

MEMORANDUM

TO: Governing Board Members

FROM: Sandra Close Turnquest, Deputy Executive Director, Corporate Resources

DATE: November 10, 2010

SUBJECT: Office Lease, Martin St Lucie Service Center- Contract No. 3600000709/LS050585-A01

Background

In 2005 the District received Governing Board approval to enter into a five (5) year lease for the Martin St. Lucie Service Center located at 770 SE Indian Street in Stuart. Under this lease, the District leased 11,096 square feet of office space from Willoughby Crossroads, LLC within the Stuart city limits to house its Martin St. Lucie Service Center. The property went through foreclosure and was sold to 700 S.E. Indian Street Holdings, LLC. During foreclosure the District was asked to exercise the first of two five year options. During this negotiation we were able to lower the lease rates to save over \$300,000. The Martin St. Lucie Service Center has served the community needs of our constituents well and staff recommends entering into the first lease extension. The contract can be terminated for convenience with a 180 day notice.

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

The Martin St. Lucie Service Center serves the water resource management needs for people in Martin and St. Lucie Counties. Activities performed by service center staff deal with community and local government outreach, surface water, environmental, natural resource regulatory permit services, coordinate the resolution of water resource issues with jurisdictional governments, agencies and affected communities; implements District-wide and local water resource initiatives; and communicates the complexities of water resource management to Martin and St. Lucie County residents.

Funding Source: The amount of the lease for this upcoming five-year period is not to exceed \$1,300,000 which is subject to Governing Board approval of the FY12-16 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 Service Center lease was not competed for the initial term. An extensive real estate market search was performed prior to selecting this location. The results of the search concluded that the subject property was the least expensive that met the District's requirements. An additional real estate market search was performed and found that it is still the least expensive to meet the District's requirements. Remaining at this location would also save on moving costs.

Why should the Governing Board approve this item?

To continue providing a local service to the communities in Martin and St. Lucie Counties.

If you have any questions, please call me at extension 6351.

SCT/mw

Attachment - Resolution