

# REQUEST FOR LEGISLATIVE ACTION

Completed by County Counselor's Office:

Res/Ord No.: 18980

Sponsor(s): Scott Burnett

Date: November 2, 2015

<p>SUBJECT</p>	<p>Action Requested  <input type="checkbox"/> Resolution  <input type="checkbox"/> Ordinance</p> <p>Project/Title: <u>Requesting approval of an Addendum to an Existing Lease for the Recorder of Deeds' Records Center which will provide a Sixty-Month Lease Extension from Space Center Kansas City, Inc. of Independence, Missouri at a cost not to exceed \$998,206.03 as a sole source for the period January 1, 2016 through December 31, 2020.</u></p>										
<p>BUDGET INFORMATION  <i>To be completed By Requesting Department and Finance</i></p>	<table border="1"> <tr> <td>Amount authorized by this legislation this fiscal year:</td> <td>\$0</td> </tr> <tr> <td>Amount previously authorized this fiscal year:</td> <td>\$193,162.00</td> </tr> <tr> <td>Total amount authorized after this legislative action:</td> <td>\$199,641.21</td> </tr> <tr> <td>Amount budgeted for this item January 1, 2016 – December 31, 2016* (including transfers):</td> <td>\$199,641.21</td> </tr> <tr> <td>Source of funding (name of fund) and account code number:</td> <td>General Fund, Records Center Rent and Rent – Buildings 001-3005-56620</td> </tr> </table> <p>* If account includes additional funds for other expenses, total budgeted in the account is: \$</p> <p>OTHER FINANCIAL INFORMATION:</p> <p><input type="checkbox"/> No budget impact (no fiscal note required)  <input type="checkbox"/> Term and Supply Contract (funds approved in the annual budget); estimated value and use of contract:  Department: Estimated Use: \$</p> <p>Prior Year Budget (if applicable): \$193,162.00  Prior Year Actual Amount Spent (if applicable): \$193,162.00</p>	Amount authorized by this legislation this fiscal year:	\$0	Amount previously authorized this fiscal year:	\$193,162.00	Total amount authorized after this legislative action:	\$199,641.21	Amount budgeted for this item January 1, 2016 – December 31, 2016* (including transfers):	\$199,641.21	Source of funding (name of fund) and account code number:	General Fund, Records Center Rent and Rent – Buildings 001-3005-56620
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<p>7PRIOR LEGISLATION</p>	<p>Prior ordinances and (date):</p> <p>Prior resolutions and (date): #18030 December 18, 2012 ; 11036 November 27, 1995</p>										
<p>CONTACT INFORMATION</p>	<p>RLA drafted by (name, title, &amp; phone): Robert T. Kelly, Director, Recorder of Deeds Department, 881-3191.</p>										
<p>REQUEST SUMMARY</p>	<p>In 1995 the Purchasing Department solicited formal, written proposals on Request for Proposal No. 117-95 for the furnishing of Office and Climate Controlled Record Storage Space for use by the Recorder of Deeds' Records Center. Request for Proposal No. 117-95 was awarded to Space Center Kansas City of Independence, Missouri for an initial three-year term with two optional five-year extension which expired March 31, 2009 via Resolution No. 11036 dated November 27, 1995. Per Resolution #16850, dated April 17, 2009 a three-year extended lease was approved through March 31, 2012 providing two additional, two-year extensions. The first of the two extensions expired March 31, 2014. Resolution #18030 was passed December 18, 2012 which provided for an extended term of three years commencing January 1, 2013 and ending on December 31, 2015.</p> <p>Pursuant to Section 1030.1 of the Jackson County Code, 1984, the Director of Finance and Purchasing requests approval of an Addendum to the Existing Lease for the Recorder of Deed's Records Center, which will provide a Sixty-Month extension with Space Center of Kansas City, Inc. of Independence, Missouri for a total estimated amount of 998,206.03 as Sole Source. Amount is estimated for five years; rent amount is fixed, the Common</p>										

	<p>Area Maintenance (CAM) and janitorial fees vary depending upon the Consumer Price Index, therefore the CAM amount is estimated in this figure.</p> <p>The attached Memorandum, with the supporting documentation from Robert T. Kelly, Director for the Recorder of Deeds details the reasons this Addendum to the original lease should be considered as a Sole Source Purchase.</p> <p>Whereas it is in the best interest of the County to restructure and extend the lease with Space Center Kansas City, Inc.</p> <p>This action will reduce the lease amount.</p> <p>Requesting approval for payment in the amount of \$998,206.03 for the contract period of January 1, 2016 through December 31, 2020.</p>																
CLEARANCE	<input type="checkbox"/> Tax Clearance Completed (Purchasing & Department) <input type="checkbox"/> Business License Verified (Purchasing & Department) <input type="checkbox"/> Chapter 6 Compliance - Affirmative Action/Prevailing Wage (County Auditor's Office)																
ATTACHMENTS	Resolution #18030, memorandum with supporting documentation, quote from Space Center Kansas City and Proposed Lease Addendum.																
REVIEW	<table border="1"> <tr> <td>Department Director:</td> <td><i>Robert T. Kelly</i></td> <td>Date:</td> <td>10/20/2015</td> </tr> <tr> <td>Finance (Budget Approval): <i>If applicable</i></td> <td></td> <td>Date:</td> <td></td> </tr> <tr> <td>Division Manager:</td> <td><i>Maurya Brown</i></td> <td>Date:</td> <td>10/20/15</td> </tr> <tr> <td>County Counselor's Office:</td> <td><i>Carol Willyford</i></td> <td>Date:</td> <td>10/20/15</td> </tr> </table>	Department Director:	<i>Robert T. Kelly</i>	Date:	10/20/2015	Finance (Budget Approval): <i>If applicable</i>		Date:		Division Manager:	<i>Maurya Brown</i>	Date:	10/20/15	County Counselor's Office:	<i>Carol Willyford</i>	Date:	10/20/15
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Fiscal Information (to be verified by Budget Office in Finance Department)

- This expenditure was included in the annual budget.
- Funds for this were encumbered from the \_\_\_\_\_ Fund in \_\_\_\_\_.
- There is a balance otherwise unencumbered to the credit of the appropriation to which the expenditure is chargeable and there is a cash balance otherwise unencumbered in the treasury to the credit of the fund from which payment is to be made each sufficient to provide for the obligation herein authorized.
- Funds sufficient for this expenditure will be/were appropriated by Ordinance # \_\_\_\_\_
- Funds sufficient for this appropriation are available from the source indicated below.

Account Number:	Account Title:	Amount Not to Exceed:

- This award is made on a need basis and does not obligate Jackson County to pay any specific amount. The availability of funds for specific purchases will, of necessity, be determined as each using agency places its order.
- This legislative action does not impact the County financially and does not require Finance/Budget approval.



**RECORDER OF DEEDS**  
**JACKSON COUNTY COURTHOUSE**  
415 EAST 12<sup>th</sup> STREET, ROOM 104  
KANSAS CITY, MISSOURI 64106-2706

816-881-3191  
FAX: 816-881-3719

**Res. 18980**

To: Barbara Cassamento *RTK*  
From: Robert T. Kelly, Director, Recorder of Deeds  
Date: September 23, 2015  
RE: Records Center Lease Renewal

The Jackson County Recorder of Deeds (ROD) currently leases approximately 55,000 square feet of floor space in an environmentally controlled underground facility (amounting to over 4,500,000 square feet of usable space) for the storage of records from both the Courts and other County Departments. The Records Center (RC) is located just off Highway 291 and Truman Road (1560 West GeoSpace Drive, Independence, MO 64056). The lease was initially signed and went into effect in April, 1996. Additional lease extensions were utilized to maintain the lease on the Records Center facility to the present date. Currently, the vast majority of records stored and retrieved from the facility on a daily basis are from the Court system. The remaining files are from County Executive departments, the Sheriff and other agencies. Hundreds of files are sent from and returned to the RC on a daily basis. The Recorder of Deeds maintains and pays for employees at the RC from its Records Fund to operate the facility and the Courts fund one employee at the facility.

The initial monthly fee for leasing of this space was \$15,079 in 1996, which included additional Common Area Maintenance fees (CAM). The CAM fee will vary depending on the Consumer Price Index, etc. The current lease for this facility is \$2.69 per square foot plus the CAM. With the addition of the CAM, we are currently paying \$3.60 per square foot. The Recorder of Deeds approached the GeoSpace Center and asked if they would be willing to reduce the rent fees in exchange for an extension of the lease term. This proposed 6<sup>th</sup> Addendum to the lease for another five-year lease extension envisions a reduction in total lease costs to \$3.35 per square foot from the current \$3.60 per square foot. The proposed restructured lease monthly fee will be \$16,636.77 per month and result in an annual savings of \$xx,xxx over the current lease price and CAM fees. A breakdown of the current and proposed lease costs is attached.

The Recorder of Deeds and the Courts have been examining the availability of digitizing the contents of the Records Center. This digitization effort would help address storage capacity issues encountered at the RC and would also make the retrieval and storage of records much easier to accomplish. However, even if sufficient funding were made available for a large scale digitizing effort, we will still need a storage facility for at least ten additional years while both the Courts and Jackson County undertake a digitizing effort.

Due to the uncertainty of funding for any digitizing project, as well as the need to continue to maintain a Records Center facility in the interim, we believe that a restructured lease on a five-year basis represents the best option. This will allow the ROD and the Courts to pursue a digitizing effort that will allow us to significantly shrink the size of the facility needed for records storage. The fundamental goal of the ROD is to digitize as much of the records that are stored at the RC to preserve space and make for more efficient retrieval and utilization of records.



# SPACE CENTER®

23 September 2015

Robert Kelly  
Jackson County Courthouse  
Recorder of Deeds Department  
112 W Lexington  
Suite 30  
Independence, MO 64050

Re: Lease Renewal 1560 West GeoSpace Drive, Independence, MO

Dear Bob,

Space Center is pleased to offer you the following regarding your Sixth Lease Addendum renewal effective January 1, 2016:

### Five (5) Year Renewal Base Rent

<u>From</u>	<u>To</u>	<u>Monthly \$\$</u>	<u>Total \$\$</u>	<u>\$\$/SF</u>
1/1/2016	12/31/2016	\$11,300.03	\$135,600.30	\$2.47
1/1/2017	12/31/2017	\$11,391.69	\$136,700.30	\$2.49
1/1/2018	12/31/2018	\$11,483.36	\$137,800.30	\$2.51
1/1/2019	12/31/2019	\$11,575.03	\$138,900.30	\$2.53
1/1/2020	12/31/2020	\$11,666.69	<u>\$140,000.30</u>	\$2.55
			<b>\$689,001.50</b>	

Annual Base Rent Adjustments for Common Area Maintenance, Building Maintenance, and Janitorial Expenses during the term thereof, without deduction or set off, are estimated for budgetary purposes to increase 2% annually. **Current (2015) expenses are \$4,205.75/month.**

Tax Recovery Estimates for the current fiscal year are as follows:

Taxes included in Lease:	\$5,500.00	
2014 Tax Recovery:	\$8,147.00	
<b>Estimated 2015 Tax Recovery:</b>	<b>\$8,175.51</b>	<b>.0035 Increase</b>

Space Center Executive Park appreciates your patronage and we look forward to serving your current and future space requirements. Should you have any questions, please feel free to contact us.

Sincerely,

A handwritten signature in blue ink that reads "Cathi Hughes". The signature is fluid and cursive, with the first name "Cathi" being more prominent than the last name "Hughes".

Cathi Hughes

**Senior Property Manager**

**Office Manager**

[chughes@spacecenterinc.com](mailto:chughes@spacecenterinc.com)