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Cc: "[Fox, Ron A \(DFW\)](#)"; [Erik Ellis \(edellis@blm.gov\)](#); [Ron Fox \(ron.fox@dfw.wa.gov\)](#); [Pope, Von](#); [Smith, Michelle](#); [Truscott, Keith](#); [Bitterman, Deborah](#); [Nelson, David](#); [Hemstrom, Steven](#); "[McCarty, Jesse -FS](#)"
Subject: Rocky Reach No. 2145: Funding Provisions Annual Statement per Settlement Agreement Section 18.4 (dated April 4, 2014)
Date: Friday, April 04, 2014 1:32:19 PM
Attachments: [MFATable_2014_RR_YEARSTART_040414.docx](#)

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
Jeff Korth, Washington Department of Fish and Wildlife

From: Rosana Sokolowski
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(888)663-8121, Ext. 4175

Re: Rocky Reach Project No. 2145 -
Funding Provisions Annual Statement dated April 4, 2014

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 2014 dollars using the CPI adjustment as of January 31, 2014 as outlined in Section 18.1 of the Settlement Agreement. The CPI adjustment for 2013 was 1.46%.

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 2014 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 2013 SPENT – YEAR 2014 ACTIVITIES – YEAR 2015 PROPOSED ACTIVITIES
DRAFT – Calendar Year Beginning 2014 (April 4, 2014)

AGMT ARTICLE	DESCRIPTION	2013 SPENT	2014 ACTIVITIES	ESTIMATED COSTS 2014	2015 PROPOSED ACTIVITIES	ESTIMATED COSTS 2015	TOTAL FUNDING AVAILABLE AS OF JANUARY 31, 2014
RR07ab	WDFW Wildlife Habitat (Per 2011-2015 Agreement)	\$304,680.82	Task 1: Chelan Butte Task 2: Swakane Task 3: Entiat Task 4: Field Restoration Task 5: Project Oversight Task 7: Cultural	\$5,572.31 \$7,905.22 \$7,065.37 \$284,260.89 \$30,830.00 \$11,845.49	Task 1: Chelan Butte Task 2: Swakane Task 3: Entiat Task 4: Field Restoration Task 5: Project Oversight Task 7: Cultural	\$2,679.51 \$116,783.00 \$0.00 \$188,490.80 \$30,830.00 \$0.00	\$2,628,810.97
RR07c1	BLM Wildlife Habitat Includes PUD's 2/3, plus 18.4% OH only (per final agreement)	\$7,668.96	Task 1: Permitting Task 3: Swakane Task 4: Azwell Task 5: Weed Control Task 6: WDFW Field Restoration Task 8: Tenas George	\$24,887.55 \$4,104.53 \$50,260.01 \$38,000.61 \$12,273.29 \$37,583.32	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 \$17,952.60 \$24,920.31 \$2,264.81 \$0.00	\$2,132,275.02
RR07d1	USFS Wildlife Habitat	\$0.00	Task 1: Swakane Thinning Task 2: Swakane Spencer Task 3: Tenas George Seeding (Completed Task)	\$8,078.00 \$10,041.98	Task 1: Swakane Thinning Task 2: Swakane Spencer	\$0.00 \$0.00	\$145,237.03
RR07d2	USFS Wildlife Habitat Match	\$0.00	Task 1: Swakane Thinning Task 2: Swakane Spencer	\$13,714.68 \$4,286.81	Task 1: Swakane Thinning Task 2: Swakane Spencer	\$0.00 \$2,154.00	\$135,990.88
RR07f	Noxious Weed	\$14,197.00	Task 1	\$20,000.00	TBD		\$257,872.85
	TOTALS	\$326,546.78	2014 YEAR START	\$570,710.06	2015 PROPOSED	\$386,075.03	