Mr. Joe Armstrong	City of Pasadena
Ms. Yesenia Delgado	Time-Warner Cable
Ms. Lynne LaFrenais	Bear Valley Electric Service, Inc.
Ms. Alyssa Aguilar	City of Colton
Ms. Ariel Dunning	City of Colton
Mr. Hien Vuong	City of Azusa
Mr. Ben Coffey	City of Banning
Mr. Richard Soriano	City of Banning
Mr. David Campo	City of Lompoc
Mr. Nick Van Stryk	City of Vernon (Petrelli Electric)
Ms. Alicia Smith	Sprint Nextel/Sprint Communications
Ms. Shawn Henderson	T-Mobile USA

Mr. Mark Denning
Mr. Johnny Villabos
Ms. Linda McLean
Ms. Heidi Seropian
Ms. Renzo Garzon
Ms. Maggie Howell
Ms. Patti Ringo
Ms. Angela Pranata
Ms. Kathleen Allen

M-Power Communications
M-Power Communications
Extenet Systems
Extenet Systems
Mobilitie, LLC
ATC-Outdoor DAS, LLC
Sonic Telecom, LLC
Committee Staff
Committee Staff

Chairperson, Mr. Treepaisan called the meeting to order at 9:34 a.m. by addressing the first item on the agenda, the review of the **prior meeting minutes**.

There were no questions or comments.

The second agenda item is the review of the **February 2023 Operating expense sheets**.

- Revised January 2023 to include operating budget approved 2/15/2023
- February 2023

Ms. Pranata stated that she revised the January 2023 operating expense sheet to include the annual budget that was approved last month. Ms. Pranata also included a February 2023 operating expense spreadsheet as well.

There were no comments or questions.

The third agenda item is the **Accounts Receivable**. Mr. Treepaisan inquired if these accounts were over 60 days past due. Ms. Pranata stated the ones that are not 60 days past due show a note *not 60 days* yet. However, they will be emailed next month. The ones that are over 60 days past due members have been emailed once a month for the past due. Mr. Treepaisan inquired if anyone has ever been sent to collections. Ms. Pranata replied no and that only a notice of default has been sent instead of collections.

There were no further questions or comments.

The fourth agenda item on the agenda is **Member Board Attendance**.

There were no questions or comments.

The fifth agenda item for discussion is **Billing Standardization of Procedures and Minutes**. Ms. Allen stated she had a staff meeting on March 7, 2023. Ms. Allen updated the Billing Manual and emailed it out to billers. Class H poles were discussed and how they should be billed if the Pole Prices do not have the exact H# pole price. For example, if the pole is H3 and prices have only H2 and Class 1, billers to bill by H2 prices. Ms. Allen reminded the staff when a member is purchasing interest in other than wood pole Section 4.14 must be used. Also discussed was Example 38 from the Routine Handbook. Per the new Example 38 and clarified at last month's Operating Meeting the actual word "RESOLVED" does not need to show on the F7 OKAY TO BILL. OKAY TO BILL is good enough. And that OKAY TO BILL should be resent on the original F7 DO NOT BILL. Existing anchors were discussed and do not need a year set. Billers

were reminded please do not return asking for year set. Section 4.X was clarified at last month's Operating Meeting, billers no longer need to return with two-digit year set asking for a four digit year set. Discussed were how billers would determine the year set of the pole. Billers could use the two-digit year sent and determine by Form 48 sent date the year set. For Example, year set shows "20" the Form 48 sent date was 1/21/2020 the billers would determine the year set would be 2020. Lastly discussed was BVE pole prices. Ms. Allen reminded the staff that BVE was SCW and had their own Pole Prices prior 2020. Billers are to use those prices.

Ms. Black stated that Ms. Allen reported a bit quickly and missed what was stated after the Class H discussion. Ms. Allen stated that when a member is purchasing interest in other than wood poles Section 4.14 must be used. Ms. Allen apologized and stated she would report slower next month. Ms. Black then inquired if Ms. Allen's report could be memorialized in the packet. Ms. Allen stated that she includes her reports in the monthly minutes.

Ms. LaFrenais inquired wouldn't Section 7.14 be used for a replacement other than wood pole. Ms. Allen replied yes and explained Section 4.14 is to be used when a member is purchasing interest into a pole and not replacing the pole.

There were no further questions or comments.

The sixth item on the agenda is **JPA Member Activity**.

- Please contact SCJPC (Angela) if members would like to meet with the SCJPC to discuss memos.
- Met with ATS JPA Team 2/28/2023, discussed errors
- Influx in JPAs submitted by members (Non E JPAs)
- 9.89 poles per JPA according to Feb 2023 B/s.

Ms. Pranata displayed the February 2023 bill of sale Member Activity report which was up until February 1, 2023. Ms. Pranata reported the staff processed 12,369 poles and some JPAs were held over due to 2023 Pole Prices and Authorized Costs still pending. The office did receive and return a lot of ATS JPAs. However, Ms. Pranata and Ms. Allen met with ATS and their team on February 28 and reviewed some memos with errors and Ms. Pranata is in hope that they submit revised JPAs that are billable. The number of processed JPAs are higher than usual for the month mainly because of those ATS JPAs. The errors were kind of simple and the admin aide found most errors on the first page and did not have to continue to review more pages. The errors included wrong Date Sent, wrong F48 date, or violation of the F48 date. ATS submitted JPAs multiple times therefore it was kind of unusual. The billers had to review the same JPA twice in one month. Ms. Pranata reiterated that her and Ms. Allen did meet with ATS and their team and they will review SCJPC's checklist prior to submitted further JPAs to SCJPC.

There were no questions or comments.

The seventh item on the agenda is **Miscellaneous Items**.

SCJPC Office update:

- Office productivity without OT
- OT spreadsheet

- *Waiting for 2023 forecast from all members*

Ms. Pranata displayed the *Productivity without Overtime* table. Ms. Pranata stated the numbers showed on the table are based off Member Activity and Ms. Pranata reiterated the number processed are unusually high due to ATS JPAs.

Ms. Pranata then displayed the SCJPC – *OVERTIME Monthly* table. Ms. Pranata stated the staff worked an additional 83.75 hours for February 2023 Bill of Sale.

Ms. Pranata then displayed the *FORECAST UPDATED BASED ON ACTUAL DATA FEB 2023 B/S (updated 08/08/2023)*. Ms. Pranata reported the forecast is still based on last year's forecast because Ms. Pranata was still waiting for a couple of members to submit their 2023 Forecast. Mr. Bacon inquired what members are still outstanding. Ms. Pranata state City of Glendale, Verizon Wireless, City of Burbank, City of Banning, City of Anaheim, City of Colton, Frontier Communications, City of Riverside, AT&T Mobility, City of Azusa, Mobilitie, LLC, City of Pasadena, XO Communications, Teleport Communications America, LLC, and City of Vernon. Mr. Bacon stated for members mentioned to please try and make a concerted effort to get those in. Ms. Pranata ended by stating as of the end of February 2023 Bill of Sale the backlog is 1,481 poles. However, the majority are pending 2023 Pole Prices and Authorized Costs and could not be billed without those prices.

There were no further questions or comments.

Billing Errors/Questions

There were none.

Salary Ranges 2023-2025, Review of Performance rating, Review of Staff Compensation Process from 2019 (emailed to Operating members 10/12/2022 & 11/9/2022, not uploaded to Agenda webpage).

- *Action item from last month:*
- *Mr. Treepaisan to reach out to the third-party company for salary ranges and analysis.*
- *Statement of work from Willis Towers Watson emailed to the Operating meeting attendees on 2/22/2023*

Mr. Treepaisan stated that he did not get a chance to reach out to the third-party company, but Mr. Treepaisan did do some research and Willis Towers Watson (WTW) are based out of the UK. They have done some work for Sony, DHL, and Tesco. Mr. Treepaisan stated there was a question last month he believed from Mr. Harmon about the methodology. Mr. Treepaisan will memorialize it in an email or as a word document and would send out later that day. The methodology they would implore is kind of like a two-way street. There is going to be input provided by the SCJPC office identifying job descriptions, duties, responsibilities, and compensation policy. Ultimately they are going to try to match job positions with what the committee provides them. Then the SCJPC office will have an opportunity to validate those positions. Once those positions have been validated based on tasks and responsibilities WTW has their own library and propriety sources to benchmark jobs. Along with benchmarking they also note any

differences between what they have in their database and what is particularly being done at the SCJPC office. With that would be the analysis of pay schedules. They will review the total annualized pay with compensation including bonuses if any. Mr. Treepaisan continued at the end of the day it seems like a decent analysis to quantify the pay of the office. Mr. Treepaisan inquired if members have any specific questions that members have that they want Mr. Treepaisan to reach out to WTW and ask. Based on what Mr. Treepaisan has seen it looks like a big company and this is what they do. And not just for salary analysis it looks like the premises is some kind of insurance and liabilities. Mr. Treepaisan then solicited any questions or concerns with utilizing a third-party to do a salary analysis. Mr. Bacon stated he has no objections. Ms. Black stated that she does not have any objections either. However, she does have a few questions. Ms. Black stated this sounds like something SCJPC is more than likely going to move forward with and is a great idea so everybody knows that the wages are fair and reasonable. Ms. Black inquired would it help if SCJPC brought the NCJPA into this. Who is more than likely to benefit from it as well. Mr. Treepaisan stated that the SCJPC and NCJPA offices run similar and in the sense that SCJPC brought in the NCJPA they could probably share the costs. It could potentially be cheaper. It is the same type of billing processing for joint pole use. Mr. Treepaisan inquired if any of the members have any objections involving the NCJPA. Ms. Pranata stated since there are two different offices Ms. Pranata assumes they will get information from both offices and not just one. Ms. Pranata stated that fees might change; however, she is unsure until the committee speaks with them directly about it. Mr. Treepaisan stated if there are no objections against that maybe he could get on a conference call with them later that week and take a temperature range of how the NCJPA feels and then if there is an opportunity to do an analysis on the two offices and spread the fees he will find out. The cost may go up a little bit but ultimately Mr. Treepaisan thinks that it should work out cheaper. Ms. Black stated that this might not be a very good idea if they use a market survey, meaning they consider pay for an area where people would be working and living. That might double it. People who live in Southern California will not be working at the NCJPA and vice versa. Ms. Mitwasi stated taxing areas too and explained if that is the approach the committee is going to go with then perhaps, they may need to look at the Statement of Work. When Ms. Mitwasi originally submitted the request, she based it off the bodies at the SCJPC and now adding more staff may change the Statement of Work a little bit by adding increased bodies on it. Mr. Treepaisan stated looking at the positions NCJPA does not have a Supervisor but as far as an Office Manager and Level I, II, and III billers they do have. It could complicate matters. Mr. Treepaisan agrees with Ms. Mitwasi and then stated he will follow up and see if there is an opportunity and see what the pros and cons are if SCJPC would involve the NCJPA. Ms. Black stated even if it would muddy the waters if they could move forward with opening the discussion up in the NCJPA even if they did it themselves. Mr. Treepaisan stated that he noticed in the Statement of Work there were some geolocation type stuff analysis they perform so they can compare and contrast work duties and functions against different regions. Mr. Treepaisan stated that he doesn't hear any objections; therefore, he will move forward with WTW, and he will provide and update at the next meeting.

Lease Agreement

- *Action items from last month:*
- *Ms. Pranata to provide a copy of the current lease agreement to the Operating committee attendees. (Emailed to the Operating meeting attendees 2/22/2023 and also in packet).*
- *Members who have a legal department or a real estate department to review the SCJPC's lease agreement with their legal/real estate department. Members to come back with feedback at the next Operating committee meeting*

Mr. Treepaisan opened and stated he forwarded a copy of the Lease Agreement to Frontier's Real Estate Team and hasn't heard back from them yet. Mr. Treepaisan is unsure if any other companies have had that opportunity. The other course of action would be to hire a Real Estate Attorney. Ms. Pranata received a quote, and it was for reviewing the Lease Agreement and providing feedback only if SCJPC could break the contact and it would take about two to three hours and Mr. Pranata thinks it was about \$325-\$350 an hour. However, she would have to double check. Ms. Pranata added it is not for negotiating, which would be additional. Mr. Treepaisan stated he is going to wait to hear back from Frontier's Real Estate Team and see if they have anything substantial to say. And depending on the outcome that will be the decision of using an in-house person which would be cheaper for the committee. If not, then the committee could go down the road of utilizing a Real Estate Attorney. Ms. Pranata wanted to confirm if there was feedback from other members legal department. Ms. Mitwasi stated the same for SCE and it is still with their Legal. Mr. Treepaisan reiterated that the committee should wait to hear back from SCE or Frontier's Legal department, and at which point the committee could decide whether to utilize in house or go with a Real Estate Attorney.

MISC

There were no miscellaneous.

Review of Action Items:

- Mr. Treepaisan to reach out to WTW and see what the pros and cons are for engaging the NCJPA.
- Southern California Edison and Frontier Communications will further review breaking the lease agreement.

The meeting adjourned at 9:58 a.m. until April 19, 2023.

Ms. Kathleen Allen – Committee Transcriber

SOUTHERN CALIFORNIA JOINT POLE COMMITTEE
Statement of Operating Expenses and Capital Investments

OPERATING EXPENSES		January 31, 2023			YTD Through January, 31 2023				Annual
	Details	Budgeted	Recorded	Variance	Budgeted	Recorded	Variance	% Variance	Budget
<u>EMPLOYEE EXPENSE</u>									
Salaries		65,261	49,732.59	15,529	65,261	49,732.59	15,529	24%	783,138
Regular (Budgeted)	49,732.59	-	-	-	-	-	-		
		-	-	-	-	-	-		
		-	-	-	-	-	-		
Insurance		9,242	8,654.20	587	9,242	8,654.20	587	6%	110,900
Health/Dental	8,654.20			-	-		-		
Life (quarterly)				-	-		-		
				-	-		-		
Payroll Taxes		5,221	4,589.03	632	5,221	4,589.03	632	12%	62,651
				-	-		-		
Workers Compensation		261	260.16	1	261	260.16	1	0%	3,132
Miscellaneous expenses/ Travel mileage reimbursement		21	7.09	14	21	7.09	14	66%	250
Telecommuting Reimbursement		9	108.00	(99)	9	108.00	(99)	-1100%	108
				-			-		
<u>PENSION EXPENSE</u>									
Contribution-SEP IRA		5,520	5,087.17	432	5,520	5,087.17	432	8%	66,234
				-	-		-		
				-	-		-		
				-	-		-		
<u>MONTHLY RECURRING</u>									
Rent		9,879	9,700.60	178	9,879	9,700.60	178	2%	118,548
Alarm System		58	-	58	58	-	58	100%	700
Telephone & Internet	Cell, Fax, Internet, Business Voice	556	473.85	82	556	473.85	82	15%	6,672
Cisco WebEx Online Meeting		69	69.00	-	69	69.00	-	0%	828
Postage & Shipping		17	9.90	7	17	9.90	7	41%	200
Business/Property Insurance	Pro-Rated	179	1,345.00	(1,166)	179	1,345.00	(1,166)	-651%	2,150
				-	-		-		
				-	-		-		
<u>EQUIPMENT & FURNITURE</u>									
				-	-		-		
Copy Machine - CBE (repair, maintenance, supplies)	QUARTERLY	8	-	8	8	-	8	100%	100
				-	-		-		
				-	-		-		
				-	-		-		

SOUTHERN CALIFORNIA JOINT POLE COMMITTEE
Statement of Operating Expenses and Capital Investments

OPERATING EXPENSES		January 31, 2023			YTD Through January, 31 2023				Annual
	Details	Budgeted	Recorded	Variance	Budgeted	Recorded	Variance	% Variance	Budget
<u>NETWORK SYSTEM</u>				-	-		-		
Computer-LAN Maintenance Contract (IT service), offsite server backup, labor for on site support			1,192.00	(1,192)	1,608	1,192.00	416	0	19,300
FRIEND Support			400.00	(400)	700	400.00	300	43%	8,400
Hosting: SCJPC Website, Cloud Azure VM Server, Azure VM Licenses, Sharefile, Email, Domain		1,591	1,363.50	227	1,591	1,363.50	227	14%	19,087
Computer (repair, maintenance, supplies)		100	-	100	100	-	100	100%	1,200
<u>PRINTING & SUPPLY</u>									
Office Printing		8	-	8	8	-	8	100%	100
Office Supplies		54	69.34	(15)	54	69.34	(15)	-28%	650
<u>CONTRACT SERVICES</u>									
CPA/Auditor	2021 & 2022 in 2023	833	-	833	833	-	833	100%	10,000
Attorney*		500	499.00	1	500	499.00	1	0%	6,000
<u>GENERAL EXPENSE</u>									
Payroll Service Fees		93	93.00	0	93	93.00	0	0%	1,120
Bank fees/Checks printing	Pro-Rated	8	-	8	8	-	8	100%	100
Publications/Subscriptions/Reference	Pro-Rated Docusign	21	45.00	(24)	21	45.00	(24)	-116%	250
Seminars, professional development, & tuition		117	-	117	117	-	117	100%	1,400
Team Building	Semi Annual	63	-	63	63	-	63	100%	750
Member Retirement plaques		42	-	42	42	-	42	100%	500
Scan & shred document		42	-	42	42	-	42	100%	500
Total Operating Expenses		99,772.32	83,698.43	16,073.89	102,080.65	83,698.43	18,340.56		1,224,968

SOUTHERN CALIFORNIA JOINT POLE COMMITTEE
Statement of Operating Expenses and Capital Investments

OPERATING EXPENSES		January 31, 2023			YTD Through January, 31 2023				Annual
	Details	Budgeted	Recorded	Variance	Budgeted	Recorded	Variance	% Variance	Budget
CAPITAL INVESTMENTS AND LONG TERM LIABILITIES CURRENT									
<u>COMPUTER SYSTEM</u>									
Software Purchase and SCJPC website (minor) modification									
		130	-	130	130	-	130	100%	1,560
FRIEND modification*									
		2,813	-	2,813	2,813	-	2,813	100%	33,750
Website Upgrade (after FriendPro)									
		417	-	417	417	-	417	100%	5,000
<u>EQUIPMENT & FURNITURE</u>									
Purchases and leases (including Copy Machine)									
		371	337.26	34	371	337.26	34	9%	4,450
Hardware Purchase									
		125	-	125	125	-	125	100%	1,500
<u>LONG TERM LIABILITY CURRENT</u>									
Total Capital Investments & Long Term Liabilities Current									
		3,855.00	337.26	3,517.74	3,855.00	337.26	3,517.74	91%	46,260
Interest Earned/Misc Income									
			(0.08)			(0.08)			
TOTAL									
		103,627.32	84,035.61	19,591.63	105,935.65	84,035.61	21,858.30	21%	1,271,228
*Items in blue are assessed equally									
Completed: 2/7/2023									

SOUTHERN CALIFORNIA JOINT POLE COMMITTEE
Statement of Operating Expenses and Capital Investments

OPERATING EXPENSES		February 28, 2023			YTD Through February, 28 2023				Annual
	Details	Budgeted	Recorded	Variance	Budgeted	Recorded	Variance	% Variance	Budget
<u>EMPLOYEE EXPENSE</u>									
Salaries		65,261	49,212.65	16,049	130,523	98,945.24	31,578	24%	783,138
Regular (Budgeted)	49,212.65	-	-	-	-	0	-		
		-	-	-	-	-	-		
		-	-	-	-	-	-		
Insurance		9,242	6,669.48	2,572	18,483	15,323.68	3,160	17%	110,900
Health/Dental	6,669.48			-	-	-	-		
Life (quarterly)				-	-	-	-		
				-	-	-	-		
Payroll Taxes		5,221	3,840.85	1,380	10,442	8,429.88	2,012	19%	62,651
				-	-	-	-		
Workers Compensation		261	260.16	1	522	520.32	2	0%	3,132
Miscellaneous expenses/ Travel mileage reimbursement		21	-	21	42	7.09	35	83%	250
Telecommuting Reimbursement		9	-	9	18	108.00	(90)	-500%	108
				-		-	-		
<u>PENSION EXPENSE</u>									
Contribution-SEP IRA		5,520	5,014.99	505	11,039	10,102.16	937	8%	66,234
				-	-	-	-		
				-	-	-	-		
<u>MONTHLY RECURRING</u>									
Rent		9,879	9,700.60	178	19,758	19,401.20	357	2%	118,548
Alarm System		58	-	58	117	-	117	100%	700
Telephone & Internet	Cell, Fax, Internet, Business Voice	556	515.35	41	1,112	989.20	123	11%	6,672
Cisco WebEx Online Meeting		69	69.00	-	138	138.00	-	0%	828
Postage & Shipping		17	19.30	(3)	33	29.20	4	12%	200
Business/Property Insurance	Pro-Rated	179	-	179	358	1,345.00	(987)	-275%	2,150
				-	-	-	-		
				-	-	-	-		
<u>EQUIPMENT & FURNITURE</u>									
				-	-	-	-		
Copy Machine - CBE (repair, maintenance, supplies)	QUARTERLY	8	-	8	17	-	17	100%	100

SOUTHERN CALIFORNIA JOINT POLE COMMITTEE
Statement of Operating Expenses and Capital Investments

OPERATING EXPENSES		February 28, 2023			YTD Through February, 28 2023				Annual
	Details	Budgeted	Recorded	Variance	Budgeted	Recorded	Variance	% Variance	Budget
<u>NETWORK SYSTEM</u>									
Computer-LAN Maintenance Contract (IT service), offsite server backup, labor for on site support			1,192.00	(1,192)	3,217	2,384.00	833	0	19,300
FRIEND Support			400.00	(400)	1,400	800.00	600	43%	8,400
Hosting: SCJPC Website, Cloud Azure VM Server, Azure VM Licenses, Sharefile, Email, Domain		1,591	1,363.50	227	3,181	2,727.00	454	14%	19,087
Computer (repair, maintenance, supplies)		100	-	100	200	-	200	100%	1,200
						-			
<u>PRINTING & SUPPLY</u>									
Office Printing		8	-	8	17	-	17	100%	100
Office Supplies		54	4.18	50	108	73.52	35	32%	650
						-			
						-			
<u>CONTRACT SERVICES</u>									
CPA/Auditor	2021 & 2022 in 2023	833	-	833	1,667	-	1,667	100%	10,000
Attorney*		500	499.00	1	1,000	998.00	2	0%	6,000
						-			
<u>GENERAL EXPENSE</u>									
Payroll Service Fees		93	93.00	0	187	186.00	1	0%	1,120
Bank fees/Checks printing	Pro-Rated	8	-	8	17	-	17	100%	100
Publications/Subscriptions/Reference	Pro-Rated Docusign	21	-	21	42	45.00	(3)	-8%	250
Seminars, professional development, & tuition		117	-	117	233	-	233	100%	1,400
Team Building	Semi Annual	63	-	63	125	-	125	100%	750
Member Retirement plaques		42	-	42	83	-	83	100%	500
Scan & shred document		42	-	42	83	-	83	100%	500
Total Operating Expenses		99,772.32	78,854.06	20,918.26	204,161.31	162,552.49	41,525.49	20%	1,224,968

SOUTHERN CALIFORNIA JOINT POLE COMMITTEE
Statement of Operating Expenses and Capital Investments

OPERATING EXPENSES		February 28, 2023			YTD Through February, 28 2023				Annual
	Details	Budgeted	Recorded	Variance	Budgeted	Recorded	Variance	% Variance	Budget
CAPITAL INVESTMENTS AND LONG TERM LIABILITIES CURRENT									
<u>COMPUTER SYSTEM</u>									
Software Purchase and SCJPC website (minor) modification									
		130	-	130	260	-	260	100%	1,560
FRIEND modification*									
		2,813	-	2,813	5,625	-	5,625	100%	33,750
Website Upgrade (after FriendPro)									
		417	-	417	833	-	833	100%	5,000
<u>EQUIPMENT & FURNITURE</u>									
Purchases and leases (including Copy Machine)									
		371	337.26	34	742	674.52	67	9%	4,450
Hardware Purchase									
		125	-	125	250	-	250	100%	1,500
<u>LONG TERM LIABILITY CURRENT</u>									
Total Capital Investments & Long Term Liabilities Current									
		3,855.00	337.26	3,517.74	7,710.00	674.52	7,035.48	91%	46,260
Interest Earned/Misc Income									
			(0.07)			(0.15)			
TOTAL									
		103,627.32	79,191.25	24,436.00	211,871.31	163,226.86	48,560.97	23%	1,271,228
*Items in blue are assessed equally									
Completed: 3/7/2023									

Delinquent Accounts
As of 3/8/2023

MEMBERS ACCOUNTS RECEIVABLE - DELINQUENT ACCOUNTS

							PAST DUE NOTICES - DO NOT DELETE THIS INFORMATION Accounting staff: please enter past due sent info in each row/each cell				
Company Name	Invoice Month	Due By	FORMULA 60 Days past due	Amount	Invoice Number	Company Code	Past Due Notice Date Sent	Past due sent to & response notes	Past Due Notices Date by	Input By	Input Date
AT&T Mobility	Dec '22	January 31, 2023	4/1/2023	\$ 1,371.20	21639	LAC		Not 60 days, will email the following month		GV	3/7/2023
City of Colton	Oct '22	November 30, 2022	1/29/2023	\$ 886.06	21566	F	2/7/2023, 3/7/2023	Email aaguilar@coltonca.gov & adunning@coltonca.gov	GV	JT	1/11/2023
City of Colton	Nov '22	December 31, 2022	3/1/2023	\$ 919.31	21598	F	3/7/2023	Email aaguilar@coltonca.gov & adunning@coltonca.gov	GV	GV	2/7/2023
Crown Castle NG West Inc.	Dec '22	January 31, 2023	4/1/2023	\$ 3,225.29	21650	NG		Not 60 days, will email the following month		GV	3/7/2023
MCI METRO/ATS	Dec '22	January 31, 2023	4/1/2023	\$ 1,540.86	21640	ATS		Not 60 days, will email the following month		GV	3/7/2023
MCI Telecomm	Dec '22	January 31, 2023	4/1/2023	\$ 1,278.21	21641	MCI		Not 60 days, will email the following month		GV	3/7/2023
SPR-Nextel Corp	Oct '22	November 30, 2022	1/29/2023	\$ 850.76	21572	SPR	2/7/2023, 3/7/2023	Emailed LLStatements@T-Mobile.com & eric.antonick@t-mobile.com	GV	JT	1/11/2023
SPR-Nextel Corp	Nov '22	December 31, 2022	3/1/2023	\$ 882.66	21604	SPR	3/7/2023	Emailed LLStatements@T-Mobile.com & eric.antonick@t-mobile.com	GV	GV	2/7/2023
SPR-Nextel Corp	Dec '22	January 31, 2023	4/1/2023	\$ 1,250.47	21636	SPR		Not 60 days, will email the following month		GV	3/7/2023
Time Warner Cable (TWS)	Dec '22	January 31, 2023	4/1/2023	\$ 688.87	21647	TWS		Not 60 days, will email the following month		GV	3/7/2023
Time Warner Cable (TWN)	Dec '22	January 31, 2023	4/1/2023	\$ 799.80	21648	TWN		Not 60 days, will email the following month		GV	3/7/2023
Verizon Wireless	Aug '22	September 30, 2022	11/29/2022	\$ 396.00	21497	ATC	12/13/2022, 1/11/2023, 2/7/2023, 3/7/2023	Email sent to: ATCJPA@motiveis.com; Marco.Murillo@VerizonWireless.com; JHarmon@motiveis.com; kcasey@motiveis.com	JT, GV	JT	11/9/2022
Verizon Wireless	Nov '22	December 31, 2022	3/1/2023	\$ 1,341.61	21593	ATC	3/7/2023	Email sent to: ATCJPA@motiveis.com; Marco.Murillo@VerizonWireless.com; JHarmon@motiveis.com; kcasey@motiveis.com	GV	GV	2/7/2023
Verizon Wireless	Dec '22	January 31, 2023	4/1/2023	\$ 1,904.39	21625	ATC		Not 60 days, will email the following month		GV	3/7/2023
XO Communications	Dec '22	January 31, 2023	4/1/2023	\$ 131.10	21646	NXT		Not 60 days, will email the following month		GV	3/7/2023

Past due notices will be emailed after 60 days past due, once a month.

TOTAL **\$ 17,466.59**

 = Members assessed penalty fee

 = Less than 80% but 50% or greater attendance

 = Less than 50% attendance

 = Excused absence

**SOUTHERN CALIFORNIA JOINT POLE COMMITTEE
MEMBER BOARD MEETING ATTENDANCE
FEBRUARY 2023 - JANUARY 2023**

		MBR CODE	2022 MAR	2022 APR	2022 MAY	2022 JUN	2022 JUL	2022 AUG	2022 SEP	2022 OCT	2022 NOV	2022 DEC	2023 JAN	2023 FEB	TOTAL	Atten. %	MBR CODE	MONTHS
1	So. California Edison	E	1	1	1	1	1	1	1	1	1		1	1	11	100%	E	11
2	Frontier Communications	FTR	1	1	1	1	1	1	1	1	1		1	1	11	100%	FTR	11
3	City of Los Angeles	M	1	1	1	1	1	1	1	1	1		1	1	11	100%	M	11
4	Crown Castle NG West Inc.	NG	1	1	1	1	1	1	1	1	1		1	1	11	100%	NG	11
5	AT&T California	H / T	1	1	1	1	1	1	1	1	1		1	1	11	100%	H / T	11
6	Bear Valley Electric	BVE	1	1	1	1	1	1	1	1	1		1	1	11	100%	BVE	11
7	Time-Warner	TWC	1	1	1	1	1	1	1	1	1		1	1	11	100%	TWC	11
8	City of Burbank	B	1	1	1	1	1	1	1	1	1		1	1	11	100%	B	11
9	City of Glendale	A	1	1	1	1	1	1	1	1	1		1	1	11	100%	A	11
10	City of Vernon	V	1	1	1	1	1	1	1	1	1		1	1	11	100%	V	11
11	City of Banning	COB	1	1	1	1	1	1	1	1	1		1	1	11	100%	COB	11
12	ATC Outdoor DAS	AMT	1	1	1	1	1	1	1	1	1		1	1	11	100%	AMT	11
13	XO Communications	NXT	1	1	1	1	1	1	1	1	1		1	1	11	100%	NXT	11
14	MCI/Metro	ATS	1	1	1	1	1	1	1	1	1		1	1	11	100%	ATS	11
15	MCI Communications	MCI	1	1	1	1	1	1	1	1	1		1	1	11	100%	MCI	11
16	Mobilitie LLC	MOB	1	1	1	1	1	1	1	1	1		1	1	11	100%	MOB	11
17	Teleport Comm America	TCA	1	1	1	1	1	1	1	1	1		1	1	11	100%	TCA	11
18	Sprint Communications	FON	1	1	1	1	1	1	1	1	1		1	1	11	100%	FON	11
19	Sprint-Nextel	SPR	1	1	1	1	1	1	1	1	1		1	1	11	100%	SPR	11
20	City of Lompoc	LLW	1	1	1	1	1	1	1	1	1		1	1	11	100%	LLW	11
21	Sonic Telecom, LLC	STL	1	1	1	1	1	1	1	1	1		1	1	11	100%	STL	11
22	City of Anaheim	D	1	1	1	1	1	1	1	1	1		1	1	11	100%	D	11
23	City of Colton	F	1	1	1	1	1	1	1	1	1		0	1	10	91%	F	11
24	T-Mobile, USA	PBM	1	1	1	1	1	1	1	0	1		1	1	10	91%	PBM	11
25	City of Azusa	MA	1	1	1	1	1	1	0	1	1		1	1	10	91%	MA	11
26	Mpower/TelePacific	ICG	1	1	1	0	1	1	1	1	1		1	1	10	91%	ICG	11
27	Verizon Wireless	ATC	1	1	1	1	1	1	1	1	0		1	1	10	91%	ATC	11
28	City of Riverside	J	1	1	1	1	0	1	1	1	0		1	1	9	82%	J	11
29	ExteNet Systems	EXT	1	1	1	1	0	1	1	0	1		1	1	9	82%	EXT	11
30	AT&T Mobility	LAC	1	1	1	0	0	1	1	1	1		1	1	9	82%	LAC	11
31	City of Pasadena	MP	1	0	1	1	0	1	1	1	1		0	1	8	73%	MP	11
	Total		31	30	31	29	27	31	30	29	29	0	29	31				

Member	ATC	ATS	B	BVE	D	E	EXT	H/T	LAC	M	MCI	NG	TWC	Totals	YTD
Joint JPAs Billed		5	5	23		219		8		12		13		285	573
% of Joint JPAs Billed	0.000	0.018	0.018	0.081	0.000	0.768	0.000	0.028	0.000	0.042	0.000	0.046	0.000	1.00	
Joint JPAs Returned	1	54	9	47	1	75		9		11		7	2	216	397
Total Joint JPAs Processed	1	59	14	70	1	294	0	17	0	23	0	20	2	501	
Section 18.1F JPAs included in above														0	
Multi JPAs Billed		13				50		7	1	6		17	3	97	181
% of Multi JPAs Billed	0.000	0.134	0.000	0.000	0.000	0.515	0.000	0.072	0.010	0.062	0.000	0.175	0.031	1.00	
Multi JPAs Returned	2	413	2			69	28	14		25	12	49	6	620	1182
Total Multi JPAs Processed	2	426	2	0	0	119	28	21	1	31	12	66	9	717	1363
Section 18.1F JPAs included in above														0	
Total # JPAs Billed	0	18	5	23	0	269	0	15	1	18	0	30	3	382	754
% of JPAs Billed	0.000	0.047	0.013	0.060	0.000	0.704	0.000	0.039	0.003	0.047	0.000	0.079	0.008	1.00	
# of JPAs Returned														836	1579
Total JPAs Processed	3	485	16	70	1	413	28	38	1	54	12	86	11	1218	2333
% of JPAs Billed														31.36%	
% of JPAs returned														68.64%	
Member	ATC	ATS	B	BVE	D	E	EXT	H/T	LAC	M	MCI	NG	TWC	Totals	
Poles Billed (Joint JPAs)		37	10	181		1370		12		45		30		1685	3119
Poles Returned (joint)	1	413	18	619	48	998		12		105		30	3	2247	3927
Poles Billed (Multi JPAs)		40				599		14	1	21		81	3	759	1405
Poles Returned (multi)	2	5537	4			811	495	89		181	102	432	25	7678	14629
Total # Poles Billed (Joint & Multi combined)	0	77	10	181	0	1969	0	26	1	66	0	111	3	2444	4524
% of Total Poles Billed (Joint & Multi combined)	0.000	0.032	0.004	0.074	0.000	0.806	0.000	0.011	0.000	0.027	0.000	0.045	0.001	1.00	
# of Poles Returned														9925	18556
Total Poles Processed	3	6027	32	800	48	3778	495	127	1	352	102	573	31	12369	23080
% of Poles Billed														19.76%	
% of Poles returned														80.24%	
RETURN RATE # OF JPAS	100%	96%	69%	67%	100%	35%	100%	61%	0%	67%	100%	65%	73%		
RETURN RATE # OF POLES	100%	99%	69%	77%	100%	48%	100%	80%	0%	81%	100%	81%	90%		

Note: Held Over Poles include E and E submitted 18.1F's and will be billed first at the next Bill of Sale

E SUB/ NON E HELD OVERS (include NON E, E & E submitted 18.1F JPAs)	E SUB	E SUB 18.1F (NEED 2023 AC)	NON E (NEED 2023 PP)	TOTAL
HELD OVER JPAS	39	62	3	104
HELD OVER POLES	640	838	3	1481

	JPAS	POLES
ATS JPAS REVIEWED TWICE IN B/S 2/23 (WRONG DATE SENT/F48 DATE)	210	2658

Average poles/JPA in 2023	9.89
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Inspections Billed SCE Only: O&M (Inspection & Pole Tags)	
Inspection JPAs Billed	
Inspection Poles Billed	

Overtime Only E Only: (JOINTS)	
OVERTIME E SUBMITTED JPAs Billed	
OVERTIME E SUBMITTED Poles Billed	
OVERTIME E JPAs Processed (Billed + Memos)	
OVERTIME E Poles Processed (Billed + Memos)	

Actual JPAs/poles received from 1/6/2023 - 2/1/2023 (February 2023 Bill of Sale):		
	JPAS	POLES
SCE	486	4005
OTHER MEMBERS	805	8587

	JPAS	POLES
SCE CALL BACKS	3	7
SCE FORM 7 DO NOT BILL	12	60

SCE's Inspections JPAs/Poles were not included in above table	SCE O&M YTD
14	32
5962	10677

E's Overtime JPAs/Poles were not included in above table	E OT YTD
101	240
666	1444
148	363
1170	2582

PRODUCTIVITY WITHOUT OVERTIME

BILL OF SALE	BILLED JOINT POLES	RETURNED JOINT POLES	JOINT BILLED RATE (longer to process)	JOINT RETURN RATE	BILLED MULTI POLES	RETURNED MULTI POLES	MULTI BILLED RATE (longer to process)	MULTI RETURN RATE	TOTAL PROCESSED POLES	Multi Poles % Processed	POLES RETURN RATE (JT & MULTI)	TOTAL BILLED POLES	BILLED JPAS	NOTES
Jun-2019	2641	1327	67%	33%	1062	1412	43%	57%	6442	38%	43%	3703		PAPER / PRECOVID
Jul-2019	2447	1166	68%	32%	1329	1320	50%	50%	6262	42%	40%	3776		PAPER / PRECOVID
Aug-2019	2608	1273	67%	33%	1185	1667	42%	58%	6733	42%	44%	3793		PAPER / PRECOVID
Sep-2019	2608	1410	65%	35%	1393	1579	47%	53%	6990	43%	43%	4001		PAPER / PRECOVID
Oct-2019	2439	1595	60%	40%	1076	1129	49%	51%	6239	35%	44%	3515		PAPER / PRECOVID
Nov-2019	1808	1200	60%	40%	966	1938	33%	67%	5912	49%	53%	2774		PAPER / PRECOVID
Dec-2019	1967	1182	62%	38%	459	1581	23%	78%	5189	39%	53%	2426		PAPER / PRECOVID
Jan-2020	2794	1145	71%	29%	942	1287	42%	58%	6168	36%	39%	3736		PAPER / PRECOVID
Feb-2020	2208	1483	60%	40%	1048	2533	29%	71%	7272	49%	55%	3256		PAPER / PRECOVID
Mar-2020	1813	1971	48%	52%	122	1863	6%	94%	5769	34%	66%	1935		PAPER-COVID (CLOSED EARLY)
Apr-2020	2099	699	75%	25%	1068	2016	35%	65%	5882	52%	46%	3167		COVID (HALF PAPER-HALF ELECTRONIC)
May-2020	1589	2346	40%	60%	571	1403	29%	71%	5909	33%	63%	2160	636	FULL ELECTRONIC
Jun-2020	2201	3278	40%	60%	258	1210	18%	82%	6947	21%	65%	2459	822	ELECTRONIC
Jul-2020	2034	2707	43%	57%	201	2007	9%	91%	6949	32%	68%	2235	938	ELECTRONIC
Aug-2020	717	3499	17%	83%	188	3377	5%	95%	7781	46%	88%	905	388	ELECTRONIC
Sep-2020	2541	6238	29%	71%	134	2148	6%	94%	11061	21%	76%	2675	1149	ELECTRONIC (high return rate of F48 Violation)
Oct-2020	3658	3446	51%	49%	352	2692	12%	88%	10148	30%	60%	4010	999	ELECTRONIC (Steel Stubbed JPAs & Corrections of Records INSP JPAs)
Nov-2020	3036	2386	56%	44%	486	2238	18%	82%	8146	33%	57%	3522	1094	ELECTRONIC
Dec-2020	2354	2587	48%	52%	487	2330	17%	83%	7758	36%	63%	2841	918	ELECTRONIC
Jan-2021	3051	1692	64%	36%	282	1086	21%	79%	6111	22%	45%	3333	1239	ELECTRONIC
Feb-2021	2330	2086	53%	47%	502	3495	13%	87%	8413	48%	66%	2832	904	ELECTRONIC
Mar-2021	2644	1956	57%	43%	958	2480	28%	72%	8038	43%	55%	3602	1103	ELECTRONIC
Apr-2021	2714	3062	47%	53%	704	3238	18%	82%	9718	41%	65%	3418	910	ELECTRONIC
May-2021	2212	2853	44%	56%	847	3363	20%	80%	9275	45%	67%	3059	774	ELECTRONIC
Jun-2021	3188	2328	58%	42%	692	3257	18%	82%	9465	42%	59%	3880	980	ELECTRONIC
Jul-2021	2432	3469	41%	59%	808	6109	12%	88%	12818	54%	75%	3240	662	ELECTRONIC (note: unusually high return rate 75%)
Aug-2021	2502	1719	59%	41%	394	5890	6%	94%	10505	60%	72%	2896	1033	ELECTRONIC (note: 72% return rate)
Sep-2021	3196	1596	67%	33%	1018	4049	20%	80%	9859	51%	57%	4214	1327	ELECTRONIC (highest)
Oct-2021	2729	820	77%	23%	559	4688	11%	89%	8796	60%	63%	3288	1181	ELECTRONIC
Nov-2021	2580	1144	69%	31%	734	3523	17%	83%	7981	53%	58%	3314	975	ELECTRONIC
Dec-2021	1714	1650	51%	49%	1277	3933	25%	75%	8574	61%	65%	2991	743	ELECTRONIC
Jan-2022	1563	1675	48%	52%	841	4188	17%	83%	8267	61%	71%	2404	545	ELECTRONIC
Feb-2022	1360	2448	36%	64%	616	4472	12%	88%	8896	57%	78%	1976	423	ELECTRONIC
Mar-2022	2229	2298	49%	51%	1031	3836	21%	79%	9394	52%	65%	3260	702	ELECTRONIC
Apr-2022	2658	2586	51%	49%	1258	2817	31%	69%	9319	44%	58%	3916	1045	ELECTRONIC
May-2022	2199	1345	62%	38%	1067	3023	26%	74%	7634	54%	57%	3266	802	ELECTRONIC (Processed 1042 poles from JPAs involving 5+ owners, the office usually processed about 660 poles a month.)
Jun-2022	1628	3767	30%	70%	771	3221	19%	81%	9387	43%	74%	2399	611	Electronic
Jul-2022	2122	1765	55%	45%	972	3971	20%	80%	8830	56%	65%	3094	751	Electronic. (3 staff had vac days)
Aug-2022	2022	2638	43%	57%	1425	3603	28%	72%	9688	52%	64%	3447	852	Electronic
Sep-2022	2049	2201	48%	52%	803	3088	21%	79%	8141	48%	65%	2852	667	Electronic (one holiday, multiple employees were out sick and out on vac)
Oct-2022	1918	1358	59%	41%	1205	4574	21%	79%	9055	64%	66%	3123	555	Electronic
Nov-2022	1822	2037	47%	53%	954	5353	15%	85%	10166	62%	73%	2776	420	Electronic (high return rate ATS JPAS)
Dec-2022	1826	2975	38%	62%	662	6466	9%	91%	11929	60%	79%	2488	446	Electronic (high return rate ATS JPAS)
Jan-2023	1434	1680	46%	54%	646	6951	9%	91%	10711	71%	81%	2080	372	Electronic (high return rate ATS JPAS)
Feb-2023	1685	2247	43%	57%	759	7678	9%	91%	12369	68%	80%	2444	382	Electronic (high return rate ATS JPAS)

12-month average

AS OF 2/23/2023

8763.83

Poles processed a month Nov 2021-Oct 2022

Exclude Nov 2022, Dec 2022, Jan 2023, Feb 2023

*Regular time per month contingent upon (based on 2021 data):

- Multi received: 48% or lower.
- Complexity of multi JPAs. (5+ owners JPAs take more time and resources).
- Billable poles rate: 38% or lower. Note: Billable poles take more time and resources. (return rate 62% or higher).
- Billable JPAs rate: 57% or lower. Note: Billable JPAs take more time and resources. (return rate 43% or higher).
- Length of committee meetings. Transcribing long meetings will take time away from billing.
- Average 5.26 poles/JPA

JOINT (TWO OWNERS) JPAS

Bill of Sale Month	Poles Billed 2P	Poles Returned	Total Poles (Billed + Returned) Processed	Number of JPAs BILLED	Number of JPAs Returned	Total # of JPAs Processed (Billed + Returned)	Additional work Hrs	NOTES	Poles/Hour	POLE BILLABLE RATE	Poles Return rate %	JPA BILLABLE RATE	JPAs Return Rate %
Mar-22	793	745	1538	162	73	235	106	Started late on 3/7/22	14.51	51.56%	48.44%	68.94%	31.06%
Apr-22	2035	889	2924	632	143	775	226	More Poles/JPAs billable	12.94	69.60%	30.40%	81.55%	18.45%
May-22	1844	571	2415	611	86	697	192	More Poles/JPAs billable	12.58	76.36%	23.64%	87.66%	12.34%
Jun-22	1368	809	2177	304	77	381	155.25		14.02	62.84%	37.16%	79.79%	20.21%
Jul-22	2188	879	3067	659	110	769	224.75		13.65	71.34%	28.66%	85.70%	14.30%
Aug-22	2331	1095	3426	486	106	592	246		13.93	68.04%	31.96%	82.09%	17.91%
Sep-22	1388	902	2290	352	88	440	171		13.39	60.61%	39.39%	80.00%	20.00%
Oct-22	730	376	1106	172	47	219	84.75		13.05	66.00%	34.00%	78.54%	21.46%
Nov-22	690	437	1127	141	39	180	86.15		13.08	61.22%	38.78%	78.33%	21.67%
Dec-22	413	296	709	84	31	115	48.97		14.48	58.25%	41.75%	73.04%	26.96%
Jan-23	530	385	915	98	37	135	65.25		14.02	57.92%	42.08%	72.59%	27.41%
Feb-23	435	314	749	65	24	89	49.5		15.13	58.08%	41.92%	73.03%	26.97%
Totals	14745	7698	22443	3766	861	4627	1655.62						

Average billing joint (2 owners) poles/hour goal:	12.10
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*Overtime poles per month contingent upon (based on 2020 & 2021 OT data):

1. The % of billable joint poles: 60% (or less) of the volume processed can be billed (based on SCE OT data).
2. The % of billable joint JPAs: 76% (or less) of the volume processed can be billed (based on SCE OT data).
3. Staff availability.

THREE OWNERS JPAS (staff will only process 3P JPAs when the number of joint (2P) JPAs are low)

Bill of Sale Month	3P Poles Billed	3P Poles Returned	Total Poles (Billed + Returned) Processed	Number of JPAs BILLED	Number of JPAs Returned	Total # of JPAs Processed (Billed + Returned)	Additional work Hrs	NOTES	Poles/Hour	POLE BILLABLE RATE	Poles Return rate %	JPA BILLABLE RATE	JPAs Return Rate %
Oct-22	579	814	1393	126	99	225	122.75		11.35	41.56%	58.44%	56.00%	44.00%
Nov-22	167	219	386	30	23	53	34.35		11.24	43.26%	56.74%	56.60%	43.40%
Dec-22	494	633	1127	70	62	132	102.03		11.05	43.83%	56.17%	53.03%	46.97%
Jan-23	248	249	497	41	39	80	50.50		9.84	49.90%	50.10%	51.25%	48.75%
Feb-23	231	190	421	36	23	59	34.25		12.29	54.87%	45.13%	61.02%	38.98%
Totals	1719	2105	3824	303	246	549	343.88						

Total 2P+3P hrs 83.75 b/s 2/23

FORECAST UPDATED BASED ON ACTUAL DATA FEB 2023 B/S (UPDATED 03/8/2023)

ORIGINAL FORECAST (3/2/2022)	Number of JPAs Members will send to the SCJPC:	1624 JPAs per month (1279 SCE + 345 Non SCE)
ORIGINAL FORECAST (3/2/2022)	Number of Poles Members will send to the SCJPC:	8542.24 Poles per month (SCE + Non SCE JPAs)
2022 FORECAST (5/18/2022 meeting)	Number of Poles Members will send to the SCJPC:	13,309.18 Poles per month (SCE 9000 + Non SCE 4309.18)

B/S 1/23	Actual number of poles members sent to the SCJPC:	12,578.00 poles
B/S 2/23	Actual number of poles members sent to the SCJPC:	12,592.00 poles

SCJPC to process poles/month Forecast	Regular time forecast	Overtime forecast	Total Poles forecast	Processed poles forecast monthly Assuming SCJPC WILL work overtime 126.98 hours per month
	8542.24	1536.46	10,078.70	

SCJPC processed poles (actual #) Actual Data	Regular time (actual)	Overtime (Actual)	Total Poles (Actual)	Bill of Sale	Actual pole processed
	12369	1170	13,539.00	B/S 2/23	

Bill of sale Month	Description	Count	Balance		Actual or forecast numbers
End of August 2022	Balance (backlog is included)		7,662.00	Poles	End of August 2022
End of September 2022	Balance (backlog is included)		6,252.00	Poles	End of September 2022
End of October 2022	Balance (backlog is included)		2,163.00	Poles	End of October 2022
End of November 2022	Balance (backlog is included)		2,944.00	Poles	End of November 2022
End of December 2022	Balance (backlog is included)		2,086.00	Poles	End of December 2022
End of January 2023	Balance (backlog is included)		2,488.00	Poles	End of January 2023
	Feb-23 Internal adjustment (correction)	-		Poles	Actual
	Feb-23 Poles received from SCE this month (new JPAs)-SCE	4,005.00		Poles	Actual
	Feb-23 Poles received from all other members this month (new JPAs)-NON SCE	8,587.00		Poles	Actual
	Feb-23 Poles SCE JPC COR	-		Poles	Actual
	Feb-23 Poles NON SCE JPC COR	7.00		Poles	Actual
	Feb-23 SCJPC processed (SCE reg time)	(3,778.00)		Poles	Actual
	Feb-23 SCJPC processed (SCE 18.1F reg time)	-		Poles	Actual
	Feb-23 SCJPC processed (NON SCE reg time)	(8,581.00)		Poles	Actual
	Feb-23 SCJPC processed (NON SCE 18.1F reg time)	(3.00)		Poles	Actual
	Feb-23 SCJPC processed Poles SCE JPC COR (reg time)	-		Poles	Actual
	Feb-23 SCJPC Processed Poles NON SCE JPC COR (reg ti	(7.00)		Poles	Actual
	Feb-23 SCJPC processed during overtime 2P	(749.00)		Poles	Actual
	Feb-23 SCJPC processed during overtime 3P	(421.00)		Poles	Actual
	Feb-23 SCE Call Backs	(7.00)		Poles	Actual
	Feb-23 SCE F7 DO NO BILLS	(60.00)		Poles	Actual
End of February 2023	Balance (backlog is included)		1,481.00	Poles	End of February 2023
	Poles received from all members this month (n	13,309.18		Poles	Forecast
	SCJPC to Process (Reg+Overtime)	(10,078.70)		Poles	Forecast
End of March 2023	Balance (backlog is included)		4,711.48	Poles	End of March 2023

- *Regular time per month contingent upon (based on 2021 data):
- 1. Multi received: 48% or lower.
 - 2. Complexity of multi JPAs.
 - 3. Billable poles rate: 38% or lower. Note: Billable poles take more time and resources.
 - 4. Billable JPAs rate: 57% or lower. Note: Billable JPAs take more time and resources.
 - 5. Length of committee meetings. Transcribing long meetings will take time away from billing.
 - 6. Average 5.26 poles/JPA

- *Overtime poles per month contingent upon (based on 2020 & 2021 OT data):
- 1. The % of billable poles: 60% (or less) of the volume processed can be billed (based on SCE OT data).
 - 2. The % of billable JPAs: 76% (or less) of the volume processed can be billed (based on SCE OT data).
 - 3. Staff availability.



COMMENCEMENT DATE MEMORANDUM

AIR Commercial Real Estate Association

By and Between (Lessor): 279 Arrow, LLC

And (Lessee): Southern California Joint Pole Committee, a California Nonprofit Corporation

Address of Premises: 279 E. Arrow Hwy., Suite 104
San Dimas, California 91773

THIS MEMORANDUM, made as of May 21, 2012 by and between 279 Arrow, LLC ("Lessor") and Southern California Joint Pole Committee, a California Nonprofit Corporation ("Lessee").

Recitals:

Lessor and Lessee are parties to that certain Lease, dated for reference purposes December 29, 2011 (the "Lease") for certain premises (the "Premises") commonly known as 279 E. Arrow Hwy., Suite 104, San Dimas, California 91773

Lessee is now in possession of the Premises and the Term of the Lease has commenced.

Lessor and Lessee desire to enter into this Memorandum confirming the Commencement Date, the Termination Date and other matters under the Lease.

NOW, THEREFORE, Lessor and Lessee agree as follows:

1. The actual Commencement Date is June 22, 2012.
2. The actual Expiration Date is June 30, 2019.
3. The Base Rent shall be adjusted on the dates indicated as follows: On July 1, 2013 the rent will increase to \$6,570.74 per month. On July 1, 2014 the rent will increase to \$6,987.01 per month. On July 1, 2015 the rent will increase to \$7,231.56 per month. July 1, 2016 the rent will increase to \$7,484.66 per month. July 1, 2017 the rent will increase to \$7,746.62 per month. On July 1, 2018 the rent will increase to \$8,017.76 per month.

(strike if not applicable)

4. Other: Lessee shall pay \$1,956.74 on July 1, 2012 as the prorata rent for June 22, 2012 through June 30, 2012 and the rent paid at execution of the lease shall be credited as the rent for July 1, 2012 through July 31, 2012. *(strike if not applicable)*

5. Capitalized terms not defined herein shall have the same meaning as set forth in the Lease.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date and year first above written.

By LESSOR:

279 Arrow, LLC

By:

Name Printed: Alan Kohn

Title: Managing Member

By LESSEE:

Southern California Joint Pole Committee, a California Nonprofit Corporation

By:

Name Printed: Jennie Corella

Title: Manager of Operations

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By: _____	By: _____
Name Printed: _____	Name Printed: _____
Title: _____	Title: _____
Address: 2440 E. 56th Street	Address: 279 E. Arrow Hwy., Suite 104
Los Angeles, California 90058	San Dimas, California 91773
Telephone: (323) 583-3366	Telephone: () _____
Facsimile: (323) 583-7601	Facsimile: () _____
Federal ID No.: _____	Federal ID No.: _____

NOTICE: These forms are often modified to meet changing requirements of law and industry needs. Always write or call to make sure you are utilizing the most current form: AIR Commercial Real Estate Association, 800 W 6th Street, Suite 800, Los Angeles, CA 90017. Telephone No.: (213) 687-8777. Fax No.: (213) 687-8616.

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STANDARD MULTI-TENANT OFFICE LEASE - GROSS

AIR COMMERCIAL REAL ESTATE ASSOCIATION

1. Basic Provisions ("Basic Provisions").

1.1 Parties: This Lease ("Lease"), dated for reference purposes only December 29, 2011, is made by and between 279 Arrow, LLC

(**"Lessor"**)
and Southern California Joint Pole Committee, a California Nonprofit Corporation

(**"Lessee"**),
(collectively the "Parties", or individually a "Party").

1.2(a) Premises: That certain portion of the Project (as defined below), known as Suite Numbers(s) 104, first (1st) floor(s), consisting of approximately 3,953 rentable square feet and approximately 3,393 useable square feet ("Premises"). The Premises are located at: 279 E. Arrow Highway, in the City of San Dimas, County of Los Angeles, State of California, with zip code 91773. In addition to Lessee's rights to use and occupy the Premises as hereinafter specified, Lessee shall have non-exclusive rights to the Common Areas (as defined in Paragraph 2.7 below) as hereinafter specified, but shall not have any rights to the roof, the exterior walls, the area above the dropped ceilings, or the utility raceways of the building containing the Premises ("Building") or to any other buildings in the Project. The Premises, the Building, the Common Areas, the land upon which they are located, along with all other buildings and improvements thereon, are herein collectively referred to as the "Project." The Project consists of approximately 40000 rentable square feet. (See also Paragraph 2)

1.2(b) Parking: 16 unreserved and 0 reserved vehicle parking spaces at a monthly cost of \$_____ per unreserved space and \$_____ per reserved space. (See Paragraph 2.6)

1.3 Term: Seven (7) years and zero (0) months (**"Original Term"**) commencing April 1, 2012 (**"Commencement Date"**) and ending March 31, 2019 (**"Expiration Date"**). (See also Paragraph 3)

1.4 Early Possession: If the Premises are available Lessee may have non-exclusive possession of the Premises commencing March 1, 2012 (**"Early Possession Date"**). (See also Paragraphs 3.2 and 3.3)

1.5 Base Rent: \$6,522.45 per month (**"Base Rent"**), payable on the first (1st) day of each month commencing April 1, 2012. (See also Paragraph 4)

☒ If this box is checked, there are provisions in this Lease for the Base Rent to be adjusted. See Paragraph 50

1.6 Lessee's Share of Operating Expense Increase: nine and eighty-eight hundredths percent (9.88%) (**"Lessee's Share"**). In the event that that size of the Premises and/or the Project are modified during the term of this Lease, Lessor shall recalculate Lessee's Share to reflect such modification.

1.7 Base Rent and Other Monies Paid Upon Execution:

- (a) Base Rent: \$6,522.45 for the period April 1, 2012 - April 30, 2012
- (b) Security Deposit: \$6,522.45 (**"Security Deposit"**). (See also Paragraph 5)
- (c) Parking: \$0.00 for the period n/a
- (d) Other: \$n/a for n/a
- (e) Total Due Upon Execution of this Lease: \$13,044.90

1.8 Agreed Use: General office

(See also Paragraph 6)

1.9 Base Year; Insuring Party. The Base Year is 2011. Lessor is the **"Insuring Party"**. (See also Paragraphs 4.2 and 8)

1.10 Real Estate Brokers: (See also Paragraph 15)

(a) Representation: The following real estate brokers (the **"Brokers"**) and brokerage relationships exist in this transaction (check applicable boxes):

- ☒ Lee & Associates@-Ontario represents Lessor exclusively (**"Lessor's Broker"**);
- ☒ Carter & Associates represents Lessee exclusively (**"Lessee's Broker"**); or
- ☐ _____ represents both Lessor and Lessee (**"Dual Agency"**).

(b) Payment to Brokers: Upon execution and delivery of this Lease by both Parties, Lessor shall pay to the Brokers for the brokerage services rendered by the Brokers the fee agreed to in the attached separate written agreement or if no such agreement is attached, the sum of _____ or _____ % of the total Base Rent payable for the Original Term, the sum of _____ or _____ of the total Base Rent payable during any period of time that the Lessee occupies the Premises subsequent to the Original Term, and/or the sum of _____ or _____ % of the purchase price in the event that the Lessee or anyone affiliated with Lessee acquires from Lessor any rights to the Premises.

1.11 Guarantor: The obligations of the Lessee under this Lease shall be guaranteed by _____ (**"Guarantor"**). (See also Paragraph 37)

1.12 Business Hours for the Building: 7:00 a.m. to 7:00 p.m., Mondays through Fridays (except Building Holidays) and 9:00 a.m. to 1:00 p.m. on Saturdays (except Building Holidays). **"Building Holidays"** shall mean the dates of observation of New Year's Day, President's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Christmas Day, and _____.

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[Signature]

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1.13 **Lessor Supplied Services.** Notwithstanding the provisions of Paragraph 11.1, Lessor is NOT obligated to provide the following within the Premises:

- ☐ Janitorial services
- ☐ Electricity
- ☐ Other (specify): _____

1.14 **Attachments.** Attached hereto are the following, all of which constitute a part of this Lease:

- ☒ an Addendum consisting of Paragraphs 50 through 51;
- ☐ a plot plan depicting the Premises;
- ☒ a current set of the Rules and Regulations;
- ☐ a Work Letter;
- ☐ a janitorial schedule;
- ☒ other (specify): Uniform Lease Disclaimer, Exhibits A & B

2. Premises.

2.1 **Letting.** Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor, the Premises, for the term, at the rental, and upon all of the terms, covenants and conditions set forth in this Lease. While the approximate square footage of the Premises may have been used in the marketing of the Premises for purposes of comparison, the Base Rent stated herein is NOT tied to square footage and is not subject to adjustment should the actual size be determined to be different. **Note: Lessee is advised to verify the actual size prior to executing this Lease.**

2.2 **Condition.** Lessor shall deliver the Premises to Lessee in a clean condition on the Commencement Date or the Early Possession Date, whichever first occurs ("Start Date"), and warrants that the existing electrical, plumbing, fire sprinkler, lighting, heating, ventilating and air conditioning systems ("HVAC"), and all other items which the Lessor is obligated to construct pursuant to the Work Letter attached hereto, if any, other than those constructed by Lessee, shall be in good operating condition on said date, that the structural elements of the roof, bearing walls and foundation of the Unit shall be free of material defects, and that the Premises do not contain hazardous levels of any mold or fungi defined as toxic under applicable state or federal law.

2.3 **Compliance.** Lessor warrants to the best of its knowledge that the Improvements comprising the Premises and the Common Areas comply with the building codes that were in effect at the time that each such improvement, or portion thereof, was constructed, and also with all applicable laws, covenants or restrictions of record, regulations, and ordinances ("Applicable Requirements") in effect on the Start Date. Said warranty does not apply to the use to which Lessee will put the Premises, modifications which may be required by the Americans with Disabilities Act or any similar laws as a result of Lessee's use (see Paragraph 49), or to any Alterations or Utility Installations (as defined in Paragraph 7.3(a)) made or to be made by Lessee. **NOTE: Lessee is responsible for determining whether or not the zoning and other Applicable Requirements are appropriate for Lessee's intended use, and acknowledges that past uses of the Premises may no longer be allowed.** If the Premises do not comply with said warranty, Lessor shall, except as otherwise provided, promptly after receipt of written notice from Lessee setting forth with specificity the nature and extent of such non-compliance, rectify the same. If the Applicable Requirements are hereafter changed so as to require during the term of this Lease the construction of an addition to or an alteration of the Premises, the remediation of any Hazardous Substance, or the reinforcement or other physical modification of the Premises ("Capital Expenditure"), Lessor and Lessee shall allocate the cost of such work as follows:

(a) Subject to Paragraph 2.3(c) below, if such Capital Expenditures are required as a result of the specific and unique use of the Premises by Lessee as compared with uses by tenants in general, Lessee shall be fully responsible for the cost thereof, provided, however, that if such Capital Expenditure is required during the last 2 years of this Lease and the cost thereof exceeds 6 months' Base Rent, Lessee may instead terminate this Lease unless Lessor notifies Lessee, in writing, within 10 days after receipt of Lessee's termination notice that Lessor has elected to pay the difference between the actual cost thereof and the amount equal to 6 months' Base Rent. If Lessee elects termination, Lessee shall immediately cease the use of the Premises which requires such Capital Expenditure and deliver to Lessor written notice specifying a termination date at least 90 days thereafter. Such termination date shall, however, in no event be earlier than the last day that Lessee could legally utilize the Premises without commencing such Capital Expenditure.

(b) If such Capital Expenditure is not the result of the specific and unique use of the Premises by Lessee (such as, governmentally mandated seismic modifications), then Lessor shall pay for such Capital Expenditure and Lessee shall only be obligated to pay, each month during the remainder of the term of this Lease or any extension thereof, on the date that on which the Base Rent is due, an amount equal to 1/144th of the portion of such costs reasonably attributable to the Premises. Lessee shall pay interest on the balance but may prepay its obligation at any time. If, however, such Capital Expenditure is required during the last 2 years of this Lease or if Lessor reasonably determines that it is not economically feasible to pay its share thereof, Lessor shall have the option to terminate this Lease upon 90 days prior written notice to Lessee unless Lessee notifies Lessor, in writing, within 10 days after receipt of Lessor's termination notice that Lessee will pay for such Capital Expenditure. If Lessor does not elect to terminate, and fails to tender its share of any such Capital Expenditure, Lessee may advance such funds and deduct same, with interest, from Rent until Lessor's share of such costs have been fully paid. If Lessee is unable to finance Lessor's share, or if the balance of the Rent due and payable for the remainder of this Lease is not sufficient to fully reimburse Lessee on an offset basis, Lessee shall have the right to terminate this Lease upon 30 days written notice to Lessor.

(c) Notwithstanding the above, the provisions concerning Capital Expenditures are intended to apply only to nonvoluntary, unexpected, and new Applicable Requirements. If the Capital Expenditures are instead triggered by Lessee as a result of an actual or proposed change in use, change in intensity of use, or modification to the Premises then, and in that event, Lessee shall either: (i) immediately cease such changed use or intensity of use and/or take such other steps as may be necessary to eliminate the requirement for such Capital Expenditure, or (ii) complete such Capital Expenditure at its own expense. Lessee shall not have any right to terminate this Lease.

2.4 **Acknowledgements.** Lessee acknowledges that: (a) it has been given an opportunity to inspect and measure the Premises, (b) Lessee has been advised by Lessor and/or Brokers to satisfy itself with respect to the size and condition of the Premises (including but not limited to the electrical, HVAC and fire sprinkler systems, security, environmental aspects, and compliance with Applicable Requirements), and their suitability for Lessee's intended use, (c) Lessee has made such investigation as it deems necessary with reference to such matters and assumes all responsibility therefor as the same relate to its occupancy of the Premises, (d) it is not relying on any representation as to the size of the Premises made by Brokers or Lessor, (e) the square footage of the Premises was not material to Lessee's decision to lease the Premises and pay the Rent stated herein, and (f) neither Lessor, Lessor's agents, nor Brokers have made any oral or written representations or warranties with respect to said matters other than as set forth in this Lease. In addition, Lessor acknowledges that: (i) Brokers have made no representations, promises or warranties concerning Lessee's ability to honor the Lease or suitability to occupy the Premises, and (ii) it is Lessor's sole responsibility to investigate the financial capability and/or suitability of all proposed tenants.

2.5 **Lessee as Prior Owner/Occupant.** The warranties made by Lessor in Paragraph 2 shall be of no force or effect if immediately prior to the Start Date, Lessee was the owner or occupant of the Premises. In such event, Lessee shall be responsible for any necessary corrective work.

2.6 **Vehicle Parking.** So long as Lessee is not in default, and subject to the Rules and Regulations attached hereto, and as established by Lessor from time to time, Lessee shall be entitled to rent and use the number of parking spaces specified in Paragraph 1.2(b) at the rental rate applicable from time to time for monthly parking as set by Lessor and/or its licensee.

(a) If Lessee commits, permits or allows any of the prohibited activities described in the Lease or the rules then in effect, then Lessor shall have the right, without notice, in addition to such other rights and remedies that it may have, to remove or tow away the vehicle involved and charge the cost to Lessee, which cost shall be immediately payable upon demand by Lessor.

(b) ~~The monthly rent per parking space specified in Paragraph 1.2(b) is subject to change upon 30 days prior written notice to Lessee. The rent for the parking is payable one month in advance prior to the first day of each calendar month.~~

2.7 **Common Areas - Definition.** The term "Common Areas" is defined as all areas and facilities outside the Premises and within the exterior boundary line of the Project and interior utility raceways and installations within the Premises that are provided and designated by the Lessor from time to time for the general nonexclusive use of Lessor, Lessee and other tenants of the Project and their respective employees, suppliers, shippers, customers, contractors and invitees, including, but not limited to, common entrances, lobbies, corridors, stairwells, public restrooms, elevators, parking areas, loading and unloading areas, trash areas, roadways, walkways, driveways and landscaped areas.

2.8 **Common Areas - Lessee's Rights.** Lessor grants to Lessee, for the benefit of Lessee and its employees, suppliers, shippers, contractors, customers and invitees, during the term of this Lease, the nonexclusive right to use, in common with others entitled to such use, the Common Areas as they exist from time to time, subject to any rights, powers, and privileges reserved by Lessor under the terms hereof or under the terms of any rules and regulations or restrictions governing the use of the Project. Under no circumstances shall the right herein granted to use the

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Common Areas be deemed to include the right to store any property, temporarily or permanently, in the Common Areas. Any such storage shall be permitted only by the prior written consent of Lessor or Lessor's designated agent, which consent may be revoked at any time. In the event that any unauthorized storage shall occur then Lessor shall have the right, without notice, in addition to such other rights and remedies that it may have, to remove the property and charge the cost to Lessee, which cost shall be immediately payable upon demand by Lessor.

2.9 **Common Areas - Rules and Regulations.** Lessor or such other person(s) as Lessor may appoint shall have the exclusive control and management of the Common Areas and shall have the right, from time to time, to adopt, modify, amend and enforce reasonable rules and regulations ("Rules and Regulations") for the management, safety, care, and cleanliness of the grounds, the parking and unloading of vehicles and the preservation of good order, as well as for the convenience of other occupants or tenants of the Building and the Project and their invitees. The Lessee agrees to abide by and conform to all such Rules and Regulations, and shall use its best efforts to cause its employees, suppliers, shippers, customers, contractors and invitees to so abide and conform. Lessor shall not be responsible to Lessee for the noncompliance with said Rules and Regulations by other tenants of the Project.

2.10 **Common Areas - Changes.** Lessor shall have the right, in Lessor's sole discretion, from time to time:

- (a) To make changes to the Common Areas, including, without limitation, changes in the location, size, shape and number of the lobbies, windows, stairways, air shafts, elevators, escalators, restrooms, driveways, entrances, parking spaces, parking areas, loading and unloading areas, ingress, egress, direction of traffic, landscaped areas, walkways and utility raceways;
- (b) To close temporarily any of the Common Areas for maintenance purposes so long as reasonable access to the Premises remains available;
- (c) To designate other land outside the boundaries of the Project to be a part of the Common Areas;
- (d) To add additional buildings and improvements to the Common Areas;
- (e) To use the Common Areas while engaged in making additional improvements, repairs or alterations to the Project, or any portion thereof; and
- (f) To do and perform such other acts and make such other changes in, to or with respect to the Common Areas and Project as Lessor may, in the exercise of sound business judgment, deem to be appropriate.

3. **Term.**

3.1 **Term.** The Commencement Date, Expiration Date and Original Term of this Lease are as specified in Paragraph 1.3.

3.2 **Early Possession.** Any provision herein granting Lessee Early Possession of the Premises is subject to and conditioned upon the Premises being available for such possession prior to the Commencement Date. Any grant of Early Possession only conveys a non-exclusive right to occupy the Premises. If Lessee totally or partially occupies the Premises prior to the Commencement Date, the obligation to pay Base Rent shall be abated for the period of such Early Possession. All other terms of this Lease (including but not limited to the obligations to pay Lessee's Share of the Operating Expense Increase) shall be in effect during such period. Any such Early Possession shall not affect the Expiration Date.

3.3 **Delay in Possession.** Lessor agrees to use its best commercially reasonable efforts to deliver possession of the Premises to Lessee by the Commencement Date. If, despite said efforts, Lessor is unable to deliver possession by such date, Lessor shall not be subject to any liability therefor, nor shall such failure affect the validity of this Lease or change the Expiration Date. Lessee shall not, however, be obligated to pay Rent or perform its other obligations until Lessor delivers possession of the Premises and any period of rent abatement that Lessee would otherwise have enjoyed shall run from the date of delivery of possession and continue for a period equal to what Lessee would otherwise have enjoyed under the terms hereof, but minus any days of delay caused by the acts or omissions of Lessee. If possession is not delivered within 60 days after the Commencement Date, as the same may be extended under the terms of any Work Letter executed by Parties, Lessee may, at its option, by notice in writing within 10 days after the end of such 60 day period, cancel this Lease, in which event the Parties shall be discharged from all obligations hereunder. If such written notice is not received by Lessor within said 10 day period, Lessee's right to cancel shall terminate. If possession of the Premises is not delivered within 120 days after the Commencement Date, this Lease shall terminate unless other agreements are reached between Lessor and Lessee, in writing.

3.4 **Lessee Compliance.** Lessor shall not be required to deliver possession of the Premises to Lessee until Lessee complies with its obligation to provide evidence of insurance (Paragraph 8.5). Pending delivery of such evidence, Lessee shall be required to perform all of its obligations under this Lease from and after the Start Date, including the payment of Rent, notwithstanding Lessor's election to withhold possession pending receipt of such evidence of insurance. Further, if Lessee is required to perform any other conditions prior to or concurrent with the Start Date, the Start Date shall occur but Lessor may elect to withhold possession until such conditions are satisfied.

4. **Rent.**

4.1 **Rent Defined.** All monetary obligations of Lessee to Lessor under the terms of this Lease (except for the Security Deposit) are deemed to be rent ("Rent").

4.2 **Operating Expense Increase.** Lessee shall pay to Lessor during the term hereof, in addition to the Base Rent, Lessee's Share of the amount by which all Operating Expenses for each Comparison Year exceeds the amount of all Operating Expenses for the Base Year, such excess being hereinafter referred to as the "Operating Expense Increase", in accordance with the following provisions:

- (a) "Base Year" is as specified in Paragraph 1.9.
- (b) "Comparison Year" is defined as each calendar year during the term of this Lease subsequent to the Base Year; provided, however, Lessee shall have no obligation to pay a share of the Operating Expense Increase applicable to the first 12 months of the Lease Term (other than such as are mandated by a governmental authority, as to which government mandated expenses Lessee shall pay Lessee's Share, notwithstanding they occur during the first twelve (12) months). Lessee's Share of the Operating Expense Increase for the first and last Comparison Years of the Lease Term shall be prorated according to that portion of such Comparison Year as to which Lessee is responsible for a share of such Increase.

- (c) The following costs relating to the ownership and operation of the Project, calculated as if the Project was at least 95% occupied, are defined as "Operating Expenses":

- (i) Costs relating to the operation, repair, and maintenance in neat, clean, safe, good order and condition, but not the replacement (see subparagraph (g)), of the following:

- (aa) The Common Areas, including their surfaces, coverings, decorative items, carpets, drapes and window coverings, and including parking areas, loading and unloading areas, trash areas, roadways, sidewalks, walkways, stairways, parkways, driveways, landscaped areas, striping, irrigation systems, Common Area lighting facilities, building exteriors and roofs, fences and gates;

- (bb) All heating, air conditioning, plumbing, electrical systems, life safety equipment, communication systems and other equipment used in common by, or for the benefit of, tenants or occupants of the Project, including elevators and escalators, tenant directories, fire detection systems including sprinkler system maintenance and repair.

- (cc) All other areas and improvements that are within the exterior boundaries of the Project but outside of the Premises and/or any other space occupied by a tenant.

- (ii) The cost of trash disposal, janitorial and security services, pest control services, and the costs of any environmental inspections;

- (iii) The cost of any other service to be provided by Lessor that is elsewhere in this Lease stated to be an "Operating Expense";

- (iv) The cost of the premiums for the insurance policies maintained by Lessor pursuant to paragraph 8 and any deductible portion of an insured loss concerning the Building or the Common Areas;

- (v) The amount of the Real Property Taxes payable by Lessor pursuant to paragraph 10;

- (vi) The cost of water, sewer, gas, electricity, and other publicly mandated services not separately metered;

- (vii) Labor, salaries, and applicable fringe benefits and costs, materials, supplies and tools, used in maintaining and/or cleaning the Project and accounting and management fees attributable to the operation of the Project;

- (viii) The cost of any capital improvement to the Building or the Project not covered under the provisions of Paragraph 2.3 provided; however, that Lessor shall allocate the cost of any such capital improvement over a 12 year period and Lessee shall not be required to pay more than Lessee's Share of 1/144th of the cost of such Capital Expenditure in any given month;

- (ix) The cost to replace equipment or improvements that have a useful life for accounting purposes of 5 years or less.

- (x) Reserves set aside for maintenance, repair and/or replacement of Common Area Improvements and equipment.

- (d) Any item of Operating Expense that is specifically attributable to the Premises, the Building or to any other building in the Project or to the operation, repair and maintenance thereof, shall be allocated entirely to such Premises, Building, or other building. However, any such item that is not specifically attributable to the Building or to any other building or to the operation, repair and maintenance thereof, shall be equitably allocated by Lessor to all buildings in the Project.

- (e) The inclusion of the Improvements, facilities and services set forth in Subparagraph 4.2(c) shall not be deemed to impose an obligation upon Lessor to either have said improvements or facilities or to provide those services unless the Project already has the same, Lessor

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already provides the services, or Lessor has agreed elsewhere in this Lease to provide the same or some of them.

(f) Lessee's Share of Operating Expense Increase is payable monthly on the same day as the Base Rent is due hereunder. The amount of such payments shall be based on Lessor's estimate of the Operating Expense Expenses. Within 60 days after written request (but not more than once each year) Lessor shall deliver to Lessee a reasonably detailed statement showing Lessee's Share of the actual Common Area Operating Expenses for the preceding year. If Lessee's payments during such Year exceed Lessee's Share, Lessee shall credit the amount of such over-payment against Lessee's future payments. If Lessee's payments during such Year were less than Lessee's Share, Lessee shall pay to Lessor the amount of the deficiency within 10 days after delivery by Lessor to Lessee of said statement. Lessor and Lessee shall forthwith adjust between them by cash payment any balance determined to exist with respect to that portion of the last Comparison Year for which Lessee is responsible as to Operating Expense Increases, notwithstanding that the Lease term may have terminated before the end of such Comparison Year.

(g) Operating Expenses shall not include the costs of replacement for equipment or capital components such as the roof, foundations, exterior walls or a Common Area capital improvement, such as the parking lot paving, elevators, fences that have a useful life for accounting purposes of 5 years or more.

(h) Operating Expenses shall not include any expenses paid by any tenant directly to third parties, or as to which Lessor is otherwise reimbursed by any third party, other tenant, or by insurance proceeds.

4.3 **Payment.** Lessee shall cause payment of Rent to be received by Lessor in lawful money of the United States on or before the day on which it is due, without offset or deduction (except as specifically permitted in this Lease). All monetary amounts shall be rounded to the nearest whole dollar. In the event that any invoice prepared by Lessor is inaccurate such inaccuracy shall not constitute a waiver and Lessee shall be obligated to pay the amount set forth in this Lease. Rent for any period during the term hereof which is for less than one full calendar month shall be prorated based upon the actual number of days of said month. Payment of Rent shall be made to Lessor at its address stated herein or to such other persons or place as Lessor may from time to time designate in writing. Acceptance of a payment which is less than the amount then due shall not be a waiver of Lessor's rights to the balance of such Rent, regardless of Lessor's endorsement of any check so stating. In the event that any check, draft, or other instrument of payment given by Lessee to Lessor is dishonored for any reason, Lessee agrees to pay to Lessor the sum of \$25 in addition to any Late Charge and Lessor, at its option, may require all future Rent be paid by cashier's check. Payments will be applied first to accrued late charges and attorney's fees, second to accrued interest, then to Base Rent and Common Area Operating Expenses, and any remaining amount to any other outstanding charges or costs.

5. **Security Deposit.** Lessee shall deposit with Lessor upon execution hereof the Security Deposit as security for Lessee's faithful performance of its obligations under this Lease. If Lessee fails to pay Rent, or otherwise Defaults under this Lease, Lessor may use, apply or retain all or any portion of said Security Deposit for the payment of any amount already due Lessor, for Rents which will be due in the future, and/or to reimburse or compensate Lessor for any liability, expense, loss or damage which Lessor may suffer or incur by reason thereof. If Lessor uses or applies all or any portion of the Security Deposit, Lessee shall within 10 days after written request therefor deposit monies with Lessor sufficient to restore said Security Deposit to the full amount required by this Lease. If the Base Rent increases during the term of this Lease, Lessee shall, upon written request from Lessor, deposit additional monies with Lessor so that the total amount of the Security Deposit shall at all times bear the same proportion to the increased Base Rent as the initial Security Deposit bore to the initial Base Rent. Should the Agreed Use be amended to accommodate a material change in the business of Lessee or to accommodate a sublessee or assignee, Lessor shall have the right to increase the Security Deposit to the extent necessary, in Lessor's reasonable judgment, to account for any increased wear and tear that the Premises may suffer as a result thereof. If a change in control of Lessee occurs during this Lease and following such change the financial condition of Lessee is, in Lessor's reasonable judgment, significantly reduced, Lessee shall deposit such additional monies with Lessor as shall be sufficient to cause the Security Deposit to be at a commercially reasonable level based on such change in financial condition. Lessor shall not be required to keep the Security Deposit separate from its general accounts. Within 90 days after the expiration or termination of this Lease, Lessor shall return that portion of the Security Deposit not used or applied by Lessor. No part of the Security Deposit shall be considered to be held in trust, to bear interest or to be prepayment for any monies to be paid by Lessee under this Lease.

6. Use.

6.1 **Use.** Lessee shall use and occupy the Premises only for the Agreed Use, or any other legal use which is reasonably comparable thereto, and for no other purpose. Lessee shall not use or permit the use of the Premises in a manner that is unlawful, creates damage, waste or a nuisance, or that disturbs occupants of or causes damage to neighboring premises or properties. Other than guide, signal and seeing eye dogs, Lessee shall not keep or allow in the Premises any pets, animals, birds, fish, or reptiles. Lessor shall not unreasonably withhold or delay its consent to any written request for a modification of the Agreed Use, so long as the same will not impair the structural integrity of the improvements of the Building, will not adversely affect the mechanical, electrical, HVAC, and other systems of the Building, and/or will not affect the exterior appearance of the Building. If Lessor elects to withhold consent, Lessor shall within 7 days after such request give written notification of same, which notice shall include an explanation of Lessor's objections to the change in the Agreed Use.

6.2 Hazardous Substances.

(a) **Reportable Uses Require Consent.** The term "Hazardous Substance" as used in this Lease shall mean any product, substance, or waste whose presence, use, manufacture, disposal, transportation, or release, either by itself or in combination with other materials expected to be on the Premises, is either: (i) potentially injurious to the public health, safety or welfare, the environment or the Premises, (ii) regulated or monitored by any governmental authority, or (iii) a basis for potential liability of Lessor to any governmental agency or third party under any applicable statute or common law theory. Hazardous Substances shall include, but not be limited to, hydrocarbons, petroleum, gasoline, and/or crude oil or any products, byproducts or fractions thereof. Lessee shall not engage in any activity in or on the Premises which constitutes a Reportable Use of Hazardous Substances without the express prior written consent of Lessor and timely compliance (at Lessee's expense) with all Applicable Requirements. "Reportable Use" shall mean (i) the installation or use of any above or below ground storage tank, (ii) the generation, possession, storage, use, transportation, or disposal of a Hazardous Substance that requires a permit from, or with respect to which a report, notice, registration or business plan is required to be filed with, any governmental authority, and/or (iii) the presence at the Premises of a Hazardous Substance with respect to which any Applicable Requirements requires that a notice be given to persons entering or occupying the Premises or neighboring properties. Notwithstanding the foregoing, Lessee may use any ordinary and customary materials reasonably required to be used in the normal course of the Agreed Use such as ordinary office supplies (copier toner, liquid paper, glue, etc.) and common household cleaning materials, so long as such use is in compliance with all Applicable Requirements, is not a Reportable Use, and does not expose the Premises or neighboring property to any meaningful risk of contamination or damage or expose Lessor to any liability therefor. In addition, Lessor may condition its consent to any Reportable Use upon receiving such additional assurances as Lessor reasonably deems necessary to protect itself, the public, the Premises and/or the environment against damage, contamination, injury and/or liability, including, but not limited to, the installation (and removal on or before Lease expiration or termination) of protective modifications (such as concrete encasements) and/or increasing the Security Deposit.

(b) **Duty to Inform Lessor.** If Lessee knows, or has reasonable cause to believe, that a Hazardous Substance has come to be located in, on, under or about the Premises, other than as previously consented to by Lessor, Lessee shall immediately give written notice of such fact to Lessor, and provide Lessor with a copy of any report, notice, claim or other documentation which it has concerning the presence of such Hazardous Substance.

(c) **Lessee Remediation.** Lessee shall not cause or permit any Hazardous Substance to be spilled or released in, on, under, or about the Premises (including through the plumbing or sanitary sewer system) and shall promptly, at Lessee's expense, comply with all Applicable Requirements and take all investigatory and/or remedial action reasonably recommended, whether or not formally ordered or required, for the cleanup of any contamination of, and for the maintenance, security and/or monitoring of the Premises or neighboring properties, that was caused or materially contributed to by Lessee, or pertaining to or involving any Hazardous Substance brought onto the Premises during the term of this Lease, by or for Lessee, or any third party.

(d) **Lessee Indemnification.** Lessee shall indemnify, defend and hold Lessor, its agents, employees, lenders and ground lessor, if any, harmless from and against any and all loss of rents and/or damages, liabilities, judgments, claims, expenses, penalties, and attorneys' fees arising out of or involving any Hazardous Substance brought onto the Premises by or for Lessee, or any third party (provided, however, that Lessee shall have no liability under this Lease with respect to underground migration of any Hazardous Substance under the Premises from areas outside of the Project not caused or contributed to by Lessee). Lessee's obligations shall include, but not be limited to, the effects of any contamination or injury to person, property or the environment created or suffered by Lessee, and the cost of investigation, removal, remediation, restoration and/or abatement, and shall survive the expiration or termination of this Lease. No termination, cancellation or release agreement entered into by Lessor and Lessee shall release Lessee from its obligations under this Lease with respect to Hazardous Substances, unless specifically so agreed by Lessor in writing at the time of such agreement.

(e) **Lessor Indemnification.** Lessor and its successors and assigns shall indemnify, defend, reimburse and hold Lessee, its employees and lenders, harmless from and against any and all environmental damages, including the cost of remediation, which result from Hazardous Substances which existed on the Premises prior to Lessee's occupancy or which are caused by the gross negligence or willful misconduct of Lessor, its agents or employees. Lessor's obligations, as and when required by the Applicable Requirements, shall include, but not be limited to, the cost of investigation, removal, remediation, restoration and/or abatement, and shall survive the expiration or termination of this Lease.

(f) **Investigations and Remediations.** Lessor shall retain the responsibility and pay for any investigations or remediation


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measures required by governmental entities having jurisdiction with respect to the existence of Hazardous Substances on the Premises prior to Lessee's occupancy, unless such remediation measure is required as a result of Lessee's use (including "Alterations", as defined in paragraph 7.3(a) below) of the Premises, in which event Lessee shall be responsible for such payment. Lessee shall cooperate fully in any such activities at the request of Lessor, including allowing Lessor and Lessor's agents to have reasonable access to the Premises at reasonable times in order to carry out Lessor's investigative and remedial responsibilities.

(g) **Lessor Termination Option.** If a Hazardous Substance Condition (see Paragraph 9.1(e)) occurs during the term of this Lease, unless Lessee is legally responsible therefor (in which case Lessee shall make the investigation and remediation thereof required by the Applicable Requirements and this Lease shall continue in full force and effect, but subject to Lessor's rights under Paragraph 6.2(d) and Paragraph 13), Lessor may, at Lessor's option, either (i) investigate and remediate such Hazardous Substance Condition, if required, as soon as reasonably possible at Lessor's expense, in which event this Lease shall continue in full force and effect, or (ii) if the estimated cost to remediate such condition exceeds 12 times the then monthly Base Rent or \$100,000, whichever is greater, give written notice to Lessee, within 30 days after receipt by Lessor of knowledge of the occurrence of such Hazardous Substance Condition, of Lessor's desire to terminate this Lease as of the date 60 days following the date of such notice. In the event Lessor elects to give a termination notice, Lessee may, within 10 days thereafter, give written notice to Lessor of Lessee's commitment to pay the amount by which the cost of the remediation of such Hazardous Substance Condition exceeds an amount equal to 12 times the then monthly Base Rent or \$100,000, whichever is greater. Lessee shall provide Lessor with said funds or satisfactory assurance thereof within 30 days following such commitment. In such event, this Lease shall continue in full force and effect, and Lessor shall proceed to make such remediation as soon as reasonably possible after the required funds are available. If Lessee does not give such notice and provide the required funds or assurance thereof within the time provided, this Lease shall terminate as of the date specified in Lessor's notice of termination.

6.3 **Lessee's Compliance with Applicable Requirements.** Except as otherwise provided in this Lease, Lessee shall, at Lessee's sole expense, fully, diligently and in a timely manner, materially comply with all Applicable Requirements, the requirements of any applicable fire insurance underwriter or rating bureau, and the recommendations of Lessor's engineers and/or consultants which relate in any manner to the Premises, without regard to whether said requirements are now in effect or become effective after the Start Date. Lessee shall, within 10 days after receipt of Lessor's written request, provide Lessor with copies of all permits and other documents, and other information evidencing Lessee's compliance with any Applicable Requirements specified by Lessor, and shall immediately upon receipt, notify Lessor in writing (with copies of any documents involved) of any threatened or actual claim, notice, citation, warning, complaint or report pertaining to or involving the failure of Lessee or the Premises to comply with any Applicable Requirements. Likewise, Lessee shall immediately give written notice to Lessor of: (i) any water damage to the Premises and any suspected seepage, pooling, dampness or other condition conducive to the production of mold; or (ii) any mustiness or other odors that might indicate the presence of mold in the Premises.

6.4 **Inspection; Compliance.** Lessor and Lessor's "Lender" (as defined in Paragraph 30) and consultants shall have the right to enter into Premises at any time, in the case of an emergency, and otherwise at reasonable times, after reasonable notice, for the purpose of inspecting the condition of the Premises and for verifying compliance by Lessee with this Lease. The cost of any such inspections shall be paid by Lessor, unless a violation of Applicable Requirements, or a Hazardous Substance Condition (see paragraph 9.1e) is found to exist or be imminent, or the inspection is requested or ordered by a governmental authority. In such case, Lessee shall upon request reimburse Lessor for the cost of such inspection, so long as such inspection is reasonably related to the violation or contamination. In addition, Lessee shall provide copies of all relevant material safety data sheets (MSDS) to Lessor within 10 days of the receipt of written request therefor.

7. **Maintenance; Repairs; Utility Installations; Trade Fixtures and Alterations.**

7.1 **Lessee's Obligations.** Notwithstanding Lessor's obligation to keep the Premises in good condition and repair, Lessee shall be responsible for payment of the cost thereof to Lessor as additional rent for that portion of the cost of any maintenance and repair of the Premises, or any equipment (wherever located) that serves only Lessee or the Premises, to the extent such cost is attributable to abuse or misuse. Lessee shall be responsible for the cost of painting, repainting or replacing wall coverings, and to repair or replace any improvements within the Premises. Lessor may, at its option, upon reasonable notice, elect to have Lessee perform any particular such maintenance or repairs the cost of which is otherwise Lessee's responsibility hereunder.

7.2 **Lessor's Obligations.** Subject to the provisions of Paragraphs 2.2 (Condition), 2.3 (Compliance), 4.2 (Operating Expenses), 6 (Use), 7.1 (Lessee's Obligations), 9 (Damage or Destruction) and 14 (Condemnation), Lessor, subject to reimbursement pursuant to Paragraph 4.2, shall keep in good order, condition and repair the foundations, exterior walls, structural condition of interior bearing walls, exterior roof, fire sprinkler system, fire alarm and/or smoke detection systems, fire hydrants, and the Common Areas. Lessee expressly waives the benefit of any statute now or hereafter in effect to the extent it is inconsistent with the terms of this Lease.

7.3 **Utility Installations; Trade Fixtures; Alterations.**

(a) **Definitions.** The term "Utility Installations" refers to all floor and window coverings, air lines, vacuum lines, power panels, electrical distribution, security and fire protection systems, communication cabling, lighting fixtures, HVAC equipment, and plumbing in or on the Premises. The term "Trade Fixtures" shall mean Lessee's machinery and equipment that can be removed without doing material damage to the Premises. The term "Alterations" shall mean any modification of the improvements, other than Utility Installations or Trade Fixtures, whether by addition or deletion. "Lessee Owned Alterations and/or Utility Installations" are defined as Alterations and/or Utility Installations made by Lessee that are not yet owned by Lessor pursuant to Paragraph 7.4(a).

(b) **Consent.** Lessee shall not make any Alterations or Utility Installations to the Premises without Lessor's prior written consent. Lessee may, however, make non-structural Alterations or Utility Installations to the interior of the Premises (excluding the roof) without such consent but upon notice to Lessor, as long as they are not visible from the outside, do not involve puncturing, relocating or removing the roof, ceilings, floors or any existing walls, will not affect the electrical, plumbing, HVAC, and/or life safety systems, and the cumulative cost thereof during this Lease as extended does not exceed \$2000. Notwithstanding the foregoing, Lessee shall not make or permit any roof penetrations and/or install anything on the roof without the prior written approval of Lessor. Lessor may, as a precondition to granting such approval, require Lessee to utilize a contractor chosen and/or approved by Lessor. Any Alterations or Utility Installations that Lessee shall desire to make and which require the consent of the Lessor shall be presented to Lessor in written form with detailed plans. Consent shall be deemed conditioned upon Lessee's: (i) acquiring all applicable governmental permits, (ii) furnishing Lessor with copies of both the permits and the plans and specifications prior to commencement of the work, and (iii) compliance with all conditions of said permits and other Applicable Requirements in a prompt and expeditious manner. Any Alterations or Utility Installations shall be performed in a workmanlike manner with good and sufficient materials. Lessee shall promptly upon completion furnish Lessor with as-built plans and specifications. For work which costs an amount in excess of one month's Base Rent, Lessor may condition its consent upon Lessee providing a lien and completion bond in an amount equal to 150% of the estimated cost of such Alteration or Utility Installation and/or upon Lessee's posting an additional Security Deposit with Lessor.

(c) **Lien; Bonds.** Lessee shall pay, when due, all claims for labor or materials furnished or alleged to have been furnished to or for Lessee at or for use on the Premises, which claims are or may be secured by any mechanic's or materialmen's lien against the Premises or any interest therein. Lessee shall give Lessor not less than 10 days notice prior to the commencement of any work in, on or about the Premises, and Lessor shall have the right to post notices of non-responsibility. If Lessee shall contest the validity of any such lien, claim or demand, then Lessee shall, at its sole expense defend and protect itself, Lessor and the Premises against the same and shall pay and satisfy any such adverse judgment that may be rendered thereon before the enforcement thereof. If Lessor shall require, Lessee shall furnish a surety bond in an amount equal to 150% of the amount of such contested lien, claim or demand, indemnifying Lessor against liability for the same. If Lessor elects to participate in any such action, Lessee shall pay Lessor's attorneys' fees and costs.

7.4 **Ownership; Removal; Surrender; and Restoration.**

(a) **Ownership.** Subject to Lessor's right to require removal or elect ownership as hereinafter provided, all Alterations and Utility Installations made by Lessee shall be the property of Lessee, but considered a part of the Premises. Lessor may, at any time, elect in writing to be the owner of all or any specified part of the Lessee Owned Alterations and Utility Installations. Unless otherwise instructed per paragraph 7.4(b) hereof, all Lessee Owned Alterations and Utility Installations shall, at the expiration or termination of this Lease, become the property of Lessor and be surrendered by Lessee with the Premises.

(b) **Removal.** By delivery to Lessee of written notice from Lessor not earlier than 90 and not later than 30 days prior to the end of the term of this Lease, Lessor may require that any or all Lessee Owned Alterations or Utility Installations be removed by the expiration or termination of this Lease. Lessor may require the removal at any time of all or any part of any Lessee Owned Alterations or Utility Installations made without the required consent.

(c) **Surrender; Restoration.** Lessee shall surrender the Premises by the Expiration Date or any earlier termination date, with all of the improvements, parts and surfaces thereof clean and free of debris, and in good operating order, condition and state of repair, ordinary wear and tear excepted. "Ordinary wear and tear" shall not include any damage or deterioration that would have been prevented by good maintenance practice. Notwithstanding the foregoing, if this Lease is for 12 months or less, then Lessee shall surrender the Premises in the same condition as delivered to Lessee on the Start Date with NO allowance for ordinary wear and tear. Lessee shall repair any damage occasioned by the installation, maintenance or removal of Trade Fixtures, Lessee owned Alterations and/or Utility Installations, furnishings, and equipment as well as the removal of any storage tank installed by or for Lessee. Lessee shall also completely remove from the Premises any and all Hazardous Substances brought onto the Premises by or for Lessee, or any third party (except Hazardous Substances which were deposited via underground migration from areas outside of the Premises).


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even if such removal would require Lessee to perform or pay for work that exceeds statutory requirements. Trade Fixtures shall remain the property of Lessee and shall be removed by Lessee. Any personal property of Lessee not removed on or before the Expiration Date or any earlier termination date shall be deemed to have been abandoned by Lessee and may be disposed of or retained by Lessor as Lessor may desire. The failure by Lessee to timely vacate the Premises pursuant to this Paragraph 7.4(c) without the express written consent of Lessor shall constitute a holdover under the provisions of Paragraph 28 below.

8. Insurance; Indemnity.

8.1 Insurance Premiums. The cost of the premiums for the insurance policies maintained by Lessor pursuant to paragraph 8 are included as Operating Expenses (see paragraph 4.2 (c)(iv)). Said costs shall include increases in the premiums resulting from additional coverage related to requirements of the holder of a mortgage or deed of trust covering the Premises, Building and/or Project, increased valuation of the Premises, Building and/or Project, and/or a general premium rate increase. Said costs shall not, however, include any premium increases resulting from the nature of the occupancy of any other tenant of the Building. If the Project was not insured for the entirety of the Base Year, then the base premium shall be the lowest annual premium reasonably obtainable for the required insurance as of the Start Date, assuming the most nominal use possible of the Building and/or Project. In no event, however, shall Lessee be responsible for any portion of the premium cost attributable to liability insurance coverage in excess of \$2,000,000 procured under Paragraph 8.2(b).

8.2 Liability Insurance.

(a) Carried by Lessee. Lessee shall obtain and keep in force a Commercial General Liability policy of insurance protecting Lessee and Lessor as an additional insured against claims for bodily injury, personal injury and property damage based upon or arising out of the ownership, use, occupancy or maintenance of the Premises and all areas appurtenant thereto. Such insurance shall be on an occurrence basis providing single limit coverage in an amount not less than \$1,000,000 per occurrence with an annual aggregate of not less than \$2,000,000. Lessee shall add Lessor as an additional insured by means of an endorsement at least as broad as the Insurance Service Organization's "Additional Insured-Managers or Lessors of Premises" Endorsement and coverage shall also be extended to include damage caused by heat, smoke or fumes from a hostile fire. The policy shall not contain any intra-insured exclusions as between insured persons or organizations, but shall include coverage for liability assumed under this Lease as an "insured contract" for the performance of Lessee's indemnity obligations under this Lease. The limits of said insurance shall not, however, limit the liability of Lessee nor relieve Lessee of any obligation hereunder. Lessee shall provide an endorsement on its liability policy(ies) which provides that its insurance shall be primary to and not contributory with any similar insurance carried by Lessor, whose insurance shall be considered excess insurance only.

(b) Carried by Lessor. Lessor shall maintain liability insurance as described in Paragraph 8.2(a), in addition to, and not in lieu of, the insurance required to be maintained by Lessee. Lessee shall not be named as an additional insured therein.

8.3 Property Insurance - Building, Improvements and Rental Value.

(a) Building and Improvements. Lessor shall obtain and keep in force a policy or policies of insurance in the name of Lessor, with loss payable to Lessor, any ground-lessor, and to any Lender insuring loss or damage to the Building and/or Project. The amount of such insurance shall be equal to the full insurable replacement cost of the Building and/or Project, as the same shall exist from time to time, or the amount required by any Lender, but in no event more than the commercially reasonable and available insurable value thereof. Lessee Owned Alterations and Utility Installations, Trade Fixtures, and Lessee's personal property shall be insured by Lessee not by Lessor. If the coverage is available and commercially appropriate, such policy or policies shall insure against all risks of direct physical loss or damage (except the perils of flood and/or earthquake unless required by a Lender), including coverage for debris removal and the enforcement of any Applicable Requirements requiring the upgrading, demolition, reconstruction or replacement of any portion of the Premises as the result of a covered loss. Said policy or policies shall also contain an agreed valuation provision in lieu of any coinsurance clause, waiver of subrogation, and inflation guard protection causing an increase in the annual property insurance coverage amount by a factor of not less than the adjusted U.S. Department of Labor Consumer Price Index for All Urban Consumers for the city nearest to where the Premises are located. If such insurance coverage has a deductible clause, the deductible amount shall not exceed \$5,000 per occurrence.

(b) Rental Value. Lessor shall also obtain and keep in force a policy or policies in the name of Lessor with loss payable to Lessor and any Lender, insuring the loss of the full Rent for one year with an extended period of indemnity for an additional 180 days ("Rental Value Insurance"). Said insurance shall contain an agreed valuation provision in lieu of any coinsurance clause, and the amount of coverage shall be adjusted annually to reflect the projected Rent otherwise payable by Lessee, for the next 12 month period.

(c) Adjacent Premises. Lessee shall pay for any increase in the premiums for the property insurance of the Building and for the Common Areas or other buildings in the Project if said increase is caused by Lessee's acts, omissions, use or occupancy of the Premises.

(d) Lessee's Improvements. Since Lessor is the insuring Party, Lessor shall not be required to insure Lessee Owned Alterations and Utility Installations unless the item in question has become the property of Lessor under the terms of this Lease.

8.4 Lessee's Property; Business Interruption Insurance; Worker's Compensation Insurance.

(a) Property Damage. Lessee shall obtain and maintain insurance coverage on all of Lessee's personal property, Trade Fixtures, and Lessee Owned Alterations and Utility Installations. Such insurance shall be full replacement cost coverage with a deductible of not to exceed \$1,000 per occurrence. The proceeds from any such insurance shall be used by Lessee for the replacement of personal property, Trade Fixtures and Lessee Owned Alterations and Utility Installations. Lessee shall provide Lessor with written evidence that such insurance is in force.

(b) Worker's Compensation Insurance. Lessee shall obtain and maintain Worker's Compensation Insurance in such amount as may be required by Applicable Requirements.

(c) Business Interruption. Lessee shall obtain and maintain loss of income and extra expense insurance in amounts as will reimburse Lessee for direct or indirect loss of earnings attributable to all perils commonly insured against by prudent lessees in the business of Lessee or attributable to prevention of access to the Premises as a result of such perils.

(d) No Representation of Adequate Coverage. Lessor makes no representation that the limits or forms of coverage of insurance specified herein are adequate to cover Lessee's property, business operations or obligations under this Lease.

8.5 Insurance Policies. Insurance required herein shall be by companies maintaining during the policy term a "General Policyholders Rating" of at least A-, VII, as set forth in the most current issue of "Best's Insurance Guide", or such other rating as may be required by a Lender. Lessee shall not do or permit to be done anything which invalidates the required insurance policies. Lessee shall, prior to the Start Date, deliver to Lessor certified copies of policies of such insurance or certificates with copies of the required endorsements evidencing the existence and amounts of the required insurance. No such policy shall be cancelable or subject to modification except after 10 days prior written notice to Lessor. Lessee shall, at least 30 days prior to the expiration of such policies, furnish Lessor with evidence of renewals or "insurance binders" evidencing renewal thereof, or Lessor may order such insurance and charge the cost thereof to Lessee, which amount shall be payable by Lessee to Lessor upon demand. Such policies shall be for a term of at least one year, or the length of the remaining term of this Lease, whichever is less. If either Party shall fail to procure and maintain the insurance required to be carried by it, the other Party may, but shall not be required to, procure and maintain the same.

8.6 Waiver of Subrogation. Without affecting any other rights or remedies, Lessee and Lessor each hereby release and relieve the other, and waive their entire right to recover damages against the other, for loss of or damage to its property arising out of or incident to the perils required to be insured against herein. The effect of such releases and waivers is not limited by the amount of insurance carried or required, or by any deductibles applicable hereto. The Parties agree to have their respective property damage insurance carriers waive any right to subrogation that such companies may have against Lessor or Lessee, as the case may be, so long as the insurance is not invalidated thereby.

8.7 Indemnity. Except for Lessor's gross negligence or willful misconduct, Lessee shall indemnify, protect, defend and hold harmless the Premises, Lessor and its agents, Lessor's master or ground lessor, partners and Lenders, from and against any and all claims, loss of rents and/or damages, liens, judgments, penalties, attorneys' and consultants' fees, expenses and/or liabilities arising out of, involving, or in connection with, the use and/or occupancy of the Premises by Lessee. If any action or proceeding is brought against Lessor by reason of any of the foregoing matters, Lessee shall upon notice defend the same at Lessee's expense by counsel reasonably satisfactory to Lessor and Lessor shall cooperate with Lessee in such defense. Lessor need not have first paid any such claim in order to be defended or indemnified.

8.8 Exemption of Lessor and its Agents from Liability. Notwithstanding the negligence or breach of this Lease by Lessor or its agents, neither Lessor nor its agents shall be liable under any circumstances for: (i) injury or damage to the person or goods, wares, merchandise or other property of Lessee, Lessee's employees, contractors, invitees, customers, or any other person in or about the Premises, whether such damage or injury is caused by or results from fire, steam, electricity, gas, water or rain, indoor air quality, the presence of mold or from the breakage, leakage, obstruction or other defects of pipes, fire sprinklers, wires, appliances, plumbing, HVAC or lighting fixtures, or from any other cause, whether the said injury or damage results from conditions arising upon the Premises or upon other portions of the Building, or from other sources or places, (ii) any damages arising from any act or neglect of any other tenant of Lessor or from the failure of Lessor or its agents to enforce the provisions of any other lease in the Project, or (iii) injury to Lessee's business or for any loss of income or profit therefrom. Instead, it is intended that Lessee's sole recourse in the event of such damages or injury be to file a claim on the insurance policy(ies) that Lessee is required to maintain pursuant to the provisions of paragraph 8.

8.9 Failure to Provide Insurance. Lessee acknowledges that any failure on its part to obtain or maintain the insurance required herein will expose Lessor to risks and potentially cause Lessor to incur costs not contemplated by this Lease, the extent of which will be extremely difficult to ascertain. Accordingly, for any month or portion thereof that Lessee does not maintain the required insurance and/or does not provide Lessor


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with the required binders or certificates evidencing the existence of the required insurance, the Base Rent shall be automatically increased, without any requirement for notice to Lessee, by an amount equal to 10% of the then existing Base Rent or \$100, whichever is greater. The parties agree that such increase in Base Rent represents fair and reasonable compensation for the additional risk/costs that Lessor will incur by reason of Lessee's failure to maintain the required insurance. Such increase in Base Rent shall in no event constitute a waiver of Lessee's Default or Breach with respect to the failure to maintain such insurance, prevent the exercise of any of the other rights and remedies granted hereunder, nor relieve Lessee of its obligation to maintain the insurance specified in this Lease.

9. Damage or Destruction.

9.1 Definitions.

(a) **"Premises Partial Damage"** shall mean damage or destruction to the improvements on the Premises, other than Lessee Owned Alterations and Utility Installations, which can reasonably be repaired in 3 months or less from the date of the damage or destruction, and the cost thereof does not exceed a sum equal to 6 month's Base Rent. Lessor shall notify Lessee in writing within 30 days from the date of the damage or destruction as to whether or not the damage is Partial or Total.

(b) **"Premises Total Destruction"** shall mean damage or destruction to the improvements on the Premises, other than Lessee Owned Alterations and Utility Installations and Trade Fixtures, which cannot reasonably be repaired in 3 months or less from the date of the damage or destruction and/or the cost thereof exceeds a sum equal to 6 month's Base Rent. Lessor shall notify Lessee in writing within 30 days from the date of the damage or destruction as to whether or not the damage is Partial or Total.

(c) **"Insured Loss"** shall mean damage or destruction to improvements on the Premises, other than Lessee Owned Alterations and Utility Installations and Trade Fixtures, which was caused by an event required to be covered by the insurance described in Paragraph 8.3(a), irrespective of any deductible amounts or coverage limits involved.

(d) **"Replacement Cost"** shall mean the cost to repair or rebuild the improvements owned by Lessor at the time of the occurrence to their condition existing immediately prior thereto, including demolition, debris removal and upgrading required by the operation of Applicable Requirements, and without deduction for depreciation.

(e) **"Hazardous Substance Condition"** shall mean the occurrence or discovery of a condition involving the presence of, or a contamination by, a Hazardous Substance, in, on, or under the Premises which requires restoration.

9.2 Partial Damage - Insured Loss. If a Premises Partial Damage that is an Insured Loss occurs, then Lessor shall, at Lessor's expense, repair such damage (but not Lessee's Trade Fixtures or Lessee Owned Alterations and Utility Installations) as soon as reasonably possible and this Lease shall continue in full force and effect; provided, however, that Lessee shall, at Lessor's election, make the repair of any damage or destruction the total cost to repair of which is \$5,000 or less, and, in such event, Lessor shall make any applicable insurance proceeds available to Lessee on a reasonable basis for that purpose. Notwithstanding the foregoing, if the required insurance was not in force or the insurance proceeds are not sufficient to effect such repair, the Insuring Party shall promptly contribute the shortage in proceeds as and when required to complete said repairs. In the event, however, such shortage was due to the fact that, by reason of the unique nature of the improvements, full replacement cost insurance coverage was not commercially reasonable and available, Lessor shall have no obligation to pay for the shortage in insurance proceeds or to fully restore the unique aspects of the Premises unless Lessee provides Lessor with the funds to cover same, or adequate assurance thereof, within 10 days following receipt of written notice of such shortage and request therefor. If Lessor receives said funds or adequate assurance thereof within said 10 day period, the party responsible for making the repairs shall complete them as soon as reasonably possible and this Lease shall remain in full force and effect. If such funds or assurance are not received, Lessor may nevertheless elect by written notice to Lessee within 10 days thereafter to: (i) make such restoration and repair as is commercially reasonable with Lessor paying any shortage in proceeds, in which case this Lease shall remain in full force and effect, or (ii) have this Lease terminate 30 days thereafter. Lessee shall not be entitled to reimbursement of any funds contributed by Lessee to repair any such damage or destruction. Premises Partial Damage due to flood or earthquake shall be subject to Paragraph 9.3, notwithstanding that there may be some insurance coverage, but the net proceeds of any such insurance shall be made available for the repairs if made by either Party.

9.3 Partial Damage - Uninsured Loss. If a Premises Partial Damage that is not an Insured Loss occurs, unless caused by a negligent or willful act of Lessee (in which event Lessee shall make the repairs at Lessee's expense), Lessor may either: (i) repair such damage as soon as reasonably possible at Lessor's expense, in which event this Lease shall continue in full force and effect, or (ii) terminate this Lease by giving written notice to Lessee within 30 days after receipt by Lessor of knowledge of the occurrence of such damage. Such termination shall be effective 60 days following the date of such notice. In the event Lessor elects to terminate this Lease, Lessee shall have the right within 10 days after receipt of the termination notice to give written notice to Lessor of Lessee's commitment to pay for the repair of such damage without reimbursement from Lessor. Lessee shall provide Lessor with said funds or satisfactory assurance thereof within 30 days after making such commitment. In such event this Lease shall continue in full force and effect, and Lessor shall proceed to make such repairs as soon as reasonably possible after the required funds are available. If Lessee does not make the required commitment, this Lease shall terminate as of the date specified in the termination notice.

9.4 Total Destruction. Notwithstanding any other provision hereof, if a Premises Total Destruction occurs, this Lease shall terminate 60 days following such Destruction. If the damage or destruction was caused by the gross negligence or willful misconduct of Lessee, Lessor shall have the right to recover Lessor's damages from Lessee, except as provided in Paragraph 8.6.

9.5 Damage Near End of Term. If at any time during the last 6 months of this Lease there is damage for which the cost to repair exceeds one month's Base Rent, whether or not an Insured Loss, Lessor may terminate this Lease effective 60 days following the date of occurrence of such damage by giving a written termination notice to Lessee within 30 days after the date of occurrence of such damage. Notwithstanding the foregoing, if Lessee at that time has an exercisable option to extend this Lease or to purchase the Premises, then Lessee may preserve this Lease by, (a) exercising such option and (b) providing Lessor with any shortage in insurance proceeds (or adequate assurance thereof) needed to make the repairs on or before the earlier of (i) the date which is 10 days after Lessee's receipt of Lessor's written notice purporting to terminate this Lease, or (ii) the day prior to the date upon which such option expires. If Lessee duly exercises such option during such period and provides Lessor with funds (or adequate assurance thereof) to cover any shortage in insurance proceeds, Lessor shall, at Lessor's commercially reasonable expense, repair such damage as soon as reasonably possible and this Lease shall continue in full force and effect. If Lessee fails to exercise such option and provide such funds or assurance during such period, then this Lease shall terminate on the date specified in the termination notice and Lessee's option shall be extinguished.

9.6 Abatement of Rent; Lessee's Remedies.

(a) **Abatement.** In the event of Premises Partial Damage or Premises Total Destruction or a Hazardous Substance Condition for which Lessee is not responsible under this Lease, the Rent payable by Lessee for the period required for the repair, remediation or restoration of such damage shall be abated in proportion to the degree to which Lessee's use of the Premises is impaired, but not to exceed the proceeds received from the Rental Value Insurance. All other obligations of Lessee hereunder shall be performed by Lessee, and Lessor shall have no liability for any such damage, destruction, remediation, repair or restoration except as provided herein.

(b) **Remedies.** If Lessor is obligated to repair or restore the Premises and does not commence, in a substantial and meaningful way, such repair or restoration within 90 days after such obligation shall accrue, Lessee may, at any time prior to the commencement of such repair or restoration, give written notice to Lessor and to any Lenders of which Lessee has actual notice, of Lessee's election to terminate this Lease on a date not less than 60 days following the giving of such notice. If Lessee gives such notice and such repair or restoration is not commenced within 30 days thereafter, this Lease shall terminate as of the date specified in said notice. If the repair or restoration is commenced within such 30 days, this Lease shall continue in full force and effect. "Commence" shall mean either the unconditional authorization of the preparation of the required plans, or the beginning of the actual work on the Premises, whichever first occurs.

9.7 Termination; Advance Payments. Upon termination of this Lease pursuant to Paragraph 6.2(g) or Paragraph 9, an equitable adjustment shall be made concerning advance Base Rent and any other advance payments made by Lessee to Lessor. Lessor shall, in addition, return to Lessee so much of Lessee's Security Deposit as has not been, or is not then required to be, used by Lessor.

10. Real Property Taxes.

10.1 Definitions. As used herein, the term **"Real Property Taxes"** shall include any form of assessment; real estate, general, special, ordinary or extraordinary, or rental levy or tax (other than inheritance, personal income or estate taxes); improvement bond; and/or license fee imposed upon or levied against any legal or equitable interest of Lessor in the Project, Lessor's right to other income therefrom, and/or Lessor's business of leasing, by any authority having the direct or indirect power to tax and where the funds are generated with reference to the Project address and where the proceeds so generated are to be applied by the city, county or other local taxing authority of a jurisdiction within which the Project is located. **"Real Property Taxes"** shall also include any tax, fee, levy, assessment or charge, or any increase therein: (i) imposed by reason of events occurring during the term of this Lease, including but not limited to, a change in the ownership of the Project, (ii) a change in the improvements thereon, and/or (iii) levied or assessed on machinery or equipment provided by Lessor to Lessee pursuant to this Lease.

10.2 Payment of Taxes. Except as otherwise provided in Paragraph 10.3, Lessor shall pay the Real Property Taxes applicable to the Project, and said payments shall be included in the calculation of Operating Expenses in accordance with the provisions of Paragraph 4.2.

10.3 Additional Improvements. Operating Expenses shall not include Real Property Taxes specified in the tax assessor's records and work sheets as being caused by additional improvements placed upon the Project by other lessees or by Lessor for the exclusive enjoyment of such other lessees. Notwithstanding Paragraph 10.2 hereof, Lessee shall, however, pay to Lessor at the time Operating Expenses are payable under Paragraph 4.2, the entirety of any increase in Real Property Taxes if assessed solely by reason of Alterations, Trade Fixtures or Utility Installations

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placed upon the Premises by Lessee or at Lessee's request or by reason of any alterations or improvements to the Premises made by Lessor subsequent to the execution of this Lease by the Parties.

10.4 Joint Assessment. If the Building is not separately assessed, Real Property Taxes allocated to the Building shall be an equitable proportion of the Real Property Taxes for all of the land and improvements included within the tax parcel assessed, such proportion to be determined by Lessor from the respective valuations assigned in the assessor's work sheets or such other information as may be reasonably available. Lessor's reasonable determination thereof, in good faith, shall be conclusive.

10.5 Personal Property Taxes. Lessee shall pay prior to delinquency all taxes assessed against and levied upon Lessee Owned Alterations and Utility Installations, Trade Fixtures, furnishings, equipment and all personal property of Lessee contained in the Premises. When possible, Lessee shall cause its Lessee Owned Alterations and Utility Installations, Trade Fixtures, furnishings, equipment and all other personal property to be assessed and billed separately from the real property of Lessor. If any of Lessee's said property shall be assessed with Lessor's real property, Lessee shall pay Lessor the taxes attributable to Lessee's property within 10 days after receipt of a written statement setting forth the taxes applicable to Lessee's property.

11. Utilities and Services.

11.1 Services Provided by Lessor. Lessor shall provide heating, ventilation, air conditioning, reasonable amounts of electricity for normal lighting and office machines, water for reasonable and normal drinking and lavatory use in connection with an office, and replacement light bulbs and/or fluorescent tubes and ballasts for standard overhead fixtures. Lessor shall also provide janitorial services to the Premises and Common Areas 5 times per week, excluding Building Holidays, or pursuant to the attached janitorial schedule, if any. Lessor shall not, however, be required to provide janitorial services to kitchens or storage areas included within the Premises.

11.2 Services Exclusive to Lessee. Lessee shall pay for all water, gas, light, power, telephone and other utilities and services specially or exclusively supplied and/or metered exclusively to the Premises or to Lessee, together with any taxes thereon. If a service is deleted by Paragraph 1.13 and such service is not separately metered to the Premises, Lessee shall pay at Lessor's option, either Lessee's Share or a reasonable proportion to be determined by Lessor of all charges for such jointly metered service.

11.3 Hours of Service. Said services and utilities shall be provided during times set forth in Paragraph 1.12. Utilities and services required at other times shall be subject to advance request and reimbursement by Lessee to Lessor of the cost thereof.

11.4 Excess Usage by Lessee. Lessee shall not make connection to the utilities except by or through existing outlets and shall not install or use machinery or equipment in or about the Premises that uses excess water, lighting or power, or suffer or permit any act that causes extra burden upon the utilities or services, including but not limited to security and trash services, over standard office usage for the Project. Lessor shall require Lessee to reimburse Lessor for any excess expenses or costs that may arise out of a breach of this subparagraph by Lessee. Lessor may, in its sole discretion, install at Lessee's expense supplemental equipment and/or separate metering applicable to Lessee's excess usage or loading.

11.5 Interruptions. There shall be no abatement of rent and Lessor shall not be liable in any respect whatsoever for the inadequacy, stoppage, interruption or discontinuance of any utility or service due to riot, strike, labor dispute, breakdown, accident, repair or other cause beyond Lessor's reasonable control or in cooperation with governmental request or directions.

12. Assignment and Subletting.

12.1 Lessor's Consent Required.

(a) Lessee shall not voluntarily or by operation of law assign, transfer, mortgage or encumber (collectively, "assign or assignment") or sublet all or any part of Lessee's interest in this Lease or in the Premises without Lessor's prior written consent.

(b) Unless Lessee is a corporation and its stock is publicly traded on a national stock exchange, a change in the control of Lessee shall constitute an assignment requiring consent. The transfer, on a cumulative basis, of 25% or more of the voting control of Lessee shall constitute a change in control for this purpose.

(c) The involvement of Lessee or its assets in any transaction, or series of transactions (by way of merger, sale, acquisition, financing, transfer, leveraged buyout or otherwise), whether or not a formal assignment or hypothecation of this Lease or Lessee's assets occurs, which results or will result in a reduction of the Net Worth of Lessee by an amount greater than 25% of such Net Worth as it was represented at the time of the execution of this Lease or at the time of the most recent assignment to which Lessor has consented, or as it exists immediately prior to said transaction or transactions constituting such reduction, whichever was or is greater, shall be considered an assignment of this Lease to which Lessor may withhold its consent. "Net Worth of Lessee" shall mean the net worth of Lessee (excluding any guarantors) established under generally accepted accounting principles.

(d) An assignment or subletting without consent shall, at Lessor's option, be a Default curable after notice per Paragraph 13.1(c), or a noncurable Breach without the necessity of any notice and grace period. If Lessor elects to treat such unapproved assignment or subletting as a noncurable Breach, Lessor may either: (i) terminate this Lease, or (ii) upon 30 days written notice, increase the monthly Base Rent to 110% of the Base Rent then in effect. Further, in the event of such Breach and rental adjustment, (i) the purchase price of any option to purchase the Premises held by Lessee shall be subject to similar adjustment to 110% of the price previously in effect, and (ii) all fixed and non-fixed rental adjustments scheduled during the remainder of the Lease term shall be increased to 110% of the scheduled adjusted rent.

(e) Lessee's remedy for any breach of Paragraph 12.1 by Lessor shall be limited to compensatory damages and/or injunctive relief.

(f) Lessor may reasonably withhold consent to a proposed assignment or subletting if Lessee is in Default at the time consent is requested.

(g) Notwithstanding the foregoing, allowing a de minimis portion of the Premises, i.e. 20 square feet or less, to be used by a third party vendor in connection with the installation of a vending machine or payphone shall not constitute a subletting.

12.2 Terms and Conditions Applicable to Assignment and Subletting.

(a) Regardless of Lessor's consent, no assignment or subletting shall: (i) be effective without the express written assumption by such assignee or sublessee of the obligations of Lessee under this Lease, (ii) release Lessee of any obligations hereunder, or (iii) alter the primary liability of Lessee for the payment of Rent or for the performance of any other obligations to be performed by Lessee.

(b) Lessor may accept Rent or performance of Lessee's obligations from any person other than Lessee pending approval or disapproval of an assignment. Neither a delay in the approval or disapproval of such assignment nor the acceptance of Rent or performance shall constitute a waiver or estoppel of Lessor's right to exercise its remedies for Lessee's Default or Breach.

(c) Lessor's consent to any assignment or subletting shall not constitute a consent to any subsequent assignment or subletting.

(d) In the event of any Default or Breach by Lessee, Lessor may proceed directly against Lessee, any Guarantors or anyone else responsible for the performance of Lessee's obligations under this Lease, including any assignee or sublessee, without first exhausting Lessor's remedies against any other person or entity responsible therefore to Lessor, or any security held by Lessor.

(e) Each request for consent to an assignment or subletting shall be in writing, accompanied by information relevant to Lessor's determination as to the financial and operational responsibility and appropriateness of the proposed assignee or sublessee, including but not limited to the intended use and/or required modification of the Premises, if any, together with a fee of \$500 as consideration for Lessor's considering and processing said request. Lessee agrees to provide Lessor with such other or additional information and/or documentation as may be reasonably requested. (See also Paragraph 36)

(f) Any assignee of, or sublessee under, this Lease shall, by reason of accepting such assignment, entering into such sublease, or entering into possession of the Premises or any portion thereof, be deemed to have assumed and agreed to conform and comply with each and every term, covenant, condition and obligation herein to be observed or performed by Lessee during the term of said assignment or sublease, other than such obligations as are contrary to or inconsistent with provisions of an assignment or sublease to which Lessor has specifically consented to in writing.

(g) Lessor's consent to any assignment or subletting shall not transfer to the assignee or sublessee any Option granted to the original Lessee by this Lease unless such transfer is specifically consented to by Lessor in writing. (See Paragraph 39.2)

12.3 Additional Terms and Conditions Applicable to Subletting. The following terms and conditions shall apply to any subletting by Lessee of all or any part of the Premises and shall be deemed included in all subleases under this Lease whether or not expressly incorporated therein:

(a) Lessee hereby assigns and transfers to Lessor all of Lessee's interest in all Rent payable on any sublease, and Lessor may collect such Rent and apply same toward Lessee's obligations under this Lease; provided, however, that until a Breach shall occur in the performance of Lessee's obligations, Lessee may collect said Rent. In the event that the amount collected by Lessor exceeds Lessee's then outstanding obligations any such excess shall be refunded to Lessee. Lessor shall not, by reason of the foregoing or any assignment of such sublease, nor by reason of the collection of Rent, be deemed liable to the sublessee for any failure of Lessee to perform and comply with any of Lessee's obligations to such sublessee. Lessee hereby irrevocably authorizes and directs any such sublessee, upon receipt of a written notice from Lessor stating that a Breach exists in the performance of Lessee's obligations under this Lease, to pay to Lessor all Rent due and to become due under the sublease. Sublessee shall rely upon any such notice from Lessor and shall pay all Rents to Lessor without any obligation or right to inquire as to whether such Breach exists, notwithstanding any claim from Lessee to the contrary.

(b) In the event of a Breach by Lessee, Lessor may, at its option, require sublessee to attorn to Lessor, in which event Lessor shall undertake the obligations of the sublessor under such sublease from the time of the exercise of said option to the expiration of such sublease; provided, however, Lessor shall not be liable for any prepaid rents or security deposit paid by such sublessee to such sublessor or for any prior Defaults or Breaches of such sublessor.



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(c) Any matter requiring the consent of the sublessor under a sublease shall also require the consent of Lessor.
(d) No sublessee shall further assign or sublet all or any part of the Premises without Lessor's prior written consent.
(e) Lessor shall deliver a copy of any notice of Default or Breach by Lessee to the sublessee, who shall have the right to cure the Default of Lessee within the grace period, if any, specified in such notice. The sublessee shall have a right of reimbursement and offset from and against Lessee for any such Defaults cured by the sublessee.

13. Default; Breach; Remedies.

13.1 Default; Breach. A "Default" is defined as a failure by the Lessee to comply with or perform any of the terms, covenants, conditions or Rules and Regulations under this Lease. A "Breach" is defined as the occurrence of one or more of the following Defaults, and the failure of Lessee to cure such Default within any applicable grace period:

(a) The abandonment of the Premises; or the vacating of the Premises without providing a commercially reasonable level of security, or where the coverage of the property insurance described in Paragraph 8.3 is jeopardized as a result thereof, or without providing reasonable assurances to minimize potential vandalism.

(b) The failure of Lessee to make any payment of Rent or any Security Deposit required to be made by Lessee hereunder, whether to Lessor or to a third party, when due, to provide reasonable evidence of insurance or surety bond, or to fulfill any obligation under this Lease which endangers or threatens life or property, where such failure continues for a period of 3 business days following written notice to Lessee. THE ACCEPTANCE BY LESSOR OF A PARTIAL PAYMENT OF RENT OR SECURITY DEPOSIT SHALL NOT CONSTITUTE A WAIVER OF ANY OF LESSOR'S RIGHTS, INCLUDING LESSOR'S RIGHT TO RECOVER POSSESSION OF THE PREMISES.

(c) The failure of Lessee to allow Lessor and/or its agents access to the Premises or the commission of waste, act or acts constituting public or private nuisance, and/or an illegal activity on the Premises by Lessee, where such actions continue for a period of 3 business days following written notice to Lessee.

(d) The failure by Lessee to provide (i) reasonable written evidence of compliance with Applicable Requirements, (ii) the service contracts, (iii) the resission of an unauthorized assignment or subletting, (iv) an Estoppel Certificate or financial statements, (v) a requested subordination, (vi) evidence concerning any guaranty and/or Guarantor, (vii) any document requested under Paragraph 41, (viii) material data safety sheets (MSDS), or (ix) any other documentation or information which Lessor may reasonably require of Lessee under the terms of this Lease, where any such failure continues for a period of 10 days following written notice to Lessee.

(e) A Default by Lessee as to the terms, covenants, conditions or provisions of this Lease, or of the rules adopted under Paragraph 2.9 hereof, other than those described in subparagraphs 13.1(a), (b) or (c), above, where such Default continues for a period of 30 days after written notice; provided, however, that if the nature of Lessee's Default is such that more than 30 days are reasonably required for its cure, then it shall not be deemed to be a Breach if Lessee commences such cure within said 30 day period and thereafter diligently prosecutes such cure to completion.

(f) The occurrence of any of the following events: (i) the making of any general arrangement or assignment for the benefit of creditors; (ii) becoming a "debtor" as defined in 11 U.S.C. § 101 or any successor statute thereto (unless, in the case of a petition filed against Lessee, the same is dismissed within 60 days); (iii) the appointment of a trustee or receiver to take possession of substantially all of Lessee's assets located at the Premises or of Lessee's Interest in this Lease, where possession is not restored to Lessee within 30 days; or (iv) the attachment, execution or other judicial seizure of substantially all of Lessee's assets located at the Premises or of Lessee's Interest in this Lease, where such seizure is not discharged within 30 days; provided, however, in the event that any provision of this subparagraph is contrary to any applicable law, such provision shall be of no force or effect, and not affect the validity of the remaining provisions.

(g) The discovery that any financial statement of Lessee or of any Guarantor given to Lessor was materially false.

(h) If the performance of Lessee's obligations under this Lease is guaranteed: (i) the death of a Guarantor, (ii) the termination of a Guarantor's liability with respect to this Lease other than in accordance with the terms of such guaranty, (iii) a Guarantor's becoming insolvent or the subject of a bankruptcy filing, (iv) a Guarantor's refusal to honor the guaranty, or (v) a Guarantor's breach of its guaranty obligation on an anticipatory basis, and Lessee's failure, within 60 days following written notice of any such event, to provide written alternative assurance or security, which, when coupled with the then existing resources of Lessee, equals or exceeds the combined financial resources of Lessee and the Guarantors that existed at the time of execution of this Lease.

13.2 Remedies. If Lessee fails to perform any of its affirmative duties or obligations, within 10 days after written notice (or in case of an emergency, without notice), Lessor may, at its option, perform such duty or obligation on Lessee's behalf, including but not limited to the obtaining of reasonably required bonds, insurance policies, or governmental licenses, permits or approvals. Lessee shall pay to Lessor an amount equal to 115% of the costs and expenses incurred by Lessor in such performance upon receipt of an invoice therefor. In the event of a Breach, Lessor may, with or without further notice or demand, and without limiting Lessor in the exercise of any right or remedy which Lessor may have by reason of such Breach:

(a) Terminate Lessee's right to possession of the Premises by any lawful means, in which case this Lease shall terminate and Lessee shall immediately surrender possession to Lessor. In such event Lessor shall be entitled to recover from Lessee: (i) the unpaid Rent which had been earned at the time of termination; (ii) the worth at the time of award of the amount by which the unpaid rent which would have been earned after termination until the time of award exceeds the amount of such rental loss that the Lessee proves could have been reasonably avoided; (iii) the worth at the time of award of the amount by which the unpaid rent for the balance of the term after the time of award exceeds the amount of such rental loss that the Lessee proves could be reasonably avoided; and (iv) any other amount necessary to compensate Lessor for all the detriment proximately caused by the Lessee'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 the cost of recovering possession of the Premises, expenses of reletting, including necessary renovation and alteration of the Premises, reasonable attorneys' fees, and that portion of any leasing commission paid by Lessor in connection with this Lease applicable to the unexpired term of this Lease. The worth at the time of award of the amount referred to in provision (iii) of the immediately preceding sentence shall be computed by discounting such amount at the discount rate of the Federal Reserve Bank of the District within which the Premises are located at the time of award plus one percent. Efforts by Lessor to mitigate damages caused by Lessee's Breach of this Lease shall not waive Lessor's right to recover damages under Paragraph 12. If termination of this Lease is obtained through the provisional remedy of unlawful detainer, Lessor shall have the right to recover in such proceeding any unpaid Rent and damages as are recoverable therein, or Lessor may reserve the right to recover all or any part thereof in a separate suit. If a notice and grace period required under Paragraph 13.1 was not previously given, a notice to pay rent or quit, or to perform or quit given to Lessee under the unlawful detainer statute shall also constitute the notice required by Paragraph 13.1. In such case, the applicable grace period required by Paragraph 13.1 and the unlawful detainer statute shall run concurrently, and the failure of Lessee to cure the Default within the greater of the two such grace periods shall constitute both an unlawful detainer and a Breach of this Lease entitling Lessor to the remedies provided for in this Lease and/or by said statute.

(b) Continue the Lease and Lessee's right to possession and recover the Rent as it becomes due, in which event Lessee may sublet or assign, subject only to reasonable limitations. Acts of maintenance, efforts to relet, and/or the appointment of a receiver to protect the Lessor's interests, shall not constitute a termination of the Lessee's right to possession.

(c) Pursue any other remedy now or hereafter available under the laws or judicial decisions of the state wherein the Premises are located. The expiration or termination of this Lease and/or the termination of Lessee's right to possession shall not relieve Lessee from liability under any indemnity provisions of this Lease as to matters occurring or accruing during the term hereof or by reason of Lessee's occupancy of the Premises.

13.3 Inducement Recapture. Any agreement for free or abated rent or other charges, or for the giving or paying by Lessor to or for Lessee of any cash or other bonus, inducement or consideration for Lessee's entering into this Lease, all of which concessions are hereinafter referred to as "Inducement Provisions", shall be deemed conditioned upon Lessee's full and faithful performance of all of the terms, covenants and conditions of this Lease. Upon Breach of this Lease by Lessee, any such Inducement Provision shall automatically be deemed deleted from this Lease and of no further force or effect, and any rent, other charge, bonus, inducement or consideration theretofore abated, given or paid by Lessor under such an Inducement Provision shall be immediately due and payable by Lessee to Lessor, notwithstanding any subsequent cure of said Breach by Lessee. The acceptance by Lessor of rent or the cure of the Breach which initiated the operation of this paragraph shall not be deemed a waiver by Lessor of the provisions of this paragraph unless specifically so stated in writing by Lessor at the time of such acceptance.

13.4 Late Charges. Lessee hereby acknowledges that late payment by Lessee of Rent will cause Lessor to incur costs not contemplated by this Lease, the exact amount of which will be extremely difficult to ascertain. Such costs include, but are not limited to, processing and accounting charges, and late charges which may be imposed upon Lessor by any Lender. Accordingly, if any Rent shall not be received by Lessor within 5 days after such amount shall be due, then, without any requirement for notice to Lessee, Lessee shall immediately pay to Lessor a one-time late charge equal to 10% of each such overdue amount or \$100, whichever is greater. The parties hereby agree that such late charge represents a fair and reasonable estimate of the costs Lessor will incur by reason of such late payment. Acceptance of such late charge by Lessor shall in no event constitute a waiver of Lessee's Default or Breach with respect to such overdue amount, nor prevent the exercise of any of the other rights and remedies granted hereunder. In the event that a late charge is payable hereunder, whether or not collected, for 3 consecutive installments of Base Rent, then notwithstanding any provision of this Lease to the contrary, Base Rent shall, at Lessor's option, become due and payable quarterly in advance.

13.5 Interest. Any monetary payment due Lessor hereunder, other than late charges, not received by Lessor, when due as to scheduled payments (such as Base Rent) or within 30 days following the date on which it was due for nonscheduled payment, shall bear interest from the date when due, as to scheduled payments, or the 31st day after it was due as to nonscheduled payments. The Interest ("Interest") charged shall be computed at the rate of 10% per annum but shall not exceed the maximum rate allowed by law. Interest is payable in addition to the potential late

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charge provided for in Paragraph 13.4.

13.6 Breach by Lessor.

(a) **Notice of Breach.** Lessor shall not be deemed in breach of this Lease unless Lessor fails within a reasonable time to perform an obligation required to be performed by Lessor. For purposes of this Paragraph, a reasonable time shall in no event be less than 30 days after receipt by Lessor, and any Lender whose name and address shall have been furnished Lessee in writing for such purpose, of written notice specifying wherein such obligation of Lessor has not been performed; provided, however, that if the nature of Lessor's obligation is such that more than 30 days are reasonably required for its performance, then Lessor shall not be in breach if performance is commenced within such 30 day period and thereafter diligently pursued to completion.

(b) **Performance by Lessee on Behalf of Lessor.** In the event that neither Lessor nor Lender cures said breach within 30 days after receipt of said notice, or if having commenced said cure they do not diligently pursue it to completion, then Lessee may elect to cure said breach at Lessee's expense and offset from Rent the actual and reasonable cost to perform such cure, provided however, that such offset shall not exceed an amount equal to the greater of one month's Base Rent or the Security Deposit, reserving Lessee's right to seek reimbursement from Lessor for any such expense in excess of such offset. Lessee shall document the cost of said cure and supply said documentation to Lessor.

14. Condemnation. If the Premises or any portion thereof are taken under the power of eminent domain or sold under the threat of the exercise of said power (collectively "Condemnation"), this Lease shall terminate as to the part taken as of the date the condemning authority takes title or possession, whichever first occurs. If more than 10% of the rentable floor area of the Premises, or more than 25% of Lessee's Reserved Parking Spaces, if any, are taken by Condemnation, Lessee may, at Lessee's option, to be exercised in writing within 10 days after Lessor shall have given Lessee written notice of such taking (or in the absence of such notice, within 10 days after the condemning authority shall have taken possession) terminate this Lease as of the date the condemning authority takes such possession. If Lessee does not terminate this Lease in accordance with the foregoing, this Lease shall remain in full force and effect as to the portion of the Premises remaining, except that the Base Rent shall be reduced in proportion to the reduction in utility of the Premises caused by such Condemnation. Condemnation awards and/or payments shall be the property of Lessor, whether such award shall be made as compensation for diminution in value of the leasehold, the value of the part taken, or for severance damages; provided, however, that Lessee shall be entitled to any compensation paid by the condemnor for Lessee's relocation expenses, loss of business goodwill and/or Trade Fixtures, without regard to whether or not this Lease is terminated pursuant to the provisions of this Paragraph. All Alterations and Utility Installations made to the Premises by Lessee, for purposes of Condemnation only, shall be considered the property of the Lessee and Lessee shall be entitled to any and all compensation which is payable therefor. In the event that this Lease is not terminated by reason of the Condemnation, Lessor shall repair any damage to the Premises caused by such Condemnation.

15. Brokerage Fees.

15.1 Additional Commission. If a separate brokerage fee agreement is attached then in addition to the payments owed pursuant to Paragraph 1.10 above, and unless Lessor and the Brokers otherwise agree in writing, Lessor agrees that: (a) if Lessee exercises any Option, (b) if Lessee or anyone affiliated with Lessee acquires from Lessor any rights to the Premises or other premises owned by Lessor and located within the Project, (c) if Lessee remains in possession of the Premises, with the consent of Lessor, after the expiration of this Lease, or (d) if Base Rent is increased, whether by agreement or operation of an escalation clause herein, then, Lessor shall pay Brokers a fee in accordance with the schedule attached to such brokerage fee agreement.

15.2 Assumption of Obligations. Any buyer or transferee of Lessor's interest in this Lease shall be deemed to have assumed Lessor's obligation hereunder. Brokers shall be third party beneficiaries of the provisions of Paragraphs 1.10, 15, 22 and 31. If Lessor fails to pay to Brokers any amounts due as and for brokerage fees pertaining to this Lease when due, then such amounts shall accrue interest. In addition, if Lessor fails to pay any amounts to Lessee's Broker when due, Lessee's Broker may send written notice to Lessor and Lessee of such failure and if Lessor fails to pay such amounts within 10 days after said notice, Lessee shall pay said monies to its Broker and offset such amounts against Rent. In addition, Lessee's Broker shall be deemed to be a third party beneficiary of any commission agreement entered into by and/or between Lessor and Lessor's Broker for the limited purpose of collecting any brokerage fee owed.

15.3 Representations and Indemnities of Broker Relationships. Lessee and Lessor each represent and warrant to the other that it has had no dealings with any person, firm, broker or finder (other than the Brokers, if any) in connection with this Lease, and that no one other than said named Brokers is entitled to any commission or finder's fee in connection herewith. Lessee and Lessor do each hereby agree to indemnify, protect, defend and hold the other harmless from and against liability for compensation or charges which may be claimed by any such unnamed broker, finder or other similar party by reason of any dealings or actions of the indemnifying party, including any costs, expenses, attorneys' fees reasonably incurred with respect thereto.

16. Estoppel Certificates.

(a) Each Party (as "Responding Party") shall within 10 days after written notice from the other Party (the "Requesting Party") execute, acknowledge and deliver to the Requesting Party a statement in writing in form similar to the then most current "Estoppel Certificate" form published by the AIR Commercial Real Estate Association, plus such additional information, confirmation and/or statements as may be reasonably requested by the Requesting Party.

(b) If the Responding Party shall fail to execute or deliver the Estoppel Certificate within such 10 day period, the Requesting Party may execute an Estoppel Certificate stating that: (i) the Lease is in full force and effect without modification except as may be represented by the Requesting Party, (ii) there are no uncured defaults in the Requesting Party's performance, and (iii) if Lessor is the Requesting Party, not more than one month's rent has been paid in advance. Prospective purchasers and encumbrancers may rely upon the Requesting Party's Estoppel Certificate, and the Responding Party shall be estopped from denying the truth of the facts contained in said Certificate.

(c) If Lessor desires to finance, refinance, or sell the Premises, or any part thereof, Lessee and all Guarantors shall within 10 days after written notice from Lessor deliver to any potential lender or purchaser designated by Lessor such financial statements as may be reasonably required by such lender or purchaser, including but not limited to Lessee's financial statements for the past 3 years. All such financial statements shall be received by Lessor and such lender or purchaser in confidence and shall be used only for the purposes herein set forth.

17. Definition of Lessor. The term "Lessor" as used herein shall mean the owner or owners at the time in question of the fee title to the Premises, or, if this is a sublease, of the Lessee's interest in the prior lease. In the event of a transfer of Lessor's title or interest in the Premises or this Lease, Lessor shall deliver to the transferee or assignee (in cash or by credit) any unused Security Deposit held by Lessor. Upon such transfer or assignment and delivery of the Security Deposit, as aforesaid, the prior Lessor shall be relieved of all liability with respect to the obligations and/or covenants under this Lease thereafter to be performed by the Lessor. Subject to the foregoing, the obligations and/or covenants in this Lease to be performed by the Lessor shall be binding only upon the Lessor as hereinabove defined.

18. Severability. The invalidity of any provision of this Lease, as determined by a court of competent jurisdiction, shall in no way affect the validity of any other provision hereof.

19. Days. Unless otherwise specifically indicated to the contrary, the word "days" as used in this Lease shall mean and refer to calendar days.

20. Limitation on Liability. The obligations of Lessor under this Lease shall not constitute personal obligations of Lessor or its partners, members, directors, officers or shareholders, and Lessee shall look to the Project, and to no other assets of Lessor, for the satisfaction of any liability of Lessor with respect to this Lease, and shall not seek recourse against Lessor's partners, members, directors, officers or shareholders, or any of their personal assets for such satisfaction.

21. Time of Essence. Time is of the essence with respect to the performance of all obligations to be performed or observed by the Parties under this Lease.

22. No Prior or Other Agreements; Broker Disclaimer. This Lease contains all agreements between the Parties with respect to any matter mentioned herein, and no other prior or contemporaneous agreement or understanding shall be effective. Lessor and Lessee each represents and warrants to the Brokers that it has made, and is relying solely upon, its own investigation as to the nature, quality, character and financial responsibility of the other Party to this Lease and as to the use, nature, quality and character of the Premises. Brokers have no responsibility with respect thereto or with respect to any default or breach hereof by either Party.

23. Notices.

23.1 Notice Requirements. All notices required or permitted by this Lease or applicable law shall be in writing and may be delivered in person (by hand or by courier) or may be sent by regular, certified or registered mail or U.S. Postal Service Express Mail, with postage prepaid, or by facsimile transmission, and shall be deemed sufficiently given if served in a manner specified in this Paragraph 23. The addresses noted adjacent to a Party's signature on this Lease shall be that Party's address for delivery or mailing of notices. Either Party may by written notice to the other specify a different address for notice, except that upon Lessee's taking possession of the Premises, the Premises shall constitute Lessee's address for notice. A copy of all notices to Lessor shall be concurrently transmitted to such party or parties at such addresses as Lessor may from time to time hereafter designate in writing.

23.2 Date of Notice. Any notice sent by registered or certified mail, return receipt requested, shall be deemed given on the date of delivery shown on the receipt card, or if no delivery date is shown, the postmark thereon. If sent by regular mail the notice shall be deemed given 72 hours after the same is addressed as required herein and mailed with postage prepaid. Notices delivered by United States Express Mail or overnight courier that guarantees next day delivery shall be deemed given 24 hours after delivery of the same to the Postal Service or courier. Notices transmitted by facsimile transmission or similar means shall be deemed delivered upon telephone confirmation of receipt (confirmation report from fax machine is

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sufficient), provided a copy is also delivered via delivery or mail. If notice is received on a Saturday, Sunday or legal holiday, it shall be deemed received on the next business day.

24. **Waivers.**

(a) No waiver by Lessor of the Default or Breach of any term, covenant or condition hereof by Lessee, shall be deemed a waiver of any other term, covenant or condition hereof, or of any subsequent Default or Breach by Lessee of the same or of any other term, covenant or condition hereof. Lessor's consent to, or approval of, any act shall not be deemed to render unnecessary the obtaining of Lessor's consent to, or approval of, any subsequent or similar act by Lessee, or be construed as the basis of an estoppel to enforce the provision or provisions of this Lease requiring such consent.

(b) The acceptance of Rent by Lessor shall not be a waiver of any Default or Breach by Lessee. Any payment by Lessee may be accepted by Lessor on account of moneys or damages due Lessor, notwithstanding any qualifying statements or conditions made by Lessee in connection therewith, which such statements and/or conditions shall be of no force or effect whatsoever unless specifically agreed to in writing by Lessor at or before the time of deposit of such payment.

(c) **THE PARTIES AGREE THAT THE TERMS OF THIS LEASE SHALL GOVERN WITH REGARD TO ALL MATTERS RELATED THERETO AND HEREBY WAIVE THE PROVISIONS OF ANY PRESENT OR FUTURE STATUTE TO THE EXTENT THAT SUCH STATUTE IS INCONSISTENT WITH THIS LEASE.**

25. **Disclosures Regarding The Nature of a Real Estate Agency Relationship.**

(a) When entering into a discussion with a real estate agent regarding a real estate transaction, a Lessor or Lessee should from the outset understand what type of agency relationship or representation it has with the agent or agents in the transaction. Lessor and Lessee acknowledge being advised by the Brokers in this transaction, as follows:

(i) **Lessor's Agent.** A Lessor's agent under a listing agreement with the Lessor acts as the agent for the Lessor only. A Lessor's agent or subagent has the following affirmative obligations: **To the Lessor:** A fiduciary duty of utmost care, integrity, honesty, and loyalty in dealings with the Lessor. **To the Lessee and the Lessor:** a. Diligent exercise of reasonable skills and care in performance of the agent's duties. b. A duty of honest and fair dealing and good faith. c. A duty to disclose all facts known to the agent materially affecting the value or desirability of the property that are not known to, or within the diligent attention and observation of, the Parties. An agent is not obligated to reveal to either Party any confidential information obtained from the other Party which does not involve the affirmative duties set forth above.

(ii) **Lessee's Agent.** An agent can agree to act as agent for the Lessee only. In these situations, the agent is not the Lessor's agent, even if by agreement the agent may receive compensation for services rendered, either in full or in part from the Lessor. An agent acting only for a Lessee has the following affirmative obligations. **To the Lessee:** A fiduciary duty of utmost care, integrity, honesty, and loyalty in dealings with the Lessee. **To the Lessee and the Lessor:** a. Diligent exercise of reasonable skills and care in performance of the agent's duties. b. A duty of honest and fair dealing and good faith. c. A duty to disclose all facts known to the agent materially affecting the value or desirability of the property that are not known to, or within the diligent attention and observation of, the Parties. An agent is not obligated to reveal to either Party any confidential information obtained from the other Party which does not involve the affirmative duties set forth above.

(iii) **Agent Representing Both Lessor and Lessee.** A real estate agent, either acting directly or through one or more associate licensees, can legally be the agent of both the Lessor and the Lessee in a transaction, but only with the knowledge and consent of both the Lessor and the Lessee. In a dual agency situation, the agent has the following affirmative obligations to both the Lessor and the Lessee: a. A fiduciary duty of utmost care, integrity, honesty and loyalty in the dealings with either Lessor or the Lessee. b. Other duties to the Lessor and the Lessee as stated above in subparagraphs (i) or (ii). In representing both Lessor and Lessee, the agent may not without the express permission of the respective Party, disclose to the other Party that the Lessor will accept rent in an amount less than that indicated in the listing or that the Lessee is willing to pay a higher rent than that offered. The above duties of the agent in a real estate transaction do not relieve a Lessor or Lessee from the responsibility to protect their own interests. Lessor and Lessee should carefully read all agreements to assure that they adequately express their understanding of the transaction. A real estate agent is a person qualified to advise about real estate. If legal or tax advice is desired, consult a competent professional.

(b) Brokers have no responsibility with respect to any default or breach hereof by either Party. The Parties agree that no lawsuit or other legal proceeding involving any breach of duty, error or omission relating to this Lease may be brought against Broker more than one year after the Start Date and that the liability (including court costs and attorneys' fees), of any Broker with respect to any such lawsuit and/or legal proceeding shall not exceed the fee received by such Broker pursuant to this Lease; provided, however, that the foregoing limitation on each Broker's liability shall not be applicable to any gross negligence or willful misconduct of such Broker.

(c) Lessor and Lessee agree to identify to Brokers as "Confidential" any communication or information given Brokers that is considered by such Party to be confidential.

26. **No Right to Holdover.** Lessee has no right to retain possession of the Premises or any part thereof beyond the expiration or termination of this Lease. In the event that Lessee holds over, then the Base Rent shall be increased to 150% of the Base Rent applicable immediately preceding the expiration or termination. Nothing contained herein shall be construed as consent by Lessor to any holding over by Lessee.

27. **Cumulative Remedies.** No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law or in equity.

28. **Covenants and Conditions; Construction of Agreement.** All provisions of this Lease to be observed or performed by Lessee are both covenants and conditions. In construing this Lease, all headings and titles are for the convenience of the Parties only and shall not be considered a part of this Lease. Whenever required by the context, the singular shall include the plural and vice versa. This Lease shall not be construed as if prepared by one of the Parties, but rather according to its fair meaning as a whole, as if both Parties had prepared it.

29. **Binding Effect; Choice of Law.** This Lease shall be binding upon the Parties, their personal representatives, successors and assigns and be governed by the laws of the State in which the Premises are located. Any litigation between the Parties hereto concerning this Lease shall be initiated in the county in which the Premises are located.

30. **Subordination; Attornment; Non-Disturbance.**

30.1 **Subordination.** This Lease and any Option granted hereby shall be subject and subordinate to any ground lease, mortgage, deed of trust, or other hypothecation or security device (collectively, "**Security Device**"), now or hereafter placed upon the Premises, to any and all advances made on the security thereof, and to all renewals, modifications, and extensions thereof. Lessee agrees that the holders of any such Security Devices (in this Lease together referred to as "**Lender**") shall have no liability or obligation to perform any of the obligations of Lessor under this Lease. Any Lender may elect to have this Lease and/or any Option granted hereby superior to the lien of its Security Device by giving written notice thereof to Lessee, whereupon this Lease and such Options shall be deemed prior to such Security Device, notwithstanding the relative dates of the documentation or recordation thereof.

30.2 **Attornment.** In the event that Lessor transfers title to the Premises, or the Premises are acquired by another upon the foreclosure or termination of a Security Device to which this Lease is subordinated (i) Lessee shall, subject to the non-disturbance provisions of Paragraph 30.3, attorn to such new owner, and upon request, enter into a new lease, containing all of the terms and provisions of this Lease, with such new owner for the remainder of the term hereof, or, at the election of the new owner, this Lease will automatically become a new lease between Lessee and such new owner, and (ii) Lessor shall thereafter be relieved of any further obligations hereunder and such new owner shall assume all of Lessor's obligations, except that such new owner shall not: (a) be liable for any act or omission of any prior lessor or with respect to events occurring prior to acquisition of ownership; (b) be subject to any offsets or defenses which Lessee might have against any prior lessor, (c) be bound by prepayment of more than one month's rent, or (d) be liable for the return of any security deposit paid to any prior lessor which was not paid or credited to such new owner.

30.3 **Non-Disturbance.** With respect to Security Devices entered into by Lessor after the execution of this Lease, Lessee's subordination of this Lease shall be subject to receiving a commercially reasonable non-disturbance agreement (a "**Non-Disturbance Agreement**") from the Lender which Non-Disturbance Agreement provides that Lessee's possession of the Premises, and this Lease, including any options to extend the term hereof, will not be disturbed so long as Lessee is not in Breach hereof and attorns to the record owner of the Premises. Further, within 60 days after the execution of this Lease, Lessor shall, if requested by Lessee, use its commercially reasonable efforts to obtain a Non-Disturbance Agreement from the holder of any pre-existing Security Device which is secured by the Premises. In the event that Lessor is unable to provide the Non-Disturbance Agreement within said 60 days, then Lessee may, at Lessee's option, directly contact Lender and attempt to negotiate for the execution and delivery of a Non-Disturbance Agreement.

30.4 **Self-Executing.** The agreements contained in this Paragraph 30 shall be effective without the execution of any further documents; provided, however, that, upon written request from Lessor or a Lender in connection with a sale, financing or refinancing of the Premises, Lessee and Lessor shall execute such further writings as may be reasonably required to separately document any subordination, attornment and/or Non-Disturbance Agreement provided for herein.

31. **Attorneys' Fees.** If any Party or Broker brings an action or proceeding involving the Premises whether founded in tort, contract or equity, or to declare rights hereunder, the Prevailing Party (as hereafter defined) in any such proceeding, action, or appeal thereon, shall be entitled to reasonable attorneys' fees. Such fees may be awarded in the same suit or recovered in a separate suit, whether or not such action or proceeding is pursued to decision or judgment. The term, "**Prevailing Party**" shall include, without limitation, a Party or Broker who substantially obtains or defeats the relief sought, as the case may be, whether by compromise, settlement, judgment, or the abandonment by the other Party or Broker of its claim or defense. The attorneys' fees award shall not be computed in accordance with any court fee schedule, but shall be such as to fully reimburse all attorneys' fees

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reasonably incurred. In addition, Lessor shall be entitled to attorneys' fees, costs and expenses incurred in the preparation and service of notices of Default and consultations in connection therewith, whether or not a legal action is subsequently commenced in connection with such Default or resulting Breach (\$200 is a reasonable minimum per occurrence for such services and consultation).

32. **Lessor's Access; Showing Premises; Repairs.** Lessor and Lessor's agents shall have the right to enter the Premises at any time, in the case of an emergency, and otherwise at reasonable times after reasonable prior notice for the purpose of showing the same to prospective purchasers, lenders, or tenants, and making such alterations, repairs, improvements or additions to the Premises as Lessor may deem necessary or desirable and the erecting, using and maintaining of utilities, services, pipes and conduits through the Premises and/or other premises as long as there is no material adverse effect on Lessee's use of the Premises. All such activities shall be without abatement of rent or liability to Lessee.

33. **Auctions.** Lessee shall not conduct, nor permit to be conducted, any auction upon the Premises without Lessor's prior written consent. Lessor shall not be obligated to exercise any standard of reasonableness in determining whether to permit an auction.

34. **Signs.** Lessor may place on the Premises ordinary "For Sale" signs at any time and ordinary "For Lease" signs during the last 6 months of the term hereof. Lessor may not place any sign on the exterior of the Building that covers any of the windows of the Premises. Except for ordinary "For Sublease" signs which may be placed only on the Premises, Lessee shall not place any sign upon the Project without Lessor's prior written consent. All signs must comply with all Applicable Requirements.

35. **Termination; Merger.** Unless specifically stated otherwise in writing by Lessor, the voluntary or other surrender of this Lease by Lessee, the mutual termination or cancellation hereof, or a termination hereof by Lessor for Breach by Lessee, shall automatically terminate any sublease or lesser estate in the Premises; provided, however, that Lessor may elect to continue any one or all existing subtenancies. Lessor's failure within 10 days following any such event to elect to the contrary by written notice to the holder of any such lesser interest, shall constitute Lessor's election to have such event constitute the termination of such interest.

36. **Consents.** Except as otherwise provided herein, wherever in this Lease the consent of a Party is required to an act by or for the other Party, such consent shall not be unreasonably withheld or delayed. Lessor's actual reasonable costs and expenses (including but not limited to architects', attorneys', engineers' and other consultants' fees) incurred in the consideration of, or response to, a request by Lessee for any Lessor consent, including but not limited to consents to an assignment, a subletting or the presence or use of a Hazardous Substance, shall be paid by Lessee upon receipt of an invoice and supporting documentation therefor. Lessor's consent to any act, assignment or subletting shall not constitute an acknowledgment that no Default or Breach by Lessee of this Lease exists, nor shall such consent be deemed a waiver of any then existing Default or Breach, except as may be otherwise specifically stated in writing by Lessor at the time of such consent. The failure to specify herein any particular condition to Lessor's consent shall not preclude the imposition by Lessor at the time of consent of such further or other conditions as are then reasonable with reference to the particular matter for which consent is being given. In the event that either Party disagrees with any determination made by the other hereunder and reasonably requests the reasons for such determination, the determining party shall furnish its reasons in writing and in reasonable detail within 10 business days following such request.

37. **Guarantor.**

37.1 **Execution.** The Guarantors, if any, shall each execute a guaranty in the form most recently published by the AIR Commercial Real Estate Association.

37.2 **Default.** It shall constitute a Default of the Lessee if any Guarantor fails or refuses, upon request to provide: (a) evidence of the execution of the guaranty, including the authority of the party signing on Guarantor's behalf to obligate Guarantor, and in the case of a corporate Guarantor, a certified copy of a resolution of its board of directors authorizing the making of such guaranty, (b) current financial statements, (c) an Estoppel Certificate, or (d) written confirmation that the guaranty is still in effect.

38. **Quiet Possession.** Subject to payment by Lessee of the Rent and performance of all of the covenants, conditions and provisions on Lessee's part to be observed and performed under this Lease, Lessee shall have quiet possession and quiet enjoyment of the Premises during the term hereof.

39. **Options.** If Lessee is granted an Option, as defined below, then the following provisions shall apply.

39.1 **Definition.** "Option" shall mean: (a) the right to extend or reduce the term of or renew this Lease or to extend or reduce the term of or renew any lease that Lessee has on other property of Lessor; (b) the right of first refusal or first offer to lease either the Premises or other property of Lessor; (c) the right to purchase, the right of first offer to purchase or the right of first refusal to purchase the Premises or other property of Lessor.

39.2 **Options Personal To Original Lessee.** Any Option granted to Lessee in this Lease is personal to the original Lessee, and cannot be assigned or exercised by anyone other than said original Lessee and only while the original Lessee is in full possession of the Premises and, if requested by Lessor, with Lessee certifying that Lessee has no intention of thereafter assigning or subletting.

39.3 **Multiple Options.** In the event that Lessee has any multiple Options to extend or renew this Lease, a later Option cannot be exercised unless the prior Options have been validly exercised.

39.4 **Effect of Default on Options.**

(a) Lessee shall have no right to exercise an Option: (i) during the period commencing with the giving of any notice of Default and continuing until said Default is cured, (ii) during the period of time any Rent is unpaid (without regard to whether notice thereof is given Lessee), (iii) during the time Lessee is in Breach of this Lease, or (iv) in the event that Lessee has been given 3 or more notices of separate Default, whether or not the Defaults are cured, during the 12 month period immediately preceding the exercise of the Option.

(b) The period of time within which an Option may be exercised shall not be extended or enlarged by reason of Lessee's inability to exercise an Option because of the provisions of Paragraph 39.4(a).

(c) An Option shall terminate and be of no further force or effect, notwithstanding Lessee's due and timely exercise of the Option, if, after such exercise and prior to the commencement of the extended term or completion of the purchase, (i) Lessee fails to pay Rent for a period of 30 days after such Rent becomes due (without any necessity of Lessor to give notice thereof), or (ii) if Lessee commits a Breach of this Lease.

40. **Security Measures.** Lessee hereby acknowledges that the Rent payable to Lessor hereunder does not include the cost of guard service or other security measures, and that Lessor shall have no obligation whatsoever to provide same. Lessee assumes all responsibility for the protection of the Premises, Lessee, its agents and invitees and their property from the acts of third parties. In the event, however, that Lessor should elect to provide security services, then the cost thereof shall be an Operating Expense.

41. **Reservations.**

(a) Lessor reserves the right: (i) to grant, without the consent or joinder of Lessee, such easements, rights and dedications that Lessor deems necessary, (ii) to cause the recordation of parcel maps and restrictions, (iii) to create and/or install new utility raceways, so long as such easements, rights, dedications, maps, restrictions, and utility raceways do not unreasonably interfere with the use of the Premises by Lessee. Lessor may also: change the name, address or title of the Building or Project upon at least 90 days prior written notice; provide and install, at Lessee's expense, Building standard graphics on the door of the Premises and such portions of the Common Areas as Lessor shall reasonably deem appropriate; grant to any lessee the exclusive right to conduct any business as long as such exclusive right does not conflict with any rights expressly given herein; and to place such signs, notices or displays as Lessor reasonably deems necessary or advisable upon the roof, exterior of the Building or the Project or on signs in the Common Areas. Lessee agrees to sign any documents reasonably requested by Lessor to effectuate such rights. The obstruction of Lessee's view, air, or light by any structure erected in the vicinity of the Building, whether by Lessor or third parties, shall in no way affect this Lease or impose any liability upon Lessor.

(b) Lessor also reserves the right to move Lessee to other space of comparable size in the Building or Project. Lessor must provide at least 45 days prior written notice of such move, and the new space must contain improvements of comparable quality to those contained within the Premises. Lessor shall pay the reasonable out of pocket costs that Lessee incurs with regard to such relocation, including the expenses of moving and necessary stationary revision costs. In no event, however, shall Lessor be required to pay an amount in excess of two months Base Rent. Lessee may not be relocated more than once during the term of this Lease.

(c) Lessee shall not: (i) use a representation (photographic or otherwise) of the Building or Project or their name(s) in connection with Lessee's business; or (ii) suffer or permit anyone, except in emergency, to go upon the roof of the Building.

42. **Performance Under Protest.** If at any time a dispute shall arise as to any amount or sum of money to be paid by one Party to the other under the provisions hereof, the Party against whom the obligation to pay the money is asserted shall have the right to make payment "under protest" and such payment shall not be regarded as a voluntary payment and there shall survive the right on the part of said Party to institute suit for recovery of such sum. If it shall be adjudged that there was no legal obligation on the part of said Party to pay such sum or any part thereof, said Party shall be entitled to recover such sum or so much thereof as it was not legally required to pay. A Party who does not initiate suit for the recovery of sums paid "under protest" within 6 months shall be deemed to have waived its right to protest such payment.

43. **Authority; Multiple Parties; Execution**

(a) If either Party hereto is a corporation, trust, limited liability company, partnership, or similar entity, each individual executing this Lease on behalf of such entity represents and warrants that he or she is duly authorized to execute and deliver this Lease on its behalf. Each Party shall, within 30 days after request, deliver to the other Party satisfactory evidence of such authority.

(b) If this Lease is executed by more than one person or entity as "Lessee", each such person or entity shall be jointly and severally liable hereunder. It is agreed that any one of the named Lessees shall be empowered to execute any amendment to this Lease, or other document ancillary thereto and bind all of the named Lessees, and Lessor may rely on the same as if all of the named Lessees had executed such

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document.

(c) This Lease may be executed by the Parties in counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

44. **Conflict.** Any conflict between the printed provisions of this Lease and the typewritten or handwritten provisions shall be controlled by the typewritten or handwritten provisions.

45. **Offer.** Preparation of this Lease by either party or their agent and submission of same to the other Party shall not be deemed an offer to lease to the other Party. This Lease is not intended to be binding until executed and delivered by all Parties hereto.

46. **Amendments.** This Lease may be modified only in writing, signed by the Parties in interest at the time of the modification. As long as they do not materially change Lessee's obligations hereunder, Lessee agrees to make such reasonable nonmonetary modifications to this Lease as may be reasonably required by a Lender in connection with the obtaining of normal financing or refinancing of the Premises.

47. **Waiver of Jury Trial.** THE PARTIES HEREBY WAIVE THEIR RESPECTIVE RIGHTS TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING INVOLVING THE PROPERTY OR ARISING OUT OF THIS AGREEMENT.

48. **Arbitration of Disputes.** An Addendum requiring the Arbitration of all disputes between the Parties and/or Brokers arising out of this Lease ☐ is ☒ is not attached to this Lease.

49. **Americans with Disabilities Act.** Since compliance with the Americans with Disabilities Act (ADA) is dependent upon Lessee's specific use of the Premises, Lessor makes no warranty or representation as to whether or not the Premises comply with ADA or any similar legislation. In the event that Lessee's use of the Premises requires modifications or additions to the Premises in order to be in ADA compliance, Lessee agrees to make any such necessary modifications and/or additions at Lessee's expense.

LESSOR AND LESSEE HAVE CAREFULLY READ AND REVIEWED THIS LEASE AND EACH TERM AND PROVISION CONTAINED HEREIN, AND BY THE EXECUTION OF THIS LEASE SHOW THEIR INFORMED AND VOLUNTARY CONSENT THERETO. THE PARTIES HEREBY AGREE THAT, AT THE TIME THIS LEASE IS EXECUTED, THE TERMS OF THIS LEASE ARE COMMERCIALY REASONABLE AND EFFECTUATE THE INTENT AND PURPOSE OF LESSOR AND LESSEE WITH RESPECT TO THE PREMISES.

ATTENTION: NO REPRESENTATION OR RECOMMENDATION IS MADE BY THE AIR COMMERCIAL REAL ESTATE ASSOCIATION OR BY ANY BROKER AS TO THE LEGAL SUFFICIENCY, LEGAL EFFECT, OR TAX CONSEQUENCES OF THIS LEASE OR THE TRANSACTION TO WHICH IT RELATES. THE PARTIES ARE URGED TO:

1. SEEK ADVICE OF COUNSEL AS TO THE LEGAL AND TAX CONSEQUENCES OF THIS LEASE.

2. RETAIN APPROPRIATE CONSULTANTS TO REVIEW AND INVESTIGATE THE CONDITION OF THE PREMISES. SAID INVESTIGATION SHOULD INCLUDE BUT NOT BE LIMITED TO: THE POSSIBLE PRESENCE OF HAZARDOUS SUBSTANCES, THE ZONING AND SIZE OF THE PREMISES, THE STRUCTURAL INTEGRITY, THE CONDITION OF THE ROOF AND OPERATING SYSTEMS, COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT AND THE SUITABILITY OF THE PREMISES FOR LESSEE'S INTENDED USE.

WARNING: IF THE PREMISES ARE LOCATED IN A STATE OTHER THAN CALIFORNIA, CERTAIN PROVISIONS OF THE LEASE MAY NEED TO BE REVISED TO COMPLY WITH THE LAWS OF THE STATE IN WHICH THE PREMISES ARE LOCATED.

The parties hereto have executed this Lease at the place and on the dates specified above their respective signatures.

Executed at:

On:

Executed at:

On:

By LESSOR:

279 Arrow, LLC

By:

Name Printed: Alan Kohn

Title: Managing Member

By:

Name Printed:

Title:

Address: 2440 E. 56th Street

Los Angeles, California 90058

Telephone: (323) 583-3366

Facsimile: (323) 583-7601

Email:

Email:

Federal ID No.

By LESSEE:

Southern California Joint Pole Committee, a
California Nonprofit Corporation

By:

Name Printed: Jennie Corella

Title: Manager of Operations

By:

Name Printed:

Title:

Address: 279 E. Arrow Hwy., Suite 104

San Dimas, California 91773

Telephone: (909) 348-6920

Facsimile: (909) 348-5925

Email:

Email:

Federal ID No.

LESSOR'S BROKER:

Lee & Associates@-Ontario

Attn: Todd Launchbaugh, SIOR/Justin Leewood

Address: 3535 Inland Empire Blvd.

Ontario, California 91764

Telephone: (909) 989-7771

Facsimile: (909) 944-8250

Email: tlaunchbaugh@lee-assoc.com/jleewood@lee-assoc.com

Broker/Agent DRE License #: 01059250/01837452

LESSEE'S BROKER:

Carter and Associates

Attn: Shirley Carter

Address: 20955 Pathfinder Road, Suite 100

Diamond Bar, California 91765

Telephone: (909) 762-9172

Facsimile: (909) 860-8470

Email:

Broker/Agent DRE License #: 01011016

NOTICE: These forms are often modified to meet changing requirements of law and industry needs. Always write or call to make sure you are utilizing the most current form: AIR Commercial Real Estate Association, 800 W 6th Street, Suite 800, Los Angeles, CA 90017. Telephone No. (213) 887-8777. Fax No.: (213) 887-8818.

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FORM OFG-9-3/10E

**ADDENDUM TO LEASE
DATED DECEMBER 29, 2011,
FOR THE PROPERTY LOCATED AT
279 E. ARROW HWY., SUITE 104
SAN DIMAS, CALIFORNIA 91773**

50: Rent Increases:

On April 1, 2013 the rent will increase to \$6,750.74 per month.
On April 1, 2014 the rent will increase to \$6,987.01 per month.
On April 1, 2015 the rent will increase to \$7,231.56 per month.
On April 1, 2016 the rent will increase to \$7,484.66 per month.
On April 1, 2017 the rent will increase to \$7,746.62 per month.
On April 1, 2018 the rent will increase to \$8,017.76 per month.

51. Lessor Improvements:

Lessor, at Lessor's sole cost, shall provide the following improvements as shown on Exhibit B and subject to mutual approval of a final floor plan:

- A 40' x 35' conference room with a data conduit and electrical outlet in the floor and the ceiling, and a door to the common hallway
- 6 private offices
- Server/IT room with dedicated A/C unit
- Lunch/break room with 4' lower cabinet and sink
- Storage room
- Paint and carpet throughout the unit in Lessee's choice of one of Lessor's standard colors.
- Window blinds are at Lessee's cost

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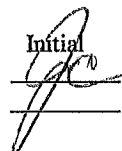
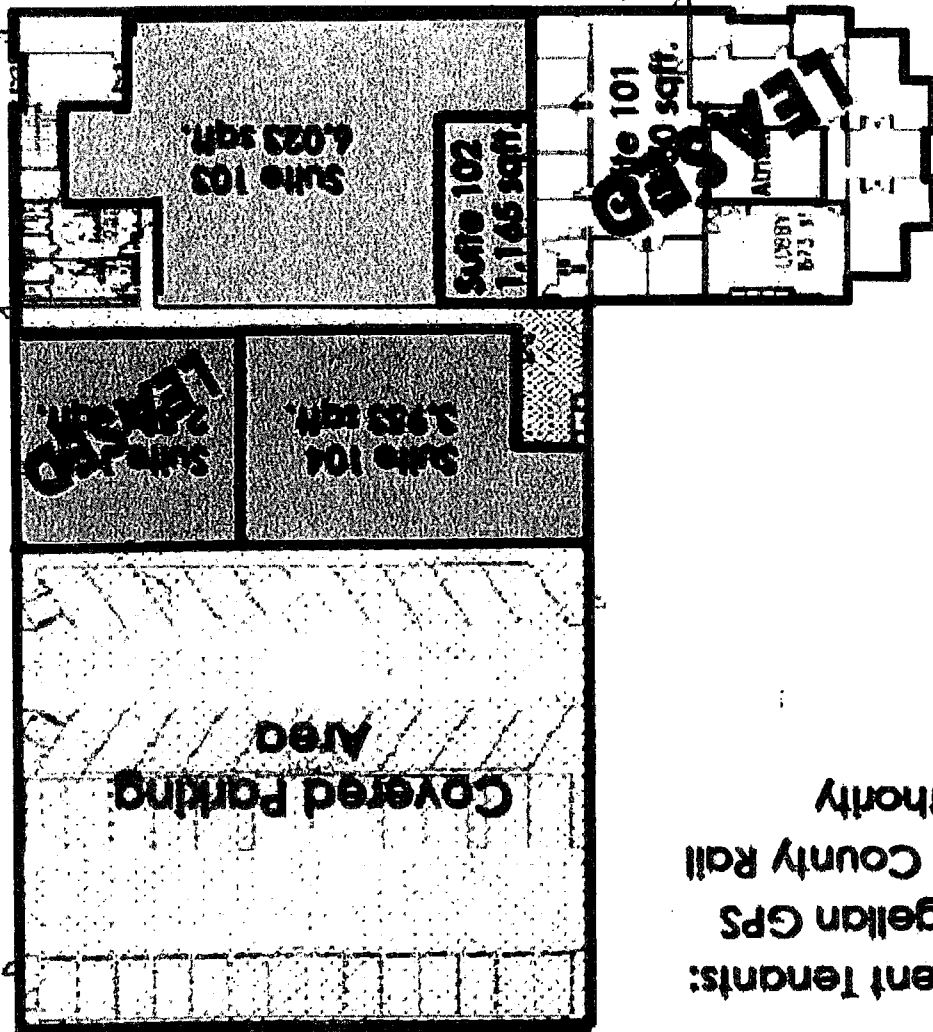

Initial


EXHIBIT "A"

279 E. Arrow Hwy., San Dimas

Current Tenants:
-Magellan GPS
-L.A. County Rail
Authority



For Further Information, Please Contact:

TODD LAUNCHBAUGH
TDLAUNCHBAUGH@LEE-ASSOC.COM
LICENSE #01059250
909-373-2911

Lee & Associates
COMMERCIAL REAL ESTATE SERVICES
Corp. ID #00976995

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[Signature]

Initials
[Signature]



RULES AND REGULATIONS FOR STANDARD OFFICE LEASE

Dated: December 29, 2011

By and Between 279 Arrow, LLC and Southern California Joint Pole Committee, a Nonprofit Corporation

GENERAL RULES

1. Lessee shall not suffer or permit the obstruction of any Common Areas, including driveways, walkways and stairways.
2. Lessor reserves the right to refuse access to any persons Lessor in good faith judges to be a threat to the safety and reputation of the Project and its occupants.
3. Lessee shall not make or permit any noise or odors that annoy or interfere with other lessees or persons having business within the Project.
4. Lessee shall not keep animals or birds within the Project, and shall not bring bicycles, motorcycles or other vehicles into areas not designated as authorized for same.
5. Lessee shall not make, suffer or permit litter except in appropriate receptacles for that purpose.
6. Lessee shall not alter any lock or install new or additional locks or bolts.
7. Lessee shall be responsible for the inappropriate use of any toilet rooms, plumbing or other utilities. No foreign substances of any kind are to be inserted therein.
8. Lessee shall not deface the walls, partitions or other surfaces of the Premises or Project.
9. Lessee shall not suffer or permit anything in or around the Premises or Building that causes excessive vibration or floor loading in any part of the Project.
10. Furniture, significant freight and equipment shall be moved into or out of the building only with the Lessor's knowledge and consent, and subject to such reasonable limitations, techniques and timing, as may be designated by Lessor. Lessee shall be responsible for any damage to the Office Building Project arising from any such activity.
11. Lessee shall not employ any service or contractor for services or work to be performed in the Building, except as approved by Lessor.
12. Lessor reserves the right to close and lock the Building on Saturdays, Sundays and Building Holidays, and on other days between the hours of _____ P.M. and _____ A.M. of the following day. If Lessee uses the Premises during such periods, Lessee shall be responsible for securely locking any doors it may have opened for entry.
13. Lessee shall return all keys at the termination of its tenancy and shall be responsible for the cost of replacing any keys that are lost.
14. No window coverings, shades or awnings shall be installed or used by Lessee.
15. No Lessee, employee or invitee shall go upon the roof of the Building.
16. Lessee shall not suffer or permit smoking or carrying of lighted cigars or cigarettes in areas reasonably designated by Lessor or by applicable governmental agencies as non-smoking areas.
17. Lessee shall not use any method of heating or air conditioning other than as provided by Lessor.
18. Lessee shall not install, maintain or operate any vending machines upon the Premises without Lessor's written consent.
19. The Premises shall not be used for lodging or manufacturing, cooking or food preparation.
20. Lessee shall comply with all safety, fire protection and evacuation regulations established by Lessor or any applicable governmental agency.
21. Lessor reserves the right to waive any one of these rules or regulations, and/or as to any particular Lessee, and any such waiver shall not constitute a waiver of any other rule or regulation or any subsequent application thereof to such Lessee.
22. Lessee assumes all risks from theft or vandalism and agrees to keep its Premises locked as may be required.
23. Lessor reserves the right to make such other reasonable rules and regulations as it may from time to time deem necessary for the appropriate operation and safety of the Project and its occupants. Lessee agrees to abide by these and such rules and regulations.

PARKING RULES

1. Parking areas shall be used only for parking by vehicles no longer than full size, passenger automobiles herein called "Permitted Size Vehicles." Vehicles other than Permitted Size Vehicles are herein referred to as "Oversized Vehicles."
2. Lessee shall not permit or allow any vehicles that belong to or are controlled by Lessee or Lessee's employees, suppliers, shippers, customers, or invitees to be loaded, unloaded, or parked in areas other than those designated by Lessor for such activities.
3. Parking stickers or identification devices shall be the property of Lessor and be returned to Lessor by the holder thereof upon termination of the holder's parking privileges. Lessee will pay such replacement charge as is reasonably established by Lessor for the loss of such devices.
4. Lessor reserves the right to refuse the sale of monthly identification devices to any person or entity that willfully refuses to comply with the applicable rules, regulations, laws and/or agreements.
5. Lessor reserves the right to relocate all or a part of parking spaces from floor to floor, within one floor, and/or to reasonably adjacent offsite location(s), and to reasonably allocate them between compact and standard size spaces, as long as the same complies with applicable laws, ordinances and regulations.
6. Users of the parking area will obey all posted signs and park only in the areas designated for vehicle parking.
7. Unless otherwise instructed, every person using the parking area is required to park and lock his own vehicle. Lessor will not be responsible for any damage to vehicles, injury to persons or loss of property, all of which risks are assumed by the party using the parking area.
8. Validation, if established, will be permissible only by such method or methods as Lessor and/or its licensee may establish at rates generally applicable to visitor parking.
9. The maintenance, washing, waxing or cleaning of vehicles in the parking structure or Common Areas is prohibited.
10. Lessee shall be responsible for seeing that all of its employees, agents and invitees comply with the applicable parking rules, regulations, laws and agreements.
11. Lessor reserves the right to modify these rules and/or adopt such other reasonable and non-discriminatory rules and regulations as it may deem necessary for the proper operation of the parking area.
12. Such parking use as is herein provided is intended merely as a license only and no bailment is intended or shall be created hereby.

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UNIFORM DISCLAIMER FORM LEASE FORM

1. **LEGAL EFFECT.** Lessor and Lessee acknowledge that the Proposal to Lease contained herein is not a lease, and that it is intended solely to establish deal points which will be used as the basis for the preparation of a lease by Lessor. The lease shall be subject to Lessor's and Lessee's approval, and only a fully executed and delivered lease shall constitute a legally binding lease for the Premises. Broker makes no warranty or representation to Lessor or Lessee that acceptance of this Proposal to Lease will guaranty the execution of a lease for the Premises.

Lessor and Lessee acknowledge that Broker is not qualified to practice law, nor authorized to give legal advice or counsel you as to any legal matters affecting this document. Broker hereby advises Lessor and Lessee to consult with their respective attorneys in connection with any questions each may have as to legal ramifications or effects of this document, prior to its execution.

2. **FORM OF LEASE.** This proposed document is a standard form document, and Broker makes no representations or warranties with respect to the adequacy of this document for either Lessor's or Lessor's particular purposes. Broker has, at the direction of Lessor and/or Lessee, "filled in the blanks" from information provided to Broker based on prior correspondence, discussions of the parties with respect to the Proposal to Lease, and subsequent counteroffers between the parties hereto. By initialing this paragraph, Lessor and Lessee acknowledge and agree that this document is delivered to each subject to the express condition that Broker has merely followed the instructions of the parties in preparing this document, and does not assume any responsibility for its accuracy, completeness or form. Lessor and Lessee acknowledge and agree that in providing this document, Broker has acted to expedite this transaction on behalf of Lessor and Lessee, and has functioned within the scope of professional ethics by doing so.

Lessor's Initials: AL Lessee's Initials: JP

3. **NO INDEPENDENT INVESTIGATION.** Lessor and Lessee acknowledge and understand that any financial statements, information, reports, or written materials of any nature whatsoever, as provided by the parties to Broker, and thereafter submitted by Broker to Lessor and/or Lessee, are so provided without any independent investigation by Broker, and as such Broker assumes no responsibility or liability for the accuracy or validity of the same. Any verification of such submitted documents is solely and completely the responsibility of the party to whom such documents have been submitted.
4. **NO WARRANTY.** Lessor and Lessee acknowledge and agree that no warranties, recommendations, or representations are made by the broker as to the accuracy, the legal sufficiency, the legal effect of the tax consequences of any of the documents submitted by Broker to Lessor and/or Lessee referenced in Paragraph 3 above, nor of the legal sufficiency, legal effect, or tax consequences of the transactions contemplated thereby. Furthermore, Lessor and Lessee acknowledge and agree that Broker has made no representations concerning the ability of the Lessee to use the Premises as intended, nor of the sufficiency or adequacy of the Premises for their intended use, and Lessee is relying solely on its own investigation of the Premises in accepting this Proposal to Lease.
5. **NOTICE REGARDING HAZARDOUS WASTES OR SUBSTANCES AND UNDERGROUND STORAGE TANKS.** Although Broker will disclose any knowledge it actually possesses with respect to the existence of any hazardous wastes, substances, or underground storage tanks at the Premises, Broker has not made any independent investigations or obtained reports with respect thereto, except as may be described in a separate written document signed by Broker. All parties hereto acknowledge and understand that Broker makes no representations regarding the existence or nonexistence of hazardous wastes, substances, or underground storage tanks at the Premises. Each party should contact a professional, such as a civil engineer, geologist, industrial hygienist or other persons with experience in these matters to advise you concerning the property.
6. **DISCLOSURE RESPECTING AMERICANS WITH DISABILITIES ACT.** The United States Congress has recently enacted the Americans With Disabilities Act. Among other things, this act is intended to make many business establishments equally accessible to persons with a variety of disabilities; modifications to real property may be required. State and local laws also may mandate changes. Broker is not qualified to advise you as to what, if any, changes may be required now or in the future. Broker recommends that you consult the attorneys and qualified design professionals of your choice for information regarding these matters.
7. **ATTORNEYS' FEES.** In any action, proceeding or arbitration arising out of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees and costs.
8. **ENTIRE AGREEMENT.** This document constitutes the entire agreement between parties with respect to the subject matter contained herein and supersedes all prior or contemporaneous agreements, representations, negotiations and understandings of the parties, other than such writings as may be executed and/or delivered by the parties pursuant hereto. There are no oral agreements or implied covenants by the Lessor or Lessee, or by their respective employees, or other representatives.

Date: 1-20-2012 Date: 1-12-2012
Lessor: [Signature] Lessee: [Signature]
279 Arrow, LLC Southern California Joint Pole
ALAN KOHN Committee, a California Nonprofit
JENNIE L. CORELLA

AMENDMENT DATED NOVEMBER 7, 2018
FOR THE STANDARD MULTI-TENANT OFFICE LEASE – GROSS
DATED DECEMBER 29, 2011
BY AND BETWEEN
279 ARROW, LLC, (“LESSOR”)
AND
SOUTHERN CALIFORNIA JOINT POLE COMMITTEE (“LESSEE”)
FOR THE PROPERTY LOCATED AT:
279 E. ARROW HWY., SUITE 104, SAN DIMAS, CA 91773

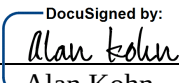
1. **Expiration Date:** The lease expiration date will be extended to June 30, 2026.
2. **Lessor’s Improvements:** Lessor, at Lessor’s sole cost, shall remodel the shower room, near the common restrooms in the hallway, into a single stall family restroom. Lessor shall also add up to 6 additional standard outlets in the interior of the suite in mutually agreeable locations.
3. **Pest Control:** Lessor shall monitor the premises and provide pest control monthly, which include but not limited to taking the following actions: treatment, spray, exterminate, and remove bugs when necessary.
- Lessor shall spray 5 days per week from the execution of this amendment through January 31, 2019.
 - Lessor shall spray once per week from February 1, 2019 to March 31, 2019.
 - Lessor shall spray twice per month from April 1, 2019 to May 31, 2019
 - Lessor shall spray once per month thereafter.
4. **Door Timers:** Lessor agrees to ensure the exterior common door timers allow the doors to be unlocked at a minimum from the hours of 6:00 a.m. to 4:30 p.m. on Mondays through Fridays.
5. **Kitchen Floors:** Lessor agrees to clean the kitchen floor or replace if needed.
6. **Flooring:** Lessor agrees to replace the carpet throughout the suite with a mutually agreeable color.
7. **Rent Schedule for the extended period from July 1, 2019 through June 30, 2026:**

<u>Months</u>	<u>Rent Per Month</u>
July 1, 2019 - June 30, 2020	\$8,017.76
July 1, 2020 - June 30, 2021	\$8,258.29
July 1, 2021 - June 30, 2022	\$8,506.04
July 1, 2022 - June 30, 2023	\$8,761.22
July 1, 2023 - June 30, 2024	\$9,024.06
July 1, 2024 - June 30, 2025	\$9,294.78
July 1, 2025 - June 30, 2026	\$9,573.62

All other terms remain the same.

Lessor:

279 Arrow, LLC

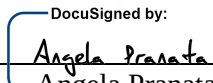
By: 
Alan Kohn

Title: Managing Member

Date: 1/22/2019

Lessee:

Southern California Joint Pole Committee

By: 
Angela Pranita

Title: Manager of Operations

Date: 1/22/2019


Lessor’s Initials


Lessee’s Initials

Southern California Joint Pole Committee

279 E. Arrow Hwy. Suite 104
San Dimas, CA 91773
Phone (909) 599-3801
Fax (909) 599-3825

April 19, 2023

A regular meeting of the **Operating Committee** took place on the above date, at 10:09 a.m., via teleconference:

Those in attendance were:

Mr. Lex Treepaisan	Frontier Communications
Mr. Glenn Leckie	Frontier Communications
Mr. John Bacon	City of Los Angeles
Ms. Alicia Walsh	Southern California Edison
Ms. April DeBarge	Southern California Edison
Mr. Michael Pearson	Southern California Edison
Ms. Marisol Bailey	Southern California Edison
Mr. Kevin Flores	Southern California Edison
Mr. Sam Picazo	Southern California Edison
Mr. Todd Dailey	AT&T California
Ms. Kay Black	AT&T California
Mr. Barry Consulter	AT&T California
Ms. Joy Young	AT&T California
Ms. Veronica Romero	AT&T California
Ms. Megan LaMon	Crown Castle NG West Inc.
Ms. Aarize Dizon	Crown Castle NG West Inc.
Mr. Jeremy Harmon	Verizon Wireless
Mr. Alex Parra	City of Riverside
Mr. John Vu	City of Anaheim
Ms. Yvonne Johnson	Teleport Communications America
Mr. Arturo Garcia	City of Glendale
Ms. Katy White	MCI Metro ATS/MCI Telecommunications/XO Communications
Mr. Michael Truong	City of Burbank
Mr. Joe Armstrong	City of Pasadena
Ms. Yesenia Delgado	Time-Warner Cable
Ms. Lynne LaFrenais	Bear Valley Electric Service, Inc.
Ms. Dianell Caamano	AT&T Mobility
Ms. Erica Cassadas	City of Banning
Mr. Richard Soriano	City of Banning
Mr. David Campo	City of Lompoc
Ms. Claudia Arellano	City of Vernon
Mr. Nick Van Stryk	City of Vernon (Petrelli Electric)
Mr. Reed Mokler	City of Vernon (Petrelli Electric)
Ms. Alicia Smith	Sprint Nextel/Sprint Communications
Ms. Shawn Henderson	T-Mobile USA

Ms. Linda McLean	Extenet Systems
Ms. Heidi Seropian	Extenet Systems
Mr. Charlie Smith	Mobilitie, LLC
Ms. Maggie Howell	ATC-Outdoor DAS, LLC
Ms. Angela Pranata	Committee Staff
Ms. Kathleen Allen	Committee Staff

Chairperson, Mr. Treepaisan called the meeting to order at 10:09 a.m. by addressing the first item on the agenda, the review of the **prior meeting minutes**. There were no questions or comments.

The second agenda item is the review of the **March 2023 Operating expense sheets**.

There were no questions or comments.

The third agenda item is **Accounts Receivable**. Mr. Treepaisan inquired if the delinquent accounts are getting any smaller. Ms. Pranata stated they are not getting any smaller. However, she has been in contact with the delinquent members via email and Ms. Pranata is receiving updates from them.

There were no further questions or comments.

The fourth agenda item on the agenda is **Member Board Attendance**.

There were no questions or comments.

The fifth agenda item for discussion is **Billing Standardization of Procedures and Minutes**. Ms. Allen stated she had a short staff meeting on March 23, 2023. Ms. Allen informed the staff that more than one AT can be listed on a JPA. Ms. Allen also informed the staff that she has been working on enhanced cheat sheets to keep the biller on one page or tab and not have to have the biller go to different sheets or tabs. Lastly, Ms. Allen discussed with the staff that SCJPC were still holding JPAs that required 2023 Authorized Costs for billing.

There were no further questions or comments.

The sixth item on the agenda is **JPA Member Activity**.

- Please contact SCJPC (Angela) if members would like to meet with the SCJPC to discuss memos.
- 9.47 poles per JPA according to March 2023 B/S.
- JPAs on hold due to pending 2023 Authorized Costs

Ms. Pranata stated that her and Ms. Allen had a meeting with Extenet in the San Dimas office. Ms. Allen and Ms. Pranata provided a couple hours of training and reviewed some memos with errors with Extenet.

Ms. Pranata stated any other members who would like to meet with her and Ms. Allen in person to review memo errors to please contact Ms. Pranata to schedule a meeting. The conference room at the San Dimas office is available and could be utilized.

Ms. Pranata displayed the March 2023 bill of sale Member Activity report which included activity up until March 3, 2023. Ms. Pranata reported the staff processed

9,453 poles and 72 JPAs were held over due to 2023 Pole Prices and Authorized Costs still pending. Edison pulled all their 18.1F JPAs on April 7, 2023, that they previously submitted. Currently, SCJPC is holding 10 JPAS pending 2023 Authorized Cost. Ms. Pranata stated she is still waiting on Edison and LA DWP to submit their costs. Ms. Walsh informed Ms. Pranata that Edison submitted their costs the night prior. Mr. Bacon commented that LA DWP will send their prices in by the weekend.

There were further questions or comments.

The seventh item on the agenda is **Miscellaneous Items.**

SCJPC Office update:

- *Office productivity without OT*
- *OT spreadsheet*
- *Waiting for 2023 forecast from all members*

Ms. Pranata displayed the *Productivity without Overtime* table. Ms. Pranata stated the numbers shown in the table are based off Member Activity from the last 12 months.

Ms. Pranata then displayed the SCJPC – *OVERTIME Monthly* table. Ms. Pranata stated the staff worked an additional 53.25 hours for March 2023 Bill of Sale.

Ms. Pranata then displayed the *FORECAST UPDATED BASED ON ACTUAL DATA MAR 2023 B/S (updated 04/12/2023)*. Ms. Pranata reported the office received about 9,000 poles last month and about 10,000 poles were processed. However, looking at the Member Activity 838 poles were pulled by Edison on April 7, 2023. Mr. Treepaisan commented it looks like the office would have been caught up without that last pull. Ms. Pranata stated yes and explained the office is just waiting for the 2023 Authorized Costs to be finalized and then all the JPAs that are on hold could be billed. Ms. Pranata added that the office does not want to hold the JPAs. They are only being held because SCJPC does not have the 2023 Authorized Cost pricing yet.

Mr. Treepaisan inquired if the 2023 Authorized Costs need to go to a vote or can the billers start processing right away. Ms. Pranata stated it must be approved by the Authorized Cost Committee and then by the Administrative Board. Mr. Van Stryk added that usually members have one month to review them as well.

There were no further questions or comments.

New Administrative Aide

Ms. Pranata stated she hired a new administrative aide, and she is doing great. Ms. Pranata and Ms. Allen are very happy with her.

There were no questions or comments.

Billing Errors/Questions

There were none.

Salary Ranges 2023-2025, Review of Performance rating, Review of Staff Compensation Process from 2019 (emailed to Operating members 10/12/2022 & 11/9/2022, not uploaded to Agenda webpage).

- Action item from last month:
- Mr. Treepaisan to reach out to WTW and see what the pros and cons are for engaging the NCJPA.

Mr. Treepaisan stated that he did not get a chance to reach out to the NCJPA until recently and he only received one response. The PG&E representative is out until the following week. Mr. Treepaisan has made a call out to WTW to schedule a conference call with them to go over whether incorporating the NCJPA would be beneficial or not. Looking over the Statement of Work there were 10 employees with six positions for the South that were identified in the Statement of Work. Mr. Treepaisan will clarify that to engage NCJPA; however, he is unsure if the NCJPA will engage it or make it cheaper. Looking over the Statement of Work SCJPC would be treated as a separate office and NCJPA would submit their paperwork and WTW would benchmark against their own database.

Mr. Treepaisan inquired if this was something that would need to be moved to Administrative Board and voted on. Ms. Pranata stated yes because it is not in the budget. Mr. Treepaisan stated he is going to try to work out the nuances and figure out whether incorporation NCJPA is worthwhile and should have that figured out soon. As far as moving this forward Mr. Treepaisan inquired if he would need a motion and then a second in Operating. Ms. Pranata replied if there were no objections the Operating Committee could recommend this to the Administrative Board for discussion and approval. Mr. Treepaisan inquired if any members had any objections to moving forward with the Salary Compensation Assessment. Hearing none, Mr. Treepaisan inquired if this now could be moved to the Administrative Board for voting. Ms. Pranata inquired if the price would change. Mr. Treepaisan stated the \$15,000 - \$16,000 was an estimate. Ms. Pranata then inquired if she should give a range for the Administrative Board. Mr. Treepaisan stated to give it a range from \$13,000 - \$17,000. Ms. Pranata commented okay and stated she would need to send the Statement of Work to the members as well. Ms. Pranata to email to all members.

There were no further questions or comments.

Lease Agreement

- Real estate attorney \$425/hr – 2-3 hrs to review
- Action items from last month:
- Southern California Edison and Frontier Communications will further review breaking the lease agreement.

Mr. Treepaisan opened and stated he did hear back from Frontier Communications Real Estate Director. Mr. Treepaisan reviewed the notes. The lease expires June 30, 2026, and there is a no termination option. Section 13.1 states abandonment of premises is considered default. Mr. Treepaisan stated it does not look like an easy chore to take on; however, Frontier's Real Estate Department is willing to negotiate either a sublease or termination on behalf of SCJPC if that was something

the committee would like to move forward with. If the committee would like to use a Real Estate Attorney that could be done as well. Mr. Treepaisan wanted to give an update that Frontier Communications Real Estate Department is willing to take this on without chagrining the Committee. Mr. Treepaisan inquired if Edison heard back from their Legal or Real Estate Department. Ms. Walsh replied no and stated they did not hear back and were waiting to be placed on their calendar. Ms. Walsh stated they could press this one month but if Frontier Communication's Real Estate Department is willing to investigate then Edison would be willing to support that. Mr. Treepaisan inquired the consensus of the committee to negotiate an early termination or to sublease to another entity. Ms. Walsh thinks that the cost benefit should be identified. Perhaps a side-by-side comparison. If they terminate it will save this much and if they do not terminate it will cost this much. Ms. Walsh thinks the committee would like to see those numbers. Mr. Treepaisan stated he could bring back a cost comparison of what the cost/savings would be getting out now or in 2026. Mr. Dailey inquired what is considered abandonment and what would be the cost. Mr. Treepaisan stated not occupying the premises plus nonpayment. Mr. Dailey inquired if it states in the lease if SCJPC cannot sublease. Mr. Treepaisan was unsure since he did not go through the whole agreement. But Frontier Communication's Real Estate Department is willing to negotiate a sublease. Mr. Treepaisan stated there is definitely no early termination option in the lease agreement. Mr. Treepaisan then stated he will go back to Frontier Communication's Real Estate Department and see what they can come up with and Mr. Treepaisan will provide an update next month.

MISC

Members with Outstanding Invoices

Ms. Walsh inquired how does a member receive payment on outstanding invoices from other joint owners that don't pay. Ms. Walsh then stated she would like to understand from a joint owner perspective what the repercussions may be applicable as owners. Ms. Walsh then explained Edison has a significant number of outstanding invoices and they have a lot of work ahead of them and need to understand their position as joint owners. Mr. Treepaisan inquired if Edison had reached out to the members in default. Ms. Walsh stated yes and explained that Edison has a dedicated collection department reaching out monthly to the default members. However, Edison is still not receiving any responses for payments. Ms. Walsh added that some of the outstanding invoices are one to three years old. Mr. Armstrong stated it should be handled utility to utility. Recently Mr. Armstrong received first notice on an invoice that dated back five years. Mr. Treepaisan agreed with Mr. Armstrong that it should start from utility to utility. Ms. Walsh then inquired what are the next steps after utility to utility have been exhausted. Ms. Pranata brought up the Dispute Resolution page on the SCJPC website. (scjpc.net/members/dispute-resolution/) Ms. Pranata then stated members try and work it out offline. However, *if unable to reach resolution, offended member to bring issue to the Administrative Board for discussion, and possible resolution.*

There were no further questions or comments.

Review of Action Items:

- Mr. Treepaisan to reach out to WTW and see what the pros and cons are for engaging the NCJPA.
- Mr. Treepaisan to work with Frontier Communication's Real Estate Department and do a compare and contrast of costs benefit of termination now, subleasing, or the financial implications that would be.

The meeting adjourned at 10:31 a.m. until May 17, 2023.

Ms. Kathleen Allen – Committee Transcriber

SOUTHERN CALIFORNIA JOINT POLE COMMITTEE
Statement of Operating Expenses and Capital Investments

OPERATING EXPENSES		March 31, 2023			YTD Through March, 31 2023				Annual
	Details	Budgeted	Recorded	Variance	Budgeted	Recorded	Variance	% Variance	Budget
<u>EMPLOYEE EXPENSE</u>									
Salaries		65,261	49,308.41	15,953	195,784	148,253.65	47,531	24%	783,138
Regular (Budgeted)	49,308.41	-	-	-	-	-	-		
		-	-	-	-	-	-		
		-	-	-	-	-	-		
Insurance		9,242	7,512.99	1,729	27,725	22,836.67	4,888	18%	110,900
Health/Dental	7,236.54		-	-	-	-	-		
Life (quarterly)	276.45		-	-	-	-	-		
			-	-	-	-	-		
Payroll Taxes		5,221	3,412.05	1,809	15,663	11,841.93	3,821	24%	62,651
			-	-	-	-	-		
Workers Compensation		261	260.16	1	783	780.48	3	0%	3,132
Miscellaneous expenses/ Travel mileage reimbursement		21	-	21	63	7.09	55	89%	250
Telecommuting Reimbursement		9	4.47	5	27	112.47	(85)	-317%	108
			-	-	-	-	-		
<u>PENSION EXPENSE</u>									
Contribution-SEP IRA		5,520	4,849.05	670	16,559	14,951.21	1,607	10%	66,234
			-	-	-	-	-		
			-	-	-	-	-		
			-	-	-	-	-		
<u>MONTHLY RECURRING</u>									
Rent		9,879	9,700.60	178	29,637	29,101.80	535	2%	118,548
Alarm System		58	173.97	(116)	175	173.97	1	1%	700
Telephone & Internet	Cell, Fax, Internet, Business Voice	556	515.31	41	1,668	1,504.51	163	10%	6,672
Cisco WebEx Online Meeting		69	69.00	-	207	207.00	-	0%	828
Postage & Shipping		17	9.65	7	50	38.85	11	22%	200
Business/Property Insurance	Pro-Rated	179	-	179	538	1,345.00	(808)	-150%	2,150
			-	-	-	-	-		
			-	-	-	-	-		
<u>EQUIPMENT & FURNITURE</u>									
			-	-	-	-	-		
Copy Machine - CBE (repair, maintenance, supplies)	QUARTERLY	8	-	8	25	-	25	100%	100
						-			
						-			
						-			

SOUTHERN CALIFORNIA JOINT POLE COMMITTEE
Statement of Operating Expenses and Capital Investments

OPERATING EXPENSES		March 31, 2023			YTD Through March, 31 2023				Annual
	Details	Budgeted	Recorded	Variance	Budgeted	Recorded	Variance	% Variance	Budget
NETWORK SYSTEM						-			
Computer-LAN Maintenance Contract (IT service), offsite server backup, labor for on site support			1,194.25	(1,194)	4,825	3,578.25	1,247	0	19,300
FRIEND Support			400.00	(400)	2,100	1,200.00	900	43%	8,400
Hosting: SCJPC Website, Cloud Azure VM Server, Azure VM Licenses, Sharefile, Email, Domain		1,591	1,363.50	227	4,772	4,090.50	681	14%	19,087
Computer (repair, maintenance, supplies)		100	-	100	300	-	300	100%	1,200
						-			
PRINTING & SUPPLY						-			
Office Printing		8	-	8	25	-	25	100%	100
Office Supplies		54	-	54	163	73.52	89	55%	650
						-			
CONTRACT SERVICES						-			
CPA/Auditor	2021 & 2022 in 2023	833	-	833	2,500	-	2,500	100%	10,000
Attorney*		500	499.00	1	1,500	1,497.00	3	0%	6,000
						-			
GENERAL EXPENSE						-			
Payroll Service Fees		93	93.00	0	280	279.00	1	0%	1,120
Bank fees/Checks printing	Pro-Rated	8	-	8	25	-	25	100%	100
Publications/Subscriptions/Reference	Pro-Rated Docusign	21	45.00	(24)	63	90.00	(28)	-44%	250
Seminars, professional development, & tuition		117	-	117	350	-	350	100%	1,400
Team Building	Semi Annual	63	-	63	188	-	188	100%	750
Member Retirement plaques		42	-	42	125	-	125	100%	500
Scan & shred document		42	-	42	125	-	125	100%	500
Total Operating Expenses		99,772.32	79,410.41	20,361.91	306,241.96	241,962.90	64,154.06	21%	1,224,968

SOUTHERN CALIFORNIA JOINT POLE COMMITTEE
Statement of Operating Expenses and Capital Investments

OPERATING EXPENSES		March 31, 2023			YTD Through March, 31 2023				Annual
	Details	Budgeted	Recorded	Variance	Budgeted	Recorded	Variance	% Variance	Budget
CAPITAL INVESTMENTS AND LONG TERM LIABILITIES CURRENT									
<u>COMPUTER SYSTEM</u>									
Software Purchase and SCJPC website (minor) modification	PDF WRITER SOFTWARE FOR NEW ADMIN	130	135.00	(5)	390	135.00	255	65%	1,560
FRIEND modification*		2,813	-	2,813	8,438	-	8,438	100%	33,750
Website Upgrade (after FriendPro)		417	-	417	1,250	-	1,250	100%	5,000
<u>EQUIPMENT & FURNITURE</u>									
Purchases and leases (including Copy Machine)		371	337.26	34	1,113	1,011.78	101	9%	4,450
Hardware Purchase		125	-	125	375	-	375	100%	1,500
<u>LONG TERM LIABILITY CURRENT</u>									
Total Capital Investments & Long Term Liabilities Current									
		3,855.00	472.26	3,382.74	11,565.00	1,146.78	10,418.22	90%	46,260
Interest Earned/Misc Income			(0.08)			(0.23)			
TOTAL		103,627.32	79,882.59	23,744.65	317,806.96	243,109.45	74,572.28	23%	1,271,228
*Items in blue are assessed equally									
Completed: 4/6/2023									

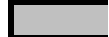
Delinquent Accounts
As of 4/12/2023

MEMBERS ACCOUNTS RECEIVABLE - DELINQUENT ACCOUNTS

							PAST DUE NOTICES - DO NOT DELETE THIS INFORMATION Accounting staff: please enter past due sent info in each row/each cell				
Company Name	Invoice Month	Due By	FORMULA 60 Days past due	Amount	Invoice Number	Company Code	Past Due Notice Date Sent	Past due sent to & response notes	Past Due Notices Date by	Input By	Input Date
AT&T Mobility	Jan '23	February 28, 2023	4/29/2023	\$ 973.67	21671	LAC		Not 60 days, will email the following month		GV	4/11/2023
City of Colton	Jan '23	February 28, 2023	4/29/2023	\$ 925.25	21662	F		Not 60 days, will email the following month		GV	4/11/2023
Crown Castle NG West INC	Jan '23	February 28, 2023	4/29/2023	\$ 2,284.40	21682	NG		Not 60 days, will email the following month		GV	4/11/2023
Extenet Systems, INC	Jan '23	February 28, 2023	4/29/2023	\$ 870.49	21685	EXT		Not 60 days, will email the following month		GV	4/11/2023
MCI Telecomm. (MCI)	Jan '23	February 28, 2023	4/29/2023	\$ 907.96	21673	MCI		Not 60 days, will email the following month		GV	4/11/2023
MCI Metro/ATS	Jan '23	February 28, 2023	4/29/2023	\$ 1,097.59	21672	ATS		Not 60 days, will email the following month		GV	4/11/2023
Mobilite, LLC	Jan '23	February 28, 2023	4/29/2023	\$ 852.62	21687	MOB		Not 60 days, will email the following month		GV	4/11/2023
SPR-Nextel Corp	Nov '22	December 31, 2022	3/1/2023	\$ 882.66	21604	SPR	3/7/2023, 4/11/2023	Emailed LLStatements@T-Mobile.com & eric.antonick@t-mobile.com	GV	GV	2/7/2023
SPR-Nextel Corp	Dec '22	January 31, 2023	4/1/2023	\$ 1,250.47	21636	SPR	4/11/2023	Emailed LLStatements@T-Mobile.com & eric.antonick@t-mobile.com	GV	GV	3/7/2023
SPR-Nextel Corp	Jan '23	February 28, 2023	4/29/2023	\$ 888.36	21668	SPR		Not 60 days, will email the following month		GV	4/11/2023
Time Warner Cable (TWS)	Jan '23	February 28, 2023	4/29/2023	\$ 489.14	21679	TWS		Not 60 days, will email the following month		GV	4/11/2023
Time Warner Cable (TWN)	Jan '23	February 28, 2023	4/29/2023	\$ 567.53	21680	TWN		Not 60 days, will email the following month		GV	4/11/2023
T-Mobile, USA	Jan '23	February 28, 2023	4/29/2023	\$ 880.87	21675	PBM		Not 60 days, will email the following month		GV	4/11/2023
Verizon Wireless	Aug '22	September 30, 2022	11/29/2022	\$ 396.00	21497	ATC	12/13/2022, 1/11/2023, 2/7/2023, 3/7/2023,	Email sent to: ATCJPA@motiveis.com; Marco.Murillo@VerizonWireless.com; JHarmon@motiveis.com; kcasey@motiveis.com	JT, GV	JT	11/9/2022
Verizon Wireless	Nov '22	December 31, 2022	3/1/2023	\$ 1,341.61	21593	ATC	3/7/2023, 4/11/2023	Email sent to: ATCJPA@motiveis.com; Marco.Murillo@VerizonWireless.com; JHarmon@motiveis.com; kcasey@motiveis.com	GV	GV	2/7/2023
Verizon Wireless	Dec '22	January 31, 2023	4/1/2023	\$ 1,904.39	21625	ATC	4/11/2023	Email sent to: ATCJPA@motiveis.com; Marco.Murillo@VerizonWireless.com; JHarmon@motiveis.com; kcasey@motiveis.com	GV	GV	3/7/2023
Verizon Wireless	Jan '23	February 28, 2023	4/29/2023	\$ 1,350.37	21657	ATC		Not 60 days, will email the following month		GV	4/11/2023
XO Communications	Dec '22	January 31, 2023	4/1/2023	\$ 1,314.10	21646	NXT	4/11/2023	Email matthew.j.miller@verizon.com, mortiz@motiveis.com, NXTJPA@motiveis.com	GV	GV	3/7/2023
XO Communications	Jan '23	February 28, 2023	4/29/2023	\$ 933.32	21678	NXT		Not 60 days, will email the following month		GV	4/11/2023

Past due notices will be emailed after 60 days past due, once a month.

TOTAL **\$ 20,110.80**

-  = Members assessed penalty fee
-  = Less than 80% but 50% or greater attendance
-  = Less than 50% attendance
-  = Excused absence

**SOUTHERN CALIFORNIA JOINT POLE COMMITTEE
MEMBER BOARD MEETING ATTENDANCE
APRIL 2022 - MARCH 2023**

		MBR CODE	2022 APR	2022 MAY	2022 JUN	2022 JUL	2022 AUG	2022 SEP	2022 OCT	2022 NOV	2022 DEC	2023 JAN	2023 FEB	2023 MAR	TOTAL	Atten. %	MBR CODE	MONTHS
1	So. California Edison	E	1	1	1	1	1	1	1	1		1	1	1	11	100%	E	11
2	Frontier Communications	FTR	1	1	1	1	1	1	1	1		1	1	1	11	100%	FTR	11
3	City of Los Angeles	M	1	1	1	1	1	1	1	1		1	1	1	11	100%	M	11
4	Crown Castle NG West Inc.	NG	1	1	1	1	1	1	1	1		1	1	1	11	100%	NG	11
5	AT&T California	H / T	1	1	1	1	1	1	1	1		1	1	1	11	100%	H / T	11
6	Bear Valley Electric	BVE	1	1	1	1	1	1	1	1		1	1	1	11	100%	BVE	11
7	Time-Warner	TWC	1	1	1	1	1	1	1	1		1	1	1	11	100%	TWC	11
8	City of Burbank	B	1	1	1	1	1	1	1	1		1	1	1	11	100%	B	11
9	City of Glendale	A	1	1	1	1	1	1	1	1		1	1	1	11	100%	A	11
10	City of Vernon	V	1	1	1	1	1	1	1	1		1	1	1	11	100%	V	11
11	City of Banning	COB	1	1	1	1	1	1	1	1		1	1	1	11	100%	COB	11
12	ATC Outdoor DAS	AMT	1	1	1	1	1	1	1	1		1	1	1	11	100%	AMT	11
13	MCI/Metro	ATS	1	1	1	1	1	1	1	1		1	1	1	11	100%	ATS	11
14	MCI Communications	MCI	1	1	1	1	1	1	1	1		1	1	1	11	100%	MCI	11
15	Mobilitie LLC	MOB	1	1	1	1	1	1	1	1		1	1	1	11	100%	MOB	11
16	Teleport Comm America	TCA	1	1	1	1	1	1	1	1		1	1	1	11	100%	TCA	11
17	Sprint Communications	FON	1	1	1	1	1	1	1	1		1	1	1	11	100%	FON	11
18	Sprint-Nextel	SPR	1	1	1	1	1	1	1	1		1	1	1	11	100%	SPR	11
19	City of Lompoc	LLW	1	1	1	1	1	1	1	1		1	1	1	11	100%	LLW	11
20	Sonic Telecom, LLC	STL	1	1	1	1	1	1	1	1		1	1	1	11	100%	STL	11
21	City of Anaheim	D	1	1	1	1	1	1	1	1		1	1	1	11	100%	D	11
22	XO Communications	NXT	1	1	1	1	1	1	1	1		1	1	0	10	91%	NXT	11
23	City of Colton	F	1	1	1	1	1	1	1	1		0	1	1	10	91%	F	11
24	T-Mobile, USA	PBM	1	1	1	1	1	1	0	1		1	1	1	10	91%	PBM	11
25	City of Azusa	MA	1	1	1	1	1	0	1	1		1	1	1	10	91%	MA	11
26	Mpower/TelePacific	ICG	1	1	0	1	1	1	1	1		1	1	1	10	91%	ICG	11
27	Verizon Wireless	ATC	1	1	1	1	1	1	1	0		1	1	0	9	82%	ATC	11
28	City of Riverside	J	1	1	1	0	1	1	1	0		1	1	1	9	82%	J	11
29	ExteNet Systems	EXT	1	1	1	0	1	1	0	1		1	1	1	9	82%	EXT	11
30	AT&T Mobility	LAC	1	1	0	0	1	1	1	1		1	1	0	8	73%	LAC	11
31	City of Pasadena	MP	0	1	1	0	1	1	1	1		0	1	1	8	73%	MP	11
	Total		30	31	29	27	31	30	29	29	0	29	31	28				

Member	ATC	ATS	BVE	E	EXT	H/T	LAC	M	MCI	NG	PBM	SPR	TWC	Totals	YTD
Joint JPAs Billed		9	2	442		16	2			2				473	1046
% of Joint JPAs Billed	0.000	0.019	0.004	0.934	0.000	0.034	0.004	0.000	0.000	0.004	0.000	0.000	0.000	1.00	
Joint JPAs Returned		41	2	107	1	10		3					1	165	562
Total Joint JPAs Processed	0	50	4	549	1	26	2	3	0	2	0	0	1	638	
Section 18.1F JPAs included in above														0	
Multi JPAs Billed		6		85		10	7	1		11			11	131	312
% of Multi JPAs Billed	0.000	0.046	0.000	0.649	0.000	0.076	0.053	0.008	0.000	0.084	0.000	0.000	0.084	1.00	
Multi JPAs Returned	1	122		81	16	16	4		48	30	1	1	12	332	1514
Total Multi JPAs Processed	1	128	0	166	16	26	11	1	48	41	1	1	23	463	1826
Section 18.1F JPAs included in above														0	
Total # JPAs Billed	0	15	2	527	0	26	9	1	0	13	0	0	11	604	1358
% of JPAs Billed	0.000	0.025	0.003	0.873	0.000	0.043	0.015	0.002	0.000	0.022	0.000	0.000	0.018	1.00	
# of JPAs Returned														497	2076
Total JPAs Processed	1	178	4	715	17	52	13	4	48	43	1	1	24	1101	3434
% of JPAs Billed														54.86%	
% of JPAs returned														45.14%	
Member	ATC	ATS	BVE	E	EXT	H/T	LAC	M	MCI	NG	PBM	SPR	TWC	Totals	
Poles Billed (Joint JPAs)		39	4	2459		32	4			5				2543	5662
Poles Returned (joint)		386	39	1292	2	38		13					1	1771	5698
Poles Billed (Multi JPAs)		35		813		32	11	4		45			17	957	2362
Poles Returned (multi)	1	1631		1230	238	125	8		587	328	1	12	21	4182	18811
Total # Poles Billed (Joint & Multi combined)	0	74	4	3272	0	64	15	4	0	50	0	0	17	3500	8024
% of Total Poles Billed (Joint & Multi combined)	0.000	0.021	0.001	0.935	0.000	0.018	0.004	0.001	0.000	0.014	0.000	0.000	0.005	1.00	
# of Poles Returned														5953	24509
Total Poles Processed	1	2091	43	5794	240	227	23	17	587	378	1	12	39	9453	32533
% of Poles Billed														37.03%	
% of Poles returned														62.97%	
RETURN RATE # OF JPAS	100%	92%	50%	26%	100%	50%	31%	75%	100%	70%	100%	100%	54%		
RETURN RATE # OF POLES	100%	96%	91%	44%	100%	72%	35%	76%	100%	87%	100%	100%	56%		

Note: Held Over Poles include E and E submitted 18.1F's and will be billed first at the next Bill of Sale

E SUB/ NON E HELD OVERS (include NON E, E & E submitted 18.1F JPAs)	E SUB (NEED 2023 PP)	E SUB 18.1F (NEED 2023 AC)	NON E (NEED 2023 PP)	TOTAL
HELD OVER JPAS	2	62	8	72
HELD OVER POLES	4	838	35	877

AS OF 4/1/2023. SCE PULLED E SUB 18.1Fs 4/7/2023.

Average poles/JPA in 2023	9.47
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Actual JPAs/poles received from 2/3/2023 - 3/5/2023 (March 2023 Bill of Sale):		
	JPAS	POLES
SCE	795	5876
OTHER MEMBERS	391	3691

	JPAS	POLES
SCE CALL BACKS	5	64
SCE FORM 7 DO NOT BILL	4	50

Inspections Billed SCE Only: O&M (Inspection & Pole Tags)	
Inspection JPAs Billed	
Inspection Poles Billed	

SCE's Inspections JPAs/Poles were not included in above table	SCE O&M YTD
14	46
6487	17164

Overtime Only E Only: (JOINTS)	
OVERTIME E SUBMITTED JPAs Billed	
OVERTIME E SUBMITTED Poles Billed	
OVERTIME E JPAs Processed (Billed + Memos)	
OVERTIME E Poles Processed (Billed + Memos)	

E's Overtime JPAs/Poles were not included in above table	E OT YTD
90	330
403	1847
108	471
604	3186

PRODUCTIVITY WITHOUT OVERTIME

BILL OF SALE	BILLED JOINT POLES	RETURNED JOINT POLES	JOINT BILLED RATE (longer to process)	JOINT RETURN RATE	BILLED MULTI POLES	RETURNED MULTI POLES	MULTI BILLED RATE (longer to process)	MULTI RETURN RATE	TOTAL PROCESSED POLES	Multi Poles % Processed	POLES RETURN RATE (JT & MULTI)	TOTAL BILLED POLES	BILLED JPAS	NOTES
Jun-2019	2641	1327	67%	33%	1062	1412	43%	57%	6442	38%	43%	3703		PAPER / PRECOVID
Jul-2019	2447	1166	68%	32%	1329	1320	50%	50%	6262	42%	40%	3776		PAPER / PRECOVID
Aug-2019	2608	1273	67%	33%	1185	1667	42%	58%	6733	42%	44%	3793		PAPER / PRECOVID
Sep-2019	2608	1410	65%	35%	1393	1579	47%	53%	6990	43%	43%	4001		PAPER / PRECOVID
Oct-2019	2439	1595	60%	40%	1076	1129	49%	51%	6239	35%	44%	3515		PAPER / PRECOVID
Nov-2019	1808	1200	60%	40%	966	1938	33%	67%	5912	49%	53%	2774		PAPER / PRECOVID
Dec-2019	1967	1182	62%	38%	459	1581	23%	78%	5189	39%	53%	2426		PAPER / PRECOVID
Jan-2020	2794	1145	71%	29%	942	1287	42%	58%	6168	36%	39%	3736		PAPER / PRECOVID
Feb-2020	2208	1483	60%	40%	1048	2533	29%	71%	7272	49%	55%	3256		PAPER / PRECOVID
Mar-2020	1813	1971	48%	52%	122	1863	6%	94%	5769	34%	66%	1935		PAPER-COVID (CLOSED EARLY)
Apr-2020	2099	699	75%	25%	1068	2016	35%	65%	5882	52%	46%	3167		COVID (HALF PAPER-HALF ELECTRONIC)
May-2020	1589	2346	40%	60%	571	1403	29%	71%	5909	33%	63%	2160	636	FULL ELECTRONIC
Jun-2020	2201	3278	40%	60%	258	1210	18%	82%	6947	21%	65%	2459	822	ELECTRONIC
Jul-2020	2034	2707	43%	57%	201	2007	9%	91%	6949	32%	68%	2235	938	ELECTRONIC
Aug-2020	717	3499	17%	83%	188	3377	5%	95%	7781	46%	88%	905	388	ELECTRONIC
Sep-2020	2541	6238	29%	71%	134	2148	6%	94%	11061	21%	76%	2675	1149	ELECTRONIC (high return rate of F48 Violation)
Oct-2020	3658	3446	51%	49%	352	2692	12%	88%	10148	30%	60%	4010	999	ELECTRONIC (Steel Stubbed JPAs & Corrections of Records INSP JPAs)
Nov-2020	3036	2386	56%	44%	486	2238	18%	82%	8146	33%	57%	3522	1094	ELECTRONIC
Dec-2020	2354	2587	48%	52%	487	2330	17%	83%	7758	36%	63%	2841	918	ELECTRONIC
Jan-2021	3051	1692	64%	36%	282	1086	21%	79%	6111	22%	45%	3333	1239	ELECTRONIC
Feb-2021	2330	2086	53%	47%	502	3495	13%	87%	8413	48%	66%	2832	904	ELECTRONIC
Mar-2021	2644	1956	57%	43%	958	2480	28%	72%	8038	43%	55%	3602	1103	ELECTRONIC
Apr-2021	2714	3062	47%	53%	704	3238	18%	82%	9718	41%	65%	3418	910	ELECTRONIC
May-2021	2212	2853	44%	56%	847	3363	20%	80%	9275	45%	67%	3059	774	ELECTRONIC
Jun-2021	3188	2328	58%	42%	692	3257	18%	82%	9465	42%	59%	3880	980	ELECTRONIC
Jul-2021	2432	3469	41%	59%	808	6109	12%	88%	12818	54%	75%	3240	662	ELECTRONIC (note: unusually high return rate 75%)
Aug-2021	2502	1719	59%	41%	394	5890	6%	94%	10505	60%	72%	2896	1033	ELECTRONIC (note: 72% return rate)
Sep-2021	3196	1596	67%	33%	1018	4049	20%	80%	9859	51%	57%	4214	1327	ELECTRONIC (highest)
Oct-2021	2729	820	77%	23%	559	4688	11%	89%	8796	60%	63%	3288	1181	ELECTRONIC
Nov-2021	2580	1144	69%	31%	734	3523	17%	83%	7981	53%	58%	3314	975	ELECTRONIC
Dec-2021	1714	1650	51%	49%	1277	3933	25%	75%	8574	61%	65%	2991	743	ELECTRONIC
Jan-2022	1563	1675	48%	52%	841	4188	17%	83%	8267	61%	71%	2404	545	ELECTRONIC
Feb-2022	1360	2448	36%	64%	616	4472	12%	88%	8896	57%	78%	1976	423	ELECTRONIC
Mar-2022	2229	2298	49%	51%	1031	3836	21%	79%	9394	52%	65%	3260	702	ELECTRONIC
Apr-2022	2658	2586	51%	49%	1258	2817	31%	69%	9319	44%	58%	3916	1045	ELECTRONIC
May-2022	2199	1345	62%	38%	1067	3023	26%	74%	7634	54%	57%	3266	802	ELECTRONIC (Processed 1042 poles from JPAs involving 5+ owners, the office usually processed about 660 poles a month.)
Jun-2022	1628	3767	30%	70%	771	3221	19%	81%	9387	43%	74%	2399	611	Electronic
Jul-2022	2122	1765	55%	45%	972	3971	20%	80%	8830	56%	65%	3094	751	Electronic. (3 staff had vac days)
Aug-2022	2022	2638	43%	57%	1425	3603	28%	72%	9688	52%	64%	3447	852	Electronic
Sep-2022	2049	2201	48%	52%	803	3088	21%	79%	8141	48%	65%	2852	667	Electronic (one holiday, multiple employees were out sick and out on vac)
Oct-2022	1918	1358	59%	41%	1205	4574	21%	79%	9055	64%	66%	3123	555	Electronic
Nov-2022	1822	2037	47%	53%	954	5353	15%	85%	10166	62%	73%	2776	420	Electronic (high return rate ATS JPAS)
Dec-2022	1826	2975	38%	62%	662	6466	9%	91%	11929	60%	79%	2488	446	Electronic (high return rate ATS JPAS)
Jan-2023	1434	1680	46%	54%	646	6951	9%	91%	10711	71%	81%	2080	372	Electronic (high return rate ATS JPAS)
Feb-2023	1685	2247	43%	57%	759	7678	9%	91%	12369	68%	80%	2444	382	Electronic (high return rate ATS JPAS)
Mar-2023	2543	1771	59%	41%	957	4182	19%	81%	9453	54%	63%	3500	604	Electronic

12-month average	AS OF 3/31/2023	8886.50	Poles processed a month Nov 2021-Oct 2022
Exclude Nov 2022, Dec 2022, Jan 2023, Feb 2023			

*Regular time per month contingent upon (based on 2021 data):

- Multi received: 48% or lower.
- Complexity of multi JPAs. (5+ owners JPAs take more time and resources).
- Billable poles rate: 38% or lower. Note: Billable poles take more time and resources. (return rate 62% or higher).
- Billable JPAs rate: 57% or lower. Note: Billable JPAs take more time and resources. (return rate 43% or higher).
- Length of committee meetings. Transcribing long meetings will take time away from billing.
- Average 5.26 poles/JPA

JOINT (TWO OWNERS) JPAS

Bill of Sale Month	Poles Billed 2P	Poles Returned	Total Poles (Billed + Returned) Processed	Number of JPAs BILLED	Number of JPAs Returned	Total # of JPAs Processed (Billed + Returned)	Additional work Hrs	NOTES	Poles/Hour	POLE BILLABLE RATE	Poles Return rate %	JPA BILLABLE RATE	JPAs Return Rate %
Mar-22	793	745	1538	162	73	235	106	Started late on 3/7/22	14.51	51.56%	48.44%	68.94%	31.06%
Apr-22	2035	889	2924	632	143	775	226	More Poles/JPAs billable	12.94	69.60%	30.40%	81.55%	18.45%
May-22	1844	571	2415	611	86	697	192	More Poles/JPAs billable	12.58	76.36%	23.64%	87.66%	12.34%
Jun-22	1368	809	2177	304	77	381	155.25		14.02	62.84%	37.16%	79.79%	20.21%
Jul-22	2188	879	3067	659	110	769	224.75		13.65	71.34%	28.66%	85.70%	14.30%
Aug-22	2331	1095	3426	486	106	592	246		13.93	68.04%	31.96%	82.09%	17.91%
Sep-22	1388	902	2290	352	88	440	171		13.39	60.61%	39.39%	80.00%	20.00%
Oct-22	730	376	1106	172	47	219	84.75		13.05	66.00%	34.00%	78.54%	21.46%
Nov-22	690	437	1127	141	39	180	86.15		13.08	61.22%	38.78%	78.33%	21.67%
Dec-22	413	296	709	84	31	115	48.97		14.48	58.25%	41.75%	73.04%	26.96%
Jan-23	530	385	915	98	37	135	65.25		14.02	57.92%	42.08%	72.59%	27.41%
Feb-23	435	314	749	65	24	89	49.5		15.13	58.08%	41.92%	73.03%	26.97%
Mar-23	297	137	434	67	12	79	35.5		12.23	68.43%	31.57%	84.81%	15.19%
Totals	15042	7835	22877	3833	873	4706	1691.12						

Average billing joint (2 owners) poles/hour goal:	12.10
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*Overtime poles per month contingent upon (based on 2020 & 2021 OT data):

1. The % of billable joint poles: 60% (or less) of the volume processed can be billed (based on SCE OT data).
2. The % of billable joint JPAs: 76% (or less) of the volume processed can be billed (based on SCE OT data).
3. Staff availability.

THREE OWNERS JPAS (staff will only process 3P JPAs when the number of joint (2P) JPAs are low)

Bill of Sale Month	3P Poles Billed	3P Poles Returned	Total Poles (Billed + Returned) Processed	Number of JPAs BILLED	Number of JPAs Returned	Total # of JPAs Processed (Billed + Returned)	Additional work Hrs	NOTES	Poles/Hour	POLE BILLABLE RATE	Poles Return rate %	JPA BILLABLE RATE	JPAs Return Rate %
Oct-22	579	814	1393	126	99	225	122.75		11.35	41.56%	58.44%	56.00%	44.00%
Nov-22	167	219	386	30	23	53	34.35		11.24	43.26%	56.74%	56.60%	43.40%
Dec-22	494	633	1127	70	62	132	102.03		11.05	43.83%	56.17%	53.03%	46.97%
Jan-23	248	249	497	41	39	80	50.50		9.84	49.90%	50.10%	51.25%	48.75%
Feb-23	231	190	421	36	23	59	34.25		12.29	54.87%	45.13%	61.02%	38.98%
Mar-23	106	64	170	23	6	29	17.75		9.58	62.35%	37.65%	79.31%	20.69%
Totals	1825	2169	3994	326	252	578	361.63						

Total 2P+3P hrs 53.25 b/s 3/23

FORECAST UPDATED BASED ON ACTUAL DATA MAR 2023 B/S (UPDATED 4/12/23)

ORIGINAL FORECAST (3/2/2022)	Number of JPAs Members will send to the SCJPC:	1624 JPAs per month (1279 SCE + 345 Non SCE)
ORIGINAL FORECAST (3/2/2022)	Number of Poles Members will send to the SCJPC:	8542.24 Poles per month (SCE + Non SCE JPAs)
2022 FORECAST (5/18/2022 meeting)	Number of Poles Members will send to the SCJPC:	13,309.18 Poles per month (SCE 9000 + Non SCE 4309.18)

B/S 1/23	Actual number of poles members sent to the SCJPC:	12,578.00 poles
B/S 2/23	Actual number of poles members sent to the SCJPC:	12,592.00 poles
B/S 3/23	Actual number of poles members sent to the SCJPC:	9,567.00 poles

SCJPC to process poles/month Forecast	Regular time forecast	Overtime forecast	Total Poles forecast	Processed poles forecast monthly Assuming SCJPC WILL work overtime 126.98 hours per month
	8542.24	1536.46	10,078.70	

SCJPC processed poles (actual #) Actual Data	Regular time (actual)	Overtime (Actual)	Total Poles (Actual)	Bill of Sale	Actual pole processed
	9567	604	10,171.00	B/S 3/23	

Bill of sale Month	Description	Count	Balance		Actual or forecast numbers
End of August 2022	Balance (backlog is included)		7,662.00 Poles		End of August 2022
End of September 2022	Balance (backlog is included)		6,252.00 Poles		End of September 2022
End of October 2022	Balance (backlog is included)		2,163.00 Poles		End of October 2022
End of November 2022	Balance (backlog is included)		2,944.00 Poles		End of November 2022
End of December 2022	Balance (backlog is included)		2,086.00 Poles		End of December 2022
End of January 2023	Balance (backlog is included)		2,488.00 Poles		End of January 2023
Feb-23	Internal adjustment (correction)	-		Poles	Actual
Feb-23	Poles received from SCE this month (new JPAs)-SCE	4,005.00		Poles	Actual
Feb-23	Poles received from all other members this month (new JPAs)-NON SCE	8,587.00		Poles	Actual
Feb-23	Poles SCE JPC COR	-		Poles	Actual
Feb-23	Poles NON SCE JPC COR	7.00		Poles	Actual
Feb-23	SCJPC processed (SCE reg time)	(3,778.00)		Poles	Actual
Feb-23	SCJPC processed (SCE 18.1F reg time)	-		Poles	Actual
Feb-23	SCJPC processed (NON SCE reg time)	(8,581.00)		Poles	Actual
Feb-23	SCJPC processed (NON SCE 18.1F reg time)	(3.00)		Poles	Actual
Feb-23	SCJPC processed Poles SCE JPC COR (reg time)	-		Poles	Actual
Feb-23	SCJPC Processed Poles NON SCE JPC COR (reg t	(7.00)		Poles	Actual
Feb-23	SCJPC processed during overtime 2P	(749.00)		Poles	Actual
Feb-23	SCJPC processed during overtime 3P	(421.00)		Poles	Actual
Feb-23	SCE Call Backs	(7.00)		Poles	Actual
Feb-23	SCE F7 DO NO BILLS	(60.00)		Poles	Actual
End of February 2023	Balance (backlog is included)		1,481.00 Poles		End of February 2023
Mar-23	Internal adjustment (correction)	-		Poles	Actual
Mar-23	Poles received from SCE this month (new JPAs)-SCE	5,876.00		Poles	Actual
Mar-23	Poles received from all other members this month (new JPAs)-NON SCE	3,691.00		Poles	Actual
Mar-23	Poles SCE JPC COR	-		Poles	Actual
Mar-23	Poles NON SCE JPC COR	-		Poles	Actual
Mar-23	SCJPC processed (SCE reg time)	(5,794.00)		Poles	Actual
Mar-23	SCJPC processed (SCE 18.1F reg time)	-		Poles	Actual
Mar-23	SCJPC processed (NON SCE reg time)	(3,659.00)		Poles	Actual
Mar-23	SCJPC processed (NON SCE 18.1F reg time)	-		Poles	Actual
Mar-23	SCJPC processed Poles SCE JPC COR (reg time)	-		Poles	Actual
Mar-23	SCJPC Processed Poles NON SCE JPC COR (reg t	-		Poles	Actual
Mar-23	SCJPC processed during overtime 2P	(434.00)		Poles	Actual
Mar-23	SCJPC processed during overtime 3P	(170.00)		Poles	Actual
Mar-23	SCE Call Backs	(64.00)		Poles	Actual
Mar-23	SCE F7 DO NOT BILLS	(50.00)		Poles	Actual
End of March 2023	Balance (backlog is included)		877.00 Poles		End of March 2023

- *Regular time per month contingent upon (based on 2021 data):
- 1. Multi received: 48% or lower.
 - 2. Complexity of multi JPAs.
 - 3. Billable poles rate: 38% or lower. Note: Billable poles take more time and resources.
 - 4. Billable JPAs rate: 57% or lower. Note: Billable JPAs take more time and resources.
 - 5. Length of committee meetings. Transcribing long meetings will take time away from billing.
 - 6. Average 5.26 poles/JPA

*Overtime poles per month contingent upon (based on 2020 & 2021 OT data):

1. The % of billable poles: 60% (or less) of the volume processed can be billed (based on SCE OT data).
2. The % of billable JPAs: 76% (or less) of the volume processed can be billed (based on SCE OT data).
3. Staff availability.



COMMENCEMENT DATE MEMORANDUM

AIR Commercial Real Estate Association

By and Between (Lessor): 279 Arrow, LLC

And (Lessee): Southern California Joint Pole Committee, a California Nonprofit Corporation

Address of Premises: 279 E. Arrow Hwy., Suite 104
San Dimas, California 91773

THIS MEMORANDUM, made as of May 21, 2012 by and between 279 Arrow, LLC ("Lessor") and Southern California Joint Pole Committee, a California Nonprofit Corporation ("Lessee").

Recitals:

Lessor and Lessee are parties to that certain Lease, dated for reference purposes December 29, 2011 (the "Lease") for certain premises (the "Premises") commonly known as 279 E. Arrow Hwy., Suite 104, San Dimas, California 91773

Lessee is now in possession of the Premises and the Term of the Lease has commenced.

Lessor and Lessee desire to enter into this Memorandum confirming the Commencement Date, the Termination Date and other matters under the Lease.

NOW, THEREFORE, Lessor and Lessee agree as follows:

1. The actual Commencement Date is June 22, 2012.
2. The actual Expiration Date is June 30, 2019.
3. The Base Rent shall be adjusted on the dates indicated as follows: On July 1, 2013 the rent will increase to \$6,570.74 per month. On July 1, 2014 the rent will increase to \$6,987.01 per month. On July 1, 2015 the rent will increase to \$7,231.56 per month. July 1, 2016 the rent will increase to \$7,484.66 per month. July 1, 2017 the rent will increase to \$7,746.62 per month. On July 1, 2018 the rent will increase to \$8,017.76 per month.

(strike if not applicable)

4. Other: Lessee shall pay \$1,956.74 on July 1, 2012 as the prorata rent for June 22, 2012 through June 30, 2012 and the rent paid at execution of the lease shall be credited as the rent for July 1, 2012 through July 31, 2012. *(strike if not applicable)*

5. Capitalized terms not defined herein shall have the same meaning as set forth in the Lease.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date and year first above written.

By LESSOR:

279 Arrow, LLC

By:

Name Printed: Alan Kohn

Title: Managing Member

By LESSEE:

Southern California Joint Pole Committee, a California Nonprofit Corporation

By:

Name Printed: Jennie Corella

Title: Manager of Operations

AK

INITIALS

JC

INITIALS

By: _____	By: _____
Name Printed: _____	Name Printed: _____
Title: _____	Title: _____
Address: 2440 E. 56th Street	Address: 279 E. Arrow Hwy., Suite 104
Los Angeles, California 90058	San Dimas, California 91773
Telephone: (323) 583-3366	Telephone: () _____
Facsimile: (323) 583-7601	Facsimile: () _____
Federal ID No.: _____	Federal ID No.: _____

NOTICE: These forms are often modified to meet changing requirements of law and industry needs. Always write or call to make sure you are utilizing the most current form: AIR Commercial Real Estate Association, 800 W 6th Street, Suite 800, Los Angeles, CA 90017. Telephone No.: (213) 687-8777. Fax No.: (213) 687-8616.

AK
INITIALS

AK
INITIALS



STANDARD MULTI-TENANT OFFICE LEASE - GROSS

AIR COMMERCIAL REAL ESTATE ASSOCIATION

1. Basic Provisions ("Basic Provisions").

1.1 Parties: This Lease ("Lease"), dated for reference purposes only December 29, 2011, is made by and between 279 Arrow, LLC

(**"Lessor"**)
and Southern California Joint Pole Committee, a California Nonprofit Corporation

(**"Lessee"**),
(collectively the "Parties", or individually a "Party").

1.2(a) Premises: That certain portion of the Project (as defined below), known as Suite Numbers(s) 104, first (1st) floor(s), consisting of approximately 3,953 rentable square feet and approximately 3,393 useable square feet ("Premises"). The Premises are located at: 279 E. Arrow Highway, in the City of San Dimas, County of Los Angeles, State of California, with zip code 91773. In addition to Lessee's rights to use and occupy the Premises as hereinafter specified, Lessee shall have non-exclusive rights to the Common Areas (as defined in Paragraph 2.7 below) as hereinafter specified, but shall not have any rights to the roof, the exterior walls, the area above the dropped ceilings, or the utility raceways of the building containing the Premises ("Building") or to any other buildings in the Project. The Premises, the Building, the Common Areas, the land upon which they are located, along with all other buildings and improvements thereon, are herein collectively referred to as the "Project." The Project consists of approximately 40000 rentable square feet. (See also Paragraph 2)

1.2(b) Parking: 16 unreserved and 0 reserved vehicle parking spaces at a monthly cost of \$_____ per unreserved space and \$_____ per reserved space. (See Paragraph 2.6)

1.3 Term: Seven (7) years and zero (0) months (**"Original Term"**) commencing April 1, 2012 (**"Commencement Date"**) and ending March 31, 2019 (**"Expiration Date"**). (See also Paragraph 3)

1.4 Early Possession: If the Premises are available Lessee may have non-exclusive possession of the Premises commencing March 1, 2012 (**"Early Possession Date"**). (See also Paragraphs 3.2 and 3.3)

1.5 Base Rent: \$6,522.45 per month (**"Base Rent"**), payable on the first (1st) day of each month commencing April 1, 2012. (See also Paragraph 4)

☒ If this box is checked, there are provisions in this Lease for the Base Rent to be adjusted. See Paragraph 50

1.6 Lessee's Share of Operating Expense Increase: nine and eighty-eight hundredths percent (9.88%) (**"Lessee's Share"**). In the event that that size of the Premises and/or the Project are modified during the term of this Lease, Lessor shall recalculate Lessee's Share to reflect such modification.

1.7 Base Rent and Other Monies Paid Upon Execution:

- (a) Base Rent: \$6,522.45 for the period April 1, 2012 - April 30, 2012
- (b) Security Deposit: \$6,522.45 (**"Security Deposit"**). (See also Paragraph 5)
- (c) Parking: \$0.00 for the period n/a
- (d) Other: \$n/a for n/a
- (e) Total Due Upon Execution of this Lease: \$13,044.90

1.8 Agreed Use: General office

(See also Paragraph 6)

1.9 Base Year; Insuring Party. The Base Year is 2011. Lessor is the **"Insuring Party"**. (See also Paragraphs 4.2 and 8)

1.10 Real Estate Brokers: (See also Paragraph 15)

(a) Representation: The following real estate brokers (the **"Brokers"**) and brokerage relationships exist in this transaction (check applicable boxes):

- ☒ Lee & Associates@-Ontario represents Lessor exclusively (**"Lessor's Broker"**);
- ☒ Carter & Associates represents Lessee exclusively (**"Lessee's Broker"**); or
- ☐ _____ represents both Lessor and Lessee (**"Dual Agency"**).

(b) Payment to Brokers: Upon execution and delivery of this Lease by both Parties, Lessor shall pay to the Brokers for the brokerage services rendered by the Brokers the fee agreed to in the attached separate written agreement or if no such agreement is attached, the sum of _____ or _____ % of the total Base Rent payable for the Original Term, the sum of _____ or _____ of the total Base Rent payable during any period of time that the Lessee occupies the Premises subsequent to the Original Term, and/or the sum of _____ or _____ % of the purchase price in the event that the Lessee or anyone affiliated with Lessee acquires from Lessor any rights to the Premises.

1.11 Guarantor: The obligations of the Lessee under this Lease shall be guaranteed by _____ (**"Guarantor"**). (See also Paragraph 37)

1.12 Business Hours for the Building: 7:00 a.m. to 7:00 p.m., Mondays through Fridays (except Building Holidays) and 9:00 a.m. to 1:00 p.m. on Saturdays (except Building Holidays). **"Building Holidays"** shall mean the dates of observation of New Year's Day, President's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Christmas Day, and _____.

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1.13 **Lessor Supplied Services.** Notwithstanding the provisions of Paragraph 11.1, Lessor is NOT obligated to provide the following within the Premises:

- ☐ Janitorial services
- ☐ Electricity
- ☐ Other (specify): _____

1.14 **Attachments.** Attached hereto are the following, all of which constitute a part of this Lease:

- ☒ an Addendum consisting of Paragraphs 50 through 51;
- ☐ a plot plan depicting the Premises;
- ☒ a current set of the Rules and Regulations;
- ☐ a Work Letter;
- ☐ a janitorial schedule;
- ☒ other (specify): Uniform Lease Disclaimer, Exhibits A & B

2. Premises.

2.1 **Letting.** Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor, the Premises, for the term, at the rental, and upon all of the terms, covenants and conditions set forth in this Lease. While the approximate square footage of the Premises may have been used in the marketing of the Premises for purposes of comparison, the Base Rent stated herein is NOT tied to square footage and is not subject to adjustment should the actual size be determined to be different. **Note: Lessee is advised to verify the actual size prior to executing this Lease.**

2.2 **Condition.** Lessor shall deliver the Premises to Lessee in a clean condition on the Commencement Date or the Early Possession Date, whichever first occurs ("Start Date"), and warrants that the existing electrical, plumbing, fire sprinkler, lighting, heating, ventilating and air conditioning systems ("HVAC"), and all other items which the Lessor is obligated to construct pursuant to the Work Letter attached hereto, if any, other than those constructed by Lessee, shall be in good operating condition on said date, that the structural elements of the roof, bearing walls and foundation of the Unit shall be free of material defects, and that the Premises do not contain hazardous levels of any mold or fungi defined as toxic under applicable state or federal law.

2.3 **Compliance.** Lessor warrants to the best of its knowledge that the Improvements comprising the Premises and the Common Areas comply with the building codes that were in effect at the time that each such improvement, or portion thereof, was constructed, and also with all applicable laws, covenants or restrictions of record, regulations, and ordinances ("Applicable Requirements") in effect on the Start Date. Said warranty does not apply to the use to which Lessee will put the Premises, modifications which may be required by the Americans with Disabilities Act or any similar laws as a result of Lessee's use (see Paragraph 49), or to any Alterations or Utility Installations (as defined in Paragraph 7.3(a)) made or to be made by Lessee. **NOTE: Lessee is responsible for determining whether or not the zoning and other Applicable Requirements are appropriate for Lessee's intended use, and acknowledges that past uses of the Premises may no longer be allowed.** If the Premises do not comply with said warranty, Lessor shall, except as otherwise provided, promptly after receipt of written notice from Lessee setting forth with specificity the nature and extent of such non-compliance, rectify the same. If the Applicable Requirements are hereafter changed so as to require during the term of this Lease the construction of an addition to or an alteration of the Premises, the remediation of any Hazardous Substance, or the reinforcement or other physical modification of the Premises ("Capital Expenditure"), Lessor and Lessee shall allocate the cost of such work as follows:

(a) Subject to Paragraph 2.3(c) below, if such Capital Expenditures are required as a result of the specific and unique use of the Premises by Lessee as compared with uses by tenants in general, Lessee shall be fully responsible for the cost thereof, provided, however, that if such Capital Expenditure is required during the last 2 years of this Lease and the cost thereof exceeds 6 months' Base Rent, Lessee may instead terminate this Lease unless Lessor notifies Lessee, in writing, within 10 days after receipt of Lessee's termination notice that Lessor has elected to pay the difference between the actual cost thereof and the amount equal to 6 months' Base Rent. If Lessee elects termination, Lessee shall immediately cease the use of the Premises which requires such Capital Expenditure and deliver to Lessor written notice specifying a termination date at least 90 days thereafter. Such termination date shall, however, in no event be earlier than the last day that Lessee could legally utilize the Premises without commencing such Capital Expenditure.

(b) If such Capital Expenditure is not the result of the specific and unique use of the Premises by Lessee (such as, governmentally mandated seismic modifications), then Lessor shall pay for such Capital Expenditure and Lessee shall only be obligated to pay, each month during the remainder of the term of this Lease or any extension thereof, on the date that on which the Base Rent is due, an amount equal to 1/144th of the portion of such costs reasonably attributable to the Premises. Lessee shall pay interest on the balance but may prepay its obligation at any time. If, however, such Capital Expenditure is required during the last 2 years of this Lease or if Lessor reasonably determines that it is not economically feasible to pay its share thereof, Lessor shall have the option to terminate this Lease upon 90 days prior written notice to Lessee unless Lessee notifies Lessor, in writing, within 10 days after receipt of Lessor's termination notice that Lessee will pay for such Capital Expenditure. If Lessor does not elect to terminate, and fails to tender its share of any such Capital Expenditure, Lessee may advance such funds and deduct same, with interest, from Rent until Lessor's share of such costs have been fully paid. If Lessee is unable to finance Lessor's share, or if the balance of the Rent due and payable for the remainder of this Lease is not sufficient to fully reimburse Lessee on an offset basis, Lessee shall have the right to terminate this Lease upon 30 days written notice to Lessor.

(c) Notwithstanding the above, the provisions concerning Capital Expenditures are intended to apply only to nonvoluntary, unexpected, and new Applicable Requirements. If the Capital Expenditures are instead triggered by Lessee as a result of an actual or proposed change in use, change in intensity of use, or modification to the Premises then, and in that event, Lessee shall either: (i) immediately cease such changed use or intensity of use and/or take such other steps as may be necessary to eliminate the requirement for such Capital Expenditure, or (ii) complete such Capital Expenditure at its own expense. Lessee shall not have any right to terminate this Lease.

2.4 **Acknowledgements.** Lessee acknowledges that: (a) it has been given an opportunity to inspect and measure the Premises, (b) Lessee has been advised by Lessor and/or Brokers to satisfy itself with respect to the size and condition of the Premises (including but not limited to the electrical, HVAC and fire sprinkler systems, security, environmental aspects, and compliance with Applicable Requirements), and their suitability for Lessee's intended use, (c) Lessee has made such investigation as it deems necessary with reference to such matters and assumes all responsibility therefor as the same relate to its occupancy of the Premises, (d) it is not relying on any representation as to the size of the Premises made by Brokers or Lessor, (e) the square footage of the Premises was not material to Lessee's decision to lease the Premises and pay the Rent stated herein, and (f) neither Lessor, Lessor's agents, nor Brokers have made any oral or written representations or warranties with respect to said matters other than as set forth in this Lease. In addition, Lessor acknowledges that: (i) Brokers have made no representations, promises or warranties concerning Lessee's ability to honor the Lease or suitability to occupy the Premises, and (ii) it is Lessor's sole responsibility to investigate the financial capability and/or suitability of all proposed tenants.

2.5 **Lessee as Prior Owner/Occupant.** The warranties made by Lessor in Paragraph 2 shall be of no force or effect if immediately prior to the Start Date, Lessee was the owner or occupant of the Premises. In such event, Lessee shall be responsible for any necessary corrective work.

2.6 **Vehicle Parking.** So long as Lessee is not in default, and subject to the Rules and Regulations attached hereto, and as established by Lessor from time to time, Lessee shall be entitled to rent and use the number of parking spaces specified in Paragraph 1.2(b) at the rental rate applicable from time to time for monthly parking as set by Lessor and/or its licensee.

(a) If Lessee commits, permits or allows any of the prohibited activities described in the Lease or the rules then in effect, then Lessor shall have the right, without notice, in addition to such other rights and remedies that it may have, to remove or tow away the vehicle involved and charge the cost to Lessee, which cost shall be immediately payable upon demand by Lessor.

(b) ~~The monthly rent per parking space specified in Paragraph 1.2(b) is subject to change upon 30 days prior written notice to Lessee. The rent for the parking is payable one month in advance prior to the first day of each calendar month.~~

2.7 **Common Areas - Definition.** The term "Common Areas" is defined as all areas and facilities outside the Premises and within the exterior boundary line of the Project and interior utility raceways and installations within the Premises that are provided and designated by the Lessor from time to time for the general nonexclusive use of Lessor, Lessee and other tenants of the Project and their respective employees, suppliers, shippers, customers, contractors and invitees, including, but not limited to, common entrances, lobbies, corridors, stairwells, public restrooms, elevators, parking areas, loading and unloading areas, trash areas, roadways, walkways, driveways and landscaped areas.

2.8 **Common Areas - Lessee's Rights.** Lessor grants to Lessee, for the benefit of Lessee and its employees, suppliers, shippers, contractors, customers and invitees, during the term of this Lease, the nonexclusive right to use, in common with others entitled to such use, the Common Areas as they exist from time to time, subject to any rights, powers, and privileges reserved by Lessor under the terms hereof or under the terms of any rules and regulations or restrictions governing the use of the Project. Under no circumstances shall the right herein granted to use the

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Common Areas be deemed to include the right to store any property, temporarily or permanently, in the Common Areas. Any such storage shall be permitted only by the prior written consent of Lessor or Lessor's designated agent, which consent may be revoked at any time. In the event that any unauthorized storage shall occur then Lessor shall have the right, without notice, in addition to such other rights and remedies that it may have, to remove the property and charge the cost to Lessee, which cost shall be immediately payable upon demand by Lessor.

2.9 **Common Areas - Rules and Regulations.** Lessor or such other person(s) as Lessor may appoint shall have the exclusive control and management of the Common Areas and shall have the right, from time to time, to adopt, modify, amend and enforce reasonable rules and regulations ("Rules and Regulations") for the management, safety, care, and cleanliness of the grounds, the parking and unloading of vehicles and the preservation of good order, as well as for the convenience of other occupants or tenants of the Building and the Project and their invitees. The Lessee agrees to abide by and conform to all such Rules and Regulations, and shall use its best efforts to cause its employees, suppliers, shippers, customers, contractors and invitees to so abide and conform. Lessor shall not be responsible to Lessee for the noncompliance with said Rules and Regulations by other tenants of the Project.

2.10 **Common Areas - Changes.** Lessor shall have the right, in Lessor's sole discretion, from time to time:

- (a) To make changes to the Common Areas, including, without limitation, changes in the location, size, shape and number of the lobbies, windows, stairways, air shafts, elevators, escalators, restrooms, driveways, entrances, parking spaces, parking areas, loading and unloading areas, ingress, egress, direction of traffic, landscaped areas, walkways and utility raceways;
- (b) To close temporarily any of the Common Areas for maintenance purposes so long as reasonable access to the Premises remains available;
- (c) To designate other land outside the boundaries of the Project to be a part of the Common Areas;
- (d) To add additional buildings and improvements to the Common Areas;
- (e) To use the Common Areas while engaged in making additional improvements, repairs or alterations to the Project, or any portion thereof; and
- (f) To do and perform such other acts and make such other changes in, to or with respect to the Common Areas and Project as Lessor may, in the exercise of sound business judgment, deem to be appropriate.

3. **Term.**

3.1 **Term.** The Commencement Date, Expiration Date and Original Term of this Lease are as specified in Paragraph 1.3.

3.2 **Early Possession.** Any provision herein granting Lessee Early Possession of the Premises is subject to and conditioned upon the Premises being available for such possession prior to the Commencement Date. Any grant of Early Possession only conveys a non-exclusive right to occupy the Premises. If Lessee totally or partially occupies the Premises prior to the Commencement Date, the obligation to pay Base Rent shall be abated for the period of such Early Possession. All other terms of this Lease (including but not limited to the obligations to pay Lessee's Share of the Operating Expense Increase) shall be in effect during such period. Any such Early Possession shall not affect the Expiration Date.

3.3 **Delay in Possession.** Lessor agrees to use its best commercially reasonable efforts to deliver possession of the Premises to Lessee by the Commencement Date. If, despite said efforts, Lessor is unable to deliver possession by such date, Lessor shall not be subject to any liability therefor, nor shall such failure affect the validity of this Lease or change the Expiration Date. Lessee shall not, however, be obligated to pay Rent or perform its other obligations until Lessor delivers possession of the Premises and any period of rent abatement that Lessee would otherwise have enjoyed shall run from the date of delivery of possession and continue for a period equal to what Lessee would otherwise have enjoyed under the terms hereof, but minus any days of delay caused by the acts or omissions of Lessee. If possession is not delivered within 60 days after the Commencement Date, as the same may be extended under the terms of any Work Letter executed by Parties, Lessee may, at its option, by notice in writing within 10 days after the end of such 60 day period, cancel this Lease, in which event the Parties shall be discharged from all obligations hereunder. If such written notice is not received by Lessor within said 10 day period, Lessee's right to cancel shall terminate. If possession of the Premises is not delivered within 120 days after the Commencement Date, this Lease shall terminate unless other agreements are reached between Lessor and Lessee, in writing.

3.4 **Lessee Compliance.** Lessor shall not be required to deliver possession of the Premises to Lessee until Lessee complies with its obligation to provide evidence of insurance (Paragraph 8.5). Pending delivery of such evidence, Lessee shall be required to perform all of its obligations under this Lease from and after the Start Date, including the payment of Rent, notwithstanding Lessor's election to withhold possession pending receipt of such evidence of insurance. Further, if Lessee is required to perform any other conditions prior to or concurrent with the Start Date, the Start Date shall occur but Lessor may elect to withhold possession until such conditions are satisfied.

4. **Rent.**

4.1 **Rent Defined.** All monetary obligations of Lessee to Lessor under the terms of this Lease (except for the Security Deposit) are deemed to be rent ("Rent").

4.2 **Operating Expense Increase.** Lessee shall pay to Lessor during the term hereof, in addition to the Base Rent, Lessee's Share of the amount by which all Operating Expenses for each Comparison Year exceeds the amount of all Operating Expenses for the Base Year, such excess being hereinafter referred to as the "Operating Expense Increase", in accordance with the following provisions:

- (a) "Base Year" is as specified in Paragraph 1.9.
- (b) "Comparison Year" is defined as each calendar year during the term of this Lease subsequent to the Base Year; provided, however, Lessee shall have no obligation to pay a share of the Operating Expense Increase applicable to the first 12 months of the Lease Term (other than such as are mandated by a governmental authority, as to which government mandated expenses Lessee shall pay Lessee's Share, notwithstanding they occur during the first twelve (12) months). Lessee's Share of the Operating Expense Increase for the first and last Comparison Years of the Lease Term shall be prorated according to that portion of such Comparison Year as to which Lessee is responsible for a share of such Increase.

- (c) The following costs relating to the ownership and operation of the Project, calculated as if the Project was at least 95% occupied, are defined as "Operating Expenses":

- (i) Costs relating to the operation, repair, and maintenance in neat, clean, safe, good order and condition, but not the replacement (see subparagraph (g)), of the following:

- (aa) The Common Areas, including their surfaces, coverings, decorative items, carpets, drapes and window coverings, and including parking areas, loading and unloading areas, trash areas, roadways, sidewalks, walkways, stairways, parkways, driveways, landscaped areas, striping, irrigation systems, Common Area lighting facilities, building exteriors and roofs, fences and gates;

- (bb) All heating, air conditioning, plumbing, electrical systems, life safety equipment, communication systems and other equipment used in common by, or for the benefit of, tenants or occupants of the Project, including elevators and escalators, tenant directories, fire detection systems including sprinkler system maintenance and repair.

- (cc) All other areas and improvements that are within the exterior boundaries of the Project but outside of the Premises and/or any other space occupied by a tenant.

- (ii) The cost of trash disposal, janitorial and security services, pest control services, and the costs of any environmental inspections;

- (iii) The cost of any other service to be provided by Lessor that is elsewhere in this Lease stated to be an "Operating Expense";

- (iv) The cost of the premiums for the insurance policies maintained by Lessor pursuant to paragraph 8 and any deductible portion of an insured loss concerning the Building or the Common Areas;

- (v) The amount of the Real Property Taxes payable by Lessor pursuant to paragraph 10;

- (vi) The cost of water, sewer, gas, electricity, and other publicly mandated services not separately metered;

- (vii) Labor, salaries, and applicable fringe benefits and costs, materials, supplies and tools, used in maintaining and/or cleaning the Project and accounting and management fees attributable to the operation of the Project;

- (viii) The cost of any capital improvement to the Building or the Project not covered under the provisions of Paragraph 2.3 provided; however, that Lessor shall allocate the cost of any such capital improvement over a 12 year period and Lessee shall not be required to pay more than Lessee's Share of 1/144th of the cost of such Capital Expenditure in any given month;

- (ix) The cost to replace equipment or improvements that have a useful life for accounting purposes of 5 years or less.

- (x) Reserves set aside for maintenance, repair and/or replacement of Common Area Improvements and equipment.

- (d) Any Item of Operating Expense that is specifically attributable to the Premises, the Building or to any other building in the Project or to the operation, repair and maintenance thereof, shall be allocated entirely to such Premises, Building, or other building. However, any such item that is not specifically attributable to the Building or to any other building or to the operation, repair and maintenance thereof, shall be equitably allocated by Lessor to all buildings in the Project.

- (e) The inclusion of the Improvements, facilities and services set forth in Subparagraph 4.2(c) shall not be deemed to impose an obligation upon Lessor to either have said improvements or facilities or to provide those services unless the Project already has the same, Lessor

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already provides the services, or Lessor has agreed elsewhere in this Lease to provide the same or some of them.

(f) Lessee's Share of Operating Expense Increase is payable monthly on the same day as the Base Rent is due hereunder. The amount of such payments shall be based on Lessor's estimate of the Operating Expense Expenses. Within 60 days after written request (but not more than once each year) Lessor shall deliver to Lessee a reasonably detailed statement showing Lessee's Share of the actual Common Area Operating Expenses for the preceding year. If Lessee's payments during such Year exceed Lessee's Share, Lessee shall credit the amount of such over-payment against Lessee's future payments. If Lessee's payments during such Year were less than Lessee's Share, Lessee shall pay to Lessor the amount of the deficiency within 10 days after delivery by Lessor to Lessee of said statement. Lessor and Lessee shall forthwith adjust between them by cash payment any balance determined to exist with respect to that portion of the last Comparison Year for which Lessee is responsible as to Operating Expense Increases, notwithstanding that the Lease term may have terminated before the end of such Comparison Year.

(g) Operating Expenses shall not include the costs of replacement for equipment or capital components such as the roof, foundations, exterior walls or a Common Area capital improvement, such as the parking lot paving, elevators, fences that have a useful life for accounting purposes of 5 years or more.

(h) Operating Expenses shall not include any expenses paid by any tenant directly to third parties, or as to which Lessor is otherwise reimbursed by any third party, other tenant, or by insurance proceeds.

4.3 **Payment.** Lessee shall cause payment of Rent to be received by Lessor in lawful money of the United States on or before the day on which it is due, without offset or deduction (except as specifically permitted in this Lease). All monetary amounts shall be rounded to the nearest whole dollar. In the event that any invoice prepared by Lessor is inaccurate such inaccuracy shall not constitute a waiver and Lessee shall be obligated to pay the amount set forth in this Lease. Rent for any period during the term hereof which is for less than one full calendar month shall be prorated based upon the actual number of days of said month. Payment of Rent shall be made to Lessor at its address stated herein or to such other persons or place as Lessor may from time to time designate in writing. Acceptance of a payment which is less than the amount then due shall not be a waiver of Lessor's rights to the balance of such Rent, regardless of Lessor's endorsement of any check so stating. In the event that any check, draft, or other instrument of payment given by Lessee to Lessor is dishonored for any reason, Lessee agrees to pay to Lessor the sum of \$25 in addition to any Late Charge and Lessor, at its option, may require all future Rent be paid by cashier's check. Payments will be applied first to accrued late charges and attorney's fees, second to accrued interest, then to Base Rent and Common Area Operating Expenses, and any remaining amount to any other outstanding charges or costs.

5. **Security Deposit.** Lessee shall deposit with Lessor upon execution hereof the Security Deposit as security for Lessee's faithful performance of its obligations under this Lease. If Lessee fails to pay Rent, or otherwise Defaults under this Lease, Lessor may use, apply or retain all or any portion of said Security Deposit for the payment of any amount already due Lessor, for Rents which will be due in the future, and/or to reimburse or compensate Lessor for any liability, expense, loss or damage which Lessor may suffer or incur by reason thereof. If Lessor uses or applies all or any portion of the Security Deposit, Lessee shall within 10 days after written request therefor deposit monies with Lessor sufficient to restore said Security Deposit to the full amount required by this Lease. If the Base Rent increases during the term of this Lease, Lessee shall, upon written request from Lessor, deposit additional monies with Lessor so that the total amount of the Security Deposit shall at all times bear the same proportion to the increased Base Rent as the initial Security Deposit bore to the initial Base Rent. Should the Agreed Use be amended to accommodate a material change in the business of Lessee or to accommodate a sublessee or assignee, Lessor shall have the right to increase the Security Deposit to the extent necessary, in Lessor's reasonable judgment, to account for any increased wear and tear that the Premises may suffer as a result thereof. If a change in control of Lessee occurs during this Lease and following such change the financial condition of Lessee is, in Lessor's reasonable judgment, significantly reduced, Lessee shall deposit such additional monies with Lessor as shall be sufficient to cause the Security Deposit to be at a commercially reasonable level based on such change in financial condition. Lessor shall not be required to keep the Security Deposit separate from its general accounts. Within 90 days after the expiration or termination of this Lease, Lessor shall return that portion of the Security Deposit not used or applied by Lessor. No part of the Security Deposit shall be considered to be held in trust, to bear interest or to be prepayment for any monies to be paid by Lessee under this Lease.

6. **Use.**

6.1 **Use.** Lessee shall use and occupy the Premises only for the Agreed Use, or any other legal use which is reasonably comparable thereto, and for no other purpose. Lessee shall not use or permit the use of the Premises in a manner that is unlawful, creates damage, waste or a nuisance, or that disturbs occupants of or causes damage to neighboring premises or properties. Other than guide, signal and seeing eye dogs, Lessee shall not keep or allow in the Premises any pets, animals, birds, fish, or reptiles. Lessor shall not unreasonably withhold or delay its consent to any written request for a modification of the Agreed Use, so long as the same will not impair the structural integrity of the improvements of the Building, will not adversely affect the mechanical, electrical, HVAC, and other systems of the Building, and/or will not affect the exterior appearance of the Building. If Lessor elects to withhold consent, Lessor shall within 7 days after such request give written notification of same, which notice shall include an explanation of Lessor's objections to the change in the Agreed Use.

6.2 **Hazardous Substances.**

(a) **Reportable Uses Require Consent.** The term "Hazardous Substance" as used in this Lease shall mean any product, substance, or waste whose presence, use, manufacture, disposal, transportation, or release, either by itself or in combination with other materials expected to be on the Premises, is either: (i) potentially injurious to the public health, safety or welfare, the environment or the Premises, (ii) regulated or monitored by any governmental authority, or (iii) a basis for potential liability of Lessor to any governmental agency or third party under any applicable statute or common law theory. Hazardous Substances shall include, but not be limited to, hydrocarbons, petroleum, gasoline, and/or crude oil or any products, byproducts or fractions thereof. Lessee shall not engage in any activity in or on the Premises which constitutes a Reportable Use of Hazardous Substances without the express prior written consent of Lessor and timely compliance (at Lessee's expense) with all Applicable Requirements. "Reportable Use" shall mean (i) the installation or use of any above or below ground storage tank, (ii) the generation, possession, storage, use, transportation, or disposal of a Hazardous Substance that requires a permit from, or with respect to which a report, notice, registration or business plan is required to be filed with, any governmental authority, and/or (iii) the presence at the Premises of a Hazardous Substance with respect to which any Applicable Requirements requires that a notice be given to persons entering or occupying the Premises or neighboring properties. Notwithstanding the foregoing, Lessee may use any ordinary and customary materials reasonably required to be used in the normal course of the Agreed Use such as ordinary office supplies (copier toner, liquid paper, glue, etc.) and common household cleaning materials, so long as such use is in compliance with all Applicable Requirements, is not a Reportable Use, and does not expose the Premises or neighboring property to any meaningful risk of contamination or damage or expose Lessor to any liability therefor. In addition, Lessor may condition its consent to any Reportable Use upon receiving such additional assurances as Lessor reasonably deems necessary to protect itself, the public, the Premises and/or the environment against damage, contamination, injury and/or liability, including, but not limited to, the installation (and removal on or before Lease expiration or termination) of protective modifications (such as concrete encasements) and/or increasing the Security Deposit.

(b) **Duty to Inform Lessor.** If Lessee knows, or has reasonable cause to believe, that a Hazardous Substance has come to be located in, on, under or about the Premises, other than as previously consented to by Lessor, Lessee shall immediately give written notice of such fact to Lessor, and provide Lessor with a copy of any report, notice, claim or other documentation which it has concerning the presence of such Hazardous Substance.

(c) **Lessee Remediation.** Lessee shall not cause or permit any Hazardous Substance to be spilled or released in, on, under, or about the Premises (including through the plumbing or sanitary sewer system) and shall promptly, at Lessee's expense, comply with all Applicable Requirements and take all investigatory and/or remedial action reasonably recommended, whether or not formally ordered or required, for the cleanup of any contamination of, and for the maintenance, security and/or monitoring of the Premises or neighboring properties, that was caused or materially contributed to by Lessee, or pertaining to or involving any Hazardous Substance brought onto the Premises during the term of this Lease, by or for Lessee, or any third party.

(d) **Lessee Indemnification.** Lessee shall indemnify, defend and hold Lessor, its agents, employees, lenders and ground lessor, if any, harmless from and against any and all loss of rents and/or damages, liabilities, judgments, claims, expenses, penalties, and attorneys' fees arising out of or involving any Hazardous Substance brought onto the Premises by or for Lessee, or any third party (provided, however, that Lessee shall have no liability under this Lease with respect to underground migration of any Hazardous Substance under the Premises from areas outside of the Project not caused or contributed to by Lessee). Lessee's obligations shall include, but not be limited to, the effects of any contamination or injury to person, property or the environment created or suffered by Lessee, and the cost of investigation, removal, remediation, restoration and/or abatement, and shall survive the expiration or termination of this Lease. No termination, cancellation or release agreement entered into by Lessor and Lessee shall release Lessee from its obligations under this Lease with respect to Hazardous Substances, unless specifically so agreed by Lessor in writing at the time of such agreement.

(e) **Lessor Indemnification.** Lessor and its successors and assigns shall indemnify, defend, reimburse and hold Lessee, its employees and lenders, harmless from and against any and all environmental damages, including the cost of remediation, which result from Hazardous Substances which existed on the Premises prior to Lessee's occupancy or which are caused by the gross negligence or willful misconduct of Lessor, its agents or employees. Lessor's obligations, as and when required by the Applicable Requirements, shall include, but not be limited to, the cost of investigation, removal, remediation, restoration and/or abatement, and shall survive the expiration or termination of this Lease.

(f) **Investigations and Remediations.** Lessor shall retain the responsibility and pay for any investigations or remediation


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measures required by governmental entities having jurisdiction with respect to the existence of Hazardous Substances on the Premises prior to Lessee's occupancy, unless such remediation measure is required as a result of Lessee's use (including "Alterations", as defined in paragraph 7.3(a) below) of the Premises, in which event Lessee shall be responsible for such payment. Lessee shall cooperate fully in any such activities at the request of Lessor, including allowing Lessor and Lessor's agents to have reasonable access to the Premises at reasonable times in order to carry out Lessor's investigative and remedial responsibilities.

(g) **Lessor Termination Option.** If a Hazardous Substance Condition (see Paragraph 9.1(e)) occurs during the term of this Lease, unless Lessee is legally responsible therefor (in which case Lessee shall make the investigation and remediation thereof required by the Applicable Requirements and this Lease shall continue in full force and effect, but subject to Lessor's rights under Paragraph 6.2(d) and Paragraph 13), Lessor may, at Lessor's option, either (i) investigate and remediate such Hazardous Substance Condition, if required, as soon as reasonably possible at Lessor's expense, in which event this Lease shall continue in full force and effect, or (ii) if the estimated cost to remediate such condition exceeds 12 times the then monthly Base Rent or \$100,000, whichever is greater, give written notice to Lessee, within 30 days after receipt by Lessor of knowledge of the occurrence of such Hazardous Substance Condition, of Lessor's desire to terminate this Lease as of the date 60 days following the date of such notice. In the event Lessor elects to give a termination notice, Lessee may, within 10 days thereafter, give written notice to Lessor of Lessee's commitment to pay the amount by which the cost of the remediation of such Hazardous Substance Condition exceeds an amount equal to 12 times the then monthly Base Rent or \$100,000, whichever is greater. Lessee shall provide Lessor with said funds or satisfactory assurance thereof within 30 days following such commitment. In such event, this Lease shall continue in full force and effect, and Lessor shall proceed to make such remediation as soon as reasonably possible after the required funds are available. If Lessee does not give such notice and provide the required funds or assurance thereof within the time provided, this Lease shall terminate as of the date specified in Lessor's notice of termination.

6.3 **Lessee's Compliance with Applicable Requirements.** Except as otherwise provided in this Lease, Lessee shall, at Lessee's sole expense, fully, diligently and in a timely manner, materially comply with all Applicable Requirements, the requirements of any applicable fire insurance underwriter or rating bureau, and the recommendations of Lessor's engineers and/or consultants which relate in any manner to the Premises, without regard to whether said requirements are now in effect or become effective after the Start Date. Lessee shall, within 10 days after receipt of Lessor's written request, provide Lessor with copies of all permits and other documents, and other information evidencing Lessee's compliance with any Applicable Requirements specified by Lessor, and shall immediately upon receipt, notify Lessor in writing (with copies of any documents involved) of any threatened or actual claim, notice, citation, warning, complaint or report pertaining to or involving the failure of Lessee or the Premises to comply with any Applicable Requirements. Likewise, Lessee shall immediately give written notice to Lessor of: (i) any water damage to the Premises and any suspected seepage, pooling, dampness or other condition conducive to the production of mold; or (ii) any mustiness or other odors that might indicate the presence of mold in the Premises.

6.4 **Inspection; Compliance.** Lessor and Lessor's "Lender" (as defined in Paragraph 30) and consultants shall have the right to enter into Premises at any time, in the case of an emergency, and otherwise at reasonable times, after reasonable notice, for the purpose of inspecting the condition of the Premises and for verifying compliance by Lessee with this Lease. The cost of any such inspections shall be paid by Lessor, unless a violation of Applicable Requirements, or a Hazardous Substance Condition (see paragraph 9.1e) is found to exist or be imminent, or the inspection is requested or ordered by a governmental authority. In such case, Lessee shall upon request reimburse Lessor for the cost of such inspection, so long as such inspection is reasonably related to the violation or contamination. In addition, Lessee shall provide copies of all relevant material safety data sheets (MSDS) to Lessor within 10 days of the receipt of written request therefor.

7. **Maintenance; Repairs; Utility Installations; Trade Fixtures and Alterations.**

7.1 **Lessee's Obligations.** Notwithstanding Lessor's obligation to keep the Premises in good condition and repair, Lessee shall be responsible for payment of the cost thereof to Lessor as additional rent for that portion of the cost of any maintenance and repair of the Premises, or any equipment (wherever located) that serves only Lessee or the Premises, to the extent such cost is attributable to abuse or misuse. Lessee shall be responsible for the cost of painting, repainting or replacing wall coverings, and to repair or replace any improvements within the Premises. Lessor may, at its option, upon reasonable notice, elect to have Lessee perform any particular such maintenance or repairs the cost of which is otherwise Lessee's responsibility hereunder.

7.2 **Lessor's Obligations.** Subject to the provisions of Paragraphs 2.2 (Condition), 2.3 (Compliance), 4.2 (Operating Expenses), 6 (Use), 7.1 (Lessee's Obligations), 9 (Damage or Destruction) and 14 (Condemnation), Lessor, subject to reimbursement pursuant to Paragraph 4.2, shall keep in good order, condition and repair the foundations, exterior walls, structural condition of interior bearing walls, exterior roof, fire sprinkler system, fire alarm and/or smoke detection systems, fire hydrants, and the Common Areas. Lessee expressly waives the benefit of any statute now or hereafter in effect to the extent it is inconsistent with the terms of this Lease.

7.3 **Utility Installations; Trade Fixtures; Alterations.**

(a) **Definitions.** The term "Utility Installations" refers to all floor and window coverings, air lines, vacuum lines, power panels, electrical distribution, security and fire protection systems, communication cabling, lighting fixtures, HVAC equipment, and plumbing in or on the Premises. The term "Trade Fixtures" shall mean Lessee's machinery and equipment that can be removed without doing material damage to the Premises. The term "Alterations" shall mean any modification of the improvements, other than Utility Installations or Trade Fixtures, whether by addition or deletion. "Lessee Owned Alterations and/or Utility Installations" are defined as Alterations and/or Utility Installations made by Lessee that are not yet owned by Lessor pursuant to Paragraph 7.4(a).

(b) **Consent.** Lessee shall not make any Alterations or Utility Installations to the Premises without Lessor's prior written consent. Lessee may, however, make non-structural Alterations or Utility Installations to the interior of the Premises (excluding the roof) without such consent but upon notice to Lessor, as long as they are not visible from the outside, do not involve puncturing, relocating or removing the roof, ceilings, floors or any existing walls, will not affect the electrical, plumbing, HVAC, and/or life safety systems, and the cumulative cost thereof during this Lease as extended does not exceed \$2000. Notwithstanding the foregoing, Lessee shall not make or permit any roof penetrations and/or install anything on the roof without the prior written approval of Lessor. Lessor may, as a precondition to granting such approval, require Lessee to utilize a contractor chosen and/or approved by Lessor. Any Alterations or Utility Installations that Lessee shall desire to make and which require the consent of the Lessor shall be presented to Lessor in written form with detailed plans. Consent shall be deemed conditioned upon Lessee's: (i) acquiring all applicable governmental permits, (ii) furnishing Lessor with copies of both the permits and the plans and specifications prior to commencement of the work, and (iii) compliance with all conditions of said permits and other Applicable Requirements in a prompt and expeditious manner. Any Alterations or Utility Installations shall be performed in a workmanlike manner with good and sufficient materials. Lessee shall promptly upon completion furnish Lessor with as-built plans and specifications. For work which costs an amount in excess of one month's Base Rent, Lessor may condition its consent upon Lessee providing a lien and completion bond in an amount equal to 150% of the estimated cost of such Alteration or Utility Installation and/or upon Lessee's posting an additional Security Deposit with Lessor.

(c) **Lien; Bonds.** Lessee shall pay, when due, all claims for labor or materials furnished or alleged to have been furnished to or for Lessee at or for use on the Premises, which claims are or may be secured by any mechanic's or materialmen's lien against the Premises or any interest therein. Lessee shall give Lessor not less than 10 days notice prior to the commencement of any work in, on or about the Premises, and Lessor shall have the right to post notices of non-responsibility. If Lessee shall contest the validity of any such lien, claim or demand, then Lessee shall, at its sole expense defend and protect itself, Lessor and the Premises against the same and shall pay and satisfy any such adverse judgment that may be rendered thereon before the enforcement thereof. If Lessor shall require, Lessee shall furnish a surety bond in an amount equal to 150% of the amount of such contested lien, claim or demand, indemnifying Lessor against liability for the same. If Lessor elects to participate in any such action, Lessee shall pay Lessor's attorneys' fees and costs.

7.4 **Ownership; Removal; Surrender; and Restoration.**

(a) **Ownership.** Subject to Lessor's right to require removal or elect ownership as hereinafter provided, all Alterations and Utility Installations made by Lessee shall be the property of Lessee, but considered a part of the Premises. Lessor may, at any time, elect in writing to be the owner of all or any specified part of the Lessee Owned Alterations and Utility Installations. Unless otherwise instructed per paragraph 7.4(b) hereof, all Lessee Owned Alterations and Utility Installations shall, at the expiration or termination of this Lease, become the property of Lessor and be surrendered by Lessee with the Premises.

(b) **Removal.** By delivery to Lessee of written notice from Lessor not earlier than 90 and not later than 30 days prior to the end of the term of this Lease, Lessor may require that any or all Lessee Owned Alterations or Utility Installations be removed by the expiration or termination of this Lease. Lessor may require the removal at any time of all or any part of any Lessee Owned Alterations or Utility Installations made without the required consent.

(c) **Surrender; Restoration.** Lessee shall surrender the Premises by the Expiration Date or any earlier termination date, with all of the improvements, parts and surfaces thereof clean and free of debris, and in good operating order, condition and state of repair, ordinary wear and tear excepted. "Ordinary wear and tear" shall not include any damage or deterioration that would have been prevented by good maintenance practice. Notwithstanding the foregoing, if this Lease is for 12 months or less, then Lessee shall surrender the Premises in the same condition as delivered to Lessee on the Start Date with NO allowance for ordinary wear and tear. Lessee shall repair any damage occasioned by the installation, maintenance or removal of Trade Fixtures, Lessee owned Alterations and/or Utility Installations, furnishings, and equipment as well as the removal of any storage tank installed by or for Lessee. Lessee shall also completely remove from the Premises any and all Hazardous Substances brought onto the Premises by or for Lessee, or any third party (except Hazardous Substances which were deposited via underground migration from areas outside of the Premises).


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even if such removal would require Lessee to perform or pay for work that exceeds statutory requirements. Trade Fixtures shall remain the property of Lessee and shall be removed by Lessee. Any personal property of Lessee not removed on or before the Expiration Date or any earlier termination date shall be deemed to have been abandoned by Lessee and may be disposed of or retained by Lessor as Lessor may desire. The failure by Lessee to timely vacate the Premises pursuant to this Paragraph 7.4(c) without the express written consent of Lessor shall constitute a holdover under the provisions of Paragraph 28 below.

8. Insurance; Indemnity.

8.1 Insurance Premiums. The cost of the premiums for the insurance policies maintained by Lessor pursuant to paragraph 8 are included as Operating Expenses (see paragraph 4.2 (c)(iv)). Said costs shall include increases in the premiums resulting from additional coverage related to requirements of the holder of a mortgage or deed of trust covering the Premises, Building and/or Project, increased valuation of the Premises, Building and/or Project, and/or a general premium rate increase. Said costs shall not, however, include any premium increases resulting from the nature of the occupancy of any other tenant of the Building. If the Project was not insured for the entirety of the Base Year, then the base premium shall be the lowest annual premium reasonably obtainable for the required insurance as of the Start Date, assuming the most nominal use possible of the Building and/or Project. In no event, however, shall Lessee be responsible for any portion of the premium cost attributable to liability insurance coverage in excess of \$2,000,000 procured under Paragraph 8.2(b).

8.2 Liability Insurance.

(a) Carried by Lessee. Lessee shall obtain and keep in force a Commercial General Liability policy of insurance protecting Lessee and Lessor as an additional insured against claims for bodily injury, personal injury and property damage based upon or arising out of the ownership, use, occupancy or maintenance of the Premises and all areas appurtenant thereto. Such insurance shall be on an occurrence basis providing single limit coverage in an amount not less than \$1,000,000 per occurrence with an annual aggregate of not less than \$2,000,000. Lessee shall add Lessor as an additional insured by means of an endorsement at least as broad as the Insurance Service Organization's "Additional Insured-Managers or Lessors of Premises" Endorsement and coverage shall also be extended to include damage caused by heat, smoke or fumes from a hostile fire. The policy shall not contain any intra-insured exclusions as between insured persons or organizations, but shall include coverage for liability assumed under this Lease as an "insured contract" for the performance of Lessee's indemnity obligations under this Lease. The limits of said insurance shall not, however, limit the liability of Lessee nor relieve Lessee of any obligation hereunder. Lessee shall provide an endorsement on its liability policy(ies) which provides that its insurance shall be primary to and not contributory with any similar insurance carried by Lessor, whose insurance shall be considered excess insurance only.

(b) Carried by Lessor. Lessor shall maintain liability insurance as described in Paragraph 8.2(a), in addition to, and not in lieu of, the insurance required to be maintained by Lessee. Lessee shall not be named as an additional insured therein.

8.3 Property Insurance - Building, Improvements and Rental Value.

(a) Building and Improvements. Lessor shall obtain and keep in force a policy or policies of insurance in the name of Lessor, with loss payable to Lessor, any ground-lessor, and to any Lender insuring loss or damage to the Building and/or Project. The amount of such insurance shall be equal to the full insurable replacement cost of the Building and/or Project, as the same shall exist from time to time, or the amount required by any Lender, but in no event more than the commercially reasonable and available insurable value thereof. Lessee Owned Alterations and Utility Installations, Trade Fixtures, and Lessee's personal property shall be insured by Lessee not by Lessor. If the coverage is available and commercially appropriate, such policy or policies shall insure against all risks of direct physical loss or damage (except the perils of flood and/or earthquake unless required by a Lender), including coverage for debris removal and the enforcement of any Applicable Requirements requiring the upgrading, demolition, reconstruction or replacement of any portion of the Premises as the result of a covered loss. Said policy or policies shall also contain an agreed valuation provision in lieu of any coinsurance clause, waiver of subrogation, and inflation guard protection causing an increase in the annual property insurance coverage amount by a factor of not less than the adjusted U.S. Department of Labor Consumer Price Index for All Urban Consumers for the city nearest to where the Premises are located. If such insurance coverage has a deductible clause, the deductible amount shall not exceed \$5,000 per occurrence.

(b) Rental Value. Lessor shall also obtain and keep in force a policy or policies in the name of Lessor with loss payable to Lessor and any Lender, insuring the loss of the full Rent for one year with an extended period of indemnity for an additional 180 days ("Rental Value Insurance"). Said insurance shall contain an agreed valuation provision in lieu of any coinsurance clause, and the amount of coverage shall be adjusted annually to reflect the projected Rent otherwise payable by Lessee, for the next 12 month period.

(c) Adjacent Premises. Lessee shall pay for any increase in the premiums for the property insurance of the Building and for the Common Areas or other buildings in the Project if said increase is caused by Lessee's acts, omissions, use or occupancy of the Premises.

(d) Lessee's Improvements. Since Lessor is the insuring Party, Lessor shall not be required to insure Lessee Owned Alterations and Utility Installations unless the item in question has become the property of Lessor under the terms of this Lease.

8.4 Lessee's Property; Business Interruption Insurance; Worker's Compensation Insurance.

(a) Property Damage. Lessee shall obtain and maintain insurance coverage on all of Lessee's personal property, Trade Fixtures, and Lessee Owned Alterations and Utility Installations. Such insurance shall be full replacement cost coverage with a deductible of not to exceed \$1,000 per occurrence. The proceeds from any such insurance shall be used by Lessee for the replacement of personal property, Trade Fixtures and Lessee Owned Alterations and Utility Installations. Lessee shall provide Lessor with written evidence that such insurance is in force.

(b) Worker's Compensation Insurance. Lessee shall obtain and maintain Worker's Compensation Insurance in such amount as may be required by Applicable Requirements.

(c) Business Interruption. Lessee shall obtain and maintain loss of income and extra expense insurance in amounts as will reimburse Lessee for direct or indirect loss of earnings attributable to all perils commonly insured against by prudent lessees in the business of Lessee or attributable to prevention of access to the Premises as a result of such perils.

(d) No Representation of Adequate Coverage. Lessor makes no representation that the limits or forms of coverage of insurance specified herein are adequate to cover Lessee's property, business operations or obligations under this Lease.

8.5 Insurance Policies. Insurance required herein shall be by companies maintaining during the policy term a "General Policyholders Rating" of at least A-, VII, as set forth in the most current issue of "Best's Insurance Guide", or such other rating as may be required by a Lender. Lessee shall not do or permit to be done anything which invalidates the required insurance policies. Lessee shall, prior to the Start Date, deliver to Lessor certified copies of policies of such insurance or certificates with copies of the required endorsements evidencing the existence and amounts of the required insurance. No such policy shall be cancelable or subject to modification except after 10 days prior written notice to Lessor. Lessee shall, at least 30 days prior to the expiration of such policies, furnish Lessor with evidence of renewals or "insurance binders" evidencing renewal thereof, or Lessor may order such insurance and charge the cost thereof to Lessee, which amount shall be payable by Lessee to Lessor upon demand. Such policies shall be for a term of at least one year, or the length of the remaining term of this Lease, whichever is less. If either Party shall fail to procure and maintain the insurance required to be carried by it, the other Party may, but shall not be required to, procure and maintain the same.

8.6 Waiver of Subrogation. Without affecting any other rights or remedies, Lessee and Lessor each hereby release and relieve the other, and waive their entire right to recover damages against the other, for loss of or damage to its property arising out of or incident to the perils required to be insured against herein. The effect of such releases and waivers is not limited by the amount of insurance carried or required, or by any deductibles applicable hereto. The Parties agree to have their respective property damage insurance carriers waive any right to subrogation that such companies may have against Lessor or Lessee, as the case may be, so long as the insurance is not invalidated thereby.

8.7 Indemnity. Except for Lessor's gross negligence or willful misconduct, Lessee shall indemnify, protect, defend and hold harmless the Premises, Lessor and its agents, Lessor's master or ground lessor, partners and Lenders, from and against any and all claims, loss of rents and/or damages, liens, judgments, penalties, attorneys' and consultants' fees, expenses and/or liabilities arising out of, involving, or in connection with, the use and/or occupancy of the Premises by Lessee. If any action or proceeding is brought against Lessor by reason of any of the foregoing matters, Lessee shall upon notice defend the same at Lessee's expense by counsel reasonably satisfactory to Lessor and Lessor shall cooperate with Lessee in such defense. Lessor need not have first paid any such claim in order to be defended or indemnified.

8.8 Exemption of Lessor and its Agents from Liability. Notwithstanding the negligence or breach of this Lease by Lessor or its agents, neither Lessor nor its agents shall be liable under any circumstances for: (i) injury or damage to the person or goods, wares, merchandise or other property of Lessee, Lessee's employees, contractors, invitees, customers, or any other person in or about the Premises, whether such damage or injury is caused by or results from fire, steam, electricity, gas, water or rain, indoor air quality, the presence of mold or from the breakage, leakage, obstruction or other defects of pipes, fire sprinklers, wires, appliances, plumbing, HVAC or lighting fixtures, or from any other cause, whether the said injury or damage results from conditions arising upon the Premises or upon other portions of the Building, or from other sources or places, (ii) any damages arising from any act or neglect of any other tenant of Lessor or from the failure of Lessor or its agents to enforce the provisions of any other lease in the Project, or (iii) injury to Lessee's business or for any loss of income or profit therefrom. Instead, it is intended that Lessee's sole recourse in the event of such damages or injury be to file a claim on the insurance policy(ies) that Lessee is required to maintain pursuant to the provisions of paragraph 8.

8.9 Failure to Provide Insurance. Lessee acknowledges that any failure on its part to obtain or maintain the insurance required herein will expose Lessor to risks and potentially cause Lessor to incur costs not contemplated by this Lease, the extent of which will be extremely difficult to ascertain. Accordingly, for any month or portion thereof that Lessee does not maintain the required insurance and/or does not provide Lessor


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with the required binders or certificates evidencing the existence of the required insurance, the Base Rent shall be automatically increased, without any requirement for notice to Lessee, by an amount equal to 10% of the then existing Base Rent or \$100, whichever is greater. The parties agree that such increase in Base Rent represents fair and reasonable compensation for the additional risk/costs that Lessor will incur by reason of Lessee's failure to maintain the required insurance. Such increase in Base Rent shall in no event constitute a waiver of Lessee's Default or Breach with respect to the failure to maintain such insurance, prevent the exercise of any of the other rights and remedies granted hereunder, nor relieve Lessee of its obligation to maintain the insurance specified in this Lease.

9. Damage or Destruction.

9.1 Definitions.

(a) **"Premises Partial Damage"** shall mean damage or destruction to the improvements on the Premises, other than Lessee Owned Alterations and Utility Installations, which can reasonably be repaired in 3 months or less from the date of the damage or destruction, and the cost thereof does not exceed a sum equal to 6 month's Base Rent. Lessor shall notify Lessee in writing within 30 days from the date of the damage or destruction as to whether or not the damage is Partial or Total.

(b) **"Premises Total Destruction"** shall mean damage or destruction to the improvements on the Premises, other than Lessee Owned Alterations and Utility Installations and Trade Fixtures, which cannot reasonably be repaired in 3 months or less from the date of the damage or destruction and/or the cost thereof exceeds a sum equal to 6 month's Base Rent. Lessor shall notify Lessee in writing within 30 days from the date of the damage or destruction as to whether or not the damage is Partial or Total.

(c) **"Insured Loss"** shall mean damage or destruction to improvements on the Premises, other than Lessee Owned Alterations and Utility Installations and Trade Fixtures, which was caused by an event required to be covered by the insurance described in Paragraph 8.3(a), irrespective of any deductible amounts or coverage limits involved.

(d) **"Replacement Cost"** shall mean the cost to repair or rebuild the improvements owned by Lessor at the time of the occurrence to their condition existing immediately prior thereto, including demolition, debris removal and upgrading required by the operation of Applicable Requirements, and without deduction for depreciation.

(e) **"Hazardous Substance Condition"** shall mean the occurrence or discovery of a condition involving the presence of, or a contamination by, a Hazardous Substance, in, on, or under the Premises which requires restoration.

9.2 Partial Damage - Insured Loss. If a Premises Partial Damage that is an Insured Loss occurs, then Lessor shall, at Lessor's expense, repair such damage (but not Lessee's Trade Fixtures or Lessee Owned Alterations and Utility Installations) as soon as reasonably possible and this Lease shall continue in full force and effect; provided, however, that Lessee shall, at Lessor's election, make the repair of any damage or destruction the total cost to repair of which is \$5,000 or less, and, in such event, Lessor shall make any applicable insurance proceeds available to Lessee on a reasonable basis for that purpose. Notwithstanding the foregoing, if the required insurance was not in force or the insurance proceeds are not sufficient to effect such repair, the Insuring Party shall promptly contribute the shortage in proceeds as and when required to complete said repairs. In the event, however, such shortage was due to the fact that, by reason of the unique nature of the improvements, full replacement cost insurance coverage was not commercially reasonable and available, Lessor shall have no obligation to pay for the shortage in insurance proceeds or to fully restore the unique aspects of the Premises unless Lessee provides Lessor with the funds to cover same, or adequate assurance thereof, within 10 days following receipt of written notice of such shortage and request therefor. If Lessor receives said funds or adequate assurance thereof within said 10 day period, the party responsible for making the repairs shall complete them as soon as reasonably possible and this Lease shall remain in full force and effect. If such funds or assurance are not received, Lessor may nevertheless elect by written notice to Lessee within 10 days thereafter to: (i) make such restoration and repair as is commercially reasonable with Lessor paying any shortage in proceeds, in which case this Lease shall remain in full force and effect, or (ii) have this Lease terminate 30 days thereafter. Lessee shall not be entitled to reimbursement of any funds contributed by Lessee to repair any such damage or destruction. Premises Partial Damage due to flood or earthquake shall be subject to Paragraph 9.3, notwithstanding that there may be some insurance coverage, but the net proceeds of any such insurance shall be made available for the repairs if made by either Party.

9.3 Partial Damage - Uninsured Loss. If a Premises Partial Damage that is not an Insured Loss occurs, unless caused by a negligent or willful act of Lessee (in which event Lessee shall make the repairs at Lessee's expense), Lessor may either: (i) repair such damage as soon as reasonably possible at Lessor's expense, in which event this Lease shall continue in full force and effect, or (ii) terminate this Lease by giving written notice to Lessee within 30 days after receipt by Lessor of knowledge of the occurrence of such damage. Such termination shall be effective 60 days following the date of such notice. In the event Lessor elects to terminate this Lease, Lessee shall have the right within 10 days after receipt of the termination notice to give written notice to Lessor of Lessee's commitment to pay for the repair of such damage without reimbursement from Lessor. Lessee shall provide Lessor with said funds or satisfactory assurance thereof within 30 days after making such commitment. In such event this Lease shall continue in full force and effect, and Lessor shall proceed to make such repairs as soon as reasonably possible after the required funds are available. If Lessee does not make the required commitment, this Lease shall terminate as of the date specified in the termination notice.

9.4 Total Destruction. Notwithstanding any other provision hereof, if a Premises Total Destruction occurs, this Lease shall terminate 60 days following such Destruction. If the damage or destruction was caused by the gross negligence or willful misconduct of Lessee, Lessor shall have the right to recover Lessor's damages from Lessee, except as provided in Paragraph 8.6.

9.5 Damage Near End of Term. If at any time during the last 6 months of this Lease there is damage for which the cost to repair exceeds one month's Base Rent, whether or not an Insured Loss, Lessor may terminate this Lease effective 60 days following the date of occurrence of such damage by giving a written termination notice to Lessee within 30 days after the date of occurrence of such damage. Notwithstanding the foregoing, if Lessee at that time has an exercisable option to extend this Lease or to purchase the Premises, then Lessee may preserve this Lease by, (a) exercising such option and (b) providing Lessor with any shortage in insurance proceeds (or adequate assurance thereof) needed to make the repairs on or before the earlier of (i) the date which is 10 days after Lessee's receipt of Lessor's written notice purporting to terminate this Lease, or (ii) the day prior to the date upon which such option expires. If Lessee duly exercises such option during such period and provides Lessor with funds (or adequate assurance thereof) to cover any shortage in insurance proceeds, Lessor shall, at Lessor's commercially reasonable expense, repair such damage as soon as reasonably possible and this Lease shall continue in full force and effect. If Lessee fails to exercise such option and provide such funds or assurance during such period, then this Lease shall terminate on the date specified in the termination notice and Lessee's option shall be extinguished.

9.6 Abatement of Rent; Lessee's Remedies.

(a) **Abatement.** In the event of Premises Partial Damage or Premises Total Destruction or a Hazardous Substance Condition for which Lessee is not responsible under this Lease, the Rent payable by Lessee for the period required for the repair, remediation or restoration of such damage shall be abated in proportion to the degree to which Lessee's use of the Premises is impaired, but not to exceed the proceeds received from the Rental Value Insurance. All other obligations of Lessee hereunder shall be performed by Lessee, and Lessor shall have no liability for any such damage, destruction, remediation, repair or restoration except as provided herein.

(b) **Remedies.** If Lessor is obligated to repair or restore the Premises and does not commence, in a substantial and meaningful way, such repair or restoration within 90 days after such obligation shall accrue, Lessee may, at any time prior to the commencement of such repair or restoration, give written notice to Lessor and to any Lenders of which Lessee has actual notice, of Lessee's election to terminate this Lease on a date not less than 60 days following the giving of such notice. If Lessee gives such notice and such repair or restoration is not commenced within 30 days thereafter, this Lease shall terminate as of the date specified in said notice. If the repair or restoration is commenced within such 30 days, this Lease shall continue in full force and effect. "Commence" shall mean either the unconditional authorization of the preparation of the required plans, or the beginning of the actual work on the Premises, whichever first occurs.

9.7 Termination; Advance Payments. Upon termination of this Lease pursuant to Paragraph 6.2(g) or Paragraph 9, an equitable adjustment shall be made concerning advance Base Rent and any other advance payments made by Lessee to Lessor. Lessor shall, in addition, return to Lessee so much of Lessee's Security Deposit as has not been, or is not then required to be, used by Lessor.

10. Real Property Taxes.

10.1 Definitions. As used herein, the term **"Real Property Taxes"** shall include any form of assessment; real estate, general, special, ordinary or extraordinary, or rental levy or tax (other than inheritance, personal income or estate taxes); improvement bond; and/or license fee imposed upon or levied against any legal or equitable interest of Lessor in the Project, Lessor's right to other income therefrom, and/or Lessor's business of leasing, by any authority having the direct or indirect power to tax and where the funds are generated with reference to the Project address and where the proceeds so generated are to be applied by the city, county or other local taxing authority of a jurisdiction within which the Project is located. **"Real Property Taxes"** shall also include any tax, fee, levy, assessment or charge, or any increase therein: (i) imposed by reason of events occurring during the term of this Lease, including but not limited to, a change in the ownership of the Project, (ii) a change in the improvements thereon, and/or (iii) levied or assessed on machinery or equipment provided by Lessor to Lessee pursuant to this Lease.

10.2 Payment of Taxes. Except as otherwise provided in Paragraph 10.3, Lessor shall pay the Real Property Taxes applicable to the Project, and said payments shall be included in the calculation of Operating Expenses in accordance with the provisions of Paragraph 4.2.

10.3 Additional Improvements. Operating Expenses shall not include Real Property Taxes specified in the tax assessor's records and work sheets as being caused by additional improvements placed upon the Project by other lessees or by Lessor for the exclusive enjoyment of such other lessees. Notwithstanding Paragraph 10.2 hereof, Lessee shall, however, pay to Lessor at the time Operating Expenses are payable under Paragraph 4.2, the entirety of any increase in Real Property Taxes if assessed solely by reason of Alterations, Trade Fixtures or Utility Installations

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placed upon the Premises by Lessee or at Lessee's request or by reason of any alterations or improvements to the Premises made by Lessor subsequent to the execution of this Lease by the Parties.

10.4 Joint Assessment. If the Building is not separately assessed, Real Property Taxes allocated to the Building shall be an equitable proportion of the Real Property Taxes for all of the land and improvements included within the tax parcel assessed, such proportion to be determined by Lessor from the respective valuations assigned in the assessor's work sheets or such other information as may be reasonably available. Lessor's reasonable determination thereof, in good faith, shall be conclusive.

10.5 Personal Property Taxes. Lessee shall pay prior to delinquency all taxes assessed against and levied upon Lessee Owned Alterations and Utility Installations, Trade Fixtures, furnishings, equipment and all personal property of Lessee contained in the Premises. When possible, Lessee shall cause its Lessee Owned Alterations and Utility Installations, Trade Fixtures, furnishings, equipment and all other personal property to be assessed and billed separately from the real property of Lessor. If any of Lessee's said property shall be assessed with Lessor's real property, Lessee shall pay Lessor the taxes attributable to Lessee's property within 10 days after receipt of a written statement setting forth the taxes applicable to Lessee's property.

11. Utilities and Services.

11.1 Services Provided by Lessor. Lessor shall provide heating, ventilation, air conditioning, reasonable amounts of electricity for normal lighting and office machines, water for reasonable and normal drinking and lavatory use in connection with an office, and replacement light bulbs and/or fluorescent tubes and ballasts for standard overhead fixtures. Lessor shall also provide janitorial services to the Premises and Common Areas 5 times per week, excluding Building Holidays, or pursuant to the attached janitorial schedule, if any. Lessor shall not, however, be required to provide janitorial services to kitchens or storage areas included within the Premises.

11.2 Services Exclusive to Lessee. Lessee shall pay for all water, gas, light, power, telephone and other utilities and services specially or exclusively supplied and/or metered exclusively to the Premises or to Lessee, together with any taxes thereon. If a service is deleted by Paragraph 1.13 and such service is not separately metered to the Premises, Lessee shall pay at Lessor's option, either Lessee's Share or a reasonable proportion to be determined by Lessor of all charges for such jointly metered service.

11.3 Hours of Service. Said services and utilities shall be provided during times set forth in Paragraph 1.12. Utilities and services required at other times shall be subject to advance request and reimbursement by Lessee to Lessor of the cost thereof.

11.4 Excess Usage by Lessee. Lessee shall not make connection to the utilities except by or through existing outlets and shall not install or use machinery or equipment in or about the Premises that uses excess water, lighting or power, or suffer or permit any act that causes extra burden upon the utilities or services, including but not limited to security and trash services, over standard office usage for the Project. Lessor shall require Lessee to reimburse Lessor for any excess expenses or costs that may arise out of a breach of this subparagraph by Lessee. Lessor may, in its sole discretion, install at Lessee's expense supplemental equipment and/or separate metering applicable to Lessee's excess usage or loading.

11.5 Interruptions. There shall be no abatement of rent and Lessor shall not be liable in any respect whatsoever for the inadequacy, stoppage, interruption or discontinuance of any utility or service due to riot, strike, labor dispute, breakdown, accident, repair or other cause beyond Lessor's reasonable control or in cooperation with governmental request or directions.

12. Assignment and Subletting.

12.1 Lessor's Consent Required.

(a) Lessee shall not voluntarily or by operation of law assign, transfer, mortgage or encumber (collectively, "assign or assignment") or sublet all or any part of Lessee's interest in this Lease or in the Premises without Lessor's prior written consent.

(b) Unless Lessee is a corporation and its stock is publicly traded on a national stock exchange, a change in the control of Lessee shall constitute an assignment requiring consent. The transfer, on a cumulative basis, of 25% or more of the voting control of Lessee shall constitute a change in control for this purpose.

(c) The involvement of Lessee or its assets in any transaction, or series of transactions (by way of merger, sale, acquisition, financing, transfer, leveraged buyout or otherwise), whether or not a formal assignment or hypothecation of this Lease or Lessee's assets occurs, which results or will result in a reduction of the Net Worth of Lessee by an amount greater than 25% of such Net Worth as it was represented at the time of the execution of this Lease or at the time of the most recent assignment to which Lessor has consented, or as it exists immediately prior to said transaction or transactions constituting such reduction, whichever was or is greater, shall be considered an assignment of this Lease to which Lessor may withhold its consent. "Net Worth of Lessee" shall mean the net worth of Lessee (excluding any guarantors) established under generally accepted accounting principles.

(d) An assignment or subletting without consent shall, at Lessor's option, be a Default curable after notice per Paragraph 13.1(c), or a noncurable Breach without the necessity of any notice and grace period. If Lessor elects to treat such unapproved assignment or subletting as a noncurable Breach, Lessor may either: (i) terminate this Lease, or (ii) upon 30 days written notice, increase the monthly Base Rent to 110% of the Base Rent then in effect. Further, in the event of such Breach and rental adjustment, (i) the purchase price of any option to purchase the Premises held by Lessee shall be subject to similar adjustment to 110% of the price previously in effect, and (ii) all fixed and non-fixed rental adjustments scheduled during the remainder of the Lease term shall be increased to 110% of the scheduled adjusted rent.

(e) Lessee's remedy for any breach of Paragraph 12.1 by Lessor shall be limited to compensatory damages and/or injunctive relief.

(f) Lessor may reasonably withhold consent to a proposed assignment or subletting if Lessee is in Default at the time consent is requested.

(g) Notwithstanding the foregoing, allowing a de minimis portion of the Premises, i.e. 20 square feet or less, to be used by a third party vendor in connection with the installation of a vending machine or payphone shall not constitute a subletting.

12.2 Terms and Conditions Applicable to Assignment and Subletting.

(a) Regardless of Lessor's consent, no assignment or subletting shall: (i) be effective without the express written assumption by such assignee or sublessee of the obligations of Lessee under this Lease, (ii) release Lessee of any obligations hereunder, or (iii) alter the primary liability of Lessee for the payment of Rent or for the performance of any other obligations to be performed by Lessee.

(b) Lessor may accept Rent or performance of Lessee's obligations from any person other than Lessee pending approval or disapproval of an assignment. Neither a delay in the approval or disapproval of such assignment nor the acceptance of Rent or performance shall constitute a waiver or estoppel of Lessor's right to exercise its remedies for Lessee's Default or Breach.

(c) Lessor's consent to any assignment or subletting shall not constitute a consent to any subsequent assignment or subletting.

(d) In the event of any Default or Breach by Lessee, Lessor may proceed directly against Lessee, any Guarantors or anyone else responsible for the performance of Lessee's obligations under this Lease, including any assignee or sublessee, without first exhausting Lessor's remedies against any other person or entity responsible therefore to Lessor, or any security held by Lessor.

(e) Each request for consent to an assignment or subletting shall be in writing, accompanied by information relevant to Lessor's determination as to the financial and operational responsibility and appropriateness of the proposed assignee or sublessee, including but not limited to the intended use and/or required modification of the Premises, if any, together with a fee of \$500 as consideration for Lessor's considering and processing said request. Lessee agrees to provide Lessor with such other or additional information and/or documentation as may be reasonably requested. (See also Paragraph 36)

(f) Any assignee of, or sublessee under, this Lease shall, by reason of accepting such assignment, entering into such sublease, or entering into possession of the Premises or any portion thereof, be deemed to have assumed and agreed to conform and comply with each and every term, covenant, condition and obligation herein to be observed or performed by Lessee during the term of said assignment or sublease, other than such obligations as are contrary to or inconsistent with provisions of an assignment or sublease to which Lessor has specifically consented to in writing.

(g) Lessor's consent to any assignment or subletting shall not transfer to the assignee or sublessee any Option granted to the original Lessee by this Lease unless such transfer is specifically consented to by Lessor in writing. (See Paragraph 39.2)

12.3 Additional Terms and Conditions Applicable to Subletting. The following terms and conditions shall apply to any subletting by Lessee of all or any part of the Premises and shall be deemed included in all subleases under this Lease whether or not expressly incorporated therein:

(a) Lessee hereby assigns and transfers to Lessor all of Lessee's interest in all Rent payable on any sublease, and Lessor may collect such Rent and apply same toward Lessee's obligations under this Lease; provided, however, that until a Breach shall occur in the performance of Lessee's obligations, Lessee may collect said Rent. In the event that the amount collected by Lessor exceeds Lessee's then outstanding obligations any such excess shall be refunded to Lessee. Lessor shall not, by reason of the foregoing or any assignment of such sublease, nor by reason of the collection of Rent, be deemed liable to the sublessee for any failure of Lessee to perform and comply with any of Lessee's obligations to such sublessee. Lessee hereby irrevocably authorizes and directs any such sublessee, upon receipt of a written notice from Lessor stating that a Breach exists in the performance of Lessee's obligations under this Lease, to pay to Lessor all Rent due and to become due under the sublease. Sublessee shall rely upon any such notice from Lessor and shall pay all Rents to Lessor without any obligation or right to inquire as to whether such Breach exists, notwithstanding any claim from Lessee to the contrary.

(b) In the event of a Breach by Lessee, Lessor may, at its option, require sublessee to attorn to Lessor, in which event Lessor shall undertake the obligations of the sublessor under such sublease from the time of the exercise of said option to the expiration of such sublease; provided, however, Lessor shall not be liable for any prepaid rents or security deposit paid by such sublessee to such sublessor or for any prior Defaults or Breaches of such sublessor.

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(c) Any matter requiring the consent of the sublessor under a sublease shall also require the consent of Lessor.
(d) No sublessee shall further assign or sublet all or any part of the Premises without Lessor's prior written consent.
(e) Lessor shall deliver a copy of any notice of Default or Breach by Lessee to the sublessee, who shall have the right to cure the Default of Lessee within the grace period, if any, specified in such notice. The sublessee shall have a right of reimbursement and offset from and against Lessee for any such Defaults cured by the sublessee.

13. Default; Breach; Remedies.

13.1 Default; Breach. A "Default" is defined as a failure by the Lessee to comply with or perform any of the terms, covenants, conditions or Rules and Regulations under this Lease. A "Breach" is defined as the occurrence of one or more of the following Defaults, and the failure of Lessee to cure such Default within any applicable grace period:

(a) The abandonment of the Premises; or the vacating of the Premises without providing a commercially reasonable level of security, or where the coverage of the property insurance described in Paragraph 8.3 is jeopardized as a result thereof, or without providing reasonable assurances to minimize potential vandalism.

(b) The failure of Lessee to make any payment of Rent or any Security Deposit required to be made by Lessee hereunder, whether to Lessor or to a third party, when due, to provide reasonable evidence of insurance or surety bond, or to fulfill any obligation under this Lease which endangers or threatens life or property, where such failure continues for a period of 3 business days following written notice to Lessee. THE ACCEPTANCE BY LESSOR OF A PARTIAL PAYMENT OF RENT OR SECURITY DEPOSIT SHALL NOT CONSTITUTE A WAIVER OF ANY OF LESSOR'S RIGHTS, INCLUDING LESSOR'S RIGHT TO RECOVER POSSESSION OF THE PREMISES.

(c) The failure of Lessee to allow Lessor and/or its agents access to the Premises or the commission of waste, act or acts constituting public or private nuisance, and/or an illegal activity on the Premises by Lessee, where such actions continue for a period of 3 business days following written notice to Lessee.

(d) The failure by Lessee to provide (i) reasonable written evidence of compliance with Applicable Requirements, (ii) the service contracts, (iii) the resission of an unauthorized assignment or subletting, (iv) an Estoppel Certificate or financial statements, (v) a requested subordination, (vi) evidence concerning any guaranty and/or Guarantor, (vii) any document requested under Paragraph 41, (viii) material data safety sheets (MSDS), or (ix) any other documentation or information which Lessor may reasonably require of Lessee under the terms of this Lease, where any such failure continues for a period of 10 days following written notice to Lessee.

(e) A Default by Lessee as to the terms, covenants, conditions or provisions of this Lease, or of the rules adopted under Paragraph 2.9 hereof, other than those described in subparagraphs 13.1(a), (b) or (c), above, where such Default continues for a period of 30 days after written notice; provided, however, that if the nature of Lessee's Default is such that more than 30 days are reasonably required for its cure, then it shall not be deemed to be a Breach if Lessee commences such cure within said 30 day period and thereafter diligently prosecutes such cure to completion.

(f) The occurrence of any of the following events: (i) the making of any general arrangement or assignment for the benefit of creditors; (ii) becoming a "debtor" as defined in 11 U.S.C. § 101 or any successor statute thereto (unless, in the case of a petition filed against Lessee, the same is dismissed within 60 days); (iii) the appointment of a trustee or receiver to take possession of substantially all of Lessee's assets located at the Premises or of Lessee's Interest in this Lease, where possession is not restored to Lessee within 30 days; or (iv) the attachment, execution or other judicial seizure of substantially all of Lessee's assets located at the Premises or of Lessee's Interest in this Lease, where such seizure is not discharged within 30 days; provided, however, in the event that any provision of this subparagraph is contrary to any applicable law, such provision shall be of no force or effect, and not affect the validity of the remaining provisions.

(g) The discovery that any financial statement of Lessee or of any Guarantor given to Lessor was materially false.

(h) If the performance of Lessee's obligations under this Lease is guaranteed: (i) the death of a Guarantor, (ii) the termination of a Guarantor's liability with respect to this Lease other than in accordance with the terms of such guaranty, (iii) a Guarantor's becoming insolvent or the subject of a bankruptcy filing, (iv) a Guarantor's refusal to honor the guaranty, or (v) a Guarantor's breach of its guaranty obligation on an anticipatory basis, and Lessee's failure, within 60 days following written notice of any such event, to provide written alternative assurance or security, which, when coupled with the then existing resources of Lessee, equals or exceeds the combined financial resources of Lessee and the Guarantors that existed at the time of execution of this Lease.

13.2 Remedies. If Lessee fails to perform any of its affirmative duties or obligations, within 10 days after written notice (or in case of an emergency, without notice), Lessor may, at its option, perform such duty or obligation on Lessee's behalf, including but not limited to the obtaining of reasonably required bonds, insurance policies, or governmental licenses, permits or approvals. Lessee shall pay to Lessor an amount equal to 115% of the costs and expenses incurred by Lessor in such performance upon receipt of an invoice therefor. In the event of a Breach, Lessor may, with or without further notice or demand, and without limiting Lessor in the exercise of any right or remedy which Lessor may have by reason of such Breach:

(a) Terminate Lessee's right to possession of the Premises by any lawful means, in which case this Lease shall terminate and Lessee shall immediately surrender possession to Lessor. In such event Lessor shall be entitled to recover from Lessee: (i) the unpaid Rent which had been earned at the time of termination; (ii) the worth at the time of award of the amount by which the unpaid rent which would have been earned after termination until the time of award exceeds the amount of such rental loss that the Lessee proves could have been reasonably avoided; (iii) the worth at the time of award of the amount by which the unpaid rent for the balance of the term after the time of award exceeds the amount of such rental loss that the Lessee proves could be reasonably avoided; and (iv) any other amount necessary to compensate Lessor for all the detriment proximately caused by the Lessee'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 the cost of recovering possession of the Premises, expenses of reletting, including necessary renovation and alteration of the Premises, reasonable attorneys' fees, and that portion of any leasing commission paid by Lessor in connection with this Lease applicable to the unexpired term of this Lease. The worth at the time of award of the amount referred to in provision (iii) of the immediately preceding sentence shall be computed by discounting such amount at the discount rate of the Federal Reserve Bank of the District within which the Premises are located at the time of award plus one percent. Efforts by Lessor to mitigate damages caused by Lessee's Breach of this Lease shall not waive Lessor's right to recover damages under Paragraph 12. If termination of this Lease is obtained through the provisional remedy of unlawful detainer, Lessor shall have the right to recover in such proceeding any unpaid Rent and damages as are recoverable therein, or Lessor may reserve the right to recover all or any part thereof in a separate suit. If a notice and grace period required under Paragraph 13.1 was not previously given, a notice to pay rent or quit, or to perform or quit given to Lessee under the unlawful detainer statute shall also constitute the notice required by Paragraph 13.1. In such case, the applicable grace period required by Paragraph 13.1 and the unlawful detainer statute shall run concurrently, and the failure of Lessee to cure the Default within the greater of the two such grace periods shall constitute both an unlawful detainer and a Breach of this Lease entitling Lessor to the remedies provided for in this Lease and/or by said statute.

(b) Continue the Lease and Lessee's right to possession and recover the Rent as it becomes due, in which event Lessee may sublet or assign, subject only to reasonable limitations. Acts of maintenance, efforts to relet, and/or the appointment of a receiver to protect the Lessor's interests, shall not constitute a termination of the Lessee's right to possession.

(c) Pursue any other remedy now or hereafter available under the laws or judicial decisions of the state wherein the Premises are located. The expiration or termination of this Lease and/or the termination of Lessee's right to possession shall not relieve Lessee from liability under any indemnity provisions of this Lease as to matters occurring or accruing during the term hereof or by reason of Lessee's occupancy of the Premises.

13.3 Inducement Recapture. Any agreement for free or abated rent or other charges, or for the giving or paying by Lessor to or for Lessee of any cash or other bonus, inducement or consideration for Lessee's entering into this Lease, all of which concessions are hereinafter referred to as "Inducement Provisions", shall be deemed conditioned upon Lessee's full and faithful performance of all of the terms, covenants and conditions of this Lease. Upon Breach of this Lease by Lessee, any such Inducement Provision shall automatically be deemed deleted from this Lease and of no further force or effect, and any rent, other charge, bonus, inducement or consideration theretofore abated, given or paid by Lessor under such an Inducement Provision shall be immediately due and payable by Lessee to Lessor, notwithstanding any subsequent cure of said Breach by Lessee. The acceptance by Lessor of rent or the cure of the Breach which initiated the operation of this paragraph shall not be deemed a waiver by Lessor of the provisions of this paragraph unless specifically so stated in writing by Lessor at the time of such acceptance.

13.4 Late Charges. Lessee hereby acknowledges that late payment by Lessee of Rent will cause Lessor to incur costs not contemplated by this Lease, the exact amount of which will be extremely difficult to ascertain. Such costs include, but are not limited to, processing and accounting charges, and late charges which may be imposed upon Lessor by any Lender. Accordingly, if any Rent shall not be received by Lessor within 5 days after such amount shall be due, then, without any requirement for notice to Lessee, Lessee shall immediately pay to Lessor a one-time late charge equal to 10% of each such overdue amount or \$100, whichever is greater. The parties hereby agree that such late charge represents a fair and reasonable estimate of the costs Lessor will incur by reason of such late payment. Acceptance of such late charge by Lessor shall in no event constitute a waiver of Lessee's Default or Breach with respect to such overdue amount, nor prevent the exercise of any of the other rights and remedies granted hereunder. In the event that a late charge is payable hereunder, whether or not collected, for 3 consecutive installments of Base Rent, then notwithstanding any provision of this Lease to the contrary, Base Rent shall, at Lessor's option, become due and payable quarterly in advance.

13.5 Interest. Any monetary payment due Lessor hereunder, other than late charges, not received by Lessor, when due as to scheduled payments (such as Base Rent) or within 30 days following the date on which it was due for nonscheduled payment, shall bear interest from the date when due, as to scheduled payments, or the 31st day after it was due as to nonscheduled payments. The Interest ("Interest") charged shall be computed at the rate of 10% per annum but shall not exceed the maximum rate allowed by law. Interest is payable in addition to the potential late

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charge provided for in Paragraph 13.4.

13.6 Breach by Lessor.

(a) **Notice of Breach.** Lessor shall not be deemed in breach of this Lease unless Lessor fails within a reasonable time to perform an obligation required to be performed by Lessor. For purposes of this Paragraph, a reasonable time shall in no event be less than 30 days after receipt by Lessor, and any Lender whose name and address shall have been furnished Lessee in writing for such purpose, of written notice specifying wherein such obligation of Lessor has not been performed; provided, however, that if the nature of Lessor's obligation is such that more than 30 days are reasonably required for its performance, then Lessor shall not be in breach if performance is commenced within such 30 day period and thereafter diligently pursued to completion.

(b) **Performance by Lessee on Behalf of Lessor.** In the event that neither Lessor nor Lender cures said breach within 30 days after receipt of said notice, or if having commenced said cure they do not diligently pursue it to completion, then Lessee may elect to cure said breach at Lessee's expense and offset from Rent the actual and reasonable cost to perform such cure, provided however, that such offset shall not exceed an amount equal to the greater of one month's Base Rent or the Security Deposit, reserving Lessee's right to seek reimbursement from Lessor for any such expense in excess of such offset. Lessee shall document the cost of said cure and supply said documentation to Lessor.

14. Condemnation. If the Premises or any portion thereof are taken under the power of eminent domain or sold under the threat of the exercise of said power (collectively "Condemnation"), this Lease shall terminate as to the part taken as of the date the condemning authority takes title or possession, whichever first occurs. If more than 10% of the rentable floor area of the Premises, or more than 25% of Lessee's Reserved Parking Spaces, if any, are taken by Condemnation, Lessee may, at Lessee's option, to be exercised in writing within 10 days after Lessor shall have given Lessee written notice of such taking (or in the absence of such notice, within 10 days after the condemning authority shall have taken possession) terminate this Lease as of the date the condemning authority takes such possession. If Lessee does not terminate this Lease in accordance with the foregoing, this Lease shall remain in full force and effect as to the portion of the Premises remaining, except that the Base Rent shall be reduced in proportion to the reduction in utility of the Premises caused by such Condemnation. Condemnation awards and/or payments shall be the property of Lessor, whether such award shall be made as compensation for diminution in value of the leasehold, the value of the part taken, or for severance damages; provided, however, that Lessee shall be entitled to any compensation paid by the condemnor for Lessee's relocation expenses, loss of business goodwill and/or Trade Fixtures, without regard to whether or not this Lease is terminated pursuant to the provisions of this Paragraph. All Alterations and Utility Installations made to the Premises by Lessee, for purposes of Condemnation only, shall be considered the property of the Lessee and Lessee shall be entitled to any and all compensation which is payable therefor. In the event that this Lease is not terminated by reason of the Condemnation, Lessor shall repair any damage to the Premises caused by such Condemnation.

15. Brokerage Fees.

15.1 Additional Commission. If a separate brokerage fee agreement is attached then in addition to the payments owed pursuant to Paragraph 1.10 above, and unless Lessor and the Brokers otherwise agree in writing, Lessor agrees that: (a) if Lessee exercises any Option, (b) if Lessee or anyone affiliated with Lessee acquires from Lessor any rights to the Premises or other premises owned by Lessor and located within the Project, (c) if Lessee remains in possession of the Premises, with the consent of Lessor, after the expiration of this Lease, or (d) if Base Rent is increased, whether by agreement or operation of an escalation clause herein, then, Lessor shall pay Brokers a fee in accordance with the schedule attached to such brokerage fee agreement.

15.2 Assumption of Obligations. Any buyer or transferee of Lessor's interest in this Lease shall be deemed to have assumed Lessor's obligation hereunder. Brokers shall be third party beneficiaries of the provisions of Paragraphs 1.10, 15, 22 and 31. If Lessor fails to pay to Brokers any amounts due as and for brokerage fees pertaining to this Lease when due, then such amounts shall accrue interest. In addition, if Lessor fails to pay any amounts to Lessee's Broker when due, Lessee's Broker may send written notice to Lessor and Lessee of such failure and if Lessor fails to pay such amounts within 10 days after said notice, Lessee shall pay said monies to its Broker and offset such amounts against Rent. In addition, Lessee's Broker shall be deemed to be a third party beneficiary of any commission agreement entered into by and/or between Lessor and Lessor's Broker for the limited purpose of collecting any brokerage fee owed.

15.3 Representations and Indemnities of Broker Relationships. Lessee and Lessor each represent and warrant to the other that it has had no dealings with any person, firm, broker or finder (other than the Brokers, if any) in connection with this Lease, and that no one other than said named Brokers is entitled to any commission or finder's fee in connection herewith. Lessee and Lessor do each hereby agree to indemnify, protect, defend and hold the other harmless from and against liability for compensation or charges which may be claimed by any such unnamed broker, finder or other similar party by reason of any dealings or actions of the indemnifying party, including any costs, expenses, attorneys' fees reasonably incurred with respect thereto.

16. Estoppel Certificates.

(a) Each Party (as "Responding Party") shall within 10 days after written notice from the other Party (the "Requesting Party") execute, acknowledge and deliver to the Requesting Party a statement in writing in form similar to the then most current "Estoppel Certificate" form published by the AIR Commercial Real Estate Association, plus such additional information, confirmation and/or statements as may be reasonably requested by the Requesting Party.

(b) If the Responding Party shall fail to execute or deliver the Estoppel Certificate within such 10 day period, the Requesting Party may execute an Estoppel Certificate stating that: (i) the Lease is in full force and effect without modification except as may be represented by the Requesting Party, (ii) there are no uncured defaults in the Requesting Party's performance, and (iii) if Lessor is the Requesting Party, not more than one month's rent has been paid in advance. Prospective purchasers and encumbrancers may rely upon the Requesting Party's Estoppel Certificate, and the Responding Party shall be estopped from denying the truth of the facts contained in said Certificate.

(c) If Lessor desires to finance, refinance, or sell the Premises, or any part thereof, Lessee and all Guarantors shall within 10 days after written notice from Lessor deliver to any potential lender or purchaser designated by Lessor such financial statements as may be reasonably required by such lender or purchaser, including but not limited to Lessee's financial statements for the past 3 years. All such financial statements shall be received by Lessor and such lender or purchaser in confidence and shall be used only for the purposes herein set forth.

17. Definition of Lessor. The term "Lessor" as used herein shall mean the owner or owners at the time in question of the fee title to the Premises, or, if this is a sublease, of the Lessee's interest in the prior lease. In the event of a transfer of Lessor's title or interest in the Premises or this Lease, Lessor shall deliver to the transferee or assignee (in cash or by credit) any unused Security Deposit held by Lessor. Upon such transfer or assignment and delivery of the Security Deposit, as aforesaid, the prior Lessor shall be relieved of all liability with respect to the obligations and/or covenants under this Lease thereafter to be performed by the Lessor. Subject to the foregoing, the obligations and/or covenants in this Lease to be performed by the Lessor shall be binding only upon the Lessor as hereinabove defined.

18. Severability. The invalidity of any provision of this Lease, as determined by a court of competent jurisdiction, shall in no way affect the validity of any other provision hereof.

19. Days. Unless otherwise specifically indicated to the contrary, the word "days" as used in this Lease shall mean and refer to calendar days.

20. Limitation on Liability. The obligations of Lessor under this Lease shall not constitute personal obligations of Lessor or its partners, members, directors, officers or shareholders, and Lessee shall look to the Project, and to no other assets of Lessor, for the satisfaction of any liability of Lessor with respect to this Lease, and shall not seek recourse against Lessor's partners, members, directors, officers or shareholders, or any of their personal assets for such satisfaction.

21. Time of Essence. Time is of the essence with respect to the performance of all obligations to be performed or observed by the Parties under this Lease.

22. No Prior or Other Agreements; Broker Disclaimer. This Lease contains all agreements between the Parties with respect to any matter mentioned herein, and no other prior or contemporaneous agreement or understanding shall be effective. Lessor and Lessee each represents and warrants to the Brokers that it has made, and is relying solely upon, its own investigation as to the nature, quality, character and financial responsibility of the other Party to this Lease and as to the use, nature, quality and character of the Premises. Brokers have no responsibility with respect thereto or with respect to any default or breach hereof by either Party.

23. Notices.

23.1 Notice Requirements. All notices required or permitted by this Lease or applicable law shall be in writing and may be delivered in person (by hand or by courier) or may be sent by regular, certified or registered mail or U.S. Postal Service Express Mail, with postage prepaid, or by facsimile transmission, and shall be deemed sufficiently given if served in a manner specified in this Paragraph 23. The addresses noted adjacent to a Party's signature on this Lease shall be that Party's address for delivery or mailing of notices. Either Party may by written notice to the other specify a different address for notice, except that upon Lessee's taking possession of the Premises, the Premises shall constitute Lessee's address for notice. A copy of all notices to Lessor shall be concurrently transmitted to such party or parties at such addresses as Lessor may from time to time hereafter designate in writing.

23.2 Date of Notice. Any notice sent by registered or certified mail, return receipt requested, shall be deemed given on the date of delivery shown on the receipt card, or if no delivery date is shown, the postmark thereon. If sent by regular mail the notice shall be deemed given 72 hours after the same is addressed as required herein and mailed with postage prepaid. Notices delivered by United States Express Mail or overnight courier that guarantees next day delivery shall be deemed given 24 hours after delivery of the same to the Postal Service or courier. Notices transmitted by facsimile transmission or similar means shall be deemed delivered upon telephone confirmation of receipt (confirmation report from fax machine is

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sufficient), provided a copy is also delivered via delivery or mail. If notice is received on a Saturday, Sunday or legal holiday, it shall be deemed received on the next business day.

24. Waivers.

(a) No waiver by Lessor of the Default or Breach of any term, covenant or condition hereof by Lessee, shall be deemed a waiver of any other term, covenant or condition hereof, or of any subsequent Default or Breach by Lessee of the same or of any other term, covenant or condition hereof. Lessor's consent to, or approval of, any act shall not be deemed to render unnecessary the obtaining of Lessor's consent to, or approval of, any subsequent or similar act by Lessee, or be construed as the basis of an estoppel to enforce the provision or provisions of this Lease requiring such consent.

(b) The acceptance of Rent by Lessor shall not be a waiver of any Default or Breach by Lessee. Any payment by Lessee may be accepted by Lessor on account of moneys or damages due Lessor, notwithstanding any qualifying statements or conditions made by Lessee in connection therewith, which such statements and/or conditions shall be of no force or effect whatsoever unless specifically agreed to in writing by Lessor at or before the time of deposit of such payment.

(c) **THE PARTIES AGREE THAT THE TERMS OF THIS LEASE SHALL GOVERN WITH REGARD TO ALL MATTERS RELATED THERETO AND HEREBY WAIVE THE PROVISIONS OF ANY PRESENT OR FUTURE STATUTE TO THE EXTENT THAT SUCH STATUTE IS INCONSISTENT WITH THIS LEASE.**

25. Disclosures Regarding The Nature of a Real Estate Agency Relationship.

(a) When entering into a discussion with a real estate agent regarding a real estate transaction, a Lessor or Lessee should from the outset understand what type of agency relationship or representation it has with the agent or agents in the transaction. Lessor and Lessee acknowledge being advised by the Brokers in this transaction, as follows:

(i) **Lessor's Agent.** A Lessor's agent under a listing agreement with the Lessor acts as the agent for the Lessor only. A Lessor's agent or subagent has the following affirmative obligations: **To the Lessor:** A fiduciary duty of utmost care, integrity, honesty, and loyalty in dealings with the Lessor. **To the Lessee and the Lessor:** a. Diligent exercise of reasonable skills and care in performance of the agent's duties. b. A duty of honest and fair dealing and good faith. c. A duty to disclose all facts known to the agent materially affecting the value or desirability of the property that are not known to, or within the diligent attention and observation of, the Parties. An agent is not obligated to reveal to either Party any confidential information obtained from the other Party which does not involve the affirmative duties set forth above.

(ii) **Lessee's Agent.** An agent can agree to act as agent for the Lessee only. In these situations, the agent is not the Lessor's agent, even if by agreement the agent may receive compensation for services rendered, either in full or in part from the Lessor. An agent acting only for a Lessee has the following affirmative obligations. **To the Lessee:** A fiduciary duty of utmost care, integrity, honesty, and loyalty in dealings with the Lessee. **To the Lessee and the Lessor:** a. Diligent exercise of reasonable skills and care in performance of the agent's duties. b. A duty of honest and fair dealing and good faith. c. A duty to disclose all facts known to the agent materially affecting the value or desirability of the property that are not known to, or within the diligent attention and observation of, the Parties. An agent is not obligated to reveal to either Party any confidential information obtained from the other Party which does not involve the affirmative duties set forth above.

(iii) **Agent Representing Both Lessor and Lessee.** A real estate agent, either acting directly or through one or more associate licensees, can legally be the agent of both the Lessor and the Lessee in a transaction, but only with the knowledge and consent of both the Lessor and the Lessee. In a dual agency situation, the agent has the following affirmative obligations to both the Lessor and the Lessee: a. A fiduciary duty of utmost care, integrity, honesty and loyalty in the dealings with either Lessor or the Lessee. b. Other duties to the Lessor and the Lessee as stated above in subparagraphs (i) or (ii). In representing both Lessor and Lessee, the agent may not without the express permission of the respective Party, disclose to the other Party that the Lessor will accept rent in an amount less than that indicated in the listing or that the Lessee is willing to pay a higher rent than that offered. The above duties of the agent in a real estate transaction do not relieve a Lessor or Lessee from the responsibility to protect their own interests. Lessor and Lessee should carefully read all agreements to assure that they adequately express their understanding of the transaction. A real estate agent is a person qualified to advise about real estate. If legal or tax advice is desired, consult a competent professional.

(b) Brokers have no responsibility with respect to any default or breach hereof by either Party. The Parties agree that no lawsuit or other legal proceeding involving any breach of duty, error or omission relating to this Lease may be brought against Broker more than one year after the Start Date and that the liability (including court costs and attorneys' fees), of any Broker with respect to any such lawsuit and/or legal proceeding shall not exceed the fee received by such Broker pursuant to this Lease; provided, however, that the foregoing limitation on each Broker's liability shall not be applicable to any gross negligence or willful misconduct of such Broker.

(c) Lessor and Lessee agree to identify to Brokers as "Confidential" any communication or information given Brokers that is considered by such Party to be confidential.

26. No Right to Holdover. Lessee has no right to retain possession of the Premises or any part thereof beyond the expiration or termination of this Lease. In the event that Lessee holds over, then the Base Rent shall be increased to 150% of the Base Rent applicable immediately preceding the expiration or termination. Nothing contained herein shall be construed as consent by Lessor to any holding over by Lessee.

27. Cumulative Remedies. No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law or in equity.

28. Covenants and Conditions; Construction of Agreement. All provisions of this Lease to be observed or performed by Lessee are both covenants and conditions. In construing this Lease, all headings and titles are for the convenience of the Parties only and shall not be considered a part of this Lease. Whenever required by the context, the singular shall include the plural and vice versa. This Lease shall not be construed as if prepared by one of the Parties, but rather according to its fair meaning as a whole, as if both Parties had prepared it.

29. Binding Effect; Choice of Law. This Lease shall be binding upon the Parties, their personal representatives, successors and assigns and be governed by the laws of the State in which the Premises are located. Any litigation between the Parties hereto concerning this Lease shall be initiated in the county in which the Premises are located.

30. Subordination; Attornment; Non-Disturbance.

30.1 Subordination. This Lease and any Option granted hereby shall be subject and subordinate to any ground lease, mortgage, deed of trust, or other hypothecation or security device (collectively, "**Security Device**"), now or hereafter placed upon the Premises, to any and all advances made on the security thereof, and to all renewals, modifications, and extensions thereof. Lessee agrees that the holders of any such Security Devices (in this Lease together referred to as "**Lender**") shall have no liability or obligation to perform any of the obligations of Lessor under this Lease. Any Lender may elect to have this Lease and/or any Option granted hereby superior to the lien of its Security Device by giving written notice thereof to Lessee, whereupon this Lease and such Options shall be deemed prior to such Security Device, notwithstanding the relative dates of the documentation or recordation thereof.

30.2 Attornment. In the event that Lessor transfers title to the Premises, or the Premises are acquired by another upon the foreclosure or termination of a Security Device to which this Lease is subordinated (i) Lessee shall, subject to the non-disturbance provisions of Paragraph 30.3, attorn to such new owner, and upon request, enter into a new lease, containing all of the terms and provisions of this Lease, with such new owner for the remainder of the term hereof, or, at the election of the new owner, this Lease will automatically become a new lease between Lessee and such new owner, and (ii) Lessor shall thereafter be relieved of any further obligations hereunder and such new owner shall assume all of Lessor's obligations, except that such new owner shall not: (a) be liable for any act or omission of any prior lessor or with respect to events occurring prior to acquisition of ownership; (b) be subject to any offsets or defenses which Lessee might have against any prior lessor, (c) be bound by prepayment of more than one month's rent, or (d) be liable for the return of any security deposit paid to any prior lessor which was not paid or credited to such new owner.

30.3 Non-Disturbance. With respect to Security Devices entered into by Lessor after the execution of this Lease, Lessee's subordination of this Lease shall be subject to receiving a commercially reasonable non-disturbance agreement (a "**Non-Disturbance Agreement**") from the Lender which Non-Disturbance Agreement provides that Lessee's possession of the Premises, and this Lease, including any options to extend the term hereof, will not be disturbed so long as Lessee is not in Breach hereof and attorns to the record owner of the Premises. Further, within 60 days after the execution of this Lease, Lessor shall, if requested by Lessee, use its commercially reasonable efforts to obtain a Non-Disturbance Agreement from the holder of any pre-existing Security Device which is secured by the Premises. In the event that Lessor is unable to provide the Non-Disturbance Agreement within said 60 days, then Lessee may, at Lessee's option, directly contact Lender and attempt to negotiate for the execution and delivery of a Non-Disturbance Agreement.

30.4 Self-Executing. The agreements contained in this Paragraph 30 shall be effective without the execution of any further documents; provided, however, that, upon written request from Lessor or a Lender in connection with a sale, financing or refinancing of the Premises, Lessee and Lessor shall execute such further writings as may be reasonably required to separately document any subordination, attornment and/or Non-Disturbance Agreement provided for herein.

31. Attorneys' Fees. If any Party or Broker brings an action or proceeding involving the Premises whether founded in tort, contract or equity, or to declare rights hereunder, the Prevailing Party (as hereafter defined) in any such proceeding, action, or appeal thereon, shall be entitled to reasonable attorneys' fees. Such fees may be awarded in the same suit or recovered in a separate suit, whether or not such action or proceeding is pursued to decision or judgment. The term, "**Prevailing Party**" shall include, without limitation, a Party or Broker who substantially obtains or defeats the relief sought, as the case may be, whether by compromise, settlement, judgment, or the abandonment by the other Party or Broker of its claim or defense. The attorneys' fees award shall not be computed in accordance with any court fee schedule, but shall be such as to fully reimburse all attorneys' fees

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reasonably incurred. In addition, Lessor shall be entitled to attorneys' fees, costs and expenses incurred in the preparation and service of notices of Default and consultations in connection therewith, whether or not a legal action is subsequently commenced in connection with such Default or resulting Breach (\$200 is a reasonable minimum per occurrence for such services and consultation).

32. **Lessor's Access; Showing Premises; Repairs.** Lessor and Lessor's agents shall have the right to enter the Premises at any time, in the case of an emergency, and otherwise at reasonable times after reasonable prior notice for the purpose of showing the same to prospective purchasers, lenders, or tenants, and making such alterations, repairs, improvements or additions to the Premises as Lessor may deem necessary or desirable and the erecting, using and maintaining of utilities, services, pipes and conduits through the Premises and/or other premises as long as there is no material adverse effect on Lessee's use of the Premises. All such activities shall be without abatement of rent or liability to Lessee.

33. **Auctions.** Lessee shall not conduct, nor permit to be conducted, any auction upon the Premises without Lessor's prior written consent. Lessor shall not be obligated to exercise any standard of reasonableness in determining whether to permit an auction.

34. **Signs.** Lessor may place on the Premises ordinary "For Sale" signs at any time and ordinary "For Lease" signs during the last 6 months of the term hereof. Lessor may not place any sign on the exterior of the Building that covers any of the windows of the Premises. Except for ordinary "For Sublease" signs which may be placed only on the Premises, Lessee shall not place any sign upon the Project without Lessor's prior written consent. All signs must comply with all Applicable Requirements.

35. **Termination; Merger.** Unless specifically stated otherwise in writing by Lessor, the voluntary or other surrender of this Lease by Lessee, the mutual termination or cancellation hereof, or a termination hereof by Lessor for Breach by Lessee, shall automatically terminate any sublease or lesser estate in the Premises; provided, however, that Lessor may elect to continue any one or all existing subtenancies. Lessor's failure within 10 days following any such event to elect to the contrary by written notice to the holder of any such lesser interest, shall constitute Lessor's election to have such event constitute the termination of such interest.

36. **Consents.** Except as otherwise provided herein, wherever in this Lease the consent of a Party is required to an act by or for the other Party, such consent shall not be unreasonably withheld or delayed. Lessor's actual reasonable costs and expenses (including but not limited to architects', attorneys', engineers' and other consultants' fees) incurred in the consideration of, or response to, a request by Lessee for any Lessor consent, including but not limited to consents to an assignment, a subletting or the presence or use of a Hazardous Substance, shall be paid by Lessee upon receipt of an invoice and supporting documentation therefor. Lessor's consent to any act, assignment or subletting shall not constitute an acknowledgment that no Default or Breach by Lessee of this Lease exists, nor shall such consent be deemed a waiver of any then existing Default or Breach, except as may be otherwise specifically stated in writing by Lessor at the time of such consent. The failure to specify herein any particular condition to Lessor's consent shall not preclude the imposition by Lessor at the time of consent of such further or other conditions as are then reasonable with reference to the particular matter for which consent is being given. In the event that either Party disagrees with any determination made by the other hereunder and reasonably requests the reasons for such determination, the determining party shall furnish its reasons in writing and in reasonable detail within 10 business days following such request.

37. **Guarantor.**

37.1 **Execution.** The Guarantors, if any, shall each execute a guaranty in the form most recently published by the AIR Commercial Real Estate Association.

37.2 **Default.** It shall constitute a Default of the Lessee if any Guarantor fails or refuses, upon request to provide: (a) evidence of the execution of the guaranty, including the authority of the party signing on Guarantor's behalf to obligate Guarantor, and in the case of a corporate Guarantor, a certified copy of a resolution of its board of directors authorizing the making of such guaranty, (b) current financial statements, (c) an Estoppel Certificate, or (d) written confirmation that the guaranty is still in effect.

38. **Quiet Possession.** Subject to payment by Lessee of the Rent and performance of all of the covenants, conditions and provisions on Lessee's part to be observed and performed under this Lease, Lessee shall have quiet possession and quiet enjoyment of the Premises during the term hereof.

39. **Options.** If Lessee is granted an Option, as defined below, then the following provisions shall apply.

39.1 **Definition.** "Option" shall mean: (a) the right to extend or reduce the term of or renew this Lease or to extend or reduce the term of or renew any lease that Lessee has on other property of Lessor; (b) the right of first refusal or first offer to lease either the Premises or other property of Lessor; (c) the right to purchase, the right of first offer to purchase or the right of first refusal to purchase the Premises or other property of Lessor.

39.2 **Options Personal To Original Lessee.** Any Option granted to Lessee in this Lease is personal to the original Lessee, and cannot be assigned or exercised by anyone other than said original Lessee and only while the original Lessee is in full possession of the Premises and, if requested by Lessor, with Lessee certifying that Lessee has no intention of thereafter assigning or subletting.

39.3 **Multiple Options.** In the event that Lessee has any multiple Options to extend or renew this Lease, a later Option cannot be exercised unless the prior Options have been validly exercised.

39.4 **Effect of Default on Options.**

(a) Lessee shall have no right to exercise an Option: (i) during the period commencing with the giving of any notice of Default and continuing until said Default is cured, (ii) during the period of time any Rent is unpaid (without regard to whether notice thereof is given Lessee), (iii) during the time Lessee is in Breach of this Lease, or (iv) in the event that Lessee has been given 3 or more notices of separate Default, whether or not the Defaults are cured, during the 12 month period immediately preceding the exercise of the Option.

(b) The period of time within which an Option may be exercised shall not be extended or enlarged by reason of Lessee's inability to exercise an Option because of the provisions of Paragraph 39.4(a).

(c) An Option shall terminate and be of no further force or effect, notwithstanding Lessee's due and timely exercise of the Option, if, after such exercise and prior to the commencement of the extended term or completion of the purchase, (i) Lessee fails to pay Rent for a period of 30 days after such Rent becomes due (without any necessity of Lessor to give notice thereof), or (ii) if Lessee commits a Breach of this Lease.

40. **Security Measures.** Lessee hereby acknowledges that the Rent payable to Lessor hereunder does not include the cost of guard service or other security measures, and that Lessor shall have no obligation whatsoever to provide same. Lessee assumes all responsibility for the protection of the Premises, Lessee, its agents and invitees and their property from the acts of third parties. In the event, however, that Lessor should elect to provide security services, then the cost thereof shall be an Operating Expense.

41. **Reservations.**

(a) Lessor reserves the right: (i) to grant, without the consent or joinder of Lessee, such easements, rights and dedications that Lessor deems necessary, (ii) to cause the recordation of parcel maps and restrictions, (iii) to create and/or install new utility raceways, so long as such easements, rights, dedications, maps, restrictions, and utility raceways do not unreasonably interfere with the use of the Premises by Lessee. Lessor may also: change the name, address or title of the Building or Project upon at least 90 days prior written notice; provide and install, at Lessee's expense, Building standard graphics on the door of the Premises and such portions of the Common Areas as Lessor shall reasonably deem appropriate; grant to any lessee the exclusive right to conduct any business as long as such exclusive right does not conflict with any rights expressly given herein; and to place such signs, notices or displays as Lessor reasonably deems necessary or advisable upon the roof, exterior of the Building or the Project or on signs in the Common Areas. Lessee agrees to sign any documents reasonably requested by Lessor to effectuate such rights. The obstruction of Lessee's view, air, or light by any structure erected in the vicinity of the Building, whether by Lessor or third parties, shall in no way affect this Lease or impose any liability upon Lessor.

(b) Lessor also reserves the right to move Lessee to other space of comparable size in the Building or Project. Lessor must provide at least 45 days prior written notice of such move, and the new space must contain improvements of comparable quality to those contained within the Premises. Lessor shall pay the reasonable out of pocket costs that Lessee incurs with regard to such relocation, including the expenses of moving and necessary stationary revision costs. In no event, however, shall Lessor be required to pay an amount in excess of two months Base Rent. Lessee may not be relocated more than once during the term of this Lease.

(c) Lessee shall not: (i) use a representation (photographic or otherwise) of the Building or Project or their name(s) in connection with Lessee's business; or (ii) suffer or permit anyone, except in emergency, to go upon the roof of the Building.

42. **Performance Under Protest.** If at any time a dispute shall arise as to any amount or sum of money to be paid by one Party to the other under the provisions hereof, the Party against whom the obligation to pay the money is asserted shall have the right to make payment "under protest" and such payment shall not be regarded as a voluntary payment and there shall survive the right on the part of said Party to institute suit for recovery of such sum. If it shall be adjudged that there was no legal obligation on the part of said Party to pay such sum or any part thereof, said Party shall be entitled to recover such sum or so much thereof as it was not legally required to pay. A Party who does not initiate suit for the recovery of sums paid "under protest" within 6 months shall be deemed to have waived its right to protest such payment.

43. **Authority; Multiple Parties; Execution**

(a) If either Party hereto is a corporation, trust, limited liability company, partnership, or similar entity, each individual executing this Lease on behalf of such entity represents and warrants that he or she is duly authorized to execute and deliver this Lease on its behalf. Each Party shall, within 30 days after request, deliver to the other Party satisfactory evidence of such authority.

(b) If this Lease is executed by more than one person or entity as "Lessee", each such person or entity shall be jointly and severally liable hereunder. It is agreed that any one of the named Lessees shall be empowered to execute any amendment to this Lease, or other document ancillary thereto and bind all of the named Lessees, and Lessor may rely on the same as if all of the named Lessees had executed such

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document.

(c) This Lease may be executed by the Parties in counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

44. **Conflict.** Any conflict between the printed provisions of this Lease and the typewritten or handwritten provisions shall be controlled by the typewritten or handwritten provisions.

45. **Offer.** Preparation of this Lease by either party or their agent and submission of same to the other Party shall not be deemed an offer to lease to the other Party. This Lease is not intended to be binding until executed and delivered by all Parties hereto.

46. **Amendments.** This Lease may be modified only in writing, signed by the Parties in interest at the time of the modification. As long as they do not materially change Lessee's obligations hereunder, Lessee agrees to make such reasonable nonmonetary modifications to this Lease as may be reasonably required by a Lender in connection with the obtaining of normal financing or refinancing of the Premises.

47. **Waiver of Jury Trial.** THE PARTIES HEREBY WAIVE THEIR RESPECTIVE RIGHTS TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING INVOLVING THE PROPERTY OR ARISING OUT OF THIS AGREEMENT.

48. **Arbitration of Disputes.** An Addendum requiring the Arbitration of all disputes between the Parties and/or Brokers arising out of this Lease ☐ is ☒ is not attached to this Lease.

49. **Americans with Disabilities Act.** Since compliance with the Americans with Disabilities Act (ADA) is dependent upon Lessee's specific use of the Premises, Lessor makes no warranty or representation as to whether or not the Premises comply with ADA or any similar legislation. In the event that Lessee's use of the Premises requires modifications or additions to the Premises in order to be in ADA compliance, Lessee agrees to make any such necessary modifications and/or additions at Lessee's expense.

LESSOR AND LESSEE HAVE CAREFULLY READ AND REVIEWED THIS LEASE AND EACH TERM AND PROVISION CONTAINED HEREIN, AND BY THE EXECUTION OF THIS LEASE SHOW THEIR INFORMED AND VOLUNTARY CONSENT THERETO. THE PARTIES HEREBY AGREE THAT, AT THE TIME THIS LEASE IS EXECUTED, THE TERMS OF THIS LEASE ARE COMMERCIALY REASONABLE AND EFFECTUATE THE INTENT AND PURPOSE OF LESSOR AND LESSEE WITH RESPECT TO THE PREMISES.

ATTENTION: NO REPRESENTATION OR RECOMMENDATION IS MADE BY THE AIR COMMERCIAL REAL ESTATE ASSOCIATION OR BY ANY BROKER AS TO THE LEGAL SUFFICIENCY, LEGAL EFFECT, OR TAX CONSEQUENCES OF THIS LEASE OR THE TRANSACTION TO WHICH IT RELATES. THE PARTIES ARE URGED TO:

1. SEEK ADVICE OF COUNSEL AS TO THE LEGAL AND TAX CONSEQUENCES OF THIS LEASE.

2. RETAIN APPROPRIATE CONSULTANTS TO REVIEW AND INVESTIGATE THE CONDITION OF THE PREMISES. SAID INVESTIGATION SHOULD INCLUDE BUT NOT BE LIMITED TO: THE POSSIBLE PRESENCE OF HAZARDOUS SUBSTANCES, THE ZONING AND SIZE OF THE PREMISES, THE STRUCTURAL INTEGRITY, THE CONDITION OF THE ROOF AND OPERATING SYSTEMS, COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT AND THE SUITABILITY OF THE PREMISES FOR LESSEE'S INTENDED USE.

WARNING: IF THE PREMISES ARE LOCATED IN A STATE OTHER THAN CALIFORNIA, CERTAIN PROVISIONS OF THE LEASE MAY NEED TO BE REVISED TO COMPLY WITH THE LAWS OF THE STATE IN WHICH THE PREMISES ARE LOCATED.

The parties hereto have executed this Lease at the place and on the dates specified above their respective signatures.

Executed at:

On:

Executed at:

On:

By LESSOR:

279 Arrow, LLC

By:

Name Printed: Alan Kohn

Title: Managing Member

By:

Name Printed:

Title:

Address: 2440 E. 56th Street

Los Angeles, California 90058

Telephone: (323) 583-3366

Facsimile: (323) 583-7601

Email:

Email:

Federal ID No.

By LESSEE:

Southern California Joint Pole Committee, a
California Nonprofit Corporation

By:

Name Printed: Jennie Corella

Title: Manager of Operations

By:

Name Printed:

Title:

Address: 279 E. Arrow Hwy., Suite 104

San Dimas, California 91773

Telephone: (909) 348-6920

Facsimile: (909) 348-5925

Email:

Email:

Federal ID No.

LESSOR'S BROKER:

Lee & Associates@-Ontario

Attn: Todd Launchbaugh, SIOR/Justin Leewood

Address: 3535 Inland Empire Blvd.

Ontario, California 91764

Telephone: (909) 989-7771

Facsimile: (909) 944-8250

Email: tlaunchbaugh@lee-assoc.com/jleewood@lee-assoc.com

Broker/Agent DRE License #: 01059250/01837452

LESSEE'S BROKER:

Carter and Associates

Attn: Shirley Carter

Address: 20955 Pathfinder Road, Suite 100

Diamond Bar, California 91765

Telephone: (909) 762-9172

Facsimile: (909) 860-8470

Email:

Broker/Agent DRE License #: 01011016

NOTICE: These forms are often modified to meet changing requirements of law and industry needs. Always write or call to make sure you are utilizing the most current form: AIR Commercial Real Estate Association, 800 W 6th Street, Suite 800, Los Angeles, CA 90017. Telephone No. (213) 887-8777. Fax No.: (213) 887-8818.

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FORM OFG-9-3/10E

**ADDENDUM TO LEASE
DATED DECEMBER 29, 2011,
FOR THE PROPERTY LOCATED AT
279 E. ARROW HWY., SUITE 104
SAN DIMAS, CALIFORNIA 91773**

50: Rent Increases:

On April 1, 2013 the rent will increase to \$6,750.74 per month.
On April 1, 2014 the rent will increase to \$6,987.01 per month.
On April 1, 2015 the rent will increase to \$7,231.56 per month.
On April 1, 2016 the rent will increase to \$7,484.66 per month.
On April 1, 2017 the rent will increase to \$7,746.62 per month.
On April 1, 2018 the rent will increase to \$8,017.76 per month.

51. Lessor Improvements:

Lessor, at Lessor's sole cost, shall provide the following improvements as shown on Exhibit B and subject to mutual approval of a final floor plan:

- A 40' x 35' conference room with a data conduit and electrical outlet in the floor and the ceiling, and a door to the common hallway
- 6 private offices
- Server/IT room with dedicated A/C unit
- Lunch/break room with 4' lower cabinet and sink
- Storage room
- Paint and carpet throughout the unit in Lessee's choice of one of Lessor's standard colors.
- Window blinds are at Lessee's cost

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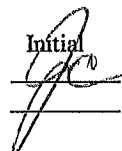
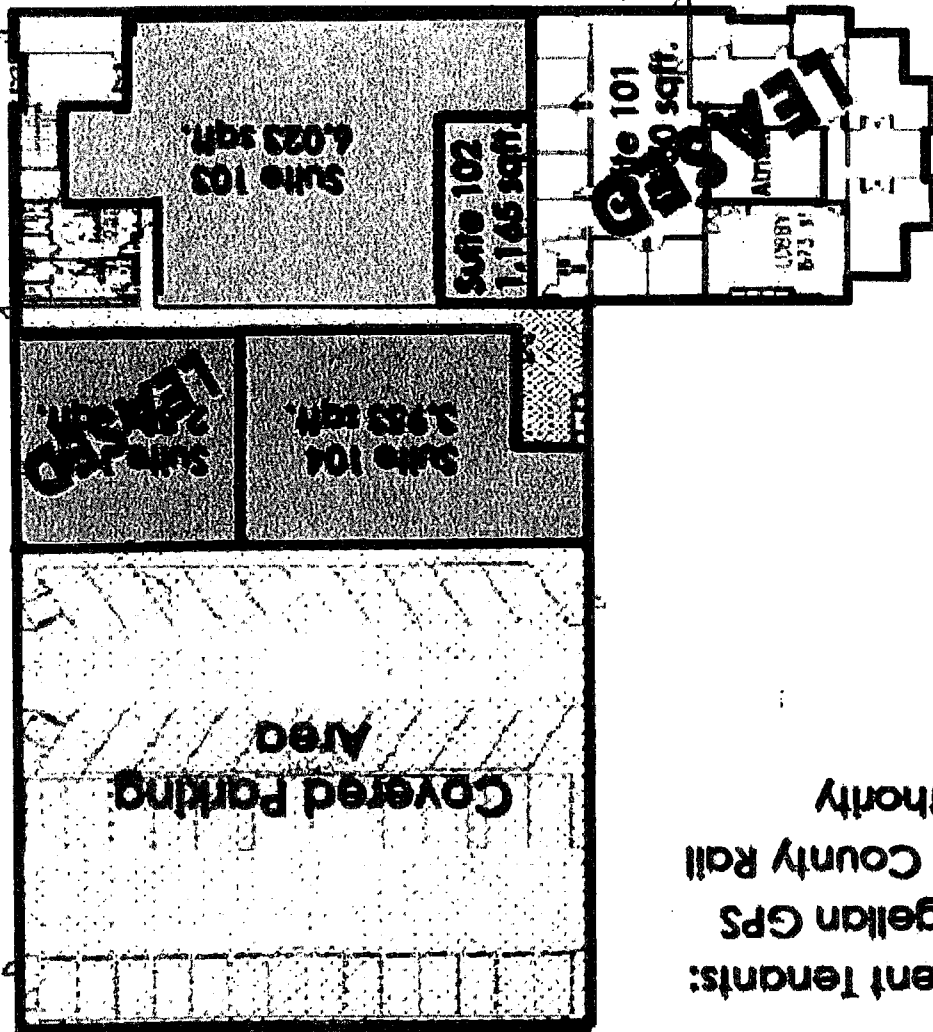

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EXHIBIT "A"

279 E. Arrow Hwy., San Dimas

Current Tenants:
-Magellan GPS
-L.A. County Rail
Authority



For Further Information, Please Contact:
TODD LAUNCHBAUGH
TILAUNCHBAUGH@LEE-ASSOC.COM
LICENSE #01069250
909-373-2911
Lee & Associates®
COMMERCIAL REAL ESTATE SERVICES
Corp. ID #00976995

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RULES AND REGULATIONS FOR STANDARD OFFICE LEASE

Dated: December 29, 2011

By and Between 279 Arrow, LLC and Southern California Joint Pole Committee, a Nonprofit Corporation

GENERAL RULES

1. Lessee shall not suffer or permit the obstruction of any Common Areas, including driveways, walkways and stairways.
2. Lessor reserves the right to refuse access to any persons Lessor in good faith judges to be a threat to the safety and reputation of the Project and its occupants.
3. Lessee shall not make or permit any noise or odors that annoy or interfere with other lessees or persons having business within the Project.
4. Lessee shall not keep animals or birds within the Project, and shall not bring bicycles, motorcycles or other vehicles into areas not designated as authorized for same.
5. Lessee shall not make, suffer or permit litter except in appropriate receptacles for that purpose.
6. Lessee shall not alter any lock or install new or additional locks or bolts.
7. Lessee shall be responsible for the inappropriate use of any toilet rooms, plumbing or other utilities. No foreign substances of any kind are to be inserted therein.
8. Lessee shall not deface the walls, partitions or other surfaces of the Premises or Project.
9. Lessee shall not suffer or permit anything in or around the Premises or Building that causes excessive vibration or floor loading in any part of the Project.
10. Furniture, significant freight and equipment shall be moved into or out of the building only with the Lessor's knowledge and consent, and subject to such reasonable limitations, techniques and timing, as may be designated by Lessor. Lessee shall be responsible for any damage to the Office Building Project arising from any such activity.
11. Lessee shall not employ any service or contractor for services or work to be performed in the Building, except as approved by Lessor.
12. Lessor reserves the right to close and lock the Building on Saturdays, Sundays and Building Holidays, and on other days between the hours of _____ P.M. and _____ A.M. of the following day. If Lessee uses the Premises during such periods, Lessee shall be responsible for securely locking any doors it may have opened for entry.
13. Lessee shall return all keys at the termination of its tenancy and shall be responsible for the cost of replacing any keys that are lost.
14. No window coverings, shades or awnings shall be installed or used by Lessee.
15. No Lessee, employee or invitee shall go upon the roof of the Building.
16. Lessee shall not suffer or permit smoking or carrying of lighted cigars or cigarettes in areas reasonably designated by Lessor or by applicable governmental agencies as non-smoking areas.
17. Lessee shall not use any method of heating or air conditioning other than as provided by Lessor.
18. Lessee shall not install, maintain or operate any vending machines upon the Premises without Lessor's written consent.
19. The Premises shall not be used for lodging or manufacturing, cooking or food preparation.
20. Lessee shall comply with all safety, fire protection and evacuation regulations established by Lessor or any applicable governmental agency.
21. Lessor reserves the right to waive any one of these rules or regulations, and/or as to any particular Lessee, and any such waiver shall not constitute a waiver of any other rule or regulation or any subsequent application thereof to such Lessee.
22. Lessee assumes all risks from theft or vandalism and agrees to keep its Premises locked as may be required.
23. Lessor reserves the right to make such other reasonable rules and regulations as it may from time to time deem necessary for the appropriate operation and safety of the Project and its occupants. Lessee agrees to abide by these and such rules and regulations.

PARKING RULES

1. Parking areas shall be used only for parking by vehicles no longer than full size, passenger automobiles herein called "Permitted Size Vehicles." Vehicles other than Permitted Size Vehicles are herein referred to as "Oversized Vehicles."
2. Lessee shall not permit or allow any vehicles that belong to or are controlled by Lessee or Lessee's employees, suppliers, shippers, customers, or invitees to be loaded, unloaded, or parked in areas other than those designated by Lessor for such activities.
3. Parking stickers or identification devices shall be the property of Lessor and be returned to Lessor by the holder thereof upon termination of the holder's parking privileges. Lessee will pay such replacement charge as is reasonably established by Lessor for the loss of such devices.
4. Lessor reserves the right to refuse the sale of monthly identification devices to any person or entity that willfully refuses to comply with the applicable rules, regulations, laws and/or agreements.
5. Lessor reserves the right to relocate all or a part of parking spaces from floor to floor, within one floor, and/or to reasonably adjacent offsite location(s), and to reasonably allocate them between compact and standard size spaces, as long as the same complies with applicable laws, ordinances and regulations.
6. Users of the parking area will obey all posted signs and park only in the areas designated for vehicle parking.
7. Unless otherwise instructed, every person using the parking area is required to park and lock his own vehicle. Lessor will not be responsible for any damage to vehicles, injury to persons or loss of property, all of which risks are assumed by the party using the parking area.
8. Validation, if established, will be permissible only by such method or methods as Lessor and/or its licensee may establish at rates generally applicable to visitor parking.
9. The maintenance, washing, waxing or cleaning of vehicles in the parking structure or Common Areas is prohibited.
10. Lessee shall be responsible for seeing that all of its employees, agents and invitees comply with the applicable parking rules, regulations, laws and agreements.
11. Lessor reserves the right to modify these rules and/or adopt such other reasonable and non-discriminatory rules and regulations as it may deem necessary for the proper operation of the parking area.
12. Such parking use as is herein provided is intended merely as a license only and no bailment is intended or shall be created hereby.

NOTICE: These forms are often modified to meet changing requirements of law and industry needs. Always write or call to make sure you are utilizing the most current form: AIR Commercial Real Estate Association, 800 W 6th Street, Suite 800, Los Angeles, CA 90017. Telephone No. (213) 687-8777. Fax No.: (213) 687-8616.

AK

INITIALS

Jo

UNIFORM DISCLAIMER FORM LEASE FORM

1. **LEGAL EFFECT.** Lessor and Lessee acknowledge that the Proposal to Lease contained herein is not a lease, and that it is intended solely to establish deal points which will be used as the basis for the preparation of a lease by Lessor. The lease shall be subject to Lessor's and Lessee's approval, and only a fully executed and delivered lease shall constitute a legally binding lease for the Premises. Broker makes no warranty or representation to Lessor or Lessee that acceptance of this Proposal to Lease will guaranty the execution of a lease for the Premises.

Lessor and Lessee acknowledge that Broker is not qualified to practice law, nor authorized to give legal advice or counsel you as to any legal matters affecting this document. Broker hereby advises Lessor and Lessee to consult with their respective attorneys in connection with any questions each may have as to legal ramifications or effects of this document, prior to its execution.

2. **FORM OF LEASE.** This proposed document is a standard form document, and Broker makes no representations or warranties with respect to the adequacy of this document for either Lessor's or Lessor's particular purposes. Broker has, at the direction of Lessor and/or Lessee, "filled in the blanks" from information provided to Broker based on prior correspondence, discussions of the parties with respect to the Proposal to Lease, and subsequent counteroffers between the parties hereto. By initialing this paragraph, Lessor and Lessee acknowledge and agree that this document is delivered to each subject to the express condition that Broker has merely followed the instructions of the parties in preparing this document, and does not assume any responsibility for its accuracy, completeness or form. Lessor and Lessee acknowledge and agree that in providing this document, Broker has acted to expedite this transaction on behalf of Lessor and Lessee, and has functioned within the scope of professional ethics by doing so.

Lessor's Initials: AL Lessee's Initials: JP

3. **NO INDEPENDENT INVESTIGATION.** Lessor and Lessee acknowledge and understand that any financial statements, information, reports, or written materials of any nature whatsoever, as provided by the parties to Broker, and thereafter submitted by Broker to Lessor and/or Lessee, are so provided without any independent investigation by Broker, and as such Broker assumes no responsibility or liability for the accuracy or validity of the same. Any verification of such submitted documents is solely and completely the responsibility of the party to whom such documents have been submitted.
4. **NO WARRANTY.** Lessor and Lessee acknowledge and agree that no warranties, recommendations, or representations are made by the broker as to the accuracy, the legal sufficiency, the legal effect of the tax consequences of any of the documents submitted by Broker to Lessor and/or Lessee referenced in Paragraph 3 above, nor of the legal sufficiency, legal effect, or tax consequences of the transactions contemplated thereby. Furthermore, Lessor and Lessee acknowledge and agree that Broker has made no representations concerning the ability of the Lessee to use the Premises as intended, nor of the sufficiency or adequacy of the Premises for their intended use, and Lessee is relying solely on its own investigation of the Premises in accepting this Proposal to Lease.
5. **NOTICE REGARDING HAZARDOUS WASTES OR SUBSTANCES AND UNDERGROUND STORAGE TANKS.** Although Broker will disclose any knowledge it actually possesses with respect to the existence of any hazardous wastes, substances, or underground storage tanks at the Premises, Broker has not made any independent investigations or obtained reports with respect thereto, except as may be described in a separate written document signed by Broker. All parties hereto acknowledge and understand that Broker makes no representations regarding the existence or nonexistence of hazardous wastes, substances, or underground storage tanks at the Premises. Each party should contact a professional, such as a civil engineer, geologist, industrial hygienist or other persons with experience in these matters to advise you concerning the property.
6. **DISCLOSURE RESPECTING AMERICANS WITH DISABILITIES ACT.** The United States Congress has recently enacted the Americans With Disabilities Act. Among other things, this act is intended to make many business establishments equally accessible to persons with a variety of disabilities; modifications to real property may be required. State and local laws also may mandate changes. Broker is not qualified to advise you as to what, if any, changes may be required now or in the future. Broker recommends that you consult the attorneys and qualified design professionals of your choice for information regarding these matters.
7. **ATTORNEYS' FEES.** In any action, proceeding or arbitration arising out of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees and costs.
8. **ENTIRE AGREEMENT.** This document constitutes the entire agreement between parties with respect to the subject matter contained herein and supersedes all prior or contemporaneous agreements, representations, negotiations and understandings of the parties, other than such writings as may be executed and/or delivered by the parties pursuant hereto. There are no oral agreements or implied covenants by the Lessor or Lessee, or by their respective employees, or other representatives.

Date: 1-20-2012 Date: 1-12-2012
Lessor: [Signature] Lessee: [Signature]
279 Arrow, LLC Southern California Joint Pole
ALAN KOHN Committee, a California Nonprofit
JENNIE L. CORELLA

AMENDMENT DATED NOVEMBER 7, 2018
FOR THE STANDARD MULTI-TENANT OFFICE LEASE – GROSS
DATED DECEMBER 29, 2011
BY AND BETWEEN
279 ARROW, LLC, (“LESSOR”)
AND
SOUTHERN CALIFORNIA JOINT POLE COMMITTEE (“LESSEE”)
FOR THE PROPERTY LOCATED AT:
279 E. ARROW HWY., SUITE 104, SAN DIMAS, CA 91773

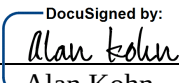
1. **Expiration Date:** The lease expiration date will be extended to June 30, 2026.
2. **Lessor’s Improvements:** Lessor, at Lessor’s sole cost, shall remodel the shower room, near the common restrooms in the hallway, into a single stall family restroom. Lessor shall also add up to 6 additional standard outlets in the interior of the suite in mutually agreeable locations.
3. **Pest Control:** Lessor shall monitor the premises and provide pest control monthly, which include but not limited to taking the following actions: treatment, spray, exterminate, and remove bugs when necessary.
- Lessor shall spray 5 days per week from the execution of this amendment through January 31, 2019.
 - Lessor shall spray once per week from February 1, 2019 to March 31, 2019.
 - Lessor shall spray twice per month from April 1, 2019 to May 31, 2019
 - Lessor shall spray once per month thereafter.
4. **Door Timers:** Lessor agrees to ensure the exterior common door timers allow the doors to be unlocked at a minimum from the hours of 6:00 a.m. to 4:30 p.m. on Mondays through Fridays.
5. **Kitchen Floors:** Lessor agrees to clean the kitchen floor or replace if needed.
6. **Flooring:** Lessor agrees to replace the carpet throughout the suite with a mutually agreeable color.
7. **Rent Schedule for the extended period from July 1, 2019 through June 30, 2026:**

<u>Months</u>	<u>Rent Per Month</u>
July 1, 2019 - June 30, 2020	\$8,017.76
July 1, 2020 - June 30, 2021	\$8,258.29
July 1, 2021 - June 30, 2022	\$8,506.04
July 1, 2022 - June 30, 2023	\$8,761.22
July 1, 2023 - June 30, 2024	\$9,024.06
July 1, 2024 - June 30, 2025	\$9,294.78
July 1, 2025 - June 30, 2026	\$9,573.62

All other terms remain the same.

Lessor:

279 Arrow, LLC

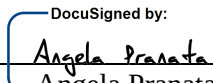
By: 
Alan Kohn

Title: Managing Member

Date: 1/22/2019

Lessee:

Southern California Joint Pole Committee

By: 
Angela Pranita

Title: Manager of Operations

Date: 1/22/2019


Lessor’s Initials


Lessee’s Initials

Southern California Joint Pole Committee

279 E. Arrow Hwy. Suite 104
San Dimas, CA 91773
Phone (909) 599-3801
Fax (909) 599-3825

May 17, 2023

A regular meeting of the **Operating Committee** took place on the above date, at 10:16 a.m., via teleconference:

Those in attendance were:

Mr. Lex Treepaisan	Frontier Communications
Mr. John Bacon	City of Los Angeles
Ms. Alicia Walsh	Southern California Edison
Mr. Michael Pearson	Southern California Edison
Ms. Marisol Bailey	Southern California Edison
Mr. Sam Picazo	Southern California Edison
Mr. Todd Dailey	AT&T California
Ms. Kay Black	AT&T California
Mr. Barry Consulter	AT&T California
Ms. Joy Young	AT&T California
Ms. Veronica Romero	AT&T California
Mr. Troy Stanard	AT&T California
Mr. Alvin Robielos	AT&T California
Mr. Earle Carrion	Crown Castle NG West Inc.
Ms. Aarize Dizon	Crown Castle NG West Inc.
Mr. Alex Parra	City of Riverside
Mr. Arturo Garcia	City of Glendale
Ms. Maria Ortiz	MCI Metro ATS/MCI Telecommunications/XO Communications
Mr. Joe Armstrong	City of Pasadena
Ms. Yesenia Delgado	Time-Warner Cable
Ms. Lynne LaFrenais	Bear Valley Electric Service, Inc.
Ms. Ariel Dunning	City of Colton
Mr. Richard Soriano	City of Banning
Mr. Nick Van Stryk	City of Vernon (Petrelli Electric)
Ms. Alicia Smith	Sprint Nextel/Sprint Communications
Ms. Shawn Henderson	T-Mobile USA
Ms. Heidi Seropian	Extenet Systems
Ms. Dawn Laffoon	Mobilitie, LLC
Ms. Patti Ringo	Sonic Telecom, LLC
Ms. Angela Pranata	Committee Staff
Ms. Kathleen Allen	Committee Staff

Chairperson, Mr. Treepaisan called the meeting to order at 10:16 a.m. by addressing the first item on the agenda, the review of the **prior meeting minutes**.

There were no questions or comments.

The second agenda item is the review of the **April 2023 Operating expense sheets.**

There were no questions or comments.

The third agenda item is **Accounts Receivable.** Ms. Pranata stated she has contacted a couple of the companies and they did respond, and the checks are in the mail.

There were no further questions or comments.

The fourth agenda item on the agenda is **Member Board Attendance.**

There were no questions or comments.

The fifth agenda item for discussion is **Billing Standardization of Procedures and Minutes.** Ms. Allen stated she had a staff meeting on April 26, 2023. Ms. Allen discussed with the staff the new Example 33 for Preliminary JPAs. The Example clarifies Sections for clearance transactions. Routine Handbook Section 19 verbiage changes were also discussed. Ms. Allen notified staff that JPAs requiring 2023 Authorized Costs are still being held pending committee approval. Ms. Allen shared and discussed a JPA on Section 5.1A on a multi-party pole and explained how to bill the pole when the pole is being cut. Billers are to bill by original pole length prior to the pole being cut. Item 14C Failure to submit pole loading was discussed. Item 14C is not associated with 18.1F and billers should not return the JPA requesting an 18.1F approval. Ms. Allen reviewed Section 7.X with 11.0 Free Attached. Ms. Allen created an example how it should show in the database. Therefore, the recorded information is uniform. Additionally, Section 19.7 Reinforced Pole was discussed. Ms. Allen explained per the Routine Handbook there are different types of Reinforced Poles. Ms. Allen created an example for Item 18 mod pole to show the billers how to bill the pole and how to update the pole in the database. Lastly, Ms. Allen updated the Billing Manual to reflect the above Routine changes and Ms. Allen also clarified some other Sections billers had questions on.

Ms. Black inquired about the example Ms. Allen created on Item 18 mod pole if she remembers the base owner or the company who did the modification. Ms. Allen stated she does not. Ms. Black explained that when the Authorized Costs that are going to be discussed later that Ms. Pranata has written in on those costs for mod poles that members have not submitted pricing. Ms. Black stated this can be discussed further during the Authorized Cost ad hoc.

There were no further questions or comments.

The sixth item on the agenda is **JPA Member Activity.**

- Please contact SCJPC (Angela) if members would like to meet with the SCJPC to discuss memos.
- 8.92 poles per JPA according to April 2023 B/S.
- JPAs on hold due to pending 2023 Authorized Costs

Ms. Pranata stated the office processed 6,407 poles for April bill of sale. The month was much smaller than usual because the members did not submit that much for April bill of sale.

Ms. Pranata displayed the April 2023 bill of sale Member Activity report which included activity up until April 5, 2023. Ms. Pranata reported the staff processed 6,407 poles. Ms. Pranata reiterated the month was smaller than usual because the members did not submit that much for April bill of sale. The office held over 30 poles because they need 2023-2024 Authorized Cost in order for the JPAs to finalize. Ms. Pranata added the average poles per JPA were 8.92.

There were further questions or comments.

The seventh item on the agenda is **Miscellaneous Items.**

SCJPC Office update:

- *Office productivity without OT*
- *OT spreadsheet*
- *Waiting for 2023 forecast from all members*

Ms. Pranata displayed the *Productivity without Overtime* table. Ms. Pranata reiterated that the month was smaller than usual because the members did not submit that much for April bill of sale.

Ms. Pranata then displayed the *FORECAST UPDATED BASED ON ACTUAL DATA MAR 2023 B/S (updated 5/10/2023)*. Ms. Pranata reported the office finished all the backlog. The only JPAs that are pending are JPAs that required 2023-2024 Authorized Costs to final bill.

There were no further questions or comments.

Billing Errors/ Questions

There were none.

Lease Agreement

- *Real estate attorney \$425/hr – 2-3 hrs to review*
- *Action items from last month:*
- *Mr. Treepaisan to work with Frontier Communication's Real Estate Department and do a compare and contrast of costs benefit of termination now, subleasing, or the financial implications that would be*

Mr. Treepaisan stated he will engage Frontier Communications Real Estate Team to reach out to the building owner or Ms. Pranata later that week.

There were no further questions or comments.

Salary Ranges 2023-2025, Review of Performance rating, Review of Staff Compensation Process from 2019 (emailed to Operating members 10/12/2022 & 11/9/2022, not uploaded to Agenda webpage).

- *Action item from last month:*
- *Mr. Treepaisan to reach out to WTW and see what the pros and cons are for engaging the NCJPA.*

Ms. Pranata inquired if the committee would like to discuss the staff evaluations. Ms. Pranata explained that every year Ms. Pranata completes the staff evaluations before June 1st because that is usually the effective date. However, if the committee wants to wait for WTW to complete their study then the committee can discuss it then. Mr. Treepaisan stated for Ms. Pranata to show the summary and percentages. Mr. Treepaisan stated he feels that the merit increases are somewhat independent from what WTW is going to establish as far as the performance criteria if the staff are MET, UNMET, or EXCEEDING expectations. Then the percentages that yield, Mr. Treepaisan thinks, would remain the same. Mr. Treepaisan stated he discussed this with Ms. Pranata, and they went over the salary compensation for the staff would be similar to last year.

The members reviewed the 2023 Staff Evaluation and Proposed Salary Action. The members reviewed the proposed changes and approved the document.

MISC

There were no miscellaneous

Review of Action Items:

- Mr. Treepaisan to engage with Frontier Communication's Real Estate team and work on negotiations with the building landlord.

The meeting adjourned at 10:45 a.m. until June 21, 2023.

Transcribed by Ms. Kathleen Allen – Committee Staff

SOUTHERN CALIFORNIA JOINT POLE COMMITTEE
Statement of Operating Expenses and Capital Investments

OPERATING EXPENSES		April 30, 2023			YTD Through April, 30 2023				Annual
	Details	Budgeted	Recorded	Variance	Budgeted	Recorded	Variance	% Variance	Budget
<u>EMPLOYEE EXPENSE</u>									
Salaries		65,261	47,986.02	17,275	261,046	196,239.67	64,806	25%	783,138
Regular (Budgeted)	47,986.02	-	-	-	-	-	-		
		-	-	-	-	-	-		
		-	-	-	-	-	-		
Insurance		9,242	7,236.54	2,005	36,967	30,073.21	6,893	19%	110,900
Health/Dental	7,236.54			-	-	-	-		
Life (quarterly)				-	-	-	-		
				-	-	-	-		
Payroll Taxes		5,221	3,218.71	2,002	20,884	15,060.64	5,823	28%	62,651
				-	-	-	-		
Workers Compensation		261	260.16	1	1,044	1,040.64	3	0%	3,132
Miscellaneous expenses/ Travel mileage reimbursement	Correcting Typo	21	4.47	16	83	11.56	72	86%	250
Telecommuting Reimbursement	Correcting Typo	9	(4.47)	13	36	108.00	(72)	-200%	108
<u>PENSION EXPENSE</u>									
Contribution-SEP IRA		5,520	4,607.90	912	22,078	19,559.11	2,519	11%	66,234
				-	-	-	-		
				-	-	-	-		
<u>MONTHLY RECURRING</u>									
Rent		9,879	9,700.60	178	39,516	38,802.40	714	2%	118,548
Alarm System		58	-	58	233	173.97	59	25%	700
Telephone & Internet	Cell, Fax, Internet, Business Voice	556	515.78	40	2,224	2,020.29	204	9%	6,672
Cisco WebEx Online Meeting		69	69.00	-	276	276.00	-	0%	828
Postage & Shipping		17	9.65	7	67	48.50	18	27%	200
Business/Property Insurance	Pro-Rated	179	-	179	717	1,345.00	(628)	-88%	2,150
				-	-	-	-		
				-	-	-	-		
<u>EQUIPMENT & FURNITURE</u>									
				-	-	-	-		
Copy Machine - CBE (repair, maintenance, supplies)	QUARTERLY	8	-	8	33	-	33	100%	100
						-			
						-			
						-			

SOUTHERN CALIFORNIA JOINT POLE COMMITTEE
Statement of Operating Expenses and Capital Investments

OPERATING EXPENSES		April 30, 2023			YTD Through April, 30 2023				Annual
	Details	Budgeted	Recorded	Variance	Budgeted	Recorded	Variance	% Variance	Budget
NETWORK SYSTEM						-			
Computer-LAN Maintenance Contract (IT service), offsite server backup, labor for on site support			1,198.50	(1,199)	6,433	4,776.75	1,657	0	19,300
FRIEND Support			400.00	(400)	2,800	1,600.00	1,200	43%	8,400
Hosting: SCJPC Website, Cloud Azure VM Server, Azure VM Licenses, Sharefile, Email, Domain		1,591	1,363.50	227	6,362	5,454.00	908	14%	19,087
Computer (repair, maintenance, supplies)		100	-	100	400	-	400	100%	1,200
						-			
PRINTING & SUPPLY						-			
Office Printing		8	-	8	33	-	33	100%	100
Office Supplies		54	87.87	(34)	217	161.39	55	26%	650
						-			
						-			
CONTRACT SERVICES						-			
CPA/Auditor	2021 & 2022 in 2023	833	-	833	3,333	-	3,333	100%	10,000
Attorney*		500	499.00	1	2,000	1,996.00	4	0%	6,000
						-			
GENERAL EXPENSE						-			
Payroll Service Fees		93	93.00	0	373	372.00	1	0%	1,120
Bank fees/Checks printing	Pro-Rated	8	-	8	33	-	33	100%	100
Publications/Subscriptions/Reference	Pro-Rated Docusign	21	45.00	(24)	83	135.00	(52)	-62%	250
Seminars, professional development, & tuition		117	-	117	467	-	467	100%	1,400
Team Building	Semi Annual	63	-	63	250	-	250	100%	750
Member Retirement plaques		42	-	42	167	-	167	100%	500
Scan & shred document		42	-	42	167	-	167	100%	500
Total Operating Expenses		99,772.32	77,291.23	22,481.09	408,322.62	319,254.13	88,901.82	22%	1,224,968

SOUTHERN CALIFORNIA JOINT POLE COMMITTEE
Statement of Operating Expenses and Capital Investments

OPERATING EXPENSES		April 30, 2023			YTD Through April, 30 2023				Annual
	Details	Budgeted	Recorded	Variance	Budgeted	Recorded	Variance	% Variance	Budget
CAPITAL INVESTMENTS AND LONG TERM LIABILITIES CURRENT									
<u>COMPUTER SYSTEM</u>									
Software Purchase and SCJPC website (minor) modification	Excel Tools FOR NEW ADMIN	130	83.30	47	520	218.30	302	58%	1,560
FRIEND modification*		2,813	-	2,813	11,250	-	11,250	100%	33,750
Website Upgrade (after FriendPro)		417	-	417	1,667	-	1,667	100%	5,000
<u>EQUIPMENT & FURNITURE</u>									
Purchases and leases (including Copy Machine)		371	337.26	34	1,483	1,349.04	134	9%	4,450
Hardware Purchase		125	-	125	500	-	500	100%	1,500
			-	-		-	-		
<u>LONG TERM LIABILITY CURRENT</u>									
Total Capital Investments & Long Term Liabilities Current									
		3,855.00	420.56	3,434.44	15,420.00	1,567.34	13,852.66	90%	46,260
Interest Earned/Misc Income			(0.07)			(0.30)			
Ubiquity Application fee credit			(2,200.00)			(2,200.00)			
TOTAL		103,627.32	75,511.72	25,915.53	423,742.62	318,621.17	102,754.48	24%	1,271,228
*Items in blue are assessed equally									
5/8/2023									

Delinquent Accounts
As of 5/10/2023

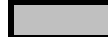
MEMBERS ACCOUNTS RECEIVABLE - DELINQUENT ACCOUNTS

							PAST DUE NOTICES - DO NOT DELETE THIS INFORMATION Accounting staff: please enter past due sent info in each row/each cell				
Company Name	Invoice Month	Due By	FORMULA 60 Days past due	Amount	Invoice Number	Company Code	Past Due Notice Date Sent	Past due sent to & response notes	Past Due Notices Date by	Input By	Input Date
AT&T Mobility	January 2023	February 28, 2023	4/29/2023	\$ 973.67	21671	LAC	5/9/2023	Emailled: LACJPA@motiveis.co; msanchez@motiveis.com	JT	GV	4/11/2023
AT&T Mobility	February 2023	March 31, 2023	5/30/2023	\$ 918.13	21703	LAC		Not 60 days, will email the following month		JT	5/9/2023
City of Colton	January 2023	February 28, 2023	4/29/2023	\$ 925.25	21662	F	5/9/2023	Emailled: aaguiar@coltonca.gov; adunning@coltonca.gov	JT	GV	4/11/2023
Crown Castle NG West INC	January 2023	February 28, 2023	4/29/2023	\$ 2,284.40	21682	NG	5/9/2023	Emailled: JPA@crowncastle.com	JT	GV	4/11/2023
Crown Castle NG West INC	February 2023	March 31, 2023	5/30/2023	\$ 2,155.03	21714	NG		Not 60 days, will email the following month		JT	5/9/2023
MCI Telecomm. (MCI)	January 2023	February 28, 2023	4/29/2023	\$ 907.96	21673	MCI	5/9/2023	Emailled: matthew.j.miller@verizon.com; MCI_ATS_JPA@motiveis.com	JT	GV	4/11/2023
MCI Telecomm. (MCI)	February 2023	March 31, 2023	5/30/2023	\$ 856.23	21705	MCI		Not 60 days, will email the following month		JT	5/9/2023
MCI Metro/ATS	January 2023	February 28, 2023	4/29/2023	\$ 1,097.59	21672	ATS	5/9/2023	Emailled: matthew.j.miller@verizon.com; MCI_ATS_JPA@motiveis.com	JT	GV	4/11/2023
MCI Metro/ATS	February 2023	March 31, 2023	5/30/2023	\$ 1,037.04	21704	ATS		Not 60 days, will email the following month		JT	5/9/2023
SPR-Nextel Corp	November 2022	December 31, 2022	3/1/2023	\$ 882.66	21604	SPR	3/7/2023, 4/11/2023, 5/9/2023	Emailled LLStatements@T-Mobile.com & eric.antonick@t-mobile.com	GV/JT	GV	2/7/2023
SPR-Nextel Corp	December 2022	January 31, 2023	4/1/2023	\$ 1,250.47	21636	SPR	4/11/2023, 5/9/2023	Emailled LLStatements@T-Mobile.com & eric.antonick@t-mobile.com	GV/JT	GV	3/7/2023
SPR-Nextel Corp	January 2022	February 28, 2023	4/29/2023	\$ 888.36	21668	SPR	5/9/2023	Emailled LLStatements@T-Mobile.com & eric.antonick@t-mobile.com	JT	GV	4/11/2023
SPR-Nextel Corp	February 2023	March 31, 2023	5/30/2023	\$ 837.77	21700	SPR		Not 60 days, will email the following month		JT	5/9/2023
Teleport Comm	February 2023	March 31, 2023	5/30/2023	\$ 1,098.58	21690	TCA		Not 60 days, will email the following month		JT	5/9/2023
Time Warner Cable-TWN	February 2023	March 31, 2023	5/30/2023	\$ 535.08	21712	TWN		Not 60 days, will email the following month		JT	5/9/2023
Time Warner Cable-TWS	February 2023	March 31, 2023	5/30/2023	\$ 461.24	21711	TWS		Not 60 days, will email the following month		JT	5/9/2023
Verizon Wireless (Notice of default sent 5/5/2023)	August 2022	September 30, 2022	11/29/2022	\$ 396.00	21497	ATC	12/13/2022, 1/11/2023, 2/7/2023, 3/7/2023, 4/11/2023, 5/9/2023	Email sent to: ATCJPA@motiveis.com; Marco.Murillo@VerizonWireless.com; JHarmon@motiveis.com; kcasey@motiveis.com	JT, GV	JT	11/9/2022
Verizon Wireless (Notice of default sent 5/5/2023)	November 2022	December 31, 2022	3/1/2023	\$ 1,341.61	21593	ATC	3/7/2023, 4/11/2023, 5/9/2023	Email sent to: ATCJPA@motiveis.com; Marco.Murillo@VerizonWireless.com; JHarmon@motiveis.com; kcasey@motiveis.com	GV/JT	GV	2/7/2023
Verizon Wireless (Notice of default sent 5/5/2023)	December 2022	January 31, 2023	4/1/2023	\$ 1,904.39	21625	ATC	4/11/2023, 5/9/2023	Email sent to: ATCJPA@motiveis.com; Marco.Murillo@VerizonWireless.com; JHarmon@motiveis.com; kcasey@motiveis.com	GV/JT	GV	3/7/2023
Verizon Wireless (Notice of default sent 5/5/2023)	January 2023	February 28, 2023	4/29/2023	\$ 1,350.37	21657	ATC	5/9/2023	Email sent to: ATCJPA@motiveis.com; Marco.Murillo@VerizonWireless.com; JHarmon@motiveis.com; kcasey@motiveis.com	JT	GV	4/11/2023
Verizon Wireless (Notice of default sent 5/5/2023)	February 2023	March 31, 2023	5/30/2023	\$ 1,272.96	21689	ATC		Not 60 days, will email the following month		JT	5/9/2023
XO Communications	December 2022	January 31, 2023	4/1/2023	\$ 1,314.10	21646	NXT	4/11/2023, 5/9/2023	Email matthew.j.miller@verizon.com, mortiz@motiveis.com, NXTJPA@motiveis.com	GV/JT	GV	3/7/2023
XO Communications	January 2023	February 28, 2023	4/29/2023	\$ 933.32	21678	NXT	5/9/2023	Email matthew.j.miller@verizon.com, mortiz@motiveis.com, NXTJPA@motiveis.com	JT	GV	4/11/2023
XO Communications	February 2023	March 31, 2023	5/30/2023	\$ 880.12	21710	NXT		Not 60 days, will email the following month		JT	5/9/2023

Past due notices will be emailed after 60 days past due, once a month.

TOTAL \$ 26,502.33

 = Members assessed penalty fee

 = Less than 80% but 50% or greater attendance

 = Less than 50% attendance

 = Excused absence

**SOUTHERN CALIFORNIA JOINT POLE COMMITTEE
MEMBER BOARD MEETING ATTENDANCE
MAY 2022 - APRIL 2023**

		MBR CODE	2022 MAY	2022 JUN	2022 JUL	2022 AUG	2022 SEP	2022 OCT	2022 NOV	2022 DEC	2023 JAN	2023 FEB	2023 MAR	2023 APR	TOTAL	Atten. %	MBR CODE	MONTHS
1	So. California Edison	E	1	1	1	1	1	1	1		1	1	1	1	11	100%	E	11
2	Frontier Communications	FTR	1	1	1	1	1	1	1		1	1	1	1	11	100%	FTR	11
3	City of Los Angeles	M	1	1	1	1	1	1	1		1	1	1	1	11	100%	M	11
4	Crown Castle NG West Inc.	NG	1	1	1	1	1	1	1		1	1	1	1	11	100%	NG	11
5	AT&T California	H / T	1	1	1	1	1	1	1		1	1	1	1	11	100%	H / T	11
6	Bear Valley Electric	BVE	1	1	1	1	1	1	1		1	1	1	1	11	100%	BVE	11
7	Time-Warner	TWC	1	1	1	1	1	1	1		1	1	1	1	11	100%	TWC	11
8	City of Burbank	B	1	1	1	1	1	1	1		1	1	1	1	11	100%	B	11
9	City of Glendale	A	1	1	1	1	1	1	1		1	1	1	1	11	100%	A	11
10	City of Vernon	V	1	1	1	1	1	1	1		1	1	1	1	11	100%	V	11
11	City of Banning	COB	1	1	1	1	1	1	1		1	1	1	1	11	100%	COB	11
12	ATC Outdoor DAS	AMT	1	1	1	1	1	1	1		1	1	1	1	11	100%	AMT	11
13	MCI/Metro	ATS	1	1	1	1	1	1	1		1	1	1	1	11	100%	ATS	11
14	MCI Communications	MCI	1	1	1	1	1	1	1		1	1	1	1	11	100%	MCI	11
15	Mobilitie LLC	MOB	1	1	1	1	1	1	1		1	1	1	1	11	100%	MOB	11
16	Teleport Comm America	TCA	1	1	1	1	1	1	1		1	1	1	1	11	100%	TCA	11
17	Sprint Communications	FON	1	1	1	1	1	1	1		1	1	1	1	11	100%	FON	11
18	Sprint-Nextel	SPR	1	1	1	1	1	1	1		1	1	1	1	11	100%	SPR	11
19	City of Lompoc	LLW	1	1	1	1	1	1	1		1	1	1	1	11	100%	LLW	11
20	City of Anaheim	D	1	1	1	1	1	1	1		1	1	1	1	11	100%	D	11
21	Sonic Telecom, LLC	STL	1	1	1	1	1	1	1		1	1	1	0	10	91%	STL	11
22	XO Communications	NXT	1	1	1	1	1	1	1		1	1	0	1	10	91%	NXT	11
23	City of Colton	F	1	1	1	1	1	1	1		0	1	1	1	10	91%	F	11
24	T-Mobile, USA	PBM	1	1	1	1	1	0	1		1	1	1	1	10	91%	PBM	11
25	City of Azusa	MA	1	1	1	1	0	1	1		1	1	1	1	10	91%	MA	11
26	Mpower/TelePacific	ICG	1	0	1	1	1	1	1		1	1	1	0	9	82%	ICG	11
27	Verizon Wireless	ATC	1	1	1	1	1	1	0		1	1	0	1	9	82%	ATC	11
28	City of Riverside	J	1	1	0	1	1	1	0		1	1	1	1	9	82%	J	11
29	ExteNet Systems	EXT	1	1	0	1	1	0	1		1	1	1	1	9	82%	EXT	11
30	City of Pasadena	MP	1	1	0	1	1	1	1		0	1	1	1	9	82%	MP	11
31	AT&T Mobility	LAC	1	0	0	1	1	1	1		1	1	0	1	8	73%	LAC	11
	Total		31	29	27	31	30	29	29	0	29	31	28	29				

Member	B	BVE	E	EXT	FTR	H/T	LAC	M	MCI	NG	PBM	TWC	Totals	YTD
Joint JPAs Billed	5	18	262			5		71	1		3	2	367	1413
% of Joint JPAs Billed	0.014	0.049	0.714	0.000	0.000	0.014	0.000	0.193	0.003	0.000	0.008	0.005	1.00	
Joint JPAs Returned	2	30	62		1	15		106					216	778
Total Joint JPAs Processed	7	48	324	0	1	20	0	177	1	0	3	2	583	
Section 18.1F JPAs included in above					1								1	
Multi JPAs Billed	1		86			1	1	21	2	4	1	11	128	440
% of Multi JPAs Billed	0.008	0.000	0.672	0.000	0.000	0.008	0.008	0.164	0.016	0.031	0.008	0.086	1.00	
Multi JPAs Returned	1		54	22		25	1	59	32	9	1	18	222	1736
Total Multi JPAs Processed	2	0	140	22	0	26	2	80	34	13	2	29	350	2176
Section 18.1F JPAs included in above			2			1							3	
Total # JPAs Billed	6	18	348	0	0	6	1	92	3	4	4	13	495	1853
% of JPAs Billed	0.012	0.036	0.703	0.000	0.000	0.012	0.002	0.186	0.006	0.008	0.008	0.026	1.00	
# of JPAs Returned													438	2514
Total JPAs Processed	9	48	464	22	1	46	2	257	35	13	5	31	933	4367
% of JPAs Billed													53.05%	
% of JPAs returned													46.95%	
Member	B	BVE	E	EXT	FTR	H/T	LAC	M	MCI	NG	PBM	TWC	Totals	
Poles Billed (Joint JPAs)	10	139	1183			6		243	1		4	3	1589	7251
Poles Returned (joint)	4	457	635		39	43		614					1792	7490
Poles Billed (Multi JPAs)	2		681			4	2	92	8	7	2	14	812	3174
Poles Returned (multi)	2		657	400		184	2	440	405	78	2	44	2214	21025
Total # Poles Billed (Joint & Multi combined)	12	139	1864	0	0	10	2	335	9	7	6	17	2401	10425
% of Total Poles Billed (Joint & Multi combined)	0.005	0.058	0.776	0.000	0.000	0.004	0.001	0.140	0.004	0.003	0.002	0.007	1.00	
# of Poles Returned													4006	28515
Total Poles Processed	18	596	3156	400	39	237	4	1389	414	85	8	61	6407	38940
% of Poles Billed													37.47%	
% of Poles returned													62.53%	
RETURN RATE # OF JPAS	33%	63%	25%	100%	100%	87%	50%	64%	91%	69%	20%	58%		
RETURN RATE # OF POLES	33%	77%	41%	100%	100%	96%	50%	76%	98%	92%	25%	72%		

Note: Held Over Poles include E and E submitted 18.1F's and will be billed first at the next Bill of Sale

E SUB/ NON E HELD OVERS (include NON E, E & E submitted 18.1F JPAs)	E SUB (NEED 2023 AC)	NON E (NEED 2023 AC)	TOTAL
HELD OVER JPAS	3	6	9
HELD OVER POLES	7	23	30

Average poles/JPA in 2023	8.92
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Inspections Billed SCE Only: O&M (Inspection & Pole Tags)
Inspection JPAs Billed
Inspection Poles Billed

Overtime Only E Only: (JOINTS)
OVERTIME E SUBMITTED JPAs Billed
OVERTIME E SUBMITTED Poles Billed
OVERTIME E JPAs Processed (Billed + Memos)
OVERTIME E Poles Processed (Billed + Memos)

Actual JPAs/poles received from 3/4/2023 - 4/5/2023 April 2023 Bill of Sale):		
	JPAS	POLES
SCE	472	3269
OTHER MEMBERS	469	3247

	JPAS	POLES
SCE CALL BACKS	65	868
SCE FORM 7 DO NOT BILL	6	88

SCE's Inspections JPAs/Poles were not included in above table	SCE O&M YTD
15	61
3490	3536

E's Overtime JPAs/Poles were not included in above table	E OT YTD
0	330
0	1847
0	471
0	3186

PRODUCTIVITY WITHOUT OVERTIME

BILL OF SALE	BILLED JOINT POLES	RETURNED JOINT POLES	JOINT BILLED RATE (longer to process)	JOINT RETURN RATE	BILLED MULTI POLES	RETURNED MULTI POLES	MULTI BILLED RATE (longer to process)	MULTI RETURN RATE	TOTAL PROCESSED POLES	Multi Poles % Processed	POLES RETURN RATE (JT & MULTI)	TOTAL BILLED POLES	BILLED JPAS	NOTES
Jun-2019	2641	1327	67%	33%	1062	1412	43%	57%	6442	38%	43%	3703		PAPER / PRECOVID
Jul-2019	2447	1166	68%	32%	1329	1320	50%	50%	6262	42%	40%	3776		PAPER / PRECOVID
Aug-2019	2608	1273	67%	33%	1185	1667	42%	58%	6733	42%	44%	3793		PAPER / PRECOVID
Sep-2019	2608	1410	65%	35%	1393	1579	47%	53%	6990	43%	43%	4001		PAPER / PRECOVID
Oct-2019	2439	1595	60%	40%	1076	1129	49%	51%	6239	35%	44%	3515		PAPER / PRECOVID
Nov-2019	1808	1200	60%	40%	966	1938	33%	67%	5912	49%	53%	2774		PAPER / PRECOVID
Dec-2019	1967	1182	62%	38%	459	1581	23%	78%	5189	39%	53%	2426		PAPER / PRECOVID
Jan-2020	2794	1145	71%	29%	942	1287	42%	58%	6168	36%	39%	3736		PAPER / PRECOVID
Feb-2020	2208	1483	60%	40%	1048	2533	29%	71%	7272	49%	55%	3256		PAPER / PRECOVID
Mar-2020	1813	1971	48%	52%	122	1863	6%	94%	5769	34%	66%	1935		PAPER-COVID (CLOSED EARLY)
Apr-2020	2099	699	75%	25%	1068	2016	35%	65%	5882	52%	46%	3167		COVID (HALF PAPER-HALF ELECTRONIC)
May-2020	1589	2346	40%	60%	571	1403	29%	71%	5909	33%	63%	2160	636	FULL ELECTRONIC
Jun-2020	2201	3278	40%	60%	258	1210	18%	82%	6947	21%	65%	2459	822	ELECTRONIC
Jul-2020	2034	2707	43%	57%	201	2007	9%	91%	6949	32%	68%	2235	938	ELECTRONIC
Aug-2020	717	3499	17%	83%	188	3377	5%	95%	7781	46%	88%	905	388	ELECTRONIC
Sep-2020	2541	6238	29%	71%	134	2148	6%	94%	11061	21%	76%	2675	1149	ELECTRONIC (high return rate of F48 Violation)
Oct-2020	3658	3446	51%	49%	352	2692	12%	88%	10148	30%	60%	4010	999	ELECTRONIC (Steel Stubbed JPAs & Corrections of Records INSP JPAs)
Nov-2020	3036	2386	56%	44%	486	2238	18%	82%	8146	33%	57%	3522	1094	ELECTRONIC
Dec-2020	2354	2587	48%	52%	487	2330	17%	83%	7758	36%	63%	2841	918	ELECTRONIC
Jan-2021	3051	1692	64%	36%	282	1086	21%	79%	6111	22%	45%	3333	1239	ELECTRONIC
Feb-2021	2330	2086	53%	47%	502	3495	13%	87%	8413	48%	66%	2832	904	ELECTRONIC
Mar-2021	2644	1956	57%	43%	958	2480	28%	72%	8038	43%	55%	3602	1103	ELECTRONIC
Apr-2021	2714	3062	47%	53%	704	3238	18%	82%	9718	41%	65%	3418	910	ELECTRONIC
May-2021	2212	2853	44%	56%	847	3363	20%	80%	9275	45%	67%	3059	774	ELECTRONIC
Jun-2021	3188	2328	58%	42%	692	3257	18%	82%	9465	42%	59%	3880	980	ELECTRONIC
Jul-2021	2432	3469	41%	59%	808	6109	12%	88%	12818	54%	75%	3240	662	ELECTRONIC (note: unusually high return rate 75%)
Aug-2021	2502	1719	59%	41%	394	5890	6%	94%	10505	60%	72%	2896	1033	ELECTRONIC (note: 72% return rate)
Sep-2021	3196	1596	67%	33%	1018	4049	20%	80%	9859	51%	57%	4214	1327	ELECTRONIC (highest)
Oct-2021	2729	820	77%	23%	559	4688	11%	89%	8796	60%	63%	3288	1181	ELECTRONIC
Nov-2021	2580	1144	69%	31%	734	3523	17%	83%	7981	53%	58%	3314	975	ELECTRONIC
Dec-2021	1714	1650	51%	49%	1277	3933	25%	75%	8574	61%	65%	2991	743	ELECTRONIC
Jan-2022	1563	1675	48%	52%	841	4188	17%	83%	8267	61%	71%	2404	545	ELECTRONIC
Feb-2022	1360	2448	36%	64%	616	4472	12%	88%	8896	57%	78%	1976	423	ELECTRONIC
Mar-2022	2229	2298	49%	51%	1031	3836	21%	79%	9394	52%	65%	3260	702	ELECTRONIC
Apr-2022	2658	2586	51%	49%	1258	2817	31%	69%	9319	44%	58%	3916	1045	ELECTRONIC
May-2022	2199	1345	62%	38%	1067	3023	26%	74%	7634	54%	57%	3266	802	ELECTRONIC (Processed 1042 poles from JPAs involving 5+ owners, the office usually processed about 660 poles a month.)
Jun-2022	1628	3767	30%	70%	771	3221	19%	81%	9387	43%	74%	2399	611	Electronic
Jul-2022	2122	1765	55%	45%	972	3971	20%	80%	8830	56%	65%	3094	751	Electronic. (3 staff had vac days)
Aug-2022	2022	2638	43%	57%	1425	3603	28%	72%	9688	52%	64%	3447	852	Electronic
Sep-2022	2049	2201	48%	52%	803	3088	21%	79%	8141	48%	65%	2852	667	Electronic (one holiday, multiple employees were out sick and out on vac)
Oct-2022	1918	1358	59%	41%	1205	4574	21%	79%	9055	64%	66%	3123	555	Electronic
Nov-2022	1822	2037	47%	53%	954	5353	15%	85%	10166	62%	73%	2776	420	Electronic (high return rate ATS JPAS)
Dec-2022	1826	2975	38%	62%	662	6466	9%	91%	11929	60%	79%	2488	446	Electronic (high return rate ATS JPAS)
Jan-2023	1434	1680	46%	54%	646	6951	9%	91%	10711	71%	81%	2080	372	Electronic (high return rate ATS JPAS)
Feb-2023	1685	2247	43%	57%	759	7678	9%	91%	12369	68%	80%	2444	382	Electronic (high return rate ATS JPAS)
Mar-2023	2543	1771	59%	41%	957	4182	19%	81%	9453	54%	63%	3500	604	Electronic
Apr-2023	1589	1792	47%	53%	812	2214	27%	73%	6407	47%	63%	2401	495	Electronic
			#DIV/0!	#DIV/0!			#DIV/0!	#DIV/0!	0	#DIV/0!	#DIV/0!	0		

12-month average	4/30/2023	8705.92	Poles processed a month Nov 2021-Oct 2022
Exclude Nov 2022, Dec 2022, Jan 2023, Feb 2023			

*Regular time per month contingent upon (based on 2021 data):

- Multi received: 48% or lower.
- Complexity of multi JPAs. (5+ owners JPAs take more time and resources).
- Billable poles rate: 38% or lower. Note: Billable poles take more time and resources. (return rate 62% or higher).
- Billable JPAs rate: 57% or lower. Note: Billable JPAs take more time and resources. (return rate 43% or higher).
- Length of committee meetings. Transcribing long meetings will take time away from billing.
- Average 5.26 poles/JPA

FORECAST UPDATED BASED ON ACTUAL DATA MAR 2023 B/S (UPDATED 5/10/2023)

ORIGINAL FORECAST (3/2/2022)	Number of JPAs Members will send to the SCJPC:	1624 JPAs per month (1279 SCE + 345 Non SCE)
ORIGINAL FORECAST (3/2/2022)	Number of Poles Members will send to the SCJPC:	8542.24 Poles per month (SCE + Non SCE JPAs)
2022 FORECAST (5/18/2022 meeting)	Number of Poles Members will send to the SCJPC:	13,309.18 Poles per month (SCE 9000 + Non SCE 4309.18)

B/S 1/23	Actual number of poles members sent to the SCJPC:	12,578.00	poles
B/S 2/23	Actual number of poles members sent to the SCJPC:	12,592.00	poles
B/S 3/23	Actual number of poles members sent to the SCJPC:	9,567.00	poles
B/S 4/23	Actual number of poles members sent to the SCJPC:	6,516.00	poles

SCJPC to process poles/month Forecast	Regular time forecast	Overtime forecast	Total Poles forecast	Processed poles forecast monthly Assuming SCJPC WILL work overtime 126.98 hours per month
	8542.24	1536.46	10,078.70	

SCJPC processed poles (actual #) Actual Data	Regular time (actual)	Overtime (Actual)	Total Poles (Actual)	Bill of Sale	Actual pole processed
	6407	0	6,407.00	B/S 4/23	

Bill of sale Month	Description	Count	Balance		Actual or forecast numbers
End of August 2022	Balance (backlog is included)		7,662.00	Poles	End of August 2022
End of September 2022	Balance (backlog is included)		6,252.00	Poles	End of September 2022
End of October 2022	Balance (backlog is included)		2,163.00	Poles	End of October 2022
End of November 2022	Balance (backlog is included)		2,944.00	Poles	End of November 2022
End of December 2022	Balance (backlog is included)		2,086.00	Poles	End of December 2022
End of January 2023	Balance (backlog is included)		2,488.00	Poles	End of January 2023
End of February 2023	Balance (backlog is included)		1,481.00	Poles	End of February 2023
	Mar-23 Internal adjustment (correction)	-		Poles	Actual
	Mar-23 Poles received from SCE this month (new JPAs)-SCE	5,876.00		Poles	Actual
	Mar-23 Poles received from all other members this month (new JPAs)-NON SCE	3,691.00		Poles	Actual
	Mar-23 Poles SCE JPC COR	-		Poles	Actual
	Mar-23 Poles NON SCE JPC COR	-		Poles	Actual
	Mar-23 SCJPC processed (SCE reg time)	(5,794.00)		Poles	Actual
	Mar-23 SCJPC processed (SCE 18.1F reg time)	-		Poles	Actual
	Mar-23 SCJPC processed (NON SCE reg time)	(3,659.00)		Poles	Actual
	Mar-23 SCJPC processed (NON SCE 18.1F reg time)	-		Poles	Actual
	Mar-23 SCJPC processed Poles SCE JPC COR (reg time)	-		Poles	Actual
	Mar-23 SCJPC Processed Poles NON SCE JPC COR (reg t	-		Poles	Actual
	Mar-23 SCJPC processed during overtime 2P	(434.00)		Poles	Actual
	Mar-23 SCJPC processed during overtime 3P	(170.00)		Poles	Actual
	Mar-23 SCE Call Backs	(64.00)		Poles	Actual
	Mar-23 SCE F7 DO NOT BILLS	(50.00)		Poles	Actual
End of March 2023	Balance (backlog is included)		877.00	Poles	End of March 2023
	Apr-23 Internal adjustment (correction)	-		Poles	Actual
	Apr-23 Poles received from SCE this month (new JPAs)-SCE	3,269.00		Poles	Actual
	Apr-23 Poles received from all other members this month (new JPAs)-NON SCE	3,247.00		Poles	Actual
	Apr-23 Poles SCE JPC COR	-		Poles	Actual
	Apr-23 Poles NON SCE JPC COR	-		Poles	Actual
	Apr-23 SCJPC processed (SCE reg time)	(3,148.00)		Poles	Actual
	Apr-23 SCJPC processed (SCE 18.1F reg time)	-		Poles	Actual
	Apr-23 SCJPC processed (NON SCE reg time)	(3,209.00)		Poles	Actual
	Apr-23 SCJPC processed (NON SCE 18.1F reg time)	(50.00)		Poles	Actual
	Apr-23 SCJPC processed Poles SCE JPC COR (reg time)	-		Poles	Actual
	Apr-23 SCJPC Processed Poles NON SCE JPC COR (reg t	-		Poles	Actual
	Apr-23 SCJPC processed during overtime 2P	-		Poles	Actual
	Apr-23 SCJPC processed during overtime 3P	-		Poles	Actual
	Apr-23 SCE Call Backs	(868.00)		Poles	Actual
	Apr-23 SCE F7 DO NO BILLS	(88.00)		Poles	Actual
End of April 2023	Balance (backlog is included)		30.00	Poles	End of April 2023

Waiting for Authorized Costs

*Regular time per month contingent upon (based on 2021 data):

- 1. Multi received: 48% or lower.
- 2. Complexity of multi JPAs.
- 3. Billable poles rate: 38% or lower. Note: Billable poles take more time and resources.
- 4. Billable JPAs rate: 57% or lower. Note: Billable JPAs take more time and resources.
- 5. Length of committee meetings. Transcribing long meetings will take time away from billing.
- 6. Average 5.26 poles/JPA

*Overtime poles per month contingent upon (based on 2020 & 2021 OT data):

- 1. The % of billable poles: 60% (or less) of the volume processed can be billed (based on SCE OT data).
- 2. The % of billable JPAs: 76% (or less) of the volume processed can be billed (based on SCE OT data).
- 3. Staff availability.



COMMENCEMENT DATE MEMORANDUM

AIR Commercial Real Estate Association

By and Between (Lessor): 279 Arrow, LLC

And (Lessee): Southern California Joint Pole Committee, a California Nonprofit Corporation

Address of Premises: 279 E. Arrow Hwy., Suite 104
San Dimas, California 91773

THIS MEMORANDUM, made as of May 21, 2012 by and between 279 Arrow, LLC ("Lessor") and Southern California Joint Pole Committee, a California Nonprofit Corporation ("Lessee").

Recitals:

Lessor and Lessee are parties to that certain Lease, dated for reference purposes December 29, 2011 (the "Lease") for certain premises (the "Premises") commonly known as 279 E. Arrow Hwy., Suite 104, San Dimas, California 91773

Lessee is now in possession of the Premises and the Term of the Lease has commenced.

Lessor and Lessee desire to enter into this Memorandum confirming the Commencement Date, the Termination Date and other matters under the Lease.

NOW, THEREFORE, Lessor and Lessee agree as follows:

1. The actual Commencement Date is June 22, 2012.
2. The actual Expiration Date is June 30, 2019.
3. The Base Rent shall be adjusted on the dates indicated as follows: On July 1, 2013 the rent will increase to \$6,570.74 per month. On July 1, 2014 the rent will increase to \$6,987.01 per month. On July 1, 2015 the rent will increase to \$7,231.56 per month. July 1, 2016 the rent will increase to \$7,484.66 per month. July 1, 2017 the rent will increase to \$7,746.62 per month. On July 1, 2018 the rent will increase to \$8,017.76 per month.

(strike if not applicable)

4. Other: Lessee shall pay \$1,956.74 on July 1, 2012 as the prorata rent for June 22, 2012 through June 30, 2012 and the rent paid at execution of the lease shall be credited as the rent for July 1, 2012 through July 31, 2012. *(strike if not applicable)*

5. Capitalized terms not defined herein shall have the same meaning as set forth in the Lease.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date and year first above written.

By LESSOR:

279 Arrow, LLC

By:

Name Printed: Alan Kohn

Title: Managing Member

By LESSEE:

Southern California Joint Pole Committee, a California Nonprofit Corporation

By:

Name Printed: Jennie Corella

Title: Manager of Operations

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By: _____	By: _____
Name Printed: _____	Name Printed: _____
Title: _____	Title: _____
Address: 2440 E. 56th Street	Address: 279 E. Arrow Hwy., Suite 104
Los Angeles, California 90058	San Dimas, California 91773
Telephone: (323) 583-3366	Telephone: () _____
Facsimile: (323) 583-7601	Facsimile: () _____
Federal ID No.: _____	Federal ID No.: _____

NOTICE: These forms are often modified to meet changing requirements of law and industry needs. Always write or call to make sure you are utilizing the most current form: AIR Commercial Real Estate Association, 800 W 6th Street, Suite 800, Los Angeles, CA 90017. Telephone No.: (213) 687-8777. Fax No.: (213) 687-8616.

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STANDARD MULTI-TENANT OFFICE LEASE - GROSS

AIR COMMERCIAL REAL ESTATE ASSOCIATION

1. Basic Provisions ("Basic Provisions").

1.1 Parties: This Lease ("Lease"), dated for reference purposes only December 29, 2011, is made by and between 279 Arrow, LLC

("Lessor")
and Southern California Joint Pole Committee, a California Nonprofit Corporation

("Lessee"),
(collectively the "Parties", or individually a "Party").

1.2(a) Premises: That certain portion of the Project (as defined below), known as Suite Numbers(s) 104, first (1st) floor(s), consisting of approximately 3,953 rentable square feet and approximately 3,393 useable square feet ("Premises"). The Premises are located at: 279 E. Arrow Highway, in the City of San Dimas, County of Los Angeles, State of California, with zip code 91773. In addition to Lessee's rights to use and occupy the Premises as hereinafter specified, Lessee shall have non-exclusive rights to the Common Areas (as defined in Paragraph 2.7 below) as hereinafter specified, but shall not have any rights to the roof, the exterior walls, the area above the dropped ceilings, or the utility raceways of the building containing the Premises ("Building") or to any other buildings in the Project. The Premises, the Building, the Common Areas, the land upon which they are located, along with all other buildings and improvements thereon, are herein collectively referred to as the "Project." The Project consists of approximately 40000 rentable square feet. (See also Paragraph 2)

1.2(b) Parking: 16 unreserved and 0 reserved vehicle parking spaces at a monthly cost of \$_____ per unreserved space and \$_____ per reserved space. (See Paragraph 2.6)

1.3 Term: Seven (7) years and zero (0) months ("Original Term") commencing April 1, 2012 ("Commencement Date") and ending March 31, 2019 ("Expiration Date"). (See also Paragraph 3)

1.4 Early Possession: If the Premises are available Lessee may have non-exclusive possession of the Premises commencing March 1, 2012 ("Early Possession Date"). (See also Paragraphs 3.2 and 3.3)

1.5 Base Rent: \$6,522.45 per month ("Base Rent"), payable on the first (1st) day of each month commencing April 1, 2012. (See also Paragraph 4)

☒ If this box is checked, there are provisions in this Lease for the Base Rent to be adjusted. See Paragraph 50

1.6 Lessee's Share of Operating Expense Increase: nine and eighty-eight hundredths percent (9.88%) ("Lessee's Share"). In the event that that size of the Premises and/or the Project are modified during the term of this Lease, Lessor shall recalculate Lessee's Share to reflect such modification.

1.7 Base Rent and Other Monies Paid Upon Execution:

- (a) Base Rent: \$6,522.45 for the period April 1, 2012 - April 30, 2012
- (b) Security Deposit: \$6,522.45 ("Security Deposit"). (See also Paragraph 5)
- (c) Parking: \$0.00 for the period n/a
- (d) Other: \$n/a for n/a
- (e) Total Due Upon Execution of this Lease: \$13,044.90

1.8 Agreed Use: General office

_____. (See also Paragraph 6)

1.9 Base Year; Insuring Party. The Base Year is 2011. Lessor is the "Insuring Party". (See also Paragraphs 4.2 and 8)

1.10 Real Estate Brokers: (See also Paragraph 15)

(a) Representation: The following real estate brokers (the "Brokers") and brokerage relationships exist in this transaction (check applicable boxes):

- ☒ Lee & Associates@-Ontario represents Lessor exclusively ("Lessor's Broker");
- ☒ Carter & Associates represents Lessee exclusively ("Lessee's Broker"); or
- ☐ _____ represents both Lessor and Lessee ("Dual Agency").

(b) Payment to Brokers: Upon execution and delivery of this Lease by both Parties, Lessor shall pay to the Brokers for the brokerage services rendered by the Brokers the fee agreed to in the attached separate written agreement or if no such agreement is attached, the sum of _____ or _____ % of the total Base Rent payable for the Original Term, the sum of _____ or _____ of the total Base Rent payable during any period of time that the Lessee occupies the Premises subsequent to the Original Term, and/or the sum of _____ or _____ % of the purchase price in the event that the Lessee or anyone affiliated with Lessee acquires from Lessor any rights to the Premises.

1.11 Guarantor: The obligations of the Lessee under this Lease shall be guaranteed by _____ ("Guarantor"). (See also Paragraph 37)

1.12 Business Hours for the Building: 7:00 a.m. to 7:00 p.m., Mondays through Fridays (except Building Holidays) and 9:00 a.m. to 1:00 p.m. on Saturdays (except Building Holidays). "Building Holidays" shall mean the dates of observation of New Year's Day, President's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Christmas Day, and _____.

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1.13 **Lessor Supplied Services.** Notwithstanding the provisions of Paragraph 11.1, Lessor is NOT obligated to provide the following within the Premises:

- ☐ Janitorial services
- ☐ Electricity
- ☐ Other (specify): _____

1.14 **Attachments.** Attached hereto are the following, all of which constitute a part of this Lease:

- ☒ an Addendum consisting of Paragraphs 50 through 51;
- ☐ a plot plan depicting the Premises;
- ☒ a current set of the Rules and Regulations;
- ☐ a Work Letter;
- ☐ a janitorial schedule;
- ☒ other (specify): Uniform Lease Disclaimer, Exhibits A & B

2. Premises.

2.1 **Letting.** Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor, the Premises, for the term, at the rental, and upon all of the terms, covenants and conditions set forth in this Lease. While the approximate square footage of the Premises may have been used in the marketing of the Premises for purposes of comparison, the Base Rent stated herein is NOT tied to square footage and is not subject to adjustment should the actual size be determined to be different. **Note: Lessee is advised to verify the actual size prior to executing this Lease.**

2.2 **Condition.** Lessor shall deliver the Premises to Lessee in a clean condition on the Commencement Date or the Early Possession Date, whichever first occurs ("Start Date"), and warrants that the existing electrical, plumbing, fire sprinkler, lighting, heating, ventilating and air conditioning systems ("HVAC"), and all other items which the Lessor is obligated to construct pursuant to the Work Letter attached hereto, if any, other than those constructed by Lessee, shall be in good operating condition on said date, that the structural elements of the roof, bearing walls and foundation of the Unit shall be free of material defects, and that the Premises do not contain hazardous levels of any mold or fungi defined as toxic under applicable state or federal law.

2.3 **Compliance.** Lessor warrants to the best of its knowledge that the Improvements comprising the Premises and the Common Areas comply with the building codes that were in effect at the time that each such improvement, or portion thereof, was constructed, and also with all applicable laws, covenants or restrictions of record, regulations, and ordinances ("Applicable Requirements") in effect on the Start Date. Said warranty does not apply to the use to which Lessee will put the Premises, modifications which may be required by the Americans with Disabilities Act or any similar laws as a result of Lessee's use (see Paragraph 49), or to any Alterations or Utility Installations (as defined in Paragraph 7.3(a)) made or to be made by Lessee. **NOTE: Lessee is responsible for determining whether or not the zoning and other Applicable Requirements are appropriate for Lessee's intended use, and acknowledges that past uses of the Premises may no longer be allowed.** If the Premises do not comply with said warranty, Lessor shall, except as otherwise provided, promptly after receipt of written notice from Lessee setting forth with specificity the nature and extent of such non-compliance, rectify the same. If the Applicable Requirements are hereafter changed so as to require during the term of this Lease the construction of an addition to or an alteration of the Premises, the remediation of any Hazardous Substance, or the reinforcement or other physical modification of the Premises ("Capital Expenditure"), Lessor and Lessee shall allocate the cost of such work as follows:

(a) Subject to Paragraph 2.3(c) below, if such Capital Expenditures are required as a result of the specific and unique use of the Premises by Lessee as compared with uses by tenants in general, Lessee shall be fully responsible for the cost thereof, provided, however, that if such Capital Expenditure is required during the last 2 years of this Lease and the cost thereof exceeds 6 months' Base Rent, Lessee may instead terminate this Lease unless Lessor notifies Lessee, in writing, within 10 days after receipt of Lessee's termination notice that Lessor has elected to pay the difference between the actual cost thereof and the amount equal to 6 months' Base Rent. If Lessee elects termination, Lessee shall immediately cease the use of the Premises which requires such Capital Expenditure and deliver to Lessor written notice specifying a termination date at least 90 days thereafter. Such termination date shall, however, in no event be earlier than the last day that Lessee could legally utilize the Premises without commencing such Capital Expenditure.

(b) If such Capital Expenditure is not the result of the specific and unique use of the Premises by Lessee (such as, governmentally mandated seismic modifications), then Lessor shall pay for such Capital Expenditure and Lessee shall only be obligated to pay, each month during the remainder of the term of this Lease or any extension thereof, on the date that on which the Base Rent is due, an amount equal to 1/144th of the portion of such costs reasonably attributable to the Premises. Lessee shall pay interest on the balance but may prepay its obligation at any time. If, however, such Capital Expenditure is required during the last 2 years of this Lease or if Lessor reasonably determines that it is not economically feasible to pay its share thereof, Lessor shall have the option to terminate this Lease upon 90 days prior written notice to Lessee unless Lessee notifies Lessor, in writing, within 10 days after receipt of Lessor's termination notice that Lessee will pay for such Capital Expenditure. If Lessor does not elect to terminate, and fails to tender its share of any such Capital Expenditure, Lessee may advance such funds and deduct same, with interest, from Rent until Lessor's share of such costs have been fully paid. If Lessee is unable to finance Lessor's share, or if the balance of the Rent due and payable for the remainder of this Lease is not sufficient to fully reimburse Lessee on an offset basis, Lessee shall have the right to terminate this Lease upon 30 days written notice to Lessor.

(c) Notwithstanding the above, the provisions concerning Capital Expenditures are intended to apply only to nonvoluntary, unexpected, and new Applicable Requirements. If the Capital Expenditures are instead triggered by Lessee as a result of an actual or proposed change in use, change in intensity of use, or modification to the Premises then, and in that event, Lessee shall either: (i) immediately cease such changed use or intensity of use and/or take such other steps as may be necessary to eliminate the requirement for such Capital Expenditure, or (ii) complete such Capital Expenditure at its own expense. Lessee shall not have any right to terminate this Lease.

2.4 **Acknowledgements.** Lessee acknowledges that: (a) it has been given an opportunity to inspect and measure the Premises, (b) Lessee has been advised by Lessor and/or Brokers to satisfy itself with respect to the size and condition of the Premises (including but not limited to the electrical, HVAC and fire sprinkler systems, security, environmental aspects, and compliance with Applicable Requirements), and their suitability for Lessee's intended use, (c) Lessee has made such investigation as it deems necessary with reference to such matters and assumes all responsibility therefor as the same relate to its occupancy of the Premises, (d) it is not relying on any representation as to the size of the Premises made by Brokers or Lessor, (e) the square footage of the Premises was not material to Lessee's decision to lease the Premises and pay the Rent stated herein, and (f) neither Lessor, Lessor's agents, nor Brokers have made any oral or written representations or warranties with respect to said matters other than as set forth in this Lease. In addition, Lessor acknowledges that: (i) Brokers have made no representations, promises or warranties concerning Lessee's ability to honor the Lease or suitability to occupy the Premises, and (ii) it is Lessor's sole responsibility to investigate the financial capability and/or suitability of all proposed tenants.

2.5 **Lessee as Prior Owner/Occupant.** The warranties made by Lessor in Paragraph 2 shall be of no force or effect if immediately prior to the Start Date, Lessee was the owner or occupant of the Premises. In such event, Lessee shall be responsible for any necessary corrective work.

2.6 **Vehicle Parking.** So long as Lessee is not in default, and subject to the Rules and Regulations attached hereto, and as established by Lessor from time to time, Lessee shall be entitled to rent and use the number of parking spaces specified in Paragraph 1.2(b) at the rental rate applicable from time to time for monthly parking as set by Lessor and/or its licensee.

(a) If Lessee commits, permits or allows any of the prohibited activities described in the Lease or the rules then in effect, then Lessor shall have the right, without notice, in addition to such other rights and remedies that it may have, to remove or tow away the vehicle involved and charge the cost to Lessee, which cost shall be immediately payable upon demand by Lessor.

(b) ~~The monthly rent per parking space specified in Paragraph 1.2(b) is subject to change upon 30 days prior written notice to Lessee. The rent for the parking is payable one month in advance prior to the first day of each calendar month.~~

2.7 **Common Areas - Definition.** The term "Common Areas" is defined as all areas and facilities outside the Premises and within the exterior boundary line of the Project and interior utility raceways and installations within the Premises that are provided and designated by the Lessor from time to time for the general nonexclusive use of Lessor, Lessee and other tenants of the Project and their respective employees, suppliers, shippers, customers, contractors and invitees, including, but not limited to, common entrances, lobbies, corridors, stairwells, public restrooms, elevators, parking areas, loading and unloading areas, trash areas, roadways, walkways, driveways and landscaped areas.

2.8 **Common Areas - Lessee's Rights.** Lessor grants to Lessee, for the benefit of Lessee and its employees, suppliers, shippers, contractors, customers and invitees, during the term of this Lease, the nonexclusive right to use, in common with others entitled to such use, the Common Areas as they exist from time to time, subject to any rights, powers, and privileges reserved by Lessor under the terms hereof or under the terms of any rules and regulations or restrictions governing the use of the Project. Under no circumstances shall the right herein granted to use the

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Common Areas be deemed to include the right to store any property, temporarily or permanently, in the Common Areas. Any such storage shall be permitted only by the prior written consent of Lessor or Lessor's designated agent, which consent may be revoked at any time. In the event that any unauthorized storage shall occur then Lessor shall have the right, without notice, in addition to such other rights and remedies that it may have, to remove the property and charge the cost to Lessee, which cost shall be immediately payable upon demand by Lessor.

2.9 **Common Areas - Rules and Regulations.** Lessor or such other person(s) as Lessor may appoint shall have the exclusive control and management of the Common Areas and shall have the right, from time to time, to adopt, modify, amend and enforce reasonable rules and regulations ("Rules and Regulations") for the management, safety, care, and cleanliness of the grounds, the parking and unloading of vehicles and the preservation of good order, as well as for the convenience of other occupants or tenants of the Building and the Project and their invitees. The Lessee agrees to abide by and conform to all such Rules and Regulations, and shall use its best efforts to cause its employees, suppliers, shippers, customers, contractors and invitees to so abide and conform. Lessor shall not be responsible to Lessee for the noncompliance with said Rules and Regulations by other tenants of the Project.

2.10 **Common Areas - Changes.** Lessor shall have the right, in Lessor's sole discretion, from time to time:

- (a) To make changes to the Common Areas, including, without limitation, changes in the location, size, shape and number of the lobbies, windows, stairways, air shafts, elevators, escalators, restrooms, driveways, entrances, parking spaces, parking areas, loading and unloading areas, ingress, egress, direction of traffic, landscaped areas, walkways and utility raceways;
- (b) To close temporarily any of the Common Areas for maintenance purposes so long as reasonable access to the Premises remains available;
- (c) To designate other land outside the boundaries of the Project to be a part of the Common Areas;
- (d) To add additional buildings and improvements to the Common Areas;
- (e) To use the Common Areas while engaged in making additional improvements, repairs or alterations to the Project, or any portion thereof; and
- (f) To do and perform such other acts and make such other changes in, to or with respect to the Common Areas and Project as Lessor may, in the exercise of sound business judgment, deem to be appropriate.

3. **Term.**

3.1 **Term.** The Commencement Date, Expiration Date and Original Term of this Lease are as specified in Paragraph 1.3.

3.2 **Early Possession.** Any provision herein granting Lessee Early Possession of the Premises is subject to and conditioned upon the Premises being available for such possession prior to the Commencement Date. Any grant of Early Possession only conveys a non-exclusive right to occupy the Premises. If Lessee totally or partially occupies the Premises prior to the Commencement Date, the obligation to pay Base Rent shall be abated for the period of such Early Possession. All other terms of this Lease (including but not limited to the obligations to pay Lessee's Share of the Operating Expense Increase) shall be in effect during such period. Any such Early Possession shall not affect the Expiration Date.

3.3 **Delay in Possession.** Lessor agrees to use its best commercially reasonable efforts to deliver possession of the Premises to Lessee by the Commencement Date. If, despite said efforts, Lessor is unable to deliver possession by such date, Lessor shall not be subject to any liability therefor, nor shall such failure affect the validity of this Lease or change the Expiration Date. Lessee shall not, however, be obligated to pay Rent or perform its other obligations until Lessor delivers possession of the Premises and any period of rent abatement that Lessee would otherwise have enjoyed shall run from the date of delivery of possession and continue for a period equal to what Lessee would otherwise have enjoyed under the terms hereof, but minus any days of delay caused by the acts or omissions of Lessee. If possession is not delivered within 60 days after the Commencement Date, as the same may be extended under the terms of any Work Letter executed by Parties, Lessee may, at its option, by notice in writing within 10 days after the end of such 60 day period, cancel this Lease, in which event the Parties shall be discharged from all obligations hereunder. If such written notice is not received by Lessor within said 10 day period, Lessee's right to cancel shall terminate. If possession of the Premises is not delivered within 120 days after the Commencement Date, this Lease shall terminate unless other agreements are reached between Lessor and Lessee, in writing.

3.4 **Lessee Compliance.** Lessor shall not be required to deliver possession of the Premises to Lessee until Lessee complies with its obligation to provide evidence of insurance (Paragraph 8.5). Pending delivery of such evidence, Lessee shall be required to perform all of its obligations under this Lease from and after the Start Date, including the payment of Rent, notwithstanding Lessor's election to withhold possession pending receipt of such evidence of insurance. Further, if Lessee is required to perform any other conditions prior to or concurrent with the Start Date, the Start Date shall occur but Lessor may elect to withhold possession until such conditions are satisfied.

4. **Rent.**

4.1 **Rent Defined.** All monetary obligations of Lessee to Lessor under the terms of this Lease (except for the Security Deposit) are deemed to be rent ("Rent").

4.2 **Operating Expense Increase.** Lessee shall pay to Lessor during the term hereof, in addition to the Base Rent, Lessee's Share of the amount by which all Operating Expenses for each Comparison Year exceeds the amount of all Operating Expenses for the Base Year, such excess being hereinafter referred to as the "Operating Expense Increase", in accordance with the following provisions:

- (a) "Base Year" is as specified in Paragraph 1.9.
- (b) "Comparison Year" is defined as each calendar year during the term of this Lease subsequent to the Base Year; provided, however, Lessee shall have no obligation to pay a share of the Operating Expense Increase applicable to the first 12 months of the Lease Term (other than such as are mandated by a governmental authority, as to which government mandated expenses Lessee shall pay Lessee's Share, notwithstanding they occur during the first twelve (12) months). Lessee's Share of the Operating Expense Increase for the first and last Comparison Years of the Lease Term shall be prorated according to that portion of such Comparison Year as to which Lessee is responsible for a share of such increase.

- (c) The following costs relating to the ownership and operation of the Project, calculated as if the Project was at least 95% occupied, are defined as "Operating Expenses":

- (i) Costs relating to the operation, repair, and maintenance in neat, clean, safe, good order and condition, but not the replacement (see subparagraph (g)), of the following:

- (aa) The Common Areas, including their surfaces, coverings, decorative items, carpets, drapes and window coverings, and including parking areas, loading and unloading areas, trash areas, roadways, sidewalks, walkways, stairways, parkways, driveways, landscaped areas, striping, irrigation systems, Common Area lighting facilities, building exteriors and roofs, fences and gates;

- (bb) All heating, air conditioning, plumbing, electrical systems, life safety equipment, communication systems and other equipment used in common by, or for the benefit of, tenants or occupants of the Project, including elevators and escalators, tenant directories, fire detection systems including sprinkler system maintenance and repair.

- (cc) All other areas and improvements that are within the exterior boundaries of the Project but outside of the Premises and/or any other space occupied by a tenant.

- (ii) The cost of trash disposal, janitorial and security services, pest control services, and the costs of any environmental inspections;

- (iii) The cost of any other service to be provided by Lessor that is elsewhere in this Lease stated to be an "Operating Expense";

- (iv) The cost of the premiums for the insurance policies maintained by Lessor pursuant to paragraph 8 and any deductible portion of an insured loss concerning the Building or the Common Areas;

- (v) The amount of the Real Property Taxes payable by Lessor pursuant to paragraph 10;

- (vi) The cost of water, sewer, gas, electricity, and other publicly mandated services not separately metered;

- (vii) Labor, salaries, and applicable fringe benefits and costs, materials, supplies and tools, used in maintaining and/or cleaning the Project and accounting and management fees attributable to the operation of the Project;

- (viii) The cost of any capital improvement to the Building or the Project not covered under the provisions of Paragraph 2.3 provided; however, that Lessor shall allocate the cost of any such capital improvement over a 12 year period and Lessee shall not be required to pay more than Lessee's Share of 1/144th of the cost of such Capital Expenditure in any given month;

- (ix) The cost to replace equipment or improvements that have a useful life for accounting purposes of 5 years or less.

- (x) Reserves set aside for maintenance, repair and/or replacement of Common Area Improvements and equipment.

- (d) Any item of Operating Expense that is specifically attributable to the Premises, the Building or to any other building in the Project or to the operation, repair and maintenance thereof, shall be allocated entirely to such Premises, Building, or other building. However, any such item that is not specifically attributable to the Building or to any other building or to the operation, repair and maintenance thereof, shall be equitably allocated by Lessor to all buildings in the Project.

- (e) The inclusion of the Improvements, facilities and services set forth in Subparagraph 4.2(c) shall not be deemed to impose an obligation upon Lessor to either have said improvements or facilities or to provide those services unless the Project already has the same, Lessor

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already provides the services, or Lessor has agreed elsewhere in this Lease to provide the same or some of them.

(f) Lessee's Share of Operating Expense Increase is payable monthly on the same day as the Base Rent is due hereunder. The amount of such payments shall be based on Lessor's estimate of the Operating Expense Expenses. Within 60 days after written request (but not more than once each year) Lessor shall deliver to Lessee a reasonably detailed statement showing Lessee's Share of the actual Common Area Operating Expenses for the preceding year. If Lessee's payments during such Year exceed Lessee's Share, Lessee shall credit the amount of such over-payment against Lessee's future payments. If Lessee's payments during such Year were less than Lessee's Share, Lessee shall pay to Lessor the amount of the deficiency within 10 days after delivery by Lessor to Lessee of said statement. Lessor and Lessee shall forthwith adjust between them by cash payment any balance determined to exist with respect to that portion of the last Comparison Year for which Lessee is responsible as to Operating Expense Increases, notwithstanding that the Lease term may have terminated before the end of such Comparison Year.

(g) Operating Expenses shall not include the costs of replacement for equipment or capital components such as the roof, foundations, exterior walls or a Common Area capital improvement, such as the parking lot paving, elevators, fences that have a useful life for accounting purposes of 5 years or more.

(h) Operating Expenses shall not include any expenses paid by any tenant directly to third parties, or as to which Lessor is otherwise reimbursed by any third party, other tenant, or by insurance proceeds.

4.3 **Payment.** Lessee shall cause payment of Rent to be received by Lessor in lawful money of the United States on or before the day on which it is due, without offset or deduction (except as specifically permitted in this Lease). All monetary amounts shall be rounded to the nearest whole dollar. In the event that any invoice prepared by Lessor is inaccurate such inaccuracy shall not constitute a waiver and Lessee shall be obligated to pay the amount set forth in this Lease. Rent for any period during the term hereof which is for less than one full calendar month shall be prorated based upon the actual number of days of said month. Payment of Rent shall be made to Lessor at its address stated herein or to such other persons or place as Lessor may from time to time designate in writing. Acceptance of a payment which is less than the amount then due shall not be a waiver of Lessor's rights to the balance of such Rent, regardless of Lessor's endorsement of any check so stating. In the event that any check, draft, or other instrument of payment given by Lessee to Lessor is dishonored for any reason, Lessee agrees to pay to Lessor the sum of \$25 in addition to any Late Charge and Lessor, at its option, may require all future Rent be paid by cashier's check. Payments will be applied first to accrued late charges and attorney's fees, second to accrued interest, then to Base Rent and Common Area Operating Expenses, and any remaining amount to any other outstanding charges or costs.

5. **Security Deposit.** Lessee shall deposit with Lessor upon execution hereof the Security Deposit as security for Lessee's faithful performance of its obligations under this Lease. If Lessee fails to pay Rent, or otherwise Defaults under this Lease, Lessor may use, apply or retain all or any portion of said Security Deposit for the payment of any amount already due Lessor, for Rents which will be due in the future, and/or to reimburse or compensate Lessor for any liability, expense, loss or damage which Lessor may suffer or incur by reason thereof. If Lessor uses or applies all or any portion of the Security Deposit, Lessee shall within 10 days after written request therefor deposit monies with Lessor sufficient to restore said Security Deposit to the full amount required by this Lease. If the Base Rent increases during the term of this Lease, Lessee shall, upon written request from Lessor, deposit additional monies with Lessor so that the total amount of the Security Deposit shall at all times bear the same proportion to the increased Base Rent as the initial Security Deposit bore to the initial Base Rent. Should the Agreed Use be amended to accommodate a material change in the business of Lessee or to accommodate a sublessee or assignee, Lessor shall have the right to increase the Security Deposit to the extent necessary, in Lessor's reasonable judgment, to account for any increased wear and tear that the Premises may suffer as a result thereof. If a change in control of Lessee occurs during this Lease and following such change the financial condition of Lessee is, in Lessor's reasonable judgment, significantly reduced, Lessee shall deposit such additional monies with Lessor as shall be sufficient to cause the Security Deposit to be at a commercially reasonable level based on such change in financial condition. Lessor shall not be required to keep the Security Deposit separate from its general accounts. Within 90 days after the expiration or termination of this Lease, Lessor shall return that portion of the Security Deposit not used or applied by Lessor. No part of the Security Deposit shall be considered to be held in trust, to bear interest or to be prepayment for any monies to be paid by Lessee under this Lease.

6. Use.

6.1 **Use.** Lessee shall use and occupy the Premises only for the Agreed Use, or any other legal use which is reasonably comparable thereto, and for no other purpose. Lessee shall not use or permit the use of the Premises in a manner that is unlawful, creates damage, waste or a nuisance, or that disturbs occupants of or causes damage to neighboring premises or properties. Other than guide, signal and seeing eye dogs, Lessee shall not keep or allow in the Premises any pets, animals, birds, fish, or reptiles. Lessor shall not unreasonably withhold or delay its consent to any written request for a modification of the Agreed Use, so long as the same will not impair the structural integrity of the improvements of the Building, will not adversely affect the mechanical, electrical, HVAC, and other systems of the Building, and/or will not affect the exterior appearance of the Building. If Lessor elects to withhold consent, Lessor shall within 7 days after such request give written notification of same, which notice shall include an explanation of Lessor's objections to the change in the Agreed Use.

6.2 Hazardous Substances.

(a) **Reportable Uses Require Consent.** The term "Hazardous Substance" as used in this Lease shall mean any product, substance, or waste whose presence, use, manufacture, disposal, transportation, or release, either by itself or in combination with other materials expected to be on the Premises, is either: (i) potentially injurious to the public health, safety or welfare, the environment or the Premises, (ii) regulated or monitored by any governmental authority, or (iii) a basis for potential liability of Lessor to any governmental agency or third party under any applicable statute or common law theory. Hazardous Substances shall include, but not be limited to, hydrocarbons, petroleum, gasoline, and/or crude oil or any products, byproducts or fractions thereof. Lessee shall not engage in any activity in or on the Premises which constitutes a Reportable Use of Hazardous Substances without the express prior written consent of Lessor and timely compliance (at Lessee's expense) with all Applicable Requirements. "Reportable Use" shall mean (i) the installation or use of any above or below ground storage tank, (ii) the generation, possession, storage, use, transportation, or disposal of a Hazardous Substance that requires a permit from, or with respect to which a report, notice, registration or business plan is required to be filed with, any governmental authority, and/or (iii) the presence at the Premises of a Hazardous Substance with respect to which any Applicable Requirements requires that a notice be given to persons entering or occupying the Premises or neighboring properties. Notwithstanding the foregoing, Lessee may use any ordinary and customary materials reasonably required to be used in the normal course of the Agreed Use such as ordinary office supplies (copier toner, liquid paper, glue, etc.) and common household cleaning materials, so long as such use is in compliance with all Applicable Requirements, is not a Reportable Use, and does not expose the Premises or neighboring property to any meaningful risk of contamination or damage or expose Lessor to any liability therefor. In addition, Lessor may condition its consent to any Reportable Use upon receiving such additional assurances as Lessor reasonably deems necessary to protect itself, the public, the Premises and/or the environment against damage, contamination, injury and/or liability, including, but not limited to, the installation (and removal on or before Lease expiration or termination) of protective modifications (such as concrete encasements) and/or increasing the Security Deposit.

(b) **Duty to Inform Lessor.** If Lessee knows, or has reasonable cause to believe, that a Hazardous Substance has come to be located in, on, under or about the Premises, other than as previously consented to by Lessor, Lessee shall immediately give written notice of such fact to Lessor, and provide Lessor with a copy of any report, notice, claim or other documentation which it has concerning the presence of such Hazardous Substance.

(c) **Lessee Remediation.** Lessee shall not cause or permit any Hazardous Substance to be spilled or released in, on, under, or about the Premises (including through the plumbing or sanitary sewer system) and shall promptly, at Lessee's expense, comply with all Applicable Requirements and take all investigatory and/or remedial action reasonably recommended, whether or not formally ordered or required, for the cleanup of any contamination of, and for the maintenance, security and/or monitoring of the Premises or neighboring properties, that was caused or materially contributed to by Lessee, or pertaining to or involving any Hazardous Substance brought onto the Premises during the term of this Lease, by or for Lessee, or any third party.

(d) **Lessee Indemnification.** Lessee shall indemnify, defend and hold Lessor, its agents, employees, lenders and ground lessor, if any, harmless from and against any and all loss of rents and/or damages, liabilities, judgments, claims, expenses, penalties, and attorneys' fees arising out of or involving any Hazardous Substance brought onto the Premises by or for Lessee, or any third party (provided, however, that Lessee shall have no liability under this Lease with respect to underground migration of any Hazardous Substance under the Premises from areas outside of the Project not caused or contributed to by Lessee). Lessee's obligations shall include, but not be limited to, the effects of any contamination or injury to person, property or the environment created or suffered by Lessee, and the cost of investigation, removal, remediation, restoration and/or abatement, and shall survive the expiration or termination of this Lease. No termination, cancellation or release agreement entered into by Lessor and Lessee shall release Lessee from its obligations under this Lease with respect to Hazardous Substances, unless specifically so agreed by Lessor in writing at the time of such agreement.

(e) **Lessor Indemnification.** Lessor and its successors and assigns shall indemnify, defend, reimburse and hold Lessee, its employees and lenders, harmless from and against any and all environmental damages, including the cost of remediation, which result from Hazardous Substances which existed on the Premises prior to Lessee's occupancy or which are caused by the gross negligence or willful misconduct of Lessor, its agents or employees. Lessor's obligations, as and when required by the Applicable Requirements, shall include, but not be limited to, the cost of investigation, removal, remediation, restoration and/or abatement, and shall survive the expiration or termination of this Lease.

(f) **Investigations and Remediations.** Lessor shall retain the responsibility and pay for any investigations or remediation


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measures required by governmental entities having jurisdiction with respect to the existence of Hazardous Substances on the Premises prior to Lessee's occupancy, unless such remediation measure is required as a result of Lessee's use (including "Alterations", as defined in paragraph 7.3(a) below) of the Premises, in which event Lessee shall be responsible for such payment. Lessee shall cooperate fully in any such activities at the request of Lessor, including allowing Lessor and Lessor's agents to have reasonable access to the Premises at reasonable times in order to carry out Lessor's investigative and remedial responsibilities.

(g) **Lessor Termination Option.** If a Hazardous Substance Condition (see Paragraph 9.1(e)) occurs during the term of this Lease, unless Lessee is legally responsible therefor (in which case Lessee shall make the investigation and remediation thereof required by the Applicable Requirements and this Lease shall continue in full force and effect, but subject to Lessor's rights under Paragraph 6.2(d) and Paragraph 13), Lessor may, at Lessor's option, either (i) investigate and remediate such Hazardous Substance Condition, if required, as soon as reasonably possible at Lessor's expense, in which event this Lease shall continue in full force and effect, or (ii) if the estimated cost to remediate such condition exceeds 12 times the then monthly Base Rent or \$100,000, whichever is greater, give written notice to Lessee, within 30 days after receipt by Lessor of knowledge of the occurrence of such Hazardous Substance Condition, of Lessor's desire to terminate this Lease as of the date 60 days following the date of such notice. In the event Lessor elects to give a termination notice, Lessee may, within 10 days thereafter, give written notice to Lessor of Lessee's commitment to pay the amount by which the cost of the remediation of such Hazardous Substance Condition exceeds an amount equal to 12 times the then monthly Base Rent or \$100,000, whichever is greater. Lessee shall provide Lessor with said funds or satisfactory assurance thereof within 30 days following such commitment. In such event, this Lease shall continue in full force and effect, and Lessor shall proceed to make such remediation as soon as reasonably possible after the required funds are available. If Lessee does not give such notice and provide the required funds or assurance thereof within the time provided, this Lease shall terminate as of the date specified in Lessor's notice of termination.

6.3 **Lessee's Compliance with Applicable Requirements.** Except as otherwise provided in this Lease, Lessee shall, at Lessee's sole expense, fully, diligently and in a timely manner, materially comply with all Applicable Requirements, the requirements of any applicable fire insurance underwriter or rating bureau, and the recommendations of Lessor's engineers and/or consultants which relate in any manner to the Premises, without regard to whether said requirements are now in effect or become effective after the Start Date. Lessee shall, within 10 days after receipt of Lessor's written request, provide Lessor with copies of all permits and other documents, and other information evidencing Lessee's compliance with any Applicable Requirements specified by Lessor, and shall immediately upon receipt, notify Lessor in writing (with copies of any documents involved) of any threatened or actual claim, notice, citation, warning, complaint or report pertaining to or involving the failure of Lessee or the Premises to comply with any Applicable Requirements. Likewise, Lessee shall immediately give written notice to Lessor of: (i) any water damage to the Premises and any suspected seepage, pooling, dampness or other condition conducive to the production of mold; or (ii) any mustiness or other odors that might indicate the presence of mold in the Premises.

6.4 **Inspection; Compliance.** Lessor and Lessor's "Lender" (as defined in Paragraph 30) and consultants shall have the right to enter into Premises at any time, in the case of an emergency, and otherwise at reasonable times, after reasonable notice, for the purpose of inspecting the condition of the Premises and for verifying compliance by Lessee with this Lease. The cost of any such inspections shall be paid by Lessor, unless a violation of Applicable Requirements, or a Hazardous Substance Condition (see paragraph 9.1e) is found to exist or be imminent, or the inspection is requested or ordered by a governmental authority. In such case, Lessee shall upon request reimburse Lessor for the cost of such inspection, so long as such inspection is reasonably related to the violation or contamination. In addition, Lessee shall provide copies of all relevant material safety data sheets (MSDS) to Lessor within 10 days of the receipt of written request therefor.

7. **Maintenance; Repairs; Utility Installations; Trade Fixtures and Alterations.**

7.1 **Lessee's Obligations.** Notwithstanding Lessor's obligation to keep the Premises in good condition and repair, Lessee shall be responsible for payment of the cost thereof to Lessor as additional rent for that portion of the cost of any maintenance and repair of the Premises, or any equipment (wherever located) that serves only Lessee or the Premises, to the extent such cost is attributable to abuse or misuse. Lessee shall be responsible for the cost of painting, repairing or replacing wall coverings, and to repair or replace any improvements within the Premises. Lessor may, at its option, upon reasonable notice, elect to have Lessee perform any particular such maintenance or repairs the cost of which is otherwise Lessee's responsibility hereunder.

7.2 **Lessor's Obligations.** Subject to the provisions of Paragraphs 2.2 (Condition), 2.3 (Compliance), 4.2 (Operating Expenses), 6 (Use), 7.1 (Lessee's Obligations), 9 (Damage or Destruction) and 14 (Condemnation), Lessor, subject to reimbursement pursuant to Paragraph 4.2, shall keep in good order, condition and repair the foundations, exterior walls, structural condition of interior bearing walls, exterior roof, fire sprinkler system, fire alarm and/or smoke detection systems, fire hydrants, and the Common Areas. Lessee expressly waives the benefit of any statute now or hereafter in effect to the extent it is inconsistent with the terms of this Lease.

7.3 **Utility Installations; Trade Fixtures; Alterations.**

(a) **Definitions.** The term "Utility Installations" refers to all floor and window coverings, air lines, vacuum lines, power panels, electrical distribution, security and fire protection systems, communication cabling, lighting fixtures, HVAC equipment, and plumbing in or on the Premises. The term "Trade Fixtures" shall mean Lessee's machinery and equipment that can be removed without doing material damage to the Premises. The term "Alterations" shall mean any modification of the improvements, other than Utility Installations or Trade Fixtures, whether by addition or deletion. "Lessee Owned Alterations and/or Utility Installations" are defined as Alterations and/or Utility Installations made by Lessee that are not yet owned by Lessor pursuant to Paragraph 7.4(a).

(b) **Consent.** Lessee shall not make any Alterations or Utility Installations to the Premises without Lessor's prior written consent. Lessee may, however, make non-structural Alterations or Utility Installations to the interior of the Premises (excluding the roof) without such consent but upon notice to Lessor, as long as they are not visible from the outside, do not involve puncturing, relocating or removing the roof, ceilings, floors or any existing walls, will not affect the electrical, plumbing, HVAC, and/or life safety systems, and the cumulative cost thereof during this Lease as extended does not exceed \$2000. Notwithstanding the foregoing, Lessee shall not make or permit any roof penetrations and/or install anything on the roof without the prior written approval of Lessor. Lessor may, as a precondition to granting such approval, require Lessee to utilize a contractor chosen and/or approved by Lessor. Any Alterations or Utility Installations that Lessee shall desire to make and which require the consent of the Lessor shall be presented to Lessor in written form with detailed plans. Consent shall be deemed conditioned upon Lessee's: (i) acquiring all applicable governmental permits, (ii) furnishing Lessor with copies of both the permits and the plans and specifications prior to commencement of the work, and (iii) compliance with all conditions of said permits and other Applicable Requirements in a prompt and expeditious manner. Any Alterations or Utility Installations shall be performed in a workmanlike manner with good and sufficient materials. Lessee shall promptly upon completion furnish Lessor with as-built plans and specifications. For work which costs an amount in excess of one month's Base Rent, Lessor may condition its consent upon Lessee providing a lien and completion bond in an amount equal to 150% of the estimated cost of such Alteration or Utility Installation and/or upon Lessee's posting an additional Security Deposit with Lessor.

(c) **Lien; Bonds.** Lessee shall pay, when due, all claims for labor or materials furnished or alleged to have been furnished to or for Lessee at or for use on the Premises, which claims are or may be secured by any mechanic's or materialmen's lien against the Premises or any interest therein. Lessee shall give Lessor not less than 10 days notice prior to the commencement of any work in, on or about the Premises, and Lessor shall have the right to post notices of non-responsibility. If Lessee shall contest the validity of any such lien, claim or demand, then Lessee shall, at its sole expense defend and protect itself, Lessor and the Premises against the same and shall pay and satisfy any such adverse judgment that may be rendered thereon before the enforcement thereof. If Lessor shall require, Lessee shall furnish a surety bond in an amount equal to 150% of the amount of such contested lien, claim or demand, indemnifying Lessor against liability for the same. If Lessor elects to participate in any such action, Lessee shall pay Lessor's attorneys' fees and costs.

7.4 **Ownership; Removal; Surrender; and Restoration.**

(a) **Ownership.** Subject to Lessor's right to require removal or elect ownership as hereinafter provided, all Alterations and Utility Installations made by Lessee shall be the property of Lessee, but considered a part of the Premises. Lessor may, at any time, elect in writing to be the owner of all or any specified part of the Lessee Owned Alterations and Utility Installations. Unless otherwise instructed per paragraph 7.4(b) hereof, all Lessee Owned Alterations and Utility Installations shall, at the expiration or termination of this Lease, become the property of Lessor and be surrendered by Lessee with the Premises.

(b) **Removal.** By delivery to Lessee of written notice from Lessor not earlier than 90 and not later than 30 days prior to the end of the term of this Lease, Lessor may require that any or all Lessee Owned Alterations or Utility Installations be removed by the expiration or termination of this Lease. Lessor may require the removal at any time of all or any part of any Lessee Owned Alterations or Utility Installations made without the required consent.

(c) **Surrender; Restoration.** Lessee shall surrender the Premises by the Expiration Date or any earlier termination date, with all of the improvements, parts and surfaces thereof clean and free of debris, and in good operating order, condition and state of repair, ordinary wear and tear excepted. "Ordinary wear and tear" shall not include any damage or deterioration that would have been prevented by good maintenance practice. Notwithstanding the foregoing, if this Lease is for 12 months or less, then Lessee shall surrender the Premises in the same condition as delivered to Lessee on the Start Date with NO allowance for ordinary wear and tear. Lessee shall repair any damage occasioned by the installation, maintenance or removal of Trade Fixtures, Lessee owned Alterations and/or Utility Installations, furnishings, and equipment as well as the removal of any storage tank installed by or for Lessee. Lessee shall also completely remove from the Premises any and all Hazardous Substances brought onto the Premises by or for Lessee, or any third party (except Hazardous Substances which were deposited via underground migration from areas outside of the Premises).


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even if such removal would require Lessee to perform or pay for work that exceeds statutory requirements. Trade Fixtures shall remain the property of Lessee and shall be removed by Lessee. Any personal property of Lessee not removed on or before the Expiration Date or any earlier termination date shall be deemed to have been abandoned by Lessee and may be disposed of or retained by Lessor as Lessor may desire. The failure by Lessee to timely vacate the Premises pursuant to this Paragraph 7.4(c) without the express written consent of Lessor shall constitute a holdover under the provisions of Paragraph 28 below.

8. Insurance; Indemnity.

8.1 Insurance Premiums. The cost of the premiums for the insurance policies maintained by Lessor pursuant to paragraph 8 are included as Operating Expenses (see paragraph 4.2 (c)(iv)). Said costs shall include increases in the premiums resulting from additional coverage related to requirements of the holder of a mortgage or deed of trust covering the Premises, Building and/or Project, increased valuation of the Premises, Building and/or Project, and/or a general premium rate increase. Said costs shall not, however, include any premium increases resulting from the nature of the occupancy of any other tenant of the Building. If the Project was not insured for the entirety of the Base Year, then the base premium shall be the lowest annual premium reasonably obtainable for the required insurance as of the Start Date, assuming the most nominal use possible of the Building and/or Project. In no event, however, shall Lessee be responsible for any portion of the premium cost attributable to liability insurance coverage in excess of \$2,000,000 procured under Paragraph 8.2(b).

8.2 Liability Insurance.

(a) Carried by Lessee. Lessee shall obtain and keep in force a Commercial General Liability policy of insurance protecting Lessee and Lessor as an additional insured against claims for bodily injury, personal injury and property damage based upon or arising out of the ownership, use, occupancy or maintenance of the Premises and all areas appurtenant thereto. Such insurance shall be on an occurrence basis providing single limit coverage in an amount not less than \$1,000,000 per occurrence with an annual aggregate of not less than \$2,000,000. Lessee shall add Lessor as an additional insured by means of an endorsement at least as broad as the Insurance Service Organization's "Additional Insured-Managers or Lessors of Premises" Endorsement and coverage shall also be extended to include damage caused by heat, smoke or fumes from a hostile fire. The policy shall not contain any intra-insured exclusions as between insured persons or organizations, but shall include coverage for liability assumed under this Lease as an "insured contract" for the performance of Lessee's indemnity obligations under this Lease. The limits of said insurance shall not, however, limit the liability of Lessee nor relieve Lessee of any obligation hereunder. Lessee shall provide an endorsement on its liability policy(ies) which provides that its insurance shall be primary to and not contributory with any similar insurance carried by Lessor, whose insurance shall be considered excess insurance only.

(b) Carried by Lessor. Lessor shall maintain liability insurance as described in Paragraph 8.2(a), in addition to, and not in lieu of, the insurance required to be maintained by Lessee. Lessee shall not be named as an additional insured therein.

8.3 Property Insurance - Building, Improvements and Rental Value.

(a) Building and Improvements. Lessor shall obtain and keep in force a policy or policies of insurance in the name of Lessor, with loss payable to Lessor, any ground-lessor, and to any Lender insuring loss or damage to the Building and/or Project. The amount of such insurance shall be equal to the full insurable replacement cost of the Building and/or Project, as the same shall exist from time to time, or the amount required by any Lender, but in no event more than the commercially reasonable and available insurable value thereof. Lessee Owned Alterations and Utility Installations, Trade Fixtures, and Lessee's personal property shall be insured by Lessee not by Lessor. If the coverage is available and commercially appropriate, such policy or policies shall insure against all risks of direct physical loss or damage (except the perils of flood and/or earthquake unless required by a Lender), including coverage for debris removal and the enforcement of any Applicable Requirements requiring the upgrading, demolition, reconstruction or replacement of any portion of the Premises as the result of a covered loss. Said policy or policies shall also contain an agreed valuation provision in lieu of any coinsurance clause, waiver of subrogation, and inflation guard protection causing an increase in the annual property insurance coverage amount by a factor of not less than the adjusted U.S. Department of Labor Consumer Price Index for All Urban Consumers for the city nearest to where the Premises are located. If such insurance coverage has a deductible clause, the deductible amount shall not exceed \$5,000 per occurrence.

(b) Rental Value. Lessor shall also obtain and keep in force a policy or policies in the name of Lessor with loss payable to Lessor and any Lender, insuring the loss of the full Rent for one year with an extended period of indemnity for an additional 180 days ("Rental Value Insurance"). Said insurance shall contain an agreed valuation provision in lieu of any coinsurance clause, and the amount of coverage shall be adjusted annually to reflect the projected Rent otherwise payable by Lessee, for the next 12 month period.

(c) Adjacent Premises. Lessee shall pay for any increase in the premiums for the property insurance of the Building and for the Common Areas or other buildings in the Project if said increase is caused by Lessee's acts, omissions, use or occupancy of the Premises.

(d) Lessee's Improvements. Since Lessor is the insuring Party, Lessor shall not be required to insure Lessee Owned Alterations and Utility Installations unless the item in question has become the property of Lessor under the terms of this Lease.

8.4 Lessee's Property; Business Interruption Insurance; Worker's Compensation Insurance.

(a) Property Damage. Lessee shall obtain and maintain insurance coverage on all of Lessee's personal property, Trade Fixtures, and Lessee Owned Alterations and Utility Installations. Such insurance shall be full replacement cost coverage with a deductible of not to exceed \$1,000 per occurrence. The proceeds from any such insurance shall be used by Lessee for the replacement of personal property, Trade Fixtures and Lessee Owned Alterations and Utility Installations. Lessee shall provide Lessor with written evidence that such insurance is in force.

(b) Worker's Compensation Insurance. Lessee shall obtain and maintain Worker's Compensation Insurance in such amount as may be required by Applicable Requirements.

(c) Business Interruption. Lessee shall obtain and maintain loss of income and extra expense insurance in amounts as will reimburse Lessee for direct or indirect loss of earnings attributable to all perils commonly insured against by prudent lessees in the business of Lessee or attributable to prevention of access to the Premises as a result of such perils.

(d) No Representation of Adequate Coverage. Lessor makes no representation that the limits or forms of coverage of insurance specified herein are adequate to cover Lessee's property, business operations or obligations under this Lease.

8.5 Insurance Policies. Insurance required herein shall be by companies maintaining during the policy term a "General Policyholders Rating" of at least A-, VII, as set forth in the most current issue of "Best's Insurance Guide", or such other rating as may be required by a Lender. Lessee shall not do or permit to be done anything which invalidates the required insurance policies. Lessee shall, prior to the Start Date, deliver to Lessor certified copies of policies of such insurance or certificates with copies of the required endorsements evidencing the existence and amounts of the required insurance. No such policy shall be cancelable or subject to modification except after 10 days prior written notice to Lessor. Lessee shall, at least 30 days prior to the expiration of such policies, furnish Lessor with evidence of renewals or "insurance binders" evidencing renewal thereof, or Lessor may order such insurance and charge the cost thereof to Lessee, which amount shall be payable by Lessee to Lessor upon demand. Such policies shall be for a term of at least one year, or the length of the remaining term of this Lease, whichever is less. If either Party shall fail to procure and maintain the insurance required to be carried by it, the other Party may, but shall not be required to, procure and maintain the same.

8.6 Waiver of Subrogation. Without affecting any other rights or remedies, Lessee and Lessor each hereby release and relieve the other, and waive their entire right to recover damages against the other, for loss of or damage to its property arising out of or incident to the perils required to be insured against herein. The effect of such releases and waivers is not limited by the amount of insurance carried or required, or by any deductibles applicable hereto. The Parties agree to have their respective property damage insurance carriers waive any right to subrogation that such companies may have against Lessor or Lessee, as the case may be, so long as the insurance is not invalidated thereby.

8.7 Indemnity. Except for Lessor's gross negligence or willful misconduct, Lessee shall indemnify, protect, defend and hold harmless the Premises, Lessor and its agents, Lessor's master or ground lessor, partners and Lenders, from and against any and all claims, loss of rents and/or damages, liens, judgments, penalties, attorneys' and consultants' fees, expenses and/or liabilities arising out of, involving, or in connection with, the use and/or occupancy of the Premises by Lessee. If any action or proceeding is brought against Lessor by reason of any of the foregoing matters, Lessee shall upon notice defend the same at Lessee's expense by counsel reasonably satisfactory to Lessor and Lessor shall cooperate with Lessee in such defense. Lessor need not have first paid any such claim in order to be defended or indemnified.

8.8 Exemption of Lessor and its Agents from Liability. Notwithstanding the negligence or breach of this Lease by Lessor or its agents, neither Lessor nor its agents shall be liable under any circumstances for: (i) injury or damage to the person or goods, wares, merchandise or other property of Lessee, Lessee's employees, contractors, invitees, customers, or any other person in or about the Premises, whether such damage or injury is caused by or results from fire, steam, electricity, gas, water or rain, indoor air quality, the presence of mold or from the breakage, leakage, obstruction or other defects of pipes, fire sprinklers, wires, appliances, plumbing, HVAC or lighting fixtures, or from any other cause, whether the said injury or damage results from conditions arising upon the Premises or upon other portions of the Building, or from other sources or places, (ii) any damages arising from any act or neglect of any other tenant of Lessor or from the failure of Lessor or its agents to enforce the provisions of any other lease in the Project, or (iii) injury to Lessee's business or for any loss of income or profit therefrom. Instead, it is intended that Lessee's sole recourse in the event of such damages or injury be to file a claim on the insurance policy(ies) that Lessee is required to maintain pursuant to the provisions of paragraph 8.

8.9 Failure to Provide Insurance. Lessee acknowledges that any failure on its part to obtain or maintain the insurance required herein will expose Lessor to risks and potentially cause Lessor to incur costs not contemplated by this Lease, the extent of which will be extremely difficult to ascertain. Accordingly, for any month or portion thereof that Lessee does not maintain the required insurance and/or does not provide Lessor


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with the required binders or certificates evidencing the existence of the required insurance, the Base Rent shall be automatically increased, without any requirement for notice to Lessee, by an amount equal to 10% of the then existing Base Rent or \$100, whichever is greater. The parties agree that such increase in Base Rent represents fair and reasonable compensation for the additional risk/costs that Lessor will incur by reason of Lessee's failure to maintain the required insurance. Such increase in Base Rent shall in no event constitute a waiver of Lessee's Default or Breach with respect to the failure to maintain such insurance, prevent the exercise of any of the other rights and remedies granted hereunder, nor relieve Lessee of its obligation to maintain the insurance specified in this Lease.

9. Damage or Destruction.

9.1 Definitions.

(a) **"Premises Partial Damage"** shall mean damage or destruction to the improvements on the Premises, other than Lessee Owned Alterations and Utility Installations, which can reasonably be repaired in 3 months or less from the date of the damage or destruction, and the cost thereof does not exceed a sum equal to 6 month's Base Rent. Lessor shall notify Lessee in writing within 30 days from the date of the damage or destruction as to whether or not the damage is Partial or Total.

(b) **"Premises Total Destruction"** shall mean damage or destruction to the improvements on the Premises, other than Lessee Owned Alterations and Utility Installations and Trade Fixtures, which cannot reasonably be repaired in 3 months or less from the date of the damage or destruction and/or the cost thereof exceeds a sum equal to 6 month's Base Rent. Lessor shall notify Lessee in writing within 30 days from the date of the damage or destruction as to whether or not the damage is Partial or Total.

(c) **"Insured Loss"** shall mean damage or destruction to improvements on the Premises, other than Lessee Owned Alterations and Utility Installations and Trade Fixtures, which was caused by an event required to be covered by the insurance described in Paragraph 8.3(a), irrespective of any deductible amounts or coverage limits involved.

(d) **"Replacement Cost"** shall mean the cost to repair or rebuild the improvements owned by Lessor at the time of the occurrence to their condition existing immediately prior thereto, including demolition, debris removal and upgrading required by the operation of Applicable Requirements, and without deduction for depreciation.

(e) **"Hazardous Substance Condition"** shall mean the occurrence or discovery of a condition involving the presence of, or a contamination by, a Hazardous Substance, in, on, or under the Premises which requires restoration.

9.2 Partial Damage - Insured Loss. If a Premises Partial Damage that is an Insured Loss occurs, then Lessor shall, at Lessor's expense, repair such damage (but not Lessee's Trade Fixtures or Lessee Owned Alterations and Utility Installations) as soon as reasonably possible and this Lease shall continue in full force and effect; provided, however, that Lessee shall, at Lessor's election, make the repair of any damage or destruction the total cost to repair of which is \$5,000 or less, and, in such event, Lessor shall make any applicable insurance proceeds available to Lessee on a reasonable basis for that purpose. Notwithstanding the foregoing, if the required insurance was not in force or the insurance proceeds are not sufficient to effect such repair, the Insuring Party shall promptly contribute the shortage in proceeds as and when required to complete said repairs. In the event, however, such shortage was due to the fact that, by reason of the unique nature of the improvements, full replacement cost insurance coverage was not commercially reasonable and available, Lessor shall have no obligation to pay for the shortage in insurance proceeds or to fully restore the unique aspects of the Premises unless Lessee provides Lessor with the funds to cover same, or adequate assurance thereof, within 10 days following receipt of written notice of such shortage and request therefor. If Lessor receives said funds or adequate assurance thereof within said 10 day period, the party responsible for making the repairs shall complete them as soon as reasonably possible and this Lease shall remain in full force and effect. If such funds or assurance are not received, Lessor may nevertheless elect by written notice to Lessee within 10 days thereafter to: (i) make such restoration and repair as is commercially reasonable with Lessor paying any shortage in proceeds, in which case this Lease shall remain in full force and effect, or (ii) have this Lease terminate 30 days thereafter. Lessee shall not be entitled to reimbursement of any funds contributed by Lessee to repair any such damage or destruction. Premises Partial Damage due to flood or earthquake shall be subject to Paragraph 9.3, notwithstanding that there may be some insurance coverage, but the net proceeds of any such insurance shall be made available for the repairs if made by either Party.

9.3 Partial Damage - Uninsured Loss. If a Premises Partial Damage that is not an Insured Loss occurs, unless caused by a negligent or willful act of Lessee (in which event Lessee shall make the repairs at Lessee's expense), Lessor may either: (i) repair such damage as soon as reasonably possible at Lessor's expense, in which event this Lease shall continue in full force and effect, or (ii) terminate this Lease by giving written notice to Lessee within 30 days after receipt by Lessor of knowledge of the occurrence of such damage. Such termination shall be effective 60 days following the date of such notice. In the event Lessor elects to terminate this Lease, Lessee shall have the right within 10 days after receipt of the termination notice to give written notice to Lessor of Lessee's commitment to pay for the repair of such damage without reimbursement from Lessor. Lessee shall provide Lessor with said funds or satisfactory assurance thereof within 30 days after making such commitment. In such event this Lease shall continue in full force and effect, and Lessor shall proceed to make such repairs as soon as reasonably possible after the required funds are available. If Lessee does not make the required commitment, this Lease shall terminate as of the date specified in the termination notice.

9.4 Total Destruction. Notwithstanding any other provision hereof, if a Premises Total Destruction occurs, this Lease shall terminate 60 days following such Destruction. If the damage or destruction was caused by the gross negligence or willful misconduct of Lessee, Lessor shall have the right to recover Lessor's damages from Lessee, except as provided in Paragraph 8.6.

9.5 Damage Near End of Term. If at any time during the last 6 months of this Lease there is damage for which the cost to repair exceeds one month's Base Rent, whether or not an Insured Loss, Lessor may terminate this Lease effective 60 days following the date of occurrence of such damage by giving a written termination notice to Lessee within 30 days after the date of occurrence of such damage. Notwithstanding the foregoing, if Lessee at that time has an exercisable option to extend this Lease or to purchase the Premises, then Lessee may preserve this Lease by, (a) exercising such option and (b) providing Lessor with any shortage in insurance proceeds (or adequate assurance thereof) needed to make the repairs on or before the earlier of (i) the date which is 10 days after Lessee's receipt of Lessor's written notice purporting to terminate this Lease, or (ii) the day prior to the date upon which such option expires. If Lessee duly exercises such option during such period and provides Lessor with funds (or adequate assurance thereof) to cover any shortage in insurance proceeds, Lessor shall, at Lessor's commercially reasonable expense, repair such damage as soon as reasonably possible and this Lease shall continue in full force and effect. If Lessee fails to exercise such option and provide such funds or assurance during such period, then this Lease shall terminate on the date specified in the termination notice and Lessee's option shall be extinguished.

9.6 Abatement of Rent; Lessee's Remedies.

(a) **Abatement.** In the event of Premises Partial Damage or Premises Total Destruction or a Hazardous Substance Condition for which Lessee is not responsible under this Lease, the Rent payable by Lessee for the period required for the repair, remediation or restoration of such damage shall be abated in proportion to the degree to which Lessee's use of the Premises is impaired, but not to exceed the proceeds received from the Rental Value Insurance. All other obligations of Lessee hereunder shall be performed by Lessee, and Lessor shall have no liability for any such damage, destruction, remediation, repair or restoration except as provided herein.

(b) **Remedies.** If Lessor is obligated to repair or restore the Premises and does not commence, in a substantial and meaningful way, such repair or restoration within 90 days after such obligation shall accrue, Lessee may, at any time prior to the commencement of such repair or restoration, give written notice to Lessor and to any Lenders of which Lessee has actual notice, of Lessee's election to terminate this Lease on a date not less than 60 days following the giving of such notice. If Lessee gives such notice and such repair or restoration is not commenced within 30 days thereafter, this Lease shall terminate as of the date specified in said notice. If the repair or restoration is commenced within such 30 days, this Lease shall continue in full force and effect. "Commence" shall mean either the unconditional authorization of the preparation of the required plans, or the beginning of the actual work on the Premises, whichever first occurs.

9.7 Termination; Advance Payments. Upon termination of this Lease pursuant to Paragraph 6.2(g) or Paragraph 9, an equitable adjustment shall be made concerning advance Base Rent and any other advance payments made by Lessee to Lessor. Lessor shall, in addition, return to Lessee so much of Lessee's Security Deposit as has not been, or is not then required to be, used by Lessor.

10. Real Property Taxes.

10.1 Definitions. As used herein, the term **"Real Property Taxes"** shall include any form of assessment; real estate, general, special, ordinary or extraordinary, or rental levy or tax (other than inheritance, personal income or estate taxes); improvement bond; and/or license fee imposed upon or levied against any legal or equitable interest of Lessor in the Project, Lessor's right to other income therefrom, and/or Lessor's business of leasing, by any authority having the direct or indirect power to tax and where the funds are generated with reference to the Project address and where the proceeds so generated are to be applied by the city, county or other local taxing authority of a jurisdiction within which the Project is located. **"Real Property Taxes"** shall also include any tax, fee, levy, assessment or charge, or any increase therein: (i) imposed by reason of events occurring during the term of this Lease, including but not limited to, a change in the ownership of the Project, (ii) a change in the improvements thereon, and/or (iii) levied or assessed on machinery or equipment provided by Lessor to Lessee pursuant to this Lease.

10.2 Payment of Taxes. Except as otherwise provided in Paragraph 10.3, Lessor shall pay the Real Property Taxes applicable to the Project, and said payments shall be included in the calculation of Operating Expenses in accordance with the provisions of Paragraph 4.2.

10.3 Additional Improvements. Operating Expenses shall not include Real Property Taxes specified in the tax assessor's records and work sheets as being caused by additional improvements placed upon the Project by other lessees or by Lessor for the exclusive enjoyment of such other lessees. Notwithstanding Paragraph 10.2 hereof, Lessee shall, however, pay to Lessor at the time Operating Expenses are payable under Paragraph 4.2, the entirety of any increase in Real Property Taxes if assessed solely by reason of Alterations, Trade Fixtures or Utility Installations

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placed upon the Premises by Lessee or at Lessee's request or by reason of any alterations or improvements to the Premises made by Lessor subsequent to the execution of this Lease by the Parties.

10.4 Joint Assessment. If the Building is not separately assessed, Real Property Taxes allocated to the Building shall be an equitable proportion of the Real Property Taxes for all of the land and improvements included within the tax parcel assessed, such proportion to be determined by Lessor from the respective valuations assigned in the assessor's work sheets or such other information as may be reasonably available. Lessor's reasonable determination thereof, in good faith, shall be conclusive.

10.5 Personal Property Taxes. Lessee shall pay prior to delinquency all taxes assessed against and levied upon Lessee Owned Alterations and Utility Installations, Trade Fixtures, furnishings, equipment and all personal property of Lessee contained in the Premises. When possible, Lessee shall cause its Lessee Owned Alterations and Utility Installations, Trade Fixtures, furnishings, equipment and all other personal property to be assessed and billed separately from the real property of Lessor. If any of Lessee's said property shall be assessed with Lessor's real property, Lessee shall pay Lessor the taxes attributable to Lessee's property within 10 days after receipt of a written statement setting forth the taxes applicable to Lessee's property.

11. Utilities and Services.

11.1 Services Provided by Lessor. Lessor shall provide heating, ventilation, air conditioning, reasonable amounts of electricity for normal lighting and office machines, water for reasonable and normal drinking and lavatory use in connection with an office, and replacement light bulbs and/or fluorescent tubes and ballasts for standard overhead fixtures. Lessor shall also provide janitorial services to the Premises and Common Areas 5 times per week, excluding Building Holidays, or pursuant to the attached janitorial schedule, if any. Lessor shall not, however, be required to provide janitorial services to kitchens or storage areas included within the Premises.

11.2 Services Exclusive to Lessee. Lessee shall pay for all water, gas, light, power, telephone and other utilities and services specially or exclusively supplied and/or metered exclusively to the Premises or to Lessee, together with any taxes thereon. If a service is deleted by Paragraph 1.13 and such service is not separately metered to the Premises, Lessee shall pay at Lessor's option, either Lessee's Share or a reasonable proportion to be determined by Lessor of all charges for such jointly metered service.

11.3 Hours of Service. Said services and utilities shall be provided during times set forth in Paragraph 1.12. Utilities and services required at other times shall be subject to advance request and reimbursement by Lessee to Lessor of the cost thereof.

11.4 Excess Usage by Lessee. Lessee shall not make connection to the utilities except by or through existing outlets and shall not install or use machinery or equipment in or about the Premises that uses excess water, lighting or power, or suffer or permit any act that causes extra burden upon the utilities or services, including but not limited to security and trash services, over standard office usage for the Project. Lessor shall require Lessee to reimburse Lessor for any excess expenses or costs that may arise out of a breach of this subparagraph by Lessee. Lessor may, in its sole discretion, install at Lessee's expense supplemental equipment and/or separate metering applicable to Lessee's excess usage or loading.

11.5 Interruptions. There shall be no abatement of rent and Lessor shall not be liable in any respect whatsoever for the inadequacy, stoppage, interruption or discontinuance of any utility or service due to riot, strike, labor dispute, breakdown, accident, repair or other cause beyond Lessor's reasonable control or in cooperation with governmental request or directions.

12. Assignment and Subletting.

12.1 Lessor's Consent Required.

(a) Lessee shall not voluntarily or by operation of law assign, transfer, mortgage or encumber (collectively, "assign or assignment") or sublet all or any part of Lessee's interest in this Lease or in the Premises without Lessor's prior written consent.

(b) Unless Lessee is a corporation and its stock is publicly traded on a national stock exchange, a change in the control of Lessee shall constitute an assignment requiring consent. The transfer, on a cumulative basis, of 25% or more of the voting control of Lessee shall constitute a change in control for this purpose.

(c) The involvement of Lessee or its assets in any transaction, or series of transactions (by way of merger, sale, acquisition, financing, transfer, leveraged buyout or otherwise), whether or not a formal assignment or hypothecation of this Lease or Lessee's assets occurs, which results or will result in a reduction of the Net Worth of Lessee by an amount greater than 25% of such Net Worth as it was represented at the time of the execution of this Lease or at the time of the most recent assignment to which Lessor has consented, or as it exists immediately prior to said transaction or transactions constituting such reduction, whichever was or is greater, shall be considered an assignment of this Lease to which Lessor may withhold its consent. "Net Worth of Lessee" shall mean the net worth of Lessee (excluding any guarantors) established under generally accepted accounting principles.

(d) An assignment or subletting without consent shall, at Lessor's option, be a Default curable after notice per Paragraph 13.1(c), or a noncurable Breach without the necessity of any notice and grace period. If Lessor elects to treat such unapproved assignment or subletting as a noncurable Breach, Lessor may either: (i) terminate this Lease, or (ii) upon 30 days written notice, increase the monthly Base Rent to 110% of the Base Rent then in effect. Further, in the event of such Breach and rental adjustment, (i) the purchase price of any option to purchase the Premises held by Lessee shall be subject to similar adjustment to 110% of the price previously in effect, and (ii) all fixed and non-fixed rental adjustments scheduled during the remainder of the Lease term shall be increased to 110% of the scheduled adjusted rent.

(e) Lessee's remedy for any breach of Paragraph 12.1 by Lessor shall be limited to compensatory damages and/or injunctive relief.

(f) Lessor may reasonably withhold consent to a proposed assignment or subletting if Lessee is in Default at the time consent is requested.

(g) Notwithstanding the foregoing, allowing a de minimis portion of the Premises, i.e. 20 square feet or less, to be used by a third party vendor in connection with the installation of a vending machine or payphone shall not constitute a subletting.

12.2 Terms and Conditions Applicable to Assignment and Subletting.

(a) Regardless of Lessor's consent, no assignment or subletting shall: (i) be effective without the express written assumption by such assignee or sublessee of the obligations of Lessee under this Lease, (ii) release Lessee of any obligations hereunder, or (iii) alter the primary liability of Lessee for the payment of Rent or for the performance of any other obligations to be performed by Lessee.

(b) Lessor may accept Rent or performance of Lessee's obligations from any person other than Lessee pending approval or disapproval of an assignment. Neither a delay in the approval or disapproval of such assignment nor the acceptance of Rent or performance shall constitute a waiver or estoppel of Lessor's right to exercise its remedies for Lessee's Default or Breach.

(c) Lessor's consent to any assignment or subletting shall not constitute a consent to any subsequent assignment or subletting.

(d) In the event of any Default or Breach by Lessee, Lessor may proceed directly against Lessee, any Guarantors or anyone else responsible for the performance of Lessee's obligations under this Lease, including any assignee or sublessee, without first exhausting Lessor's remedies against any other person or entity responsible therefore to Lessor, or any security held by Lessor.

(e) Each request for consent to an assignment or subletting shall be in writing, accompanied by information relevant to Lessor's determination as to the financial and operational responsibility and appropriateness of the proposed assignee or sublessee, including but not limited to the intended use and/or required modification of the Premises, if any, together with a fee of \$500 as consideration for Lessor's considering and processing said request. Lessee agrees to provide Lessor with such other or additional information and/or documentation as may be reasonably requested. (See also Paragraph 36)

(f) Any assignee of, or sublessee under, this Lease shall, by reason of accepting such assignment, entering into such sublease, or entering into possession of the Premises or any portion thereof, be deemed to have assumed and agreed to conform and comply with each and every term, covenant, condition and obligation herein to be observed or performed by Lessee during the term of said assignment or sublease, other than such obligations as are contrary to or inconsistent with provisions of an assignment or sublease to which Lessor has specifically consented to in writing.

(g) Lessor's consent to any assignment or subletting shall not transfer to the assignee or sublessee any Option granted to the original Lessee by this Lease unless such transfer is specifically consented to by Lessor in writing. (See Paragraph 39.2)

12.3 Additional Terms and Conditions Applicable to Subletting. The following terms and conditions shall apply to any subletting by Lessee of all or any part of the Premises and shall be deemed included in all subleases under this Lease whether or not expressly incorporated therein:

(a) Lessee hereby assigns and transfers to Lessor all of Lessee's interest in all Rent payable on any sublease, and Lessor may collect such Rent and apply same toward Lessee's obligations under this Lease; provided, however, that until a Breach shall occur in the performance of Lessee's obligations, Lessee may collect said Rent. In the event that the amount collected by Lessor exceeds Lessee's then outstanding obligations any such excess shall be refunded to Lessee. Lessor shall not, by reason of the foregoing or any assignment of such sublease, nor by reason of the collection of Rent, be deemed liable to the sublessee for any failure of Lessee to perform and comply with any of Lessee's obligations to such sublessee. Lessee hereby irrevocably authorizes and directs any such sublessee, upon receipt of a written notice from Lessor stating that a Breach exists in the performance of Lessee's obligations under this Lease, to pay to Lessor all Rent due and to become due under the sublease. Sublessee shall rely upon any such notice from Lessor and shall pay all Rents to Lessor without any obligation or right to inquire as to whether such Breach exists, notwithstanding any claim from Lessee to the contrary.

(b) In the event of a Breach by Lessee, Lessor may, at its option, require sublessee to atton to Lessor, in which event Lessor shall undertake the obligations of the sublessor under such sublease from the time of the exercise of said option to the expiration of such sublease; provided, however, Lessor shall not be liable for any prepaid rents or security deposit paid by such sublessee to such sublessor or for any prior Defaults or Breaches of such sublessor.

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(c) Any matter requiring the consent of the sublessor under a sublease shall also require the consent of Lessor.
(d) No sublessee shall further assign or sublet all or any part of the Premises without Lessor's prior written consent.
(e) Lessor shall deliver a copy of any notice of Default or Breach by Lessee to the sublessee, who shall have the right to cure the Default of Lessee within the grace period, if any, specified in such notice. The sublessee shall have a right of reimbursement and offset from and against Lessee for any such Defaults cured by the sublessee.

13. Default; Breach; Remedies.

13.1 Default; Breach. A "Default" is defined as a failure by the Lessee to comply with or perform any of the terms, covenants, conditions or Rules and Regulations under this Lease. A "Breach" is defined as the occurrence of one or more of the following Defaults, and the failure of Lessee to cure such Default within any applicable grace period:

(a) The abandonment of the Premises; or the vacating of the Premises without providing a commercially reasonable level of security, or where the coverage of the property insurance described in Paragraph 8.3 is jeopardized as a result thereof, or without providing reasonable assurances to minimize potential vandalism.

(b) The failure of Lessee to make any payment of Rent or any Security Deposit required to be made by Lessee hereunder, whether to Lessor or to a third party, when due, to provide reasonable evidence of insurance or surety bond, or to fulfill any obligation under this Lease which endangers or threatens life or property, where such failure continues for a period of 3 business days following written notice to Lessee. THE ACCEPTANCE BY LESSOR OF A PARTIAL PAYMENT OF RENT OR SECURITY DEPOSIT SHALL NOT CONSTITUTE A WAIVER OF ANY OF LESSOR'S RIGHTS, INCLUDING LESSOR'S RIGHT TO RECOVER POSSESSION OF THE PREMISES.

(c) The failure of Lessee to allow Lessor and/or its agents access to the Premises or the commission of waste, act or acts constituting public or private nuisance, and/or an illegal activity on the Premises by Lessee, where such actions continue for a period of 3 business days following written notice to Lessee.

(d) The failure by Lessee to provide (i) reasonable written evidence of compliance with Applicable Requirements, (ii) the service contracts, (iii) the resission of an unauthorized assignment or subletting, (iv) an Estoppel Certificate or financial statements, (v) a requested subordination, (vi) evidence concerning any guaranty and/or Guarantor, (vii) any document requested under Paragraph 41, (viii) material data safety sheets (MSDS), or (ix) any other documentation or information which Lessor may reasonably require of Lessee under the terms of this Lease, where any such failure continues for a period of 10 days following written notice to Lessee.

(e) A Default by Lessee as to the terms, covenants, conditions or provisions of this Lease, or of the rules adopted under Paragraph 2.9 hereof, other than those described in subparagraphs 13.1(a), (b) or (c), above, where such Default continues for a period of 30 days after written notice; provided, however, that if the nature of Lessee's Default is such that more than 30 days are reasonably required for its cure, then it shall not be deemed to be a Breach if Lessee commences such cure within said 30 day period and thereafter diligently prosecutes such cure to completion.

(f) The occurrence of any of the following events: (i) the making of any general arrangement or assignment for the benefit of creditors; (ii) becoming a "debtor" as defined in 11 U.S.C. § 101 or any successor statute thereto (unless, in the case of a petition filed against Lessee, the same is dismissed within 60 days); (iii) the appointment of a trustee or receiver to take possession of substantially all of Lessee's assets located at the Premises or of Lessee's Interest in this Lease, where possession is not restored to Lessee within 30 days; or (iv) the attachment, execution or other judicial seizure of substantially all of Lessee's assets located at the Premises or of Lessee's Interest in this Lease, where such seizure is not discharged within 30 days; provided, however, in the event that any provision of this subparagraph is contrary to any applicable law, such provision shall be of no force or effect, and not affect the validity of the remaining provisions.

(g) The discovery that any financial statement of Lessee or of any Guarantor given to Lessor was materially false.

(h) If the performance of Lessee's obligations under this Lease is guaranteed: (i) the death of a Guarantor, (ii) the termination of a Guarantor's liability with respect to this Lease other than in accordance with the terms of such guaranty, (iii) a Guarantor's becoming insolvent or the subject of a bankruptcy filing, (iv) a Guarantor's refusal to honor the guaranty, or (v) a Guarantor's breach of its guaranty obligation on an anticipatory basis, and Lessee's failure, within 60 days following written notice of any such event, to provide written alternative assurance or security, which, when coupled with the then existing resources of Lessee, equals or exceeds the combined financial resources of Lessee and the Guarantors that existed at the time of execution of this Lease.

13.2 Remedies. If Lessee fails to perform any of its affirmative duties or obligations, within 10 days after written notice (or in case of an emergency, without notice), Lessor may, at its option, perform such duty or obligation on Lessee's behalf, including but not limited to the obtaining of reasonably required bonds, insurance policies, or governmental licenses, permits or approvals. Lessee shall pay to Lessor an amount equal to 115% of the costs and expenses incurred by Lessor in such performance upon receipt of an invoice therefor. In the event of a Breach, Lessor may, with or without further notice or demand, and without limiting Lessor in the exercise of any right or remedy which Lessor may have by reason of such Breach:

(a) Terminate Lessee's right to possession of the Premises by any lawful means, in which case this Lease shall terminate and Lessee shall immediately surrender possession to Lessor. In such event Lessor shall be entitled to recover from Lessee: (i) the unpaid Rent which had been earned at the time of termination; (ii) the worth at the time of award of the amount by which the unpaid rent which would have been earned after termination until the time of award exceeds the amount of such rental loss that the Lessee proves could have been reasonably avoided; (iii) the worth at the time of award of the amount by which the unpaid rent for the balance of the term after the time of award exceeds the amount of such rental loss that the Lessee proves could be reasonably avoided; and (iv) any other amount necessary to compensate Lessor for all the detriment proximately caused by the Lessee'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 the cost of recovering possession of the Premises, expenses of reletting, including necessary renovation and alteration of the Premises, reasonable attorneys' fees, and that portion of any leasing commission paid by Lessor in connection with this Lease applicable to the unexpired term of this Lease. The worth at the time of award of the amount referred to in provision (iii) of the immediately preceding sentence shall be computed by discounting such amount at the discount rate of the Federal Reserve Bank of the District within which the Premises are located at the time of award plus one percent. Efforts by Lessor to mitigate damages caused by Lessee's Breach of this Lease shall not waive Lessor's right to recover damages under Paragraph 12. If termination of this Lease is obtained through the provisional remedy of unlawful detainer, Lessor shall have the right to recover in such proceeding any unpaid Rent and damages as are recoverable therein, or Lessor may reserve the right to recover all or any part thereof in a separate suit. If a notice and grace period required under Paragraph 13.1 was not previously given, a notice to pay rent or quit, or to perform or quit given to Lessee under the unlawful detainer statute shall also constitute the notice required by Paragraph 13.1. In such case, the applicable grace period required by Paragraph 13.1 and the unlawful detainer statute shall run concurrently, and the failure of Lessee to cure the Default within the greater of the two such grace periods shall constitute both an unlawful detainer and a Breach of this Lease entitling Lessor to the remedies provided for in this Lease and/or by said statute.

(b) Continue the Lease and Lessee's right to possession and recover the Rent as it becomes due, in which event Lessee may sublet or assign, subject only to reasonable limitations. Acts of maintenance, efforts to relet, and/or the appointment of a receiver to protect the Lessor's interests, shall not constitute a termination of the Lessee's right to possession.

(c) Pursue any other remedy now or hereafter available under the laws or judicial decisions of the state wherein the Premises are located. The expiration or termination of this Lease and/or the termination of Lessee's right to possession shall not relieve Lessee from liability under any indemnity provisions of this Lease as to matters occurring or accruing during the term hereof or by reason of Lessee's occupancy of the Premises.

13.3 Inducement Recapture. Any agreement for free or abated rent or other charges, or for the giving or paying by Lessor to or for Lessee of any cash or other bonus, inducement or consideration for Lessee's entering into this Lease, all of which concessions are hereinafter referred to as "Inducement Provisions", shall be deemed conditioned upon Lessee's full and faithful performance of all of the terms, covenants and conditions of this Lease. Upon Breach of this Lease by Lessee, any such Inducement Provision shall automatically be deemed deleted from this Lease and of no further force or effect, and any rent, other charge, bonus, inducement or consideration theretofore abated, given or paid by Lessor under such an Inducement Provision shall be immediately due and payable by Lessee to Lessor, notwithstanding any subsequent cure of said Breach by Lessee. The acceptance by Lessor of rent or the cure of the Breach which initiated the operation of this paragraph shall not be deemed a waiver by Lessor of the provisions of this paragraph unless specifically so stated in writing by Lessor at the time of such acceptance.

13.4 Late Charges. Lessee hereby acknowledges that late payment by Lessee of Rent will cause Lessor to incur costs not contemplated by this Lease, the exact amount of which will be extremely difficult to ascertain. Such costs include, but are not limited to, processing and accounting charges, and late charges which may be imposed upon Lessor by any Lender. Accordingly, if any Rent shall not be received by Lessor within 5 days after such amount shall be due, then, without any requirement for notice to Lessee, Lessee shall immediately pay to Lessor a one-time late charge equal to 10% of each such overdue amount or \$100, whichever is greater. The parties hereby agree that such late charge represents a fair and reasonable estimate of the costs Lessor will incur by reason of such late payment. Acceptance of such late charge by Lessor shall in no event constitute a waiver of Lessee's Default or Breach with respect to such overdue amount, nor prevent the exercise of any of the other rights and remedies granted hereunder. In the event that a late charge is payable hereunder, whether or not collected, for 3 consecutive installments of Base Rent, then notwithstanding any provision of this Lease to the contrary, Base Rent shall, at Lessor's option, become due and payable quarterly in advance.

13.5 Interest. Any monetary payment due Lessor hereunder, other than late charges, not received by Lessor, when due as to scheduled payments (such as Base Rent) or within 30 days following the date on which it was due for nonscheduled payment, shall bear interest from the date when due, as to scheduled payments, or the 31st day after it was due as to nonscheduled payments. The Interest ("Interest") charged shall be computed at the rate of 10% per annum but shall not exceed the maximum rate allowed by law. Interest is payable in addition to the potential late

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charge provided for in Paragraph 13.4.

13.6 Breach by Lessor.

(a) **Notice of Breach.** Lessor shall not be deemed in breach of this Lease unless Lessor fails within a reasonable time to perform an obligation required to be performed by Lessor. For purposes of this Paragraph, a reasonable time shall in no event be less than 30 days after receipt by Lessor, and any Lender whose name and address shall have been furnished Lessee in writing for such purpose, of written notice specifying wherein such obligation of Lessor has not been performed; provided, however, that if the nature of Lessor's obligation is such that more than 30 days are reasonably required for its performance, then Lessor shall not be in breach if performance is commenced within such 30 day period and thereafter diligently pursued to completion.

(b) **Performance by Lessee on Behalf of Lessor.** In the event that neither Lessor nor Lender cures said breach within 30 days after receipt of said notice, or if having commenced said cure they do not diligently pursue it to completion, then Lessee may elect to cure said breach at Lessee's expense and offset from Rent the actual and reasonable cost to perform such cure, provided however, that such offset shall not exceed an amount equal to the greater of one month's Base Rent or the Security Deposit, reserving Lessee's right to seek reimbursement from Lessor for any such expense in excess of such offset. Lessee shall document the cost of said cure and supply said documentation to Lessor.

14. Condemnation. If the Premises or any portion thereof are taken under the power of eminent domain or sold under the threat of the exercise of said power (collectively "Condemnation"), this Lease shall terminate as to the part taken as of the date the condemning authority takes title or possession, whichever first occurs. If more than 10% of the rentable floor area of the Premises, or more than 25% of Lessee's Reserved Parking Spaces, if any, are taken by Condemnation, Lessee may, at Lessee's option, to be exercised in writing within 10 days after Lessor shall have given Lessee written notice of such taking (or in the absence of such notice, within 10 days after the condemning authority shall have taken possession) terminate this Lease as of the date the condemning authority takes such possession. If Lessee does not terminate this Lease in accordance with the foregoing, this Lease shall remain in full force and effect as to the portion of the Premises remaining, except that the Base Rent shall be reduced in proportion to the reduction in utility of the Premises caused by such Condemnation. Condemnation awards and/or payments shall be the property of Lessor, whether such award shall be made as compensation for diminution in value of the leasehold, the value of the part taken, or for severance damages; provided, however, that Lessee shall be entitled to any compensation paid by the condemnor for Lessee's relocation expenses, loss of business goodwill and/or Trade Fixtures, without regard to whether or not this Lease is terminated pursuant to the provisions of this Paragraph. All Alterations and Utility Installations made to the Premises by Lessee, for purposes of Condemnation only, shall be considered the property of the Lessee and Lessee shall be entitled to any and all compensation which is payable therefor. In the event that this Lease is not terminated by reason of the Condemnation, Lessor shall repair any damage to the Premises caused by such Condemnation.

15. Brokerage Fees.

15.1 Additional Commission. If a separate brokerage fee agreement is attached then in addition to the payments owed pursuant to Paragraph 1.10 above, and unless Lessor and the Brokers otherwise agree in writing, Lessor agrees that: (a) if Lessee exercises any Option, (b) if Lessee or anyone affiliated with Lessee acquires from Lessor any rights to the Premises or other premises owned by Lessor and located within the Project, (c) if Lessee remains in possession of the Premises, with the consent of Lessor, after the expiration of this Lease, or (d) if Base Rent is increased, whether by agreement or operation of an escalation clause herein, then, Lessor shall pay Brokers a fee in accordance with the schedule attached to such brokerage fee agreement.

15.2 Assumption of Obligations. Any buyer or transferee of Lessor's interest in this Lease shall be deemed to have assumed Lessor's obligation hereunder. Brokers shall be third party beneficiaries of the provisions of Paragraphs 1.10, 15, 22 and 31. If Lessor fails to pay to Brokers any amounts due as and for brokerage fees pertaining to this Lease when due, then such amounts shall accrue interest. In addition, if Lessor fails to pay any amounts to Lessee's Broker when due, Lessee's Broker may send written notice to Lessor and Lessee of such failure and if Lessor fails to pay such amounts within 10 days after said notice, Lessee shall pay said monies to its Broker and offset such amounts against Rent. In addition, Lessee's Broker shall be deemed to be a third party beneficiary of any commission agreement entered into by and/or between Lessor and Lessor's Broker for the limited purpose of collecting any brokerage fee owed.

15.3 Representations and Indemnities of Broker Relationships. Lessee and Lessor each represent and warrant to the other that it has had no dealings with any person, firm, broker or finder (other than the Brokers, if any) in connection with this Lease, and that no one other than said named Brokers is entitled to any commission or finder's fee in connection herewith. Lessee and Lessor do each hereby agree to indemnify, protect, defend and hold the other harmless from and against liability for compensation or charges which may be claimed by any such unnamed broker, finder or other similar party by reason of any dealings or actions of the indemnifying party, including any costs, expenses, attorneys' fees reasonably incurred with respect thereto.

16. Estoppel Certificates.

(a) Each Party (as "Responding Party") shall within 10 days after written notice from the other Party (the "Requesting Party") execute, acknowledge and deliver to the Requesting Party a statement in writing in form similar to the then most current "Estoppel Certificate" form published by the AIR Commercial Real Estate Association, plus such additional information, confirmation and/or statements as may be reasonably requested by the Requesting Party.

(b) If the Responding Party shall fail to execute or deliver the Estoppel Certificate within such 10 day period, the Requesting Party may execute an Estoppel Certificate stating that: (i) the Lease is in full force and effect without modification except as may be represented by the Requesting Party, (ii) there are no uncured defaults in the Requesting Party's performance, and (iii) if Lessor is the Requesting Party, not more than one month's rent has been paid in advance. Prospective purchasers and encumbrancers may rely upon the Requesting Party's Estoppel Certificate, and the Responding Party shall be estopped from denying the truth of the facts contained in said Certificate.

(c) If Lessor desires to finance, refinance, or sell the Premises, or any part thereof, Lessee and all Guarantors shall within 10 days after written notice from Lessor deliver to any potential lender or purchaser designated by Lessor such financial statements as may be reasonably required by such lender or purchaser, including but not limited to Lessee's financial statements for the past 3 years. All such financial statements shall be received by Lessor and such lender or purchaser in confidence and shall be used only for the purposes herein set forth.

17. Definition of Lessor. The term "Lessor" as used herein shall mean the owner or owners at the time in question of the fee title to the Premises, or, if this is a sublease, of the Lessee's interest in the prior lease. In the event of a transfer of Lessor's title or interest in the Premises or this Lease, Lessor shall deliver to the transferee or assignee (in cash or by credit) any unused Security Deposit held by Lessor. Upon such transfer or assignment and delivery of the Security Deposit, as aforesaid, the prior Lessor shall be relieved of all liability with respect to the obligations and/or covenants under this Lease thereafter to be performed by the Lessor. Subject to the foregoing, the obligations and/or covenants in this Lease to be performed by the Lessor shall be binding only upon the Lessor as hereinabove defined.

18. Severability. The invalidity of any provision of this Lease, as determined by a court of competent jurisdiction, shall in no way affect the validity of any other provision hereof.

19. Days. Unless otherwise specifically indicated to the contrary, the word "days" as used in this Lease shall mean and refer to calendar days.

20. Limitation on Liability. The obligations of Lessor under this Lease shall not constitute personal obligations of Lessor or its partners, members, directors, officers or shareholders, and Lessee shall look to the Project, and to no other assets of Lessor, for the satisfaction of any liability of Lessor with respect to this Lease, and shall not seek recourse against Lessor's partners, members, directors, officers or shareholders, or any of their personal assets for such satisfaction.

21. Time of Essence. Time is of the essence with respect to the performance of all obligations to be performed or observed by the Parties under this Lease.

22. No Prior or Other Agreements; Broker Disclaimer. This Lease contains all agreements between the Parties with respect to any matter mentioned herein, and no other prior or contemporaneous agreement or understanding shall be effective. Lessor and Lessee each represents and warrants to the Brokers that it has made, and is relying solely upon, its own investigation as to the nature, quality, character and financial responsibility of the other Party to this Lease and as to the use, nature, quality and character of the Premises. Brokers have no responsibility with respect thereto or with respect to any default or breach hereof by either Party.

23. Notices.

23.1 Notice Requirements. All notices required or permitted by this Lease or applicable law shall be in writing and may be delivered in person (by hand or by courier) or may be sent by regular, certified or registered mail or U.S. Postal Service Express Mail, with postage prepaid, or by facsimile transmission, and shall be deemed sufficiently given if served in a manner specified in this Paragraph 23. The addresses noted adjacent to a Party's signature on this Lease shall be that Party's address for delivery or mailing of notices. Either Party may by written notice to the other specify a different address for notice, except that upon Lessee's taking possession of the Premises, the Premises shall constitute Lessee's address for notice. A copy of all notices to Lessor shall be concurrently transmitted to such party or parties at such addresses as Lessor may from time to time hereafter designate in writing.

23.2 Date of Notice. Any notice sent by registered or certified mail, return receipt requested, shall be deemed given on the date of delivery shown on the receipt card, or if no delivery date is shown, the postmark thereon. If sent by regular mail the notice shall be deemed given 72 hours after the same is addressed as required herein and mailed with postage prepaid. Notices delivered by United States Express Mail or overnight courier that guarantees next day delivery shall be deemed given 24 hours after delivery of the same to the Postal Service or courier. Notices transmitted by facsimile transmission or similar means shall be deemed delivered upon telephone confirmation of receipt (confirmation report from fax machine is

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sufficient), provided a copy is also delivered via delivery or mail. If notice is received on a Saturday, Sunday or legal holiday, it shall be deemed received on the next business day.

24. Waivers.

(a) No waiver by Lessor of the Default or Breach of any term, covenant or condition hereof by Lessee, shall be deemed a waiver of any other term, covenant or condition hereof, or of any subsequent Default or Breach by Lessee of the same or of any other term, covenant or condition hereof. Lessor's consent to, or approval of, any act shall not be deemed to render unnecessary the obtaining of Lessor's consent to, or approval of, any subsequent or similar act by Lessee, or be construed as the basis of an estoppel to enforce the provision or provisions of this Lease requiring such consent.

(b) The acceptance of Rent by Lessor shall not be a waiver of any Default or Breach by Lessee. Any payment by Lessee may be accepted by Lessor on account of moneys or damages due Lessor, notwithstanding any qualifying statements or conditions made by Lessee in connection therewith, which such statements and/or conditions shall be of no force or effect whatsoever unless specifically agreed to in writing by Lessor at or before the time of deposit of such payment.

(c) **THE PARTIES AGREE THAT THE TERMS OF THIS LEASE SHALL GOVERN WITH REGARD TO ALL MATTERS RELATED THERETO AND HEREBY WAIVE THE PROVISIONS OF ANY PRESENT OR FUTURE STATUTE TO THE EXTENT THAT SUCH STATUTE IS INCONSISTENT WITH THIS LEASE.**

25. Disclosures Regarding The Nature of a Real Estate Agency Relationship.

(a) When entering into a discussion with a real estate agent regarding a real estate transaction, a Lessor or Lessee should from the outset understand what type of agency relationship or representation it has with the agent or agents in the transaction. Lessor and Lessee acknowledge being advised by the Brokers in this transaction, as follows:

(i) **Lessor's Agent.** A Lessor's agent under a listing agreement with the Lessor acts as the agent for the Lessor only. A Lessor's agent or subagent has the following affirmative obligations: **To the Lessor:** A fiduciary duty of utmost care, integrity, honesty, and loyalty in dealings with the Lessor. **To the Lessee and the Lessor:** a. Diligent exercise of reasonable skills and care in performance of the agent's duties. b. A duty of honest and fair dealing and good faith. c. A duty to disclose all facts known to the agent materially affecting the value or desirability of the property that are not known to, or within the diligent attention and observation of, the Parties. An agent is not obligated to reveal to either Party any confidential information obtained from the other Party which does not involve the affirmative duties set forth above.

(ii) **Lessee's Agent.** An agent can agree to act as agent for the Lessee only. In these situations, the agent is not the Lessor's agent, even if by agreement the agent may receive compensation for services rendered, either in full or in part from the Lessor. An agent acting only for a Lessee has the following affirmative obligations. **To the Lessee:** A fiduciary duty of utmost care, integrity, honesty, and loyalty in dealings with the Lessee. **To the Lessee and the Lessor:** a. Diligent exercise of reasonable skills and care in performance of the agent's duties. b. A duty of honest and fair dealing and good faith. c. A duty to disclose all facts known to the agent materially affecting the value or desirability of the property that are not known to, or within the diligent attention and observation of, the Parties. An agent is not obligated to reveal to either Party any confidential information obtained from the other Party which does not involve the affirmative duties set forth above.

(iii) **Agent Representing Both Lessor and Lessee.** A real estate agent, either acting directly or through one or more associate licensees, can legally be the agent of both the Lessor and the Lessee in a transaction, but only with the knowledge and consent of both the Lessor and the Lessee. In a dual agency situation, the agent has the following affirmative obligations to both the Lessor and the Lessee: a. A fiduciary duty of utmost care, integrity, honesty and loyalty in the dealings with either Lessor or the Lessee. b. Other duties to the Lessor and the Lessee as stated above in subparagraphs (i) or (ii). In representing both Lessor and Lessee, the agent may not without the express permission of the respective Party, disclose to the other Party that the Lessor will accept rent in an amount less than that indicated in the listing or that the Lessee is willing to pay a higher rent than that offered. The above duties of the agent in a real estate transaction do not relieve a Lessor or Lessee from the responsibility to protect their own interests. Lessor and Lessee should carefully read all agreements to assure that they adequately express their understanding of the transaction. A real estate agent is a person qualified to advise about real estate. If legal or tax advice is desired, consult a competent professional.

(b) Brokers have no responsibility with respect to any default or breach hereof by either Party. The Parties agree that no lawsuit or other legal proceeding involving any breach of duty, error or omission relating to this Lease may be brought against Broker more than one year after the Start Date and that the liability (including court costs and attorneys' fees), of any Broker with respect to any such lawsuit and/or legal proceeding shall not exceed the fee received by such Broker pursuant to this Lease; provided, however, that the foregoing limitation on each Broker's liability shall not be applicable to any gross negligence or willful misconduct of such Broker.

(c) Lessor and Lessee agree to identify to Brokers as "Confidential" any communication or information given Brokers that is considered by such Party to be confidential.

26. No Right to Holdover. Lessee has no right to retain possession of the Premises or any part thereof beyond the expiration or termination of this Lease. In the event that Lessee holds over, then the Base Rent shall be increased to 150% of the Base Rent applicable immediately preceding the expiration or termination. Nothing contained herein shall be construed as consent by Lessor to any holding over by Lessee.

27. Cumulative Remedies. No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law or in equity.

28. Covenants and Conditions; Construction of Agreement. All provisions of this Lease to be observed or performed by Lessee are both covenants and conditions. In construing this Lease, all headings and titles are for the convenience of the Parties only and shall not be considered a part of this Lease. Whenever required by the context, the singular shall include the plural and vice versa. This Lease shall not be construed as if prepared by one of the Parties, but rather according to its fair meaning as a whole, as if both Parties had prepared it.

29. Binding Effect; Choice of Law. This Lease shall be binding upon the Parties, their personal representatives, successors and assigns and be governed by the laws of the State in which the Premises are located. Any litigation between the Parties hereto concerning this Lease shall be initiated in the county in which the Premises are located.

30. Subordination; Attornment; Non-Disturbance.

30.1 Subordination. This Lease and any Option granted hereby shall be subject and subordinate to any ground lease, mortgage, deed of trust, or other hypothecation or security device (collectively, "**Security Device**"), now or hereafter placed upon the Premises, to any and all advances made on the security thereof, and to all renewals, modifications, and extensions thereof. Lessee agrees that the holders of any such Security Devices (in this Lease together referred to as "**Lender**") shall have no liability or obligation to perform any of the obligations of Lessor under this Lease. Any Lender may elect to have this Lease and/or any Option granted hereby superior to the lien of its Security Device by giving written notice thereof to Lessee, whereupon this Lease and such Options shall be deemed prior to such Security Device, notwithstanding the relative dates of the documentation or recordation thereof.

30.2 Attornment. In the event that Lessor transfers title to the Premises, or the Premises are acquired by another upon the foreclosure or termination of a Security Device to which this Lease is subordinated (i) Lessee shall, subject to the non-disturbance provisions of Paragraph 30.3, attorn to such new owner, and upon request, enter into a new lease, containing all of the terms and provisions of this Lease, with such new owner for the remainder of the term hereof, or, at the election of the new owner, this Lease will automatically become a new lease between Lessee and such new owner, and (ii) Lessor shall thereafter be relieved of any further obligations hereunder and such new owner shall assume all of Lessor's obligations, except that such new owner shall not: (a) be liable for any act or omission of any prior lessor or with respect to events occurring prior to acquisition of ownership; (b) be subject to any offsets or defenses which Lessee might have against any prior lessor, (c) be bound by prepayment of more than one month's rent, or (d) be liable for the return of any security deposit paid to any prior lessor which was not paid or credited to such new owner.

30.3 Non-Disturbance. With respect to Security Devices entered into by Lessor after the execution of this Lease, Lessee's subordination of this Lease shall be subject to receiving a commercially reasonable non-disturbance agreement (a "**Non-Disturbance Agreement**") from the Lender which Non-Disturbance Agreement provides that Lessee's possession of the Premises, and this Lease, including any options to extend the term hereof, will not be disturbed so long as Lessee is not in Breach hereof and attorns to the record owner of the Premises. Further, within 60 days after the execution of this Lease, Lessor shall, if requested by Lessee, use its commercially reasonable efforts to obtain a Non-Disturbance Agreement from the holder of any pre-existing Security Device which is secured by the Premises. In the event that Lessor is unable to provide the Non-Disturbance Agreement within said 60 days, then Lessee may, at Lessee's option, directly contact Lender and attempt to negotiate for the execution and delivery of a Non-Disturbance Agreement.

30.4 Self-Executing. The agreements contained in this Paragraph 30 shall be effective without the execution of any further documents; provided, however, that, upon written request from Lessor or a Lender in connection with a sale, financing or refinancing of the Premises, Lessee and Lessor shall execute such further writings as may be reasonably required to separately document any subordination, attornment and/or Non-Disturbance Agreement provided for herein.

31. Attorneys' Fees. If any Party or Broker brings an action or proceeding involving the Premises whether founded in tort, contract or equity, or to declare rights hereunder, the Prevailing Party (as hereafter defined) in any such proceeding, action, or appeal thereon, shall be entitled to reasonable attorneys' fees. Such fees may be awarded in the same suit or recovered in a separate suit, whether or not such action or proceeding is pursued to decision or judgment. The term, "**Prevailing Party**" shall include, without limitation, a Party or Broker who substantially obtains or defeats the relief sought, as the case may be, whether by compromise, settlement, judgment, or the abandonment by the other Party or Broker of its claim or defense. The attorneys' fees award shall not be computed in accordance with any court fee schedule, but shall be such as to fully reimburse all attorneys' fees

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reasonably incurred. In addition, Lessor shall be entitled to attorneys' fees, costs and expenses incurred in the preparation and service of notices of Default and consultations in connection therewith, whether or not a legal action is subsequently commenced in connection with such Default or resulting Breach (\$200 is a reasonable minimum per occurrence for such services and consultation).

32. **Lessor's Access; Showing Premises; Repairs.** Lessor and Lessor's agents shall have the right to enter the Premises at any time, in the case of an emergency, and otherwise at reasonable times after reasonable prior notice for the purpose of showing the same to prospective purchasers, lenders, or tenants, and making such alterations, repairs, improvements or additions to the Premises as Lessor may deem necessary or desirable and the erecting, using and maintaining of utilities, services, pipes and conduits through the Premises and/or other premises as long as there is no material adverse effect on Lessee's use of the Premises. All such activities shall be without abatement of rent or liability to Lessee.

33. **Auctions.** Lessee shall not conduct, nor permit to be conducted, any auction upon the Premises without Lessor's prior written consent. Lessor shall not be obligated to exercise any standard of reasonableness in determining whether to permit an auction.

34. **Signs.** Lessor may place on the Premises ordinary "For Sale" signs at any time and ordinary "For Lease" signs during the last 6 months of the term hereof. Lessor may not place any sign on the exterior of the Building that covers any of the windows of the Premises. Except for ordinary "For Sublease" signs which may be placed only on the Premises, Lessee shall not place any sign upon the Project without Lessor's prior written consent. All signs must comply with all Applicable Requirements.

35. **Termination; Merger.** Unless specifically stated otherwise in writing by Lessor, the voluntary or other surrender of this Lease by Lessee, the mutual termination or cancellation hereof, or a termination hereof by Lessor for Breach by Lessee, shall automatically terminate any sublease or lesser estate in the Premises; provided, however, that Lessor may elect to continue any one or all existing subtenancies. Lessor's failure within 10 days following any such event to elect to the contrary by written notice to the holder of any such lesser interest, shall constitute Lessor's election to have such event constitute the termination of such interest.

36. **Consents.** Except as otherwise provided herein, wherever in this Lease the consent of a Party is required to an act by or for the other Party, such consent shall not be unreasonably withheld or delayed. Lessor's actual reasonable costs and expenses (including but not limited to architects', attorneys', engineers' and other consultants' fees) incurred in the consideration of, or response to, a request by Lessee for any Lessor consent, including but not limited to consents to an assignment, a subletting or the presence or use of a Hazardous Substance, shall be paid by Lessee upon receipt of an invoice and supporting documentation therefor. Lessor's consent to any act, assignment or subletting shall not constitute an acknowledgment that no Default or Breach by Lessee of this Lease exists, nor shall such consent be deemed a waiver of any then existing Default or Breach, except as may be otherwise specifically stated in writing by Lessor at the time of such consent. The failure to specify herein any particular condition to Lessor's consent shall not preclude the imposition by Lessor at the time of consent of such further or other conditions as are then reasonable with reference to the particular matter for which consent is being given. In the event that either Party disagrees with any determination made by the other hereunder and reasonably requests the reasons for such determination, the determining party shall furnish its reasons in writing and in reasonable detail within 10 business days following such request.

37. **Guarantor.**

37.1 **Execution.** The Guarantors, if any, shall each execute a guaranty in the form most recently published by the AIR Commercial Real Estate Association.

37.2 **Default.** It shall constitute a Default of the Lessee if any Guarantor fails or refuses, upon request to provide: (a) evidence of the execution of the guaranty, including the authority of the party signing on Guarantor's behalf to obligate Guarantor, and in the case of a corporate Guarantor, a certified copy of a resolution of its board of directors authorizing the making of such guaranty, (b) current financial statements, (c) an Estoppel Certificate, or (d) written confirmation that the guaranty is still in effect.

38. **Quiet Possession.** Subject to payment by Lessee of the Rent and performance of all of the covenants, conditions and provisions on Lessee's part to be observed and performed under this Lease, Lessee shall have quiet possession and quiet enjoyment of the Premises during the term hereof.

39. **Options.** If Lessee is granted an Option, as defined below, then the following provisions shall apply.

39.1 **Definition.** "Option" shall mean: (a) the right to extend or reduce the term of or renew this Lease or to extend or reduce the term of or renew any lease that Lessee has on other property of Lessor; (b) the right of first refusal or first offer to lease either the Premises or other property of Lessor; (c) the right to purchase, the right of first offer to purchase or the right of first refusal to purchase the Premises or other property of Lessor.

39.2 **Options Personal To Original Lessee.** Any Option granted to Lessee in this Lease is personal to the original Lessee, and cannot be assigned or exercised by anyone other than said original Lessee and only while the original Lessee is in full possession of the Premises and, if requested by Lessor, with Lessee certifying that Lessee has no intention of thereafter assigning or subletting.

39.3 **Multiple Options.** In the event that Lessee has any multiple Options to extend or renew this Lease, a later Option cannot be exercised unless the prior Options have been validly exercised.

39.4 **Effect of Default on Options.**

(a) Lessee shall have no right to exercise an Option: (i) during the period commencing with the giving of any notice of Default and continuing until said Default is cured, (ii) during the period of time any Rent is unpaid (without regard to whether notice thereof is given Lessee), (iii) during the time Lessee is in Breach of this Lease, or (iv) in the event that Lessee has been given 3 or more notices of separate Default, whether or not the Defaults are cured, during the 12 month period immediately preceding the exercise of the Option.

(b) The period of time within which an Option may be exercised shall not be extended or enlarged by reason of Lessee's inability to exercise an Option because of the provisions of Paragraph 39.4(a).

(c) An Option shall terminate and be of no further force or effect, notwithstanding Lessee's due and timely exercise of the Option, if, after such exercise and prior to the commencement of the extended term or completion of the purchase, (i) Lessee fails to pay Rent for a period of 30 days after such Rent becomes due (without any necessity of Lessor to give notice thereof), or (ii) if Lessee commits a Breach of this Lease.

40. **Security Measures.** Lessee hereby acknowledges that the Rent payable to Lessor hereunder does not include the cost of guard service or other security measures, and that Lessor shall have no obligation whatsoever to provide same. Lessee assumes all responsibility for the protection of the Premises, Lessee, its agents and invitees and their property from the acts of third parties. In the event, however, that Lessor should elect to provide security services, then the cost thereof shall be an Operating Expense.

41. **Reservations.**

(a) Lessor reserves the right: (i) to grant, without the consent or joinder of Lessee, such easements, rights and dedications that Lessor deems necessary, (ii) to cause the recordation of parcel maps and restrictions, (iii) to create and/or install new utility raceways, so long as such easements, rights, dedications, maps, restrictions, and utility raceways do not unreasonably interfere with the use of the Premises by Lessee. Lessor may also: change the name, address or title of the Building or Project upon at least 90 days prior written notice; provide and install, at Lessee's expense, Building standard graphics on the door of the Premises and such portions of the Common Areas as Lessor shall reasonably deem appropriate; grant to any lessee the exclusive right to conduct any business as long as such exclusive right does not conflict with any rights expressly given herein; and to place such signs, notices or displays as Lessor reasonably deems necessary or advisable upon the roof, exterior of the Building or the Project or on signs in the Common Areas. Lessee agrees to sign any documents reasonably requested by Lessor to effectuate such rights. The obstruction of Lessee's view, air, or light by any structure erected in the vicinity of the Building, whether by Lessor or third parties, shall in no way affect this Lease or impose any liability upon Lessor.

(b) Lessor also reserves the right to move Lessee to other space of comparable size in the Building or Project. Lessor must provide at least 45 days prior written notice of such move, and the new space must contain improvements of comparable quality to those contained within the Premises. Lessor shall pay the reasonable out of pocket costs that Lessee incurs with regard to such relocation, including the expenses of moving and necessary stationary revision costs. In no event, however, shall Lessor be required to pay an amount in excess of two months Base Rent. Lessee may not be relocated more than once during the term of this Lease.

(c) Lessee shall not: (i) use a representation (photographic or otherwise) of the Building or Project or their name(s) in connection with Lessee's business; or (ii) suffer or permit anyone, except in emergency, to go upon the roof of the Building.

42. **Performance Under Protest.** If at any time a dispute shall arise as to any amount or sum of money to be paid by one Party to the other under the provisions hereof, the Party against whom the obligation to pay the money is asserted shall have the right to make payment "under protest" and such payment shall not be regarded as a voluntary payment and there shall survive the right on the part of said Party to institute suit for recovery of such sum. If it shall be adjudged that there was no legal obligation on the part of said Party to pay such sum or any part thereof, said Party shall be entitled to recover such sum or so much thereof as it was not legally required to pay. A Party who does not initiate suit for the recovery of sums paid "under protest" within 6 months shall be deemed to have waived its right to protest such payment.

43. **Authority; Multiple Parties; Execution**

(a) If either Party hereto is a corporation, trust, limited liability company, partnership, or similar entity, each individual executing this Lease on behalf of such entity represents and warrants that he or she is duly authorized to execute and deliver this Lease on its behalf. Each Party shall, within 30 days after request, deliver to the other Party satisfactory evidence of such authority.

(b) If this Lease is executed by more than one person or entity as "Lessee", each such person or entity shall be jointly and severally liable hereunder. It is agreed that any one of the named Lessees shall be empowered to execute any amendment to this Lease, or other document ancillary thereto and bind all of the named Lessees, and Lessor may rely on the same as if all of the named Lessees had executed such

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document.

(c) This Lease may be executed by the Parties in counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

44. **Conflict.** Any conflict between the printed provisions of this Lease and the typewritten or handwritten provisions shall be controlled by the typewritten or handwritten provisions.

45. **Offer.** Preparation of this Lease by either party or their agent and submission of same to the other Party shall not be deemed an offer to lease to the other Party. This Lease is not intended to be binding until executed and delivered by all Parties hereto.

46. **Amendments.** This Lease may be modified only in writing, signed by the Parties in interest at the time of the modification. As long as they do not materially change Lessee's obligations hereunder, Lessee agrees to make such reasonable nonmonetary modifications to this Lease as may be reasonably required by a Lender in connection with the obtaining of normal financing or refinancing of the Premises.

47. **Waiver of Jury Trial.** THE PARTIES HEREBY WAIVE THEIR RESPECTIVE RIGHTS TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING INVOLVING THE PROPERTY OR ARISING OUT OF THIS AGREEMENT.

48. **Arbitration of Disputes.** An Addendum requiring the Arbitration of all disputes between the Parties and/or Brokers arising out of this Lease ☐ is ☒ is not attached to this Lease.

49. **Americans with Disabilities Act.** Since compliance with the Americans with Disabilities Act (ADA) is dependent upon Lessee's specific use of the Premises, Lessor makes no warranty or representation as to whether or not the Premises comply with ADA or any similar legislation. In the event that Lessee's use of the Premises requires modifications or additions to the Premises in order to be in ADA compliance, Lessee agrees to make any such necessary modifications and/or additions at Lessee's expense.

LESSOR AND LESSEE HAVE CAREFULLY READ AND REVIEWED THIS LEASE AND EACH TERM AND PROVISION CONTAINED HEREIN, AND BY THE EXECUTION OF THIS LEASE SHOW THEIR INFORMED AND VOLUNTARY CONSENT THERETO. THE PARTIES HEREBY AGREE THAT, AT THE TIME THIS LEASE IS EXECUTED, THE TERMS OF THIS LEASE ARE COMMERCIALY REASONABLE AND EFFECTUATE THE INTENT AND PURPOSE OF LESSOR AND LESSEE WITH RESPECT TO THE PREMISES.

ATTENTION: NO REPRESENTATION OR RECOMMENDATION IS MADE BY THE AIR COMMERCIAL REAL ESTATE ASSOCIATION OR BY ANY BROKER AS TO THE LEGAL SUFFICIENCY, LEGAL EFFECT, OR TAX CONSEQUENCES OF THIS LEASE OR THE TRANSACTION TO WHICH IT RELATES. THE PARTIES ARE URGED TO:

1. SEEK ADVICE OF COUNSEL AS TO THE LEGAL AND TAX CONSEQUENCES OF THIS LEASE.

2. RETAIN APPROPRIATE CONSULTANTS TO REVIEW AND INVESTIGATE THE CONDITION OF THE PREMISES. SAID INVESTIGATION SHOULD INCLUDE BUT NOT BE LIMITED TO: THE POSSIBLE PRESENCE OF HAZARDOUS SUBSTANCES, THE ZONING AND SIZE OF THE PREMISES, THE STRUCTURAL INTEGRITY, THE CONDITION OF THE ROOF AND OPERATING SYSTEMS, COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT AND THE SUITABILITY OF THE PREMISES FOR LESSEE'S INTENDED USE.

WARNING: IF THE PREMISES ARE LOCATED IN A STATE OTHER THAN CALIFORNIA, CERTAIN PROVISIONS OF THE LEASE MAY NEED TO BE REVISED TO COMPLY WITH THE LAWS OF THE STATE IN WHICH THE PREMISES ARE LOCATED.

The parties hereto have executed this Lease at the place and on the dates specified above their respective signatures.

Executed at:

On:

Executed at:

On:

By LESSOR:

279 Arrow, LLC

By:

Name Printed: Alan Kohn

Title: Managing Member

By:

Name Printed:

Title:

Address: 2440 E. 56th Street

Los Angeles, California 90058

Telephone: (323) 583-3366

Facsimile: (323) 583-7601

Email:

Email:

Federal ID No.

By LESSEE:

Southern California Joint Pole Committee, a
California Nonprofit Corporation

By:

Name Printed: Jennie Corella

Title: Manager of Operations

By:

Name Printed:

Title:

Address: 279 E. Arrow Hwy., Suite 104

San Dimas, California 91773

Telephone: (909) 348-6920

Facsimile: (909) 348-5925

Email:

Email:

Federal ID No.

LESSOR'S BROKER:

Lee & Associates@-Ontario

Attn: Todd Launchbaugh, SIOR/Justin Leewood

Address: 3535 Inland Empire Blvd.

Ontario, California 91764

Telephone: (909) 989-7771

Facsimile: (909) 944-8250

Email: tlaunchbaugh@lee-assoc.com/jleewood@lee-assoc.com

Broker/Agent DRE License #: 01059250/01837452

LESSEE'S BROKER:

Carter and Associates

Attn: Shirley Carter

Address: 20955 Pathfinder Road, Suite 100

Diamond Bar, California 91765

Telephone: (909) 762-9172

Facsimile: (909) 860-8470

Email:

Broker/Agent DRE License #: 01011016

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INITIALS

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FORM OFG-9-3/10E

**ADDENDUM TO LEASE
DATED DECEMBER 29, 2011,
FOR THE PROPERTY LOCATED AT
279 E. ARROW HWY., SUITE 104
SAN DIMAS, CALIFORNIA 91773**

50: Rent Increases:

On April 1, 2013 the rent will increase to \$6,750.74 per month.
On April 1, 2014 the rent will increase to \$6,987.01 per month.
On April 1, 2015 the rent will increase to \$7,231.56 per month.
On April 1, 2016 the rent will increase to \$7,484.66 per month.
On April 1, 2017 the rent will increase to \$7,746.62 per month.
On April 1, 2018 the rent will increase to \$8,017.76 per month.

51. Lessor Improvements:

Lessor, at Lessor's sole cost, shall provide the following improvements as shown on Exhibit B and subject to mutual approval of a final floor plan:

- A 40' x 35' conference room with a data conduit and electrical outlet in the floor and the ceiling, and a door to the common hallway
- 6 private offices
- Server/IT room with dedicated A/C unit
- Lunch/break room with 4' lower cabinet and sink
- Storage room
- Paint and carpet throughout the unit in Lessee's choice of one of Lessor's standard colors.
- Window blinds are at Lessee's cost

Initial

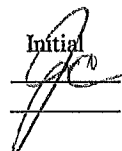
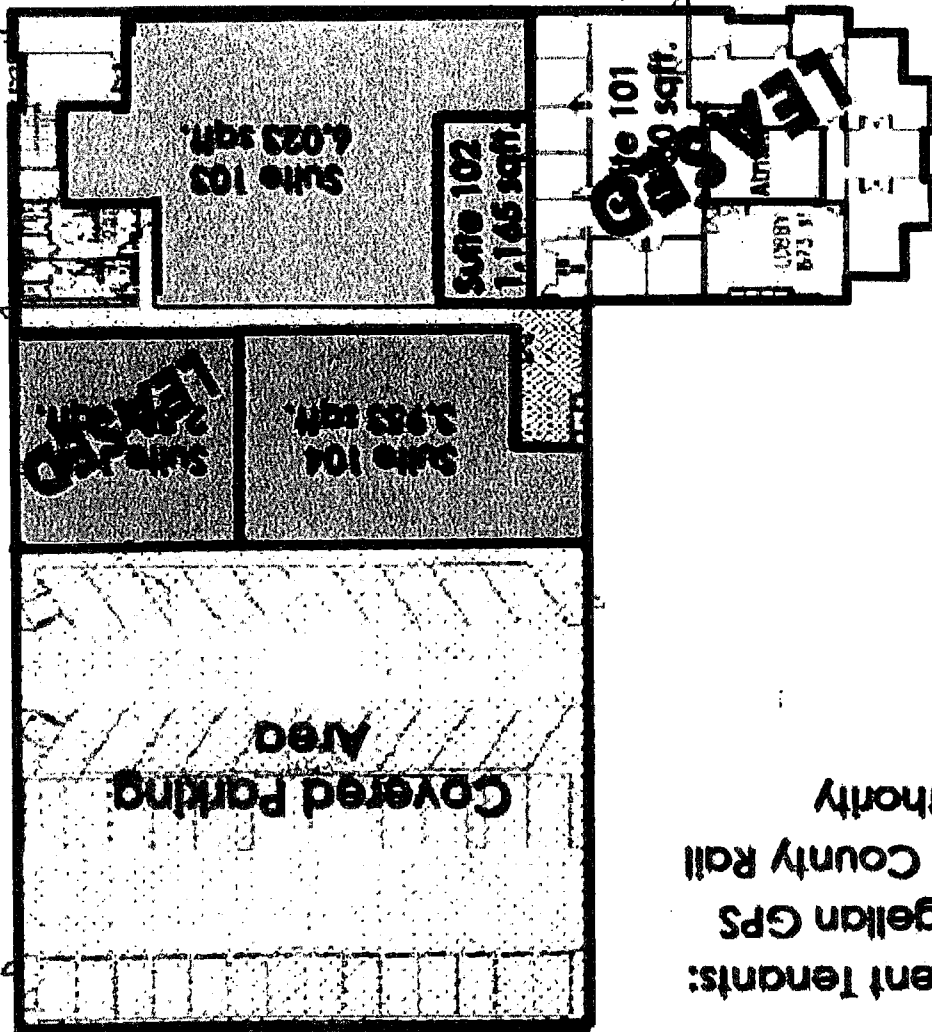

Initial


EXHIBIT "A"

279 E. Arrow Hwy., San Dimas

Current Tenants:
-Magellan GPS
-L.A. County Rail
Authority



For Further Information, Please Contact:

TODD LAUNCHBAUGH

TLAUNCHBAUGH@LEE-ASSOC.COM

LICENSE #01069250

909-373-2911

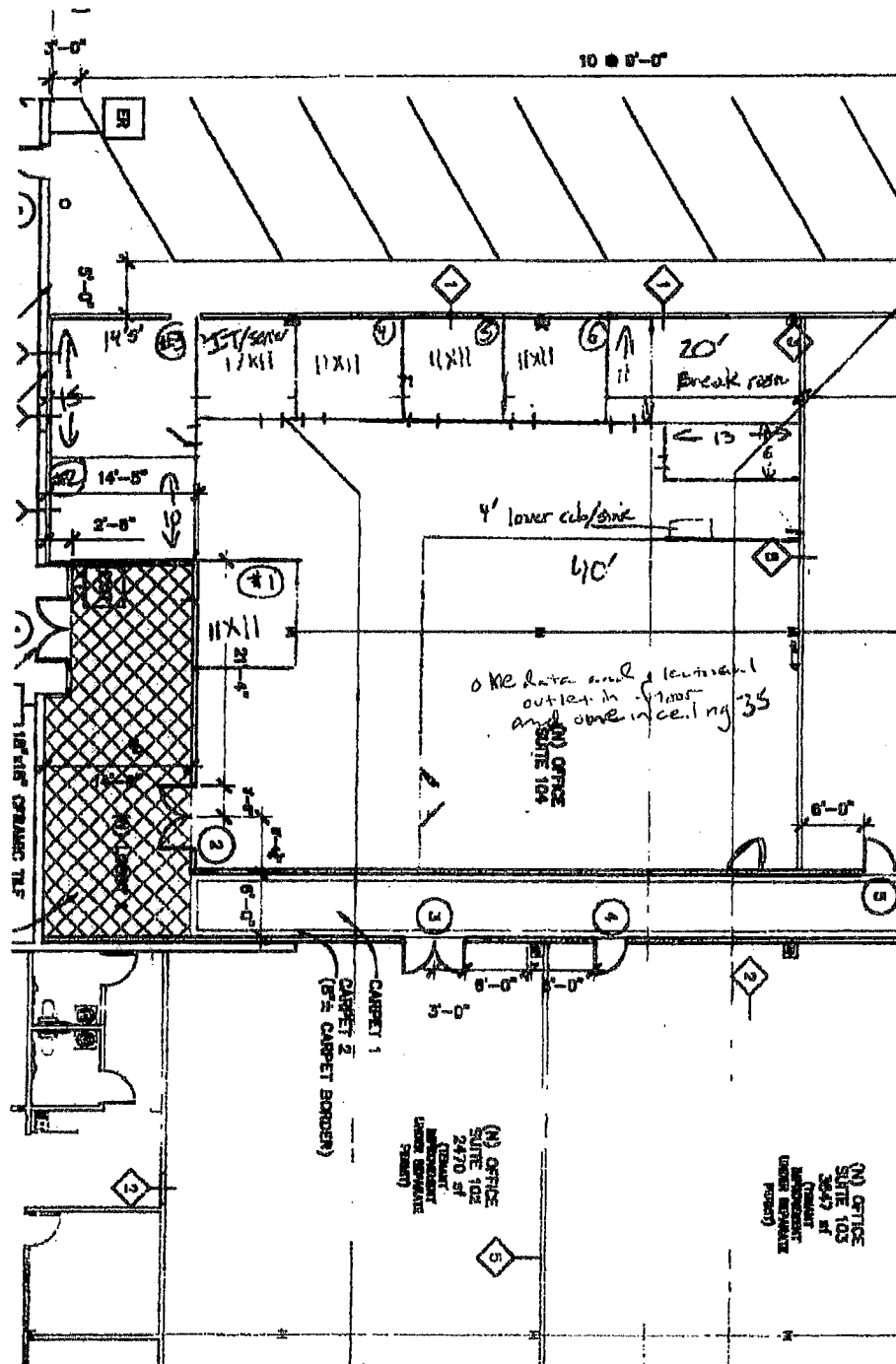
Lee & Associates
COMMERCIAL REAL ESTATE SERVICES

CORP. ID #00976995

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[Signature]

Initials
[Signature]

EXHIBIT "B"



AK
initials

JK
initials



RULES AND REGULATIONS FOR STANDARD OFFICE LEASE

Dated: December 29, 2011

By and Between 279 Arrow, LLC and Southern California Joint Pole Committee, a Nonprofit Corporation

GENERAL RULES

1. Lessee shall not suffer or permit the obstruction of any Common Areas, including driveways, walkways and stairways.
2. Lessor reserves the right to refuse access to any persons Lessor in good faith judges to be a threat to the safety and reputation of the Project and its occupants.
3. Lessee shall not make or permit any noise or odors that annoy or interfere with other lessees or persons having business within the Project.
4. Lessee shall not keep animals or birds within the Project, and shall not bring bicycles, motorcycles or other vehicles into areas not designated as authorized for same.
5. Lessee shall not make, suffer or permit litter except in appropriate receptacles for that purpose.
6. Lessee shall not alter any lock or install new or additional locks or bolts.
7. Lessee shall be responsible for the inappropriate use of any toilet rooms, plumbing or other utilities. No foreign substances of any kind are to be inserted therein.
8. Lessee shall not deface the walls, partitions or other surfaces of the Premises or Project.
9. Lessee shall not suffer or permit anything in or around the Premises or Building that causes excessive vibration or floor loading in any part of the Project.
10. Furniture, significant freight and equipment shall be moved into or out of the building only with the Lessor's knowledge and consent, and subject to such reasonable limitations, techniques and timing, as may be designated by Lessor. Lessee shall be responsible for any damage to the Office Building Project arising from any such activity.
11. Lessee shall not employ any service or contractor for services or work to be performed in the Building, except as approved by Lessor.
12. Lessor reserves the right to close and lock the Building on Saturdays, Sundays and Building Holidays, and on other days between the hours of _____ P.M. and _____ A.M. of the following day. If Lessee uses the Premises during such periods, Lessee shall be responsible for securely locking any doors it may have opened for entry.
13. Lessee shall return all keys at the termination of its tenancy and shall be responsible for the cost of replacing any keys that are lost.
14. No window coverings, shades or awnings shall be installed or used by Lessee.
15. No Lessee, employee or invitee shall go upon the roof of the Building.
16. Lessee shall not suffer or permit smoking or carrying of lighted cigars or cigarettes in areas reasonably designated by Lessor or by applicable governmental agencies as non-smoking areas.
17. Lessee shall not use any method of heating or air conditioning other than as provided by Lessor.
18. Lessee shall not install, maintain or operate any vending machines upon the Premises without Lessor's written consent.
19. The Premises shall not be used for lodging or manufacturing, cooking or food preparation.
20. Lessee shall comply with all safety, fire protection and evacuation regulations established by Lessor or any applicable governmental agency.
21. Lessor reserves the right to waive any one of these rules or regulations, and/or as to any particular Lessee, and any such waiver shall not constitute a waiver of any other rule or regulation or any subsequent application thereof to such Lessee.
22. Lessee assumes all risks from theft or vandalism and agrees to keep its Premises locked as may be required.
23. Lessor reserves the right to make such other reasonable rules and regulations as it may from time to time deem necessary for the appropriate operation and safety of the Project and its occupants. Lessee agrees to abide by these and such rules and regulations.

PARKING RULES

1. Parking areas shall be used only for parking by vehicles no longer than full size, passenger automobiles herein called "Permitted Size Vehicles." Vehicles other than Permitted Size Vehicles are herein referred to as "Oversized Vehicles."
2. Lessee shall not permit or allow any vehicles that belong to or are controlled by Lessee or Lessee's employees, suppliers, shippers, customers, or invitees to be loaded, unloaded, or parked in areas other than those designated by Lessor for such activities.
3. Parking stickers or identification devices shall be the property of Lessor and be returned to Lessor by the holder thereof upon termination of the holder's parking privileges. Lessee will pay such replacement charge as is reasonably established by Lessor for the loss of such devices.
4. Lessor reserves the right to refuse the sale of monthly identification devices to any person or entity that willfully refuses to comply with the applicable rules, regulations, laws and/or agreements.
5. Lessor reserves the right to relocate all or a part of parking spaces from floor to floor, within one floor, and/or to reasonably adjacent offsite location(s), and to reasonably allocate them between compact and standard size spaces, as long as the same complies with applicable laws, ordinances and regulations.
6. Users of the parking area will obey all posted signs and park only in the areas designated for vehicle parking.
7. Unless otherwise instructed, every person using the parking area is required to park and lock his own vehicle. Lessor will not be responsible for any damage to vehicles, injury to persons or loss of property, all of which risks are assumed by the party using the parking area.
8. Validation, if established, will be permissible only by such method or methods as Lessor and/or its licensee may establish at rates generally applicable to visitor parking.
9. The maintenance, washing, waxing or cleaning of vehicles in the parking structure or Common Areas is prohibited.
10. Lessee shall be responsible for seeing that all of its employees, agents and invitees comply with the applicable parking rules, regulations, laws and agreements.
11. Lessor reserves the right to modify these rules and/or adopt such other reasonable and non-discriminatory rules and regulations as it may deem necessary for the proper operation of the parking area.
12. Such parking use as is herein provided is intended merely as a license only and no bailment is intended or shall be created hereby.

NOTICE: These forms are often modified to meet changing requirements of law and industry needs. Always write or call to make sure you are utilizing the most current form: AIR Commercial Real Estate Association, 800 W 6th Street, Suite 800, Los Angeles, CA 90017. Telephone No. (213) 687-8777. Fax No.: (213) 687-8616.

AK

INITIALS

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INITIALS

UNIFORM DISCLAIMER FORM LEASE FORM

1. **LEGAL EFFECT.** Lessor and Lessee acknowledge that the Proposal to Lease contained herein is not a lease, and that it is intended solely to establish deal points which will be used as the basis for the preparation of a lease by Lessor. The lease shall be subject to Lessor's and Lessee's approval, and only a fully executed and delivered lease shall constitute a legally binding lease for the Premises. Broker makes no warranty or representation to Lessor or Lessee that acceptance of this Proposal to Lease will guaranty the execution of a lease for the Premises.

Lessor and Lessee acknowledge that Broker is not qualified to practice law, nor authorized to give legal advice or counsel you as to any legal matters affecting this document. Broker hereby advises Lessor and Lessee to consult with their respective attorneys in connection with any questions each may have as to legal ramifications or effects of this document, prior to its execution.

2. **FORM OF LEASE.** This proposed document is a standard form document, and Broker makes no representations or warranties with respect to the adequacy of this document for either Lessor's or Lessor's particular purposes. Broker has, at the direction of Lessor and/or Lessee, "filled in the blanks" from information provided to Broker based on prior correspondence, discussions of the parties with respect to the Proposal to Lease, and subsequent counteroffers between the parties hereto. By initialing this paragraph, Lessor and Lessee acknowledge and agree that this document is delivered to each subject to the express condition that Broker has merely followed the instructions of the parties in preparing this document, and does not assume any responsibility for its accuracy, completeness or form. Lessor and Lessee acknowledge and agree that in providing this document, Broker has acted to expedite this transaction on behalf of Lessor and Lessee, and has functioned within the scope of professional ethics by doing so.

Lessor's Initials: AL Lessee's Initials: JP

3. **NO INDEPENDENT INVESTIGATION.** Lessor and Lessee acknowledge and understand that any financial statements, information, reports, or written materials of any nature whatsoever, as provided by the parties to Broker, and thereafter submitted by Broker to Lessor and/or Lessee, are so provided without any independent investigation by Broker, and as such Broker assumes no responsibility or liability for the accuracy or validity of the same. Any verification of such submitted documents is solely and completely the responsibility of the party to whom such documents have been submitted.
4. **NO WARRANTY.** Lessor and Lessee acknowledge and agree that no warranties, recommendations, or representations are made by the broker as to the accuracy, the legal sufficiency, the legal effect of the tax consequences of any of the documents submitted by Broker to Lessor and/or Lessee referenced in Paragraph 3 above, nor of the legal sufficiency, legal effect, or tax consequences of the transactions contemplated thereby. Furthermore, Lessor and Lessee acknowledge and agree that Broker has made no representations concerning the ability of the Lessee to use the Premises as intended, nor of the sufficiency or adequacy of the Premises for their intended use, and Lessee is relying solely on its own investigation of the Premises in accepting this Proposal to Lease.
5. **NOTICE REGARDING HAZARDOUS WASTES OR SUBSTANCES AND UNDERGROUND STORAGE TANKS.** Although Broker will disclose any knowledge it actually possesses with respect to the existence of any hazardous wastes, substances, or underground storage tanks at the Premises, Broker has not made any independent investigations or obtained reports with respect thereto, except as may be described in a separate written document signed by Broker. All parties hereto acknowledge and understand that Broker makes no representations regarding the existence or nonexistence of hazardous wastes, substances, or underground storage tanks at the Premises. Each party should contact a professional, such as a civil engineer, geologist, industrial hygienist or other persons with experience in these matters to advise you concerning the property.
6. **DISCLOSURE RESPECTING AMERICANS WITH DISABILITIES ACT.** The United States Congress has recently enacted the Americans With Disabilities Act. Among other things, this act is intended to make many business establishments equally accessible to persons with a variety of disabilities; modifications to real property may be required. State and local laws also may mandate changes. Broker is not qualified to advise you as to what, if any, changes may be required now or in the future. Broker recommends that you consult the attorneys and qualified design professionals of your choice for information regarding these matters.
7. **ATTORNEYS' FEES.** In any action, proceeding or arbitration arising out of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees and costs.
8. **ENTIRE AGREEMENT.** This document constitutes the entire agreement between parties with respect to the subject matter contained herein and supersedes all prior or contemporaneous agreements, representations, negotiations and understandings of the parties, other than such writings as may be executed and/or delivered by the parties pursuant hereto. There are no oral agreements or implied covenants by the Lessor or Lessee, or by their respective employees, or other representatives.

Date: 1-20-2012 Date: 1-12-2012
Lessor: [Signature] Lessee: [Signature]
279 Arrow, LLC Southern California Joint Pole
ALAN KOHN Committee, a California Nonprofit
JENNIE L. CORELLA

AMENDMENT DATED NOVEMBER 7, 2018
FOR THE STANDARD MULTI-TENANT OFFICE LEASE – GROSS
DATED DECEMBER 29, 2011
BY AND BETWEEN
279 ARROW, LLC, (“LESSOR”)
AND
SOUTHERN CALIFORNIA JOINT POLE COMMITTEE (“LESSEE”)
FOR THE PROPERTY LOCATED AT:
279 E. ARROW HWY., SUITE 104, SAN DIMAS, CA 91773

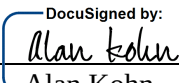
1. **Expiration Date:** The lease expiration date will be extended to June 30, 2026.
2. **Lessor’s Improvements:** Lessor, at Lessor’s sole cost, shall remodel the shower room, near the common restrooms in the hallway, into a single stall family restroom. Lessor shall also add up to 6 additional standard outlets in the interior of the suite in mutually agreeable locations.
3. **Pest Control:** Lessor shall monitor the premises and provide pest control monthly, which include but not limited to taking the following actions: treatment, spray, exterminate, and remove bugs when necessary.
- Lessor shall spray 5 days per week from the execution of this amendment through January 31, 2019.
 - Lessor shall spray once per week from February 1, 2019 to March 31, 2019.
 - Lessor shall spray twice per month from April 1, 2019 to May 31, 2019
 - Lessor shall spray once per month thereafter.
4. **Door Timers:** Lessor agrees to ensure the exterior common door timers allow the doors to be unlocked at a minimum from the hours of 6:00 a.m. to 4:30 p.m. on Mondays through Fridays.
5. **Kitchen Floors:** Lessor agrees to clean the kitchen floor or replace if needed.
6. **Flooring:** Lessor agrees to replace the carpet throughout the suite with a mutually agreeable color.
7. **Rent Schedule for the extended period from July 1, 2019 through June 30, 2026:**

<u>Months</u>	<u>Rent Per Month</u>
July 1, 2019 - June 30, 2020	\$8,017.76
July 1, 2020 - June 30, 2021	\$8,258.29
July 1, 2021 - June 30, 2022	\$8,506.04
July 1, 2022 - June 30, 2023	\$8,761.22
July 1, 2023 - June 30, 2024	\$9,024.06
July 1, 2024 - June 30, 2025	\$9,294.78
July 1, 2025 - June 30, 2026	\$9,573.62

All other terms remain the same.

Lessor:

279 Arrow, LLC

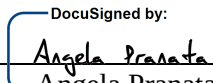
By: 
Alan Kohn

Title: Managing Member

Date: 1/22/2019

Lessee:

Southern California Joint Pole Committee

By: 
Angela Pranita

Title: Manager of Operations

Date: 1/22/2019


Lessor’s Initials


Lessee’s Initials

Southern California Joint Pole Committee

279 E. Arrow Hwy. Suite 104
San Dimas, CA 91773
Phone (909) 599-3801
Fax (909) 599-3825

June 21, 2023

A regular meeting of the **Operating Committee** took place on the above date, at 9:45 a.m., via teleconference:

Those in attendance were:

Mr. Lex Treepaisan	Frontier Communications
Mr. Glenn Leckie	Frontier Communications
Mr. Michael Wilke	City of Los Angeles
Ms. Alicia Walsh	Southern California Edison
Ms. April DeBarge	Southern California Edison
Mr. Michael Pearson	Southern California Edison
Mr. Kevin Flores	Southern California Edison
Ms. Marisol Bailey	Southern California Edison
Mr. Todd Dailey	AT&T California
Ms. Kay Black	AT&T California
Ms. Veronica Romero	AT&T California
Mr. Earle Carrion	Crown Castle NG West Inc.
Ms. Aarize Dizon	Crown Castle NG West Inc.
Mr. Robert Jystad	Crown Castle NG West Inc.
Mr. Jeremy Harmon	Verizon Wireless
Mr. Alex Parra	City of Riverside
Mr. John Vu	City of Anaheim
Mr. Arturo Garcia	City of Glendale
Mr. Michael Truong	City of Burbank
Ms. Maria Ortiz	XO Communications
Mr. Ben Coffey	City of Banning
Mr. Joe Armstrong	City of Pasadena
Ms. Yesenia Delgado	Time-Warner Cable
Ms. Lynne LaFrenais	Bear Valley Electric Service, Inc.
Ms. Dianell Caamano	AT&T Mobility
Ms. Ariel Dunning	City of Colton
Mr. David Campo	City of Lompoc
Mr. Nick Van Stryk	City of Vernon (Petrelli Electric)
Ms. Alicia Smith	Sprint Nextel/Sprint Communications
Ms. Shawn Henderson	T-Mobile USA
Ms. Linda McLean	Extenet Systems
Mr. Renzo Garzon	Mobilitie, LLC
Ms. Patti Ringo	Sonic Telecom, LLC
Ms. Angela Pranata	Committee Staff
Ms. Kathleen Allen	Committee Staff

Chairperson, Mr. Treepaisan called the meeting to order at 9:45 a.m. by addressing the first item on the agenda, the review of the **prior meeting minutes**.

There were no questions or comments.

The second agenda item is the review of the **May 2023 Operating expense sheets**.

There were no questions or comments.

The third agenda item is **Accounts Receivable**. Mr. Treepaisan stated he saw some on the emails with the invoices. Mr. Treepaisan inquired if list is getting smaller. Ms. Pranata replied yes and stated she is waiting for the check from Verizon Wireless.

There were no further questions or comments.

The fourth agenda item on the agenda is **Member Board Attendance**.

There were no questions or comments.

The fifth agenda item for discussion is **Billing Standardization of Procedures and Minutes**. Ms. Allen stated she had a staff meeting on May 31, 2023. Ms. Allen discussed with the staff Section 9.5 from the City of Vernon. The Section was used incorrectly and JPAs citing this Section should be returned. Ms. Allen informed the staff that JPAs needing 2023-2024 Authorized Costs are still on hold pending Committee approval. Ms. Allen also informed the staff that the 2023 Pole Prices were uploaded to the website the previous month and they could start billing JPAs needing 2023 Pole Prices. Additionally, Ms. Allen let the staff know that Time Warner Cable has individual prices for the first time in 2023. The staff also discussed what Pole Prices for 2023 have depreciated. Ms. Allen updated the percent sheet billers used for billing and Ms. Allen showed the staff some shortcuts when using the calculation aspect of the cheat sheets. Ms. Allen trained the staff on a few JPAs. A pole under Section 7.X where old pole is joint and new pole is multi. Items that are being billed under the old joint pole and charged at a joint cost is okay to bill as is. Even though the new pole is multi the charges are shown under the old joint pole. Billers are not to return these JPAs asking who to charge. Item 8A Pole Guards should be shown on JPAs as percent. For example. E .50 FTR .50 and not as $\frac{1}{2}$ (1) 8A. Lastly, Ms. Allen trained the staff on a Clear pole to be relinquished under Section 5.1A. Ms. Allen informed the staff this Section is invalid, and Section 9.3 must be used.

Ms. LaFrenais inquired where does it state when to use .50 .50 and when to use $\frac{1}{2}$ (1). Ms. Allen stated that she has notes that have been created before her time showing when to use .50 .50 and when to use $\frac{1}{2}$ (1). Ms. Allen stated she would be happy to send Ms. LaFrenais a list when to use .50 .50 and when to use $\frac{1}{2}$ (1) for item numbers.

Ms. DeBarge had a question and inquired what Sections are encompassed under Section 7.X. Ms. Allen stated that under Section 7.X, anchors, arms, and authorized costs Sections do not need to be shown on the JPA along with Section 7.X. For example, Sections 12 and Section 14 for anchors and arms and Section 10.8 for transferring would not need to be listed on the JPA with Section 7.X. Section 7.X would suffice.

Ms. DeBarge stated she had another question. Ms. DeBarge explained on a pole

Operating Committee – June 21, 2023– Page 2 of 5

a member is unauthorized for three feet. Ms. DeBarge's recollection is that they are to default to one foot. Ms. DeBarge inquired if that was still true. Ms. Allen stated if a member is unauthorized for three feet, and it is shown on the JPA the billers will bill by three feet. The only time billers are to default to one foot is when there is only grade shown and not space. For example, 24' grade. Billers would then default to one foot of space.

Ms. DeBarge had one last question and inquired if Ms. Allen could share what sequence the billers use when reviewing the JPA. Ms. Allen explained there is no sequence used. When a higher level, more experienced biller reviews the JPA they will glance through pages quickly and can pinpoint an error without necessarily reading the JPA line by line page by page. Lower level, less experienced billers tend to review the JPA line by line page by page.

There were no further questions or comments.

The sixth item on the agenda is **JPA Member Activity**.

- Please contact SCJPC (Angela) if members would like to meet with the SCJPC to discuss memos.
- 8.30 poles per JPA according to May 2023 B/S.
- No backlog, however, JPAs are on hold due to pending 2023-2024 Authorized Costs

Ms. Pranata reported the office processed 8,486 poles for May 2023 bill of sale. The office is holding 77 JPAs 293 poles pending Committee approval for the 2023-2024 Authorized Costs. Ms. Pranata added that the 2023-2024 Authorized Costs have been approved and all pending JPAs will be processed for July 2023 bill of sale.

Ms. DeBarge inquired about the total backlog. Ms. Pranata stated the total backlog is 77 JPAs 293 poles which are pending Committee approval for the 2023-2024 Authorized Costs. There is no other backlog.

There were no further questions or comments.

The seventh item on the agenda is **Miscellaneous Items**.

SCJPC Office update:

- *Office productivity without OT*
- *No overtime starting April Bill of Sale*
- *No backlog as of end of April 2023 bill of sale*
- *Decrease in member's Final submissions*
- *Waiting for 2023 forecast from all members*

Ms. Pranata displayed the *Productivity without Overtime* table. Ms. Pranata reiterated the staff processed 8,486 and Ms. Pranata has noticed that members have been submitting less JPAs than usual.

Ms. Pranata then displayed the *FORECAST UPDATED BASED ON ACTUAL DATA (updated 6/10/2023)*. Ms. Pranata reported the only JPAs that are pending are JPAs that required 2023-2024 Authorized Costs to final bill.

Ms. Pranata stated that there has been no overtime starting April 2023 bill of sale and there has been no backlog as of the end of April 2023 bill of sale. Ms. Pranata

reiterated the only JPAs pending are JPAs that required 2023-2024 Authorized Costs to final bill.

There were no further questions or comments.

Billing Errors/ Questions

Ms. DeBarge stated that SCE received a memo on a three-party pole saying SCE was missing the Section for the clearance attachment. One of the owners had a clearance attachment and the other two owners were joint. Ms. DeBarge's understanding is that Section 7.11 and Section 9 do not go together. Ms. DeBarge then inquired what Section should have been used. Ms. Allen explained since the pole is multi and there was a clearance attachment on the old pole and there is a clearance attachment on the new pole Section 9.4 would be needed and would have to be added to the JPA alongside Section 7.11.

There were no further questions or comments.

Lease Agreement

- *Real estate attorney \$425/hr – 2-3 hrs to review*
- *Action items from last month:*
- *Mr. Treepaisan to engage with Frontier Communication's Real Estate team and work on negotiations with the building landlord.*

Mr. Treepaisan stated he has engaged Frontier Communications Real Estate Team and they will reach out to the building owner and Ms. Pranata. They will look into the options of subleasing or early termination and come back with some options.

There were no questions or comments.

WTW Salary Analysis

- *Waiting for Admin Board approval*

Mr. Treepaisan stated this item was going to be voted on earlier at the Administrative Board. However, Mr. Bacon was absent, and he had some concerns last month. Therefore, the committee will wait for Mr. Bacon's return before proceeding with the vote.

There were no questions or comments.

Ms. Pranata's evaluation

Mr. Treepaisan stated he will hold an off-cycle meeting with members to conduct Ms. Pranata's performance evaluation. Mr. Treepaisan is looking at possibly the second week of July. Mr. Treepaisan will send out a notice and get some times and dates from members prior to scheduling.

There were no questions or comments.

MISC

There were no miscellaneous

Review of Action Items:

- Mr. Treepaisan to hold an off-cycle meeting with members to conduct Ms. Pranata's performance evaluation.

The meeting adjourned at 10:01 a.m. until July 19, 2023.

Transcribed by Ms. Kathleen Allen – Committee Staff

SOUTHERN CALIFORNIA JOINT POLE COMMITTEE
Statement of Operating Expenses and Capital Investments

OPERATING EXPENSES		May 31, 2023			YTD Through May, 31 2023				Annual
	Details	Budgeted	Recorded	Variance	Budgeted	Recorded	Variance	% Variance	Budget
<u>EMPLOYEE EXPENSE</u>									
Salaries		65,261	52,438.30	12,823	326,307	248,677.97	77,629	24%	783,138
Regular (Budgeted)	52,438.30	-	-	-	-	-	-		
		-	-	-	-	-	-		
		-	-	-	-	-	-		
Insurance		9,242	7,236.54	2,005	46,208	37,309.75	8,899	19%	110,900
Health/Dental	7,236.54		-	-	-	-	-		
Life (quarterly)			-	-	-	-	-		
			-	-	-	-	-		
Payroll Taxes		5,221	3,218.74	2,002	26,105	18,279.38	7,825	30%	62,651
			-	-	-	-	-		
Workers Compensation		261	1,688.16	(1,427)	1,305	2,728.80	(1,424)	-109%	3,132
Miscellaneous expenses/ Travel mileage reimbursement		21	-	21	104	11.56	93	89%	250
Telecommuting Reimbursement		9	-	9	45	108.00	(63)	-140%	108
			-	-		-	-		
<u>PENSION EXPENSE</u>									
Contribution-SEP IRA		5,520	4,607.90	912	27,598	24,167.01	3,431	12%	66,234
			-	-	-	-	-		
			-	-	-	-	-		
<u>MONTHLY RECURRING</u>									
Rent		9,879	9,700.60	178	49,395	48,503.00	892	2%	118,548
Alarm System		58	-	58	292	173.97	118	40%	700
Telephone & Internet	Cell, Fax, Internet, Business Voice	556	516.56	39	2,780	2,536.85	243	9%	6,672
Cisco WebEx Online Meeting		69	69.00	-	345	345.00	-	0%	828
Postage & Shipping		17	23.65	(7)	83	72.15	11	13%	200
Business/Property Insurance	Pro-Rated	179	-	179	896	1,345.00	(449)	-50%	2,150
			-	-	-	-	-		
			-	-	-	-	-		
<u>EQUIPMENT & FURNITURE</u>									
			-	-	-	-	-		
Copy Machine - CBE (repair, maintenance, supplies)	QUARTERLY	8	-	8	42	-	42	100%	100
						-			
						-			
						-			

SOUTHERN CALIFORNIA JOINT POLE COMMITTEE
Statement of Operating Expenses and Capital Investments

OPERATING EXPENSES		May 31, 2023			YTD Through May, 31 2023				Annual
	Details	Budgeted	Recorded	Variance	Budgeted	Recorded	Variance	% Variance	Budget
NETWORK SYSTEM						-			
Computer-LAN Maintenance Contract (IT service), offsite server backup, labor for on site support			1,372.75	(1,373)	8,042	6,149.50	1,892	0	19,300
FRIEND Support			400.00	(400)	3,500	2,000.00	1,500	43%	8,400
Hosting: SCJPC Website, Cloud Azure VM Server, Azure VM Licenses, Sharefile, Email, Domain		1,591	1,363.50	227	7,953	6,817.50	1,135	14%	19,087
Computer (repair, maintenance, supplies)		100	-	100	500	-	500	100%	1,200
						-			
PRINTING & SUPPLY						-			
Office Printing		8	-	8	42	-	42	100%	100
Office Supplies	Fire extinguisher yearly maintenance	54	69.50	(15)	271	230.89	40	15%	650
						-			
						-			
CONTRACT SERVICES						-			
CPA/Auditor	2021 & 2022 in 2023	833	905.00	(72)	4,167	905.00	3,262	78%	10,000
Attorney*		500	499.00	1	2,500	2,495.00	5	0%	6,000
						-			
GENERAL EXPENSE						-			
Payroll Service Fees		93	93.00	0	467	465.00	2	0%	1,120
Bank fees/Checks printing	Pro-Rated	8	-	8	42	-	42	100%	100
Publications/Subscriptions/Reference	Pro-Rated Docusign	21	45.00	(24)	104	180.00	(76)	-73%	250
Seminars, professional development, & tuition	Staff Seminar	117	239.88	(123)	583	239.88	343	59%	1,400
Team Building	Semi Annual	63	-	63	313	-	313	100%	750
Member Retirement plaques		42	-	42	208	-	208	100%	500
Scan & shred document		42	-	42	208	-	208	100%	500
Total Operating Expenses		99,772.32	84,487.08	15,285.24	510,403.27	403,741.21	106,453.73	21%	1,224,968

SOUTHERN CALIFORNIA JOINT POLE COMMITTEE
Statement of Operating Expenses and Capital Investments

OPERATING EXPENSES		May 31, 2023			YTD Through May, 31 2023				Annual
	Details	Budgeted	Recorded	Variance	Budgeted	Recorded	Variance	% Variance	Budget
CAPITAL INVESTMENTS AND LONG TERM LIABILITIES CURRENT									
<u>COMPUTER SYSTEM</u>									
Software Purchase and SCJPC website (minor) modification		130	-	130	650	218.30	432	66%	1,560
FRIEND modification*		2,813	-	2,813	14,063	-	14,063	100%	33,750
Website Upgrade (after FriendPro)		417	-	417	2,083	-	2,083	100%	5,000
<u>EQUIPMENT & FURNITURE</u>									
Purchases and leases (including Copy Machine)		371	337.26	34	1,854	1,686.30	168	9%	4,450
Hardware Purchase	Broken laptop replacement	125	1,183.65	(1,059)	625	1,183.65	(559)	-89%	1,500
<u>LONG TERM LIABILITY CURRENT</u>									
Total Capital Investments & Long Term Liabilities Current									
		3,855.00	1,520.91	2,334.09	19,275.00	3,088.25	16,186.75	84%	46,260
Interest Earned/Misc Income			(0.23)			(0.53)			
Ubiquity Application fee credit						(2,200.00)			
TOTAL									
		103,627.32	86,007.76	17,619.33	529,678.27	404,628.93	122,640.48	23%	1,271,228
*Items in blue are assessed equally									
6/7/2023									

Delinquent Accounts
As of 6/14/2023

MEMBERS ACCOUNTS RECEIVABLE - DELINQUENT ACCOUNTS

							PAST DUE NOTICES - DO NOT DELETE THIS INFORMATION Accounting staff: please enter past due sent info in each row/each cell				
Company Name	Invoice Month	Due By	FORMULA 60 Days past due	Amount	Invoice Number	Company Code	Past Due Notice Date Sent	Past due sent to & response notes	Past Due Notices Date by	Input By	Input Date
MCI Telecomm. (MCI)	January 2023	February 28, 2023	4/29/2023	\$ 907.96	21673	MCI	5/9/2023, 6/12/2023	Emailed: matthew.j.miller@verizon.com; MCI_ATS_JPA@motiveis.com	JT	GV	4/11/2023
MCI Telecomm. (MCI)	February 2023	March 31, 2023	5/30/2023	\$ 856.23	21705	MCI	6/12/2023	Emailed: matthew.j.miller@verizon.com; MCI_ATS_JPA@motiveis.com	JT	JT	5/9/2023
MCI Telecomm. (MCI)	March 2023	April 30, 2023	6/29/2023	\$ 863.62	21737	MCI		Not 60 days, will email the following month		JT	6/12/2023
MCI Metro/ATS	January 2023	February 28, 2023	4/29/2023	\$ 1,097.59	21672	ATS	5/9/2023, 6/12/2023	Emailed: matthew.j.miller@verizon.com; MCI_ATS_JPA@motiveis.com	JT	GV	4/11/2023
MCI Metro/ATS	February 2023	March 31, 2023	5/30/2023	\$ 1,037.04	21704	ATS	6/12/2023	Emailed: matthew.j.miller@verizon.com; MCI_ATS_JPA@motiveis.com	JT	JT	5/9/2023
MCI Metro/ATS	March 2023	April 30, 2023	6/29/2023	\$ 1,046.57	21736	ATS		Not 60 days, will email the following month		JT	6/12/2023
Mpower/Telepacific Comm	March 2023	April 30, 2023	6/29/2023	\$ 832.40	21734	ICG		Not 60 days, will email the following month		JT	6/12/2023
SPRINT-NEXTEL Corp	March 2023	April 30, 2023	6/29/2023	\$ 845.00	21732	SPR		Not 60 days, will email the following month		JT	6/12/2023
Verizon Wireless (Notice of default sent 5/5/2023, membership is subject for termination on July 3, 2023.)	August 2022	September 30, 2022	11/29/2022	\$ 396.00	21497	ATC	12/13/2022, 1/11/2023, 2/7/2023, 3/7/2023, 4/11/2023, 5/9/2023, 6/12/2023	Email sent to: ATCJPA@motiveis.com; Marco.Murillo@VerizonWireless.com; JHarmon@motiveis.com; kcasey@motiveis.com	JT, GV	JT	11/9/2022
Verizon Wireless (Notice of default sent 5/5/2023)	November 2022	December 31, 2022	3/1/2023	\$ 1,341.61	21593	ATC	3/7/2023, 4/11/2023, 5/9/2023, 6/12/2023	Email sent to: ATCJPA@motiveis.com; Marco.Murillo@VerizonWireless.com; JHarmon@motiveis.com; kcasey@motiveis.com	GV/JT	GV	2/7/2023
Verizon Wireless (Notice of default sent 5/5/2023)	December 2022	January 31, 2023	4/1/2023	\$ 1,904.39	21625	ATC	4/11/2023, 5/9/2023, 6/12/2023	Email sent to: ATCJPA@motiveis.com; Marco.Murillo@VerizonWireless.com; JHarmon@motiveis.com; kcasey@motiveis.com	GV/JT	GV	3/7/2023
Verizon Wireless (Notice of default sent 5/5/2023)	January 2023	February 28, 2023	4/29/2023	\$ 1,350.37	21657	ATC	5/9/2023, 6/12/2023	Email sent to: ATCJPA@motiveis.com; Marco.Murillo@VerizonWireless.com; JHarmon@motiveis.com; kcasey@motiveis.com	JT	GV	4/11/2023
Verizon Wireless	March 2023	April 30, 2023	6/29/2023	\$ 1,283.98	21721	ATC		Not 60 days, will email the following month		JT	6/12/2023
XO Communications	January 2023	February 28, 2023	4/29/2023	\$ 933.32	21678	NXT	5/9/2023, 6/12/2023	Email matthew.j.miller@verizon.com, mortiz@motiveis.com, NXTJPA@motiveis.com	JT	GV	4/11/2023
XO Communications	February 2023	March 31, 2023	5/30/2023	\$ 880.12	21710	NXT	6/12/2023	Email matthew.j.miller@verizon.com, mortiz@motiveis.com, NXTJPA@motiveis.com	JT	JT	5/9/2023
XO Communications	March 2023	April 30, 2023	6/29/2023	\$ 888.27	21742	NXT		Not 60 days, will email the following month		JT	6/12/2023

Past due notices will be emailed after 60 days past due, once a month.

TOTAL **\$ 16,464.47**

 = Members assessed penalty fee

 = Less than 80% but 50% or greater attendance

 = Less than 50% attendance

 = Excused absence

**SOUTHERN CALIFORNIA JOINT POLE COMMITTEE
MEMBER BOARD MEETING ATTENDANCE
JUN 2022 - MAY 2023**

		MBR CODE	2022 JUN	2022 JUL	2022 AUG	2022 SEP	2022 OCT	2022 NOV	2022 DEC	2023 JAN	2023 FEB	2023 MAR	2023 APR	2023 MAY	TOTAL	Atten. %	MBR CODE	MONTHS
1	So. California Edison	E	1	1	1	1	1	1		1	1	1	1	1	11	100%	E	11
2	Frontier Communications	FTR	1	1	1	1	1	1		1	1	1	1	1	11	100%	FTR	11
3	City of Los Angeles	M	1	1	1	1	1	1		1	1	1	1	1	11	100%	M	11
4	Crown Castle NG West Inc.	NG	1	1	1	1	1	1		1	1	1	1	1	11	100%	NG	11
5	AT&T California	H / T	1	1	1	1	1	1		1	1	1	1	1	11	100%	H / T	11
6	Bear Valley Electric	BVE	1	1	1	1	1	1		1	1	1	1	1	11	100%	BVE	11
7	Time-Warner	TWC	1	1	1	1	1	1		1	1	1	1	1	11	100%	TWC	11
8	City of Burbank	B	1	1	1	1	1	1		1	1	1	1	1	11	100%	B	11
9	City of Glendale	A	1	1	1	1	1	1		1	1	1	1	1	11	100%	A	11
10	City of Vernon	V	1	1	1	1	1	1		1	1	1	1	1	11	100%	V	11
11	City of Banning	COB	1	1	1	1	1	1		1	1	1	1	1	11	100%	COB	11
12	ATC Outdoor DAS	AMT	1	1	1	1	1	1		1	1	1	1	1	11	100%	AMT	11
13	MCI/Metro	ATS	1	1	1	1	1	1		1	1	1	1	1	11	100%	ATS	11
14	MCI Communications	MCI	1	1	1	1	1	1		1	1	1	1	1	11	100%	MCI	11
15	Mobilitie LLC	MOB	1	1	1	1	1	1		1	1	1	1	1	11	100%	MOB	11
16	Teleport Comm America	TCA	1	1	1	1	1	1		1	1	1	1	1	11	100%	TCA	11
17	Sprint Communications	FON	1	1	1	1	1	1		1	1	1	1	1	11	100%	FON	11
18	Sprint-Nextel	SPR	1	1	1	1	1	1		1	1	1	1	1	11	100%	SPR	11
19	City of Lompoc	LLW	1	1	1	1	1	1		1	1	1	1	1	11	100%	LLW	11
20	City of Anaheim	D	1	1	1	1	1	1		1	1	1	1	1	11	100%	D	11
21	Sonic Telecom, LLC	STL	1	1	1	1	1	1		1	1	1	0	1	10	91%	STL	11
22	XO Communications	NXT	1	1	1	1	1	1		1	1	0	1	1	10	91%	NXT	11
23	City of Colton	F	1	1	1	1	1	1		0	1	1	1	1	10	91%	F	11
24	T-Mobile, USA	PBM	1	1	1	1	0	1		1	1	1	1	1	10	91%	PBM	11
25	City of Azusa	MA	1	1	1	0	1	1		1	1	1	1	1	10	91%	MA	11
26	Mpower/TelePacific	ICG	0	1	1	1	1	1		1	1	1	0	1	9	82%	ICG	11
27	City of Riverside	J	1	0	1	1	1	0		1	1	1	1	1	9	82%	J	11
28	ExteNet Systems	EXT	1	0	1	1	0	1		1	1	1	1	1	9	82%	EXT	11
29	City of Pasadena	MP	1	0	1	1	1	1		0	1	1	1	1	9	82%	MP	11
30	Verizon Wireless	ATC	1	1	1	1	1	0		1	1	0	1	0	8	73%	ATC	11
31	AT&T Mobility	LAC	0	0	1	1	1	1		1	1	0	1	1	8	73%	LAC	11
	Total		29	27	31	30	29	29	0	29	31	28	29	30				

Member	B	BVE	E	EXT	FTR	H/T	M	MCI	PBM	TWC	V	Totals	YTD
Joint JPAs Billed	4	4	594			2	75			1	7	687	2100
% of Joint JPAs Billed	0.006	0.006	0.865	0.000	0.000	0.003	0.109	0.000	0.000	0.001	0.010	1.00	
Joint JPAs Returned	3	20	102	1	1	9	83	4			40	263	1041
Total Joint JPAs Processed	7	24	696	1	1	11	158	4	0	1	47	950	
Section 18.1F JPAs included in above					1	2						3	
Multi JPAs Billed			79	1			16	5	1	22	5	129	569
% of Multi JPAs Billed	0.000	0.000	0.612	0.008	0.000	0.000	0.124	0.039	0.008	0.171	0.039	1.00	
Multi JPAs Returned			53	13		14	34	108		27	19	268	2004
Total Multi JPAs Processed	0	0	132	14	0	14	50	113	1	49	24	397	2573
Section 18.1F JPAs included in above			1									1	
Total # JPAs Billed	4	4	673	1	0	2	91	5	1	23	12	816	2669
% of JPAs Billed	0.005	0.005	0.825	0.001	0.000	0.002	0.112	0.006	0.001	0.028	0.015	1.00	
# of JPAs Returned												531	3045
Total JPAs Processed	7	24	828	15	1	25	208	117	1	50	71	1347	5714
% of JPAs Billed												60.58%	
% of JPAs returned												39.42%	
Member	B	BVE	E	EXT	FTR	H/T	M	MCI	PBM	TWC	V	Totals	
Poles Billed (Joint JPAs)	10	7	2243			4	304			1	18	2587	9838
Poles Returned (joint)	12	164	1118	33	4	25	631	43			194	2224	9714
Poles Billed (Multi JPAs)			610	4			52	26	2	28	12	734	3908
Poles Returned (multi)			740	186		186	295	1390		60	84	2941	23966
Total # Poles Billed (Joint & Multi combined)	10	7	2853	4	0	4	356	26	2	29	30	3321	13746
% of Total Poles Billed (Joint & Multi combined)	0.003	0.002	0.859	0.001	0.000	0.001	0.107	0.008	0.001	0.009	0.009	1.00	
# of Poles Returned												5165	33680
Total Poles Processed	22	171	4711	223	4	215	1282	1459	2	89	308	8486	47426
% of Poles Billed												39.14%	
% of Poles returned												60.86%	
RETURN RATE # OF JPAS	43%	83%	19%	93%	100%	92%	56%	96%	0%	54%	83%		
RETURN RATE # OF POLES	55%	96%	39%	98%	100%	98%	72%	98%	0%	67%	90%		

Note: Held Over Poles include E and E submitted 18.1F's and will be billed first at the next Bill of Sale

E SUB/ NON E HELD OVERS (include NON E, E & E submitted 18.1F JPAs)	E SUB (NEED 2023 AC)	NON E (NEED 2023 AC)	TOTAL
HELD OVER JPAS	59	18	77
HELD OVER POLES	139	154	293

Average poles/JPA in 2023	8.30
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Inspections Billed SCE Only: O&M (Inspection & Pole Tags)
Inspection JPAs Billed
Inspection Poles Billed

Overtime Only E Only: (JOINTS)
OVERTIME E SUBMITTED JPAs Billed
OVERTIME E SUBMITTED Poles Billed
OVERTIME E JPAs Processed (Billed + Memos)
OVERTIME E Poles Processed (Billed + Memos)

Actual JPAs/poles received from 4/6/2023 - 5/5/2023 May 2023 Bill of Sale):		
	JPAS	POLES
SCE	909	5093
OTHER MEMBERS	519	3813

	JPAS	POLES
SCE CALL BACKS	9	75
SCE FORM 7 DO NOT BILL	5	86

SCE's Inspections JPAs/Poles were not included in above table	SCE O&M YTD
18	79
6744	10280

E's Overtime JPAs/Poles were not included in above table	E OT YTD
0	330
0	1847
0	471
0	3186

PRODUCTIVITY WITHOUT OVERTIME

BILL OF SALE	BILLED JOINT POLES	RETURNED JOINT POLES	JOINT BILLED RATE (longer to process)	JOINT RETURN RATE	BILLED MULTI POLES	RETURNED MULTI POLES	MULTI BILLED RATE (longer to process)	MULTI RETURN RATE	TOTAL PROCESSED POLES	Multi Poles % Processed	POLES RETURN RATE (JT & MULTI)	TOTAL BILLED POLES	BILLED JPAS	NOTES
Jun-2019	2641	1327	67%	33%	1062	1412	43%	57%	6442	38%	43%	3703		PAPER / PRECOVID
Jul-2019	2447	1166	68%	32%	1329	1320	50%	50%	6262	42%	40%	3776		PAPER / PRECOVID
Aug-2019	2608	1273	67%	33%	1185	1667	42%	58%	6733	42%	44%	3793		PAPER / PRECOVID
Sep-2019	2608	1410	65%	35%	1393	1579	47%	53%	6990	43%	43%	4001		PAPER / PRECOVID
Oct-2019	2439	1595	60%	40%	1076	1129	49%	51%	6239	35%	44%	3515		PAPER / PRECOVID
Nov-2019	1808	1200	60%	40%	966	1938	33%	67%	5912	49%	53%	2774		PAPER / PRECOVID
Dec-2019	1967	1182	62%	38%	459	1581	23%	78%	5189	39%	53%	2426		PAPER / PRECOVID
Jan-2020	2794	1145	71%	29%	942	1287	42%	58%	6168	36%	39%	3736		PAPER / PRECOVID
Feb-2020	2208	1483	60%	40%	1048	2533	29%	71%	7272	49%	55%	3256		PAPER / PRECOVID
Mar-2020	1813	1971	48%	52%	122	1863	6%	94%	5769	34%	66%	1935		PAPER-COVID (CLOSED EARLY)
Apr-2020	2099	699	75%	25%	1068	2016	35%	65%	5882	52%	46%	3167		COVID (HALF PAPER-HALF ELECTRONIC)
May-2020	1589	2346	40%	60%	571	1403	29%	71%	5909	33%	63%	2160	636	FULL ELECTRONIC
Jun-2020	2201	3278	40%	60%	258	1210	18%	82%	6947	21%	65%	2459	822	ELECTRONIC
Jul-2020	2034	2707	43%	57%	201	2007	9%	91%	6949	32%	68%	2235	938	ELECTRONIC
Aug-2020	717	3499	17%	83%	188	3377	5%	95%	7781	46%	88%	905	388	ELECTRONIC
Sep-2020	2541	6238	29%	71%	134	2148	6%	94%	11061	21%	76%	2675	1149	ELECTRONIC (high return rate of F48 Violation)
Oct-2020	3658	3446	51%	49%	352	2692	12%	88%	10148	30%	60%	4010	999	ELECTRONIC (Steel Stubbed JPAs & Corrections of Records INSP JPAs)
Nov-2020	3036	2386	56%	44%	486	2238	18%	82%	8146	33%	57%	3522	1094	ELECTRONIC
Dec-2020	2354	2587	48%	52%	487	2330	17%	83%	7758	36%	63%	2841	918	ELECTRONIC
Jan-2021	3051	1692	64%	36%	282	1086	21%	79%	6111	22%	45%	3333	1239	ELECTRONIC
Feb-2021	2330	2086	53%	47%	502	3495	13%	87%	8413	48%	66%	2832	904	ELECTRONIC
Mar-2021	2644	1956	57%	43%	958	2480	28%	72%	8038	43%	55%	3602	1103	ELECTRONIC
Apr-2021	2714	3062	47%	53%	704	3238	18%	82%	9718	41%	65%	3418	910	ELECTRONIC
May-2021	2212	2853	44%	56%	847	3363	20%	80%	9275	45%	67%	3059	774	ELECTRONIC
Jun-2021	3188	2328	58%	42%	692	3257	18%	82%	9465	42%	59%	3880	980	ELECTRONIC
Jul-2021	2432	3469	41%	59%	808	6109	12%	88%	12818	54%	75%	3240	662	ELECTRONIC (note: unusually high return rate 75%)
Aug-2021	2502	1719	59%	41%	394	5890	6%	94%	10505	60%	72%	2896	1033	ELECTRONIC (note: 72% return rate)
Sep-2021	3196	1596	67%	33%	1018	4049	20%	80%	9859	51%	57%	4214	1327	ELECTRONIC (highest)
Oct-2021	2729	820	77%	23%	559	4688	11%	89%	8796	60%	63%	3288	1181	ELECTRONIC
Nov-2021	2580	1144	69%	31%	734	3523	17%	83%	7981	53%	58%	3314	975	ELECTRONIC
Dec-2021	1714	1650	51%	49%	1277	3933	25%	75%	8574	61%	65%	2991	743	ELECTRONIC
Jan-2022	1563	1675	48%	52%	841	4188	17%	83%	8267	61%	71%	2404	545	ELECTRONIC
Feb-2022	1360	2448	36%	64%	616	4472	12%	88%	8896	57%	78%	1976	423	ELECTRONIC
Mar-2022	2229	2298	49%	51%	1031	3836	21%	79%	9394	52%	65%	3260	702	ELECTRONIC
Apr-2022	2658	2586	51%	49%	1258	2817	31%	69%	9319	44%	58%	3916	1045	ELECTRONIC
May-2022	2199	1345	62%	38%	1067	3023	26%	74%	7634	54%	57%	3266	802	ELECTRONIC (Processed 1042 poles from JPAs involving 5+ owners, the office usually processed about 660 poles a month.)
Jun-2022	1628	3767	30%	70%	771	3221	19%	81%	9387	43%	74%	2399	611	Electronic
Jul-2022	2122	1765	55%	45%	972	3971	20%	80%	8830	56%	65%	3094	751	Electronic. (3 staff had vac days)
Aug-2022	2022	2638	43%	57%	1425	3603	28%	72%	9688	52%	64%	3447	852	Electronic
Sep-2022	2049	2201	48%	52%	803	3088	21%	79%	8141	48%	65%	2852	667	Electronic (one holiday, multiple employees were out sick and out on vac)
Oct-2022	1918	1358	59%	41%	1205	4574	21%	79%	9055	64%	66%	3123	555	Electronic
Nov-2022	1822	2037	47%	53%	954	5353	15%	85%	10166	62%	73%	2776	420	Electronic (high return rate ATS JPAS)
Dec-2022	1826	2975	38%	62%	662	6466	9%	91%	11929	60%	79%	2488	446	Electronic (high return rate ATS JPAS)
Jan-2023	1434	1680	46%	54%	646	6951	9%	91%	10711	71%	81%	2080	372	Electronic (high return rate ATS JPAS)
Feb-2023	1685	2247	43%	57%	759	7678	9%	91%	12369	68%	80%	2444	382	Electronic (high return rate ATS JPAS)
Mar-2023	2543	1771	59%	41%	957	4182	19%	81%	9453	54%	63%	3500	604	Electronic
Apr-2023	1589	1792	47%	53%	812	2214	27%	73%	6407	47%	63%	2401	495	Electronic, members submitted less JPAs than usual
May-2023	2587	2224	54%	46%	734	2941	20%	80%	8486	43%	61%	3321	816	Electronic, members submitted less JPAs than usual
			#DIV/0!	#DIV/0!			#DIV/0!	#DIV/0!	0	#DIV/0!	#DIV/0!	0		

12-month average	05/2023	8724.17	Poles processed a month Feb 2022 to May 2023 (see exclusion below)
			Exclude Nov 2022, Dec 2022, Jan 2023, Feb 2023

FORECAST UPDATED BASED ON ACTUAL DATA (UPDATED 6/10/2023)

ORIGINAL FORECAST (3/2/2022)	Number of JPAs Members will send to the SCJPC:	1624 JPAs per month (1279 SCE + 345 Non SCE)
ORIGINAL FORECAST (3/2/2022)	Number of Poles Members will send to the SCJPC:	8542.24 Poles per month (SCE + Non SCE JPAs)
2022 FORECAST (5/18/2022 meeting)	Number of Poles Members will send to the SCJPC:	13,309.18 Poles per month (SCE 9000 + Non SCE 4309.18)

B/S 1/23	Actual number of poles members sent to the SCJPC:	12,578.00 poles
B/S 2/23	Actual number of poles members sent to the SCJPC:	12,592.00 poles
B/S 3/23	Actual number of poles members sent to the SCJPC:	9,567.00 poles
B/S 4/23	Actual number of poles members sent to the SCJPC:	6,516.00 poles
B/S 5/23	Actual number of poles members sent to the SCJPC:	8,906.00 poles

SCJPC to process poles/month Forecast		Overtime	Total Poles	Processed poles forecast monthly Assuming SCJPC WILL work overtime 126.98 hours per month
	Regular time forecast	forecast	forecast	
	8542.24	1536.46	10,078.70	

SCJPC processed poles (actual #) Actual Data	Regular time (actual)	Overtime (Actual)	Total Poles (Actual)	Bill of Sale	Actual pole processed
	8486	0	8,486.00	B/S 5/23	

Bill of sale Month	Description	Count	Balance		Actual or forecast numbers
End of August 2022	Balance (backlog is included)		7,662.00 Poles		End of August 2022
End of September 2022	Balance (backlog is included)		6,252.00 Poles		End of September 2022
End of October 2022	Balance (backlog is included)		2,163.00 Poles		End of October 2022
End of November 2022	Balance (backlog is included)		2,944.00 Poles		End of November 2022
End of December 2022	Balance (backlog is included)		2,086.00 Poles		End of December 2022
End of January 2023	Balance (backlog is included)		2,488.00 Poles		End of January 2023
End of February 2023	Balance (backlog is included)		1,481.00 Poles		End of February 2023
End of March 2023	Balance (backlog is included)		877.00 Poles		End of March 2023
	Apr-23 Internal adjustment (correction)	-		Poles	Actual
	Apr-23 Poles received from SCE this month (new JPAs)-SCE	3,269.00		Poles	Actual
	Apr-23 Poles received from all other members this month (new JPAs)-NON SCE	3,247.00		Poles	Actual
	Apr-23 Poles SCE JPC COR	-		Poles	Actual
	Apr-23 Poles NON SCE JPC COR	-		Poles	Actual
	Apr-23 SCJPC processed (SCE reg time)	(3,148.00)		Poles	Actual
	Apr-23 SCJPC processed (SCE 18.1F reg time)	-		Poles	Actual
	Apr-23 SCJPC processed (NON SCE reg time)	(3,209.00)		Poles	Actual
	Apr-23 SCJPC processed (NON SCE 18.1F reg time)	(50.00)		Poles	Actual
	Apr-23 SCJPC processed Poles SCE JPC COR (reg time)	-		Poles	Actual
	Apr-23 SCJPC Processed Poles NON SCE JPC COR (reg	-		Poles	Actual
	Apr-23 SCJPC processed during overtime 2P	-		Poles	Actual
	Apr-23 SCJPC processed during overtime 3P	-		Poles	Actual
	Apr-23 SCE Call Backs	(868.00)		Poles	Actual
	Apr-23 SCE F7 DO NOT BILLS	(88.00)		Poles	Actual
End of April 2023	Balance (backlog is included)		30.00 Poles		End of April 2023 Waiting for 2023-2024 Authorized Costs
	May-23 Internal adjustment (correction)	-		Poles	Actual
	May-23 Poles received from SCE this month (new JPAs)-SCE	5,093.00		Poles	Actual
	May-23 Poles received from all other members this month (new JPAs)-NON SCE	3,813.00		Poles	Actual
	May-23 Poles SCE JPC COR	4.00		Poles	Actual
	May-23 Poles NON SCE JPC COR	4.00		Poles	Actual
	May-23 SCJPC processed (SCE reg time)	(4,703.00)		Poles	Actual
	May-23 SCJPC processed (SCE 18.1F reg time)	(8.00)		Poles	Actual
	May-23 SCJPC processed (NON SCE reg time)	(3,767.00)		Poles	Actual
	May-23 SCJPC processed (NON SCE 18.1F reg time)	(4.00)		Poles	Actual
	May-23 SCJPC processed Poles SCE JPC COR (reg time)	(4.00)		Poles	Actual
	May-23 SCJPC Processed Poles NON SCE JPC COR (reg	(4.00)		Poles	Actual
	May-23 SCJPC processed during overtime 2P	-		Poles	Actual
	May-23 SCJPC processed during overtime 3P	-		Poles	Actual
	May-23 SCE Call Backs	(75.00)		Poles	Actual
	May-23 SCE F7 DO NOT BILLS	(86.00)		Poles	Actual
End of May 2023	Balance (backlog is included)		293.00 Poles		End of May 2023 Waiting for 2023-2024 Authorized Costs

*Regular time per month contingent upon (based on 2021 data):

- 1. Multi received: 48% or lower.
- 2. Complexity of multi JPAs.
- 3. Billable poles rate: 38% or lower. Note: Billable poles take more time and resources.
- 4. Billable JPAs rate: 57% or lower. Note: Billable JPAs take more time and resources.
- 5. Length of committee meetings. Transcribing long meetings will take time away from billing.
- 6. Average 5.26 poles/JPA

*Overtime poles per month contingent upon (based on 2020 & 2021 OT data):

- 1. The % of billable poles: 60% (or less) of the volume processed can be billed (based on SCE OT data).
- 2. The % of billable JPAs: 76% (or less) of the volume processed can be billed (based on SCE OT data).
- 3. Staff availability.



COMMENCEMENT DATE MEMORANDUM

AIR Commercial Real Estate Association

By and Between (Lessor): 279 Arrow, LLC

And (Lessee): Southern California Joint Pole Committee, a California Nonprofit Corporation

Address of Premises: 279 E. Arrow Hwy., Suite 104
San Dimas, California 91773

THIS MEMORANDUM, made as of May 21, 2012 by and between 279 Arrow, LLC ("Lessor") and Southern California Joint Pole Committee, a California Nonprofit Corporation ("Lessee").

Recitals:

Lessor and Lessee are parties to that certain Lease, dated for reference purposes December 29, 2011 (the "Lease") for certain premises (the "Premises") commonly known as 279 E. Arrow Hwy., Suite 104, San Dimas, California 91773

Lessee is now in possession of the Premises and the Term of the Lease has commenced.

Lessor and Lessee desire to enter into this Memorandum confirming the Commencement Date, the Termination Date and other matters under the Lease.

NOW, THEREFORE, Lessor and Lessee agree as follows:

1. The actual Commencement Date is June 22, 2012.
2. The actual Expiration Date is June 30, 2019.
3. The Base Rent shall be adjusted on the dates indicated as follows: On July 1, 2013 the rent will increase to \$6,570.74 per month. On July 1, 2014 the rent will increase to \$6,987.01 per month. On July 1, 2015 the rent will increase to \$7,231.56 per month. July 1, 2016 the rent will increase to \$7,484.66 per month. July 1, 2017 the rent will increase to \$7,746.62 per month. On July 1, 2018 the rent will increase to \$8,017.76 per month.

(strike if not applicable)

4. Other: Lessee shall pay \$1,956.74 on July 1, 2012 as the prorata rent for June 22, 2012 through June 30, 2012 and the rent paid at execution of the lease shall be credited as the rent for July 1, 2012 through July 31, 2012. *(strike if not applicable)*

5. Capitalized terms not defined herein shall have the same meaning as set forth in the Lease.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date and year first above written.

By LESSOR:

279 Arrow, LLC

By:

Name Printed: Alan Kohn

Title: Managing Member

By LESSEE:

Southern California Joint Pole Committee, a California Nonprofit Corporation

By:

Name Printed: Jennie Corella

Title: Manager of Operations

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By: _____	By: _____
Name Printed: _____	Name Printed: _____
Title: _____	Title: _____
Address: 2440 E. 56th Street	Address: 279 E. Arrow Hwy., Suite 104
Los Angeles, California 90058	San Dimas, California 91773
Telephone: (323) 583-3366	Telephone: () _____
Facsimile: (323) 583-7601	Facsimile: () _____
Federal ID No.: _____	Federal ID No.: _____

NOTICE: These forms are often modified to meet changing requirements of law and industry needs. Always write or call to make sure you are utilizing the most current form: AIR Commercial Real Estate Association, 800 W 6th Street, Suite 800, Los Angeles, CA 90017. Telephone No.: (213) 687-8777. Fax No.: (213) 687-8616.

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STANDARD MULTI-TENANT OFFICE LEASE - GROSS

AIR COMMERCIAL REAL ESTATE ASSOCIATION

1. Basic Provisions ("Basic Provisions").

1.1 Parties: This Lease ("Lease"), dated for reference purposes only December 29, 2011, is made by and between 279 Arrow, LLC

(**"Lessor"**)
and Southern California Joint Pole Committee, a California Nonprofit Corporation

(**"Lessee"**),
(collectively the "Parties", or individually a "Party").

1.2(a) Premises: That certain portion of the Project (as defined below), known as Suite Numbers(s) 104, first (1st) floor(s), consisting of approximately 3,953 rentable square feet and approximately 3,393 useable square feet ("Premises"). The Premises are located at: 279 E. Arrow Highway, in the City of San Dimas, County of Los Angeles, State of California, with zip code 91773. In addition to Lessee's rights to use and occupy the Premises as hereinafter specified, Lessee shall have non-exclusive rights to the Common Areas (as defined in Paragraph 2.7 below) as hereinafter specified, but shall not have any rights to the roof, the exterior walls, the area above the dropped ceilings, or the utility raceways of the building containing the Premises ("Building") or to any other buildings in the Project. The Premises, the Building, the Common Areas, the land upon which they are located, along with all other buildings and improvements thereon, are herein collectively referred to as the "Project." The Project consists of approximately 40000 rentable square feet. (See also Paragraph 2)

1.2(b) Parking: 16 unreserved and 0 reserved vehicle parking spaces at a monthly cost of \$_____ per unreserved space and \$_____ per reserved space. (See Paragraph 2.6)

1.3 Term: Seven (7) years and zero (0) months (**"Original Term"**) commencing April 1, 2012 (**"Commencement Date"**) and ending March 31, 2019 (**"Expiration Date"**). (See also Paragraph 3)

1.4 Early Possession: If the Premises are available Lessee may have non-exclusive possession of the Premises commencing March 1, 2012 (**"Early Possession Date"**). (See also Paragraphs 3.2 and 3.3)

1.5 Base Rent: \$6,522.45 per month (**"Base Rent"**), payable on the first (1st) day of each month commencing April 1, 2012. (See also Paragraph 4)

☒ If this box is checked, there are provisions in this Lease for the Base Rent to be adjusted. See Paragraph 50

1.6 Lessee's Share of Operating Expense Increase: nine and eighty-eight hundredths percent (9.88%) (**"Lessee's Share"**). In the event that that size of the Premises and/or the Project are modified during the term of this Lease, Lessor shall recalculate Lessee's Share to reflect such modification.

1.7 Base Rent and Other Monies Paid Upon Execution:

- (a) Base Rent: \$6,522.45 for the period April 1, 2012 - April 30, 2012
- (b) Security Deposit: \$6,522.45 (**"Security Deposit"**). (See also Paragraph 5)
- (c) Parking: \$0.00 for the period n/a
- (d) Other: \$n/a for n/a
- (e) Total Due Upon Execution of this Lease: \$13,044.90

1.8 Agreed Use: General office

(See also Paragraph 6)

1.9 Base Year; Insuring Party. The Base Year is 2011. Lessor is the **"Insuring Party"**. (See also Paragraphs 4.2 and 8)

1.10 Real Estate Brokers: (See also Paragraph 15)

(a) Representation: The following real estate brokers (the **"Brokers"**) and brokerage relationships exist in this transaction (check applicable boxes):

- ☒ Lee & Associates@-Ontario represents Lessor exclusively (**"Lessor's Broker"**);
- ☒ Carter & Associates represents Lessee exclusively (**"Lessee's Broker"**); or
- ☐ _____ represents both Lessor and Lessee (**"Dual Agency"**).

(b) Payment to Brokers: Upon execution and delivery of this Lease by both Parties, Lessor shall pay to the Brokers for the brokerage services rendered by the Brokers the fee agreed to in the attached separate written agreement or if no such agreement is attached, the sum of _____ or _____ % of the total Base Rent payable for the Original Term, the sum of _____ or _____ of the total Base Rent payable during any period of time that the Lessee occupies the Premises subsequent to the Original Term, and/or the sum of _____ or _____ % of the purchase price in the event that the Lessee or anyone affiliated with Lessee acquires from Lessor any rights to the Premises.

1.11 Guarantor: The obligations of the Lessee under this Lease shall be guaranteed by _____ (**"Guarantor"**). (See also Paragraph 37)

1.12 Business Hours for the Building: 7:00 a.m. to 7:00 p.m., Mondays through Fridays (except Building Holidays) and 9:00 a.m. to 1:00 p.m. on Saturdays (except Building Holidays). **"Building Holidays"** shall mean the dates of observation of New Year's Day, President's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Christmas Day, and _____.

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[Signature]

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1.13 **Lessor Supplied Services.** Notwithstanding the provisions of Paragraph 11.1, Lessor is NOT obligated to provide the following within the Premises:

- ☐ Janitorial services
- ☐ Electricity
- ☐ Other (specify): _____

1.14 **Attachments.** Attached hereto are the following, all of which constitute a part of this Lease:

- ☒ an Addendum consisting of Paragraphs 50 through 51;
- ☐ a plot plan depicting the Premises;
- ☒ a current set of the Rules and Regulations;
- ☐ a Work Letter;
- ☐ a janitorial schedule;
- ☒ other (specify): Uniform Lease Disclaimer, Exhibits A & B

2. Premises.

2.1 **Letting.** Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor, the Premises, for the term, at the rental, and upon all of the terms, covenants and conditions set forth in this Lease. While the approximate square footage of the Premises may have been used in the marketing of the Premises for purposes of comparison, the Base Rent stated herein is NOT tied to square footage and is not subject to adjustment should the actual size be determined to be different. **Note: Lessee is advised to verify the actual size prior to executing this Lease.**

2.2 **Condition.** Lessor shall deliver the Premises to Lessee in a clean condition on the Commencement Date or the Early Possession Date, whichever first occurs ("Start Date"), and warrants that the existing electrical, plumbing, fire sprinkler, lighting, heating, ventilating and air conditioning systems ("HVAC"), and all other items which the Lessor is obligated to construct pursuant to the Work Letter attached hereto, if any, other than those constructed by Lessee, shall be in good operating condition on said date, that the structural elements of the roof, bearing walls and foundation of the Unit shall be free of material defects, and that the Premises do not contain hazardous levels of any mold or fungi defined as toxic under applicable state or federal law.

2.3 **Compliance.** Lessor warrants to the best of its knowledge that the Improvements comprising the Premises and the Common Areas comply with the building codes that were in effect at the time that each such improvement, or portion thereof, was constructed, and also with all applicable laws, covenants or restrictions of record, regulations, and ordinances ("Applicable Requirements") in effect on the Start Date. Said warranty does not apply to the use to which Lessee will put the Premises, modifications which may be required by the Americans with Disabilities Act or any similar laws as a result of Lessee's use (see Paragraph 49), or to any Alterations or Utility Installations (as defined in Paragraph 7.3(a)) made or to be made by Lessee. **NOTE: Lessee is responsible for determining whether or not the zoning and other Applicable Requirements are appropriate for Lessee's intended use, and acknowledges that past uses of the Premises may no longer be allowed.** If the Premises do not comply with said warranty, Lessor shall, except as otherwise provided, promptly after receipt of written notice from Lessee setting forth with specificity the nature and extent of such non-compliance, rectify the same. If the Applicable Requirements are hereafter changed so as to require during the term of this Lease the construction of an addition to or an alteration of the Premises, the remediation of any Hazardous Substance, or the reinforcement or other physical modification of the Premises ("Capital Expenditure"), Lessor and Lessee shall allocate the cost of such work as follows:

(a) Subject to Paragraph 2.3(c) below, if such Capital Expenditures are required as a result of the specific and unique use of the Premises by Lessee as compared with uses by tenants in general, Lessee shall be fully responsible for the cost thereof, provided, however, that if such Capital Expenditure is required during the last 2 years of this Lease and the cost thereof exceeds 6 months' Base Rent, Lessee may instead terminate this Lease unless Lessor notifies Lessee, in writing, within 10 days after receipt of Lessee's termination notice that Lessor has elected to pay the difference between the actual cost thereof and the amount equal to 6 months' Base Rent. If Lessee elects termination, Lessee shall immediately cease the use of the Premises which requires such Capital Expenditure and deliver to Lessor written notice specifying a termination date at least 90 days thereafter. Such termination date shall, however, in no event be earlier than the last day that Lessee could legally utilize the Premises without commencing such Capital Expenditure.

(b) If such Capital Expenditure is not the result of the specific and unique use of the Premises by Lessee (such as, governmentally mandated seismic modifications), then Lessor shall pay for such Capital Expenditure and Lessee shall only be obligated to pay, each month during the remainder of the term of this Lease or any extension thereof, on the date that on which the Base Rent is due, an amount equal to 1/144th of the portion of such costs reasonably attributable to the Premises. Lessee shall pay interest on the balance but may prepay its obligation at any time. If, however, such Capital Expenditure is required during the last 2 years of this Lease or if Lessor reasonably determines that it is not economically feasible to pay its share thereof, Lessor shall have the option to terminate this Lease upon 90 days prior written notice to Lessee unless Lessee notifies Lessor, in writing, within 10 days after receipt of Lessor's termination notice that Lessee will pay for such Capital Expenditure. If Lessor does not elect to terminate, and fails to tender its share of any such Capital Expenditure, Lessee may advance such funds and deduct same, with interest, from Rent until Lessor's share of such costs have been fully paid. If Lessee is unable to finance Lessor's share, or if the balance of the Rent due and payable for the remainder of this Lease is not sufficient to fully reimburse Lessee on an offset basis, Lessee shall have the right to terminate this Lease upon 30 days written notice to Lessor.

(c) Notwithstanding the above, the provisions concerning Capital Expenditures are intended to apply only to nonvoluntary, unexpected, and new Applicable Requirements. If the Capital Expenditures are instead triggered by Lessee as a result of an actual or proposed change in use, change in intensity of use, or modification to the Premises then, and in that event, Lessee shall either: (i) immediately cease such changed use or intensity of use and/or take such other steps as may be necessary to eliminate the requirement for such Capital Expenditure, or (ii) complete such Capital Expenditure at its own expense. Lessee shall not have any right to terminate this Lease.

2.4 **Acknowledgements.** Lessee acknowledges that: (a) it has been given an opportunity to inspect and measure the Premises, (b) Lessee has been advised by Lessor and/or Brokers to satisfy itself with respect to the size and condition of the Premises (including but not limited to the electrical, HVAC and fire sprinkler systems, security, environmental aspects, and compliance with Applicable Requirements), and their suitability for Lessee's intended use, (c) Lessee has made such investigation as it deems necessary with reference to such matters and assumes all responsibility therefor as the same relate to its occupancy of the Premises, (d) it is not relying on any representation as to the size of the Premises made by Brokers or Lessor, (e) the square footage of the Premises was not material to Lessee's decision to lease the Premises and pay the Rent stated herein, and (f) neither Lessor, Lessor's agents, nor Brokers have made any oral or written representations or warranties with respect to said matters other than as set forth in this Lease. In addition, Lessor acknowledges that: (i) Brokers have made no representations, promises or warranties concerning Lessee's ability to honor the Lease or suitability to occupy the Premises, and (ii) it is Lessor's sole responsibility to investigate the financial capability and/or suitability of all proposed tenants.

2.5 **Lessee as Prior Owner/Occupant.** The warranties made by Lessor in Paragraph 2 shall be of no force or effect if immediately prior to the Start Date, Lessee was the owner or occupant of the Premises. In such event, Lessee shall be responsible for any necessary corrective work.

2.6 **Vehicle Parking.** So long as Lessee is not in default, and subject to the Rules and Regulations attached hereto, and as established by Lessor from time to time, Lessee shall be entitled to rent and use the number of parking spaces specified in Paragraph 1.2(b) at the rental rate applicable from time to time for monthly parking as set by Lessor and/or its licensee.

(a) If Lessee commits, permits or allows any of the prohibited activities described in the Lease or the rules then in effect, then Lessor shall have the right, without notice, in addition to such other rights and remedies that it may have, to remove or tow away the vehicle involved and charge the cost to Lessee, which cost shall be immediately payable upon demand by Lessor.

(b) ~~The monthly rent per parking space specified in Paragraph 1.2(b) is subject to change upon 30 days prior written notice to Lessee. The rent for the parking is payable one month in advance prior to the first day of each calendar month.~~

2.7 **Common Areas - Definition.** The term "Common Areas" is defined as all areas and facilities outside the Premises and within the exterior boundary line of the Project and interior utility raceways and installations within the Premises that are provided and designated by the Lessor from time to time for the general nonexclusive use of Lessor, Lessee and other tenants of the Project and their respective employees, suppliers, shippers, customers, contractors and invitees, including, but not limited to, common entrances, lobbies, corridors, stairwells, public restrooms, elevators, parking areas, loading and unloading areas, trash areas, roadways, walkways, driveways and landscaped areas.

2.8 **Common Areas - Lessee's Rights.** Lessor grants to Lessee, for the benefit of Lessee and its employees, suppliers, shippers, contractors, customers and invitees, during the term of this Lease, the nonexclusive right to use, in common with others entitled to such use, the Common Areas as they exist from time to time, subject to any rights, powers, and privileges reserved by Lessor under the terms hereof or under the terms of any rules and regulations or restrictions governing the use of the Project. Under no circumstances shall the right herein granted to use the

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Common Areas be deemed to include the right to store any property, temporarily or permanently, in the Common Areas. Any such storage shall be permitted only by the prior written consent of Lessor or Lessor's designated agent, which consent may be revoked at any time. In the event that any unauthorized storage shall occur then Lessor shall have the right, without notice, in addition to such other rights and remedies that it may have, to remove the property and charge the cost to Lessee, which cost shall be immediately payable upon demand by Lessor.

2.9 **Common Areas - Rules and Regulations.** Lessor or such other person(s) as Lessor may appoint shall have the exclusive control and management of the Common Areas and shall have the right, from time to time, to adopt, modify, amend and enforce reasonable rules and regulations ("Rules and Regulations") for the management, safety, care, and cleanliness of the grounds, the parking and unloading of vehicles and the preservation of good order, as well as for the convenience of other occupants or tenants of the Building and the Project and their invitees. The Lessee agrees to abide by and conform to all such Rules and Regulations, and shall use its best efforts to cause its employees, suppliers, shippers, customers, contractors and invitees to so abide and conform. Lessor shall not be responsible to Lessee for the noncompliance with said Rules and Regulations by other tenants of the Project.

2.10 **Common Areas - Changes.** Lessor shall have the right, in Lessor's sole discretion, from time to time:

- (a) To make changes to the Common Areas, including, without limitation, changes in the location, size, shape and number of the lobbies, windows, stairways, air shafts, elevators, escalators, restrooms, driveways, entrances, parking spaces, parking areas, loading and unloading areas, ingress, egress, direction of traffic, landscaped areas, walkways and utility raceways;
- (b) To close temporarily any of the Common Areas for maintenance purposes so long as reasonable access to the Premises remains available;
- (c) To designate other land outside the boundaries of the Project to be a part of the Common Areas;
- (d) To add additional buildings and improvements to the Common Areas;
- (e) To use the Common Areas while engaged in making additional improvements, repairs or alterations to the Project, or any portion thereof; and
- (f) To do and perform such other acts and make such other changes in, to or with respect to the Common Areas and Project as Lessor may, in the exercise of sound business judgment, deem to be appropriate.

3. **Term.**

3.1 **Term.** The Commencement Date, Expiration Date and Original Term of this Lease are as specified in Paragraph 1.3.

3.2 **Early Possession.** Any provision herein granting Lessee Early Possession of the Premises is subject to and conditioned upon the Premises being available for such possession prior to the Commencement Date. Any grant of Early Possession only conveys a non-exclusive right to occupy the Premises. If Lessee totally or partially occupies the Premises prior to the Commencement Date, the obligation to pay Base Rent shall be abated for the period of such Early Possession. All other terms of this Lease (including but not limited to the obligations to pay Lessee's Share of the Operating Expense Increase) shall be in effect during such period. Any such Early Possession shall not affect the Expiration Date.

3.3 **Delay in Possession.** Lessor agrees to use its best commercially reasonable efforts to deliver possession of the Premises to Lessee by the Commencement Date. If, despite said efforts, Lessor is unable to deliver possession by such date, Lessor shall not be subject to any liability therefor, nor shall such failure affect the validity of this Lease or change the Expiration Date. Lessee shall not, however, be obligated to pay Rent or perform its other obligations until Lessor delivers possession of the Premises and any period of rent abatement that Lessee would otherwise have enjoyed shall run from the date of delivery of possession and continue for a period equal to what Lessee would otherwise have enjoyed under the terms hereof, but minus any days of delay caused by the acts or omissions of Lessee. If possession is not delivered within 60 days after the Commencement Date, as the same may be extended under the terms of any Work Letter executed by Parties, Lessee may, at its option, by notice in writing within 10 days after the end of such 60 day period, cancel this Lease, in which event the Parties shall be discharged from all obligations hereunder. If such written notice is not received by Lessor within said 10 day period, Lessee's right to cancel shall terminate. If possession of the Premises is not delivered within 120 days after the Commencement Date, this Lease shall terminate unless other agreements are reached between Lessor and Lessee, in writing.

3.4 **Lessee Compliance.** Lessor shall not be required to deliver possession of the Premises to Lessee until Lessee complies with its obligation to provide evidence of insurance (Paragraph 8.5). Pending delivery of such evidence, Lessee shall be required to perform all of its obligations under this Lease from and after the Start Date, including the payment of Rent, notwithstanding Lessor's election to withhold possession pending receipt of such evidence of insurance. Further, if Lessee is required to perform any other conditions prior to or concurrent with the Start Date, the Start Date shall occur but Lessor may elect to withhold possession until such conditions are satisfied.

4. **Rent.**

4.1 **Rent Defined.** All monetary obligations of Lessee to Lessor under the terms of this Lease (except for the Security Deposit) are deemed to be rent ("Rent").

4.2 **Operating Expense Increase.** Lessee shall pay to Lessor during the term hereof, in addition to the Base Rent, Lessee's Share of the amount by which all Operating Expenses for each Comparison Year exceeds the amount of all Operating Expenses for the Base Year, such excess being hereinafter referred to as the "Operating Expense Increase", in accordance with the following provisions:

- (a) "Base Year" is as specified in Paragraph 1.9.
- (b) "Comparison Year" is defined as each calendar year during the term of this Lease subsequent to the Base Year; provided, however, Lessee shall have no obligation to pay a share of the Operating Expense Increase applicable to the first 12 months of the Lease Term (other than such as are mandated by a governmental authority, as to which government mandated expenses Lessee shall pay Lessee's Share, notwithstanding they occur during the first twelve (12) months). Lessee's Share of the Operating Expense Increase for the first and last Comparison Years of the Lease Term shall be prorated according to that portion of such Comparison Year as to which Lessee is responsible for a share of such increase.

- (c) The following costs relating to the ownership and operation of the Project, calculated as if the Project was at least 95% occupied, are defined as "Operating Expenses":

- (i) Costs relating to the operation, repair, and maintenance in neat, clean, safe, good order and condition, but not the replacement (see subparagraph (g)), of the following:

- (aa) The Common Areas, including their surfaces, coverings, decorative items, carpets, drapes and window coverings, and including parking areas, loading and unloading areas, trash areas, roadways, sidewalks, walkways, stairways, parkways, driveways, landscaped areas, striping, irrigation systems, Common Area lighting facilities, building exteriors and roofs, fences and gates;

- (bb) All heating, air conditioning, plumbing, electrical systems, life safety equipment, communication systems and other equipment used in common by, or for the benefit of, tenants or occupants of the Project, including elevators and escalators, tenant directories, fire detection systems including sprinkler system maintenance and repair.

- (cc) All other areas and improvements that are within the exterior boundaries of the Project but outside of the Premises and/or any other space occupied by a tenant.

- (ii) The cost of trash disposal, janitorial and security services, pest control services, and the costs of any environmental inspections;

- (iii) The cost of any other service to be provided by Lessor that is elsewhere in this Lease stated to be an "Operating Expense";

- (iv) The cost of the premiums for the insurance policies maintained by Lessor pursuant to paragraph 8 and any deductible portion of an insured loss concerning the Building or the Common Areas;

- (v) The amount of the Real Property Taxes payable by Lessor pursuant to paragraph 10;

- (vi) The cost of water, sewer, gas, electricity, and other publicly mandated services not separately metered;

- (vii) Labor, salaries, and applicable fringe benefits and costs, materials, supplies and tools, used in maintaining and/or cleaning the Project and accounting and management fees attributable to the operation of the Project;

- (viii) The cost of any capital improvement to the Building or the Project not covered under the provisions of Paragraph 2.3 provided; however, that Lessor shall allocate the cost of any such capital improvement over a 12 year period and Lessee shall not be required to pay more than Lessee's Share of 1/144th of the cost of such Capital Expenditure in any given month;

- (ix) The cost to replace equipment or improvements that have a useful life for accounting purposes of 5 years or less.

- (x) Reserves set aside for maintenance, repair and/or replacement of Common Area Improvements and equipment.

- (d) Any Item of Operating Expense that is specifically attributable to the Premises, the Building or to any other building in the Project or to the operation, repair and maintenance thereof, shall be allocated entirely to such Premises, Building, or other building. However, any such item that is not specifically attributable to the Building or to any other building or to the operation, repair and maintenance thereof, shall be equitably allocated by Lessor to all buildings in the Project.

- (e) The inclusion of the Improvements, facilities and services set forth in Subparagraph 4.2(c) shall not be deemed to impose an obligation upon Lessor to either have said improvements or facilities or to provide those services unless the Project already has the same, Lessor

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already provides the services, or Lessor has agreed elsewhere in this Lease to provide the same or some of them.

(f) Lessee's Share of Operating Expense Increase is payable monthly on the same day as the Base Rent is due hereunder. The amount of such payments shall be based on Lessor's estimate of the Operating Expense Expenses. Within 60 days after written request (but not more than once each year) Lessor shall deliver to Lessee a reasonably detailed statement showing Lessee's Share of the actual Common Area Operating Expenses for the preceding year. If Lessee's payments during such Year exceed Lessee's Share, Lessee shall credit the amount of such over-payment against Lessee's future payments. If Lessee's payments during such Year were less than Lessee's Share, Lessee shall pay to Lessor the amount of the deficiency within 10 days after delivery by Lessor to Lessee of said statement. Lessor and Lessee shall forthwith adjust between them by cash payment any balance determined to exist with respect to that portion of the last Comparison Year for which Lessee is responsible as to Operating Expense Increases, notwithstanding that the Lease term may have terminated before the end of such Comparison Year.

(g) Operating Expenses shall not include the costs of replacement for equipment or capital components such as the roof, foundations, exterior walls or a Common Area capital improvement, such as the parking lot paving, elevators, fences that have a useful life for accounting purposes of 5 years or more.

(h) Operating Expenses shall not include any expenses paid by any tenant directly to third parties, or as to which Lessor is otherwise reimbursed by any third party, other tenant, or by insurance proceeds.

4.3 **Payment.** Lessee shall cause payment of Rent to be received by Lessor in lawful money of the United States on or before the day on which it is due, without offset or deduction (except as specifically permitted in this Lease). All monetary amounts shall be rounded to the nearest whole dollar. In the event that any invoice prepared by Lessor is inaccurate such inaccuracy shall not constitute a waiver and Lessee shall be obligated to pay the amount set forth in this Lease. Rent for any period during the term hereof which is for less than one full calendar month shall be prorated based upon the actual number of days of said month. Payment of Rent shall be made to Lessor at its address stated herein or to such other persons or place as Lessor may from time to time designate in writing. Acceptance of a payment which is less than the amount then due shall not be a waiver of Lessor's rights to the balance of such Rent, regardless of Lessor's endorsement of any check so stating. In the event that any check, draft, or other instrument of payment given by Lessee to Lessor is dishonored for any reason, Lessee agrees to pay to Lessor the sum of \$25 in addition to any Late Charge and Lessor, at its option, may require all future Rent be paid by cashier's check. Payments will be applied first to accrued late charges and attorney's fees, second to accrued interest, then to Base Rent and Common Area Operating Expenses, and any remaining amount to any other outstanding charges or costs.

5. **Security Deposit.** Lessee shall deposit with Lessor upon execution hereof the Security Deposit as security for Lessee's faithful performance of its obligations under this Lease. If Lessee fails to pay Rent, or otherwise Defaults under this Lease, Lessor may use, apply or retain all or any portion of said Security Deposit for the payment of any amount already due Lessor, for Rents which will be due in the future, and/or to reimburse or compensate Lessor for any liability, expense, loss or damage which Lessor may suffer or incur by reason thereof. If Lessor uses or applies all or any portion of the Security Deposit, Lessee shall within 10 days after written request therefor deposit monies with Lessor sufficient to restore said Security Deposit to the full amount required by this Lease. If the Base Rent increases during the term of this Lease, Lessee shall, upon written request from Lessor, deposit additional monies with Lessor so that the total amount of the Security Deposit shall at all times bear the same proportion to the increased Base Rent as the initial Security Deposit bore to the initial Base Rent. Should the Agreed Use be amended to accommodate a material change in the business of Lessee or to accommodate a sublessee or assignee, Lessor shall have the right to increase the Security Deposit to the extent necessary, in Lessor's reasonable judgment, to account for any increased wear and tear that the Premises may suffer as a result thereof. If a change in control of Lessee occurs during this Lease and following such change the financial condition of Lessee is, in Lessor's reasonable judgment, significantly reduced, Lessee shall deposit such additional monies with Lessor as shall be sufficient to cause the Security Deposit to be at a commercially reasonable level based on such change in financial condition. Lessor shall not be required to keep the Security Deposit separate from its general accounts. Within 90 days after the expiration or termination of this Lease, Lessor shall return that portion of the Security Deposit not used or applied by Lessor. No part of the Security Deposit shall be considered to be held in trust, to bear interest or to be prepayment for any monies to be paid by Lessee under this Lease.

6. **Use.**

6.1 **Use.** Lessee shall use and occupy the Premises only for the Agreed Use, or any other legal use which is reasonably comparable thereto, and for no other purpose. Lessee shall not use or permit the use of the Premises in a manner that is unlawful, creates damage, waste or a nuisance, or that disturbs occupants of or causes damage to neighboring premises or properties. Other than guide, signal and seeing eye dogs, Lessee shall not keep or allow in the Premises any pets, animals, birds, fish, or reptiles. Lessor shall not unreasonably withhold or delay its consent to any written request for a modification of the Agreed Use, so long as the same will not impair the structural integrity of the improvements of the Building, will not adversely affect the mechanical, electrical, HVAC, and other systems of the Building, and/or will not affect the exterior appearance of the Building. If Lessor elects to withhold consent, Lessor shall within 7 days after such request give written notification of same, which notice shall include an explanation of Lessor's objections to the change in the Agreed Use.

6.2 **Hazardous Substances.**

(a) **Reportable Uses Require Consent.** The term "Hazardous Substance" as used in this Lease shall mean any product, substance, or waste whose presence, use, manufacture, disposal, transportation, or release, either by itself or in combination with other materials expected to be on the Premises, is either: (i) potentially injurious to the public health, safety or welfare, the environment or the Premises, (ii) regulated or monitored by any governmental authority, or (iii) a basis for potential liability of Lessor to any governmental agency or third party under any applicable statute or common law theory. Hazardous Substances shall include, but not be limited to, hydrocarbons, petroleum, gasoline, and/or crude oil or any products, byproducts or fractions thereof. Lessee shall not engage in any activity in or on the Premises which constitutes a Reportable Use of Hazardous Substances without the express prior written consent of Lessor and timely compliance (at Lessee's expense) with all Applicable Requirements. "Reportable Use" shall mean (i) the installation or use of any above or below ground storage tank, (ii) the generation, possession, storage, use, transportation, or disposal of a Hazardous Substance that requires a permit from, or with respect to which a report, notice, registration or business plan is required to be filed with, any governmental authority, and/or (iii) the presence at the Premises of a Hazardous Substance with respect to which any Applicable Requirements requires that a notice be given to persons entering or occupying the Premises or neighboring properties. Notwithstanding the foregoing, Lessee may use any ordinary and customary materials reasonably required to be used in the normal course of the Agreed Use such as ordinary office supplies (copier toner, liquid paper, glue, etc.) and common household cleaning materials, so long as such use is in compliance with all Applicable Requirements, is not a Reportable Use, and does not expose the Premises or neighboring property to any meaningful risk of contamination or damage or expose Lessor to any liability therefor. In addition, Lessor may condition its consent to any Reportable Use upon receiving such additional assurances as Lessor reasonably deems necessary to protect itself, the public, the Premises and/or the environment against damage, contamination, injury and/or liability, including, but not limited to, the installation (and removal on or before Lease expiration or termination) of protective modifications (such as concrete encasements) and/or increasing the Security Deposit.

(b) **Duty to Inform Lessor.** If Lessee knows, or has reasonable cause to believe, that a Hazardous Substance has come to be located in, on, under or about the Premises, other than as previously consented to by Lessor, Lessee shall immediately give written notice of such fact to Lessor, and provide Lessor with a copy of any report, notice, claim or other documentation which it has concerning the presence of such Hazardous Substance.

(c) **Lessee Remediation.** Lessee shall not cause or permit any Hazardous Substance to be spilled or released in, on, under, or about the Premises (including through the plumbing or sanitary sewer system) and shall promptly, at Lessee's expense, comply with all Applicable Requirements and take all investigatory and/or remedial action reasonably recommended, whether or not formally ordered or required, for the cleanup of any contamination of, and for the maintenance, security and/or monitoring of the Premises or neighboring properties, that was caused or materially contributed to by Lessee, or pertaining to or involving any Hazardous Substance brought onto the Premises during the term of this Lease, by or for Lessee, or any third party.

(d) **Lessee Indemnification.** Lessee shall indemnify, defend and hold Lessor, its agents, employees, lenders and ground lessor, if any, harmless from and against any and all loss of rents and/or damages, liabilities, judgments, claims, expenses, penalties, and attorneys' fees arising out of or involving any Hazardous Substance brought onto the Premises by or for Lessee, or any third party (provided, however, that Lessee shall have no liability under this Lease with respect to underground migration of any Hazardous Substance under the Premises from areas outside of the Project not caused or contributed to by Lessee). Lessee's obligations shall include, but not be limited to, the effects of any contamination or injury to person, property or the environment created or suffered by Lessee, and the cost of investigation, removal, remediation, restoration and/or abatement, and shall survive the expiration or termination of this Lease. No termination, cancellation or release agreement entered into by Lessor and Lessee shall release Lessee from its obligations under this Lease with respect to Hazardous Substances, unless specifically so agreed by Lessor in writing at the time of such agreement.

(e) **Lessor Indemnification.** Lessor and its successors and assigns shall indemnify, defend, reimburse and hold Lessee, its employees and lenders, harmless from and against any and all environmental damages, including the cost of remediation, which result from Hazardous Substances which existed on the Premises prior to Lessee's occupancy or which are caused by the gross negligence or willful misconduct of Lessor, its agents or employees. Lessor's obligations, as and when required by the Applicable Requirements, shall include, but not be limited to, the cost of investigation, removal, remediation, restoration and/or abatement, and shall survive the expiration or termination of this Lease.

(f) **Investigations and Remediations.** Lessor shall retain the responsibility and pay for any investigations or remediation


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measures required by governmental entities having jurisdiction with respect to the existence of Hazardous Substances on the Premises prior to Lessee's occupancy, unless such remediation measure is required as a result of Lessee's use (including "Alterations", as defined in paragraph 7.3(a) below) of the Premises, in which event Lessee shall be responsible for such payment. Lessee shall cooperate fully in any such activities at the request of Lessor, including allowing Lessor and Lessor's agents to have reasonable access to the Premises at reasonable times in order to carry out Lessor's investigative and remedial responsibilities.

(g) **Lessor Termination Option.** If a Hazardous Substance Condition (see Paragraph 9.1(e)) occurs during the term of this Lease, unless Lessee is legally responsible therefor (in which case Lessee shall make the investigation and remediation thereof required by the Applicable Requirements and this Lease shall continue in full force and effect, but subject to Lessor's rights under Paragraph 6.2(d) and Paragraph 13), Lessor may, at Lessor's option, either (i) investigate and remediate such Hazardous Substance Condition, if required, as soon as reasonably possible at Lessor's expense, in which event this Lease shall continue in full force and effect, or (ii) if the estimated cost to remediate such condition exceeds 12 times the then monthly Base Rent or \$100,000, whichever is greater, give written notice to Lessee, within 30 days after receipt by Lessor of knowledge of the occurrence of such Hazardous Substance Condition, of Lessor's desire to terminate this Lease as of the date 60 days following the date of such notice. In the event Lessor elects to give a termination notice, Lessee may, within 10 days thereafter, give written notice to Lessor of Lessee's commitment to pay the amount by which the cost of the remediation of such Hazardous Substance Condition exceeds an amount equal to 12 times the then monthly Base Rent or \$100,000, whichever is greater. Lessee shall provide Lessor with said funds or satisfactory assurance thereof within 30 days following such commitment. In such event, this Lease shall continue in full force and effect, and Lessor shall proceed to make such remediation as soon as reasonably possible after the required funds are available. If Lessee does not give such notice and provide the required funds or assurance thereof within the time provided, this Lease shall terminate as of the date specified in Lessor's notice of termination.

6.3 **Lessee's Compliance with Applicable Requirements.** Except as otherwise provided in this Lease, Lessee shall, at Lessee's sole expense, fully, diligently and in a timely manner, materially comply with all Applicable Requirements, the requirements of any applicable fire insurance underwriter or rating bureau, and the recommendations of Lessor's engineers and/or consultants which relate in any manner to the Premises, without regard to whether said requirements are now in effect or become effective after the Start Date. Lessee shall, within 10 days after receipt of Lessor's written request, provide Lessor with copies of all permits and other documents, and other information evidencing Lessee's compliance with any Applicable Requirements specified by Lessor, and shall immediately upon receipt, notify Lessor in writing (with copies of any documents involved) of any threatened or actual claim, notice, citation, warning, complaint or report pertaining to or involving the failure of Lessee or the Premises to comply with any Applicable Requirements. Likewise, Lessee shall immediately give written notice to Lessor of: (i) any water damage to the Premises and any suspected seepage, pooling, dampness or other condition conducive to the production of mold; or (ii) any mustiness or other odors that might indicate the presence of mold in the Premises.

6.4 **Inspection; Compliance.** Lessor and Lessor's "Lender" (as defined in Paragraph 30) and consultants shall have the right to enter into Premises at any time, in the case of an emergency, and otherwise at reasonable times, after reasonable notice, for the purpose of inspecting the condition of the Premises and for verifying compliance by Lessee with this Lease. The cost of any such inspections shall be paid by Lessor, unless a violation of Applicable Requirements, or a Hazardous Substance Condition (see paragraph 9.1e) is found to exist or be imminent, or the inspection is requested or ordered by a governmental authority. In such case, Lessee shall upon request reimburse Lessor for the cost of such inspection, so long as such inspection is reasonably related to the violation or contamination. In addition, Lessee shall provide copies of all relevant material safety data sheets (MSDS) to Lessor within 10 days of the receipt of written request therefor.

7. **Maintenance; Repairs; Utility Installations; Trade Fixtures and Alterations.**

7.1 **Lessee's Obligations.** Notwithstanding Lessor's obligation to keep the Premises in good condition and repair, Lessee shall be responsible for payment of the cost thereof to Lessor as additional rent for that portion of the cost of any maintenance and repair of the Premises, or any equipment (wherever located) that serves only Lessee or the Premises, to the extent such cost is attributable to abuse or misuse. Lessee shall be responsible for the cost of painting, repairing or replacing wall coverings, and to repair or replace any improvements within the Premises. Lessor may, at its option, upon reasonable notice, elect to have Lessee perform any particular such maintenance or repairs the cost of which is otherwise Lessee's responsibility hereunder.

7.2 **Lessor's Obligations.** Subject to the provisions of Paragraphs 2.2 (Condition), 2.3 (Compliance), 4.2 (Operating Expenses), 6 (Use), 7.1 (Lessee's Obligations), 9 (Damage or Destruction) and 14 (Condemnation), Lessor, subject to reimbursement pursuant to Paragraph 4.2, shall keep in good order, condition and repair the foundations, exterior walls, structural condition of interior bearing walls, exterior roof, fire sprinkler system, fire alarm and/or smoke detection systems, fire hydrants, and the Common Areas. Lessee expressly waives the benefit of any statute now or hereafter in effect to the extent it is inconsistent with the terms of this Lease.

7.3 **Utility Installations; Trade Fixtures; Alterations.**

(a) **Definitions.** The term "Utility Installations" refers to all floor and window coverings, air lines, vacuum lines, power panels, electrical distribution, security and fire protection systems, communication cabling, lighting fixtures, HVAC equipment, and plumbing in or on the Premises. The term "Trade Fixtures" shall mean Lessee's machinery and equipment that can be removed without doing material damage to the Premises. The term "Alterations" shall mean any modification of the improvements, other than Utility Installations or Trade Fixtures, whether by addition or deletion. "Lessee Owned Alterations and/or Utility Installations" are defined as Alterations and/or Utility Installations made by Lessee that are not yet owned by Lessor pursuant to Paragraph 7.4(a).

(b) **Consent.** Lessee shall not make any Alterations or Utility Installations to the Premises without Lessor's prior written consent. Lessee may, however, make non-structural Alterations or Utility Installations to the interior of the Premises (excluding the roof) without such consent but upon notice to Lessor, as long as they are not visible from the outside, do not involve puncturing, relocating or removing the roof, ceilings, floors or any existing walls, will not affect the electrical, plumbing, HVAC, and/or life safety systems, and the cumulative cost thereof during this Lease as extended does not exceed \$2000. Notwithstanding the foregoing, Lessee shall not make or permit any roof penetrations and/or install anything on the roof without the prior written approval of Lessor. Lessor may, as a precondition to granting such approval, require Lessee to utilize a contractor chosen and/or approved by Lessor. Any Alterations or Utility Installations that Lessee shall desire to make and which require the consent of the Lessor shall be presented to Lessor in written form with detailed plans. Consent shall be deemed conditioned upon Lessee's: (i) acquiring all applicable governmental permits, (ii) furnishing Lessor with copies of both the permits and the plans and specifications prior to commencement of the work, and (iii) compliance with all conditions of said permits and other Applicable Requirements in a prompt and expeditious manner. Any Alterations or Utility Installations shall be performed in a workmanlike manner with good and sufficient materials. Lessee shall promptly upon completion furnish Lessor with as-built plans and specifications. For work which costs an amount in excess of one month's Base Rent, Lessor may condition its consent upon Lessee providing a lien and completion bond in an amount equal to 150% of the estimated cost of such Alteration or Utility Installation and/or upon Lessee's posting an additional Security Deposit with Lessor.

(c) **Lien; Bonds.** Lessee shall pay, when due, all claims for labor or materials furnished or alleged to have been furnished to or for Lessee at or for use on the Premises, which claims are or may be secured by any mechanic's or materialmen's lien against the Premises or any interest therein. Lessee shall give Lessor not less than 10 days notice prior to the commencement of any work in, on or about the Premises, and Lessor shall have the right to post notices of non-responsibility. If Lessee shall contest the validity of any such lien, claim or demand, then Lessee shall, at its sole expense defend and protect itself, Lessor and the Premises against the same and shall pay and satisfy any such adverse judgment that may be rendered thereon before the enforcement thereof. If Lessor shall require, Lessee shall furnish a surety bond in an amount equal to 150% of the amount of such contested lien, claim or demand, indemnifying Lessor against liability for the same. If Lessor elects to participate in any such action, Lessee shall pay Lessor's attorneys' fees and costs.

7.4 **Ownership; Removal; Surrender; and Restoration.**

(a) **Ownership.** Subject to Lessor's right to require removal or elect ownership as hereinafter provided, all Alterations and Utility Installations made by Lessee shall be the property of Lessee, but considered a part of the Premises. Lessor may, at any time, elect in writing to be the owner of all or any specified part of the Lessee Owned Alterations and Utility Installations. Unless otherwise instructed per paragraph 7.4(b) hereof, all Lessee Owned Alterations and Utility Installations shall, at the expiration or termination of this Lease, become the property of Lessor and be surrendered by Lessee with the Premises.

(b) **Removal.** By delivery to Lessee of written notice from Lessor not earlier than 90 and not later than 30 days prior to the end of the term of this Lease, Lessor may require that any or all Lessee Owned Alterations or Utility Installations be removed by the expiration or termination of this Lease. Lessor may require the removal at any time of all or any part of any Lessee Owned Alterations or Utility Installations made without the required consent.

(c) **Surrender; Restoration.** Lessee shall surrender the Premises by the Expiration Date or any earlier termination date, with all of the improvements, parts and surfaces thereof clean and free of debris, and in good operating order, condition and state of repair, ordinary wear and tear excepted. "Ordinary wear and tear" shall not include any damage or deterioration that would have been prevented by good maintenance practice. Notwithstanding the foregoing, if this Lease is for 12 months or less, then Lessee shall surrender the Premises in the same condition as delivered to Lessee on the Start Date with NO allowance for ordinary wear and tear. Lessee shall repair any damage occasioned by the installation, maintenance or removal of Trade Fixtures, Lessee owned Alterations and/or Utility Installations, furnishings, and equipment as well as the removal of any storage tank installed by or for Lessee. Lessee shall also completely remove from the Premises any and all Hazardous Substances brought onto the Premises by or for Lessee, or any third party (except Hazardous Substances which were deposited via underground migration from areas outside of the Premises).


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even if such removal would require Lessee to perform or pay for work that exceeds statutory requirements. Trade Fixtures shall remain the property of Lessee and shall be removed by Lessee. Any personal property of Lessee not removed on or before the Expiration Date or any earlier termination date shall be deemed to have been abandoned by Lessee and may be disposed of or retained by Lessor as Lessor may desire. The failure by Lessee to timely vacate the Premises pursuant to this Paragraph 7.4(c) without the express written consent of Lessor shall constitute a holdover under the provisions of Paragraph 28 below.

8. Insurance; Indemnity.

8.1 Insurance Premiums. The cost of the premiums for the insurance policies maintained by Lessor pursuant to paragraph 8 are included as Operating Expenses (see paragraph 4.2 (c)(iv)). Said costs shall include increases in the premiums resulting from additional coverage related to requirements of the holder of a mortgage or deed of trust covering the Premises, Building and/or Project, increased valuation of the Premises, Building and/or Project, and/or a general premium rate increase. Said costs shall not, however, include any premium increases resulting from the nature of the occupancy of any other tenant of the Building. If the Project was not insured for the entirety of the Base Year, then the base premium shall be the lowest annual premium reasonably obtainable for the required insurance as of the Start Date, assuming the most nominal use possible of the Building and/or Project. In no event, however, shall Lessee be responsible for any portion of the premium cost attributable to liability insurance coverage in excess of \$2,000,000 procured under Paragraph 8.2(b).

8.2 Liability Insurance.

(a) Carried by Lessee. Lessee shall obtain and keep in force a Commercial General Liability policy of insurance protecting Lessee and Lessor as an additional insured against claims for bodily injury, personal injury and property damage based upon or arising out of the ownership, use, occupancy or maintenance of the Premises and all areas appurtenant thereto. Such insurance shall be on an occurrence basis providing single limit coverage in an amount not less than \$1,000,000 per occurrence with an annual aggregate of not less than \$2,000,000. Lessee shall add Lessor as an additional insured by means of an endorsement at least as broad as the Insurance Service Organization's "Additional Insured-Managers or Lessors of Premises" Endorsement and coverage shall also be extended to include damage caused by heat, smoke or fumes from a hostile fire. The policy shall not contain any intra-insured exclusions as between insured persons or organizations, but shall include coverage for liability assumed under this Lease as an "insured contract" for the performance of Lessee's indemnity obligations under this Lease. The limits of said insurance shall not, however, limit the liability of Lessee nor relieve Lessee of any obligation hereunder. Lessee shall provide an endorsement on its liability policy(ies) which provides that its insurance shall be primary to and not contributory with any similar insurance carried by Lessor, whose insurance shall be considered excess insurance only.

(b) Carried by Lessor. Lessor shall maintain liability insurance as described in Paragraph 8.2(a), in addition to, and not in lieu of, the insurance required to be maintained by Lessee. Lessee shall not be named as an additional insured therein.

8.3 Property Insurance - Building, Improvements and Rental Value.

(a) Building and Improvements. Lessor shall obtain and keep in force a policy or policies of insurance in the name of Lessor, with loss payable to Lessor, any ground-lessor, and to any Lender insuring loss or damage to the Building and/or Project. The amount of such insurance shall be equal to the full insurable replacement cost of the Building and/or Project, as the same shall exist from time to time, or the amount required by any Lender, but in no event more than the commercially reasonable and available insurable value thereof. Lessee Owned Alterations and Utility Installations, Trade Fixtures, and Lessee's personal property shall be insured by Lessee not by Lessor. If the coverage is available and commercially appropriate, such policy or policies shall insure against all risks of direct physical loss or damage (except the perils of flood and/or earthquake unless required by a Lender), including coverage for debris removal and the enforcement of any Applicable Requirements requiring the upgrading, demolition, reconstruction or replacement of any portion of the Premises as the result of a covered loss. Said policy or policies shall also contain an agreed valuation provision in lieu of any coinsurance clause, waiver of subrogation, and inflation guard protection causing an increase in the annual property insurance coverage amount by a factor of not less than the adjusted U.S. Department of Labor Consumer Price Index for All Urban Consumers for the city nearest to where the Premises are located. If such insurance coverage has a deductible clause, the deductible amount shall not exceed \$5,000 per occurrence.

(b) Rental Value. Lessor shall also obtain and keep in force a policy or policies in the name of Lessor with loss payable to Lessor and any Lender, insuring the loss of the full Rent for one year with an extended period of indemnity for an additional 180 days ("Rental Value Insurance"). Said insurance shall contain an agreed valuation provision in lieu of any coinsurance clause, and the amount of coverage shall be adjusted annually to reflect the projected Rent otherwise payable by Lessee, for the next 12 month period.

(c) Adjacent Premises. Lessee shall pay for any increase in the premiums for the property insurance of the Building and for the Common Areas or other buildings in the Project if said increase is caused by Lessee's acts, omissions, use or occupancy of the Premises.

(d) Lessee's Improvements. Since Lessor is the insuring Party, Lessor shall not be required to insure Lessee Owned Alterations and Utility Installations unless the item in question has become the property of Lessor under the terms of this Lease.

8.4 Lessee's Property; Business Interruption Insurance; Worker's Compensation Insurance.

(a) Property Damage. Lessee shall obtain and maintain insurance coverage on all of Lessee's personal property, Trade Fixtures, and Lessee Owned Alterations and Utility Installations. Such insurance shall be full replacement cost coverage with a deductible of not to exceed \$1,000 per occurrence. The proceeds from any such insurance shall be used by Lessee for the replacement of personal property, Trade Fixtures and Lessee Owned Alterations and Utility Installations. Lessee shall provide Lessor with written evidence that such insurance is in force.

(b) Worker's Compensation Insurance. Lessee shall obtain and maintain Worker's Compensation Insurance in such amount as may be required by Applicable Requirements.

(c) Business Interruption. Lessee shall obtain and maintain loss of income and extra expense insurance in amounts as will reimburse Lessee for direct or indirect loss of earnings attributable to all perils commonly insured against by prudent lessees in the business of Lessee or attributable to prevention of access to the Premises as a result of such perils.

(d) No Representation of Adequate Coverage. Lessor makes no representation that the limits or forms of coverage of insurance specified herein are adequate to cover Lessee's property, business operations or obligations under this Lease.

8.5 Insurance Policies. Insurance required herein shall be by companies maintaining during the policy term a "General Policyholders Rating" of at least A-, VII, as set forth in the most current issue of "Best's Insurance Guide", or such other rating as may be required by a Lender. Lessee shall not do or permit to be done anything which invalidates the required insurance policies. Lessee shall, prior to the Start Date, deliver to Lessor certified copies of policies of such insurance or certificates with copies of the required endorsements evidencing the existence and amounts of the required insurance. No such policy shall be cancelable or subject to modification except after 10 days prior written notice to Lessor. Lessee shall, at least 30 days prior to the expiration of such policies, furnish Lessor with evidence of renewals or "insurance binders" evidencing renewal thereof, or Lessor may order such insurance and charge the cost thereof to Lessee, which amount shall be payable by Lessee to Lessor upon demand. Such policies shall be for a term of at least one year, or the length of the remaining term of this Lease, whichever is less. If either Party shall fail to procure and maintain the insurance required to be carried by it, the other Party may, but shall not be required to, procure and maintain the same.

8.6 Waiver of Subrogation. Without affecting any other rights or remedies, Lessee and Lessor each hereby release and relieve the other, and waive their entire right to recover damages against the other, for loss of or damage to its property arising out of or incident to the perils required to be insured against herein. The effect of such releases and waivers is not limited by the amount of insurance carried or required, or by any deductibles applicable hereto. The Parties agree to have their respective property damage insurance carriers waive any right to subrogation that such companies may have against Lessor or Lessee, as the case may be, so long as the insurance is not invalidated thereby.

8.7 Indemnity. Except for Lessor's gross negligence or willful misconduct, Lessee shall indemnify, protect, defend and hold harmless the Premises, Lessor and its agents, Lessor's master or ground lessor, partners and Lenders, from and against any and all claims, loss of rents and/or damages, liens, judgments, penalties, attorneys' and consultants' fees, expenses and/or liabilities arising out of, involving, or in connection with, the use and/or occupancy of the Premises by Lessee. If any action or proceeding is brought against Lessor by reason of any of the foregoing matters, Lessee shall upon notice defend the same at Lessee's expense by counsel reasonably satisfactory to Lessor and Lessor shall cooperate with Lessee in such defense. Lessor need not have first paid any such claim in order to be defended or indemnified.

8.8 Exemption of Lessor and its Agents from Liability. Notwithstanding the negligence or breach of this Lease by Lessor or its agents, neither Lessor nor its agents shall be liable under any circumstances for: (i) injury or damage to the person or goods, wares, merchandise or other property of Lessee, Lessee's employees, contractors, invitees, customers, or any other person in or about the Premises, whether such damage or injury is caused by or results from fire, steam, electricity, gas, water or rain, indoor air quality, the presence of mold or from the breakage, leakage, obstruction or other defects of pipes, fire sprinklers, wires, appliances, plumbing, HVAC or lighting fixtures, or from any other cause, whether the said injury or damage results from conditions arising upon the Premises or upon other portions of the Building, or from other sources or places, (ii) any damages arising from any act or neglect of any other tenant of Lessor or from the failure of Lessor or its agents to enforce the provisions of any other lease in the Project, or (iii) injury to Lessee's business or for any loss of income or profit therefrom. Instead, it is intended that Lessee's sole recourse in the event of such damages or injury be to file a claim on the insurance policy(ies) that Lessee is required to maintain pursuant to the provisions of paragraph 8.

8.9 Failure to Provide Insurance. Lessee acknowledges that any failure on its part to obtain or maintain the insurance required herein will expose Lessor to risks and potentially cause Lessor to incur costs not contemplated by this Lease, the extent of which will be extremely difficult to ascertain. Accordingly, for any month or portion thereof that Lessee does not maintain the required insurance and/or does not provide Lessor


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with the required binders or certificates evidencing the existence of the required insurance, the Base Rent shall be automatically increased, without any requirement for notice to Lessee, by an amount equal to 10% of the then existing Base Rent or \$100, whichever is greater. The parties agree that such increase in Base Rent represents fair and reasonable compensation for the additional risk/costs that Lessor will incur by reason of Lessee's failure to maintain the required insurance. Such increase in Base Rent shall in no event constitute a waiver of Lessee's Default or Breach with respect to the failure to maintain such insurance, prevent the exercise of any of the other rights and remedies granted hereunder, nor relieve Lessee of its obligation to maintain the insurance specified in this Lease.

9. Damage or Destruction.

9.1 Definitions.

(a) **"Premises Partial Damage"** shall mean damage or destruction to the improvements on the Premises, other than Lessee Owned Alterations and Utility Installations, which can reasonably be repaired in 3 months or less from the date of the damage or destruction, and the cost thereof does not exceed a sum equal to 6 month's Base Rent. Lessor shall notify Lessee in writing within 30 days from the date of the damage or destruction as to whether or not the damage is Partial or Total.

(b) **"Premises Total Destruction"** shall mean damage or destruction to the improvements on the Premises, other than Lessee Owned Alterations and Utility Installations and Trade Fixtures, which cannot reasonably be repaired in 3 months or less from the date of the damage or destruction and/or the cost thereof exceeds a sum equal to 6 month's Base Rent. Lessor shall notify Lessee in writing within 30 days from the date of the damage or destruction as to whether or not the damage is Partial or Total.

(c) **"Insured Loss"** shall mean damage or destruction to improvements on the Premises, other than Lessee Owned Alterations and Utility Installations and Trade Fixtures, which was caused by an event required to be covered by the insurance described in Paragraph 8.3(a), irrespective of any deductible amounts or coverage limits involved.

(d) **"Replacement Cost"** shall mean the cost to repair or rebuild the improvements owned by Lessor at the time of the occurrence to their condition existing immediately prior thereto, including demolition, debris removal and upgrading required by the operation of Applicable Requirements, and without deduction for depreciation.

(e) **"Hazardous Substance Condition"** shall mean the occurrence or discovery of a condition involving the presence of, or a contamination by, a Hazardous Substance, in, on, or under the Premises which requires restoration.

9.2 Partial Damage - Insured Loss. If a Premises Partial Damage that is an Insured Loss occurs, then Lessor shall, at Lessor's expense, repair such damage (but not Lessee's Trade Fixtures or Lessee Owned Alterations and Utility Installations) as soon as reasonably possible and this Lease shall continue in full force and effect; provided, however, that Lessee shall, at Lessor's election, make the repair of any damage or destruction the total cost to repair of which is \$5,000 or less, and, in such event, Lessor shall make any applicable insurance proceeds available to Lessee on a reasonable basis for that purpose. Notwithstanding the foregoing, if the required insurance was not in force or the insurance proceeds are not sufficient to effect such repair, the Insuring Party shall promptly contribute the shortage in proceeds as and when required to complete said repairs. In the event, however, such shortage was due to the fact that, by reason of the unique nature of the improvements, full replacement cost insurance coverage was not commercially reasonable and available, Lessor shall have no obligation to pay for the shortage in insurance proceeds or to fully restore the unique aspects of the Premises unless Lessee provides Lessor with the funds to cover same, or adequate assurance thereof, within 10 days following receipt of written notice of such shortage and request therefor. If Lessor receives said funds or adequate assurance thereof within said 10 day period, the party responsible for making the repairs shall complete them as soon as reasonably possible and this Lease shall remain in full force and effect. If such funds or assurance are not received, Lessor may nevertheless elect by written notice to Lessee within 10 days thereafter to: (i) make such restoration and repair as is commercially reasonable with Lessor paying any shortage in proceeds, in which case this Lease shall remain in full force and effect, or (ii) have this Lease terminate 30 days thereafter. Lessee shall not be entitled to reimbursement of any funds contributed by Lessee to repair any such damage or destruction. Premises Partial Damage due to flood or earthquake shall be subject to Paragraph 9.3, notwithstanding that there may be some insurance coverage, but the net proceeds of any such insurance shall be made available for the repairs if made by either Party.

9.3 Partial Damage - Uninsured Loss. If a Premises Partial Damage that is not an Insured Loss occurs, unless caused by a negligent or willful act of Lessee (in which event Lessee shall make the repairs at Lessee's expense), Lessor may either: (i) repair such damage as soon as reasonably possible at Lessor's expense, in which event this Lease shall continue in full force and effect, or (ii) terminate this Lease by giving written notice to Lessee within 30 days after receipt by Lessor of knowledge of the occurrence of such damage. Such termination shall be effective 60 days following the date of such notice. In the event Lessor elects to terminate this Lease, Lessee shall have the right within 10 days after receipt of the termination notice to give written notice to Lessor of Lessee's commitment to pay for the repair of such damage without reimbursement from Lessor. Lessee shall provide Lessor with said funds or satisfactory assurance thereof within 30 days after making such commitment. In such event this Lease shall continue in full force and effect, and Lessor shall proceed to make such repairs as soon as reasonably possible after the required funds are available. If Lessee does not make the required commitment, this Lease shall terminate as of the date specified in the termination notice.

9.4 Total Destruction. Notwithstanding any other provision hereof, if a Premises Total Destruction occurs, this Lease shall terminate 60 days following such Destruction. If the damage or destruction was caused by the gross negligence or willful misconduct of Lessee, Lessor shall have the right to recover Lessor's damages from Lessee, except as provided in Paragraph 8.6.

9.5 Damage Near End of Term. If at any time during the last 6 months of this Lease there is damage for which the cost to repair exceeds one month's Base Rent, whether or not an Insured Loss, Lessor may terminate this Lease effective 60 days following the date of occurrence of such damage by giving a written termination notice to Lessee within 30 days after the date of occurrence of such damage. Notwithstanding the foregoing, if Lessee at that time has an exercisable option to extend this Lease or to purchase the Premises, then Lessee may preserve this Lease by, (a) exercising such option and (b) providing Lessor with any shortage in insurance proceeds (or adequate assurance thereof) needed to make the repairs on or before the earlier of (i) the date which is 10 days after Lessee's receipt of Lessor's written notice purporting to terminate this Lease, or (ii) the day prior to the date upon which such option expires. If Lessee duly exercises such option during such period and provides Lessor with funds (or adequate assurance thereof) to cover any shortage in insurance proceeds, Lessor shall, at Lessor's commercially reasonable expense, repair such damage as soon as reasonably possible and this Lease shall continue in full force and effect. If Lessee fails to exercise such option and provide such funds or assurance during such period, then this Lease shall terminate on the date specified in the termination notice and Lessee's option shall be extinguished.

9.6 Abatement of Rent; Lessee's Remedies.

(a) **Abatement.** In the event of Premises Partial Damage or Premises Total Destruction or a Hazardous Substance Condition for which Lessee is not responsible under this Lease, the Rent payable by Lessee for the period required for the repair, remediation or restoration of such damage shall be abated in proportion to the degree to which Lessee's use of the Premises is impaired, but not to exceed the proceeds received from the Rental Value Insurance. All other obligations of Lessee hereunder shall be performed by Lessee, and Lessor shall have no liability for any such damage, destruction, remediation, repair or restoration except as provided herein.

(b) **Remedies.** If Lessor is obligated to repair or restore the Premises and does not commence, in a substantial and meaningful way, such repair or restoration within 90 days after such obligation shall accrue, Lessee may, at any time prior to the commencement of such repair or restoration, give written notice to Lessor and to any Lenders of which Lessee has actual notice, of Lessee's election to terminate this Lease on a date not less than 60 days following the giving of such notice. If Lessee gives such notice and such repair or restoration is not commenced within 30 days thereafter, this Lease shall terminate as of the date specified in said notice. If the repair or restoration is commenced within such 30 days, this Lease shall continue in full force and effect. "Commence" shall mean either the unconditional authorization of the preparation of the required plans, or the beginning of the actual work on the Premises, whichever first occurs.

9.7 Termination; Advance Payments. Upon termination of this Lease pursuant to Paragraph 6.2(g) or Paragraph 9, an equitable adjustment shall be made concerning advance Base Rent and any other advance payments made by Lessee to Lessor. Lessor shall, in addition, return to Lessee so much of Lessee's Security Deposit as has not been, or is not then required to be, used by Lessor.

10. Real Property Taxes.

10.1 Definitions. As used herein, the term **"Real Property Taxes"** shall include any form of assessment; real estate, general, special, ordinary or extraordinary, or rental levy or tax (other than inheritance, personal income or estate taxes); improvement bond; and/or license fee imposed upon or levied against any legal or equitable interest of Lessor in the Project, Lessor's right to other income therefrom, and/or Lessor's business of leasing, by any authority having the direct or indirect power to tax and where the funds are generated with reference to the Project address and where the proceeds so generated are to be applied by the city, county or other local taxing authority of a jurisdiction within which the Project is located. **"Real Property Taxes"** shall also include any tax, fee, levy, assessment or charge, or any increase therein: (i) imposed by reason of events occurring during the term of this Lease, including but not limited to, a change in the ownership of the Project, (ii) a change in the improvements thereon, and/or (iii) levied or assessed on machinery or equipment provided by Lessor to Lessee pursuant to this Lease.

10.2 Payment of Taxes. Except as otherwise provided in Paragraph 10.3, Lessor shall pay the Real Property Taxes applicable to the Project, and said payments shall be included in the calculation of Operating Expenses in accordance with the provisions of Paragraph 4.2.

10.3 Additional Improvements. Operating Expenses shall not include Real Property Taxes specified in the tax assessor's records and work sheets as being caused by additional improvements placed upon the Project by other lessees or by Lessor for the exclusive enjoyment of such other lessees. Notwithstanding Paragraph 10.2 hereof, Lessee shall, however, pay to Lessor at the time Operating Expenses are payable under Paragraph 4.2, the entirety of any increase in Real Property Taxes if assessed solely by reason of Alterations, Trade Fixtures or Utility Installations

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placed upon the Premises by Lessee or at Lessee's request or by reason of any alterations or improvements to the Premises made by Lessor subsequent to the execution of this Lease by the Parties.

10.4 Joint Assessment. If the Building is not separately assessed, Real Property Taxes allocated to the Building shall be an equitable proportion of the Real Property Taxes for all of the land and improvements included within the tax parcel assessed, such proportion to be determined by Lessor from the respective valuations assigned in the assessor's work sheets or such other information as may be reasonably available. Lessor's reasonable determination thereof, in good faith, shall be conclusive.

10.5 Personal Property Taxes. Lessee shall pay prior to delinquency all taxes assessed against and levied upon Lessee Owned Alterations and Utility Installations, Trade Fixtures, furnishings, equipment and all personal property of Lessee contained in the Premises. When possible, Lessee shall cause its Lessee Owned Alterations and Utility Installations, Trade Fixtures, furnishings, equipment and all other personal property to be assessed and billed separately from the real property of Lessor. If any of Lessee's said property shall be assessed with Lessor's real property, Lessee shall pay Lessor the taxes attributable to Lessee's property within 10 days after receipt of a written statement setting forth the taxes applicable to Lessee's property.

11. Utilities and Services.

11.1 Services Provided by Lessor. Lessor shall provide heating, ventilation, air conditioning, reasonable amounts of electricity for normal lighting and office machines, water for reasonable and normal drinking and lavatory use in connection with an office, and replacement light bulbs and/or fluorescent tubes and ballasts for standard overhead fixtures. Lessor shall also provide janitorial services to the Premises and Common Areas 5 times per week, excluding Building Holidays, or pursuant to the attached janitorial schedule, if any. Lessor shall not, however, be required to provide janitorial services to kitchens or storage areas included within the Premises.

11.2 Services Exclusive to Lessee. Lessee shall pay for all water, gas, light, power, telephone and other utilities and services specially or exclusively supplied and/or metered exclusively to the Premises or to Lessee, together with any taxes thereon. If a service is deleted by Paragraph 1.13 and such service is not separately metered to the Premises, Lessee shall pay at Lessor's option, either Lessee's Share or a reasonable proportion to be determined by Lessor of all charges for such jointly metered service.

11.3 Hours of Service. Said services and utilities shall be provided during times set forth in Paragraph 1.12. Utilities and services required at other times shall be subject to advance request and reimbursement by Lessee to Lessor of the cost thereof.

11.4 Excess Usage by Lessee. Lessee shall not make connection to the utilities except by or through existing outlets and shall not install or use machinery or equipment in or about the Premises that uses excess water, lighting or power, or suffer or permit any act that causes extra burden upon the utilities or services, including but not limited to security and trash services, over standard office usage for the Project. Lessor shall require Lessee to reimburse Lessor for any excess expenses or costs that may arise out of a breach of this subparagraph by Lessee. Lessor may, in its sole discretion, install at Lessee's expense supplemental equipment and/or separate metering applicable to Lessee's excess usage or loading.

11.5 Interruptions. There shall be no abatement of rent and Lessor shall not be liable in any respect whatsoever for the inadequacy, stoppage, interruption or discontinuance of any utility or service due to riot, strike, labor dispute, breakdown, accident, repair or other cause beyond Lessor's reasonable control or in cooperation with governmental request or directions.

12. Assignment and Subletting.

12.1 Lessor's Consent Required.

(a) Lessee shall not voluntarily or by operation of law assign, transfer, mortgage or encumber (collectively, "assign or assignment") or sublet all or any part of Lessee's interest in this Lease or in the Premises without Lessor's prior written consent.

(b) Unless Lessee is a corporation and its stock is publicly traded on a national stock exchange, a change in the control of Lessee shall constitute an assignment requiring consent. The transfer, on a cumulative basis, of 25% or more of the voting control of Lessee shall constitute a change in control for this purpose.

(c) The involvement of Lessee or its assets in any transaction, or series of transactions (by way of merger, sale, acquisition, financing, transfer, leveraged buyout or otherwise), whether or not a formal assignment or hypothecation of this Lease or Lessee's assets occurs, which results or will result in a reduction of the Net Worth of Lessee by an amount greater than 25% of such Net Worth as it was represented at the time of the execution of this Lease or at the time of the most recent assignment to which Lessor has consented, or as it exists immediately prior to said transaction or transactions constituting such reduction, whichever was or is greater, shall be considered an assignment of this Lease to which Lessor may withhold its consent. "Net Worth of Lessee" shall mean the net worth of Lessee (excluding any guarantors) established under generally accepted accounting principles.

(d) An assignment or subletting without consent shall, at Lessor's option, be a Default curable after notice per Paragraph 13.1(c), or a noncurable Breach without the necessity of any notice and grace period. If Lessor elects to treat such unapproved assignment or subletting as a noncurable Breach, Lessor may either: (i) terminate this Lease, or (ii) upon 30 days written notice, increase the monthly Base Rent to 110% of the Base Rent then in effect. Further, in the event of such Breach and rental adjustment, (i) the purchase price of any option to purchase the Premises held by Lessee shall be subject to similar adjustment to 110% of the price previously in effect, and (ii) all fixed and non-fixed rental adjustments scheduled during the remainder of the Lease term shall be increased to 110% of the scheduled adjusted rent.

(e) Lessee's remedy for any breach of Paragraph 12.1 by Lessor shall be limited to compensatory damages and/or injunctive relief.

(f) Lessor may reasonably withhold consent to a proposed assignment or subletting if Lessee is in Default at the time consent is requested.

(g) Notwithstanding the foregoing, allowing a de minimis portion of the Premises, i.e. 20 square feet or less, to be used by a third party vendor in connection with the installation of a vending machine or payphone shall not constitute a subletting.

12.2 Terms and Conditions Applicable to Assignment and Subletting.

(a) Regardless of Lessor's consent, no assignment or subletting shall: (i) be effective without the express written assumption by such assignee or sublessee of the obligations of Lessee under this Lease, (ii) release Lessee of any obligations hereunder, or (iii) alter the primary liability of Lessee for the payment of Rent or for the performance of any other obligations to be performed by Lessee.

(b) Lessor may accept Rent or performance of Lessee's obligations from any person other than Lessee pending approval or disapproval of an assignment. Neither a delay in the approval or disapproval of such assignment nor the acceptance of Rent or performance shall constitute a waiver or estoppel of Lessor's right to exercise its remedies for Lessee's Default or Breach.

(c) Lessor's consent to any assignment or subletting shall not constitute a consent to any subsequent assignment or subletting.

(d) In the event of any Default or Breach by Lessee, Lessor may proceed directly against Lessee, any Guarantors or anyone else responsible for the performance of Lessee's obligations under this Lease, including any assignee or sublessee, without first exhausting Lessor's remedies against any other person or entity responsible therefore to Lessor, or any security held by Lessor.

(e) Each request for consent to an assignment or subletting shall be in writing, accompanied by information relevant to Lessor's determination as to the financial and operational responsibility and appropriateness of the proposed assignee or sublessee, including but not limited to the intended use and/or required modification of the Premises, if any, together with a fee of \$500 as consideration for Lessor's considering and processing said request. Lessee agrees to provide Lessor with such other or additional information and/or documentation as may be reasonably requested. (See also Paragraph 36)

(f) Any assignee of, or sublessee under, this Lease shall, by reason of accepting such assignment, entering into such sublease, or entering into possession of the Premises or any portion thereof, be deemed to have assumed and agreed to conform and comply with each and every term, covenant, condition and obligation herein to be observed or performed by Lessee during the term of said assignment or sublease, other than such obligations as are contrary to or inconsistent with provisions of an assignment or sublease to which Lessor has specifically consented to in writing.

(g) Lessor's consent to any assignment or subletting shall not transfer to the assignee or sublessee any Option granted to the original Lessee by this Lease unless such transfer is specifically consented to by Lessor in writing. (See Paragraph 39.2)

12.3 Additional Terms and Conditions Applicable to Subletting. The following terms and conditions shall apply to any subletting by Lessee of all or any part of the Premises and shall be deemed included in all subleases under this Lease whether or not expressly incorporated therein:

(a) Lessee hereby assigns and transfers to Lessor all of Lessee's interest in all Rent payable on any sublease, and Lessor may collect such Rent and apply same toward Lessee's obligations under this Lease; provided, however, that until a Breach shall occur in the performance of Lessee's obligations, Lessee may collect said Rent. In the event that the amount collected by Lessor exceeds Lessee's then outstanding obligations any such excess shall be refunded to Lessee. Lessor shall not, by reason of the foregoing or any assignment of such sublease, nor by reason of the collection of Rent, be deemed liable to the sublessee for any failure of Lessee to perform and comply with any of Lessee's obligations to such sublessee. Lessee hereby irrevocably authorizes and directs any such sublessee, upon receipt of a written notice from Lessor stating that a Breach exists in the performance of Lessee's obligations under this Lease, to pay to Lessor all Rent due and to become due under the sublease. Sublessee shall rely upon any such notice from Lessor and shall pay all Rents to Lessor without any obligation or right to inquire as to whether such Breach exists, notwithstanding any claim from Lessee to the contrary.

(b) In the event of a Breach by Lessee, Lessor may, at its option, require sublessee to atton to Lessor, in which event Lessor shall undertake the obligations of the sublessor under such sublease from the time of the exercise of said option to the expiration of such sublease; provided, however, Lessor shall not be liable for any prepaid rents or security deposit paid by such sublessee to such sublessor or for any prior Defaults or Breaches of such sublessor.

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(c) Any matter requiring the consent of the sublessor under a sublease shall also require the consent of Lessor.
(d) No sublessee shall further assign or sublet all or any part of the Premises without Lessor's prior written consent.
(e) Lessor shall deliver a copy of any notice of Default or Breach by Lessee to the sublessee, who shall have the right to cure the Default of Lessee within the grace period, if any, specified in such notice. The sublessee shall have a right of reimbursement and offset from and against Lessee for any such Defaults cured by the sublessee.

13. Default; Breach; Remedies.

13.1 Default; Breach. A "Default" is defined as a failure by the Lessee to comply with or perform any of the terms, covenants, conditions or Rules and Regulations under this Lease. A "Breach" is defined as the occurrence of one or more of the following Defaults, and the failure of Lessee to cure such Default within any applicable grace period:

(a) The abandonment of the Premises; or the vacating of the Premises without providing a commercially reasonable level of security, or where the coverage of the property insurance described in Paragraph 8.3 is jeopardized as a result thereof, or without providing reasonable assurances to minimize potential vandalism.

(b) The failure of Lessee to make any payment of Rent or any Security Deposit required to be made by Lessee hereunder, whether to Lessor or to a third party, when due, to provide reasonable evidence of insurance or surety bond, or to fulfill any obligation under this Lease which endangers or threatens life or property, where such failure continues for a period of 3 business days following written notice to Lessee. THE ACCEPTANCE BY LESSOR OF A PARTIAL PAYMENT OF RENT OR SECURITY DEPOSIT SHALL NOT CONSTITUTE A WAIVER OF ANY OF LESSOR'S RIGHTS, INCLUDING LESSOR'S RIGHT TO RECOVER POSSESSION OF THE PREMISES.

(c) The failure of Lessee to allow Lessor and/or its agents access to the Premises or the commission of waste, act or acts constituting public or private nuisance, and/or an illegal activity on the Premises by Lessee, where such actions continue for a period of 3 business days following written notice to Lessee.

(d) The failure by Lessee to provide (i) reasonable written evidence of compliance with Applicable Requirements, (ii) the service contracts, (iii) the resission of an unauthorized assignment or subletting, (iv) an Estoppel Certificate or financial statements, (v) a requested subordination, (vi) evidence concerning any guaranty and/or Guarantor, (vii) any document requested under Paragraph 41, (viii) material data safety sheets (MSDS), or (ix) any other documentation or information which Lessor may reasonably require of Lessee under the terms of this Lease, where any such failure continues for a period of 10 days following written notice to Lessee.

(e) A Default by Lessee as to the terms, covenants, conditions or provisions of this Lease, or of the rules adopted under Paragraph 2.9 hereof, other than those described in subparagraphs 13.1(a), (b) or (c), above, where such Default continues for a period of 30 days after written notice; provided, however, that if the nature of Lessee's Default is such that more than 30 days are reasonably required for its cure, then it shall not be deemed to be a Breach if Lessee commences such cure within said 30 day period and thereafter diligently prosecutes such cure to completion.

(f) The occurrence of any of the following events: (i) the making of any general arrangement or assignment for the benefit of creditors; (ii) becoming a "debtor" as defined in 11 U.S.C. § 101 or any successor statute thereto (unless, in the case of a petition filed against Lessee, the same is dismissed within 60 days); (iii) the appointment of a trustee or receiver to take possession of substantially all of Lessee's assets located at the Premises or of Lessee's Interest in this Lease, where possession is not restored to Lessee within 30 days; or (iv) the attachment, execution or other judicial seizure of substantially all of Lessee's assets located at the Premises or of Lessee's Interest in this Lease, where such seizure is not discharged within 30 days; provided, however, in the event that any provision of this subparagraph is contrary to any applicable law, such provision shall be of no force or effect, and not affect the validity of the remaining provisions.

(g) The discovery that any financial statement of Lessee or of any Guarantor given to Lessor was materially false.

(h) If the performance of Lessee's obligations under this Lease is guaranteed: (i) the death of a Guarantor, (ii) the termination of a Guarantor's liability with respect to this Lease other than in accordance with the terms of such guaranty, (iii) a Guarantor's becoming insolvent or the subject of a bankruptcy filing, (iv) a Guarantor's refusal to honor the guaranty, or (v) a Guarantor's breach of its guaranty obligation on an anticipatory basis, and Lessee's failure, within 60 days following written notice of any such event, to provide written alternative assurance or security, which, when coupled with the then existing resources of Lessee, equals or exceeds the combined financial resources of Lessee and the Guarantors that existed at the time of execution of this Lease.

13.2 Remedies. If Lessee fails to perform any of its affirmative duties or obligations, within 10 days after written notice (or in case of an emergency, without notice), Lessor may, at its option, perform such duty or obligation on Lessee's behalf, including but not limited to the obtaining of reasonably required bonds, insurance policies, or governmental licenses, permits or approvals. Lessee shall pay to Lessor an amount equal to 115% of the costs and expenses incurred by Lessor in such performance upon receipt of an invoice therefor. In the event of a Breach, Lessor may, with or without further notice or demand, and without limiting Lessor in the exercise of any right or remedy which Lessor may have by reason of such Breach:

(a) Terminate Lessee's right to possession of the Premises by any lawful means, in which case this Lease shall terminate and Lessee shall immediately surrender possession to Lessor. In such event Lessor shall be entitled to recover from Lessee: (i) the unpaid Rent which had been earned at the time of termination; (ii) the worth at the time of award of the amount by which the unpaid rent which would have been earned after termination until the time of award exceeds the amount of such rental loss that the Lessee proves could have been reasonably avoided; (iii) the worth at the time of award of the amount by which the unpaid rent for the balance of the term after the time of award exceeds the amount of such rental loss that the Lessee proves could be reasonably avoided; and (iv) any other amount necessary to compensate Lessor for all the detriment proximately caused by the Lessee'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 the cost of recovering possession of the Premises, expenses of reletting, including necessary renovation and alteration of the Premises, reasonable attorneys' fees, and that portion of any leasing commission paid by Lessor in connection with this Lease applicable to the unexpired term of this Lease. The worth at the time of award of the amount referred to in provision (iii) of the immediately preceding sentence shall be computed by discounting such amount at the discount rate of the Federal Reserve Bank of the District within which the Premises are located at the time of award plus one percent. Efforts by Lessor to mitigate damages caused by Lessee's Breach of this Lease shall not waive Lessor's right to recover damages under Paragraph 12. If termination of this Lease is obtained through the provisional remedy of unlawful detainer, Lessor shall have the right to recover in such proceeding any unpaid Rent and damages as are recoverable therein, or Lessor may reserve the right to recover all or any part thereof in a separate suit. If a notice and grace period required under Paragraph 13.1 was not previously given, a notice to pay rent or quit, or to perform or quit given to Lessee under the unlawful detainer statute shall also constitute the notice required by Paragraph 13.1. In such case, the applicable grace period required by Paragraph 13.1 and the unlawful detainer statute shall run concurrently, and the failure of Lessee to cure the Default within the greater of the two such grace periods shall constitute both an unlawful detainer and a Breach of this Lease entitling Lessor to the remedies provided for in this Lease and/or by said statute.

(b) Continue the Lease and Lessee's right to possession and recover the Rent as it becomes due, in which event Lessee may sublet or assign, subject only to reasonable limitations. Acts of maintenance, efforts to relet, and/or the appointment of a receiver to protect the Lessor's interests, shall not constitute a termination of the Lessee's right to possession.

(c) Pursue any other remedy now or hereafter available under the laws or judicial decisions of the state wherein the Premises are located. The expiration or termination of this Lease and/or the termination of Lessee's right to possession shall not relieve Lessee from liability under any indemnity provisions of this Lease as to matters occurring or accruing during the term hereof or by reason of Lessee's occupancy of the Premises.

13.3 Inducement Recapture. Any agreement for free or abated rent or other charges, or for the giving or paying by Lessor to or for Lessee of any cash or other bonus, inducement or consideration for Lessee's entering into this Lease, all of which concessions are hereinafter referred to as "Inducement Provisions", shall be deemed conditioned upon Lessee's full and faithful performance of all of the terms, covenants and conditions of this Lease. Upon Breach of this Lease by Lessee, any such Inducement Provision shall automatically be deemed deleted from this Lease and of no further force or effect, and any rent, other charge, bonus, inducement or consideration theretofore abated, given or paid by Lessor under such an Inducement Provision shall be immediately due and payable by Lessee to Lessor, notwithstanding any subsequent cure of said Breach by Lessee. The acceptance by Lessor of rent or the cure of the Breach which initiated the operation of this paragraph shall not be deemed a waiver by Lessor of the provisions of this paragraph unless specifically so stated in writing by Lessor at the time of such acceptance.

13.4 Late Charges. Lessee hereby acknowledges that late payment by Lessee of Rent will cause Lessor to incur costs not contemplated by this Lease, the exact amount of which will be extremely difficult to ascertain. Such costs include, but are not limited to, processing and accounting charges, and late charges which may be imposed upon Lessor by any Lender. Accordingly, if any Rent shall not be received by Lessor within 5 days after such amount shall be due, then, without any requirement for notice to Lessee, Lessee shall immediately pay to Lessor a one-time late charge equal to 10% of each such overdue amount or \$100, whichever is greater. The parties hereby agree that such late charge represents a fair and reasonable estimate of the costs Lessor will incur by reason of such late payment. Acceptance of such late charge by Lessor shall in no event constitute a waiver of Lessee's Default or Breach with respect to such overdue amount, nor prevent the exercise of any of the other rights and remedies granted hereunder. In the event that a late charge is payable hereunder, whether or not collected, for 3 consecutive installments of Base Rent, then notwithstanding any provision of this Lease to the contrary, Base Rent shall, at Lessor's option, become due and payable quarterly in advance.

13.5 Interest. Any monetary payment due Lessor hereunder, other than late charges, not received by Lessor, when due as to scheduled payments (such as Base Rent) or within 30 days following the date on which it was due for nonscheduled payment, shall bear interest from the date when due, as to scheduled payments, or the 31st day after it was due as to nonscheduled payments. The Interest ("Interest") charged shall be computed at the rate of 10% per annum but shall not exceed the maximum rate allowed by law. Interest is payable in addition to the potential late

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charge provided for in Paragraph 13.4.

13.6 Breach by Lessor.

(a) **Notice of Breach.** Lessor shall not be deemed in breach of this Lease unless Lessor fails within a reasonable time to perform an obligation required to be performed by Lessor. For purposes of this Paragraph, a reasonable time shall in no event be less than 30 days after receipt by Lessor, and any Lender whose name and address shall have been furnished Lessee in writing for such purpose, of written notice specifying wherein such obligation of Lessor has not been performed; provided, however, that if the nature of Lessor's obligation is such that more than 30 days are reasonably required for its performance, then Lessor shall not be in breach if performance is commenced within such 30 day period and thereafter diligently pursued to completion.

(b) **Performance by Lessee on Behalf of Lessor.** In the event that neither Lessor nor Lender cures said breach within 30 days after receipt of said notice, or if having commenced said cure they do not diligently pursue it to completion, then Lessee may elect to cure said breach at Lessee's expense and offset from Rent the actual and reasonable cost to perform such cure, provided however, that such offset shall not exceed an amount equal to the greater of one month's Base Rent or the Security Deposit, reserving Lessee's right to seek reimbursement from Lessor for any such expense in excess of such offset. Lessee shall document the cost of said cure and supply said documentation to Lessor.

14. Condemnation. If the Premises or any portion thereof are taken under the power of eminent domain or sold under the threat of the exercise of said power (collectively "Condemnation"), this Lease shall terminate as to the part taken as of the date the condemning authority takes title or possession, whichever first occurs. If more than 10% of the rentable floor area of the Premises, or more than 25% of Lessee's Reserved Parking Spaces, if any, are taken by Condemnation, Lessee may, at Lessee's option, to be exercised in writing within 10 days after Lessor shall have given Lessee written notice of such taking (or in the absence of such notice, within 10 days after the condemning authority shall have taken possession) terminate this Lease as of the date the condemning authority takes such possession. If Lessee does not terminate this Lease in accordance with the foregoing, this Lease shall remain in full force and effect as to the portion of the Premises remaining, except that the Base Rent shall be reduced in proportion to the reduction in utility of the Premises caused by such Condemnation. Condemnation awards and/or payments shall be the property of Lessor, whether such award shall be made as compensation for diminution in value of the leasehold, the value of the part taken, or for severance damages; provided, however, that Lessee shall be entitled to any compensation paid by the condemnor for Lessee's relocation expenses, loss of business goodwill and/or Trade Fixtures, without regard to whether or not this Lease is terminated pursuant to the provisions of this Paragraph. All Alterations and Utility Installations made to the Premises by Lessee, for purposes of Condemnation only, shall be considered the property of the Lessee and Lessee shall be entitled to any and all compensation which is payable therefor. In the event that this Lease is not terminated by reason of the Condemnation, Lessor shall repair any damage to the Premises caused by such Condemnation.

15. Brokerage Fees.

15.1 Additional Commission. If a separate brokerage fee agreement is attached then in addition to the payments owed pursuant to Paragraph 1.10 above, and unless Lessor and the Brokers otherwise agree in writing, Lessor agrees that: (a) if Lessee exercises any Option, (b) if Lessee or anyone affiliated with Lessee acquires from Lessor any rights to the Premises or other premises owned by Lessor and located within the Project, (c) if Lessee remains in possession of the Premises, with the consent of Lessor, after the expiration of this Lease, or (d) if Base Rent is increased, whether by agreement or operation of an escalation clause herein, then, Lessor shall pay Brokers a fee in accordance with the schedule attached to such brokerage fee agreement.

15.2 Assumption of Obligations. Any buyer or transferee of Lessor's interest in this Lease shall be deemed to have assumed Lessor's obligation hereunder. Brokers shall be third party beneficiaries of the provisions of Paragraphs 1.10, 15, 22 and 31. If Lessor fails to pay to Brokers any amounts due as and for brokerage fees pertaining to this Lease when due, then such amounts shall accrue interest. In addition, if Lessor fails to pay any amounts to Lessee's Broker when due, Lessee's Broker may send written notice to Lessor and Lessee of such failure and if Lessor fails to pay such amounts within 10 days after said notice, Lessee shall pay said monies to its Broker and offset such amounts against Rent. In addition, Lessee's Broker shall be deemed to be a third party beneficiary of any commission agreement entered into by and/or between Lessor and Lessor's Broker for the limited purpose of collecting any brokerage fee owed.

15.3 Representations and Indemnities of Broker Relationships. Lessee and Lessor each represent and warrant to the other that it has had no dealings with any person, firm, broker or finder (other than the Brokers, if any) in connection with this Lease, and that no one other than said named Brokers is entitled to any commission or finder's fee in connection herewith. Lessee and Lessor do each hereby agree to indemnify, protect, defend and hold the other harmless from and against liability for compensation or charges which may be claimed by any such unnamed broker, finder or other similar party by reason of any dealings or actions of the indemnifying party, including any costs, expenses, attorneys' fees reasonably incurred with respect thereto.

16. Estoppel Certificates.

(a) Each Party (as "Responding Party") shall within 10 days after written notice from the other Party (the "Requesting Party") execute, acknowledge and deliver to the Requesting Party a statement in writing in form similar to the then most current "Estoppel Certificate" form published by the AIR Commercial Real Estate Association, plus such additional information, confirmation and/or statements as may be reasonably requested by the Requesting Party.

(b) If the Responding Party shall fail to execute or deliver the Estoppel Certificate within such 10 day period, the Requesting Party may execute an Estoppel Certificate stating that: (i) the Lease is in full force and effect without modification except as may be represented by the Requesting Party, (ii) there are no uncured defaults in the Requesting Party's performance, and (iii) if Lessor is the Requesting Party, not more than one month's rent has been paid in advance. Prospective purchasers and encumbrancers may rely upon the Requesting Party's Estoppel Certificate, and the Responding Party shall be estopped from denying the truth of the facts contained in said Certificate.

(c) If Lessor desires to finance, refinance, or sell the Premises, or any part thereof, Lessee and all Guarantors shall within 10 days after written notice from Lessor deliver to any potential lender or purchaser designated by Lessor such financial statements as may be reasonably required by such lender or purchaser, including but not limited to Lessee's financial statements for the past 3 years. All such financial statements shall be received by Lessor and such lender or purchaser in confidence and shall be used only for the purposes herein set forth.

17. Definition of Lessor. The term "Lessor" as used herein shall mean the owner or owners at the time in question of the fee title to the Premises, or, if this is a sublease, of the Lessee's interest in the prior lease. In the event of a transfer of Lessor's title or interest in the Premises or this Lease, Lessor shall deliver to the transferee or assignee (in cash or by credit) any unused Security Deposit held by Lessor. Upon such transfer or assignment and delivery of the Security Deposit, as aforesaid, the prior Lessor shall be relieved of all liability with respect to the obligations and/or covenants under this Lease thereafter to be performed by the Lessor. Subject to the foregoing, the obligations and/or covenants in this Lease to be performed by the Lessor shall be binding only upon the Lessor as hereinabove defined.

18. Severability. The invalidity of any provision of this Lease, as determined by a court of competent jurisdiction, shall in no way affect the validity of any other provision hereof.

19. Days. Unless otherwise specifically indicated to the contrary, the word "days" as used in this Lease shall mean and refer to calendar days.

20. Limitation on Liability. The obligations of Lessor under this Lease shall not constitute personal obligations of Lessor or its partners, members, directors, officers or shareholders, and Lessee shall look to the Project, and to no other assets of Lessor, for the satisfaction of any liability of Lessor with respect to this Lease, and shall not seek recourse against Lessor's partners, members, directors, officers or shareholders, or any of their personal assets for such satisfaction.

21. Time of Essence. Time is of the essence with respect to the performance of all obligations to be performed or observed by the Parties under this Lease.

22. No Prior or Other Agreements; Broker Disclaimer. This Lease contains all agreements between the Parties with respect to any matter mentioned herein, and no other prior or contemporaneous agreement or understanding shall be effective. Lessor and Lessee each represents and warrants to the Brokers that it has made, and is relying solely upon, its own investigation as to the nature, quality, character and financial responsibility of the other Party to this Lease and as to the use, nature, quality and character of the Premises. Brokers have no responsibility with respect thereto or with respect to any default or breach hereof by either Party.

23. Notices.

23.1 Notice Requirements. All notices required or permitted by this Lease or applicable law shall be in writing and may be delivered in person (by hand or by courier) or may be sent by regular, certified or registered mail or U.S. Postal Service Express Mail, with postage prepaid, or by facsimile transmission, and shall be deemed sufficiently given if served in a manner specified in this Paragraph 23. The addresses noted adjacent to a Party's signature on this Lease shall be that Party's address for delivery or mailing of notices. Either Party may by written notice to the other specify a different address for notice, except that upon Lessee's taking possession of the Premises, the Premises shall constitute Lessee's address for notice. A copy of all notices to Lessor shall be concurrently transmitted to such party or parties at such addresses as Lessor may from time to time hereafter designate in writing.

23.2 Date of Notice. Any notice sent by registered or certified mail, return receipt requested, shall be deemed given on the date of delivery shown on the receipt card, or if no delivery date is shown, the postmark thereon. If sent by regular mail the notice shall be deemed given 72 hours after the same is addressed as required herein and mailed with postage prepaid. Notices delivered by United States Express Mail or overnight courier that guarantees next day delivery shall be deemed given 24 hours after delivery of the same to the Postal Service or courier. Notices transmitted by facsimile transmission or similar means shall be deemed delivered upon telephone confirmation of receipt (confirmation report from fax machine is

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sufficient), provided a copy is also delivered via delivery or mail. If notice is received on a Saturday, Sunday or legal holiday, it shall be deemed received on the next business day.

24. **Waivers.**

(a) No waiver by Lessor of the Default or Breach of any term, covenant or condition hereof by Lessee, shall be deemed a waiver of any other term, covenant or condition hereof, or of any subsequent Default or Breach by Lessee of the same or of any other term, covenant or condition hereof. Lessor's consent to, or approval of, any act shall not be deemed to render unnecessary the obtaining of Lessor's consent to, or approval of, any subsequent or similar act by Lessee, or be construed as the basis of an estoppel to enforce the provision or provisions of this Lease requiring such consent.

(b) The acceptance of Rent by Lessor shall not be a waiver of any Default or Breach by Lessee. Any payment by Lessee may be accepted by Lessor on account of moneys or damages due Lessor, notwithstanding any qualifying statements or conditions made by Lessee in connection therewith, which such statements and/or conditions shall be of no force or effect whatsoever unless specifically agreed to in writing by Lessor at or before the time of deposit of such payment.

(c) **THE PARTIES AGREE THAT THE TERMS OF THIS LEASE SHALL GOVERN WITH REGARD TO ALL MATTERS RELATED THERETO AND HEREBY WAIVE THE PROVISIONS OF ANY PRESENT OR FUTURE STATUTE TO THE EXTENT THAT SUCH STATUTE IS INCONSISTENT WITH THIS LEASE.**

25. **Disclosures Regarding The Nature of a Real Estate Agency Relationship.**

(a) When entering into a discussion with a real estate agent regarding a real estate transaction, a Lessor or Lessee should from the outset understand what type of agency relationship or representation it has with the agent or agents in the transaction. Lessor and Lessee acknowledge being advised by the Brokers in this transaction, as follows:

(i) **Lessor's Agent.** A Lessor's agent under a listing agreement with the Lessor acts as the agent for the Lessor only. A Lessor's agent or subagent has the following affirmative obligations: **To the Lessor:** A fiduciary duty of utmost care, integrity, honesty, and loyalty in dealings with the Lessor. **To the Lessee and the Lessor:** a. Diligent exercise of reasonable skills and care in performance of the agent's duties. b. A duty of honest and fair dealing and good faith. c. A duty to disclose all facts known to the agent materially affecting the value or desirability of the property that are not known to, or within the diligent attention and observation of, the Parties. An agent is not obligated to reveal to either Party any confidential information obtained from the other Party which does not involve the affirmative duties set forth above.

(ii) **Lessee's Agent.** An agent can agree to act as agent for the Lessee only. In these situations, the agent is not the Lessor's agent, even if by agreement the agent may receive compensation for services rendered, either in full or in part from the Lessor. An agent acting only for a Lessee has the following affirmative obligations. **To the Lessee:** A fiduciary duty of utmost care, integrity, honesty, and loyalty in dealings with the Lessee. **To the Lessee and the Lessor:** a. Diligent exercise of reasonable skills and care in performance of the agent's duties. b. A duty of honest and fair dealing and good faith. c. A duty to disclose all facts known to the agent materially affecting the value or desirability of the property that are not known to, or within the diligent attention and observation of, the Parties. An agent is not obligated to reveal to either Party any confidential information obtained from the other Party which does not involve the affirmative duties set forth above.

(iii) **Agent Representing Both Lessor and Lessee.** A real estate agent, either acting directly or through one or more associate licensees, can legally be the agent of both the Lessor and the Lessee in a transaction, but only with the knowledge and consent of both the Lessor and the Lessee. In a dual agency situation, the agent has the following affirmative obligations to both the Lessor and the Lessee: a. A fiduciary duty of utmost care, integrity, honesty and loyalty in the dealings with either Lessor or the Lessee. b. Other duties to the Lessor and the Lessee as stated above in subparagraphs (i) or (ii). In representing both Lessor and Lessee, the agent may not without the express permission of the respective Party, disclose to the other Party that the Lessor will accept rent in an amount less than that indicated in the listing or that the Lessee is willing to pay a higher rent than that offered. The above duties of the agent in a real estate transaction do not relieve a Lessor or Lessee from the responsibility to protect their own interests. Lessor and Lessee should carefully read all agreements to assure that they adequately express their understanding of the transaction. A real estate agent is a person qualified to advise about real estate. If legal or tax advice is desired, consult a competent professional.

(b) Brokers have no responsibility with respect to any default or breach hereof by either Party. The Parties agree that no lawsuit or other legal proceeding involving any breach of duty, error or omission relating to this Lease may be brought against Broker more than one year after the Start Date and that the liability (including court costs and attorneys' fees), of any Broker with respect to any such lawsuit and/or legal proceeding shall not exceed the fee received by such Broker pursuant to this Lease; provided, however, that the foregoing limitation on each Broker's liability shall not be applicable to any gross negligence or willful misconduct of such Broker.

(c) Lessor and Lessee agree to identify to Brokers as "Confidential" any communication or information given Brokers that is considered by such Party to be confidential.

26. **No Right to Holdover.** Lessee has no right to retain possession of the Premises or any part thereof beyond the expiration or termination of this Lease. In the event that Lessee holds over, then the Base Rent shall be increased to 150% of the Base Rent applicable immediately preceding the expiration or termination. Nothing contained herein shall be construed as consent by Lessor to any holding over by Lessee.

27. **Cumulative Remedies.** No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law or in equity.

28. **Covenants and Conditions; Construction of Agreement.** All provisions of this Lease to be observed or performed by Lessee are both covenants and conditions. In construing this Lease, all headings and titles are for the convenience of the Parties only and shall not be considered a part of this Lease. Whenever required by the context, the singular shall include the plural and vice versa. This Lease shall not be construed as if prepared by one of the Parties, but rather according to its fair meaning as a whole, as if both Parties had prepared it.

29. **Binding Effect; Choice of Law.** This Lease shall be binding upon the Parties, their personal representatives, successors and assigns and be governed by the laws of the State in which the Premises are located. Any litigation between the Parties hereto concerning this Lease shall be initiated in the county in which the Premises are located.

30. **Subordination; Attornment; Non-Disturbance.**

30.1 **Subordination.** This Lease and any Option granted hereby shall be subject and subordinate to any ground lease, mortgage, deed of trust, or other hypothecation or security device (collectively, "**Security Device**"), now or hereafter placed upon the Premises, to any and all advances made on the security thereof, and to all renewals, modifications, and extensions thereof. Lessee agrees that the holders of any such Security Devices (in this Lease together referred to as "**Lender**") shall have no liability or obligation to perform any of the obligations of Lessor under this Lease. Any Lender may elect to have this Lease and/or any Option granted hereby superior to the lien of its Security Device by giving written notice thereof to Lessee, whereupon this Lease and such Options shall be deemed prior to such Security Device, notwithstanding the relative dates of the documentation or recordation thereof.

30.2 **Attornment.** In the event that Lessor transfers title to the Premises, or the Premises are acquired by another upon the foreclosure or termination of a Security Device to which this Lease is subordinated (i) Lessee shall, subject to the non-disturbance provisions of Paragraph 30.3, attorn to such new owner, and upon request, enter into a new lease, containing all of the terms and provisions of this Lease, with such new owner for the remainder of the term hereof, or, at the election of the new owner, this Lease will automatically become a new lease between Lessee and such new owner, and (ii) Lessor shall thereafter be relieved of any further obligations hereunder and such new owner shall assume all of Lessor's obligations, except that such new owner shall not: (a) be liable for any act or omission of any prior lessor or with respect to events occurring prior to acquisition of ownership; (b) be subject to any offsets or defenses which Lessee might have against any prior lessor, (c) be bound by prepayment of more than one month's rent, or (d) be liable for the return of any security deposit paid to any prior lessor which was not paid or credited to such new owner.

30.3 **Non-Disturbance.** With respect to Security Devices entered into by Lessor after the execution of this Lease, Lessee's subordination of this Lease shall be subject to receiving a commercially reasonable non-disturbance agreement (a "**Non-Disturbance Agreement**") from the Lender which Non-Disturbance Agreement provides that Lessee's possession of the Premises, and this Lease, including any options to extend the term hereof, will not be disturbed so long as Lessee is not in Breach hereof and attorns to the record owner of the Premises. Further, within 60 days after the execution of this Lease, Lessor shall, if requested by Lessee, use its commercially reasonable efforts to obtain a Non-Disturbance Agreement from the holder of any pre-existing Security Device which is secured by the Premises. In the event that Lessor is unable to provide the Non-Disturbance Agreement within said 60 days, then Lessee may, at Lessee's option, directly contact Lender and attempt to negotiate for the execution and delivery of a Non-Disturbance Agreement.

30.4 **Self-Executing.** The agreements contained in this Paragraph 30 shall be effective without the execution of any further documents; provided, however, that, upon written request from Lessor or a Lender in connection with a sale, financing or refinancing of the Premises, Lessee and Lessor shall execute such further writings as may be reasonably required to separately document any subordination, attornment and/or Non-Disturbance Agreement provided for herein.

31. **Attorneys' Fees.** If any Party or Broker brings an action or proceeding involving the Premises whether founded in tort, contract or equity, or to declare rights hereunder, the Prevailing Party (as hereafter defined) in any such proceeding, action, or appeal thereon, shall be entitled to reasonable attorneys' fees. Such fees may be awarded in the same suit or recovered in a separate suit, whether or not such action or proceeding is pursued to decision or judgment. The term, "**Prevailing Party**" shall include, without limitation, a Party or Broker who substantially obtains or defeats the relief sought, as the case may be, whether by compromise, settlement, judgment, or the abandonment by the other Party or Broker of its claim or defense. The attorneys' fees award shall not be computed in accordance with any court fee schedule, but shall be such as to fully reimburse all attorneys' fees

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reasonably incurred. In addition, Lessor shall be entitled to attorneys' fees, costs and expenses incurred in the preparation and service of notices of Default and consultations in connection therewith, whether or not a legal action is subsequently commenced in connection with such Default or resulting Breach (\$200 is a reasonable minimum per occurrence for such services and consultation).

32. **Lessor's Access; Showing Premises; Repairs.** Lessor and Lessor's agents shall have the right to enter the Premises at any time, in the case of an emergency, and otherwise at reasonable times after reasonable prior notice for the purpose of showing the same to prospective purchasers, lenders, or tenants, and making such alterations, repairs, improvements or additions to the Premises as Lessor may deem necessary or desirable and the erecting, using and maintaining of utilities, services, pipes and conduits through the Premises and/or other premises as long as there is no material adverse effect on Lessee's use of the Premises. All such activities shall be without abatement of rent or liability to Lessee.

33. **Auctions.** Lessee shall not conduct, nor permit to be conducted, any auction upon the Premises without Lessor's prior written consent. Lessor shall not be obligated to exercise any standard of reasonableness in determining whether to permit an auction.

34. **Signs.** Lessor may place on the Premises ordinary "For Sale" signs at any time and ordinary "For Lease" signs during the last 6 months of the term hereof. Lessor may not place any sign on the exterior of the Building that covers any of the windows of the Premises. Except for ordinary "For Sublease" signs which may be placed only on the Premises, Lessee shall not place any sign upon the Project without Lessor's prior written consent. All signs must comply with all Applicable Requirements.

35. **Termination; Merger.** Unless specifically stated otherwise in writing by Lessor, the voluntary or other surrender of this Lease by Lessee, the mutual termination or cancellation hereof, or a termination hereof by Lessor for Breach by Lessee, shall automatically terminate any sublease or lesser estate in the Premises; provided, however, that Lessor may elect to continue any one or all existing subtenancies. Lessor's failure within 10 days following any such event to elect to the contrary by written notice to the holder of any such lesser interest, shall constitute Lessor's election to have such event constitute the termination of such interest.

36. **Consents.** Except as otherwise provided herein, wherever in this Lease the consent of a Party is required to an act by or for the other Party, such consent shall not be unreasonably withheld or delayed. Lessor's actual reasonable costs and expenses (including but not limited to architects', attorneys', engineers' and other consultants' fees) incurred in the consideration of, or response to, a request by Lessee for any Lessor consent, including but not limited to consents to an assignment, a subletting or the presence or use of a Hazardous Substance, shall be paid by Lessee upon receipt of an invoice and supporting documentation therefor. Lessor's consent to any act, assignment or subletting shall not constitute an acknowledgment that no Default or Breach by Lessee of this Lease exists, nor shall such consent be deemed a waiver of any then existing Default or Breach, except as may be otherwise specifically stated in writing by Lessor at the time of such consent. The failure to specify herein any particular condition to Lessor's consent shall not preclude the imposition by Lessor at the time of consent of such further or other conditions as are then reasonable with reference to the particular matter for which consent is being given. In the event that either Party disagrees with any determination made by the other hereunder and reasonably requests the reasons for such determination, the determining party shall furnish its reasons in writing and in reasonable detail within 10 business days following such request.

37. **Guarantor.**

37.1 **Execution.** The Guarantors, if any, shall each execute a guaranty in the form most recently published by the AIR Commercial Real Estate Association.

37.2 **Default.** It shall constitute a Default of the Lessee if any Guarantor fails or refuses, upon request to provide: (a) evidence of the execution of the guaranty, including the authority of the party signing on Guarantor's behalf to obligate Guarantor, and in the case of a corporate Guarantor, a certified copy of a resolution of its board of directors authorizing the making of such guaranty, (b) current financial statements, (c) an Estoppel Certificate, or (d) written confirmation that the guaranty is still in effect.

38. **Quiet Possession.** Subject to payment by Lessee of the Rent and performance of all of the covenants, conditions and provisions on Lessee's part to be observed and performed under this Lease, Lessee shall have quiet possession and quiet enjoyment of the Premises during the term hereof.

39. **Options.** If Lessee is granted an Option, as defined below, then the following provisions shall apply.

39.1 **Definition.** "Option" shall mean: (a) the right to extend or reduce the term of or renew this Lease or to extend or reduce the term of or renew any lease that Lessee has on other property of Lessor; (b) the right of first refusal or first offer to lease either the Premises or other property of Lessor; (c) the right to purchase, the right of first offer to purchase or the right of first refusal to purchase the Premises or other property of Lessor.

39.2 **Options Personal To Original Lessee.** Any Option granted to Lessee in this Lease is personal to the original Lessee, and cannot be assigned or exercised by anyone other than said original Lessee and only while the original Lessee is in full possession of the Premises and, if requested by Lessor, with Lessee certifying that Lessee has no intention of thereafter assigning or subletting.

39.3 **Multiple Options.** In the event that Lessee has any multiple Options to extend or renew this Lease, a later Option cannot be exercised unless the prior Options have been validly exercised.

39.4 **Effect of Default on Options.**

(a) Lessee shall have no right to exercise an Option: (i) during the period commencing with the giving of any notice of Default and continuing until said Default is cured, (ii) during the period of time any Rent is unpaid (without regard to whether notice thereof is given Lessee), (iii) during the time Lessee is in Breach of this Lease, or (iv) in the event that Lessee has been given 3 or more notices of separate Default, whether or not the Defaults are cured, during the 12 month period immediately preceding the exercise of the Option.

(b) The period of time within which an Option may be exercised shall not be extended or enlarged by reason of Lessee's inability to exercise an Option because of the provisions of Paragraph 39.4(a).

(c) An Option shall terminate and be of no further force or effect, notwithstanding Lessee's due and timely exercise of the Option, if, after such exercise and prior to the commencement of the extended term or completion of the purchase, (i) Lessee fails to pay Rent for a period of 30 days after such Rent becomes due (without any necessity of Lessor to give notice thereof), or (ii) if Lessee commits a Breach of this Lease.

40. **Security Measures.** Lessee hereby acknowledges that the Rent payable to Lessor hereunder does not include the cost of guard service or other security measures, and that Lessor shall have no obligation whatsoever to provide same. Lessee assumes all responsibility for the protection of the Premises, Lessee, its agents and invitees and their property from the acts of third parties. In the event, however, that Lessor should elect to provide security services, then the cost thereof shall be an Operating Expense.

41. **Reservations.**

(a) Lessor reserves the right: (i) to grant, without the consent or joinder of Lessee, such easements, rights and dedications that Lessor deems necessary, (ii) to cause the recordation of parcel maps and restrictions, (iii) to create and/or install new utility raceways, so long as such easements, rights, dedications, maps, restrictions, and utility raceways do not unreasonably interfere with the use of the Premises by Lessee. Lessor may also: change the name, address or title of the Building or Project upon at least 90 days prior written notice; provide and install, at Lessee's expense, Building standard graphics on the door of the Premises and such portions of the Common Areas as Lessor shall reasonably deem appropriate; grant to any lessee the exclusive right to conduct any business as long as such exclusive right does not conflict with any rights expressly given herein; and to place such signs, notices or displays as Lessor reasonably deems necessary or advisable upon the roof, exterior of the Building or the Project or on signs in the Common Areas. Lessee agrees to sign any documents reasonably requested by Lessor to effectuate such rights. The obstruction of Lessee's view, air, or light by any structure erected in the vicinity of the Building, whether by Lessor or third parties, shall in no way affect this Lease or impose any liability upon Lessor.

(b) Lessor also reserves the right to move Lessee to other space of comparable size in the Building or Project. Lessor must provide at least 45 days prior written notice of such move, and the new space must contain improvements of comparable quality to those contained within the Premises. Lessor shall pay the reasonable out of pocket costs that Lessee incurs with regard to such relocation, including the expenses of moving and necessary stationary revision costs. In no event, however, shall Lessor be required to pay an amount in excess of two months Base Rent. Lessee may not be relocated more than once during the term of this Lease.

(c) Lessee shall not: (i) use a representation (photographic or otherwise) of the Building or Project or their name(s) in connection with Lessee's business; or (ii) suffer or permit anyone, except in emergency, to go upon the roof of the Building.

42. **Performance Under Protest.** If at any time a dispute shall arise as to any amount or sum of money to be paid by one Party to the other under the provisions hereof, the Party against whom the obligation to pay the money is asserted shall have the right to make payment "under protest" and such payment shall not be regarded as a voluntary payment and there shall survive the right on the part of said Party to institute suit for recovery of such sum. If it shall be adjudged that there was no legal obligation on the part of said Party to pay such sum or any part thereof, said Party shall be entitled to recover such sum or so much thereof as it was not legally required to pay. A Party who does not initiate suit for the recovery of sums paid "under protest" within 6 months shall be deemed to have waived its right to protest such payment.

43. **Authority; Multiple Parties; Execution**

(a) If either Party hereto is a corporation, trust, limited liability company, partnership, or similar entity, each individual executing this Lease on behalf of such entity represents and warrants that he or she is duly authorized to execute and deliver this Lease on its behalf. Each Party shall, within 30 days after request, deliver to the other Party satisfactory evidence of such authority.

(b) If this Lease is executed by more than one person or entity as "Lessee", each such person or entity shall be jointly and severally liable hereunder. It is agreed that any one of the named Lessees shall be empowered to execute any amendment to this Lease, or other document ancillary thereto and bind all of the named Lessees, and Lessor may rely on the same as if all of the named Lessees had executed such

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document.

(c) This Lease may be executed by the Parties in counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

44. **Conflict.** Any conflict between the printed provisions of this Lease and the typewritten or handwritten provisions shall be controlled by the typewritten or handwritten provisions.

45. **Offer.** Preparation of this Lease by either party or their agent and submission of same to the other Party shall not be deemed an offer to lease to the other Party. This Lease is not intended to be binding until executed and delivered by all Parties hereto.

46. **Amendments.** This Lease may be modified only in writing, signed by the Parties in interest at the time of the modification. As long as they do not materially change Lessee's obligations hereunder, Lessee agrees to make such reasonable nonmonetary modifications to this Lease as may be reasonably required by a Lender in connection with the obtaining of normal financing or refinancing of the Premises.

47. **Waiver of Jury Trial.** THE PARTIES HEREBY WAIVE THEIR RESPECTIVE RIGHTS TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING INVOLVING THE PROPERTY OR ARISING OUT OF THIS AGREEMENT.

48. **Arbitration of Disputes.** An Addendum requiring the Arbitration of all disputes between the Parties and/or Brokers arising out of this Lease ☐ is ☒ is not attached to this Lease.

49. **Americans with Disabilities Act.** Since compliance with the Americans with Disabilities Act (ADA) is dependent upon Lessee's specific use of the Premises, Lessor makes no warranty or representation as to whether or not the Premises comply with ADA or any similar legislation. In the event that Lessee's use of the Premises requires modifications or additions to the Premises in order to be in ADA compliance, Lessee agrees to make any such necessary modifications and/or additions at Lessee's expense.

LESSOR AND LESSEE HAVE CAREFULLY READ AND REVIEWED THIS LEASE AND EACH TERM AND PROVISION CONTAINED HEREIN, AND BY THE EXECUTION OF THIS LEASE SHOW THEIR INFORMED AND VOLUNTARY CONSENT THERETO. THE PARTIES HEREBY AGREE THAT, AT THE TIME THIS LEASE IS EXECUTED, THE TERMS OF THIS LEASE ARE COMMERCIALY REASONABLE AND EFFECTUATE THE INTENT AND PURPOSE OF LESSOR AND LESSEE WITH RESPECT TO THE PREMISES.

ATTENTION: NO REPRESENTATION OR RECOMMENDATION IS MADE BY THE AIR COMMERCIAL REAL ESTATE ASSOCIATION OR BY ANY BROKER AS TO THE LEGAL SUFFICIENCY, LEGAL EFFECT, OR TAX CONSEQUENCES OF THIS LEASE OR THE TRANSACTION TO WHICH IT RELATES. THE PARTIES ARE URGED TO:

1. SEEK ADVICE OF COUNSEL AS TO THE LEGAL AND TAX CONSEQUENCES OF THIS LEASE.

2. RETAIN APPROPRIATE CONSULTANTS TO REVIEW AND INVESTIGATE THE CONDITION OF THE PREMISES. SAID INVESTIGATION SHOULD INCLUDE BUT NOT BE LIMITED TO: THE POSSIBLE PRESENCE OF HAZARDOUS SUBSTANCES, THE ZONING AND SIZE OF THE PREMISES, THE STRUCTURAL INTEGRITY, THE CONDITION OF THE ROOF AND OPERATING SYSTEMS, COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT AND THE SUITABILITY OF THE PREMISES FOR LESSEE'S INTENDED USE.

WARNING: IF THE PREMISES ARE LOCATED IN A STATE OTHER THAN CALIFORNIA, CERTAIN PROVISIONS OF THE LEASE MAY NEED TO BE REVISED TO COMPLY WITH THE LAWS OF THE STATE IN WHICH THE PREMISES ARE LOCATED.

The parties hereto have executed this Lease at the place and on the dates specified above their respective signatures.

Executed at:

On:

Executed at:

On:

By LESSOR:

279 Arrow, LLC

By:

Name Printed: Alan Kohn

Title: Managing Member

By:

Name Printed:

Title:

Address: 2440 E. 56th Street

Los Angeles, California 90058

Telephone: (323) 583-3366

Facsimile: (323) 583-7601

Email:

Email:

Federal ID No.

By LESSEE:

Southern California Joint Pole Committee, a
California Nonprofit Corporation

By:

Name Printed: Jennie Corella

Title: Manager of Operations

By:

Name Printed:

Title:

Address: 279 E. Arrow Hwy., Suite 104

San Dimas, California 91773

Telephone: (909) 348-6920

Facsimile: (909) 348-5925

Email:

Email:

Federal ID No.

LESSOR'S BROKER:

Lee & Associates@-Ontario

Attn: Todd Launchbaugh, SIOR/Justin Leewood

Address: 3535 Inland Empire Blvd.

Ontario, California 91764

Telephone: (909) 989-7771

Facsimile: (909) 944-8250

Email: tlaunchbaugh@lee-assoc.com/jleewood@lee-assoc.com

Broker/Agent DRE License #: 01059250/01837452

LESSEE'S BROKER:

Carter and Associates

Attn: Shirley Carter

Address: 20955 Pathfinder Road, Suite 100

Diamond Bar, California 91765

Telephone: (909) 762-9172

Facsimile: (909) 860-8470

Email:

Broker/Agent DRE License #: 01011016

NOTICE: These forms are often modified to meet changing requirements of law and industry needs. Always write or call to make sure you are utilizing the most current form: AIR Commercial Real Estate Association, 800 W 6th Street, Suite 800, Los Angeles, CA 90017. Telephone No. (213) 887-8777. Fax No.: (213) 887-8818.

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FORM OFG-9-3/10E

**ADDENDUM TO LEASE
DATED DECEMBER 29, 2011,
FOR THE PROPERTY LOCATED AT
279 E. ARROW HWY., SUITE 104
SAN DIMAS, CALIFORNIA 91773**

50: Rent Increases:

On April 1, 2013 the rent will increase to \$6,750.74 per month.
On April 1, 2014 the rent will increase to \$6,987.01 per month.
On April 1, 2015 the rent will increase to \$7,231.56 per month.
On April 1, 2016 the rent will increase to \$7,484.66 per month.
On April 1, 2017 the rent will increase to \$7,746.62 per month.
On April 1, 2018 the rent will increase to \$8,017.76 per month.

51. Lessor Improvements:

Lessor, at Lessor's sole cost, shall provide the following improvements as shown on Exhibit B and subject to mutual approval of a final floor plan:

- A 40' x 35' conference room with a data conduit and electrical outlet in the floor and the ceiling, and a door to the common hallway
- 6 private offices
- Server/IT room with dedicated A/C unit
- Lunch/break room with 4' lower cabinet and sink
- Storage room
- Paint and carpet throughout the unit in Lessee's choice of one of Lessor's standard colors.
- Window blinds are at Lessee's cost

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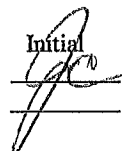
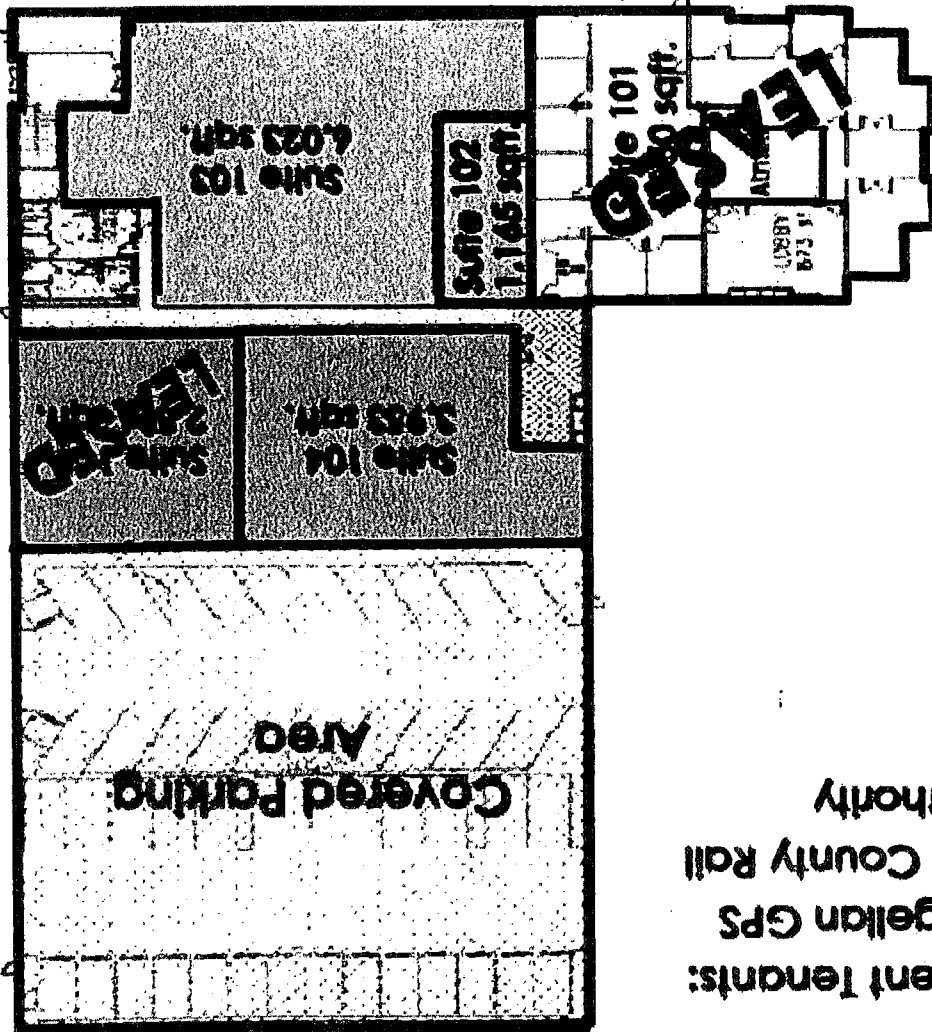

Initial


EXHIBIT "A"

279 E. Arrow Hwy., San Dimas

Current Tenants:
-Magellan GPS
-L.A. County Rail
Authority



For Further Information, Please Contact:

TODD LAUNCHBAUGH

TLAUNCHBAUGH@LEE-ASSOC.COM

LICENSE #01069250

909-373-2911

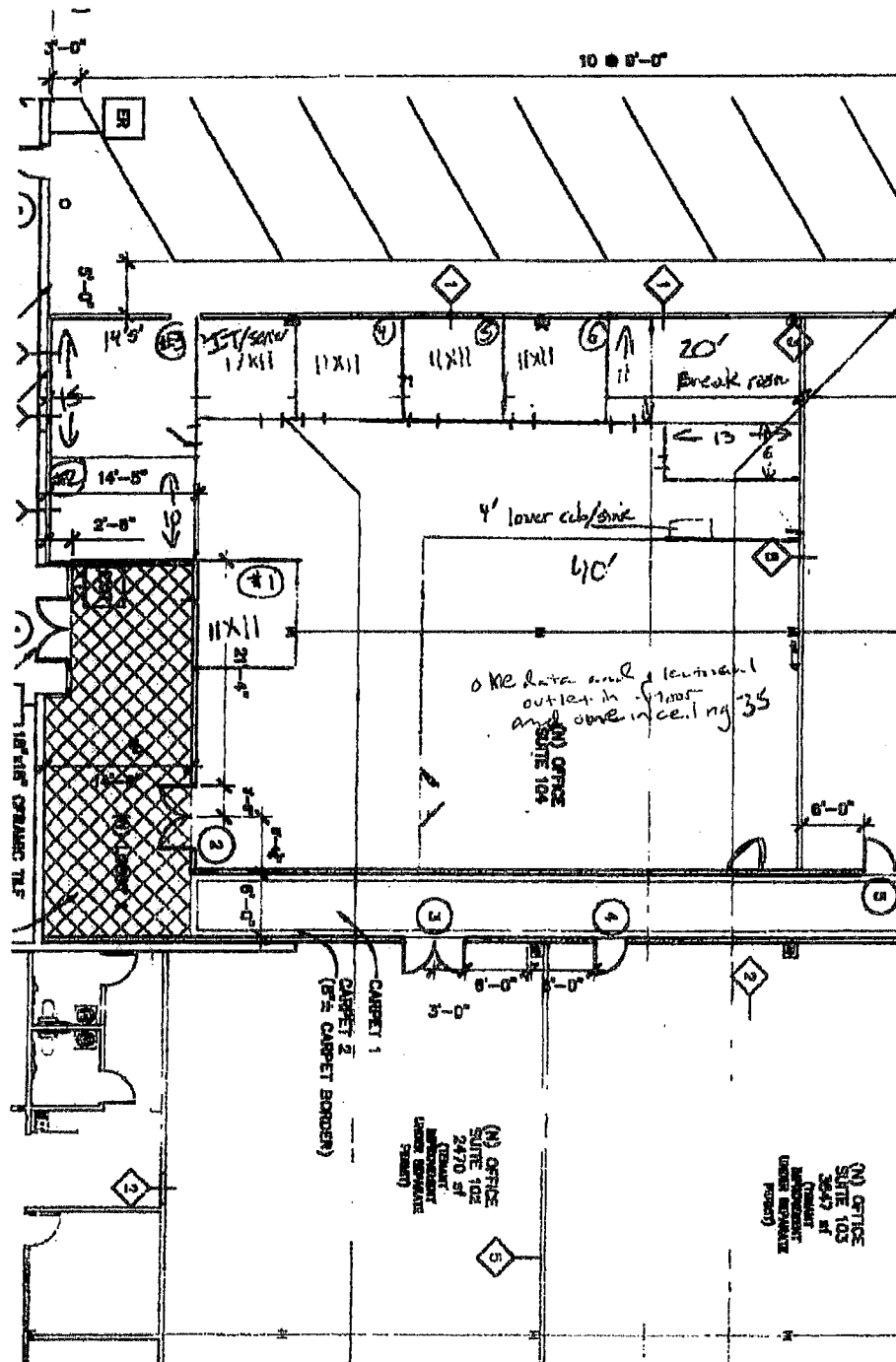
Lee & Associates®
COMMERCIAL REAL ESTATE SERVICES

CORP. ID #00976995

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[Signature]

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EXHIBIT "B"



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RULES AND REGULATIONS FOR STANDARD OFFICE LEASE

Dated: December 29, 2011

By and Between 279 Arrow, LLC and Southern California Joint Pole Committee, a Nonprofit Corporation

GENERAL RULES

1. Lessee shall not suffer or permit the obstruction of any Common Areas, including driveways, walkways and stairways.
2. Lessor reserves the right to refuse access to any persons Lessor in good faith judges to be a threat to the safety and reputation of the Project and its occupants.
3. Lessee shall not make or permit any noise or odors that annoy or interfere with other lessees or persons having business within the Project.
4. Lessee shall not keep animals or birds within the Project, and shall not bring bicycles, motorcycles or other vehicles into areas not designated as authorized for same.
5. Lessee shall not make, suffer or permit litter except in appropriate receptacles for that purpose.
6. Lessee shall not alter any lock or install new or additional locks or bolts.
7. Lessee shall be responsible for the inappropriate use of any toilet rooms, plumbing or other utilities. No foreign substances of any kind are to be inserted therein.
8. Lessee shall not deface the walls, partitions or other surfaces of the Premises or Project.
9. Lessee shall not suffer or permit anything in or around the Premises or Building that causes excessive vibration or floor loading in any part of the Project.
10. Furniture, significant freight and equipment shall be moved into or out of the building only with the Lessor's knowledge and consent, and subject to such reasonable limitations, techniques and timing, as may be designated by Lessor. Lessee shall be responsible for any damage to the Office Building Project arising from any such activity.
11. Lessee shall not employ any service or contractor for services or work to be performed in the Building, except as approved by Lessor.
12. Lessor reserves the right to close and lock the Building on Saturdays, Sundays and Building Holidays, and on other days between the hours of _____ P.M. and _____ A.M. of the following day. If Lessee uses the Premises during such periods, Lessee shall be responsible for securely locking any doors it may have opened for entry.
13. Lessee shall return all keys at the termination of its tenancy and shall be responsible for the cost of replacing any keys that are lost.
14. No window coverings, shades or awnings shall be installed or used by Lessee.
15. No Lessee, employee or invitee shall go upon the roof of the Building.
16. Lessee shall not suffer or permit smoking or carrying of lighted cigars or cigarettes in areas reasonably designated by Lessor or by applicable governmental agencies as non-smoking areas.
17. Lessee shall not use any method of heating or air conditioning other than as provided by Lessor.
18. Lessee shall not install, maintain or operate any vending machines upon the Premises without Lessor's written consent.
19. The Premises shall not be used for lodging or manufacturing, cooking or food preparation.
20. Lessee shall comply with all safety, fire protection and evacuation regulations established by Lessor or any applicable governmental agency.
21. Lessor reserves the right to waive any one of these rules or regulations, and/or as to any particular Lessee, and any such waiver shall not constitute a waiver of any other rule or regulation or any subsequent application thereof to such Lessee.
22. Lessee assumes all risks from theft or vandalism and agrees to keep its Premises locked as may be required.
23. Lessor reserves the right to make such other reasonable rules and regulations as it may from time to time deem necessary for the appropriate operation and safety of the Project and its occupants. Lessee agrees to abide by these and such rules and regulations.

PARKING RULES

1. Parking areas shall be used only for parking by vehicles no longer than full size, passenger automobiles herein called "Permitted Size Vehicles." Vehicles other than Permitted Size Vehicles are herein referred to as "Oversized Vehicles."
2. Lessee shall not permit or allow any vehicles that belong to or are controlled by Lessee or Lessee's employees, suppliers, shippers, customers, or invitees to be loaded, unloaded, or parked in areas other than those designated by Lessor for such activities.
3. Parking stickers or identification devices shall be the property of Lessor and be returned to Lessor by the holder thereof upon termination of the holder's parking privileges. Lessee will pay such replacement charge as is reasonably established by Lessor for the loss of such devices.
4. Lessor reserves the right to refuse the sale of monthly identification devices to any person or entity that willfully refuses to comply with the applicable rules, regulations, laws and/or agreements.
5. Lessor reserves the right to relocate all or a part of parking spaces from floor to floor, within one floor, and/or to reasonably adjacent offsite location(s), and to reasonably allocate them between compact and standard size spaces, as long as the same complies with applicable laws, ordinances and regulations.
6. Users of the parking area will obey all posted signs and park only in the areas designated for vehicle parking.
7. Unless otherwise instructed, every person using the parking area is required to park and lock his own vehicle. Lessor will not be responsible for any damage to vehicles, injury to persons or loss of property, all of which risks are assumed by the party using the parking area.
8. Validation, if established, will be permissible only by such method or methods as Lessor and/or its licensee may establish at rates generally applicable to visitor parking.
9. The maintenance, washing, waxing or cleaning of vehicles in the parking structure or Common Areas is prohibited.
10. Lessee shall be responsible for seeing that all of its employees, agents and invitees comply with the applicable parking rules, regulations, laws and agreements.
11. Lessor reserves the right to modify these rules and/or adopt such other reasonable and non-discriminatory rules and regulations as it may deem necessary for the proper operation of the parking area.
12. Such parking use as is herein provided is intended merely as a license only and no bailment is intended or shall be created hereby.

NOTICE: These forms are often modified to meet changing requirements of law and industry needs. Always write or call to make sure you are utilizing the most current form: AIR Commercial Real Estate Association, 800 W 6th Street, Suite 800, Los Angeles, CA 90017. Telephone No. (213) 687-8777. Fax No.: (213) 687-8616.

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UNIFORM DISCLAIMER FORM LEASE FORM

1. **LEGAL EFFECT.** Lessor and Lessee acknowledge that the Proposal to Lease contained herein is not a lease, and that it is intended solely to establish deal points which will be used as the basis for the preparation of a lease by Lessor. The lease shall be subject to Lessor's and Lessee's approval, and only a fully executed and delivered lease shall constitute a legally binding lease for the Premises. Broker makes no warranty or representation to Lessor or Lessee that acceptance of this Proposal to Lease will guaranty the execution of a lease for the Premises.

Lessor and Lessee acknowledge that Broker is not qualified to practice law, nor authorized to give legal advice or counsel you as to any legal matters affecting this document. Broker hereby advises Lessor and Lessee to consult with their respective attorneys in connection with any questions each may have as to legal ramifications or effects of this document, prior to its execution.

2. **FORM OF LEASE.** This proposed document is a standard form document, and Broker makes no representations or warranties with respect to the adequacy of this document for either Lessor's or Lessor's particular purposes. Broker has, at the direction of Lessor and/or Lessee, "filled in the blanks" from information provided to Broker based on prior correspondence, discussions of the parties with respect to the Proposal to Lease, and subsequent counteroffers between the parties hereto. By initialing this paragraph, Lessor and Lessee acknowledge and agree that this document is delivered to each subject to the express condition that Broker has merely followed the instructions of the parties in preparing this document, and does not assume any responsibility for its accuracy, completeness or form. Lessor and Lessee acknowledge and agree that in providing this document, Broker has acted to expedite this transaction on behalf of Lessor and Lessee, and has functioned within the scope of professional ethics by doing so.

Lessor's Initials: AL Lessee's Initials: JP

3. **NO INDEPENDENT INVESTIGATION.** Lessor and Lessee acknowledge and understand that any financial statements, information, reports, or written materials of any nature whatsoever, as provided by the parties to Broker, and thereafter submitted by Broker to Lessor and/or Lessee, are so provided without any independent investigation by Broker, and as such Broker assumes no responsibility or liability for the accuracy or validity of the same. Any verification of such submitted documents is solely and completely the responsibility of the party to whom such documents have been submitted.
4. **NO WARRANTY.** Lessor and Lessee acknowledge and agree that no warranties, recommendations, or representations are made by the broker as to the accuracy, the legal sufficiency, the legal effect of the tax consequences of any of the documents submitted by Broker to Lessor and/or Lessee referenced in Paragraph 3 above, nor of the legal sufficiency, legal effect, or tax consequences of the transactions contemplated thereby. Furthermore, Lessor and Lessee acknowledge and agree that Broker has made no representations concerning the ability of the Lessee to use the Premises as intended, nor of the sufficiency or adequacy of the Premises for their intended use, and Lessee is relying solely on its own investigation of the Premises in accepting this Proposal to Lease.
5. **NOTICE REGARDING HAZARDOUS WASTES OR SUBSTANCES AND UNDERGROUND STORAGE TANKS.** Although Broker will disclose any knowledge it actually possesses with respect to the existence of any hazardous wastes, substances, or underground storage tanks at the Premises, Broker has not made any independent investigations or obtained reports with respect thereto, except as may be described in a separate written document signed by Broker. All parties hereto acknowledge and understand that Broker makes no representations regarding the existence or nonexistence of hazardous wastes, substances, or underground storage tanks at the Premises. Each party should contact a professional, such as a civil engineer, geologist, industrial hygienist or other persons with experience in these matters to advise you concerning the property.
6. **DISCLOSURE RESPECTING AMERICANS WITH DISABILITIES ACT.** The United States Congress has recently enacted the Americans With Disabilities Act. Among other things, this act is intended to make many business establishments equally accessible to persons with a variety of disabilities; modifications to real property may be required. State and local laws also may mandate changes. Broker is not qualified to advise you as to what, if any, changes may be required now or in the future. Broker recommends that you consult the attorneys and qualified design professionals of your choice for information regarding these matters.
7. **ATTORNEYS' FEES.** In any action, proceeding or arbitration arising out of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees and costs.
8. **ENTIRE AGREEMENT.** This document constitutes the entire agreement between parties with respect to the subject matter contained herein and supersedes all prior or contemporaneous agreements, representations, negotiations and understandings of the parties, other than such writings as may be executed and/or delivered by the parties pursuant hereto. There are no oral agreements or implied covenants by the Lessor or Lessee, or by their respective employees, or other representatives.

Date: 1-20-2012 Date: 1-12-2012
Lessor: [Signature] Lessee: [Signature]
279 Arrow, LLC Southern California Joint Pole
ALAN KOHN Committee, a California Nonprofit
JENNIE L. CORELLA

AMENDMENT DATED NOVEMBER 7, 2018
FOR THE STANDARD MULTI-TENANT OFFICE LEASE – GROSS
DATED DECEMBER 29, 2011
BY AND BETWEEN
279 ARROW, LLC, (“LESSOR”)
AND
SOUTHERN CALIFORNIA JOINT POLE COMMITTEE (“LESSEE”)
FOR THE PROPERTY LOCATED AT:
279 E. ARROW HWY., SUITE 104, SAN DIMAS, CA 91773

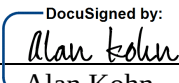
1. **Expiration Date:** The lease expiration date will be extended to June 30, 2026.
2. **Lessor’s Improvements:** Lessor, at Lessor’s sole cost, shall remodel the shower room, near the common restrooms in the hallway, into a single stall family restroom. Lessor shall also add up to 6 additional standard outlets in the interior of the suite in mutually agreeable locations.
3. **Pest Control:** Lessor shall monitor the premises and provide pest control monthly, which include but not limited to taking the following actions: treatment, spray, exterminate, and remove bugs when necessary.
- Lessor shall spray 5 days per week from the execution of this amendment through January 31, 2019.
 - Lessor shall spray once per week from February 1, 2019 to March 31, 2019.
 - Lessor shall spray twice per month from April 1, 2019 to May 31, 2019
 - Lessor shall spray once per month thereafter.
4. **Door Timers:** Lessor agrees to ensure the exterior common door timers allow the doors to be unlocked at a minimum from the hours of 6:00 a.m. to 4:30 p.m. on Mondays through Fridays.
5. **Kitchen Floors:** Lessor agrees to clean the kitchen floor or replace if needed.
6. **Flooring:** Lessor agrees to replace the carpet throughout the suite with a mutually agreeable color.
7. **Rent Schedule for the extended period from July 1, 2019 through June 30, 2026:**

<u>Months</u>	<u>Rent Per Month</u>
July 1, 2019 - June 30, 2020	\$8,017.76
July 1, 2020 - June 30, 2021	\$8,258.29
July 1, 2021 - June 30, 2022	\$8,506.04
July 1, 2022 - June 30, 2023	\$8,761.22
July 1, 2023 - June 30, 2024	\$9,024.06
July 1, 2024 - June 30, 2025	\$9,294.78
July 1, 2025 - June 30, 2026	\$9,573.62

All other terms remain the same.

Lessor:

279 Arrow, LLC

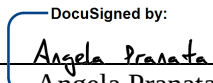
By: 
Alan Kohn

Title: Managing Member

Date: 1/22/2019

Lessee:

Southern California Joint Pole Committee

By: 
Angela Pranita

Title: Manager of Operations

Date: 1/22/2019


Lessor’s Initials


Lessee’s Initials

Southern California Joint Pole Committee

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July 19, 2023

A regular meeting of the **Operating Committee** took place on the above date, at 9:36 a.m., via teleconference:

Those in attendance were:

Mr. Lex Treepaisan	Frontier Communications
Mr. John Bacon	City of Los Angeles
Ms. Alicia Walsh	Southern California Edison
Ms. April DeBarge	Southern California Edison
Mr. Michael Pearson	Southern California Edison
Mr. Kevin Flores	Southern California Edison
Ms. Marisol Bailey	Southern California Edison
Mr. Sam Picazo	Southern California Edison
Ms. Shelby Mulvehill	Southern California Edison
Ms. Carla Stephens	Southern California Edison
Mr. Todd Dailey	AT&T California
Ms. Aarize Dizon	Crown Castle NG West Inc.
Mr. Robert Jystad	Crown Castle NG West Inc.
Mr. Jeremy Harmon	Verizon Wireless
Ms. Mary Li	City of Anaheim
Mr. Arturo Garcia	City of Glendale
Ms. Katy White	MCI Metro ATS/MCI Telecommunications
Mr. Joe Armstrong	City of Pasadena
Mr. Anthony Ghilardi	City of Pasadena
Ms. Yesenia Delgado	Time-Warner Cable
Ms. Lynne LaFrenais	Bear Valley Electric Service, Inc.
Ms. Maria Ortiz	XO Communications
Mr. Ben Coffey	City of Banning
Mr. David Campo	City of Lompoc
Mr. Nick Van Stryk	City of Vernon (Petrelli Electric)
Ms. Alicia Smith	Sprint Nextel/Sprint Communications
Ms. Shawn Henderson	T-Mobile USA
Ms. Linda McLean	Extenet Systems
Ms. Heidi Seropian	Extenet Systems
Mr. Charlie Smith	Mobilitie, LLC
Ms. Patti Ringo	Sonic Telecom, LLC
Ms. Angela Pranata	Committee Staff
Ms. Kathleen Allen	Committee Staff

Chairperson, Mr. Treepaisan called the meeting to order at 9:36 a.m. by addressing the first item on the agenda, the review of the **prior meeting minutes**.

There were no questions or comments.

The second agenda item is the review of the **June 2023 Operating expense sheets**. Mr. Treepaisan stated that the expenses were running a little higher this month due to three pay days. Ms. Pranata stated that is correct.

There were no further questions or comments.

The third agenda item is **Accounts Receivable**. Mr. Treepaisan inquired if the members in red have been paying on their past due invoices. Ms. Pranata stated that she is trying to reach MCI Metro/ATS and XO Communications. Ms. Ortiz stated that the payments for all of the past dues are being processed and would send Ms. Pranata notice of when the checks were mailed out along with the tracking number. Mr. Treepaisan stated for Ms. Pranata to continue to reach out and if Ms. Pranata needs help to please let him know.

There were no further questions or comments.

The fourth agenda item on the agenda is **Member Board Attendance**.

There were no questions or comments.

The fifth agenda item for discussion is **Billing Standardization of Procedures and Minutes**. Ms. Allen stated she had a staff meeting on June 27, 2023. Ms. Allen informed the staff that 2023 – 2024 Authorized Costs were approved. JPAs will be distributed and processed for July 2023 bill of sale. Cheat Sheets for 2023-2024 Authorized Costs have been created and distributed to the staff. Section 7.5 with 18.1D was discussed in last month's Routine Revision 6/21/2023. Ms. Allen let the staff know this topic is pending further research on the exact meaning of *Sole owner's concurrence must be obtained to undertaking this operation*. Section 7.11 Multi showing, for example, two members joint, and one member CLEAR was discussed as well. The JPA must include both Section 7.X and 9.4 when there is a multi-party pole, two or more owners joint and one owner or more owner CLEAR on both the old pole and on the new pole. Ms. Allen trained the Staff on two Sections. Section 5.5 Removal – Solely Owned Pole Supporting Free Attachment and Section 13.4 - Records update for attachment acquisition and tenancy/lease conversion. Ms. Allen explained for Section 5.5 Removal – Solely Owned Pole Supporting Free Attachment per the Routine Handbook if there is to be any billing for pulling and/or transportation, *this shall be so stated on the issued JPA*. If there is no note biller would not bill the pulling routine shown. Ms. Allen explained for Section 13.4 - Records update for attachment acquisition and tenancy/lease conversion for the scenario shown and discussed in the staff meeting, the JPA must have a note and include Section 4.0. Biller to bill by Section 4.0.

There were no questions or comments.

The sixth item on the agenda is **JPA Member Activity**.

- Please contact SCJPC (Angela) if members would like to meet with the SCJPC to discuss memos.

- 7.98 poles per JPA according to June 2023 B/S.
- No backlog, however, JPAs are on hold due to pending 2023-2024 Authorized Costs. They are being processed in July bill of sale.

Ms. Pranata reported the office processed 7,455 poles for June 2023 bill of sale. Some JPAs were on hold pending the approval of the 2023 – 2024 Authorized Costs. However, those costs were approved last month at the June 21, 2023, Administrative Board meeting. Ms. Pranata continued it was a bit too late for the team to process those JPAs and they would be processed in July 2023 bill of sale.

Ms. Pranata then reported that on average the office received about 7.98 or eight poles a JPA.

There were no further questions or comments.

The seventh item on the agenda is **Miscellaneous Items.**

SCJPC Office updates:

- *SCJPC Team started overtime in July 2023 Bill of Sale (paid by SCE)*
 - *SCE provided overtime and will pay for the overtime. SCJPC team will work on SCE's JPAs only during overtime.*
- *Office productivity without OT*

Ms. Pranata displayed the *Productivity without Overtime* table. Ms. Pranata stated she uses the same numbers from the Member Activity.

Ms. Pranata stated the team started overtime in July 2023 bill of sale. The overtime will be paid for by Edison and the team will only work on E submitted JPAs only during overtime.

There were no questions or comments.

Billing Errors/Questions

There were none.

Lease Agreement

- *Real estate attorney \$425/hr – 2-3 hrs to review*
- *Action items from last month:*
- *Mr. Treepaisan to engage with Frontier Communication's Real Estate team and work on negotiations with the building landlord.*

Mr. Treepaisan stated he has engaged Frontier Communications Real Estate Team and inquired if anyone has contacted Ms. Pranata. Ms. Pranata stated that she has not been contacted by email or by phone. Mr. Treepaisan stated he will follow up on his end to find out what the holdup is.

There were no questions or comments.

WTW Salary Analysis

- *Waiting for Admin Board approval*

Mr. Treepaisan stated this item was voted on earlier at the Administrative Board and passed. Ms. Pranata inquired if she was supposed to contact them or would it be a committee member. Mr. Treepaisan stated he would contact them and put Ms. Pranata in a collaborative email with them and start working from there. Mr. Treepaisan stated he will send out an email later that day and inform WTW that the analysis was approved and to move forward.

There were no questions or comments.

Ms. Pranata's evaluation

Mr. Treepaisan will get something out the following day for Ms. Pranata's performance evaluation and conduct an off-cycle meeting with members.

There were no questions or comments.

MISC

There were no miscellaneous

Review of Action Items:

- Mr. Treepaisan to hold an off-cycle meeting with members to conduct Ms. Pranata's performance evaluation.

The meeting adjourned at 9:44 a.m. until August 16, 2023.

Transcribed by Ms. Kathleen Allen – Committee Staff

SOUTHERN CALIFORNIA JOINT POLE COMMITTEE
Statement of Operating Expenses and Capital Investments

OPERATING EXPENSES		June 30, 2023			YTD Through June, 30 2023				Annual
	Details	Budgeted	Recorded	Variance	Budgeted	Recorded	Variance	% Variance	Budget
<u>EMPLOYEE EXPENSE</u>									
Salaries		65,261	72,194.83	(6,933)	391,569	320,872.80	70,696	18%	783,138
Regular (Budgeted)	72,194.83	-	-	-	-	-	-		
	Three paydays	-	-	-	-	-	-		
		-	-	-	-	-	-		
Insurance		9,242	7,512.99	1,729	55,450	44,822.74	10,627	19%	110,900
Health/Dental	7,236.54		-	-	-	-	-		
Life (quarterly)	276.45		-	-	-	-	-		
			-	-	-	-	-		
Payroll Taxes	Three paydays	5,221	4,818.85	402	31,326	23,098.23	8,227	26%	62,651
			-	-	-	-	-		
Workers Compensation		261	260.16	1	1,566	2,988.96	(1,423)	-91%	3,132
Miscellaneous expenses/ Travel mileage reimbursement		21	79.35	(59)	125	90.91	34	27%	250
Telecommuting Reimbursement		9	-	9	54	108.00	(54)	-100%	108
			-	-		-	-		
<u>PENSION EXPENSE</u>									
Contribution-SEP IRA	Three paydays	5,520	6,804.14	(1,285)	33,117	30,971.15	2,146	6%	66,234
			-	-	-	-	-		
			-	-	-	-	-		
<u>MONTHLY RECURRING</u>									
Rent		9,879	9,700.60	178	59,274	58,203.60	1,070	2%	118,548
Alarm System		58	173.97	(116)	350	347.94	2	1%	700
Telephone & Internet	Cell, Fax, Internet, Business Voice	556	516.56	39	3,336	3,053.41	283	8%	6,672
Cisco WebEx Online Meeting		69	69.00	-	414	414.00	-	0%	828
Postage & Shipping		17	9.65	7	100	81.80	18	18%	200
Business/Property Insurance	Pro-Rated	179	-	179	1,075	1,345.00	(270)	-25%	2,150
			-	-	-	-	-		
			-	-	-	-	-		
<u>EQUIPMENT & FURNITURE</u>									
			-	-	-	-	-		
Copy Machine - CBE (repair, maintenance, supplies)	QUARTERLY	8	-	8	50	-	50	100%	100
						-			
						-			
						-			

SOUTHERN CALIFORNIA JOINT POLE COMMITTEE
Statement of Operating Expenses and Capital Investments

OPERATING EXPENSES		June 30, 2023			YTD Through June, 30 2023				Annual
	Details	Budgeted	Recorded	Variance	Budgeted	Recorded	Variance	% Variance	Budget
NETWORK SYSTEM						-			
Computer-LAN Maintenance Contract (IT service), offsite server backup, labor for on site support			1,222.75	(1,223)	9,650	7,372.25	2,278	0	19,300
FRIEND Support			400.00	(400)	4,200	2,400.00	1,800	43%	8,400
Hosting: SCJPC Website, Cloud Azure VM Server, Azure VM Licenses, Sharefile, Email, Domain		1,591	1,363.50	227	9,544	8,181.00	1,363	14%	19,087
Computer (repair, maintenance, supplies)		100	-	100	600	-	600	100%	1,200
						-			
PRINTING & SUPPLY						-			
Office Printing		8	-	8	50	-	50	100%	100
Office Supplies		54	-	54	325	230.89	94	29%	650
						-			
						-			
CONTRACT SERVICES						-			
CPA/Auditor	2021 & 2022 in 2023	833	3,772.00	(2,939)	5,000	4,677.00	323	6%	10,000
Attorney*		500	499.00	1	3,000	2,994.00	6	0%	6,000
						-			
GENERAL EXPENSE						-			
Payroll Service Fees		93	93.00	0	560	558.00	2	0%	1,120
Bank fees/Checks printing	Pro-Rated	8	-	8	50	-	50	100%	100
Publications/Subscriptions/Reference	Pro-Rated Docusign	21	105.00	(84)	125	285.00	(160)	-128%	250
Seminars, professional development, & tuition		117		117	700	239.88	460	66%	1,400
Team Building	Semi Annual	63	-	63	375	-	375	100%	750
Member Retirement plaques		42	-	42	250	-	250	100%	500
Scan & shred document		42	-	42	250	-	250	100%	500
Total Operating Expenses		99,772.32	109,595.35	(9,823.03)	612,483.93	513,336.56	98,897.37	16%	1,224,968

SOUTHERN CALIFORNIA JOINT POLE COMMITTEE
Statement of Operating Expenses and Capital Investments

OPERATING EXPENSES		June 30, 2023			YTD Through June, 30 2023				Annual
	Details	Budgeted	Recorded	Variance	Budgeted	Recorded	Variance	% Variance	Budget
CAPITAL INVESTMENTS AND LONG TERM LIABILITIES CURRENT									
<u>COMPUTER SYSTEM</u>									
Software Purchase and SCJPC website (minor) modification	ACCOUNTING AND TIME TRACKING SOFTWARE YEARLY LICENSE	130	1,155.00	(1,025)	780	1,373.30	(593)	-76%	1,560
FRIEND modification*		2,813	-	2,813	16,875	-	16,875	100%	33,750
Website Upgrade (after FriendPro)		417	-	417	2,500	-	2,500	100%	5,000
<u>EQUIPMENT & FURNITURE</u>									
Purchases and leases (including Copy Machine)		371	337.26	34	2,225	2,023.56	201	9%	4,450
Hardware Purchase		125		125	750	1,183.65	(434)	-58%	1,500
				-		-	-		
<u>LONG TERM LIABILITY CURRENT</u>									
Total Capital Investments & Long Term Liabilities Current									
		3,855.00	1,492.26	2,362.74	23,130.00	4,580.51	18,549.49	80%	46,260
Interest Earned/Misc Income			(0.39)			(0.92)			
Ubiquity Application fee credit						(2,200.00)			
TOTAL		103,627.32	111,087.22	(7,460.29)	635,613.93	515,716.15	117,446.86	18%	1,271,228
*Items in blue are assessed equally									
7/6/2023									

Delinquent Accounts
As of 7/12/2023

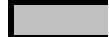
MEMBERS ACCOUNTS RECEIVABLE - DELINQUENT ACCOUNTS

							PAST DUE NOTICES - DO NOT DELETE THIS INFORMATION Accounting staff: please enter past due sent info in each row/each cell				
Company Name	Invoice Month	Due By	FORMULA 60 Days past due	Amount	Invoice Number	Company Code	Past Due Notice Date Sent	Past due sent to & response notes	Past Due Notices Date by	Input By	Input Date
AT&T Mobility	Aprill 2023	May 31, 2023	7/30/2023	\$ 830.21	21767	LAC		Not 60 days, will email the following month		JT	7/10/2023
City of Colton	Aprill 2023	May 31, 2023	7/30/2023	\$ 785.46	21758	F		Not 60 days, will email the following month		JT	7/10/2023
EXTENET Systems	Aprill 2023	May 31, 2023	7/30/2023	\$ 734.84	21781	EXT		Not 60 days, will email the following month		JT	7/10/2023
MCI Telecomm. (MCI)	January 2023	February 28, 2023	4/29/2023	\$ 907.96	21673	MCI	5/9/2023, 6/12/2023, 7/10/2023	Email: matthew.j.miller@verizon.com; MCI_ATS_JPA@motiveis.com	JT	GV	4/11/2023
MCI Telecomm. (MCI)	February 2023	March 31, 2023	5/30/2023	\$ 856.23	21705	MCI	6/12/2023, 7/10/2023	Email: matthew.j.miller@verizon.com; MCI_ATS_JPA@motiveis.com	JT	JT	5/9/2023
MCI Telecomm. (MCI)	March 2023	April 30, 2023	6/29/2023	\$ 863.62	21737	MCI	7/10/2023	Email: matthew.j.miller@verizon.com; MCI_ATS_JPA@motiveis.com	JT	JT	6/12/2023
MCI Telecomm. (MCI)	Aprill 2023	May 31, 2023	7/30/2023	\$ 770.00	21769	MCI		Not 60 days, will email the following month		JT	7/10/2023
MCI Metro/ATS	January 2023	February 28, 2023	4/29/2023	\$ 1,097.59	21672	ATS	5/9/2023, 6/12/2023, 7/10/2023	Email: matthew.j.miller@verizon.com; MCI_ATS_JPA@motiveis.com	JT	GV	4/11/2023
MCI Metro/ATS	February 2023	March 31, 2023	5/30/2023	\$ 1,037.04	21704	ATS	6/12/2023, 7/10/2023	Email: matthew.j.miller@verizon.com; MCI_ATS_JPA@motiveis.com	JT	JT	5/9/2023
MCI Metro/ATS	March 2023	April 30, 2023	6/29/2023	\$ 1,046.57	21736	ATS	7/10/2023	Email: matthew.j.miller@verizon.com; MCI_ATS_JPA@motiveis.com	JT	JT	6/12/2023
MCI Metro/ATS	Aprill 2023	May 31, 2023	7/30/2023	\$ 947.95	21768	ATS		Not 60 days, will email the following month		JT	7/10/2023
SPRINT-NEXTEL Corp	March 2023	April 30, 2023	6/29/2023	\$ 845.00	21732	SPR	7/10/2023	eric.antonick@t-mobile.com	JT	JT	6/12/2023
SPRINT-NEXTEL Corp	Aprill 2023	May 31, 2023	7/30/2023	\$ 751.36	21764	SPR		Not 60 days, will email the following month		JT	7/10/2023
Verizon Wireless	Aprill 2023	May 31, 2023	7/30/2023	\$ 1,178.36	21753	ATC		Not 60 days, will email the following month		JT	7/10/2023
XO Communications	January 2023	February 28, 2023	4/29/2023	\$ 933.32	21678	NXT	5/9/2023, 6/12/2023, 7/10/2023	Email matthew.j.miller@verizon.com, mortiz@motiveis.com, NXTJPA@motiveis.com	JT	GV	4/11/2023
XO Communications	February 2023	March 31, 2023	5/30/2023	\$ 880.12	21710	NXT	6/12/2023, 7/10/2023	Email matthew.j.miller@verizon.com, mortiz@motiveis.com, NXTJPA@motiveis.com	JT	JT	5/9/2023
XO Communications	March 2023	April 30, 2023	6/29/2023	\$ 888.27	21742	NXT	7/10/2023	Email matthew.j.miller@verizon.com, mortiz@motiveis.com, NXTJPA@motiveis.com	JT	JT	6/12/2023
XO Communications	Aprill 2023	May 31, 2023	7/30/2023	\$ 793.45	21774	NXT		Not 60 days, will email the following month		JT	7/10/2023

Past due notices will be emailed after 60 days past due, once a month.

TOTAL

\$ 16,147.35

-  = Members assessed penalty fee
-  = Less than 80% but 50% or greater attendance
-  = Less than 50% attendance
-  = Excused absence

SOUTHERN CALIFORNIA JOINT POLE COMMITTEE
MEMBER BOARD MEETING ATTENDANCE
MAY 2022 - JUN 2023

		MBR CODE	2022 JUL	2022 AUG	2022 SEP	2022 OCT	2022 NOV	2022 DEC	2023 JAN	2023 FEB	2023 MAR	2023 APR	2023 MAY	2023 JUN	TOTAL	Atten. %	MBR CODE	MONTHS
1	So. California Edison	E	1	1	1	1	1		1	1	1	1	1	1	11	100%	E	11
2	Frontier Communications	FTR	1	1	1	1	1		1	1	1	1	1	1	11	100%	FTR	11
3	City of Los Angeles	M	1	1	1	1	1		1	1	1	1	1	1	11	100%	M	11
4	Crown Castle NG West Inc.	NG	1	1	1	1	1		1	1	1	1	1	1	11	100%	NG	11
5	AT&T California	H / T	1	1	1	1	1		1	1	1	1	1	1	11	100%	H / T	11
6	Bear Valley Electric	BVE	1	1	1	1	1		1	1	1	1	1	1	11	100%	BVE	11
7	Time-Warner	TWC	1	1	1	1	1		1	1	1	1	1	1	11	100%	TWC	11
8	City of Burbank	B	1	1	1	1	1		1	1	1	1	1	1	11	100%	B	11
9	City of Glendale	A	1	1	1	1	1		1	1	1	1	1	1	11	100%	A	11
10	City of Vernon	V	1	1	1	1	1		1	1	1	1	1	1	11	100%	V	11
11	ATC Outdoor DAS	AMT	1	1	1	1	1		1	1	1	1	1	1	11	100%	AMT	11
12	MCI/Metro	ATS	1	1	1	1	1		1	1	1	1	1	1	11	100%	ATS	11
13	MCI Communications	MCI	1	1	1	1	1		1	1	1	1	1	1	11	100%	MCI	11
14	Mobilitie LLC	MOB	1	1	1	1	1		1	1	1	1	1	1	11	100%	MOB	11
15	Sprint Communications	FON	1	1	1	1	1		1	1	1	1	1	1	11	100%	FON	11
16	Sprint-Nextel	SPR	1	1	1	1	1		1	1	1	1	1	1	11	100%	SPR	11
17	City of Lompoc	LLW	1	1	1	1	1		1	1	1	1	1	1	11	100%	LLW	11
18	City of Anaheim	D	1	1	1	1	1		1	1	1	1	1	1	11	100%	D	11
19	City of Banning	COB	1	1	1	1	1		1	1	1	1	1	0	10	91%	COB	11
20	Teleport Comm America	TCA	1	1	1	1	1		1	1	1	1	1	0	10	91%	TCA	11
21	Sonic Telecom, LLC	STL	1	1	1	1	1		1	1	1	0	1	1	10	91%	STL	11
22	XO Communications	NXT	1	1	1	1	1		1	1	0	1	1	1	10	91%	NXT	11
23	City of Colton	F	1	1	1	1	1		0	1	1	1	1	1	10	91%	F	11
24	T-Mobile, USA	PBM	1	1	1	0	1		1	1	1	1	1	1	10	91%	PBM	11
25	Mpower/TelePacific	ICG	1	1	1	1	1		1	1	1	0	1	1	10	91%	ICG	11
26	City of Azusa	MA	1	1	0	1	1		1	1	1	1	1	0	9	82%	MA	11
27	City of Riverside	J	0	1	1	1	0		1	1	1	1	1	1	9	82%	J	11
28	ExteNet Systems	EXT	0	1	1	0	1		1	1	1	1	1	1	9	82%	EXT	11
29	City of Pasadena	MP	0	1	1	1	1		0	1	1	1	1	1	9	82%	MP	11
30	AT&T Mobility	LAC	0	1	1	1	1		1	1	0	1	1	1	9	82%	LAC	11
31	Verizon Wireless	ATC	1	1	1	1	0		1	1	0	1	0	1	8	73%	ATC	11
	Total		27	31	30	29	29	0	29	31	28	29	30	28				

Member	ATC	ATS	BVE	E	EXT	H/T	LLW	M	MCI	NG	TWC	Totals	YTD
Joint JPAs Billed	1	1	6	728		4		3	1	1	1	746	2846
% of Joint JPAs Billed	0.001	0.001	0.008	0.976	0.000	0.005	0.000	0.004	0.001	0.001	0.001	1.00	
Joint JPAs Returned			5	147		6	1	3	4			166	1207
Total Joint JPAs Processed	1	1	11	875	0	10	1	6	5	1	1	912	
Section 18.1F JPAs included in above												0	
Multi JPAs Billed		1		69		1		1			3	75	644
% of Multi JPAs Billed	0.000	0.013	0.000	0.920	0.000	0.013	0.000	0.013	0.000	0.000	0.040	1.00	
Multi JPAs Returned	1	8	1	71	8	14		3	62		8	176	2180
Total Multi JPAs Processed	1	9	1	140	8	15	0	4	62	0	11	251	2824
Section 18.1F JPAs included in above	1											1	
Total # JPAs Billed	1	2	6	797	0	5	0	4	1	1	4	821	3490
% of JPAs Billed	0.001	0.002	0.007	0.971	0.000	0.006	0.000	0.005	0.001	0.001	0.005	1.00	
# of JPAs Returned												342	3387
Total JPAs Processed	2	10	12	1015	8	25	1	10	67	1	12	1163	6877
% of JPAs Billed												70.59%	
% of JPAs returned												29.41%	
Member	ATC	ATS	BVE	E	EXT	H/T	LLW	M	MCI	NG	TWC	Totals	
Poles Billed (Joint JPAs)	1	2	13	3247		9		10	10	1	2	3295	13133
Poles Returned (joint)			16	1333		57	50	22	40			1518	11232
Poles Billed (Multi JPAs)		1		520		3		2			6	532	4440
Poles Returned (multi)	4	71	15	974	123	110		20	771		22	2110	26076
Total # Poles Billed (Joint & Multi combined)	1	3	13	3767	0	12	0	12	10	1	8	3827	17573
% of Total Poles Billed (Joint & Multi combined)	0.000	0.001	0.003	0.984	0.000	0.003	0.000	0.003	0.003	0.000	0.002	1.00	
# of Poles Returned												3628	37308
Total Poles Processed	5	74	44	6074	123	179	50	54	821	1	30	7455	54881
% of Poles Billed												51.33%	
% of Poles returned												48.67%	
RETURN RATE # OF JPAS	50%	80%	50%	21%	100%	80%	100%	60%	99%	0%	67%		
RETURN RATE # OF POLES	80%	96%	70%	38%	100%	93%	100%	78%	99%	0%	73%		

Note: Held Over Poles include E and E submitted 18.1F's and will be billed first at the next Bill of Sale

E SUB/ (include NON E, E & E submitted 18.1F JPAs)	E SUB (NEED 2023 AC)	NON E (NEED 2023 AC)	TOTAL
HELD OVER JPAS	136	10	146
HELD OVER POLES	547	76	623

2023-2024 AC was approved on 6/21/2023. Held over JPAs will be billed in July B/S

Average poles/JPA in 2023	7.98
---------------------------	------

Actual JPAs/poles received from 5/6/2023 - 6/5/2023 (June 2023 Bill of Sale):		
	JPAS	POLES
SCE	1106	6536
OTHER MEMBERS	149	1388

	JPAS	POLES
SCE CALL BACKS	14	63
SCE FORM 7 DO NOT BILL	9	76

Inspections Billed SCE Only: O&M (Inspection & Pole Tags)	
Inspection JPAs Billed	
Inspection Poles Billed	

SCE's Inspections JPAs/Poles were not included in above table	SCE O&M YTD
18	79
6541	10077

Overtime Only E Only: (JOINTS)	
OVERTIME E SUBMITTED JPAs Billed	
OVERTIME E SUBMITTED Poles Billed	
OVERTIME E JPAs Processed (Billed + Memos)	
OVERTIME E Poles Processed (Billed + Memos)	

E's Overtime JPAs/Poles were not included in above table	E OT YTD
0	330
0	1847
0	471
0	3186

PRODUCTIVITY WITHOUT OVERTIME

BILL OF SALE	BILLED JOINT POLES	RETURNED JOINT POLES	JOINT BILLED RATE (longer to process)	JOINT RETURN RATE	BILLED MULTI POLES	RETURNED MULTI POLES	MULTI BILLED RATE (longer to process)	MULTI RETURN RATE	TOTAL PROCESSED POLES	Multi Poles % Processed	POLES RETURN RATE (JT & MULTI)	TOTAL BILLED POLES	BILLED JPAS	NOTES
Jan-2021	3051	1692	64%	36%	282	1086	21%	79%	6111	22%	45%	3333	1239	ELECTRONIC
Feb-2021	2330	2086	53%	47%	502	3495	13%	87%	8413	48%	66%	2832	904	ELECTRONIC
Mar-2021	2644	1956	57%	43%	958	2480	28%	72%	8038	43%	55%	3602	1103	ELECTRONIC
Apr-2021	2714	3062	47%	53%	704	3238	18%	82%	9718	41%	65%	3418	910	ELECTRONIC
May-2021	2212	2853	44%	56%	847	3363	20%	80%	9275	45%	67%	3059	774	ELECTRONIC
Jun-2021	3188	2328	58%	42%	692	3257	18%	82%	9465	42%	59%	3880	980	ELECTRONIC
Jul-2021	2432	3469	41%	59%	808	6109	12%	88%	12818	54%	75%	3240	662	ELECTRONIC (note: unusually high return rate 75%)
Aug-2021	2502	1719	59%	41%	394	5890	6%	94%	10505	60%	72%	2896	1033	ELECTRONIC (note: 72% return rate)
Sep-2021	3196	1596	67%	33%	1018	4049	20%	80%	9859	51%	57%	4214	1327	ELECTRONIC (highest)
Oct-2021	2729	820	77%	23%	559	4688	11%	89%	8796	60%	63%	3288	1181	ELECTRONIC
Nov-2021	2580	1144	69%	31%	734	3523	17%	83%	7981	53%	58%	3314	975	ELECTRONIC
Dec-2021	1714	1650	51%	49%	1277	3933	25%	75%	8574	61%	65%	2991	743	ELECTRONIC
Jan-2022	1563	1675	48%	52%	841	4188	17%	83%	8267	61%	71%	2404	545	ELECTRONIC
Feb-2022	1360	2448	36%	64%	616	4472	12%	88%	8896	57%	78%	1976	423	ELECTRONIC
Mar-2022	2229	2298	49%	51%	1031	3836	21%	79%	9394	52%	65%	3260	702	ELECTRONIC
Apr-2022	2658	2586	51%	49%	1258	2817	31%	69%	9319	44%	58%	3916	1045	ELECTRONIC
May-2022	2199	1345	62%	38%	1067	3023	26%	74%	7634	54%	57%	3266	802	ELECTRONIC (Processed 1042 poles from JPAs involving 5+ owners, the office usually processed about 660 poles a month.)
Jun-2022	1628	3767	30%	70%	771	3221	19%	81%	9387	43%	74%	2399	611	Electronic
Jul-2022	2122	1765	55%	45%	972	3971	20%	80%	8830	56%	65%	3094	751	Electronic. (3 staff had vac days)
Aug-2022	2022	2638	43%	57%	1425	3603	28%	72%	9688	52%	64%	3447	852	Electronic
Sep-2022	2049	2201	48%	52%	803	3088	21%	79%	8141	48%	65%	2852	667	Electronic (one holiday, multiple employees were out sick and out on vac)
Oct-2022	1918	1358	59%	41%	1205	4574	21%	79%	9055	64%	66%	3123	555	Electronic
Nov-2022	1822	2037	47%	53%	954	5353	15%	85%	10166	62%	73%	2776	420	Electronic (high return rate ATS JPAS)
Dec-2022	1826	2975	38%	62%	662	6466	9%	91%	11929	60%	79%	2488	446	Electronic (high return rate ATS JPAS)
Jan-2023	1434	1680	46%	54%	646	6951	9%	91%	10711	71%	81%	2080	372	Electronic (high return rate ATS JPAS)
Feb-2023	1685	2247	43%	57%	759	7678	9%	91%	12369	68%	80%	2444	382	Electronic (high return rate ATS JPAS)
Mar-2023	2543	1771	59%	41%	957	4182	19%	81%	9453	54%	63%	3500	604	Electronic
Apr-2023	1589	1792	47%	53%	812	2214	27%	73%	6407	47%	63%	2401	495	Electronic, members submitted less JPAs than usual
May-2023	2587	2224	54%	46%	734	2941	20%	80%	8486	43%	61%	3321	816	Electronic, members submitted less JPAs than usual
Jun-2023	3295	1518	68%	32%	532	2110	20%	80%	7455	35%	49%	3827	821	Electronic, members submitted less JPAs than usual

12-month average	8604.08	Poles processed a month Mar 2022 to June 2023 (see exclusion below)
		Exclude Nov 2022, Dec 2022, Jan 2023, Feb 2023

Southern California Joint Pole Committee

279 E. Arrow Hwy. Suite 104
San Dimas, CA 91773
Phone (909) 599-3801
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August 16, 2023

A regular meeting of the **Operating Committee** took place on the above date, at 9:28 a.m., via teleconference:

Those in attendance were:

Mr. Lex Treepaisan	Frontier Communications
Mr. John Bacon	City of Los Angeles
Ms. Araceli Lomeli	City of Los Angeles
Ms. Alicia Walsh	Southern California Edison
Ms. April DeBarge	Southern California Edison
Mr. Michael Pearson	Southern California Edison
Mr. Kevin Flores	Southern California Edison
Ms. Marisol Bailey	Southern California Edison
Mr. Sam Picazo	Southern California Edison
Mr. Todd Dailey	AT&T California
Ms. Kay Black	AT&T California
Ms. Veronica Romero	AT&T California
Ms. Aarize Dizon	Crown Castle NG West Inc.
Mr. Robert Jystad	Crown Castle NG West Inc.
Mr. Jeremy Harmon	Verizon Wireless
Mr. Alex Parra	City of Riverside
Mr. John Vu	City of Anaheim
Mr. Arturo Garcia	City of Glendale
Ms. Katy White	MCI Metro ATS/MCI Telecommunications
Ms. Emily McDonald	MCI Metro ATS/MCI Telecommunications
Mr. Michael Truong	City of Burbank
Mr. Joe Armstrong	City of Pasadena
Ms. Yesenia Delgado	Time-Warner Cable
Ms. Lynne LaFrenais	Bear Valley Electric Service, Inc.
Ms. Maria Ortiz	XO Communications
Ms. Alyssa Aguilar	City of Colton
Ms. Ariel Dunning	City of Colton
Mr. Hien Vuong	City of Azusa
Mr. Ben Coffey	City of Banning
Mr. David Campo	City of Lompoc
Ms. Claudia Arellano	City of Vernon
Ms. Alicia Smith	Sprint Nextel/Sprint Communications
Mr. Johnny Villaobos	M-Power Communications

Ms. Linda McLean	Extenet Systems
Ms. Heidi Seropian	Extenet Systems
Ms. Dawn Laffoon	Mobilitie, LLC
Ms. Patti Ringo	Sonic Telecom, LLC
Ms. Angela Pranata	Committee Staff
Ms. Kathleen Allen	Committee Staff

Chairperson, Mr. Treepaisan called the meeting to order at 9:28 a.m. by addressing the first item on the agenda, the review of the **prior meeting minutes**. There were no questions or comments.

The second agenda item is the review of the **July 2023 Operating expense sheets**.

There were no questions or comments.

The third agenda item is **Accounts Receivable**. Ms. Pranata stated a Notice of Default was sent to ATS, MCI, and NXT and Ms. Pranata is waiting for their payment. There were no further questions or comments.

The fourth agenda item on the agenda is **Member Board Attendance**. There were no questions or comments.

The fifth agenda item for discussion is **Billing Standardization of Procedures and Minutes**. Ms. Allen stated she had a staff meeting on July 27, 2023. Ms. Allen reminded the staff for Section 4.0 on record side that billers are only to verify pole height and class and billers should not return the JPA if other information on record does not match. Section 7.7 multi pole, valid KV is not needed since the pole is going to be removed. If KV is shown as "H" on a Section 7.7 multi-party pole that is okay for billers to accept and process the JPA. Billers have been instructed not to return for that reason. Ms. Allen also reminded the staff when a pole is burnt down, and no information is shown on proposed side to accept the JPA and process. Billers are not to return requesting pulling routine for the pole or AT/AR for anchors and arms. No notes are needed in the Nature of Work regarding the pulling routine or anchor/arm. Discussed was Section 16.3 that on record side grade and space does not need to match SCJPC record. For existing poles, billers only need to verify pole length and pole class and not grade and space. Billers are not to return for these reasons. When a biller sees "SAME HOLE SET" in the location for Section 7.X billers are to use the location from the old pole and do not return asking for a location for the new pole. Section 13.3 with no note. Ms. Allen reminded the staff that they are to continue to bill the JPA, ignore Section 13.3, and do not return asking for a note. Section 4.1 with "NO RECORD" for the F48 date. Ms. Allen reminded the staff that a F48 date is not required on Section 4.1's since the work was previously completed and the utility may not know the actual date work was completed. Ms. Allen discussed with the staff anchors and arms only need an AT under Section 7.X. Also discussed, Section 5.1A Relinquishment showing a cut and a different pole height now on record does not need a Section 13.3 and note. Ms. Allen explained to the staff that the relinquishment is the reason for the cut and different pole height and is not an update or needs Section 13.3.

There were no questions or comments.

The sixth item on the agenda is **JPA Member Activity**.

- Please contact SCJPC (Angela) if members would like to meet with the SCJPC to discuss memos.
- No backlog

Ms. Pranata reported the office processed everything that the members submitted and that there is no backlog. Without overtime the staff processed 11,165 poles.

Ms. Pranata then reported that on average the office received about 7.82 poles a JPA.

Mr. Treepaisan stated it looks like the staff processed about 20% more for July 2023 bill of sale working on non-overtime compared to the average baseline. Ms. Pranata stated yes, and explained the new administrative aide is about 99% fully trained and that helped out a lot. Additionally, Ms. Foss, the former administrative aide, was billing more.

Ms. Pranata then stated the office will be short of staff in August bill of sale and the numbers would be a bit lower. One staff member will be out for three weeks. Mr. Treepaisan stated at least Ms. Pranata got the head of the cure with July bill of sale which is a good job.

There were no further questions or comments.

The seventh item on the agenda is **Miscellaneous Items**.

SCJPC Office updates:

- *Office productivity without OT*
- *OT monthly report*

Ms. Pranata displayed the *Productivity without Overtime* table. Ms. Pranata stated she uses the same numbers from the Member Activity.

Ms. Pranata stated the staff worked 36.25 hours last month for July bill of sale, and that Edison paid for the overtime.

There were no questions or comments.

Billing Errors/Questions

There were none.

Lease Agreement

- *Real estate attorney \$425/hr – 2-3 hrs to review*
- *Action items from last month:*
- *Mr. Treepaisan to engage with Frontier Communication's Real Estate team and work on negotiations with the building landlord.*
- *Mr. Treepaisan to contact his team for a follow up.*

Mr. Treepaisan inquired if anyone had contacted Ms. Pranata from Frontier Real Estate. Ms. Pranata replied no. Mr. Treepaisan stated he will follow up on his end to find out what the hold-up is.

There were no further questions or comments.

WTW Salary Analysis

- *Mr. Treepaisan to send a collaborative email to WTW and Ms. Pranata*

Mr. Treepaisan stated the master service agreement was signed and statement of work. The next steps are to provide them with job descriptions and a couple other formality types for the positions and salary ranges. Mr. Treepaisan and Ms. Pranata will work on that and move along.

There were no questions or comments.

MISC

There were no miscellaneous.

Review of Action Items:

- Mr. Treepaisan to check with Frontier's Real Estate Team to communicate with Ms. Pranata
- Mr. Treepaisan to follow up with WTW request for job descriptions and salaries of the current employees

The meeting adjourned at 9:37 a.m. until September 20, 2023.

Transcribed by Ms. Kathleen Allen – Committee Staff

SOUTHERN CALIFORNIA JOINT POLE COMMITTEE
Statement of Operating Expenses and Capital Investments

OPERATING EXPENSES		July 31, 2023			YTD Through July, 31 2023				Annual
	Details	Budgeted	Recorded	Variance	Budgeted	Recorded	Variance	% Variance	Budget
<u>EMPLOYEE EXPENSE</u>									
Salaries		65,261	50,477.59	14,784	456,830	371,350.39	85,480	19%	783,138
Regular (Budgeted)	50,477.59	-	-	-	-	-	-		
			-	-	-	-	-		
		-	-	-	-	-	-		
Insurance		9,242	7,236.54	2,005	64,692	52,059.28	12,632	20%	110,900
Health/Dental	7,236.54		-	-	-	-	-		
Life (quarterly)	-		-	-	-	-	-		
			-	-	-	-	-		
Payroll Taxes		5,221	3,264.85	1,956	36,546	26,363.08	10,183	28%	62,651
			-	-	-	-	-		
Workers Compensation		261	260.16	1	1,827	3,249.12	(1,422)	-78%	3,132
Miscellaneous expenses/ Travel mileage reimbursement		21	-	21	146	90.91	55	38%	250
Telecommuting Reimbursement		9	-	9	63	108.00	(45)	-71%	108
<u>PENSION EXPENSE</u>									
Contribution-SEP IRA		5,520	4,774.37	745	38,637	35,745.52	2,891	7%	66,234
			-	-	-	-	-		
			-	-	-	-	-		
<u>MONTHLY RECURRING</u>									
Rent		9,879	9,985.44	(106)	69,153	68,189.04	964	1%	118,548
Alarm System		58	-	58	408	347.94	60	15%	700
Telephone & Internet	Cell, Fax, Internet, Business Voice	556	516.54	39	3,892	3,569.95	322	8%	6,672
Cisco WebEx Online Meeting		69	69.00	-	483	483.00	-	0%	828
Postage & Shipping		17	9.65	7	117	91.45	25	22%	200
Business/Property Insurance	Pro-Rated	179	-	179	1,254	1,345.00	(91)	-7%	2,150
			-	-	-	-	-		
<u>EQUIPMENT & FURNITURE</u>									
			-	-	-	-	-		
Copy Machine - CBE (repair, maintenance, supplies)	QUARTERLY	8	-	8	58	-	58	100%	100
						-			
						-			
						-			

SOUTHERN CALIFORNIA JOINT POLE COMMITTEE
Statement of Operating Expenses and Capital Investments

OPERATING EXPENSES		July 31, 2023			YTD Through July, 31 2023				Annual
	Details	Budgeted	Recorded	Variance	Budgeted	Recorded	Variance	% Variance	Budget
<u>NETWORK SYSTEM</u>						-			
Computer-LAN Maintenance Contract (IT service), offsite server backup, labor for on site support			1,406.23	(1,406)	11,258	8,778.48	2,480	0	19,300
FRIEND Support			400.00	(400)	4,900	2,800.00	2,100	43%	8,400
Hosting: SCJPC Website, Cloud Azure VM Server, Azure VM Licenses, Sharefile, Email, Domain		1,591	1,363.50	227	11,134	9,544.50	1,590	14%	19,087
Computer (repair, maintenance, supplies)		100	32.56	67	700	32.56	667	95%	1,200
						-			
<u>PRINTING & SUPPLY</u>						-			
Office Printing		8	-	8	58	-	58	100%	100
Office Supplies		54	27.50	27	379	258.39	121	32%	650
						-			
						-			
<u>CONTRACT SERVICES</u>						-			
CPA/Auditor	2021 & 2022 in 2023	833	5,193.00	(4,360)	5,833	9,870.00	(4,037)	-69%	10,000
Attorney*		500	499.00	1	3,500	3,493.00	7	0%	6,000
						-			
<u>GENERAL EXPENSE</u>						-			
Payroll Service Fees		93	93.00	0	653	651.00	2	0%	1,120
Bank fees/Checks printing	Pro-Rated	8	-	8	58	-	58	100%	100
Publications/Subscriptions/Reference	Pro-Rated Docusign	21	-	21	146	285.00	(139)	-95%	250
Seminars, professional development, & tuition		117		117	817	239.88	577	71%	1,400
Team Building	Semi Annual	63	-	63	438	-	438	100%	750
Member Retirement plaques		42	-	42	292	-	292	100%	500
Scan & shred document		42	-	42	292	-	292	100%	500
Total Operating Expenses		99,772.32	85,608.93	14,163.39	714,564.58	598,945.49	115,327.42	16%	1,224,968

SOUTHERN CALIFORNIA JOINT POLE COMMITTEE
Statement of Operating Expenses and Capital Investments

OPERATING EXPENSES		July 31, 2023			YTD Through July, 31 2023				Annual
	Details	Budgeted	Recorded	Variance	Budgeted	Recorded	Variance	% Variance	Budget
CAPITAL INVESTMENTS AND LONG TERM LIABILITIES CURRENT									
<u>COMPUTER SYSTEM</u>									
Software Purchase and SCJPC website (minor) modification		130	-	130	910	1,373.30	(463)	-51%	1,560
FRIEND modification*		2,813	-	2,813	19,688	-	19,688	100%	33,750
Website Upgrade (after FriendPro)		417	-	417	2,917	-	2,917	100%	5,000
<u>EQUIPMENT & FURNITURE</u>									
Purchases and leases (including Copy Machine)		371	337.26	34	2,596	2,360.82	235	9%	4,450
Hardware Purchase		125		125	875	1,183.65	(309)	-35%	1,500
				-		-	-		
<u>LONG TERM LIABILITY CURRENT</u>									
				-		-	-		
Total Capital Investments & Long Term Liabilities Current		3,855.00	337.26	3,517.74	26,985.00	4,917.77	22,067.23	82%	46,260
Interest Earned/Misc Income			(0.40)			(1.32)			
Ubiquity Application fee credit						(2,200.00)			
TOTAL		103,627.32	85,945.79	17,681.13	741,549.58	601,661.94	137,394.65	19%	1,271,228
SCE SPECIAL BILLING TOTAL									
			1,802.22			1,802.22			
TOTAL WITH SCE OT BILLING			87,748.01			603,464.16			
*Items in blue are assessed equally									
8/8/2023									

MEMBERS ACCOUNTS RECEIVABLE - DELINQUENT ACCOUNTS

							PAST DUE NOTICES - DO NOT DELETE THIS INFORMATION Accounting staff: please enter past due sent info in each row/each cell				
Company Name	Invoice Month	Due By	FORMULA 60 Days past due	Amount	Invoice Number	Company Code	Past Due Notice Date Sent	Past due sent to & response notes	Past Due Notices Date by	Input By	Input Date
City of Colton	April 2023	May 31, 2023	7/30/2023	\$ 785.46	21758	F	8/8/2023	Emailed: aaguiar@coltonca.gov & adunning@coltonca.gov	GV	JT	7/10/2023
City of Colton	May 2023	June 30, 2023	8/29/2023	\$ 946.71	21790	F		Not 60 days, will email the following month		GV	8/8/2023
City of Glendale	May 2023	June 30, 2023	8/29/2023	\$ 21,791.00	21791	A		Not 60 days, will email the following month		GV	8/8/2023
Crown Castle NG West Inc.	May 2023	June 30, 2023	8/29/2023	\$ 2,340.90	21810	NG		Not 60 days, will email the following month		GV	8/8/2023
MCI Telecomm. (MCI) NOTICE OF DEFAULT LETTER SENT	January 2023	February 28, 2023	4/29/2023	\$ 907.96	21673	MCI	5/9/2023, 6/12/2023, 7/10/2023, 8/8/2023	Emailed: matthew.j.miller@verizon.com; MCI_ATS_JPA@motiveis.com	JT, GV	GV	4/11/2023
MCI Telecomm. (MCI) NOTICE OF DEFAULT LETTER SENT	February 2023	March 31, 2023	5/30/2023	\$ 856.23	21705	MCI	6/12/2023, 7/10/2023, 8/8/2023	Emailed: matthew.j.miller@verizon.com; MCI_ATS_JPA@motiveis.com	JT, GV	JT	5/9/2023
MCI Telecomm. (MCI) NOTICE OF DEFAULT LETTER SENT	March 2023	April 30, 2023	6/29/2023	\$ 863.62	21737	MCI	7/10/2023, 8/8/2023	Emailed: matthew.j.miller@verizon.com; MCI_ATS_JPA@motiveis.com	JT, GV	JT	6/12/2023
MCI Telecomm. (MCI) NOTICE OF DEFAULT LETTER SENT	April 2023	May 31, 2023	7/30/2023	\$ 770.00	21769	MCI	8/8/2023	Emailed: matthew.j.miller@verizon.com; MCI_ATS_JPA@motiveis.com	GV	JT	7/10/2023
MCI Telecomm. (MCI) NOTICE OF DEFAULT LETTER SENT	May 2023	June 30, 2023	8/29/2023	\$ 930.19	21801	MCI		Not 60 days, will email the following month		GV	8/8/2023
MCI Metro/ATS NOTICE OF DEFAULT LETTER SENT	January 2023	February 28, 2023	4/29/2023	\$ 1,097.59	21672	ATS	5/9/2023, 6/12/2023, 7/10/2023, 8/8/2023	Emailed: matthew.j.miller@verizon.com; MCI_ATS_JPA@motiveis.com	JT, GV	GV	4/11/2023
MCI Metro/ATS NOTICE OF DEFAULT LETTER SENT	February 2023	March 31, 2023	5/30/2023	\$ 1,037.04	21704	ATS	6/12/2023, 7/10/2023, 8/8/2023	Emailed: matthew.j.miller@verizon.com; MCI_ATS_JPA@motiveis.com	JT, GV	JT	5/9/2023
MCI Metro/ATS NOTICE OF DEFAULT LETTER SENT	March 2023	April 30, 2023	6/29/2023	\$ 1,046.57	21736	ATS	7/10/2023, 8/8/2023	Emailed: matthew.j.miller@verizon.com; MCI_ATS_JPA@motiveis.com	JT, GV	JT	6/12/2023
MCI Metro/ATS NOTICE OF DEFAULT LETTER SENT	April 2023	May 31, 2023	7/30/2023	\$ 947.95	21768	ATS	8/8/2023	Emailed: matthew.j.miller@verizon.com; MCI_ATS_JPA@motiveis.com	GV	JT	7/10/2023
MCI Metro/ATS NOTICE OF DEFAULT LETTER SENT	May 2023	June 30, 2023	8/29/2023	\$ 1,126.66	21800	ATS		Not 60 days, will email the following month		GV	8/8/2023
SPRINT-NEXTEL Corp	March 2023	April 30, 2023	6/29/2023	\$ 845.00	21732	SPR	7/10/2023, 8/8/2023	Emailed: LLStatements@T-mobile.com & eric.antonick@t-mobile.com	JT, GV	JT	6/12/2023
SPRINT-NEXTEL Corp	April 2023	May 31, 2023	7/30/2023	\$ 751.36	21764	SPR	8/8/2023	Emailed: LLStatements@T-mobile.com & eric.antonick@t-mobile.com	GV	JT	7/10/2023
SPRINT-NEXTEL Corp	May 2023	June 30, 2023	8/29/2023	\$ 908.95	21796	SPR		Not 60 days, will email the following month		GV	8/8/2023
Teleport Comm. America, LLC	May 2023	June 30, 2023	8/29/2023	\$ 1,191.75	21786	TCA		Not 60 days, will email the following month		GV	8/8/2023
Time Warner Cable (TWS)	May 2023	June 30, 2023	8/29/2023	\$ 500.50	21807	TWS		Not 60 days, will email the following month		GV	8/8/2023
Time Warner Cable (TWN)	May 2023	June 30, 2023	8/29/2023	\$ 581.92	21808	TWN		Not 60 days, will email the following month		GV	8/8/2023
Verizon Wireless	April 2023	May 31, 2023	7/30/2023	\$ 1,178.36	21753	ATC	8/8/2023	Emailed to marco.murillo@verizonwireless.com; ATCJPA@motiveis.com; JHarmon@motiveis.com	GV	JT	7/10/2023
Verizon Wireless	May 2023	June 30, 2023	8/29/2023	\$ 1,381.88	21785	ATC		Not 60 days, will email the following month		GV	8/8/2023
XO Communications NOTICE OF DEFAULT LETTER SENT	January 2023	February 28, 2023	4/29/2023	\$ 933.32	21678	NXT	5/9/2023, 6/12/2023, 7/10/2023, 8/8/2023	Email matthew.j.miller@verizon.com, mortiz@motiveis.com, NXTJPA@motiveis.com	JT, GV	GV	4/11/2023
XO Communications NOTICE OF DEFAULT LETTER SENT	February 2023	March 31, 2023	5/30/2023	\$ 880.12	21710	NXT	6/12/2023, 7/10/2023, 8/8/2023	Email matthew.j.miller@verizon.com, mortiz@motiveis.com, NXTJPA@motiveis.com	JT, GV	JT	5/9/2023
XO Communications NOTICE OF DEFAULT LETTER SENT	March 2023	April 30, 2023	6/29/2023	\$ 888.27	21742	NXT	7/10/2023, 8/8/2023	Email matthew.j.miller@verizon.com, mortiz@motiveis.com, NXTJPA@motiveis.com	JT, GV	JT	6/12/2023
XO Communications NOTICE OF DEFAULT LETTER SENT	April 2023	May 31, 2023	7/30/2023	\$ 793.45	21774	NXT	8/8/2023	Email matthew.j.miller@verizon.com, mortiz@motiveis.com, NXTJPA@motiveis.com	GV	JT	7/10/2023
XO Communications NOTICE OF DEFAULT LETTER SENT	May 2023	June 30, 2023	8/29/2023	\$ 955.56	21806	NXT		Not 60 days, will email the following month		GV	8/8/2023

Past due notices will be emailed after 60 days past due, once a month.

TOTAL \$ 47,238.32

 = Members assessed penalty fee

 = Less than 80% but 50% or greater attendance

 = Less than 50% attendance

 = Excused absence

**SOUTHERN CALIFORNIA JOINT POLE COMMITTEE
MEMBER BOARD MEETING ATTENDANCE
AUG 2022 - JUL 2023**

		MBR CODE	2022 AUG	2022 SEP	2022 OCT	2022 NOV	2022 DEC	2023 JAN	2023 FEB	2023 MAR	2023 APR	2023 MAY	2023 JUN	2023 JUL	TOTAL	Atten. %	MBR CODE	MONTHS
1	So. California Edison	E	1	1	1	1		1	1	1	1	1	1	1	11	100%	E	11
2	Frontier Communications	FTR	1	1	1	1		1	1	1	1	1	1	1	11	100%	FTR	11
3	City of Los Angeles	M	1	1	1	1		1	1	1	1	1	1	1	11	100%	M	11
4	Crown Castle NG West Inc.	NG	1	1	1	1		1	1	1	1	1	1	1	11	100%	NG	11
5	AT&T California	H / T	1	1	1	1		1	1	1	1	1	1	1	11	100%	H / T	11
6	Bear Valley Electric	BVE	1	1	1	1		1	1	1	1	1	1	1	11	100%	BVE	11
7	Time-Warner	TWC	1	1	1	1		1	1	1	1	1	1	1	11	100%	TWC	11
8	City of Burbank	B	1	1	1	1		1	1	1	1	1	1	1	11	100%	B	11
9	City of Glendale	A	1	1	1	1		1	1	1	1	1	1	1	11	100%	A	11
10	City of Vernon	V	1	1	1	1		1	1	1	1	1	1	1	11	100%	V	11
11	ATC Outdoor DAS	AMT	1	1	1	1		1	1	1	1	1	1	1	11	100%	AMT	11
12	MCI/Metro	ATS	1	1	1	1		1	1	1	1	1	1	1	11	100%	ATS	11
13	MCI Communications	MCI	1	1	1	1		1	1	1	1	1	1	1	11	100%	MCI	11
14	Mobilitie LLC	MOB	1	1	1	1		1	1	1	1	1	1	1	11	100%	MOB	11
15	Sprint Communications	FON	1	1	1	1		1	1	1	1	1	1	1	11	100%	FON	11
16	Sprint-Nextel	SPR	1	1	1	1		1	1	1	1	1	1	1	11	100%	SPR	11
17	City of Lompoc	LLW	1	1	1	1		1	1	1	1	1	1	1	11	100%	LLW	11
18	City of Anaheim	D	1	1	1	1		1	1	1	1	1	1	1	11	100%	D	11
19	City of Banning	COB	1	1	1	1		1	1	1	1	1	0	1	10	91%	COB	11
20	Teleport Comm America	TCA	1	1	1	1		1	1	1	1	1	0	1	10	91%	TCA	11
21	Sonic Telecom, LLC	STL	1	1	1	1		1	1	1	0	1	1	1	10	91%	STL	11
22	XO Communications	NXT	1	1	1	1		1	1	0	1	1	1	1	10	91%	NXT	11
23	T-Mobile, USA	PBM	1	1	0	1		1	1	1	1	1	1	1	10	91%	PBM	11
24	Mpower/TelePacific	ICG	1	1	1	1		1	1	1	0	1	1	1	10	91%	ICG	11
25	ExteNet Systems	EXT	1	1	0	1		1	1	1	1	1	1	1	10	91%	EXT	11
26	City of Pasadena	MP	1	1	1	1		0	1	1	1	1	1	1	10	91%	MP	11
27	City of Colton	F	1	1	1	1		0	1	1	1	1	1	0	9	82%	F	11
28	City of Riverside	J	1	1	1	0		1	1	1	1	1	1	0	9	82%	J	11
29	AT&T Mobility	LAC	1	1	1	1		1	1	0	1	1	1	0	9	82%	LAC	11
30	City of Azusa	MA	1	0	1	1		1	1	1	1	1	0	1	9	82%	MA	11
31	Verizon Wireless	ATC	1	1	1	0		1	1	0	1	0	1	1	8	73%	ATC	11
	Total		31	30	29	29	0	29	31	28	29	30	28	28				

Member	ATC	ATS	B	BVE	E	EXT	FTR	H/T	LAC	LLW	M	MCI	NG	NXT	PBM	TCA	TWC	Totals	YTD
Joint JPAs Billed	1		1	21	693		2	4		1	81							804	3650
% of Joint JPAs Billed	0.001	0.000	0.001	0.026	0.862	0.000	0.002	0.005	0.000	0.001	0.101	0.000	0.000	0.000	0.000	0.000	0.000	1.00	
Joint JPAs Returned		3		45	125	1	2	6			90	5			2			279	1486
Total Joint JPAs Processed	1	3	1	66	818	1	4	10	0	1	171	5	0	0	2	0	0	1083	
Section 18.1F JPAs included in above	1						4	3										8	
Multi JPAs Billed	1	7			94		2	8			31	3	3		1		11	161	805
% of Multi JPAs Billed	0.006	0.043	0.000	0.000	0.584	0.000	0.012	0.050	0.000	0.000	0.193	0.019	0.019	0.000	0.006	0.000	0.068	1.00	
Multi JPAs Returned		24			38	12	1	25	1		46	159	3	3	2	1	14	329	2509
Total Multi JPAs Processed	1	31	0	0	132	12	3	33	1	0	77	162	6	3	3	1	25	490	3314
Section 18.1F JPAs included in above	1	3			3	2	3	11	1		1	6	3		1	4		39	
Total # JPAs Billed	2	7	1	21	787	0	4	12	0	1	112	3	3	0	1	0	11	965	4455
% of JPAs Billed	0.002	0.007	0.001	0.022	0.816	0.000	0.004	0.012	0.000	0.001	0.116	0.003	0.003	0.000	0.001	0.000	0.011	1.00	
# of JPAs Returned																		608	3995
Total JPAs Processed	2	34	1	66	950	13	7	43	1	1	248	167	6	3	5	1	25	1573	8450
% of JPAs Billed																		61.35%	
% of JPAs returned																		38.65%	
Member	ATC	ATS	B	BVE	E	EXT	FTR	H/T	LAC	LLW	M	MCI	NG	NXT	PBM	TCA	TWC	Totals	
Poles Billed (Joint JPAs)	1		2	122	2637		8	4		2	327							3103	16236
Poles Returned (joint)		8		633	1446	33	40	32			685	16			2			2895	14127
Poles Billed (Multi JPAs)	11	70			638		25	58			152	19	29		2		33	1037	5477
Poles Returned (multi)		294			593	184	6	343	1		370	2127	45	41	3	13	110	4130	30206
Total # Poles Billed (Joint & Multi combined)	12	70	2	122	3275	0	33	62	0	2	479	19	29	0	2	0	33	4140	21713
% of Total Poles Billed (Joint & Multi combined)	0.003	0.017	0.000	0.029	0.791	0.000	0.008	0.015	0.000	0.000	0.116	0.005	0.007	0.000	0.000	0.000	0.008	1.00	
# of Poles Returned																		7025	44333
Total Poles Processed	12	372	2	755	5314	217	79	437	1	2	1534	2162	74	41	7	13	143	11165	66046
% of Poles Billed																		37.08%	
% of Poles returned																		62.92%	
RETURN RATE # OF JPAS	0%	79%	0%	68%	17%	100%	43%	72%	100%	0%	55%	98%	50%	100%	80%	100%	56%		
RETURN RATE # OF POLES	0%	81%	0%	84%	38%	100%	58%	86%	100%	0%	69%	99%	61%	100%	71%	100%	77%		

Edison JPA and pole count above (Billed) includes Steel Stubbed JPAs

Average poles/JPA in 2023	7.82
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Updated: 8/15/2023

Actual JPAs/poles received from 6/6/2023 - 7/5/2023 (July 2023 Bill of Sale):		
	JPAS	POLES
SCE	944	5708
OTHER MEMBERS	572	5275

JPAS	POLES
SCE CALL BACKS	3
SCE FORM 7 DO NOT BILL	4

Inspections Billed SCE Only: O&M (Inspection & Pole Tags)
Inspection JPAs Billed
Inspection Poles Billed

SCE's Inspections JPAs/Poles were not included in above table	SCE O&M YTD
10	107
1333	18154

Overtime Only E Only: (JOINTS)
OVERTIME E SUBMITTED JPAs Billed
OVERTIME E SUBMITTED Poles Billed
OVERTIME E JPAs Processed (Billed + Memos)
OVERTIME E Poles Processed (Billed + Memos)

E's Overtime JPAs/Poles were not included in above table	E OT YTD
78	408
299	629
87	417
395	725

PRODUCTIVITY WITHOUT OVERTIME

BILL OF SALE	BILLED JOINT POLES	RETURNED JOINT POLES	JOINT BILLED RATE (longer to process)	JOINT RETURN RATE	BILLED MULTI POLES	RETURNED MULTI POLES	MULTI BILLED RATE (longer to process)	MULTI RETURN RATE	TOTAL PROCESSED POLES	Multi Poles % Processed	POLES RETURN RATE (JT & MULTI)	TOTAL BILLED POLES	BILLED JPAS	NOTES
Jan-2021	3051	1692	64%	36%	282	1086	21%	79%	6111	22%	45%	3333	1239	ELECTRONIC
Feb-2021	2330	2086	53%	47%	502	3495	13%	87%	8413	48%	66%	2832	904	ELECTRONIC
Mar-2021	2644	1956	57%	43%	958	2480	28%	72%	8038	43%	55%	3602	1103	ELECTRONIC
Apr-2021	2714	3062	47%	53%	704	3238	18%	82%	9718	41%	65%	3418	910	ELECTRONIC
May-2021	2212	2853	44%	56%	847	3363	20%	80%	9275	45%	67%	3059	774	ELECTRONIC
Jun-2021	3188	2328	58%	42%	692	3257	18%	82%	9465	42%	59%	3880	980	ELECTRONIC
Jul-2021	2432	3469	41%	59%	808	6109	12%	88%	12818	54%	75%	3240	662	ELECTRONIC (note: unusually high return rate 75%)
Aug-2021	2502	1719	59%	41%	394	5890	6%	94%	10505	60%	72%	2896	1033	ELECTRONIC (note: 72% return rate)
Sep-2021	3196	1596	67%	33%	1018	4049	20%	80%	9859	51%	57%	4214	1327	ELECTRONIC (highest)
Oct-2021	2729	820	77%	23%	559	4688	11%	89%	8796	60%	63%	3288	1181	ELECTRONIC
Nov-2021	2580	1144	69%	31%	734	3523	17%	83%	7981	53%	58%	3314	975	ELECTRONIC
Dec-2021	1714	1650	51%	49%	1277	3933	25%	75%	8574	61%	65%	2991	743	ELECTRONIC
Jan-2022	1563	1675	48%	52%	841	4188	17%	83%	8267	61%	71%	2404	545	ELECTRONIC
Feb-2022	1360	2448	36%	64%	616	4472	12%	88%	8896	57%	78%	1976	423	ELECTRONIC
Mar-2022	2229	2298	49%	51%	1031	2836	21%	79%	9394	52%	65%	3260	702	ELECTRONIC
Apr-2022	2658	2586	51%	49%	1258	2817	31%	69%	9319	44%	58%	3916	1045	ELECTRONIC
May-2022	2199	1345	62%	38%	1067	3023	26%	74%	7634	54%	57%	3266	802	ELECTRONIC (Processed 1042 poles from JPAs involving 5+ owners, the office usually processed about 660 poles a month.)
Jun-2022	1628	3767	30%	70%	771	3221	19%	81%	9387	43%	74%	2399	611	Electronic
Jul-2022	2122	1765	55%	45%	972	3971	20%	80%	8830	56%	65%	3094	751	Electronic. (3 staff had vac days)
Aug-2022	2022	2638	43%	57%	1425	3603	28%	72%	9688	52%	64%	3447	852	Electronic
Sep-2022	2049	2201	48%	52%	803	3088	21%	79%	8141	48%	65%	2852	667	Electronic (one holiday, multiple employees were out sick and out on vac)
Oct-2022	1918	1358	59%	41%	1205	4574	21%	79%	9055	64%	66%	3123	555	Electronic
Nov-2022	1822	2037	47%	53%	954	5353	15%	85%	10166	62%	73%	2776	420	Electronic (high return rate ATS JPAS)
Dec-2022	1826	2975	38%	62%	662	6466	9%	91%	11929	60%	79%	2488	446	Electronic (high return rate ATS JPAS)
Jan-2023	1434	1680	46%	54%	646	6951	9%	91%	10711	71%	81%	2080	372	Electronic (high return rate ATS JPAS)
Feb-2023	1685	2247	43%	57%	759	7678	9%	91%	12369	68%	80%	2444	382	Electronic (high return rate ATS JPAS)
Mar-2023	2543	1771	59%	41%	957	4182	19%	81%	9453	54%	63%	3500	604	Electronic
Apr-2023	1589	1792	47%	53%	812	2214	27%	73%	6407	47%	63%	2401	495	Electronic, members submitted less JPAs than usual
May-2023	2587	2224	54%	46%	734	2941	20%	80%	8486	43%	61%	3321	816	Electronic, members submitted less JPAs than usual
Jun-2023	3295	1518	68%	32%	532	2110	20%	80%	7455	35%	49%	3827	821	Electronic, members submitted less JPAs than usual
Jul-2023	3103	2895	52%	48%	1037	4130	20%	80%	11165	46%	63%	4140	965	Electronic

12-month average

8751.67

Poles processed a month Apr 2022 to July 2023 (see exclusion below)

Exclude Nov 2022, Dec 2022, Jan 2023, Feb 2023

JOINT (TWO OWNERS) JPAS

Bill of Sale Month	Poles Billed 2P	Poles Returned	Total Poles (Billed + Returned) Processed	Number of JPAs BILLED	Number of JPAs Returned	Total # of JPAs Processed (Billed + Returned)	Additional work Hrs	NOTES	Poles/Hour	POLE BILLABLE RATE	Poles Return rate %	JPA BILLABLE RATE	JPAs Return Rate %
Jul-23	188	37	225	59	5	64	18.75		12.00	83.56%	16.44%	92.19%	7.81%
Totals	188	37	225	59	5	64	18.75						

Average billing joint (2 owners) poles/hour goal: 12.10

- *Overtime poles per month contingent upon (based on 2020 & 2021 OT data):
1. The % of billable joint poles: 60% (or less) of the volume processed can be billed (based on SCE OT data).
 2. The % of billable joint JPAs: 76% (or less) of the volume processed can be billed (based on SCE OT data).
 3. Staff availability.

THREE OWNERS JPAS (staff will only process 3P JPAs when the number of joint (2P) JPAs are low)

Bill of Sale Month	3P Poles Billed	3P Poles Returned	Total Poles (Billed + Returned) Processed	Number of JPAs BILLED	Number of JPAs Returned	Total # of JPAs Processed (Billed + Returned)	Additional work Hrs	NOTES	Poles/Hour	POLE BILLABLE RATE	Poles Return rate %	JPA BILLABLE RATE	JPAs Return Rate %
Jul-23	111	59	170	19	4	23	17.50		9.71	65.29%	34.71%	82.61%	17.39%
Totals	111	59	170	19	4	23	17.50						

Total 2P+3P hours 36.25

Southern California Joint Pole Committee

279 E. Arrow Hwy. Suite 104
San Dimas, CA 91773
Phone (909) 599-3801
Fax (909) 599-3825

September 20, 2023

A regular meeting of the **Operating Committee** took place on the above date, at 9:26 a.m., via teleconference:

Those in attendance were:

Mr. Lex Treepaisan	Frontier Communications
Mr. Glenne Leckie	Frontier Communications
Ms. April DeBarge	Southern California Edison
Mr. Michael Pearson	Southern California Edison
Mr. Kevin Flores	Southern California Edison
Ms. Marisol Bailey	Southern California Edison
Mr. Sam Picazo	Southern California Edison
Ms. Silvana Ray	Southern California Edison
Mr. Todd Dailey	AT&T California
Ms. Kay Black	AT&T California
Ms. Veronica Romero	AT&T California
Mr. Barry Consulter	AT&T California
Ms. Joy Young	AT&T California
Mr. Troy Stanard	AT&T California
Mr. Matthew Barbosa	AT&T California
Ms. Megan LaMon	Crown Castle NG West Inc.
Ms. Aarize Dizon	Crown Castle NG West Inc.
Mr. Robert Jystad	Crown Castle NG West Inc.
Mr. Alex Parra	City of Riverside
Mr. John Vu	City of Anaheim
Ms. Katy White	MCI Metro ATS/MCI Telecommunications
Mr. Michael Truong	City of Burbank
Ms. Ashley Romero	City of Pasadena
Ms. Katia Muradian	City of Pasadena
Ms. Yesenia Delgado	Time-Warner Cable
Ms. Lynne LaFrenais	Bear Valley Electric Service, Inc.
Ms. Dianell Caamano	AT&T Mobility
Ms. Maria Ortiz	XO Communications
Mr. Mark Silva	City of Azusa
Mr. Ben Coffey	City of Banning
Ms. Amber Utley	City of Banning
Mr. David Campo	City of Lompoc
Mr. Nick Van Stryk	City of Vernon
Ms. Alicia Smith	Sprint Nextel/Sprint Communications
Ms. Shawn Henderson	T-Mobile USA

Ms. Linda McLean
Mr. Renzo Garzon
Ms. Maggie Howell
Ms. Patti Ringo
Ms. Angela Pranata
Ms. Kathleen Allen

Extenet Systems
Mobilitie, LLC
ATC-Outdoor DAS, LLC
Sonic Telecom, LLC
Committee Staff
Committee Staff

Chairperson, Mr. Treepaisan called the meeting to order at 9:26 a.m. by addressing the first item on the agenda, the review of the **prior meeting minutes**. There were no questions or comments.

The second agenda item is the review of the **August 2023 Operating expense sheets**.

There were no questions or comments.

The third agenda item is **Accounts Receivable**. Mr. Treepaisan stated it looks like the list is getting smaller. Ms. Pranata confirmed it was and stated she received payments for some of the past dues.

There were no further questions or comments.

The fourth agenda item on the agenda is **Member Board Attendance**.

There were no questions or comments.

The fifth agenda item for discussion is **Billing Standardization of Procedures and Minutes**. Ms. Allen stated she had a staff meeting on August 22, 2023. Ms. Allen informed the staff for Section 7.13 Failure to Issue Notice of Intention of Replacement (*Wood and Non-Wood Pole*) was added to the Section. Section 7.14 is no longer required for a non-wood pole. Per Routine Revision committee August 16, 2023, the Routine Handbook will be updated to state Section 7.13 Failure to Issue Notice of Intention of Replacement (Wood and Non-Wood Pole). Section 7.5 with 18.1D originally discussed in Routine Revision June 21, 2023, and was pending further research. Routine Revision August 16, 2023, the committee agreed for billers to bill as is and billers do not need to verify if the sole owner signs the JPA (sole owner's concurrence). This will be going to a committee vote in September 2023 and the Routine Handbook will be updated thereafter. Per Routine Revision Committee August 16, 2023, Item numbers 110A-E should be shown as ½(1) and NOT as .50/.50. Per Routine Revision Committee August 16, 2023, ARM relinquishment does not need a Section or a note. Record side showing joint to Propose side showing 100 is good enough for the ARM relinquishment. The work shown on the JPA as stated above is good enough to bill for the ARM relinquishment. Billers to bill as 4 0. Billers are not to return the JPA asking for a Section for ARM relinquishment. Ms. Allen reminded that staff and reviewed the procedure for members that are no longer members and how to hand JPAs they are shown on. Ms. Allen emailed the staff on 7/27/2023 an Authorized Cost Item Number Spreadsheet showing how AC items should show on the JPA. At the 8/22/2023 staff meeting Ms. Allen went into full detailing discussing which AC item numbers should be full cost, .50/.50, or ½(1). Ms. Allen trained the staff of a few JPAs. When billers are reviewing a JPA and a biller sees an update and think Section 13.3 is needed billers are to remember to verify the transaction shown on the JPA against the Section, the

work that is being completed, does it require the change in pole information. For example, when a member is relinquishing they may cut the pole that changes the pole length. Section 5.1A would cover the cut. It is not an actual update to the pole. Section 13.3 would not be needed. AT (transferring anchors and arms) shown on the JPA, Section 7.X is the only valid Section AT can be used on. Billers are NOT to ask for AT for anchors and arms on Sections other than Section 7.X. ATs are only used with replacements. Section 13.3 without a note. It was previously agreed by the committee that a JPA that is received with Section 13.3 and no note that billers are to ignore Section 13.3 and continue to process the JPA. Billers are not to return the JPA asking for a note. Section 4.1 that shows NR (no record) for Form 48 date is acceptable and billers are to continue to process the JPA as is. Billers are not to return the JPA asking for a Form 48 date. Sharing space on a multi pole with two power members. Ms. Allen went into detail and showed an example of allocating grade and space when two power members share space. Lastly, Ms. Allen updated some internal documents for the staff: JPC COR Procedure, No Longer Members, and Form 7 Processing Procedure.

There were no questions or comments.

The sixth item on the agenda is **JPA Member Activity**.

- Please contact SCJPC (Angela) if members would like to meet with the SCJPC to discuss memos.
- No backlog

Ms. Pranata reported for August 2023 bill of sale the staff processed 9,323 poles total. There was no backlog. Ms. Pranata added a new table to the Member Activity sheet (see attached) on the bottom left corner to show Call Backs and Form 7 Do Not Bill's received after the SCJPC finished processing the JPAs. Ms. Pranata explained that the office received requests from members to pull the 16 JPAs out from the bill of sale after the JPAs were billed, checked, entered into our database, and converted to finalized versions. From August 2023 bill of sale, a total of 169 poles were pulled after they were completely done which equals about 15 hours of work. Ideally, SCJPC would like members to pull the JPAs before they are billed. Ms. Pranata stated that moving forward she will be monitoring the numbers and if the numbers get too high perhaps the committee can discuss a process where members could pull the JPA out of billing before the SCJPC starts processing these JPAs. Ms. Pranata added the numbers shown on this table are not included in the above table. Mr. Treepaisan stated that is a good point and the table should help identify if it becomes a trend. Ms. DeBarge inquired if the SCJPC couldn't say no that it was too late to pull from billing. Mr. Treepaisan stated if SCJPC has the ability to say no then something can be memorialized in the Routine Handbook to put a time restriction on it. Mr. Treepaisan does not think it needs to be memorialized; however, if other members feel something should be written down then it could be. Mr. Treepaisan added that it makes sense what Ms. Pranata stated that at a certain point it ends up being a waste of unallocated hours. Ms. DeBarge stated that she thought that SCJPC could say no and then members would have to go through the Correction of Record process. Ms. Pranata stated that her understanding is that members could pull the JPAs out of the bill of sale before the close of the month, which is before SCJPC produces the Form 44s.

After some further discussion it was agreed that at this time Ms. Pranata will monitor the numbers to see if it is a common occurrence. If Ms. Pranata sees it become

a trend, warrants further discussion, or if an item number needs to be issued, then the committee can look into in subsequent months.

Ms. Pranata then reported that her and Ms. Allen noticed that more JPAs and poles are being billed. Which means it will take the staff longer to process everything completely from the beginning to the end when the JPAs are billable. This is great news for the members because the staff did not find any errors on the JPAs resulting in memos.

There were no further questions or comments.

The seventh item on the agenda is **Miscellaneous Items.**

SCJPC Office updates:

- *Office productivity without OT*
- *SCE OT monthly report (paid by SCE)*

Ms. Pranata displayed the *Productivity without Overtime* table. Ms. Pranata stated she would like to point out that the JPAs are more billable which is great news for the members because they are going to get their reimbursements. It takes longer to process to completely bill and finish everything for all the JPAs. For August 2023 bill of sale, the billable rate for joint JPAs was 63% and for the multi JPAs were 44%. Ms. Pranata added members are submitting JPAs with less errors. Ms. Black inquired if this reflects all the hard work Ms. Allen has done on the training videos. Ms. Pranata stated yes and all the questions from members Ms. Allen answers via email. Ms. Pranata added that Ms. Allen will answer emails in two to three business days.

Ms. Pranata stated the staff worked 98.25 additional hours last month, that is paid for by Edison. Only joint JPAs were processed and there was no need for multi-party JPAs to be processed.

There were no further questions or comments.

Billing Errors/ Questions

There were none.

Lease Agreement

- *New update from A. Pranata – potential new renter*
- *Real estate attorney \$425/hr – 2-3 hrs to review*
- *Action items from last month:*
- *Mr. Treepaisan to check with Frontier's Real Estate Team to communicate with Ms. Pranata*

Mr. Treepaisan stated that Frontier Communications had some reorganization and some changes in personnel. There was some miscommunication with the Director over in Real Estate as he thought it was a Frontier building versus an SCJPC building. Mr. Treepaisan is having a difficult time engaging them to negotiate a sublease or early termination. That leads the committee back to Ms. Pranata's original assessment if the committee wants to pursue this in hiring a Real Estate Attorney at \$425 an hour for

two to three hours to review. For about three hours the committee is looking at \$1275. Mr. Treepaisan inquired when does the lease expires. Ms. Pranata stated in 2026.

Ms. Pranata stated that she has an update regarding the office space. Ms. Pranata reported that she met with a potential new renter twice. Ms. Pranata explained she was approached by a Commercial Real Estate Agent and the potential new renters came over to the office space twice already. The first time was a couple of people from their Engineering Firm and the second time they brought their President in. It looks like they are really interested in the office space. If there is going to be an agreement, they said that it is going to be a three-way agreement between the new renter, SCJPC, and the building owner/landlord. Ms. Pranata added they are interested in purchasing some items. Ms. Pranata let them know that the conference room tables are up for sale if they wish to purchase, and various other items such as paintings and cubicles were up for sale as well. They asked about the cable displays that were donated by Frontier and SCE and Ms. Pranata informed them they were not for sale. Mr. Treepaisan inquired if they wanted to lease the whole facility or a portion thereof. Ms. Pranata stated the whole facility and therefore SCJPC would have to move. Ms. Pranata then stated she looked at a smaller unit in the same building and the only thing she did not like was that the smaller unit did not have a sink in the breakroom. The employees would need to use the bathroom to wash their hands or for any cleanup. Mr. Treepaisan inquired if Ms. Pranata knew what percentage that might reduce the monthly fee or what portion they would be paying. Ms. Pranata stated the Real Estate Agent said the new unit is about half the size and the rent is probably going to be half. Currently SCJPC is paying about \$10,000 a month thus it would probably be about \$5,000 a month. They still would need to discuss numbers. Mr. Treepaisan stated that is pretty awesome and Ms. Pranata made some things happen. Mr. Treepaisan then stated he is very appreciative of that. Ms. Ortiz inquired about how many people could that new unit accommodate. Ms. Pranata stated that would be up to the SCJPC and could put as many numbers of desks needed. However, Ms. Pranata does not think 10 desks are needed since the staff is working remotely. Ms. Pranata thinks perhaps five desks would be needed. It is going to be an open area and there will not be any cubicles. Mr. Dailey inquired if the staff would be reporting back to the office if SCJPC gets a smaller space. Mr. Treepaisan stated that they are doing a hybrid schedule and coming in as needed and giving the employees the flexibility to work from home as sort of a benefit. Mr. Treepaisan stated to Mr. Dailey's point that the North pretty much closed down the office and they are all working remotely. The committee could explore that as well if other members are okay with that. Mr. Pranata stated that if the committee wants to close the office completely down and have everything virtually then that could be an option that could be explored as well. Ms. Dailey stated he is totally happy going down that path. Mr. Dailey would hate to pay for a space that is not being used and trying to see how to avoid that. Mr. Dailey is on board with migrating to a work from home option. Mr. Dailey inquired if SCJPC moves to a smaller space would the committee have to sign a new lease on it. Ms. Pranata stated yes probably; however, they have not discussed that yet. Mr. Treepaisan inquired the lease term on the current lease. Ms. Pranata stated seven years. Ms. Ortiz inquired if the Engineering Firm expressed how quickly they would like to move forward. Ms. Pranata stated they have not stated. But they do want to come back one more time and do a 3D model. Mr. Treepaisan stated to keep this item open and further explore.

There were no further questions or comments.

WTW Salary Analysis

- *Mr. Treepaisan to send a collaborative email to WTW and Ms. Pranata*

Mr. Treepaisan stated that he and Ms. Pranata had a meeting last week with the WTW people. Ms. Pranata put together some job descriptions from the Admin Aide all the way to Office Manager. And what was discussed in that meeting was that they were looking for, 70% match of responsibilities and duties between what was identified and what they have in their database. Mr. Treepaisan believes there's going to be another round of review, but essentially, what they have, they're going to compare to what they have in their database and start coming up with, with job matches as well as, compensation.

There were no questions or comments.

MISC

There were no miscellaneous.

Review of Action Items:

- The Committee to continue to explore the revising of the Lease Agreement.
- Mr. Treepaisan and Ms. Pranata are ongoing with discussions with WTW with the salary analysis.

The meeting adjourned at 9:56 a.m. until October 18, 2023.

Transcribed by Ms. Kathleen Allen – Committee Staff

SOUTHERN CALIFORNIA JOINT POLE COMMITTEE
Statement of Operating Expenses and Capital Investments

OPERATING EXPENSES		August 31, 2023			YTD Through August, 31 2023				Annual
	Details	Budgeted	Recorded	Variance	Budgeted	Recorded	Variance	% Variance	Budget
<u>EMPLOYEE EXPENSE</u>									
Salaries		65,261	49,773.01	15,488	522,092	421,123.40	100,968	19%	783,138
Regular (Budgeted)	49,773.01	-		-	-	-	-		
				-	-	-	-		
		-	-	-	-	-	-		
Insurance		9,242	7,236.54	2,005	73,933	59,295.82	14,638	20%	110,900
Health/Dental	7,236.54			-	-	-	-		
Life (quarterly)	-			-	-	-	-		
				-	-	-	-		
Payroll Taxes		5,221	3,318.51	1,902	41,767	29,681.59	12,086	29%	62,651
				-	-	-	-		
Workers Compensation		261	260.16	1	2,088	3,509.28	(1,421)	-68%	3,132
Miscellaneous expenses/ Travel mileage reimbursement		21	-	21	167	90.91	76	45%	250
Telecommuting Reimbursement		9	-	9	72	108.00	(36)	-50%	108
<u>PENSION EXPENSE</u>									
Contribution-SEP IRA		5,520	4,966.63	553	44,156	40,712.15	3,444	8%	66,234
				-	-	-	-		
				-	-	-	-		
<u>MONTHLY RECURRING</u>									
Rent		9,879	9,985.44	(106)	79,032	78,174.48	857	1%	118,548
Alarm System		58	-	58	467	347.94	119	25%	700
Telephone & Internet	Cell, Fax, Internet, Business Voice	556	516.54	39	4,448	4,086.49	362	8%	6,672
Cisco WebEx Online Meeting		69	69.00	-	552	552.00	-	0%	828
Postage & Shipping		17	38.00	(21)	133	129.45	4	3%	200
Business/Property Insurance	Pro-Rated	179	-	179	1,433	1,345.00	88	6%	2,150
				-	-	-	-		
<u>EQUIPMENT & FURNITURE</u>									
				-	-	-	-		
Copy Machine - CBE (repair, maintenance, supplies)	QUARTERLY	8	-	8	67	-	67	100%	100
						-			
						-			
						-			

SOUTHERN CALIFORNIA JOINT POLE COMMITTEE
Statement of Operating Expenses and Capital Investments

OPERATING EXPENSES		August 31, 2023			YTD Through August, 31 2023				Annual
	Details	Budgeted	Recorded	Variance	Budgeted	Recorded	Variance	% Variance	Budget
NETWORK SYSTEM						-			
Computer-LAN Maintenance Contract (IT service), offsite server backup, labor for on site support			1,222.75	(1,223)	12,867	10,001.23	2,865	0	19,300
FRIEND Support			400.00	(400)	5,600	3,200.00	2,400	43%	8,400
Hosting: SCJPC Website, Cloud Azure VM Server, Azure VM Licenses, Sharefile, Email, Domain		1,591	1,356.62	234	12,725	10,901.12	1,824	14%	19,087
Computer (repair, maintenance, supplies)		100	-	100	800	32.56	767	96%	1,200
						-			
PRINTING & SUPPLY						-			
Office Printing		8	6.66	2	67	6.66	60	90%	100
Office Supplies		54	58.81	(5)	433	317.20	116	27%	650
						-			
						-			
CONTRACT SERVICES						-			
CPA/Auditor	2021 & 2022 in 2023	833	-	833	6,667	9,870.00	(3,203)	-48%	10,000
Attorney*		500	499.00	1	4,000	3,992.00	8	0%	6,000
						-			
GENERAL EXPENSE						-			
Payroll Service Fees		93	93.00	0	747	744.00	3	0%	1,120
Bank fees/Checks printing	Pro-Rated	8	-	8	67	-	67	100%	100
Publications/Subscriptions/Reference	Pro-Rated Docusign	21	-	21	167	285.00	(118)	-71%	250
Seminars, professional development, & tuition		117		117	933	239.88	693	74%	1,400
Team Building	Semi Annual	63	238.93	(176)	500	238.93	261	52%	750
Member Retirement plaques		42	-	42	333	-	333	100%	500
Scan & shred document		42	-	42	333	-	333	100%	500
Total Operating Expenses		99,772.32	80,039.60	19,732.72	816,645.23	678,985.09	137,326.81	17%	1,224,968

SOUTHERN CALIFORNIA JOINT POLE COMMITTEE
Statement of Operating Expenses and Capital Investments

OPERATING EXPENSES		August 31, 2023			YTD Through August, 31 2023				Annual
	Details	Budgeted	Recorded	Variance	Budgeted	Recorded	Variance	% Variance	Budget
CAPITAL INVESTMENTS AND LONG TERM LIABILITIES CURRENT									
<u>COMPUTER SYSTEM</u>									
Software Purchase and SCJPC website (minor) modification		130	-	130	1,040	1,373.30	(333)	-32%	1,560
FRIEND modification*		2,813	-	2,813	22,500	-	22,500	100%	33,750
Website Upgrade (after FriendPro)		417	-	417	3,333	-	3,333	100%	5,000
<u>EQUIPMENT & FURNITURE</u>									
Purchases and leases (including Copy Machine)		371	403.48	(33)	2,967	2,764.30	202	7%	4,450
Hardware Purchase		125	114.49	11	1,000	1,298.14	(298)	-30%	1,500
			-	-		-	-		
<u>LONG TERM LIABILITY CURRENT</u>									
Total Capital Investments & Long Term Liabilities Current		3,855.00	517.97	3,337.03	30,840.00	5,435.74	25,404.26	82%	46,260
Interest Earned/Misc Income			(0.40)			(1.72)			
Ubiquity Application fee credit						(2,200.00)			
TOTAL		103,627.32	80,557.17	23,069.75	847,485.23	682,219.11	162,731.07	19%	1,271,228
SCE SPECIAL BILLING TOTAL									
TOTAL WITH SCE OT BILLING			84,432.50			5,677.55			
*Items in blue are assessed equally									
9/7/2023									

Delinquent Accounts
As of 9/13/2023

MEMBERS ACCOUNTS RECEIVABLE - **DELINQUENT ACCOUNTS**

							PAST DUE NOTICES - DO NOT DELETE THIS INFORMATION Accounting staff: please enter past due sent info in each row/each cell				
Company Name	Invoice Month	Due By	FORMULA 60 Days past due	Amount	Invoice Number	Company Code	Past Due Notice Date Sent	Past due sent to & response notes	Past Due Notices Date by	Input By	Input Date
City of Colton	May 2023	June 30, 2023	8/29/2023	\$ 946.71	21790	F	9/12/2023	Emailed: aaguiler@coltonca.gov & adunning@coltonca.gov	GV	GV	8/8/2023
Crown Castle NG West Inc.	June 2023	July 31, 2023	9/29/2023	\$ 3,022.76	21842	NG		Not 60 days, will email the following month		GV	9/12/2023
Sprint Communications Co L.P.	June 2023	July 31, 2023	9/29/2023	\$ 1,126.56	21843	FON		Not 60 days, will email the following month		GV	9/12/2023
SPRINT-NEXTEL Corp	March 2023	April 30, 2023	6/29/2023	\$ 845.00	21732	SPR	7/10/2023, 8/8/2023, 9/12/2023	Emailed: LLStatements@T-mobile.com & eric.antonick@t-mobile.com	JT, GV	JT	6/12/2023
SPRINT-NEXTEL Corp	April 2023	May 31, 2023	7/30/2023	\$ 751.36	21764	SPR	8/8/2023, 9/12/2023	Emailed: LLStatements@T-mobile.com & eric.antonick@t-mobile.com	GV	JT	7/10/2023
SPRINT-NEXTEL Corp	May 2023	June 30, 2023	8/29/2023	\$ 908.95	21796	SPR	9/12/2023	Emailed: LLStatements@T-mobile.com & eric.antonick@t-mobile.com	GV	GV	8/8/2023
SPRINT-NEXTEL Corp	June 2023	July 31, 2023	9/29/2023	\$ 1,170.82	21828	SPR		Not 60 days, will email the following month		GV	9/12/2023
Teleport Comm. America LLC-TCA	June 2023	July 31, 2023	9/29/2023	\$ 1,536.50	21818	TCA		Not 60 days, will email the following month		GV	9/12/2023
Time Warner Cable (TWN)	May 2023	June 30, 2023	8/29/2023	\$ 581.92	21808	TWN	9/12/2023	Emailed: Yeseniadelgado@charter.com	GV	GV	8/8/2023
Verizon Wireless	April 2023	May 31, 2023	7/30/2023	\$ 1,178.36	21753	ATC	8/8/2023, 9/12/2023	Emailed to marco.murillo@verizonwireless.com; ATCJPA@motiveis.com; JHarmon@motiveis.com	GV	JT	7/10/2023
Verizon Wireless	June 2023	July 31, 2023	9/29/2023	\$ 1,782.50	21817	ATC		Not 60 days, will email the following month		GV	9/12/2023

Past due notices will be emailed after 60 days past due, once a month.

TOTAL **\$ 13,851.44**

 = Members assessed penalty fee

 = Less than 80% but 50% or greater attendance

 = Less than 50% attendance

 = Excused absence

SOUTHERN CALIFORNIA JOINT POLE COMMITTEE
MEMBER BOARD MEETING ATTENDANCE
SEP 2022 - AUG 2023

		MBR CODE	2022 SEP	2022 OCT	2022 NOV	2022 DEC	2023 JAN	2023 FEB	2023 MAR	2023 APR	2023 MAY	2023 JUN	2023 JUL	2023 AUG	TOTAL	Atten. %	MBR CODE	MONTHS
1	So. California Edison	E	1	1	1		1	1	1	1	1	1	1	1	11	100%	E	11
2	Frontier Communications	FTR	1	1	1		1	1	1	1	1	1	1	1	11	100%	FTR	11
3	City of Los Angeles	M	1	1	1		1	1	1	1	1	1	1	1	11	100%	M	11
4	Crown Castle NG West Inc.	NG	1	1	1		1	1	1	1	1	1	1	1	11	100%	NG	11
5	AT&T California	H / T	1	1	1		1	1	1	1	1	1	1	1	11	100%	H / T	11
6	Bear Valley Electric	BVE	1	1	1		1	1	1	1	1	1	1	1	11	100%	BVE	11
7	Time-Warner	TWC	1	1	1		1	1	1	1	1	1	1	1	11	100%	TWC	11
8	City of Burbank	B	1	1	1		1	1	1	1	1	1	1	1	11	100%	B	11
9	City of Glendale	A	1	1	1		1	1	1	1	1	1	1	1	11	100%	A	11
10	City of Vernon	V	1	1	1		1	1	1	1	1	1	1	1	11	100%	V	11
11	ATC Outdoor DAS	AMT	1	1	1		1	1	1	1	1	1	1	1	11	100%	AMT	11
12	MCI/Metro	ATS	1	1	1		1	1	1	1	1	1	1	1	11	100%	ATS	11
13	MCI Communications	MCI	1	1	1		1	1	1	1	1	1	1	1	11	100%	MCI	11
14	Mobilitie LLC	MOB	1	1	1		1	1	1	1	1	1	1	1	11	100%	MOB	11
15	Sprint Communications	FON	1	1	1		1	1	1	1	1	1	1	1	11	100%	FON	11
16	Sprint-Nextel	SPR	1	1	1		1	1	1	1	1	1	1	1	11	100%	SPR	11
17	City of Lompoc	LLW	1	1	1		1	1	1	1	1	1	1	1	11	100%	LLW	11
18	City of Anaheim	D	1	1	1		1	1	1	1	1	1	1	1	11	100%	D	11
19	City of Banning	COB	1	1	1		1	1	1	1	1	0	1	1	10	91%	COB	11
20	Sonic Telecom, LLC	STL	1	1	1		1	1	1	0	1	1	1	1	10	91%	STL	11
21	XO Communications	NXT	1	1	1		1	1	0	1	1	1	1	1	10	91%	NXT	11
22	Mpower/TelePacific	ICG	1	1	1		1	1	1	0	1	1	1	1	10	91%	ICG	11
23	ExteNet Systems	EXT	1	0	1		1	1	1	1	1	1	1	1	10	91%	EXT	11
24	City of Pasadena	MP	1	1	1		0	1	1	1	1	1	1	1	10	91%	MP	11
25	City of Colton	F	1	1	1		0	1	1	1	1	1	0	1	9	82%	F	11
26	City of Riverside	J	1	1	0		1	1	1	1	1	1	0	1	9	82%	J	11
27	AT&T Mobility	LAC	1	1	1		1	1	0	1	1	1	0	1	9	82%	LAC	11
28	City of Azusa	MA	0	1	1		1	1	1	1	1	0	1	1	9	82%	MA	11
29	Teleport Comm America	TCA	1	1	1		1	1	1	1	1	0	1	0	9	82%	TCA	11
30	T-Mobile, USA	PBM	1	0	1		1	1	1	1	1	1	1	0	9	82%	PBM	11
31	Verizon Wireless	ATC	1	1	0		1	1	0	1	0	1	1	1	8	73%	ATC	11
	Total		30	29	29	0	29	31	28	29	30	28	28	29				

Member	ATS	BVE	D	E	EXT	FTR	H/T	LLW	M	MCI	NG	TCA	TWC	Totals	YTD
Joint JPAs Billed		3		779		7	3	1	24					817	4467
% of Joint JPAs Billed	0.000	0.004	0.000	0.953	0.000	0.009	0.004	0.001	0.029	0.000	0.000	0.000	0.000	1.00	
Joint JPAs Returned		4	1	221		3	2	2	20	1				254	1740
Total Joint JPAs Processed	0	7	1	1000	0	10	5	3	44	1	0	0	0	1071	
Section 18.1F JPAs included in above						10	1							11	
Multi JPAs Billed	2			119	2	2	1		5	1	3	1	1	137	942
% of Multi JPAs Billed	0.015	0.000	0.000	0.869	0.015	0.015	0.007	0.000	0.036	0.007	0.022	0.007	0.007	1.00	
Multi JPAs Returned	12	1	1	77	3	1	2		5	22	8		6	138	2647
Total Multi JPAs Processed	14	1	1	196	5	3	3	0	10	23	11	1	7	275	3589
Section 18.1F JPAs included in above	4				1	3	2				12	1	1	24	
Total # JPAs Billed	2	3	0	898	2	9	4	1	29	1	3	1	1	954	5409
% of JPAs Billed	0.002	0.003	0.000	0.941	0.002	0.009	0.004	0.001	0.030	0.001	0.003	0.001	0.001	1.00	
# of JPAs Returned														392	4387
Total JPAs Processed	14	8	2	1196	5	13	8	3	54	24	11	1	7	1346	9796
% of JPAs Billed														70.88%	
% of JPAs returned														29.12%	
Member	ATS	BVE	D	E	EXT	FTR	H/T	LLW	M	MCI	NG	TCA	TWC	Totals	
Poles Billed (Joint JPAs)		13		3962		12	18	50	64					4119	20355
Poles Returned (joint)		29	12	2141		17	3	74	165	1				2442	16569
Poles Billed (Multi JPAs)	20			1016	29	7	16		18	5	30	11	50	1202	6679
Poles Returned (multi)	149	15	10	823	28	21	35		16	263	159		41	1560	31766
Total # Poles Billed (Joint & Multi combined)	20	13	0	4978	29	19	34	50	82	5	30	11	50	5321	27034
% of Total Poles Billed (Joint & Multi combined)	0.004	0.002	0.000	0.936	0.005	0.004	0.006	0.009	0.015	0.001	0.006	0.002	0.009	1.00	
# of Poles Returned														4002	48335
Total Poles Processed	169	57	22	7942	57	57	72	124	263	269	189	11	91	9323	75369
% of Poles Billed														57.07%	
% of Poles returned														42.93%	
RETURN RATE # OF JPAS	86%	63%	100%	25%	60%	31%	50%	67%	46%	96%	73%	0%	86%		
RETURN RATE # OF POLES	88%	77%	100%	37%	49%	67%	53%	60%	69%	98%	84%	0%	45%		

Average poles/JPA in 2023	7.69
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Call Backs & F7 Do Not Bill received AFTER we finished processing (final-billed) the JPAs	JPAS	POLES
Call Backs	3	51
F7 Do not Bill	13	118
(not included in the above table)		

Inspections Billed SCE Only: O&M (Inspection & Pole Tags)	
Inspection JPAs Billed	
Inspection Poles Billed	

Overtime Only E Only: (JOINTS)	
OVERTIME E SUBMITTED JPAs Billed	
OVERTIME E SUBMITTED Poles Billed	
OVERTIME E JPAs Processed (Billed + Memos)	
OVERTIME E Poles Processed (Billed + Memos)	

Actual JPAs/poles received from 7/6/2023 - 8/4/2023 (August 2023 Bill of Sale):		
	JPAS	POLES
SCE	1196	7942
OTHER MEMBERS	116	990

(not included in the above table)	JPAS	POLES
SCE CALL BACKS	10	120
SCE FORM 7 DO NOT BILL	14	156

SCE's Inspections JPAs/Poles were not included in above table	SCE O&M YTD
16	123
6427	24581

E's Overtime JPAs/Poles were not included in above table (PAID BY SCE starting July 2023 B/S)	E OT YTD
130	208
659	958
175	262
1029	1424

PRODUCTIVITY WITHOUT OVERTIME

BILL OF SALE	BILLED JOINT POLES	RETURNED JOINT POLES	JOINT BILLED RATE (longer to process)	JOINT RETURN RATE	BILLED MULTI POLES	RETURNED MULTI POLES	MULTI BILLED RATE (longer to process)	MULTI RETURN RATE	TOTAL PROCESSED POLES	Multi Poles % Processed	POLES RETURN RATE (JT & MULTI)	TOTAL BILLED POLES	BILLED JPAS	NOTES
Jan-2021	3051	1692	64%	36%	282	1086	21%	79%	6111	22%	45%	3333	1239	ELECTRONIC
Feb-2021	2330	2086	53%	47%	502	3495	13%	87%	8413	48%	66%	2832	904	ELECTRONIC
Mar-2021	2644	1956	57%	43%	958	2480	28%	72%	8038	43%	55%	3602	1103	ELECTRONIC
Apr-2021	2714	3062	47%	53%	704	3238	18%	82%	9718	41%	65%	3418	910	ELECTRONIC
May-2021	2212	2853	44%	56%	847	3363	20%	80%	9275	45%	67%	3059	774	ELECTRONIC
Jun-2021	3188	2328	58%	42%	692	3257	18%	82%	9465	42%	59%	3880	980	ELECTRONIC
Jul-2021	2432	3469	41%	59%	808	6109	12%	88%	12818	54%	75%	3240	662	ELECTRONIC (note: unusually high return rate 75%)
Aug-2021	2502	1719	59%	41%	394	5890	6%	94%	10505	60%	72%	2896	1033	ELECTRONIC (note: 72% return rate)
Sep-2021	3196	1596	67%	33%	1018	4049	20%	80%	9859	51%	57%	4214	1327	ELECTRONIC (highest)
Oct-2021	2729	820	77%	23%	559	4688	11%	89%	8796	60%	63%	3288	1181	ELECTRONIC
Nov-2021	2580	1144	69%	31%	734	3523	17%	83%	7981	53%	58%	3314	975	ELECTRONIC
Dec-2021	1714	1650	51%	49%	1277	3933	25%	75%	8574	61%	65%	2991	743	ELECTRONIC
Jan-2022	1563	1675	48%	52%	841	4188	17%	83%	8267	61%	71%	2404	545	ELECTRONIC
Feb-2022	1360	2448	36%	64%	616	4472	12%	88%	8896	57%	78%	1976	423	ELECTRONIC
Mar-2022	2229	2298	49%	51%	1031	3836	21%	79%	9394	52%	65%	3260	702	ELECTRONIC
Apr-2022	2658	2586	51%	49%	1258	2817	31%	69%	9319	44%	58%	3916	1045	ELECTRONIC
May-2022	2199	1345	62%	38%	1067	3023	26%	74%	7634	54%	57%	3266	802	ELECTRONIC (Processed 1042 poles from JPAs involving 5+ owners, the office usually processed about 660 poles a month.)
Jun-2022	1628	3767	30%	70%	771	3221	19%	81%	9387	43%	74%	2399	611	Electronic
Jul-2022	2122	1765	55%	45%	972	3971	20%	80%	8830	56%	65%	3094	751	Electronic. (3 staff had vac days)
Aug-2022	2022	2638	43%	57%	1425	3603	28%	72%	9688	52%	64%	3447	852	Electronic
Sep-2022	2049	2201	48%	52%	803	3088	21%	79%	8141	48%	65%	2852	667	Electronic (one holiday, multiple employees were out sick and out on vac)
Oct-2022	1918	1358	59%	41%	1205	4574	21%	79%	9055	64%	66%	3123	555	Electronic
Nov-2022	1822	2037	47%	53%	954	5353	15%	85%	10166	62%	73%	2776	420	Electronic (high return rate ATS JPAS)
Dec-2022	1826	2975	38%	62%	662	6466	9%	91%	11929	60%	79%	2488	446	Electronic (high return rate ATS JPAS)
Jan-2023	1434	1680	46%	54%	646	6951	9%	91%	10711	71%	81%	2080	372	Electronic (high return rate ATS JPAS)
Feb-2023	1685	2247	43%	57%	759	7678	9%	91%	12369	68%	80%	2444	382	Electronic (high return rate ATS JPAS)
Mar-2023	2543	1771	59%	41%	957	4182	19%	81%	9453	54%	63%	3500	604	Electronic
Apr-2023	1589	1792	47%	53%	812	2214	27%	73%	6407	47%	63%	2401	495	Electronic, members submitted less JPAs than usual
May-2023	2587	2224	54%	46%	734	2941	20%	80%	8486	43%	61%	3321	816	Electronic, members submitted less JPAs than usual
Jun-2023	3295	1518	68%	32%	532	2110	20%	80%	7455	35%	49%	3827	821	Electronic, members submitted less JPAs than usual
Jul-2023	3103	2895	52%	48%	1037	4130	20%	80%	11165	46%	63%	4140	965	Electronic
Aug-2023	4119	2442	63%	37%	1202	1560	44%	56%	9323	30%	43%	5321	954	Electronic (One employee on vac 3 weeks)

12-month average

8752.00

Poles processed a month May 2022 to August 2023 (see exclusion below)

Exclude Nov 2022, Dec 2022, Jan 2023, Feb 2023

JOINT (TWO OWNERS) JPAS

Bill of Sale Month	Poles Billed 2P	Poles Returned	Total Poles (Billed + Returned) Processed	Number of JPAs BILLED	Number of JPAs Returned	Total # of JPAs Processed (Billed + Returned)	Additional work Hrs	NOTES	Poles/Hour	POLES BILLABLE RATE	Poles Return rate %	JPA BILLABLE RATE	JPAs Return Rate %
Jul-23	188	37	225	59	5	64	18.75		12.00	83.56%	16.44%	92.19%	7.81%
Aug-23	659	370	1029	130	45	175	79.50		12.94	64.04%	35.96%	74.29%	25.71%
		0			0				#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Totals	847	407	1254	189	50	239	98.25						

Average billing joint (2 owners) poles/hour goal:	12.10
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*Overtime poles per month contingent upon (based on 2020 & 2021 OT data):

- 1. The % of billable joint poles: 60% (or less) of the volume processed can be billed (based on SCE OT data).
- 2. The % of billable joint JPAs: 76% (or less) of the volume processed can be billed (based on SCE OT data).
- 3. Staff availability.

THREE OWNERS JPAS (staff will only process 3P JPAs when the number of joint (2P) JPAs are low)

Bill of Sale Month	3P Poles Billed	3P Poles Returned	Total Poles (Billed + Returned) Processed	Number of JPAs BILLED	Number of JPAs Returned	Total # of JPAs Processed (Billed + Returned)	Additional work Hrs	NOTES	Poles/Hour	POLE BILLABLE RATE	Poles Return rate %	JPA BILLABLE RATE	JPAs Return Rate %
Jul-23	111	59	170	19	4	23	17.50		9.71	65.29%	34.71%	82.61%	17.39%
Aug-23	0	0	0	0	0	0	0.00		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Totals	111	59	170	19	4	23	17.50						

Total 2P+3P hours 115.75

Southern California Joint Pole Committee

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San Dimas, CA 91773
Phone (909) 599-3801
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October 18, 2023

A regular meeting of the **Operating Committee** took place on the above date, at 10:11 a.m., via teleconference:

Those in attendance were:

Mr. Lex Treepaisan	Frontier Communications
Mr. John Bacon	City of Los Angeles
Ms. April DeBarge	Southern California Edison
Mr. Michael Pearson	Southern California Edison
Mr. Kevin Flores	Southern California Edison
Ms. Marisol Bailey	Southern California Edison
Mr. Sam Picazo	Southern California Edison
Ms. Silvana Ray	Southern California Edison
Mr. Todd Dailey	AT&T California
Ms. Kay Black	AT&T California
Ms. Veronica Romero	AT&T California
Mr. Barry Consulter	AT&T California
Mr. Troy Stanard	AT&T California
Ms. Megan LaMon	Crown Castle NG West Inc.
Ms. Aarize Dizon	Crown Castle NG West Inc.
Ms. Jackie Costa	Crown Castle NG West Inc.
Mr. Alex Parra	City of Riverside
Mr. Arturo Garcia	City of Glendale
Ms. Katy White	MCI Metro ATS/MCI Telecommunications
Mr. Michael Truong	City of Burbank
Mr. Joe Armstrong	City of Pasadena
Ms. Yesenia Delgado	Time-Warner Cable
Ms. Lynne LaFrenais	Bear Valley Electric Service, Inc.
Ms. Maria Ortiz	XO Communications
Ms. Ariel Dunning	City of Colton
Mr. Ben Coffey	City of Banning
Mr. Nick Van Stryk	City of Vernon (Petrelli Electric)
Ms. Alicia Smith	Sprint Nextel/Sprint Communications
Mr. Joseph Ledesma	T-Mobile USA
Ms. Shawn Henderson	T-Mobile USA
Ms. Linda McLean	Extenet Systems
Ms. Heidi Seropian	Extenet Systems
Mr. Charlie Smith	Mobilitie, LLC
Ms. Angela Pranata	Committee Staff
Ms. Kathleen Allen	Committee Staff

Chairperson, Mr. Treepaisan called the meeting to order at 10:11 a.m. by addressing the first item on the agenda, the review of the **prior meeting minutes**.

There were no questions or comments.

The second agenda item is the review of the **September 2023 Operating expense sheets**.

There were no questions or comments.

The third agenda item is **Accounts Receivable**. Ms. Pranata reported that she received an email from Sprint regarding the past due invoices the day before. However, Ms. Pranata was out of the office and unable to reply. Ms. Pranata will reply to their email after the meeting.

There were no further questions or comments.

The fourth agenda item on the agenda is **Member Board Attendance**.

There were no questions or comments.

The fifth agenda item for discussion is **Billing Standardization of Procedures and Minutes**. Ms. Allen stated she had a staff meeting on October 10, 2023. Ms. Allen informed the staff Section 7.5 was voted on and approved at the September 20, 2023 Administrative Board Meeting. The Committee agreed for billers to bill as is and billers do not need to verify if the sole owner signs the JPA. Ms. Allen shared the updated verbiage with the staff as well. Ms. Allen reviewed one JPA with the staff on ARMs. ARMs should show ownership, for example, .50/.50 and not 1 of 1 or ½(1). Joint arms should be shown on the pole record as well. That concluded the staff meeting.

Ms. Allen received an email with examples from a member inquiring if Section 7.14 would be needed on a replacement when the old pole is a CM, and the new pole is a CM. Ms. Allen stated that Section 7.14 would not be needed. Ms. Allen shared the examples and reviewed with the billers for clarification.

There were no questions or comments.

The sixth item on the agenda is **JPA Member Activity**.

- Please contact SCJPC (Angela) if members would like to meet with the SCJPC to discuss memos.

Ms. Pranata reported for September 2023 bill of sale the staff processed 8,165 poles total. There was a holdover of 350 poles. Ms. Pranata explained that more and more JPAs are billable. The joint JPAs were up to 71% billable and the total poles billed were 5,288. The multi JPAs were up to 51% billable. This is great for the members because their JPAs are being finalized and they will get their reimbursements. Ms. Pranata added it is taking the staff more time to complete the cycle from start to finish. It was a challenging month. Multiple employees were out sick due to Covid and other illnesses. However, the staff did finalize the highest number of JPAs at 1,126 for September 2023 bill of sale. Mr. Treepaisan stated that is awesome, and like Ms. Pranata stated, the office is receiving JPAs that are more billable and with less errors and it takes more time to final and process.

There were no further questions or comments.

The seventh item on the agenda is **Miscellaneous Items.**

SCJPC Office updates:

- Office productivity without OT
- SCE OT monthly report (OT funded by SCE)

Ms. Pranata displayed the *SCJPC – OVERTIME Monthly update*. Ms. Pranata stated the staff worked an extra 83 additional hours and they processed 199 JPAs during overtime.

There were no questions or comments.

Office Update:

Ms. Pranata reported that she recently hired the administrative aide, and she was doing great. She has been working for seven months. She started as a temp and became a full-time employee. However, she recently resigned. Her last day will be October 27th, 2023. Ms. Pranata added that she and Ms. Allen will start interviewing candidates for that position again. Mr. Bacon inquired if there was an exit interview. Mr. Treepaisan stated that he plans to schedule that the following week. Mr. Treepaisan has been in contact with Ms. Pranata and is looking at the following Thursday or Friday to conduct an exit interview and go over some of the formalities. Mr. Treepaisan wants to make sure there are no liabilities that need to be addressed.

There were no further questions or comments.

Ms. Pranata then reported that the office is receiving many Form 7's Do Not Bills that are cancelling JPAs from SCE. Currently the office has received 534 Form 7's between October 2nd and October 12th in nine working days. Ms. Pranata had to pull a biller away from billing just to process the Form 7's because the office could not handle the amount. The office was unprepared. For October bill of sale there will be one less biller processing JPAs due to the amount of Form 7's received. When asked Edison gave Ms. Pranata a projected number of Form 7's they will be sending. 980 Form 7's for the month of October that Edison will be sending. Ms. DeBarge stated that Edison is working on a current project where they are closing out several JPAs. They also will have another one coming in November. Ms. DeBarge will give Ms. Pranata a summary of the next project. The one that is coming in November. Ms. DeBarge stated Edison is cleaning out their backlog and that is all the update they had at that time. Moving forward Edison will keep Ms. Pranata in the loop. Ms. Pranata stated that they have been uploading the ShareFile so all members could view the Form 7's. Ms. Pranata announced that if any member does not have access to the ShareFile Form 7 folder please email Ms. Pranata and she will give access. All Form 7's OKAY TO BILLS and DO NOT BILLS are shown on the Form 7 website.

There were no further questions or comments.

Billing Errors/Questions

There were none.

Lease Agreement

- *Real estate attorney \$425/hr – 2-3 hrs to review*
- *Action items from last month:*
- *The Committee to continue to explore the revising of the Lease Agreement*

Ms. Pranata opened and stated she contacted the commercial Real Estate Agent, and they did not have an update on the potential sub tenant. They did not say they would not sublease the space. They did say they were exploring other options. It is still pending. Ms. Pranata did tell the Real Estate Agent to feel free to show the office to anyone interested.

There were no questions or comments.

WTW Salary Analysis

- *Action items from last month:*
- *Mr. Treepaisan and Ms. Pranata are ongoing with discussions with WTW with the salary analysis*

Mr. Treepaisan stated WTW has conducted their preliminary review and Ms. Pranata and Mr. Treepaisan plan to go over the results with them later that week.

There were no questions or comments.

2024 Proposed Operating Budget

- *Will SCE continue to fund the OT in 2024*

Ms. Pranata opened and stated she was trying to have the *2024 Proposed Operating Budget* prepared for this month's meetings; however, she was unable to get responses from the insurance broker and other vendors. Ms. Pranata will email everyone before the next meeting for review. Ms. Pranata stated that she has a question for SCE. Ms. Pranata inquired if SCE would continue to fund the overtime in 2024. Mr. Flores stated that they will get back to Ms. Pranata. Ms. Pranata did have a request for SCE. If possible, if SCE wants to stop the overtime to please let Ms. Pranata know two weeks in advance because the office and the staff plan the overtime and rearrange their schedule to work it. Mr. Flores stated will do. Ms. Pranata stated while waiting for SCE should she put in the budget a line item for overtime to be paid by the SCJPC Committee or no budget at all. Mr. Treepaisan stated to add the line item for overtime to be paid by the SCJPC Committee and if necessary it can always be amended or revised. Ms. Pranata stated that she will do that and will email the budget as soon as she is finished.

There were no further questions or comments.

MISC

There were no miscellaneous.

Review of Action Items:

- Mr. Treepaisan and Ms. Pranata will continue to meet with WTW for the salary analysis.
- The Committee to continue to explore the options into subleasing and what to do with the office space.

The meeting adjourned at 10:28 a.m. until November 15, 2023.

Transcribed by Ms. Kathleen Allen – Committee Staff

SOUTHERN CALIFORNIA JOINT POLE COMMITTEE
Statement of Operating Expenses and Capital Investments

OPERATING EXPENSES		September 30, 2023			YTD Through September, 30 2023				Annual
	Details	Budgeted	Recorded	Variance	Budgeted	Recorded	Variance	% Variance	Budget
<u>EMPLOYEE EXPENSE</u>									
Salaries		65,261	49,087.25	16,174	587,353	470,210.65	117,143	20%	783,138
Regular (Budgeted)	49,087.25	-		-	-	-	-		
				-	-	-	-		
		-	-	-	-	-	-		
Insurance		9,242	7,512.99	1,729	83,175	66,808.81	16,366	20%	110,900
Health/Dental	7,236.54			-	-	-	-		
Life (quarterly)	276.45			-	-	-	-		
				-	-	-	-		
Payroll Taxes		5,221	3,363.68	1,857	46,988	33,045.27	13,943	30%	62,651
				-	-	-	-		
Workers Compensation		261	260.16	1	2,349	3,769.44	(1,420)	-60%	3,132
Miscellaneous expenses/ Travel mileage reimbursement		21	-	21	188	90.91	97	52%	250
Telecommuting Reimbursement		9	-	9	81	108.00	(27)	-33%	108
<u>PENSION EXPENSE</u>									
Contribution-SEP IRA		5,520	4,788.32	731	49,676	45,500.47	4,175	8%	66,234
				-	-	-	-		
				-	-	-	-		
<u>MONTHLY RECURRING</u>									
Rent		9,879	9,985.44	(106)	88,911	88,159.92	751	1%	118,548
Alarm System		58	173.97	(116)	525	521.91	3	1%	700
Telephone & Internet	Cell, Fax, Internet, Business Voice	556	536.54	19	5,004	4,623.03	381	8%	6,672
Cisco WebEx Online Meeting		69	69.00	-	621	621.00	-	0%	828
Postage & Shipping		17	10.07	7	150	139.52	10	7%	200
Business/Property Insurance	Pro-Rated	179	-	179	1,613	1,345.00	268	17%	2,150
				-	-	-	-		
<u>EQUIPMENT & FURNITURE</u>									
				-	-	-	-		
Copy Machine - CBE (repair, maintenance, supplies)	QUARTERLY	8	-	8	75	-	75	100%	100
						-			
						-			
						-			

SOUTHERN CALIFORNIA JOINT POLE COMMITTEE
Statement of Operating Expenses and Capital Investments

OPERATING EXPENSES		September 30, 2023			YTD Through September, 30 2023				Annual
	Details	Budgeted	Recorded	Variance	Budgeted	Recorded	Variance	% Variance	Budget
<u>NETWORK SYSTEM</u>						-			
Computer-LAN Maintenance Contract (IT service), offsite server backup, labor for on site support			1,382.75	(1,383)	14,475	11,383.98	3,091	0	19,300
FRIEND Support			400.00	(400)	6,300	3,600.00	2,700	43%	8,400
Hosting: SCJPC Website, Cloud Azure VM Server, Azure VM Licenses, Sharefile, Email, Domain	Yearly Windows SQL Software License Renewal	1,591	4,079.27	(2,489)	14,315	14,980.39	(665)	-5%	19,087
Computer (repair, maintenance, supplies)	Computer Repair	100	1,220.01	(1,120)	900	1,252.57	(353)	-39%	1,200
						-			
<u>PRINTING & SUPPLY</u>						-			
Office Printing		8	-	8	75	6.66	68	91%	100
Office Supplies		54	47.36	7	488	364.56	123	25%	650
						-			
						-			
<u>CONTRACT SERVICES</u>						-			
CPA/Auditor	2021 & 2022 in 2023	833	-	833	7,500	9,870.00	(2,370)	-32%	10,000
Attorney*		500	499.00	1	4,500	4,491.00	9	0%	6,000
						-			
<u>GENERAL EXPENSE</u>						-			
Payroll Service Fees		93	93.00	0	840	837.00	3	0%	1,120
Bank fees/Checks printing	Pro-Rated	8	-	8	75	-	75	100%	100
Publications/Subscriptions/Reference	Pro-Rated Docusign	21	-	21	188	285.00	(98)	-52%	250
Seminars, professional development, & tuition		117	-	117	1,050	239.88	810	77%	1,400
Team Building	Semi Annual	63	-	63	563	238.93	324	58%	750
Member Retirement plaques		42	-	42	375	-	375	100%	500
Scan & shred document		42	-	42	375	-	375	100%	500
Total Operating Expenses		99,772.32	83,508.81	16,263.51	918,725.89	762,493.90	155,856.99	17%	1,224,968

SOUTHERN CALIFORNIA JOINT POLE COMMITTEE
Statement of Operating Expenses and Capital Investments

OPERATING EXPENSES		September 30, 2023			YTD Through September, 30 2023				Annual
	Details	Budgeted	Recorded	Variance	Budgeted	Recorded	Variance	% Variance	Budget
CAPITAL INVESTMENTS AND LONG TERM LIABILITIES CURRENT									
<u>COMPUTER SYSTEM</u>									
Software Purchase and SCJPC website (minor) modification		130	-	130	1,170	1,373.30	(203)	-17%	1,560
FRIEND modification*		2,813	-	2,813	25,313	-	25,313	100%	33,750
Website Upgrade (after FriendPro)		417	-	417	3,750	-	3,750	100%	5,000
<u>EQUIPMENT & FURNITURE</u>									
Purchases and leases (including Copy Machine)		371	337.26	34	3,338	3,101.56	236	7%	4,450
Hardware Purchase		125	-	125	1,125	1,298.14	(173)	-15%	1,500
			-	-		-	-		
<u>LONG TERM LIABILITY CURRENT</u>									
			-	-		-	-		
Total Capital Investments & Long Term Liabilities Current		3,855.00	337.26	3,517.74	34,695.00	5,773.00	28,922.00	83%	46,260
Interest Earned/Misc Income			(0.39)			(2.11)			
Ubiquity Application fee credit						(2,200.00)			
TOTAL		103,627.32	83,845.68	19,781.25	953,420.89	766,064.79	184,778.99	19%	1,271,228
SCE SPECIAL BILLING TOTAL									
			356.96			6,034.51			
TOTAL WITH SCE OT BILLING			84,202.64			772,099.30			
*Items in blue are assessed equally									
10/9/2023									

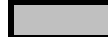
Delinquent Accounts
As of 10/11/2023

MEMBERS ACCOUNTS RECEIVABLE - DELINQUENT ACCOUNTS

							PAST DUE NOTICES - DO NOT DELETE THIS INFORMATION Accounting staff: please enter past due sent info in each row/each cell				
Company Name	Invoice Month	Due By	FORMULA 60 Days past due	Amount	Invoice Number	Company Code	Past Due Notice Date Sent	Past due sent to & response notes	Past Due Notices Date by	Input By	Input Date
City of Burbank	July 2023	August 31, 2023	10/30/2023	\$ 1,105.81	21853	B		Not 60 days, will email the following month		GV	10/10/2023
Crown Castle NG West Inc.	June 2023	July 31, 2023	9/29/2023	\$ 3,022.76	21842	NG	10/10/2023	Emailed JPA@crowncastle.com	GV	GV	9/12/2023
Crown Castle NG West Inc.	July 2023	August 31, 2023	10/30/2023	\$ 2,339.81	21874	NG		Not 60 days, will email the following month		GV	10/10/2023
Extenet Systems INC	July 2023	August 31, 2023	10/30/2023	\$ 890.03	21877	EXT		Not 60 days, will email the following month		GV	10/10/2023
Southern California Edison Co.	July 2023	August 27, 2023	10/26/2023	\$ 1,802.22	SCEOT-07282023	E		Not 60 days, will email the following month		GV	10/10/2023
Sprint Communications Co L.P.	June 2023	July 31, 2023	9/29/2023	\$ 1,126.56	21843	FON	10/10/2023	Emailed: zKohl@cogentco.com; Jyork@cogentco.com	GV	GV	9/12/2023
Sprint Communications Co L.P.	July 2023	August 31, 2023	10/30/2023	\$ 874.11	21875	FON		Not 60 days, will email the following month		GV	10/10/2023
Sprint-Nextel Corp	March 2023	April 30, 2023	6/29/2023	\$ 845.00	21732	SPR	7/10/2023, 8/8/2023, 9/12/2023, 10/10/2023	Emailed: LLStatements@T-mobile.com & eric.antonick@t-mobile.com & Joseph.ledesma10@t-mobile.com	JT, GV	JT	6/12/2023
Sprint-Nextel Corp	April 2023	May 31, 2023	7/30/2023	\$ 751.36	21764	SPR	8/8/2023, 9/12/2023, 10/10/2023	Emailed: LLStatements@T-mobile.com & eric.antonick@t-mobile.com & Joseph.ledesma10@t-mobile.com	GV	JT	7/10/2023
Sprint-Nextel Corp	May 2023	June 30, 2023	8/29/2023	\$ 908.95	21796	SPR	9/12/2023, 10/10/2023	Emailed: LLStatements@T-mobile.com & eric.antonick@t-mobile.com & Joseph.ledesma10@t-mobile.com	GV	GV	8/8/2023
Sprint-Nextel Corp	June 2023	July 31, 2023	9/29/2023	\$ 1,170.82	21828	SPR	10/10/2023	Emailed: LLStatements@T-mobile.com & eric.antonick@t-mobile.com & Joseph.ledesma10@t-mobile.com	GV	GV	9/12/2023
Sprint-Nextel Corp	July 2023	August 31, 2023	10/30/2023	\$ 908.30	21860	SPR		Not 60 days, will email the following month		GV	10/10/2023
Teleport Comm. America LLC-TCA	June 2023	July 31, 2023	9/29/2023	\$ 1,536.50	21818	TCA	10/10/2023	Emailed: TCAJPA@motiveis.com; jcmckinney@att.com	GV	GV	9/12/2023
Teleport Comm. America LLC-TCA	July 2023	August 31, 2023	10/30/2023	\$ 1,190.89	21850	TCA		Not 60 days, will email the following month		GV	10/10/2023
Time Warner Cable (TWS)	July 2023	August 31, 2023	10/30/2023	\$ 500.14	21871	TWS		Not 60 days, will email the following month		GV	10/10/2023
Time Warner Cable (TWN)	July 2023	August 31, 2023	10/30/2023	\$ 582.10	21872	TWN		Not 60 days, will email the following month		GV	10/10/2023
Verizon Wireless	April 2023	May 31, 2023	7/30/2023	\$ 1,178.36	21753	ATC	8/8/2023, 9/12/2023, 10/10/2023	Emailed to marco.murillo@verizonwireless.com; ATCJPA@motiveis.com; JHarmon@motiveis.com	GV	JT	7/10/2023
Verizon Wireless	June 2023	July 31, 2023	9/29/2023	\$ 1,782.50	21817	ATC	10/10/2023	Emailed to marco.murillo@verizonwireless.com; ATCJPA@motiveis.com; JHarmon@motiveis.com	GV	GV	9/12/2023
Verizon Wireless	July 2023	August 31, 2023	10/30/2023	\$ 1,381.45	21849	ATC		Not 60 days, will email the following month		GV	10/10/2023

Past due notices will be emailed after 60 days past due, once a month.

TOTAL \$ 22,791.86

-  = Members assessed penalty fee
-  = Less than 80% but 50% or greater attendance
-  = Less than 50% attendance
-  = Excused absence

**SOUTHERN CALIFORNIA JOINT POLE COMMITTEE
MEMBER BOARD MEETING ATTENDANCE
OCT 2022 - SEP 2023**

		MBR CODE	2022 OCT	2022 NOV	2022 DEC	2023 JAN	2023 FEB	2023 MAR	2023 APR	2023 MAY	2023 JUN	2023 JUL	2023 AUG	2023 SEP	TOTAL	Atten. %	MBR CODE	MONTHS
1	So. California Edison	E	1	1		1	1	1	1	1	1	1	1	1	11	100%	E	11
2	Frontier Communications	FTR	1	1		1	1	1	1	1	1	1	1	1	11	100%	FTR	11
3	Crown Castle NG West Inc.	NG	1	1		1	1	1	1	1	1	1	1	1	11	100%	NG	11
4	AT&T California	H / T	1	1		1	1	1	1	1	1	1	1	1	11	100%	H / T	11
5	Bear Valley Electric	BVE	1	1		1	1	1	1	1	1	1	1	1	11	100%	BVE	11
6	Time-Warner	TWC	1	1		1	1	1	1	1	1	1	1	1	11	100%	TWC	11
7	City of Burbank	B	1	1		1	1	1	1	1	1	1	1	1	11	100%	B	11
8	City of Vernon	V	1	1		1	1	1	1	1	1	1	1	1	11	100%	V	11
9	ATC Outdoor DAS	AMT	1	1		1	1	1	1	1	1	1	1	1	11	100%	AMT	11
10	MCI/Metro	ATS	1	1		1	1	1	1	1	1	1	1	1	11	100%	ATS	11
11	MCI Communications	MCI	1	1		1	1	1	1	1	1	1	1	1	11	100%	MCI	11
12	Mobilitie LLC	MOB	1	1		1	1	1	1	1	1	1	1	1	11	100%	MOB	11
13	Sprint Communications	FON	1	1		1	1	1	1	1	1	1	1	1	11	100%	FON	11
14	Sprint-Nextel	SPR	1	1		1	1	1	1	1	1	1	1	1	11	100%	SPR	11
15	City of Lompoc	LLW	1	1		1	1	1	1	1	1	1	1	1	11	100%	LLW	11
16	City of Anaheim	D	1	1		1	1	1	1	1	1	1	1	1	11	100%	D	11
17	City of Banning	COB	1	1		1	1	1	1	1	0	1	1	1	10	91%	COB	11
18	Sonic Telecom, LLC	STL	1	1		1	1	1	0	1	1	1	1	1	10	91%	STL	11
19	XO Communications	NXT	1	1		1	1	0	1	1	1	1	1	1	10	91%	NXT	11
20	ExteNet Systems	EXT	0	1		1	1	1	1	1	1	1	1	1	10	91%	EXT	11
21	City of Pasadena	MP	1	1		0	1	1	1	1	1	1	1	1	10	91%	MP	11
22	City of Los Angeles	M	1	1		1	1	1	1	1	1	1	1	0	10	91%	M	11
23	City of Glendale	A	1	1		1	1	1	1	1	1	1	1	0	10	91%	A	11
24	City of Riverside	J	1	0		1	1	1	1	1	1	0	1	1	9	82%	J	11
25	AT&T Mobility	LAC	1	1		1	1	0	1	1	1	0	1	1	9	82%	LAC	11
26	T-Mobile, USA	PBM	0	1		1	1	1	1	1	1	1	0	1	9	82%	PBM	11
27	Mpower/TelePacific	ICG	1	1		1	1	1	0	1	1	1	1	0	9	82%	ICG	11
28	City of Azusa	MA	1	1		1	1	1	1	1	0	1	1	0	9	82%	MA	11
29	City of Colton	F	1	1		0	1	1	1	1	1	0	1	0	8	73%	F	11
30	Teleport Comm America	TCA	1	1		1	1	1	1	1	0	1	0	0	8	73%	TCA	11
31	Verizon Wireless	ATC	1	0		1	1	0	1	0	1	1	1	0	7	64%	ATC	11
	Total		29	29	0	29	31	28	29	30	28	28	29	24	Total			

Member	BVE	E	EXT	FTR	H/T	LAC	M	MCI	NG	NXT	TCA	TWC	Totals	YTD
Joint JPAs Billed	10	892	1		8		1	1	2			3	918	5385
% of Joint JPAs Billed	0.011	0.972	0.001	0.000	0.009	0.000	0.001	0.001	0.002	0.000	0.000	0.003	1.00	
Joint JPAs Returned	3	183	1		7				3				197	1937
Total Joint JPAs Processed	13	1075	2	0	15	0	1	1	5	0	0	3	1115	
Section 18.1F JPAs included in above			1		1								2	
Multi JPAs Billed		164	5	1	3	2		1	11		1	20	208	1150
% of Multi JPAs Billed	0.000	0.788	0.024	0.005	0.014	0.010	0.000	0.005	0.053	0.000	0.005	0.096	1.00	
Multi JPAs Returned		63	20		3			10	21	2		18	137	2784
Total Multi JPAs Processed	0	227	25	1	6	2	0	11	32	2	1	38	345	3934
Section 18.1F JPAs included in above			1	1	2	1			4	2	1	2	14	
Total # JPAs Billed	10	1056	6	1	11	2	1	2	13	0	1	23	1126	6535
% of JPAs Billed	0.009	0.938	0.005	0.001	0.010	0.002	0.001	0.002	0.012	0.000	0.001	0.020	1.00	
# of JPAs Returned													334	4721
Total JPAs Processed	13	1302	27	1	21	2	1	12	37	2	1	41	1460	11256
% of JPAs Billed													77.12%	
% of JPAs returned													22.88%	
Member	BVE	E	EXT	FTR	H/T	LAC	M	MCI	NG	NXT	TCA	TWC	Totals	
Poles Billed (Joint JPAs)	28	3875	11		45		1	2	7			6	3975	24330
Poles Returned (joint)	27	1512	33		34				32				1638	18207
Poles Billed (Multi JPAs)		1025	19	6	43	3		11	81		13	112	1313	7992
Poles Returned (multi)		600	226		20			90	232	29		42	1239	33005
Total # Poles Billed (Joint & Multi combined)	28	4900	30	6	88	3	1	13	88	0	13	118	5288	32322
% of Total Poles Billed (Joint & Multi combined)	0.005	0.927	0.006	0.001	0.017	0.001	0.000	0.002	0.017	0.000	0.002	0.022	1.00	
# of Poles Returned													2877	51212
Total Poles Processed	55	7012	289	6	142	3	1	103	352	29	13	160	8165	83534
% of Poles Billed													64.76%	
% of Poles returned													35.24%	
RETURN RATE # OF JPAS	23%	19%	78%	0%	48%	0%	0%	83%	65%	100%	0%	44%		
RETURN RATE # OF POLES	49%	30%	90%	0%	38%	0%	0%	87%	75%	100%	0%	26%		

E SUB/ NON E HELD OVERS (include NON E, E & E submitted 18.1F JPAs)	E SUB	TOTAL
HELD OVER JPAS	66	66
HELD OVER POLES	350	350

Actual JPAs/poles received from 8/5/2023 - 9/5/2023 (September 2023 Bill of Sale):		
	JPAS	POLES
SCE	1603	8864
OTHER MEMBERS	141	901

Average poles/JPA in 2023	7.42
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Call Backs & F7 Do Not Bill received AFTER we finished processing (final-billed) the JPAs	JPAS	POLES
Call Backs	0	0
F7 Do not Bill	6	80
(not included in the above table)		

	JPAS	POLES
SCE CALL BACKS	11	39
SCE FORM 7 DO NOT BILL	9	86
(not included in the above table)		

Inspections Billed SCE Only: O&M (Inspection & Pole Tags)	
Inspection JPAs Billed	
Inspection Poles Billed	

SCE's Inspections JPAs/Poles were not included in above table	SCE O&M YTD
15	138
1377	25958

Overtime Only E Only: (JOINTS)	
OVERTIME E SUBMITTED JPAs Billed	
OVERTIME E SUBMITTED Poles Billed	
OVERTIME E JPAs Processed (Billed + Memos)	
OVERTIME E Poles Processed (Billed + Memos)	

E's Overtime JPAs/Poles were not included in above table (PAID BY SCE starting July 2023 B/S)	E OT YTD
172	380
807	1765
199	461
1126	2550

PRODUCTIVITY WITHOUT OVERTIME

BILL OF SALE	BILLED JOINT POLES	RETURNED JOINT POLES	JOINT BILLED RATE (longer to process)	JOINT RETURN RATE	BILLED MULTI POLES	RETURNED MULTI POLES	MULTI BILLED RATE (longer to process)	MULTI RETURN RATE	TOTAL PROCESSED POLES	Multi Poles % Processed	POLES RETURN RATE (JT & MULTI)	TOTAL BILLED POLES	BILLED JPAS	NOTES
Jan-2021	3051	1692	64%	36%	282	1086	21%	79%	6111	22%	45%	3333	1239	ELECTRONIC
Feb-2021	2330	2086	53%	47%	502	3495	13%	87%	8413	48%	66%	2832	904	ELECTRONIC
Mar-2021	2644	1956	57%	43%	958	2480	28%	72%	8038	43%	55%	3602	1103	ELECTRONIC
Apr-2021	2714	3062	47%	53%	704	3238	18%	82%	9718	41%	65%	3418	910	ELECTRONIC
May-2021	2212	2853	44%	56%	847	3363	20%	80%	9275	45%	67%	3059	774	ELECTRONIC
Jun-2021	3188	2328	58%	42%	692	3257	18%	82%	9465	42%	59%	3880	980	ELECTRONIC
Jul-2021	2432	3469	41%	59%	808	6109	12%	88%	12818	54%	75%	3240	662	ELECTRONIC (note: unusually high return rate 75%)
Aug-2021	2502	1719	59%	41%	394	5890	6%	94%	10505	60%	72%	2896	1033	ELECTRONIC (note: 72% return rate)
Sep-2021	3196	1596	67%	33%	1018	4049	20%	80%	9859	51%	57%	4214	1327	ELECTRONIC (highest)
Oct-2021	2729	820	77%	23%	559	4688	11%	89%	8796	60%	63%	3288	1181	ELECTRONIC
Nov-2021	2580	1144	69%	31%	734	3523	17%	83%	7981	53%	58%	3314	975	ELECTRONIC
Dec-2021	1714	1650	51%	49%	1277	3933	25%	75%	8574	61%	65%	2991	743	ELECTRONIC
Jan-2022	1563	1675	48%	52%	841	4188	17%	83%	8267	61%	71%	2404	545	ELECTRONIC
Feb-2022	1360	2448	36%	64%	616	4472	12%	88%	8896	57%	78%	1976	423	ELECTRONIC
Mar-2022	2229	2298	49%	51%	1031	3836	21%	79%	9394	52%	65%	3260	702	ELECTRONIC
Apr-2022	2658	2586	51%	49%	1258	2817	31%	69%	9319	44%	58%	3916	1045	ELECTRONIC
May-2022	2199	1345	62%	38%	1067	3023	26%	74%	7634	54%	57%	3266	802	ELECTRONIC (Processed 1042 poles from JPAs involving 5+ owners, the office usually processed about 660 poles a month.)
Jun-2022	1628	3767	30%	70%	771	3221	19%	81%	9387	43%	74%	2399	611	Electronic
Jul-2022	2122	1765	55%	45%	972	3971	20%	80%	8830	56%	65%	3094	751	Electronic. (3 staff had vac days)
Aug-2022	2022	2638	43%	57%	1425	3603	28%	72%	9688	52%	64%	3447	852	Electronic
Sep-2022	2049	2201	48%	52%	803	3088	21%	79%	8141	48%	65%	2852	667	Electronic (one holiday, multiple employees were out sick and out on vac)
Oct-2022	1918	1358	59%	41%	1205	4574	21%	79%	9055	64%	66%	3123	555	Electronic
Nov-2022	1822	2037	47%	53%	954	5353	15%	85%	10166	62%	73%	2776	420	Electronic (high return rate ATS JPAS)
Dec-2022	1826	2975	38%	62%	662	6466	9%	91%	11929	60%	79%	2488	446	Electronic (high return rate ATS JPAS)
Jan-2023	1434	1680	46%	54%	646	6951	9%	91%	10711	71%	81%	2080	372	Electronic (high return rate ATS JPAS)
Feb-2023	1685	2247	43%	57%	759	7678	9%	91%	12369	68%	80%	2444	382	Electronic (high return rate ATS JPAS)
Mar-2023	2543	1771	59%	41%	957	4182	19%	81%	9453	54%	63%	3500	604	Electronic
Apr-2023	1589	1792	47%	53%	812	2214	27%	73%	6407	47%	63%	2401	495	Electronic, members submitted less JPAs than usual
May-2023	2587	2224	54%	46%	734	2941	20%	80%	8486	43%	61%	3321	816	Electronic, members submitted less JPAs than usual
Jun-2023	3295	1518	68%	32%	532	2110	20%	80%	7455	35%	49%	3827	821	Electronic, members submitted less JPAs than usual
Jul-2023	3103	2895	52%	48%	1037	4130	20%	80%	11165	46%	63%	4140	965	Electronic
Aug-2023	4119	2442	63%	37%	1202	1560	44%	56%	9323	30%	43%	5321	954	Electronic (One employee on vac 3 weeks)
Sep-2023	3975	1638	71%	29%	1313	1239	51%	49%	8165	31%	35%	5288	1126	Electronic (multiple employees were out sick, due to covid and other illness) Highest in Billed JPAs. High volume of billed poles.

12-month average processed poles

8796.25

Poles processed a month June 2022 to September 2023 (see exclusion below)

12-month average BILLED poles

3559.42

Poles BILLED a month June 2022 to September 2023 (see exclusion below)

Exclude Nov 2022, Dec 2022, Jan 2023, Feb 2023

***Regular time per month contingent upon (based on 2021 data):**

1. Multi received: 48% or lower.
2. Complexity of multi JPAs. (5+ owners JPAs take more time and resources).
3. Billable poles rate: 38% or lower. Note: Billable poles take more time and resources. (return rate 62% or higher).
4. Billable JPAs rate: 57% or lower. Note: Billable JPAs take more time and resources. (return rate 43% or higher).
5. Length of committee meetings. Transcribing long meetings will take time away from billing.
6. Average 5.26 poles/JPA

JOINT (TWO OWNERS) JPAS

Bill of Sale Month	Poles Billed 2P	Poles Returned	Total Poles (Billed + Returned) Processed	Number of JPAs BILLED	Number of JPAs Returned	Total # of JPAs Processed (Billed + Returned)	Additional work Hrs	NOTES	Poles/Hour	POLES BILLABLE RATE	Poles Return rate %	JPA BILLABLE RATE	JPAs Return Rate %
Jul-23	188	37	225	59	5	64	18.75		12.00	83.56%	16.44%	92.19%	7.81%
Aug-23	659	370	1029	130	45	175	79.50		12.94	64.04%	35.96%	74.29%	25.71%
Sep-23	807	319	1126	172	27	199	83.00		13.57	71.67%	28.33%	86.43%	13.57%
Totals	1654	726	2380	361	77	438	181.25						

Average billing joint (2 owners) poles/hour goal:	12.10
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*Overtime poles per month contingent upon (based on 2020 & 2021 OT data):

1. The % of billable joint poles: 60% (or less) of the volume processed can be billed (based on SCE OT data).
2. The % of billable joint JPAs: 76% (or less) of the volume processed can be billed (based on SCE OT data).
3. Staff availability.

THREE OWNERS JPAS (staff will only process 3P JPAs when the number of joint (2P) JPAs are low)

Bill of Sale Month	3P Poles Billed	3P Poles Returned	Total Poles (Billed + Returned) Processed	Number of JPAs BILLED	Number of JPAs Returned	Total # of JPAs Processed (Billed + Returned)	Additional work Hrs	NOTES	Poles/Hour	POLE BILLABLE RATE	Poles Return rate %	JPA BILLABLE RATE	JPAs Return Rate %
Jul-23	111	59	170	19	4	23	17.50		9.71	65.29%	34.71%	82.61%	17.39%
Aug-23	0	0	0	0	0	0	0.00		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Sep-23	0	0	0	0	0	0	0.00		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Totals	111	59	170	19	4	23	17.50						

Total 2P+3P hours 198.75

FORECAST UPDATED BASED ON ACTUAL DATA (UPDATED 10/11/2023)

ORIGINAL FORECAST (3/2/2022)	Number of JPAs Members will send to the SCJPC:	1624 JPAs per month (1279 SCE + 345 Non SCE)
ORIGINAL FORECAST (3/2/2022)	Number of Poles Members will send to the SCJPC:	8542.24 Poles per month (SCE + Non SCE JPAs)
2022 FORECAST (5/18/2022 meeting)	Number of Poles Members will send to the SCJPC:	13,309.18 Poles per month (SCE 9000 + Non SCE 4309.18)

B/S 09/23	Actual number of poles members sent to the SCJPC:	9,765.00 poles
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SCJPC to process poles/month Forecast	Regular time forecast	Overtime forecast	Total Poles forecast	Processed poles forecast monthly Assuming SCJPC WILL work overtime 126.98 hours per month
	8542.24	1536.46	10,078.70	

SCJPC processed poles (actual #) Actual Data	Regular time (actual)	Overtime (Actual)	Total Poles (Actual)	Bill of Sale	Actual pole processed
	8165	1126	9,291.00	B/S 9/23	

Bill of sale Month	Description	Count	Balance	Poles	Actual or forecast numbers
End of August 2023	Balance (backlog is included)		-	Poles	End of August 2023
	Sep-23 Internal adjustment (correction)	-		Poles	Actual
	Sep-23 Poles received from SCE this month (new JPAs)-SCE	8,864.00		Poles	Actual
	Sep-23 Poles received from all other members this month (new JPAs)-NON SCE	901.00		Poles	Actual
	Sep-23 Poles SCE JPC COR	-		Poles	Actual
	Sep-23 Poles NON SCE JPC COR	1.00		Poles	Actual
	Sep-23 SCJPC processed (SCE reg time)	(7,012.00)		Poles	Actual
	Sep-23 SCJPC processed (SCE 18.1F reg time)	(251.00)		Poles	Actual
	Sep-23 SCJPC processed (NON SCE reg time)	(901.00)		Poles	Actual
	Sep-23 SCJPC processed (NON SCE 18.1F reg time)	-		Poles	Actual
	Sep-23 SCJPC processed Poles SCE JPC COR (reg time)	-		Poles	Actual
	Sep-23 SCJPC Processed Poles NON SCE JPC COR (reg ti	(1.00)		Poles	Actual
	Sep-23 SCJPC processed during overtime 2P	(1,126.00)		Poles	Actual
	Sep-23 SCJPC processed during overtime 3P	-		Poles	Actual
	Sep-23 SCE Call Backs	(39.00)		Poles	Actual
	Sep-23 SCE F7 DO NO BILLS	(86.00)		Poles	Actual
End of September 2023	Balance (backlog is included)		350.00	Poles	End of September 2023

*Regular time per month contingent upon (based on 2021 data):

1. Multi received: 48% or lower.
2. Complexity of multi JPAs.
3. Billable poles rate: 38% or lower. Note: Billable poles take more time and resources.
4. Billable JPAs rate: 57% or lower. Note: Billable JPAs take more time and resources.
5. Length of committee meetings. Transcribing long meetings will take time away from billing.
6. Average 5.26 poles/JPA

*Overtime poles per month contingent upon (based on 2020 & 2021 OT data):

1. The % of billable poles: 60% (or less) of the volume processed can be billed (based on SCE OT data).
2. The % of billable JPAs: 76% (or less) of the volume processed can be billed (based on SCE OT data).
3. Staff availability.

Southern California Joint Pole Committee

279 E. Arrow Hwy. Suite 104
San Dimas, CA 91773
Phone (909) 599-3801
Fax (909) 599-3825

December 6, 2023

A regular meeting of the **Operating Committee** took place on the above date, at 1:06 p.m., via teleconference:

Those in attendance were:

Mr. Lex Treepaisan	Frontier Communications
Mr. John Bacon	City of Los Angeles
Ms. April DeBarge	Southern California Edison
Mr. Kevin Flores	Southern California Edison
Mr. Sam Picazo	Southern California Edison
Ms. Silvana Ray	Southern California Edison
Mr. Todd Dailey	AT&T California
Ms. Megan LaMon	Crown Castle NG West Inc.
Ms. Yvonne Johnson	Teleport Communications America
Ms. Katy White	MCI Metro ATS/MCI Telecommunications
Ms. Yesenia Delgado	Time-Warner Cable
Ms. Lynne LaFrenais	Bear Valley Electric Service, Inc.
Mr. Ben Coffey	City of Banning
Mr. Nick Van Stryk	City of Vernon (Petrelli Electric)
Ms. Alicia Smith	Sprint Nextel/Sprint Communications
Ms. Shawn Henderson	T-Mobile USA
Ms. Linda McLean	Extenet Systems
Ms. Angela Pranata	Committee Staff
Ms. Kathleen Allen	Committee Staff

Chairperson, Mr. Treepaisan called the meeting to order at 1:06 p.m. by addressing the first item on the agenda, the review of the **prior meeting minutes**. There were no questions or comments.

The second agenda item is the review of the **October 2023 Operating expense sheets**.

There were no questions or comments.

The third agenda item is **Accounts Receivable**. Mr. Treepaisan stated the list has been red for a while now and was unsure if they were making headway or sinking. Ms. Pranata stated that some items were deleted because payments were received, and other items were recently added. Ms. Pranata added that she will reach out to Sprint-Nextel Corp and Verizon Wireless. Ms. Pranata has been in communication via email with Sprint-Nextel Corp and Verizon Wireless and waiting for the checks.

There were no further questions or comments.

The fourth agenda item on the agenda is **Member Board Attendance**. There were no questions or comments.

The fifth agenda item for discussion is **Billing Standardization of Procedures and Minutes**. Ms. Allen stated she had a staff meeting on November 2, 2023. Ms. Allen reviewed with the staff two JPAs. The first JPA was on other than wood pricing for SCE when they do not have other than wood pricing. For example, under Section 7.3 the year set for the old pole is 2002 for a CF pole and billers are billing by 2022 prices. Billers are to bill by *Structural Values Composite Fiberglass* pole and not regular wood prices. The second JPA, Ms. Allen reviewed with the staff was on anchors. If the PROPOSED or NATURE OF WORK shows the new anchor to be FREE or NO COST no year set is needed. Per the Routine Handbook a year set on new anchors is only needed *to insure the use of the proper year of Authorized Cost*. Since there will be no pricing no year set is needed. Billers should not return asking for a year set. They are to bill as is. FREE or NO COST.

Ms. DeBarge inquired if a year set is only needed if the anchor is being charged. Ms. Allen replied yes and stated if the anchor is free or no cost no year set would be needed on a new anchor. The billers would not return requesting a year set.

There were no further questions or comments.

The sixth item on the agenda is **JPA Member Activity**.

- Please contact SCJPC (Angela) if members would like to meet with the SCJPC to discuss memos.
- No backlog

Ms. Pranata reported for October 2023 bill of sale there was no backlog, and the billers processed all the JPAs/poles for the month. The staff processed a lot of billed JPAs, and the billable joint rate was 72%. The return joint rate was 28% to the members.

Ms. Pranata reiterated there was no backlog for October 2023 bill of sale. However, for November 2023 bill of sale there was a backlog because the Administrative Aide resigned, and the office had one less person.

Ms. Pranata added that she has been interviewing for a replacement for the Administrative Aide, but she is waiting on the new salary table and salary discussion to notify the Temp Agency whether or not the position could be paid more. Ms. Pranata added that the Temp Agency stated that SCJPC would get better candidates with better experience and skills if the position was paid more. Mr. Treepaisan agreed with that.

There were no further questions or comments.

The seventh item on the agenda is **Miscellaneous Items**.

SCJPC Office updates:

- October 2023 Office Productivity without OT
- October 2023 SCE OT monthly report (OT funded by SCE)

Ms. Pranata displayed the *SCJPC – OVERTIME Monthly update*. Ms. Pranata stated the staff worked approximately 125 additional hours and they processed 199

JPA's during overtime.

There were no questions or comments.

Billing Errors/Questions

There were none.

Lease Agreement

- *Real estate attorney \$425/hr – 2-3 hrs to review*
- *Action items from last month:*
- *The Committee to continue to explore the options into subleasing and what to do with the office space*

Mr. Treepaisan inquired the current status of the Lease Agreement. Ms. Pranata inquired that since Frontier's attorney is not going to review the contract would the Operating Committee like Ms. Pranata to contact the Real Estate Attorney and pay the hourly rate to review the contract. Mr. Treepaisan inquired how members felt about that and inquired if that was something members would still like to pursue. The lease ends in the middle of 2026. Mr. Dailey stated that he feels it would be worth the committee's while than having the building sitting there vacant unless there is some use out of it. But it does not seem like there is. Ms. Pranata stated that the attorney stated that it would take two to three hours to review and if the committee would like him to draft a letter or something to break the contract that would be extra. Mr. Treepaisan stated that he is okay with that and then inquired if any members have any objections with having a Real Estate Attorney review the lease agreement. Mr. Bacon stated he does not, and Ms. McLean commented that she recommends it.

Mr. Treepaisan stated for Ms. Pranata to engage in the Real Estate Attorney and inquired if she had one line up. Ms. Pranata stated yes that she has talked to a couple of them.

There were no further questions or comments.

WTW Salary Analysis

- *Completed*
- *Emailed to Operating Committee*

The committee reviewed the WTW Salary analysis and the proposed new salary table; and will continue the discussion at the next Operating Committee meeting. Mr. Treepaisan stated that he would work on the new salary table and send the proposal to the Operating Committee before the next Operating Committee meeting.

2024 Proposed Operating Budget

- *Salary line: To incorporate salary analysis from WTW into the 2024 proposed operating budget.*
- *Emailed to Operating Committee*

Mr. Treepaisan stated that he will work with Ms. Pranata to revise the 2024 Operating budget based on the new salary table/new salary line.

MISC

There were no miscellaneous.

Review of Action Items:

- Mr. Treepaisan to work on the salary table and send the proposal to the Operating Committee before the next Operating Committee meeting.
- Mr. Treepaisan to work with Ms. Pranata to revise the 2024 Operating budget based on the new salary table.

The meeting adjourned at 2:10 p.m. until January 17, 2024.

Transcribed by Ms. Kathleen Allen – Committee Staff

SOUTHERN CALIFORNIA JOINT POLE COMMITTEE
Statement of Operating Expenses and Capital Investments

OPERATING EXPENSES		October 31, 2023			YTD Through October, 31 2023				Annual
	Details	Budgeted	Recorded	Variance	Budgeted	Recorded	Variance	% Variance	Budget
<u>EMPLOYEE EXPENSE</u>									
Salaries		65,261	52,024.18	13,237	652,615	522,234.83	130,380	20%	783,138
Regular (Budgeted)	52,024.18	-	-	-	-	-	-		
		-	-	-	-	-	-		
Insurance		9,242	6,053.40	3,188	92,417	72,862.21	19,554	21%	110,900
Health/Dental	6,053.40			-	-	-	-		
Life (quarterly)	-			-	-	-	-		
Payroll Taxes		5,221	3,591.10	1,630	52,209	36,636.37	15,573	30%	62,651
Workers Compensation		261	260.16	1	2,610	4,029.60	(1,420)	-54%	3,132
Miscellaneous expenses/ Travel mileage reimbursement		21	-	21	208	90.91	117	56%	250
Telecommuting Reimbursement		9	-	9	90	108.00	(18)	-20%	108
<u>PENSION EXPENSE</u>									
Contribution-SEP IRA		5,520	4,957.03	563	55,195	50,457.50	4,738	9%	66,234
<u>MONTHLY RECURRING</u>									
Rent		9,879	9,985.44	(106)	98,790	98,145.36	645	1%	118,548
Alarm System		58	-	58	583	521.91	61	11%	700
Telephone & Internet	Cell, Fax, Internet, Business Voice	556	537.70	18	5,560	5,160.73	399	7%	6,672
Cisco WebEx Online Meeting		69	69.00	-	690	690.00	-	0%	828
Postage & Shipping		17	9.65	7	167	149.17	17	10%	200
Business/Property Insurance	Pro-Rated	179	-	179	1,792	1,345.00	447	25%	2,150
<u>EQUIPMENT & FURNITURE</u>									
Copy Machine - CBE (repair, maintenance, supplies)	QUARTERLY	8	1.81	7	83	1.81	82	98%	100

SOUTHERN CALIFORNIA JOINT POLE COMMITTEE
Statement of Operating Expenses and Capital Investments

OPERATING EXPENSES		October 31, 2023			YTD Through October, 31 2023				Annual
	Details	Budgeted	Recorded	Variance	Budgeted	Recorded	Variance	% Variance	Budget
<u>NETWORK SYSTEM</u>						-			
Computer-LAN Maintenance Contract (IT service), offsite server backup, labor for on site support			1,222.75	(1,223)	16,083	12,606.73	3,477	0	19,300
FRIEND Support			400.00	(400)	7,000	4,000.00	3,000	43%	8,400
Hosting: SCJPC Website, Cloud Azure VM Server, Azure VM Licenses, Sharefile, Email, Domain	Yearly Windows SQL Software License Renewal	1,591	1,393.62	197	15,906	16,374.01	(468)	-3%	19,087
Computer (repair, maintenance, supplies)	Computer Repair	100	-	100	1,000	1,252.57	(253)	-25%	1,200
						-			
<u>PRINTING & SUPPLY</u>						-			
Office Printing		8	-	8	83	6.66	77	92%	100
Office Supplies		54	101.00	(47)	542	465.56	76	14%	650
						-			
						-			
<u>CONTRACT SERVICES</u>						-			
CPA/Auditor	2021 & 2022 in 2023	833	-	833	8,333	9,870.00	(1,537)	-18%	10,000
Attorney*		500	499.00	1	5,000	4,990.00	10	0%	6,000
						-			
<u>GENERAL EXPENSE</u>						-			
Payroll Service Fees		93	100.00	(7)	933	937.00	(4)	0%	1,120
Bank fees/Checks printing	Pro-Rated	8	-	8	83	-	83	100%	100
Publications/Subscriptions/Reference	Pro-Rated Docusign	21	-	21	208	285.00	(77)	-37%	250
Seminars, professional development, & tuition		117	-	117	1,167	239.88	927	79%	1,400
Team Building	Semi Annual	63	-	63	625	238.93	386	62%	750
Member Retirement plaques		42	-	42	417	-	417	100%	500
Scan & shred document		42	-	42	417	-	417	100%	500
Total Operating Expenses		99,772.32	81,205.84	18,566.48	1,020,806.54	843,699.74	176,690.14	17%	1,224,968

SOUTHERN CALIFORNIA JOINT POLE COMMITTEE
Statement of Operating Expenses and Capital Investments

OPERATING EXPENSES		October 31, 2023			YTD Through October, 31 2023				Annual
	Details	Budgeted	Recorded	Variance	Budgeted	Recorded	Variance	% Variance	Budget
CAPITAL INVESTMENTS AND LONG TERM LIABILITIES CURRENT									
<u>COMPUTER SYSTEM</u>									
Software Purchase and SCJPC website (minor) modification		130	-	130	1,300	1,373.30	(73)	-6%	1,560
FRIEND modification*		2,813	-	2,813	28,125	-	28,125	100%	33,750
Website Upgrade (after FriendPro)		417	-	417	4,167	-	4,167	100%	5,000
<u>EQUIPMENT & FURNITURE</u>									
Purchases and leases (including Copy Machine)		371	337.26	34	3,708	3,438.82	270	7%	4,450
Hardware Purchase		125	-	125	1,250	1,298.14	(48)	-4%	1,500
			-	-		-	-		
<u>LONG TERM LIABILITY CURRENT</u>									
			-	-		-	-		
Total Capital Investments & Long Term Liabilities Current		3,855.00	337.26	3,517.74	38,550.00	6,110.26	32,439.74	84%	46,260
Interest Earned/Misc Income			(0.40)			(2.51)			
Ubiquity Application fee credit						(2,200.00)			
TOTAL		103,627.32	81,542.70	22,084.22	1,059,356.54	847,607.49	209,129.88	20%	1,271,228
SCE SPECIAL BILLING TOTAL									
			7,352.11			13,386.62			
TOTAL WITH SCE OT BILLING			88,894.81			860,994.11			
*Items in blue are assessed equally									
11/8/2023									

MEMBERS ACCOUNTS RECEIVABLE - DELINQUENT ACCOUNTS

							PAST DUE NOTICES - DO NOT DELETE THIS INFORMATION Accounting staff: please enter past due sent info in each row/each cell				
Company Name	Invoice Month	Due By	FORMULA 60 Days past due	Amount	Invoice Number	Company Code	Past Due Notice Date Sent	Past due sent to & response notes	Past Due Notices Date by	Input By	Input Date
EXTENET Systems, LLC	Aug 2023	September 30, 2023	11/29/2023	\$ 835.46	21909	EXT		Not 60 days. will email the following month		JT	11/8/2023
MCI METRO/ATS	Aug 2023	September 30, 2023	11/29/2023	\$ 1,058.08	21896	ATS		Not 60 days. will email the following month		JT	11/8/2023
MCI TELECOMMUNICATIONS	Aug 2023	September 30, 2023	11/29/2023	\$ 873.02	21897	MCI		Not 60 days. will email the following month		JT	11/8/2023
Sprint Communications Co L.P.	June 2023	July 31, 2023	9/29/2023	\$ 1,126.56	21843	FON	10/10/2023, 11/7/23	Emailed: zKohl@cogentco.com; Jyork@cogentco.com	GV, JT	GV	9/12/2023
Sprint Communications Co L.P.	July 2023	August 31, 2023	10/30/2023	\$ 874.11	21875	FON	11/7/2023	Emailed: zKohl@cogentco.com; Jyork@cogentco.com	JT	GV	10/10/2023
Sprint Communications Co L.P.	Aug 2023	September 30, 2023	11/29/2023	\$ 819.99	21907	FON		Not 60 days. will email the following month		JT	11/8/2023
Sprint-Nextel Corp	March 2023	April 30, 2023	6/29/2023	\$ 845.00	21732	SPR	7/10/2023, 8/8/2023, 9/12/2023, 10/10/2023, 11/7/23	Emailed: LLStatements@T-mobile.com & eric.antonick@t-mobile.com & Joseph.ledesma10@t-mobile.com	JT, GV	JT	6/12/2023
Sprint-Nextel Corp	April 2023	May 31, 2023	7/30/2023	\$ 751.36	21764	SPR	8/8/2023, 9/12/2023, 10/10/2023, 11/7/23	Emailed: LLStatements@T-mobile.com & eric.antonick@t-mobile.com & Joseph.ledesma10@t-mobile.com	GV, JT	JT	7/10/2023
Sprint-Nextel Corp	May 2023	June 30, 2023	8/29/2023	\$ 908.95	21796	SPR	9/12/2023, 10/10/2023, 11/7/23	Emailed: LLStatements@T-mobile.com & eric.antonick@t-mobile.com & Joseph.ledesma10@t-mobile.com	GV, JT	GV	8/8/2023
Sprint-Nextel Corp	June 2023	July 31, 2023	9/29/2023	\$ 1,170.82	21828	SPR	10/10/2023, 11/7/23	Emailed: LLStatements@T-mobile.com & eric.antonick@t-mobile.com & Joseph.ledesma10@t-mobile.com	GV, JT	GV	9/12/2023
Sprint-Nextel Corp	July 2023	August 31, 2023	10/30/2023	\$ 908.30	21860	SPR	11/7/2023	Emailed: LLStatements@T-mobile.com & eric.antonick@t-mobile.com & Joseph.ledesma10@t-mobile.com	JT	GV	10/10/2023
Sprint-Nextel Corp	Aug 2023	September 30, 2023	11/29/2023	\$ 852.03	21892	SPR		Not 60 days. will email the following month		JT	11/8/2023
Teleport Comm. America LLC-TCA	July 2023	August 31, 2023	10/30/2023	\$ 1,190.89	21850	TCA	11/7/2023	Emailed: TCAJPA@motiveis.com; jcmckinney@att.com	JT	GV	10/10/2023
T-Mobile USA, Inc	Aug 2023	September 30, 2023	11/29/2023	\$ 845.40	21899	PBM		Not 60 days. will email the following month		JT	11/8/2023
Time Warner Cable (TWN)	July 2023	August 31, 2023	10/30/2023	\$ 582.10	21872	TWN	11/7/2023	Emailed: Yesenia.Delgado@Charter.com	JT	GV	10/10/2023
Verizon Wireless	April 2023	May 31, 2023	7/30/2023	\$ 1,178.36	21753	ATC	8/8/2023, 9/12/2023, 10/10/2023, 11/7/23	Emailed to marco.murillo@verizonwireless.com; ATCJPA@motiveis.com; JHarmon@motiveis.com	GV, JT	JT	7/10/2023
Verizon Wireless	June 2023	July 31, 2023	9/29/2023	\$ 1,782.50	21817	ATC	10/10/2023, 11/7/23	Emailed to marco.murillo@verizonwireless.com; ATCJPA@motiveis.com; JHarmon@motiveis.com	GV, JT	GV	9/12/2023
Verizon Wireless	July 2023	August 31, 2023	10/30/2023	\$ 1,381.45	21849	ATC	11/7/2023	Emailed to marco.murillo@verizonwireless.com; ATCJPA@motiveis.com; JHarmon@motiveis.com	JT	GV	10/10/2023
Verizon Wireless	Aug 2023	September 30, 2023	11/29/2023	\$ 1,295.37	21881	ATC		Not 60 days. will email the following month		JT	11/8/2023
XO Communications	Aug 2023	September 30, 2023	11/29/2023	\$ 895.67	21902	NXT		Not 60 days. will email the following month		JT	11/8/2023

Past due notices will be emailed after 60 days past due, once a month.

TOTAL \$ 20,175.42

 = Members assessed penalty fee

 = Less than 80% but 50% or greater attendance

 = Less than 50% attendance

 = Excused absence

SOUTHERN CALIFORNIA JOINT POLE COMMITTEE
MEMBER BOARD MEETING ATTENDANCE
NOV 2022 - OCT 2023

		MBR CODE	2022 NOV	2022 DEC	2023 JAN	2023 FEB	2023 MAR	2023 APR	2023 MAY	2023 JUN	2023 JUL	2023 AUG	2023 SEP	2023 OCT	TOTAL	Atten. %	MBR CODE	MONTHS
1	So. California Edison	E	1		1	1	1	1	1	1	1	1	1	1	11	100%	E	11
2	Frontier Communications	FTR	1		1	1	1	1	1	1	1	1	1	1	11	100%	FTR	11
3	Crown Castle NG West Inc.	NG	1		1	1	1	1	1	1	1	1	1	1	11	100%	NG	11
4	AT&T California	H / T	1		1	1	1	1	1	1	1	1	1	1	11	100%	H / T	11
5	Bear Valley Electric	BVE	1		1	1	1	1	1	1	1	1	1	1	11	100%	BVE	11
6	Time-Warner	TWC	1		1	1	1	1	1	1	1	1	1	1	11	100%	TWC	11
7	City of Burbank	B	1		1	1	1	1	1	1	1	1	1	1	11	100%	B	11
8	City of Vernon	V	1		1	1	1	1	1	1	1	1	1	1	11	100%	V	11
9	ATC Outdoor DAS	AMT	1		1	1	1	1	1	1	1	1	1	1	11	100%	AMT	11
10	MCI/Metro	ATS	1		1	1	1	1	1	1	1	1	1	1	11	100%	ATS	11
11	MCI Communications	MCI	1		1	1	1	1	1	1	1	1	1	1	11	100%	MCI	11
12	Mobilitie LLC	MOB	1		1	1	1	1	1	1	1	1	1	1	11	100%	MOB	11
13	Sprint Communications	FON	1		1	1	1	1	1	1	1	1	1	1	11	100%	FON	11
14	Sprint-Nextel	SPR	1		1	1	1	1	1	1	1	1	1	1	11	100%	SPR	11
15	City of Lompoc	LLW	1		1	1	1	1	1	1	1	1	1	1	11	100%	LLW	11
16	City of Anaheim	D	1		1	1	1	1	1	1	1	1	1	1	11	100%	D	11
17	ExteNet Systems	EXT	1		1	1	1	1	1	1	1	1	1	1	11	100%	EXT	11
18	City of Banning	COB	1		1	1	1	1	1	0	1	1	1	1	10	91%	COB	11
19	Sonic Telecom, LLC	STL	1		1	1	1	0	1	1	1	1	1	1	10	91%	STL	11
20	XO Communications	NXT	1		1	1	0	1	1	1	1	1	1	1	10	91%	NXT	11
21	City of Pasadena	MP	1		0	1	1	1	1	1	1	1	1	1	10	91%	MP	11
22	City of Los Angeles	M	1		1	1	1	1	1	1	1	1	0	1	10	91%	M	11
23	City of Glendale	A	1		1	1	1	1	1	1	1	1	0	1	10	91%	A	11
24	T-Mobile, USA	PBM	1		1	1	1	1	1	1	1	0	1	1	10	91%	PBM	11
25	City of Riverside	J	0		1	1	1	1	1	1	0	1	1	1	9	82%	J	11
26	AT&T Mobility	LAC	1		1	1	0	1	1	1	0	1	1	1	9	82%	LAC	11
27	Mpower/TelePacific	ICG	1		1	1	1	0	1	1	1	1	0	1	9	82%	ICG	11
28	City of Azusa	MA	1		1	1	1	1	1	0	1	1	0	1	9	82%	MA	11
29	City of Colton	F	1		0	1	1	1	1	1	0	1	0	1	8	73%	F	11
30	Teleport Comm America	TCA	1		1	1	1	1	1	0	1	0	0	1	8	73%	TCA	11
31	Verizon Wireless	ATC	0		1	1	0	1	0	1	1	1	0	0	6	55%	ATC	11
	Total		29	0	29	31	28	29	30	28	28	29	24	30	Total			

Member	ATS	BVE	D	E	EXT	FTR	H/T	LLW	M	MCI	NG	NXT	TWC	Totals	YTD
Joint JPAs Billed		5		985	2	1	4	1	3	1	1		2	1005	5472
% of Joint JPAs Billed	0.000	0.005	0.000	0.980	0.002	0.001	0.004	0.001	0.003	0.001	0.001	0.000	0.002	1.00	
Joint JPAs Returned		4	1	139	2		12	1	7	2	2		2	172	1912
Total Joint JPAs Processed	0	9	1	1124	4	1	16	2	10	3	3	0	4	1177	
Section 18.1F JPAs included in above						1	2							3	
Multi JPAs Billed	2			167			1		1	2	11	1	13	198	1140
% of Multi JPAs Billed	0.010	0.000	0.000	0.843	0.000	0.000	0.005	0.000	0.005	0.010	0.056	0.005	0.066	1.00	
Multi JPAs Returned	47	1	1	54	20		8		5	20	31		23	210	2857
Total Multi JPAs Processed	49	1	1	221	20	0	9	0	6	22	42	1	36	408	3997
Section 18.1F JPAs included in above	4						4		1	7	1			17	
Total # JPAs Billed	2	5	0	1152	2	1	5	1	4	3	12	1	15	1203	6612
% of JPAs Billed	0.002	0.004	0.000	0.958	0.002	0.001	0.004	0.001	0.003	0.002	0.010	0.001	0.012	1.00	
# of JPAs Returned														382	4769
Total JPAs Processed	49	10	2	1345	24	1	25	2	16	25	45	1	40	1585	11381
% of JPAs Billed														75.90%	
% of JPAs returned														24.10%	
Member	ATS	BVE	D	E	EXT	FTR	H/T	LLW	M	MCI	NG	NXT	TWC	Totals	
Poles Billed (Joint JPAs)		32		3262	6	2	23	2	16	2	1		2	3348	23703
Poles Returned (joint)		36	12	1047	7		73	26	60	25	15		3	1304	17873
Poles Billed (Multi JPAs)	19			695			6		1	14	108	12	25	880	7559
Poles Returned (multi)	888	15	10	444	251		171		31	265	294		89	2458	34224
Total # Poles Billed (Joint & Multi combined)	19	32	0	3957	6	2	29	2	17	16	109	12	27	4228	31262
% of Total Poles Billed (Joint & Multi combined)	0.004	0.008	0.000	0.936	0.001	0.000	0.007	0.000	0.004	0.004	0.026	0.003	0.006	1.00	
# of Poles Returned														3762	52097
Total Poles Processed	907	83	22	5448	264	2	273	28	108	306	418	12	119	7990	83359
% of Poles Billed														52.92%	
% of Poles returned														47.08%	
RETURN RATE # OF JPAS	96%	50%	100%	14%	92%	0%	80%	50%	75%	88%	73%	0%	63%		
RETURN RATE # OF POLES	98%	61%	100%	27%	98%	0%	89%	93%	84%	95%	74%	0%	77%		

Actual JPAs/poles received from 9/6/2023 - 10/5/2023 (October 2023 Bill of Sale):		
	JPAS	POLES
SCE	1752	6990
OTHER MEMBERS	222	2304

Average poles/JPA in 2023	7.32
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Call Backs & F7 Do Not Bill received AFTER we finished processing (final-billed) the JPAs	JPAS	POLES
Call Backs	1	2
F7 Do not Bill	13	96
(not included in the above table)		

	JPAS	POLES
SCE CALL BACKS	2	12
SCE FORM 7 DO NOT BILL	14	106
(not included in the above table)		

Inspections Billed SCE Only:	
O&M (Inspection & Pole Tags)	
Inspection JPAs Billed	
Inspection Poles Billed	

SCE's Inspections JPAs/Poles were not included in above table	SCE O&M YTD
14	138
995	25958

Overtime Only E Only: (JOINTS)	
OVERTIME E SUBMITTED JPAs Billed	
OVERTIME E SUBMITTED Poles Billed	
OVERTIME E JPAs Processed (Billed + Memos)	
OVERTIME E Poles Processed (Billed + Memos)	

E's Overtime JPAs/Poles were not included in above table (PAID BY SCE starting July 2023 B/S)	E OT YTD
413	413
1244	2202
439	701
1536	2960

PRODUCTIVITY WITHOUT OVERTIME

BILL OF SALE	BILLED JOINT POLES	RETURNED JOINT POLES	JOINT BILLED RATE (longer to process)	JOINT RETURN RATE	BILLED MULTI POLES	RETURNED MULTI POLES	MULTI BILLED RATE (longer to process)	MULTI RETURN RATE	TOTAL PROCESSED POLES	Multi Poles % Processed	POLES RETURN RATE (JT & MULTI)	TOTAL BILLED POLES	BILLED JPAS	NOTES
Mar-2020	1813	1971	48%	52%	122	1863	6%	94%	5769	34%	66%	1935		PAPER-COVID (CLOSED EARLY)
Apr-2020	2099	699	75%	25%	1068	2016	35%	65%	5882	52%	46%	3167		COVID (HALF PAPER-HALF ELECTRONIC)
May-2020	1589	2346	40%	60%	571	1403	29%	71%	5909	33%	63%	2160	636	FULL ELECTRONIC
Jun-2020	2201	3278	40%	60%	258	1210	18%	82%	6947	21%	65%	2459	822	ELECTRONIC
Jul-2020	2034	2707	43%	57%	201	6949	9%	91%	6949	32%	68%	2235	938	ELECTRONIC
Aug-2020	717	3499	17%	83%	188	3377	5%	95%	7781	46%	88%	905	388	ELECTRONIC
Sep-2020	2541	6238	29%	71%	134	2148	6%	94%	11061	21%	76%	2675	1149	ELECTRONIC (high return rate of F48 Violation)
Oct-2020	3658	3446	51%	49%	352	2692	12%	88%	10148	30%	60%	4010	999	ELECTRONIC (Steel Stubbed JPAs & Corrections of Records INSP JPAs)
Nov-2020	3036	2386	56%	44%	486	2238	18%	82%	8146	33%	57%	3522	1094	ELECTRONIC
Dec-2020	2354	2587	48%	52%	487	2330	17%	83%	7758	36%	63%	2841	918	ELECTRONIC
Jan-2021	3051	1692	64%	36%	282	1086	21%	79%	6111	22%	45%	3333	1239	ELECTRONIC
Feb-2021	2330	2086	53%	47%	502	3495	13%	87%	8413	48%	66%	2832	904	ELECTRONIC
Mar-2021	2644	1956	57%	43%	958	2480	28%	72%	8038	43%	55%	3602	1103	ELECTRONIC
Apr-2021	2714	3062	47%	53%	704	3238	18%	82%	9718	41%	65%	3418	910	ELECTRONIC
May-2021	2212	2853	44%	56%	847	3363	20%	80%	9275	45%	67%	3059	774	ELECTRONIC
Jun-2021	3188	2328	58%	42%	692	3257	18%	82%	9465	42%	59%	3880	980	ELECTRONIC
Jul-2021	2432	3469	41%	59%	808	6109	12%	88%	12818	54%	75%	3240	662	ELECTRONIC (note: unusually high return rate 75%)
Aug-2021	2502	1719	59%	41%	394	5890	6%	94%	10505	60%	72%	2896	1033	ELECTRONIC (note: 72% return rate)
Sep-2021	3196	1596	67%	33%	1018	4049	20%	80%	9859	51%	57%	4214	1327	ELECTRONIC (highest)
Oct-2021	2729	820	77%	23%	559	4688	11%	89%	8796	60%	63%	3288	1181	ELECTRONIC
Nov-2021	2580	1144	69%	31%	734	3523	17%	83%	7981	53%	58%	3314	975	ELECTRONIC
Dec-2021	1714	1650	51%	49%	1277	3933	25%	75%	8574	61%	65%	2991	743	ELECTRONIC
Jan-2022	1563	1675	48%	52%	841	4188	17%	83%	8267	61%	71%	2404	545	ELECTRONIC
Feb-2022	1360	2448	36%	64%	616	4472	12%	88%	8896	57%	78%	1976	423	ELECTRONIC
Mar-2022	2229	2298	49%	51%	1031	3836	21%	79%	9394	52%	65%	3260	702	ELECTRONIC
Apr-2022	2658	2586	51%	49%	1258	2817	31%	69%	9319	44%	58%	3916	1045	ELECTRONIC
May-2022	2199	1345	62%	38%	1067	3023	26%	74%	7634	54%	57%	3266	802	ELECTRONIC (Processed 1042 poles from JPAs involving 5+ owners, the office usually processed about 660 poles a month.)
Jun-2022	1628	3767	30%	70%	771	3221	19%	81%	9387	43%	74%	2399	611	Electronic
Jul-2022	2122	1765	55%	45%	972	3971	20%	80%	8830	56%	65%	3094	751	Electronic. (3 staff had vac days)
Aug-2022	2022	2638	43%	57%	1425	3603	28%	72%	9688	52%	64%	3447	852	Electronic
Sep-2022	2049	2201	48%	52%	803	3088	21%	79%	8141	48%	65%	2852	667	Electronic (one holiday, multiple employees were out sick and out on vac)
Oct-2022	1918	1358	59%	41%	1205	4574	21%	79%	9055	64%	66%	3123	555	Electronic
Nov-2022	1822	2037	47%	53%	954	5353	15%	85%	10166	62%	73%	2776	420	Electronic (high return rate ATS JPAS)
Dec-2022	1826	2975	38%	62%	662	6466	9%	91%	11929	60%	79%	2488	446	Electronic (high return rate ATS JPAS)
Jan-2023	1434	1680	46%	54%	646	6951	9%	91%	10711	71%	81%	2080	372	Electronic (high return rate ATS JPAS)
Feb-2023	1685	2247	43%	57%	759	7678	9%	91%	12369	68%	80%	2444	382	Electronic (high return rate ATS JPAS)
Mar-2023	2543	1771	59%	41%	957	4182	19%	81%	9453	54%	63%	3500	604	Electronic
Apr-2023	1589	1792	47%	53%	812	2214	27%	73%	6407	47%	63%	2401	495	Electronic, members submitted less JPAs than usual
May-2023	2587	2224	54%	46%	734	2941	20%	80%	8486	43%	61%	3321	816	Electronic, members submitted less JPAs than usual
Jun-2023	3295	1518	68%	32%	532	2110	20%	80%	7455	35%	49%	3827	821	Electronic, members submitted less JPAs than usual
Jul-2023	3103	2895	52%	48%	1037	4130	20%	80%	11165	46%	63%	4140	965	Electronic
Aug-2023	4119	2442	63%	37%	1202	1560	44%	56%	9323	30%	43%	5321	954	Electronic (One employee on vac 3 weeks)
Sep-2023	3975	1638	71%	29%	1313	1239	51%	49%	8165	31%	35%	5288	1126	Electronic (multiple employees were out sick, due to covid and other illness) Highest in Billed JPAs. High volume of billed poles.
Oct-2023	3348	1304	72%	28%	880	2458	26%	74%	7990	42%	47%	4228	1203	Electronic (one employee on vac). Billed and processed JPA numbers totals are the highest in 2023 so far.

12-month average processed poles8679.83Poles processed a month July 2022 to October 2023 (see exclusion below)

12-month average BILLED poles3711.83Poles BILLED a month July 2022 to October 2023 (see exclusion below)

Exclude Nov 2022, Dec 2022, Jan 2023, Feb 2023

JOINT (TWO OWNERS) JPAS

Bill of Sale Month	Poles Billed 2P	Poles Returned	Total Poles (Billed + Returned) Processed	Number of JPAs BILLED	Number of JPAs Returned	Total # of JPAs Processed (Billed + Returned)	Additional work Hrs	NOTES	Poles/Hour	POLES BILLABLE RATE	Poles Return rate %	JPA BILLABLE RATE	JPAs Return Rate %
Jul-23	188	37	225	59	5	64	18.75		12.00	83.56%	16.44%	92.19%	7.81%
Aug-23	659	370	1029	130	45	175	79.50		12.94	64.04%	35.96%	74.29%	25.71%
Sep-23	807	319	1126	172	27	199	83.00		13.57	71.67%	28.33%	86.43%	13.57%
Oct-23	1244	292	1536	413	26	439	125.00		12.29	80.99%	19.01%	94.08%	5.92%
Totals	2898	1018	3916	774	103	877	306.25						

Average billing joint (2 owners) poles/hour goal:	12.10
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*Overtime poles per month contingent upon (based on 2020 & 2021 OT data):

- 1. The % of billable joint poles: 60% (or less) of the volume processed can be billed (based on SCE OT data).
- 2. The % of billable joint JPAs: 76% (or less) of the volume processed can be billed (based on SCE OT data).
- 3. Staff availability.

THREE OWNERS JPAS (staff will only process 3P JPAs when the number of joint (2P) JPAs are low)

Bill of Sale Month	3P Poles Billed	3P Poles Returned	Total Poles (Billed + Returned) Processed	Number of JPAs BILLED	Number of JPAs Returned	Total # of JPAs Processed (Billed + Returned)	Additional work Hrs	NOTES	Poles/Hour	POLE BILLABLE RATE	Poles Return rate %	JPA BILLABLE RATE	JPAs Return Rate %
Jul-23	111	59	170	19	4	23	17.50		9.71	65.29%	34.71%	82.61%	17.39%
Aug-23	0	0	0	0	0	0	0.00		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Sep-23	0	0	0	0	0	0	0.00		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Oct-23	0	0	0	0	0	0	0.00		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Totals	111	59	170	19	4	23	17.50						

Total 2P+3P hours 323.75