# 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**

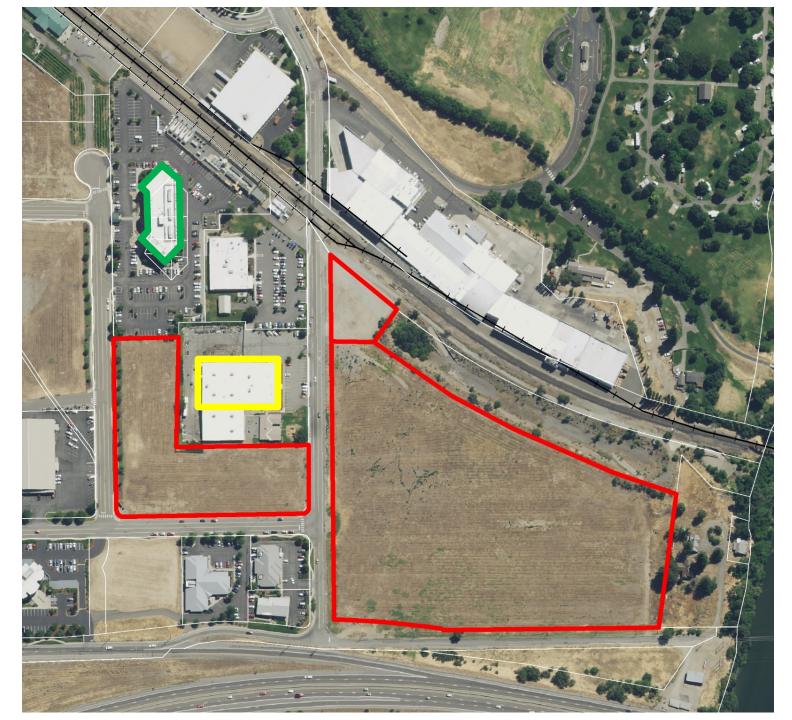


### Today's Agenda

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**

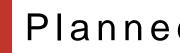
- PUD to lease 26,000 square feet of combined office and warehouse/industrial space
- Initial Term is four (4) years with two (2)
  PUD optional renewals, each for an additional one (1) year.
- Lease rate is \$0.65 per square foot per month with additional direct cost reimbursement of common area maintenance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

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#### **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

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Documents

Nine documents to be developed, reviewed and approved

- Access Agreement for early investigation work Approved August 1<sup>st</sup>
- 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