

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

REGULAR COMMISSION MEETING

DECEMBER 6, 2021

Public participation will be by phone only

Dial: 253-999-5697

Meeting ID: 408-975-182#

****Please remember to mute your phone to reduce background noise****

Please contact PUD staff at 509-661-4212 to let us know if you intend to participate by phone

STUDY SESSION

10:00 AM

1. Pledge of Allegiance and Safety/HPI Minute – Dave Parkhill
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. Riverfront Park Master Plan Final Draft
4. Long Term Marketing Strategy: Cost Plus
5. 2022-2023 Conservation Potential Assessment
6. Draft Integrated Resource Plan
7. Draft Clean Energy Implementation Plan
8. Funding for Growth Update
9. Identity Theft Prevention Program Update
10. Public Comment

BUSINESS SESSION

1:00 PM

11. Public Hearing - Electric Vehicle Rate

Consent Agenda

12. Minutes of the November 15, 2021 Regular Meeting

13. Vouchers: Accounts Payable Summary Report dated December 1, 2021:

- a. Vouchers totaling \$28,904,215.18;
- b. Approval of Customer Deposit Returns and Conservation Incentive payments for the period November 10, 2021 through November 30, 2021 in the amount of \$61,479.48.
- c. Approval of the net Payroll, Warrant Nos. 237656 through 237668 and Advice Nos. 724701 through 725491 for the pay period ending November 7, 2021 in the amount of \$2,269,258.78.
- d. Approval of the net Payroll, Warrant Nos. 237669 through 237683 and Advice Nos. 725492 through 726254 for the pay period ending November 21, 2021 in the amount of \$2,253,948.28.
- e. Approval of Warrant Nos. 28085 through 28120 totaling \$8,165.74 for claim payments from the workers' compensation self-insurance fund for the period ending November 29, 2021.
- f. Approval of debt service paid with reserve account interest earnings of \$1,232.16 for the period December 1, 2021 through December 31, 2021.

14. A RESOLUTION RATIFYING FIELD WORK ORDER/CHANGE ORDER NOS. 1-3, AUTHORIZING FINAL ACCEPTANCE OF WORK PERFORMED UNDER CONTRACT NO. 17-48 WITH NOKIA OF AMERICA CORPORATION OF PLANO TEXAS AND AUTHORIZING RELEASE OF THE BOND IN LIEU OF RETAINAGE

15. A RESOLUTION RATIFYING FIELD WORK ORDER/CHANGE ORDER NOS. 1 THROUGH 4, AUTHORIZING FINAL ACCEPTANCE OF WORK PERFORMED UNDER BID NO. 18-08 WITH MOE ASPHALT PATCHING & SEALCOATING, INC. OF WENATCHEE, WASHINGTON FOR DISTRICT WIDE UNIT PRICE ASPHALT/CONCRETE MAINTENANCE AND AUTHORIZING PAYMENT OF RETAINAGE

16. A RESOLUTION AUTHORIZING FINAL ACCEPTANCE OF WORK PERFORMED UNDER CONTRACT NO. 20-16 AND RATIFYING CHANGE ORDER NOS. 1, 2 AND 3 WITH STEELHEAD MECHANICAL LLC OF SPOKANE, WASHINGTON, AND AUTHORIZING PAYMENT OF RETAINAGE

Regular Agenda

17. A RESOLUTION APPROVING THE 2022 DISTRICT BUDGETS FOR THE FIBER NETWORK, WATER, WASTEWATER AND INTEGRATED ELECTRIC (DISTRIBUTION, TRANSMISSION, COLUMBIA RIVER-ROCK ISLAND HYDRO-ELECTRIC, LAKE CHELAN HYDRO-ELECTRIC, ROCKY REACH HYDRO-ELECTRIC SYSTEMS, TREASURY SERVICES, INTERNAL SERVICE SYSTEM AND FINANCING FACILITIES) BUSINESS LINE
18. A RESOLUTION ESTABLISHING A NEW RATE SCHEDULE AND NEW RATE FOR ELECTRICITY SERVICE TO DIRECT CURRENT FAST CHARGING ELECTRIC VEHICLE CHARGING INFRASTRUCTURE
19. A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF AN EXTENSION TO THE EXISTING CREDIT FACILITY RELATING TO THE DISTRICT'S OUTSTANDING CONSOLIDATED SYSTEM REVENUE BONDS, REFUNDING SERIES 2008B (NON-AMT); APPROVING FORMS OF CERTAIN DOCUMENTS; AND PROVIDING FOR CERTAIN OTHER MATTERS RELATED THERETO
20. A RESOLUTION AUTHORIZING AMENDMENT NO. 9 TO SERVICES AGREEMENT (SA NO. 17-2) WITH SAPERE CONSULTING, INC. OF WALLA WALLA, WA FOR MANAGEMENT CONSULTING SERVICES
21. A RESOLUTION AUTHORIZING AN AMENDMENT TO SERVICES AGREEMENT (SA NO. 16-034) WITH AON CONSULTING, INC TO PROVIDE EMPLOYEE BENEFIT CONSULTING SERVICES
22. A RESOLUTION RATIFYING FIELD WORK ORDER/CHANGE ORDER NOS. 1 AND 2, AND APPROVING FIELD WORK ORDER NO. 3 TO CONTRACT NO. 18-67 WITH WEG TRANSFORMERS, USA LLC FOR 28 MVA, 115/12.47 KV SUBSTATION POWER TRANSFORMERS
23. A RESOLUTION AUTHORIZING THE ISSUANCE OF A GUARANTEED MAXIMUM PRICE (GMP) AMENDMENT NO. 1 TO OLSSON INDUSTRIAL ELECTRIC, INC. OF SPRINGFIELD, OREGON FOR THE ROCK ISLAND POWERHOUSE #2 - GENERATOR LEAD REPLACEMENT PROJECT UNIT U-2 (CONTRACT NO. 20-18)
24. A RESOLUTION APPROVING AN OPEN ACCESS TRANSMISSION TARIFF AND AUTHORIZING THE GENERAL MANAGER TO NEGOTIATE AND ENTER INTO TRANSMISSION SERVICE AGREEMENTS
25. Manager Items
26. Commission Travel

27. Commission Items

a. Special Board Meeting

Proposed motion: To set a special meeting on Thursday, December 30, 2021 @ 9:00am to be held virtually for the purpose of considering a resolution for redistricting boundaries. Virtual meeting information will be posted on the PUD website.

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

29. Delegation of Action Items

30. 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.

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

32. 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), and to evaluate the qualifications of an applicant for public employment or to review the performance of a public employee, as authorized by RCW 42.30.110(1)(g)

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. 1-3, AUTHORIZING FINAL ACCEPTANCE OF WORK PERFORMED UNDER CONTRACT NO. 17-48 WITH NOKIA OF AMERICA CORPORATION OF PLANO TEXAS 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 order/change orders under certain circumstances.

On November 3, 2017, the District entered into a contract with Nokia of America Corporation (Contractor) of Plano Texas for Microwave Network Replacement via NASPO Contract 05715, in the amount of \$1,526,415.68. This contract was advertised for public bid and was awarded as required by RCW 54.04.070 and .080.

The work in Field Work Order/Change Order Nos. 1-3 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 Orders Nos. 1-3, which are on file in the offices of the District and summarized as follows:

Field Work Order/Change Order No.	Description	Amount
1	Detailed design bill of materials reconciliation	-\$55,556.06
2	Cyber security equipment upgrade	\$43,069.71
3	Delete equipment upgrade (Software solution implemented)	-\$43,069.71
Total		-\$55,556.06

Field Work Order/Change Orders Nos. 1-3 results in a net decrease in the contract price for a new revised total price of \$1,470,859.62 (excluding sales tax), which the District's Engineers recommend be ratified. Resolution No. 17-14215 provides that this type of field work order/change 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 October 18, 2021. 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. 1-3 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. 1-3 to Contract No. 17-48 with Nokia of America Corporation for the work specified above, which will result in a net decrease in the purchase price of -\$55,556.06, for a total revised contract price of \$1,470,859.62, plus Washington State sales tax, is hereby ratified.

Section 2. All the contract work required under Contract No. 17-48 was completed on October 18, 2021 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 6th day of December 2021.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

RESOLUTION NO. _____

A RESOLUTION RATIFYING FIELD WORK ORDER/CHANGE ORDER NOS. 1 THROUGH 4, AUTHORIZING FINAL ACCEPTANCE OF WORK PERFORMED UNDER BID NO. 18-08 WITH MOE ASPHALT PATCHING & SEALCOATING, INC. OF WENATCHEE, WASHINGTON FOR DISTRICT WIDE UNIT PRICE ASPHALT/CONCRETE MAINTENANCE AND AUTHORIZING PAYMENT 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 April 4, 2018, the District entered into a contract (Bid No. 18-08) with Moe Asphalt Patching & Sealcoating, Inc. (Contractor) of Wenatchee, Washington for District Wide Unit Price Asphalt/Concrete Maintenance, in an amount not-to-exceed \$2,153,715.00. This contract was advertised for public bid and was awarded as required by RCW 54.04.070 and .080.

The work in Field Work Order Nos. 1 through 4 were within the scope of the contract. The District's staff executed Field Work Order Nos. 1 through 4, which are on file in the offices of the District and summarized as follows:

Field Work Order No.	Description	Amount
1	Revise Annual Unit Price Rates	\$0
2	Add Unit Price Items	\$0
3	Revise Unit Price Rates and Extend Term	\$0
4	Increase Not-to-Exceed Contract Price	\$250,000
	Total:	\$250,000

Field Work Order Nos. 1 through 4 resulted in a net increase in the contract price for a revised total price not-to-exceed \$2,403,715.00 (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 November 10, 2021. At the completion of the Work, the total contract spend was \$2,148,573.29. In accordance with the terms of the contract, retainage in an amount not exceeding 5% of the contract price has been withheld from the Contractor.

The General Manager of the District concurs with staff's recommendations that the District ratify Field Work Order/Change Order Nos. 1 through 4, accept the work performed by the Contractor and recommends the District authorize the payment of retainage due the Contractor, 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 Nos. 1 through 4 to Bid No. 18-08 with Moe Asphalt Patching & Sealcoating, Inc. for the work specified above, which resulted in an increase of \$250,000.00 for a revised not-to-exceed amount of \$2,403,715.00, plus Washington State sales tax, are hereby ratified.

Section 2. All the contract work required under Bid No. 18-08 was completed on November 10, 2021, and the same is hereby accepted, subject to Section 2 hereof. Payment of retainage to the Contractor in the amount determined by the District's auditor to be due is authorized to be paid to the Contractor subject to Section 2 and Section 3 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 withhold from the remaining retained amounts for claims the District may have against the Contractor, and the balance shall be paid to the Contractor. In the event said taxes, claims, expenses and fees have not been paid, the General Manager is authorized and directed to withhold 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 the balance shall be paid to the Contractor.

DATED this 6th day of December 2021.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING FINAL ACCEPTANCE OF WORK PERFORMED UNDER CONTRACT NO. 20-16 AND RATIFYING CHANGE ORDER NOS. 1, 2 AND 3 WITH STEELHEAD MECHANICAL LLC OF SPOKANE, WASHINGTON, AND AUTHORIZING PAYMENT 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.

On November 4, 2020, the District entered into a contract (Bid No. 20-16) with Steelhead Mechanical LLC (Contractor) of Spokane, Washington for the Rocky Reach Powerhouse HVAC Improvements, in the amount of \$1,919,367.00. This contract was advertised for public bid and was awarded as required by RCW 54.04.070 and .080.

The work in Field Work Orders Nos. 1, 2 and 3 consisted 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 Orders Nos. 1, 2 and 3, which are on file in the offices of the District and summarized as follows:

FWO/CO No.	Description	Amount
1	Electrical Code/Wiring Change	\$18,400.99
2	Equipment Relabeling and Contract Completion Extension	\$3,630.60
3	Spot Cooler Piping Removal Credit	-\$2,200.00
Total		\$19,831.59

Field Work Order Nos. 1, 2 and 3 result in a net increase in the contract price of \$19,831.59 for a revised not to exceed price of \$1,939,198.59 (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 November 8, 2021. In accordance with the terms of the contract, retainage in an amount not exceeding 5% of the contract price has been withheld from the Contractor.

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 Nos. 1, 2, and 3 and authorize the payment of retainage due the Contractor, 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 Nos. 1, 2, and 3 to Bid No. 20-16 with Steelhead Mechanical LLC for the work specified above, which will result in a net increase in the contract price of \$19,831.59, for a total revised contract price of \$1,939,198.59, plus Washington State sales tax, are hereby ratified.

Section 2. All the contract work required under Bid No. 20-16 was completed on November 8, 2021 and the same is hereby accepted, subject to Section 3 hereof. Payment of retainage to the Contractor in the amount determined by the District's auditor to be due is authorized to be paid to the Contractor 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 withhold from the remaining retained amounts for claims the District may have against the Contractor, and the balance shall be paid to the Contractor. In the event said taxes, claims, expenses, and fees have not been paid, the General Manager is authorized and directed to withhold 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 the balance shall be paid to the Contractor.

DATED this 6th day of December 2021.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

SEAL

RESOLUTION NO. _____

A RESOLUTION APPROVING THE 2022 DISTRICT BUDGETS FOR THE FIBER NETWORK, WATER, WASTEWATER AND INTEGRATED ELECTRIC (DISTRIBUTION, TRANSMISSION, COLUMBIA RIVER-ROCK ISLAND HYDRO-ELECTRIC, LAKE CHELAN HYDRO-ELECTRIC, ROCKY REACH HYDRO-ELECTRIC SYSTEMS, TREASURY SERVICES, INTERNAL SERVICE SYSTEM AND FINANCING FACILITIES) BUSINESS LINES

FACTUAL BACKGROUND AND REASONS FOR ACTION

In compliance with Washington state statutes and District Resolution No. 07-13147, proposed budgets for the contemplated financial transactions of the various systems of the District for the year 2022 have been discussed with the Board of Commissioners.

The proposed 2022 budgets are intended to build upon the District's strategic plan, strategic initiatives and five-year business plans. The foundation of the strategic initiatives and budgets is at the top of the District's balanced scorecard – Customer-owner satisfaction. The 2022 budget process has taken the strategic plan priorities into consideration and proposes to establish priorities within the four strategic plan focus areas: 1) Invest in assets and people and seek industry top-quartile performance for hydro generation, retail reliability, and safety while improving our customer service technology, 2) Sustain excellent financial resiliency while mitigating the risk of large rate increases, 3) Enhance the quality of life in Chelan County through programs that distribute the benefits of public power, and 4) Engage in countywide growth planning and job creation efforts while ensuring the District's rates and policies remain stable and predictable (including the fiber build-out throughout the county). These priorities are consistent with the District's Vision/Challenge in the adopted 2020-2024 Strategic Plan to provide the best value for the most people for the longest time.

Strategic priorities, significant projects, challenges, and constraints of the proposed 2022 budgets were discussed at a public meeting on October 18, 2021 and again at public hearings on November 1, 2021 and November 15, 2021.

The first public hearing on the proposed 2022 budgets was held on Monday, November 1, 2021, at 1:00 p.m. in the Board of Commissioners' office at 327 North Wenatchee Avenue, Wenatchee, Washington. Ratepayers were given full opportunity to attend remotely, given current COVID-19 protocols, and be heard for or against the whole or any part of the proposed budgets. The notice for this public hearing was advertised with the local newspaper stating the date, time and remote access call-in information for the hearing.

The second public hearing on the proposed 2022 budgets was held on Monday, November 15, 2021, at 1:00 p.m. in the Board of Commissioners' office at 327 North Wenatchee Avenue, Wenatchee, WA, 98801. Ratepayers were given full opportunity to attend remotely, given current COVID-19 protocols, and be heard for or against the whole or any part of the proposed budgets. The notice for this public hearing was advertised with the local newspaper stating the date, time and remote access call-in information for the hearing.

The adoption of the District budgets is categorically exempt from the requirements of the Washington State Environmental Policy Act. WAC 197-11-800(14)(c).

The General Manager recommends that the proposed strategic priorities and the proposed 2022 budgets as presented and discussed be adopted by the Commission.

The Commission, having completed the budget hearings, deems it proper and necessary that proposed budgets for the calendar year 2022 be finally determined and adopted as set forth in this resolution.

ACTION

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

Section 1. The Commission establishes the following priorities within the four strategic plan focus areas:

1. Invest in assets and people and seek industry top-quartile performance for hydro generation, retail reliability, and safety while improving our customer service technology.
2. Sustain excellent financial resiliency while mitigating the risk of large rate increases.
3. Enhance the quality of life in Chelan County through programs that distribute the benefits of public power.
4. Engage in countywide growth planning and job creation efforts while ensuring the District's rates and policies remain stable and predictable.

Section 2. The budgets for the District in words and figures as set forth in the copy of each budget for the Fiber Network, Water, Wastewater And Integrated Electric (Distribution, Transmission, Columbia River-Rock Island Hydro-Electric, Lake Chelan Hydro-Electric, Rocky Reach Hydro-Electric Systems, Treasury Services, Internal Service System and Financing Facilities) business lines as presented to the Board on December 6, 2021 are adopted as the budgets for the year 2022. The budget summary is attached and other supporting information is on file in the office of the District.

Dated this 6th day of December 2021.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

SEAL

Chelan County PUD
2022 Proposed Budget (\$000)

Combined District	Gross (Integrated Electric)		Net of Eliminations		(Non Integrated Electric)			
	Integrated Electric	Eliminations	Integrated Electric	Fiber & Telecom	Water	Wastewater	Eliminations	
Service Revenue	116,585	100,658	(584)	100,074	11,657	7,453	852	(3,451)
EP&T Net wholesale	63,988	63,988	-	63,988	-	-	-	-
LT Hydro Contract	149,268	149,268	-	149,268	-	-	-	-
Other Wholesale Activity	(990)	(990)	-	(990)	-	-	-	-
Wholesale Energy Revenue	212,266	212,266	-	212,266	-	-	-	-
Other Revenue	24,978	67,193	(40,727)	26,466	-	61	1	(1,550)
	353,828	380,117	(41,310)	338,806	11,657	7,513	853	(5,001)
Other Operating Expenses	225,578	254,925	(39,126)	215,798	11,052	5,051	861	(7,185)
Taxes	13,035	11,937	-	11,937	39	1,042	17	-
Depreciation & Amortization	50,753	44,596	-	44,596	4,168	1,558	431	-
	289,365	311,458	(39,126)	272,331	15,259	7,651	1,308	(7,185)
Operating Income/(Loss)	64,463	68,659	(2,184)	66,475	(3,603)	(138)	(455)	2,184
Interest Earnings	(10,319)	(9,679)	-	(9,679)	(479)	(106)	(55)	-
Interest Expense	17,934	17,893	-	17,893	-	18	22	-
Fair Market Value Change	368	368	-	368	-	-	-	-
Other Non Operating Activity	1,036	1,090	-	1,090	(30)	(22)	(2)	-
Capital Contributions	(6,054)	(5,156)	-	(5,156)	(30)	(768)	(100)	-
Intersystem Transfers/Adjustments	-	2,800	-	2,800	(2,800)	-	-	-
Non Operating Activity	2,965	7,317	-	7,317	(3,339)	(878)	(134)	-
Change in Net Position	61,498	61,342	(2,184)	59,158	(263)	740	(320)	2,184
Capital Projects: Gross	195,878	186,032	-	186,032	7,131	2,255	461	-
Less Capital Contributions	(5,427)	(4,587)	-	(4,587)	(30)	(768)	(42)	-
Capital Projects Net	190,451	181,445	-	181,445	7,101	1,487	419	-
Regulatory Assets	11,342	11,342	-	11,342	-	-	-	-
Deferred Relicensing	4,200	4,200	-	4,200	-	-	-	-
Hydro License Obligations	351	351	-	351	-	-	-	-
Other	300	-	-	-	-	300	-	-
Fiber Make Ready Offset	(2,184)	(2,184)	-	(2,184)	-	-	-	-
Sub	204,460	195,154	-	195,154	7,101	1,787	419	-
Operating Expenses	225,578							
Taxes	13,035							
Non Operating (Inc) Exp	9,018							
Total Expenditures = OperExp + Taxes								
+ Non Op+ Net Capital + Regulatory Assets								
+ Deferred Relicensing	452,091							
Net Debt Reduction	46,674							
Total Expenditures & Debt Reduction	498,765							

Notes:

- Purchased Power included in Net Wholesale

System	Discrete/ Recurring	Project#	Title	Total Project					
				Current Total Project Budget	Change: Current vs Proposed	Proposed Total Project Budget	2022		
Electr Distribution	Discrete	DS140004	Bavarian Substation	2,528,000	3,927,704	6,455,704	5,000,000		
		DS140005	N Shore Chelan Substatn (Boyd)	2,750,000	3,961,419	6,711,419	5,000,000		
		DS170006	Ohme Substation	6,969,053	-	6,969,053	100,000		
		DS180005	Feeder Addition - South Shore	1,720,000	-	1,720,000	1,250,000		
		DS190003	City Loop T-Line NESC Imprvs	624,710	-	624,710	500,000		
		DS190006	Advanced Metering Infrastructr	15,000,000	-	15,000,000	9,500,000		
		DS200002	Chelan-Manson T-Line Rebuild	5,000,000	-	5,000,000	195,000		
		DS200003	Advanced Dist Mgt Sys ADMS	4,160,000	-	4,160,000	1,200,000		
		DS200004	TRS Interconnect Bavarian Sub	2,275,000	-	2,275,000	355,000		
		DS200005	Stehekin Battery Storage Sys	400,000	-	400,000	400,000		
		DS200006	Wenatchee Substation Capacity	4,720,000	-	4,720,000	600,000		
		DS200007	Ohme Substation Getaways	840,000	-	840,000	200,000		
		DS200010	New Service Ctr Dist OH to UG	620,000	80,784	700,784	1		
		DS210001	Distribution Vehicles & Equip	1,887,000	-	1,887,000	887,000		
		DS210002	College 1 Refurbishment	30,000	-	30,000	30,000		
		DS210003	Plain 851 Feeder OH to UG	1,000,000	-	1,000,000	935,000		
		DS210004	PPB: Loop Trail Extension	1,200,000	-	1,200,000	1,200,000		
		DS220001	Distribution Vehicles & Equip	-	1,942,000	1,942,000	600,000		
		DS220002	MRW Mid Valley Entiat FDT-175	-	796,000	796,000	796,000		
		DS220003	MRW Blewett Pass FDT-162	-	886,000	886,000	886,000		
		DS220004	Plain 851 Ponderosa UG	-	300,000	300,000	300,000		
		DS220005	Knowles Rd Mandated Project	-	375,000	375,000	175,000		
		DS220006	PPB PKRR Park Upgrades	-	400,000	400,000	400,000		
		DS220007	FCGE Plain River Access Paving	-	68,000	68,000	68,000		
		DS220008	PPB PKWRF Improvements	-	2,700,000	2,700,000	100,000		
		DSL1801	Hawley Street Substation	884,392	508	884,900	1		
		Recurring	2XX0100	UG Xfrms-Capital Purchases	800,000	200,000	1,000,000	1,000,000	
			2XX0200	OH Xfrms-Capital Purchases	440,000	110,000	550,000	550,000	
			2XX0300	Line Devices-Regulators	125,000	-	125,000	125,000	
			DSLEXX1	DS - Line Extensions	2,250,000	250,000	2,500,000	2,500,000	
			DSXX0001	DS - Customer Services	1,300,000	200,000	1,500,000	1,500,000	
			DSXX0002	DS - Electric Meters	220,000	6,000	226,000	226,000	
			DSXX0003	DS-Undergrnd Cable Replacement	1,440,000	1,060,000	2,500,000	2,500,000	
	DSXX0006		Substation Equip Replacements	375,000	125,000	500,000	500,000		
	DSXX0007		Distribution Line Improvements	300,000	(50,000)	250,000	250,000		
	DSXX0009		Substation Improvements	5,000	45,000	50,000	50,000		
	DSXX0011		Elec Re conductor Upgrades	760,000	(60,000)	700,000	700,000		
	DSXX0014		Elec Mandated Relocate	231,000	19,000	250,000	250,000		
	DSXX0015		NESC Distribution Upgrades	105,000	(55,000)	50,000	50,000		
	DSXX0018		TRS Structural Pole Replace DS	85,000	-	85,000	85,000		
	DSXX0020		TRS Structural Pole Replc LCRD	115,000	-	115,000	115,000		
	DSXX0021		DS Pole Replacement	200,000	50,000	250,000	250,000		
	DSXX0022	Feeder Device-Lines	660,000	(160,000)	500,000	500,000			
	DSXX0023	Conduit Install Fiber BuildOut	350,000	(50,000)	300,000	300,000			
	DSXX0024	Fiber Build-Out Make Ready	1,780,000	(1,260,000)	520,000	520,000			
	DSXX0025	TRS Substation Interconnects	1,025,000	(775,000)	250,000	250,000			
	DSXX0026	Overhead Wire Replacements	125,000	(50,000)	75,000	75,000			
	DSXX0027	Fiber In-Fill Make Ready	200,000	(50,000)	150,000	150,000			
	DSXX0028	External Contact Make-Ready	50,000	-	50,000	50,000			
DSXX0029	DS UG Line Improvements	490,000	(340,000)	150,000	150,000				
System Forecast Adjustment				-	-	-	-9,768,251		
Electr Distribution Total				66,039,155	14,652,414	80,691,569	33,554,751		
Network Transmn	Discrete	XT200002	AY-AC1 Relay Upgrade POTT	170,000	-	170,000	115,000		
		XT200004	WNS Battery Rplc	195,000	-	195,000	1		
		XT200007	Digital Fault Recorders Replc	685,000	156	685,156	373,000		
		XT210002	RRS Transfer Brkr 7-720 Relay	305,000	-	305,000	280,000		
		XT210003	RRS SEL 2100 Comm Panel	152,000	-	152,000	100,000		
		XT210005	NW-AY Knowles Road Relocate	313,000	-	313,000	273,000		
		XT210006	NW-AY Relocate SR2/97 Easy St	250,000	-	250,000	206,000		
		XT210007	SUM 6-900 PT Replace	48,000	-	48,000	1,000		
		XT210008	RRS SS 2 Transformer Replace	48,000	-	48,000	47,000		
		XT220002	RRS Col 2 Brkr 7-710 Relay Rpl	-	267,900	267,900	27,500		
	Recurring	XTXX0001	TRS Structural Pole Replc XT	200,000	-	200,000	200,000		
		XTXX0004	WSDOT Clear Zone	250,000	(225,000)	25,000	25,000		
		System Forecast Adjustment				-	-	-	-411,875
		Network Transmn Total				2,616,000	43,056	2,659,056	1,235,626
Fiber & Telecom	Discrete	NW150014	PPB: Leavenworth-FDT 122	250,493	37,100	287,593	240,493		
		NW170008	PPB: Leavenworth-FDT 142-A	297,702	0	297,702	173,354		
		NW190008	PPB: Cashmere FDT-160	691,608	0	691,608	512,887		
		NW200004	PPB: Plain FDT 143	66,078	-	66,078	56,078		
		NW200006	PPB: Wenatchee FDT 040	-	44,652	44,652	1		
		NW200008	PPB: Wenatchee FDT 020	148,780	448	149,228	148,780		
		NW200009	PPB: Leavenworth FDT 218	289,874	121,874	411,748	124,000		
		NW210003	PPB: Manson FDT-178	1,200,000	-	1,200,000	200,000		
		NW210004	PPB: Wenatchee FDT 223	44,200	-	44,200	1		
		NW210006	PPB: Wenatchee FDT 107	48,747	249,767	298,514	198,514		

System	Discrete/ Recurring	Project#	Title	Total Project			2022
				Current Total Project Budget	Change: Current vs Proposed	Proposed Total Project Budget	
		NW210007	PPB: Wenatchee FDT 105	5,803	-	5,803	1
		NW210008	PPB: Leavenworth FDT 227	39,000	-	39,000	1
		NW210009	PPB: Wenatchee PON 1014	49,400	-	49,400	40,000
		NW210010	PPB: Cashmere FDT 098	146,250	138,450	284,700	146,250
		NW210011	PPB: Wenatchee FDT 229	241,800	-	241,800	1
		NW220002	PPB: Chelan FDT-150	-	1,845,192	1,845,192	399,184
		NW220003	PPB: Blewett Pass FDT-162	-	1,149,427	1,149,427	1,149,427
		NW220004	PPB: Entiat FDT-175	-	1,078,054	1,078,054	1,078,054
		NW220005	PPB: SS LC Node Building	-	75,000	75,000	15,625
		NW220006	PPB: Entiat Node Building	-	75,000	75,000	75,000
		NW220007	PPB: Entiat Node Electronics	-	237,500	237,500	190,625
		NW220008	PPB: Chelan FDT 228	-	210,600	210,600	210,600
		NW220009	PPB: Chelan FDT 137-A	-	163,800	163,800	163,800
		NW220010	PPB: Leavenworth FDT 007	-	14,950	14,950	14,950
		NW220011	PPB: Leavenworth FDT 008	-	3,900	3,900	3,900
		NW220012	PPB: Leavenworth FDT 044	-	5,200	5,200	5,200
		NW220013	PPB: Leavenworth FDT 046	-	19,500	19,500	19,500
		NW220014	PPB: Leavenworth FDT 047	-	9,100	9,100	9,100
		NW220015	PPB: Leavenworth FDT 101	-	14,950	14,950	14,950
		NW220016	PPB: Leavenworth FDT 102	-	20,800	20,800	20,800
		NW220017	PPB: Leavenworth FDT 114	-	6,500	6,500	6,500
		NW220018	PPB: Peshastin FDT 117	-	18,200	18,200	18,200
		NW220019	PPB: Peshastin FDT 119	-	13,000	13,000	13,000
		NW220020	PPB: Leavenworth FDT 120	-	11,050	11,050	11,050
		NW220021	PPB: Wenatchee FDT 021	-	1,950	1,950	1,950
		NW220022	PPB: Wenatchee FDT 048	-	124,800	124,800	124,800
		NW220023	PPB: Wenatchee FDT 082	-	249,600	249,600	249,600
		NW220024	PPB: Wenatchee FDT 106	-	9,750	9,750	9,750
		NW220025	PPB: Dryden FDT 127	-	32,338	32,338	32,338
		NW220026	PPB: Cashmere FDT 141	-	130,190	130,190	130,190
		NW220027	PPB: Wenatchee FDT 050-A	-	115,989	115,989	115,989
		NWPB0001	PPB: Fiber Expansion	8,924,968	-	8,924,968	100,000
		NWPB0002	PPB:Expnsn-BackboneElectronics	148,654	-	148,654	20,000
		NWPB0003	PPB:Expnsn-Distrib Electronics	463,434	-	463,434	70,000
		NWPB0004	PPB Expansion Drops	885,555	-	885,555	420,000
		NWPB0005	PPB Expansion Devices	435,000	-	435,000	100,000
	Recurring	NWLEXXX7	Fiber Drops-Line Extensions	16,750	-	16,750	16,750
		NWXX0002	Franchise Fiber Relocates	25,000	-	25,000	25,000
		NWXX0003	Fiber District Relocates	25,000	-	25,000	25,000
		NWXX0010	Fiber Drops	996,000	12,000	1,008,000	1,008,000
		NWXX0011	Fiber Devices	664,000	8,000	672,000	672,000
		NWXX0012	Fiber Conduit Installation	330,000	(30,000)	300,000	300,000
		NWXX0013	Core System Upgrades	125,000	-	125,000	125,000
		NWXX0014	Fiber Subdivisions	15,000	85,000	100,000	100,000
		System Forecast Adjustment		-	-	-	-1,775,239
Fiber & Telecom Total				16,574,096	6,303,632	22,877,728	7,130,954
Water	Discrete	WR190002	Olalla Canyon Water Source	275,000	-	275,000	132,000
		WR190003	Tacoma St Phase 2	350,000	-	350,000	1
		WR200002	Water SCADA System	73,000	427,000	500,000	400,000
		WR210002	Water Res Fall Safety Protect	350,000	453,000	803,000	393,000
		WR220001	Water Vehicles & Equip	-	800,000	800,000	1
		WR220002	Maple Water Main Tie	-	236,000	236,000	220,000
	Recurring	WRXX0001	WS - New Water Services	100,000	5,000	105,000	105,000
		WRXX0002	WS - Customer Line Extensions	55,000	301,000	356,000	356,000
		WRXX0003	WS - Water Main Replacements	56,000	(6,000)	50,000	50,000
		WRXX0004	WS - Water Main Fire Hydrants	7,000	-	7,000	7,000
		WRXX0005	Water Main Mandated Relocate	173,000	267,000	440,000	440,000
		WRXX0006	Water Meters	156,000	194,000	350,000	350,000
		System Forecast Adjustment		-	-	-	-198,500
Water Total				1,595,000	2,677,000	4,272,000	2,254,502
Wastewater	Discrete	SW200002	Dryden Wastewater Upgrade	400,000	2,988,713	3,388,713	430,000
		SW220001	Wastewater Vehicles & Equip	-	100,000	100,000	1
		SW220002	Peshastin WW Plant Iprov	-	35,000	35,000	35,000
	Recurring	SWXX0001	New Sewer Svcs-Lake Wenatchee	35,000	(5,000)	30,000	30,000
		SWXX0002	New Sewer Svcs-Peshastin	7,000	-	7,000	7,000
		SWXX0003	Wastewater Line Extensions	-	5,000	5,000	5,000
		System Forecast Adjustment		-	-	-	-46,500
Wastewater Total				442,000	3,123,713	3,565,713	460,501
Internal Services	Discrete	CAPBKT02	Fleet Shop Equipment	-	200,000	200,000	200,000
		CAPBKT03	Facilities Upgrades	-	500,000	500,000	500,000
		IS150006	Dispatch Log	858,299	-	858,299	50,000
		IS160012	Enterprise Search	772,624	-	772,624	100,000
		IS180013	Mobile Asset & Work Management	435,000	-	435,000	110,000
		IS180014	Operations and Service Center	139,535,846	-	139,535,846	72,000,000
		IS180015	RR-CM Facilities Upgrade	42,475,473	753,000	43,228,473	14,069,450
		IS200003	Sys Ops BUCC	2,000,000	2,152	2,002,152	1,640,000
		IS200005	RR CM4 Enclosure	400,000	15,000	415,000	15,000
		IS200009	Maximo Upgrade	250,000	-	250,000	75,000

System	Discrete/ Recurring	Project#	Title	Total Project			
				Current Total Project Budget	Change: Current vs Proposed	Proposed Total Project Budget	2022
		IS210001	Shared Srvc Vehicles & Equip	846,000	-	846,000	423,000
		IS210007	Virtual Desktop Infrastructure	60,000	120,000	180,000	180,000
		IS210008	Stehekin Digital Mobile Stn	150,000	-	150,000	50,000
		IS210010	CM Tools	900,000	(899,999)	1	1
		IS210011	CM Tenant Improvements	265,000	350,000	615,000	350,000
		IS220001	Shared Srvc Vehicles & Equip	-	1,366,000	1,366,000	566,000
		IS220002	CM Tools	-	600,000	600,000	600,000
		IS220003	System Ops Relo - Service Ctr	-	346,000	346,000	15,000
		IS220004	IT Software New Services	-	400,000	400,000	400,000
		IS220005	Cyber Sec Hardware & Software	-	50,000	50,000	50,000
		IS220006	Server-Network Infrastructure	-	538,300	538,300	538,300
		IS220007	Service Bldg Network Hardware	-	1,540,000	1,540,000	1,540,000
		IS220008	Hyperconverged Infrastructure	-	1,300,000	1,300,000	1,300,000
		IS220009	Back up Security Command Cntr	-	60,000	60,000	60,000
		IS220010	SC MW Relocation Equipment	-	100,000	100,000	100,000
		System Forecast Adjustment		-	-	-	-9,493,175
Internal Services Total				188,948,242	7,340,453	196,288,695	85,438,576
Rocky Reach	Discrete	RR110012	RR C1-C11 Unit Ctrls Governor	7,600,000	0	7,600,000	771,000
		RR120004	RR Excitation Reg Repl C1-C11	4,508,217	-	4,508,217	225,000
		RR120006	RR Unit DFR Installation	766,200	-	766,200	6,000
		RR130004	RR Tran & SS Relay Replacement	343,415	-	343,415	1
		RR170010	RRFW Dewatering Pumps	308,000	-	308,000	50,000
		RR180002	PKBB Construction BB-1 BB-2	1,125,181	-	1,125,181	1
		RR190002	RR SER Alarm System Replace	260,000	-	260,000	1
		RR190006	RR DC / UPS AC Panel Replace	133,000	-	133,000	50,000
		RR190007	RR Oil Detection System	75,000	-	75,000	75,000
		RR190010	RR VC Cafe Improvements	450,000	-	450,000	91,839
		RR200002	HTWF Wellfield Rehab	2,714,000	-	2,714,000	920,000
		RR200003	RR Oil Cond & Storage Syst	640,000	-	640,000	40,000
		RR200005	RR Uninterruptable Pwr Supply	265,000	-	265,000	1
		RR200009	RR Spillway Elec Upgrades	1,125,000	570,888	1,695,888	1,685,000
		RR200010	RR C1-C7 C11 MCM AirGap Repl	940,000	-	940,000	80,000
		RR200011	RR VC HVAC Replace	840,000	-	840,000	1,194
		RR200014	RR PLC 5 Controller	260,000	0	260,000	148,944
		RR200015	PKDG Shoreline Erosion	433,000	362,000	795,000	128,000
		RR210001	RR Vehicles & Equip	724,000	-	724,000	400,000
		RR210002	RR Tailrace Gantry Crane	6,000,000	-	6,000,000	2,500,000
		RR210004	RR Seismometer	50,000	-	50,000	50,000
		RR210005	PKET Shoreline Erosion	195,415	71,585	267,000	252,000
		RR210008	PKCF Shoreline Erosion	283,000	2,000	285,000	240,000
		RR220001	RR Vehicles & Equip	-	587,000	587,000	387,000
		RR220002	RR JFB Surface Collector Pumps	-	310,000	310,000	310,000
		RR220003	RR Fac Upgrd Elec Load Support	-	1,500,000	1,500,000	1,500,000
		RR220004	HTCH Disch Telem	-	60,000	60,000	60,000
		RR220005	PKDG Tennis Court Repl	-	168,000	168,000	168,000
		RR220006	HTCH Fish Pump	-	50,000	50,000	50,000
		System Forecast Adjustment		-	-	-	-2,547,245
Rocky Reach Total				30,038,428	3,681,474	33,719,902	7,641,736
Rock Island	Discrete	RI0800B2	RI PH1 B-2 Stator Replacement	4,961,785	-	4,961,785	1
		RI110001	RI PH1 Excitation Sys B1-B4	1,010,990	-	1,010,990	1
		RI110004	RI PH1 Govnr DigCtrls B2	2,890,000	-	2,890,000	1
		RI130002	RI PH2 SS & Fish Lad MCC Replc	1,375,318	-	1,375,318	80,000
		RI130010	RI PH1 Gen Heat Detect B1-B8	240,983	-	240,983	40,000
		RI140003	RI PH2 Gantry Crane	9,100,000	-	9,100,000	822,500
		RI140004	RI PH2 Bridge Crane	13,390,000	-	13,390,000	6,500,000
		RI150003	RIFW Controls Upgrades	924,257	0	924,257	373,000
		RI160015	RI PH1 B5 Modernization	32,800,000	-	32,800,000	2,270,000
		RI160016	RI PH1 B7 Modernization	32,600,000	1,051,218	33,651,218	990,000
		RI160017	RI PH1 B8 Modernization	31,358,792	132,047	31,490,839	2,690,000
		RI170007	RI PH1 Intake Gantry Repl	6,020,000	-	6,020,000	2,730,000
		RI170011	RI PH1 B1 Modernization	17,795,806	-	17,795,806	980,000
		RI170012	RI PH1 B2 Modernization	18,594,547	-	18,594,547	1,600,000
		RI170013	RI PH1 B3 Modernization	17,606,570	10,887	17,617,457	10,650,000
		RI170014	RI PH1 B4 Modernization	21,198,410	372,155	21,570,565	80,000
		RI170024	RI Facilities Upgrade	38,095,111	0	38,095,111	500,000
		RI180002	RI PH2 6-350 Breaker Bay Replc	800,000	12,398	812,398	50,000
		RI180003	RI PH2 U1-U8 Rehab	12,500,000	5,549,443	18,049,443	7,100,000
		RI180004	RI PH2 UPS Upgrade	140,000	-	140,000	90,000
		RI180008	PKKB Erosion 3 5 6 9	1,161,028	772	1,161,800	1
		RI180019	HTSP Pump and Motor	276,180	-	276,180	105,000
		RI190004	RI PH2 Station Drainage Mod	1,503,100	165	1,503,265	1
		RI190005	RI PH1 Station Unwtr Pumps Rpl	623,000	451,131	1,074,131	595,000
		RI190006	RI PH2 HVAC Upgrades	745,000	1,415	746,415	1
		RI190014	RI Spillway Hoist 17,25 Rplc	3,400,000	-	3,400,000	108,000
		RI200002	PKWC NB Shore Erosion Rpr	1,082,000	200,000	1,282,000	1,222,000
		RI210002	RI PH2 MCC Replc	310,000	715,000	1,025,000	965,000
		RI210003	RI PH1 Station Drainage Mod	1,100,000	-	1,100,000	227,000
		RI210004	RIFW Rt Bank Fish Ladder Mod	1,465,000	-	1,465,000	1,465,000

System	Discrete/ Recurring	Project#	Title	Total Project			2022
				Current Total Project Budget	Change: Current vs Proposed	Proposed Total Project Budget	
		RI210005	RI Seismometer	50,000	-	50,000	50,000
		RI210006	HTEB Pump Bldg Rehab	667,000	742,000	1,409,000	1,211,000
		RI210007	HTEB Reuse Bldg Rehab	241,000	4,000	245,000	220,000
		RI210012	RI PH2 DTG Cyl & HPU Upgrade	7,200,000	-	7,200,000	3,590,000
		RI210013	RI PH2 U5 Rehab	99,500,000	-	99,500,000	23,300,000
		RI210014	RI PH2 U7 Rehab	6,000,000	-	6,000,000	1,700,000
		RI220001	RI Vehicles & Equip	-	489,000	489,000	389,000
		RI220002	HTSP Emerg Shower	-	55,000	55,000	55,000
		RI220004	HTCW Fish Pump	-	50,000	50,000	50,000
		RI220005	HTTW Safety Improvements	-	126,500	126,500	126,500
	System Forecast Adjustment			-	-	-	-18,146,811
Rock Island Total				388,725,877	9,963,132	398,689,009	54,777,195
Lake Chelan	Discrete	LC190001	PKCR S Shore Erosion	397,000	251,000	648,000	50,000
		LC210001	LC Seis Stdy-Auto Closure Gate	3,850,000	-	3,850,000	2,295,000
		LC210002	LC Hydro Bridge Access Impr	280,000	-	280,000	280,000
		LC210004	LC Seismometer	50,000	-	50,000	50,000
		LC210005	PKMB Irrigation Replacement	132,000	-	132,000	132,000
		LC210006	PKMP Irrigation Replacement	160,000	-	160,000	160,000
		LC220002	LC Spillgates 1-4 Automate	-	800,000	800,000	800,000
		LC220003	LC HVAC Upgrade	-	380,000	380,000	380,000
		LC220004	CR Temp Monitoring Stations	-	140,000	140,000	140,000
		LC220005	PKCR Safety Improve	-	225,000	225,000	225,000
	System Forecast Adjustment			-	-	-	-1,128,000
Lake Chelan Total				4,869,000	1,796,000	6,665,000	3,384,000
TOTAL				699,847,798	49,580,873	749,428,671	195,877,841

<u>Gross Capital</u>	
Electr Distribution	33,554,751
Network Transmsn	1,235,626
Fiber & Telecom	7,130,954
Water	2,254,502
Wastewater	460,501
Internal Services	85,438,576
Rocky Reach	7,641,736
Rock Island	54,777,195
Lake Chelan	3,384,000
	<u>195,877,841</u>
<u>Customer Contributions</u>	
Electr Distribution	(4,150,000)
Network Transmsn	
Fiber & Telecom	(30,000)
Water	(768,000)
Wastewater	(42,000)
Internal Services	
Rocky Reach	
Rock Island	(436,760)
Lake Chelan	
	<u>(5,426,760)</u>
<u>Net Capital</u>	
Electr Distribution	29,404,751
Network Transmsn	1,235,626
Fiber & Telecom	7,100,954
Water	1,486,502
Wastewater	418,501
Internal Services	85,438,576
Rocky Reach	7,641,736
Rock Island	54,340,435
Lake Chelan	3,384,000
	<u>190,451,081</u>
Regulatory Assets: DSOP 1823	5,842,000
Regulatory Assets: XTOP 1823	5,500,000
Deferred Relicensing: RI 1866	4,200,000
Make Available: LCRL 2536	351,091
Other: WAOP 3450	300,000
Fiber Make Ready Offset	(2,184,000)
	<u>204,460,172</u>

RESOLUTION NO. _____

A RESOLUTION ESTABLISHING A NEW RATE
SCHEDULE AND NEW RATE FOR ELECTRICITY
SERVICE TO DIRECT CURRENT FAST CHARGING
ELECTRIC VEHICLE CHARGING
INFRASTRUCTURE

FACTUAL BACKGROUND AND REASONS FOR ACTION

The District has the authority to create rate classes and to establish and modify rates. 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 rates and charges must be fair, nondiscriminatory and adequate to provide revenues sufficient for the payment of the principal of and interest on such revenue obligations for which the 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, and for the proper operation and maintenance of the public utility and all necessary repairs, replacements, and renewals thereof. This resolution addresses the creation of a new retail electric rate class for customers that own and/or operate publicly available Direct Current Fast Charging (DCFC) stations.

The increase in the number of electric vehicles (EVs) being sold in Washington State has led to an increase in the number of 480-volt direct current fast charging (DCFC) stations in Chelan County. State policies and regulations incentivizing transportation electrification options will continue to support this trend over time. District staff recommends the adoption of a rate specific to DCFC that recovers the cost to serve this growing and unique load. Staff recommends that the Board of Commissioners adopt the DCFC rate schedule as new Schedule 15.

The General Manager has reviewed staff's recommendations 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 rate classification, rates, and terms set forth in the rate schedule attached hereto as Exhibit A are determined to be fair, reasonable, necessary, and not discriminatory. The classification, rates, and rate schedule set forth in Exhibit A are hereby

adopted and shall be effective June 1, 2022.

Section 3. The adoption of this rate resolution is not a major action under the State Environmental Policy Act, and as such is categorically exempt under WAC 197-11-800(14)(i).

Section 4. 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.

DATED this 6th day of December 2021.

President

ATTEST:

Vice President

Secretary

Commissioner
Seal

Commissioner

EXHIBIT A**DRAFT Direct Current Fast Charging Electric Vehicle Charging Infrastructure Rate****Rate Schedule 15****AVAILABILITY:**

This schedule is available throughout Chelan County served by the District except for the Stehekin area and is applicable to service for publicly available 480-volt, direct current (DC) electric vehicle charging infrastructure.

1. Includes service for 480-volt, publicly available, level 3 direct current electric vehicle charging infrastructure.
2. Excludes level 1 (120-volt) and level 2 (240 volt) charging infrastructure that does not share a meter with DC fast charging infrastructure subject to this rate schedule.
3. Excludes any solitary DC fast charging unit that shares a meter with a use typically classified under a different Rate Schedule and where the other use is the primary use behind the meter.

CHARACTER OF SERVICE:

Service to be furnished under this schedule will be 3-phase 480-volt service.

RATES:

Residential Service	6/1/2022	6/1/2023	6/1/2024
Monthly Charge	\$40.00	\$41.20	\$42.45
Energy Charge (\$/kWh)	\$0.0310	\$0.0320	\$0.0330
Demand Charge (\$/kW)	\$2.65	\$5.20	\$5.40

POWER FACTOR

Service under this schedule is subject to Power Factor Rate Schedule 24.

TAX ADJUSTMENT:

The amount of tax levied by any city or town in accordance with R.C.W. 54.28.070, of the laws of the State of Washington, will be added to the above charges for electricity sold within the limits of any such city or town.

SERVICE POLICY:

Service under this Schedule is subject to the rules and regulations as defined in the District's Utility Service Regulations.

EFFECTIVE: June 1, 2022

RESOLUTION NUMBER _____

A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF AN EXTENSION TO THE EXISTING CREDIT FACILITY RELATING TO THE DISTRICT'S OUTSTANDING CONSOLIDATED SYSTEM REVENUE BONDS, REFUNDING SERIES 2008B (NON-AMT); APPROVING FORMS OF CERTAIN DOCUMENTS; AND PROVIDING FOR CERTAIN OTHER MATTERS RELATED THERETO

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RESOLUTION NUMBER _____

A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF AN EXTENSION TO THE EXISTING CREDIT FACILITY RELATING TO THE DISTRICT'S OUTSTANDING CONSOLIDATED SYSTEM REVENUE BONDS, REFUNDING SERIES 2008B (NON-AMT); APPROVING FORMS OF CERTAIN DOCUMENTS; AND PROVIDING FOR CERTAIN OTHER MATTERS RELATED THERETO

(Thirteenth Supplemental Resolution)

FACTUAL BACKGROUND AND REASONS FOR ACTION

1. Public Utility District No. 1 of Chelan County, Washington (the "District"), by Resolution No. 87-7925 adopted by the Commission of the District (the "Commission") on December 21, 1987, as amended and restated by Resolution No. 91-8887 adopted by the Commission on February 19, 1991, consolidated the District's separate electric utility systems, those being the Distribution System, the Lake Chelan System, the Rocky Reach System and the Rock Island System (each as defined in the hereinafter defined Master Bond Resolution) into one system known as the "Chelan Hydro Consolidated System" (the "Chelan Hydro Consolidated System"). In 1992, the District's water system and wastewater system were consolidated into the Chelan Hydro Consolidated System.

2. Pursuant to Resolution No. 07-13067, adopted by the Commission on March 12, 2007 (as amended and supplemented from time to time, the "Master Bond Resolution"), the Commission (i) discontinued the consolidation of the Rock Island System and the Rocky Reach System into the Chelan Hydro Consolidated System, (ii) otherwise renewed and affirmed the Chelan Hydro Consolidated System, (iii) renamed the Chelan Hydro Consolidated System the "Consolidated System," and (iv) created an issue of bonds with a lien on Revenues (as defined in the Master Bond Resolution) junior to the lien of the Senior Consolidated System Resolution (as defined in the Master Bond Resolution). On July 1, 2015, the final remaining obligations issued under the Senior Consolidated System Resolution were retired.

3. Pursuant to Resolution No. 08-13258, adopted by the Commission on February 11, 2008 (the "Fourth Supplement"), the Commission supplemented the Master Bond Resolution to provide for the issuance and delivery of the District's Consolidated System Revenue Bonds, Refunding Series 2008B (AMT) in the initial aggregate principal amount of \$92,880,000 (the "Series 2008B Bonds").

4. Pursuant to Resolution No. 09-13452, adopted by the Commission on April 27, 2009 (the "Fifth Supplement"), and as permitted by the American Recovery and Reinvestment Act of 2009 ("ARRA"), which included provisions that permitted the District to refund certain of its outstanding Bonds that were subject to the alternative minimum tax ("AMT"), including the Series 2008B Bonds, with Bonds that are not subject to the AMT, the District amended certain provisions of the Fourth Supplement, "refunded" (as that term is used in Sections 56 and 57 of the Code) the Series 2008B Bonds and reissued such Series 2008B Bonds on June 3, 2009 as a Series of Bonds designated as the "Public Utility District No. 1 of Chelan County, Washington Consolidated

System Revenue Bonds, Refunding Series 2008B (Non-AMT)” (the “Outstanding 2008B Bonds”), which are currently outstanding in the aggregate principal amount of \$40,155,000.

5. The payment of the purchase price of the Outstanding 2008B Bonds is secured in part by a Standby Bond Purchase Agreement, dated as of June 1, 2018 (the “2018 Original Credit Facility”), by and among the District, U.S. Bank National Association, in its capacity as Trustee and Tender Agent, and Barclays Bank PLC (as further defined herein, the “2018 Credit Facility Provider”), which is scheduled to terminate by its terms on July 1, 2022.

6. The District now desires to extend the 2018 Original Credit Facility prior to the expiration thereof, in accordance with Section 4.09 of the Fourth Supplement.

7. Section 12.1(a)(ii) of the Master Bond Resolution provides that the District may from time to time and at any time adopt a Supplemental Resolution, without the consent of or notice to any Owner, to supplement any provision in any Supplemental Resolution.

8. The Commission hereby deems it advisable and in the best interest of the District to authorize and approve the extension of the 2018 Original Credit Facility and the execution and delivery of the related documents as provided herein.

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

ARTICLE I THIRTEENTH SUPPLEMENTAL RESOLUTION; DEFINITIONS

Section 1.01 Thirteenth Supplemental Resolution. This Thirteenth Supplemental Resolution is executed and delivered in accordance with the provisions of the Master Bond Resolution.

Section 1.02 Definitions. Unless the context otherwise requires, all terms used and not otherwise defined herein, including the Recitals, shall have the meanings set forth in the Master Bond Resolution, in the Fourth Supplement or in the Fifth Supplement, as and to the extent applicable. In addition, unless the context otherwise requires, the following terms shall have the following meanings:

“Eleventh Supplement” means Resolution Number 18-14241, adopted by the Commission on April 30, 2018, authorizing the execution and delivery of the 2018 Original Credit Facility and providing for other matters related thereto.

“Prior Supplemental Resolution” has the meaning given such term in Section 2.01 hereof.

“Supplemental 2008B Delivery Certificate” means a Certificate of the District, dated March 6, 2013, delivered at the time of the Mandatory Tender and remarketing in connection with the 2013 Replacement Credit Facility setting forth certain terms with respect to such Mandatory Tender and remarketing of the Outstanding 2008B Bonds.

“Tenth Supplement” means Resolution Number 13-13775, adopted by the Commission on January 7, 2013, authorizing the execution and delivery of the 2013 Replacement Credit Facility and providing for other matters related thereto.

“Thirteenth Supplemental Resolution” means this resolution, adopted by the Commission on December 6, 2021, and any amendments, modifications or supplements hereto.

“2008B Delivery Certificate” means the Certificate of the District, dated March 7, 2008, setting forth certain terms of the Outstanding 2008B Bonds.

“2008B Reissuance Delivery Certificate” means the Certificate of the District, dated June 3, 2009, setting forth certain terms of the Outstanding 2008B Bonds.

“2018 Credit Facility” means the 2018 Original Credit Facility, as amended by the 2021 Notice of Extension, with respect to the Outstanding 2008B Bonds, as the same may be further amended, modified or supplemented.

“2018 Credit Facility Provider” means Barclays Bank PLC, as the provider of the 2018 Credit Facility.

“2018 Fee Agreement” means the 2018 Original Fee Agreement, as amended by the 2021 Fee Agreement Amendment, with respect to the 2018 Credit Facility, as the same may be further amended, modified or supplemented.

“2018 Original Credit Facility” means the Standby Bond Purchase Agreement, dated as of June 1, 2018, among the District, the Trustee and Tender Agent and the 2018 Credit Facility Provider with respect to the Outstanding 2008B Bonds.

“2018 Original Fee Agreement” means the Fee Agreement, dated June 22, 2018, between the District and the 2018 Credit Facility Provider, with respect to the 2018 Credit Facility.

“2021 Fee Agreement Amendment” means the Fee Agreement Amendment, to be entered into by the District and the 2018 Credit Facility Provider, with respect to the 2018 Credit Facility, as the same may be amended, modified or supplemented.

“2021 Notice of Extension” means the Notice of Extension regarding the extension of the Stated Expiration Date (as defined in the 2018 Original Credit Facility) of the 2018 Original Credit Facility, to be entered into by the District, the Trustee and Tender Agent and the 2018 Credit Facility Provider with respect to the Outstanding 2008B Bonds, as the same may be amended, modified or supplemented.

ARTICLE II TERMS OF THE OUTSTANDING 2008B BONDS

Section 2.01 General Terms of the Outstanding 2008B Bonds. Except as otherwise provided in this Thirteenth Supplemental Resolution, the Outstanding 2008B Bonds shall have the same terms as set forth in the Fourth Supplement, as supplemented and amended, including as supplemented and amended by the 2008B Delivery Certificate, the Fifth Supplement, the 2008B Reissuance Delivery Certificate, the Tenth Supplement, the Supplemental 2008B Delivery Certificate and the Eleventh Supplement (the Fourth Supplement, as supplemented and amended by the 2008B Delivery Certificate, the Fifth Supplement, the 2008B Reissuance Delivery Certificate, the Tenth Supplement, the Supplemental 2008B Delivery Certificate and the Eleventh Supplement, the “Prior Supplemental Resolution”).

Section 2.02 Preservation of Rights of Owners of the Outstanding 2008B Bonds. Nothing herein shall alter the rights of the Owners of the Outstanding 2008B Bonds.

ARTICLE III

APPROVAL OF 2021 NOTICE OF EXTENSION AND RELATED AGREEMENTS AND OTHER DOCUMENTS

Section 3.01 Approval of the 2021 Notice of Extension and the 2021 Amendment to Fee Agreement. The 2021 Notice of Extension and the 2021 Fee Agreement Amendment, in substantially the forms presented to and considered at this meeting, shall be and hereby are approved, and the President and the Vice President of the Commission, the General Manager, the Chief Financial Officer and the Treasurer of the District (each, an “Authorized Officer”), each acting singly, shall be and each of them is hereby authorized, empowered and directed to execute and deliver the 2021 Notice of Extension and the 2021 Fee Agreement Amendment with such changes therein as such officer shall deem appropriate and in the best interests of the District, upon consultation with Bond Counsel, such approval to be evidenced conclusively by his or her execution thereof, as so added to or changed.

Section 3.02 Approval of Bond Counsel Fees and Expenses. The District is hereby authorized, empowered and directed to pay from other funds of the District an aggregate amount not to exceed \$25,000 to Orrick, Herrington & Sutcliffe LLP for bond counsel services in connection with the negotiation, execution and delivery of the 2021 Notice of Extension and related agreements and documents.

Section 3.03 Further Action. The Authorized Officers, each acting singly, and the other officers, agents and employees of the District shall be and each of them is hereby authorized, empowered and directed to execute and deliver such other documents, agreements, notices and certificates, in addition to those enumerated herein, and to take such other actions as they deem necessary or advisable in order to carry out and perform the purposes of this Thirteenth Supplemental Resolution. All actions taken by the Authorized Officers and the other officers, agents and employees of the District pursuant to or in anticipation of the adoption of this Thirteenth Supplemental Resolution but prior to its effective date are hereby ratified, confirmed and approved.

ARTICLE IV

MISCELLANEOUS

Section 4.01 Outstanding 2008B Bonds Subject to the Master Bond Resolution and the Prior Supplemental Resolution. Except as expressly provided in this Thirteenth Supplemental Resolution, every term and condition contained in the Master Bond Resolution and in the Prior Supplemental Resolution shall apply to this Thirteenth Supplemental Resolution and to the Outstanding 2008B Bonds with the same force and effect as if it were herein set forth at length, with such omissions, variations and modifications thereof as may be appropriate to make the same conform to this Thirteenth Supplemental Resolution.

The 2018 Credit Facility, as extended, does not constitute a “Credit Facility” solely for purposes of Section 4.05(a) of the Fourth Supplemental Resolution and for purposes of Section 13.5 of the Master Resolution.

Section 4.02 Severability of Invalid Provisions. If any one or more of the provisions contained in this Thirteenth Supplemental Resolution or in the Outstanding 2008B Bonds shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions contained in this Thirteenth Supplemental Resolution, such invalidity, illegality or unenforceability shall not affect any other provision of this Thirteenth Supplemental Resolution, and this Thirteenth Supplemental Resolution shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein.

Section 4.03 Thirteenth Supplemental Resolution as Contract. In consideration of the acceptance of the Outstanding 2008B Bonds by the Owners thereof, the provisions of this Thirteenth Supplemental Resolution shall be deemed to be and shall constitute a contract between the District and the Owners of the Outstanding 2008B Bonds to secure the full and final payment of the principal and Purchase Price of, and interest on, the Outstanding 2008B Bonds, subject to the conditions, covenants and terms contained in the Master Bond Resolution and in the Prior Supplemental Resolution.

Section 4.04 Effectiveness. This Thirteenth Supplemental Resolution shall be effective from and after its date of adoption.

Adopted at a regular open public meeting this 6th day of December, 2021.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

SEAL

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING AMENDMENT NO. 9
TO SERVICES AGREEMENT (SA NO. 17-002) WITH
SAPERE CONSULTING, INC. OF WALLA WALLA,
WA FOR MANAGEMENT CONSULTING SERVICES

FACTUAL BACKGROUND AND REASONS FOR ACTION

Resolution No. 17-14109 dated January 18, 2017, authorized a Services Agreement (SA No. 17-002) with Sapere Consulting, Inc. (Sapere) to provide management consulting services in an amount not to exceed \$1,190,000 over a three-year agreement term. Resolution No. 17-14211 dated December 18, 2017, amended SA No. 17-002 to increase the funded amount by \$1,360,000 for a total revised contract price not to exceed \$2,550,000. Additionally, Resolution No. 18-14250 dated June 25, 2018, increased the funded amount by \$950,000 for a total revised contract price not to exceed \$3,500,000. Most recently, Resolution No. 19-14408 dated December 2, 2019, added \$2,550,000 to the contract price, for a new not to exceed total of \$6,050,000.

District staff are seeking approval to extend SA No. 17-002 with Sapere through December 31, 2024. The District currently has thirty-four (34) task authorizations completed or in progress with Sapere, with \$539,750 remaining in approved funds on the contract. From 2022 to 2024, Sapere is expected to provide continued support for ongoing and upcoming projects, including but not limited to, ADMS Phase II management, TDIP Continuous Improvements management, Distribution Substation Program property acquisition planning, External Affairs strategic initiatives support, COVID-19 impact planning, and development of machine learning tools. 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 District's best interest to extend Services Agreement No. 17-002 with Sapere through December 31, 2024, and to increase funding by \$2,335,250 to provide management and technical services as detailed above, for a total revised contract price not to exceed \$8,385,250.

The General Manager has reviewed and concurs with District staff's recommendation.

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 Amendment 9 to Services Agreement 17-002 with Sapere Consulting, Inc. to extend the Term through December 31, 2024, and to add \$2,335,250 to the total contract price. The

revised contract price shall not exceed \$8,385,250 without prior Commission approval. A copy of the Amendment is on file in the offices of the District.

DATED this 6th day of DECEMBER 2021.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING AN
AMENDMENT TO SERVICES AGREEMENT (SA
NO. 16-034) WITH AON CONSULTING, INC TO
PROVIDE EMPLOYEE BENEFIT CONSULTING
SERVICES

FACTUAL BACKGROUND AND REASONS FOR ACTION

Resolution No. 16-14068 dated October 3, 2016 authorized a Services Agreement (SA No. 16-034) with Aon Consulting, Inc to provide employee benefit consulting services, in an amount not to exceed \$584,946.50 for a five year term, through October 18, 2021. Aon Consulting, Inc. was hired as the District's broker to act as the representative of the District for employee health and welfare benefits management, including, but not limited to, effecting the most advantageous placement of insurance coverage, providing actuarial valuations of the medical/dental plan, and providing a full range of value-added services. The contract term was later extended through December 31, 2021, to align with the District's benefit plan year and the calendar year.

District staff has identified the need for continued employee benefit consulting services through December 31, 2023. Resolution No. 17-14215 requires that the Commission, by resolution, authorize Service Agreements and Amendments when the total contract price exceeds \$500,000. This contract amendment will allow for delivery of the same services described above for two additional calendar years.

District staff recommends that it is in the best interest of the District to amend Services Agreement No. 16-034 with Aon Consulting, Inc in the amount of \$219,250 for a total revised contract price not to exceed \$804,196.50 through December 31, 2023.

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. 16-034) with Aon Consulting, Inc to provide the additional services identified above through December 31, 2023. The revised contract price will not exceed \$804,196.50 without prior Commission approval. A copy of the Amendment is on file in the offices of the District.

DATED this 6th day of December 2021.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

RESOLUTION NO. _____

A RESOLUTION RATIFYING FIELD WORK ORDER/CHANGE ORDER NOS. 1 AND 2, AND APPROVING FIELD WORK ORDER NO. 3 TO CONTRACT NO. 18-67 WITH WEG TRANSFORMERS, USA LLC FOR 28 MVA, 115/12.47 KV SUBSTATION POWER TRANSFORMERS

FACTUAL BACKGROUND AND REASONS FOR ACTION

On November 18, 2018, by Resolution 18-14283, the Commission of the District authorized the General Manager to invite sealed proposals for 28 MVA, 115/12.47 kV Substation Power Transformers. The bid was for an initial purchase of two (2) power transformers, with the option to purchase up to five (5) additional transformers in future years for other locations.

Bids were received on January 15, 2019. On February 4, 2019, by Resolution 19-14317, the Commission of the District determined bids to be non-responsive and authorized staff to procure transformers by negotiation pursuant to RCW 54.04.080. Subsequently, a negotiated contract was executed on May 17, 2019, with WEG Transformers, USA LLC in the amount of \$1,151,934.00 for the initial order of two (2) power transformers.

Staff now recommends the purchase of a third transformer for the North Shore Substation Project under Contract 18-67.

Field Work Order/Change Order (FWO/CO) Nos. 1 and 2 for the initial order of two (2) transformers for the Ohme Substation consisted of conditions and work not anticipated or included in the original contract but within the scope of the contract. The District's staff executed Field Work Order/Change Order Nos. 1 through 2, which are on file in the offices of the District and summarized as follows:

FWO/CO No.	Description	Amount
1	Change delivery date for the first two units	\$0
2	For the order of the first two transformers, change payment schedule; delay testing, and modify liquidated damages	\$0
Total		\$0

Field Work Order/Change Order Nos. 1 and 2 did not result in a change of the total contract price of \$1,151,934.00 (excluding sales tax).

District Staff desires to execute FWO/CO No. 3 for the acquisition of a transformer for the North Shore Substation project in the amount of \$863,019.00 for a revised contract price of \$2,014,953.00.

The General Manager of the District concurs with staff's recommendations that Field Work Order/Change Order Nos. 1 and 2 be ratified, and that Field Work Order/Change Order No. 3 be approved.

ACTION

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

Section 1. The Commission finds that Field Work Order/Change Order Nos. 1 and 2 were properly executed pursuant to the authority delegated by Resolution No. 17-14215 and said Field Work Order/Change Orders are hereby formally acknowledged and ratified.

Section 2. The General Manager of the District is hereby authorized to execute Field Work Order/Change Order No. 3. A copy of the Field Work Order/Change Order shall be on file in the offices of the District.

DATED this 6th day of December 2021.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE ISSUANCE OF A GUARANTEED MAXIMUM PRICE (GMP) AMENDMENT NO. 1 TO OLSSON INDUSTRIAL ELECTRIC, INC. OF SPRINGFIELD, OREGON FOR THE ROCK ISLAND POWERHOUSE #2 - GENERATOR LEAD REPLACEMENT PROJECT UNIT U-2 (CONTRACT NO. 20-18)

FACTUAL BACKGROUND AND REASONS FOR ACTION

On May 11, 2020, by Resolution No. 20-14452, the Commission of the District authorized the General Manager to invite sealed proposals to provide Design-Build services to the District in support of the replacement of the generator main leads on all eight (8) units in Rock Island Powerhouse #2. This project includes the replacement of the cable bus, supports and terminations for each unit. The work will be scheduled with existing unit outages and will begin in 2021 and is planned to be completed between 2024 and 2029.

On April 19, 2021, by Resolution No. 21-14556, the Commission of the District authorized the General Manager to enter into a Design-Build Agreement (Contract No. 20-18) with Olsson Industrial Electric, Inc. In addition to the general terms and conditions, the Contract authorized \$314,355.00 for preconstruction services.

As part of the preconstruction services, the District and Olsson Industrial Electric, Inc. have determined it is in the best interest of the Project to perform the Generator Lead Replacement on the first unit, U-2.

District's staff recommends execution of the GMP Amendment No. 1 with Olsson Industrial Electric, Inc. in the amount of \$777,756.79 for the construction of Rock Island Powerhouse # 2 - Generator Lead Replacement Unit U-2. The revised overall contract amount after execution of the GMP Amendment No. 1 is \$1,092,111.79 excluding sales tax. The General Manager of the District concurs with District staff's recommendation.

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 enter into a Guaranteed Maximum Price Amendment No. 1 with Olsson Electric, Inc. in the amount

of \$777,056.79 for a total revised not to exceed amount of \$1,092,111.79, excluding sales tax. A copy of the contract will be on file in the offices of the District.

DATED this 6th day of December 2021.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

RESOLUTION NO. _____

A RESOLUTION APPROVING AN OPEN ACCESS
TRANSMISSION TARIFF AND AUTHORIZING THE
GENERAL MANAGER TO NEGOTIATE AND ENTER INTO
TRANSMISSION SERVICE AGREEMENTS

FACTUAL BACKGROUND AND REASONS FOR ACTION

The District has undertaken a years-long effort to develop a suite of formal policies and practices governing the provision of all aspects of transmission service, including interconnection service. Recently, the District has received multiple inquiries about interconnecting to its transmission system, including formal requests that have proceeded to interconnection studies. District staff anticipates the District may soon receive inquiries about transmission service as well.

The Chelan County Public Utility District Open Access Transmission Tariff (OATT) contains the terms and conditions for reviewing transmission service and interconnection service applications, studying service requests, and awarding and providing service. The OATT contains template service agreements for the various types of available service. These service agreements incorporate the rights and obligations set forth in the OATT, as well as the applicable transmission rates. The OATT is based on the pro forma open access transmission tariff issued by the Federal Energy Regulatory Commission.

The Board of Commissioners approved rates for transmission service and ancillary services in Resolution No. 20-14469. The Board of Commissioners approved the Large Generator Interconnection Agreement template and the Large Load Interconnection Agreement template in Resolution No. 21-14585. These rates and template agreements are incorporated in the OATT for use with applicable transmission and interconnection customers.

District staff recommends that the District adopt the OATT for use with potential customers, and that the Board of Commissioners authorizes the General Manager to execute transmission service agreements that are substantially similar in form and substance to those included in the OATT. 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. The Chelan County Public Utility District Open Access Transmission Tariff (OATT) is hereby adopted and authorized for use for all aspects of providing transmission service on the District's transmission system that are covered by the OATT, effective January 3, 2022.

Section 2. Transmission rates will continue to be updated as provided for in Resolution No. 20-14469. The OATT will incorporate and apply the most recently approved rates for transmission service and ancillary services.

Section 3. The General Manager or his designee is authorized to execute agreements that are substantially similar in form and substance to the template service agreements in the OATT, with copies of the agreements to be on file in the offices of the District.

Section 4. The General Manager or his designee is authorized to take such further steps as may be required to complete the District’s obligations and implement the OATT and executed agreements, including the adoption of business practices and policies.

Section 5. The General Manager or his designee shall provide on a regular basis (no less than semi-annually) reports to the Board of Commissioners on implementation of the OATT and any major developments by the Federal Energy Regulatory Commission related to transmission service.

DATED this 6th day of December 2021.

President

ATTEST:

Vice President

Secretary

Assistant Secretary

Commissioner

S E A L