



CHELAN COUNTY
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2016-2017

Public Power Benefit Projects

October 17, 2016 - **BOARD UPDATE**

Shaping our utility to do
the best, for the most, for
the longest.

Public Power Benefit Projects

(Approved projects)

1. Fiber Expansion
2. Horan Area Rehabilitation Work
3. Waive Day-Use Park Fees
4. Beebe Bridge Park Camping Pilot
5. Install Electric Vehicle Chargers
6. Electric Economic Analysis Tool
7. Study Utility Infrastructure
8. Combined Hydro/Energy Research and Electrification Research and Collaboration Study
9. Rocky Reach Visitor Counts Study
10. Plain Substation Site Safety Improvements Project
11. Regional Water/Wastewater Study
12. Utility-Focused Education Program
13. Splash Pad Technical Feasibility Study

Public Power Benefits	Allocated 2016	Total Allocated	Forecast	Spent to Date
Balance available for 2016	\$6,869,700			
1-Fiber expansion	\$2,686,000	5,800,000	5,800,000	1,430,529
2-Horan area rehabilitation work	100,000	100,000	81,000	11,421
3-Waive park fees pilot study	30,000	235,500	210,000	144,188
4-Beebe Bridge Camping Pilot	0	30,000	30,000	0
5-Install vehicle chargers	60,000	65,000	65,000	34,269
6-Electric economic analysis tool	40,000	40,000	39,190	39,190
7-Study electric infrastructure	100,000	100,000	25,000	0
8a-Combined energy institute study	250,000	250,000	250,000	0
8b-Electrification research/collaboration	120,000	120,000	120,000	0
9-Rocky Reach Visitors Count Study	200,000	200,000	171,000	8,147
10-Plain substation site improvements	200,000	200,000	200,000	23,123
11-Study of Water/Wastewater services	150,000	150,000	150,000	0
12-Utility-focused education programs	41,000	41,000	41,000	0
13-Splash-pad technical feasibility study	140,000	149,000	140,000	43,341
Total allocated	<u>\$4,117,000</u>	<u>\$7,408,500</u>	<u>\$7,322,190</u>	<u>\$1,734,208</u>
Remainder for 2016 pending studies	\$2,752,700			

1 Fiber Expansion

Amount funded: \$5,800,000

Projected spending of approved funds: \$5,800,000

Project Lead

Mike Coleman

Project Description

Continued expansion of the broadband network in 2016 and 2017, while preparing construction plans for expansion in 2018.

Project Status

The expansion started in 2016 in Cashmere, Manson and the Chumstick areas. Work is in progress for both expansion areas and extension (in-fill) areas with Fiber and Customer Utilities coordinating preparatory work in accordance with National Electrical Safety Code standards. Customer-owners are being notified as work starts and when it is complete so they can order service through one of the service providers.



2 Horan Area Rehabilitation Work

Amount funded: \$100,000

Projected spending of approved funds: \$81,000

Project Lead

Justin Fletcher

Project Description

Public input obtained during the development of the 2015 – 2019 Strategic Plan was used by the Board of Commissioners to allocate a portion of the public power benefit funding to conduct a feasibility study to investigate alternatives for delivering a permanent water supply to the ponds in the Horan Wildlife Area. On June 20, 2016 the Board authorized planning and execution of two alternatives, which are to work with the City of Wenatchee (City) regarding discharge of stormwater from North Wenatchee into the Horan Wildlife Area and rehabilitate the ditch receiving stormwater from the Number 1 Canyon drain.

Project Status

A \$70,000 grant application submitted by the City for feasibility and design work was denied with adoption of the state budget in May. But, the project manager for the City did receive internal funding approval in August. The City is anticipating hiring a consultant before the end of 2016 and finish design in 2017. Following completion of the design, the City will be applying for a grant through the Department of Ecology to fund 75% of the project. For the District, a team will be assembled to evaluate the City's stormwater alternatives and determine what work needs to be accomplished in the Horan Wildlife Area before receiving the stormwater. The Number 1 Canyon drain rehabilitation project is in the design and permitting phase and is on schedule.



3 Waive Day-Use Park Fees

Amount funded: \$235,500

Projected spending of approved funds: \$170,000 - \$210,000

Project Lead

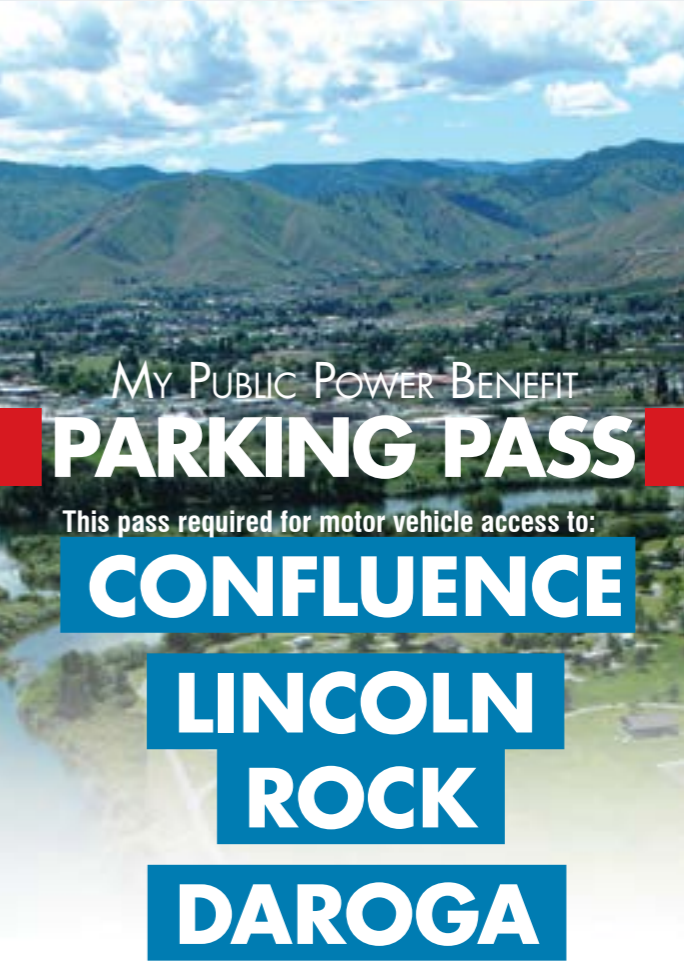
Michelle Smith

Project Description

Based on public input obtained during the development of the 2015 – 2019 Strategic Plan, the Board of Commissioners dedicated a portion of the public power benefit funding to conduct a pilot study during 2015 and 2016 for waiving or reducing day-use fees for Chelan County residents who use Chelan PUD parks operated by State Parks. The Day Use Parking Pass Pilot Study offers Chelan County residents and Chelan PUD residential electric customers free vehicle parking access to Wenatchee Confluence, Lincoln Rock, and Daroga state parks. The parking costs are paid by Chelan PUD to Washington State Park and is related to the operations of those three state parks. On June 20, 2016, the Board authorized the continuation of the Day Use Parking Pass in 2017.

Project Status

Since July 15, 2015, nearly 2,400 passes have been distributed. Of that total, about 800 passes were distributed in 2016. The cost estimate for 2017 program is expected to range from \$30,000 to \$71,000. The purpose of providing a cost range is to anticipate potential pass distribution numbers and continued discussion with State Parks on whether the cost per pass can be reduced to account for the restricted use at only three state parks. Staff continues to discuss a reduced rate with State Parks and will advise the Board prior to budget approval on the final outcome.



MY PUBLIC POWER BENEFIT
PARKING PASS

This pass required for motor vehicle access to:


CONFLUENCE

**LINCOLN
ROCK**

DAROGA

P	L	A	T	E	#	1
P	L	A	T	E	#	2
P	L	A	T	E	#	3
P	L	A	T	E	#	4

Day use parking only
Valid - July 15, 2015 - Dec. 31, 2016



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4 Beebe Bridge Park Camping Pilot

Amount funded: \$30,000

Projected spending of approved funds: \$30,000

Project Lead

Michelle Smith

Project Description

On June 20, 2016, the Board authorized the Beebe Bridge Park Camping Pilot Study to serve as a trial offering to Chelan County PUD residential electric customers for free camping at Beebe Bridge Park during 2017. The pilot study will begin April 1, 2017 and run through the park season ending Sept 30, 2017. The pilot will evaluate the camping pass concept and provide the Board of Commissioners with information to help determine if any adjustments to the program need to be made, gage resident/customer-owner use of the program, and determine costs of the program, if the program is offered in future years. Chelan PUD manages and operates Beebe Bridge Park. The park contains 46 campsites and camping reservations are on a first come/first serve basis. The pilot study proposes to use three (3) of those sites for the Public Power Benefit Camping Pilot Study, with a budgeted cost of \$30,000.

Project Status

Planning is underway for implementation of the pilot by April 1, 2017. Each Chelan County PUD customer household will be able to obtain vouchers up to two (2)-nights camping. Staff are working to implement a reservation system for the camping pilot using “Booking Bug”, software currently used by Chelan PUD for reserving park picnic shelters. Available camping dates are subject to site availability on a first come first serve basis. Applications are anticipated to be available on-line and in-person at all three PUD office locations. An on-line calendar will be viewable by the public. All applications will be processed at the headquarters office and will be mailed to or picked up by the customer. An early application period, along with advertising and marketing for the program is being planned to begin early 2017.



5 Install Electric Vehicle Chargers

Amount funded: \$65,000

Projected spending of approved funds: \$65,000

Project Lead

Andrew Grassell

Project Description

The District has installed two stations and is installing 3 more stations. The locations are Rocky Reach Dam, Confluence Technology Center, Walla Walla Point Park, and Chelan PUD's headquarters building. These locations were chosen through stakeholder discussions and public input.

Project Status

The charging stations have been ordered and are being installed during the month of September. Chelan PUD is partnering with Plug-In North Central Washington who will pay for the electricity at the charging stations.



6 Electric Economic Analysis Tool

Amount funded: \$30,000

Projected spending of approved funds: \$30,000

*An additional \$9,000 was needed to complete the project.

Project Lead

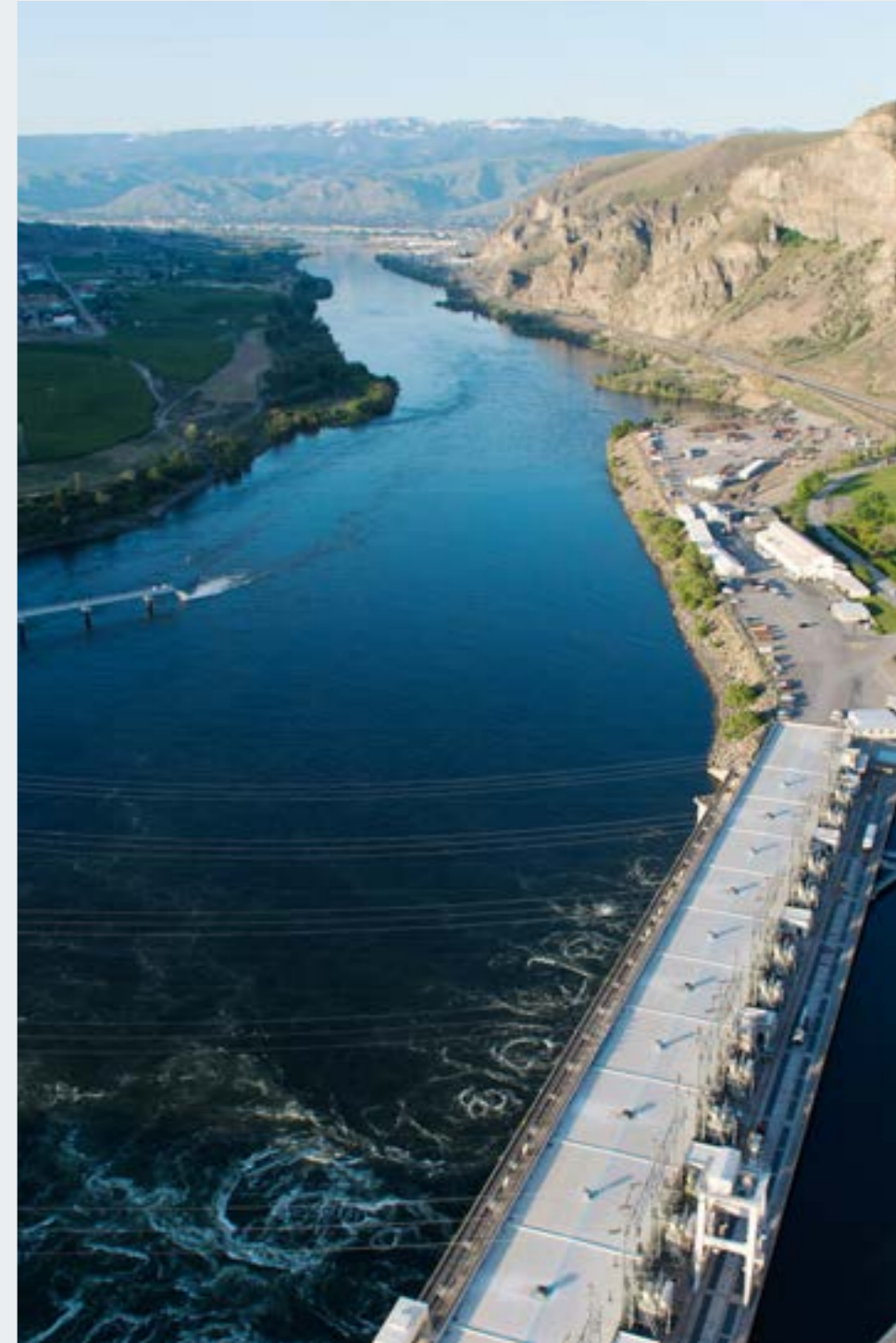
Andrew Grassell

Project Description

This goal of this project was to develop a tool to assess the benefits and impacts to the County of new businesses coming into Chelan County. The model takes into account the lost opportunity to Chelan PUD of not being able to sell the energy into the wholesale market while also accounting for the benefits of new businesses coming into the County. These benefits take the form of increased tax revenue, increased jobs, etc. The model was developed by FCS Consulting with input from external and internal stakeholders

Project Status

The model is essentially complete. Some final updates are currently being made to one of the functions in the model. Additional information on this project will be presented on November 21.



7

Study Utility Infrastructure

Amount funded: \$100,000

Projected spending of approved funds: \$25,000

Project Lead

Andrew Grassell

Project Description

The goal of this project is to document in one place the estimated costs of building infrastructure at locations ahead of need to potentially stimulate economic development. This will provide the senior team and Board of Commissioners with information when/if decisions are requested that ask for infrastructure to be built prior to a need, which is counter to current operations.

Project Status

Information is in the process of being gathered and consolidated into one document.



8

Combined Hydro/Energy Research and Electrification Research and Collaboration Study

Amount funded: \$370,000

Projected spending of approved funds: \$370,000

Project Lead

Andrew Grassell

Project Description

The project consists of two components:

1. Provide matching funds for ideas that advance hydropower and the electrification of the transportation sector. As part of the funding requirements, Chelan PUD will want a portion of the research conducted within Chelan County. This will bring in bright and highly trained experienced personnel to the area while also providing for training opportunities for Chelan PUD staff.
 2. Fund a position that actively looks for research and design collaboration opportunities. Chelan PUD could either hire a resource or contract with a research and design or academic group.
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Project Status

Some foundation work has been done such as having meetings with Pacific Northwest National Laboratory and Western Washington University. The project is scheduled to be initiated and implemented in 2017.



10

Plain Substation Site Safety Improvements Project

Amount funded: \$200,000

Projected spending of approved funds: \$200,000

Project Lead

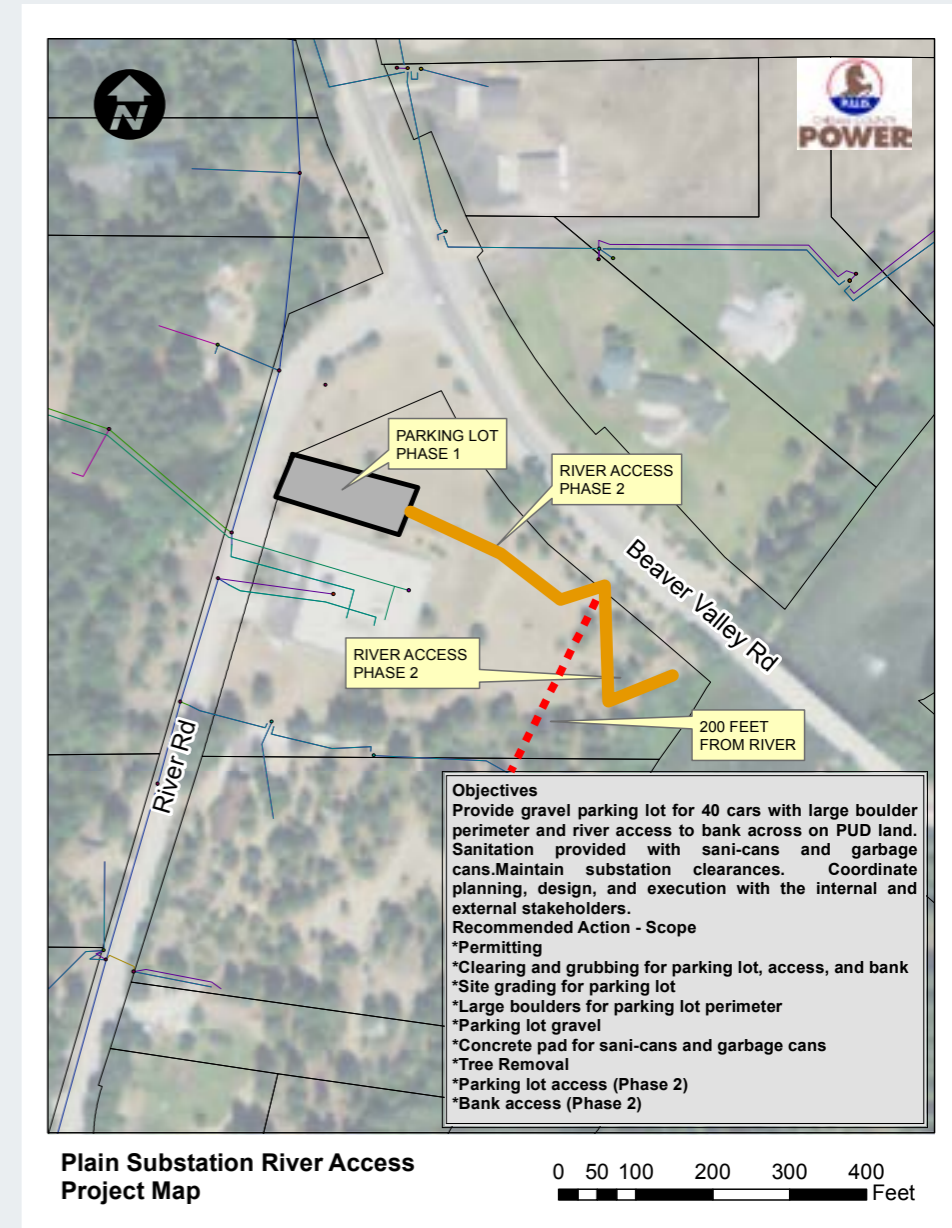
John Goodwill

Project Description

The Plain Substation Site Safety Improvements project utilizes property owned by the District to develop a parking area and safe river access. The Plain Substation property is adjacent to the upper Wenatchee River on River Road just outside the town of Plain. The upper Wenatchee River above Tumwater Canyon doesn't presently offer approved/developed public river access. The area near Plain Substation is a popular river access location. However, river users are parking near the bridge and alongside Beaver Valley Road in areas that are not suited for parking, making it a dangerous situation. This public power benefit project was selected by the District's Board of Commissioners to improve safety for river access.

Project Status

Construct a parking area that is separated from the existing substation, with a perimeter of boulders to define a parking area and concrete pad to support trash containers and public sanitary facilities. Develop as much water access as permitting and budgeting will allow. Phase 1 is a parking lot. Phase 2 is the river access. Design was completed in September 2016. Construction for Phase 1 may occur in 2016, assuming that contract development, permitting and weather allow. However, this work may move to 2017, along with Phase 2. Construction for Phase 2 is planned for late Spring/Summer 2017.



11 Regional Water/Wastewater Study

Amount funded: \$150,000

Projected spending of approved funds: \$150,000

Project Lead

Ron Slabaugh

Project Description

Chelan PUD, Cashmere and Leavenworth own water and wastewater systems along the Wenatchee River. Each entity individually plans, improves, operates, maintains and manages its respective utilities. Issues facing these utilities are complex including water resource planning (water rights), source water treatment, wastewater treatment and aging infrastructure. An opportunity exists to more efficiently provide these services through regionalization. This project will evaluate the feasibility and customer benefits of transferring ownership and operations of the Leavenworth and Cashmere water and wastewater utilities to Chelan PUD.

Project Status

Chelan PUD, Cashmere and Leavenworth have begun developing a work plan for executing this project in 2017. Items discussed to date include assembling a topic team consisting of community members from each entity, developing a stakeholder communication and engagement plan, and hiring a qualified independent utility financial consultant to prepare the study.



12 Utility-Focused Education Program

Amount funded: \$41,000

Projected spending of approved funds: \$41,000

Project Lead

Lorna Klemanski

Project Description

Focus shift on providing student mentoring and education opportunities. 2017 Work plan:

- Hire a dedicated position to develop a program and provide mentorship / internship opportunities
 - Conduct a community needs assessment to guide future efforts.
 - Develop a set of criteria and guidelines to facilitate District contributions of resources for community education efforts.
 - Participate in Apple STEM Network
 - Provide student learning/work opportunities
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Project Status

Education and Community Engagement Coordinator position:

- Start date October 24

Training needs assessment:

- Survey was sent to local employers August 31
- Follow-up interviews will be conducted during October
- Results will be compiled and summarized November to mid-December
- Mid-December develop action plan for 2017

Criteria / guideline development:

- Draft being refined based on input from internal audit

Student work/learning opportunities

- 14 student positions in 2016
- 2 additional opportunities in 2017

