

**CITY OF SAN ANTONIO  
DEPARTMENT OF ASSET MANAGEMENT  
INTERDEPARTMENTAL CORRESPONDENCE**

CONSENT AGENDA

ITEM NO.

**34**

**TO:** Mayor and City Council

**FROM:** Rebecca Waldman, Director, Department of Asset Management

**SUBJECT:** Ordinance authorizing assignment and assumption of a Lease Agreement and extension of Lease with ICG ACCESS Services, Inc.

**DATE:** November 17, 2005

**SUMMARY AND RECOMMENDATIONS**

An Ordinance authorizing: A) assignment and assumption of a Lease by ICG ACCESS Services, Inc to Tel West Network Services Corporation for 9,000 square feet at a City-owned facility located at 703 Urban Loop and B) 3 year extension of the lease.

Staff recommends approval.

**BACKGROUND INFORMATION**

In 1998 the City purchased the Wayne Bull Complex, a 3.7-acre tract for the City's Records Storage and Management Program. As part of this purchase, COSA recognized a valid, binding and in full force lease with ICG ACCESS SERVICES, Inc. a Colorado Corporation with an effective lease date of December 1, 1995 for one of the three buildings of the City's original purchase. ICG occupies a 9,000 square feet building located at 703 Urban Loop within the Wayne Bull Complex.

The lease has an initial term of ten (10) years expiring November 30, 2005. The lease also gives ICG a renewal option they have exercised for three (3) additional years. Thus, the renewal will be effective December 1, 2005 and expires on November 30, 2008.

Additionally, ICG has been purchased by Tel West Network Services Corporation. As such, ICG is exercising its option to assign the lease to Tel West.

It is in the City's interest to consent to the assignment to Tel West. In the event of default, the City will look to Tel West's assets for damages. If City does not consent, ICG may be a non-existent entity from which to recover damages in the event of default. Furthermore, the City gains \$1,000 as an assignment fee if approved.

The renewal option is also in the City's favor. The renewal is at the tenant's option and is for a ten (10) year term. The negotiated option is reduced to three (3) years, at tenant's request, which provides for improved space planning and flexibility for the City.

## **POLICY ANALYSIS**

Approval of this agreement is consistent with the City's policy to consider assignments and other modifications necessary in its Lease Agreements.

## **FISCAL IMPACT**

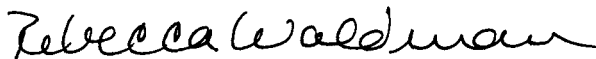
Per the original lease, ICG has been paying the City rent of \$2,700.00 per month or \$32,400.00 per year for the last five years. The Lease payments for the three years of the extension will increase based on a Consumer Price Index (CPI) as of November 2005. The CPI information will not be available until after the ordinance becomes effective, therefore the City will continue to charge the Lessee the same rent they have been paying per month. Once the CPI information is published, a revised rent amount will be calculated and an adjustment in rent will be charged including any back rent owed. Also, a Lease Assignment fee of \$1,000 has been collected for this proposed transaction.

## **COORDINATION**

This item has been coordinated with the City Attorney's Office.

## **SUPPLEMENTARY COMMENTS**

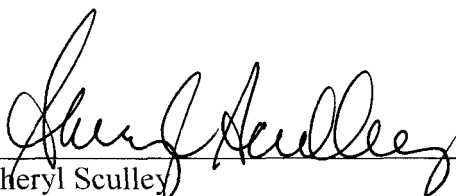
The required Discretionary Contract Disclosure Form is attached.



Rebecca Waldman  
Director, Asset Management



Erik J. Walsh  
Assistant to the City Manager



Sheryl Sculley  
City Manager

**City of San Antonio**  
**Discretionary Contracts Disclosure**

*For use of this form, see Section 2-59 through 2-61 of the City Code (Ethics Code)  
Attach additional sheets if space provided is not sufficient.*

(1) Identify any individual or business entity<sup>1</sup> that is a **party** to the discretionary contract:

Tel West Network Services Corporation

(2) Identify any individual or business entity which is a **partner, parent** or **subsidiary** business entity, of any individual or business entity identified above in Box (1):

☒ No partner, parent or subsidiary; or

List partner, parent or subsidiary of each party to the contract and identify the corresponding party:

(3) Identify any individual or business entity that would be a **subcontractor** on the discretionary contract.

☒ No subcontractor(s); or

List subcontractors:

(4) Identify any **lobbyist** or **public relations firm** employed by any party to the discretionary contract for purposes related to seeking the discretionary contract.

☒ No lobbyist or public relations firm employed; or

List lobbyists or public relations firms:

<sup>1</sup> A *business entity* means a sole proprietorship, partnership, firm, corporation, holding company, joint-stock company, receivership, trust, unincorporated association, or any other entity recognized by law. A sole proprietor should list the name of the individual and the d/b/a, if any.

**(5) Political Contributions**

List all political contributions totaling one hundred dollars (\$100) or more within the past twenty-four (24) months made to any *current* or *former member* of City Council, any *candidate* for City Council, or to any *political action committee* that contributes to City Council elections, by any individual or business entity whose identity must be disclosed under Box (1), (2), (3) or (4) above, or by the officers, owners of any business entity listed in Box (1), (2) or (3):

☒ No contributions made; If contributions made, list below:

By Whom Made:	To Whom Made:	Amount:	Date of Contribution:


**(6) Disclosures in Proposals**

Any individual or business entity seeking a discretionary contract with the city must disclose any known facts which, reasonably understood, raise a question<sup>2</sup> as to whether any city official or employee would violate Section 2-43 of the City Code (Ethics Code), ("conflicts of interest") by participating in official action relating to the discretionary contract.

☐ Party not aware of facts which would raise a "conflicts-of-interest" issue under Section 2-43 of the City Code; or

☐ Party aware of the following facts:

This form is required to be supplemented in the event there is any change in the information before the discretionary contract is the subject of council action, and no later than five (5) business days after any change about which information is required to be filed, whichever occurs first.

Signature:  DAVID MITTLE	Title: General Counsel  Company or D/B/A: Tel West Network Services Corporation	Date: October 25, 2005
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<sup>2</sup> For purposes of this rule, facts are "reasonably understood" to "raise a question" about the appropriateness of official action if a disinterested person would conclude that the facts, if true, require recusal or require careful consideration of whether or not recusal is required.