PUD STRATEGIC FACILITIES PLAN PORT INDUSTRIAL BUILDING #5 LEASE



Chelan County PUD #1 Long Term Strategic Facilities Plar



INFORMATION ONLY NO BOARD ACTION REQUESTED

- Terms of Lease Agreement for Port Industrial Building #5 (IB#5)
- Planned District use of IB #5 facility
- Update on progress of other documents related to the Olds Station land purchase
- **Discussion/Questions**

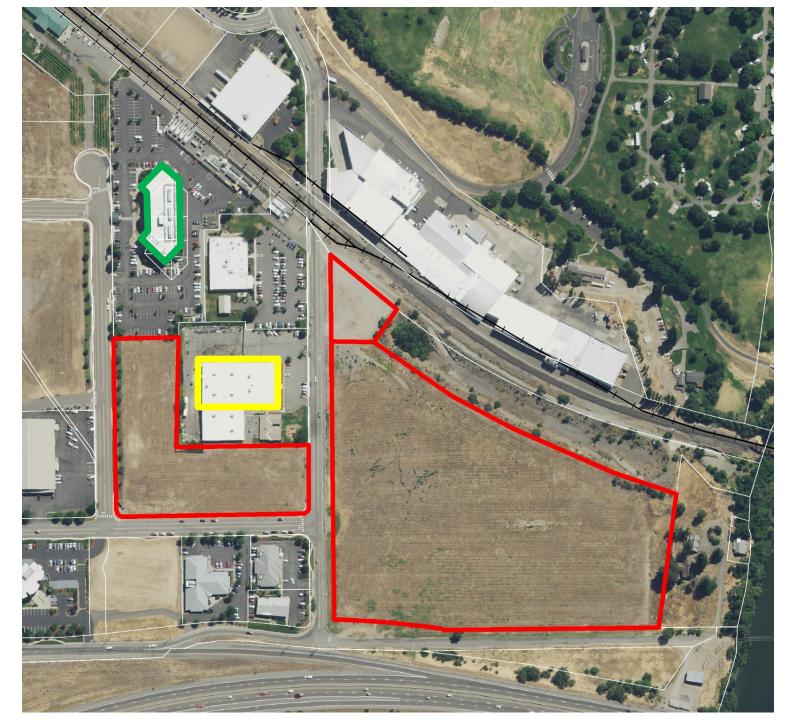


Today's Agenda

Plar Long Term Strategic Facilities **Chelan County PUD**



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Properties Involved in Transaction

- Undeveloped Port properties totaling 19.05 Acres
- 26,000 square feet
- Confluence Technology Center Units LL1 and 201

Property Acquisition

Port Industrial Building #5 –

totaling 19,285 square feet.

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Lease Agreement Details

Major Elements of the Agreement

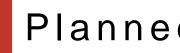
- PUD to lease 26,000 square feet of combined office and warehouse/industrial space
- Initial Term is four (4) years with two (2)
 PUD optional renewals, each for an additional one (1) year.
- Lease rate is \$0.65 per square foot per month with additional direct cost reimbursement of common area maintenance expenses.
 - Fire system
 - Landscape/parking lot maintenance
 - Site utilities

Other Important Provisions

- Tied to other acquisition agreements (Sale of land and CTC condo units, lease of CTC spaces, options for purchase, etc.)
- Option to terminate by either party if land sale does not close or if the PUD decides not to pursue development of a facility on the Port's Olds Station property.

Chelan County PUD #1 Long Term Strategic Facilities Plan





Priorities for PUD Use of IB #5 Building

- Relieve "pent-up" demand for additional operational space
- Relocate groups that are currently leasing facilities in other areas
- Relocate materials that are in facilities that need immediate repairs or improvements
- Provide space for Operations and Service Center/HQ project development team

Potential IB #5 Occupants

- Fiber/Telecom Business Unit
- Distribution Meter Shop/AMI
- Lands Maintenance Crew
- Asset Management Team
- Engineering and Project Management Facilities Development Team

Planned Use of IB #5

Plan Long Term Strategic Facilities <u></u> **Chelan County PUD**

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Documents

Nine documents to be developed, reviewed and approved

- Access Agreement for early investigation work Approved August 1st
- Lease of Industrial Building #5 *Presented 09/17/18*
- Remaining documents *currently undergoing review/comment*
 - Purchase and Sale Agreement for land (19.05 acres)
 - Purchase and Sale Agreement for PUD condo units (LL1 & 201)
 - Lease of LL1 & 201 from Port
 - Use Agreement for Video Conference Center
 - Capacity Reservation Agreement for CTC
 - Option for Port to purchase land back from PUD (19.05 acres)
 - Option for Port to purchase Fifth St. and/or Hawley St. Parcels

Port/PUD Term Sheet





Long Term Strategic Facilities Plan Chelan County PUD #1