



WASHOE COUNTY

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STAFF REPORT

BOARD MEETING DATE: May 28, 2024

DATE: May 8, 2024

TO: Board of County Commissioners

FROM: Petra Bartella, Fiscal Compliance Officer
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THROUGH: Eric Crump, Director,
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SUBJECT: Recommendation to approve a First Amendment to Lease between Washoe County and Los Angeles Iron & Steel Company, for continued occupancy of warehouse space for the Northern Nevada Public Health's Vector-Borne Disease Program located at 405 Western Road, Reno, Nevada, for a 5-year term, effective July 1, 2024 through June 30, 2029 [\$43,380.00 for the first year with an annual escalator of approximately 3% and a \$75.00 monthly common area operating expense].
(Commission District 5.)

SUMMARY

Northern Nevada Public Health's Vector-Borne Disease Program has leased office and warehouse space at 405 Western Road, Reno, Nevada since 1991. The current Lease Agreement for occupancy of Units 15, 20 and 23 (a total of 6,000 square feet of warehouse space) expires on June 30, 2024. The Vector-Borne Disease Program continues to require space to accommodate the needs of the Program and the First Amendment to Lease will provide for a 5-year extension of the current warehouse space.

Washoe County Strategic Objective supported by this item: Fiscal Sustainability:
Long-term sustainability.

PREVIOUS ACTION

On June 11, 2019, the Board of County Commissioners (Board) approved a Standard Industrial/Commercial Multi-Tenant Lease between Washoe County and Los Angeles Iron & Steel Company, for continued occupancy of warehouse premises for the Health District Vector Program located at 405 Western Road, Reno, Nevada, for a 60-month term, effective July 1, 2019, through June 30, 2024.

On February 9, 2016, the Board approved a First Amendment to Lease Agreement between Washoe County and MMK Properties for continued occupancy of office and

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warehouse space for the Health District Vector Program located at 405 Western Road, Reno, Nevada, for a 36-month term, effective May 1, 2016, through April 30, 2019.

On June 14, 2011, the Board approved a Lease Agreement between MMK Properties and Washoe County, retroactive to May 1, 2011, through April 30, 2016, for continued use of office and warehouse space for the Health District Vector Program located at 405 Western Road, Reno, Nevada.

On February 27, 2007, the Board approved the Lease of 400 square feet of additional office space (Unit #4) at 405 Western Road for the period May 1, 2007, through April 30, 2011.

On April 25, 2006, the Board approved renewal of occupancy at 405 Western Road for the period May 1, 2006, through April 30, 2011.

On November 9, 2004, the Board approved a Lease Agreement for an additional 2,000 square feet of warehouse space (Unit #20) for the period December 1, 2004, through April 30, 2006.

On March 25, 2003, the Board approved a Second Amendment to Lease Agreement for the period May 1, 2003, through April 30, 2006.

On September 25, 2001, the Board approved a First Amendment to Lease Agreement for the period May 1, 2001, through April 30, 2003.

On September 22, 1998, the Board approved a Lease Agreement to provide space for the District Health Vector Program for the period May 1, 1998, through April 30, 2001.

The Board has approved multiple agreements for lease of space for the Vector Program since February 1991.

BACKGROUND

The Vector Borne Disease Program has been providing services from the location at 405 Western Road, Reno, Nevada since 1991, to include mosquito and midge abatement, encephalitis surveillance and control, including West Nile Virus, plague, and Hantavirus prevention and control. The facility is also utilized to hold chemicals and equipment requiring specialized handling and storage.

The current leased space (units 15, 20 and 23) includes 6,000 square feet of warehouse space. Multiple Lease Agreements and Amendments to Lease Agreements have been approved by the Board to continue occupancy and/or to increase leased office and/or warehouse space to accommodate the needs of the Program.

Staff has reviewed other options for suitable space, including a potential to relocate and also to own comparable warehouse space; however, at this time the market for such spaces is very limited. As staff reviews other needs throughout the county in regard to leased space for warehouse uses, the space at 405 Western Road will be included in the review.

FISCAL IMPACT

The First Amendment to this Lease Agreement is for a 5-year term – July 1, 2024, through June 30, 2029. Budget authority is being recommended in FY25 in Vector Borne Disease Program (172100), LT Lease-Office Space (710600).

Lease Term	Monthly Rate	Monthly Common Area Operating Expense	Annual Rate
07/01/2024 – 06/30/2025	\$3,615.00	\$75.00	\$44,280.00
07/01/2025 – 06/30/2026	\$3,725.00	\$75.00	\$45,600.00
07/01/2026 – 06/30/2027	\$3,835.00	\$75.00	\$46,920.00
07/01/2027 – 06/30/2028	\$3,950.00	\$75.00	\$48,300.00
07/01/2028 – 06/30/2029	\$4,070.00	\$75.00	\$49,740.00

Per this Amendment – “Lessee shall be obligated to pay for all of its trash removal services.” Under Washoe County’s franchise agreement with Waste Management, there is no charge for these services.

RECOMMENDATION

It is recommended the Board of County Commissioners approve a First Amendment to Lease between Washoe County and Los Angeles Iron & Steel Company, for continued occupancy of warehouse space for the Northern Nevada Public Health’s Vector-Borne Disease Program located at 405 Western Road, Reno, Nevada, for a 5-year term, effective July 1, 2024 through June 30, 2029 [\$43,380.00 for the first year with an annual escalator of approximately 3% and a \$75.00 monthly common area operating expense].

POSSIBLE MOTION

Should the Board agree with staff’s recommendation, a possible motion would be: “Move to approve a First Amendment to Lease between Washoe County and Los Angeles Iron & Steel Company, for continued occupancy of warehouse space for the Northern Nevada Public Health’s Vector-Borne Disease Program located at 405 Western Road, Reno, Nevada, for a 5-year term, effective July 1, 2024 through June 30, 2029 [\$43,380.00 for the first year with an annual escalator of approximately 3% and a \$75.00 monthly common area operating expense].”