

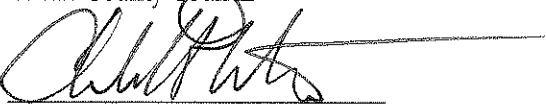


Lexington-Fayette Urban County Government  
DEPARTMENT OF ENVIRONMENTAL QUALITY AND PUBLIC WORKS

Jim Gray  
Mayor

Richard Moloney  
Commissioner

TO: Mayor Jim Gray  
Urban County Council

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

DATE: August 1, 2013

RE: Amendment to Lease Agreement with WINMAR Corporation for Administrative Office Space to Consolidate the Division of Water Quality Staff

The Division of Water Quality requests Urban County Council approval authorizing the Mayor to enter into an amendment to the lease with WINMAR Corporation for office space located at 125 Lisle Industrial Road. The additional space will allow the Division of Water Quality to house new employees and provide office, meeting and training space required to meet UCG operational needs including meeting obligations required by the Consent Decree.

The original lease began on February 1, 2011 and was for a term of three years with two, one-year extensions approved at a higher rate. Current cost per square foot including all utilities, parking, and custodial services is \$15.25. The two one-year extensions will be billed at \$15.75 per square foot and will provide the same services. Also included in these costs are the fit-up required to make the space appropriate to meet our needs.

This amendment covers the remainder of the original lease which will end January 31, 2014 and will carry forward for any desired renewals allowed by the agreement. Requested increase in space of 10,118 square feet will take the total space included in the lease to 25,449 square feet.

Annual impact to the budget for FY14 for the increase in square footage will be \$130,690.84. This is based on the cost of the additional space at \$15.25 per square foot for five months between September 1, 2013 – January 31, 2014 (\$64,291.46), and \$15.75 per square foot for the five months between February 1, 2014 – June 30, 2014 (\$66,399.38). Please see chart below for breakdown of month-to-month total costs including additional space and increased square footage costs:

July-August 2013 @ \$21,394.48/month	\$ 42,788.96	
September 2013-January 2014 @ \$32,341.44/month	\$161,707.20	
February 2014-June 2014 @ \$33,401.81/month	\$167,009.05	
FY14 Total Lease Costs		<b>\$371,505.21</b>

Funding for this lease, including the requested additional space, is located in 4002-303401-3401-71302 and was included in the approved FY2014 Annual Budget.

If additional information is required, or you have questions, please contact me at 425-2455.