

## MEMORANDUM

**TO:** Governing Board Members  
**FROM:** Doug Bergstrom, Director Administrative Services  
**DATE:** February 9, 2012  
**SUBJECT:** Office Lease, Okeechobee Service Center

### **Background**

In 2000, office lease proposals for the Okeechobee Service Center were competitively solicited and the District received Governing Board approval to enter into a five (5) year contract, with five (5) additional one year extension options. After executing the five one year extension options, in March 2010, the Governing Board approved a waiver of competition to enter into five year lease extension with an option for an additional two year extension. This waiver of competition was granted due to the lack of suitable alternatives in the area. This past Fall, Concrete Investments Florida, LLC approached the District with suitable office space in the area at a much lower lease rate. The District evaluated their facility and found that it not only less expensive, but much more desirable space. The staff recommends entering into a five year lease for this facility. Under this lease, the District would lease 8,825 square feet of office space from Concrete Investments Florida. The District will save approximately \$286,000 over the next five years over the current lease terms. This action requires a waiver of competition. Similar to the prior waiver, this waiver of competition was based on the lack of suitable alternatives for commercial office space in the area plus the opportunity to save the District a substantial amount of money.

### **How this helps meet the District's 10 Year Strategic Plan?**

The Okeechobee Service Center serves the water resource management needs for people in three counties -- Glades, Highlands and Okeechobee. Activities performed by service center staff deal with community and local government outreach, water resources education, the Lake Okeechobee Works of the District program and for Environmental Resource Permitting.

**Funding Source:** The amount of the lease for this upcoming five-year period is not to exceed \$828,982.82 of which \$92,745.76 of ad valorem funds remain budgeted in FY12, and the remainder is subject to Governing Board approval of the FY13-17 budgets.

### **This Board item impacts what areas of the District, both resource areas and geography:**

This service center is fully supported within the Regulatory and Public Affairs and Corporate Resources Areas.

### **What concerns could this Board item raise?**

This item is being proposed as a waiver of competition as required by the procurement policy.

### **Why should the Governing Board approve this item?**

To continue providing a local service to the communities surrounding northern Lake Okeechobee.

If you have any questions, please call me at extension 6214.

Attachment - Resolution