



FLOYD COUNTY BOARD OF EDUCATION
Anna Whitaker Shepherd, Superintendent
442 KY RT 550
Eastern, KY 41622
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Linda C. Gearheart, Board Chair - District 1
William Newsome, Jr., Vice-Chair - District 3
Dr. Chandra Varia, Member- District 2
Keith Smallwood, Member - District 4
Steve Stone, Member - District 5

Consent Agenda Item (Action Item): Consider/Approve Lease Agreement with Warco Land Improvement Company, INC for a Temporary Bus Garage.

Applicable State or Regulations:

Fiscal/Budgetary Impact: The cost to lease will be part of insurance claim (see attached email from Sam Howard, Trace Creek).

History/Background: On April 30, 2022 a fire destroyed the Floyd County Schools Bus Garage. A temporary garage will be required to conduct required monthly bus inspections.

Recommended Action: To approve Lease Agreement as presented, pending KDE approval.

Contact Person(s): Linda Hackworth
Joe Marson

NA
Principal

Linda Hackworth
Director

Anna W. Shepherd
Superintendent

Date: June 21, 2022

Hackworth, Linda (MAINT)

From: Sam Howard <samhoward@tracecreek.net>
Sent: Monday, June 20, 2022 5:24 PM
To: David Wenz; Matt Ederer
Cc: Hackworth, Linda (MAINT); Jeff Williams
Subject: "Caution: External Email" Floyd County Bus Garage
Attachments: Floyd temporary location 01.jpg; Floyd temporary location 02.jpg; Floyd temporary location 03.jpg; Floyd temporary location 04.jpg; Floyd temporary location 05.jpg; Floyd temporary location 06.jpg; Floyd temporary location 07.jpg; Floyd temporary location 08.jpg

External Email Notice

Caution: This message originated from outside the Floyd County School's Organization. Be aware of the sender and any suspicious links.

Good afternoon,

I hope you both had a great Father's Day weekend.

I think I have a good handle on the temporary bus garage location for Floyd County Schools. I have called and described what I am putting in this email to David Wentz to make sure he is versed on what I am trying to describe below. This is being presented in an outline form with responses and/or clarifications requests welcomed.

The proposed facility to be used as a temporary bus garage is owned by Terry Thornsberry and his brother. It is located directly behind a FedEx receiving facility approximately 5 miles from the existing bus garage location. This facility was selected as most appropriate by the transportation team at Floyd County. It is one of at least five that was visited and considered for use. I am attaching pictures of the existing facility, as it exists today, to this email.

There are deficiencies in the existing building that will be required to be upgraded before it can be used as a temporary bus garage. The deficiencies have been outlined in previous emails that have been forwarded to you from the schools architectural/engineering team and the OSHA inspector that has visited the site. We have not asked the architectural engineering team to do a baseline drawing of the existing facility or the upgrades needed with the exception of a hand sketched building footprint. We wanted to be reasonably sure the facility would work before incurring any expense. We used the hand sketched building footprint to come up with the budget number for the upgrades listed in the reports submitted.

We have also reached out to the owner, Terry Thornsberry today, and discussed what we are outlining in this email. He and his brother are agreeable to the terms we are outlining below. These are changes to the original lease document submitted to the school system by Terry Thornsberry as outlined below and he has agreed to them.

The Floyd County school district will lease the facility for a guaranteed one-year term. The lease rate will be \$6000 per month for a total of \$72,000 lease amount. This full amount will be paid to Terry Thornsberry within

30 days of signing the lease agreement with Floyd County Schools. If agreeable to Liberty Mutual, we anticipate the Floyd County school board approving this lease agreement on Monday, 27 June, 2022 at the regularly scheduled board meeting.

I have personally talked to the head of Kentucky Housing Building and Construction. This agency governs this facilities occupancy permitting for use. Current Kentucky code requires this building to have a sprinkler system if it was being planned as new construction and a full code review. I have spoken with HBC to ask if we include a heat detection system within the fire alarm, if that would suffice in Lieu of a sprinkler system since this is a temporary location. I have been told we can get a variance for the sprinkler system as long as we include a heat detection system in the fire alarm system. This would be for the temporary use only.

The proposed budget amount for the upgrades listed in the different reports is between \$28,000 and \$30,000. We provide a range because we have not completed a drawing and gotten all of the upgrades approved by the different inspection agencies as required by current code.

We have sent the hand sketched drawing to different fire alarm specialty companies for them to give us a quote to do the fire alarm work necessary per code. We have also asked the fire alarm companies to design their work so the different components can be used in the new facility. I am specifically talking about the horns/strobes and the control board. I also asked them to include a heat detection system within the fire alarm system in the budget quote provided to us.

I have spoken with Joe Marson, director of maintenance for Floyd County Schools, and ask for him to measure the existing four post lifts that will be reused. These lifts were in the building at the time of the fire and it has been determined that they are salvageable. If these lifts will fit in the temporary garage location, they will move them from their current location to the temporary bus garage location, installed and hooked up. They will be completely checked out and serviced prior to use. This will allow the lifts to be in place and used until the new facility is built. This will also allow the lifts to have a temporary storage location without the need to rent a temporary storage space for them. We have not solicited a quote from any firm to move the lifts, hook them up and then move them back to the new bus garage after, it is completed. That cost would be in addition to the cost quoted above. David mentioned in our call today that Liberty Mutual has a master agreement with a lift company that can provide a quote for this work.

I also told the owners of the facility, if the above is agreeable to Liberty Mutual, that Liberty Mutual would be paying the owner. The owner, Floyd County Schools, would intern pay the building owners for the lease cost and the upgrade cost. It would be up to Trace Creek to establish the exact cost to the building owners for the required upgrades. Trace Creek agrees to itemize those cost and do them on a open book basis.

I have communicated all of the above to the building owners and they are agreeable to all of the above.

Respectfully,

Sam Howard
CEO

O: 606.796.3867
C: 606.301.3309
F: 606.796.3948



127 Market Street, Suite 200 | P.O Box 539 | Vanceburg, KY 41179
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LEASE

This Lease made and entered into this ____ day of _____, 2022, by and between WARCO LAND IMPROVEMENT COMPANY, INC., P.O. Box 1590, Martin, KY 41649, hereinafter referred to as "Lessor" and THE BOARD OF EDUCATION OF FLOYD COUNTY, KENTUCKY, 442 Kentucky Route 550, Eastern, KY 41622, hereinafter referred to as "Lessee".

WITNESSETH:

That Lessor, for and in consideration of the rents and covenants hereinafter set out does hereby demise, lease and let unto Lessee the following described premises, to-wit:

Real property located at 302 Thornsberry Drive, Langley, KY 41645.

Approximately 7,500 square feet for use as a bus garage.

I. TERM

The term of this lease shall be for twelve months (12) months commencing on the 1st day of July, 2022.

II. RENTAL

Lessee does hereby agree to pay the sum of SIX THOUSAND DOLLARS (\$6,000.00) per month, during the term of this Lease and any extension or renewal thereof, payable on the first day of each and every month, beginning on the 1st day of July 2022. Necessary upfit and upgrades to the facility for the use of the Lessee will be at the expense of the Lessee..

III. UTILITIES, MAINTENANCE, REPAIR AND UPKEEP

Lease price includes electricity, natural gas, water, taxes and building upkeep with the exception of light bulbs for interior lights. Tenant is to furnish its garbage disposal.

Tenant will be responsible for building contents insurance.

Warco Land Improvement Company, Inc. has guards on property between 10:00 p.m. and 6:00 a.m. seven days per week.

Lessor is responsible for all maintenance, upkeep, and repairs. Notwithstanding the foregoing, Lessee shall be liable for the entire cost of all repairs directly or indirectly caused or necessitated by the negligence of intentional acts of Lessee, vendors, licensees, invitees, guests, employees or agents. The Lessee is not liable for any environmental contamination costs and liabilities of said property. At the termination of this Lease, Tenant shall surrender the Premises to Lessor in at least the same order and state of cleanliness they were in when Lessee first occupied the Premises. Throughout the term of this Lease, Lessee shall (a) keep the Premises in a safe and sanitary condition; (b) dispose of all rubbish, garbage and other waste in a clean, safe and sanitary manner; (c) keep all plumbing fixtures in the Premises or used by Lessee as clean as their condition permits; (d) use and operate all electrical and plumbing fixtures properly; and (e) shall not consent for anyone on the premises to conduct themselves, in connection with the Premises, so as not to violate any federal, state, or local law.

Tenant shall engage at their expense a qualified design professional to determine all upfit and upgrade requirements necessary for the facility to be made operational for the Tenant. All work to the facility for all upfit and upgrade requirements will be completed by the Lessor and will be as a reimbursable expense the Lessor.

IV. OPTION TO RENEW

Lessee shall have the right and option to extend or renew this Lease for an additional six (2) month term commencing on the expiration of the term of this Lease, subject to all of the terms, covenants, and provisions hereof at a lease rate of \$6,000 per month payable on the first day or each extended monthly period. This Lease option shall be exercised by Lessor by giving written notice of Lessee's intention to exercise the option not less than thirty (30) days prior to expiration of the term hereof.

V. RIGHT TO CANCEL LEASE

Either party hereto shall have the right, upon sixty (60) days written notice to the other party and a reasonable opportunity to cure defects to cancel and terminate this Lease for cause. In the event of termination all of the rights, liabilities and obligations of both parties hereto shall cease upon the expiration of the said sixty (60) day notice period.

VI. INSURANCE

The Lessee shall at all times during the term of this Lease or any renewal or extension thereof maintain general liability insurance upon the property described herein and shall have Lessor added to its liability insurance policy as co-insureds. Such insurance shall provide coverage for injuries to persons and/or property by reason of any claimed negligence with respect to the ownership, operation or use of the premises herein described.

VII. QUIET ENJOYMENT AND POSSESSION

The Lessor will, and the heirs, executors, administrators, and assigns of Lessor shall warrant and defend said Lessee in the enjoyment and peaceable possession of the above-demised premises, during the term hereof, if the said Lessee shall perform all and

singular covenants herein agreed to be performed on the part of Lessee.

VIII. PARTIES BOUND

The terms, conditions and provisions of this Lease shall inure to and be binding upon

Lessor and Lessee and their respective heirs, executors, administrators, successors and assigns.

IN WITNESS WHEREOF, the Lessor and the Lessee have set their hands the day and year first above written.

WARCO LAND IMPROVEMENT COMPANY, INC.

BOARD OF EDUCATION OF
FLOYD COUNTY,
KENTUCKY

BY: _____
LINDA GEARHEART, CHAIRPERSON
"LESSEE"

ATTEST:

SECRETARY

COMMONWEALTH OF KENTUCKY

COUNTY OF _____

I, the undersigned Notary Public within and for the Commonwealth of Kentucky and County aforesaid, do hereby certify that on the ____ day of _____, 2022, the foregoing Lease was produced to me in said County and acknowledged before me by _____, WARCO LAND IMPROVEMENT COMPANY, INC. parties thereto, to be their free act and deed for the purposed therein stated on this ____ day of _____, 2022.

My Commission Expires: _____

NOTARY

PUBLIC COMMONWEALTH OF KENTUCKY

COUNTY OF _____

I, the undersigned Notary Public within the Commonwealth of Kentucky and County aforesaid, do hereby certify that on this ____ day of _____, 2022, the foregoing Lease was produced to me in said County by LINDA GEARHEART, personally known to me to be the Chairman of The Board of Education of the FLOYD COUNTY, Kentucky, School District, and was acknowledged by them before me to be their free act and deed as Chairman of said Board as authorized by resolution of said Board passed on ____ day of _____, 2022 for the uses and purposes set out in said Lease.

Witness my hand this ____ day of _____,
2022. My Commission Expires: _____

NOTARY
PUBLIC

I certify to preparation of the foregoing instrument:

JONATHAN C. SHAW
ATTORNEY AT LAW
327 Main Street, P.O. Drawer 1767
Paintsville, Kentucky 41240