



AGENDA REPORT

Public Works

DATE:	July 26, 2022
TO:	Mayor Butt and Members of the City Council
FROM:	Joe Leach, PE, Public Works Director Greg Hardesty, Parks & Landscaping Superintendent
Subject:	Hilltop Landscape District Office Trailer and Yard Lease
FINANCIAL IMPACT:	The proposed expenditure of \$31,182 will be funded from the approved fiscal year 2022-2023 Hilltop Landscape Maintenance District (HLMD) Operational Budget (11233731-400536). There is no new impact to the General Fund. A \$229,115 subsidy is provided to the HLMD.
PREVIOUS COUNCIL ACTION:	-
STATEMENT OF THE ISSUE:	Public Works staff is requesting authorization to continue the month-to-month lease with North Richmond Properties, Inc. for office trailers and yard space to store containers and landscaping equipment.
RECOMMENDED ACTION:	APPROVE a fifth lease amendment with North Richmond Properties, Inc., in an amount not to exceed \$31,182, for a month-to-month term, for the rental of two office trailers and space to store containers and landscaping equipment – Public Works Department (Joe Leach/620-5478/Greg Hardesty 620-6920).

DISCUSSION:

Five years ago, the Public Works Department leased storage space for equipment at a cost of \$1,312.50 per month at 2801 Giant Road. The proximity to the Hilltop District, has greatly improved the efficiency of the unit by reducing the travel time associated with transporting equipment from the Parks Yard on Leona Avenue to the Hilltop area, thus, enabling staff to spend more time in the field. In April 2019, Parks Operations had to vacate the office trailer in the parking lot at Hilltop Mall. Parks Operations continues to lease an office trailer at the leased yard at 2801 Giant Road. The additional cost for the office trailer lease is \$866 per month. In July 2019, a second office trailer was added to the lease to provide a conference and lunchroom. The additional cost for the second office trailer lease is \$420 per month. We are seeking approval to continue with the month-to-month lease agreement. The monthly payment for this lease will be \$2,598.50 per month and will be paid out of the 2022-2023 Hilltop Maintenance District Operational Fund.

Amendment #5 corrects an error in Amendment #4 that was approved in August 2021. Amendment #4 indicated that the cost of the yard space rent was \$13,128 per year and \$1,094 per month. The correct cost of the yard space rent is \$15,750 per year or \$1,312.50 per month. The correct lease payments have been paid by the City since August 2021.

DOCUMENTS ATTACHED:

- Attachment 1 – Original Lease
- Attachment 2 – Lease Agreement Addendum #1
- Attachment 3 – Lease Agreement Addendum #2
- Attachment 4 – Lease Agreement Addendum #3
- Attachment 5 – Lease Agreement Addendum #4
- Attachment 6 – Lease Agreement Addendum #5