

Business Operations
Ralph G. Lewis
Executive Assistant to the Superintendent

SUBJECT: AUTHORIZATION TO EXECUTE A LEASE AMENDMENT AND RENEW THE AGREEMENT WITH MIAMI-DADE COUNTY FOR THE SOUTH DADE SKILLS CENTER

COMMITTEE: FACILITIES PLANNING AND CONSTRUCTION

Introduction

Since 1976, the School Board (Board) has leased 41,651 square feet of space located at 28300 S.W. 152 Avenue, for the South Dade Skills Center from Miami-Dade County (County). The County occupies an additional 3,565 square feet of the 45,216 square foot facility, for the operation of its Farm Worker Training Program. The term of the current lease agreement will expire on November 30, 2002, and the Board has the option of renewing the agreement for one additional five-year period, or to amend the lease's terms and conditions as part of the renewal process. Presently, the County provides all janitorial and maintenance services, utilities, guard service and lawn care. The rental amount for the period of December 1, 2001 through November 30, 2002 is \$384,688.17 (\$9.24/square foot). Under the present terms and conditions, if renewed for an additional five-year period, this amount would increase each year by either 5% or by the Consumer Price Index, whichever is less.

Additional Information

At its meeting of June 19, 2002, the Board received a report from the Bureau of Education recommending the closure of the South Dade Skills Center, and the Board authorized the Superintendent to close the facility, effective August 21, 2002. Subsequent to Board action, the community expressed concerns over the proposed closure, and the relocation of services to other nearby facilities. In an attempt to address the community's concerns, the writer and staff from the Bureau of Education met with the County and members of the community on several occasions. The last of these meetings took place on September 3, 2002, at which time a tentative agreement was reached by all parties, subject to approval by the Board and the Board of County Commissioners. The agreement proposes the following terms and conditions:

- The annual rental rate shall be reduced from \$384,688.17 to \$1;
- The term of the lease shall be for one year with four (4) additional one-year options, at the sole option of the Board, and the Board shall retain its right under the agreement to cancel the lease at any time by providing the County with 60 days prior written notice;

- The District shall assume responsibility for the payment of water and sewer, electrical, gas, waste removal and any other utilities serving the facility, estimated at \$74,400/year; for routine building and grounds maintenance, security and custodial services, estimated at \$200,500/year; and for a percentage of the County's building management staff, estimated at \$43,018. The County shall reimburse the District for its proportional share of the building utility and maintenance costs for the 3,565 square feet of space it presently occupies, estimated at \$21,674, for a total estimated cost to the District of \$296,244, plus any cost resulting from major maintenance items, as noted below;
- The District shall also assume responsibility for all other maintenance and repair of the building and its major components, such as exterior walls, windows, roof, air conditioning system and plumbing and electrical systems (cost unknown). However, based on a recent visual inspection by District code inspectors, the facility is generally in good condition.
- The Superintendent shall be the party designated by the Board to grant or deny all approvals required by this lease agreement, or to cancel this agreement.

The proposed amendment will be reviewed by the School Board Attorney's Office, the Office of Risk and Benefits Management, the principal of the South Dade Skills Center, the Assistant Superintendent of the Bureau of Adult/Vocational and Alternative Education, and the Administrative Director for Maintenance.

RECOMMENDED:

That The School Board of Miami-Dade County, Florida, authorize:

1. the Superintendent or his designee to execute an amendment to the lease agreement with Miami-Dade County for the South Dade Skills Center, to reduce the annual rental amount from \$384,688.17 to \$1, with the District to assume responsibility for routine building operations costs estimated at \$296,244 and all other major maintenance, as needed, and under the terms and conditions set forth above; and
2. the renewal of the lease agreement with Miami-Dade County for the South Dade Skills Center, for the term commencing December 1, 2002, and ending November 30, 2003. All other terms and conditions of the lease agreement, other than as set forth above, will remain unchanged.

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