



# Board Agenda Item 40

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DATE: May 20, 2025

TO: Board of Supervisors

SUBMITTED BY: David Luchini, RN, PHN, Director of Public Health

SUBJECT: First Amendment to Agreement 21-397 with SPAN Development, LLC

RECOMMENDED ACTION(S):

**Approve and authorize the Chairman to execute the First Amendment to Lease Agreement 21-397 with SPAN Development, LLC to include the Department of Public Health as a secondary lessee for certain warehouse property located at 2909 S. Elm Ave, Suite 105, Fresno, CA for use as warehousing Department of Public Health materials and equipment, effective upon execution, with no change to the term of September 1, 2021 through August 31, 2026, or compensation maximum of \$163,728.**

Approval of the recommended action will add the Department to the lease agreement as a secondary lessee for warehouse property located at 2909 S. Elm Ave, Suite 105, Fresno, CA to allow the Department to remit payment of rent directly to SPAN Development, LLC (SPAN) on the use of this facility as the Department is currently the sole beneficiary of the warehouse space. The warehouse is located within District 1.

ALTERNATIVE ACTION(S):

Your Board could choose not to approve this recommended action which would leave the Department without a way to remit payment directly to SPAN. The Department would then be required to regularly submit the rental invoice from SPAN to the General Services Department, which is currently the only Department authorized to remit payment. Submitting payment this way may result in delays of payment submittals to SPAN.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended action. The agreement (\$163,728) will be funded with Health Realignment funds. Sufficient appropriations and estimated revenues are included in the Department's Org 5620 FY 2024-25 Adopted Budget and will be included in subsequent budget requests for the duration of the agreement.

DISCUSSION:

On October 5, 2021, your Board approved Agreement A-21-397 authorizing the Internal Services Department to execute a Lease Agreement with SPAN for warehouse space at 2909 S. Elm Ave, Suite 105 originally for the Internal Services Department and the Department of Public Health to store necessary Personal Protective Equipment related then to the COVID-19 health emergency. As the County's response began to wind down, this warehouse was used for additional storage of IT equipment, Office of Emergency Services (OES) response equipment, Public Health Emergency preparedness (PHEP) equipment, and various other programs in the Department of Public Health. Since May 2023, no other County Department

has stored materials in this facility.

The Department currently has equipment stored in this facility from the Emergency Services, Environmental Health, Public Health Nursing, Health Policy and Wellness, Administration, and Community Health Divisions. The Department performed an analysis of space utilization and determined that current space requirements are being used efficiently. The warehouse provides 11,404 square feet of floor space. Including shelving located in the warehouse, items stored in this facility would require 16,861 square feet of floor space. DPH has determined it is a necessity to continue using the facility based on its availability to impound unpermitted food vendor equipment, stage emergency operations equipment, and provide overflow capacity of materials that are provided to the public. Furthermore, as DPH starts its Brix-Mercer Basement Renovation project, additional materials will be added to the location for storage.

Approval of this recommended action would allow the Department to remit payment directly to SPAN. The Department's current process involves receiving an invoice from SPAN, submitting it to General Services for payment and then General Services requesting reimbursement from the Department after payment has been submitted.

REFERENCE MATERIAL:

BAI #29, October 5, 2021

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - First Amendment to Lease Agreement with SPAN

CAO ANALYST:

Ron Alexander