




To: Mayor Linda Gorton  
Urban County Council

From:   
Charles H. Martin, P.E., Director  
Division of Water Quality

Date: November 10, 2022

Subject: Leased Space – 900 Enterprise Drive  
Division of Water Quality – Sewer Line Maintenance Facility

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Request

The Division of Water Quality requests approval of a building lease agreement with FRM Lawson LLC for operational and office space located at 900 Enterprise Drive, aka, Sewer Line Maintenance.

Purpose of Request

Water Quality has been a tenant at this location since 2014 and wishes to continue operations at that location. The duration of the initial lease is four (4) years and allows for three (3) additional one year renewals. Each year's renewal is conditioned on future budgetary approvals by the Urban County Council.

Project Cost in FY2023 budget year and future budget years

The current leased space is 24,864 square feet. The FY23 and future year annual costs are determined using the table below.



	PERIOD	MONTHLY RENT	ANNUAL COST
(1)	1/15/23 - 1/14/24	\$16,773.84	\$201,286.08
(1)	1/15/24 - 1/14/25	\$17,666.17	\$211,994.04
(1)	1/15/25 - 1/14/26	\$17,666.17	\$211,994.04
(1)	1/15/26 - 1/14/27	\$17,666.17	\$211,994.04
renewal option	1/15/27 - 1/14/28	\$16,587.25	\$199,047.00
renewal option	1/15/28 - 1/14/29	\$17,084.83	\$205,017.96
renewal option	1/15/29- 1/14/30	\$17,597.33	\$211,167.96

(1) Includes a \$74,976 tenant request improvement to the parking lot, with cost spread over the four year period.

The annual average rent increase is 3% per year absent the tenant required improvement.

Are Funds Budgeted

FY23 funds are budgeted in: 4002 303401 3401 71302

Martin/Albright

