



# LONG RANGE FACILITIES PLAN PROCESS, FINDINGS AND NEXT STEPS

March 20, 2017





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## ■ What have we Learned?

### Major Findings

- The District has been substantially underfunding facilities for many years.
- The District has not previously planned for facilities using a master plan or strategic approach.
- The District has not previously adopted standards for its facilities and now lags considerably behind the industry.
- Under the current approach, the costs of managing and operating the District’s facilities is increasingly expensive and unpredictable.
- The District’s current facilities are increasingly challenged with safety concerns.
- It will take a large initial capital investment to leverage long term financial value and meet the District’s Core Goals.



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## I) Problem Definition

Defining the Basis for a Long Range Strategic Facilities Plan

## II) Conditions Assessment

Defining Reality, Standards, Goals & Objectives

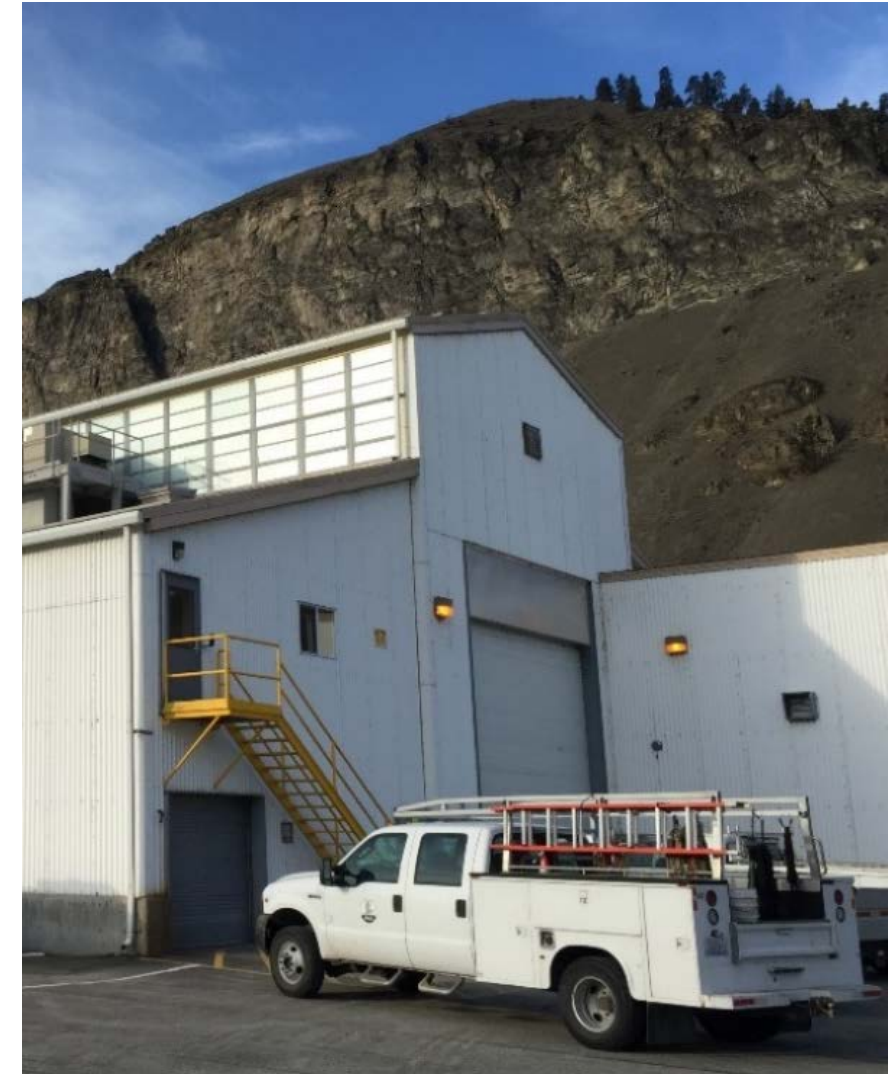
## III) Alternatives

Development and Evaluation of Alternatives

## IV) Next Steps

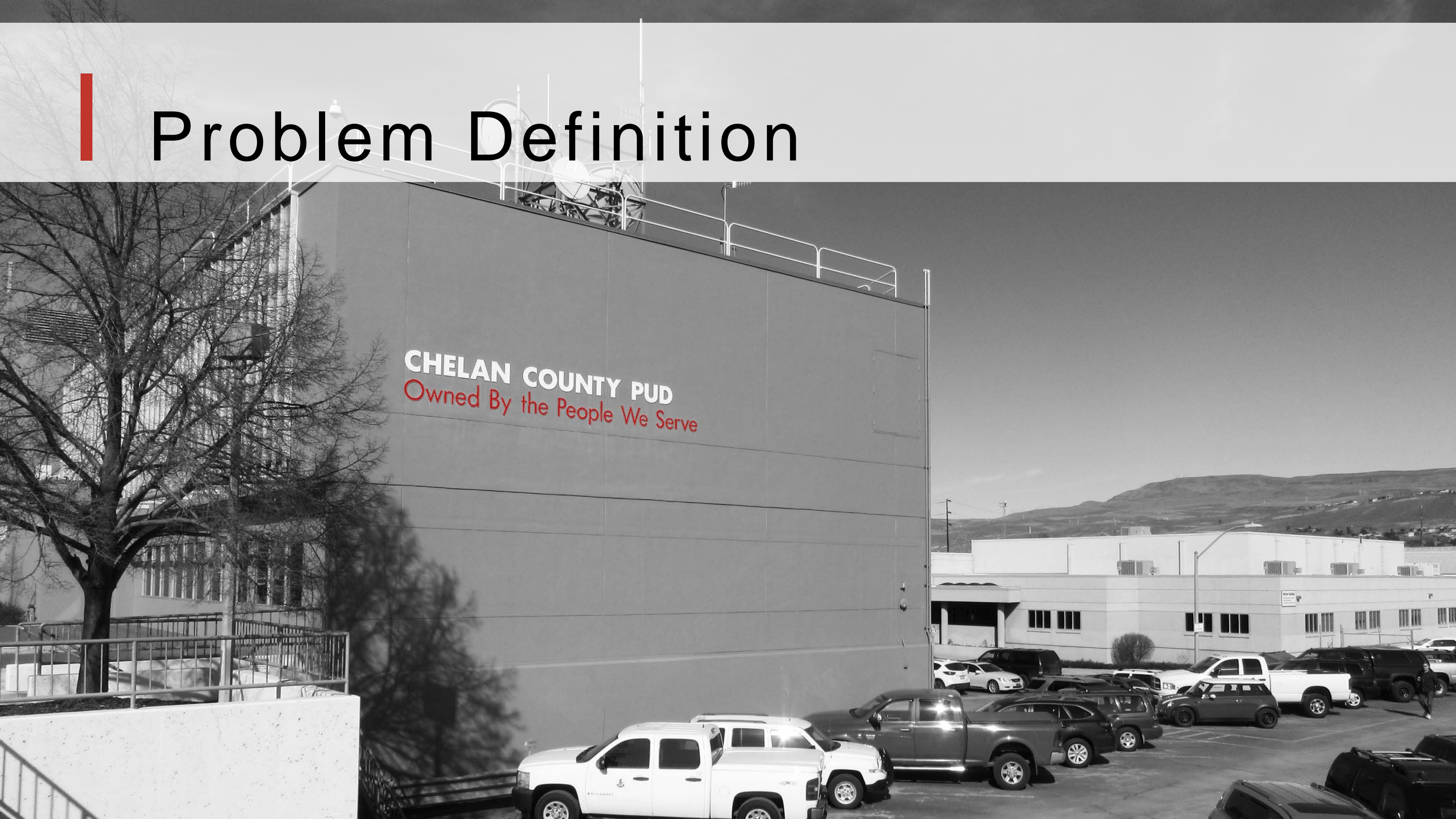
Plan Completion / Prioritization & Implementation

# Agenda



# | Problem Definition

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*“Our first priority should be reinvesting in our core, value-creating assets: the hydropower projects, distribution systems, facilities and people”*

## 2015 Strategic Plan

By involving our customer-owners, our goal is to:

- Meet business functions effectively and efficiently
- Focus on the right level of investment in quality and condition
- Create accessibility for the public when appropriate
- Locate our facilities in keeping with long-term community planning



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## District Vision

*“To be valued as an innovative, trusted, and highly respected public utility for generations to come”.*

## District Mission

*“To provide sustainable, reliable utility services that enhance the quality of life in Chelan County”*

# 2015 Strategic Plan

## District Values

### Safety

Protect public and employee health and safety

### Stewardship

Acting on behalf of customer-owners, protecting public resources entrusted to us

### Trustworthiness

Competence, Integrity, Respect

### Operational Excellence

High quality innovative work execution



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### Previous Philosophy:

A reactionary, short term approach, whereby the District builds only what is needed, when it’s needed, at the lowest first cost.

The result is a collection of facilities that strain productivity, create barriers to customer service, require ever increasing, unpredictable costs to maintain and operate, and are increasingly unsafe.

### New Philosophy & Core Goals:

A proactive, long range approach, investing in facilities that can achieve the following broad, Core Goals:

#### Productivity

Maximize efficiency potential at all operational levels.

#### Service Levels

Optimize level of service delivery and customer experience.

#### Financial Value

Produce lowest long term spending.

#### Cost Predictability

Create financial stability with predictable cost forecasting.

#### Safety

Enhance public and employee safety

## Core Goals





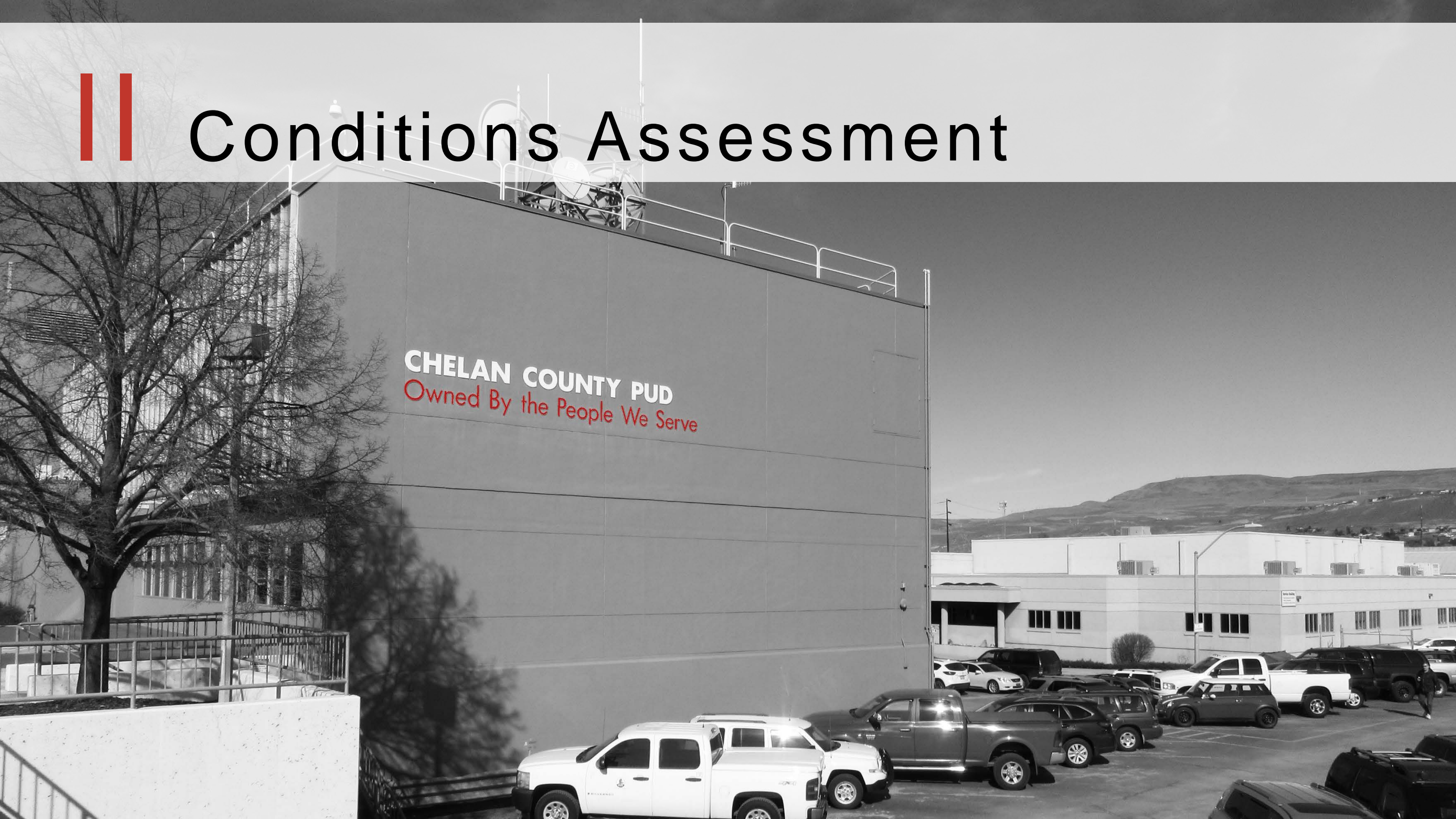
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# Project Statement

*“Adopt a Long Range Strategic Facilities Plan that will enable the District to maximize productivity, optimize service levels, provide best financial value and cost predictability, and enhance public and employee safety for the next 50 years”*



# || Conditions Assessment



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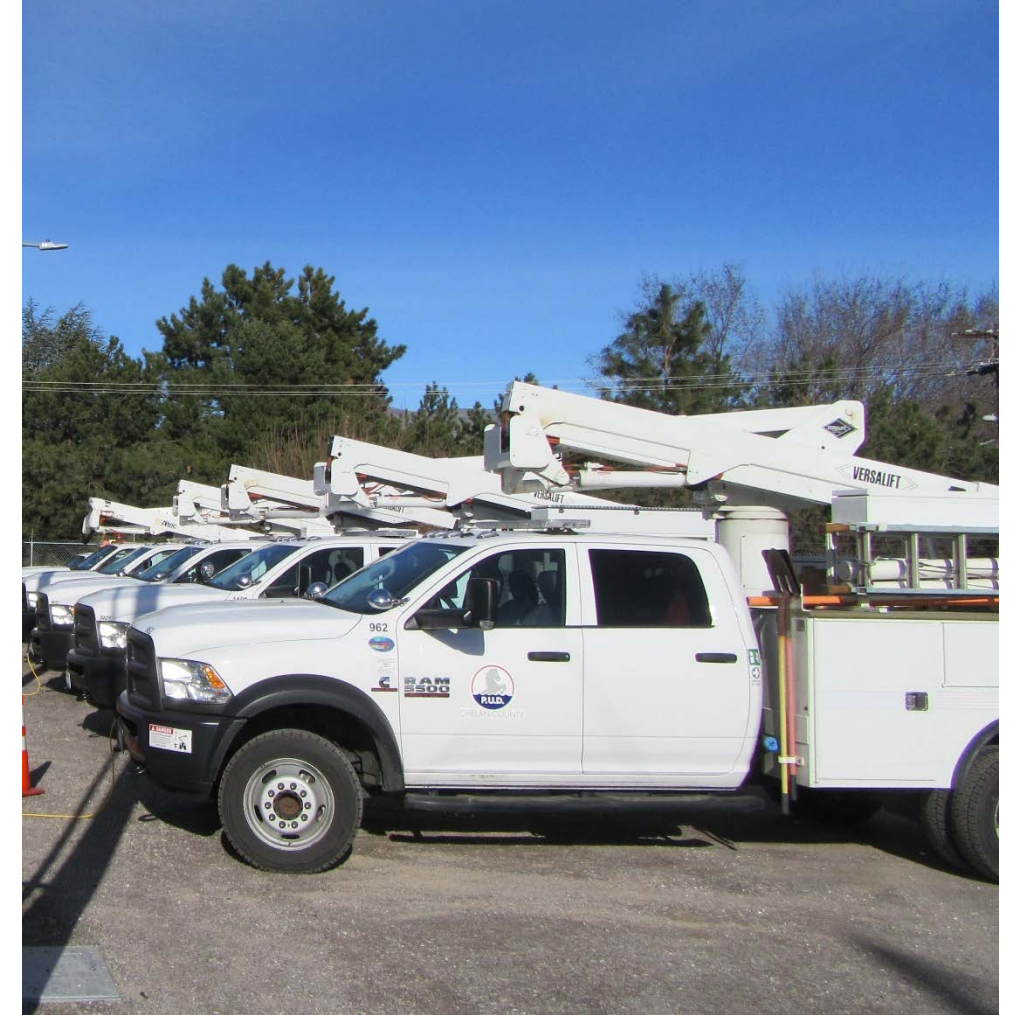
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## 50 Years of District Growth

Since 1967, the District has:

- Expanded workforce from 285 to 800 personnel (250 personnel are located at the hydro sites).
- Expanded customer base from 16,700 to 49,700 retail customers.
- Expanded fleet assets from approximately 200 to 894.
- Expanded retail power load from 426,000 MWh to 1.54 Million MWh
- Built Rock Island Powerhouse 2
- Added fiber optics system
- Added water systems
- Added waste water systems
- Re-Licensed RR and Chelan Dams
- Built entire park system (15 parks / 700 acres)

# Defining Reality





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# Defining Reality

## Downtown Facilities

### Downtown Campus

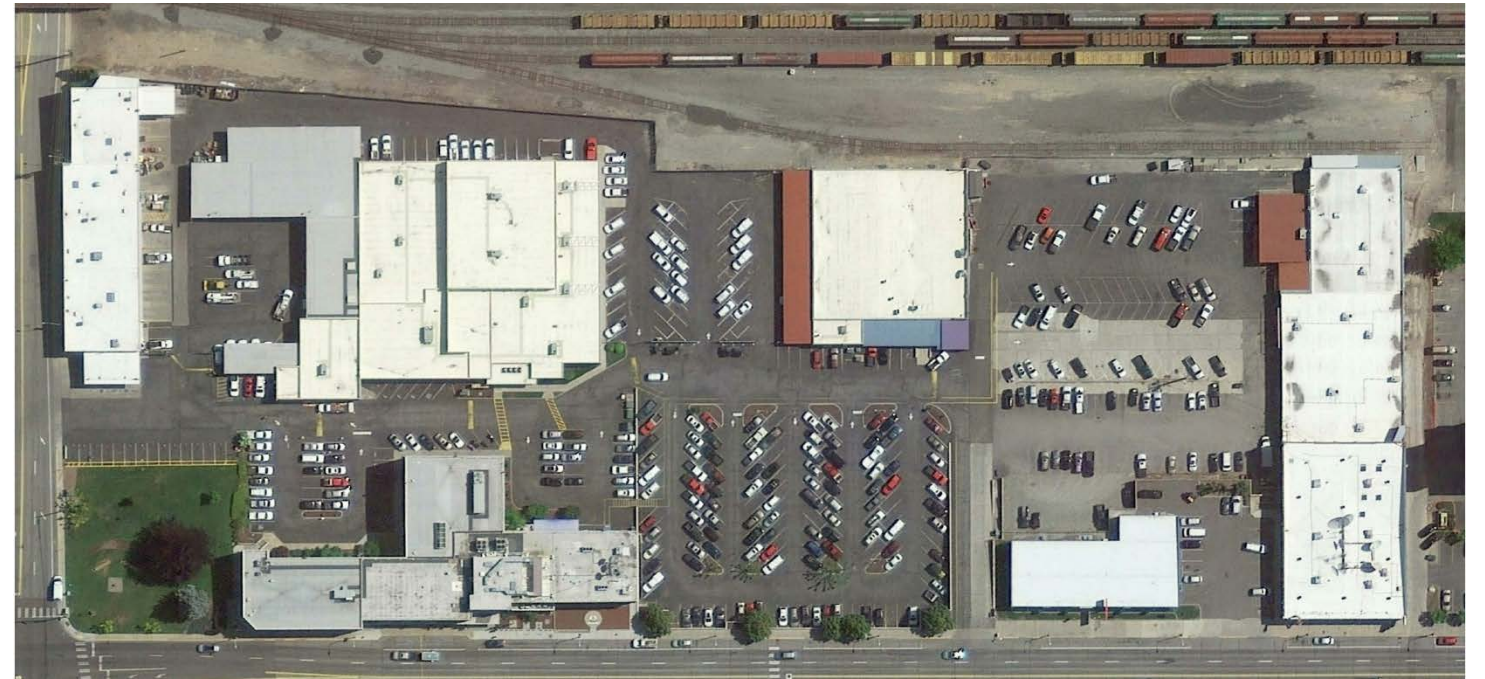
- 8 Acres
- 5 buildings (Two with multiple wings)
- 169,640 SF
- Bldg. Age Range: 1920's, 1970's, 1990's

### Hawley Street Operations

- 13 acres
- 13 Buildings
- 46,342 SF
- Bldg. Age Range: 1950's, 1980's, 1990's

### CTC:

- Leased Offices
- District Owned Space: 19,285 SF





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# Defining Reality

## Rock Island Facilities

- Douglas: 2.5 Acres
- Chelan Hill: 19 Acres
- Chelan Side Powerhouse 2: 1.7 Acres
- 13 Buildings
- 113,000 SF
- Bldg. Age Ranges: 1950’s, 1970’s, 1980’s, 1990’s



## Rocky Reach / Central Maintenance Facilities

- 24 Acres
- 15 Buildings
- 109,892 SF
- Bldg. Age Range: 1950’s, 1970’s, 1990’s.  
(Trailers added in 2000-2001)





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## Existing Buildings

- 46 Structures totaling 442,000 SF
- 173,000 SF Office & Crew / 269,000 SF Shops & Storage
- 68+ Acres (not including Leavenworth & Chelan)
- Does not include fisheries, substations, pump stations, or parks buildings.
- Buildings date from 1920’s to 1990’s, some in early 2000’s
- Annual historic cost to maintain facilities: Over \$3 Million

## Facilities Conditions

The majority of the District’s support facilities are substantially aged, and are either:

- Physically deteriorated, near, at, or beyond useful life,
- Functionally obsolete, or deficient in workflow efficiency,
- Poorly located for efficient operations, or,
- A combination of the above.

# Defining Reality





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## Industry Expertise

The District sought out experienced industry consultants. The multi-disciplinary planning team has successfully planned, designed, and implemented numerous similar peer agency facilities.

- Architects
- Civil Engineers
- Mech & Elect Engineers
- Structural Engineers
- Industrial Planning Specialists
- Professional Cost Estimators
- Long range cost analyst

## District Participation

District personnel worked closely with the consulting team over the course of a full year (2016).

- More than 80 District personnel directly participated
- Dozens of workshops, facility tours, and presentations

# Defining Reality





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# Defining Reality

## Downtown Campus Facility Examples



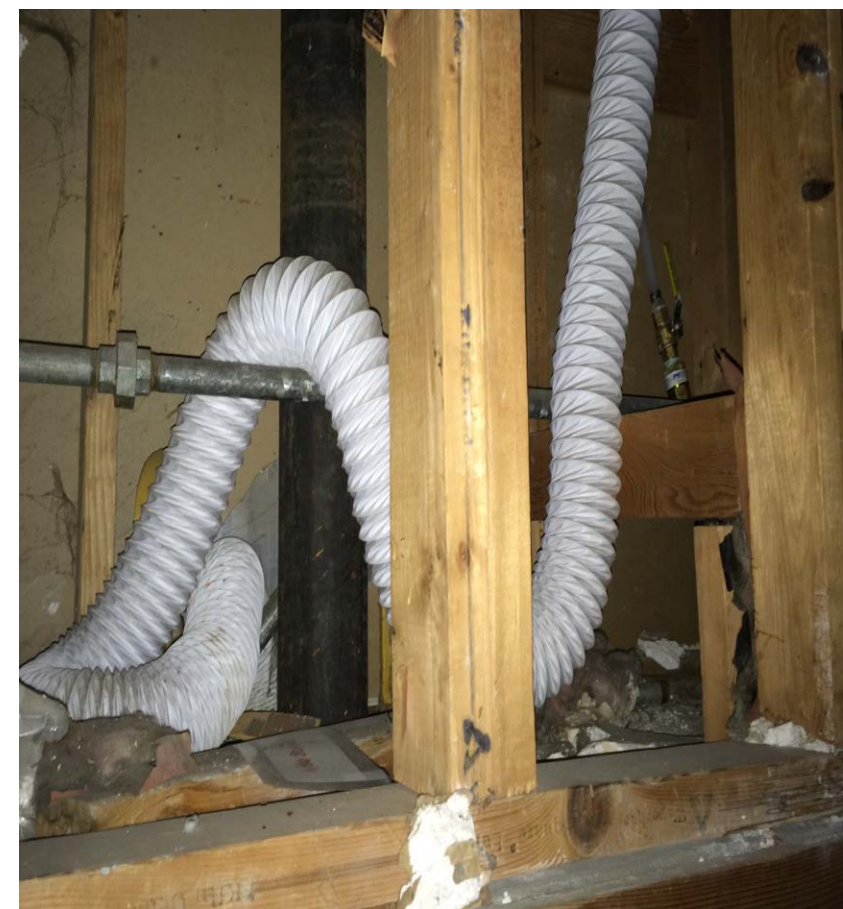
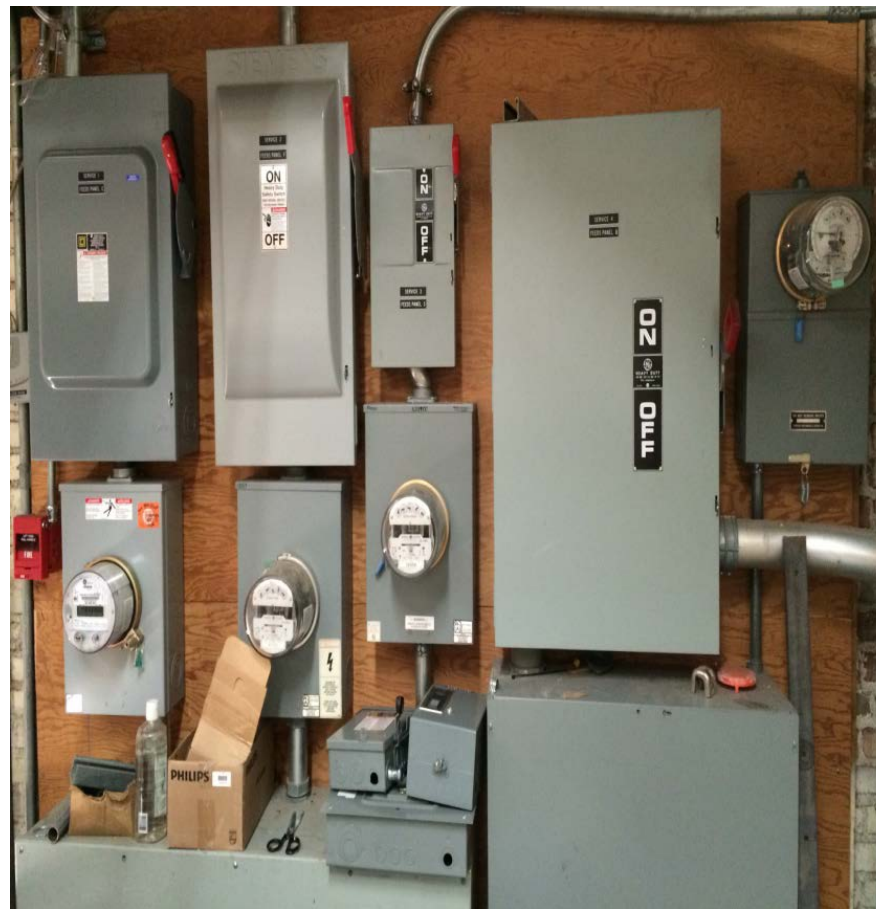
- Site configuration creates congestion, inefficiencies and unsafe conditions.
- Main building requires significant annual maintenance costs and is at capacity.
- Tech Shop is at the end of its useful life.
- Facility environments do not promote operational excellence and tend to limit a positive customer experience.



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# Defining Reality

## Downtown Campus Facility Examples



### HQ Tech Shop Building: 1920’s Apple Warehouse

This building is beyond useful life, but continues to function as office, technical systems shops, and District storage.





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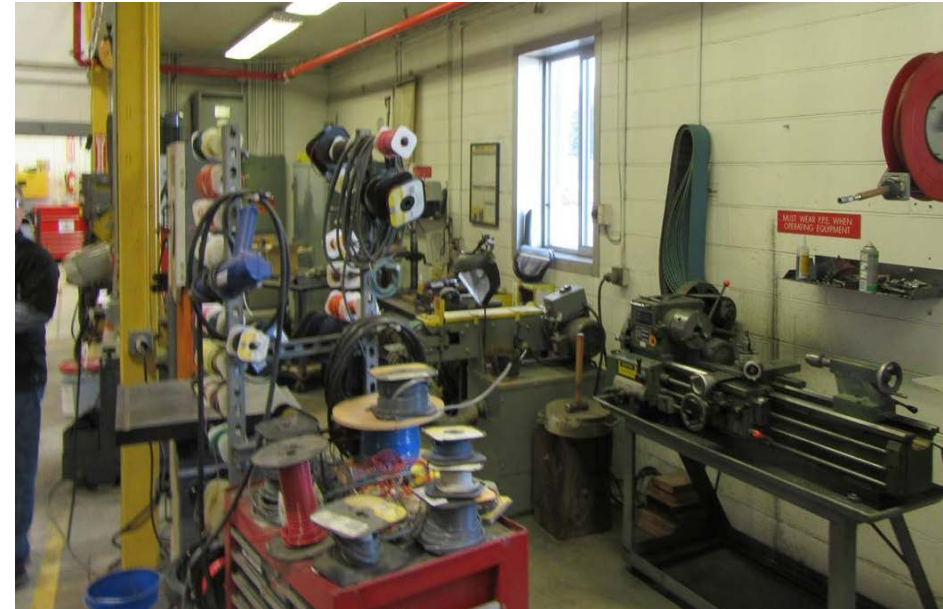
# Defining Reality

## Downtown Campus Facility Examples



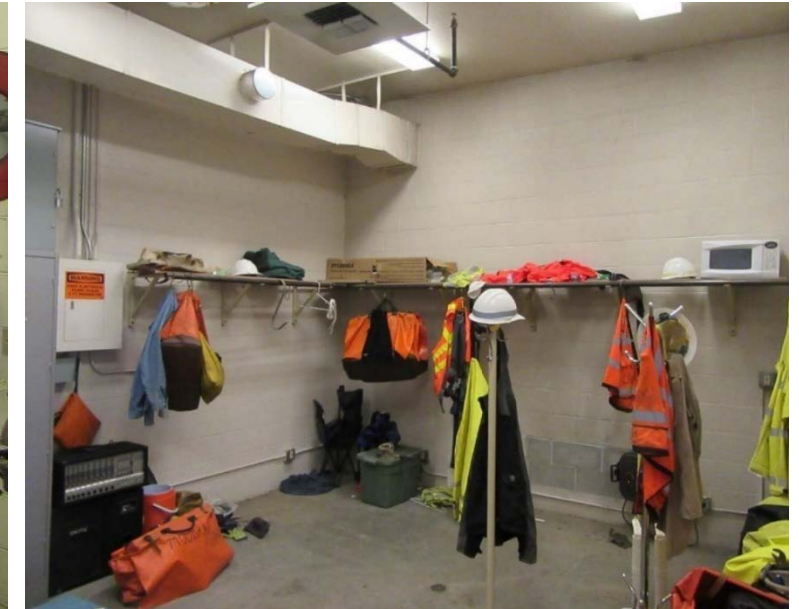
### Line Crew Dock

Not sized to accommodate the larger fleet, creating inefficiency and safety challenges every day



### Fleet Shops

Fleet Maintenance shops and bays are undersized and limited for the increased fleet quantity and vehicle sizes, creating inefficient operations and safety concerns



### Crew Facilities

Crew meeting rooms, locker rooms, drying rooms and other crew spaces are cramped. Building systems and finishes are antiquated



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# Defining Reality

## Rock Island Facility Examples



### Crew Building (Chelan Side)

A 50 year building left behind by the Powerhouse 2 contractor is cramped, has 2-1/2” exterior walls, poor HVAC systems, leaking roof, etc.



### Shop Building – (Chelan Side)

Shop space at the Dam level is crowded and inadequate, greatly limiting work efficiency.



### Storage Facilities (Chelan Side)

Multiple wood-framed quonset-style storage buildings are scattered around the site, creating a chaotic and inefficient storage situation.

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# Defining Reality

## Rock Island Facility Examples



### **Tool Room / Parts (Douglas Side)**

Lean-to construction was added to original 1970's building to gain more storage.



### **Machine Shop (Douglas Side)**

Shop height and area is frequently inadequate for fabrication tasks.



### **Haz Mat Storage (Chelan Side)**

Storage of various hazardous materials is in facilities not designed for such materials. Containment and ventilation is inadequate.



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# Defining Reality

## Rocky Reach/CM Facility Examples



### General Shop Space

Shop space is crowded and inefficient for optimum workflow and the wide range of maintenance tasks.



### Sand Blast Bay

Too small for many of the large hydro components, ventilation and media collection system is antiquated.



### Dive Shop

A converted parking garage with asphalt floor, cramped space, poor heating & ventilation, inadequate storage for dive equipment.



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# Defining Reality

## Rocky Reach/CM Facility Examples



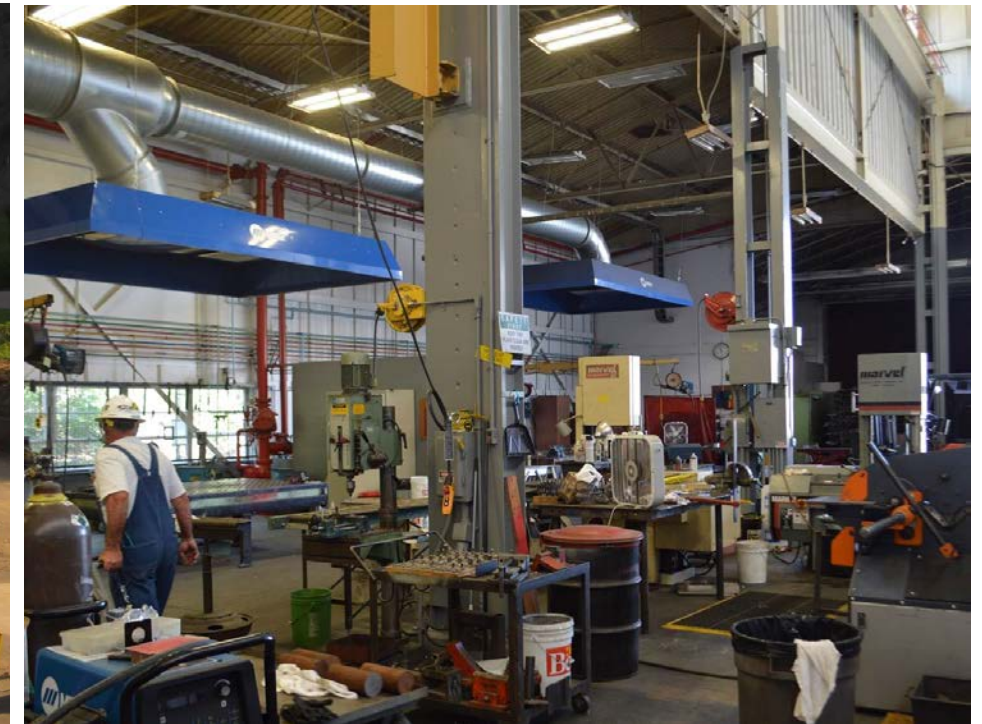
### Crew Facilities

Locker rooms, restrooms and other crew facilities are cramped and difficult to maintain.



### Modular Buildings

Office facilities are low value modular buildings at or beyond useful life, are difficult/expensive to maintain, and reduce employee morale.



### Fabrication Shops

Main CM shop is cramped, greatly decreasing efficiency and safety. HVAC, electrical, and lighting systems are outdated and expensive to maintain.



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### Building Systems

*Invest in longevity*

- Design for 50 Year Facilities
- Steel & Concrete Structural Systems
- Robust, efficient M&E systems
- Technology (Design for current, accommodate future)
- Durable Building Finishes
- Compliant, durable site systems (paving, storm, etc)

### Functionality

*Optimize Workflow*

- Design facilities to maximize productivity potential

### Facility Location

*Plan for Efficiency*

- Locate facilities to achieve highest level of service.

### Codes & Regulations

*Meet or exceed*

- All projects will be built to meet or exceed current codes and regulations with all required permits.

### Conservation

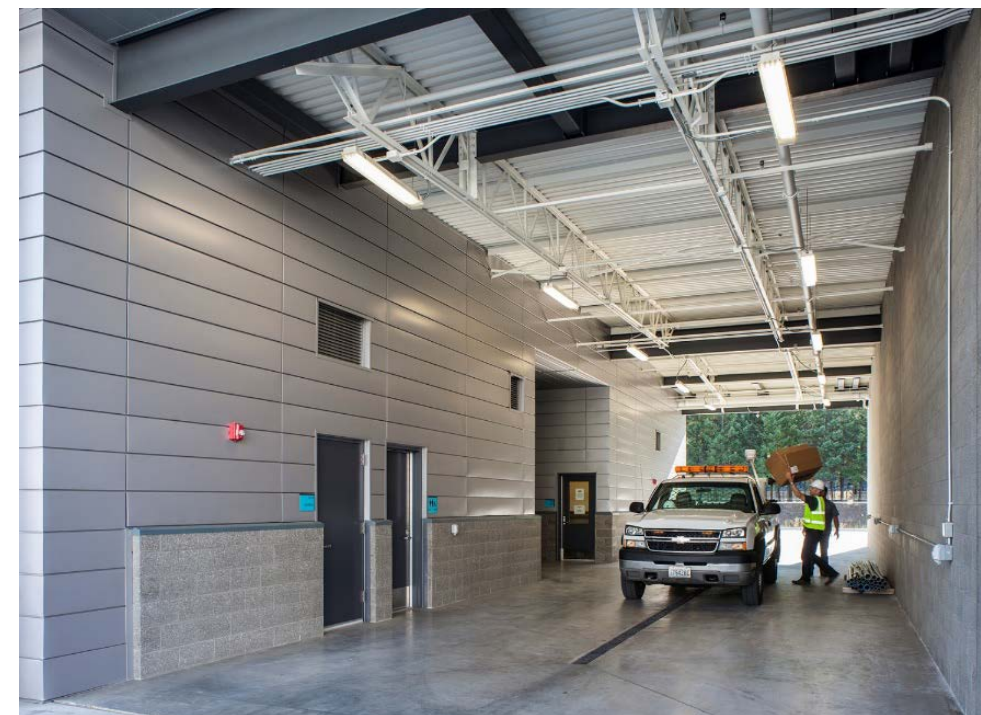
*Design for Sustainability*

- Energy Star/LEED/Green Globes
- Water conservation

# Defining Standards

## Commitment

Adopt standards for future facility implementation that will enable the District to fulfill its Vision, Mission, and Values.



Drive-through warehouse / materials loading bay at Pierce County PW



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# Defining Standards

*The District’s facilities lag considerably behind utility industry standards*



Current Standard



Current Standard



Current Standard



Higher Standard



Higher Standard



Higher Standard



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# Defining Standards



Current Standard



Current Standard



Current Standard



Higher Standard



Higher Standard



Higher Standard





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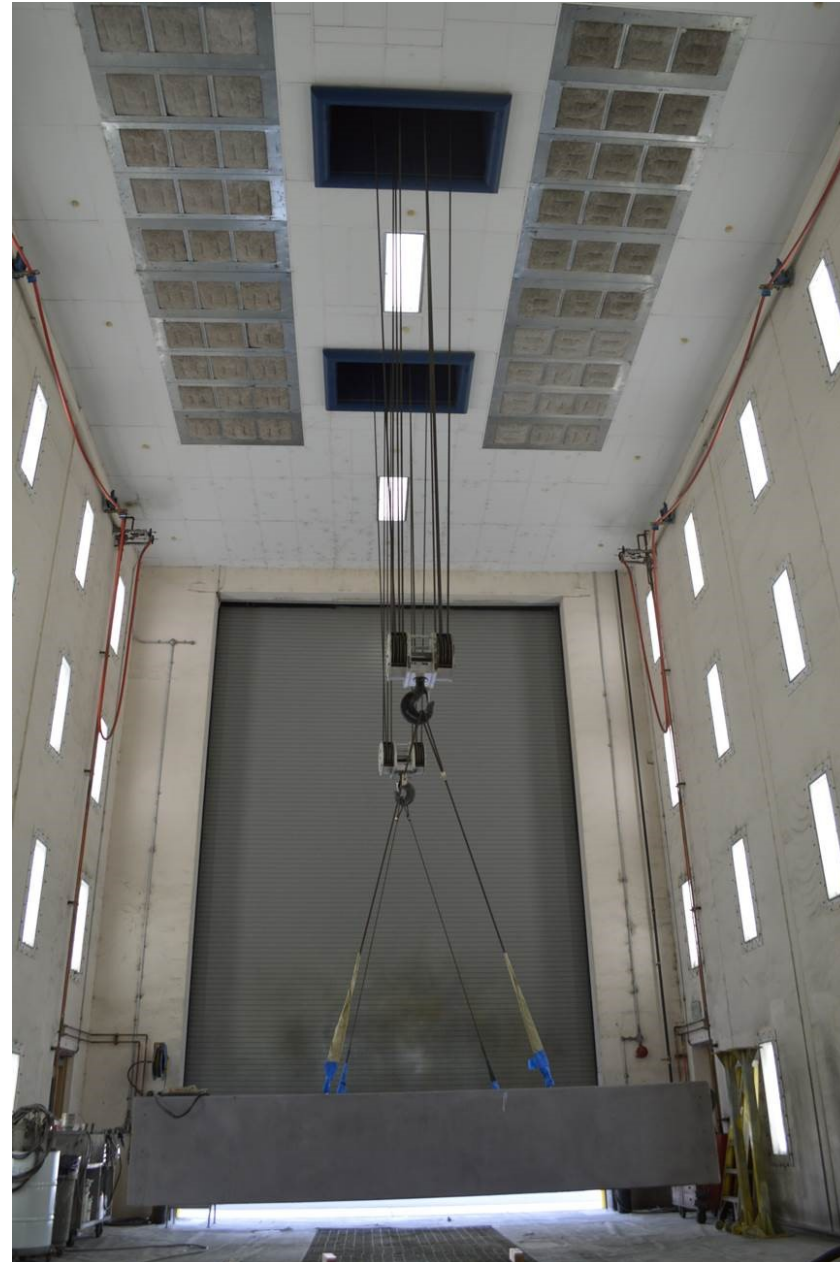
## Recently Completed Wanapum Facilities

# Defining Standards

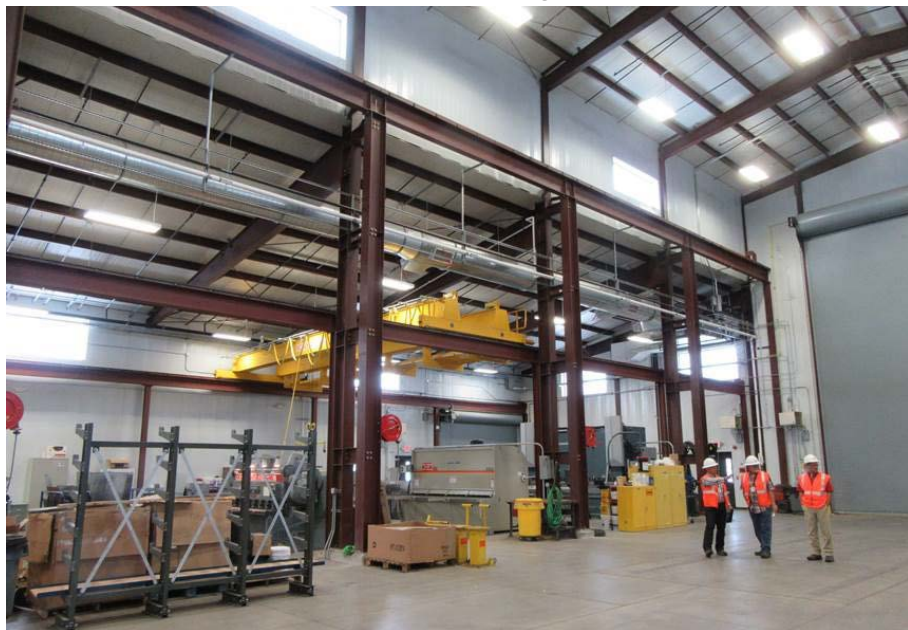
- Renovated and New CM Shops
- New Warehouse Facilities
- New Sand Blast/Paint Facilities
- New Office / Crew Facilities
- New Visitor Center



Blast/Paint Building



Paint Bay



Fabrication Shop



Warehouse



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# Mason County PUD No. 3 – New Combined Facilities



# Defining Standards





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### Productivity

- Maximize workforce efficiency potential through better planning and design.

### Service Levels

- Optimize level of service delivery and customer experience through better planning and design.

### Financial Value

- Leverage initial investment to capture lowest long term spending.

### Cost Predictability

- Create long term financial stability with predictable cost forecasting through proactive planning and implementation of standards.

### Safety

- Implement facilities meeting or exceeding all codes and regulations, enhancing safety through better planning and design.

# Defining Goals

## Core Facilities Goals

Decisions for adopting a long term facilities strategy will be based on the potential to achieve the highest performance for each of the District’s Core Goals.



# Alternatives

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### 1) Status Quo Approach

Maintain present course. This approach predicts what the District will encounter and spend over the next 50 years without a long range facilities strategy/plan. Difference from previous philosophy is that all new work will be built to new higher standards.

### 2) Rebuild/Re-invest at Current Locations

Assume a commitment to remain located at present facility sites, or portions of current facility sites.

### 3) Invest in New Facilities at New Locations

Optimize District operations by locating facilities where greatest efficiencies and highest productivity gains can be realized.

### 4) Hybrid Combination

Capture the greatest long term 50 year benefits through a combination of the above scenario approaches.

## 50 year Planning

### Scenarios / Options

Multiple facility alternatives produced multiple development Scenarios for each property.

Scenarios were reduced to selected “Options” for final consideration:

#### Downtown / HQ

- 7 Scenarios / 3 Final Options

#### Rock Island

- 3 Scenarios / 2 Final Options

#### Rocky Reach/CM

- 4 Scenarios / 2 Final Options



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## 50 Year Financial Modeling

A 50 Year approach was used to develop facilities strategies for Headquarters, Rock Island, and Rocky Reach/CM. As a result of the significant costs associated with a full 50 year build-out at Rock Island and Rocky Reach, a 25 year plan was developed which provides the District with flexibility to complete the full build-out at a later time.

## 25 Year Financial Modeling

A 25 year Facilities Plan Option at the Hydro sites best captures the District’s Core Goals. The 25 year plan:

- Builds to a 50 year standard for all new construction, remodels and site development.
- Preserves options for following 25 year build-out plan
- Produces similar outcomes for actions in following 25 years
- Analysis is different than HQ because location is not an issue

# 50 year Planning



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Chelan PUD		Chelan PUD		
Strategic Facilities Plan		Strategic Facilities Plan		
Headquarters Facilities		Headquarters Facilities - Cash Funded Capital		
General Cost Inflation				
Discount Rate				
Salary Inflation				
Scenario 0: All Existing Structures		Scenario 4: All New North PUD Facility at Olds Station Site		
		2017	2018	2019
<b>Operations &amp; Maintenance</b>				
Electricity		\$ 977,372	\$ 999,524	\$ 1,022,167
General Maintenance - Existing Facilities		86,349	86,349	86,349
General Maintenance - New Facilities		798,896	817,271	836,068
Systems Maintenance		-	-	-
Site Maintenance		-	-	-
Shop Equipment Maintenance		92,127	95,904	99,750
Temporary Facilities		-	-	-
<b>Capital Costs</b>		<b>12,917,000</b>	<b>7,000,000</b>	<b>40,000,000</b>
Facility Improvements		2,500,000	7,000,000	40,000,000
Land Acquisition		10,417,000	-	-
Land Sales - Hawley Street		-	-	-
Land Sales - Headquarters		-	-	-
Future New Structure		-	-	-
Building Sales		-	-	-
<b>Annual Labor</b>		<b>30,255,000</b>	<b>31,425,300</b>	<b>32,638,589</b>
Annual Salary		30,000,000	30,900,000	31,827,000
Cumulative FTE Salary Growth		255,000	525,300	811,589
<b>Productivity Baseline</b>				
Labor Productivity		-	-	-
Travel Savings		-	-	-
<b>Total Facility Related Costs</b>		<b>\$ 13,894,372</b>	<b>\$ 7,999,524</b>	<b>\$ 41,022,167</b>
<b>Net Present Value Costs</b>		<b>\$137,845,825</b>		
<b>Cumulative Savings</b>		<b>(977,372)</b>	<b>(1,976,896)</b>	<b>(2,999,063)</b>
		(4,460,244)	(14,644,318)	(20,554,608)
		(2,881,320)	(5,860,095)	(8,939,814)

# Analysis

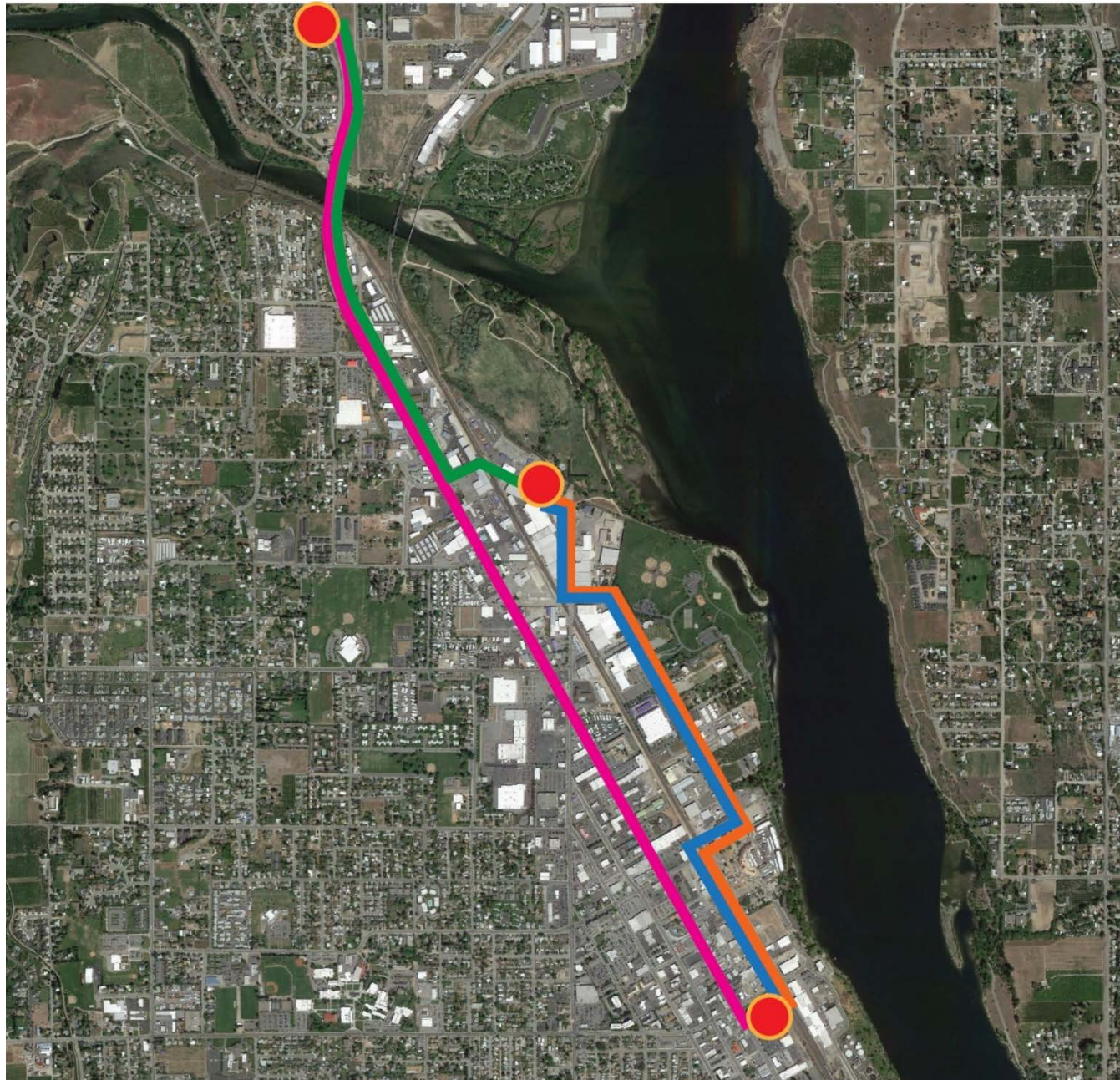
## Quantitative Categories

Economic modeling for all Scenarios includes:

- First Cost Investment
- Operations & Maintenance
- Systems Replacements
- Leasing
- Escalation / Inflation
- Productivity gains (labor savings)
- Travel cost savings



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- Distance 1
- Distance 2
- Distance 3
- Distance 4

# Analysis

## Travel Analysis

Over 70% of service trips are north of Wenatchee. Annual savings for locating Operations in the Olds Stations area are estimated at over \$750,000 per year.

## Line Crews / Fiber Crews

- Multiple trips between downtown property, Hawley Street, and Circle Street pole yard

## Fleet Maintenance

- Multiple daily trips between HQ and Hawley Street properties

## Administrative Staff

- Multiple daily trips between HQ, Hawley Street, and CTC building.





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## Rock Island Annual Productivity Savings Estimates

Wiremen	Mechanics	Admin	Engineers	Warehouse & Tools	Utilities & Maint.	Total Savings (per year average)
20	37	24	15	2	10	FTES
4%	4%	3%	3%	9%	3%	4%
\$76,328	\$132,854	\$88,298	\$49,340	\$13,476	\$31,606	\$391,902

### Savings Legend: Productivity Values in Cost Modeling

- 1% = 5 minutes
- 2% = 10 minutes
- 3% = 15 minutes
- 4% = 20 minutes
- 5% = 25 minutes
- 6% = 30 minutes
- 9% = 45 minutes

- Dollar values for productivity gains are used in the long range economic modeling to offset hiring.
- Rate of labor growth is reduced until productivity savings are consumed by on-going systems growth.

# Analysis

## Productivity

### Downtown / HQ

- Productivity estimates indicate 3.9% annually for consolidated HQ facilities, less for split facilities.

### Rock Island

- Productivity estimates indicate a blended 4% annual labor savings.

### Rocky Reach / CM

- Productivity estimates indicate a modest 1% productivity gain at RR/CM.



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# Evaluation

## Qualitative Criteria Evaluation

Each Scenario was evaluated for its response to the following qualitative criteria:

- Operational Excellence
- Safety & Security
- Implementation
- Flexibility
- Environmental Stewardship
- Public Image (Trustworthiness)
- Work Force Culture
- Community Benefits

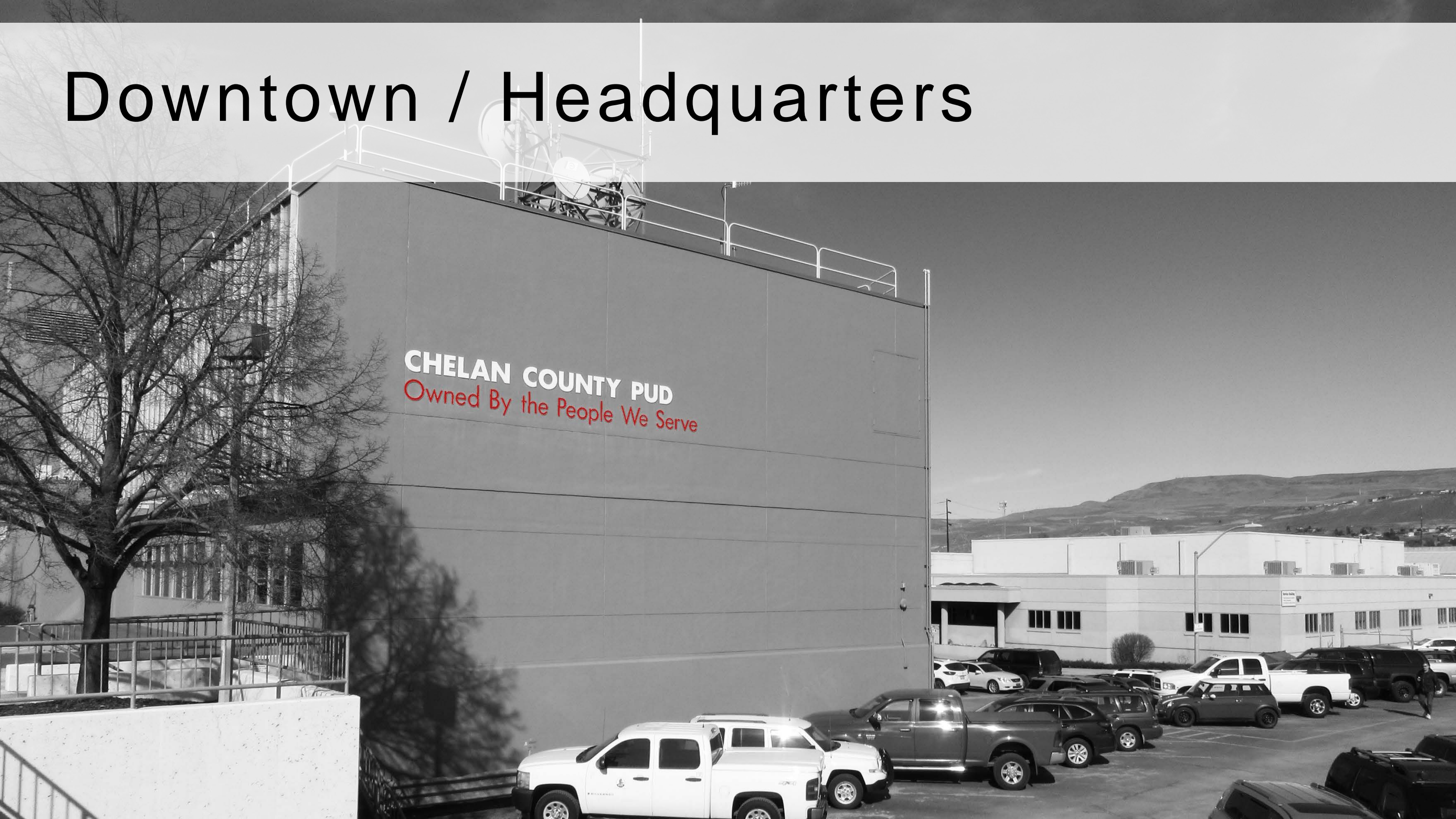
## Goals & Objectives Evaluation

Each Scenario was evaluated for its potential to achieve the District’s Core Goals:

- Productivity
- Service Levels
- Financial Value
- Cost Predictability
- Safety

# Downtown / Headquarters

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# Downtown Campus – Existing (8 Acres)

## Downtown HQ Facilities





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# Downtown HQ Facilities

## Hawley Street –Existing (13 Acres)



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# HQ Conclusions

## HQ / Downtown Facilities Option Finalists

Of the seven scenarios developed, analyzed, and evaluated, three (3) Options below are compared as finalists. Note: “Status Quo” assumes no master plan, but new work built to new standards.

Option Finalists	Financial Summary and District Goals for Long Term Strategic Facilities Plan							
	50 year Present Value (*)	Initial Capital (5-6 years)	10 Year Total Spending	Maximize Productivity	Optimize Service Levels	Increase Cost Predictability	Enhance Safety	Qualitative Evaluation
<b>Option 1</b> Status Quo Facilities	\$116,307,100	\$67.5 Million	\$92.3 Million	Poor	Poor	Fair	Fair	Poor
<b>Option 2</b> Split Facilities	\$112,038,527	\$101 Million	\$109,282,826	Good	Good	Good	Good	Fair
<b>Option 3</b> Consolidated Facilities	<b>\$107,385,925</b>	\$114 Million	\$116 Million	<b>Best</b>	<b>Best</b>	<b>Best</b>	<b>Best</b>	<b>Best</b>

Notes: (\*)

- NPV calculations present the full 50 year financial projections (total spending less savings) expressed in 2016 dollars

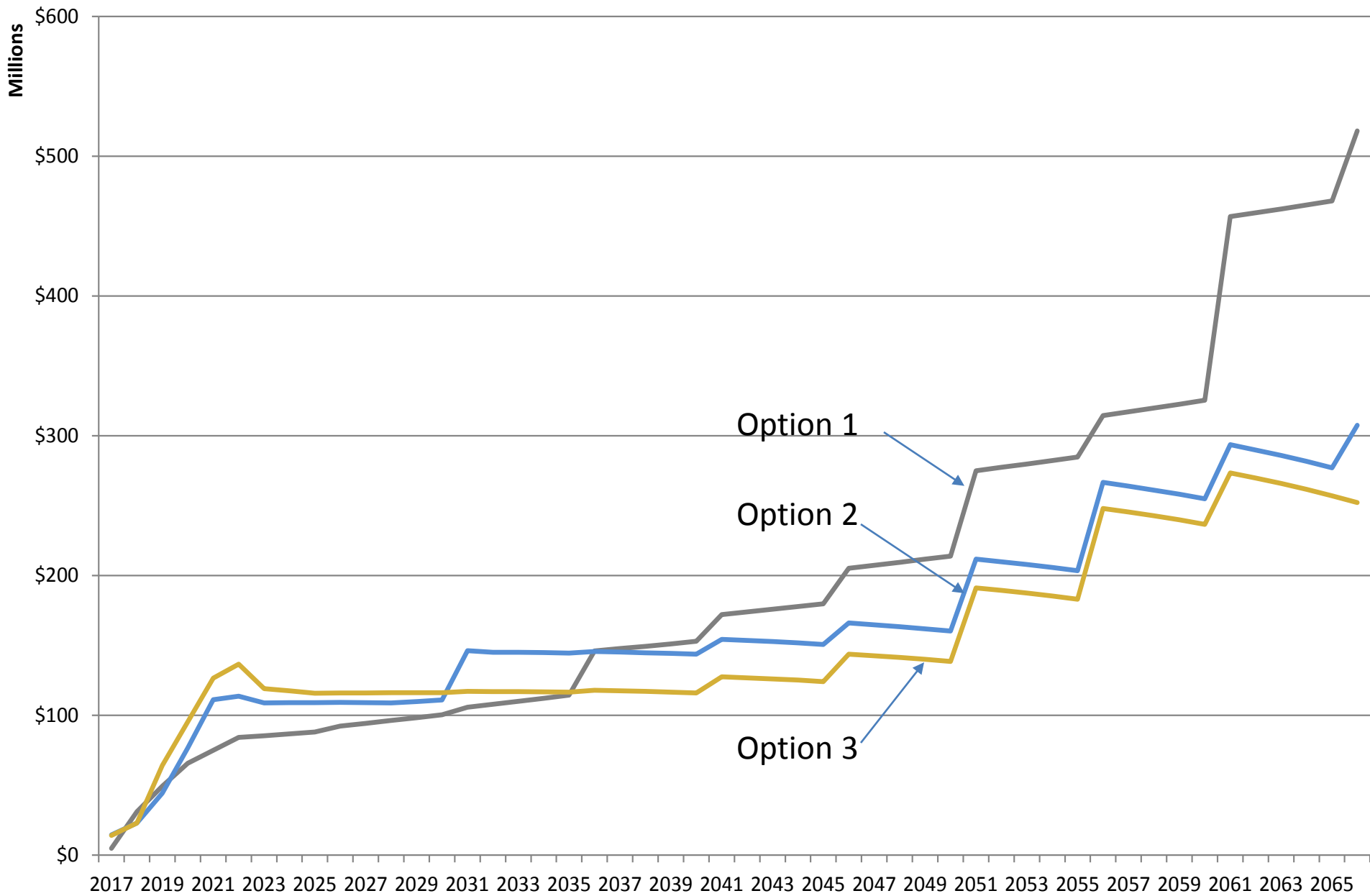


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# Cumulative Cash Flow

(Capital Investment, M&O, Salary/Productivity)

## HQ 50 Year Financial Analysis



# Rock Island







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# Rock Island Existing Conditions

## Rock Island

Acres:

Douglas Side: 2.5 Acres

Chelan Dam Base: 1.7 Acres

Chelan Hilltop: 19 Acres



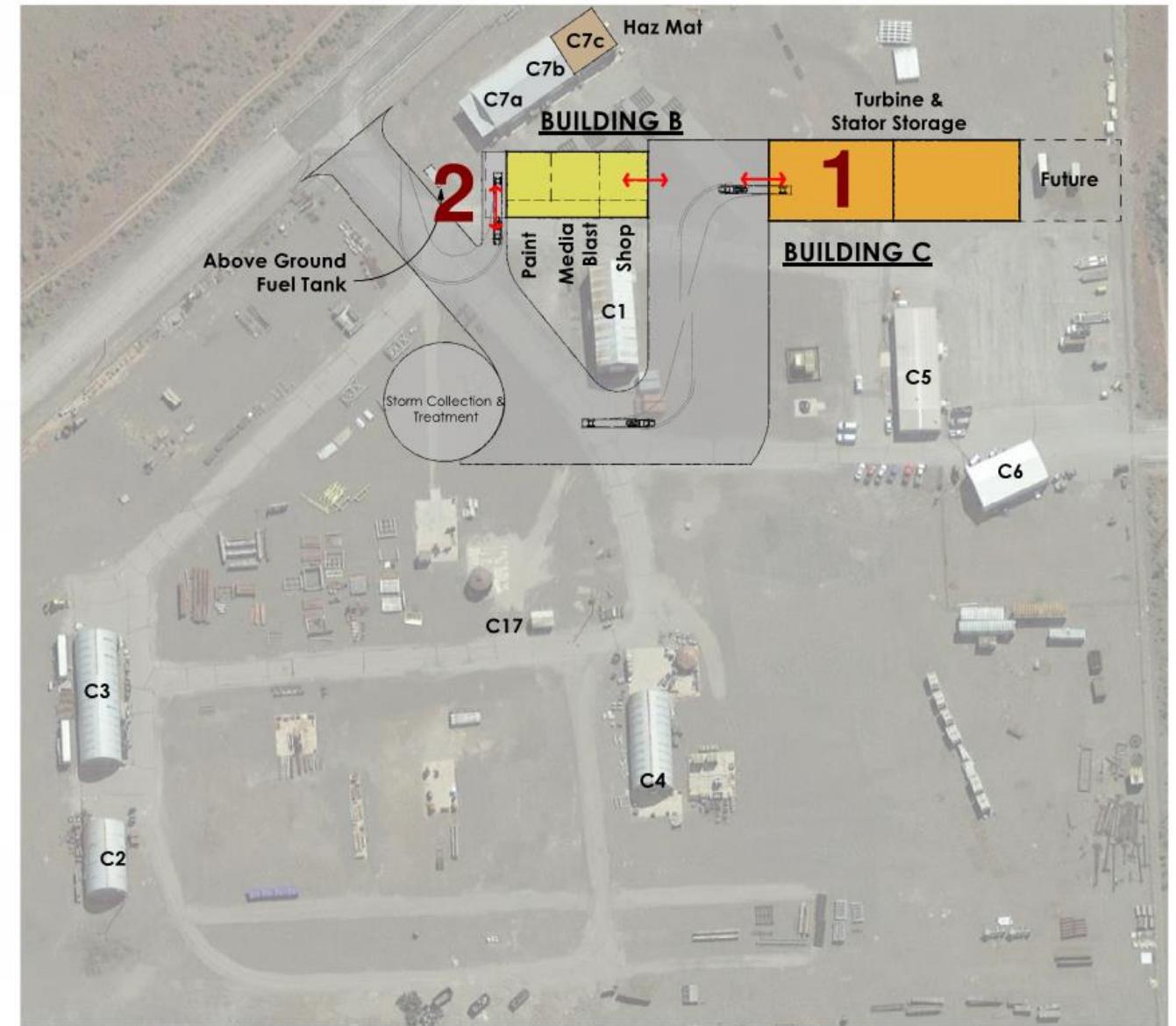
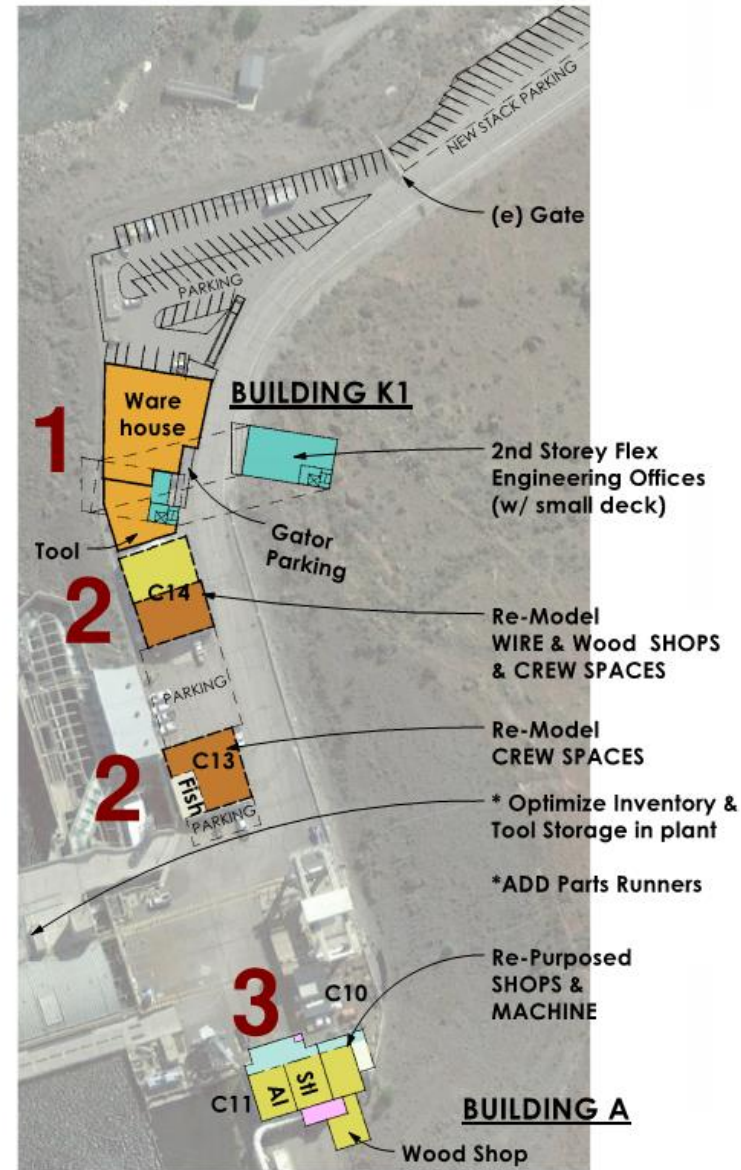
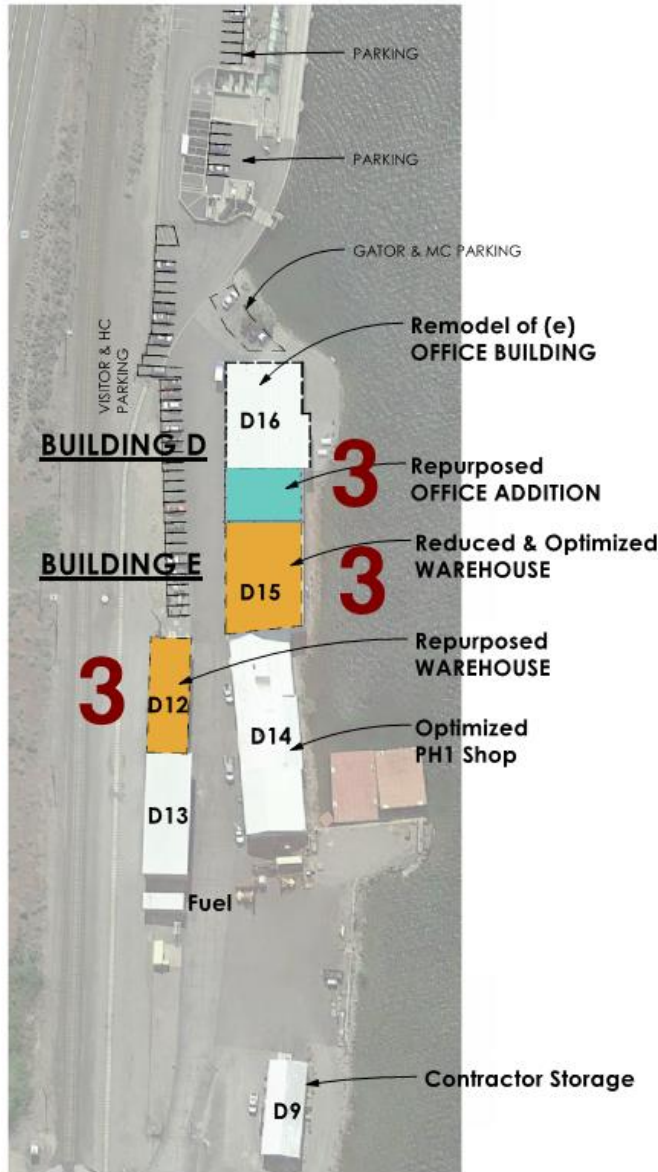
- Bridge deck congestion & “wind-shield time” creates significant work inefficiencies.
- Rock Island suffers from severe lack of adequate shop and storage facilities creating additional inefficiencies.
- Many buildings are at or near the end of their useful life.



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# 25 Year Phase to 50 Year Plan

## Rock Island Initial 25 Year Plan



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# Rock Island Conclusions

## Rock Island Option Finalists

Two (2) options below are compared as finalists: First 25 years of a 50 year plan

Option Finalists	Financial Summary and District Goals for Long Term Strategic Facilities Plan							
	25 Year Present Value (*)	Initial Capital (3-4 years)	10 Year Total Spending	Maximize Productivity	Optimize Service Levels	Increase Cost Predictability	Enhance Safety	Qualitative Evaluation
<b>Option 3a</b> 25 year plan 3 year implement.	<b>\$33,510,994</b>	<b>\$36.2 Million</b>	<b>\$36.7 Million</b>	<b>Best</b>	<b>Best</b>	<b>Best</b>	<b>Best</b>	<b>Best</b>
<b>Option 3b</b> 25 year plan 10 year implement.	\$35,748,795	\$20 Million	\$45.7 Million	Good	Good	Good	Fair	Fair

Notes: (\*)

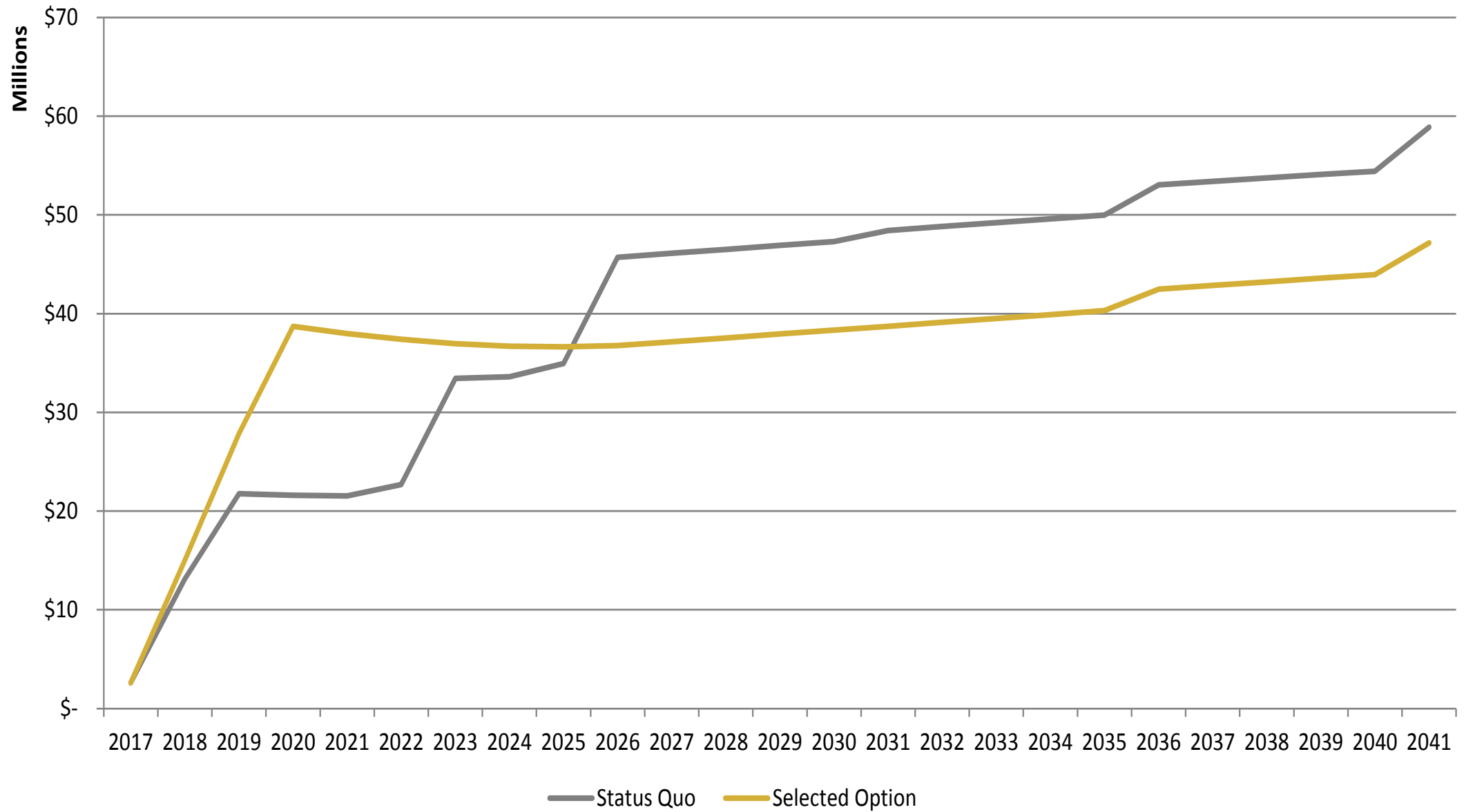
- NPV calculations present the full 25 year financial projections (total spending less savings) expressed in 2016 dollars



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# 25 Year Financial Analysis

## Cumulative Cash Flow (Capital Investment, M&O, Salary/Productivity)



# Rocky Reach/Central Maintenance





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# Rocky Reach/CM Existing Conditions

## RR/Central Maintenance (24 Acres)

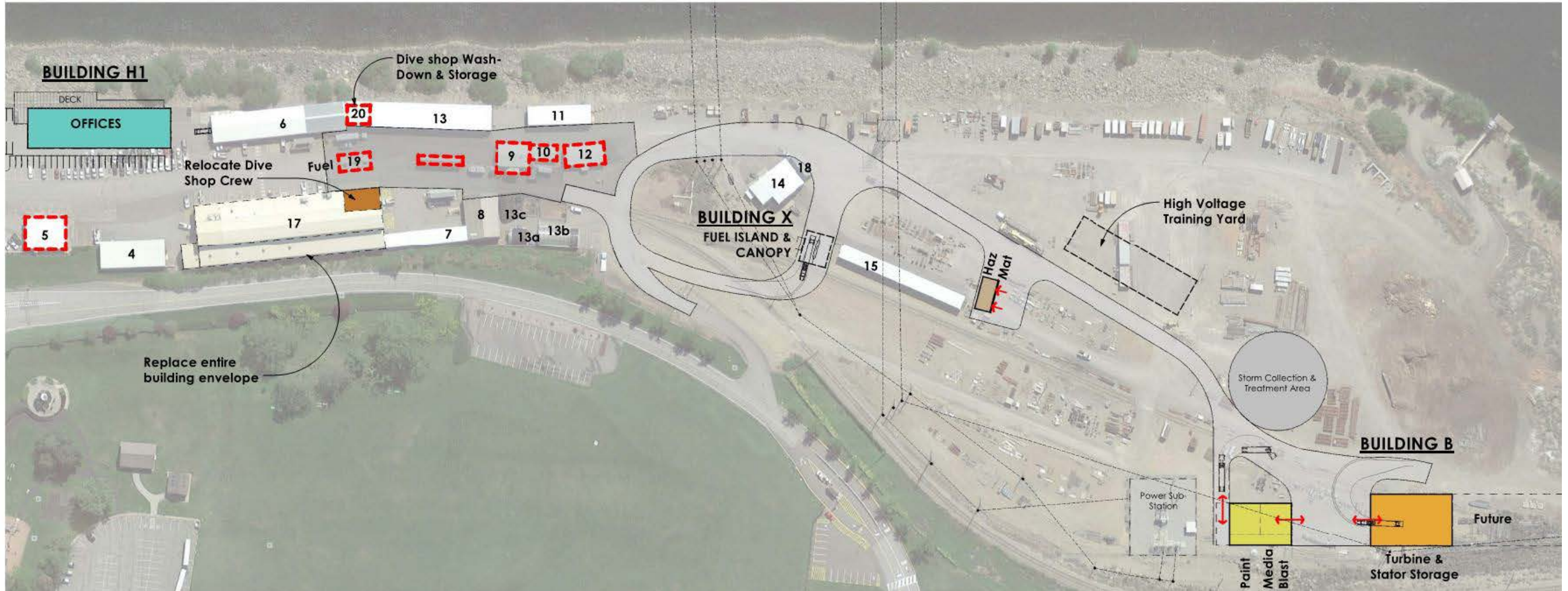




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■ 25 Year Phase to  
■ 50 Year Plan

# Rocky Reach/CM Initial 25 Year Plan



This configuration provides the District with flexibility to implement additional facilities in the south yard area or the center site area in the future for a full 50 year build-out.

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# Rocky Reach / CM Conclusions

## Rocky Reach / CM Option Finalists

Two (2) options below are compared as finalists: First 25 years of a 50 year plan

Option Finalists	Financial Summary and District Goals for Long Term Strategic Facilities Plan							
	25 Year Present Value (*)	Initial Capital (3-4 years)	10 Year Total Spending	Maximize Productivity	Optimize Service Levels	Increase Cost Predictability	Enhance Safety	Qualitative Evaluation
<b>Option 3a</b> 25 year plan 3 year implement.	\$34,012,286	<b>\$32.6 Million</b>	<b>\$37,549,855</b>	<b>Best</b>	<b>Best</b>	<b>Best</b>	<b>Best</b>	<b>Best</b>
<b>Option 3b</b> 25 year plan with 10 year implement.	<b>\$33,909,604</b>	\$18.2 Million	\$43,117,747	Fair	Good	Good	Fair	Fair

**Notes (\*)**

- NPV calculations present the full 25 year financial projections (total spending less savings) expressed in 2016 dollars.
- 3b NPV is slightly lower because of 10 year implementation time without off-setting productivity savings.

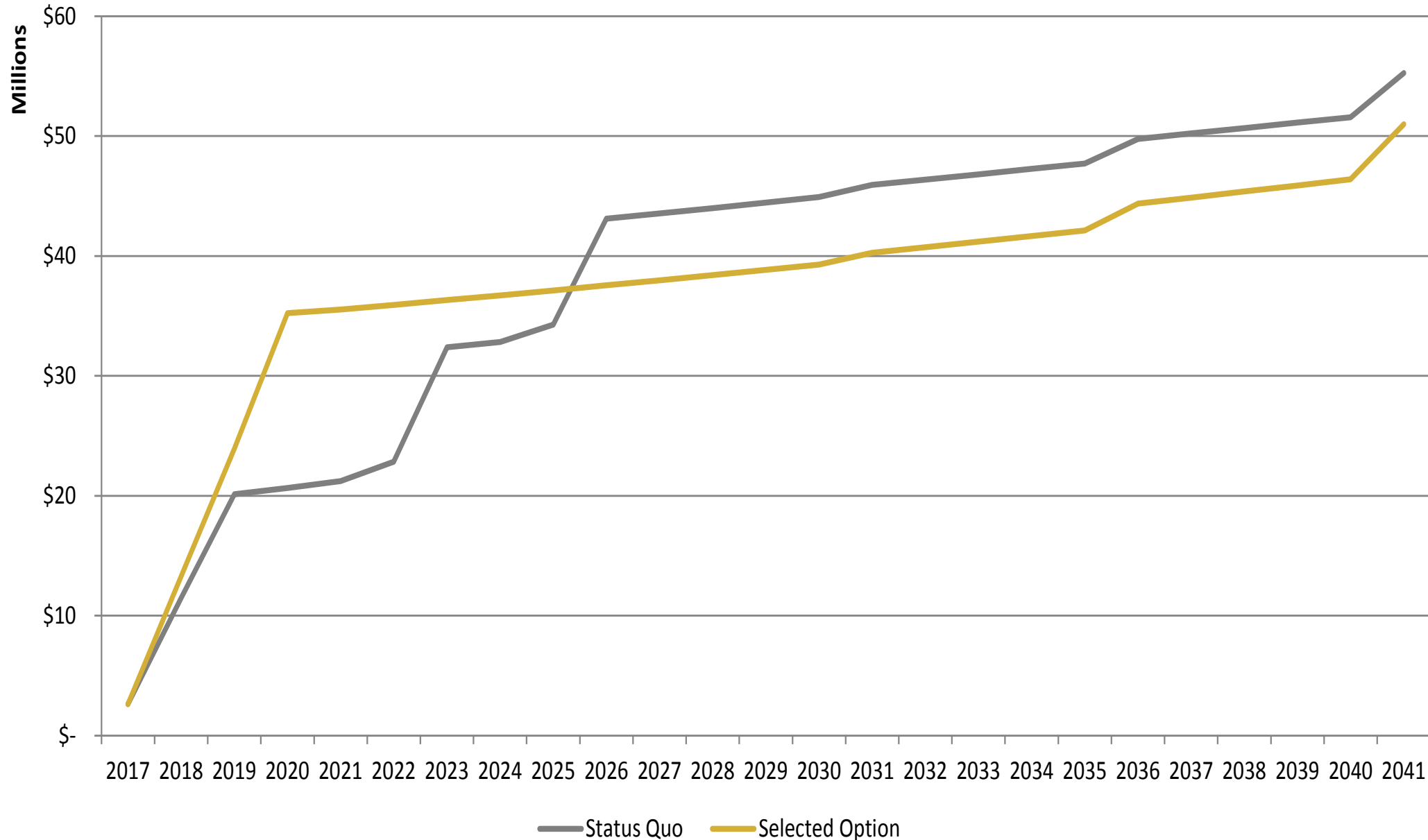


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# RR/CM 25 Year Financial Analysis

## Cumulative Cash Flow

(Capital Investment, M&O, Salary/Productivity)





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## Downtown / HQ Facilities

### *Option 3 - 50 Year Plan*

**Scope:** All new, consolidated Operations, Administration, and Customer Service facilities at new, north property. Sell existing PUD properties.

- **Lowest Present Value:**  
\$8.9 million lower than Option 1 (status quo) and \$4.6 million lower than Option 2 (split facilities).
- **Evaluation Ranking:**  
Ranks highest of all HQ options in qualitative evaluation, and best achieves District’s Core Goals.
- **Present Value:** \$107.4 Million
- **Initial Capital:** \$114 Million

## Rock Island Facilities

### *Option 3a – 25 Year Plan*

**Scope:** New and remodeled facilities for highest priority needs and greatest productivity gains, preserving options for future phases.

- **Lowest Present Value:**  
\$2.2 million lower than Option 2
- **Evaluation Ranking:**  
Ranks highest of all scenarios in qualitative evaluation, and best achieves District’s Core Goals.
- **Present Value:** \$33.5 Million
- **Initial Capital:** \$36.2 Million

# Grand Summary

## Rocky Reach Facilities

### *Option 3a – 25 Year Plan*

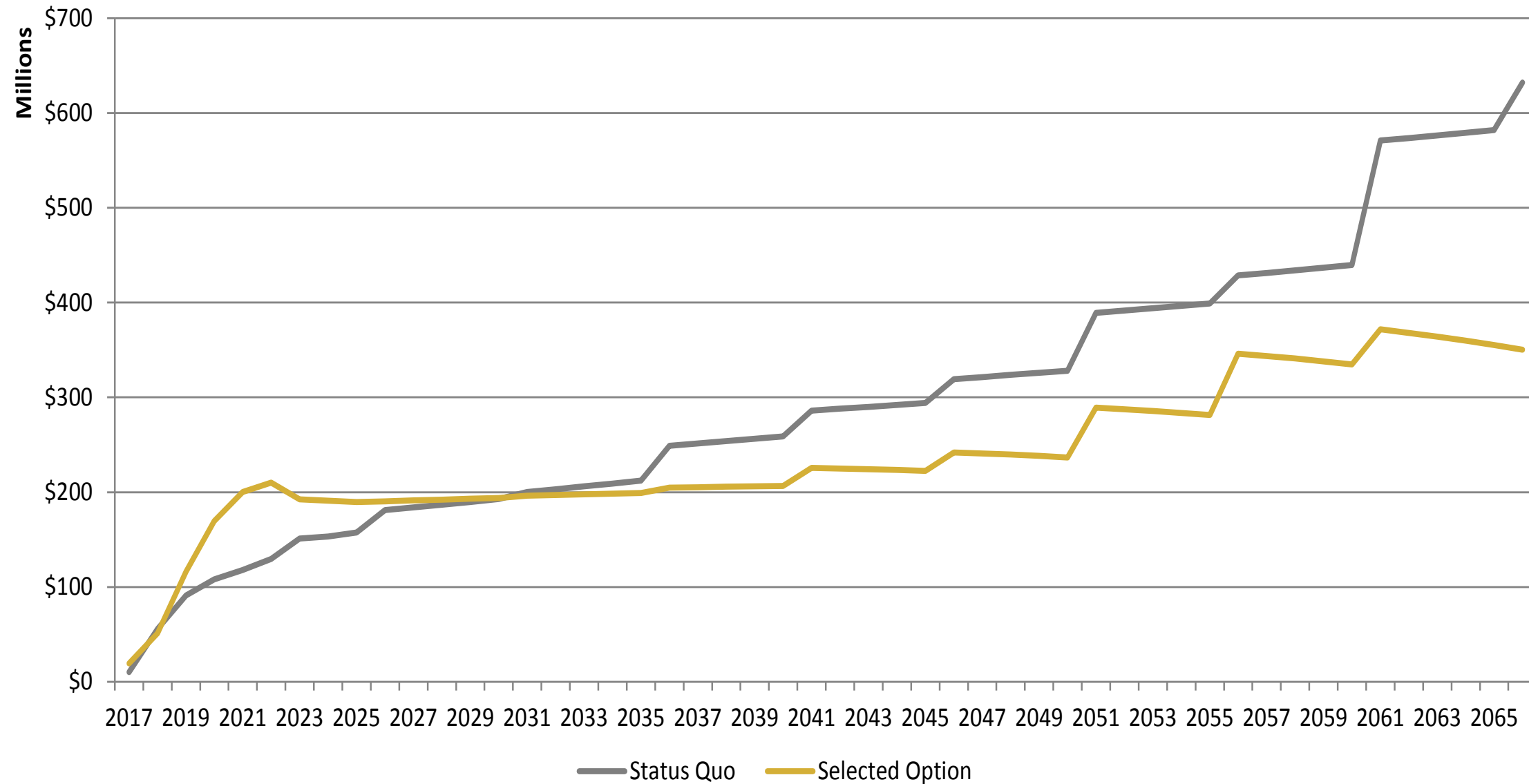
**Scope:** New and remodeled facilities for highest priority needs and greatest productivity gains, preserving options for future phases.

- **Even Present Value:**  
Approximately \$100K higher than Option 2, the result of implementation time (10 yrs vs 3yrs) with limited productivity.
- **Evaluation Ranking**  
Ranks highest of all scenarios in qualitative evaluation, and best achieves District’s Core Goals.
- **Present Value:** \$34 Million
- **Initial Capital:** \$32.6 Million

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# Combined Financial Analysis

**Cumulative Cash Flow (HQ 50 yr / Hydros 25 yr)**  
 (Combined Capital Investment, M&O, Salary/Productivity)



\*Cash flow for Rock Island and Rocky Reach only shown through 2041.



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## ■ Designated Fund-Facilities Plan

- The Board has directed staff to prepare options for the Board to establish a designated fund as part of the Long-Term Facilities Planning project.
- Board Designated Funds are established when proceeds of a specific revenue source are committed for a designated purpose.
- Funds typically remain unrestricted for external reporting purposes and can be transferred back to the general fund at the Board’s direction
- Using a Designated Fund demonstrates the Board is planning ahead for the identified need
- Provides visibility to a specific funding activity

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# Designated Fund-Facilities Plan

## Options for consideration

1. Establish a Board Designated Fund recognizing the Long-Term Facilities Plan
2. Deposit initial amount into the fund
  - a) Option 1: \$20 million (amount 2016 results exceeded budget)
  - b) Option 2: Any other amount as directed by the Board
3. Future amounts to be added as directed by the Board
4. Funds applied to specific project expenditures as directed by the Board and the project plan
5. Requires a motion to establish (be back April 3)

# IV Outreach and Next Steps





# Comments From February 27, 2017 Meeting

# Planning Advisory Committee

“  
 To me, this is the right thing to do. Study the issue to death and figure out how to get it done.  
 ”

“  
 It appears you are on the right path. I'm impressed with how you've analyzed the issue.  
 ”

“  
 I like the plan. I see a lot of efficiency opportunities.  
 ”

“  
 What are the consequences of doing nothing?  
 ”

“  
 It's a no-brainer. I think you'd be remiss in not doing it.  
 ”

“  
 This is an impressive bunch of work. I'd be aggressive in doing the hydro projects; particularly the low hanging fruit.  
 ”

“  
 I would actively pursue property for an Operations Center.  
 ”

“  
 I wouldn't be afraid to borrow money to be able to do this. The analysis conservatively estimates benefits due to the use of a 7% discount rate.  
 ”

“  
 Analyzing productivity gains was brilliant.  
 ”

“  
 I was shocked by the poor condition of PUD facilities — it sends the wrong message to employees and hurts talent recruitment.  
 ”



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## Customer-Owner Outreach

### Employee Outreach

- Update for employees involved in SFP Development: March 15-17
- All employee e-mail update: March 17
- Online information: Week of March 20

### County-Wide Outreach

- On-Line Resources
- Video
- Open House Events (Wenatchee, Leavenworth, Chelan)

## Implementation Planning

### Create a Detailed Implementation and Spending Plan

- Determine method of project delivery
- Determine project development / management resources needed.
- Develop implementation sequencing schedule.
- Develop financing strategy.

# Next Steps

## Complete Strategic Plan

### Plan Finalization

Prepare final Strategic Plan documentation with recommended scopes, schedules, and budgets for priority projects.

- Complete detailed programming work.
- Refine conceptual design for all sites.
- Establish Sustainability standards and goals.
- Incorporate Implementation Plan.



# 4 Questions

