# CITY OF EL PASO, TEXAS
# AGENDA ITEM
# DEPARTMENT HEAD'S SUMMARY FORM

**DEPARTMENT:** **Public Health**

**AGENDA DATE:** **September 13, 2011**

**CONTACT PERSON/PHONE:** **Michael Hill – Director, Public Health (915) 771-5702**
**Liza Ramirez-Tobias- Capital Assets Mgr, Eng & Const Mgmt (915) 541-4074**
**Bruce D. Collins – Purchasing Manager (915) 541-4313**

**SUBJECT:**
Extend the following contract: 2005-173R – Building Space Rental Lee Trevino Health Clinic
With: GGIA II, Limited of El Paso, TX
Estimated Annual Expenditures: $54,567.00
Total Estimated Expenditures: $163,701.00 for three (3) additional years

Request that the Purchasing Manager for Financial Services, Purchasing Division be authorized to exercise the City's option to extend the current Building Space Rental – Lee Trevino WIC Center contract with GGIA II, Limited for three (3) additional years, pursuant to the provisions to an award approved by City Council on April 20, 2005. Contract Period is October 1, 2011 to September 30, 2014.

**BACKGROUND / DISCUSSION:**

The Health Department is recommending the extension of the above contract, WIC has been in this facility since October 1995. The lease specification remains unchanged, however there is a monthly rent increase from $4,378.83 to $4,547.25. This will allow WIC to continue providing services to 51,468 clients annually at our Lee Trevino WIC Center. WIC services include nutrition education, breastfeeding promotion and counseling to enhance good health care services and provide supplemental food instruments, at no cost to low-income pregnant, Breastfeeding and postpartum women, infants and children identified to be at nutritional risk, who meet an income guideline and reside in El Paso or Hudspeth counties.

**PRIOR COUNCIL ACTION:**

Yes. 2005-173R was originally awarded on 4/20/2005. First option to extend exercised on April 15, 2008.

**AMOUNT AND SOURCE OF FUNDING:**

| | |
|---|---|
| Department: | Health Department |
| Amount: | $163,701.00 |
| Funds Available: | Dept.: 41150011 – Acct: 502400 – Fund: 06341 & 06343 - Grant/Project: G4111AD & G4111NE |
| Funds Source: | WIC Administration & WIC Nutrition-Building Leases |

**BOARD / COMMISSION ACTION:**

CARE recommends approval

**********AUTHORIZATION**********

**DEPARTMENT HEAD:** _____

**MOTION**
**APRIL 15, 2008**

Motion made, seconded, and unanimously carried to **AUTHORIZE** the Purchasing Manager for Financial Services, Purchasing Division, to exercise the City's option to extend current Contract 2005-173R (Building Space Rental – Lee Trevino Health Clinic) with GGIA II, Limited for three additional years pursuant to the provisions to an award approved by Board of Health on April 20, 2005, and assigned to the City on December 26, 2008. Contract period is October 1, 2008, to September 30, 2011.

| | |
|---|---|
| Department: | Public Health |
| Option: | One [of Two] |
| Account No.: | 41150011 – 502400 – 05530 – Project G4105WCADMN |
| Funding Source: | WIC Administration- Building Leases |
| Total Estimated Award: | $157,637.88 |

Richarda Duffy Momsen, City Clerk

# LEASE ASSIGNMENT

This Lease Assignment, hereinafter referred to as the "Assignment", is entered into by and among GGIA II LIMITED, a Texas limited partnership, hereinafter referred to as the "LESSOR"; the EL PASO CITY COUNTY HEALTH AND ENVIRONMENTAL DISTRICT, hereinafter referred to as the "LESSEE", and the CITY OF EL PASO, TEXAS, hereinafter referred to as the "CITY".

WHEREAS, the LESSEE is currently leasing property at 1840 Lee Trevino, Ste. 201, El Paso, Texas for the El Paso City County Health and Environmental District's Women, Infants and Children (WIC) program from the LESSOR; and

WHEREAS, the LESSEE shall cease to operate as a public health district at 11:59 p.m., December 31, 2007, and the CITY shall create a department to assume the functions of the WIC program beginning at 12:00 a.m., January 1, 2008; and

WHEREAS, the LESSEE desires to assign its interest in the identified lease with the LESSOR to the CITY to allow the WIC program to continue; and

WHEREAS, the LESSOR does not object to the LESSEE's assignment of its interest in the identified lease to the CITY,

NOW THEREFORE, for and in consideration of the foregoing and in further consideration of the mutual benefits, the Parties hereto agree as follows:

1. Lessee. The LESSEE assigns to the CITY the LESSEE's interests in the October 1, 2005 lease between the LESSOR and the LESSEE, a copy of which is attached hereto as Exhibit "A" and made a part hereof for all purposes. The effective date of this Assignment will be 12:00 a.m., January 1, 2008.

It is the explicit understanding of the parties to this Assignment that at 11:59 p.m., December 31, 2007, the El Paso City-County Health and Environmental District shall cease to exist as a public health district created by the City of El Paso and the County of El Paso pursuant to the provisions in Section 121.041, et seq., Texas Health and Safety Code, and that the CITY shall establish a local health department pursuant to the provisions in Section 121.031 et seq., Health and Safety Code.

2. City. At 12:00 a.m., on January 1, 2008, the CITY agrees to assume the interests of the LESSEE in Exhibit "A". However, it is explicitly understood by the LESSOR that the CITY is assuming the LESSEE's interests in Exhibit "A" as a governmental function by a governmental entity and by assuming such interests, the CITY is not waiving its right to assert its governmental immunity.

3. Lessor. The LESSOR consents to this Assignment, effective 12:00 a.m., January 1, 2008, and the LESSOR agrees to look to the LESSEE for any responsibility or obligation the

LESSEE may have incurred prior to the CITY's assumption of the LESSEE's interests in Exhibit "A".

After 12:00 a.m., January 1, 2008, the LESSOR consents that any references in Exhibit "A" to the LESSEE shall mean the CITY, unless the reference refers to any responsibility or obligation of the LESSEE, or any other third party, which arises under Exhibit "A" prior to the CITY's assumption of the LESSEE's interest in Exhibit "A". In these situations, if any, the LESSOR explicitly agrees to look to the LESSEE for satisfaction of the responsibility or obligation.

4. Notices. Upon the CITY's assumption of the LESSEE's interest in Exhibit "A", all notices given or made to the LESSOR hereunder shall be deemed to be duly and properly given or made if mailed to the address specified below, or delivered personally to the LESSOR's representative. All notices or other papers given or delivered to the CITY hereunder shall be deemed to be sufficiently given or delivered if mailed, postage prepaid, to:

LESSOR: GGIA II LIMITED
9434 Viscount, Suite 155
El Paso, Texas 79925

CITY: CITY OF EL PASO
City Manager
#2 Civic Center Plaza
El Paso, Texas 79901-1196

IN WITNESS WHEREOF, the parties hereto have executed this Assignment prior to January 1, 2008 to be effective as of 12:00 a.m., January 1, 2008.

LESSOR: GGIA II LIMITED

B Pedroza
Signature

Blanca Pedroza
Printed Name

Property Manager
Title

11-29-07
Date

(Signatures continue on next page)

LESSEE: EL PASO CITY COUNTY HEALTH AND ENVIRONMENTAL DISTRICT

Signature

Robert Galvan, Dr. PH, MPH, MS, DAAS
Printed Name

Interim Director
Title

December 11, 2007
Date

APPROVED AS TO CONTENT:

Bertha Amaya
Patient Services Coordinator

APPROVED AS TO FORM:

S. Anthony Safi
Mounce, Green, Myers, Safi, Paxson & Galatzan, P.C.
Mail: P.O. Box 1977
El Paso, Texas 79950-1977
Street: 100 N. Stanton, Ste. 1700
El Paso, Texas 79901-1448

CITY: CITY OF EL PASO

Joyce A. Wilson
City Manager

APPROVED AS TO FORM:

Theresa Cullen-Garney
Deputy City Attorney

APPROVED AS TO CONTENT:

Carmen Arrieta-Candelaria
Chief Financial Officer

# LEASE

THIS LEASE is made by and between GGIA II Limited, a Texas limited partnership, hereinafter called Lessor, and EL PASO CITY-COUNTY HEALTH AND ENVIRONMENTAL DISTRICT, hereinafter called Lessee

For $10.00, and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, Lessor and Lessee agree as follows:

1. Lessor hereby leases to Lessee the following described property (the "Premises"): approximately 4,042 square feet of usable space located at 1840 Lee Trevino, Ste. 201, El Paso, Texas.

2. The initial term (the "Initial Term") of this Lease shall be for three (3) years beginning on October 1, 2005, and ending on September 30, 2008. Lessee shall have the option to extend this term of this Lease for two (2) additional periods of three (3) years each by giving Lessor written notice to that effect as provided in Section 17 below. Provided Lessee is not then in default under the terms of this Lease, Lessee may exercise its option to extend the term of this Lease for the first three (3) year period (the "First Extension Term") at or before the conclusion of the Initial Term, and for the second three (3) year period (the "Second Extension Term") at or before the conclusion of the First Extension Term. This Lease shall be extended upon all of the same terms and conditions, excluding rental rate, as those applicable to the Initial Term. The total duration of the term of this Lease, including the First and Second Extension Terms, shall not exceed nine (9) years.

3. The rental rate for the Premises during the Initial Term shall be the sum FOUR THOUSAND TWO HUNDRED TEN AND 42/XX DOLLARS ($4,210.42) per month. The rental rate for the Premises during the First Extension Term will be the sum of FOUR

THOUSAND THREE HUNDRED SEVENTY-EIGHT AND 83/XX DOLLARS ($4,378.83) per month. The rental rate for the Premises during the Second Extension Term will be the sum of FOUR THOUSAND FIVE HUNDRED FORTY-SEVEN AND 25/XX DOLLARS ($4,547.25) per month. All rent shall be due on or before the ____ day of each month during the term of this Lease and shall be payable to Lessor, without setoff or demand, at the address set forth in Section 17 below.

4. Lessor and Lessee agree that any holding over by Lessee on the Premises at the expiration of term of this Lease shall be as a tenancy from month-to-month at the then current monthly rental rate, and all provisions of this Lease shall remain effective so long as Lessee retains possession of the Premises.

5. Lessee will timely pay for all utilities used on the Premises.

6. Lessee agrees to use the Premises for general office, classroom and clinic purposes consistent with the El Paso City-County Health and Environmental District's Women, Infants and Children (WIC) Program, and for no other purpose. Lessee's use shall be in compliance with all applicable laws and governmental requirements and regulations ("Applicable Laws").

7. Lessor agrees to keep the walls, foundation, roof, doors, windows, plumbing, and cooling and heating systems servicing the building in good working order and shall maintain the same in compliance with all Applicable Laws. Lessee shall, at its cost, repair any damage caused by the negligence or willful misconduct of Lessee or its employees, agents or invitees. Lessee agrees to keep the interior of the Premises and all fixtures located therein in a good and clean condition, in compliance with all Applicable Laws, and to suffer no waste. At the end of the term of this Lease (as the same may be extended), Lessee will deliver up the Premises in good order and condition except for ordinary wear and tear.

8. Lessee shall be responsible for keeping the Premises free of pest and termite infestation.

9. No improvements, alterations or additions shall be made in or to the Premises without the consent of the Lessor first obtained in writing, such consent not to be unreasonably withheld.

10. All alterations, additions and improvements installed at the expense of Lessee shall be done of equal or better workmanship and materials as in the existing building and in compliance with all Applicable Laws. Provided Lessee is not then in default under the terms of this Lease, such alterations, additions and improvements may be removed by Lessee, unless to do so would damage the Premises in which case they shall become the property of Lessor and shall remain upon and be surrendered with the Premises as a part thereof at the termination of this Lease.

11. Any additional responsibilities placed upon the Lessor or Lessee are outlined and incorporated by reference to awarded contract No. 2005-173R (see Attachment A) (the "Award"), provided, however, the terms of this Lease shall govern the agreement of the parties if there is any conflict between the terms and conditions of said Award and this Lease.

12. Lessor shall defend, indemnify and hold the El Paso City-County Health and Environmental District, and its members, City and County of El Paso, their agents, officers, employees and volunteers, free and harmless from any liability for injury or damage to any persons or property arising out of any acts or omissions of Lessor or its agents or employees on the Premises, including reimbursement of all costs, expenses and attorney's fees incurred by Lessee in defense of such claims.

Lessee shall defend, indemnify and hold Lessor, its partners, employees and agents, free and harmless from any liability for injury or damage to any persons or property

arising out of any acts or omissions of Lessee, or its agents, employee or invitees, on the Premises, including reimbursement of all costs, expenses and attorney's fees incurred by any such indemnified parties in defense of such claims.

13. Lessor, at its sole cost and expense, shall throughout the term of this Lease, or any extension hereof, provide and keep in force for the benefit of Lessor and Lessee comprehensive general liability insurance in an amount not less than FIVE HUNDRED THOUSAND DOLLARS ($500,000.00) covering Lessor and its employees, ONE MILLION DOLLARS ($1,000,000.00) for protection of the general public and the Lessee per occurrence for bodily injury or wrongful death and ONE MILLION DOLLARS ($1,000,000.00) per occurrence for property damage.

All policies of insurance shall be written by insurance companies authorized to do business in Texas. The City and County of El Paso, the Health District, their officers, agents, employees and volunteers shall be carried as co-insured and a certificate of insurance acknowledging the amounts and persons covered shall be delivered by Lessor to Lessee prior to execution of this Lease. All insurance policies required by this Lease shall contain a provision that the policy shall not be canceled or reduced in any amount without at least sixty (60) days' notice.

14. Lessee shall not assign this Lease, or any interest in it, or sublet the Premises, or any part thereof, without obtaining the consent of the Lessor in writing.

15. If the building that is part of the Premises is destroyed, or partly destroyed, by fire or other cause, Lessor may, if its so elects, either rebuild or put said building in good condition for physical occupancy within a reasonable time after such destruction or partial destruction, or decide not to rebuild the building, in which case Lessor shall notify Lessee of this decision within ten (10) days following the fire or other casualty. Lessor agrees, however, that if it

rebuilds the building, the rent shall be adjusted or abated in the proportion that the building is rendered unusable or the use is interfered with.

16. Lessee shall not place any signs at or about the Premises except as and where first approved by the Lessor, such approval not to be unreasonably withheld. Lessor shall have the right to remove any sign or signs in order to paint the building on the Premises or make any other alterations, and the Lessor agrees to bear the expense of the removal or installation of any signs under this provision.

17. Any notice required or desired to be sent to either party shall be sent certified mail, return receipt requested, to the following addresses:

Lessee: Director
El Paso City-County Health & Environmental District
5115 El Paso
El Paso, Texas 79905

Lessor: GGIA II Limited
9434 Viscount, Ste. 155
El Paso, Texas 79925

Either party may change it address for purposes of notices to be given hereunder by giving written notice of such change to the other party in accordance with this Section 17.

18. If Lessor defaults in any of the terms contained herein, Lessee may, as its sole and exclusive right and remedy, cancel this Lease if, after thirty (30) days written notice, Lessor has either not cured the default or has failed to commence action to cure the default. If Lessor begins to cure any such default within such period, Lessor shall completely cure the default within a reasonable time thereafter. Upon cancellation of this Lease under the terms of this provision, Lessee shall have no further right or obligation under the terms of this Lease.

19. In the event of a fifty percent 50% or greater reduction in the level of federal funding for Lessee's Women, Infants and Children (WIC) Program, Lessee shall have the option

to terminate this Lease by giving Lessor sixty (60) days' written notice to that effect during which time Lessee may vacate the Premises in whole or in part.

20. If any provision of this Lease is found by court of competent jurisdiction to be illegal, invalid or unenforceable, the remainder of this Lease will not be affected.

21. Venue shall be in El Paso, El Paso County, Texas. The laws of the State of Texas shall govern the validity, interpretation, performance and enforcement of this Lease.

22. Time is of the essence of this Lease. This Lease sets forth the entire agreement of the parties and no amendments or modifications of its terms and conditions shall be binding unless first reduced to writing and signed by both parties.

WITNESS THE FOLLOWING SIGNATURES ON THE DATES SHOW BELOW:

PASSED AND APPROVED this ___ day of _____, 2005.

(SIGNATURES ON NEXT PAGE)

LESSOR

GGIA II LIMITED, a Texas limited partnership

By: MGG Properties, LLC, a Texas limited liability company, General Partner

By: [signature]
Name: JAMES J. STRATHMANN
Title: PROPERTY MANAGEMENT AGENT
STRATHMANN ASSOCIATES, INC.

LESSEE

EL PASO CITY-COUNTY HEALTH & ENVIRONMENTAL DISTRICT

[signature]
Jorge C. Magana, MD, FAAP
Director

BOARD OF HEALTH

[signature]
Chairperson

APPROVED AS TO FORM:

[signature]
Teresa Garcia
Attorney for EPCCHED

Exhibit "A"
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