

**PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY**

Meeting Date: August 22, 2023 **Consent** **Regular**
 Ordinance **Public Hearing**

Department: Facilities Development & Operations

I. EXECUTIVE BRIEF

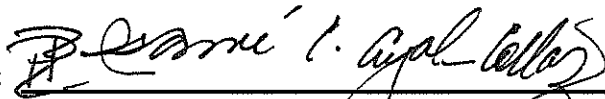
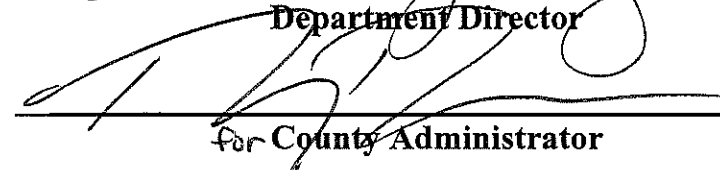
Motion and Title: Staff recommends motion to approve: Second Amendment to Lease Agreement with South Florida Water Management District (SFWMD) exercising the first option to extend the term from August 01, 2023 through July 31, 2024 at an annual rent rate of \$449,080.25.

Summary: On May 14, 2020, the County entered into a Lease Agreement (R2020-0518) with SFWMD for 19,692 square feet of office space located at 3301 Gun Club Road to temporarily accommodate a portion of Palm Beach County Sheriff's Office (PBSO) staff during the Renewal/Replacement/Renovation Project at PBSO Headquarters. The First Amendment (R2020-1451) provided for the increase in reimbursement to SFWMD from \$75,000 to \$91,000 to reconfigure the modular furniture. This Second Amendment acknowledges that the County provided timely notification to SFWMD exercising its first option to extend the term of the lease for one (1) year, expiring on July 31, 2024. All other terms and conditions remain the same. The Property and Real Estate Management Division will continue to have administrative responsibility of the lease agreement. **Funding for this agreement is from the Infrastructure Sales Tax (Property & Real Estate Management) Countywide/District 3 (HJF)**

Background and Justification: In late 2019, PBSO identified the need to relocate a portion of their employees from PBSO HQ during the construction phase of the Renewal/Replacement/Renovation Project. After an extensive search, the SFWMD property located at 3301 Gun Club Road was identified as an ideal site. The premises contains 19,692 square feet of office space and is located immediately north of PBSO HQ. The initial rental rate was approximately \$21 per square feet, or \$410,972.04 annually, and included all utilities, building maintenance, and use of the modular furniture. To accommodate PBSO's use, the County agreed to reimburse SFWMD for the reconfiguration of the existing SFWMD-owned modular furniture at an initial estimated cost of \$75,000. The First Amendment increased the cost of furniture work from \$75,000 to \$91,000. Pursuant to the Lease Agreement, the Director of Facilities Development and Operations Department was delegated the authority to exercise renewal options. The notice exercising the first option to extend the term of the Agreement for one (1) year was timely provided to SFWMD. This Second Amendment acknowledges the timely notification of the exercise of the County's option to extend the term until July 31, 2024. The Lease Agreement may be terminated for convenience by either party upon 180 days' notice. The annual fiscal impact will be \$449,080.25 which is a 3% increase from the previous year.

Attachments:

- 1. Location Map
- 2. Second Amendment to Lease Agreement
- 3. Notice of Option to Extend
- 4. Budget Availability Statement

Recommended By:  **Department Director** 6/26/23 **Date**
Approved By:  **for County Administrator** 7/17/2023 **Date**

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2023	2024	2025	2026	2027
Capital Expenditures	_____	_____	_____	_____	_____
Operating Costs	<u>\$74,847</u>	<u>\$374,234</u>	_____	_____	_____
External Revenues	_____	_____	_____	_____	_____
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County)	_____	_____	_____	_____	_____
NET FISCAL IMPACT	<u><u>\$74,847</u></u>	<u><u>\$374,234</u></u>	_____	_____	_____
# ADDITIONAL FTE POSITIONS (Cumulative)	_____	_____	_____	_____	_____

Is Item Included in Current Budget: Yes No _____

Does this item include the use of federal funds? Yes _____ No

Budget Account No: Fund 3950 Dept 411 Unit B545-02 Object 4907
 Program _____

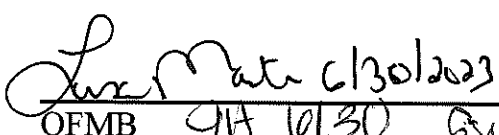
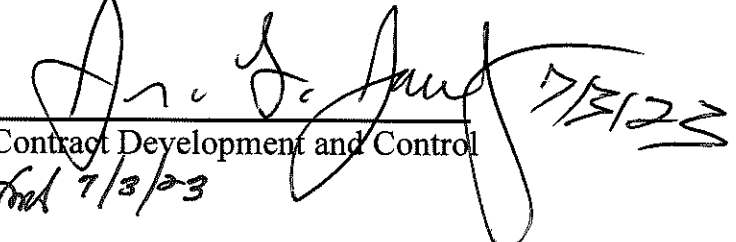
B. Recommended Sources of Funds/Summary of Fiscal Impact:

Fixed Asset Number _____

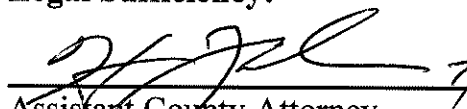
C. Departmental Fiscal Review:  _____

III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Development Comments:

<p> OFMB 9/16/30 6/30-23</p>	<p> Contract Development and Control Took 7/3/23</p>
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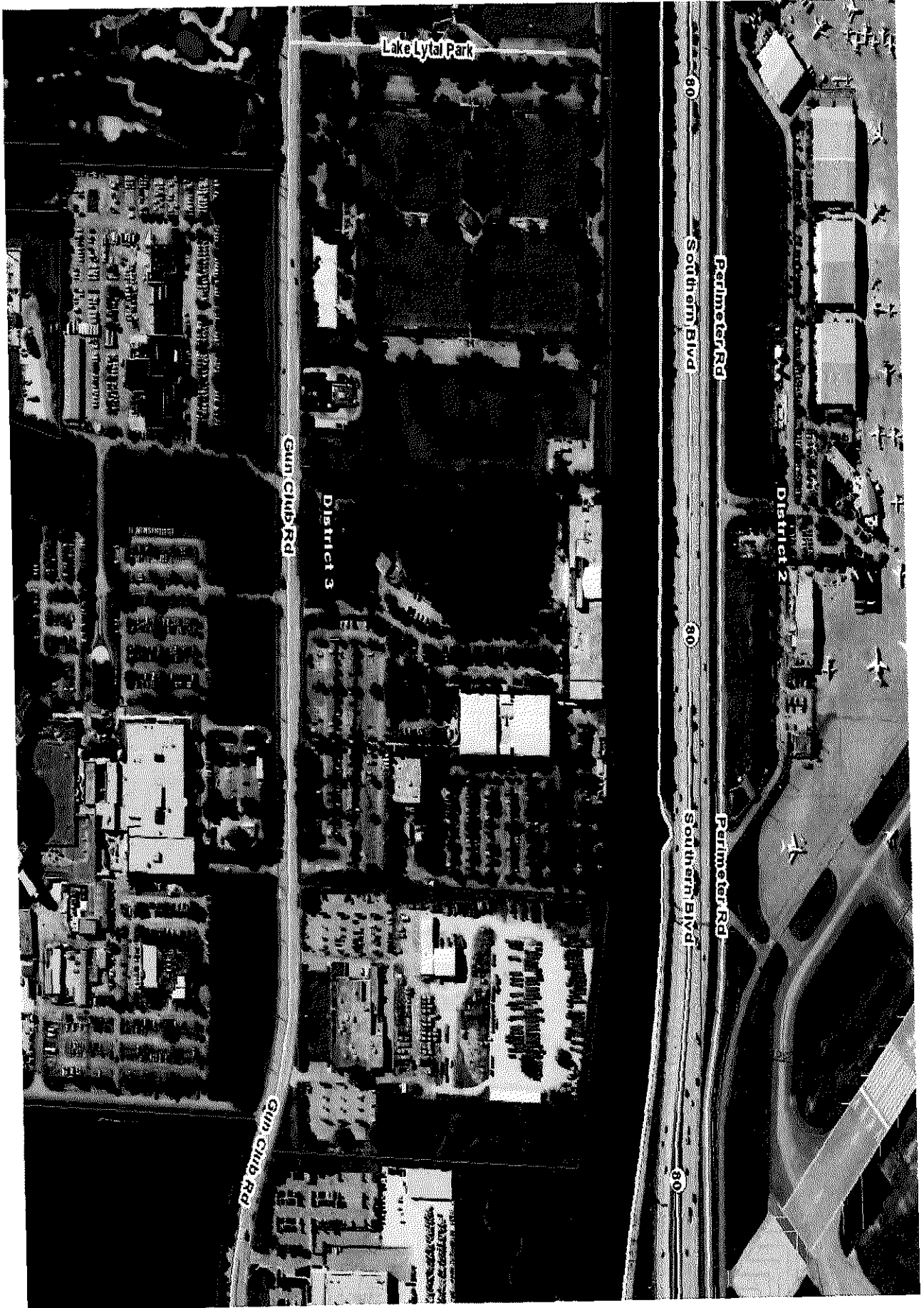
B. Legal Sufficiency:

 7/17/23
 Assistant County Attorney
 Amendment not fully executed by SFWMD at time of CAO review

C. Other Department Review:

 Department Director

This summary is not to be used as a basis for payment.



LOCATION MAP

Attachment # 1

Attachment # 2

Second Amendment to lease agreement

4 Pages (2 copies of each)



SOUTH FLORIDA WATER MANAGEMENT DISTRICT AMENDMENT

4600004116-A02

AMENDMENT NO. 02

TO LEASE NO. 4600004116

BETWEEN THE

SOUTH FLORIDA WATER MANAGEMENT DISTRICT

AND

PALM BEACH COUNTY

This **AMENDMENT NO. 02** is entered into on _____ to that Lease dated May 28, 2020, and as amended on November 9, 2020 (A01), between "the Parties," the South Florida Water Management District (District), and Palm Beach County (County).

Background

1. The Governing Board of the District, at its May 14, 2020 meeting, approved entering into this Lease with the Parties for office space lease of approximately 19,692 square feet.
2. The term of the Lease is three (3) years with two one-year renewal periods to be exercised at the discretion of the County.
3. The Parties executed an amendment to the Lease, A01, which modified Section 3.02.b, by increasing the amount of the furniture work.
4. Pursuant to section 1.03 of the Lease, the County sent timely notification to the District exercising its first option to extend the term of the Lease.
5. This **AMENDMENT NO. 2** acknowledges the extension of the Lease term and replaces Exhibit "B", Payment Schedule of the Contract.

Terms and Conditions

6. The term of the Lease has been extended by one (1) year and the expiration date is July 31, 2024. Regardless of the actual date of execution, this **AMENDMENT NO. 02**, shall be effective as of August 01, 2023.
7. The Annual Rent for the Lease is hereby increased to the amount of \$449,080.25.



SOUTH FLORIDA WATER MANAGEMENT DISTRICT AMENDMENT

- 8. The Payment Schedule is hereby replaced with Exhibit "B-1", attached hereto and made a part of this AMENDMENT NO. 02.
- 9. The Project Manager for the District is amended to be Ted Towson, telephone number (561) 682-6769, email address: ttowson@sfwmd.gov.
- 10. The Contract Specialist for the District is amended to be Randy Wood, telephone number (561) 682-2540, email address: jwood@sfwmd.gov.
- 11. All other terms and conditions of the Lease remain unchanged.

IN WITNESS WHEREOF, the Parties or their duly authorized representatives hereby execute this AMENDMENT NO. 02 on the date first written above.

SOUTH FLORIDA WATER MANAGEMENT DISTRICT

By: _____
Drew Bartlett, Executive Director

By: _____
Candida Heater, Director
Administrative Services Division

SFWMD OFFICE OF COUNSEL
APPROVED AS TO LEGAL FORM

BY: Sandra R.B. Wallace

PRINT NAME: Sandra R.B. Wallace

DATE: 6/15/2023

SFWMD PROCUREMENT APPROVED

BY: Randy Wood

6/13/23

DATE: _____



**SOUTH FLORIDA WATER MANAGEMENT DISTRICT
AMENDMENT**

ATTEST:
JOSEPH ABRUZZO
CLERK OF THE CIRCUIT COURT
& COMPTROLLER

PALM BEACH COUNTY, a political
subdivision of the State of Florida

By: _____
Deputy Clerk

By: _____
Gregg K. Weiss, Mayor

Signed and delivered
in the presence of:

Witness Signature

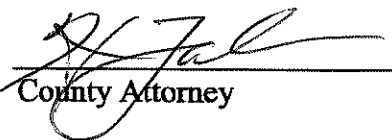
Print Witness Name


Witness Signature

Print Witness Name

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY

APPROVED AS TO TERMS AND
CONDITIONS

By: 
County Attorney

By: 
Department Director

\\pbcgov.org\FDO\Common\PREM\PMLeases-Agreements\PBSO Temporary Office at SFWMD Gun Club [Payable]\2023 Extension Option &
2nd Amendment\2nd Amendment Drafts\2nd Amendment HF approved 6.8.23.docx

EXHIBIT "B-1"
PAYMENT SCHEDULE

Item	Year 1	Year 2	Year 3	Year 4	Year 5, if exercised
Monthly Office Rent	\$34,247.67	\$35,275.10	\$36,333.35	\$37,423.35	\$38,546.06
Annual Office Rent	\$410,972.04	\$423,301.20	\$436,000.24	\$449,080.25	\$462,552.66
Rental Period	August 1, 2020 – July 31, 2021	August 1, 2021 – July 31, 2022	August 1, 2022 – July 31, 2023	August 1, 2023 – July 31, 2024	August 1, 2024 – July 31, 2025

Attachment #3
Notice of Option to Extend
(1 @ 1 page)



NOTICE OF OPTION TO EXTEND

CERTIFIED MAIL
RETURNED RECEIPT REQUESTED
7017 2680 0000 4942 2651

**Facilities Development &
Operations Department**

2633 Vista Parkway
West Palm Beach, FL 33411
Telephone - (561) 233-0200
Facsimile (561) 233-0206
www.pbcgov.com/fdo

**Palm Beach County
Board of County
Commissioners**

Gregg K. Weiss, Mayor
Maria Sachs, Vice Mayor

Maria G. Marino
Michael A. Barnett
Marci Woodward
Sara Baxter
Mack Bernard

County Administrator
Verdenia C. Baker

*"An Equal Opportunity
Affirmative Action Employer"*

Date: April 27, 2023

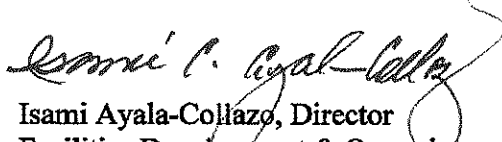
South Florida Water Management District
Ted Towson, Section Administrator, General Services
3301 Gun Club Road, MSC 5360
West Palm Beach, FL 33406

RE: Exercise of Renewal Option to Extend Lease (R2020-0518), dated May 05, 2020, by and between Palm Beach County and the South Florida Management District

Dear Mr. Towson:

Pursuant to the provisions of Section 1.03 Option to Extend, of the above referenced Lease, Palm Beach County as Tenant, is hereby exercising its renewal option to extend the term of said Lease for a period of one (1) year from August 1, 2023 through July 31, 2024.

Cordially,


Isami Ayala-Collazo, Director
Facilities Development & Operations

Cc: Purvi A. Bhogaita, Director PREM
Agustin Quevedo, Assistant Director PREM
Jose Esquivel, Sr. Contract Specialist SFWMD (via email to jesquive@sfwmd.gov)

Attachment #4
Budget Availability Statement
(1 @ 1 page)

BUDGET AVAILABILITY STATEMENT

REQUEST DATE: 6/20/23

REQUESTED BY: Victor Bactawar
Real Estate Specialist

PHONE: (561) 233-0213
FAX: (561) 233-0210

PROJECT TITLE: South Florida Water Management District Lease

PROJECT NO.: 2023-5.003

Fiscal Years	2023	2024	2025	2026	2027
Capital Expenditures	_____	_____	_____	_____	_____
Operating Costs	_____	_____	_____	_____	_____
External Revenues	\$74,846.70	\$374,233.50	\$- 0-	\$-0-	\$-0-
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County)	_____	_____	_____	_____	_____
NET FISCAL IMPACT	<u>\$74,846.70</u>	<u>\$374,233.50</u>	<u>\$-0-</u>	<u>\$-0-</u>	<u>\$-0-</u>
# ADDITIONAL FTE POSITIONS (Cumulative)	_____	_____	_____	_____	_____

** By signing this BAS your department agrees to these staff costs and your account will be charged upon receipt of this BAS by FD&O. Unless there is a change in the scope of work, no additional staff charges will be billed.

BUDGET ACCOUNT NUMBER

FUND: 3950 DEPT: 411 UNIT: B545-02 OBJ: 4907 SUB OBJ:

IS ITEM INCLUDED IN CURRENT BUDGET: YES NO

IDENTIFY FUNDING SOURCE FOR EACH ACCOUNT: (check all that apply)

- Ad Valorem (source/type: _____)
- Non-Ad Valorem (source/type: _____)
- Grant (source/type: _____)
- Park Improvement Fund (source/type: _____)
- General Fund Operating Budget Federal/Davis Bacon
- IST Funding _____ _____ _____

Department: Facilities Development & Operations Department

BAS APPROVED BY: 

DATE: 6/21/23

ENCUMBRANCE NUMBER: