

November 21-22, 2024

ITEM 215-2003-R1124

Request for Authorization to Lease Space for MilTech; Montana State University

THAT

Consistent with BOR Policy 1003.6, the Board of Regents authorizes Montana State University to enter into a lease agreement for MilTech to occupy space at 2928 Technology Boulevard in Bozeman.

EXPLANATION

1. MilTech serves as a critical partner for getting innovative technology deployed quickly, reliably, and cost-effectively to serve the Department of Defense and other federal agencies.
2. MilTech is continuing to grow, with expanded service offerings to the Army, Marine Corps, National Oceanic Atmospheric Administration (NOAA), and other customers.
3. MilTech needs more space, to accommodate continued growth, in facilities that can be readily used for accessing Controlled Unclassified Information (CUI) and maintaining regulatory compliance.
4. MilTech already occupies approximately 13,000 square feet of space in the “AED Building” at 2928 Technology Boulevard in Bozeman, which offers appropriate office/design space for MilTech’s innovative technology programs.
5. MilTech has requested to enter into a lease agreement for Suite 201 beginning on January 1, 2025, for a 2-year term to better serve new customers. New lease rates and options will be analyzed before an extension is granted after the initial 2-year term.
6. The lease costs have been calculated at \$28 per square foot for the 2,115 square foot space for a total annual cost of \$59,232. The cost is within the parameters of fair market value.
7. The lease costs will be paid using federal funds.
8. MilTech will be responsible for any additional costs associated with facility operations under a triple net lease (NNN) arrangement and for any tenant improvements to the space.

ATTACHMENTS

Attachment 1 – Lease Abstract