
From: Sokolowski, Rosana

Sent: Wednesday, May 09, 2018 2:09 PM

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Subject: Lake Chelan No. 637: Funding Provisions Annual Statement per Settlement Agreement Section 19.4 as of May 9, 2018

PUBLIC UTILITY DISTRICT NO. 1 of CHELAN COUNTY
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To: Kari Grover Wier, U.S. Forest Service
Karen Taylor-Goodrich, National Park Service
James Brown, Washington Department of Fish and Wildlife

From: Rosana Sokolowski
Licensing & Compliance Coordinator
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Re: Lake Chelan Project No. 637 -
Funding Provisions Annual Statement as of May 9, 2018

Section 19.4 of the Lake Chelan Settlement Agreement requires Chelan PUD, on an annual basis, to make available a statement indicating the status of all funding provided by Chelan PUD under the Proposed License articles, including the amount of funding provided and the amount of funding remaining available. The attached table provides a summary of funds available, stated in net present value, where applicable. The amounts have been adjusted to 2018 dollars using the CPI adjustment as of January 31, 2018 as outlined in Section 19.1 of the Settlement Agreement. The CPI adjustment for 2017 was 2.13%.

The measures that receive annual funding were calculated as follows: The unspent balance of annual payments to date was adjusted based on the CPI. The future year payments were adjusted based on

the CPI and then calculated as one NPV value (based on a 2.5% interest rate and 7% discount rate) and added to the adjusted unspent balance to calculate the total remaining value of the measure.

Section 19.3 of the Settlement Agreement requires Chelan PUD to enter into payment agreements with the agencies prior to allocation of funds. Chelan PUD coordinated with the WDFW, NPS and USFS to obtain a 2018 annual work plan, including estimated funding amounts, as prescribed under Section 19.3 of the Settlement Agreement and in the payment agreements.

Please note that the USFS Erosion measures are not "make funds available measures," but are included per the U.S. Forest Service's request.

This table along with the associated worksheets will be posted on your agency's secured website. If you have any questions or require additional information, please let me know.

Thank you.

LAKE CHELAN PROJECT NO. 637
FUNDING PROVISIONS – YEAR 2017 SPENT – YEAR 2018 ACTIVITIES – YEAR 2019 PROPOSED ACTIVITIES
Calendar Year Beginning 2018
As of May 9, 2018

AGMT ARTICLE	DESCRIPTION	2017 SPENT	2018 PROPOSED ACTIVITIES	ESTIMATED COSTS 2018	2019 PROPOSED ACTIVITIES	ESTIMATED COSTS 2019	BALANCE AVAILABLE AS OF JANUARY 31, 2018 ¹
LC01 One Time	USFS Erosion Plan	\$78,494.67	Task 8: Sites 5, 8, 10-12, 32 (Plan) (14-024) .. Task 9: Sites 8a, 8b	\$335,000.00 \$0.00	Task 10: Sites 10 and 10b	\$198,222.00	Balance Available: \$1,791,564.57
LC01a3 One Time	USFS Erosion Maintenance and Monitoring	\$0.00	Task 1: Sites 11,24-27,54,55,58,59 (4,13,34,40,53) (14-024)	\$5,000.00	No activity planned	\$0.00	Balance Available: \$402,529.65
LC02a One Time	NPS Erosion Control and Monitoring	\$165.44	Task 1, Item 4: LWD crew..... Task 9: Site 110	\$10,000.00 \$1,350.00	Task 1, Item 4: LWD crew..... Task 5: Site 81.....	\$4,308.48 \$40,062.88	Balance Available: \$396,121.52
LC03	WDFW LWD (Fishery Plan)	\$0.00	No activity planned	\$0.00	No activity planned	\$0.00	Balance Available: \$81,742.43 2018 Contribution: \$6,811.87 Total with NPV: \$126,874.90
LC04a One Time (Combo)	NPS Stehekin Dust Abatement (SAIMP)	\$100.00	Task 1: Abatement	\$2,000.00	No activity planned	\$0.00	Balance Available: \$177,961.68
LC05a One Time	USFS Survey Monuments	---	COMPLETED	---	COMPLETED	---	---
LC06a One Time	Food Web Model (Fishery Plan)	---	COMPLETED	---	COMPLETED	---	---
LC06b1	WDFW/NPS/USFS Fish & Monitoring (Fishery Plan)	\$32,461.01	Task 5: Trib Abund (WDFW)..... Task 6: Mainstem Surveys (NPS)..... Task 9: Kokanee Creel Surveys (WDFW)..... Task 10: Kokanee Spawning (NPS)..... Task 11: Kokanee Spawning (WDFW)	\$2,950.00 \$4,000.00 \$1,670.00 --- \$2,000.00	Task 2: Comprehensive Creel Surveys	\$4,151.16	Balance Available: \$76,154.80 2018 Contribution: \$27,247.48 Total with NPV: \$575,519.63
LC06b2	Fish M&E Match	\$30,840.62	Task 3: Spring Spawning/Snorkel (USFS)..... Task 5: Trib Abund (WDFW)..... Task 6: Mainstem Surveys (NPS)..... Task 7: Stehekin Side Channel Spawn (NPS). Task 8: Kokanee Fin Clipping (WDFW)	\$0.00 \$12,300.00 --- --- \$6,200.00	Task 2: Comprehensive Creel Surveys	\$12,851.23	Balance Available: \$34,923.16 2018 Contribution: \$27,247.48 Total with NPV: \$534,287.99
LC06d	Fish Stocking	\$35,063.17	Task 1: Fish Stocking.....	\$34,764.07	Task 1: Fish Stocking.....	\$34,648.04	Balance Available: \$34,764.07 2018 Contribution: \$34,764.07 Total with NPV: \$669,759.20
LC09a1 One Time	WDFW Conserv Easement Fund (Wildlife Plan)	\$0.00	Task 1:.....	\$0.00	Task 1:.....	\$0.00	Balance Available: \$299,722.23

¹ For all measures: Balance Available – All contributions, including current year, minus net amount of expenditures.
For measures with annual contributions: 2018 Contribution – 2018 contribution amount adjusted for CPI (2.13%).
For measures with annual contributions: Total with NPV – Total of current balance and remaining net present value of future contributions calculated at an assumed 7% discount rate and 2.5% inflation.

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LC09a2 One Time	Cascadia Conserv Easement Fees (WDFW – Wildlife Plan)	\$20,435.76	Task 1:.....	\$1,374.75	No activity planned	\$0.00	Balance Available: \$4,262.38
LC09a3 One Time	WDFW Habitat Fund (Wildlife Plan)	\$0.00	Task 1: Land Restoration	\$0.00	Task 1: Land Restoration	\$0.00	Balance Available: \$43,595.96
LC09b1	USFS Upland Habitat (Wildlife Plan) (10-017)	\$35,379.32	Task 1: Plant/Seed Propagation (10-017) Task 6: North 25 Restoration	\$7,500.00 \$46,000.00	No activity planned	\$0.00	Balance Available: \$78,585.41 2018 Contribution: \$27,247.48 Total with NPV: \$577,950.24
LC09b2	USFS Noxious Weeds (Y1-3) (Wildlife Plan)	---	COMPLETED	---	COMPLETED	---	---
LC09c1 (Combo)	NPS Stehekin Habitat (made part of SAIMP)	\$27,657.94	Task 1, Item 1: Collect Plants	\$3,000.00	Task 1, Item 4: Contain Reed Canary Grass ...	\$8,296.56	Balance Available: \$38,714.25
			Task 1, Item 2: Propogate Plants.....	\$6,350.00	Task 1, Item 6: Crew Lead	\$17,000.00	2018 Contribution: \$13,623.74
			Task 1, Item 5: Plant Nursery Stock	\$3,100.00	Task 3: LWD Monitoring.....	\$11,206.67	Total with NPV: \$288,396.66
			Task 1, Item 6: Crew Lead.....	\$7,950.00			
			Task 2, Item 3: Osprey/Eagle Surveys	\$3,500.00			
LC09c2A One Time	USFS Riparian Habitat (Wildlife Plan)	\$0.00	No activity planned	\$0.00	No activity planned	\$0.00	Balance Available: \$59,604.52
LC09c2B One Time (Combo)	NPS Lake Chelan Basin Riparian Habitat (made part of SAIMP)	\$0.00	No activity planned	\$0.00	Task 1: Riparian Habitat	\$1,440.00	Balance Available: \$68,118.69
LC09c2C One Time	WDFW Riparian Habitat (Wildlife Plan)	\$0.00	No activity planned	\$0.00	Task 1: Riparian habitat	\$0.00	Balance Available: \$47,683.08
LC11a1 One Time	USFS Docks (10-022)	\$8,857.19	No activity planned	\$0.00	No activity planned	\$0.00	Balance Available: \$843,450.20
LC11a2	USFS Annual Docks (10-022)	\$31,572.51	Task 5: Minor Dock Maintenance.....	\$60,000.00	No activity planned	\$0.00	Balance Available: \$356,941.53 2018 Contribution: \$53,132.58 Total with NPV: \$1,330,702.95
LC11b1 One Time	USFS Dock In-Kind Engineering (10-022)	\$0.00	No activity planned	\$0.00	No activity planned	\$0.00	Balance Available: \$119,189.59
LC11c1 One Time	USFS Recreation Enhancement (Y1-30) (10-022)	\$22,915.05	NEW: Task 11: Box Canyon Trail.....	\$20,000.00	No activity planned	\$0.00	Balance Available: \$1,050,768.62
LC11c2	USFS Annual Rec Enh	\$5,957.43	Task 1: O&M	\$10,000.00	Task 1: O&M (true-up)	\$9,345.81	Balance Available: \$31,471.27 2018 Contribution: \$8,174.24 Total with NPV: \$181,280.72

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LC11d One Time	USFS Rec Enhancements (Y31-50)	\$0.00	No activity planned	\$0.00	No activity planned	\$0.00	Balance Available: \$463,207.09
LC11e1a One Time	NPS Docks	\$32,073.94	Task 2: Flick Creek, Manly Wham	\$5,000.00	No activity planned	\$0.00	Balance Available: \$167,638.65
LC11e1b One Time	NPS Rec Enhancement	\$3,134.51	Task 3: Admin Fees	\$2,393.60	Task 3: Admin Fees	\$2,393.60	Balance Available: \$185,174.83
			Task 5: Cabana, Swimming & Launch	\$1,350.00			
LC11e1c One Time	NPS Rec Stabilization	\$15,026.32	Task 4: Site 82 – Flick Creek.....	\$61,738.47	Task 4: Site 82 – Flick Creek.....	\$30,868.00	Balance Available: \$598,123.82
			Task 7: Site 72 - Stehekin Valley Road	\$20,000.00	Task 5: Site 76 – Lakeshore Trail	\$40,062.88	
					Task 9: Site 113 – Lakeshore Trail	\$86,289.28	
LC11f One Time	NPS Rec Enhancements (Y31-50)	\$0.00	No activity planned	\$0.00	No activity planned	\$0.00	Balance Available: \$177,108.59
LC12f One Time	Contingency Funds (Y25, Y30)	\$0.00	No activity planned	\$0.00	No activity planned	\$0.00	Balance Available: \$1,771,085.93
LC14	Upper Columbia Spring-Run Chinook and Steelhead Conservation Measures	\$0.00	No activity planned	\$0.00	No activity planned	\$0.00	Balance Available: \$681,186.89 (One Time Lesser than NPV)
	Total 2017 Spent	\$380,134.88	Total 2018 Proposed as of May 9, 2018	\$735,585.17	Total 2019 Proposed as of May 9, 2018	\$513,018.68	
			Total 2018 Budgets less USFS Erosion Work	\$395,585.17	Total 2019 Budgets less USFS Erosion Work	\$314,796.68	