



**MEMORANDUM
FACILITIES MANAGEMENT
REAL ESTATE SERVICES DIVISION**
County of Placer

TO: Honorable Board of Supervisors DATE: January 26, 2021
FROM: Steve Newsom, Director of Facilities Management
By: Karyn Boulais, Senior Project Manager
SUBJECT: Real Estate Services / Equipment Bay Lease / Sierra Lakes County Water District / 7100 Serene Road, Soda Springs

ACTION REQUESTED

Approve and authorize the Director of Facilities Management, or designee, to execute a Lease Agreement with the Sierra Lakes County Water District for the Department of Public Works Road Maintenance Division’s continued use of an 840 square foot portion of the 7,800 square foot two-story building owned by Sierra Lakes County Water District located at 7100 Serene Road, Soda Springs, CA 95728 for a five-year term, with the County contributing twenty percent of the building’s gas, propane, hazmat, insurance, and pest control costs, in lieu of rent.

BACKGROUND

In May 1980, the Sierra Lakes County Water District (“District”) constructed a maintenance facility which included office space, water treatment facilities, vehicle garage, and vehicle service facilities. At this time, the Placer County Department of Public Works entered into a forty-year lease with the District to use a portion of the garage for an equipment bay and workstation for County snow removal equipment storage and maintenance for use in the Serene Lakes area (see Attachment A - Premises Map). The County also has use of common area amenities including the parking lot, restroom, and fueling facilities. The forty-year lease expired on May 12, 2020, with the County remaining in possession on holdover status. Since that time, Real Estate Services has been working with the District to negotiate a new lease.

The new Lease Agreement provides an initial term of five (5) years, plus two (2) consecutive two-year option terms provided the County has fully and faithfully performed all of its obligations under the Lease Agreement during the initial term. The County is not obligated to pay rent during the Initial Term and any extensions thereof. However, the County will pay the District twenty percent (20%) of electricity, propane, hazmat fees, building insurance, and pest control service paid by District in relation to the building. County shall also provide snow clearance of the parking lot surrounding the building.

ENVIRONMENTAL IMPACT

The Lease of this facility is Categorically Exempt from review pursuant to Section 15301 of the California Environmental Quality Act. This section provides for activities, including leasing of existing facilities, when there is no expansion of use beyond that previously existing.

FISCAL IMPACT

No rent is due during the Initial Term and any extensions thereof. The County will pay utilities at twenty percent of District's costs as invoiced and defined in the Lease Agreement. The County's 20% contribution toward the District's costs for utilities and services is estimated at \$5,000 annually. Funding for the FY 2020-21 portion of this multi-year Lease Agreement is included in the Department of Public Works Road Maintenance Division FY 2020-21 Adopted Budget. Funding for the remaining years will be budgeted annually. Cost to prepare and manage the Lease Agreement is included in the Real Estate Services Division FY 2020-21 Adopted Budget.

ATTACHMENTS

Attachment A - Premises Map

On file with Clerk of the Board - Lease - Serene Lakes DPW Equipment Bay - 7100 Serene Road

EXHIBIT A Premises Map



