

Statement
to the
Commissioners of Chelan County Public Utility District No. 1
August 6, 2018

Re: Proposed Move of Headquarters to Business Park

May it please the commission, President Bolz, commissioners, and management. My name is Russell J. Speidel. I am a resident of Wenatchee and for over 30 years have had my office practice in downtown Wenatchee. I graduated from Wenatchee High School in 1966. After college, law school, graduate school, and employment in Massachusetts and New Hampshire, I returned to Wenatchee in 1982 with my wife Jean. We raised all four of our children here in Wenatchee. As I am sure you do as well, I regard Wenatchee as a very special place. To paraphrase Benjamin Franklin, it's a community if we can keep it.

Today I ask you to reconsider the proposal to move the headquarters of the Chelan County PUD from your 5th Street – Wenatchee Avenue location to the business park north of Wenatchee called Olds Station. The business park is not part of our community. It is a collection of offices, nonresidential, and serves only commercial purposes. We just read in the paper yesterday that a local dental practice is moving to the business park from the downtown area.

I support your decision to move your fleet service. In reality, planning to move the fleet service should probably have occurred 20 years ago and a move of that same fleet service should have probably happened 10 years ago. 70% of your service calls are north and west of Wenatchee. What better reason to move the fleet service?

Moving the fleet service does not, however, justify moving the commission, your public meeting space, your customer service and other operations, and your management team. With the possible exception of a limited number of engineers who may need to be on site with fleet service, I submit that the key is for your management team, customer service and other operations to be together with the commission and not necessarily housed with your fleet service.

The best example is Boeing. Phil Condit and the Board of Directors of Boeing decided in the prior decade to move their headquarters from Seattle to Chicago. Boeing did not move its airplane assembly factory from Everett to Chicago. Its intent was to better serve its Board, management, and shareholders. Certainly the management of Chelan County PUD and its commission could thrive at the corner of 5th Street and Wenatchee Avenue with a fully operating fleet service north of the city.

What then, do I propose? I propose that upon this eight acres owned by the PUD at the corner of 5th Street and Wenatchee Avenue that each of the five buildings be scraped off the land; that new fleet service facilities be constructed north or west of Wenatchee to include replacement of the Hawley Street property; and that a new state of the art building be constructed in this place to house the commission, management, customer service and other operations and our public meeting space.

In addition, with the elimination of all five existing buildings, the commission will have the opportunity to develop for Wenatchee additional public green space. I submit that not all of the eight acres will be required for vehicle parking and the new central office; and that additional green space can be provided for the benefit of our community.

This will not be an easy decision. Much analysis and calculations will be required. In addition, it can be a challenge to replace a central office building and build a new one. In my experience in our community, the best example of such an occurrence was in the 1990s with the Wenatchee School District.

In the 1990s as a member of the Wenatchee School Board, I participated in the decision to raze and remove what was then our existing central office of the school district. We did not move away or out of town. Rather, we, that is the school Board working with the superintendent, stayed right where we were in the sense that we rebuilt a completely new central office building and stayed right next to and behind Orchard Middle School. You can find this building by driving up 5th Street and taking a left on Sunset Avenue and by driving south into the back of Orchard middle School. We did not build a "Taj Mahal" but we did construct a building of which we can all be proud, that allowed us for the first time to house all of our school district management team, and it provided us with a much more functional, inviting public meeting space.

This project was not easy for the Wenatchee School District management team and school Board. For over a year, we moved our management and Board operations into leased temporary office space on Wenatchee Avenue.

I ask you to do the same.

Why is this important? It is important for two reasons. Number one, you, the commission and your management team are part of our community. If you move to the business park, you are no longer part of our community. Second, all across America there is a continuing decline of Main Street USA, now challenged more than ever by online purchasing and threatened retail businesses. In the Wenatchee Avenue downtown business district alone, we have 16,000 square feet of available commercial space that is vacant. In addition, in the same area between Yakima Street and 2nd Street, we have 100,000 square feet of building space that is vacant and needs to be repurposed.

The proposal you have before you will create, unless you destroy some of your five buildings, 170,000 square feet of vacant office space. Your proposal is to take \$5 million and

hope that it functions as a magic wand to revitalize your five buildings and eight acres. Where is the proof that such a proposal would work in the face of our declining Main Street and the threat we already face of vacant office space on Wenatchee Avenue?

Quoting from yesterday's New York Time's Magazine, "We have not allowed ourselves to comprehend what failure might mean – for how we remember the past, for how we think about the future." We remember the past as one that included a vibrant downtown Wenatchee where businesses thrived. Thinking about the future, that is what all of us want, a thriving downtown Wenatchee and a thriving and cost effective PUD.

One of the fundamentals of district power law under Title 54 of the Revised Code of Washington is the "placement of service above profit in utility service." I submit to you that placement of service above profit includes remaining a part of our community, the community that founded the PUD, the community that nurtured for over eight decades this district, and the community that provides the PUD a substantial percentage of its workforce.

An excellent example of a prominent business in Wenatchee which has stayed in our community is Confluence Health. A decade ago, there was a proposal to move our hospital to a similar business park. Fortunately after public input, the hospital Board decided to keep our hospital in Wenatchee and of course Wenatchee Valley Clinic, founded in Wenatchee, stayed in Wenatchee. These two organizations, now combined into Confluence Health, are not all in one facility, yet Confluence Health remains a vibrant part of our community and a leading provider of medical care for our entire region. Certainly the Chelan County PUD could match the example provided by Confluence Health.

In closing, as I have mentioned personally to each of you, there is in our cities and towns across our land a fine line between renewal and decay. I ask you to move your fleet service north or west of town, to raze these five buildings, to build a new state of the art facility that is appropriate for your management team, your commission, your customer service and other operations and for the public, and that is located right here at 5th Street and Wenatchee Avenue where you remain a part of Wenatchee committed to keeping this special space a community.