

Chelan County PUD Dialogue: Our Role in the Community

February 4, 2008

Our Discussion Topics

- The legal test and documentation for community involvement
- The impact of current activities
- A range for Board policy guidance
- Next steps

The Legal Test and Documentation for the PUD's Community Role

- The District cannot gift property or services to any private entity or individual
- The District must receive adequate consideration (value) in return
- The expenditure must be reasonable and related to the District's purpose
- The expenditure must be within an approved policy or resolution
- Supporting documentation must be provided to the Internal Auditor and available for review by the public

Chelan County PUD's Local Economic Impact

- Annual local taxes - \$1.2 million ('06)
- Annual payroll - \$60.3 million ('06)
- Local vendor purchases - \$19.7 million ('06)
- Employee headcount - 678 ('08)
- Parks & Recreation - \$4.2 million ('06)
- Environmental stewardship - \$17.3 million ('06)
- Rocky Reach Visitor Center - \$621,000 ('06)
- Fiber optic network deployment - \$11.5 million ('06)
- Water and Wastewater Operations - \$3.6 million ('07)

Current Community Programs

Annual Averages: 2004-2006

- Manpower commitment – 2,374 hours average
- Time and materials - \$236,184 average
- Out of pocket expense - \$20,000 average
- Note: The totals above include core business programs (business outreach and customer education) that average 819 hours and \$70,896 annually

Define Community Support Policy

Options span broad range of choices

- Increase community support and customer involvement
 - Maintain current/historical levels; improve efficiency
 - Limit to service requirements; reduce financial exposures

Next Steps

- Staff to present a range of options for Board consideration
- Timeline: Presentation to occur in early March