



**FINANCE AND ADMINISTRATION CABINET
DEPARTMENT FOR FACILITIES AND SUPPORT SERVICES**

ANDY BESHEAR
Governor

SAM RUTH
Commissioner

Division of Real Properties
Bush Building, 3rd Floor
403 Wapping Street, Suite 300
Frankfort, Kentucky 40601
(502) 564-2205
Fax: (502) 564-8108

HOLLY M. JOHNSON
Secretary

SCOTT AUBREY
Director

MEMORANDUM

TO: Katherine Halloran, Committee Staff Administrator
Capital Projects and Bond Oversight Committee

FROM: Brien S. Hoover, Leasing Manager *BSH*
Division of Real Properties

DATE: August 10, 2020

SUBJECT: PR-3974, Jefferson County
Transportation Cabinet
Lease Modification Exceeding \$50,000.00

As outlined, attached please find notification of a lease agreement modification being processed by our Division's Leasing Branch.

If you have any questions or require additional information concerning this matter, please advise.

BSH/bh

CC: Capital Construction Log
OSBD
PR-3974 File
BSH

Attachment

REPORT TO CAPITAL PROJECTS AND BOND OVERSIGHT COMMITTEE

LEASE MODIFICATION EXCEEDING \$50,000.00

Lease No.: PR-3974		County: Jefferson	
Using Agency: Transportation Cabinet			
LESSOR (identify all parties having 5% or more ownership): Attached extra sheet if necessary		Louisville Underground LLC 	
Property Location: 1841 Taylor Avenue, Louisville, KY			
Check One: <input type="checkbox"/> New Lease <input type="checkbox"/> Renewal <input checked="" type="checkbox"/> Modification			
Type Space: Storage (Salt)		Cost Per Square Foot: \$2.25	
Annual Rental Cost: \$417,336.76		Average Cost Per Square Foot of Leased-In Space in County: \$ N/A (No comparable leases)	
Utilities Included: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
Cancellation Clause:	<input checked="" type="checkbox"/> Yes If yes, explain terms: 30 Days		<input type="checkbox"/> No If no, explain why not:
Effective Date: July 15, 2020		Expiration Date: June 30, 2025	
Justification for Lease: Please see attached			
Has the Finance & Administration Cabinet complied with statutory requirements: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If no, explain:			
Explain why the Finance & Administration Cabinet chose this lessor (see attached approval memo and modification): Please see attached			



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MEMORANDUM

TO: Scott Aubrey, Director
Division of Real Properties

FROM: Brien S. Hoover, Leasing Manager *BSH*
Division of Real Properties

DATE: August 10, 2020

SUBJECT: PR-3974, Jefferson County
Transportation Cabinet

The Transportation Cabinet presently utilizes a total of 151,145 square feet of underground salt storage space, leased at a rental rate of \$2.25 per square foot (\$340,076.24 annually), including utilities, with a term expiring June 30, 2025. The Cabinet recently submitted a request to increase the area under lease to a total of 185,483 square feet to accommodate an increase of approximately 30,000 tons in the total amount of salt in storage at this facility.

Pursuant to applicable provisions of KRS 56.813, the existing lessor consented to lease the additional storage space at the same terms and conditions applied to the existing lease agreement. The attached lease modification therefore provides for an increase of 34,338 square feet; from 151,145 square feet to 185,483 square feet, and the corresponding increase of \$77,260.52 in the annual rental cost; from \$340,076.24 to \$417,336.76. Capital Projects and Bond Oversight Committee reporting is required for this lease modification pursuant to applicable requirements of KRS 56.823(11) and your approval of the attached lease modification is recommended to increase the area under lease for salt storage space as requested by the Transportation Cabinet.

Should you require additional information, please advise.

JSA/BSH/bh
Attachment

APPROVED: *Scott Aubrey*

Scott Aubrey, Director

COMMONWEALTH OF KENTUCKY LEASE MODIFICATION AGREEMENT

LESSOR	Louisville Underground LLC	PR NUMBER, COUNTY	PR-3974, Jefferson County
ADDRESS	PO Box 35174 Louisville KY 40232	VENDOR NUMBER	KY0018942
		AGENCY/DEPARTMENT	Transportation Cabinet
		DIVISION	
		DATE	August 10, 2020
		BUILDING CODE	90410001

1. Lease Agreement number PR-3974, Jefferson County, dated July 1, 2019, is hereby modified as set forth in Paragraph 2.
2. This Lease is modified as follows:

EFFECTIVE JULY 15, 2020:

To increase the leased space by 34,338 square feet; from 151,145 square feet to 185,483 square feet, at the terms and conditions reflected in the existing lease, resulting in an annual increase of \$77,260.52 from \$340,076.24 to \$417,336.76.

3. All other terms and conditions of the lease remain unchanged.
4. The Lessor is required to sign this document and return all copies for further processing.
5. The Lessor certifies by his signature hereinafter affixed that he ("he" is construed to mean "they" if more than one person is involved; and, if a firm, partnership, corporation, business trust or other organization is involved, then "he" is construed to mean any person with an interest therein) is legally entitled to enter into contracts with the Commonwealth of Kentucky and that by holding and performing this contract will not be violating either any conflict of interest statute (KRS 45A.330 - 45A.340 or 45A.990) of the Executive Branch Code of Ethics, KRS Chapter 11A, or any other applicable statute or principle by the performance of this Lease, or will he realize any unlawful benefit or gain directly or indirectly from it. The Lessor further certifies that he has not knowingly violated any provision of the campaign finance law of the Commonwealth, and that by entering into this Lease Modification Agreement he will not be in violation of the campaign finance laws of the Commonwealth.

STATE LEASING AGENCY REPRESENTATIVE _____ Date _____

LESSOR _____ Date _____

ANALYST, LEASING BRANCH, DIVISION OF REAL PROPERTIES _____ Date _____

ATTORNEY, FINANCE & ADMINISTRATION CABINET _____ Date _____

MANAGER, LEASING BRANCH, DIVISION OF REAL PROPERTIES _____ Date _____

DIRECTOR, DIVISION OF REAL PROPERTIES _____

SECRETARY, FINANCE & ADMINISTRATION CABINET _____ Date _____

APPROVED THIS _____ DAY OF _____, 20____

All correspondence and inquiries regarding this Lease Modification Agreement are to be directed to the Division of Real Properties, Suite 300, 403 Wapping Street, Frankfort, Kentucky 40601-2607, phone 502/564-2205.

FILE COPY



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MEMORANDUM

TO: Katherine Halloran
Capital Projects and Bond Oversight Committee

FROM: Brien S. Hoover, Leasing Manager *BSH*
Division of Real Properties

DATE: September 2, 2020

SUBJECT: PR-5411, Franklin County
300 Sower Boulevard
Leasehold Improvement Report

Attached please find notification of leasehold improvements requested by the tenant agencies occupying space in the 300 Building located at 300 Sower Boulevard, Frankfort, Kentucky. The improvements will be paid for through the tenant improvement fund as provided in the amended and restated lease agreement dated April 29, 2015.

If you have any questions or require additional information concerning this matter, please advise.

BSH/bh

Cc: Capital Construction Log
Office of the State Budget Director
PR-5411 File
BSH

Attachment



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SCOTT AUBREY
Director

MEMORANDUM

TO: Scott Aubrey, Director
Division of Real Properties

FROM: Brien S. Hoover, Leasing Manager 
Division of Real Properties

DATE: September 1, 2020

SUBJECT: PR-5411, Franklin County
Department of Education

The subject agency has submitted a tenant improvement request to complete leasehold improvements at the 300 Building located at 300 Sower Boulevard, Frankfort, Kentucky. This building was originally proposed to accommodate approximately 1,500 staff in state offices from Fair Oaks and the Capital Plaza Tower. The staff and offices were not identified until after the design was complete. Therefore, since the agencies have moved, they are now identifying what improvements to the building are required to meet their programmatic needs.

The agency has submitted the following request for leasehold improvements at this time.

- TIF – Installation of 2 electrical outlets each in rooms 414 and 516 for a total of 4 new electrical outlets to power new technology that will support interactive training activities. The lessor obtained two estimates one from CRM Companies in the amount of \$1,260.00, and another quote from D. W. Wilburn, Inc. in the amount of \$2,271.25.

The total cost for the improvements are \$1,260.00.

The total amount of the improvements as of today including the one listed above is \$211,618.61. Additional improvements will be requested by the agencies in the future. In addressing these needs we are unable to modify the lease due to the bonds that were issued by the developer to fund the project. That is the reason a tenant improvement fund was included in the executed lease document to address these issues. The fund was initially funded through cost savings in the construction of the building and through a savings created on the issuance of the bonds. The agencies will be responsible for any future funding for improvements they require in order to meet their programmatic needs.




Scott Aubrey
September 1, 2020
Page 2

Agency requested improvements will not exceed \$600,000 in total. Your approval of this action is recommended to accomplish the improvements to this facility as requested by the agency.

Should you require additional information, please advise.

JSA/BSH/bh
Attachment


APPROVED:
Scott Aubrey, Director

REPORT TO CAPITAL PROJECTS AND BOND OVERSIGHT COMMITTEE
LEASEHOLD IMPROVEMENTS

Date Posted in 30-Day Register: September 1, 2020	
Lease No.: PR-5411	County: Franklin
Using Agencies: Energy and Environment Cabinet, and the Department of Education	
LESSOR (identify all parties having 5% or more ownership): Attached extra sheet if necessary	CRM/D. W. WILBURN, LLC
Property Location: 300 Sower Boulevard, Frankfort, KY	
Existing Rental Terms	
Type Space: Office	Square Feet: 371,160
Annual Payment: \$4,411,000.00	Contract Expiration: June 30, 2051
Modified Rental Terms	
Type Space: Office	Square Feet: 371,160
Annual Payment: \$4,411,000.00	New Contract Expiration: June 30, 2051
Cost for Leasehold improvements: \$1,260.00	
Total Cost for Leasehold Improvements to date: \$211,618.61	
Reason for Modification (see attached approval memo): Please see attached	
Estimate Details (see attached copies): <ol style="list-style-type: none"> 1. CRM Companies: \$1,260.00 (includes management fee) 2. D. W. Wilburn, Inc.: \$2,271.25 (includes management fee) 	



145 Rose Street
Lexington, KY 40508
859-225-3680 fax 502-414-1801

ESTIMATE Sower04
April 15, 2020

Customer: **Commonwealth of Kentucky - Finance**
Address: 300 Sower Boulevard
Frankfort, KY 40601

Project: TIF 300 Sower; Department of Education
Location of work: 300 Sower Building; 4th / 5th Floors Room 414/516

Description	Cost Estimate
Labor and Material	\$1,100
Cleanup Cost	\$100
Subtotal	\$1,200
Markup (5%)	\$60
Total Cost	\$1,260

*all estimates are non-taxable

D. W. Wilburn, Inc

153 Blue Sky Parkway
Lexington, KY, 40509

Telephone : (859) 263-2720
Facsimile: (859) 263-5692

4-6-2020

Megan Walsen

CRM Companies
145 Rose Street
Lexington, KY 40507

300 Building TIF

Per your request to provide a pricing for TIF for the 300 Building 4th / 5th Floor
Room 414 / 516

Blue Sky Electric	per attached	\$ 1,475.00
Clean Up Lump Sum		\$ 500.00
Subtotal		\$ 1,975.00
Mark Up		+ \$ 296.25
Total Add for this Request		\$ 2,271.25

Respectfully Submitted,

Jeff Edwards
Project Manager



BLUE SKY
ELECTRIC
LEXINGTON, KY
859-469-8439

Blue Sky Electric Company

PO Box 4960
Lexington, KY 40544
CE 15067
Office 859 397 0587
Cell 859 595 0545
Fax 859 568 8971
bbush@blueskyelec.com
www.blueskyelectricky.com

Estimate

Estimate No: 20-00158
Date: 04/09/2020

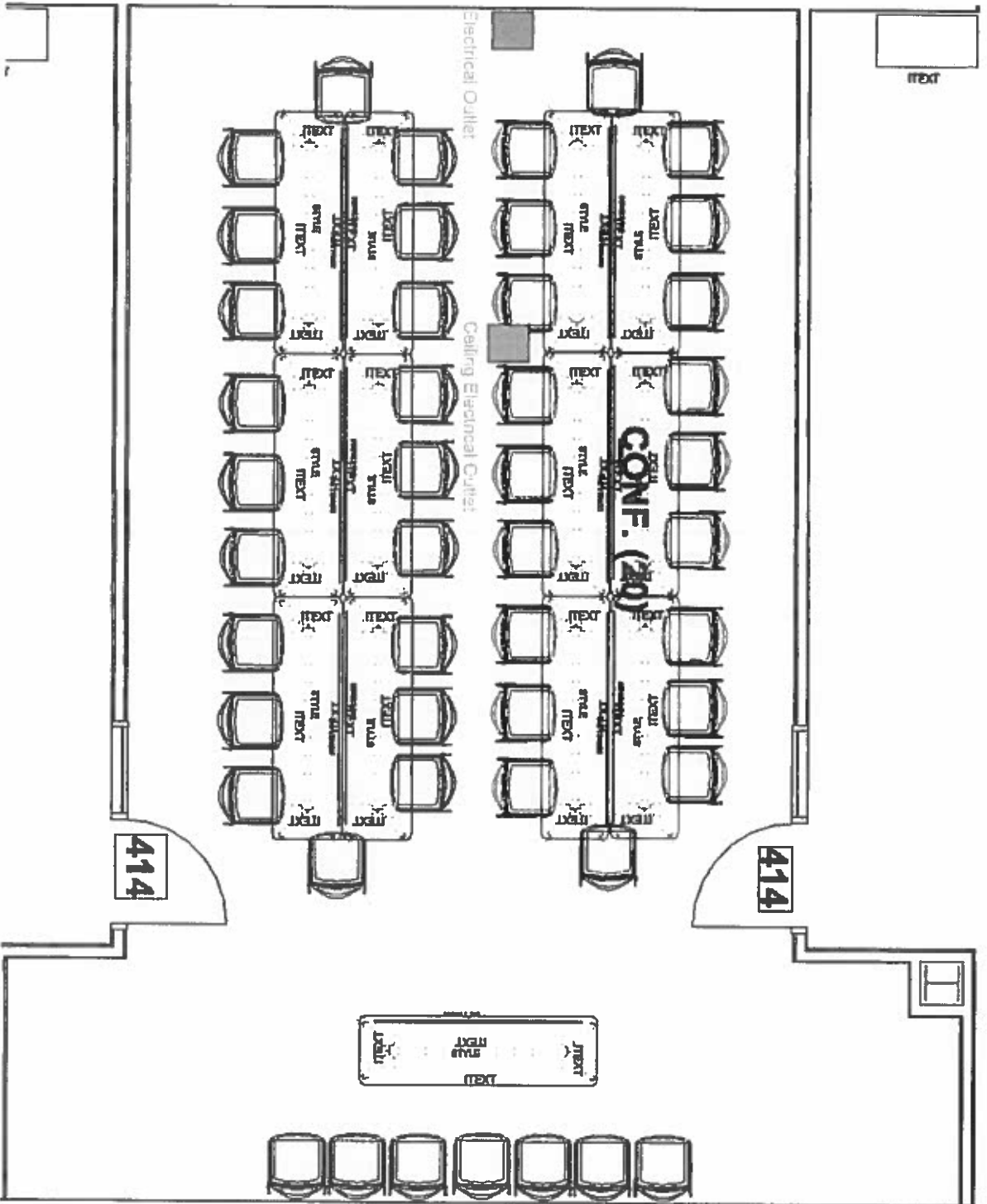
For: D.W. Wilburn
tbyrd@crmco.com,
jedwards@dwilburn.com
153 Blue Sky Pkwy
Lexington, KY, 40509

PO Number	TIF # 4th/5th Floor, Room 414/516	Job Location	Frankfort Ky
Job Location	Ky Dept of Education, Office of Finance & Operations	Contact Name	Todd Byrd
Job Location	300 Sower Blvd		

Description	Quantity	Rate	Amount
Blue Sky electric will furnish all materials and labor to:	1	\$1,475.00	\$1,475.00*
- install 4 new receptacles, 2 will be in the ceiling tiles, and 2 will be in the wall			
- One each room located in the drop ceiling and one each wall west (414) and east (516)			
All work will be done during normal business hours			
*Indicates non-taxable item			
	Subtotal		\$1,475.00
	Total		\$1,475.00
	Total		\$1,475.00

The 300 Building
Tenant Improvement Fund (TIF) Request
Submit to Real Properties – Leasing Branch Manager

TIF#:					
R E Q U E S T I N G A G E N C Y	DEPARTMENT/AGENCY: Kentucky Department of Education		DIVISION: Office of Finance and Operations		
	FLOOR: 4 th and 5 th		NEIGHBORHOOD:		
	ROOM # 414/516				
	AGENCY ACCOUNT NUMBER TO BE USED TO PAY FOR REQUESTED RENOVATIONS OR CURRENT BALANCE IN FINANCE 300 ACCOUNT:		REQUESTED COMPLETION DATE: 3/15/2020		
	REASON FOR ALTERATION OR RELOCATION: The Department of Education seeks to equip conference room #414 and 516 with new technology that will support interactive training activities. The installation of additional receptacles will assist in accomplishing this goal.				
	DESCRIBE PROPOSED ALTERATION OR RELOCATION: (Attach floor plan indicating areas of space or partitions involved; floor plan does not have to be drawn to scale. Use RED to show additions, GREEN to indicate removal, and BLACK for existing walls. Also, indicate if HVAC, telephone, computer line or electrical work is required and where.)				
	KDE is requesting the installation of Four electrical receptacles — One each room located in the drop-ceiling and one each west (414) and east (516) wall. Please see attachment:				
	If requesting an estimate. The requesting agency will need to re-submit this ESTIMATE request, signed & initialed, noting work request and approval to proceed with work, to Division of Real Properties before work is to begin.				
	ESTIMATE REQUEST (Please Initial):		DATE: February 29, 2020	WORK REQUEST (Please Initial):	DATE:
	APPROVAL TO PROCEED WITH WORK PER ESTIMATE: (Please SIGN & RETURN Space Alteration Request noting approval to Real Properties)			TITLE:	DATE:
AGENCY CONTACT FOR INSPECTION OF PROPOSED ALTERATION: Bob Maynard (502)584-2020 ext:2240, Dan Gorman (502)584-2020 ext:2257				PHONE #:	
REQUESTED BY: Tim Cooper			TITLE: Assistant Director	DATE:	
APPROVED BY: Robin Kinney			TITLE: Associate Commissioner	DATE:	
R E A L P R O P	RECOMMENDED? Yes ____ No ____		MANAGER, INVENTORY/COMPLIANCE/UTILIZATION:		DATE:
	ENGINEERING REVIEW? Yes ____ No ____		DIRECTOR, REAL PROPERTIES:		DATE:
	COMMENTS OR LIMITATIONS:				
E N G I N E E R I N G	RECOMMENDED? Yes ____ No ____		BUILDING CODES REVIEW? Yes ____ No ____		
	SUPERVISOR		DIRECTOR, ENGINEERING:		DATE:
	COMMENTS OR LIMITATIONS:				
C R M	APPROVED to Quote: Yes ____ No ____		Received Date:		
	By: _____				
	Quotes Submitted to Real Properties/DECA				
	Date: _____				
# of Quotes: _____					
REVIEWED & RECOMMENDED BY DECA Yes ____ No ____			REVIEWED & RECOMMENDED BY RP Yes ____ No ____		
BY: _____			BY: _____		
DATE: _____			DATE: _____		
REVIEWED & RECOMMENDED BY AGENCY Yes ____ No ____			Capital Projects Requirements:		
BY: _____			Reportable: Yes ____ No ____ If so, Prior Approval: Yes ____ No ____		
DATE: _____			If prior approval required, date approved: _____		
C R M	DATE TIF APPROVED AND SUBMITTED BACK TO BUILDING MANAGER: _____				
	TIF BEGINS: _____				
	TIF COMPLETED: _____ BY: _____				
CRM					



CONF

516

ORIP PLAN SHOWS 24"X84" TABLES

24" DEEP IS REQUIRED FOR FLIP-TOP APPLICATION

FIX MODESTY PANEL FINISH

516

