

MEMORANDUM

TO: Governing Board Members

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

DATE: March 11, 2010

SUBJECT: Office Lease, Okeechobee Service Center-4600002078

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 renewal options. Under this lease, the District leased 10,743 square feet of office space from 205 N. Parrot Avenue Holdings, LLC within Okeechobee City limits to house its Okeechobee Service Center. The Okeechobee Service Center has served the community needs of our constituents well and staff recommends entering into a new three year lease with an option for an additional two years. The contract can be mutually terminated by either party in accordance with contract terms.

The District is also reviewing a number of other options to meet the future needs of the Okeechobee Service Center including co-locating with the Okeechobee Field Station or in the Okeechobee County Government Center that is currently in the planning stages.

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

The Okeechobee Service Center serves the water resource management needs for 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 three-year period is \$630,471.12 of which \$99,995.40 of ad valorem funds is budgeted in FY10, and the remainder is subject to Governing Board approval of the FY11-13 budgets. Per negotiations with the landlord, the cost of the lease will not increase in FY10/11 but will increase 5 percent per year for the remaining two years.

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?

Close communication between the Governing Board and senior management will be required as we enter into this new lease while looking for a permanent new location. Potential options such as lease vs. buy and employee space requirements and needs will be under consideration during the near future as the agency decides upon which option to pursue.

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 6351.

SCT/mw

Attachment - Resolution