

**VILLAGE OF ROYAL PALM BEACH**

Agenda Item Summary

**AGENDA ITEM: Approval and authorization for the Village Manager to sign a Lease Agreement between the Village of Royal Palm Beach and Verdex Construction, LLC, for the use of unoccupied space within the David B. Farber building for storing construction materials to be used in the Village Hall construction.**

**ISSUE:** The Village has negotiated a Lease Agreement to use approximately 1,620 square feet of unoccupied space within the David B. Farber building for storing construction materials (e.g., doors, electrical equipment, etc.) to be used in the Village Hall construction (EN2104 & EN2105).

The term of the Agreement is four (4) months, beginning January 19, 2023 (if approved by Council) and ending May 19, 2023 with no option for renewal. The Village's compensation for the leased space shall be a one time fee of \$1,000.00 plus a monthly fee of \$1,620.00. Verdex Construction, LLC will also be required to provide a \$5,000.00 security deposit to the Village.

The Agreement prohibits the storage of any hazardous materials within the space and requires Verdex Construction, LLC to maintain insurance as required by Projects EN2104 & EN2105 and additional insurance sufficient to cover the materials stored within the leased space.

Either party may terminate the Agreement for convenience with a thirty (30) day written notice to the other party.

**RECOMMENDED ACTION: Motion to Approve**

<b>Initiator</b>	<b>Village Manager Approval</b>	<b>Agenda Date</b>	<b>Village Council Action</b>
<b>Village Engineer</b>		<b>1/19/23</b>	

**VILLAGE OF ROYAL PALM BEACH  
LEASE AGREEMENT**

**THIS LEASE AGREEMENT** is hereby entered into and effective this   19th   day of January, 2023 by the Village of Royal Palm Beach, Florida, a municipal corporation organized and existing in accordance with the laws of the State of Florida, with offices located at 1050 Royal Palm Beach Boulevard, Royal Palm Beach, Florida 33411, hereinafter referred to as the "Village," and Verdex Construction, LLC, with offices located at 1545 Centrepark Drive, West Palm Beach, Florida 33401, hereinafter referred to as the "Tenant."

**WHEREAS**, the Tenant has requested to lease approximately 1,620 square feet of unoccupied space within the David B. Farber building for material storage associated with the construction the new Village Hall; and

**WHEREAS**, the Village has considered this use of its property and believes such use to be in the best interests of the public health, safety and welfare, so long as certain conditions, as set forth herein, are met.

**W I T N E S S E T H:**

That for the faithful and timely performance of and compliance with the terms and conditions stated herein, the Village does hereby lease to the Tenant a certain portion of Village-owned property below subject to the following terms and conditions:

Section 1:     **LEASED PREMISES:** Village agrees to lease to Tenant approximately 1,620 square feet of unoccupied space within the David B. Farber building (**1050-B** Royal Palm Beach Boulevard), as shown on Exhibit "A", attached hereto and incorporated herein (hereinafter referred to as the "Leased Premises"), for the purpose of storing construction materials (e.g. doors, electrical equipment, etc.) to be used in the Village Hall project EN2104 & EN2105 (hereinafter referred to as the "Property").

Section 2:     **COMMENCEMENT; TERM:** This Lease Agreement shall commence on the 19<sup>th</sup> day of January, 2023, the effective date of this Lease Agreement, and shall be valid until May 19, 2023 (the "Term"), unless terminated earlier as provided for herein. There shall be no renewal of this Lease Agreement under any circumstances. Should the Tenant fail to vacate the Leased Premises at the expiration of the Term, the Tenant shall be subject to a monthly penalty in the amount of two times the monthly rent, or Three Thousand Two Hundred Forty Dollars (**\$3,240.00**) for each month the

Tenant continues to occupy the Leased Premises.

Section 3:     **RENT; TAXES:** As consideration for the Leased Premises, the Tenant shall pay to the Village a one-time fee in the amount of One Thousand Dollars (\$1,000.00) and a monthly rent amount during the Term of the Lease Agreement for the use of the Leased Premises in the amount of One Thousand Six Hundred Twenty Dollars (\$1,620.00) per month, plus all applicable sales taxes (hereinafter the “Total Lease Amount”).

Section 4:     **EXTENT OF AGREEMENT; USE OF PREMISES; ACCESS:** This Lease Agreement covers the use of the Leased Premises for the sole purpose of storing the Property required for completion of the Village Hall project EN2104 & EN2105. The Tenant is expressly prohibited from using the Leased Premises for any illegal purposes or storing within the Leases Premises guns, ammunition, weapons and/or illegal drugs; hazardous materials including, without limitation, substances that are toxic, reactive, volatile, flammable, explosive, hazardous, or corrosive, or that are, at any time, regulated by state, Federal or local authorities; animals, food or other perishable items; or items that attract vermin, create a nuisance, have a noxious odor or stench, or endanger the safety or health of people or the environment including, without limitation, mothballs.

The Tenant’s onsite Supervisor shall be provided with 24-hour keyed access to the main door of the Leased Premises. Additional scheduled access may be provided to the Tenant through the double door entrance with 24-hour advance notice to the Village. Such scheduled access is subject to denial by the Village in event of scheduled programming at the David B. Farber building which precludes used of the double door entrance by the Tenant, at the sole and absolute discretion of the Village.

The Tenant shall be solely responsibility for protecting and safeguarding any special equipment such as remote controls, keys, or portable electronic devices provided by the Village to access the Leased Premises. If the provided equipment is damaged, lost or not returned, the Tenant shall be responsible for paying the Village for all costs associated with changing the locks on the David B. Farber building to prevent unauthorized access.

Section 5:     **LEASE PAYMENT DUE DATES:** The first and last monthly payments of the Total Lease Amount shall be due at execution of the Lease Agreement by the Tenant. Thereafter, the Total Lease Amount is payable on or before the 1<sup>st</sup> day of each calendar month.

Section 6:     **SECURITY DEPOSIT:** A security deposit in the amount of Five Thousand

Dollars (\$5,000.00) shall be paid by the Tenant to the Village. Such security deposit shall be due at execution of the Lease Agreement by the Tenant. Such security deposit, or portion thereof, shall be returned to the Tenant at the end of the Term, without interest, after a determination that the Tenant has fulfilled all terms of the Lease Agreement and left the premises in adequate condition, as determined by the Village Engineer.

Section 7:     **ALTERATIONS:** The Tenant shall make no alterations to the Leased Premises without the prior written consent of the Village.

Section 8:     **INDEMNITY:** Each party to this Lease Agreement shall be liable for its own actions and negligence and, to the extent permitted by law, the Village shall indemnify, defend and hold harmless the Tenant against any actions, claims or damages arising out of the Village's negligence in connection with this Lease Agreement; and the Tenant shall indemnify, defend and hold harmless the Village against any actions, claims or damages arising out of the negligence of the Tenant in connection with this Lease Agreement. The foregoing indemnification shall not constitute consent by the Village to be sued, or a waiver of sovereign immunity for the Village beyond the limits set forth at Sec. 768.28, *Florida Statutes*. These provisions shall not be construed to constitute agreement by either party to indemnify the other for such other's negligent, willful or intentional acts or omissions.

Section 9:     **ASSIGNMENT:** This Lease Agreement shall not be assigned in whole or in part without the prior written consent of the Village.

Section 10:    **PROHIBITIONS AGAINST LIENS OR OTHER ENCUMBRANCES:** Fee title to the Leased Premises included in this Lease Agreement is held by the Village. The Tenant shall not do or permit anything to be done which purports to create a lien or encumbrance of any nature against any real or personal property owned by the Village.

Section 11:    **BREACH OF COVENANTS, TERMS OR CONDITIONS:** Should the Tenant breach any of the covenants, terms or conditions of this Lease Agreement, the Village shall give written notice to the Tenant to remedy such breach within ten (10) days of such notice. In the event that the Tenant fails to remedy the breach to the satisfaction of the Village within ten (10) days of the receipt of the written notice, the Village may terminate this Lease Agreement immediately.

Section 12:    **NO WAIVER OF BREACH:** The failure of the Village to insist in any one or more instances upon strict performance of any one or more of the covenants, terms and conditions

of this Lease Agreement shall not be construed as a waiver of such covenants, terms and conditions, but the same shall continue in full force and effect, and no waiver of the Village of any one of the provisions hereof shall in any event be deemed to have been made unless the waiver is set forth in writing, signed by the Village.

**Section 13: INSURANCE REQUIREMENTS:** During the term of this Lease Agreement, the Tenant agrees and understands that it shall maintain all insurance as required by the Village Hall project EN2104 & 2105 contract. In addition, the Tenant shall be solely responsible for obtaining and maintaining insurance at an amount sufficient to cover the loss of all Property stored on the Leased Premises during the term of this Lease Agreement. All Property of any kind stored by the Tenant on the Leased Premises during the term of this Lease Agreement shall be at the sole risk of the Tenant, and except for any negligence of the Village, the Village shall not be liable to the Tenant for loss of or damage to the Property.

**Section 14: TERMINATION:** Either party may terminate this Lease Agreement prior to the end of the Term by giving thirty (30) calendar days written notice to the other party. In the event of early termination by either party, the Tenant shall be responsible for that full month's rent with no proration.

**Section 15: NOTICE:** All notices given under this Lease Agreement shall be in writing and shall be served by certified mail, or hand delivered in person, including, but not limited to, notice of any violations served to the last address of the party to whom the notice is to be given as designated by such party in writing. The Tenant and the Village hereby designate their addresses as follows:

As to Village:	As to Tenant:
Village of Royal Palm Beach 1050 Royal Palm Beach Boulevard Royal Palm Beach, Florida 33411 Attn: Raymond C. Liggins, Village Manager	Verdex Construction, LLC 1545 Centerpark Drive West Palm Beach, Florida 33401 Attn: Rex B. Kirby, President & Manager

Notices shall be effective when hand delivered at the addresses as specified above; and notices shall be effective when sent certified mail to the addresses as specified above. Changes in the respective addresses to which such notice is to be directed may be made from time to time by either party by

written notice to the other party.

Section 16:    **COMPLIANCE WITH LAWS:** The Tenant agrees that this Lease Agreement is contingent upon and subject to the Tenant obtaining all applicable permits and complying with all applicable permits, regulations, ordinances, rules and laws of the State of Florida or the United States, or any political subdivision or agency of either, which has legitimate jurisdictional authority regarding this property and its development.

Section 17:    **GOVERNING LAW:** This Lease Agreement shall be governed by and interpreted according to the laws of the State of Florida; venue for the enforcement of this Lease Agreement shall be Palm Beach County, Florida, where the subject land is located.

Section 18:    **INSPECTOR GENERAL:** Pursuant to Article XII of the Palm Beach County Charter, the Office of the Inspector General has jurisdiction to investigate municipal matters, review and audit municipal contracts and other transactions, and make reports and recommendations to municipal governing bodies based on such audits, reviews or investigations. All parties doing business with the Village shall fully cooperate with the Inspector General in the exercise of the inspector general's functions, authority and power. The Inspector General has the power to take sworn statements, require the production of records and to audit, monitor, investigate and inspect the activities of the Village, as well as contractors and lobbyists of the Village in order to detect, deter, prevent and eradicate fraud, waste, mismanagement, misconduct and abuses.

Section 20:    **PARTIAL INVALIDITY - SEVERABILITY:** If any term, covenant, condition or provision of this Lease Agreement shall be ruled by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder shall remain in full force and effect and shall in no way be affected, impaired or invalidated.

Section 21:    **MODIFICATION:** The Agreement may not be modified unless such modifications are evidenced in writing signed by both the Village and the Tenant. Such modifications shall be in the form of a written Amendment executed by both parties.

Section 22:    **DUPLICATE ORIGINALS:** This Lease Agreement is executed in duplicate originals, each of which shall be considered an original for all purposes.

Section 23:    **ENTIRE UNDERSTANDING:** The Village and The Tenant agree that this Agreement sets forth the entire agreement between the parties, and that there are no promises or understandings other than those stated herein.

**[SIGNATURE PAGES BELOW]**

IN WITNESS WHEREOF, the parties have caused this Lease Agreement to be executed on the day and year first above written.

**VILLAGE OF ROYAL PALM BEACH**

By: \_\_\_\_\_  
Raymond C. Liggins, Village Manager

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Witness

STATE OF FLORIDA  
COUNTY OF PALM BEACH

The foregoing instrument was acknowledged before me by means of [ ] physical presence or [ ] online notarization this \_\_\_\_\_ day of \_\_\_\_\_, 2023, by \_\_\_\_\_, who is personally known to me or who has produced \_\_\_\_\_ as identification and who did/did not take an oath.

(Seal)

\_\_\_\_\_  
State of Florida  
NOTARY PUBLIC

**VERDEX CONSTRUCTION, LLC**

DocuSigned by:  
**Rex Kirby**  
By: \_\_\_\_\_  
Rex B. Kirby, President & Manager

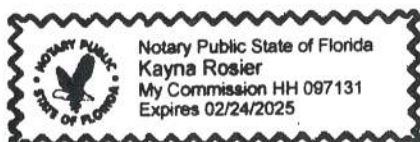
*Jo-Ellen Gp*  
\_\_\_\_\_  
Witness

*Tanya Goodwin*  
\_\_\_\_\_  
Witness

STATE OF FLORIDA  
COUNTY OF PALM BEACH

The foregoing instrument was acknowledged before me by means of [ ] physical presence or [ ] online notarization this 12th day of January, 2023, by Rex B. Kirby, who is personally known to me or who has produced \_\_\_\_\_ as identification and who did/did not take an oath.

(Seal)



*[Signature]*  
\_\_\_\_\_  
State of Florida  
NOTARY PUBLIC



EXHIBIT A

