

## Legislation Text

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**File #:** 6045, **Version:** 1

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**CC MEETING:** February 7, 2023

**DATE:** February 1, 2023

**TO:** Erin Rinehart, City Manager

**FROM:** Samantha Dean, Workforce Services Director  
Chrystal Davis, Assistant City Manager

Consider A **Resolution Authorizing The City Manager To Renew A Lease Agreement With Buckeye Capital Investments, LLC For The Employee Health And Wellness Center.**

**BACKGROUND:**

Since March 2013, the Employee Health & Wellness Center (EH&WC) has operated out of leased space located at 1735 Keller Springs Road. Currently, the city contracts with CareATC to provide full medical services at the EH&WC for all covered employees and dependents on the city's health plan.

The current lease agreement is set to expire in October 2023. Workforce Services would like to continue to utilize the current space for the EH&WC. In order to continue operating at 1735 Keller Springs Rd. a lease renewal is required. The renewal would go into effect October 1, 2023, and would extend through September 30, 2028 at the current lease rate. The monthly payment is scheduled to increase \$253 beginning June 1, 2026 through September 30, 2028.

**FINANCIAL IMPLICATIONS:**

The City's Employee Health Trust funds the expenses for the Employee Health & Wellness Center. Beginning October 1, 2023 through May 31, 2026 the rental rate will not change from the current rate which costs \$4,066.67 per month. Effective June 1, 2026 through September 30, 2028 the rental rate will increase to \$4,320 per month. This rate does not include additional expenses for common area maintenance (CAMS) which currently totals \$2,085 per month. This rate is subject to increase as taxes and insurance may increase for the property owner.

**STAFF RECOMMENDATION/ACTION DESIRED:**

Staff recommends adoption of the attached resolution authorizing the City Manager to renew a lease with Buckeye Capital Investments, LLC for the Employee Health & Wellness Center space at 1735 Keller Springs Rd. with the effective rate of \$412,700 over the full term of the lease including contingency.

**ATTACHMENTS:**

Resolution