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**Cc:** ["Fox, Ron A \(DFW\)"](#); [Erik Ellis \(edellis@blm.gov\)](#); [Pope, Von](#); [Truscott, Keith](#); [Bitterman, Deborah](#); [Saberhagen, Felicity](#); ["McCarty, Jesse -FS"](#); [Osborn, Jeff](#); [Gallaher, Becky](#); ["Stenerson, Alisa S \(DFW\)"](#)  
**Subject:** Rocky Reach No. 2145: Funding Provisions Annual Statement per Settlement Agreement Section 18.4 (dated June 5, 2015)  
**Date:** Friday, June 05, 2015 12:56:36 PM  
**Attachments:** [MFATable\\_2015\\_RR\\_YEARSTART\\_060515.docx](#)

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PUBLIC UTILITY DISTRICT NO. 1 of CHELAN COUNTY

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To: Kari Grover Wier, U.S. Forest Service

Linda Coates-Markle, Bureau of Land Management

James Brown, Washington Department of Fish and Wildlife

From: Rosana Sokolowski

Licensing & Compliance Coordinator

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Re: Rocky Reach Project No. 2145 -

Funding Provisions Annual Statement dated June 5, 2015

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Section 18.4 of the Rocky Reach 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 18.1 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 18.3 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, BLM and USFS to obtain a 2015 annual work plan, including estimated funding amounts, as prescribed under Section 18.3 of the Settlement Agreement and in the payment agreements.

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

**ROCKY REACH PROJECT NO. 2145**  
**FUNDING PROVISIONS – YEAR 2014 SPENT – YEAR 2015 ACTIVITIES – YEAR 2016 PROPOSED ACTIVITIES**  
**DRAFT – Calendar Year Beginning 2015 (June 5, 2015)**

AGMT ARTICLE	DESCRIPTION	2014 SPENT	2015 ACTIVITIES	ESTIMATED COSTS 2015	2016 PROPOSED ACTIVITIES	PROPOSED COSTS 2016	TOTAL FUNDING AVAILABLE AS OF JANUARY 31, 2015 <sup>1</sup>
RR07ab	WDFW Wildlife Habitat	\$258,084.56	Task 1: Chelan Butte ..... Task 2: Swakane..... Task 3: Entiat ..... Task 4: Field Restoration ..... Task 5: Project Oversight ..... Task 5: Stipend..... Task 7: Cultural .....	\$2,679.51 \$15,468.22 \$5,998.90 \$188,490.80 \$15,000.00 \$1,500.00 \$2,000.00	Task 1: Chelan Butte ..... Task 2: Swakane..... Task 3: Entiat ..... Task 4: Field Restoration ..... Task 5: Project Oversight ..... Task 5: Stipend..... Task 7: Cultural .....	\$43,750.00 \$55,688.00  \$212,147.00 \$20,000.00 \$1,500.00 \$7,500.00	Balance Available: \$316,279.84  2015 Contribution: \$92,725.39  Total with NPV: \$2,509,643.61
RR07c1	BLM Wildlife Habitat	\$8,656.27	Task 1: Permitting ..... Task 3: Swakane..... Task 4: Azwell ..... Task 5: Weed Control..... Task 6: WDFW Field Restoration..... Task 8: Tenas George.....	\$4,400.00 \$0.00 \$0.00 \$6,000.00 \$6,600.00 \$4,000.00	Task 3: Swakane.....	\$20,000.00	Balance Available: \$150,760.19  2015 Contribution: \$25,060.92  Total with NPV: \$600,043.14
RR07c2	BLM Wildlife Habitat Match	\$730.90	Task 1: Permitting ..... Task 3: Swakane..... Task 4: Azwell ..... Task 5: Weed Control..... Task 6: WDFW Field Restoration..... Task 8: Tenas George.....	\$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00	Task 1: Permitting ..... Task 5: Weed Control..... Task 8: Tenas George..... Task 9: Project Management .....	\$3,100.00 \$10,900.00 \$4,500.00 \$1,500.00	Balance Available: \$159,280.71  2015 Contribution: \$25,060.92  Total with NPV: \$608,563.66
RR07d1	USFS Wildlife Habitat	----	Task 1: Swakane Thinning ..... Task 2: Swakane Spencer.....	\$0.00 \$10,041.98	Task 5: Winter Range Improvements..... Task 7: Water Supplements..... Task 9: Fire Response .....	\$3,500.00 \$5,000.00 \$5,000.00	Balance Available: \$40,256.39  2015 Contribution: \$6,265.23  Total with NPV: \$152,577.13
RR07d2	USFS Wildlife Habitat Match	\$11,689.75	Task 1: Swakane Thinning ..... Task 2: Swakane Spencer.....	\$0.00 \$10,000.00	Task 5: Winter Range Improvements..... Task 6: Weed Control..... Task 7: Water Supplements..... Task 8: Road Closures..... Task 9: Fire Response .....	\$18,000.00 --- --- --- ---	Balance Available: \$18,981.33  2015 Contribution: \$6,265.23  Total with NPV: \$131,302.06
RR07f	Noxious Weed	\$19,999.36	Task 1 .....	\$20,000.00	Task 1 .....	\$12,000.00	Balance Available: \$27,168.60  2015 Contribution: \$12,638.97  Total with NPV: \$253,755.41
	<b>TOTALS</b>	<b>\$299,160.84</b>	<b>2015 YEAR START</b>	<b>\$292,179.41</b>	<b>2016 PROPOSED</b>	<b>\$424,085.00</b>	

<sup>1</sup> 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.