

**PUBLIC UTILITY DISTRICT NO. 1 OF CHELAN COUNTY
203 OLDS STATION ROAD
WENATCHEE WA 98801**

REGULAR COMMISSION MEETING

NOVEMBER 20, 2023

STUDY SESSION

10:00 AM

1. Pledge of Allegiance and Safety/HPI Minute – Chris McDarment
2. Approval of the Agenda
3. CPO Winner Recognition
4. Final Draft IRP Report
5. Fish and Wildlife Update

BUSINESS SESSION

Consent Agenda

6. Minutes of the November 6, 2023 Regular Meeting
7. Vouchers: Accounts Payable Summary Report dated November 14, 2023:
 - a. Vouchers totaling \$14,281,086.29;
 - b. Approval of Customer Deposit Returns and Conservation Incentive payments for the period October 31, 2023 through November 13, 2023 in the amount of \$62,943.66.
 - c. Approval of the net Payroll, Warrant Nos. 238310 through 238316 and Advice Nos. 766662 through 767496 for the pay period ending November 5, 2023 in the amount of \$2,695,036.78.
 - d. Approval of Warrant Nos. 30249 through 30294 totaling \$6,097.52 for claim payments from the workers' compensation self-insurance fund for the period ending November 13, 2023.
8. A RESOLUTION RATIFYING FIELD WORK ORDER/CHANGE ORDER NOS. 1-4, AUTHORIZING FINAL ACCEPTANCE OF WORK PERFORMED UNDER BID NO. 20-32 WITH CONTINENTAL FIELD SYSTEMS, INC. OF SAVANNAH, GA AND AUTHORIZING RELEASE OF THE BOND IN LIEU OF RETAINAGE

Regular Agenda

9. A RESOLUTION AUTHORIZING AMENDMENT NO. 9 TO SERVICES AGREEMENT (SA NO. 16-181) WITH LUCAS ENGINEERING AND MANAGEMENT SERVICES, INC. TO PROVIDE OPERATIONAL EXCELLENCE TRAINING AND CONSULTING
10. A RESOLUTION AUTHORIZING AMENDMENT NO. 4 TO INTERAGENCY SERVICES AGREEMENT (CONTRACT NO. 19-10432) WITH WASHINGTON STATE DEPARTMENT OF FISH AND WILDLIFE TO PROVIDE HATCHERY MONITORING AND EVALUATION SERVICES
11. A RESOLUTION AUTHORIZING THE GENERAL MANAGER TO ENTER INTO AN INTERLOCAL COOPERATIVE AGREEMENT (SA 23-12790) WITH PUBLIC UTILITY DISTRICT NO. 1 OF DOUGLAS COUNTY TO MEET THE DISTRICT'S METHOW BASIN SPRING CHINOOK SALMON HATCHERY OBLIGATION AT METHOW HATCHERY
12. A RESOLUTION AUTHORIZING AMENDMENT NO. 5 TO SERVICES AGREEMENT (SA NO. 20-10877) WITH ZTEK, LLC TO PROVIDE ELECTRICAL AND CONTROL SYSTEMS ENGINEERING
13. A RESOLUTION AUTHORIZING AMENDMENT 5 TO SERVICES AGREEMENT (SA-TA NO. 20-10987) WITH GRAY & OSBORNE, INC. OF WENATCHEE WASHINGTON TO PROVIDE ENGINEERING SERVICES
14. A RESOLUTION AUTHORIZING AMENDMENT NO. 2 TO SERVICES AGREEMENT (SA NO. 22-12481) WITH UTILICAST, LLC TO PROVIDE ENTERPRISE AND SOLUTIONS ARCHITECTURE CONSULTING
15. A RESOLUTION RESCINDING AND REPLACING RESOLUTION NO. 23-14774 AND ADOPTING NEW TELECOMMUNICATION RATES FOR WHOLESALE TELECOMMUNICATIONS SERVICES BY SERVICE PROVIDERS ON THE DISTRICT'S BROADBAND SYSTEM
16. A RESOLUTION AUTHORIZING THE GENERAL MANAGER TO PURCHASE 1.38 ACRES OF LAND AND REQUIRED SITE IMPROVEMENTS LOCATED ADJACENT TO THE FUTURE OHME II WATER RESERVOIR SITE FROM JIM AND KATHY HAMPTON
17. Budget Revision – Underground Cable Replacement
Proposed motion: To increase the total project budget and 2023 current year budget amount for capital project DSXX0003, UG Cable Replacements, in the amount of \$360,000 for a revised total project budget of \$1,635,300, and to decrease the 2023 DS-Line Extension (DSLEXXX1) budget by the same amount, to result in no net change to the overall 2023 Distribution System approved capital budget
18. Manager Items
19. Commission Items

REGULAR COMMISSION MEETING AGENDA

November 20, 2023

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

21. Delegation of Action Items

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

23. 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 the minimum price at which real estate will be offered for sale or lease when public knowledge regarding such consideration would cause the likelihood of decreased price, as authorized by RCW 42.30.110(1)(c) for ____ minutes

24. Public Comment

Time reserved for public comments or questions related to matters not covered by the agenda

1:00 PM

25. Public Hearing – 2024 Preliminary Budget Presentation

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

RESOLUTION NO. _____

A RESOLUTION RATIFYING FIELD WORK ORDER/CHANGE ORDER NOS. 1-4, AUTHORIZING FINAL ACCEPTANCE OF WORK PERFORMED UNDER BID NO. 20-32 WITH CONTINENTAL FIELD SYSTEMS, INC. OF SAVANNAH, GA AND AUTHORIZING RELEASE OF THE BOND IN LIEU OF RETAINAGE

FACTUAL BACKGROUND AND REASONS FOR ACTION

The District Commission by Resolution No. 17-14215 delegated authority to the General Manager to advertise, award and execute contracts when the total contract price is \$3,000,000 or less. Authority was also granted to the General Manager and the staff to execute field work orders under certain circumstances.

On February 16, 2021, the District entered into a contract (Bid No. 20-32) with Continental Field Systems, Inc. (Contractor) of Savannah, GA for Rocky Reach C1-C7 Shaft Sleeve Replacement, in the amount of \$887,135.12. This contract was advertised for public bid as required by RCW 54.04.070 and .080. The bids received did not meet all statutory requirements. Pursuant to RCW 54.04.080 and Resolution No. 20-14516, the Commission rejected all bids as not responsive and authorized the District to obtain Rocky Reach C1-C7 Shaft Sleeve Replacement by negotiation.

The work in Field Work Order/Change Order Nos. 1-4 consists of conditions and work not anticipated or included in the original contract but within the scope of the contract. The District's staff has executed Field Work Order/Change Order Nos. 1-4, which are on file in the offices of the District and summarized as follows:

Field Work Order/Change Order No.	Amount
1. Contract Extension	\$0
2. 1 st Unit Cost Adjustments	-\$553,667.04
3. Additional Welder Testing and Qualification	\$9,456.09
4. Correction of Scrivener's Error	\$0
Total	-\$544,210.95

Field Work Order/Change Order Nos. 1-4 results in a net decrease of \$544,210.95 in the contract price for a new revised total price of \$342,924.17 (excluding sales tax), which the District's Engineers recommend be ratified. Resolution No. 17-14215 provides that this type of field work order shall be presented to the Commission for approval as part of the final acceptance resolution.

District staff has determined that the completion of all contract work occurred on April 20, 2023. In accordance with the terms of the contract, the Contractor has provided a bond in lieu of retainage equal to 5% of the contract price.

The General Manager of the District concurs with staff's recommendations that the District accept the work performed by the Contractor, ratify Field Work Order/Change Order Nos. 1-4 and authorize the release of the related bond in lieu of retainage, subject to the requirements of the contract and state law.

ACTION

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

Section 1. Field Work Order/Change Order Nos. 1-4 to Bid No. 20-32 with Continental Field Systems, Inc. for the work specified above, which will result in a net decrease in the purchase price of \$544,210.95, for a total revised contract price of \$342,924.17, plus Washington State sales tax, is hereby ratified.

Section 2. All the contract work required under Bid No. 20-32 was completed on April 20, 2023, and the same is hereby accepted, subject to Section 3 hereof. Release of the Contractor's bond in lieu of retainage is authorized subject to Section 3 and Section 4 hereof, and subject to the provisions and limitations of Chapter 39.12 RCW (Prevailing Wages on Public Works) and 60.28 (Liens for Labor, Materials and Taxes on Public Works).

Section 3. This resolution shall not constitute an acceptance by the District of any work performed or goods supplied pursuant to the aforementioned contract, which are not in strict compliance with the contract terms and conditions.

Section 4. After the expiration of the forty-five (45) day period for giving the District notice of lien and after receipt of the Department of Revenue's certification of the Contractor's payment of taxes, the Employment Security Department's Certificate of Payment of Contributions, Penalties and Interest on Public Works Contracts, and the Department of Labor & Industries' Certificate of Release of the State's Lien on Public Works Contracts and the District being satisfied that taxes certified as due or to become due are discharged and the filed claims of materialmen and laborers, if any, together with a sum sufficient to pay costs of foreclosing the liens and attorney's fees, have been paid, the District's General Manager is authorized and directed to release the bond in lieu of retainage. In the event said taxes, claims, expenses and fees have not been paid, the General Manager is authorized and directed to file a claim against the bond in lieu of retainage in an amount equal to unpaid taxes and unpaid claims, together with a sum sufficient to defray the costs and attorney fees incurred in foreclosing the lien of such claims, and following payment of such claim, release the bond in lieu of retainage.

DATED this 20th day of NOVEMBER 2023.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING AMENDMENT
NO. 9 TO SERVICES AGREEMENT (SA NO. 16-181)
WITH LUCAS ENGINEERING AND
MANAGEMENT SERVICES, INC. TO PROVIDE
OPERATIONAL EXCELLENCE TRAINING AND
CONSULTING

FACTUAL BACKGROUND AND REASONS FOR ACTION

The District entered into a Services Agreement (SA No. 16-181) on January 6th, 2017, with Lucas Engineering and Management Services, Inc. to provide Operational Excellence Training and Consulting, in an amount not to exceed \$175,000. Amendments 1-8 increased the not to exceed amount to \$500,000.

District staff has identified the need for additional services to continue advancement of Human Performance Improvement (HPI) and Human & Organizational Performance (H&OP) efforts towards operational excellence. 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. 16-181 with Lucas Engineering and Management Services, Inc. in the amount of \$150,000, for a total revised contract price not to exceed \$650,000.

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 No. 16-181) with Lucas Engineering and Management Services, Inc. to provide the additional services identified above. The revised contract price will not exceed \$650,000 without prior Commission approval. A copy of the Amendment is on file in the offices of the District.

DATED this 20th day of November 2023.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING AMENDMENT
NO. 4 TO INTERAGENCY SERVICES AGREEMENT
(CONTRACT NO. 19-10432) WITH WASHINGTON
STATE DEPARTMENT OF FISH AND WILDLIFE
TO PROVIDE HATCHERY MONITORING AND
EVALUATION SERVICES

FACTUAL BACKGROUND AND REASONS FOR ACTION

The Rock Island and Rocky Reach Habitat Conservation Plans (HCPs) require the District, or its designated agents, to monitor and evaluate the success of the District's hatchery programs and provide information to the District and the HCP Hatchery Committees to adaptively manage these programs. On November 18, 2019, by Resolution No. 19-14400, the Commission of the District approved an Interagency Services Agreement (Contract No. 19-10432) with Washington State Department of Fish and Wildlife ("WDFW") to provide hatchery monitoring and evaluation services, in an amount not to exceed \$1,093,205.

On December 7, 2020, by Resolution No. 20-14504, the Commission of the District authorized Amendment No. 1, increasing the not to exceed amount by \$1,141,969 for a new not to exceed amount of \$2,235,174 and extended the contract end date to December 31, 2021.

On November 15, 2021 by Resolution 21-14597, the Commission of the District authorized Amendment No. 2, increasing the not to exceed amount by \$1,167,673 for a new not to exceed amount of \$3,402,847 and extending the contract end date to December 31, 2022.

On December 19, 2022 by Resolution 22-14723, the Commission of the District authorized Amendment No. 3, increasing the not to exceed amount by \$1,049,460 for a new not to exceed amount of \$4,452,307 and extending the contract end date to December 31, 2023.

Resolution No. 17-14215 requires that the Commission, by resolution, authorize Agreements and Amendments when the total contract price exceeds \$500,000.

District staff has identified the need for continued hatchery monitoring and evaluation services. District staff recommends that it is in the best interest of the District to amend Interagency Services Agreement No. 19-10432 with WDFW to extend the expiration date through December 30, 2024 and increase the not to exceed amount by \$1,249,702 for a total revised contract price not to exceed \$5,702,009.

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 Amendment No. 4 to Interagency Services Agreement No. 19-10432 with WDFW extending the expiration date through December 30, 2024, and increasing the not to exceed amount by \$1,249,702 to provide the additional services identified above. The revised contract price will not exceed \$5,702,009 without prior Commission approval. A copy of the Amendment is on file in the offices of the District.

DATED this 20th day of November 2023.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE GENERAL MANAGER TO ENTER INTO AN INTERLOCAL COOPERATIVE AGREEMENT (SA 23-12790) WITH PUBLIC UTILITY DISTRICT NO. 1 OF DOUGLAS COUNTY TO MEET THE DISTRICT'S METHOW BASIN SPRING CHINOOK SALMON HATCHERY OBLIGATION AT METHOW HATCHERY

FACTUAL BACKGROUND AND REASONS FOR ACTION

Public Utility District No. 1 of Chelan County, Washington ("District") is obligated to provide hatchery compensation for unavoidable project mortality related to the Rocky Reach hydroelectric project under the Habitat Conservation Plan ("HCP"). As such, the District is obligated to provide the funding and capacity to produce 61,000 Methow basin spring Chinook salmon.

Public Utility District No. 1 of Douglas County, Washington ("Douglas") owns and operates the Methow Hatchery in Okanogan County, Washington and has excess rearing capacity at that hatchery and is willing to provide some of its excess rearing capacity to produce Methow basin spring Chinook for the District.

Staff recommends that an Interlocal Cooperative Agreement ("Agreement") with Douglas be approved to meet the District's Methow basin spring Chinook salmon hatchery production obligation. Specifically, the proposed Agreement includes the following elements: (1) the District will pay an annual fixed price of \$560,000, adjusted annually for inflation, for the operation and maintenance and in-hatchery facility monitoring and evaluation program costs necessary to support the production of yearling spring Chinook by Douglas for the District at the Methow Hatchery; (2) the District will annually pay a proportional share of Methow basin spring Chinook field monitoring and evaluation costs; the District's annual proportion of costs is expected to be 27.76 percent. It is estimated that the District's 27.76 percent share of the 2024 field monitoring and evaluation costs will be \$183,505.

The Agreement will be effective until December 31, 2038 subject to termination language within the Agreement.

Resolution No. 17-14215 requires that the Commission, by resolution, authorize Service Agreements that exceed \$500,000.

It is District staff's determination that the costs proposed by Douglas for the services are fair and reasonable and that it is in the best interest of the District to enter into an Interlocal Cooperative Agreement with Douglas for the above-described services.

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, as follows:

Section 1. The General Manager of the District or his designee is hereby authorized to enter into and execute on behalf of the District an Interlocal Cooperative Agreement with Public Utility District No. 1 of Douglas County to meet the District's obligations related to Methow basin spring Chinook salmon. The total costs for the Agreement shall not exceed \$743,505 in 2024 without prior Commission approval. All future expenditures pursuant to this Agreement will be included in the District's annual budgets. A copy of the Agreement is on file in the offices of the District.

DATED this 20th day of November 2023.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING AMENDMENT
NO. 5 TO SERVICES AGREEMENT (SA NO. 20-
10877) WITH ZTEK, LLC TO PROVIDE
ELECTRICAL AND CONTROL SYSTEMS
ENGINEERING

FACTUAL BACKGROUND AND REASONS FOR ACTION

The District entered into a Services Agreement (SA No. 20-10877) on June 16, 2020, with Ztek, LLC to provide professional electrical and control systems engineering, in an amount not to exceed \$200,000. Amendment 1 increased the not to exceed amount to \$400,000.

District staff has identified the need for additional electrical and control systems engineering services to support new and ongoing projects for the District's various facilities. 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 SA No. 20-10877 with Ztek, LLC in the amount of \$200,000, for a total revised contract price not to exceed \$600,000.

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 SA No. 20-10877 with Ztek, LLC to provide the additional services identified above. The revised contract price will not exceed \$600,000 without prior Commission approval. A copy of the Amendment is on file in the offices of the District.

DATED this 20th day of November 2023.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING AMENDMENT 5
TO SERVICES AGREEMENT (SA-TA NO. 20-10987)
WITH GRAY & OSBORNE, INC. OF WENATCHEE
WASHINGTON TO PROVIDE ENGINEERING
SERVICES

FACTUAL BACKGROUND AND REASONS FOR ACTION

The District entered into a Services Agreement (SA-TA No. 20-10987) on September 28, 2020, with Gray & Osborne, Inc. to provide civil and mechanical engineering services in an amount not to exceed \$250,000. On February 18, 2021, Amendment No. 1 was executed to increase the not to exceed amount by \$245,000 for a revised not to exceed contract amount of \$495,000. The term of this SA-TA No. 20-10387 is through December 31, 2024 with the option to extend upon mutual written agreement.

On April 18, 2022, by Resolution 22-14656, the Commission of the District authorized an amendment to SA-TA No. 20-10987 to increase the not to exceed amount from \$495,000 to a revised not to exceed contract amount of \$1,000,000.

District staff has identified the need for additional engineering services under this Agreement that is used District-wide. 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 SA-TA No. 20-10987 with Gray & Osborne, Inc. to increase the not to exceed amount by \$1,000,000 for a total revised not to exceed contract amount of \$2,000,000.

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; WASHINGTON as follows:

Section 1. The General Manager is hereby authorized to execute Amendment 5 to Services Agreement (SA-TA No. 20-10987) with Gray & Osborne, Inc. to provide the additional services identified above. The revised contract price will not exceed \$2,000,000 without prior Commission approval. A copy of the Amendment is on file in the offices of the District.

DATED this 20th day of November 2023.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING AMENDMENT
NO. 2 TO SERVICES AGREEMENT (SA NO. 22-
12481) WITH UTILICAST, LLC TO PROVIDE
ENTERPRISE AND SOLUTIONS ARCHITECTURE
CONSULTING

FACTUAL BACKGROUND AND REASONS FOR ACTION

The District entered into a Services Agreement (SA No. 22-12481) on November 22, 2022, with Utilicast, LLC to provide Enterprise and Solutions Architecture Consulting, in an amount not to exceed \$480,000. Resolution No. 23-14755 dated April 3, 2023, authorized Amendment No. 1 to SA No. 22-12481 to increase the not to exceed amount to \$865,000.

District staff has identified the need for additional services for ongoing maintenance and development of enterprise architecture and associated services. Enterprise architecture is a conceptual blueprint that defines the technology structure and operation of organizations. The intent of enterprise architecture is to determine how an organization can effectively achieve its current and future technology objectives. Enterprise architecture involves the practice of analyzing, planning, designing and eventual implementing of technology analysis on an enterprise level. Utilicast has proven beneficial in this work. 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 SA No. 22-12481 with Utilicast, LLC in the amount of \$645,000, for a total revised contract price not to exceed \$1,510,000.

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 No. 22-12481) with Utilicast, LLC to provide the additional services identified above. The revised contract price will not exceed \$1,510,000 without prior Commission approval. A copy of the Amendment is on file in the offices of the District.

DATED this 20th day of November 2023.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

RESOLUTION NO. _____

A RESOLUTION RESCINDING AND REPLACING
RESOLUTION NO. 23-14774 AND ADOPTING NEW
TELECOMMUNICATION RATES FOR WHOLESALE
TELECOMMUNICATIONS SERVICES BY SERVICE
PROVIDERS ON THE DISTRICT'S BROADBAND
SYSTEM

FACTUAL BACKGROUND AND REASONS FOR ACTION

Pursuant to RCW 54.16.330 and RCW 54.16.005, the District has constructed, and may cause to be constructed from time to time, a Broadband System through which the District is authorized to provide wholesale telecommunications services and facilities ("hereinafter Telecommunications Services") to entities authorized to provide telecommunications services to the general public and internet service providers.

The District must comply with the laws of the State of Washington, RCW 54.24.080, sound utility principles and the covenants of the District's Bond resolutions in establishing rates. The District is required to establish, maintain and collect rates which are fair, nondiscriminatory and adequate to provide revenues sufficient for the payment of the principal and interest on such revenue obligations for which payment has not otherwise been provided and all payments which the District is obligated to set aside in any special fund or funds created for such purpose. The District must also collect revenues for the proper operation and maintenance of the public utility and all necessary repairs, replacements and renewals.

In determining non-preferential and nondiscriminatory rates, terms and conditions, RCW 54.16.340 allows the District to consider such matters such as service quality, cost of service, technical feasibility of connection points on the District's system, time of response to service requests, system capacity, and other matters reasonably related to the provision of wholesale telecommunications services.

RCW 54.16.330 requires the District to account for any and all revenues and expenditures related to its wholesale telecommunications facilities and services separately from revenues and expenditures related to its internal telecommunications operations.

The District previously adopted rates for Telecommunications Services, pursuant to Resolution No. 23-14774.

From time to time, District staff reviews telecommunications services offered, actual usage and costs of the services, along with rate analysis to review market

conditions. Staff is recommending the addition of services offered for Data Local Loop (DLL) and Virtual Local Area Network (VLAN) to allow Service Providers to maintain offerings consistent with the market. Based on that action, staff recommends the following changes to the Telecommunications Rates:

- Addition to Data Local Loop (DLL) Rate Schedule 100 service offering and rates
 - Residential service of 2.5 Gbps X 1 Gbps at a rate of \$150.00 per month
 - Business service of 2.5 Gbps X 1 Gbps at a rate of \$180.00 per month
- Addition to Virtual Local Area Network (VLAN) Rate Schedule 200 service offering and rates
 - Business Class service of 2.5 Gbps per VLAN per port at a rate of \$350.00 per month
 - Business Class service of 5 Gbps per VLAN per port at a rate of \$399.00 per month
 - Carrier Class service of 2.5 Gbps per VLAN per port at a rate of \$550.00 per month
 - Carrier Class service of 5 Gbps per VLAN per port at a rate of \$599.00 per month

As set forth in Exhibit A, Telecommunications Rates, attached hereto and incorporated herein by this reference.

Based upon District staff's evaluation and analyses of the proposed changes to the Wholesale Telecommunications Rates, District staff recommends and the General Manager concurs, that the Wholesale Telecommunication Rates be adopted as set forth in this resolution at Exhibit A, attached hereto and incorporated herein by this reference, to be effective January 1, 2024.

The adoption of this rate resolution is not a major action under the State Environmental Policy Act, and as such is categorically exempt under SEPA guidelines, WAC Ch. 197-11-800(15)(i).

ACTION

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

Section 1. The Commission hereby rescinds Resolution No. 23-14774 and adopts those Telecommunications Services categories, rates and conditions for service, as set forth in Exhibit A attached, entitled *Wholesale Telecommunication Services Rates*, pursuant to RCW 54.16.330 effective as of January 1, 2024.

DATED this 20th day of November 2023.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

WHOLESALE TELECOMMUNICATION SERVICES RATES

1. General Conditions of Service: All Wholesale Telecommunications Services shall be subject to Availability. In addition, all of the following conditions shall be met for District provision of all Telecommunication Services referenced.

- A. Service Providers shall enter into a Telecommunications Access and Transport Services License Agreement (“Agreement”), in the form(s) approved by the District, make timely deposit and payment, as set forth in the Agreements, in order to avoid termination of service.
- B. Service Providers will be charged on a monthly basis according to the rates set in this document. Any additional charges that are incurred for special equipment, provisioning, or charges from other carriers will be passed on to and be the responsibility of the Service Provider.
- C. Unless otherwise specified, charges include the Network Termination Equipment (NTE) device at the District’s specified demarcation point. The Service Provider must supply, at its own cost, any additional equipment required to deliver services.
- D. Service Providers shall submit service requests to the District through the District’s approved and designated submission process. Upon approval of the request form and in compliance with District regulations, the service request will be completed at such time designated by the District.
- E. Service Providers will be charged Non-Recurring Charges (NRC) and other fees as set forth in the Wholesale Telecommunications Services Rates policy and the Wholesale Telecommunications Services Fees & Charges policy.
- F. Any request for special services outside of this document, Telecommunications Rates, shall be on an Individual Case Basis (ICB). All charges and fees incurred and corresponding rates will be determined at the time of request.

2. Definitions – Unless the context clearly indicates otherwise, the following definitions shall apply to this document, Telecommunications Rates.

24/7: An acronym to describe availability. The “24” relates to the number of hours in a day. The “7” relates to the number of days in a week.

95th Percentile: The pricing for Burstable Rate billing is based upon sustained bandwidth usage, which is determined on a monthly basis. The methodology for measuring sustained usage is as follows: The Network Terminating Equipment (NTE) is polled every 5 minutes for total bits ingress and total bits egress (on VLAN service polling only occurs on the ingress interface). The data is divided by 300 (the number of seconds in a 5-minute interval). This gives two averages (ingress, egress) for the 5-minute period. The averages become data points (a total of 17,280 in a 30-day month) which are tracked over the course of

WHOLESALE TELECOMMUNICATION SERVICES RATES

the customer's monthly billing cycle all 17,280 data points are then ranked in ascending order the top 5% of the data points (864 measurements in a 30-day month) are disregarded and the customer is billed at the 95% level of usage. In the case of VLAN service as noted above only the INGRESS interface is polled therefore reducing the corresponding measurements by half. The usage on the ingress port is then applied for billing at the 95th percentile.

Asymmetrical: The term asymmetric (also asymmetrical or non-symmetrical) refers to any system, in which the data speed or quantity differs in one direction as compared with the other direction, averaged over time. Asymmetrical data flow can, in some instances, make more efficient use of the available infrastructure than symmetrical data flow, in which the speed or quantity of data is the same in both directions, averaged over time.

Availability: May be defined for all Telecommunication Services through standards reasonably determined by District staff or policies established by the District Board of Commissioners.

Backhaul: In a hierarchical telecommunications network the backhaul portion of the network comprises the intermediate links between the core network, distribution segments, and access endpoints typically aggregating telecommunications services or signals for the purpose of efficiently providing communication with network and Service Provider resources and products.

Bandwidth: The amount of data that can be passed along a communications channel in a given period of time. For analog devices, such as standard telephones, bandwidth is the range of frequencies that can be transmitted and is expressed in hertz (cycles per second). For digital devices, bandwidth is measured in bits per second. The wider the bandwidth, the faster data can be sent.

Baseband: A transmission medium through which digital signals are sent without frequency shifting. In general, only one communication channel is available at any given time.

Bit: Bit is a contraction of the term Binary digiT. It is the smallest unit of information (data) a computer can process, representing either high or low, yes or no, or 1 or 0. It is the basic unit in data communications. A bit can have a value of zero (a space) or one (a mark).

Broadband: A transmission method pertaining to or denoting a type of high-speed data transmission in which the bandwidth is shared by more than one simultaneous signal.

Burstable Rate: Burst is a term used in a number of information technology contexts to mean a specific amount of data sent or received in one intermittent operation. It can be contrasted with *streamed, paced, or continuous*. Generally, a burst operation implies that some threshold has been reached that triggers the burst. Depending on the particular technology, a burst operation can be intermittent at a regular or an irregular rate.

CIR-Committed Information Rate: An acronym which specifies the amount of guaranteed bandwidth (measured in bits per second) on a transmission service. Typically, when

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acquiring a network service, a network provider may specify the CIR level that is less than or equal to the port speed of the circuit and/or service. The network provider may provide Service Level Assurances in which conforming data not exceeding the CIR level will be delivered through the provider's network circuit only and does not provide assurance beyond the service's Network Terminating Equipment (NTE). The presence of a CIR on a service does not eliminate data traffic exceeding the CIR. Data traffic exceeding the CIR may be transmitted upon the medium, however that traffic exceeding the CIR is queued and placed upon the medium and is subject to discard should the circuit or service exceed the CIR threshold and experience network congestion.

Coarse Wave Division Multiplex (CWDM): Coarse wavelength-division multiplexing (WDM) is a technology which multiplexes a number of optical carrier signals onto a single optical fiber by using different wavelengths (i.e., colors) of laser light defined under ITU-T G.694.2.

Colocation: In general, co-location is moving or placing things together, sometimes implying a proper order. This term (often spelled "colocation") is used to mean the provision of space for a customer's telecommunications equipment on the service provider's premises. For example, a Web site owner could place the site's own computer servers on the premises of the Internet service provider (ISP). Or an ISP could place its network routers on the premises of the company offering switching services with other ISPs. The alternative to co-location is to have the equipment and the demarcation point located at the customer's premises. The District offers co-location on a wholesale basis to Service Providers.

Critical Dark Fiber Pathway. A Critical Path Dark Fiber Pathway is formally defined by the associated Critical Path Dark Fiber Service Level Agreement (SLA) contained within the Telecommunications Facilities License Agreement. The SLA defines a response and restoration time along with credits should the SLA not be met.

DLL-Data Local Loop: Term used to describe the connection between the Service Provider's End-users and a central aggregation point on a network often termed a Central Office. *See Also: Local Loop*

DS-1 (T-1) Business Transport Services: Delivers a DS-1 (T-1) standard 1.544 Mbps in support of 24 voice or data connections each encoded at 64Kbps.

End-user: A customer of a Service Provider receiving telecommunications services over the District's telecommunications network. Each customer billed by the Service Provider is considered a separate End-user. For example, a Duplex with each unit-owner or tenant billed separately by the Service Provider is considered two End-users.

Ethernet: Layer 2 networking technology widely used as the connection mechanism for local area networking. Originally introduced in 1980, Ethernet has become the defacto standard for many networked systems worldwide. Computing systems utilize Ethernet for communicating by assembling data into packets which are transmitted over the wire or "Ether". Ethernet speeds

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originally began widespread adoption at the 10 Mbps level and have since increased at 10x intervals so that today 100 Mbps is the typical speed for computers on Local Area Network Connections. 1000 Mbps or 1Gbps (Gigabits/sec) is also common to high-speed workstations, computers, and homes, 10 Gbps is typically a metro backbone link, and 100 Gbps are typically used on Internet Backbone connections between providers.

Fixed Rate: A specific amount of data sent or received in one continuous operation, usually done at a regular or preset rate.

Gateway: A device used to provide an entrance and exit to a communications network.

Gbps: Gigabits per second. Gig is one thousand million bits per second.

Internet Access Provider (IAP): One of several large companies that offers access directly to the Internet. An IAP has the equipment and the telecommunication line access required to have a point-of-presence (PoP) on the Internet for the geographic area served.

Internet Protocol (IP) Multicast: A method of sending Internet Protocol (IP) datagrams to a group of interested receivers in a single transmission. It is often employed for streaming media applications on the Internet and private networks. The method is the IP-specific version of the general concept of multicast networking. IP multicast is a technique for one-to-many and many-to-many real-time communication over an IP infrastructure in a network. It scales to a larger receiver population by requiring neither prior knowledge of a receiver's identity nor prior knowledge of the number of receivers. Multicast uses network infrastructure efficiently by requiring the source to send a packet only once, even if it needs to be delivered to a large number of receivers. The nodes in the network (typically network switches and routers) take care of replicating the packet to reach multiple receivers such that messages are sent over each link of the network only once.

ISP-Internet Service Provider: An Internet Service Provider may provide other services than just Internet as the term implies. *See Also: Service Provider.*

Layer 2: Layer 2 refers to the Data Link layer of the commonly referenced multilayered communication model, Open Systems Interconnection (OSI). The Data Link layer is concerned with moving data across the physical links in the network. In a network, the switch is a device that redirects data messages at the layer 2 level, using the destination Media Access Control (MAC) address to determine where to direct the message.

Layer 3: Layer 3 refers to the Network layer of the commonly referenced multilayered communication model, Open Systems Interconnection (OSI). The Network layer is concerned with knowing the address of the neighboring nodes in the network, selecting routes and quality of service, and recognizing and forwarding to the Transport layer incoming messages for local host domains.

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Local Loop: A local loop is the connection from a communication company's central office in a locality to its customers' premises, at homes and businesses. The District currently provides Local Loops via fiber-optics.

MAC/MAC Address: MAC is an abbreviation and acronym applied to the term Media Access Control. A "MAC Address" is a hardware identification number that uniquely identifies each device on a network. The MAC address is manufactured into every network card, such as an Ethernet card, and therefore cannot be changed. A network device needs to have a unique MAC address. MAC addresses are made up of six two-digit hexadecimal numbers, separated by colons. For example, an Ethernet card may have a MAC address of 00:0d:83:b1:c0:8e.

Mbps: Mbps stands for millions of bits per second or megabits per second and is a measure of bandwidth (the total information flow over a given time) on a telecommunications medium. Depending on the medium and the transmission method, bandwidth is also sometimes measured in the Kbps (thousands of bits or kilobits per second) range or the Gbps (billions of bits or gigabits per second) range.

Meet-me: A pre-determined point between communications networks, where information is transferred and/or cross connected.

Metro Ethernet Forum (MEF): Metropolitan Ethernet (Metro Ethernet) refers to using carrier Ethernet technology in metropolitan networks. Corporations, academic institutions and government agencies in large cities use Metro Ethernet to connect branch campuses and offices to the Internet. Metro Ethernet connects business local area networks (LAN) and end users to wide area networks (WAN) or the Internet. Metro Ethernet is a service provider collection of Layer 2 or Layer 3 switches or routers connected through optical fiber. The topology may be a ring, hub and star or full or partial mesh.

MRC: Monthly Recurring Charge, occurring every month.

Multihomed/Multihoming: Refers to a computer or device connected to more than one computer network or service. It can be used, for example, to increase the reliability of an Internet Protocol (IP) network, such as a user served by more than one Internet service provider.

NRC: Non-Recurring Charge, a one-time charge.

NTE-Network Terminating/Termination Equipment: Defines the terminating device installed by the District, delivering services to the Service Provider's End-users. The term NTE is interchangeable with Customer Premises Equipment (CPE), Premise Gateway Device (PGD), and/or Optical Network Terminal (ONT).

ONT-Optical Network Terminal: Defines the terminating device installed by the District, delivering services to the Service Provider's End-users. Also, may be referred to as a Premises Gateway Device (PGD), Customer Premises Equipment (CPE) and/or Network Terminating Equipment (NTE).

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Pathway: A communications pathway is analogous to a circuit, which connects two or more points to exchange information.

PGD-Premises Gateway Device: Defines the terminating device installed by the District, delivering services to the Service Provider's End-users. Also, may be referred to as an Optical Network Terminal (ONT), Customer Premises Equipment (CPE) and/or Network Terminating Equipment (NTE).

Point-to-Point: Connecting location A with location B via communications circuits.

Point-to-Multipoint: Connecting multiple locations together via communication circuits.

PoP: A point-of-presence (PoP) is an access point to the Internet with a unique Internet Protocol (IP) address. An Internet service provider (ISP) has a point-of-presence on the Internet and probably more than one.

POTS: Plain Old Telephone Service. The basic service supplying standard single line telephones, telephone lines and access to the public switched network.

Port(s): The physical interface between a device and a circuit, located on the End-user Gateway device for provision of Service Providers' telecommunications services.

Port Charge: The charge for the physical interface between a device and a circuit, located on the End-user Gateway device for provision of Service Providers' telecommunications services.

PRI-Primary Rate Interface. A term used to describe a DS-1 rate access to a network that supports standard combinations of channels with a 1536 Kbit/s payload.

Provision / Provisioning, Re-provisioning: The act of placing service upon a broadband network. Provisioning is typically done through the ordering of a service. Re-provisioning is often done in the process of troubleshooting in an effort to reset the service.

Service Provider: Includes Third Party Services Providers as defined in the Electric Service Regulations and other authorized entities including Public Utility Districts and NoaNet.

Service-Off Provisioning Hold: Allows a POTS line to be temporarily turned off during seasonal periods of non-use, while holding the provisioning information including the phone number for an end-user.

SONET: Synchronous Optical NETwork. An optical interface standard that allows flexibility in transporting many digital signals with different capacities, and to provide a design standard for manufacturers.

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STS-1/STS-3: Synchronous Transport Signal level 1. An electrical signal that is converted to or from SONET's optically based signal; equivalent to the OC-1 signal of 51.84 Mbps. STS-3 is equivalent in bandwidth to 3 STS-1's.

Symmetrical: The term symmetric (also symmetrical) refers to any system in which data speed or quantity is the same in both directions, averaged over time. Examples include two-way radio, standard twisted-pair telephone Internet connections, cable modem Internet connections in which the cable is used for transmission as well as for reception, and full-motion videoconferencing.

TDM-Time Division Multiplex: A technique for transmitting a number of separate data, voice and/or video signals simultaneously over one communications medium by quickly interleaving a piece of each signal one after another.

UPS-Uninterrupted Power Supply: A device that supplies reliable and continuous power to the Network Termination Equipment (NTE). The UPS system is comprised of two major components, which may be integrated into a single enclosure, which include the power supply unit and the sealed battery (charged by the power supply unit).

Video/Video Transport: Video is the recording, producing, or broadcasting of moving visual images. Video Transport is the placing of video on a medium for transmission or broadcasting.

VLAN: A virtual (or logical) LAN is a local area network with a definition that maps workstations on some other basis than geographic location (for example, by department, type of user, or primary application). The virtual LAN controller can change or add workstations and manage load balancing and bandwidth allocation more easily than with a physical picture of the LAN. Network management software keeps track of relating the virtual picture of the local area network with the actual physical picture.

Voice over Internet Protocol (VoIP): A technology for transmitting ordinary telephone calls over the Internet using packet-linked routes.

Wireless: Wireless is a method of transmitting data without wires using a system of transmitters and antennas.

Wholesale Telecommunications Services (or sometimes referred to herein as Telecommunications Services): The provision of telecommunications services or facilities for resale by authorized Service Providers, all as defined by RCW 54.16.005 as now exists or as may be hereafter amended.

WHOLESALE TELECOMMUNICATION SERVICES RATES**PUBLIC UTILITY DISTRICT NO. 1 OF CHELAN COUNTY, WASHINGTON
RATE SCHEDULE 100****WHOLESALE TELECOMMUNICATION SERVICES – DATA LOCAL LOOP (DLL) SERVICES**

AVAILABLE: To Service Providers and District Business Units desiring to use the District's Wholesale Broadband System. District reserves the right at its sole option to discontinue services listed in this rate schedule at any time. All services are subject to Availability.

EFFECTIVE: The rates herein are effective **January 1, 2024**.

PRODUCT SUMMARY: The District offers local loop data connectivity to the End-user premises, to Service Providers. Data Local Loop (DLL) services includes Domain Name System (DNS) services. Local loops are offered in Symmetrical form. Other optional services in Rate Schedule 100 include IP Multicast and VOIP services when purchased with the DLL or other data-type service provided by an ONT including but not limited to VLAN service. DLL Services are best effort services for residential and business internet access. Specifications for residential and business DLL services are listed below in Table 1 and 2, respectively, at the end of this schedule. For the operation of commercial type services such as servers a dedicated bandwidth service other than DLL must be used from schedule 200, 300 or 400.

INTERNET PROTOCOL MULTICAST (IPTV): Internet Protocol (IP) Multicast (IPTV) charges shall apply where the Service Provider provides IPTV services to End-users. A one-time Non-Recurring Charge will be charged to establish IPTV Quality of Service parameters.

BILLING RATES: Use of the Broadband System shall be billed in accordance with the rates listed below. Service Providers will be charged on a monthly basis according to the rates set forth herein. Any additional charges that are incurred for special equipment, provisioning, or charges from other carriers will be passed on to the Service Provider by the District and the Service Provider shall be responsible for payment. Rates are per Service Provider's End-users and may not be resold to more than one End-user.

PROVISIONING: Services are offered on a commercially reasonable basis and are provisioned to allow the bandwidth as specified. Actual bandwidth obtained by Service Providers and/or their End-users is subject to many factors, not within District control and is not

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guaranteed. Upon Service Provider request, and at the District's discretion, lower or intermediate bandwidth packages may be provisioned for the Service Provider at the same pricing as the next higher bandwidth package.

SERVICE LEVEL: Service includes Network Operations Center (NOC) support and local network administration support. If field dispatch is requested outside normal defined business hours, a dispatch fee will be assessed. Wireless service only where available. All services provided on a 24/7 basis.

NON-RECURRING CHARGES (NRC): Non-Recurring Charges (NRC)'s may apply to each of the Services. Fees will be charged per order, regardless of number of services. Installation fee will only be charged when installation of an NTE is required. Service Providers will incur charge at the time of service billing. Fees and any other associated charges will be billed at time-of-service billing. Additional charges for special equipment may apply. See Wholesale Telecommunications Services Fees & Charges Schedule.

Data Local Loop – Residential*(See Table 1 Below for Specifications)	Unit of Measure	Monthly Rate
Data Local Loop Access Fee per End-user.		
Wireless Service Connection to SP – up to 100 Mbps X 100 Mbps	Each	\$24.08
Ethernet Service Connection to SP - up to 100 Mbps X 100 Mbps	Each	\$24.08
Ethernet Service Connection to SP - up to 1 Gbps X 1 Gbps	Each	\$31.56
Ethernet Service Connection to SP - up to 2.5 Gbps X 1 Gbps	Each	\$150.00

Data Local Loop – Business **(See Table 2 Below for Specifications)	Unit of Measure	Monthly Rate
Data Local Loop Access Fee per End-user.		
Ethernet Service Connection to SP - up to 100 Mbps X 100 Mbps	Each	\$53.05
Ethernet Service Connection to SP - up to 1 Gbps X 1 Gbps	Each	\$63.65
Ethernet Service Connection to SP - up to 2.5 Gbps X 1 Gbps	Each	\$180.00

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SPECIFICATIONS

*Table 1
Residential DLL (E-Tree)

EVC Service Attribute	Values
EVC Type	Rooted-Multipoint
EVC ID	HSI
UNI List	1-Root UNI \geq 2 Leaf UNIs {<U1, Role=Root>, <U2, Role=Leaf>, <U3, Role=Leaf>}
Max Number of UNIs	Must be \geq 3
Unicast Service Frame	Conditional – Dynamic learning DHCP
Broadcast Service Frame	Discard
CE-VLAN ID Preservation	Not Enabled
CE-VLAN CoS Preservation	Not Enabled
MTU	\leq 1500
EVC Performance	CoS Name =BE
Intended Customer	Single End-User
Source MAC Address Limit	2
Intended Gateway	Residential Gateway with Private IP Addresses
Static IP Routing	No

Key Attributes:

- IP Address must be assigned dynamically via DHCP
- Maximum of 2 DHCP leases
- Static IP assignment and/or static IP routing is not allowed
- MTU is fixed 1500 Bytes
- All traffic will be classified as “best effort”
- The DLL service is for one single End-User only and is not to be sold or re-sold

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- MAC addresses are limited to 2 source MAC addresses
- The intended End-User device is a Residential Gateway Firewall using Private IP addresses on the LAN translated to a publicly routable IP address on the WAN obtained via DHCP

**Table 2
Business DLL (E-Lan)

EVC Service Attribute	Values
EVC Type	Point-to-Point
EVC ID	HSI
UNI List	2 Root UNIs {<U1, Role=Root>, <U2, Role=Root>}
Max Number of UNIs	2
Unicast Service Frame Delivery	Deliver Unconditionally
Broadcast Service Frame Delivery	Deliver Unconditionally
Multicast Service Delivery	Deliver Unconditionally
CE-VLAN ID Preservation	Not Enabled
CE-VLAN CoS Preservation	Not Enabled
MTU	≤ 1500
EVC Performance	CoS Name =BE
Intended Customer	Single End User
Source MAC Address Limit	10/UNI
Intended Gateway	Router with Private or Public Statically Routed IP Addresses
Static IP Routing	Yes

Key Attributes

- IP Address must be assigned dynamically via DHCP
- Point-to-point from RSP ENNI to End-User only
- Maximum of 10 DHCP leases
- Static IP routing is allowed
- MTU is fixed 1500 Bytes
- All traffic will be classified as “best effort”

WHOLESALE TELECOMMUNICATION SERVICES RATES

- The DLL service is for one single End-User only and is not to be sold or re-sold
- MAC addresses are limited to 10 source MAC addresses
- The intended End-User device is an IP Router

WHOLESALE TELECOMMUNICATION SERVICES RATES
PUBLIC UTILITY DISTRICT NO. 1 OF CHELAN COUNTY, WASHINGTON
RATE SCHEDULE 200
WHOLESALE TELECOMMUNICATION SERVICES –VIRTUAL LOCAL AREA NETWORK (VLAN)

AVAILABLE: To Service Providers and the District desiring to use the District’s Wholesale Broadband System. District reserves the right at its sole option to discontinue services listed in this rate schedule at any time. All services are subject to Availability.

EFFECTIVE: The rates herein are effective **January 1, 2024**.

PRODUCT SUMMARY: The District offers Layer 2, Point-to-Point and Point-to-Multipoint Ethernet transport VLAN with Metro Ethernet Forum attributes applied. Services offered as Fixed Rate or Burstable Rate products.

BILLING RATES: Use of the Broadband System shall be billed in accordance with the rates listed below. Service Providers will be charged on a monthly basis according to the rates set forth herein. Any additional charges that are incurred for special equipment, provisioning, or charges from other carriers will be passed on to the Service Provider by the District and the Service Provider shall be responsible for payment. Rates are per Service Provider’s End-users and may not be resold to more than one End-user.

PROVISIONING: Services are offered on a commercially reasonable basis and are provisioned to allow the bandwidth as specified. Actual bandwidth obtained by Service Providers and/or their End-users is subject to many factors, not within District control and is not guaranteed. Upon Service Provider request, and at the District’s discretion, lower or intermediate bandwidth packages may be provisioned for the Service Provider at the same pricing as the next higher bandwidth package.

SERVICE LEVEL: Service includes Network Operations Center (NOC) support and local network administration support. If field dispatch is requested outside normal defined business hours, a dispatch fee will be assessed. All services provided on a 24/7 basis.

METRO ETHERNET FORUM ATTRIBUTES: Purchase of this service requires the Service Provider to meet the following standards:

- **Protocols** – The District will not impede the passing of any protocol frames on the Ethernet Virtual Connection (EVC) for the specific type of service (EPL, EVPL, etc....) whilst adhering to the standards set forth in MEF 6 which specifically addresses L2CP protocols. Any impediment or modification of protocol frames not specified by the MEF standards will constitute a service

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outage. This shall include, but not be limited to, topology discovery protocols, routing protocols, multicast protocols, streaming protocols, and voice protocols.

- **Maximum Transmission Unit (MTU)** – The District shall allow the customer to be able to transmit up to a 9000-byte frames on Carrier Class service (not inclusive of Link Aggregation Group – LAG – links, unless one of the subtended circuits on the LAG is of 1G or higher bandwidth). The Business Class VLAN service limits MTU sizes of ≤ 2000 Byte frames.
- **“Out of Service” Definition** - The definition of “out of service” is the inability to reliably pass data at the purchased rate on any Service Provider managed transport path due to excessive latency, errors, loss or violations.
- **Service Interface & Termination Requirements** - Unless otherwise specified by the Service Provider, the interfaces provided to the Service Provider locations must be administratively configured for use as a fixed full duplex 100 Mbps, 1,000 Mbps or 10,000 Mbps interface per the resulting work order or site agreement. Auto negotiate will be used when available. The District is responsible for all access and fiber/cabling to the point of service handoff at the customer premise equipment (switch, ONT, router).
- **Link Aggregation** - If the Service Provider orders an aggregated Ethernet service from the District, the District must support Link Aggregation Control Protocol (LACP) via the IEEE 802.3ad standard while keeping in compliance with MEF standards set forth in MEF 10. If and/or where possible, the Purchaser would prefer to have the LACP configuration to be a Multi-Chassis LACP Configuration, providing chassis redundancy in addition to link redundancy. While aggregation of Ethernet services is not a mandatory requirement, the use of LACP in instances where this service is provided is mandatory.
- **Ethernet Standards** – The District’s Ethernet interface provided at the Service Provider’s point-of-presence must adhere to IEEE 802.3 standards for Ethernet, depending on the service purchased at the location by the Service Provider.
- **VLAN** – The District’s Ethernet services must provide support for Virtual Local Area Network (VLAN) via the IEEE 802.1Q standard.
- **BPDU**s - Except for specific L2CP protocols as specified by the Metro Ethernet Forum (MEF) Ethernet Services Definitions – MEF 6, the District shall not manipulate any Bridge Protocol Data Units (BPDU) which are sent along the circuit by the Service Provider without the provider’s expressed consent.

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- **Spanning Tree Protocols** - Except for specific L2CP protocols as specified by the Metro Ethernet Forum (MEF) Ethernet Services Definitions – MEF 6, the District shall not impede the operation of any spanning tree protocols, including, but not limited to; Spanning Tree Protocol (STP), Per-VLAN Spanning Tree (PVST), Per-VLAN Spanning Tree Plus (PVST+), Rapid Spanning Tree Protocol (RSTP), Rapid Per-VLAN Spanning Tree Protocol (R-PVST), Multiple Spanning Tree Protocol (MSTP), VLAN Spanning Tree Protocol (VSTP), without the Service Provider's expressed consent.
- **VLAN Tags** - In accordance with established standards in MEF 6, the District shall not rewrite any VLAN tags affixed to packets by the Service Provider without expressed consent. The District shall also ensure that they do not impede the ability of the Service Provider to utilize 802.1ad tagging, also known as Q-in-Q.
- **Marking of Traffic** – The District must not mark or remark any traffic without approval from the Service Provider. The Service Provider will expect that all traffic leaving a site will arrive after traversing the District's network with the same markings it left with (QoS, Multicast, etc.).

NON-RECURRING CHARGES (NRC): Non-recurring charges (NRC)'s may apply to each of the Services. Fees are charged per order, regardless of number of services ordered. Additional charges for special equipment may apply. Fees and any other associated charges will be billed at time-of-service billing. The VLAN NRC will be reduced to 20% of the standard NRC for changes to an existing VLAN that only require provisioning. See Wholesale Telecommunications Services Fees & Charges Schedule.

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Virtual Local Area Network (VLAN)

Metro Ethernet Forum attributes applied. Multiple VLAN's can occur on a single port. Pricing for Point-to-Point and Point-to-Multipoint services are offered as best effort bandwidth for either Business Class or Carrier Class Rate products. All services allow up to 100 MAC Addresses per port, with a maximum of up to 4000 per VLAN, Network capacity of MAC addresses and speed may be a limitation of Network Termination Equipment (NTE). The District reserves the right to limit network parameters and performance based on NTE and other factors that may not be fully expressed until a detailed network design is completed. See Specifications table below.

Virtual Local Area Network (VLAN) Business Class	Unit of Measure	Monthly Rate
<i>Port Charge</i>		
100 Mbps VLAN on 100 Mb Port	Port	\$99.00
1 Gbps per VLAN/Port	Port	\$299.00
2.5 Gbps per VLAN/Port	Port	\$350.00
5 Gbps per VLAN/Port	Port	\$399.00
10 Gbps per VLAN/Port	Port	\$499.00

Virtual Local Area Network (VLAN) Carrier Class	Unit of Measure	Monthly Rate
<i>Port Charge</i>		
1 Gbps per VLAN/Port	Port	\$499.00
2.5 Gbps per VLAN/Port	Port	\$550.00
5 Gbps per VLAN/Port	Port	\$599.00
10 Gbps per VLAN/Port	Port	\$699.00

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Specifications Table: E-LAN (VLAN)

EVC Service Attribute	Values
EVC Type	Multipoint-to-Multipoint or Point-to-Point
EVC ID	String
UNI List	≥ 2 UNIs {<U1, Role=Root>, <U2, Role=Root>}
Max Number of UNIs	Must be ≥ 2
Unicast Service Frame	Conditional – Dynamic learning
Broadcast Service Frame	Unconditional
CE-VLAN ID Preservation	Enabled
CE-VLAN CoS Preservation	Enabled
MTU	Business Class < 1600; Carrier Class ≥ 1600
EVC Performance	CoS Name = SAL driven
Source MAC Address Limit	Disabled - Unlimited

WHOLESALE TELECOMMUNICATION SERVICES RATES
PUBLIC UTILITY DISTRICT NO. 1 OF CHELAN COUNTY, WASHINGTON
RATE SCHEDULE 300
WHOLESALE TELECOMMUNICATION SERVICES – FIBER PATHWAY SERVICES

AVAILABLE: To Service Providers who have entered into an approved Telecommunications Facilities License Agreement with the District and after determination of Availability. This Rate Schedule 300 shall only be applicable to existing District fiber facilities. This Rate Schedule 300 shall not be constructed to create any obligation on the part of the District to construct any new fiber facilities. All services are subject to Availability.

EFFECTIVE: The rates herein are effective **January 1, 2024**.

PRODUCT SUMMARY: The District offers fiber pathway services. Services offered as Dark Fiber, Critical Dark Fiber or Coarse Wave Division Multiplexing (CWDM) products.

BILLING RATES: Term of License Agreement shall not exceed 7 years. Rates for the renewal period will be from the District's Rate Schedule 300 in effect 60 days prior to the beginning of the renewal period. Any additional charges that are incurred for special equipment, provisioning, or charges from other carriers will be passed on to the Service Provider by the District and the Service Provider shall be responsible for payment.

PROVISIONING: Services are offered on a commercially reasonable basis and are provisioned to allow the bandwidth as specified. Actual bandwidth obtained by Service Providers and/or their End-users is subject to many factors, not within District control and is not guaranteed. Upon Service Provider request, and at the District's discretion, lower or intermediate bandwidth packages may be provisioned for the Service Provider at the same pricing as the next higher bandwidth package.

SERVICE LEVEL: Service includes Network Operations Center (NOC) support and local network administration support. If field dispatch is requested outside normal defined business hours, a dispatch fee will be assessed. All services provided on a 24/7 basis.

NON-RECURRING CHARGES (NRC): Non-recurring charges (NRC)'s may apply to each of the Services. Fees are charged per order, regardless of number of services ordered. Additional charges for special equipment may apply. Fees and any other associated charges will be billed at time-of-service billing. See Wholesale Telecommunications Services Fees & Charges Schedule.

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Dark Fiber Pathway Services	Unit of Measure	Monthly Rate
Dark Fiber Component Maximum Order - 4 stands. Minimum mileage fixed charge for first 14 miles.		
Dark Fiber Pathway		
Single Pair, Non-Redundant Minimum Monthly Charge	Service	\$1,198.43
Single Pair, Non-Redundant, Length Additional Per Mile, Per Month Charge, Per Fiber Strand	Mile	\$42.80
Four Fiber Strands, Redundant Full Duplex Minimum Monthly Charge	Service	\$2,185.57
Four Fiber Strands, Redundant Full Duplex, Length Redundant fibers. Additional Per Mile, Per Month Charge, Per Fiber Strand	Mile	\$39.03
Single Fiber Minimum Monthly Charge	Service	\$669.75
Single Fiber, Length Additional Per Mile, Per Month Charge, Per Fiber Strand	Mile	\$47.84
Critical Dark Fiber Pathway		
Single Pair, Non-Redundant Minimum Monthly Charge	Service	\$2,397.04
Single Pair, Non-Redundant, Length Additional Per Mile, Per Month Charge, Per Fiber Strand	Mile	\$85.61
Four Fiber Strands, Redundant Full Duplex Minimum Monthly Charge	Service	\$4,371.07
Four Fiber Strands, Redundant Full Duplex, Length Redundant fibers. Additional Per Mile, Per Month Charge, Per Fiber Strand	Mile	\$78.06

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Single Fiber Minimum Monthly Charge	Service	\$1,321.90
Single Fiber, Length Additional Per Mile, Per Month Charge, Per Fiber Strand	Mile	\$94.42

Coarse Wave Division Multiplex (CWDM)	Unit of Measure	Monthly Rate
CWDM wavelengths defined by ITU-T G.694.2. Point to Point application only. Minimum mileage fixed charge for first 14 miles.		
Single Fiber		
Lambda 1 Minimum Monthly Charge	Lambda	\$602.78
Additional Per Mile, Per Pathway, Per Month Charge, Per Lambda	Mile	\$43.06
Lambda 2-4 Minimum Monthly Charge, Each Lambda	Lambda	\$502.31
Additional Per Mile, Per Pathway, Per Month Charge, Per Lambda	Mile	\$35.88

Coarse Wave Division Multiplex (CWDM)	Unit of Measure	Monthly Rate
CWDM wavelengths defined by ITU-T G.694.2. Point to Point application only. Minimum mileage fixed charge for first 14 miles. Dual fiber. Customer supplied optics. Shared core medium. Will not support additional muxing or channelization. Bandwidth capacity 10G maximum.		
Dual Fiber		
Lambda 1 Minimum Monthly Charge	Lambda	\$1078.59
Additional Per Mile, Per Pathway, Per Month Charge, Per Lambda	Mile	\$38.52

WHOLESALE TELECOMMUNICATION SERVICES RATES

Lambda 2-14 Minimum Monthly Charge	Lambda	\$862.87
Additional Per Mile, Per Pathway, Per Month Charge, Per Lambda	Mile	\$32.10
Lambda 15+ Minimum Monthly Charge	Lambda	\$496.15
Additional Per Mile, Per Pathway, Per Month Charge, Per Lambda	Mile	\$17.72

WHOLESALE TELECOMMUNICATION SERVICES RATES
PUBLIC UTILITY DISTRICT NO. 1 OF CHELAN COUNTY, WASHINGTON
RATE SCHEDULE 400
WHOLESALE TELECOMMUNICATION SERVICES – TIME DIVISION MULTIPLEX (TDM) SERVICES

AVAILABLE: To Service Providers and District Business Units desiring to use the District's Wholesale Broadband System. District reserves the right at its sole option to discontinue services listed in this rate schedule at any time. All services are subject to Availability.

EFFECTIVE: The rates herein are effective **January 1, 2024**.

PRODUCT SUMMARY: The District offers Time Division Multiplex (TDM) services. Services offered as DS-1 (PRI), DS3 (T3), STS-1 and STS-3 business transport products.

BILLING RATES: Use of the Broadband System shall be billed in accordance with the rates listed below. Service Providers will be charged on a monthly basis according to the rates set forth herein. Any additional charges that are incurred for special equipment, provisioning, or charges from other carriers will be passed on to the Service Provider by the District and the Service Provider shall be responsible for payment. Rates are per Service Provider's End-users and may not be resold to more than one End-user.

PROVISIONING: Services are offered on a commercially reasonable basis and are provisioned to allow the bandwidth as specified. Actual bandwidth obtained by Service Providers and/or their End-users is subject to many factors, not within District control and is not guaranteed. Upon Service Provider request, and at the District's discretion, lower or intermediate bandwidth packages may be provisioned for the Service Provider at the same pricing as the next higher bandwidth package.

SERVICE LEVEL: Service includes Network Operations Center (NOC) support and local network administration support. If field dispatch is requested outside normal defined business hours, a dispatch fee will be assessed. All services provided on a 24/7 basis.

NON-RECURRING CHARGES (NRC): Non-recurring charges (NRC)'s may apply to each of the Services. Fees are charged per order, regardless of number of services ordered. Additional charges for special equipment may apply. Fees and any other associated charges will be billed at time-of-service billing. See Wholesale Telecommunications Services Fees & Charges Schedule.

WHOLESALE TELECOMMUNICATION SERVICES RATES

Time Division Multiplex (TDM) Services	Unit of Measure	Monthly Rate
STS-1 Synchronous Transport Service @ STS-1 Delivered Rate (51.84 Mbps)	Circuit	\$1,121.61
STS-3 Synchronous Transport Service @ STS-3 Delivered Rate (155.52 Mbps)	Circuit	\$3,275.00
DS1/PRI	Circuit	\$120.00
DS3/T3	Circuit	\$2,225.00

PUBLIC UTILITY DISTRICT NO. 1 OF CHELAN COUNTY, WASHINGTON RATE SCHEDULE 500

WHOLESALE TELECOMMUNICATION SERVICES RATES

WHOLESALE TELECOMMUNICATION SERVICES – MISCELLANEOUS SERVICES

AVAILABLE: To Service Providers and District Business Units desiring to use the District’s Wholesale Broadband System. District reserves the right at its sole option to discontinue services listed in this rate schedule at any time. All services are subject to Availability.

EFFECTIVE: The rates herein are effective **January 1, 2024**.

PRODUCT SUMMARY: The District offers optional additional services with the purchase of the District’s DLL service. Those services include telephony (POT’s), Internet Protocol (IP) Multicast and RF video transport. Other miscellaneous services offered include Internet Bandwidth, a Layer 3 transport and upstream Internet connectivity service to the District’s upstream Multi-Homed Internet Access Provider (IAP), as well as Colocation floor space for equipment at District facilities.

BILLING RATES: Use of the Broadband System shall be billed in accordance with the rates listed below. Service Providers will be charged on a monthly basis according to the rates set forth herein. Any additional charges that are incurred for special equipment, provisioning, or charges from other carriers will be passed on to the Service Provider by the District and the Service Provider shall be responsible for payment. Rates are per Service Provider’s End-users and may not be resold to more than one End-user.

BILLING RATES – AFTER HOURS RESPONSE: Service Providers will incur charge at the time of request on a per incident basis. Fees and any other charges will be billed at time-of-service billing.

BILLING RATES – CONSTRUCTION CHARGES & ENGINEERING/DESIGN FEES: Customer will incur charge at the time of request on a per order basis. Fees and any other charges will be collected prior to commencement of work.

PROVISIONING: Services are offered on a commercially reasonable basis and are provisioned to allow the bandwidth as specified. Actual bandwidth obtained by Service Providers and/or their End-users is subject to many factors, not within District control and is not guaranteed. Upon Service Provider request, and at the District’s discretion, lower or intermediate bandwidth packages may be provisioned for the Service Provider at the same pricing as the next higher bandwidth package.

SERVICE LEVEL: Service includes Network Operations Center (NOC) support and local network administration support. If field dispatch is requested outside normal defined business hours, a dispatch fee will be assessed. All services provided on a 24/7 basis.

WHOLESALE TELECOMMUNICATION SERVICES RATES

NON-RECURRING CHARGES (NRC): Non-recurring charges (NRC)'s may apply to each of the Services. Fees are charged per order, regardless of number of services ordered. Additional charges for special equipment may apply. Fees and any other associated charges will be billed at time-of-service billing. See Wholesale Telecommunications Services Fees & Charges Schedule.

WHOLESALE TELECOMMUNICATION SERVICES RATES

Miscellaneous Services	Unit of Measure	Monthly Rate
Telephony Services (Available only when an ONT provided data-type service is purchased)		
Traditional Voice Service (POTS not VOIP) Dial-Tone Only	Each	\$5.50
Internet Protocol (IP) Multicast		
IP Multicast, per End-user	Each	\$2.90
Video Transport Services (Available only when an ONT provided data-type service is purchased)		
RF Video Transport Services	Each	\$2.90
Colocation of Equipment in District Facilities (When space and appropriate facilities are Available and required agreement executed)		
Floor Space Real estate floor space rounded up to nearest Sq/Ft	Sq/Ft	\$23.95
Internet Bandwidth The District offers Layer 3 transport and upstream Internet connectivity to the District's upstream Multi-Homed Internet Access Provider (IAP). Internet is offered on a 100 Mbps Internet access port. Port speed Committed Information Rate (CIR) and Burstable Rate in megabits per second (Mbps). Internet bandwidth is burstable above the minimum commitment level at the burst price related to the minimum commitment level. Service Provider may choose to fix their maximum bandwidth burst at the commitment level or at a higher level at the time of signup, at whole, not partial Mbps. Internet Bandwidth is billed at the 95th percentile of the greater of inbound or outbound traffic, measured over a full month. If a Service Provider's usage is measured at less than its committed level, it will pay the minimum monthly committed amount. Pricing includes transport to delivery points on the District's network.		
30 Mbps Internet Connection (Burst up to 100Mbps)	Port	\$825.00
50 Mbps Internet Connection (Burst up to 100Mbps)	Port	\$1,550.00
100 Mbps Internet Connection (Non-Burstable)	Port	\$2,870.00
Burst Charge Above CIR per Month per Mb*	Mb	\$38.35

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE GENERAL MANAGER TO PURCHASE 1.38 ACRES OF LAND AND REQUIRED SITE IMPROVEMENTS LOCATED ADJACENT TO THE FUTURE OHME II WATER RESERVOIR SITE FROM JIM AND KATHY HAMPTON

FACTUAL BACKGROUND AND REASONS FOR ACTION

Under RCW 54.16.020, Public Utility District No. 1 of Chelan County, Washington (“District”), is authorized to purchase land, structures and other property rights and privileges, within and without its limits, necessary for the purpose of furnishing the District and its inhabitants and any other persons, including public and private corporations, with electric and other utility services.

The District owns a 0.71 acre parcel of land at 3489 McMullan Road where the current Ohme water reservoir is located. District staff has determined that an additional reservoir to support long range development plans will be needed in the vicinity of the existing reservoir. To accommodate this, staff has identified the adjacent property as a suitable future building site.

Jim and Kathy Hampton (“Seller”) are the owners of two parcels totaling 7.73 acres of land located adjacent to the District’s Ohme reservoir site. Seller will sell 1.38 acres (the “Land”) to the District which will provide the additional space needed to accommodate a future water reservoir and appurtenances, when combined with the District’s current site.

The Seller and the District entered into a Purchase and Sale Agreement (“PSA”) on July 7, 2023, and amended on October 3, 2023, wherein the District and Seller agreed the purchase price would be set by an appraisal commissioned by the District along with other consideration in the form of the relocation of an irrigation box and waterline that crosses Sellers property into the existing reservoir site, hereinafter “Other Improvements”. The Land has since been appraised for \$200,000 and the District and Seller agree that a sale price of \$200,000 along with Other Improvements are acceptable terms for the purchase of the Land, subject to Commission approval.

Staff recommends the District approve the purchase of the Property, contingent on the terms set out in the PSA. 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:

Resolution No. _____
Page 2

Section 1. The Board of Commissioners hereby approves the purchase of a 1.38-acre parcel of land from Jim and Kathy Hampton in the amount of \$200,000 and Other Improvements under the terms set out in the PSA.

Section 2. The General Manager of the District or his designee is hereby authorized to take such further steps as may be required to complete the purchase of the Property from the Seller.

Dated this 20th day of November 2023.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

S E A L