



Hensel Phelps Construction Co.

SOUTHERN CALIFORNIA DISTRICT
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February 7, 2013

Dear Owner –

We have reviewed the request made in this week's OAC meeting to obtain Beneficial Occupancy for the entire Lab Building by December 1, 2014. Unfortunately our current schedule indicates that several areas of the Lab Building will not be complete by this date. We will be able to turnover Level 1 entirely by December 1, 2014. All other areas will not be ready for Beneficial Occupancy.

As per our previous discussions, it is Hensel Phelps' understanding that turnover of Level 1 in its entirety will fulfill the contractual obligation of providing the Sanford Consortium with a 'useable' space by December 1, 2014. If additional space is needed or if alternative options are to be explored, please provide further direction. An acceleration to the current schedule will create the need for additional resources. Acceleration options and impacts can be reviewed and compiled for submission by the end of the month if required.

Please feel free to contact the undersigned with any questions or concerns regarding this matter.

Sincerely –

HENSEL PHELPS CONSTRUCTION CO.

Project Manager