

**Highline Water District
King County, Washington**

RESOLUTION 17-10-4A

RESOLUTION AMENDING HIGHLINE WATER DISTRICT CODE (HWDC) CHAPTER 6.04 RATES, SECTION 6.04.050 REAL PROPERTY/COMMUNICATION SITE LEASE RATES, TABLE 12; HWDC CHAPTER 7.02 REAL PROPERTY COMMUNICATION LEASES, SECTION 7.02.060 LEASE AGREEMENT/BOARD APPROVAL AND SECTION 7.02.080 RENEWAL; AND FURTHER AUTHORIZES STAFF TO MAKE ANNUAL ADJUSTMENTS

WHEREAS, Section 6.04.050 Table 12 of the HWDC identifies the District's charges for Real Property/Communication Site Lease Rates; and

WHEREAS, Section(s) 7.02.060 and 7.02.080 identifies Lease Agreements/Board Approval and Renewals; and

WHEREAS, labor rates can change over time and must be modified to recover the District's direct and indirect expenses; and

WHEREAS, the District desires to revise the fees accordingly to be at the current market rates; and

WHEREAS, the proposed revisions to Section 6.04.050 Real Property/Communication Site Lease Rates are as follows:

SECTION 6.04.050

TABLE 12 – REAL PROPERTY/COMMUNICATION SITE LEASE RATES

(Per Resolution 17-10-4A- effective 10/4/17)

• Pre-Lease Entry Fee	\$500.00
• Lease Agreement Fee	\$1,500.00 \$2,000.00
• Additional attorney costs for variation from standard lease agreement (to be paid by Lessee)	Hourly Rate of Attorney
• Real Property/Communication Site Leases – Annual Rate <u>1st Year</u>	\$9,000.00 \$30,000.00
• <u>Renegotiation of Existing Lease (Covers staff and attorney fees)</u>	\$5,000.00
• <u>Amendment of Existing Lease</u>	Case-by-Case Basis
• <u>Lease Administration</u>	Established Labor & Material Rates

Res. 02-8-7D superceded

WHEREAS, the proposed revisions to Section 7.02.060 Lease Agreement/Board Approval and Section 7.02.080-Renewal are as follows:

7.02.060 - LEASE AGREEMENT/BOARD APPROVAL *(Per Resolution 17-10-4A- effective 10/4/17)*

No lease shall be for a term longer than twenty-five (25) years. The annual lease amount is set forth in Section 6.04.050, Table 12, Real Property/Communications Site Lease Rates. The General Manager or designee is authorized to negotiate and sign the lease agreement, subject to approval by the Board.

7.02.080 – RENEWAL *(Per Resolution 17-10-4A- effective 10/4/17)*

~~The annual rent for each successive renewal term will be the annual rent in effect for the final year of the initial term, or prior renewal term increased by fifteen percent (15%), or latest accumulative CPI, (Consumer Price Index-All Urban Consumers 1982-84=100 for Seattle, WA), whichever is greater. (See HWDC 6.04.050, Table 12, Communications/Site Lease Agreements).~~
Annual Escalator shall be 3.5% of previous year.

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NOW, THEREFORE, BE IT RESOLVED:

The Board of Commissioners authorizes the General Manager to amend the Highline Water District Code, Section(s) 6.04.050, 7.02.060 and 7.02.080, as referenced in this document and incorporated herein, effective 10/4/17.

ADOPTED BY THE BOARD OF COMMISSIONERS of Highline Water District, King County, Washington, at an open public meeting held this **4th** day of **October 2017**.

BOARD OF COMMISSIONERS



Todd Fultz, President



Vince Koester, Commissioner



Kathleen Quong-Vermeire, Commissioner



Daniel Johnson, Secretary



George Landon, Commissioner

Agenda Item No.: 5.1
Agenda Date: 10/04/17
Reviewed By: AD/m.e.

Subject: Resolution amending Highline Water District Code (HWDC) Chapter 6.04 Rates, Section 6.04.050 Real Property/Communication Site Lease Rates, Table 12; HWDC Chapter 7.02 Real Property Communication Leases, Section 7.02.060 Lease Agreement/Board Approval and Section 7.02.080 Renewal; and further authorizes staff to make annual adjustments

CATEGORY	
<i>Executive</i>	<input type="checkbox"/>
<i>Administrative</i>	<input checked="" type="checkbox"/>
<i>Engineering/Operations</i>	<input type="checkbox"/>

FINANCIAL						
<i>Expenditures?</i>	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
<i>Budgeted?</i>	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Amount: \$					_____	

ATTACHMENTS:

1. Resolution 17-10-4A

COMMENTS:

Labor rates can change over time and must be modified to recover the District's direct and indirect expenses.

The District desires to revise the fees accordingly to be at the current market rates.