



# County of Fresno

Hall of Records, Rm. 301  
2281 Tulare Street  
Fresno, California  
93721-2198

## Legislation Text

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**File #:** 19-1514, **Version:** 1

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**DATE:** November 5, 2019

**TO:** Board of Supervisors

**SUBMITTED BY:** Robert W. Bash, Director, Internal Services/Chief Information Officer

**SUBJECT:** First Amendment to UMC Purchase Sale Agreement and Lease

### RECOMMENDED ACTION(S):

- 1. Approve and authorize the Chairman to execute First Amendment to Sale/Purchase Agreement No. 19-486 with CMG Construction Management, Inc. (CMG) to extend CMG's 60-day due diligence period to a 90-day due-diligence period.**
- 2. Approve and authorize the Chairman to execute First Amendment to Lease Agreement No. 19-488 with CMG Construction Management, Inc. to update the end date of the Phase 1 term of the Lease to December 31, 2021, and to update the end date of the Phase 2 term of the Lease to December 31, 2020.**

Approval of the first recommended action will extend CMG's due diligence period by 30 days, for a total 90-day due diligence period. Approval of the second recommended action will update the term end dates of Phase 1 and Phase 2 of Lease Agreement No. 19-488. All other terms of the Sale/Purchase Agreement and Lease Agreement remain the same. This item is countywide.

### ALTERNATIVE ACTION(S):

There is no viable alternative action.

### FISCAL IMPACT:

There is no fiscal impact associated with the recommended actions. Approval of the recommended actions will only extend the due diligence period for the Sale/Purchase Agreement and the end dates of the Phase 1 and Phase 2 terms of the Lease Agreement.

### DISCUSSION:

On September 24, 2019, your Board approved Sale/Purchase Agreement No. 19-486, to sell the former University Medical Center campus (UMC) to CMG Construction Management, Inc. (CMG). Sale/Purchase Agreement No. 19-486 included a 60-day due diligence period for the Buyer to complete its inspection of the property. CMG notified ISD that they will be unable to complete their due-diligence inspections on the property within the 60-day timeframe, and have requested an additional 30 days. Approval of the first recommended action will extend the 60-day due diligence period to a 90-day due diligence period. All other terms of the Sale/Purchase Agreement will remain the same.

On September 24, 2019, your Board approved Lease Agreement No. 19-488, to allow the County to lease back space at the UMC campus, and allow department operations to relocate in 4 separate phases. The Phase 1 term of the lease has an initial end date of December 31, 2020. The Phase 2 term of the lease has an

initial end date of December 31, 2021. CMG contacted ISD to request updates to Phase 1 and Phase 2 end dates to allow for better construction planning. Approval of the second recommended action will update the Phase 1 term end date to December 31, 2021, and the Phase 2 term end date to December 31, 2020. All other terms of the lease remain the same.

REFERENCE MATERIAL:

BAI # 7.1, September 24, 2019

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - PSA Amendment I  
On file with Clerk - Lease Amendment I

CAO ANALYST:

Yussel Zalapa