



**Public Power Benefit Program**  
**2024 and 2025**  
May 20, 2024

# Why We Are Here Today

- Review 2024 Allocations
- Review projects that may need additional or new funding
- Review options and receive guidance on extending the PPB program

*No formal decisions required today*

# Strategic Priority:

*Enhance the quality of life in Chelan County through programs that distribute the benefits of public power*



# Allocated Funding for 2024

Project	Funding Allocation
Fiber – Final Year of 11-year Plan	\$2.1M
Fiber – Bridge Funding for Design	\$750k
Stehekin Reliability – Phase 1	\$1.0M
Manson – Old Swim Hole pedestrian connection to Manson Bay (PUD Park)	\$500K
5 <sup>th</sup> Street Campus Redevelopment	\$4.0M
<b>Total</b>	<b>\$8.35M</b>
<b>2024 Allocation</b>	<b>\$10.0M</b>
<b>Remaining Available</b>	<b>\$1.65M</b>

# Wildfire Mitigation Project

## Lake Wenatchee and Plain

- Staff presented an option to fund \$1.65M in PPB funds on April 15
- Board discussion indicated potential support to fund as Operations and Maintenance (O&M) in budget
- A draft Interlocal Agreement between the District and Chelan County is in progress and will be presented to the Board in Q3

# Wildfire Mitigation Project

## Staff Recommendation

- Staff considered Board feedback on whether to fund through PPB or O&M budget
- Project addresses a high wildfire risk area in Chelan County
  - Aligns with District priorities and resource allocation
  - Helps reduce wildfire and smoke risk for local customer owners through fuel reduction
  - Funding for this type of work via partnership or District resources may be ongoing

*Staff recommendation: Fund with O&M budget*

# PPB Projects – may need future funding

- Service Center Trail Connection
  - \$2.0M allocated; current estimate: \$2.5-3.5M.  
Design will need to incorporate cultural findings
  - 2026 earliest potential construction (will need to align with Confluence Parkway)

*Staff Recommendation: Revisit in 2025*

- 5<sup>th</sup> Street Redevelopment (Electric Avenue)
  - \$4.0M allocated; Engineer's Estimate ~\$4.4M
  - Work occurs in 2024 and 2025

*Staff Recommendation: Revisit early fall 2024*

# PPB Projects – may need future funding

- Wenatchee Riverfront Park
  - \$3.5M allocated from PPB; total budget: \$11.7M
    - \$2.0 M City of Wenatchee contribution
    - \$7.2M Rock Island fund (no PPB)

*Staff Recommendation: Fund project as outlined above*

- Fiber Expansion
  - \$750K allocated in 2024
  - Will be used to plan for next phase

*Staff Recommendation: Revisit in 2025*



# PPB Projects – may need future funding

- Dryden Wastewater
  - \$2.17M allocated; remainder of budget funded externally
  - Contingency is tight – may need revision but would be within delegated authority
  - Staff Recommendation: Add funds from 2024 if contingency is expended*
- Stehekin Reliability
  - \$1.0M allocated; Engineer’s Estimate TBD
  - Alternatives evaluated in 2024 and 2025
  - County working with Stehekin Community
  - Staff Recommendation: Revisit after alternatives have been developed*

# PPB Projects – may need future funding

- Supported Employment
  - \$150K currently funded
  - Opportunity to partner with local agency (\$)  
*Staff Recommendation: Consider 2024 or 2025 funding*
- Preserve Walter Graham Mural (\$)
  - New project – Find space to place as exhibit
  - Restoration options and costs under evaluation  
*Staff Recommendation: Revisit in early fall 2024*

# Public Power Benefit Funding for 2025

## Historical Context

- Board approved Resolution 20-14445 to establish funding levels for 2020-2024
  - Resolution 20-14445 increased funding from \$4M to \$6M for 2020-2024 with annual funding approved based on meeting financial criteria:
    - Look back and look forward on financial results and forecast with consideration of debt leverage and surplus revenue over debt service coverage
- Resolution 23-14805 approved a one-time increase to \$10M to fund 5<sup>th</sup> Street Redevelopment

# Public Power Benefit Funding for 2025

- Why do we need Board action to approve?
  - Resolutions are specific to the 2020-2024 Strategic Plan and an amendment is needed to approve 2025 funding and forecast assumption
  - Staff have prepared the 2024 analysis of financial criteria
    - Confirms the \$6M funding level for 2025 and 5-year forecast
- Alternatives to consider:
  - Amend resolution to approve the \$6M PPB funding for 2025 and for use in 5-year forecast
  - Consider a different PPB amount and direct Staff to perform the financial criteria analysis

# Next Steps / Discussion

- Board feedback and direction on funding the PPB program through 2025
  - Bring resolution forward on June 3<sup>rd</sup> if funding desired
- Looking for board guidance on the following projects:
  - Wildfire mitigation – should staff proceed with including this project in our work plan as O&M funded?
  - For smaller project revisions, does Board support staff processing revisions within delegated authority using PPB funds?
    - Includes Dryden Wastewater, Supported Employment, Walter Graham Mural
- Return to the Board in late summer / early fall