



A Tradition of Stewardship
A Commitment to Service

Agenda Date: 5/22/2012

Agenda Placement: 7M

NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

TO: Board of Supervisors
FROM: Lederer, Steven - Interim Director
Public Works
REPORT BY: Carlos Solorio, Staff Services Analyst I - 707-259-8603
SUBJECT: Amendment No. 4 to Lease Agreement No. 4313 for the Records Center

RECOMMENDATION

Interim Director of Public Works requests approval of and authorization for the Chairman to sign Amendment No. 4 to Lease Agreement No. 4313 with Joseph Lenzi Potter to extend the term of the Lease to June 30, 2015, and establish responsibility for improvements to the warehouse space located at 994 Kaiser Road, known as the Records Center.

EXECUTIVE SUMMARY

Since May 23, 2000, Records Management has leased 7,624 square feet of warehouse and office space located at 994 Kaiser Road. Approval of Amendment No. 4 will establish responsibility for the improvements of the premises, and extend the lease for three years, commencing on July 1, 2012 and ending on June 30, 2015. The lessor has agreed to no increase in the maximum amount of \$92,028 for the Fiscal Year 2012-2013. All other terms will remain the same.

FISCAL IMPACT

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|-----------------------------------|--|
| Is there a Fiscal Impact? | Yes |
| Is it currently budgeted? | Yes |
| Where is it budgeted? | Records Management |
| Is it Mandatory or Discretionary? | Discretionary |
| Discretionary Justification: | Approval of this amendment will allow records from all departments to be |

stored centrally in one location.

Is the general fund affected? Yes

Future fiscal impact: The rental fee will be budgeted in future years.

Consequences if not approved: Alternative space would need to be found to store the County's records.

Additional Information:

ENVIRONMENTAL IMPACT

ENVIRONMENTAL DETERMINATION: The proposed action is not a project as defined by 14 California Code of Regulations 15378 (State CEQA Guidelines) and therefore CEQA is not applicable.

BACKGROUND AND DISCUSSION

Records Management occupies 7,624 feet of front offices, storage and warehouse area located at 994 Kaiser Road. A portion of the space is used as the County's Mail Processing Center. The current capacity of the general records storage area is 16,044 boxes.

Amendment No. 4, modifies the terms of the Agreement to establish responsibility for the improvements to the leased premises, and extends the term of the Lease for three (3) additional years. Lessor, at Lessor's sole expense, agrees to install a five (5) year warranty roof overlay, and replace the HVAC system. The Lessor has agreed to no increase in the monthly rental amount of \$7,669 for Fiscal Year 2012-2013. For the remainder of the lease agreement, the annual fee increases are adjusted to reflect the Bureau of Labor Statistics Consumer Price Index with a minimum adjustment of 3% and a maximum adjustment of 5%.

The agreement contains a cancelation clause where upon no less than sixty (60) days prior written notice, the County can terminate this agreement if the Board of Supervisors is unable, despite reasonable efforts and for reasons beyond the reasonable control of the Board, to appropriate sufficient funding to pay the rental for the leased premises during the remainder of the term (or extension) of the lease agreement.

The Interim Director of Public Works, during the term of this lease, will evaluate our storage needs, and monitor lessor's performance regarding agreed upon repairs, to critically analyze whether the lease should be extended again beyond 2015.

SUPPORTING DOCUMENTS

None

CEO Recommendation: Approve

Reviewed By: Molly Rattigan