

Department of Public Works

City Hall
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Racine, WI 53403
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Richard M. Jones, P.E.
Commissioner of Public Works

Thomas M. Eeg, P.E.
Asst. Comm. of Public Works/Operations

John C. Rooney, P.E.
Asst. Comm. of Public Works/Engineering

May 16, 2007

Alderman Ronald D. Hart
Chairman, Public Works
and Services Committee
Racine, Wisconsin

**RE: State of Wisconsin, Department of Administration
5-Year Lease - City Hall Annex**

Dear Alderman Hart:

Submitted for your approval is a 5-year lease agreement for the State of Wisconsin, Department of Administration on behalf of the Department of Corrections. This lease is for the period of January 1, 2008 to December 31, 2012.

This lease calls for a 3% per year increase, matching their last 5-year extension. Their rate is currently about 9% greater than other Annex locations, so a 3% raise per year will still keep them at or above other user rates. This lease will generate \$404,293.24 in revenue for the City of Racine over the 5-year period.

We request that the lease renewal be approved and that the Mayor and City Clerk be authorized to sign the lease with the State of Wisconsin.

Sincerely,

A handwritten signature in black ink, appearing to read 'Tom Eeg', is written over a white background.

Thomas M. Eeg
Assistant Comm. of Public Works/Operations

TME:das

cc: Richard M. Jones