

2024 USDA Forest Service Payment Arrangement

PAYMENT ARRANGEMENT
Between
Public Utility District No. 1 of Chelan County
And
U.S. Forest Service
For
Lake Chelan Settlement Agreement License Articles 11(a), 11(b) and 11(c)
Year 2024

This payment arrangement (Arrangement) is entered into between Public Utility District No. 1 of Chelan County, Washington (Chelan PUD) and the U.S.D.A. Forest Service (Forest Service), effective on the day it is fully executed by both parties hereto.

On October 8, 2003, a settlement agreement (Settlement Agreement) was reached between Chelan PUD, U.S. Forest Service (Forest Service), U.S. Department of Interior, National Park Service (Park Service), NOAA National Marine Fisheries Service (NMFS), United States Fish and Wildlife Service (USFWS), Washington Department of Fish and Wildlife (Washington Fish and Wildlife), Washington Department of Ecology (Ecology), the Confederated Tribes of the Colville Reservation (CTCR), American Whitewater, and the City of Chelan. On November 6, 2006, the Federal Energy Regulatory Commission (FERC) issued an Order Issuing New License, 117 FERC ¶ 62,129 (2006) for Lake Chelan Hydroelectric Project No. 637 (License) which incorporated certain articles from the Settlement Agreement.

The Settlement Agreement and Appendix A to the License require Chelan PUD to make funds available to the Forest Service for certain purposes. Section 19 of the Settlement Agreement requires Chelan PUD to enter into a payment agreement that provides for the method of payment, documentation of the amount and cost of work, certification that such work was performed in a manner consistent with the Settlement Agreement, provisions for addressing liability, a process for handling disputes regarding documentation, payment or related matters, and the submission of annual planning reports.

NOW, THEREFORE, the parties hereto agree as follows:

Purpose. This Arrangement governs payment by Chelan PUD to the Forest Service under Articles 11(a), 11(b) and 11(c) of Appendix A, Lake Chelan Settlement Agreement License Articles, of the License for work performed in 2024 and within the scope of the 2024 Work Plan, attached as Exhibit A hereto. A summary of financial tracking of the license articles is attached for informational purposes as Exhibit B hereto.

Payments. Payments will be made via quarterly reimbursement. In no event will total payments under this year 2024 arrangement exceed **\$227,500**. The Forest Service will invoice Chelan PUD on a quarterly basis by documenting the nature, amount, and cost of work performed on “Quarterly Invoice/Variance Forms” provided by Chelan PUD. The Forest Service must submit the final invoice to Chelan PUD by January 31,2025.

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Annual Planning Report: The Forest Service must submit an annual planning report to Chelan PUD by December 1, 2024 that contains a detailed description of the work to be undertaken in the following year (2025).

Liability: The United States, acting by and through the Forest Service, will bear any and all costs and liabilities of any kind related to the exercise of its rights under this agreement to the extent it may legally do so under the Federal Tort Claims Act, 28 USC §§ 2671 *et seq.*, or any other act wherein Congress has specifically waived the sovereign immunity of the United States.

Disputes: Disputes arising out of the interpretation or implementation of this agreement will be resolved using the dispute resolution process pursuant to Section 16 of the Settlement Agreement.

Property Improvements: Improvements described in Exhibit A, if any, that are placed on Forest Service land shall remain on such land, shall thereupon become property of the United States, subject to other requirements and limitations of the Federal Power Act, (16 U.S.C. 791 *et seq.*), and shall be subject to the same regulations and administration of the Forest Service as other Forest Service improvements of a similar nature. No part of this Arrangement shall entitle the Chelan PUD to any share or interest in the improvements other than the right to use and enjoy the same under the existing regulations of the Forest Service or make Chelan PUD responsible for maintenance or upkeep of said improvements.

Purchase of Assets: Items purchased by the Forest Service that are not completely expended on or utilized for work identified in Exhibit A are not reimbursable under this arrangement (i.e., equipment, property, vehicles, tools, or other capital items).

Term of Agreement: The funding authorized by this Arrangement is for work conducted in calendar year 2024, i.e., January 1, 2024, through December 31, 2024. This Arrangement terminates on December 31, 2024, except obligations accruing prior to termination, including closeout billing and payment, which shall survive termination hereof until satisfied in full.

Contact Information

Chelan PUD Principal Contact

Becky Sadler Management Analyst II
Public Utility District No. 1 of Chelan County
203 Olds Station Rd.
Wenatchee, WA 98801
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Chelan PUD Project Lead

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Wenatchee, WA 98801
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meaghan.connell@chelanpud.org

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All bills should be submitted to:

becky.sadler@chelanpud.org & meaghan.connell@chelanpud.org.

Forest Service Project Lead

Paul Willard
Recreation, Trails, Wilderness, Special Uses, &
Roads Forest Service
Okanogan-Wenatchee National Forest, Chelan Ranger
District (509) 682-4968
paul.willard@usda.gov

Signatures:

PUBLIC UTILITY DISTRICT NO. 1
OF CHELAN COUNTY
(Chelan PUD)

U.S. FOREST SERVICE
(FOREST SERVICE)

By: Justin Erickson

By: Paul Willard, Project Lead

Title: Chief Strategy & Stakeholder Officer

Title: Chelan District Ranger

Date: 2/21/2024

Date: 2/21/2024

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EXHIBIT A: 2024 WORK PLAN

LC11a1	Docks Capital	
	Safety Harbor	\$100,000
	Total Estimated CY24 Cost	\$100,000
LC11a2	Dock Maintenance Activities	
	Refrigerator Harbor Ramp Repair	\$10,000
	Lead Boat Operator Salary for annual dock maintenance activities	\$10,000
	Assistant Boat Operator Salary for annual dock maintenance	\$7,500
	Refurbish Corral Creek and Domke Docks	\$40,000
	Trail Crew Salary for labor to support dock maintenance	\$5,000
	Miscellaneous materials and supplies for dock maintenance	\$15,000
	Total Estimated CY24 Cost	\$87,500
LC11c1	Recreation Enhancement Activities	
	Purchase additional animal proof food storage containers/trash receptacles for uplake recreation sites	\$10,000
	Total Estimated CY24 Cost	\$10,000
LC11c2	Annual Recreation Enhancement Activities	
	Assistant Boat Operator Salary for annual campground O/M May - Oct	\$10,000
	Septic Pumping for Lakeside Campground Toilets and/or sanican rental/service	\$20,000
	Total Estimated CY24 Cost	\$30,000
	TOTAL	\$227,500

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EXHIBIT B: FINANCIAL TRACKING
 2024 Make Funds Available Approved Funding Plan USFS Article 11

Short Name	Payment Frequency	Title	2024 Work Plan	Agency	Proposed for CY 2024	Funding Spent to Start of Year	Available Balance at Start of Year	2024 Annual Contribution	2025 Annual Contribution	2026 Annual Contribution
LC11a1	Lump	USFS Docks Capital	Safety Harbor Repair	USFS	\$100,000	\$105,822	\$1,048,652	-	-	-
LC11a2	Annual	USFS Docks Annual	Dock Maintenance Refrigerator Harbor, Corral Creek, Domke Falls, Trail Crew, Misc Materials	USFS	\$87,500	\$429,478	\$644,468	\$66,055	\$67,707	\$69,400
LC11b1	Lump	USFS Dock Inkind Engr		USFS	-	\$14,921	\$148,273	-	-	-
LC11c1	Lump	USFS Rec Enh Yr 1-30	Animal proof receptacles at uplake rec sites.	USFS	\$10,000	\$288,336	\$1,281,669	-	-	-
LC11c2	Annual	USFS Annual Rec Enh	O&M and Septic pumping	USFS	\$30,000	\$132,697	\$15,716	\$10,162	\$10,416	\$10,677
				TOTAL	\$227,500					