

Meeting Agendas/Info

**CITY COUNCIL
COMMUNICATION:**

ITEM _____

01-328

**OFFICE OF THE CITY MANAGER
CITY OF DES MOINES, IOWA**

AGENDA:

JUNE 18, 2001

SYNOPSIS -

To approve the second amendment and extension of the lease agreement with Principal Mutual Life Insurance Company to lease space for the City's employee health clinic located at 700 E. Fourth Street, Des Moines Iowa.

SUBJECT:

AMENDED
AGREEMENT
RELATING TO
EMPLOYEE
HEALTH CLINIC
LEASE AT 700 EAST
FOURTH STREET

FISCAL IMPACT -

Rent for the facility is \$25,293.90 annually through 2003.

TYPE:

RESOLUTION

ORDINANCE
RECEIVE/FILE

RECOMMENDATION -

Approval.

SUBMITTED BY:

DONALD M. TRIPP
PARK AND
RECREATION
DIRECTOR

BACKGROUND -

On August 25, 1997, the City Council approved a lease agreement between the City and Principal Mutual Life Insurance to lease space for the City's employee health clinic at 700 East Fourth Street, Des Moines, Iowa.

On January 10, 1998, the City Council approved and executed the first amendment to the lease. The amendment reduced the area leased and changed the term of the lease to expire on October 31, 2000. The City has been operating since October 31, 2001 without a lease agreement.

The second amendment to the lease provides for the following:

- Lease Term extended until October 31, 2003
- Delays penalty for late payment for 30 days
- Allows for termination of lease for non-appropriation of funds
- Provides additional parking

The existing clinic was established on the premise that it would be more effective and cost efficient to operate a City facility rather than contract with an outside vendor for all services. Execution of the amended lease agreement will secure the site for providing these

required services to the City employees.
