

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

REGULAR COMMISSION MEETING

NOVEMBER 4, 2024

STUDY SESSION

10:00 AM

1. Pledge of Allegiance and Safety/H&OP Minute – Laine Heikel
2. Approval of the Agenda
3. Quarterly District Performance Plan Update
4. Quarterly Financial Review and Investment Report
5. Quarterly Energy Resources Update
6. Markets+ Phase 2 Funding
7. Rock Island Relicensing Update
8. Strategic Vision, Business, and Budget Planning
 - a. Rate Planning Follow up
 - b. Imagine 2075 Update
9. Public Comment
Time reserved for public comments or questions related to matters not covered by the agenda

BUSINESS SESSION

1:00PM

10. Public Hearing: 2025 Preliminary Budget Presentation

Consent Agenda

11. Minutes of the October 18, 2024 Special Meeting and October 21, 2024 Regular Meeting

12. Vouchers: Accounts Payable Summary Report dated October 29, 2024:

- a. Vouchers totaling \$30,419,646.34;
- b. Approval of Customer Deposit Returns and Conservation Incentive payments for the period October 15, 2024 through October 28, 2024 in the amount of \$56,720.09.
- c. Approval of the net Payroll, Warrant Nos. 238609 through 238621 and Advice Nos. 787541 through 788395 for the pay period ending October 20, 2024 in the amount of \$2,802,036.20.
- d. Approval of Warrant Nos. 32270 through 32333 totaling \$43,573.42 for claim payments from the workers' compensation self-insurance fund for the period ending October 28, 2024.

Regular Agenda

13. A RESOLUTION AUTHORIZING THE GENERAL MANAGER TO ENTER INTO A LONG-TERM LICENSE AGREEMENT WITH INTERMOUNTAIN INFRASTRUCTURE GROUP, LLC FOR INSTALLATION, OPERATION AND MAINTENANCE OF TWO FIBER OPTIC CABLES LOCATED ON DISTRICT PROPERTY OR WITHIN THE DISTRICT'S HYDRO PROJECT BOUNDARY IN CHELAN AND DOUGLAS COUNTIES, WASHINGTON

14. Capital Budget Revision: Rock Island Parapet Wall

Proposed Motion: To establish a new 2024 capital project and associated budget for the Rock Island Downstream Parapet Wall Replacement in the amount of \$34,000,000

15. Manager Items

16. Commissioner Travel

17. Commission Items

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

19. Delegation of Action Items

20. Additional Public Comment

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

REGULAR COMMISSION MEETING AGENDA

November 4, 2024

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22. 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) for ___ minutes

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

RESOLUTION NO. _____

A RESOLUTION APPROVING A LONG-TERM LICENSE AGREEMENT WITH INTERMOUNTAIN INFRASTRUCTURE GROUP, LLC FOR INSTALLATION, OPERATION AND MAINTENANCE OF TWO FIBER OPTIC CABLES LOCATED ON DISTRICT PROPERTY OR WITHIN THE DISTRICT'S HYDRO PROJECT BOUNDARY IN CHELAN AND DOUGLAS COUNTIES, WASHINGTON

FACTUAL BACKGROUND AND REASONS FOR ACTION

Intermountain Infrastructure Group, LLC (IIG) of Burlingame, CA requested the District to allow the installation, operation, and maintenance of two fiber optic cables, using a combination of overhead, underground and marine cables (Fiber Cables), across District property and within the Project Boundary of the Rock Island Hydroelectric Project No. 943. The purpose of the Fiber Cables is to complete redundant fiber routes to serve Microsoft Corporation's server center(s) in Grant, Douglas and Chelan Counties, Washington.

The Fiber Cables would enter District property from the Malaga Alcoa Highway and run North along the West side of the District's Rock Island Dam property in Chelan County until they enter the Columbia River. In the river, the Fiber Cables would be laid on the bottom for approximately seven miles until coming ashore across a small strip of land lying waterward of a privately owned parcel, and at Kirby Billingsley Hydro Park in Douglas County, Washington.

The District developed a twenty (20) year license agreement (License Agreement), with the option for two, twenty (20) year renewals. The annual license fee of \$13,800 with a three percent (3%) annual increase was determined by an independent third-party appraiser. IIG has agreed to the terms of the license, pending approval by the District's Board of Commissioners.

IIG has acquired all permits required to complete the project and provided copies of the same to the District. In addition, District staff has confirmed that the License Agreement must be included on the End of Year Conveyance Report to the Federal Energy Regulatory Commission (FERC) but that no additional FERC filing is required prior to execution of the License Agreement.

District staff recommends the Commission approve the twenty (20) year License Agreement with IIG with an annual license fee of \$13,800 and a three percent (3%) increase per year, and the option of two, twenty (20) year renewals.

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

ACTION

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

Section 1. The Commission hereby approves the twenty-year License Agreement with Intermountain Infrastructure Group, LLC and authorizes the General Manager to execute the License Agreement on the terms stated above, together with any other documents necessary to implement the same. A copy of the Agreement is on file in the offices of the District.

DATED this 4th day of November 2024.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal