

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

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

Fax: (502) 564-8108

Holly M. Johnson

SECRETARY

Sam Ruth COMMISSIONER

Natalie W. Brawner

DIRECTOR

MEMORANDUM

TO: Katherine Halloran, Committee Staff Administrator

Capital Projects and Bond Oversight Committee

Natalie W. Brawner, Director Division of Real Properties FROM:

DATE: November 13, 2024

SUBJECT: PR-5800, Harlan County

Cabinet for Health & Family Services Annual Rental Exceeding \$100,000.00

Pursuant to KRS 56.823 (2), attached please find notification of a lease agreement being processed by the Leased Properties Branch.

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

TWD/td Attachment

CC: Capital Construction Log

OSBD

PR-5800 File

NWB



REPORT TO CAPITAL PROJECTS AND BOND OVERSIGHT COMMITTEE

LEASE WITH ANNUAL RENTAL EXCEEDING \$100,000.00

Lease No.: PR-5800		County: Ha	arlan	
Using Agency: Cabinet for Health & Family	Servi	ces		
Lessor (identify all parties having 5% or more ownership): Attached extra sheet if necessary	Otis J	fackson	•	
Property Location: 416 Main Street Harlan, KY				
Check One: New Lease Renewal	1	Modification	on	
Type Space: Office			quare Foot: \$24.00	
Annual Rental Cost: \$265,632		Average Cost Per Square Foot of Leased-In Space in County: \$10.51		
Utilities Included: Yes No				
Cancellation Clause:	30 Day	/S	☐ No If no, explain why not:	
Effective Date: To be determined		Expiration	Date: June 30, 2031	
Justification for Lease: Please see attached				
Has the Finance & Administration Cabinet co explain:	omplied	l with statuto	ory requirements: Yes No If no,	
Explain why the Finance & Administration C lease agreement): Please see attached	Cabinet	chose this	lessor (see attached approval memo and	

B217-5 (Rev. 9/03) COMMONWEALTH OF KENTUCKY LEASE AGREEMENT

LEASE/PR#	PR-5800 - Harlan County	AGENCY	Cabinet for Health & Family Services
INITIAL ENCUMBRANCE	\$	DIVISION	
ANNUAL ENCUMBRANCE	\$265,632	DATE	November 12, 2024
VENDOR CODE #		BUILDING CODE #	

THIS LEASE, entered into between: Otis Jackson, whose address is: 100 Blanton Drive Harlan, KY 40831 (Business Phone: 606-273-2904 his heirs and assigns, hereinafter called the "Lessor", and the COMMONWEALTH OF KENTUCKY, hereinafter referred to as the "Commonwealth":

WITNESSETH, that for the consideration hereinafter mentioned, the parties hereto agree as follows:

- 1a. The Lessor hereby leases to the Commonwealth and agrees to keep in quiet and peaceful possession the following described premises with its appurtenances; property located at 416 Main Street Harlan, KY, in the County of Harlan.
- 1b. Said premises consisting of <u>11,068</u> square feet are to be rented at the cost of <u>\$24.00</u> per square foot and will be used by the Commonwealth for office space.
- 2. The Commonwealth agrees to pay rent to the Lessor for the leased premises at the rate of **\$66,408.00**, payable **Quarterly**. The Lessor shall provide the Commonwealth with the following services: **None**; with **68** reserved parking spaces.
- 3. Subject to the limitations imposed by law and as provided in paragraphs 5 and 6 of this Lease, the term during which the Lease shall be effective shall begin **Per the addendum**, and end **June 30, 2031.**
- 4. This Lease shall be extended automatically upon the same terms and conditions herein for further periods of 12 months, not to exceed <u>7</u> extension period(s) unless the Commonwealth shall give the Lessor written notice <u>30</u> days prior to the expiration of the term or any extension that it will not be extended; no extension shall prolong the period of occupancy of the leased premises beyond the <u>30rd</u> day of <u>June, 2031</u>. The Lessor understands that the Commonwealth's funds cannot be committed beyond its current fiscal year and its applicable appropriation, and the related allotment from rental payments will be made.
- 5. The Commonwealth shall have the further right to terminate this Lease at any time upon <u>30</u> days written notice, time to be computed from date of mailing notice; termination under this paragraph shall not be considered effective until the last day of the month in which the notice period ends.
- 6. The Commonwealth agrees not to assign this Lease, or to sublet the premises except to a desirable tenant and for a similar purpose and will not permit the use of the premises by anyone other than the Commonwealth, the Federal Government, or such sub-lessee, and the agents and servants of the Commonwealth, the Federal Government, or such sub-lessee.
- 7. The Commonwealth shall have the right during the existence of this Lease to make alterations, attach fixtures and erect additional structures or signs in or upon the leased premises, provided such alterations, additions, structures or signs shall not be detrimental to or inconsistent with rights granted to other tenants on the property or in the building in which the premises are located. Fixtures, additions, structures or signs placed in or upon or attached to the premises shall remain the Commonwealth's property and may be removed by it prior to the termination of this Lease.
- 8. Unless otherwise specified, the Lessor shall maintain the premises in good repair and tenantable condition, including heating and/or air conditioning equipment, except in case of damage arising from the negligent acts of the Commonwealth's agents or employees. For the purpose of maintaining the premises and to make necessary repairs, the Lessor reserves the right to enter and inspect the premises at reasonable times.
- 9. The Commonwealth agrees to take good care of the premises and to return them at the expiration of their Lease in as good order as received, ordinary wear and tear and natural decay excepted.
- 10. The Lessor shall be responsible for procuring and continuously maintaining casualty and liability insurance on the leased premises
- 11. If the premises are destroyed by fire or other casualty, this Lease shall immediately terminate. In case of partial destruction or damage so as to render the premises untenantable, the Commonwealth may terminate or suspend this Lease by giving written notice to the Lessor within 15 days after such partial destruction or damage, and, if so suspended, no rent shall accrue to the Lessor after the date of such partial destruction or damage until such damage is repaired and premises are considered tenantable.
- 12. It is agreed by the parties hereto that if any one of the provisions of this Lease shall contravene or be invalid under the laws of the Commonwealth of Kentucky, such contravention or invalidity shall not invalidate the whole Lease, but it shall be construed as if not containing that particular provision or provisions, and the rights and obligations of the parties shall be construed accordingly.
- 13. The Lessor certifies by his signature hereinafter affixed that he ("he" is construed to mean "they" if more than one person in 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 Agreement he will not be in violation of the campaign finance laws of the Commonwealth.
- 14. The Lessor agrees to notify the Commonwealth of all persons owning or upon any change or transfer of ownership involving 5% or more in stock, in partnership, business trust, or corporation, including silent or limited partners. Non-compliance may result in termination of the Lease Agreement.
- 15. Lessor shall comply with all standards set by the Department of Housing, Buildings and Construction, Division of Building Codes Enforcement, and that of the Kentucky Occupational Safety and Health Standards Board and the Americans with Disabilities Act (ADA).
- 16. 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.

IN WITNESS WHEREOF, the parties hereto have subscribed their names:

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

ADDENDUM

The following items are to be considered a part of lease agreement PR-5800, Harlan County, dated November 12, 2024:

SECTION 1

- 7. The building shall meet all Kentucky building codes and accessibility specifications in accordance with ADA, as enforced by the Kentucky Department of Housing, Buildings and Construction. The Department may require a set of construction plans from the Lessor. The Lessor is required to submit a copy of these plans, if/as approved by the Department, to the Division of Real Properties. The Lessor shall be responsible for determining/complying with the requirements of the Department. Issues such as fire rated corridors, fire suppression systems (if applicable), HVAC installation, etc. are not addressed in the space planning information (i.e., floor plans and specifications) provided by the Division of Real Properties.
- 8. All facilities with a total leased square footage of 3,000 square feet or more shall be equipped with automatic fire suppression systems (sprinklers). The system shall be installed in accordance with all applicable provisions/requirements of the Department of Housing, Buildings, and Construction. NOTE: Access to an underground water main with a minimum diameter of six (6) inches is required for sprinkler systems serving spaces that exceed 3,000 square feet. The Lessor shall be responsible for installation and maintenance of the fire suppression system. The Commonwealth prepares floor plans based on the presence of a suppression system. Should the Lessor submit an exception to this requirement they shall be solely responsible for any expenses associated with additional requirements as determined by the Department.
- 9. Central heating and air conditioning (HVAC) shall be installed throughout. The HVAC system shall be installed in conformance with Kentucky building codes, as administered by the Kentucky Department of Housing, Buildings and Construction. The Lessor shall also install an adequate fresh air handling system in accordance with applicable ASHRAE Standards. Electronic thermostats with programmable functions shall be installed for new or existing HVAC systems. A standard locking cover shall be installed on the thermostat. The local supervisor, in conjunction with the Lessor, will determine appropriate settings (i.e.: daytime/evening temperature settings, set back timer settings as required by regular office hours, etc.) for each property. Central air units, heat pumps, etc. must be ENERGY STAR qualified where available. Alternative systems (e.g., geo-thermal, etc.) may be proposed at the discretion of the lessor but are subject to review and approval by the Division of Real Properties. The Lessor shall ensure that applicable HVAC systems are serviced (e.g., clean and check) not less than twice annually and filters shall be replaced not less than once per quarter. Documentation regarding annual servicing shall be provided to the Division of Real Properties.
- 10. The Lessor shall insulate exterior walls at a minimum R-13 or equivalent and the ceiling at a minimum R-38 or equivalent. Weather stripping and/or other suitable insulation shall be applied to all doors and windows and all other exterior of the leased space. This shall be inspected on an annual basis and repaired/replaced as necessary. Windows shall be installed or replaced with Low E/ENERGY STAR qualified windows. The lessor shall provide documentation identifying the type/rating of installed windows. The Lessor shall provide mini blinds for all windows.
- 11. Separate utility meters are needed if the using agency is to pay utilities, with service to be established in the name of the using agency. {Agencies that are billed directly by a local utility should contact the utility company to identify their agency as "tax exempt".} If a separate meter is not feasible, the Lessor shall bill the using agency on a pro-rated basis. If this method is used, the Lessor shall provide the using agency sufficient documentation to justify the percentage of the total bill to be charged to the using agency. {Agencies that receive utility invoices from the Lessor (based on the percentage of space occupied) should reimburse the Lessor for the full amount of the invoice including any applicable taxes}.
- 12. If a plenum ceiling is to be used, all wiring shall be housed in conduit, or plenum cable shall be used. The Lessor shall advise the Division of Real Properties as soon as possible when it is determined that plenum or a ducted ceiling is to be used. This will ensure that the agency's appointed electricians will be prepared with the right cabling. Failure to notify the Division of Real Properties of a plenum ceiling, prior to award of a lease, shall be considered grounds for termination of the lease.

SECTION 2

- 11. Floor-to-ceiling walls shall be constructed as indicated on the floor plan. Install acoustical insulation (R-11 or equivalent) or soundboard in interior walls if/where indicated on the floor plan. All walls shall be drywalled and painted or repainted a scrubbable neutral color latex enamel paint with either a satin or eggshell finish in conjunction with the floor covering replacement defined in item # 3 below. New walls require a primer coat (sprayed or rolled) and two finish coats (rolled). Existing walls require one finish coat (rolled) if same color is being used or two finish coats (rolled) if changing color or patching is required. The Lessor shall install a chair rail at a height of 32" from the floor in the reception area(s).
- 12. An acoustical tile ceiling shall be installed at a height of 9'.
- 13. Shelving shall be installed if/where shown on the floor plan.

- 14. Rest rooms must comply with ADA requirements and be furnished with hot and cold water, toilet tissue holders, soap dispensers, paper towel dispensers, and mirrors. Prior to installation, verify with the using agency the type of dispensers required for products currently on Commonwealth of Kentucky price contract. Water fountain(s) shall be installed as shown on the floor plan, or as approved by the Department of Housing, Buildings, & Construction.
- 15. Vinyl composition tile (VCT) shall be installed were indicated on the floor plan; luxury vinyl tile shall be installed throughout the remainder of the leased premises.
- 16. The Lessor shall provide a sink and counter in the break room, with cabinets above and below, if/as shown on the floor plan.
- 17. The Lessor shall provide in the janitorial closet, shelving at a height of 54" from the floor, and a built-in floor sink with drain at a height of 10" to 12" from the floor.
- 18. Water Sense labeled products shall be installed as applicable (i.e. restroom, breakroom fixtures, etc.). (See www3.epa.gov/watersense/index.html). Product information (e.g., maximum flow rates, gallons per flush, etc.) shall be provided to the Division of Real Properties prior to installation. Water heaters may be replaced with point of use/demand heaters where feasible and must be appropriately sized for restroom(s), break room(s), and offices or other spaces supplied with water. Water heaters may alternatively be replaced with ENERGY STAR certified water heaters. Upon completion of renovations or construction, the lessor must supply confirmation of the installation of certified/qualified products to the Division of Real Properties. This requirement may be waived for laboratory facilities subject to specific requirements of the tenant agency and approval from the Division of Real Properties.
- 19. The Lessor shall provide reserved parking for 68 agency staff and visitors, plus accessible space(s) as required by the Department of Housing, Buildings, & Construction. The parking lot shall be asphalted and striped with all spaces clearly marked and identified. All holes and other damage shall be repaired on a timely basis. All spaces shall be a minimum of 9' x 18' with the exception of ADA accessible spaces.
- 20. The Lessor shall be responsible for the maintenance and upkeep of the grounds surrounding the property, to include mowing/trimming grass and raking leaves. The Lessor shall also be responsible for maintenance and cleaning of the parking lot, including snow removal from the parking lot and snow & ice removal from the sidewalks.

SECTION 3 - Telephone/Computer Access/Electrical Fit Up

- 12. Adequate recessed fluorescent lighting shall be installed for office use, including telephone/storage rooms, with separate light switches for each room Light fixtures shall be installed (or all existing fixtures shall be replaced) with T-8 fixtures equipped with direct replacement LED lamps. Alternatively, fixtures may be replaced with LED Contemporary Architectural Troffers or equivalent fixtures. Alternate fixture types may be proposed by the lessor provided that adequate lighting levels are maintained for the proposed facility use and a similar level of efficiency can be documented. The lessor will be responsible for supplying/replacing lamps as required. Sufficient fixtures must be installed to provide adequate lighting levels for the application (e.g., office, storage, clinical/laboratory, etc.).
- 13. All exit and directional lights shall be the LED type.
- 14. Appropriate electrical and telephone outlets are to be installed where indicated on the floor plan. The Lessor shall also provide access to phone outlets by conduit. Electrical circuits in the electrical panel box shall be labeled and identified. Lessor shall install electrical surge protection for the main electric service.
- 15. The Lessor shall install a three-wire, 117-volt, 60 Hz single phase, 20 AMP dedicated 4-plex AC outlet in the wall located within 4' of the telephone system for each telephone system installed in building. **NOTE**: The third wire, or ground wire, in this circuit shall be connected to earth/ground. The Lessor shall install a 5/8", 4' x 8' sheet of plywood (painted black) on the wall in the telephone equipment room for each telephone system installed. If space permits, the plywood will be mounted horizontally.
- 16. The Lessor shall install an entrance conduit with pull string with a minimum diameter of 4", or other size as recommended by the local telephone service provider (the lessor shall contact the local telephone service provider to determine service entrance requirements and conduit size), through the foundation or building wall to facilitate the incoming telephone service cable to a predetermined telephone company "network access unit" (demarcation point) location within the building. If the "network access unit" does not terminate in the telephone equipment room, the Lessor shall install conduit from the "network access unit" location to the telephone equipment room. Note: The number and size of this conduit depends on the terminal devices served on a floor, the type of cable used, and the need to use one cable or a cable per floor. At least one spare conduit of the same size with a pull wire should be installed for future expansion.

- 17. On multi-story buildings, the Lessor shall install conduit with pull string from the "network access unit" to each designated telephone equipment room (see note for proper sizing of conduit). If telephone closets rooms are vertically aligned, sleeves through the floor may be used instead of conduit.
- 18. The Lessor shall be responsible for providing a closable HVAC vent and cold air return for the telephone equipment room.
- 19. Conduit, cable tray, or raceway fill rate is to comply with the National Electrical Code.
- 20. The Lessor shall obtain basic phone service, including at a minimum the installation of a network access unit (demarcation point), for newly constructed buildings and those facilities not already equipped with a network access unit. The using agency may assume responsibility for the ongoing costs associated with the basic phone service, or the Lessor may cancel service, upon occupancy.
- 21. The Lessor shall contact the Division of Real Properties at a point when the agency's electricians can install computer cables and telephone wiring through conduit.
- 22. The Lessor shall provide empty conduit with pull string within the walls from the ceiling on locations shown on the floor plan as voice/data outlets. Similar conduit installations shall be provided above the ceiling for network camera (2) installations above the ceiling in the Assessment and Visitation Rooms were indicated on the floor plan. Install a cut-in box where conduit symbols are shown on the floor plan, the conduit should have smooth edged bushings at the box and above the ceiling. One inch (1") conduit shall be provided for data terminals, printers, and telephone instruments from each designated outlet location. NOTE: In most instances, voice/data cables (from individual office conduits) merge above the ceiling and should be supported by cable trays or pass through conduits (sized by number of outlets in the building) to the telephone equipment room or controller location.

SECTION 4

ACKNOWLEDGED BY:

- 5. Due to the continuing development of new office technology the Lessor authorizes competent agency personnel to install additional security and/or access control equipment, telephone wiring, computer cabling, and conduit or wire molding (as required) to accommodate such technology during the term of the agency's occupancy. Agency will notify the Division of Real Properties for approval before commencing any of this type of work.
- 6. The exterior front of the building shall have a professional office appearance; with street number(s) of subject building displayed prominently.
- 7. After the receipt of approval to begin renovations/construction from both the Division of Building Codes Enforcement and the Division of Real Properties, the lessor shall submit an estimated schedule for completion of the renovations/construction. Written progress reports, and a revised completion schedule, if appropriate, shall be submitted to the Division of Real Properties not less than once per month until complete.
- 8. The Division of Real Properties and/or the using agency reserves the right to inspect the facility at any time during construction/renovations/occupation.

ACKNOWLEDGED BY:

Cabinet for Health & Family Services Date	Otis Jackson	Date	



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

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

Fax: (502) 564-8108

Holly M. Johnson
SECRETARY

Sam Ruth

Natalie W. Brawner

DIRECTOR

MEMORANDUM

TO:

Natalie Brawner, Director

Division of Real Properties

FROM:

Tim Driskell, Leasing Manager

Division of Real Properties

DATE:

November 12, 2024

SUBJECT:

PR-5800, Harlan County

Cabinet for Health & Family Services

The Cabinet for Health & Family Services presently occupies 3,953 square feet of space, leased at a rental rate of \$7.25 per square foot (\$28,659.25 annually) including partial utilities and excluding janitorial services with a term expiring June 30, 2025 (reference PR-3458). The Cabinet recently submitted a request for supplemental space for approximately 10,199 square feet of space. The existing facility was examined for potential expansion opportunities under KRS 56.813(1); however, the available space is not conducive to conversion for the current design standard for Cabinet offices or for efficient space utilization. Accordingly, advertisements were placed pursuant to applicable provisions of KRS 56.803, and three best & final proposals were received as follows:

- 1. Lanola and Harold Parsons proposed existing space at 101/102 Walnut Street in Harlan, Kentucky with 11,163 square feet of office space and 68 reserved paved parking spaces at \$13.50 per square foot (\$150,700.50 annually), excluding utilities, through June 30, 2027.
- 2. Village Center, LLC proposed existing space at 133 Village Center Road in Harlan, Kentucky- with 10,690 square feet of office space and 68 reserved paved parking spaces at \$30.87 (rounded) per square foot (\$330,000.00 annually), excluding utilities, through June 30, 2032.
- 3. Otis Jackson proposed new space at 416 South Main Street in Harlan, Kentucky with 11,068 square feet of office space and 68 reserved paved parking spaces at \$24.00 per square foot (\$265,632.00 annually), excluding utilities, through June 30, 2031.

The "best and final" proposal forms were received prior to the scheduled response date and were completed in a satisfactory manner. The Cabinet for Health and Family Services has recommended acceptance of the



PR-5800 November 12, 2024 Page 2 of 2

proposal submitted by Otis Jackson at the proposed terms as defined herein. Per KRS 56.823(2), Capital Projects and Bond Oversight Committee reporting is required for the proposed lease agreement and your approval of same is recommended to secure continued access to suitable office space for benefit of the Cabinet for Health and Family Services.

NWB/TWD/td Attachment APPROVED:

Natalie W. Brawner, Director



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

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

Holly M. Johnson SECRETARY

> Sam Ruth COMMISSIONER

Natalie W. Brawner DIRECTOR

MEMORANDUM

TO: Katherine Halloran, Committee Staff Administrator

Capital Projects and Bond Oversight Committee

Natalie W. Brawner, Director Division of Real Properties FROM:

DATE: November 13, 2024

SUBJECT: PR-5537, Franklin County

> Mayo-Underwood Building Leasehold Improvement Report

Attached please find notification of a leasehold improvement requested by the tenant agencies occupying space in the Mayo-Underwood Building located at 500 Mero Street, Frankfort, Kentucky. The improvements will be paid for by the tenant agencies as provided in the amended and restated lease agreement.

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

NWB

Cc: Capital Construction Log

Office of the State Budget Director

PR-5537 File

Attachment



REPORT TO CAPITAL PROJECTS AND BOND OVERSIGHT COMMITTEE

LEASEHOLD IMPROVEMENTS

Date Posted in 30-Day Register: November 13, 2024				
Lease No.: PR-5537		County: Franklin		
Using Agencies: ALL				
Lessor (identify all parties having 5% or more ownership): Attached extra sheet if necessary	CRM/D. W. WILBURN #2, LLC			
Property Location: 500 Mero Street, Fran	nkfort, K	Y		
Existing Rental Terms				
Type Space: Office		Square Feet: 385,022		
Annual Payment: \$7,401,102.04 (FY24)		Contract Expiration: April 1, 2050		
Modified Rental Terms				
Type Space: Office		Square Feet: 385,022		
Annual Payment: \$7,401,102.04 (FY24) New Contract Expiration: April 1, 2050				
Cost for Leasehold improvements: \$51,10	3.50			
Total Cost for Leasehold Improvements to Reason for Modification (see attached app				
Estimate Details (see attached copies):				
Mayo-Underwood Building (including 5% markup): 1. Blue Sky Electric: \$51,103.50 2. Fox Electric: \$55,387.50				



CRM DEVELOPMENT COMPANY

1637 Ashwood Drive Lexington, KY 40502 954-205-0412 MUB062024 June 11, 2024

Email: megan@reddrawdev.com or andres@crmdev.com

Customer: MAYO UNDERWOOD BLDG

Address: 500 Mero

Frankfort, KY 40601

Project: Parking Garage Door Locks

Location of work: Mayo Underwood Building

Description	Cost
Parking Garage Door Locks Quote. All material and labor included.	\$48,670.00
CRM Development Markup (5%)	\$2,433.50
TOTAL	\$51,103.50



Blue Sky Electric Company

1750 Alexandria Drive PO Box 4960 Lexington, Kentucky 40504

RECIPIENT:

CRM Development Company

1637 Ashwood Rd Lexington, ky 40502 Contact Name:: Todd Byrd Contact #:: 859-469-2240

SERVICE ADDRESS:

Mayo Underwood 500 Mero Street Frankfort, Kentucky 40601

ESTIMATE #23374

SENT ON:



Phone: (859) 469-8439

Email: invoices@blueskyelec.com Website: https://www.blueskyelectric.com/

Product/Service	Description	Qty.	Unit Price	Total
Lock Hardware Conversion	This quote is to convert the existing access control at 8 doors. Blue Sky will use LockNet to demo all existing hardware and install new hardware at each door. These double doors are located at the vestibule to the parking garage. - 1st Floor - 1 Door - 2nd Floor - 2 Door - 3rd Floor - 2 Door - 4th Floor - 2 Door - 4th Floor - 2 Door - 5th Floor - 1 Door All Existing hardware will be turned over to the building owner. Existing hardware consist of double maglocks, and two dummy crash bars at each location. New hardware will consist of a mullion with two new electric strikes, and two new mechanical crash bars. one side of the double door will have a rim cylinder with key override installed. Blue Sky will make all the necessary changes in the wiring at each door. Rewire the rex and splice into the cable for the strikes. Responsible parties for programming will need to turn off unlock on rex at each door. All material and labor come with a 1-year warranty	1	\$48,670.00	\$48,670.00

1 of 2 pages



Blue Sky Electric Company

1750 Alexandria Drive PO Box 4960 Lexington, Kentucky 40504

SENT ON:	E #23374	
nge. Not idditional	Total	\$48,670.00

This quote is valid for the next 30 days, after which values may be subject to change. Not responsible for all unmarked underground lines, in the event we encounter rock, additional charges may apply

Signature: _____ Date: ____

2 of 2 pages



CRM DEVELOPMENT COMPANY

1637 Ashwood Drive Lexington, KY 40502 954-205-0412 MUB06B2024 June 17, 2024

Email: megan@reddrawdev.com or andres@crmdev.com

Customer: MAYO UNDERWOOD BLDG

Address: 500 Mero

Frankfort, KY 40601

Project: Parking Garage Door Locks – Fox Electric **Location of work:** Mayo Underwood Building

Description	Cost
Parking Garage Door Locks Quote. All material and labor included.	\$52,750.00
CRM Development Markup (5%)	\$2,637.50
TOTAL	\$55,387.50



From: James Fox < Fox.electric@outlook.com > Date: June 16, 2024 at 7:16:33 AM EDT
To: Andrés Walsen < andres@crmdev.com >

Subject: Proposal 500 Mero

FOX ELECTRIC LLC 228 VIEW POINT DR RICHMOND KY 40475 FOX.ELECTRIC@OUTLOOK.COM (859)351-0370

Andres @crmdev.com 500 building 500 Mero Str Frankfort Ky 40601

05/16/2024

Fox Electric agrees to provide electric permit, electric inspections, all necessary labor & material to complete requested door security upgrades on exterior doors of building 500 for the total sum of 52,750.00

Thank You & we appreciate the opportunity to earn your business James Fox





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

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

Sam Ruth
COMMISSIONER

Natalie W. Brawner

MEMORANDUM

TO: Katherine Halloran, Committee Staff Administrator

Capital Projects and Bond Oversight Committee

FROM: Natalie W. Brawner

Division of Real Properties

DATE: November 13, 2024

SUBJECT: PR-5815, Boyle County

Board of Respiratory Care

KRS 56.813 (2)(a) Lease Modification with Improvements

Per KRS 56.813 (2)(a)\, attached please find information for lease modification with improvements of less than \$50,000 to be amortized over the term of the lease for PR-5815 in Boyle County

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

TWD/twd Attachment

Cc: Capital Construction Log

OSBD

PR-5815 File

NWB



REPORT TO CAPITAL PROJECTS AND BOND OVERSIGHT COMMITTEE LEASE MODIFICATION AMORTIZATION

Date Posted in 30-Day Register: November 12, 2024				
	County: Boyle			
Using Agency: Board of Respiratory Care				
McAnly Commercial Properties				
, Suite 10	08, Danville, KY			
	Square Feet: 1,102			
	Contract Expiration: June 30, 2027			
	Square Feet: 1,057			
Annual Payment: \$20,387.00 New Contract Expiration: June 30, 2029				
Projected Period of Amortization – Effective: September 16, 2024 through June 30, 2029 Reason for Modification (see attached approval memo and modification): Please see attached.				
Estimate Details (see attached copies):				
Mobley's Heating and Air \$39,400.00				
McAnly Commercial Properties \$43,340.00				
	ive: Sept			

COMMONWEALTH OF KENTUCKY LEASE MODIFICATION AGREEMENT

LESSOR	McAnly Commercial Properties	PR NUMBER, COUNTY	PR-5815, Boyle County
**************************************	1000 East Lexington Road	VENDOR NUMBER AGENCY/DEPARTMENT	KY0023274 Board of Respiratory Care
el el	Suite 2	DIVISION	
ADDRESS	Danville KY 40422	DATE	March 11, 2024
		BUILDING CODE #	90344001

- 1. Lease Agreement number PR-5815, Boyle County, dated March 11, 2024, is hereby modified as set forth in Paragraph
- 2 This Lease is modified as follows:
 - 1. To amortize the \$39,400.00 cost for renovations to the leased premises per attached estimate from Mobley's Heating and Air, 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, 2029. 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 in 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.

Janaia A. Marfariel	3/15/2024	Levy X anderson V.P.	3/15/24
STATE LEASING AGENCY REPRESENTATIVE	Date	LESSPR () , nearly Comm, Prop	Date
Bias Redding	3/15/2024	Pahed M.D.	4/01/2024
ANALYST, LEASING BRANCH, DIVISION OF REAL PROPE	ERTIES Date	ATTORNEY, FINANCE & ADMINISTRATION CABINET	Date
MANAGER, LEASING BRANCH, DIVISION OF REAL PROP	3/28/2024 PERTIES Date	DIRECTOR, DIVISION OF REAL PROPERTIES	
TRULY M. COMEN	04.01.2024	APPROVED THIS 16 DAY OF September	. 20 24



2912 COPPER CREEK ROAD CRAB ORCHARD, KY 40419 ESTIMATE 1714 PERRYVILLE ROAD, SUITE 200, DANVILLE, KY 40422

QUOTE FOR REMODELING AT DANVILLE SQUARE.

ELECTRIC

Install new led tights in ceiling 15 new fixtures for t8 bulbs
New exit lights
New plugs in based on plans
New Condit 4 inch for communications
New pull conduit for communication
New 200 amp panel – to separate meter from other tenant.
\$13,700.00

FLOORING

Remove old carpet and install new carpet through out New cove molding \$7,700.00

Build new walls and sound barrier with solid locking doors new sheet rock and paint entire suite. \$10,900.00

Cabinets and sink with uppers installed \$7,100.00

Total cost \$39,400.00

Start and end dates depending on approval Thanks for the opportunity Aaron Mobley



Commercial Properties

1000 E. Lexington Rd., . Suite 2 . Danville, Kentucky 40422

(859) 236-6363

March 1, 2024



1714 PERRYVILLE ROAD, SUITE 200, DANVILLE, KY 40422

QUOTE FOR REMODELING AT DANVILLE SQUARE.

ELECTRIC

Install new led lights in ceiling 15 new fixtures for t8 bulbs New exit lights
New plugs in based on plans
New Condit 4 inch for communications
New pull conduit for communication
New 200 amp panel to separate meter from other tenant
\$15,070.00

FLOORING

Remove old carpet and install new carpet through out New cove molding \$8,470.00

Build new walls and sound barrier with solid locking doors new sheet rock and paint entire suite. \$11,990.00

Cabinets and sink with uppers installed \$7,810.00

Total cost \$43,340.00



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

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

Fax: (502) 564-8108

Holly M. Johnson **SECRETARY**

Sam Ruth

COMMISSIONER

Natalie W. Brawner DIRECTOR

MEMORANDUM

TO: Holly M. Johnson, Secretary

Finance and Administration Cabinet

Natalie W. Brawner, Director FROM:

Division of Real Properties

DATE: March 15, 2024

SUBJECT: PR-5815, Boyle County

Board of Respiratory Care

The Board of Respiratory Care presently leases 1,102 square feet of space leased at a rental rate of \$18.50 per square foot (\$20,387.00 annually), including utilities and janitorial services, with term expiring June 30, 2027 (reference PR-5407, Fayette County). The Board submitted a request to move their office from Fayette County to Boyle County. The space request from the Board indicated a need for approximately 1,474 square feet of space and a review of properties currently leased by the Commonwealth indicated that suitable space to accommodate this request was available in the facility containing a previously awarded lease for the Transportation Cabinet (reference PR-5671, Boyle County).

The renovations necessary to accommodate the Board within the proposed space requires some demolition and renovation (e.g., demo/installation of framing and drywall, upgrade of electrical services, flooring, and painting). Based on the scope of work and the cost of renovations to convert the space in a manner that satisfies current specification requirements for the Board the lessor has requested that the Board absorb the renovation cost. In accordance with applicable provisions of KRS 56.813(2), the lessor has provided two estimates for renovations/construction (\$39,400.00 from Mobley's Heating and Air and \$43,340.00 McAnly Commercial Properties). The Board has recommended acceptance of the bid from Mobley's Heating and Air for \$39,400.00 with this amount amortized over the term of the lease.

In accordance with applicable provisions of KRS 56.813(1), the attached lease agreement therefore provides for the use of 1,057 square feet of office space at a rental rate of \$9.42 per square foot (\$9,956.96 annually), excluding electric and janitorial services with a term expiring June 30, 2029. In accordance with applicable provisions of KRS 56.813(2), the attached lease modification agreement then provides for the amortization of \$39,400.00 in renovation expenses per estimate submitted by Mobley's Heating and Air. The anticipated amortization period of fifty-eight (58) months results in estimated annual amortization costs of \$8,151.72 and a total estimated annual lease cost of \$18,108.68. Capital Projects & Bond Oversight Committee reporting is required for the proposed lease modification and your approval of the attached lease agreement and lease modification agreement is recommended to secure suitable space as requested by the Board of Respiratory Care.

Should you require additional information, please advise.

NWB/BGR/br Attachment

RECOMMENDED:

Sam Ruth, Commiss

Dept. for Facilities & Support Services