

**PUBLIC UTILITY DISTRICT NO. 1 OF CHELAN COUNTY  
327 N WENATCHEE AVENUE  
WENATCHEE WA 98801**

**REGULAR COMMISSION MEETING**

**FEBRUARY 18, 2020**

**STUDY SESSION**

**10:00 AM**

1. Pledge of Allegiance and Safety/HPI Minute – Lyle Moore
2. Approval of the Agenda  
*Any item on the Consent Agenda shall be subject to transfer to the Regular Agenda upon request of any Commission member*
3. A RESOLUTION ESTABLISHING NEW RATES FOR THE DISTRICT’S SALE OF ELECTRIC ENERGY, WATER, WASTEWATER SERVICES AND WHOLESALE TELECOMMUNICATION SERVICES
4. Audit Committee Annual Update
5. Quarterly Energy Resources Update
6. Executive Session: To discuss with legal counsel agency enforcement actions, litigation, potential litigation to which the District or its board is, or is likely to become, a party, and/or legal risks, as authorized by RCW 42.30.110(1)(i); to consider the selection of a site or the acquisition of real estate by lease or purchase when public knowledge regarding such consideration would cause a likelihood of increased price, as authorized by RCW 42.30.110(1)(b); and to consider information regarding the infrastructure and security of computer and telecommunications networks, security and service recovery plans, security risk assessments and security test results to the extent that they identify specific system vulnerabilities pursuant to RCW 42.30.110(1)(a)(ii)

**BUSINESS SESSION**

**1:00 PM**

**Consent Agenda**

7. Minutes of the February 3, 2020 Regular Meeting and February 6, 2020 Special Meeting
8. Vouchers: Accounts Payable Summary Report dated February 12, 2020:

- a. Vouchers totaling \$9,078,361.11;
- b. Approval of Customer Deposit Returns and Conservation Incentive payments for the period January 29, 2020 through February 11, 2020 in the amount of \$95,700.88;
- c. Approval of the net Payroll, Warrant Nos. 236904 through 236923 and Advice Nos. 688594 through 689340 for the pay period ending 02/02/2020 in the amount of \$1,961,584.29;
- d. Approval of Warrant Nos. 26402 through 26453 totaling \$38,881.12 for claim payments from the workers' compensation self-insurance fund for the period ending February 10, 2020;
- e. Payment to the Department of Revenue in the amount of \$2,701,716.83 on February 25, 2020 for Annual Privilege Tax Returns.

**Regular Agenda**

9. A RESOLUTION AUTHORIZING AN AMENDMENT TO SERVICES AGREEMENT (SA NO. 15-208) WITH STANTEC CONSULTING SERVICES, INC. OF BELLEVUE, WA FOR PROFESSIONAL SERVICES RELATED TO THE DISTRICT'S HYDRO PROJECTS
10. A RESOLUTION AUTHORIZING AMENDMENT NO. 8 TO SERVICES AGREEMENT (SA NO. 16-060) WITH CLEARRESULT CONSULTING INC., TO PROVIDE ENERGY EFFICIENCY SERVICES
11. A RESOLUTION ESTABLISHING A "LOAN FUND" FOR THE PESHASTIN WASTEWATER PROJECT WITHIN THE WASTEWATER SYSTEM AS REQUIRED BY WATER QUALITY COMBINED FINANCIAL ASSISTANCE AGREEMENT BETWEEN DISTRICT AND WASHINGTON STATE DEPT. OF ECOLOGY AND AUTHORIZING THE DEPOSIT OF FUNDS FROM THE WASTEWATER SYSTEM'S REVENUE FUND TO THE LOAN FUND AS NEEDED
12. A RESOLUTION APPROVING THE PURCHASE AND SALE AGREEMENT WITH SCOTT H. MCDUGALL FOR THE PURCHASE OF REAL PROPERTY AND AUTHORIZING THE GENERAL MANAGER OR HIS DESIGNEE TO COMPLETE THE TRANSACTION
13. Manager Items

REGULAR COMMISSION MEETING AGENDA

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14. Commission Items

a. Board Workshop – Proposed Motion:

To reschedule the March 17, 2020 Board Workshop to Friday, May 1, 2020, at 9:00am at the Confluence Technology Center, 285 Technology Center Way, Wenatchee

15. Follow-up on Delegation of Action Items from Previous Board Meeting

16. Delegation of Action Items

17. Additional Public Comment

*Members of the public are encouraged to ask specific questions after each item presented. This agenda item is for additional comments/questions related to matters not on the agenda.*

18. Matters of general business as may necessarily come before the Commission

This agenda and resolutions (if any) may be revised by the Commission as appropriate.

## RESOLUTION NO. \_\_\_\_\_

A RESOLUTION ESTABLISHING NEW RATES FOR  
THE DISTRICT'S SALE OF ELECTRIC ENERGY,  
WATER, WASTEWATER AND WHOLESALE  
TELECOMMUNICATION SERVICES**FACTUAL BACKGROUND AND REASONS FOR ACTION**

The District has the authority to establish and modify rates for electric energy and water and other services. The District, if it has revenue obligations outstanding, is required to establish, maintain, and collect rates or charges for electric energy and water and other services, facilities, and commodities sold, furnished, or supplied by the District in compliance with RCW 54.24.080.

The District launched a strategic planning effort in December 2018 in which community participation was sought through a wide range of opportunities such as surveys and topic team discussion meetings that were attended by a diverse group of community members. The General Manager and District staff analyzed and discussed with the community the costs and revenues in each area of operation of the District throughout the series of public meetings and other outreach efforts. The information, analyses, customer input and discussions have helped set the utility's course through 2024.

The 2020-2024 Strategic Plan prescribes five-year rate plans for the sale of electric energy, water, wastewater and wholesale telecommunication services. These long-term rate plans are prudent from a long-term planning perspective to ensure stable and predictable rates for customer-owners and to protect against the risk of large rate increases in later years.

The Commission directed staff to recommend rate proposals. Staff's electric energy rate proposal is based on a culmination of input collected during the Strategic Planning process and Board direction to help offset inflationary cost increases and update the rate design to improve cost recovery by rate component as customer characteristics change. Staff proposes an annual increase to the residential basic charge of \$1.75, with no increase to the residential energy charge, effective June 1 for the next five years to address declining cost recovery compared to cost of service for the residential basic charge and to improve industry alignment. In other classes, rate elements increase 3% on average per year for the next five years with the first year deferred to December 1 due to the implementation of a new customer information system. An increased residential demand charge of \$15 per KW per month for cryptocurrency customers was approved by Resolution 18-14287 with an effective date of April 1, 2020. Due to the implementation of a new customer information system and lower than anticipated interest in residential cryptocurrency, staff proposes deferring the effective date to 2021 but continuing to apply the 3% increase as with other charges.

Low-income discounts for qualifying residential customers increase by 3% per year. Staff's electric rate proposal is detailed in Exhibit A.

The Strategic Plan directed that incremental electric rate revenue from the rate increases be held to stabilize rates over the long term consistent with customer-owner input. The Commission may designate a fund for the purpose of holding incremental electric revenues from rate action for future rate stabilization. Commission designated funds are established when proceeds of a specific revenue source are committed for a designated purpose. Funds will be applied for the designated purpose as directed by the Commission. Using a designated fund demonstrates the Commission is planning ahead for the identified need and provides visibility to the specific funding activity.

The water and wastewater rate proposal is based on a culmination of input collected during the Strategic Planning process and Board direction for the water and wastewater systems to work towards being financially self-sustainable in the long-term. Staff proposes that the water and wastewater rates be increased annually by 4% on average for all rate classes. Staff proposes increasing low-income discounts for qualifying customers by 4% per year. Staff's water and wastewater rate proposal is detailed in Exhibits B and C respectively.

Similar to the feedback obtained for the water and wastewater systems, customers and Commissioners desire the fiber Broadband system to work towards becoming financially self-sustainable. Based upon evaluation and analysis for the fiber Broadband system, staff proposes a 3% annual revenue increase from wholesale telecommunication services in years 2020-2024. Staff proposes to achieve the increase through the aggregated bandwidth revenue requirement as calculated pursuant to Schedule 100, Wholesale Telecommunication Service Rate and does not require Commission action as this increase is within the existing aggregated bandwidth range previously approved. Staff is recommending this approach to continue to accommodate service provider and end user needs in line with usage trends.

Following the extensive rate planning outreach included in strategic planning, on January 6, 2020, the District Commissioners directed staff to initiate a formal public process for rate action. An informational meeting was held on January 20, and a public hearing was held on February 3. Notice was provided pursuant to Resolution No. 18-14256, and both meetings were held in the boardroom at the District's headquarters offices in Wenatchee.

District staff recommends that it is in the best interest of the District to establish new rates for the District's sale of electric energy, water, wastewater and wholesale telecommunications as proposed in this resolution and the attached Exhibits A, B, and C.

The General Manager has reviewed staff's recommendation and concurs in the same.

## ACTION

IT IS RESOLVED BY THE COMMISSION OF PUBLIC UTILITY DISTRICT NO. 1 OF CHELAN COUNTY, WASHINGTON, as follows:

Section 1. Requirements for meetings and notices as established by Resolution No. 18-14256 have been met and exceeded.

Section 2. The electric rates for 2020-2024 as set forth in Exhibit A attached hereto are determined to be fair, reasonable, necessary and non-discriminatory. The rates set forth in Exhibit A are initially effective as of June 1, 2020 for Rate Schedules 1 and 101 and December 1, 2020 for all other rate schedules. Subsequent changes for all rate schedules are effective as of June 1 of each year from 2021 through 2024 as set forth in Exhibit A.

Section 3. The water rates for 2020-2024 as set forth in Exhibit B attached hereto are determined to be fair, reasonable, necessary and non-discriminatory. The rates set forth in Exhibit B are initially effective as of June 1, 2020 with subsequent changes effective as of June 1 of each year from 2021 through 2024 as set forth in Exhibit B.

Section 4. The wastewater rates for 2020-2024 as set forth in Exhibit C attached hereto are determined to be fair, reasonable, necessary and non-discriminatory. The rates set forth in Exhibit C are initially effective as of June 1, 2020 with subsequent changes effective as of June 1 of each year from 2021 through 2024 as set forth in Exhibit C.

Section 5. Staff is directed to increase revenue from Wholesale Telecommunication Services annually by 3% as described in this resolution effective as of June 1, 2020 and each subsequent year effective as of June 1 of years 2021 through 2024. This does not modify the methodology for calculating the aggregated bandwidth revenue requirement set forth in Schedule 100, Wholesale Telecommunications Services Rates, or any other rate schedule.

Section 6. The adoption of this rate resolution is not a major action under the State Environmental Policy Act, and as such is categorically exempt under S.E.P.A. guidelines, W.A.C., Ch 197-11-800(15)(i).

Section 7. This resolution rescinds and supersedes prior resolutions and Commission actions that are inconsistent with this resolution and exhibits. This resolution shall not render invalid any previous action by this Commission regarding rates, service regulations, policies, fees, charges or agreements except as specifically included in this resolution and exhibits.

Section 8. Staff is directed to establish a Commission designated fund for the purpose of holding incremental electric revenues from this rate action for future rate stabilization. Incremental amounts will be calculated and deposited annually.

DATED this 18<sup>th</sup> day of February, 2020.

\_\_\_\_\_  
President

ATTEST:

\_\_\_\_\_  
Vice President

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Commissioner

\_\_\_\_\_  
Commissioner

Seal

**ELECTRIC RATE PROPOSAL****EXHIBIT A**

Rate Schedule	Rate Description	Rate Component	Current Rate	Year 1 (effective 6/1/2020)	Year 2 (effective 6/1/2021)	Year 3 (effective 6/1/2022)	Year 4 (effective 6/1/2023)	Year 5 (effective 6/1/2024)
1	Residential Electric	Basic Charge - Single Phase	\$ 7.70	\$ 9.45	\$ 11.20	\$ 12.95	\$ 14.70	\$ 16.45
1	Residential Electric	Basic Charge - Three Phase	\$ 13.35	\$ 15.10	\$ 16.85	\$ 18.60	\$ 20.35	\$ 22.10
1	Residential Electric	Energy Charge	\$ 0.0270	\$ 0.0270	\$ 0.0270	\$ 0.0270	\$ 0.0270	\$ 0.0270
101	Residential Electric - Stehekin	Basic Charge	\$ 11.70	\$ 13.45	\$ 15.20	\$ 16.95	\$ 18.70	\$ 20.45
101	Residential Electric - Stehekin	Energy Charge 0 - 400 kWh	\$ 0.0420	\$ 0.0420	\$ 0.0420	\$ 0.0420	\$ 0.0420	\$ 0.0420
101	Residential Electric - Stehekin	Energy Charge 401 - 750 kWh	\$ 0.0580	\$ 0.0580	\$ 0.0580	\$ 0.0580	\$ 0.0580	\$ 0.0580
101	Residential Electric - Stehekin	Energy Charge 751+ kWh	\$ 0.1160	\$ 0.1160	\$ 0.1160	\$ 0.1160	\$ 0.1160	\$ 0.1160
Discount	Low-income Senior / disabled	Residential discount for qualifying customers	\$ 9.25	\$ 9.55	\$ 9.80	\$ 10.10	\$ 10.40	\$ 10.70
Rate Schedule	Rate Description	Rate Component	Current Rate	Year 1 (effective 12/1/2020)	Year 2 (effective 6/1/2021)	Year 3 (effective 6/1/2022)	Year 4 (effective 6/1/2023)	Year 5 (effective 6/1/2024)
2 A-2	General Service Part A-2	Basic Charge - Single Phase (0-39kW)	\$ 16.90	\$ 17.45	\$ 18.00	\$ 18.60	\$ 19.20	\$ 19.80
2 A-2	General Service Part A-2	Basic Charge - Three Phase (0-39kW)	\$ 25.35	\$ 26.15	\$ 27.00	\$ 27.90	\$ 28.80	\$ 29.70
2 A-2	General Service Part A-2	Basic Charge - Single Phase (40+ kW)	\$ 16.90	\$ 17.45	\$ 18.00	\$ 18.60	\$ 19.20	\$ 19.80
2 A-2	General Service Part A-2	Basic Charge - Three Phase (40+ kW)	\$ 25.35	\$ 26.15	\$ 27.00	\$ 27.90	\$ 28.80	\$ 29.70
2 A-2	General Service Part A-2	Demand Charge (40+ kW)	\$ 2.40	\$ 2.50	\$ 2.55	\$ 2.65	\$ 2.70	\$ 2.80
2 A-2	General Service Part A-2	Energy Charge (0 -39 kW)	\$ 0.0270	\$ 0.0280	\$ 0.0285	\$ 0.0295	\$ 0.0300	\$ 0.0310
2 A-2	General Service Part A-2	Energy Charge (40+ kW)	\$ 0.0235	\$ 0.0240	\$ 0.0250	\$ 0.0255	\$ 0.0265	\$ 0.0275
2 B-23	General Service Part B-23	Basic Charge	\$ 25.35	\$ 26.15	\$ 27.00	\$ 27.90	\$ 28.80	\$ 29.70
2 B-23	General Service Part B-23	Demand Charge	\$ 2.25	\$ 2.35	\$ 2.40	\$ 2.45	\$ 2.50	\$ 2.55
2 B-23	General Service Part B-23	Energy Charge	\$ 0.0235	\$ 0.0240	\$ 0.0250	\$ 0.0255	\$ 0.0265	\$ 0.0275
102	General Service - Stehekin Part A	Basic Charge	\$ 11.50	\$ 11.85	\$ 12.20	\$ 12.55	\$ 13.00	\$ 13.40
102	General Service - Stehekin Part A	Energy Charge (0-400 kWh)	\$ 0.0420	\$ 0.0435	\$ 0.0450	\$ 0.0465	\$ 0.0480	\$ 0.0490
102	General Service - Stehekin Part A	Energy Charge (401 - 750 kWh)	\$ 0.0580	\$ 0.0595	\$ 0.0615	\$ 0.0635	\$ 0.0655	\$ 0.0675
102	General Service - Stehekin Part A	Energy Charge (751+ kWh)	\$ 0.1160	\$ 0.1190	\$ 0.1230	\$ 0.1270	\$ 0.1310	\$ 0.1350
102	General Service - Stehekin Part B	Basic Charge	\$ 23.00	\$ 23.70	\$ 24.40	\$ 25.10	\$ 26.00	\$ 26.80
102	General Service - Stehekin Part B	Demand Charge (>5kW)	\$ 9.30	\$ 9.60	\$ 9.85	\$ 10.15	\$ 10.45	\$ 10.80
102	General Service - Stehekin Part B	Energy Charge	\$ 0.1000	\$ 0.1030	\$ 0.1060	\$ 0.1090	\$ 0.1125	\$ 0.1160
3	Primary Power Service	Basic Charge	\$ 125.00	\$ 129.00	\$ 133.00	\$ 135.00	\$ 138.00	\$ 142.00
3	Primary Power Service	Demand Charge	\$ 3.23	\$ 3.30	\$ 3.35	\$ 3.45	\$ 3.55	\$ 3.60
3	Primary Power Service	Energy Charge	\$ 0.0135	\$ 0.0140	\$ 0.0145	\$ 0.0150	\$ 0.0155	\$ 0.0160



**ELECTRIC RATE PROPOSAL****EXHIBIT A**

Rate Schedule	Rate Description	Rate Component	Current Rate	Year 1 (effective 12/1/2020)	Year 2 (effective 6/1/2021)	Year 3 (effective 6/1/2022)	Year 4 (effective 6/1/2023)	Year 5 (effective 6/1/2024)
30	Primary Power Service TOU	Basic Charge	\$ 125.00	\$ 129.00	\$ 133.00	\$ 135.00	\$ 138.00	\$ 142.00
30	Primary Power Service TOU	Demand Charge	\$ 3.23	\$ 3.30	\$ 3.35	\$ 3.45	\$ 3.55	\$ 3.60
30	Primary Power Service TOU	Energy Charge On-Peak	\$ 0.0155	\$ 0.0160	\$ 0.0165	\$ 0.0170	\$ 0.0175	\$ 0.0180
30	Primary Power Service TOU	Energy Charge Off-Peak	\$ 0.0100	\$ 0.0105	\$ 0.0110	\$ 0.0110	\$ 0.0115	\$ 0.0120
33	Primary Power Transition Rate	Basic Charge	\$ 25.35	\$ 26.15	\$ 27.00	\$ 27.90	\$ 28.80	\$ 29.70
33	Primary Power Transition Rate	Demand Charge	\$ 2.25	\$ 2.35	\$ 2.40	\$ 2.45	\$ 2.50	\$ 2.55
33	Primary Power Transition Rate	Energy Charge	\$ 0.0235	\$ 0.0240	\$ 0.0250	\$ 0.0255	\$ 0.0265	\$ 0.0275
35	High Density Load	Basic Charge 0-300 kW	\$ 130.00	\$ 135.00	\$ 140.00	\$ 145.00	\$ 150.00	\$ 155.00
35	High Density Load	Basic Charge 300 kW - <1MW	\$ 560.00	\$ 575.00	\$ 590.00	\$ 610.00	\$ 630.00	\$ 650.00
35	High Density Load	Basic Charge 1MW - <5MW	\$ 860.00	\$ 885.00	\$ 910.00	\$ 940.00	\$ 970.00	\$ 995.00
35	High Density Load	Demand Charge	\$ 5.50	\$ 5.65	\$ 5.80	\$ 6.00	\$ 6.20	\$ 6.40
35	High Density Load	Energy Charge	\$ 0.0270	\$ 0.0278	\$ 0.0286	\$ 0.0295	\$ 0.0304	\$ 0.0313
36	Cryptocurrency	Basic Charge (up to 300kW)	\$ 130.00	\$ 135.00	\$ 140.00	\$ 145.00	\$ 150.00	\$ 155.00
36	Cryptocurrency	Basic Charge (300kW - < 1MW)	\$ 560.00	\$ 575.00	\$ 590.00	\$ 610.00	\$ 630.00	\$ 650.00
36	Cryptocurrency	Basic Charge (1MW - <3MW)	\$ 860.00	\$ 885.00	\$ 910.00	\$ 940.00	\$ 970.00	\$ 995.00
36	Cryptocurrency	Demand Charge (Non-Residential)	\$ 5.50	\$ 5.65	\$ 5.80	\$ 6.00	\$ 6.20	\$ 6.40
36	Cryptocurrency	Demand Charge (Residential)	n/a	n/a	\$ 15.45	\$ 15.90	\$ 16.40	\$ 16.85
36	Cryptocurrency	Energy Charge		Calculated energy rate per Schedule 36 (no change)				
5	Irrigation Service	Basic Charge - Single Phase	\$ 9.50	\$ 9.75	\$ 10.05	\$ 10.35	\$ 10.60	\$ 11.00
5	Irrigation Service	Basic Charge - Three Phase	\$ 14.50	\$ 14.90	\$ 15.35	\$ 15.80	\$ 16.25	\$ 16.85
5	Irrigation Service	Demand Charge - per HP	\$ 3.52	\$ 3.63	\$ 3.75	\$ 3.86	\$ 4.00	\$ 4.13
5	Irrigation Service	Energy Charge	\$ 0.0165	\$ 0.0170	\$ 0.0175	\$ 0.0180	\$ 0.0185	\$ 0.0190
6	Frost Protection	Basic Charge	\$ 21.00	\$ 21.65	\$ 22.30	\$ 23.00	\$ 23.70	\$ 24.40
6	Frost Protection	Demand Charge	\$ 2.40	\$ 2.50	\$ 2.55	\$ 2.65	\$ 2.70	\$ 2.80
6	Frost Protection	Energy Charge	\$ 0.0240	\$ 0.0250	\$ 0.0255	\$ 0.0265	\$ 0.0270	\$ 0.0280
7	Street Light - District Pole	Customer Owned, District Maintained	\$ 8.00	\$ 8.25	\$ 8.50	\$ 8.75	\$ 9.00	\$ 9.30
7M	Street Light - District Pole	Municipal Owned, District Maintained	\$ 5.80	\$ 6.00	\$ 6.15	\$ 6.35	\$ 6.55	\$ 6.75
7EO	Street Light - Energy Only	Customer Owned, non-District Maintained Light	\$ 0.0294	\$ 0.0305	\$ 0.0315	\$ 0.0320	\$ 0.0330	\$ 0.0340

**WATER RATE PROPOSAL****EXHIBIT B**

Rate Schedule	Rate Description	Rate Component	Current Rate	Year 1 (effective 6/1/2020)	Year 2 (effective 6/1/2021)	Year 3 (effective 6/1/2022)	Year 4 (effective 6/1/2023)	Year 5 (effective 6/1/2024)	
111, 311, 511, 711, 811	Residential Service	Basic Charge 5/8"	\$ 33.30	\$ 34.65	\$ 36.00	\$ 37.40	\$ 38.90	\$ 40.50	
	Residential Service	Basic Charge 1"	\$ 40.00	\$ 41.60	\$ 43.20	\$ 44.90	\$ 46.70	\$ 48.60	
	Residential Service	Basic Charge 1 1/2"	\$ 53.30	\$ 55.40	\$ 57.60	\$ 59.80	\$ 62.20	\$ 64.80	
	Residential Service	Basic Charge 2"	\$ 73.30	\$ 76.20	\$ 79.20	\$ 82.30	\$ 85.60	\$ 89.10	
	Residential Service	Basic Charge 3"	\$ 239.80	\$ 249.50	\$ 259.20	\$ 269.30	\$ 280.10	\$ 291.60	
	Quantity Rate - Gallons per month	0 - 3,000 gallons	\$ 2.65	\$ 2.75	\$ 2.85	\$ 3.00	\$ 3.10	\$ 3.20	
		3,001 - 10,000 gallons	\$ 3.50	\$ 3.65	\$ 3.80	\$ 3.95	\$ 4.10	\$ 4.25	
		> 10,000 gallons	\$ 4.35	\$ 4.50	\$ 4.70	\$ 4.90	\$ 5.10	\$ 5.30	
	Discount	Low-income Senior / disabled	Residential discount for qualifying customers	\$ 9.50	\$ 9.90	\$ 10.30	\$ 10.70	\$ 11.10	\$ 11.55
	121, 131, 321, 871, 521	Commercial & Industrial Service	Basic Charge 5/8"	\$ 60.00	\$ 62.00	\$ 64.50	\$ 67.00	\$ 70.00	\$ 73.00
Commercial & Industrial Service		Basic Charge 1"	\$ 72.00	\$ 74.00	\$ 77.00	\$ 80.00	\$ 84.00	\$ 88.00	
Commercial & Industrial Service		Basic Charge 1 1/2"	\$ 90.00	\$ 93.00	\$ 97.00	\$ 101.00	\$ 105.00	\$ 110.00	
Commercial & Industrial Service		Basic Charge 2"	\$ 132.00	\$ 136.00	\$ 142.00	\$ 147.00	\$ 154.00	\$ 161.00	
Commercial & Industrial Service		Basic Charge 3"	\$ 432.00	\$ 446.00	\$ 464.00	\$ 482.00	\$ 504.00	\$ 526.00	
Commercial & Industrial Service		Basic Charge 4"	\$ 546.00	\$ 564.00	\$ 587.00	\$ 610.00	\$ 637.00	\$ 664.00	
Commercial & Industrial Service		Basic Charge 6"	\$ 804.00	\$ 836.00	\$ 869.00	\$ 904.00	\$ 940.00	\$ 978.00	
Quantity Rate		Per 1,000 gallons per month	\$ 3.35	\$ 3.50	\$ 3.65	\$ 3.80	\$ 3.95	\$ 4.10	
		Each Additional Unit	\$ 21.00	\$ 21.85	\$ 22.75	\$ 23.70	\$ 24.50	\$ 25.50	
181, 381, 581		First Sprinkler Service Rate	Monthly Charge 2"	\$ 31.00	\$ 32.00	\$ 33.50	\$ 35.00	\$ 36.50	\$ 38.00
	First Sprinkler Service Rate	Monthly Charge 3"	\$ 42.50	\$ 44.00	\$ 46.00	\$ 48.00	\$ 50.00	\$ 52.00	
	First Sprinkler Service Rate	Monthly Charge 4"	\$ 53.00	\$ 55.00	\$ 57.00	\$ 59.00	\$ 61.00	\$ 63.50	
	First Sprinkler Service Rate	Monthly Charge 6"	\$ 106.00	\$ 110.00	\$ 115.00	\$ 120.00	\$ 125.00	\$ 130.00	
	First Sprinkler Service Rate	Monthly Charge 8"	\$ 160.00	\$ 166.00	\$ 173.00	\$ 180.00	\$ 187.00	\$ 195.00	
	First Sprinkler Service Rate	Monthly Charge 10"	\$ 212.00	\$ 220.00	\$ 229.00	\$ 238.00	\$ 245.00	\$ 255.00	
	First Sprinkler Service Rate	Monthly Charge 12"	\$ 265.00	\$ 276.00	\$ 287.00	\$ 298.00	\$ 310.00	\$ 322.00	
	Quantity Rate	Per 1,000 gallons per month	\$ 3.35	\$ 3.50	\$ 3.65	\$ 3.80	\$ 3.95	\$ 4.10	
182, 382, 582, 882	Private Fire Hydrant Service Rate	Monthly Charge	\$ 12.50	\$ 13.00	\$ 13.50	\$ 14.00	\$ 14.50	\$ 15.00	
141, 142, 341, 342, 541 542, 841, 842	Hydrant Valve Charges	Hydrant Valve Use Daily Charge	\$ 19.65	\$ 20.40	\$ 21.20	\$ 22.00	\$ 22.80	\$ 23.75	
	Hydrant Valve Charges	Fire Hydrant Use Daily Charge	\$ 19.65	\$ 20.40	\$ 21.20	\$ 22.00	\$ 22.80	\$ 23.75	
	Quantity Rate	Per 1,000 gallons per month	\$ 3.35	\$ 3.50	\$ 3.65	\$ 3.80	\$ 3.95	\$ 4.10	

**WASTEWATER RATE PROPOSAL****EXHIBIT C**

Rate Schedule	Rate Description	Rate Component	Current Rate	Year 1	Year 2	Year 3	Year 4	Year 5
				(effective 6/1/2020)	(effective 6/1/2021)	(effective 6/1/2022)	(effective 6/1/2023)	(effective 6/1/2024)
783, 785, 71, 72, 792, 795	Residential & Small General Service	Basic Charge	\$ 76.75	\$ 79.80	\$ 83.00	\$ 86.30	\$ 89.75	\$ 93.35
		Additional ERU's	\$ 76.75	\$ 79.80	\$ 83.00	\$ 86.30	\$ 89.75	\$ 93.35
787, 798, 75	Large General Service	Basic Charge	\$ 76.75	\$ 79.80	\$ 83.00	\$ 86.30	\$ 89.75	\$ 93.35
		Additional ERU's	\$ 76.75	\$ 79.80	\$ 83.00	\$ 86.30	\$ 89.75	\$ 93.35
	Quantity Rate	Per 1,000 gallons	\$ 10.20	\$ 10.60	\$ 11.00	\$ 11.45	\$ 11.90	\$ 12.35
Discount	Low-income Senior / disabled	Residential discount for qualifying customers	\$ 10.10	\$ 10.50	\$ 10.95	\$ 11.35	\$ 11.80	\$ 12.30

## RESOLUTION NO. \_\_\_\_\_

A RESOLUTION AUTHORIZING AN AMENDMENT  
TO SERVICES AGREEMENT (SA NO. 15-208) WITH  
STANTEC CONSULTING SERVICES, INC. OF  
BELLEVUE, WA FOR PROFESSIONAL SERVICES  
RELATED TO THE DISTRICT'S HYDRO PROJECTS

## FACTUAL BACKGROUND AND REASONS FOR ACTION

Resolution No. 15-14008 dated December 21, 2015 authorized a Services Agreement (SA No. 15-208) with Stantec Consulting Services, Inc. (Stantec) to provide professional engineering services related to the District's hydro projects, in an amount not to exceed \$5,000,000 over a five-year agreement term.

District staff is requesting an extension to the professional service agreement with Stantec for an additional 2 years. Stantec will provide continued support for multiple projects at the hydro's including continuing support on the Rock Island Powerhouse 1 B5-B8 Rehabilitation, Rock Island Powerhouse 1 B1-B4 Rehabilitation, Rocky Reach Spillway Electrical Upgrades and RI PH1 Intake Deck Grating Supports and future project where Stantec is determined to be qualified to supply their expertise and services. Resolution No. 17-14215 requires that the Commission, by resolution, authorize Service Agreements and Amendments when the total contract price exceeds \$500,000.

District staff recommends that it is in the best interest of the District to amend Services Agreement No. 15-208 with Stantec through December 31, 2022, and to increase funding by \$2,000,000 to provide professional engineering services, for a total revised contract price not to exceed \$7,000,000.

The General Manager has reviewed District staff's recommendation and concurs in the same.

**ACTION**

IT IS RESOLVED BY THE COMMISSION OF PUBLIC UTILITY DISTRICT NO. 1 OF CHELAN COUNTY, as follows:

Section 1. The General Manager of the District is hereby authorized to execute an Amendment to Services Agreement (SA No. 15-208) with Stantec Consulting Services, Inc. to extend the period of service to December 31, 2022 and to add \$2,000,000 to the total contract price. The revised contract price will not exceed \$7,000,000 without prior Commission approval. A copy of the Amendment is on file in the offices of the District.

DATED this 18th day of FEBRUARY 2020.

\_\_\_\_\_  
President

ATTEST:

\_\_\_\_\_  
Vice President

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Commissioner

\_\_\_\_\_  
Commissioner

Seal

## RESOLUTION NO. \_\_\_\_\_

A RESOLUTION AUTHORIZING AMENDMENT  
NO. 8 TO SERVICES AGREEMENT (SA NO. 16-060)  
WITH CLEAResult CONSULTING INC., TO  
PROVIDE ENERGY EFFICIENCY SERVICES

## FACTUAL BACKGROUND AND REASONS FOR ACTION

The District entered into a Services Agreement (SA No. 16-060) on July 5, 2016, with CLEAResult Consulting Inc., to provide Energy Efficiency Services in an amount not to exceed \$195,000.

On August 7, 2017, Resolution 17-14158 authorized an amendment to the Services Agreement which revised the not to exceed amount to \$445,000.

On June 25, 2018, Resolution 18-14247 authorized an amendment to the Services Agreement which revised the not to exceed amount to \$775,000.

The services provided by CLEAResult Consulting, Inc. have been satisfactory and cost effective in meeting District compliance requirements under the Energy Independence Act. District staff desire to add funds to existing Task Authorizations to continue the energy efficiency services provided. District staff also foresees the need to execute additional TAs with CLEAResult Consulting, Inc. for future energy efficiency services.

Resolution No. 17-14215 requires that the Commission, by resolution, authorize Amendments to Service Agreements when the Amendment increases the total contract price to over \$500,000.

District staff recommends that it is in the best interest of the District to amend Services Agreement No. 16-060 with CLEAResult Consulting Inc. to cover additional services in the amount of \$140,000. The not to exceed amount of \$775,000, would be increased by \$140,000 for a total revised contract price not to exceed \$915,000.

The General Manager has reviewed District staff's recommendation and concurs in the same.

## ACTION

IT IS RESOLVED BY THE COMMISSION OF PUBLIC UTILITY  
DISTRICT NO. 1 OF CHELAN COUNTY; WASHINGTON as follows:

Section 1. The General Manager is hereby authorized to execute an Amendment to Services Agreement (SA-TA No. 16-060) with CLEAResult Consulting Inc., to provide the additional services identified above. The revised

contract price will not exceed \$915,000 without prior Commission approval. A copy of the Amendment is on file in the offices of the District.

DATED this 18<sup>th</sup> day of February 2020.

\_\_\_\_\_  
President

ATTEST:

\_\_\_\_\_  
Vice President

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Commissioner

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Commissioner

Seal

## RESOLUTION NO. \_\_\_\_\_

A RESOLUTION ESTABLISHING A “LOAN FUND” FOR THE PESHASTIN WASTEWATER PROJECT WITHIN THE WASTEWATER SYSTEM AS REQUIRED BY WATER QUALITY COMBINED FINANCIAL ASSISTANCE AGREEMENT BETWEEN DISTRICT AND WASHINGTON STATE DEPT. OF ECOLOGY AND AUTHORIZING THE DEPOSIT OF FUNDS FROM THE WASTEWATER SYSTEM’S REVENUE FUND TO THE LOAN FUND AS NEEDED

**FACTUAL BACKGROUND AND REASONS FOR ACTION**

There are opportunities for the District to obtain grants and/or loans from other regional, state, federal or other entities for District projects to improve infrastructure, fish habitat, and other work. Resolution No. 17-14215 delegates authority to the District’s General Manager (or his designee) to apply for and receive grants and loans as deemed appropriate and necessary to the operations of the District.

The District entered into a Water Quality Combined Financial Assistance Agreement with the Washington State Department of Ecology (Agreement) on April 26, 2017 to assist in funding the Peshastin Wastewater Improvement Project. This Agreement requires establishing a “Loan Fund” of that name created by Resolution for the repayment of the principal and interest on the loan.

To comply with the terms and conditions of the Agreement, District staff and Chief Financial/Risk Officer recommend the Commission authorize and establish a separate fund of the District known as the “Loan Fund” within the Wastewater System.

The General Manager of the District has reviewed staff’s recommendation and concurs in the same.

**ACTION**

IT IS RESOLVED BY THE COMMISSION OF PUBLIC UTILITY DISTRICT NO. 1 OF CHELAN COUNTY, WASHINGTON, as follows:

Section 1. There is hereby established a special fund of the District to be known as the “Loan Fund” within the Wastewater System for the repayment of the principal and interest on the loan authorized by the Water Quality Combined Financial Assistance Agreement with the Washington State Department of Ecology.



Section 2. The District's Treasurer is hereby authorized to take such action as necessary to implement this Resolution including, but not limited to, making deposits from the Wastewater System Revenue Fund into the Loan Fund.

DATED this 18th day of February, 2020.

\_\_\_\_\_  
President

ATTEST:

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Vice President

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Commissioner

\_\_\_\_\_  
Commissioner

Seal

## RESOLUTION NO. \_\_\_\_\_

A RESOLUTION APPROVING THE PURCHASE AND SALE AGREEMENT WITH SCOTT H. MCDUGALL FOR THE PURCHASE OF REAL PROPERTY AND AUTHORIZING THE GENERAL MANAGER OR HIS DESIGNEE TO COMPLETE THE TRANSACTION

**FACTUAL BACKGROUND AND REASONS FOR ACTION**

On February 28, 2019 Chelan County PUD (PUD) purchased three parcels of real property in the Olds Station area from the Port of Chelan County for the purpose of constructing a new consolidated Service Center.

On September 6, 2019 PUD purchased an additional parcel of real property in the Olds Station area from the Elizabeth and Nevio Tontini Living Trust, also for the purpose of constructing a new consolidated Service Center.

The acquisition of additional, adjoining parcels of land has been determined to be beneficial to the eventual development of the previously acquired parcels.

The subject parcel (Chelan County Parcel No. 232028130090), owned by Scott H. McDougall (Seller), is real property adjoining the previously acquired parcels, and had been determined to provide benefit to the development of the Service Center Project.

On January 27, 2020 the PUD and the Seller entered into a Purchase and Sale Agreement for the subject parcel in the amount of \$300,000, contingent on approval of the Chelan County PUD Board of Commissioners.

Staff recommends the Purchase and Sale Agreement with the Seller be approved, and the General Manager directed to take the necessary steps to close the transaction. The General Manager has reviewed staff's recommendation and concurs in the same.

**ACTION**

IT IS RESOLVED BY THE COMMISSION OF PUBLIC UTILITY DISTRICT NO. 1 OF CHELAN COUNTY, as follows:

Section 1. The Purchase and Sale Agreement with Scott H. McDougall for the described real property in this Resolution in the amount of \$300,000, is hereby approved and the General Manager or his designee is hereby authorized to take such further steps as may be required to complete the transaction.

Section 2. The Purchase and Sale Agreement will be on file in the offices of the PUD.

DATED this 18th day of February, 2020.

\_\_\_\_\_  
President

ATTEST:

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Vice President

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Secretary

\_\_\_\_\_  
Commissioner

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Commissioner

Seal