

AGENDA



Thursday, June 21, 2007

**Public Works
RECOMMENDATION FOR COUNCIL ACTION****Item No. 56**

Subject: Approve the negotiation and execution of a 36-month lease renewal with the possibility of additional future renewals, for 10,000 square feet of warehouse space for the Transportation Division of the Public Works Department, and the Water Conservation Division of the Austin Water Utility, located at 6014 Technicenter Drive, Suite 2-201, from TECHNI-CENTER PARTNERS LTD., Austin TX, in an amount not to exceed \$166,100 for the initial renewal.

Amount and Source of Funding: Funding is available in the Fiscal Year 2006-2007 Operating Budget of the Public Works Department and Austin Water Utility. Funding for the remaining lease term is contingent upon available funding in future budgets.

Fiscal Note: There is no unanticipated fiscal impact. A fiscal note is not required.

For More Information: Dean Harris 974-7061, Laura Bohl 974-7064.

Prior Council Action: Original lease approved March 4, 2004.

The City has occupied this space since May 2004. The proposed lease renewal provides 10,000 square feet of warehouse space for the Transportation Division's Parking Meter, Traffic Signals, Signs and Markings, and Traffic Engineering groups, plus incorporates a portion for Austin Water Utility's Water Conservation and Rain Barrel Program.

The existing lease expires June 30, 2007 and is currently \$4,200 monthly. The proposed renewal is for a 36-month term at the following rates which also include taxes, insurance, common area maintenance and building an interior fence to partition the space. Additional negotiated terms and conditions may provide for future extensions. The proposed rent schedule is shown below.

Year 1 - \$5.40 per square foot annually or \$4,500 monthly

Year 2 - \$5.54 per square foot annually or \$4,616 monthly

Year 3 - \$5.67 per square foot annually or \$4,725 monthly