



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

Andy Beshear
GOVERNOR

Holly M. Johnson
SECRETARY

Sam Ruth
COMMISSIONER

Scott Aubrey
DIRECTOR

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

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: May 17, 2023

SUBJECT: PR-4849, Clark County
Cabinet for Health & Family Services
Annual Rental Exceeding \$100,000.00

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

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

BSH/bh
Attachment

CC: Capital Construction Log
OSBD
PR-4849 File
BSH

REPORT TO CAPITAL PROJECTS AND BOND OVERSIGHT COMMITTEE

LEASE RENEWAL WITH ANNUAL RENTAL EXCEEDING \$100,000.00

Lease No.: PR-4849	County: Clark	
Using Agency: Cabinet for Health & Family Services		
LESSOR (identify all parties having 5% or more ownership): Attached extra sheet if necessary	August Properties LLC	
Property Location: 1113 Pioneer Plaza, Winchester, KY, 40391		
Check One: <input type="checkbox"/> New Lease <input checked="" type="checkbox"/> Renewal <input type="checkbox"/> Modification		
Type Space: Office	Cost Per Square Foot: \$10.00	
Annual Rental Cost: \$109,460.00	Average Cost Per Square Foot of Leased-In Space in County: \$10.00	
Utilities Included: <input type="checkbox"/> Yes <input checked="" 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 1, 2023	Expiration Date: June 30, 2024	
Justification for Lease: Lease renewal		
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: Lease renewal		

COMMONWEALTH OF KENTUCKY LEASE RENEWAL AGREEMENT

1. Subject to the limitations imposed by law and the terms set forth in the original Lease Agreement, and as designated below by signature of the parties (or their representatives), the following described Lease Agreement by and between **HEALTH AND FAMILY SERVICES and AUGUST PROPERTIES, LLC** 100 MARY LYNN DRIVE, SUITE 16 GEORGETOWN, KY 40324 by mutual agreement, is hereby renewed at the same terms and conditions for further periods of twelve (12) months not to extend beyond June 30 (please check and initial your choice on the appropriate line):

change of Address

<input checked="" type="checkbox"/>	2024	<input type="checkbox"/>	2025	<input type="checkbox"/>	2026	<input type="checkbox"/>	2027
<input type="checkbox"/>	2028	<input type="checkbox"/>	2029	<input type="checkbox"/>	2030	<input type="checkbox"/>	2031

The annual base rental rate shall remain \$10.00 per square foot for 10,946 square feet for office space.

LEASE NUMBER: PR04849	LOCATION: 1113 PIONEER PLAZA WINCHESTER, KY 40392
COUNTY: CLARK	
ADDENDUM ATTACHED: NO (Lessor must sign Addendum if attached)	

- The Lessor agrees to notify the Commonwealth of all persons owning, or upon any change or transfer of ownership involving five percent (5%) or more in stock, in partnership, in business trust, or in corporation, including silent or limited partners. Non-compliance may result in termination of the Lease Agreement.
- The Lessor acknowledges that his property may be inspected by the Division of Building Codes Enforcement and/or the State Fire Marshal and must comply with all applicable standards (life safety and ADA accessibility).
- The contractor, as defined in KRS 45A.030 (9) agrees that the contracting agency, the Finance and Administration Cabinet, the Auditor of Public Accounts, and the Legislative Research Commission, or their duly authorized representatives, shall have access to any books, documents, papers, records, or other evidence, which are directly pertinent to this contract for the purpose of financial audit or program review. Records and other prequalification information confidentially disclosed as part of the bid process shall not be deemed as directly pertinent to the contract and shall be exempt from disclosure as provided in KRS 61.878(1)(c). The contractor also recognizes that any books, documents, papers, records, or other evidence, received during a financial audit or program review shall be subject to the Kentucky Open Records Act, KRS 61.870 to 61.884. In the event of a dispute between the contractor and the contracting agency, Attorney General, or the Auditor of Public Accounts over documents that are eligible for production and review, the Finance and Administration Cabinet shall review the dispute and issue a determination, in accordance with Secretary's Order 11-004.
- 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.

Annual Amount \$109,460.00

Mark K Snow
LESSOR

859-619-7253
LESSOR'S CURRENT PHONE NUMBER

Commonwealth of Kentucky - LEASING AGENCY REPRESENTATIVE

2065 TALMAGE-MAYO ROAD
NEW ADDRESS Only if the above address is incorrect

ATTORNEY, FINANCE & ADMINISTRATION CABINET

HARRISBURG, KY 40330

SECRETARY, FINANCE & ADMINISTRATION CABINET

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 502/564-2319. BSH/jlb



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: May 31, 2023

SUBJECT: PR-5725, Floyd County
Office of the Attorney General

As outlined, attached please find notification of a lease modification (Exceeds \$50,000) reflecting amortization of monies that is being processed by the Leased Properties Branch:

PR-5725, Floyd County

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

BSH/BGR/br
Attachment

Cc: Capital Construction Log
OSBD
PR-5725 File
BSH

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

Date Posted in 30-Day Register: May 31, 2023	
Lease No.: PR-5725	County: Floyd
Using Agency: Office of the Attorney General	
Lessor (identify all parties having 5% or more ownership): Attached extra sheet if necessary	Floyd County Fiscal Court
Property Location: 361 North Lake Drive, Prestonsburg KY 41653	
Existing Rental Terms	
Type Space: Office	Square Feet: 1,413
Annual Payment: \$13,027.88	Contract Expiration: June 30, 2025
Modified Rental Terms	
Type Space: Office	Square Feet: 1, 413
Annual Payment: \$13,027.88	New Contract Expiration: June 30, 2025
Total Cost to be Amortized: \$55,080.40	
Projected Period of Amortization – Effective: TBD Through June 30, 2025	
Reason for Modification (see attached approval memo and modification): Please see attached.	
Estimate Details (see attached copies):	
<ul style="list-style-type: none"> (1) \$ 55,080.40 from Sloan’s Plumbing LLC (2) \$65,280.40 from the Plumbing Guys LLC (3) \$80.40 from Floyd County Chronicle & Times 	

COMMONWEALTH OF KENTUCKY LEASE MODIFICATION AGREEMENT

LESSOR	FLOYD COUNTY FISCAL COURT
ADDRESS	149 South Central Avenue, Prestonsburg KY 41653

PR NUMBER, COUNTY	PR-5725, FLOYD COUNTY
VENDOR NUMBER	KY0033845
AGENCY/DEPARTMENT	Office of the Attorney General
DATE	May 24, 2023
BUILDING CODE #	91865001

1. Lease Agreement number **PR-5725**, dated **April 1, 2023**, is hereby modified as set forth in Paragraph 2.
2. This Lease is modified as follows:
 1. To amortize the **\$55,080.40** cost for leasehold improvements per attached estimate from Sloan's Plumbing LLC and Floyd County Chronicle & Times, same attached and incorporated herein by reference.
 2. The amortization effective date will be established by signature of the Director, Division of Real Properties, upon this modification once verification has been received from the using agency that all renovations have been satisfactorily completed and will extend through the lease expiration date **June 30, 2025**. The effective date for the amortization shall be defined as the first day of the month following the effective date defined below unless the effective date established thereby is the first day of a month.
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, 3rd Floor
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Frankfort, Kentucky 40601
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Fax: (502) 564-8108

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 *BS*
Division of Real Properties

DATE: May 24, 2023

SUBJECT: PR-5725, Floyd County
Office of the Attorney General

The Office of the Attorney currently occupies 1,413 square feet of space, leased at a rental rate of \$9.22 per square foot (\$13,027.88 annually), with a term expiring June 30, 2025. The agency recently submitted a request for the following leasehold improvements.

1. Upgrade the two restrooms with new flooring, one sink and one toilet per restroom.
2. Replace the existing flooring with vinyl composition tile in all rooms/offices except the closet and voice data room.
3. Replace the two existing side exterior double doors with new metal doors with metal frames.
4. Replace the existing lighting in the office area with LED lighting.

In accordance with KRS 56.813(2) two estimates were obtained for the proposed improvements as follows: \$55,000.00 from Sloan's Plumbing LLC and \$65,200.00 from the Plumbing Guys LLC; and the Floyd County Fiscal Court requested that we pay the \$80.40 advertisement fee for placement of the bid notice in the Floyd County local newspaper. The Office of the Attorney General has recommended acceptance of the low estimate of \$55,000.00 from Sloan's Plumbing LLC and has agreed to pay the advertisement cost. The attached modification therefore provides for the amortization of \$55,080.40 in improvement and advertisement expenses beginning on a date to be determined and ending June 30, 2025. Capital Projects and Bond Oversight Committee reporting is required in accordance with applicable provisions of KRS 56.823(11). Your approval of the attached modification is recommended to accomplish the aforementioned leasehold improvements as requested by the Office of the Attorney General.

Should you require additional information, please advise.

BSH/BGR/br
Attachment

APPROVED: *Scott Aubrey*
Scott Aubrey, Director



Floyd County Chronicle & Times

PO BOX 390
PRESTONSBURG, KY 41653
606-886-8506

ADVERTISING INVOICE

Floyd County Fiscal Court
149 South Arnold Avenue, Suite 9
Prestonsburg, KY 41653

BILLING DATE: 4/17/2023
ACCOUNT NO: #511129

Pg 1

DATE	Description	BILLED UNITS	RATE	Total
4/19	Bid Notice AG OFFICE	6	13.40	\$80.40
	PO#30312 Vicki Spencer			
Balance Due				\$80.40

RETURN THIS PORTION WITH YOUR PAYMENT

REMIT TO:
Appalachian News-Express
PO Box 390
Prestonsburg KY 41653

Acct. Floyd Co, Fiscal Court
Billed Acct No: 511129
Amount Due: \$ 80.40

Sloan's Plumbing LLC
300 S Cardinal Dr
Prestonsburg, KY 41653
(606) 424-1472
slnwill@yahoo.com

Estimate

ADDRESS

Floyd County Fiscal Court
149 South Central Avenue
Prestonsburg, Ky 41653

ESTIMATE # 1157

DATE 04/26/2023

ACTIVITY	AMOUNT
Services	46,500.00
Remodel bathrooms; Replace fixtures/sheetrock walls; Install new exit lights; Install new flooring in whole building; Repaired lighting throughout building	
Commercial remodeling	8,500.00
Install new metal doors on set on each side of building with metal frames	
<hr/>	
TOTAL	\$55,000.00

Accepted By

Accepted Date

INVOICE

The Plumbing Guys LLC
1188 South Highland Ave
Unit 1
Prestonsburg KY 41653

theplumbingguysllc@gmail.com
+1 (659) 558-7656



Floyd Count Fiscal Court

Bill to
Floyd Count Fiscal Court

Invoice details
Invoice date: 04/28/2023

Product or service	Amount
1. Services	
Remodel building according to spec sheet	\$85,200.00
	Subtotal
	\$85,200.00
	Total
	\$85,200.00

Ways to pay



Note to customer

Thank you for your business.



Andy Beshear
GOVERNOR

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

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

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

DATE: June 7, 2023

SUBJECT: PR-5740, Woodford County
Cabinet for Health & Family Services

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-5740, Woodford County

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

BSH/bh
Attachment

Cc: Capital Construction Log
OSBD
PR-5740 File
BSH

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

Date Posted in 30-Day Register: June 7, 2023	
Lease No.: PR-5740	County: Woodford
Using Agency: Cabinet for Health & Family Services	
Lessor (identify all parties having 5% or more ownership): Attached extra sheet if necessary	JPG Financial, LLC
Property Location: 50 Thomas Lane, Versailles KY 40383	
Existing Rental Terms	
Type Space: Office	Square Feet: 1,005
Annual Payment: \$15,426.72	Contract Expiration: June 30, 2025
Modified Rental Terms	
Type Space: Office	Square Feet: 3,527
Annual Payment: \$54,139.44	New Contract Expiration: June 30, 2031
Total Cost to be Amortized: \$140,252.95	
Projected Period of Amortization – Effective: TBD Through June 30, 2031	
Reason for Modification (see attached approval memo and modification): Please see attached.	
Estimate Details (see attached copies):	
<ol style="list-style-type: none"> 1. \$140,252.95 from JPG Rental & Storage 	

COMMONWEALTH OF KENTUCKY LEASE MODIFICATION AGREEMENT

LESSOR	JPG Financial, LLC	PR NUMBER, COUNTY	PR-5740, Woodford County
	ADDRESS 50 Thomas Lane Versailles KY 40383	VENDOR NUMBER	KY0042704
AGENCY/DEPARTMENT		Cabinet for Health & Family Services	
DIVISION			
DATE		June 7, 2023	
BUILDING CODE		91581001	

1. Lease Agreement number PR-5740, Woodford County, dated July 1, 2022 is hereby modified as set forth in Paragraph Two.
2. This Lease is modified as follows:
 - 1) To provide for an increase in the area under lease; from 1,005 square feet to 3,527 square feet; and for the associated increase of \$38,712.72 in annual rental cost; from \$15,426.72 to \$54,139.44.
 - 2) To add six (6) automatic extension periods, at the modified terms and conditions reflected herein, resulting in a new lease expiration date of June 30, 2031.
 - 3) To amortize \$140,252.95 in renovation costs per estimate submitted by JPG Rental & Storage (copy attached and incorporated herein by reference).
 - 4) The effective date will be established by signature of the Director, Division of Real Properties, once verification has been received from the using agency that all renovations have been satisfactorily completed, and all requirement of the Division of Building Codes Enforcement have been met.
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 Date

SECRETARY, FINANCE & ADMINISTRATION CABINET Date

APPROVED THIS _____ DAY OF _____, 20____



**JPG Rental
& Storage**

April 7, 2023

Mr. Brien Hoover
Finance Administration Cabinet
Division of Real Properties
Frankfort, KY 40601

RE: Fit up / 60 Thomas Lane
 Woodford County, Cabinet for Health & Family Services

Brien,

Fit-up costs per plans for 60 Thomas Lane total \$140, 253. This may be amortized monthly over the course of the 4-year lease.

Sincerely,


Joe Gay
859-420-8776

Detailed Breakout: Fit-up 60 Thomas Lane, Versailles
Demo and renovate space to accommodate requirements:

Demo	\$ 4,850.00
Drywall	\$ 18,400.00
Flooring and Base	\$ 22,350.00
Painting	\$ 15,400.00
Electrical/Wiring	\$ 16,434.00
Fixtures	\$ 3,981.00
HVAC	\$ 9,200.00
Specialty Front Door Hardware	\$ 4,000.00
Plumbing	\$ 8,200.00
Framing	\$ 11,200.00
Cleanup, Waste Fees	\$ 5,200.00
Profit and Overhead (15%)	\$ 21,037.95
Project Total	\$ 140,252.95



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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: June 7, 2023

SUBJECT: PR-5740, Woodford County
Cabinet for Health & Family Services

The Cabinet for Health & Family Services currently occupies 1,005 square feet of space, leased at a rental rate of \$15.35 per square foot (\$15,426.72 annually) excluding utilities and janitorial services, with a term expiring June 30, 2025. The space was obtained via applicable provisions of KRS 56.813(1) to provide temporary operations space that would allow the Cabinet to promptly vacate space previously leased under PR-4404, Woodford County. The former facility was vacated due to continuing water intrusion events (and associated IAQ concerns) that were not being properly resolved by the former lessor. The regular request for replacement space for the Cabinet's Woodford County operations indicated a need for approximately 3,192 square feet of space. Pursuant to KRS 56.813(1), and subsequent to review of plans and specifications for a proposed expansion within the current facility, the lessor has agreed to lease the supplemental space at terms that exceed those applied to the existing lease agreement. Specifically, they have agreed to extend the proposed lease term to the maximum allowable under KRS 56.806 as opposed to the current expiration date of June 30, 2025. The lessor requested that the Cabinet absorb 100 percent of the associated renovation costs for construction of the additional office space and initially requested an amortization period not to exceed four years. One estimate for renovations in the additional office space (i.e., structural, HVAC, lighting, sprinkler, electrical changes, etc.) was provided from JPG Rental & Storage at \$140,252.95 from JPG Rental & Storage. We were unable to gain the lessors consent for cost sharing on the renovation expenses but did secure consent for the extended lease term and resulting amortization period.

The attached lease modification therefore provides for an increase of 2,522 square feet in the area under lease; from 1,005 to 3,527 square feet, and the corresponding increase of \$38,712.72 in the annual rent; from \$15,426.72 to \$54,139.44. The modification further provides for the addition of six automatic extension periods, resulting in a new expiration date of June 30, 2031, and for amortization of \$140,252.95 in renovation expenses as described above. Projections based on an estimated amortization period of ninety-three months indicate that regular annual amortization costs would be approximately \$18,097.20. 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 the attached modification is recommended to resolve the request for supplemental office space from the Cabinet for Health and Family Services.

Should you require additional information, please advise.

JSA/B\$H/bh
Attachment

APPROVED:



Scott Aubrey, Director

