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Subject: Lake Chelan No. 637: Funding Provisions Annual Statement per Settlement Agreement Section 19.4 (dated March 25, 2015)
Date: Wednesday, March 25, 2015 7:58:54 AM
Attachments: [MFATable_2014_YEARSTART_032515.docx](#)

PUBLIC UTILITY DISTRICT NO. 1 of CHELAN COUNTY
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To: Kari Grozer Wier, U.S. Forest Service
Karen Taylor-Goodrich, National Park Service
James Brown, Washington Department of Fish and Wildlife

From: Rosana Sokolowski
Licensing & Compliance Coordinator
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Re: Lake Chelan Project No. 637 -
Funding Provisions Annual Statement Updated March 25, 2015

Section 19.4 of the Lake Chelan Settlement Agreement requires Chelan PUD, on an annual basis, to make available a statement indicating the status of all funding provided by Chelan PUD under the Proposed License articles, including the amount of funding provided and the amount of funding remaining available. The attached table provides a summary of funds available, stated in net present value, where applicable. The amounts have been adjusted to 2015 dollars using the CPI adjustment as of January 31, 2015 as outlined in Section 19.1 of the Settlement Agreement. The CPI adjustment for 2014 was 1.62%.

The measures that receive annual funding were calculated as follows: The unspent balance of annual payments to date was adjusted based on the CPI. The future year payments were adjusted based on the CPI and then calculated as one NPV value (based on a 2.5% interest rate and 7% discount rate) and added to the adjusted unspent balance to calculate the total remaining value of the measure.

Section 19.3 of the Settlement Agreement requires Chelan PUD to enter into payment agreements with the agencies prior to allocation of funds. Chelan PUD coordinated with the WDFW, NPS and USFS to obtain a 2015 annual work plan, including estimated funding amounts, as prescribed under Section 19.3 of the Settlement Agreement and in the payment agreements.

Please note that the USFS Erosion measures are not "make funds available measures," but are included per the U.S. Forest Service's request.

If you have any questions or require additional information, please let me know. Thank you.

LAKE CHELAN PROJECT NO. 637
FUNDING PROVISIONS – YEAR 2014 SPENT – YEAR 2015 ACTIVITIES – YEAR 2016 PROPOSED ACTIVITIES
Calendar Year Beginning 2015
Draft – March 25, 2015

AGMT ARTICLE	DESCRIPTION	2014 SPENT	2015 PROPOSED ACTIVITIES	ESTIMATED COSTS 2015	2016 PROPOSED ACTIVITIES	ESTIMATED COSTS 2016	BALANCE AVAILABLE AS OF JANUARY 1, 2015 ¹
LC01 One Time	USFS Erosion Plan	\$4,317.66	Task 7: Sites 1,2,14, 16, (15,17) (14-024) Task 8: Sites 5, 8, 10-12, 32 (Plan) (14-024) ...	\$194,788.13 \$13,000.50	Task 7: Sites 1,2,14, 16, (15,17) (14-024) Task 8: Sites 5, 8, 10-12, 32 (Plan) (14-024)....	\$127,409.93 \$14,070.50	\$1,990,257.30
LC01a3 One Time	USFS Erosion Maintenance and Monitoring	\$0.00	Task 1: Sites 11,24-27,54,55,58,59 (4,13,34,40,53) (14-024).....	\$10,058.00	No activity planned.....	\$0.00	\$393,419.04
LC02a One Time	NPS Erosion Control and Monitoring	\$0.00	Task 1, Item 4: LWD crew.....	\$12,925.44	Task 1, Item 4: LWD crew Task 3: Sites 109 and 110..... Task 4: Site 61	\$4,308.48 \$43,144.64 \$38,522.60	\$472,426.71
LC03	WDFW LWD (Fishery Plan)	\$0.00	No activity planned.....	\$0.00	No activity planned.....	\$0.00	\$114,971.11
LC04a One Time (Combo)	NPS Stehekin Dust Abatement (SAIMP)	\$3,861.89	Task 1: Abatement Task 3: Monitoring and Evaluation	\$49,900.91 \$4,287.05	Task 1: Abatement..... Task 2: Airborne Dust Monitoring Task 3: Monitoring and Evaluation	\$40,330.50 \$17,284.50 \$4,287.05	\$172,724.91
LC05a One Time	USFS Survey Monuments	---	COMPLETED	---	COMPLETED	---	---
LC06a One Time	Food Web Model (Fishery Plan)	---	COMPLETED	---	COMPLETED	---	---
LC06b1	WDFW/NPS/USFS Fish & Monitoring (Fishery Plan)	\$36,729.72	Task 1: Kokanee Spawning (PUD)..... Task 3, Item 1: Spawn/Snork (USFS) (10-036) Task 5: Trib Abund (WDFW)..... Task 6: Mainstem Surveys (NPS)..... Task 7: Stehekin Side (NPS)..... Task 9: Kokanee Creel Surveys (WDFW)..... Task 10: Kokanee Spawning (NPS)..... ESTIMATED TOTAL as of March 1, 2015	\$12,000.00 \$1,000.00 \$3,950.00 \$0.00 \$9,966.00 \$1,200.00 \$12,480.00 \$40,596.00	Task 1: Kokanee Spawning (PUD)..... Task 2: Comprehensive Creel Survey (WDFW) Task 5: Trib Abund (WDFW) ESTIMATED TOTAL as of March 1, 2015	\$12,000.00 \$7,500.00 \$1,420.00 \$20,920.00	Balance Available: \$122,447.78 2015 Contribution: \$26,315.65 Total with NPV: \$618,899.77
LC06b2	Fish M&E Match	\$17,779.72	Task 3, Item 1: Spawn/Snork (USFS) (10-036) Task 5, Item 1: Trib. Abund (WDFW) Task 7: Stehekin Side (NPS)..... Task 8: Kokanee Fin Clipping (WDFW) Task 9: Kokanee Creel Surveys (WDFW)..... Task 10: Kokanee Spawning (NPS)..... ESTIMATED TOTAL as of March 1, 2015 Over budgeted	\$3,895.00 \$10,300.00 \$4,500.00 \$6,200.00 \$10,535.00 \$8,765.00 \$44,195.00 \$17,635.25	Task 2: Comprehensive Creel Survey (WDFW) Task 5, Item 1: Trib. Abund (WDFW) Task 8: Kokanee Fin Clipping (WDFW)..... ESTIMATED TOTAL as of March 1, 2015	\$7,679.00 \$6,931.00 \$6,200.00 \$20,810.00	Balance Available: \$26,559.75 2015 Contribution: \$26,315.65 Total with NPV: \$523,011.74
LC06d	Fish Stocking	\$35,554.38	Task 1: Fish Stocking.....	\$36,130.36	Task 1: Fish Stocking	\$37,033.62	---
LC09a1 One Time	WDFW Conserv Easement Fund (Wildlife Plan)	\$0.00	Activity pending.....	\$289,472.20	No activity planned.....	\$0.00	\$289,472.20

¹ For all measures: Balance Available – All contributions, including current year, minus net amount of expenditures.
For measures with annual contributions: 2015 Contribution – 2015 contribution amount adjusted for CPI.
For measures with annual contributions: Total with NPV – Total of current balance and remaining net present value of future contributions calculated at an assumed 7% discount rate and 2.5% inflation.

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LC09a2 One Time	Cascadia Conserv Easement Fees (WDFW – Wildlife Plan)	\$0.00 \$0.00	Task 1: Conserv easement acquisition Task 2, Item 4: Phase 2, Cascadia.....	\$15,000.00 \$15,000.00	No activity planned	\$0.00	\$34,827.92
LC09a3 One Time	WDFW Habitat Fund (Wildlife Plan)	\$0.00	No activity planned	\$0.00	Activity pending	\$42,105.05	\$42,105.05
LC09b1	USFS Upland Habitat (Wildlife Plan) (10-017)	\$12,057.42	Task 1: Plant/Seed Propagation (10-017) Task 5: Safety Harbor Burn (10-017) Task 10: Echo Ridge (10-017)..... Task 11: White Bark Pine (10-017) Task 12: Crupina (10-017).....	\$9,333.25 \$25,000.00 \$2,000.00 \$14,610.62 \$8,617.24	Task 6: North 25 Restoration (10-017).....	\$47,045.00	Balance Available: \$62,646.72 2015 Contribution: \$26,315.65 Total with NPV: \$559,098.72
LC09b2	USFS Noxious Weeds (Y1-3) (Wildlife Plan)	---	COMPLETED	---	COMPLETED	---	---
LC09c1 (Combo)	NPS Stehekin Habitat (made part of SAIMP)	\$8,558.36	Task 1, Item 2: Propogate Plants Task 1, Item 3: Regrade Deltas Task 1, Item 4: Contain Canary Grass Task 1, Item 5: Plant Nursery Stock Task 1, Item 6: Crew Lead..... Task 1, Item 7: Plant Ecologist Task 2, Item 3: Osprey/Eagle Surveys.....	\$11,786.22 \$0.00 \$14,062.08 \$0.00 \$17,166.22 \$2,645.48 \$3,913.80	Task 1, Item 2: Propogate Plants Task 1, Item 4: Contain Canary Grass Task 1, Item 6: Crew Lead	\$6,568.11 \$11,062.08 \$8,642.25	Balance Available: \$77,388.84 2015 Contribution: \$13,157.83 Total with NPV: \$325,614.84
LC09c2A One Time	USFS Riparian Habitat (Wildlife Plan)	\$0.00	Task 1: Planting	\$5,677.55	Task 1: Planting Task 2: Mid-elevation Planting	\$10,000.00 \$5,000.00	\$57,566.14
LC09c2B One Time (Combo)	NPS Lake Chelan Basin Riparian Habitat (made part of SAIMP)	\$0.00	No activity planned	\$0.00	No activity planned.....	\$0.00	\$65,789.14
LC09c2C One Time	WDFW Riparian Habitat (Wildlife Plan)	\$0.00	No activity planned	\$0.00	Activity pending	\$46,052.40	\$46,052.40
LC11a1 One Time	USFS Docks (10-022)	\$31,736.51	Task 2: Prince Creek Dock	\$222,427.29	No activity planned.....	\$0.00	\$885,654.66
LC11a2	USFS Annual Docks (10-022)	\$22,336.93	Task 5: Minor Dock Maint.....	\$50,000.00	No activity planned.....	\$0.00	Balance Available: \$272,711.75 2015 Contribution: \$51,315.53 Total with NPV: \$1,240,793.14
LC11b1 One Time	USFS Dock In-Kind Engineering (10-022)	\$0.00	No activity planned	\$0.00	No activity planned.....	\$0.00	\$115,113.49
LC11c1 One Time	USFS Recreation Enhancement (Y1-30) (10-022)	\$64,533.19	Task 7: Minor Campground..... Task 8: Lakeside Trails.....	\$7,500.00 \$9,957.63	No activity planned.....	\$0.00	\$1,049,643.77
LC11c2	USFS Annual Rec Enh	\$8,458.95	Task 1: O&M (true-up)	\$8,436.47	Task 1: O&M (true-up).....	\$8,436.47	Balance Available: \$18,654.14 2015 Contribution: \$7,894.70 Total with NPV: \$167,592.74

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LC11d One Time	USFS Rec Enhancements (Y31-50)	\$0.00	No activity planned.....	\$0.00	No activity planned.....	\$0.00	\$447,366.13
LC11e1a One Time	NPS Docks	\$0.00	Task 2: Flick Creek, manly Wham	\$50,265.60	Task 1: Maintain Flick, Manly Docks	\$29,930.00	\$196,051.63
LC11e1b One Time	NPS Rec Enhancement	\$1,521.10	Task 1: Manly Wham/Purple Pt Toilets..... Task 3: Admin Fees	\$10,890.40 \$4,343.70	Task 2: Flick Creek, Manly Wham	\$50,265.60	\$209,222.02
LC11e1c One Time	NPS Rec Stabilization	\$23,253.40	Task 5: Cabana, Swimming & Launch	\$69,781.48	Task 3: Admin Fees.....	\$2,393.60	\$209,222.02
LC11e1c One Time	NPS Rec Stabilization	\$23,253.40	Task 2: Site 210	\$20,000.00	Task 4: Site 82 – Lakeshore Trail.....	\$61,635.20	\$584,721.42
LC11e1c One Time	NPS Rec Stabilization	\$23,253.40	Task 3: Site 71, Weaver Point Dock	\$105,180.62	Task 5: Site 76 – Lakeshore Trail.....	\$40,062.88	\$584,721.42
LC11e1c One Time	NPS Rec Stabilization	\$23,253.40	Task 4: Site 82 – Lakeshore Trail	\$0.00	Task 7: Site 72.....	\$36,681.92	\$584,721.42
LC11e1c One Time	NPS Rec Stabilization	\$23,253.40	Task 7: Site 72	\$54,249.68			\$584,721.42
LC11e1c One Time	NPS Rec Stabilization	\$23,253.40	NEW: Task 11: Site 110 – Lakeshore Trail	\$63,500.00			\$584,721.42
LC11f One Time	NPS Rec Enhancements (Y31-50)	\$0.00	No activity planned.....	\$0.00	No activity planned.....	\$0.00	\$171,051.76
LC12f One Time	Contingency Funds (Y25, Y30)	\$0.00	No activity planned.....	\$0.00	No activity planned.....	\$0.00	\$1,710,517.56
LC14	Upper Columbia Spring-Run Chinook and Steelhead Conservation Measures	\$0.00	Activity Pending	\$30,000.00	No activity planned.....	\$0.00	Balance Available: \$657,891.37
	TOTALS	\$270,699.23	2015 Proposed as of 3/25/2015	\$1,546,698.92	2015 Proposed as of 3/25/2015	\$774,002.38	