



**Andy Beshear**  
GOVERNOR

**FINANCE AND ADMINISTRATION CABINET  
DEPARTMENT FOR FACILITIES AND SUPPORT SERVICES  
DIVISION OF REAL PROPERTIES**

Bush Building, 3<sup>rd</sup> Floor  
403 Wapping Street  
Frankfort, Kentucky 40601  
Phone: (502) 564-2205  
Fax: (502) 564-8108

**Holly M. Johnson**  
SECRETARY

**Sam Ruth**  
COMMISSIONER

**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:** February 6, 2023

**SUBJECT:** PR-4505, Franklin County  
Department of Agriculture

As outlined, attached please find notification of a lease modification reflecting a change in square footage (use designation/rental rate) and an amortization of monies that is being processed by the Leased Properties Branch:

PR-4505, Franklin County

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

BSH/bh  
Attachment

Cc: Capital Construction Log  
OSBD  
PR-4505 File  
BSH

**REPORT TO CAPITAL PROJECTS AND BOND OVERSIGHT COMMITTEE  
LEASE MODIFICATION EXCEEDING 50,000  
LEASE MODIFICATION AMORTIZATION**

Date Posted in 30-Day Register: <b>February 6, 2023</b>	
Lease No.: <b>PR-4505</b>	County: <b>Franklin</b>
Using Agency: <b>Department of Agriculture</b>	
Lessor (identify all parties having 5% or more ownership): Attached extra sheet if necessary	<b>Century Investment Group LLC</b>
Property Location: <b>107 Corporate Drive, Frankfort, KY, 40601</b>	
<b>Existing Rental Terms</b>	
Type Space: <b>Office/Storage</b>	Square Feet: <b>32,680</b>
Annual Payment: <b>\$317,076.84</b>	Contract Expiration: <b>June 30, 2024</b>
<b>Modified Rental Terms</b>	
Type Space: <b>Office</b>	Square Feet: <b>32,945</b>
Annual Payment: <b>\$337,686.24</b>	New Contract Expiration: <b>June 30, 2030</b>
Total Cost to be Amortized: <b>\$156,254.22</b>	
Projected Period of Amortization – Effective: <b>TBD Through June 30, 2030</b>	
Reason for Modification (see attached approval memo and modification): <b>Please see attached.</b>	
Estimate Details (see attached copies):	
<ul style="list-style-type: none"> <li>(1) \$156,254.22 from Warnick Construction</li> <li>(2) \$163,362.24 from Purvis General Contracting</li> </ul>	

# COMMONWEALTH OF KENTUCKY LEASE MODIFICATION AGREEMENT

<b>LESSOR</b>	Century Investment Group LLC	<b>PR NUMBER, COUNTY</b>	PR-4505, Franklin County
<b>ADDRESS</b>	108 West Maple Street Nicholasville KY 40356-1238	<b>VENDOR NUMBER</b>	KY0025038
		<b>AGENCY/DEPARTMENT</b>	Department of Agriculture
		<b>DIVISION</b>	
		<b>DATE</b>	February 6, 2023
		<b>BUILDING CODE</b>	90960002

1. Lease Agreement number PR-4505, Franklin County, dated August 1, 2015, is hereby modified as set forth in Paragraph Two.
2. This Lease is modified as follows:
  1. To increase the leased space (office use designation, \$10.25 per square foot) by 2,559 square feet; from 30,386 square feet to 32,945 square feet and to decrease the leased space (storage use designation, \$2.45 per square foot); from 2,294 square feet to zero square feet and for the associated net increase of \$20,609.40 in the annual rental cost; from \$317,076.84 to \$337,686.24.
  2. To amortize the \$156,254.22 cost for the requested improvements per estimate submitted by Warnick Construction (copy attached and incorporated herein by reference).
  3. To add six (6) automatic extension periods, at the same terms and conditions, resulting in a new lease expiration date of June 30, 2030.
  4. The effective date for both items defined herein shall be established by signature of the Director, Division of Real Properties, upon the modification once verification is received that all renovations have been satisfactorily completed. The provisions of item one (1) shall be effective as defined in this item, the amortization defined in item two (2) shall be effective the first day of the month following the effective date established for this modification unless that date is the first day of a month in which case both item one (1) and two (2) shall be effective concurrently. The amortization period will extend through the extend lease expiration date of June 30, 2030 in accordance with the provisions of KRS 56.813(2).
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\_\_



**Andy Beshear**  
GOVERNOR

**FINANCE AND ADMINISTRATION CABINET  
DEPARTMENT FOR FACILITIES AND SUPPORT SERVICES  
DIVISION OF REAL PROPERTIES**

Bush Building, 3<sup>rd</sup> Floor  
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Phone: (502) 564-2205  
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**Holly M. Johnson**  
SECRETARY

**Sam Ruth**  
COMMISSIONER

**Scott Aubrey**  
DIRECTOR

MEMORANDUM

**TO:** Scott Aubrey, Director  
Division of Real Properties

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

**DATE:** February 6, 2023

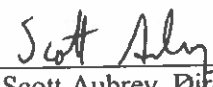
**SUBJECT:** PR-4505, Franklin County  
Department of Agriculture

The Department of Agriculture presently occupies 30,386 square feet of office space leased at a rental rate of \$10.25 per square foot and 2,294 square feet of storage space leased at a rental rate of \$2.45 per square foot (\$317,076.84 annually combined), with a term expiring June 30, 2024. The Department recently submitted a request to convert the current storage space to office use to accommodate six additional staff and associated support areas. In accordance with applicable provisions of KRS 56.813(1) and KRS 56.813(2) the lessor consented to the proposed utilization change of the storage space and consented to extend the lease terms out through June 30, 2028, provided that the Department absorb 100 percent of the associated renovation costs for the conversion. Two estimates for renovations in the current storage space (i.e., structural, HVAC, lighting, sprinkler, electrical changes, carpentry, windows etc.) were provided as follows: \$156,254.22 from Warnick Construction and \$163,362.24 from Purvis General Contracting. Further negotiations with the lessor (i.e., cost sharing for renovation expenses and term extensions) and Department produced a revised proposal to extend the lease term through the maximum permitted under KRS 56.806(1) with the Department retaining 100 percent of the renovation expenses.

The attached lease modification therefore provides for an increase of 2,559 square feet in the office area under lease; from 30,386 square feet to 32,945 square feet, a decrease of 2,294 square feet in the storage space under lease; from 2,294 square feet to zero square feet and for the associated net increase of \$20,609.40 in the annual rent. The modification further provides for the amortization of \$156,254.22 in renovation expenses amortized over the extended lease term described herein, and for the addition of six (6) automatic extension periods resulting in the negotiated lease expiration date of June 20, 2030. Projections based on seven years for the amortization indicate that the proposed action would add approximately \$0.68 per square foot to the effective rental rate over the extended term. Capital Projects and Bond Oversight Committee reporting for the proposed action is required prior to execution in accordance with applicable provisions of KRS 56.823(11), and your approval of same is recommended to resolve the request for supplemental office space from the Department of Agriculture.

Should you have questions or require additional information, please advise.

BSH/br

APPROVED:   
Scott Aubrey, Director

# *Mark W. Warnick*

*DBA Warnick Construction  
General Contracting and Home Remodeling  
480 O'nan's Bend Rd.  
Frankfort, Kentucky 40601*

## *Proposal*

**September 19, 2022**

Century Investment Group  
c/o Arvin Law Rentals  
108 West Maple Street  
Nicholasville, Kentucky 40356

**Re: Ky. Dept of Agriculture  
107 Corporate Dr.  
Frankfort, Kentucky 40601  
PR-4505 [requested renovations]**

We have been requested to provide an estimate to construct and finish new offices in the existing 2<sup>nd</sup> floor storage and unused area as per plan. We will furnish all necessary subcontractors and they their respective labor and materials to complete the project as per plan and specifications. This will include the following:

All necessary electrical and lighting, 3 5/8" steel stud framing, 5/8" firecode drywall hung and finished, ceiling grid and 2'0"x 4'0"tiles to match existing offices, R-38 insulation above ceiling tiles. Painting of all walls 3 coats-1 primer, 2 finish with washable latex paint to match existing. All door jambs semi-gloss enamel to match existing and doors to be 3 coats of polyurethane to match existing. Install carpet as per plan, 28 oz. commercial grade and includes vinyl cove base to match existing. Install all necessary HVAC to meet requirements for offices and square footage. Install hollow core birch doors and with office locks and lever handles, wood jambs to match. Any necessary demolition i.e. create 2 door openings as per plan. All necessary alarms and devices per code requirements. Dumpster fees split between this project and PR-5363 project as well as portable restroom for workers. Clean up and vacuuming of carpets when project completed.

We propose to complete the above mentioned project for the sum of **One Hundred Forty-Eight Thousand Twenty-Nine Dollars and Twenty-Two Cents** [\$148,029.22].

The following is a breakdown of the individual subcontractor's quotes:

Electrical [MGM Electric]:	\$ 24,850.00
Framing, Drywall, Ceiling Grids and tile, Insulation: [American Drywall]:	\$ 32,150.00
Painting [Bobby Moore Painting]:	\$ 10,425.00
Carpet [Comley's Carpet]:	\$ 12,431.74
HVAC [Cecil's HVAC]:	\$ 27,100.00
Sprinkler System [Brown Sprinkler]:	\$ 12,697.00
Alarm Systems [Allied Communications]:	\$ 1,300.18
Doors, Frames, Locks, Demolition [Warnick Construction]:	\$ 4,629.64
Clean up and vacuuming [Power Cleaning Services]:	\$ 600.00
Building permit: <b>**estimated</b>	\$ 575.00
Dumpster Fee split between PR-5363 and this project [Republic]:	\$ 1,475.00
Portable restroom split between PR-5363 and this project	\$ 487.50
Subtotal:	\$ 128,721.06
General Contractor's Fees	x.15 [15%]: \$ 19,308.16
<b>Grand Total:</b>	<b>\$ 148,029.22</b>

**\*\*All Invoices will be submitted to Century Investment group c/o Arvin Law Rentals for payment. Subcontractors will require material draws. Balances only upon completion unless otherwise approved.**

**\*\*This proposal may be withdrawn if not accepted within 30 days. Any work other than specified above will be done on a T&M basis or by written and signed agreement between the Owner/Agency and the General Contractor or Subcontractor or an authorized representative thereof.**

Accepted by: \_\_\_\_\_ Date: \_\_\_\_\_

*Mark W. Warnick*

Date: 09/19/2022

# Mark W. Warnick

DBA Warnick Construction  
General Contracting and Home Remodeling  
480 O'nan's Bend Rd.  
Frankfort, Kentucky 40601  
PROPOSAL

October 28, 2022

Century Investment Group  
c/o Arvin Law Rentals  
108 West Maple Street  
Nicholasville, Kentucky 40356

Re: Addendum to PR-4505-windows

We have been asked to add a quote for 4 windows to be installed in the 2<sup>nd</sup> floor back wall of the new office fit-up proposed for this project. They were originally left out of the proposed plans for this renovation we initially received. This will involve as follows: Cut out and remove the metal siding in the 4 locations shown on the new plans, frame the interior walls to accept the new windows [it may be necessary to cut the existing girts to accommodate the windows depending on the elevation of the windows, therefore necessitating the fabrication of supports], install 4 ea. 36"x 36" aluminum frame double pane insulated commercial grade windows complete with flashing and drip rails. A boom lift will be necessary to facilitate cutting out the openings and installing the windows.

We propose to include the total cost of this additional work and materials to the original proposal for the sum of Eight Thousand Two Hundred Twenty-Five Dollars [\$8225.00].

**\*\*This proposal may be withdrawn if not accepted within 30 days. Any other work not listed above will be performed on a T&M basis at a labor rate of \$65/hr/man or by written and signed agreement between the General Contractor and the requesting parties or authorized representatives thereof.**

Accepted by: \_\_\_\_\_ Date: \_\_\_\_\_

*Mark W. Warnick*, DBA Warnick Construction 10/28/2022

# Purvis General Contracting

Fully Licensed & Insured

125 St. Johns Rd.

Frankfort, Kentucky 40601

Ph.: Office-[502] 875-8939

Cell- [502] 803-5372

**Submitted to:** Century Investments  
C/o Arvin Law Rentals  
108 West Maple St.  
Nicholasville, Kentucky 40356

09/20/2022

**Job Name:** Ky. Dept. of Agriculture  
PR-4505  
107 Corporate Dr.  
Frankfort, Kentucky 40601

**RE: renovation of 2959 sq. ft. of storage space into new offices**

Frame new walls with 3 5/8" steel studs and 5/8" FC drywall hung and finished  
Install new ceiling grids and 2' x4' USG Radar ceiling tiles including storage areas  
Install R-38 unfaced insulation above ceiling tiles  
All electrical wiring, devices. LED lighting and exit lights and signs as per plan  
New 5 ton HVAC and all necessary supply and return air ductwork  
Provide and install 10 new wood frame doors and hollow core birch doors to match those existing on entire 2<sup>nd</sup> floor including brass lever locks  
Create 2 new openings for 2 of the 10 doors into the existing 2<sup>nd</sup> floor hallway and into The 2<sup>nd</sup> floor break room  
Install new 28 oz. commercial grade carpet to match existing in entire space including storage areas  
Paint all walls 3 coats scrubable latex paint-1 coat primer, 2 finish coats; all door jambs semigloss enamel and doors polyurethane to match existing.  
All necessary fire suppression [sprinkler system] per codes  
All necessary fire alarm system per codes  
Clean up and vacuuming of carpets upon completion of project  
Dumpster and Porta-Potty provided with 105 Corporate Dr. project  
**\*\*\* WE have obtained quotes from subcontractors that do regular maintenance and work on the complex for some of the phases of the project as they will be the ones maintaining after project is complete and they are familiar with the facilities ; i.e. Brown Sprinkler, Allied Communications, and Cecil's HVAC. All other work will be performed by Purvis General Contracting or subs who do work for us on a regular basis.**

**We propose to hereby furnish materials, labor and Subcontractors to complete in accordance with the above specifications, for the sum of: One hundred fifty-four thousand four hundred ninety-seven dollars and twenty-four cents [\$154,497.24].**

**Note:** This proposal may be withdrawn by us if not accepted within 30 days.  
Any Alteration or deviation from the above specifications involving extra costs will be done only upon a written change order. The costs will



become an extra charge over and above the estimate. All work to be completed in a workmanlike manner according to standard practices. Due to current supply chain environments if this proposal is not accepted in the 30 day time frame it may not be possible to hold certain material costs at their current levels.

All invoices from contractors forwarded to the owner for payment. Contractors will submit invoices for material draws once their respective supplies and materials are on site. Balances will be due upon completion of their work and their final inspections, unless other agreement has been determined between the owner and respective contractor.

**Itemized Costs:**

- 1) Framing, drywall, ceiling grids and tiles, provide and install doors, frames, and lock sets, all necessary demolition, clean up and vacuuming of new carpet, provide and install R-38 unfaced insulation above ceiling grids.....: \$ 39,029.64
- 2) All necessary electrical wiring, devices, emergency and exit lighting, 2'x 4' LED office lighting.....: \$ 27,500.00
- 4) Sprinkler System.....: \$ 11,447.00
- 5) Carpet.....: \$ 11,320.88
- 6) Painting.....: \$ 9,945.00
- 7) HVAC.....: \$ 28,000.00
- 8) Alarm Systems.....: \$ 930.18
- 9) Estimated building permit:.....: \$ 575.00

**TOTAL:.....\$ 128,747.70**  
**G.C./OVERSEEING FEES:.....X.20 \$ 25,749.54**  
**GRAND TOTAL:.....\$ 154,497.24**

**Acceptance of Proposal:** The above costs, specifications, term and conditions are satisfactory and hereby accepted.

Accepted by: \_\_\_\_\_ Date: \_\_\_\_\_

**Jeff Purvis**  
**Purvis General Contracting**

**09/20/2022**

# **Purvis General Contracting**

**Fully Licensed & Insured**

**125 St. Johns Rd.**

**Frankfort, Kentucky 40601**

**Ph.: Office-[502] 875-8939**

**Cell- [502] 803-5372**

**Submitted to:** Century Investments  
C/o Arvin Law Rentals  
108 West Maple St.  
Nicholasville, Kentucky 40356

**11/01/2022**

**Job Name:** Ky. Dept. of Agriculture  
PR-4505  
107 Corporate Dr.  
Frankfort, Kentucky 40601

**RE: "Add-on" to original quote for renovations**

Request for price on adding 4 new windows to the back wall of Building 107 2<sup>nd</sup> floor new office renovation. The windows were left off of the original plans. The details are as follows:

- 1] Provide and install 4 ea. 3'0"x 3'0" Aluminum frame commercial grade double pane insulated gray tint windows to match existing
- 2] cut openings thru metal wall in locations designated by revised plans
- 3] frame out an finish inside and outside as necessary including all exterior flashing and drip rails

**We propose to hereby furnish materials and labor to complete this work in accordance with the above specifications for the sum of Eight Thousand Eight Hundred Sixty-Five Dollars \$8,865.00.**

**Note:** This proposal may be withdrawn by us if not accepted within 30 days. Any alteration or deviation from the above specifications involving extra costs will be done only upon a written change order. The costs will become an extra charge over and above the estimate. All work to be completed in a workmanlike manner according to standard practices. Due to current supply chain environments if this proposal is not accepted in the 30 day time frame it may not be possible to hold certain costs at their current levels. Invoices will be forwarded to the owner for payment. A material draw will be required upon acceptance of the proposal and the balance due upon completion of the work and final inspection of such, unless other agreement has been determined between the contractor and the contractor.

**Acceptance of Proposal:** The above costs, terms, and conditions are satisfactory and hereby accepted.

Accepted by: \_\_\_\_\_ Date: \_\_\_\_\_

**Jeff Purvis**  
**Purvis General Contracting**

**10/01/2022**



**Andy Beshear**  
GOVERNOR

**FINANCE AND ADMINISTRATION CABINET  
DEPARTMENT FOR FACILITIES AND SUPPORT SERVICES  
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**Holly M. Johnson**  
SECRETARY

**Sam Ruth**  
COMMISSIONER

**Scott Aubrey**  
DIRECTOR

MEMORANDUM

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

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

**DATE:** February 7, 2023

**SUBJECT:** PR-5363, Franklin County  
Department of Agriculture

As outlined, attached please find notification of a lease modification reflecting an increase in the area under lease and an amortization of monies that is being processed by the Leased Properties Branch:

PR-5363, Franklin County

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

BSH/bh  
Attachment

Cc: Capital Construction Log  
OSBD  
PR-5363 File  
BSH

**REPORT TO CAPITAL PROJECTS AND BOND OVERSIGHT COMMITTEE  
LEASE MODIFICATION EXCEEDING 50,000  
LEASE MODIFICATION AMORTIZATION**

Date Posted in 30-Day Register: <b>February 7, 2023</b>	
Lease No.: <b>PR-5363</b>	County: <b>Franklin</b>
Using Agency: <b>Department of Agriculture</b>	
Lessor (identify all parties having 5% or more ownership): Attached extra sheet if necessary	<b>Century Investment Group LLC</b>
Property Location: <b>105 Corporate Drive, Suite A, Frankfort, KY, 40601</b>	
<b>Existing Rental Terms</b>	
Type Space: <b>Office</b>	Square Feet: <b>4,722</b>
Annual Payment: <b>\$49,581.00</b>	Contract Expiration: <b>June 30, 2027</b>
<b>Modified Rental Terms</b>	
Type Space: <b>Office</b>	Square Feet: <b>6,854</b>
Annual Payment: <b>\$71,967.00</b>	New Contract Expiration: <b>June 30, 2030</b>
Total Cost to be Amortized: <b>\$159,311.77</b>	
Projected Period of Amortization – Effective: <b>TBD Through June 30, 2030</b>	
Reason for Modification (see attached approval memo and modification): <b>Please see attached.</b>	
Estimate Details (see attached copies):	
<ul style="list-style-type: none"> <li>(1) \$159,311.77 from Warnick Construction</li> <li>(2) \$164,365.49 from Purvis General Contracting</li> </ul>	

# COMMONWEALTH OF KENTUCKY LEASE MODIFICATION AGREEMENT

<b>LESSOR</b>	Century Investment Group LLC	<b>PR NUMBER, COUNTY</b>	PR-5363, Franklin County
<b>ADDRESS</b>	108 West Maple Street Nicholasville KY 40356-1238	<b>VENDOR NUMBER</b>	KY0025038
		<b>AGENCY/DEPARTMENT</b>	Department of Agriculture
		<b>DIVISION</b>	
		<b>DATE</b>	February 7, 2023
		<b>BUILDING CODE</b>	90960001

1. Lease Agreement number PR-5363, Franklin County, dated August 1, 2019, is hereby modified as set forth in Paragraph Two.
2. This Lease is modified as follows:
  1. To provide for an increase of 2,132 square feet in the area under lease; from 4,722 square feet to 6,854 square feet, and to provide for the associated increase of \$22,386.00 in the annual rental cost; from \$49,581.00 to \$71,967.00.
  2. To amortize the \$159,311.77 cost for the requested improvements per estimate submitted by Warnick Construction (copy attached and incorporated herein by reference).
  3. To add three (3) automatic extension periods, at the same terms and conditions, resulting in a new lease expiration date of June 30, 2030.
  4. The effective date for both items defined herein shall be established by signature of the Director, Division of Real Properties, upon the modification once verification is received that all renovations have been satisfactorily completed. The provisions of item one (1) shall be effective as defined in this item, the amortization defined in item two (2) shall be effective the first day of the month following the effective date established for this modification unless that date is the first day of a month in which case both item one (1) and two (2) shall be effective concurrently. The amortization period will extend through the extend lease expiration date of June 30, 2030 in accordance with the provisions of KRS 56.813(2).
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\_\_\_\_



**FINANCE AND ADMINISTRATION CABINET  
DEPARTMENT FOR FACILITIES AND SUPPORT SERVICES  
DIVISION OF REAL PROPERTIES**

**Andy Beshear**  
GOVERNOR

**Holly M. Johnson**  
SECRETARY


Bush Building, 3<sup>rd</sup> Floor  
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Phone: (502) 564-2205  
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**Sam Ruth**  
COMMISSIONER

**Scott Aubrey**  
DIRECTOR

MEMORANDUM

**TO:** Scott Aubrey, Director  
Division of Real Properties

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

**DATE:** February 7, 2023

**SUBJECT:** PR-5363, Franklin County  
Department of Agriculture

The Department of Agriculture presently occupies 4,722 square feet of office space leased at a rental rate of \$10.50 per square foot (PR-5363, Franklin County - \$49,581.00 annually) and 2,132 square feet of warehouse space leased at a rental rate of \$3.25 per square foot (PR-5433, Franklin County - \$6,929.00 annually), with terms expiring June 30, 2027 and June 30, 2023 respectively. The Department recently submitted a request obtain supplemental office space to accommodate additional staff associated with the Office of the Commissioner. In accordance with applicable provisions of KRS 56.813(1) and KRS 56.813(2) the lessor consented to the proposed increase in the area under lease for the subject lease with the understanding that the warehouse lease (PR-5433, Franklin County) would be terminated. The lessor requested that the Department absorb 100 percent of the associated renovation costs for construction of the additional office space and initially offered a term extension through June 30, 2028. Two estimates for renovations in the supplemental office space (i.e., structural, HVAC, lighting, sprinkler, electrical changes, carpentry, windows etc.) were provided as follows: \$159,311.77 from Warnick Construction and \$164,365.49 from Purvis General Contracting. Further negotiations with the lessor (i.e., cost sharing for renovation expenses and term extensions) and Department produced a revised proposal to extend the lease term through the maximum permitted under KRS 56.806(1) with the Department retaining 100 percent of the renovation expenses.

The attached lease modification therefore provides for an increase of 2,132 square feet in the office area under lease; from 4,722 square feet to 6,854 square feet, and for the associated increase of \$22,386.00 in the annual rental cost; from \$49,581.00 to \$71,967. The modification further provides for the amortization of \$159,311.77 in renovation expenses amortized over the extended lease term described herein, and for the addition of three (3) automatic extension periods resulting in the negotiated lease expiration date of June 20, 2030. Projections based on seven years for the amortization indicate that the proposed action would add approximately \$3.32 per square foot to the effective rental rate over the extended term. Capital Projects and Bond Oversight Committee reporting for the proposed action is required prior to execution in accordance with applicable provisions of KRS 56.823(11), and your approval of same is recommended to resolve the request for supplemental office space from the Department of Agriculture.

Should you have questions or require additional information, please advise.

BSH/br

APPROVED:   
Scott Aubrey, Director

# Mark W. Warnick

DBA Warnick Construction  
General Contracting and Home Remodeling  
480 O'nan's Bend Rd.  
Frankfort, Kentucky 40601

## Proposal

September 19, 2022

Century Investment Group  
c/o Arvin Law Rentals  
108 West Maple Street  
Nicholasville, Kentucky 40356

Re: Ky Dept of Agriculture  
107 Corporate Dr.  
Frankfort, Ky. 40601  
PR-5363 [requested renovations]

We have been asked to provide a cost estimate to construct and finish new offices in the warehouse area adjacent the Commissioner of Agriculture's suites. We will furnish all necessary subcontractors and they their respective labor, and materials to complete this project as per plan. This includes the following:

All necessary electrical and lighting, steel 35/8" stud framing, 5/8 firecode drywall hung and finished, ceiling grids and 2'0"x4'0" tiles to match existing offices, R-38 insulation above ceiling tiles as per specifications. Includes all painting of walls 3 coats 1 primer 2 finish in a washable latex paint. Doors will be stained and 3 coats polyurethane to match existing, frames will be 3 coats-1 primer and 2 finish in semi-gloss enamel. All will match existing offices. Install carpet, 28 oz. commercial grade and luxury floor tile as per plan and includes vinyl cove base to match existing. Install all necessary HVAC to meet the square footage of the new offices and space. The file room will have a suspended drywall ceiling to meet smoke tight code requirements for file rooms. Surface mount lighting to be installed in file room as well as a door closer installed on the entry door and strobe and horn fire protection. We will be replacing 6 of the lower glass units and 2 of the large upper units on the front of the space as they are completely fogged up. We will install 9 commercial grade metal knock down door frames and 9-3'0"x 6'8" solid core birch commercial grade doors with commercial office locks with lever handles. We will remove the existing 12'0"x 12'0"



overhead garage door, frame in opening with a window to match an existing one on commissioner's space as well as cutting an additional opening and installing same window for a total of 2. The exterior of the garage door opening will be covered with an exterior grade cement paneling to match existing commissioner's space and flashed in a manner to prevent water penetration. Vertical curtain blinds will be provided and installed on windows in the 2 front offices. Alarm system added to meet code requirements. Sprinkler system modified to accommodate the offices and code requirements. Any other required demolitions i.e. create opening into existing break room as per plan. Upon completion all windows will be cleaned. All new luxury floor tile will be waxed 3 coats and all new carpet vacuumed. Necessary building permit will be obtained. A dumpster will be provided on site for all trash and debris. A portable restroom will be provided on site for the workers. Fees for dumpster and portable restroom split between this project and PR-4505 project.

We propose to complete the above mentioned project for the sum of **One Hundred Fifty-Nine Thousand Three Hundred Eleven Dollars and Sixty-Eight Cents** [\$159,311.77].

**The following is a breakdown of the individual subcontractors quotes:**

Electrical [MGM Electric]:	\$ 28,600.00
Framing, Drywall, Ceiling grids and Insulation [American Drywall]:	\$ 24,625.00
Painting [Bobby Moore Painting]:	\$ 9,200.00
Carpet & Tile [Comley's Carpet]:	\$ 9,905.04
HVAC [Cecil's HVAC]:	\$ 26,750.00
Sprinkler System [Brown's Sprinkler]:	\$ 13,404.00
Alarm Systems [Allied Communications]:	\$ 1,167.24
Glass replacement [Allison Glass]:	\$ 5,287.58
Doors, Frames, Garage door removal, window installation and exterior wall installation, vertical blinds and install, all necessary demolition [Warnick Construction]:	\$ 15,530.61
Dumpster fee split between PR-4505 and this project [Republic]:	\$ 1,525.00
Bldg permit: <b>** estimated</b>	\$ 450.00
Cleaning and waxing [Power Cleaning Services]	\$ 1,600.00
Portable Restroom [1 ea.] split between PR-4505 and this project:	\$ 487.50
Subtotal:	\$ 138,531.97
<b>General Contractors Fee:</b>	<b>x .15 [15%]: \$ 20,779.80</b>
<b>Grand Total:</b>	<b>\$159,311.77</b>

**\*\* All invoices will be submitted to Century Investment Group c/o Arvin Law Rentals for payment. Subcontractors will require material draws. Balances only upon completion unless otherwise approved.**

**\*\*This proposal may be withdrawn if not accepted**

within 30 days. Any work not specified above will be done on a T&M basis or on signed and written agreement between the Owner/Agency and the General Contractor or Subcontractor or an authorized representative thereof.

Accepted by: \_\_\_\_\_ Date: \_\_\_\_\_

**Mark W. Warnick**

Date: 09/19/2022

# Purvis General Contracting

Fully Licensed & Insured

125 St. John Rd.

Frankfort, Kentucky 40601

Ph.: Office- [502] 875-8939

Cell- [502] 803-5273

**Submitted to:** Century Investments  
c/o Arvin Law Rentals  
108 West Maple St.  
Nicholasville, Kentucky 40356

**09/20/2022**

**Job Name:** Ky. Dept. of Agriculture  
PR-5363  
105 Corporate Dr.  
Frankfort, Ky. 40601

**RE: Renovations to 2132 sq. ft. existing warehouse space as follows:**

Offices and file room: all 3 5/8" steel stud construction w/5/8" FC drywall on new walls  
All necessary wiring with devices and 2'x 4' LED lighting as per plan

New 5 ton HVAC system complete with supply and return ducts and vents

New luxury vinyl floor tile and 28 oz. commercial grade carpet to match existing as per plan

New ceiling @ 9'0" w/2'x 4' USG Radar tiles to match existing

New R-38 unfaced insulation installed above ceiling tiles

Remove existing 12'x 12' overhead garage door, frame and close in using HARDI-board exterior 4'x 8' siding. Install 4'x 4' picture window in same wall. Also cut out opening and install 2<sup>nd</sup> window where indicated on plans.

Paint all walls 3 coats scrubable latex paint to match existing-1 coat primer, 2 coats finish

Paint all door frames enamel and stain and polyurethane doors to match existing

Install new vertical blinds [floor length] in front 2 offices

Install 9 commercial solid core 3'0"x 6'8" birch doors with commercial steel "knock down" jambs and commercial grade lever locks to match existing

New File Room to have suspended drywall ceiling and closer installed on door to meet code requirements for "smoke tight".

Create new pass-thru in existing wall into existing break room as per plan

Fire alarm additions as per code

Clean and wax all new floor tile, vacuum all carpets and clean windows to complete Project.

New store front glass to be installed on front of space due to seal failures -6 smaller lower units and 2 larger upper units

Dumpster will be provided on site for trash and debris from project as well as a "Porta-Potty" restroom for construction workers

Fire suppression system to be re-worked to code for the new area

**\*\*\* WE have obtained quotes from subcontractors that do regular maintenance and work on the complex for some of the phases of the project as they will be the ones maintaining after project is complete and they are familiar with the facilities ; i.e. Brown Sprinkler, Allied Communications, and Cecil's HVAC. All other work will be performed by Purvis General Contracting or subs who do work for us on a regular basis.**

We propose to hereby furnish materials, labor and Subcontractors to complete in accordance with the above specifications, for the sum of: One hundred sixty four thousand three hundred sixty-five dollars and forty-nine cents [\$ 164,365.49].

**Note:** This proposal may be withdrawn by us if not accepted within 30 days.

Any Alteration or deviation from the above specifications involving extra costs will be done only upon a written change order. The costs will become an extra charge over and above the estimate. All work to be completed in a workmanlike manner according to standard practices. Due to current supply chain environments if this proposal is not accepted in the 30 day time frame it may not be possible to hold certain material costs at their current levels.

All invoices from contractors forwarded to the owner for payment.

Contractors will submit invoices for material draws once their respective supplies and materials are on site. Balances will be do upon completion of their work and their final inspections, unless other agreement has been determined between owner and the respective contractor.

**Itemized Costs:**

1) Steel stud framing, drywall and finish, ceiling grids and tiles, insulation in ceilings and walls where necessary. Doors, frames, and locksets. All demolition as necessary. Frame in garage door and finish exterior and install 2 windows as per plan. Provide and install vertical blinds in front office. Wax floor tile, vacuum and clean windows.....	\$ 43,845.00
2) All necessary electrical wiring, devices, emergency and exit lighting, 2'x 4' LED office lighting.....	\$ 28,925.00
3) Sprinkler system.....	\$ 12,504.00
4) Carpet & luxury floor tile.....	\$ 10,730.00
5) Painting.....	\$ 9,100.00
6) HVAC.....	\$ 26,500.00
7) Alarm Systems.....	\$ 1,192.24
8) Dumpster fees for 3 months.....	\$ 2,750.00
9) Porta-Potty for 3 months.....	\$ 975.00
10) Estimated Building permit fec.....	\$ 450.00

**TOTAL.....: \$ 136971.24**

**G.C./ OVERSEEING FEES.....x.20: \$ 27,394.25**

**GRAND TOTAL.....: \$ 164,365.49**

**Acceptance of Proposal:** The above costs, specifications and conditions are satisfactory and hereby accepted.

Accepted by: \_\_\_\_\_ Date: \_\_\_\_\_

**Jeff Purvis**  
**Purvis General Contracting**

**09/20/2022**