



CHELAN COUNTY

LONG RANGE FACILITIES PLAN IMPLEMENTATION PLAN – PROGRESS UPDATE

July 24, 2017





“Shaping our utility to do the best, for the most, for the longest”

Agenda

I) Summarize Previous Work

II) Update on Implementation Plan Progress

III) Next Steps

IV) Questions



“Shaping our utility to do the best, for the most, for the longest”

District Vision

“To be valued as an innovative, trusted, and highly respected public utility for generations to come”.

District Mission

“To provide sustainable, reliable utility services that enhance the quality of life in Chelan County”

Excerpt from District Strategic Plan

“Our first priority should be reinvesting in our core, value-creating assets: the hydropower projects, distribution systems, facilities and people”

2015 District Strategic Plan

By involving our customer-owners, our goal is to:

- Meet business functions effectively and efficiently
- Focus on the right level of investment in quality and condition
- Create accessibility for the public when appropriate
- Locate our facilities in keeping with long-term community planning



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Productivity

Maximize efficiency potential at all operational levels

Service Levels

Optimize level of service delivery and customer experience

Financial Value

Produce lowest long term spending

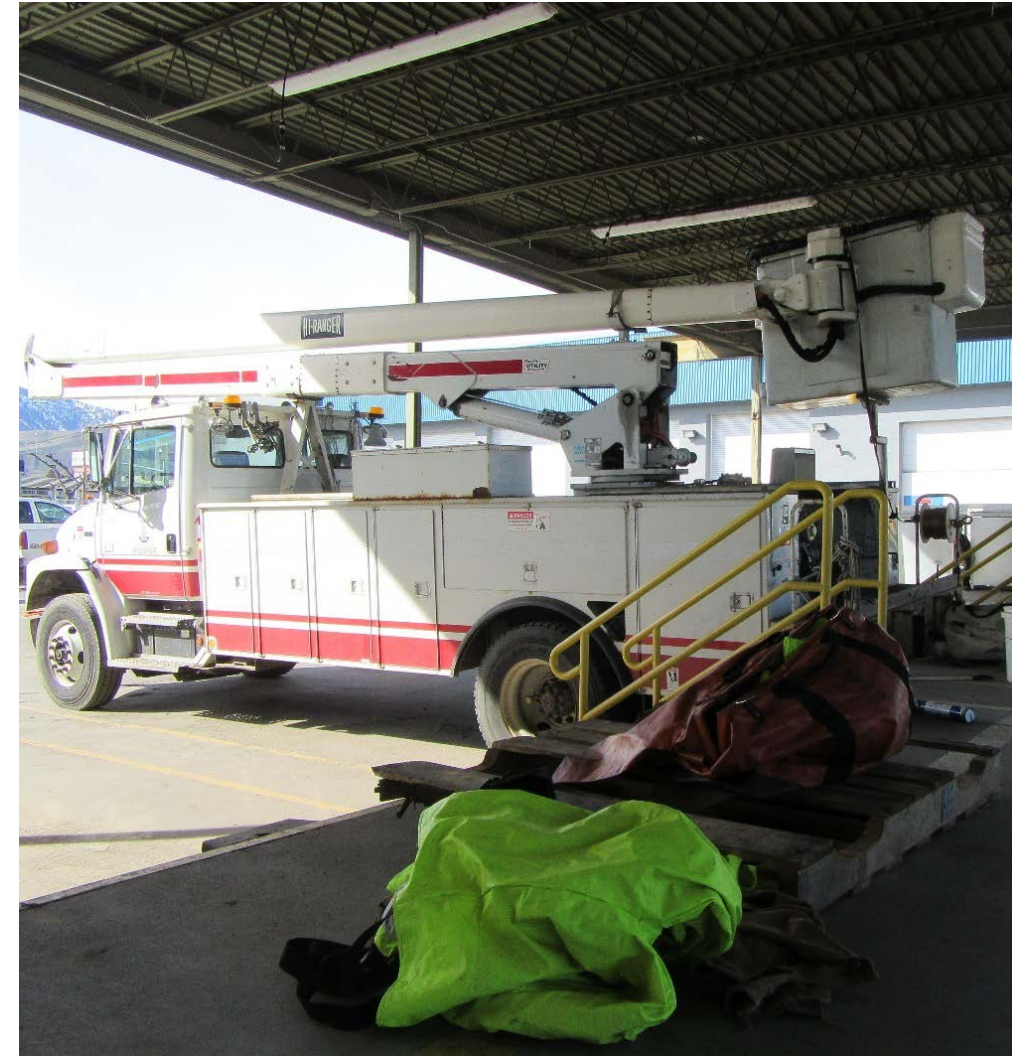
Cost Predictability

Create financial stability with predictable cost forecasting

Safety

Enhance public and employee safety

Core Goals





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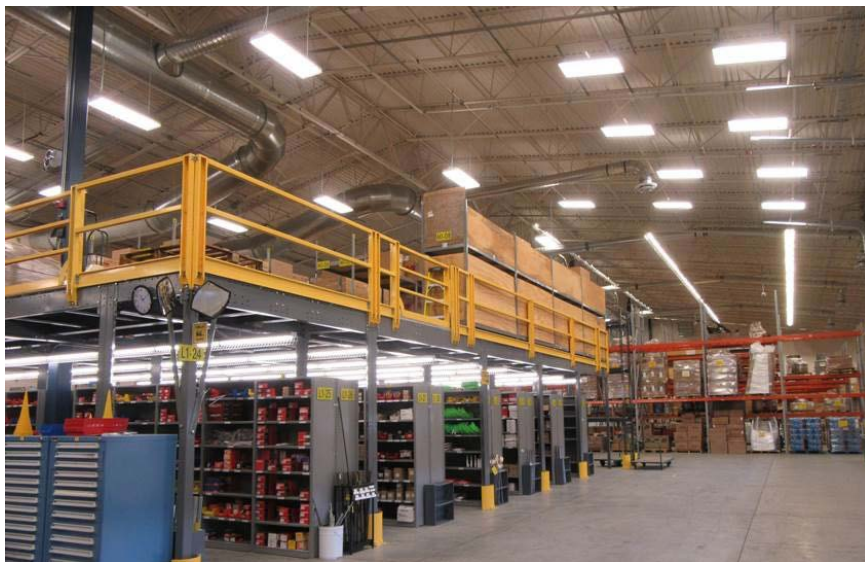
Grant County PUD – Wanapum Fab Shop



Pierce County PW



Mason County PUD



Grant County PUD – Wanapum Warehouse



Mason County PUD

Standards

Building Systems

Invest in longevity through durable materials and robust building and site systems

Functionality

Optimize workflow and efficiency by design

Facility Location

Locate facilities to optimize resources

Regulatory Compliance

Meet or exceed all regulatory compliance standards

Conservation / Sustainability

Conserve resources by design



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Update on Major Areas of Work

- Siting evaluations for potential Headquarters' Campus
- Confirmation of scope and budget at all three sites (HQ, Rocky Reach, Rock Island)
- Exploration of an alternate contract delivery method
- Development of program resource needs

Implementation Plan Update





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Siting Evaluation Olds Station North

Advantages

- Preserves Horan Block for other potential development
- More compact site development

Disadvantages

- Displaces several existing businesses
- Isolates some existing businesses
- Poor internal sightlines
- Poor offsite aesthetics

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Siting Evaluation Olds Station South-1

Advantages

- Best internal sightlines
- Better operational workflow
- Dedicated Customer “Front Door”
- Preserves some existing businesses

Disadvantages

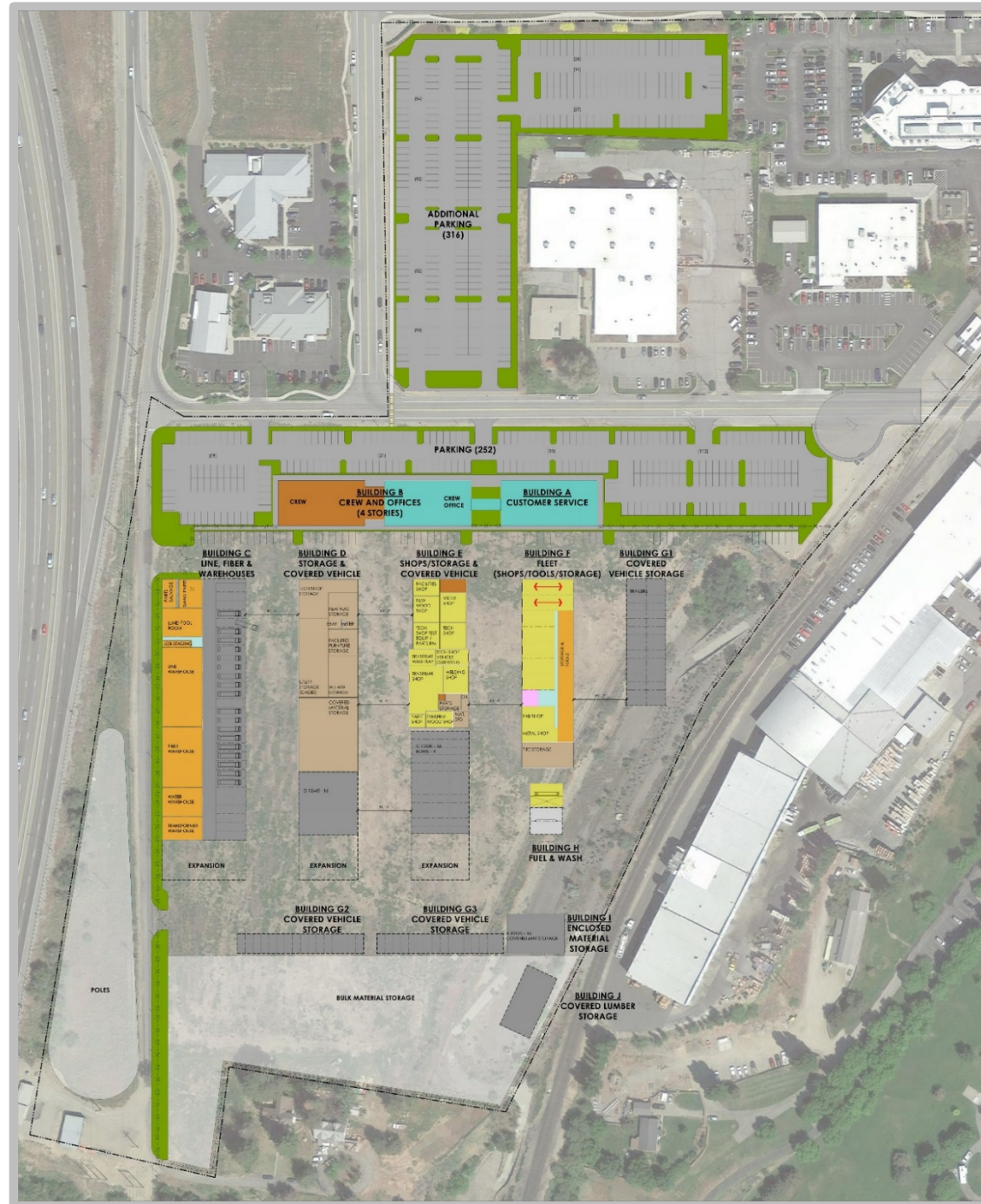
- Displaces several existing businesses
- Removes access to one large existing business
- Poor offsite aesthetics





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Siting Evaluation Olds Station South-2



Advantages

- Good internal sightlines
- Good operational workflow
- Preserves all existing businesses
- Better offsite aesthetics

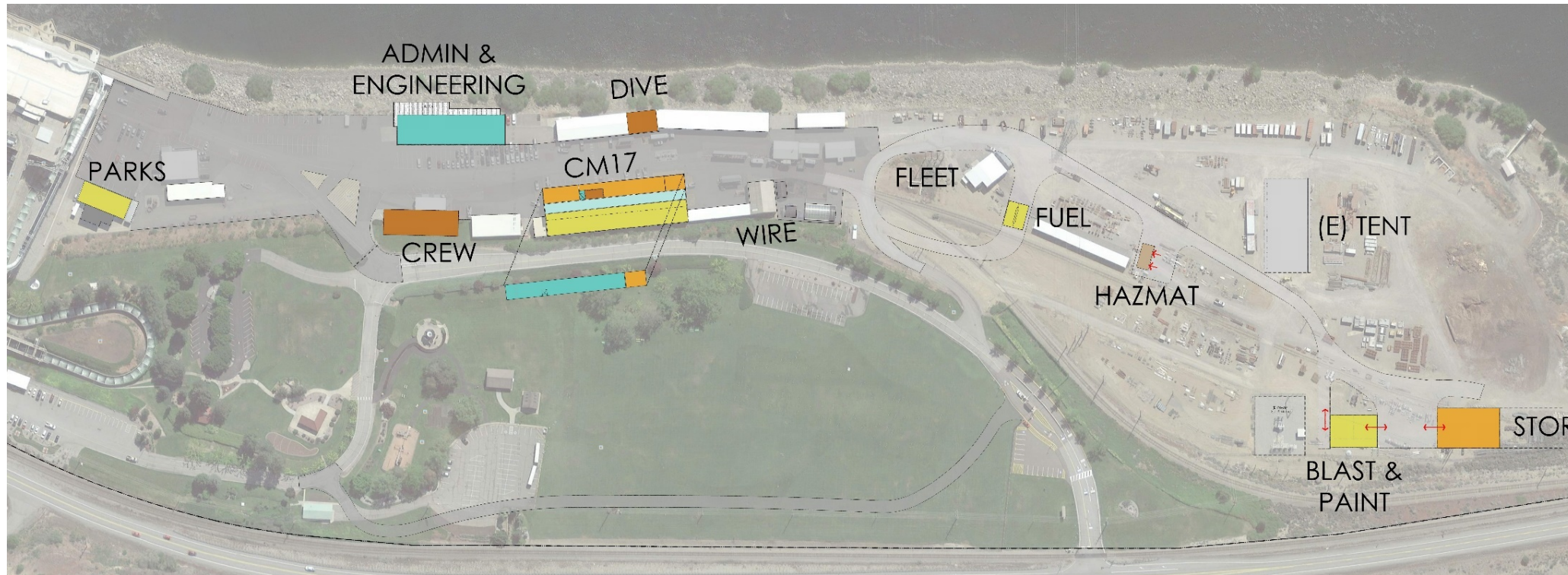
Disadvantages

- Substantial parking located across Olds Station Road
- Less room for long term growth
- Necessitates relocation of Regional stormwater facility



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Scope Confirmation Rocky Reach/CM



Work Progress & Key Issues Scope

- Confirmed correct scope
- Preliminary phasing approach developed for site and CM 17 renovation

Key Issues / Next Steps

- Schedule to avoid conflict with planned hydro work
- Evaluate phasing options
- Ready to move forward with Predesign Phase



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Scope Confirmation Rock Island

Work Progress & Key Issues

Scope

- Coordination of scope with anticipated PH2 Modernization
- Creating spaces/facilities for short term operations while maximizing long term benefit of PH2 work

Key Issues / Next Steps

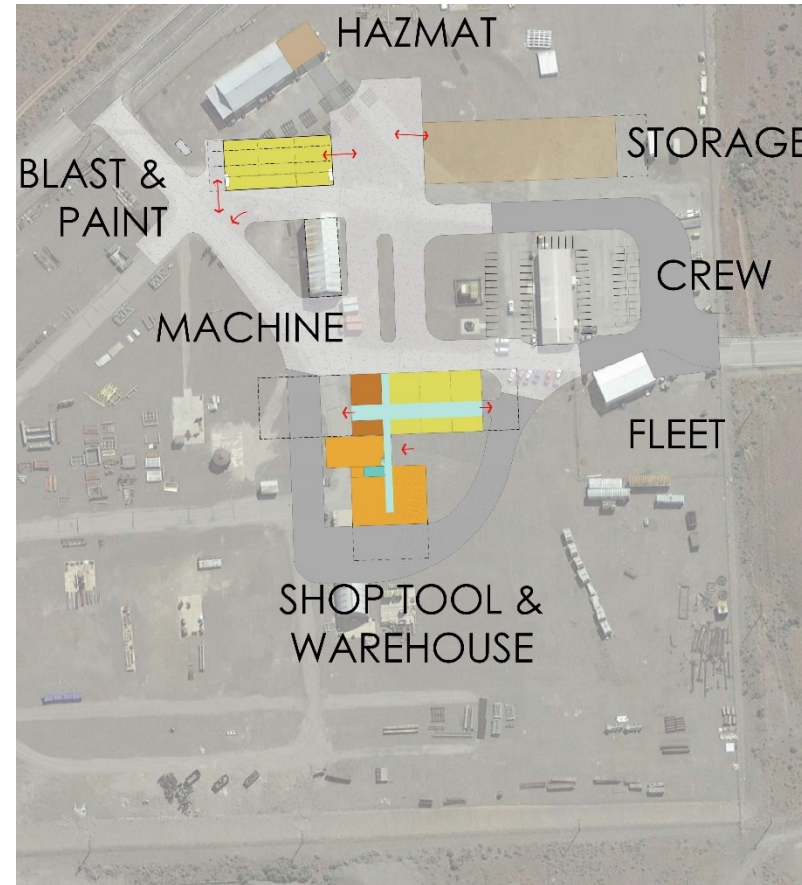
- Continue to refine and confirm scope
- Evaluate phasing options
- Update costs



Douglas Side



Lower Chelan



Upper Chelan



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Ongoing Implementation Planning Work

- Initial development schedule of three years for work at Rocky Reach and Rock Island and five years for Headquarters and Hawley Street
- Phasing plans are under development to balance operational needs, resource constraints and ability to achieve the benefits identified in the plan
- Impact on District financial forecast is directly tied to the chosen phasing plan
- More to come....

Financing & Phasing

By the Numbers

Unchanged from March presentation

Rocky Reach	\$32.6M
New storage & administration buildings, renovated shop, warehouse & tool-room facilities	
Rock Island	\$36.2M
New storage, warehouse & tool-room, renovated shop facilities	
Headquarters/Hawley St.	\$114M
New operations & administration facilities north of Wenatchee River	
Program Total	\$182.8M



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Project Delivery

Design-Bid-Build (DBB)

Strengths

- Familiar & publicly accepted method of delivery
- 100% Competitively Bid
- High level of design control

Weaknesses

- Low Bid GC seeks to find change orders
- Can be adversarial & not collaborative
- Risks borne by owner
- Requires 100% of design decisions to be made before bid
- Current bid market reduces competition (limited contractors)

GC/Construction Mgr (GCCM)

Strengths

- GC selected on Qualifications
- Early GC design involvement
- High level of team collaboration
- Generally lower owner risks – provided commitment to process
- Available GC’s depending on dollar volumes

Weaknesses

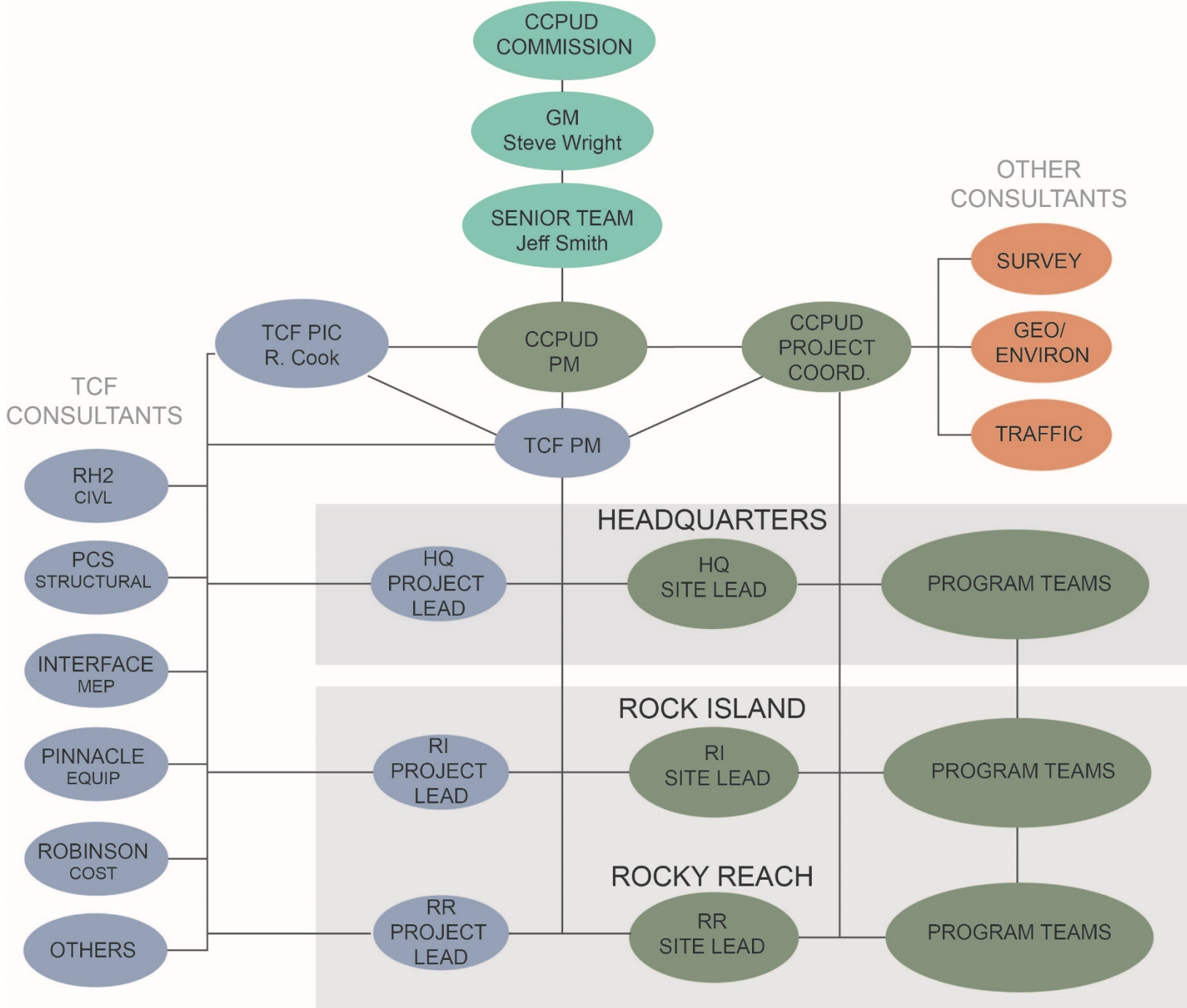
- Requires full owner commitment to new delivery model and high level of team trust
- Owner/GCCM contract is performance based; subs low-bid design base





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Resource Management





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Next Steps

Implementation Plans

July-August, 2017

- Complete siting evaluation for Headquarters’ Campus
- Continue project phasing & budget work
- Determine Project Delivery Method
- Complete development of project management structure and Resource needs

Outreach

August-September, 2017

Internal Stakeholders

- Continue to refine RI Scope and Cost
- Continue to gather information pertinent to phasing & coordination at hydro facilities

External Stakeholders

- Kick-off Facilities Working Group engagement with introductory meeting
- Work directly with Port, Chamber, WDA on impacts to Downtown and redevelopment opportunities
- Work with District Communications staff on county-wide outreach efforts

Additional Information

- Appendices
- Provide additional finance and phasing information in August
- Provide any additional requested information to Board of Commissioners

Questions





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Appendices

- A. Regulatory Compliance
- B. Governance Structure
- C. Design Process
- D. Risk Management
- E. Stakeholder Communication



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Regulatory Compliance

Headquarters Facility

Jurisdiction Having Authority

- City of Wenatchee

Permits Anticipated

- Land Use
- Grading/Site Development
- Building

Other Agencies (SEPA Review)

- Ecology
- Natural Resources
- Historic Preservation
- FERC

Rocky Reach - CM

Jurisdiction Having Authority

- Chelan County

Permits Anticipated

- Grading/Site Development
- Building

Other Agencies (SEPA Review)

- Ecology
- Natural Resources
- FERC

Rock Island

Jurisdiction Having Authority

- Chelan County
- Douglas County

Permits Anticipated

- Grading/Site Development
- Building

Other Agencies (SEPA Review)

- Ecology
- Natural Resources
- FERC



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Governance

Approval Level	Decision Types
Board of Commissioners	<ul style="list-style-type: none"> • Project Advancement Approvals • Spending Approvals
General Manager Senior Team	<ul style="list-style-type: none"> • Funding & Financing Strategies • Systems and Design Standards • Final Project Design Approvals
Core Project Team (Led by Program Manager)	<ul style="list-style-type: none"> • Prioritizing Program Team Requests • Final Recommendations to Senior Team • Design Team Direction
Project Program Teams (HQ / Hydros)	<ul style="list-style-type: none"> • Functional site and building layouts • Initial recommendations for systems and materials standards



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Design Process

1 Predesign

- Detailed Program
- Owner’s Performance Requirements
- Concept Refinement / major decisions
- Budget Reconciliation
- Early Land Use permitting & SEPA approvals (environmental review)

2 Schematic Design

- Major Site & Building Systems Evaluation
- Architectural Design Character Refinement
- Budget/Cost Update

3 Design Development

- Detailed Selection of materials & systems
- Budget/Cost Update

4 Construction Docs

- Documentation of all design decisions for building permits and bidding
- Final Budget/Cost Update
- Plan Review Submittals to agencies
- Building Permit procurement

Bidding

Depends on Project Delivery Method

- GCCM: Phased and Multiple Bid Packages
- DB & GCCM: Early Site Work, Structural Steel & Concrete Packages
- DBB: Full bid package to low bid market, or early site work package split

Note: See Project Delivery slide below for strengths & weaknesses of each method.



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Risk Management

Project Risk

Developing List of Potential Project Risks with ERM

- Execution Risks
- Financial/Cost Risks
- Scope Risks
- Stakeholder/Customer Risks

Develop Mitigation Strategies

- PM Best Practices
- Communication Plans
- Cost Control Measures
- Multi-level Review





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Stakeholder Communication

Internal Stakeholders

Employee Outreach

- PUD Today site
- Periodic Outreach (GM Forums, Hot Topics)

Scope Core teams

- RI – CM, Plant Operations, Materials
- RR – CM, Materials, Parks
- HQ – Facilities, DS,

Program Teams

- Customer Services, Support Facilities, Crew Facilities, Distribution and Networks Dock, Office/Administrative, Fleet Services, Warehousing & Inventory, Site Facilities, Specialty Shops (Transformer, Water/Wastewater, Tech...)

External Stakeholders

Customer-Owners and Partner Agencies

- Port of Chelan
- Chelan County
- Cities of Wenatchee, Chelan, Leavenworth, Cashmere and Entiat
- Wenatchee Valley Chamber of Commerce
- Wenatchee Downtown Association
- Members of Citizen’s Advisory Committee from earlier work
- Other customer-owner representation