

***APPENDIX F:
RECREATION ENHANCEMENT FUND***

RECREATION ENHANCEMENT FUND

Third Draft

**ROCKY REACH HYDROELECTRIC PROJECT
FERC Project No. 2145**

January 12, 2004



**Public Utility District No. 1 of Chelan County
Wenatchee, Washington**

A Recreation Enhancement Fund would be established by the Chelan County PUD as part of the relicensing process for the Rocky Reach Hydroelectric Project. Research associated with the fund's development included legal analysis, internal review, and a public outreach effort to gather ideas and comments and to assure community support.

Ultimately, Chelan County PUD's ability to implement the fund will depend upon Chelan County PUD's acceptance of the obligations required by a new license for the Rocky Reach Hydroelectric Project and approval from the Federal Energy Regulatory Commission.

PURPOSE OF THE RECREATION ENHANCEMENT FUND

The purpose of the Recreation Enhancement Fund would be to provide public access and recreational enhancements associated with the Rocky Reach Hydroelectric Project. The fund would be used for recreation facilities and recreational and/or environmental education programs in communities adjacent to Project waters along the Columbia River and its tributaries between Rock Island and Wells dams. The Recreation Enhancement Fund would be maintained by the Public Utility District No. 1 of Chelan County as part of the new license for the Rocky Reach Hydroelectric Project.

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SECTION 1: RECREATION ENHANCEMENT FUND CONCEPT DEVELOPMENT

1.1 Purpose of Fund

The purpose of the Recreation Enhancement Fund would be to provide public access and recreational enhancements associated with the Rocky Reach Hydroelectric Project. The fund would be used for recreation facilities and recreational and/or environmental education programs in communities adjacent to Project waters along the Columbia River and its tributaries between Rock Island and Wells dams. The Recreation Enhancement Fund would be maintained by the Public Utility District No. 1 of Chelan County as part of the new license for the Rocky Reach Hydroelectric Project and is subject to approval by the Federal Energy Regulatory Commission prior to implementation and the acceptance of the obligations required by the new license by the Public Utility District No. 1 of Chelan County.

- **Goal #1**
To encourage new and/or improved public recreational and educational opportunities in the project area.
- **Goal # 2**
To provide public access to the Project waters along the Columbia River and its tributaries between Rock Island and Wells dams.
- **Goal #3**
To partner with the people in the communities in Chelan County and/or those communities adjacent to project waters to enhance the quality of life for individuals and communities.
- **Goal #4**
To provide education and communication about the public utility district, stewardship, the environment, and recreation resources.

1.2 Governance of the Fund

The Recreation Enhancement Fund would be governed by an Advisory Committee appointed by the Chelan County PUD Commissioners (Commissioners). Chelan County PUD employees would be responsible for carrying out the administrative responsibilities of the application process such as scheduling meetings, distributing application forms, auditing and monitoring each project and serving as PUD contact for information and questions.

1.2.1 Advisory Committee

- Each Chelan County PUD Commissioner would appoint one person from his/her commissioner district to serve on an Advisory Committee. (5 members) The Advisory Committee would be responsible for reviewing applications and presenting the final recommendations for Recreation Enhancement Fund distribution to the Chelan County

PUD Board of Commissioners. Each Advisory Committee member would serve a 3-year term.

- The Commissioners would approve or reject the slate of recommended projects. If the commissioners need further information or would like to eliminate one or more of the recommended projects from the slate, those project(s) could be pulled for further review or elimination.

1.2.2 Chelan County PUD Support Staff

- Chelan County PUD staff members support this process:
 - Assist the Advisory Committee through the selection process,
 - Maintain materials and send out applications,
 - Serve as contact within the PUD on the fund,
 - Assist applicants with forms and the process, and
 - Initially review all applications and prepare them for review by the Advisory Committee.
 - Monitors and audits that results are consistent with intended benefits

1.2.3 Commissioners

- Chelan County PUD Board of Commissioners would authorize final acceptance of projects and funding from the Recreation Enhancement Fund.

1.3 Funding

Fund amount would be variable based on run off at Grand Coulee Dam guaranteeing a minimum of \$50,000 and a maximum of \$100,000 per year.

In 2006 following the approval by the Federal Energy Regulatory Commission and the Chelan County PUD's acceptance of the obligations required by a new license for the Rocky Reach Hydroelectric Project, an amount up to \$500,000 will be put into the Recreation Enhancement Fund, one time, upon the initial implementation of the fund.

Beginning in 2007, throughout the term of the license, an amount will be made available annually based on run off at Grand Coulee Dam. (Example outlined below.)

Example: Water year % above normal
 Funding amount \$12,000/each % above normal water
 Based on 75 year water history: \$83,200 average annual funding
 Every 6 years: \$499,200

A guaranteed minimum of \$50,000 and a maximum amount of \$100,000 will be placed in the fund annually.

The overall Recreation Enhancement Fund will be evaluated every 6 years throughout the term of the license, by the Commissioners, for appropriateness of funding level, the financial strength of the District and/or continuation of the fund.

1.4 Fund Distribution

In 2006 the initial \$500,000 placed in the fund will be made available. Then, every three years thereafter beginning in 2009, the fund amount will be distributed. All distributions will occur as follows:

The fund will be divided into 4 equal parts, for District 1, 2, and 3 and one part for discretionary use by the Advisory Committee in Chelan or Douglas Counties.

If the amount in the fund is not used, it will roll over into the next funding cycle. The fund balance for each part of the fund (District 1, 2, 3 and discretionary fund) will not exceed \$600,000.

1.5 Criteria for Project Funding

1. Project must be used for enhancement of recreational improvements adjacent to the project waters and provide public access and does not include land acquisition.
2. Fund is available only to qualifying non-profit community service organizations or local governments including Chelan County PUD lands.
3. Projects must demonstrate new and/or improved public recreational and/or educational opportunities.
4. Project must have a state or local agency or established organization serving in the lead role to effectively implement and maintain the project.
5. Scoring preference will be given to those projects that have matching funds. Matching funds can be cash or in-kind/volunteer items or services.
6. Project must be designed to achieve measurable results that can be monitored and documented.
7. Applying entity must demonstrate adequate provisions for ongoing operations and maintenance.
8. Funding may be considered for project pre-studies and for operations and maintenance under limited circumstances. (More details are available upon request)

1.6 Application Guidelines

- Projects must include planning - site plans and design, feasibility studies, land acquisition and development and/or enhancement plans (including permit requirements).
- Projects must include the long-term maintenance and operations plans to be implemented upon completion of the project.
- Projects must identify economic and environmental benefits in addition to community and county-wide recreational and educational benefits.
- Project recipient must enter into a funding agreement with Chelan County PUD and agree to share regular project reporting in the process and results of projects funded through the recreation fund.
- Public support for the project must be documented in the application and may be accomplished through community proclamations, volunteer efforts or links to other priority projects.

SECTION 2: APPLICATION, SELECTION AND DISTRIBUTION PROCESS

2.1 Application Process

Application packets can be obtained by contacting the Chelan County PUD. Application guidelines and fund criteria are included in the packet and are also available on the Chelan County PUD's website:

Recreation Enhancement Fund Lead
Chelan County Public Utility District
P.O. Box 1231
327 North Wenatchee Avenue
Wenatchee, WA 98807-1231
(509) 663-8121
www.chelanpud.org

2.2 Selection Process

Immediately following the application deadline, Chelan County PUD Lead reviews all applications.

- The Advisory Committee (appointed by the Chelan County PUD Commissioners) review all of the applications. At that time, all applications will be placed into 3 categories:
 1. Meets all application guidelines and fund criteria and is placed into the second round.
 2. Meets most of the application guidelines and fund criteria but is missing some important elements or needs further clarification before it can proceed to the second round (Advisory Committee representative and staff lead contacts applicant). If application is re-submitted with the necessary elements included, it will be placed into the second round for consideration.
 3. Does not meet the application guidelines and fund criteria and does not proceed to the second round.
- The Advisory Committee may invite each qualifying applicant to make a formal presentation before the Advisory Committee about the project funding request.
- The Advisory Committee will meet and discuss the applications.
- The Advisory Committee will determine which applications they will recommend receive funding from the Recreation Enhancement Fund.
- The Advisory Committee will prepare a recommendation to the PUD Commissioners for final approval.

SECTION 3: APPLICATION MATERIALS CHECKLIST

1. Application Authorization Memorandum
2. Recreation Enhancement Fund Application
3. A detailed description of the project and the following:
 - implementation and ongoing monitoring plan with timelines
 - financial plan
 - long term maintenance and operations plan
 - documentation of permits secured (if necessary)
 - market/economic benefit analysis
 - land acquisition or land use plan and acceptance/approval of land owners
 - value and impact to community and number of people served
4. Documentation of public meetings held and outcomes of those meetings
5. Evidence of matching fund commitment or in-kind services if used in the project plan.
6. Photos and/or concept drawings to illustrate the project
7. If a Chelan County PUD property or park is being utilized, the park checklist for new additions must also be included.

SECTION 4: APPLICATION AUTHORIZATION MEMORANDUM

Each organization submitting a project must complete this form.

To: Recreation Enhancement Fund Advisory Committee
c/o Chelan County PUD
P.O. Box 1231
Wenatchee, WA 98807-1231

Through: _____
(Lead organization/agency name)

From: _____
(Applicant name)

Through the lead entity identified above, the Recreation Enhancement Fund Advisory Committee is hereby requested to consider this application for financial assistance for recreation facilities and/or recreational and environmental education programs in communities adjacent to Project waters along the Columbia River and its tributaries between Rock Island and Wells dams. This application is prepared with knowledge of and in compliance with the Recreation Enhancement Fund criteria and application guidelines. The applicant agrees to furnish any additional information that may be necessary to complete the project evaluation process and to enter into a project agreement with the Chelan County PUD. If approved, funding is paid on a reimbursement basis.

Names of those _____
involved in the _____
planning and implementation _____
of this project. _____

(attach list if necessary) _____

I/we certify that to the best of our knowledge, the data in this application is true and correct. In addition, I/we certify that the matching resources identified in the application are committed to the above project. I/we acknowledge responsibility for supporting all non-cash commitments and donations should they not materialize.

Authorized Representative: _____
(signature) (date)

Printed name and title

**SECTION 5: RECREATION ENHANCEMENT FUND
APPLICATION FORM**

Project Name _____

Organization Name _____

Organization Type (please check one)

- City/Town
- Native American Tribe
- County
- Non-Profit Organization – 501c(3) status _____ Tax id # _____
- State Agency
- Educational Institution
- Other (please specify) _____

Organization Address

City/Town _____ Zip Code _____

Telephone _____ Fax _____

E-Mail _____

Project Contact Information (list primary and alternate)

Primary _____

Address _____

City/Town _____ Zip Code _____

Telephone _____ Fax _____

E-Mail _____

Concept Development for a
Recreation Enhancement Fund

Alternate _____

Address _____

City/Town _____ Zip Code _____

Telephone _____ Fax _____

E-Mail _____

Short Description of Project – Provide a short description of the project, what will be done, and what the anticipated benefits will be to the area.

Total cost of the project _____

Funding requested _____

Matching funds _____

In Kind Services _____

**SECTION 6: RECREATION ENHANCEMENT FUND
SCORING CRITERIA**

1. **Public Need** – Considering the availability of existing outdoor recreation facilities and or opportunities within this area, what is the need for the new or improved recreation facility and or opportunity outlined in this project?
 - a) no need 0 points
 - b) marginal need 5 points
 - c) sufficient need 10 points
 - d) substantial need 15 points

2. **Project Scope** - How effective is this project in providing new or improved recreational facilities or opportunities along the Columbia River and its public tributaries between Rock Island and Wells dam?
 - a) no evidence presented 0 points
 - b) marginal linkages provided 1-2 points
 - c) adequate linkages 3 points
 - d) outstanding linkages 4-5 points

3. **Project Plan** – Does the project demonstrate a comprehensive business plan that includes the following?
 - implementation and ongoing monitoring plan with timelines
 - financial plan
 - long term maintenance and operations plan
 - documentation of permits secured (if necessary)
 - market/economic benefit analysis
 - land acquisition or land use plan and acceptance/approval of land owners
 - value and impact to community and number of people served
 - photos or concept drawings to illustrate the project
 - a) no business plan provided 0 points
 - b) marginal business plan components provided 5 points
 - c) adequate business plan components provided 10 points
 - d) complete business plan components provided 15 points

4. **Project Support** – Demonstrated evidence of public input and public support (community, county, region, state and or user groups) for the project.

- a) no evidence presented 0 points
- b) marginal public support 1-2 points
- c) adequate support 3 points
- d) the public has received ample and varied opportunity to provide meaningful input into the project, and there is overwhelming support 4-5 points

5. **Matching Shares** – To what extent will the applicant match any funds distributed from the fund with contributions (money, labor, in-kind services) from its own resources?

- a) 0% 0 points
- b) 5 – 25% 5 points
- c) 26 – 40% 10 points
- d) 41% plus 15 points

6. **Economic Benefit** – Does the project demonstrate good suitability, design criteria, location and projected use as to provide economic benefits to the area?

- a) no economic benefit 0 points
- b) limited economic benefit 1-2 points
- c) adequate economic benefit 3-4 points
- d) significant economic benefit 5 points

7. **Cost-Benefit Ratio** – Is the project an effective use of funds? To what degree will the project provide public benefits that outweigh the costs?

Applicant has demonstrated effective use of the funds, need for the project and public benefit that out weighs the costs.

0-5 points

8. **Geographic Distribution** – Did the basin identified with this project receive funding from the Recreation Enhancement Fund (CRF) during the last funding cycle? If yes, to what extent was the previous project funded?
- | | |
|--|-----------|
| a) >50% of the last CRF funding cycle | 0 points |
| b) 30% – 50% during last CRF funding cycle | 5 points |
| c) 10% – 29% during last CRF funding cycle | 10 points |
| d) 0% – 9% during last CRF funding cycle | 15 points |

Must achieve >35 points to be considered for funding.

***SECTION 7: ADVISORY COMMITTEE MEMBER
EVALUATION FORM***

*To be completed by all participating Commissioner appointed Advisory Committee
Member following each Recreation Enhancement Fund Distribution Process*

What went well?

What didn't go well?

What would you change?

How can we make that change?