

Crescent Bar Golf Course Reprogramming Study

February 10, 2026

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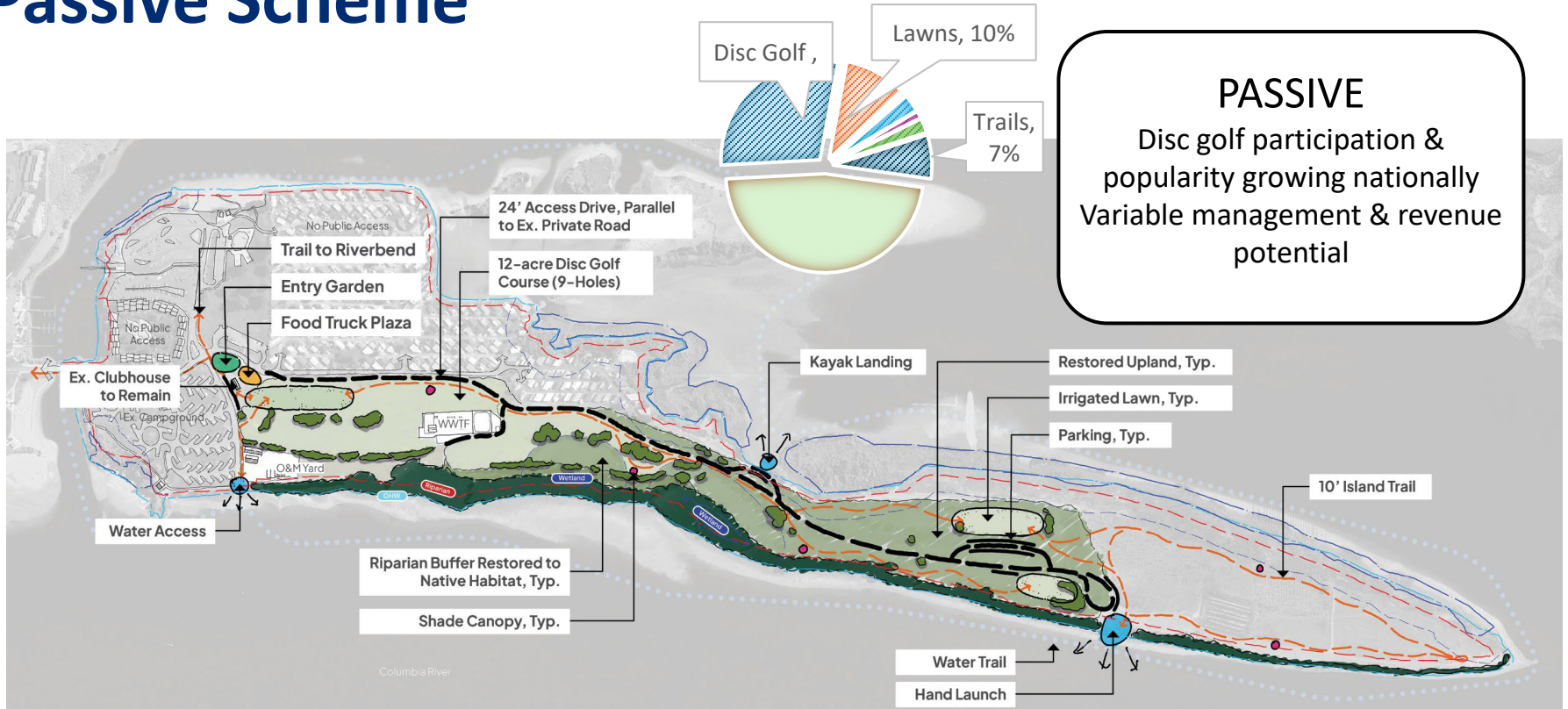


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AGENDA

- Review Reprogramming Options
- Discuss Reprogramming Study Memo
- Key Considerations
- Decision Options

Passive Scheme



DRAFT 12/16 BOC Workshop- 12/03/2025

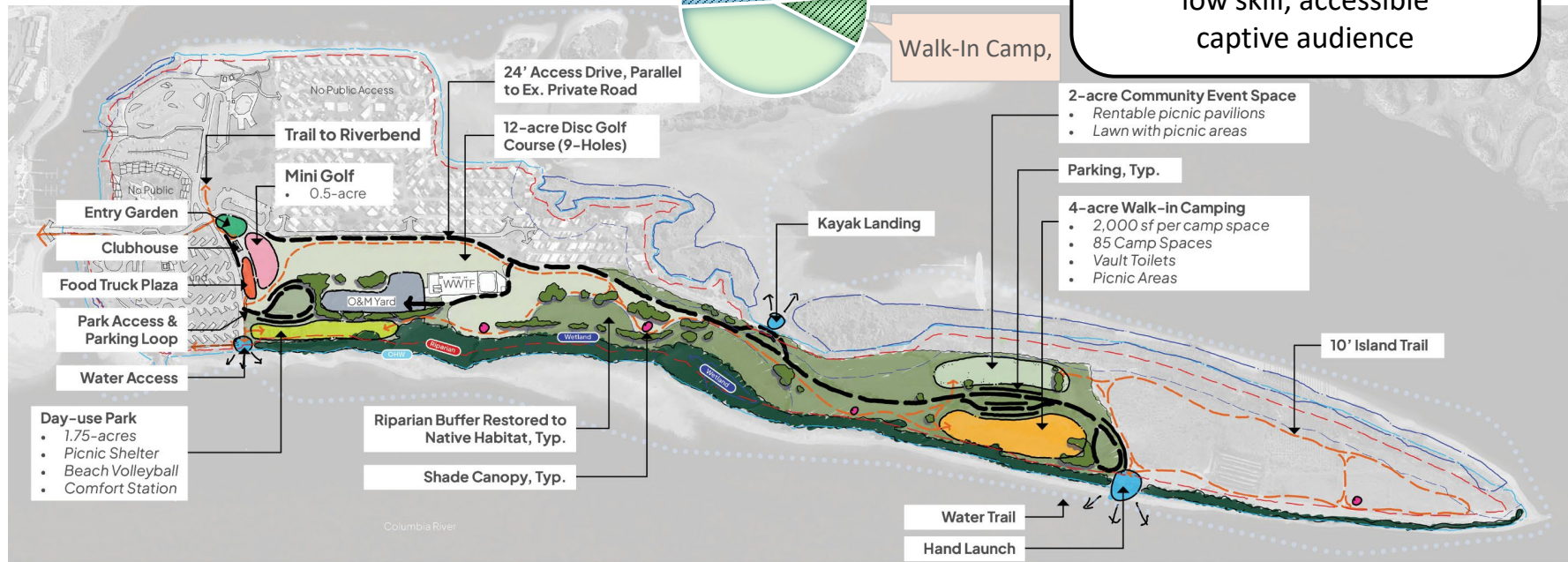
Consultant Team:



STUDIO SEYFRIED
LANDSCAPE ARCHITECTURE + URBAN DESIGN

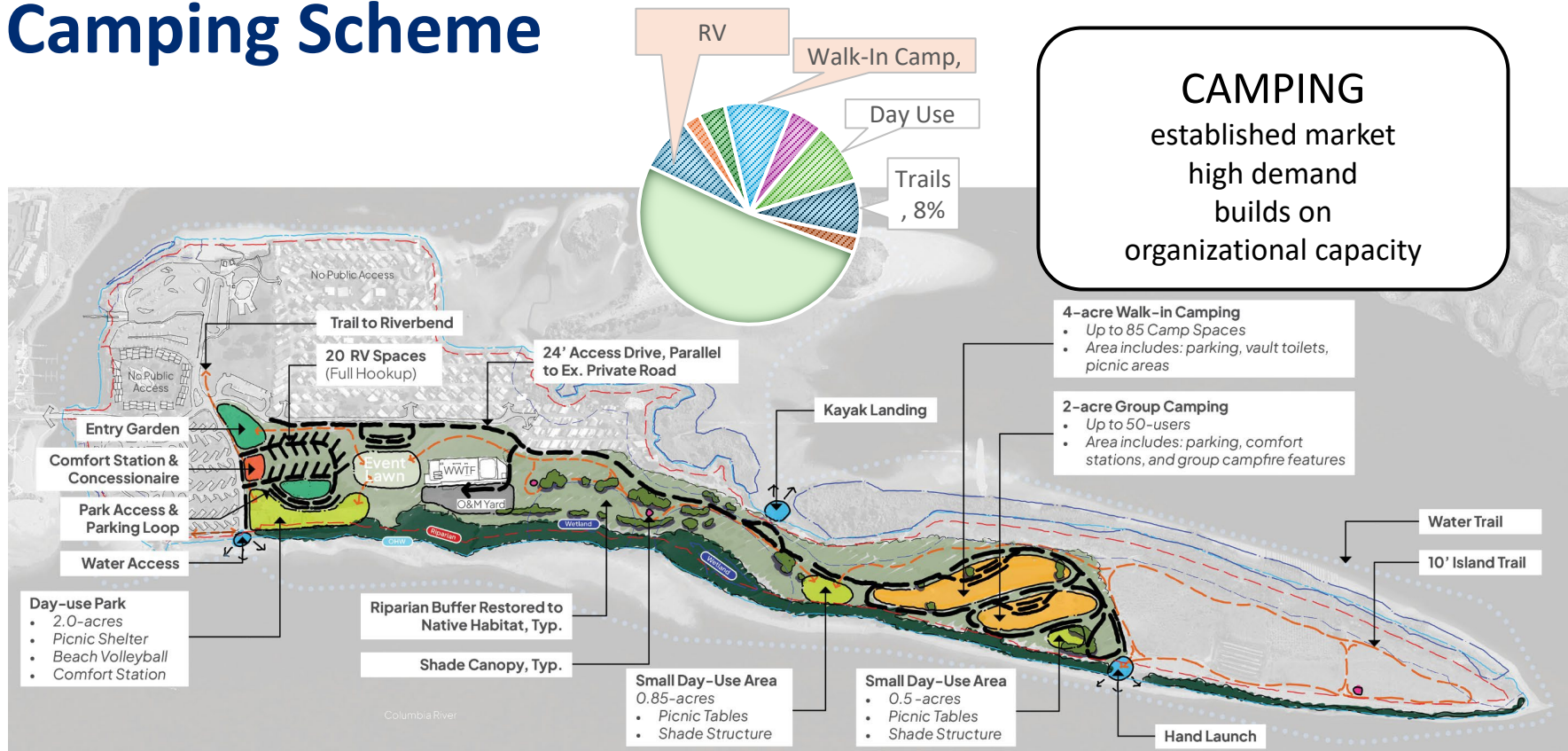


Mini Golf Scheme



MINI-GOLF
modestly priced
multi-generational
low skill, accessible
captive audience

Camping Scheme



DRAFT 12/16 BOC Workshop- 12/03/2025

Consultant Team:



Executive Summary

1/21/2026 10:32 PM

PROGRESS DRAFT

SUMMARY and CONCLUSIONS

1/21/2026 10:32 PM

PROGRESS DRAFT

	BOTH SCENARIOS	GOLF	REPROGRAM
LONG-TERM NPV AND CAPITAL INTENSITY	Significant upfront capital required; long-term NPVs are negative. Planning and improvements could be phased. Irrigation system replacement is a capital need regardless of scenario.	Lower capital requirement relative to reprogram schemes that add new facilities. Full irrigation system replacement was estimated and is expected to reduce risk of unplanned capital needs. Additional capital may be required if future scope includes course layout adjustments, clubhouse work, restrooms, cart paths, O&M improvements, or added amenities (e.g., seating/shade)	Higher capital requirement than golf due to new facilities. Under modeled assumptions, schemes that include revenue-generating uses improve the long-term financial profile relative to schemes without such uses. (system performance) Isolating mini-golf as a standalone use (enterprise performance), the model projects payback at approximately 5 years, subject to utilization and cost assumptions.
OPERATIONAL COMPARISON AND RELATED ANNUAL SUBSIDY	Modeled operations require ongoing subsidy.	Subsidy increases over time. Operations may be more costly than reprogram long-term. Membership rounds represent a substantial share of play; membership fees contribute a smaller share of revenue, resulting in a lower effective price per round for members than daily play. Membership structure is a potential lever to evaluate for cost recovery and equity; however, modeled outcomes indicate the underlying cost-revenue gap persists over the planning horizon.	Schemes that include revenue-generating uses are modeled to slow cumulative subsidy growth Under the model assumptions, the mini-golf (enterprise) produces the highest annual NOI among the reprogram uses.
PUBLIC BENEFIT	Clarify what recreation amenities are available for public recreation and what is within leasehold areas.	A relatively large recreation area is primarily used by golfers. Participation constraints include cost of play, skill requirements, and limited rounds capacity, which can limit broad public access.	River access and accessible opportunities emphasized. Broadened mix of recreation uses Programs modeled with available wastewater treatment plant capacity.
ENVIRONMENT & SUSTAINABILITY		Intensive turf management near habitat areas, river. Desirable and healthy turf conditions demand attentive stewardship and application of water, fertilizer, and other maintenance activities.	Native Veg = 50% +/- of acreage Concepts restore around 50% of the acreage to native vegetation. Water and fertilizer consumption are diminished in a native landscape, especially beyond seed and plant establishment periods.

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CRESCENT BAR RECREATION AREA

2025 GOLF COURSE REPROGRAMMING STUDY

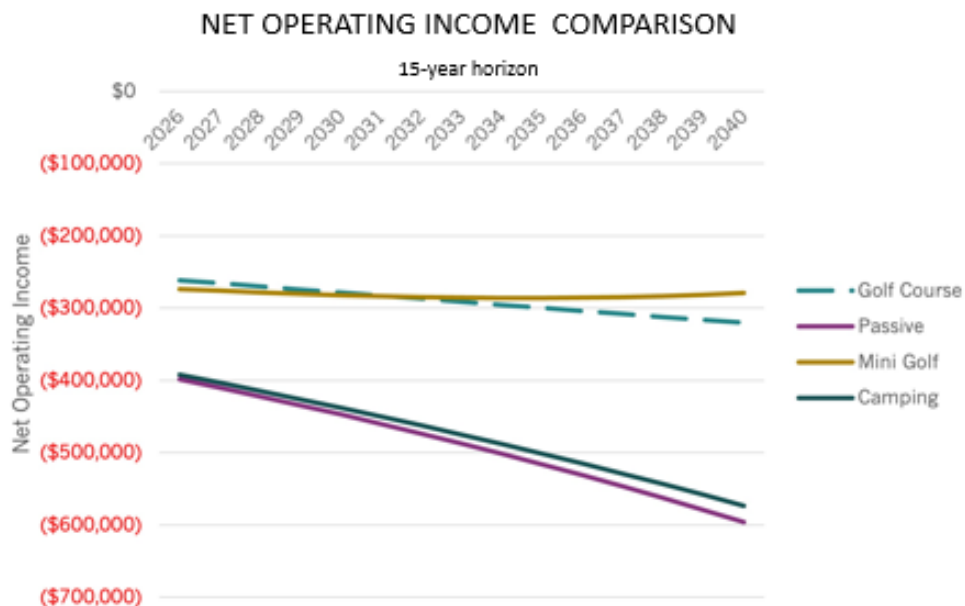
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Financial Performance

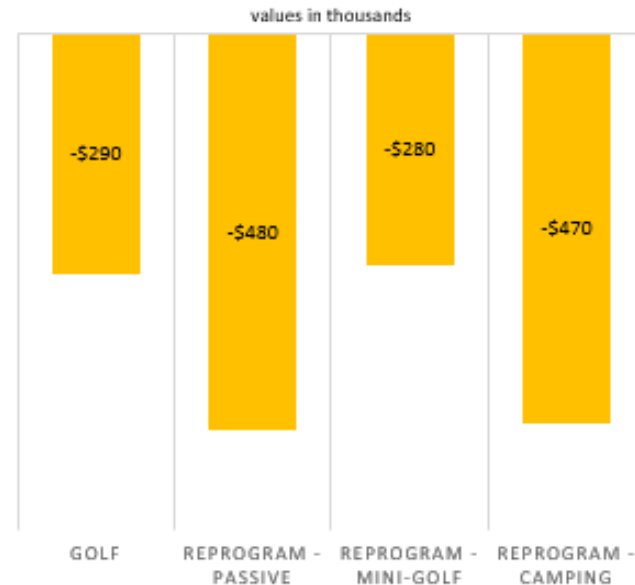
Consultant Team:  PACIFIC ENGINEERING  STUDIO SEYFRIED LANDSCAPE ARCHITECTURE + URBAN DESIGN  ECO northwest  Hines Inc

GOLF or REPROGRAM

Net Operating Income Comparison



AVERAGE NOI COMPARISON



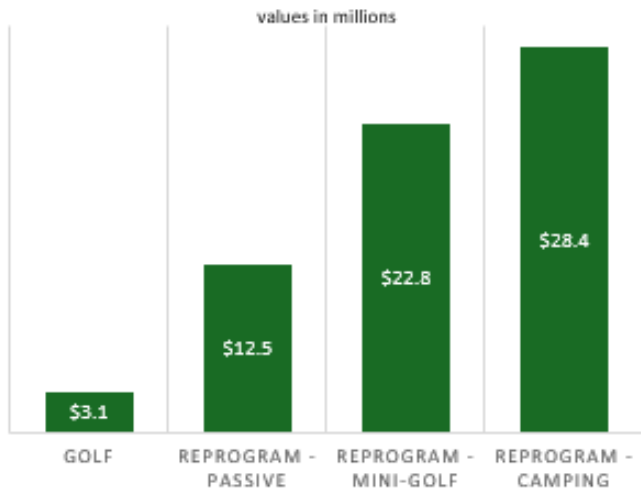
Financial Performance

GOLF or REPROGRAM Net Present Value Comparison

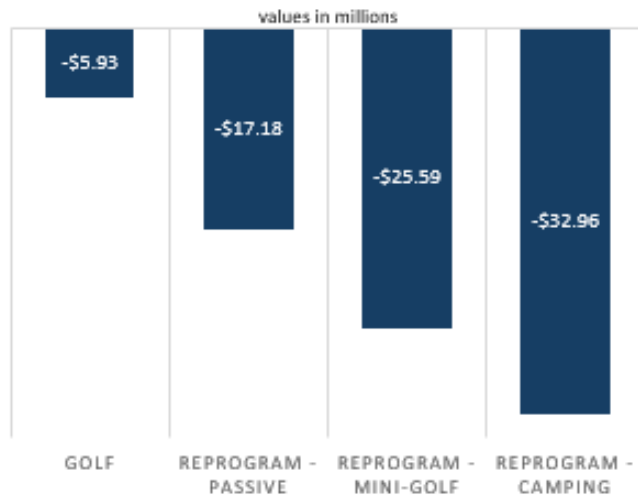
Consultant Team:  **PACIFIC ENGINEERING**  **STUDIO SEYFRIED**
LANDSCAPE ARCHITECTURE + URBAN DESIGN  **ECO northwest**  **Hines Inc**

Cost Intensity and
Net Value Tradeoffs

CAPITAL COST COMPARISON



NET PRESENT VALUE COMPARISON



Financial Performance

Consultant Team:  PACIFIC ENGINEERING  STUDIO SEYFRIED LANDSCAPE ARCHITECTURE + URBAN DESIGN  ECO northwest  Hines Inc

GOLF or REPROGRAM Net Present Value Comparison

Cost Intensity and Net Value
Tradeoffs

All scenarios require significant up-front capital, with long-term NPVs remaining negative.

	Capital Investment	Average NOI	NPV
Golf	\$3,100,000	-\$290,000	-\$5,930,000
Reprogram - Passive	\$12,500,000	-\$480,000	-\$17,180,000
Reprogram - Minigolf	\$22,800,000	-\$280,000	-\$25,590,000
Reprogram - Camping	\$28,400,000	-\$470,000	-\$32,960,000

GOLF

- ❑ requires the least capital
- ❑ continues structural operating losses over time.

PASSIVE

- ❑ lowest ongoing costs
- ❑ provides no meaningful revenue offset.

MINI-GOLF

- ❑ highest capital cost
- ❑ strongest and most durable NOI stream.

CAMPING

- ❑ improves NOI relative to the golf
- ❑ cannot overcome capital intensity.

Project Analysis

Key Considerations:

- A golf course, on its own, does not meet intent of the goals and objectives of the RRMP
- Reprogramming offers broader and more diversified recreation access
- 2025 public survey shows notable support for retaining golf
- Combined Grant PUD recreation facilities meet RRMP and public access goals & objectives
- Both retain golf and reprogramming require ground-disturbing work with mitigation of environmental and cultural resource risks
- Retaining golf is projected to have the lowest long-term cost impact

Commission Support: Key Asks

February 17: Provide direction to staff to move forward with **one** of the following options:

(1) continue operating the golf course as required recreation amenity, which may include upgrading or replacing all or parts of the existing irrigation system,

OR

(2) move forward with reprogramming alternatives and submit a formal proposal to reprogram the golf course to the Federal Energy Regulatory Commission as part of the 2027 update to Grant PUD's Recreation Resources Management Plan.

Questions?



Powering our way of life.

Appendix

[2026_02_10_SMEAppendix_CBGolfCourseStudyMemoV0128](#)



Powering our way of life.



CRESCENT BAR RECREATION AREA 2025 GOLF COURSE REPROGRAMMING STUDY MEMORANDUM

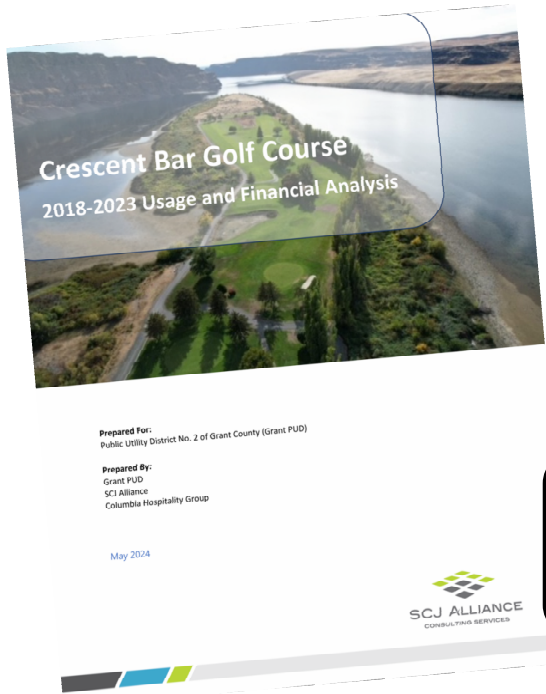
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INTRODUCTION AND CONTEXT

Source: Grant PUD, 2024.



Source: Grant PUD, SCJ Alliance, Columbia Hospitality, 2024.

Crescent Bar Recreation Area (CBRA) is Grant PUD’s largest recreation area by acreage and visitation and accounts for the highest recreation -related operating cost. A nine-hole golf course on approximately 46 acres has been part of the site’s program since the island’s development in the 1960s.

Over the past 25 years, Grant PUD has conducted multiple studies related to the golf course; prior analyses are summarized in the SCJA Alliance/ Columbia Hospitality Group *Crescent Bar Golf Course 2018–2023 Usage and Financial Analysis* (May 2024) (“2024 Course Analysis”). Grant PUD continues to gather and analyze usage and financial data and to conduct surveys and outreach to inform management.

Grant PUD initiated this golf course reprogramming study at the direction of its Board of Commissioners following completion of the 2024 Course Analysis. That analysis identified continued data collection and opportunity to evaluate potential redevelopment opportunities consistent with Grant PUD’s Recreation Resource Management Plan (RRMP) goals. It discussed current license obligations that may affect the

Recommended Decision-making Framework

- 1) Continue to implement measures to reduce golf course subsidization (increased fees and usage, reduced costs) and to conduct robust studies and surveys to document usage levels and visitor input
- 2) **May 2024** – Determine whether current usage and subsidy levels are acceptable; if not...
- 3) **2024-2026** - Explore alternative programming through the RRMP update process

This study explores and evaluates scenarios to support strategic direction decision-making.

range and timing of program changes, including scenarios that continue golf.

This memo is intended to support a strategic direction decision (scenario selection or narrowing) in advance of the RRMP update anticipated to conclude in 2027; it is not intended to result in project authorization or final design.

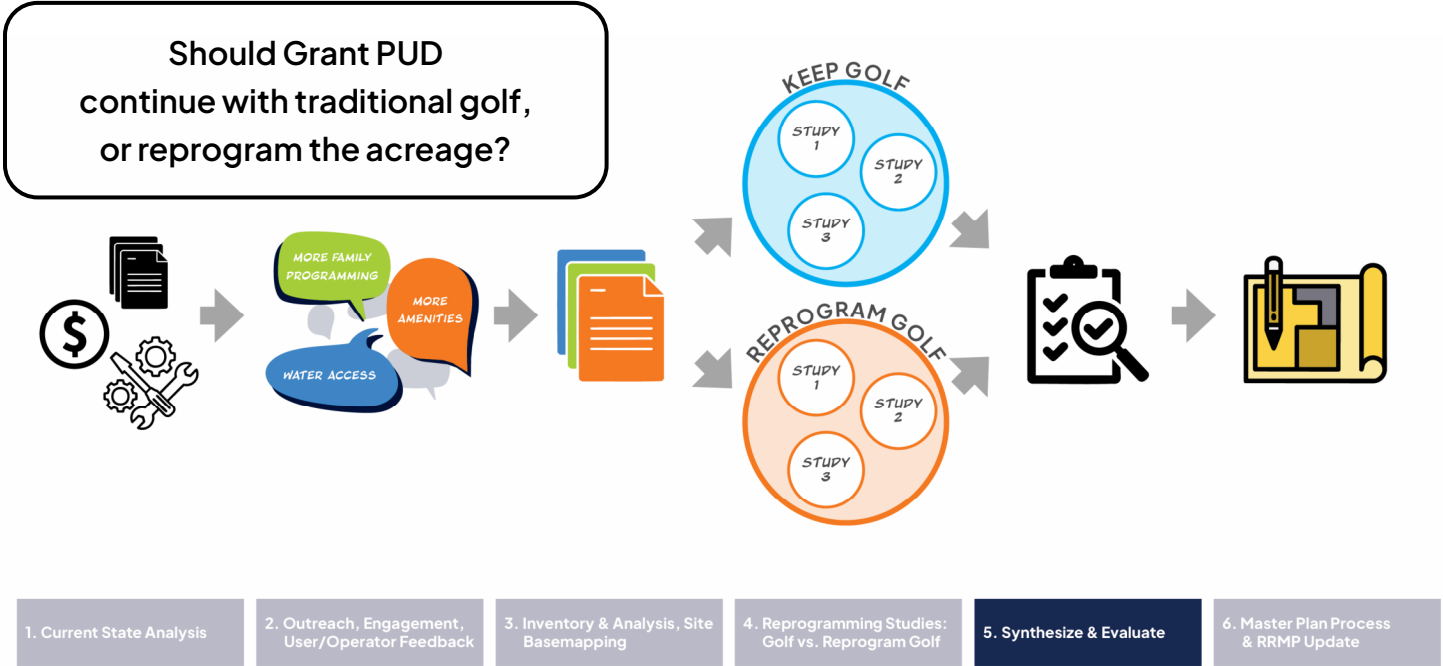
In this study, “reprogram” refers to evaluating potential changes to the mix of recreation uses on the area the golf course occupies.

The study evaluates alternatives in relation to RRMP goals and estimates operational and capital implications; recommendations are limited to technical/process and capital planning considerations (e.g., irrigation replacement evaluation). The study does not recommend a preferred scenario.

Any scenario selection or narrowing would establish the basis for subsequent master planning effort coordinated with the RRMP update. Near-term decisions may focus on time-sensitive capital planning items (e.g., irrigation replacement), regardless of scenario.

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TASK AND PROCESS OVERVIEW



Source: Studio Seyfried, 2026.

In collaboration with Grant PUD staff, the consultant team initiated this study in June 2025 to address information needs identified following the 2024 Course Analysis. The June 2025 start reflects contracting and procurement timeframes.

Early work focused on review of site constraints and opportunities while Grant PUD conducted a public opinion survey. The survey used closed- and open-ended questions and combined broad digital engagement with in-person outreach by PUD staff at community events across the service area and at other high-visitation river parks.

Scheme development for the reprogram scenario and the economic analysis for both the golf scenario and reprogram scenario followed the survey.

The reprogram scenario includes three schemes—Passive, Mini-Golf, and Camping. Conceptual-level scheme development considered infrastructure limitations, site conditions, prior and current program feedback, staff and operator insights, and financial implications. Studio Seyfried developed the reprogram schemes.

Upfront capital costs were estimated by Pacific and Hines. ECONorthwest projected long-term annual operations and maintenance (O&M) costs, operating revenues, and net operating income (NOI), as applicable; analyzed cumulative cash flow over a 15-year planning horizon through 2040; projected long-term subsidy requirements; and performed net present value analysis. The golf scenario financial profile incorporated 2024 data provided by the operator, Central Washington Management (CWM), supplemented by data from the 2024 Course Analysis. The CWM data was also reviewed for potential operational efficiencies.

Preliminary findings were presented to the Grant PUD Board of Commissioners in December 2025; a follow-up is scheduled for February 2026.

Grant PUD Lands and Recreation and Environmental Affairs staff oversaw the study with support from its engineering and archeology teams; CWM contributed financial data, site-visit participation, and O&M insights.

SUMMARY and CONCLUSIONS

BOTH SCENARIOS	
LONG-TERM NPV AND CAPITAL INTENSITY	Significant upfront capital required; long-term NPVs are negative. Planning and improvements could be phased. Irrigation system replacement is a capital need regardless of scenario.
	Modeled operations require ongoing subsidy.
	Clarify what recreation amenities are available for public recreation and what is within leasehold areas.
OPERATIONAL COMPARISON AND RELATED ANNUAL SUBSIDY	
PUBLIC BENEFIT	
ENVIRONMENT & SUSTAINABILITY	

GOLF	REPROGRAM
Lower capital requirement relative to reprogram schemes that add new facilities. Full irrigation system replacement was estimated and is expected to reduce risk of unplanned capital needs. Additional capital may be required if future scope includes course layout adjustments, clubhouse work, restrooms, cart paths, O&M improvements, or added amenities (e.g., seating/shade)	Higher capital requirement than golf due to new facilities. Under modeled assumptions, schemes that include revenue-generating uses improve the long-term financial profile relative to schemes without such uses. (<i>system performance</i>) Isolating mini-golf as a standalone use (<i>enterprise performance</i>), the model projects payback at approximately 5 years, subject to utilization and cost assumptions.
Subsidy increases over time. Operations may be more costly than reprogram long-term. Membership rounds represent a substantial share of play; membership fees contribute a smaller share of revenue, resulting in a lower effective price per round for members than daily play. Membership structure is a potential lever to evaluate for cost recovery and equity; however, modeled outcomes indicate the underlying cost-revenue gap persists over the planning horizon.	Schemes that include revenue-generating uses are modeled to slow cumulative subsidy growth Under the model assumptions, the mini-golf (<i>enterprise</i>) produces the highest annual NOI among the reprogram uses.
A relatively large recreation area is primarily used by golfers. Participation constraints include cost of play, skill requirements, and limited rounds capacity, which can limit broad public access.	River access and accessible opportunities emphasized. Broadened mix of recreation uses Programs modeled with available wastewater treatment plant capacity.
Intensive turf management near habitat areas, river. Desirable and healthy turf conditions demand attentive stewardship and application of water, fertilizer, and other maintenance activities.	Native Veg = 50% +/- of acreage Concepts restore around 50% of the acreage to native vegetation. Water and fertilizer consumption are diminished in a native landscape, especially beyond seed and plant establishment periods.

DISCUSSION

APPROACH

The study presents conceptual-level comparisons between the golf scenario and the reprogram scenario. The **reprogram scenario includes three schemes—Passive, Mini-Golf, and Camping**—which provide additional resolution on potential fiscal tradeoffs across options.

Capital and O&M cost estimation was developed from high-level concepts and generalized data. Accordingly, cost outputs and related results are conceptual, order-of-magnitude estimates rather than project-level budgets based on detailed design.

Long-range projections, including net present value (NPV), are intended to support comparative interpretation across the scenarios and schemes. Results should be read as indicative of relative differences under the stated assumptions, rather than as precise forecasts or commitments to future performance.

The study deliverables are intended to support differentiation among options at a strategic planning level; rather than optimization of an alternative or validation of a shovel-ready project.

The revenue generating uses (golf, mini-golf, RV camping, and walk-in camping) were modeled as discrete enterprise activities with distinct capital requirements, revenue drivers, and operating cost structures. Enterprise results can be reviewed individually and then considered within a broader system context that includes park-wide operating costs and non-revenue programming.

NPV was calculated by discounting the projected 15-year stream of annual net operating income (NOI) at a five percent discount rate and subtracting the full upfront capital investment assumed to occur in year 0.

NET PRESENT VALUE COMPARISON



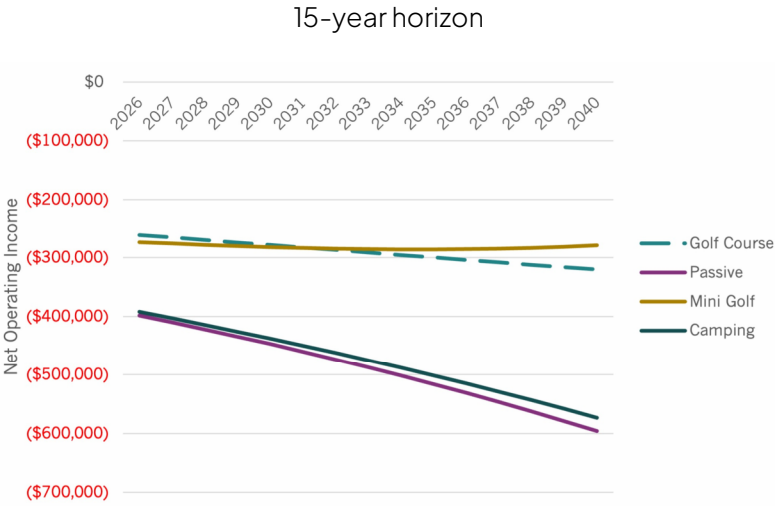
Source: EConorthwest, 2025.

All NPV are negative, because all alternatives require ongoing subsidy (NOI are negative).

Net present value (NPV) is used in this study as a comparative planning metric, not a project pro-forma or a prediction of actual future cash flows.

NPV presents the alternatives in financial terms and illustrates relative fiscal exposure under the stated assumptions; it is one lens for decision-making.

NET OPERATING INCOME COMPARISON



NOI clarifies ongoing operating obligations, as is shown in these horizon and average comparisons.

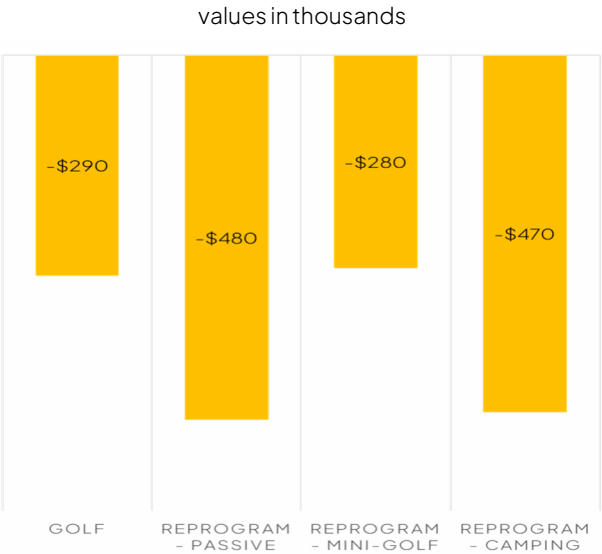
BOTH SCENARIOS

Capital intensity and timing plays a significant role in the resulting NPVs.

NPV outcomes are strongly influenced by upfront capital assumptions. Options with higher initial capital requirements may show materially different NPV results even when projected annual operating performance is favorable. For example, the Mini-Golf scheme is modeled with relatively high annual operating performance over the planning horizon, its NPV outcome is influenced by the scale of upfront capital investment.

For the golf scenario, limiting capital scope to irrigation system replacement reduces assumed upfront capital expenditure relative to alternatives that include broader program changes, resulting in a different NPV profile under the study’s approach. Neither scenario is expected to be fully self-supporting under the assumptions used; the study objective is to

AVERAGE NOI COMPARISON



Source (both): EConorthwest, 2025.

compare relative fiscal tradeoffs among alternatives rather than identify a single “profit-maximizing” option.

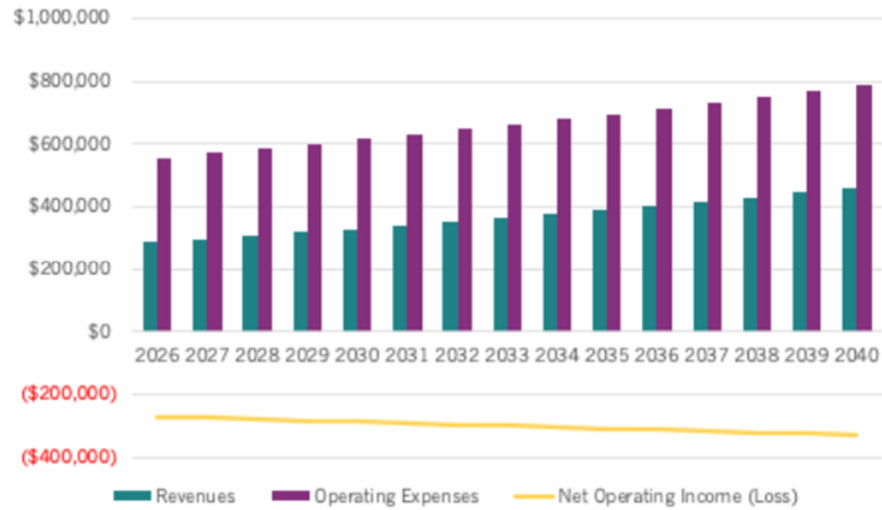
Capital timing is modeled as upfront for comparability; phasing could change cash flow timing and NPV outcomes. In practice, improvements contemplated in the reprogram schemes may be phased depending on scope, funding, and sequencing constraints; where phasing is feasible, the timing of capital spending can affect long-term fiscal outcomes, particularly for alternatives with revenue-generating uses.

Access and affordability vary across scenarios and schemes; decision-makers may wish to compare who benefits, and under what cost and capacity constraints.

Communications and design refinement can clarify the public recreation interfaces and expectations for the public and leaseholders.

DISCUSSION

Summary of Revenues, Expenses, NOI, and Future Projection



Source: ECONorthwest analysis of CWMG data, 2025.

GOLF

Recent operating results indicate revenue growth and more stable costs; however, the long-term projections show revenues increasing more slowly than expenses, resulting in a widening net operating gap over time. The projections apply modest category-specific escalation assumptions (approximately two to four percent annually).

Projected revenue capacity remains constrained by the course's scale and market position, including the nine-hole format, seasonal patterns that limit play volume, and limited destination premium or tournament/event potential. These characteristics are reflected in the modeled demand and revenue assumptions.

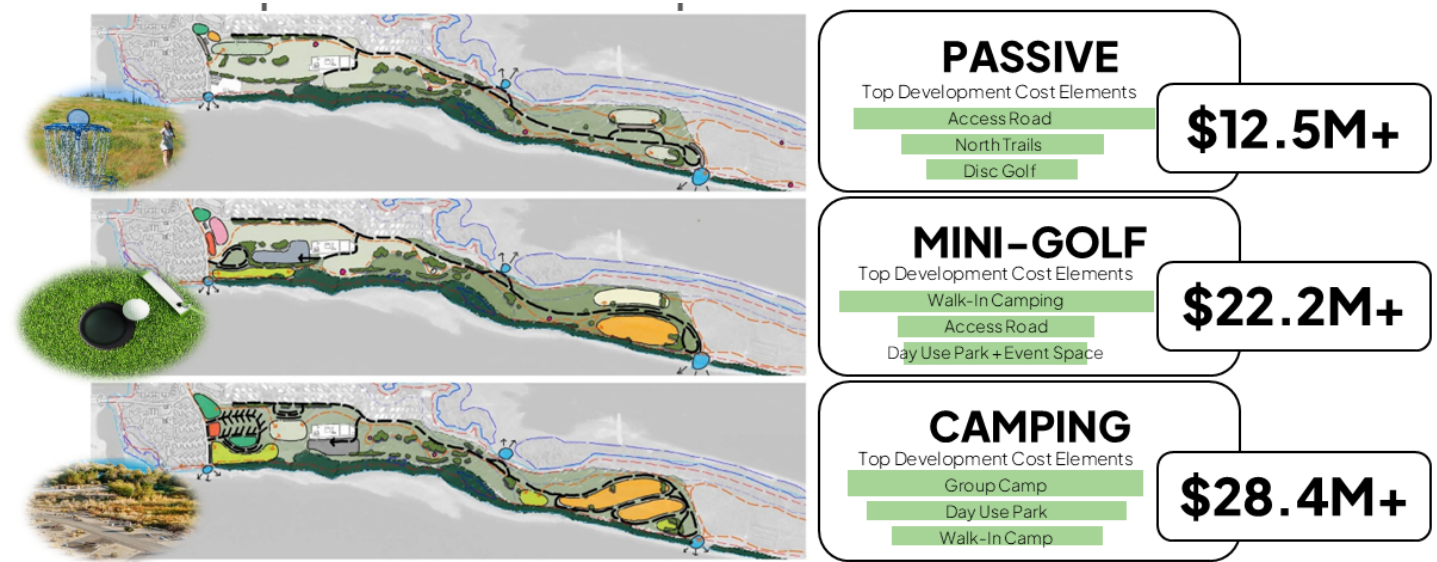
Under the modeled assumptions, this corresponds to increasing fiscal exposure over the planning horizon. The golf scenario continues to require subsidy to maintain current service levels, and the modeled subsidy increases over the planning horizon before accounting for major capital needs such as irrigation system

replacement. Because Grant PUD bears certain costs (e.g., water and power) directly, the full cost of golf operations to Grant PUD may be higher than amounts reflected in operator financial statements, depending on cost allocation in the analysis.

Membership play represents a substantial share of rounds, while membership fees contribute a smaller share of total revenue, resulting in a lower effective price per round for members than for daily play. **Membership pricing and structure are potential levers to evaluate for improved cost recovery** while considering affordability and community access objectives.

Irrigation system replacement is a key capital planning consideration; deferring replacement may increase operational risk and maintenance requirements over time.

This scenario maintains a long-term operating model centered on traditional golf.



Source: Studio Seyfried and Pacific Engineering & Design, 2025.

REPROGRAM

The reprogram scenario includes three conceptual-level schemes developed using feedback, staff and operator insights, site constraints, recreation trends and financial considerations. All are constrained by wastewater treatment plant capacity in practice.

Passive converts approximately 12 acres to disc golf with three turf areas, transitions remaining acreage to upland habitat, and assumes the clubhouse supports concessionaire functions for the RV campground. Passive has the lowest upfront capital requirements; with limited direct revenue generation, it is modeled with higher net operating losses and increasing subsidy requirements over time.

Mini-Golf includes a 0.5-acre mini-golf facility and a 1.75-acre day-use park at the former O&M yard, plus walk-in camping at the island's south end. **Mini-golf is modeled as the highest net revenue-generating enterprise among the reprogram elements.**

Camping adds approximately 20 full hook-up RV campsites, a 2-acre riverfront day-use park, and walk-in/large-group camping at the island's south end. This scheme is more capital-intensive; operating outcomes depend on utilization, pricing, and staffing assumptions.

In a system context, layering multiple uses may improve long-term financial performance and broaden the recreation mix, subject to demand and implementation constraints

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ATTACHMENTS

Workshop Materials

December 16, 2025 presentation deck

Financial Analysis

Comparative Financial Analysis Technical Memo

Development Cost Estimates

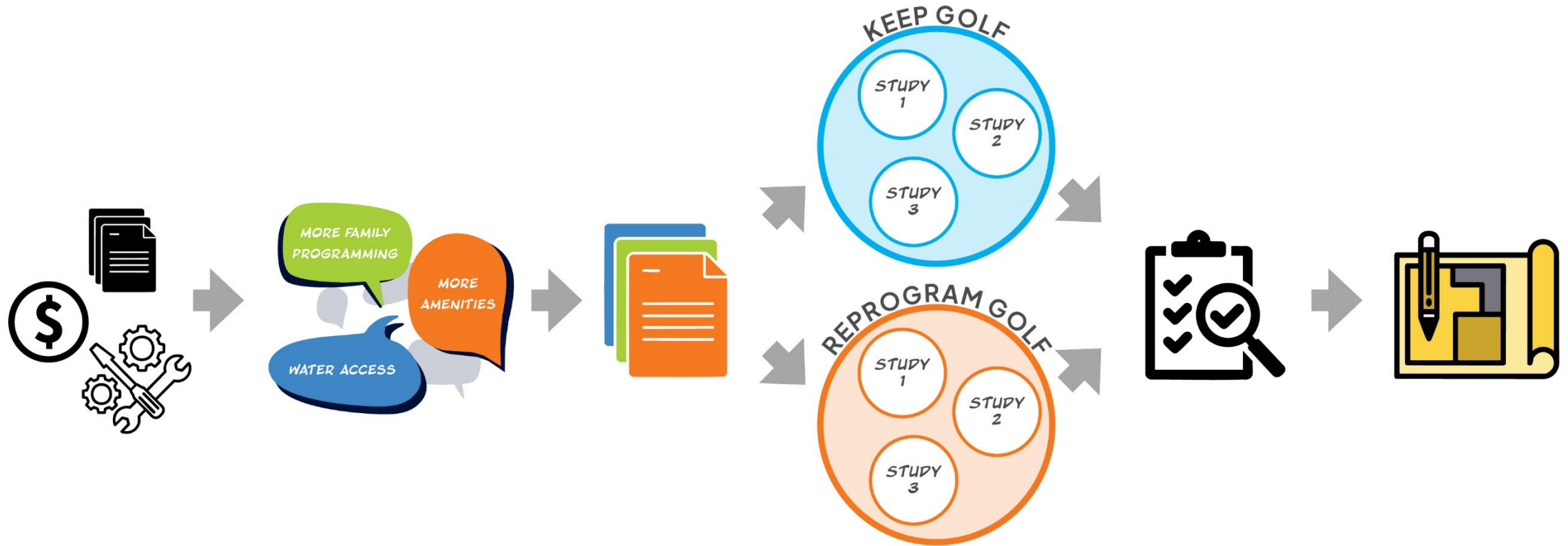
Development Cost Estimates Memo



Crescent Bar Recreation Area

Golf Course Scenario and Alternatives Comparison

GOLF or REPROGRAM



1. Current State Analysis

2. Outreach, Engagement,
User/Operator Feedback

3. Inventory & Analysis, Site
Basemapping

4. Reprogramming Studies:
Golf vs. Reprogram Golf

5. Synthesize & Evaluate

6. Master Plan Process
& RRMP Update

GOLF or REPROGRAM

Both scenarios
require
perpetual subsidy



Some uses
generate revenue
that can lower costs and
improve
long-term finances.

GOLF

Scenario before irrigation upgrades

Revenues growth has been strong and costs have stabilized

Future subsidy persists



Images: Toro

GOLF

Irrigation System

- ☐ Excludes costs of Poplar removals
- ☐ Estimates not prevailing wage
- ☐ No contingency
- ☐ Does not account for course layout changes

- ☐ Replaces everything downstream of the golf submeter to nozzles
- ☐ Significant management & monitoring improvements
- ☐ Reduction in water & input consumption
- ☐ Lowest risk for additional capital investment

**REPLACE
FULL SYSTEM**

\$3.1M+

GOLF

Bottom line

Persistent structural cost – revenue mismatch means revenues never rise enough to cover full operating costs.

- ❑ Nine-hole format limits rounds & revenue
- ❑ Nine-hole format lacks scale efficiency
- ❑ No destination premium potential

Large and growing
cumulative operating losses

The golf course simply
does not generate enough revenue
to offset rising labor, maintenance, and
capital renewal costs.

REPROGRAM

Functional Comparison



PASSIVE

- ☐ 9 Hole Disc Golf
- ☐ Trails
- ☐ Irrigated Lawns
- ☐ Water Access
- ☐ Non-motorized boat launch
- ☐ Shade structures
- ☐ Food Truck Plaza
- ☐ Upland Habitat



MINI-GOLF

- ☐ 9 Hole Mini-Golf
- ☐ 9 Hole Disc Golf
- ☐ Trails
- ☐ Day Use Park
- ☐ Event Space
- ☐ Water Access
- ☐ Non-motorized boat launch
- ☐ Shade structures
- ☐ Food Truck Plaza
- ☐ Walk In Camping
- ☐ Upland Habitat

Revenue generating
slow the growth of cumulative
subsidy

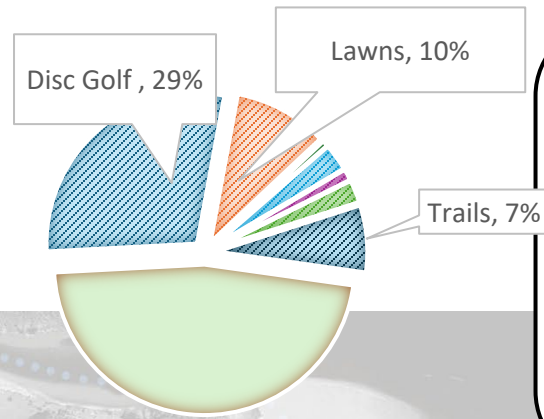


CAMPING

- ☐ RV Camping
- ☐ Group Camp
- ☐ Walk In Camping
- ☐ Trails
- ☐ Day Use Parks
- ☐ Event Lawn
- ☐ Water Access
- ☐ Non-motorized boat launch
- ☐ Shade structures
- ☐ Concessionaire
- ☐ Upland Habitat

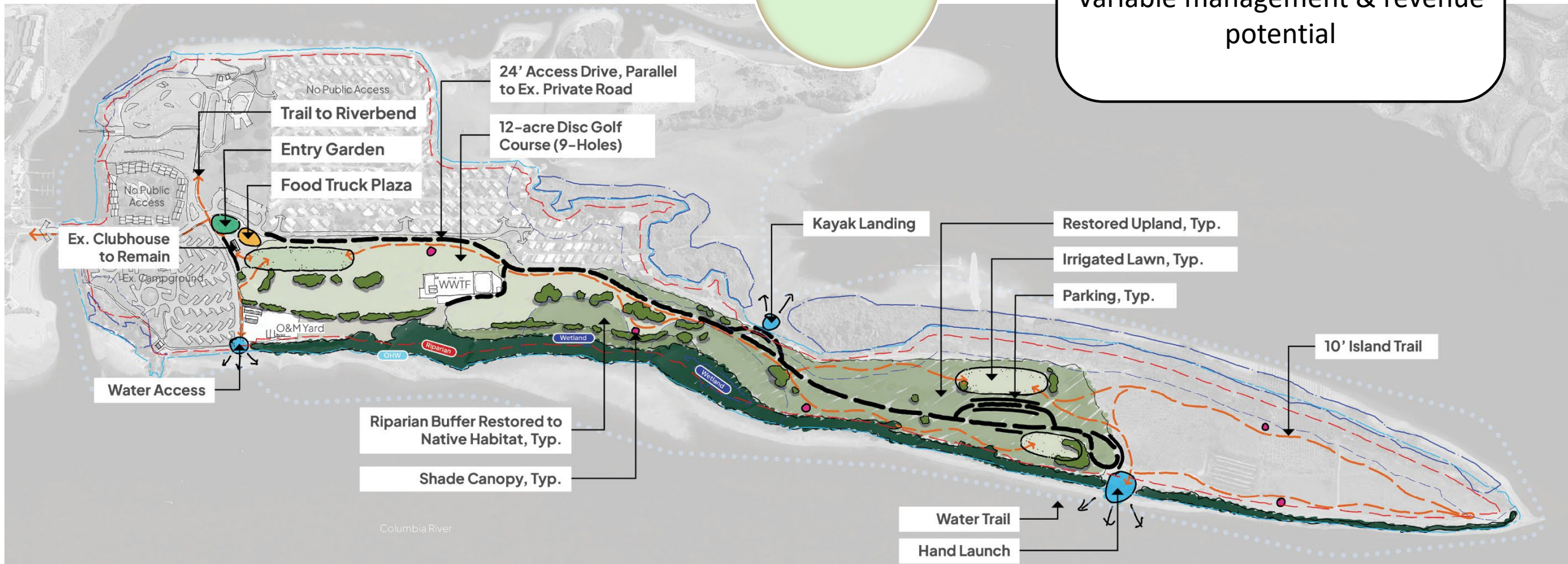
REPROGRAM

Passive Scheme



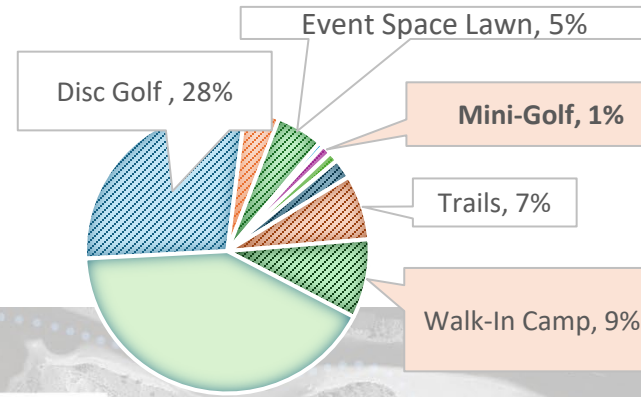
PASSIVE

Disc golf participation & popularity growing nationally
Variable management & revenue potential

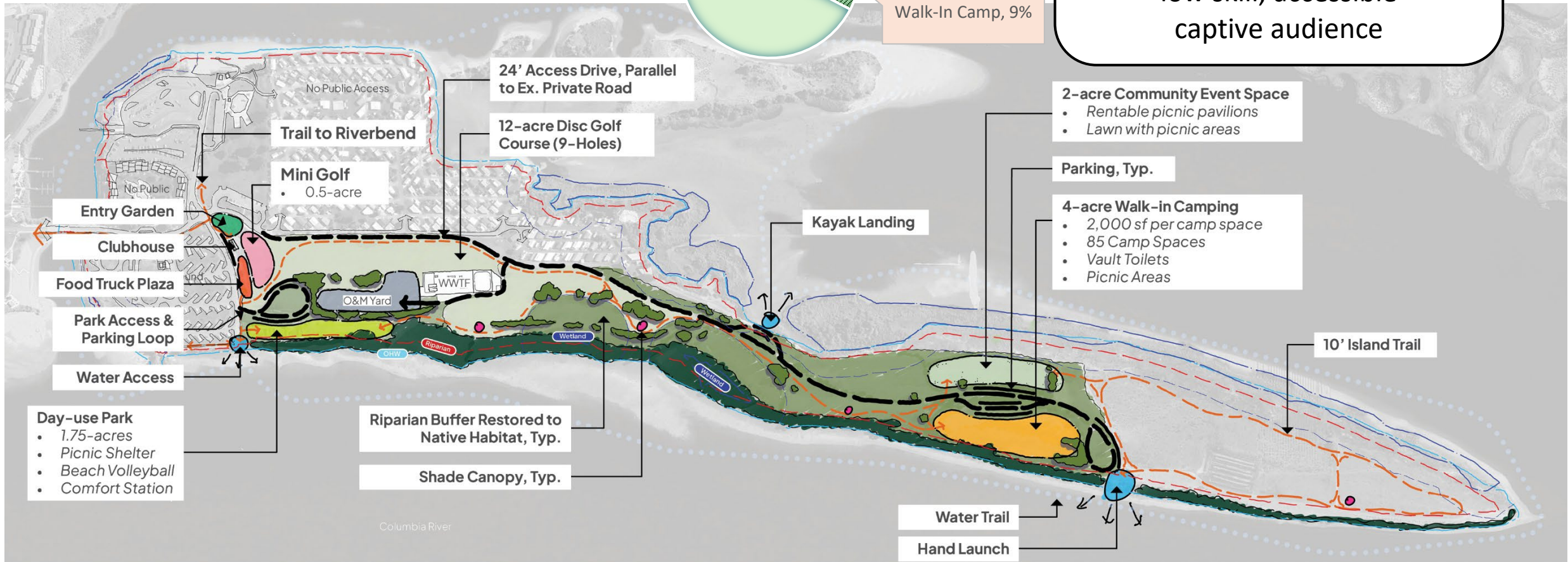


REPROGRAM

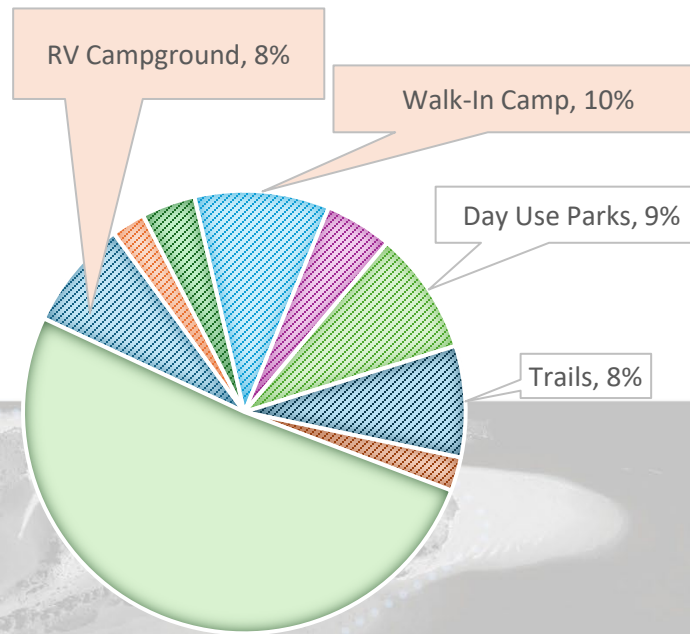
Mini Golf Scheme



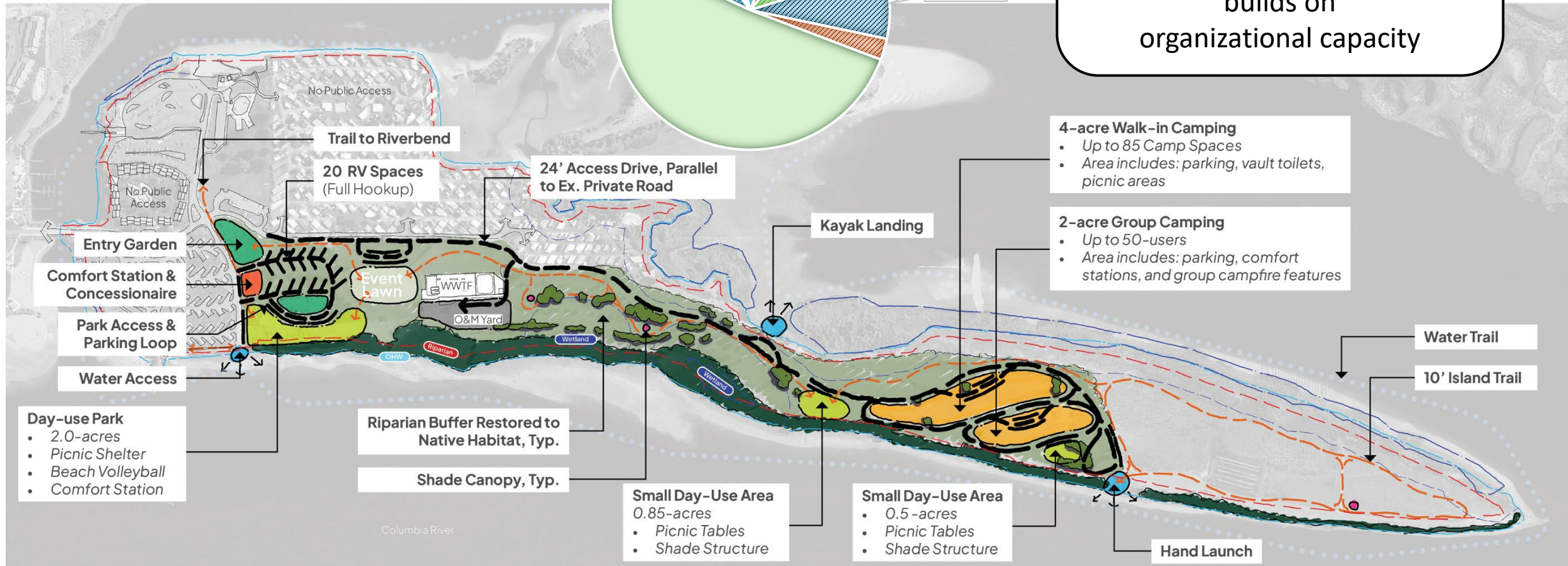
MINI-GOLF
modestly priced
multi-generational
low skill, accessible
captive audience



REPROGRAM Camping Scheme



CAMPING
established market
high demand
builds on
organizational capacity



REPROGRAM

Development Cost Comparison



PASSIVE

Top Development Cost Elements

Access Road

North Trails

Disc Golf

\$12.5M+

MINI-GOLF

Top Development Cost Elements

Walk-In Camping

Access Road

Day Use Park + Event Space

\$22.2M+

CAMPING

Top Development Cost Elements

Group Camp

Day Use Park

Walk-In Camp

\$28.4M+

REPROGRAM - Passive

Enterprise Economic Comparison



No income
generation.

Greatest cost exposure:

- ☐ level of irrigation
- ☐ maintained spaces

REPROGRAM – Mini-Golf

Enterprise Economic Comparison



Greatest ability for
revenue generation.

- ☐ revenues (net of operating costs)
support other actively maintained
areas
- ☐ scheme has more irrigated spaces
and finished scapes/structures.

REPROGRAM – Camping

Enterprise Economic Comparison



Revenue generation
helps offset operating
costs

- ☐ lower operating costs than mini-golf
- ☐ scheme has large irrigated spaces and finished scapes/structures.

GOLF or REPROGRAM

Net Operating Income Comparison

The Mini-Golf scheme
improves marginal
NOI

- ❑ Golf course scenario continues moderate losses but remains financially stable option.
- ❑ Mini-golf can produce strong NOIs over time.
- ❑ Mini-golf and camping alternatives reduce subsidy pressure and improve cash balance.
- ❑ Passive park alternative generates highest long-term losses with no offsetting revenue.

GOLF or REPROGRAM

Net Present Value Comparison

Cost Intensity and Net Value Tradeoffs

All scenarios require significant up front capital, with long-term NPVs remaining negative.

	Capital Investment	Average NOI	NPV
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MINI-GOLF

- ❑ highest capital cost
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CAMPING

- ❑ improves NOI relative to the golf baseline
- ❑ cannot overcome capital intensity.

GOLF or REPROGRAM

Recap

GOLF

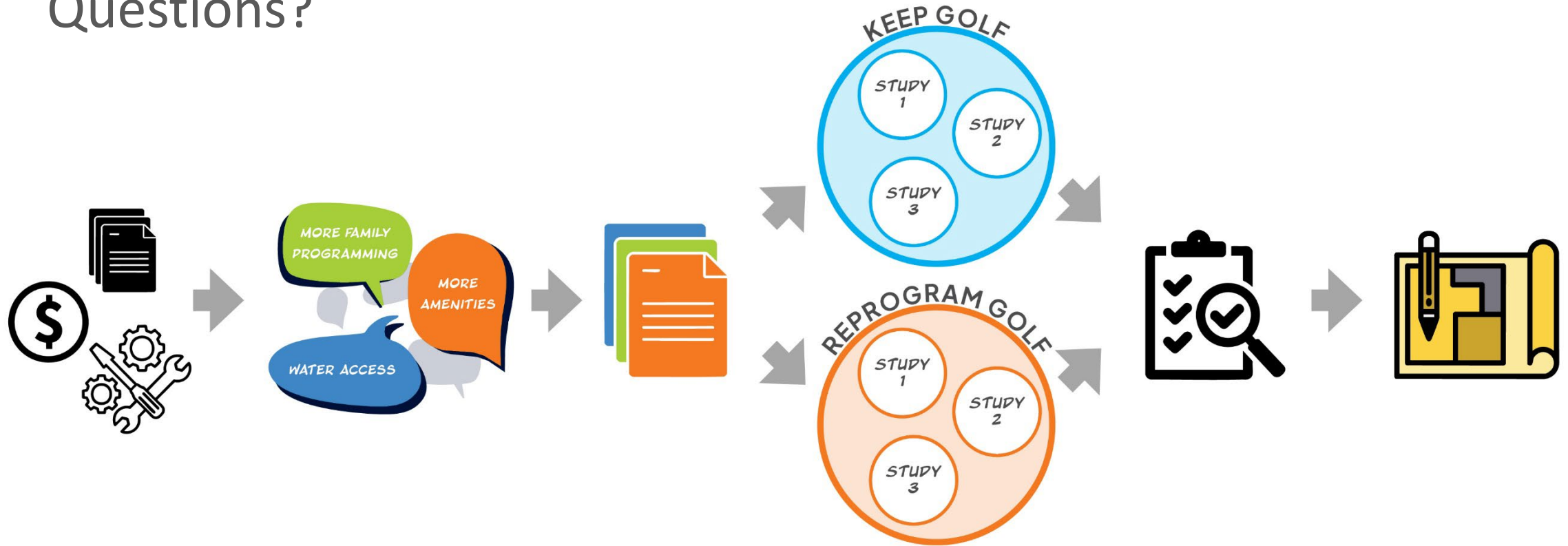
- ☐ Subsidy benefits a small group of users
- ☐ Limited capacity to remedy revenue-cost mismatch
- ☐ Highest water and inputs consumption

REPROGRAM

- ☐ Strategically layered uses can slow cumulative subsidy growth over time
- ☐ Broader public benefit
- ☐ Balance of uses
- ☐ Reduces irrigation water and inputs consumption and related O&M.

GOLF or REPROGRAM

Questions?



1. Current State Analysis

2. Outreach, Engagement,
User/Operator Feedback

3. Inventory & Analysis, Site
Basemapping

4. Reprogramming Studies:
Golf vs. Reprogram Golf

5. Synthesize & Evaluate

6. Master Plan Process
& RRMP Update



THANK YOU

DATE: January 16, 2026
TO: Heather Ostenson, Senior Civil Engineer, Pacific Engineering
FROM: Morgan Shook
SUBJECT: Crescent Bar Recreation Area: Comparative Financial Analysis of Golf and Reprogramming Alternatives

Introduction and Purpose

Crescent Bar is a significant recreation asset owned and operated by Grant County Public Utility District (GPUD). The site serves both local residents and seasonal visitors, providing a mix of golf, camping, day use, shoreline access, and informal recreation opportunities along the Columbia River. Over time, the facility has evolved into a hybrid recreation area that blends structured activities (such as golf and managed camping) with more informal public park uses.

The Crescent Bar Golf Course has historically been an important community amenity but has also required ongoing financial support from GPUD. As the golf course's irrigation system has aged, GPUD now faces a substantial near-term capital decision regarding replacement of the irrigation infrastructure downstream of the submeter. This decision has prompted a broader evaluation of the site's future programming and fiscal sustainability.

In this context, GPUD initiated a planning effort to assess whether continuing to operate a traditional nine-hole golf course remains the most effective use of the site, or whether alternative recreation configurations could better balance community benefits, water use, and long-term financial performance. The central policy question framing this analysis is:

Should GPUD reinvest in the existing golf course, or reprogram portions of the site to support other forms of active and passive recreation that may generate different fiscal and public benefit outcomes?

This technical memorandum supports that decision by providing a comparative economic analysis of a "no action" golf scenario and three alternative reprogramming concepts.

Scope of Analysis

This analysis evaluates four primary scenarios for the Crescent Bar Recreation Area:

1. **Baseline: Keep Golf (with irrigation replacement).** Continued operation of the existing nine-hole golf course, accompanied by a major upgrade to the irrigation system to address aging infrastructure, water efficiency, and reliability.
2. **Reprogram: Passive Recreation.** Conversion of the site to primarily passive and day-use recreation, including trails, open space, disc golf, shoreline access, and limited structured amenities, with no significant revenue-generating operations.

3. **Reprogram: Mini-Golf and Mixed Recreation Replacement.** Replacement of traditional golf with a smaller mini-golf course alongside expanded day use areas, trails, disc golf, and limited camping and event space.
4. **Reprogram: Camping-Oriented Recreation.** Expansion of walk-in and group camping facilities combined with day use areas, trails, and supporting amenities, with reduced emphasis on traditional golf.

For each scenario, the analysis assesses:

- Upfront capital investment requirements;
- Annual operating revenues (where applicable);
- Annual operations and maintenance (O&M) costs;
- Net operating income (NOI);
- Cumulative cash flow over a 15-year planning horizon thru 2040; and
- Net present value (NPV) using a consistent public-sector discount rate.

The purpose is not to identify a single “profit-maximizing” option; none of the scenarios are expected to be fully self-supporting, but rather to clarify the relative fiscal tradeoffs among alternatives so that GPUD can make an informed policy decision that balances community values with long-term financial risk.

Data Sources and Analytical Approach

The financial analysis presented in this memo is intended to support conceptual comparison among alternative futures for Crescent Bar, rather than to provide definitive project-level budgeting for any single option. The purpose of the work is to clarify relative magnitudes, tradeoffs, and directional differences between scenarios so that GPUD and its partners can make more informed policy and planning choices.

The analysis relies on a combination of the following sources:

- Historic operational and financial information provided by Central Washington Management Group (CWMG) for the Crescent Bar Golf Course (2024 data), supplemented by the SCJ Alliance market and operations review (May 2024).
- Concept-level program quantities and layouts developed by the master planning and design team.
- Unit cost benchmarks for park operations drawn from comparable public facilities in the region.
- Standardized assumptions for pricing, occupancy, and utilization for mini-golf and camping enterprises based on industry norms and professional judgment.

While the analysis uses quantitative tables, multi-year projections, and present-value calculations, the results should be interpreted as order-of-magnitude estimates rather than engineering-grade forecasts. Several factors warrant caution:

1. **Conceptual design level.** The scenarios are based on high-level program concepts, not final designs. Changes in layout, irrigation strategy, infrastructure location, or site programming could materially alter both capital and operating costs.
2. **Benchmark-driven unit costs.** Many operating cost estimates rely on generalized unit costs (\$/sf, \$/LF, \$/asset) rather than site-specific bids or detailed maintenance plans. These are reasonable for comparative analysis but would need refinement in later design phases.
3. **Simplified enterprise modeling.** Mini-golf and camping revenues are modeled using stylized assumptions about pricing, seasonality, and occupancy. These are intended to illustrate plausible performance, not to predict actual receipts with precision.
4. **No detailed engineering or utility modeling.** Wastewater, water, electrical distribution, and stormwater systems were not engineered in detail as part of this phase; thus, long-term utility costs and capacity constraints are approximated rather than fully modeled.
5. **Purpose is differentiation, not optimization.** The analysis is designed to differentiate scenarios and surface tradeoffs, not to optimize a single preferred plan. In other words, the goal is to inform strategic direction for the Commission, not to validate a build-ready project.

For these reasons, the numerical results—particularly NPV figures and long-range projections—should be viewed as directionally reliable but not precise forecasts. The strength of the analysis lies less in any individual dollar figure and more in the relative relationships among scenarios (e.g., which options are more or less capital intensive, which reduce annual subsidies, and which expand long-term obligations). As the project advances into more detailed design and engineering, these estimates can and should be refined with site-specific data, contractor input, and more granular operating plans.



Baseline Scenario: Keep Golf with Irrigation Replacement

Description of the Baseline (“No Action”) Scenario

The baseline scenario assumes continued operation of the existing nine-hole Crescent Bar Golf Course, accompanied by a comprehensive replacement of the aging irrigation system downstream of the submeter. This scenario represents a “no action” programmatic alternative in the sense that the core recreational use of the site remains unchanged, but it requires a significant capital investment to sustain current operations.

The proposed irrigation replacement would modernize water delivery across the course, improve reliability, and reduce the risk of near-term system failures. While these upgrades are expected to improve operational efficiency and reduce water losses, they would not materially change the underlying market position of the golf course, its scale of operations, or its revenue-generating potential.

Under this baseline, the Crescent Bar Golf Course would continue to function as a local-serving, nine-hole facility oriented primarily toward casual and recreational play rather than destination golf. The clubhouse, pro shop, maintenance facilities, and related infrastructure would remain largely as they are today.

Historical Use and Revenue Context

The baseline revenue profile for the Crescent Bar Golf Course is anchored to actual 2024 operating results provided by Central Washington Management Group (CWMG), rather than to earlier estimates or market studies. This provides a more concrete starting point for evaluating the fiscal trajectory of the “keep golf” scenario over a 15-year horizon.

In 2024, total golf-related revenues were approximately \$269,500, comprised of the following major categories:

- **Memberships (\$64,718).** Membership revenue reflects annual passes purchased primarily by local or repeat players. While memberships provide stable, predictable cash flow, they also imply a relatively low effective price per round for a large share of total play. This is a structural feature of many small municipal-style courses and constrains revenue potential even when total rounds are steady.
- **Daily play greens fees (\$141,383).** Daily play represents the largest single revenue source in 2024 and is driven largely by seasonal visitors and casual golfers. This category is more sensitive to weather, visitation patterns at Crescent Bar, and overall recreation demand.

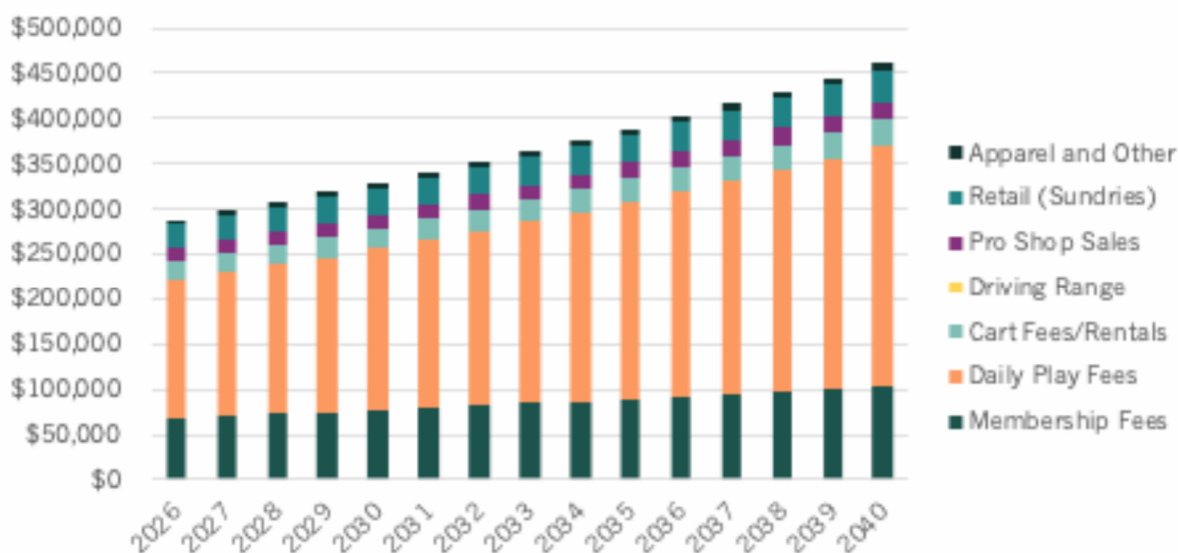
- **Cart fees and rentals (\$18,739).** Cart revenue is closely tied to total rounds played and tends to move proportionally with greens-fee activity. It provides a modest but consistent supplementary revenue stream.
- **Pro shop sales (\$14,049), sundries/retail (\$25,468), and apparel/other (\$5,162).** These ancillary revenues reflect typical small-course retail activity. While helpful to the overall revenue mix, these categories are relatively modest in scale and do not materially change the course's overall financial position.

Taken together, this revenue mix underscores two important features of the baseline:

1. **Dependence on play volume rather than pricing power.** With no driving range and limited food-and-beverage operations, the course relies primarily on greens fees, memberships, and carts rather than diversified on-site spending.
2. **A high share of low-priced membership play.** Roughly 5,000 rounds in 2024 were played by members, who collectively generated about \$63,000 in membership revenue, implying an effective revenue per member round of roughly \$12–\$13. This depresses average revenue per round even when total rounds are stable.

For forward-looking analysis, 2024 revenues were used as the baseline year and then escalated at modest annual rates by category (generally 2–4 percent per year) to reflect inflation, gradual fee increases, and population growth in the region. Under these assumptions, total golf-related revenue grows from about \$269,500 in 2024 to roughly \$475,900 by 2041. Importantly, this growth reflects price escalation and incremental demand rather than a fundamental change in the course's market position or programming.

Exhibit 1: Summary of Revenues and Future Projection



Source: ECONorthwest analysis of CWMG data, 2025.

Even with this projected revenue growth, the underlying structure of the course—nine holes, seasonal demand, and a membership-heavy customer base—limits its ability to cover fixed operating costs through revenues alone. This context frames the financial results discussed in subsequent sections.

Baseline Operating Cost Structure

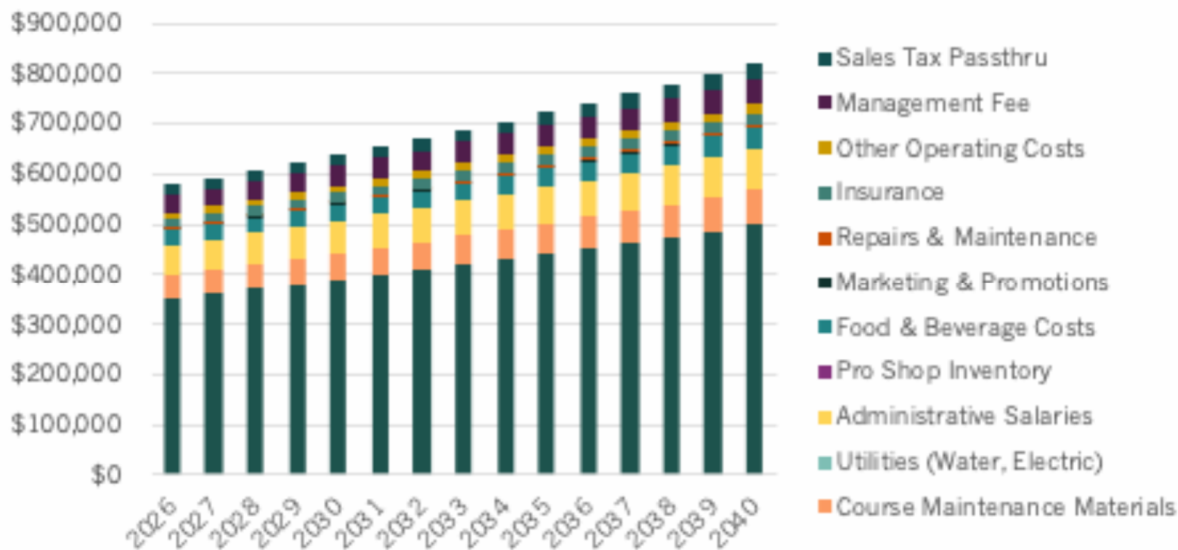
The operating cost profile for the Crescent Bar Golf Course is based on actual 2024 expenses provided by Central Washington Management Group, escalated forward at approximately 3 percent per year for planning purposes. In 2024, total operating expenses were approximately \$531,000, rising to roughly \$808,000 by 2041 under these assumptions. These figures include both on-site operating costs and the contracted management fee paid to CWMG.

The 2024 expense base is dominated by three core components:

- **Course maintenance labor (\$336,312 in 2024).** Groundskeeping and turf management represent by far the largest single cost category, accounting for more than 60 percent of total operating expenses. This includes mowing, irrigation system management, fertilization, pest control, and general course upkeep. These costs are largely fixed in relation to the physical size of the course and do not vary substantially with changes in rounds played.
- **Administrative salaries (\$55,165 in 2024).** These costs reflect staffing for clubhouse operations, scheduling, point-of-sale management, and general administration. Like maintenance labor, these costs are semi-fixed and remain necessary even in lower-demand years.
- **Course maintenance materials (\$45,935 in 2024).** This category includes fertilizers, chemicals, fuel, parts, and other inputs necessary to keep the course playable. While some of these costs may vary with weather and course conditions, they are broadly stable year to year.
- Other notable cost categories include:
 - **Food and beverage costs (\$27,763 in 2024),** which support limited concession operations at the clubhouse;
 - **Insurance (\$15,701 in 2024),** reflecting general liability and property coverage;
 - **Repairs and maintenance (\$3,356 in 2024),** covering routine fixes to equipment and facilities;
 - **Marketing and promotions (\$1,243 in 2024),** a relatively small but consistent expense; and

- **Other operating costs (\$11,850 in 2024)**, capturing miscellaneous supplies and overhead items.
- In addition to direct operating expenses, two important line items affect the net fiscal position of the baseline:
 - **Management fee (Estimated based on past levels, not actuals, of \$33,690 in 2024)**. Under GPUD’s contract with CWMG, the operator receives a management fee. This fee grows over time in line with projected revenues.
 - **Sales tax passthrough (\$20,035 in 2024)**. Sales taxes collected at point of sale are included in gross revenues but passed through to the state and therefore do not represent net operating resources available to GPUD.

Exhibit 2: Summary of Expenses and Future Projection



Source: ECONorthwest analysis of CWMG data, 2025.

Notably, the CWMG data provided to date do not separately identify utilities for water and electricity in 2024, as these costs are typically borne directly by GPUD rather than embedded in the operator’s expense ledger. As a result, the baseline expense totals above likely understate GPUD’s full cost of providing golf operations, particularly with respect to water use and power for irrigation and facilities.

Net Operating Income and Structural Financial Challenge

The Crescent Bar Golf Course’s persistent operating subsidy reflects a structural mismatch between its revenue potential and its cost base rather than short-term mismanagement or cyclical downturns.

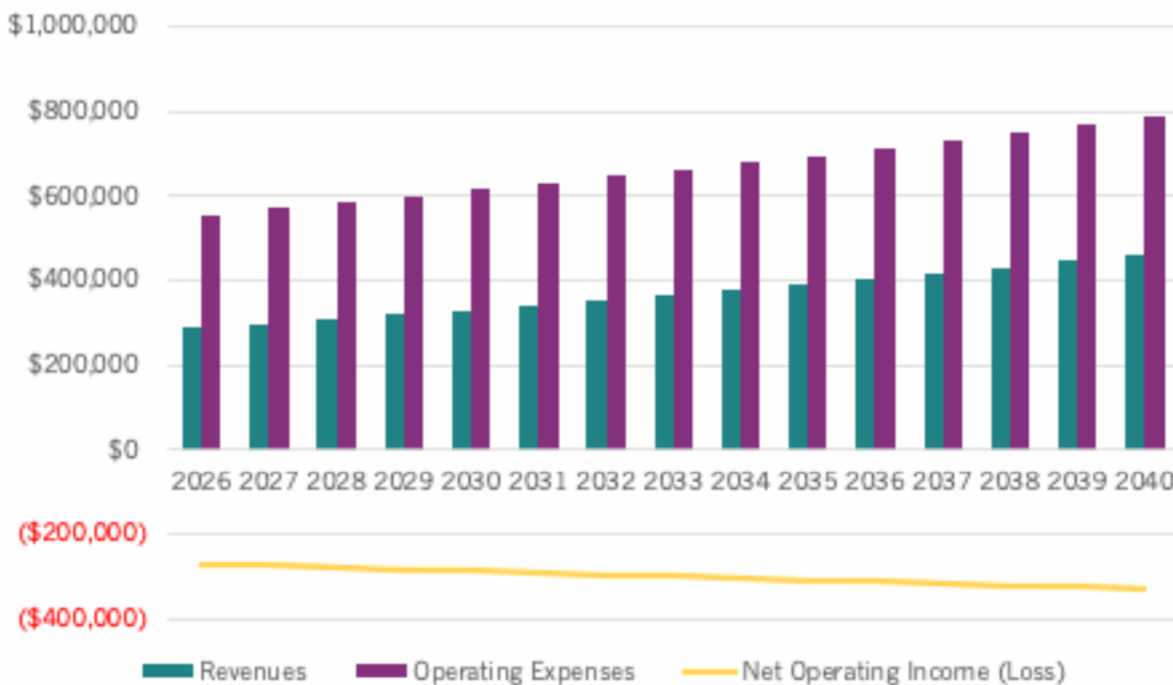
Three interrelated factors drive this challenge:

- **Scale.** As a nine-hole course, Crescent Bar cannot generate the same volume of rounds or per-visit spending as larger 18-hole facilities, yet it still bears many of the same fixed maintenance and facility costs.
- **Market position.** The course primarily serves local and seasonal recreational golfers rather than destination or tournament play, which limits the ability to charge premium rates.
- **Fixed cost intensity.** Turf maintenance, irrigation, and clubhouse operations require ongoing investment regardless of demand fluctuations.

As a result, even with an updated irrigation system that may modestly reduce water and maintenance costs, the baseline scenario is expected to continue generating annual operating losses that require GPUD subsidy support.

Importantly, replacing the irrigation system would likely increase the cumulative fiscal exposure over time by committing GPUD to a renewed long-term operating model centered on traditional golf, rather than reducing that exposure.

Exhibit 3: Summary of Revenues, Expenses, NOI and Future Projection



Source: ECONorthwest analysis of CWMG data, 2025.

On a net operating basis, the baseline golf scenario produces a consistent annual loss throughout the 15-year planning horizon. In 2024, net operating income is approximately – \$261,500, reflecting the gap between roughly \$269,500 in revenues and \$531,000 in operating expenses (exclusive of major capital reinvestment). Under the assumed

escalation rates, this annual operating loss gradually widens over time, reaching approximately –\$332,100 by 2041.

This pattern reflects the structural imbalance described above: even as revenues grow modestly over time, operating expenses, driven primarily by labor-intensive turf maintenance, administration, and contracted management fees, grow at a similar or faster pace. As a result, the baseline “keep golf” scenario does not approach break-even in any year and instead generates a persistent and compounding operating subsidy requirement from GPUD.

These projected operating losses are in addition to the significant one-time capital investment required to replace the irrigation system, meaning the full fiscal exposure of the baseline includes both recurring annual deficits and substantial upfront capital outlays.

The baseline scenario provides an important reference point for evaluating alternatives. It reflects the cost of preserving the status quo, both in terms of capital investment and ongoing subsidy requirements. This baseline does not assume that keeping golf is inherently undesirable; rather, it clarifies that doing so entails a predictable pattern of recurring operating deficits, even after substantial capital reinvestment. The remaining sections of this memo compare this baseline to three reprogramming alternatives to determine whether other uses of the site could better align fiscal performance with community recreation objectives.



Methodology: Enterprise Revenue Modeling and Operating Performance for Reprogrammed Alternatives

This section describes the analytical approach used to model the revenue-generating enterprises that appear in one or more of the reprogramming scenarios: mini-golf, RV camping, and rustic walk-in camping.

Rather than embedding these assumptions directly within each scenario, we modeled each activity as a discrete enterprise with its own capital requirements, revenue drivers, and operating cost structure. This approach allows decision-makers to clearly see the stand-alone financial performance of each activity before it is combined with the broader park operating costs associated with trails, lawns, restrooms, roads, and other non-revenue facilities.

Mini-Golf Enterprise Model

Revenue Approach

Mini-golf revenue was modeled based on a capacity-and-occupancy framework rather than historical data, reflecting the fact that Crescent Bar does not currently operate a mini-golf facility. Key assumptions include:

- Daytime price per round: \$10
- Nighttime price per round: \$12
- Operating hours: 6 daytime hours and 4 nighttime hours per day
- Rounds per hour capacity: 80
- Occupancy: 10 percent during the day and 25 percent at night
- Operating season: 200 days per year

Applying these assumptions yields an estimated \$288,000 in annual greens-fee revenue from mini-golf play. This approach reflects a conservative utilization profile consistent with a seasonal recreation market. It assumes that Crescent Bar would attract a mix of family visitors, campers, and day users, with higher usage in the evening when alternative entertainment options are limited.

Operating Cost Assumptions

Operating expenses for the mini-golf enterprise were estimated as follows:

- Labor (partial FTE): \$80,000 per year. This staffing level assumes a blended model that relies on some degree of self-service operations (e.g., automated ticketing/point-of-sale, limited on-site supervision) and operational efficiencies created by co-locating mini-golf with the existing camping enterprises. In practice,



this means that seasonal camp hosts or shared guest-services staff could provide part-time oversight, maintenance support, and basic customer assistance, reducing the need for a dedicated full-time mini-golf attendant.

- Utilities, maintenance, and insurance: \$35,000 per year
- Supplies and replacements: \$10,000 per year
- Marketing and administration: \$10,000 per year

These costs reflect a modest staffing presence for guest services and maintenance, routine upkeep of the course surface and features, and basic promotion of the facility. Total estimated annual operating expenses are \$135,000.

Mini-Golf Enterprise Performance

The mini-golf enterprise is modeled as a seasonal, moderately utilized attraction with pricing that reflects family-oriented recreation rather than premium destination golf. Annual revenue begins at \$288,000 in 2026 and grows to roughly \$570,000 by 2040, reflecting modest annual fee escalation and gradual demand growth.

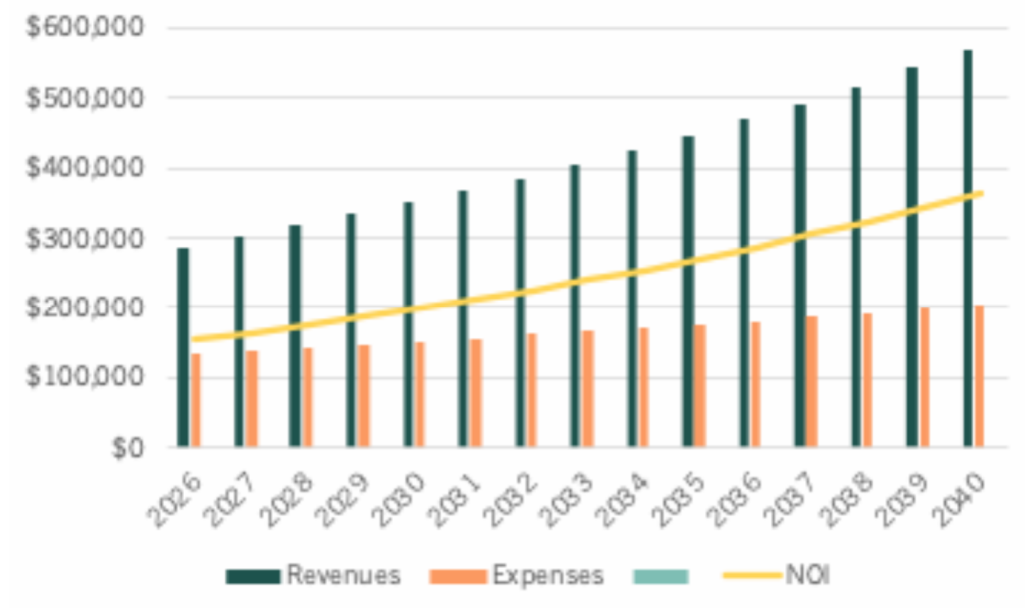
Operating expenses start at \$135,000 in 2026 and rise to about \$204,000 by 2040, driven primarily by part-time staffing, routine maintenance, utilities, insurance, and periodic replacements. The staffing model assumes a partially self-service operation that leverages shared personnel with the on-site camping program, allowing mini-golf to operate efficiently without a dedicated full-time attendant. As a result, the mini-golf enterprise generates a strong and growing net operating income (NOI):

- \$153,000 in 2026, rising steadily to
- approximately \$366,000 by 2040.

Under these assumptions, mini-golf produces positive cash flow in every year, making it the most financially productive revenue enterprise considered in the reprogramming alternatives. This recurring NOI is intended to partially offset the broader park operating costs when the mini-golf program is integrated into a full site scenario.



Exhibit 4: Mini Golf NOI Summary



Source: EConorthwest, 2025

RV Camping Enterprise Model (20 Sites)

Capital Framework

For the RV camping enterprise, we assumed development of 20 full-service RV sites, with the following per-site capital components:

- Site pad grading and surfacing: \$7,500
- Water, sewer, and electrical pedestal: \$9,000
- Site furniture (table, fire ring, marker): \$750
- Landscape and lighting allowance: \$1,500
- Share of access road and internal circulation: \$3,250

This yields a total capital cost of \$22,000 per site, or \$440,000 for 20 sites.

Revenue Modeling

Annual revenue was modeled using the following drivers:

- Average nightly rate: \$50
- Season length: 260 days
- Average occupancy: 35 percent

This produces:

- Annual revenue per site: \$4,550
- Total annual RV camping revenue: \$91,000

These assumptions reflect a moderately conservative utilization rate for a waterfront recreation area with existing camping demand.

Operating Cost Structure

Operating expenses were estimated as a percentage of revenue, with the following allocations:

- Camp host and reservation administration: 20%
- Grounds and facility maintenance: 5%
- Utilities (water, sewer, electric): 10%
- Repairs and replacement reserve: 5%
- Insurance and risk management: 5%
- Booking software and payment processing: 4%
- Other operating costs: 3%

This results in a total operating cost of 52 percent of revenue, or \$2,366 per site annually. For 20 sites, total annual operating expenses equal \$47,320.

RV Camping Enterprise Performance

The RV camping enterprise is modeled as a seasonal, full-service campground consisting of 20 hookup sites, each equipped with water, sewer, and electrical service. Pricing and utilization assumptions reflect a mid-market waterfront recreation product rather than premium resort camping.

Annual revenues begin at approximately \$273,000 in 2026 and grow to about \$455,000 by 2040, reflecting modest nightly rate escalation, stable seasonal demand, and continued occupancy near 35 percent over a 260-day season. Revenue growth is driven primarily by price adjustments rather than a material increase in site count or utilization.

Operating expenses start at roughly \$125,600 in 2026 and rise to about \$212,000 by 2040. The cost structure reflects:

- A seasonal camp host and reservation/administrative support;
- Grounds and facility maintenance for pads, roads, and common areas;
- Utilities for water, sewer, and electrical service at each site;
- A repair and replacement reserve for pedestals, hookups, and site improvements;
- Insurance and risk management; and



- Booking software and payment processing fees.

Under these assumptions, the RV camping enterprise produces consistent positive net operating income (NOI) throughout the 15-year horizon:

- \$147,420 in 2026, increasing steadily to
- approximately \$243,400 by 2040.

The RV camping program therefore represents a reliable, recurring revenue stream that can partially offset broader park operating costs when integrated into a sitewide recreation program. However, compared to mini-golf, its annual cash flow is more modest because of higher utility and infrastructure-related operating costs associated with full hookups.

Exhibit 5: RV Camping NOI Summary



Source: EConorthwest

Rustic Walk-In Camping Enterprise Model (100 Sites)

To evaluate a lower-cost, lower-intensity camping option, we also modeled a rustic walk-in camping enterprise consisting of 100 sites without individual utility hookups.

Capital Framework

Per-site capital assumptions are significantly lower than RV sites:

- Site pad grading and surfacing: \$2,500
- Shared or limited water access: \$1,000
- Site furniture: \$750



- Landscape and lighting allowance: \$500
- Share of access road and circulation: \$1,500

This yields a total capital cost of \$6,250 per site, or \$625,000 for 100 sites.

Revenue Modeling

Revenue assumptions reflect a more affordable camping experience:

- Average nightly rate: \$20
- Season length: 260 days
- Average occupancy: 35 percent

This produces:

- Annual revenue per site: \$1,820
- Total annual rustic camping revenue: \$182,000

Operating Cost Structure

Operating costs were assumed to be lower than RV sites, with a total expense ratio of 43 percent of revenue, allocated as follows:

- Camp host and reservation administration: 20%
- Grounds and facility maintenance: 5%
- Utilities: 5%
- Repairs and replacement reserve: 1%
- Insurance and risk management: 5%
- Booking software and payment processing: 4%
- Other operating costs: 3%

This equates to \$783 per site per year, or \$78,260 in total annual expenses.

Rustic Camping Enterprise Performance

The rustic camping enterprise is modeled as a lower-cost, lower-intensity campground consisting of 100 walk-in sites without individual utility hookups. This product is intended to serve budget-oriented campers and tent users, relying on shared facilities rather than full-service infrastructure.

Annual revenues begin at approximately \$154,700 in 2026 and grow to about \$234,000 by 2040, reflecting modest nightly rate escalation and stable seasonal demand at roughly 35 percent occupancy over a 260-day season. Revenue growth is driven primarily by price adjustments rather than changes in site count or utilization.



Operating expenses start at roughly \$66,500 in 2026 and rise to about \$100,600 by 2040. Compared with RV camping, the cost structure is materially lighter and reflects:

- Seasonal camp host and reservation/administrative support;
- Grounds and facility maintenance for pads, trails, and common areas;
- Limited utilities (primarily shared water and restroom service);
- A modest repair and replacement reserve;
- Insurance and risk management; and
- Booking software and payment processing fees.

Under these assumptions, the rustic camping enterprise produces consistent and growing positive net operating income throughout the 15-year horizon:

- \$88,179 in 2026, increasing steadily to
- approximately \$133,400 by 2040.

The rustic camping model therefore represents a highly cost-effective revenue generator relative to its capital intensity. It delivers meaningful recurring cash flow while maintaining a smaller infrastructure footprint and lower wastewater demand than full-service RV sites. When integrated into a sitewide program, rustic camping can materially offset broader park operating costs at comparatively low upfront investment.

Exhibit 6: Rustic Camping NOI Summary



Source: ECOnorthwest, 2025.

This demonstrates that rustic camping can be a highly cost-effective revenue generator relative to its capital intensity, while also maintaining a lower environmental footprint and reduced wastewater demand compared to RV sites.

How These Enterprises Fit into the Scenario Analysis

The enterprise-level results summarized above are not treated as stand-alone outcomes; rather, they are integrated into the three reprogramming scenarios as follows:

- The Camping-oriented scenario incorporates both the RV camping enterprise results, depending on site programming, layered onto general park operations.
- The Mini-Golf scenario incorporates the mini-golf enterprise NOI and Rustic Camping alongside broader park O&M costs for trails, lawns, restrooms, and shared infrastructure.
- The Passive scenario does not include any of these enterprises and therefore relies entirely on park O&M cost assumptions with no offsetting revenues.

This structure allows the analysis to clearly distinguish between:

1. Enterprise performance (what mini-golf or camping can pay for itself), and
2. System performance (what the entire park costs to operate once amenities are built).

The turns to the methodology used to estimate operating costs for these non-revenue park elements, which apply across all reprogramming scenarios.



Methodology: Operating Cost Assumptions for Park Elements (Non-Enterprise)

This section describes how annual operations and maintenance (O&M) costs were estimated for the non-revenue park elements across the three reprogramming scenarios: (1) Passive, (2) Mini-Golf with Rustic Camping, and (3) RV Camping.

Unlike the enterprise models in the previous section, which focus on discrete, revenue-generating activities, this section addresses the baseline park operations that would exist in all scenarios regardless of whether mini-golf or camping is present. These costs represent the ongoing responsibility of GPUD to maintain lawns, landscaping, trails, roads, restrooms, parking, and shoreline access areas.

Importantly, the analysis in this section considers only annual operating costs. Capital construction costs for these features are addressed separately in the scenario capital estimates and are not embedded here.

General O&M Approach (Applies to All Scenarios)

To ensure comparability across alternatives, operating costs were estimated using a unitized cost framework rather than relying on the professional experience working in other parks departments. Each major park element was assigned a quantity (square feet, linear feet, or number of assets) and multiplied by a representative annual unit cost based on regional benchmarks for similar public facilities. Key features of this approach include:

- Area-based costs for lawns, landscaped beds, plazas, parking, and natural areas (e.g., \$/square foot).
- Linear-foot costs for paved trails and access roads (e.g., \$/LF).
- Asset-based costs for discrete features such as restrooms, shade structures, picnic tables, trash receptacles, vault toilets, and trees (e.g., \$/each).
- Consistent assumptions across scenarios so that differences in total O&M reflect real program differences rather than methodological inconsistency.

This method provides a transparent way to scale costs up or down as program areas change and allows GPUD to clearly see how different design choices drive operating obligations.

Passive Scenario – Park O&M (No Revenue Enterprises)

The Passive scenario assumes no mini-golf and no expanded camping. Operating costs are therefore driven entirely by open space, landscaping, recreation amenities, and circulation infrastructure.

The principal O&M cost drivers in this scenario include:



- Irrigated and non-irrigated disc golf areas, which together represent the largest share of maintained acreage.
- North and South irrigated lawn areas, which require routine mowing, irrigation, fertilization, and repair.
- Permanent and temporary drip-irrigated landscape areas, including entry plazas and habitat zones.
- Food truck plaza hardscape and furnishings, which require cleaning, upkeep, and trash management.
- One small flush restroom (two single-user rooms) serving day users.
- Paved trails and an internal access road, which require sweeping, crack sealing, and periodic repair.
- Parking areas for approximately 95 vehicles, including striping and pavement maintenance.
- Shoreline access areas and 100 shade trees, which require litter control, erosion monitoring, and periodic pruning.

These figures reflect the physical park elements only; when escalated over time and combined with shared overhead, total O&M rises to approximately \$398,000 in 2026 and \$596,000 by 2040. with the majority of costs attributable to irrigated turf, landscape areas, and paved circulation. Because this scenario produces no meaningful operating revenue, these costs represent a full annual burden to GPUD.

Mini-Golf + Rustic Camping Scenario – Park O&M (Non-Enterprise)

The Mini-Golf scenario retains the same core park elements as the Passive scenario, and therefore uses the same unit cost structure for most park features:

- Irrigated and non-irrigated disc golf areas
- North and South irrigated lawns
- Permanent and temporary drip-irrigated landscapes
- Food truck plaza hardscape and furnishings
- One small flush restroom
- Paved trails and access road
- Parking for 95 vehicles
- Shoreline access areas and shade trees

As a result, the base park O&M cost profile in the Mini-Golf scenario is essentially the same as in the Passive scenario. The key difference is not the park O&M itself, but the fact that this scenario layers on a stand-alone mini-golf enterprise that generates positive NOI and partially offsets these park costs. In practice, this means:



- Park O&M costs remain largely constant across Passive and Mini-Golf scenarios.
- The Mini-Golf scenario appears more fiscally attractive not because the park costs are lower, but because the mini-golf enterprise produces recurring revenue that can help cover them.

This distinction is important for decision-making: the choice to include mini-golf primarily affects revenues, not baseline park maintenance obligations.

RV Camping Scenario – Park O&M (Non-Enterprise)

The RV Camping scenario involves a materially different park footprint and therefore a different O&M profile. Compared with the Passive and Mini-Golf scenarios, this configuration adds several higher-maintenance elements:

- A large irrigated event lawn and additional drip-irrigated landscape areas.
- A multi-user restroom with showers serving campers.
- Expanded day use areas with additional picnic shelters, tables, and shade structures.
- A walk-in camping zone with vault toilets and hardened camp pads.
- A group camping area with a flush restroom, campfire/BBQ areas, and shade structures.
- Longer sections of paved trails and access roads to serve dispersed sites.
- A larger parking footprint (215 stalls).
- A fenced O&M yard requiring gravel maintenance and dust control.

Total annual park operating costs for this scenario are estimated to be approximately \$300,000–\$320,000 per year (order of magnitude). While some elements (e.g., natural areas) are less costly than turf, the presence of additional restrooms, paved surfaces, and maintained camp infrastructure keeps annual O&M substantial.

As in the Mini-Golf case, these park O&M costs are then combined with the RV camping enterprise model to evaluate the full fiscal picture. The RV enterprise generates positive NOI, but not enough to fully offset the expanded park maintenance obligations.



Comparative Financial Results: NOI and Net Present Value

This section brings together the enterprise-level results and the park operating cost estimates to evaluate the full operating performance of each reprogramming scenario. We first compare scenarios on an annual NOI basis, then incorporate capital costs to compute Net Present Value (NPV) over a 15-year horizon.

Scenario Comparison on a Net Operating Income (NOI) Basis

For each alternative, total annual NOI is calculated as:

$$\text{Scenario NOI} = \text{Total Revenues} - \text{Total Operating Expenses}$$

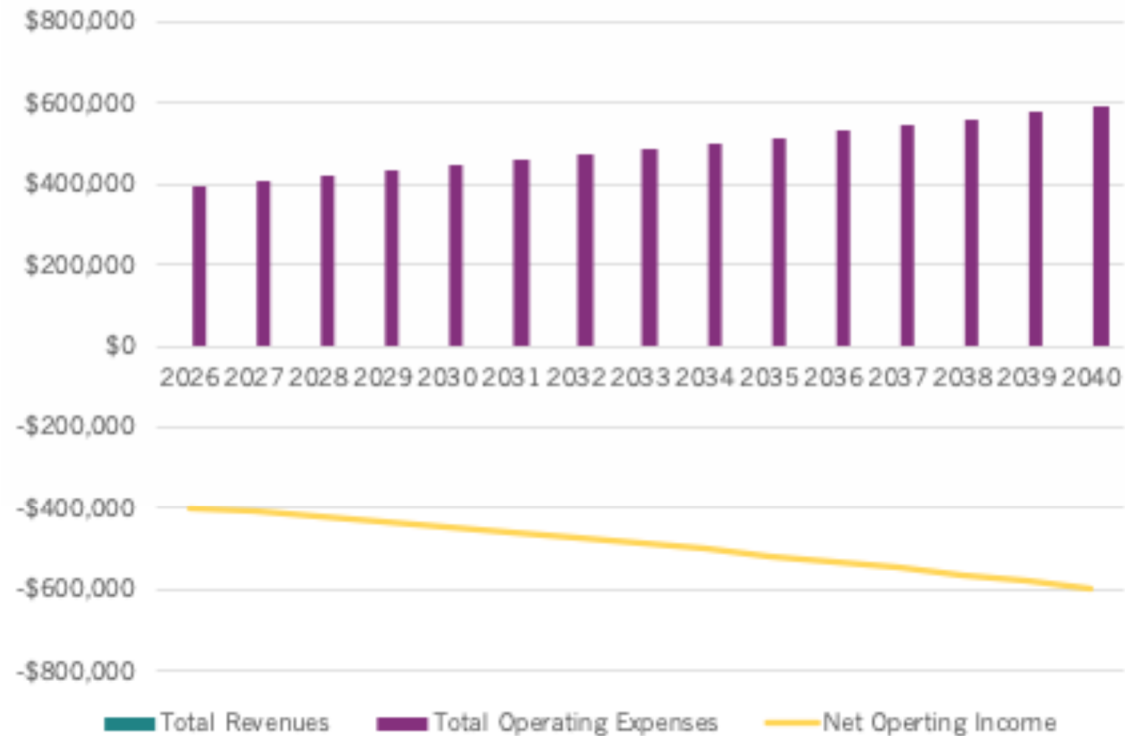
Where revenues reflect any enterprise activity (mini-golf or camping) and operating expenses reflect the ongoing maintenance of all park elements described in the previous sections.

Passive Scenario (No Revenue Enterprise)

Under the Passive scenario, the site produces no operating revenue, so total annual cash flow is entirely driven by park O&M costs. Total operating expenses begin at approximately \$399,000 in 2026 and rise to about \$596,000 by 2040, reflecting inflation in landscape maintenance, paved infrastructure, restrooms, and furnishings.

Because revenues are zero, the scenario generates a net operating loss in every year, starting at roughly –\$399,000 in 2026 and deepening to –\$596,000 by 2040. This scenario therefore represents the highest recurring fiscal burden to GPUD, as it retains substantial maintenance obligations without any offsetting revenue stream.

Exhibit 7: Summary of Passive Scenario



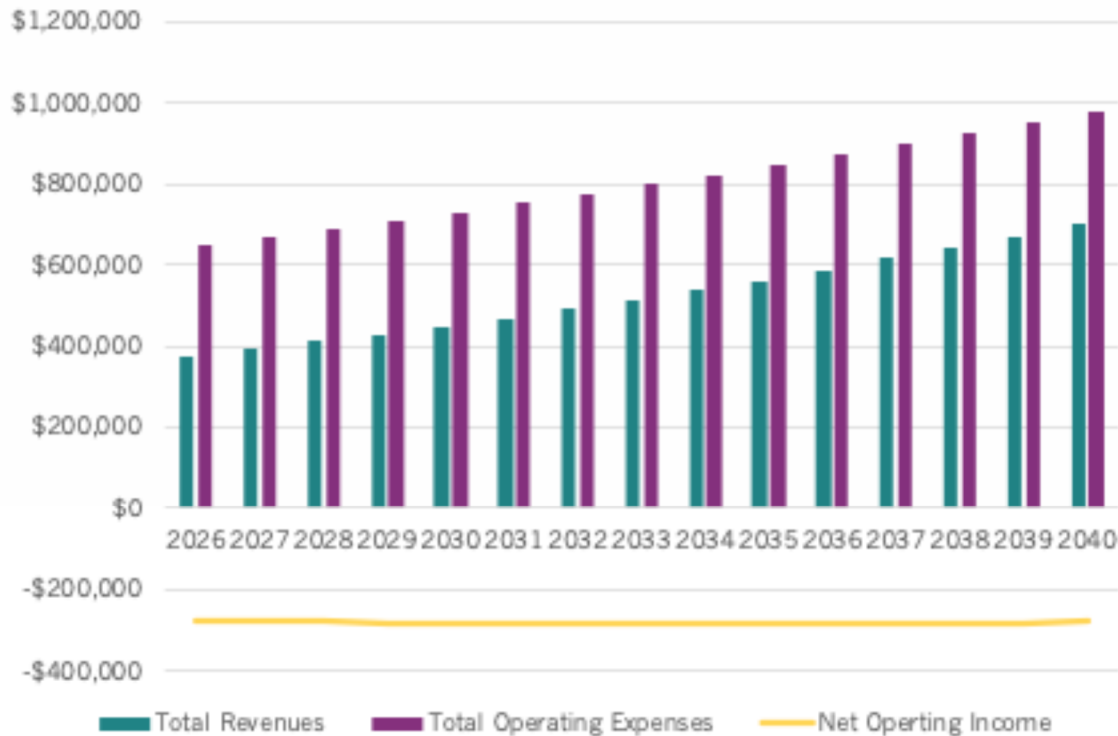
Source: ECONorthwest, 2025

Mini-Golf + Rustic Camping Scenario

This scenario layers a revenue-producing mini-golf enterprise onto the same core park footprint used in the Passive alternative. Total revenues grow from approximately \$376,000 in 2026 to about \$704,000 in 2040, driven largely by the strong performance of the mini-golf enterprise.

Total operating expenses, including both park maintenance and enterprise costs, rise from about \$650,000 in 2026 to roughly \$983,000 in 2040. The resulting NOI remains negative in every year, but the magnitude of the loss is materially smaller than in the Passive case: – \$273,600 in 2026, declining gradually to about –\$279,000 in 2040.

Exhibit 8: Summary of Minigolf Scenario



Source: ECONorthwest, 2025

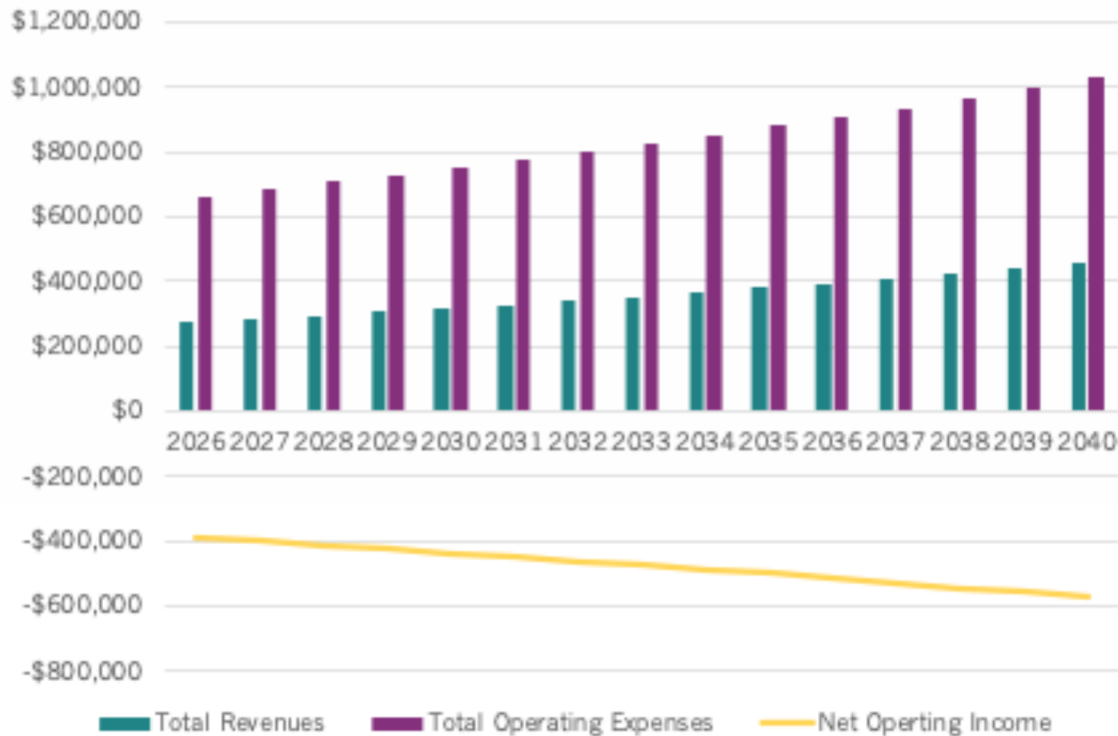
Two important points follow from this result:

- 1. Mini-golf does not make the site self-supporting, but it substantially reduces GPUD’s annual subsidy requirement compared with the Passive option.
- 2. The trajectory of losses is relatively flat over time, indicating that mini-golf provides a durable and growing revenue stream that keeps pace with inflation in park costs.

RV Camping Scenario

The Camping scenario combines full-service RV sites with a more complex park program that includes larger irrigated areas, additional restrooms, trails, and an O&M yard. Total revenues increase from approximately \$273,000 in 2026 to about \$455,000 in 2040, reflecting stable camping demand and modest rate growth. Total operating expenses are higher than in the other scenarios, beginning at roughly \$665,000 in 2026 and rising to about \$1.03 million by 2040, due to the larger maintained footprint and utility-intensive facilities. As a result, annual NOI is negative throughout the period: –\$392,500 in 2026, worsening to roughly –\$573,000 by 2040.

Exhibit 9: Summary of Camping Scenario



Source: ECONorthwest, 2025

Although RV camping generates meaningful revenue, those receipts are not sufficient to offset the expanded maintenance and utility obligations associated with this configuration. On an annual operating basis, the Camping scenario performs better than Passive but worse than Mini-Golf.

Incorporating Capital Costs: Net Present Value (NPV)

While annual NOI clarifies ongoing operating obligations, it does not capture the full fiscal picture. Each scenario also requires significant upfront capital investment to construct new facilities or replace aging infrastructure. To evaluate the total lifetime cost of each option, we combined Year 0 capital investment, and the 15-year stream of annual NOI using a standard Net Present Value (NPV) calculation at a 5 percent discount rate. For each scenario, NPV was calculated as:

$$\text{NPV} = \text{Present Value of 15 years of NOI} - \text{Initial Capital Investment}$$

Exhibit 10: Summary NPV Comparison

	Capital Investment	Average NOI	NPV
Golf	\$3,100,000	-\$290,000	-\$5,930,000
Reprogram - Passive	\$12,500,000	-\$480,000	-\$17,180,000
Reprogram - Minigolf	\$22,800,000	-\$280,000	-\$25,590,000
Reprogram - Camping	\$28,400,000	-\$470,000	-\$32,960,000

Source: EConorthwest, 2025

The NPV results should not be read as a ranking of “good” versus “bad” projects in a purely financial sense. Rather, they illustrate the relative fiscal exposure of GPUD under different visions for Crescent Bar. All scenarios show negative NPVs because, in every case, the site requires ongoing public subsidy and significant capital reinvestment. The key comparative insights are as follows:

First, capital intensity drives long-term outcomes as much as operating performance. The Mini-Golf scenario generates the strongest annual operating performance of the reprogrammed alternatives, yet still produces a very large negative NPV because of its high upfront capital requirement. This highlights an important distinction for decision-makers:

- Mini-golf is better for annual cash flow, but
- Worse for long-term balance-sheet exposure than the baseline golf option.

In other words, it trades lower annual subsidies for higher one-time capital risk.

Second, the Passive and Camping scenarios are the most fiscally burdensome in present-value terms. Both options combine large capital investments with relatively weak annual NOI, producing the most negative NPVs in the table. In the Camping case, this reflects the fact that expanded infrastructure (restrooms, roads, utilities, parking, irrigation, and an O&M yard) materially increases both capital and operating obligations—even though RV camping does generate steady revenue.

Third, the existing Golf baseline looks “cheapest” in NPV terms largely because it assumes much less new capital, but this is not an apples-to-apples comparison. Unlike the reprogramming scenarios, the baseline does not contemplate building a substantially new site or park system; rather, it assumes continuation of an existing facility with a major irrigation replacement. As a result, the relatively better NPV reflects lower assumed capital spending, not superior program performance or public benefit.

Even under this more limited investment assumption, the baseline still produces persistent annual operating losses (averaging roughly –\$290,000 per year) and commits GPUD to a water-intensive landscape with ongoing maintenance, energy, and replacement obligations. In this sense, the baseline appears less costly primarily because it avoids the up-front investments required to reimagine Crescent Bar, not because it offers a more sustainable or fiscally attractive long-term operating model.

The NPV comparison is best understood as answering one narrow question: “Which option exposes GPUD to the greatest or least long-term fiscal cost when both capital and operating impacts are considered together?” It does not answer several other critical questions that are central to Crescent Bar planning, including:

- Which option best serves public recreation needs?
- Which option aligns with community preferences?
- Which option uses water and land most responsibly?
- Which option creates the most vibrant, active, or welcoming public space?
- Which option best supports tourism and local businesses?

For this reason, the financial analysis should be considered one of multiple decision lenses, not the sole determinant of the preferred alternative.



DATE	January 28, 2026
TO	Lorie Butterly, Manager Recreation and Shoreline, Grant PUD
FROM	Heather Ostenson, Senior Civil Engineer, Pacific Engineering & Design
SUBJECT	CBRA 2025 Reprogramming Study - Development Cost Estimates

Introduction and Purpose

This memorandum summarizes the Development Cost Estimates for four alternatives evaluated in the CBRA 2025 Reprogramming Study and describes the methods and assumptions used. Estimates were completed in November 2025 and incorporated into EConorthwest's comparative financial analysis (January 20, 2026).

Scope of Analysis

The study compares two scenarios—**Golf** and **Reprogram**. In the Golf scenario, capital cost is limited to replacement of the golf course irrigation system (estimated by Hines Inc.). In the Reprogram scenario, three schemes—**Passive**, **Mini-Golf**, and **Camping**—were developed. Pacific Engineering & Design estimated all program-element costs other than irrigation. For consistency with EConorthwest, these are referred to as the **four alternatives**.

Development cost components:

- Construction costs for improvements reflected in each alternative
- Mobilization
- Construction survey
- Washington State Sales Tax (WSST)
- Construction contingency
- Professional Services (Architect/Engineering (A/E) and specialist) on construction cost subtotal.

Total development cost = construction cost subtotal + construction contingency + professional services. Owner soft costs and related contingencies were excluded.

Data Sources, Approach, Assumptions

The Reprogram schemes are conceptual. Estimates are intended to **show relative magnitudes** for policy decisions; they are not project-level bids or optimized designs.

Key inputs and parameters:

- Items derived from conceptual schemes; quantities obtained from CAD-based takeoffs and rounded as appropriate.
- Historic price approach, with unit and lump-sum prices drawn from regional historic public project bid data, escalated to 2025 dollars using the U.S. Bureau of Labor Statistics CPI Inflation Calculator and adjusted as needed.
- Mobilization at 6.5% of construction costs and construction contingency at 20% of the construction cost subtotal.
- WSST of 8.2% applied to construction costs, mobilization, and construction survey.
- Professional services (A/E and specialist services) at 15% of the construction cost subtotal (excluding construction contingency).
- Price rounding to nearest appropriate significant digit.

Limitations

- **Concept-design level:** standards and benchmarks were referenced, but preliminary design is not complete; changes in layout, program, or strategy may affect costs.
- **Generalized unit and lump sum prices.** estimates rely on historic prices rather than site-specific pricing; refine in later phases.
- **Single-phase implementation under design-bid-build delivery, in 2025 dollars:** phasing typically increases total development cost.
- **Simplified estimation.** common unit or lump-sum prices were applied across alternatives where appropriate.
- **Exclusions.** security, lighting, signage, striping, fencing, plant establishment deterrents, and primary/secondary power infrastructure.
- **Decision framing, not project-delivery.** estimates support comparison among alternatives and are not intended for bid validation.

Comparison of Development Costs, Reprogram Schemes

Total development costs for the three Reprogram schemes are compared in the study materials. The table below breaks down the cost categories behind the total development costs reported in December 16, 2025 workshop materials and incorporated into the economic analysis.

Table: Development Cost Comparison, Reprogram Schemes

Development Cost Summary – Reprogram Schemes				
Line	Description	Passive	Mini Golf	Camping
1	CONSTRUCTION COSTS	\$8,000,000	\$14,200,000	\$18,400,000
2	MOBILIZATION @ 6.5% <i>line 2 x line 1</i>	\$520,000	\$923,000	\$1,196,000
3	CONSTRUCTION SURVEY	\$50,000	\$70,000	\$70,000
4	WSST, 8.2% <i>line 4 x (line 1+line 2+line3)</i>	\$703,000	\$1,246,000	\$1,613,000
5	SUBTOTAL ALL CONSTRUCTION COSTS	\$9,273,000	\$16,439,000	\$21,279,000
6	CONSTRUCTION CONTINGENCY, 20% <i>line 6 x line 5</i>	\$1,855,000	\$3,288,000	\$4,256,000
7	TOTAL CONSTRUCTION COSTS	\$11,128,000	\$19,727,000	\$25,535,000
8	PROFESSIONAL SERVICES (A/E, SPECIALISTS, 15%) <i>line 5 x line 8</i>	\$1,391,000	\$2,466,000	\$3,192,000
9	TOTAL ORDER OF MAGNITUDE DEVELOPMENT COST	\$12,520,000	\$22,200,000	\$28,730,000

Source: Pacific Engineering & Design, 2025

Top Three Costs for Each Scheme

For each scheme, the elements with the three largest construction costs (by percentage) were reported in December 16, 2025 workshop materials. (Workshop figures excluded irrigation costs.)

Reprogram Scenario Capital Construction Cost Estimation

Each program element was estimated as a discrete item (unit-price or lump-sum) aligned to the scheme graphics; quantities were obtained from CAD and rounded.

- **Unit price items:** material quantities were calculated for one scheme; the generalized unit prices produced extended costs which were summed then converted to a per unit rate that was then applied consistently across schemes.
- **Lump sum items:** a complete item cost was estimated from key components; where figures differ between schemes referencing the same key component(s), differences are generally attributable to utility costs.

Irrigation Development Costs

Irrigation-related development costs do not materially differentiate the scenarios; totals vary by approximately 11% across alternatives (see *table*).

Table: Irrigation Construction Cost Comparison

	GOLF	PASSIVE	MINI-GOLF	CAMPING
CONSTRUCTION COST (millions)	3.0 ¹	2.0	2.84	2.71
SOFT COSTS (millions)	0.093	0.082	0.085	0.081
TOTAL (millions)	3.1	2.82	2.92	2.79

Source: Hines Inc, 2025

Hines Inc. prepared the estimates under common assumptions across alternatives:

- | | |
|--|--|
| <ul style="list-style-type: none">• New system downstream of the existing golf course submeter; 25-year design life• Electric, two-wire control system with cellular modem and sensors• Do not account for prevailing wage rates | <ul style="list-style-type: none">• High Density Polyethylene (HDPE) mainlines, sub-mains, and laterals, (200-psi rating).• Lateral piping utilizes 200-psi barbed poly fittings with stainless steel clamps• HDPE or Ductile Iron isolation valves (200-psi rating) |
|--|--|

Equipment varies by scenario. The Golf scenario uses golf-specific components and assumed all 700+/- heads are replaced in their current locations. The Reprogram scenario assumes pump impeller trimming to match new demand, variable-frequency-drive modifications, and re-wiring of existing flow sensors to a new control system.

Cultural Resources

February 10, 2026

Brett Lenz, Cultural Resource Manager



Powering our way of life.

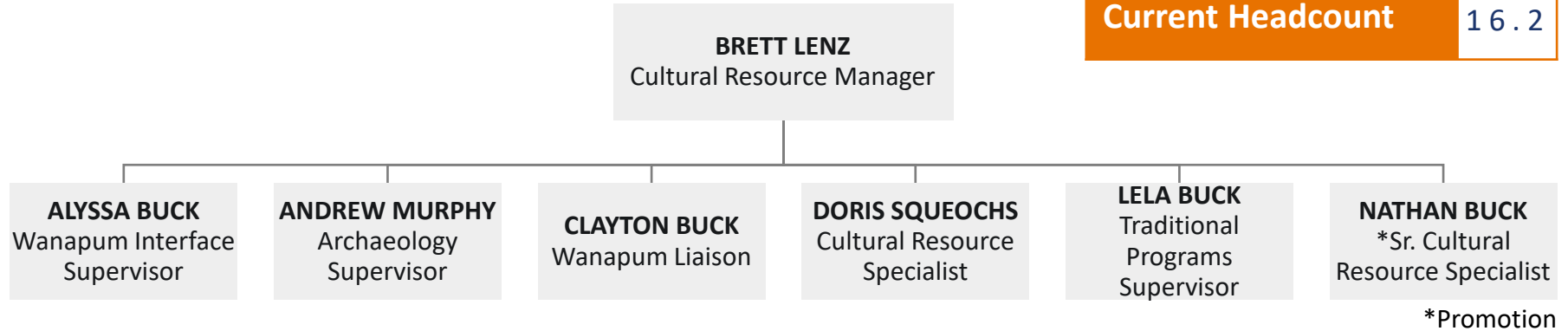
AGENDA

- Executive Summary
- Core Team
- Financial Performance
- Archaeology Overview
- Wanapum Interface Office Overview
- Traditional Program Overview
- Commission Support

Executive Summary

- The Cultural Resources program preserves Grant PUD's heritage while ensuring full compliance with federal, state, and Tribal requirements.
- In Q4 2025, the program sustained full compliance and supported major projects through early cultural review and continued coordination with the Wanapum and agency partners.
- Looking ahead, the program is advancing long-term mitigation planning and strengthening cultural engagement to support community trust and maintain project readiness aligned with Grant PUD's strategic direction.

Core Team



Staff Updates:

- Seeking backfills:
 - Sr. Archaeologist
 - Federal Curation Assistant

Financial Performance

December 2025

NON-LABOR

YEAR-TO-DATE

BUDGET	ACTUALS	VARIANCE	VAR %
\$1,381K	\$1,351K	(\$30K)	-2.2%

YEAR-END PROJECTION

BUDGET	ACTLS/YEP	VARIANCE	VAR %
\$1,381K	\$1,351K	(\$30K)	-2.2%

LABOR

YEAR-TO-DATE

BUDGET	ACTUALS	VARIANCE	VAR %
\$1,817K	\$1,642K	(\$175K)	-9.6%

YEAR-END PROJECTION

BUDGET	ACTLS/YEP	VARIANCE	VAR %
\$1,817K	\$1,642K	(\$175K)	-9.6%

Archaeology Overview

- Our Cultural Resource Working Group (CRWG) met on December 18 to continue advancing long-term mitigation planning, with implementation beginning in 2026.
- Annual Cultural Resources compliance reporting for 2025 and the 2026 workplans were submitted to FERC and stakeholders on schedule.
- Cultural review for the Wanapum to Mountain View Transmission Line Project (QTEP) is progressing well. The project received its Archaeological Resources Protection Act (ARPA) permit from the Bureau of Reclamation (BOR) on November 21, enabling fieldwork to proceed. Early findings are limited to historic materials that do not affect the schedule, and while several prehistoric sites may require avoidance or evaluation, no cultural delays are anticipated.
- Federal staffing constraints continue to affect BOR, and we are proactively collaborating with them to maintain progress on cultural compliance work and to keep project activities moving forward.
- We engaged external stakeholders following the recent oil spill at Priest Rapids Dam (PRD), per our Historic Properties Management Plan (HPMP) Emergency Action Protocol, to ensure cultural considerations were incorporated into the response. We are proceeding field reviews at locations with potential cultural resource impacts.

Wanapum Interface Office Overview

PR Spillway Stability Project

- Community input from the November 12, 2025, meeting highlighted two cultural priorities:
 - Protecting the ceremonial viewshed
 - Ensuring appropriate wildlife and resource monitoring.
- Continued consultation between the Wanapum Liaison and District leadership is supporting cultural considerations and compliance expectations.

Cultural Resource Working Group – Wanapum Consultation

- Ongoing monthly consultation with federal agencies continues to support Wanapum interests.
- Work on the Hanford Artifact Collection, housed at the Wanapum Heritage Center (WHC) is temporarily paused while a new federal collections intern is identified.
- The Wanapum community participated in a Traditional Cultural Property (TCP) site visit at Hanford in late October, reinforcing shared stewardship commitments.

Traditional Program Overview

Wanapum Heritage Center Hours

- Tuesday: Open for local schools only
- Wednesday-Friday 8:30-4:30
- Saturday-Sunday 9:00-5:00

2025 Summary

- | | |
|---------------------------|------------------|
| • Total Visitors: | 4,362 |
| • Archaeology Kids Days: | 516 participants |
| • Archaeology Adults Day: | 168 participants |
| • Archaeology Elders Day: | 175 participants |

Tule Mat House

- Wanapum Heritage Center assembled the Tule mat house for a one-month display.
- It is scheduled to be rebuilt in 2030.



Return of Wanapum Canoe



Wanapum Canoe was returned to the Wanapum Heritage Center December 8, 2025 after decades at the Discovery Center in The Dalles, Oregon.

Return of Wanapum Canoe



Return of Wanapum Canoe



Return of Wanapum Canoe



Business Actions

- Providing proactive oversight of cultural locations within the Priest Rapids Project boundary to uphold compliance and protect heritage values.
- Supporting development activities through timely cultural review and coordination aligned with regulatory requirements.
 - Article 416 (Archaeology)
 - Article 417 (Wanapum Relationship)
- Maintaining regular consultation with federal and state agencies and Tribes to ensure alignment on cultural responsibilities and commitments.

Commission Support: Key Asks

- Sustain financial support for the Cultural Resources program to uphold Grant PUD's strong compliance standing.
- Continue support for the Heritage Value to uphold and strengthen the Wanapum relationship.
- Provide ongoing support for comprehensive Grant PUD archaeological mitigation as the program addresses adverse effects associated with project operations.

Questions?





TEA OVERVIEW

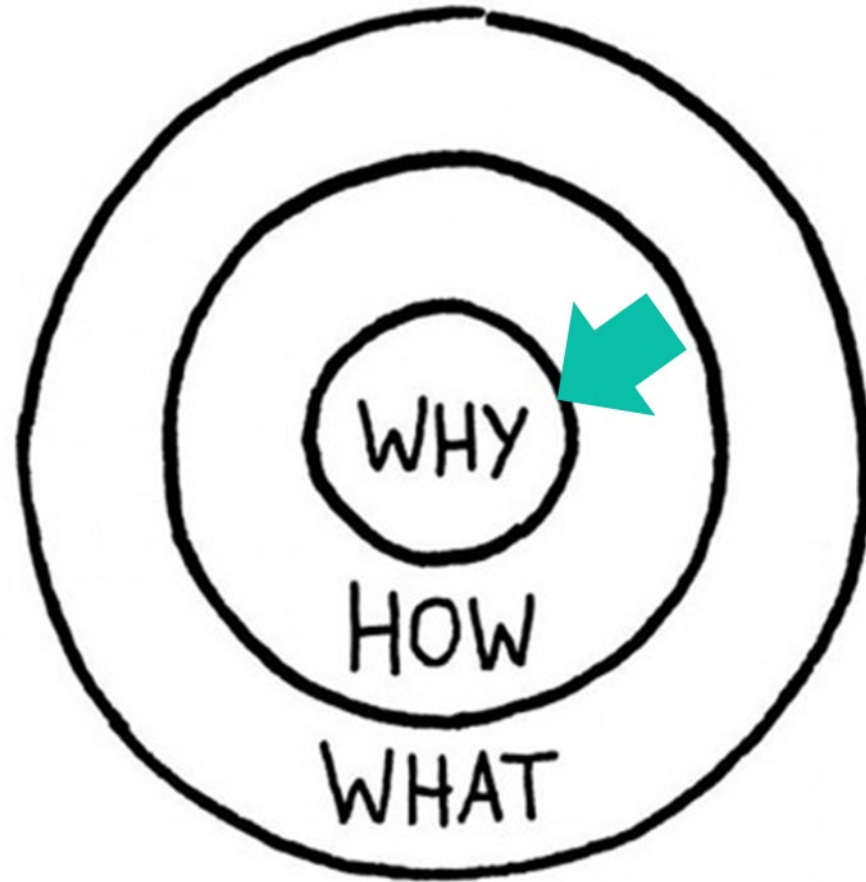
GRANT PUBLIC UTILITIES DISTRICT COMMISSION

FEBRUARY 10, 2026

ORIGINS OF TEA



START WITH WHY





TEA

PUBLIC POWER

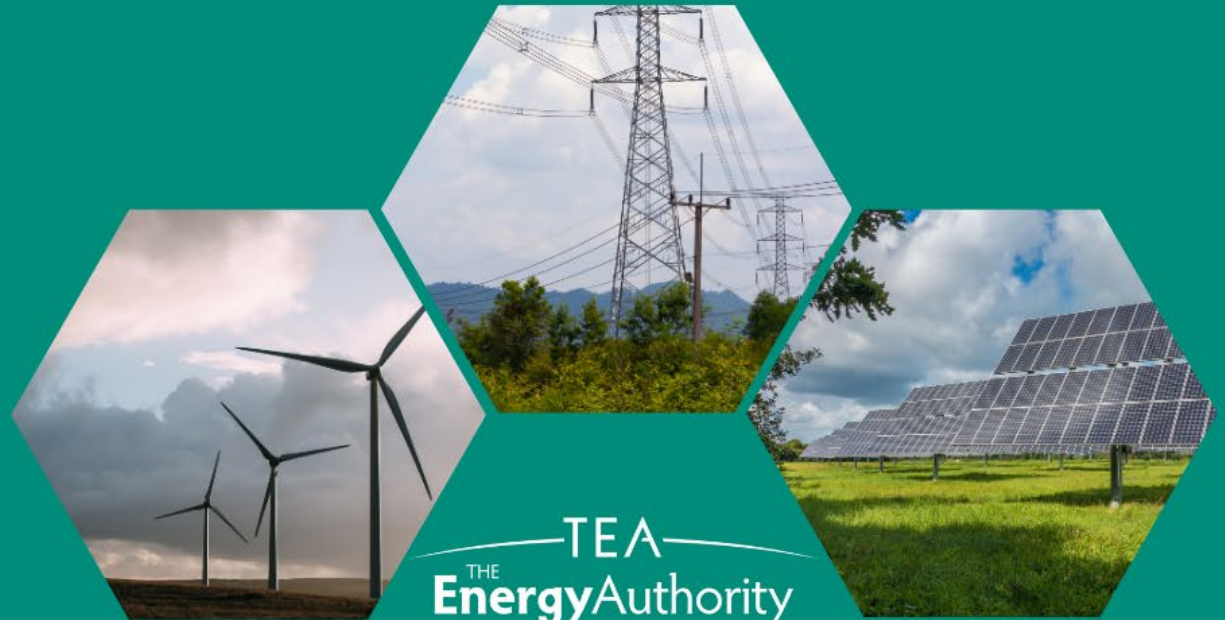
- Local Ownership, Control & Governance
- Non-Profit
- Physical Complexity
- Public Pressures

ENERGY MARKET

- Financial Complexity
- Dynamic
- Competitive
- Data Intensive
- Specialized Skillsets

OUR MISSION

**MAXIMIZE THE VALUE
OF OUR CLIENTS' ASSETS
IN THE WHOLESALE ENERGY MARKETS**



TEA
THE
Energy Authority

TEA

THE
Energy Authority[®]

CURRENT
MEMBERS

AMP[™]
PUBLIC POWER PARTNERS

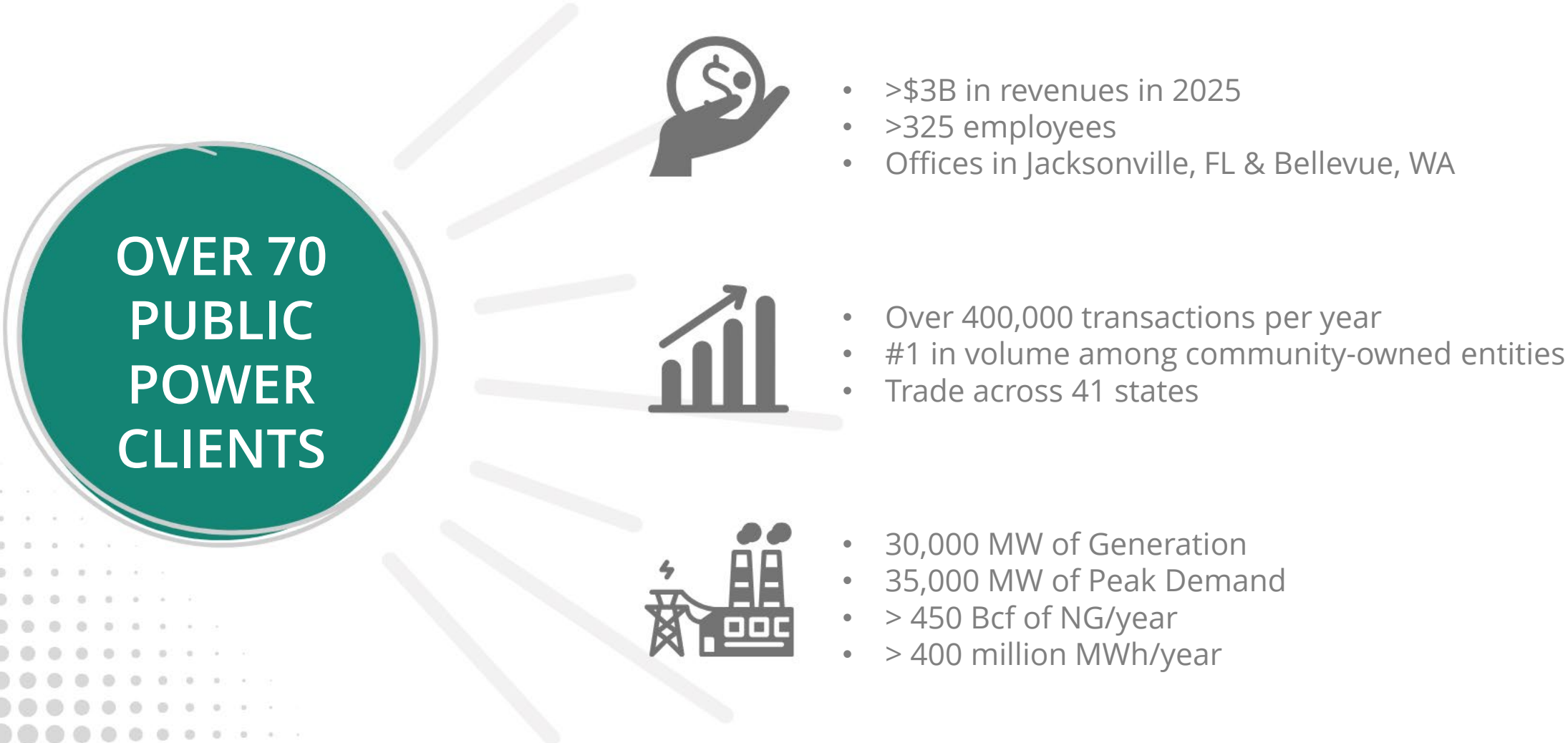
 **City
Utilities**[™]
Connecting Our Community

JEA[®]
Building Community[®]

GRDA
Grand River Dam Authority


Nebraska Public Power District

 **santee cooper**[®]



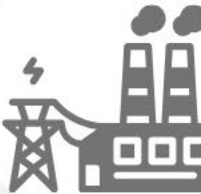
OVER 70 PUBLIC POWER CLIENTS



- >\$3B in revenues in 2025
- >325 employees
- Offices in Jacksonville, FL & Bellevue, WA

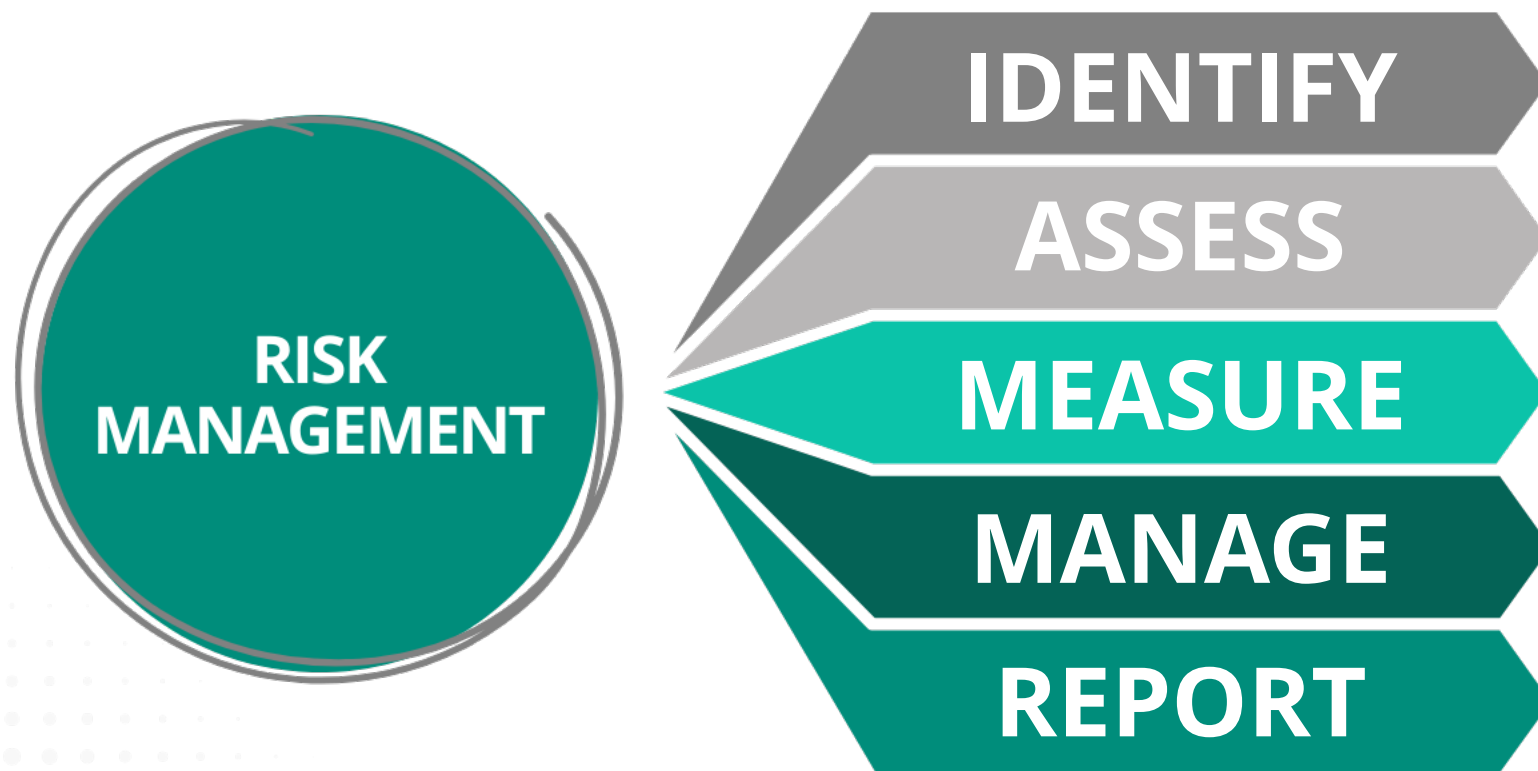


- Over 400,000 transactions per year
- #1 in volume among community-owned entities
- Trade across 41 states



- 30,000 MW of Generation
- 35,000 MW of Peak Demand
- > 450 Bcf of NG/year
- > 400 million MWh/year

RISK MANAGEMENT



STRENGTHS:

“

[Client] is a Member of The Energy Authority, which provides strong wholesale power marketing capability and natural gas acquisition services.

- Moody's

PORTFOLIO OPTIMIZATION

Asset strategies & recommendations

- Generation
- Fuels
- Transmission
- Congestion
- Data

Over \$80M in optimization value just last year



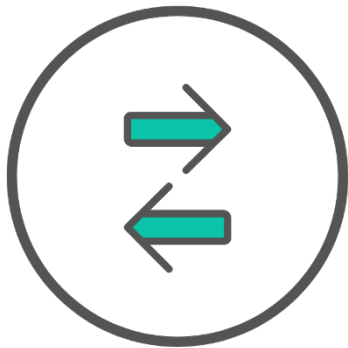
MEMBERSHIP STRUCTURE AND GOVERNANCE

- Prospectively, Grant PUD would purchase a 3/19th stake in The Energy Authority (approx. 15.8%)
- Joining TEA would provide Grant PUD with access to:
 - Membership in the nation's largest non-profit energy trading company
 - Core services provided by TEA to all Members
 - A seat on the TEA Board of Directors, which:
 - Provides direction to the future of the company
 - Ensures Grant can respond to changes in energy markets through leadership in a scalable organization
 - Participation by Grant PUD's CFO and COO in TEA's standing Finance & Audit Committee and Settlement & Operating Committee, respectively
 - Participation in TEA's investment activities

CORE SERVICES



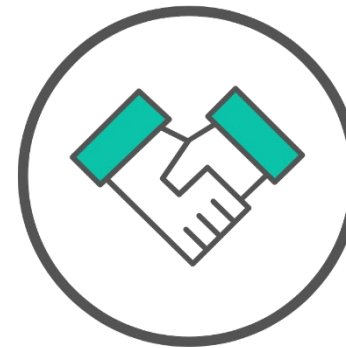
**PORTFOLIO
MANAGEMENT**



**RTO MARKET
MANAGEMENT
& TRADING**



**NATURAL GAS
MANAGEMENT**



**BILATERAL
ENERGY
TRADING**



**ADVISORY
SERVICES**

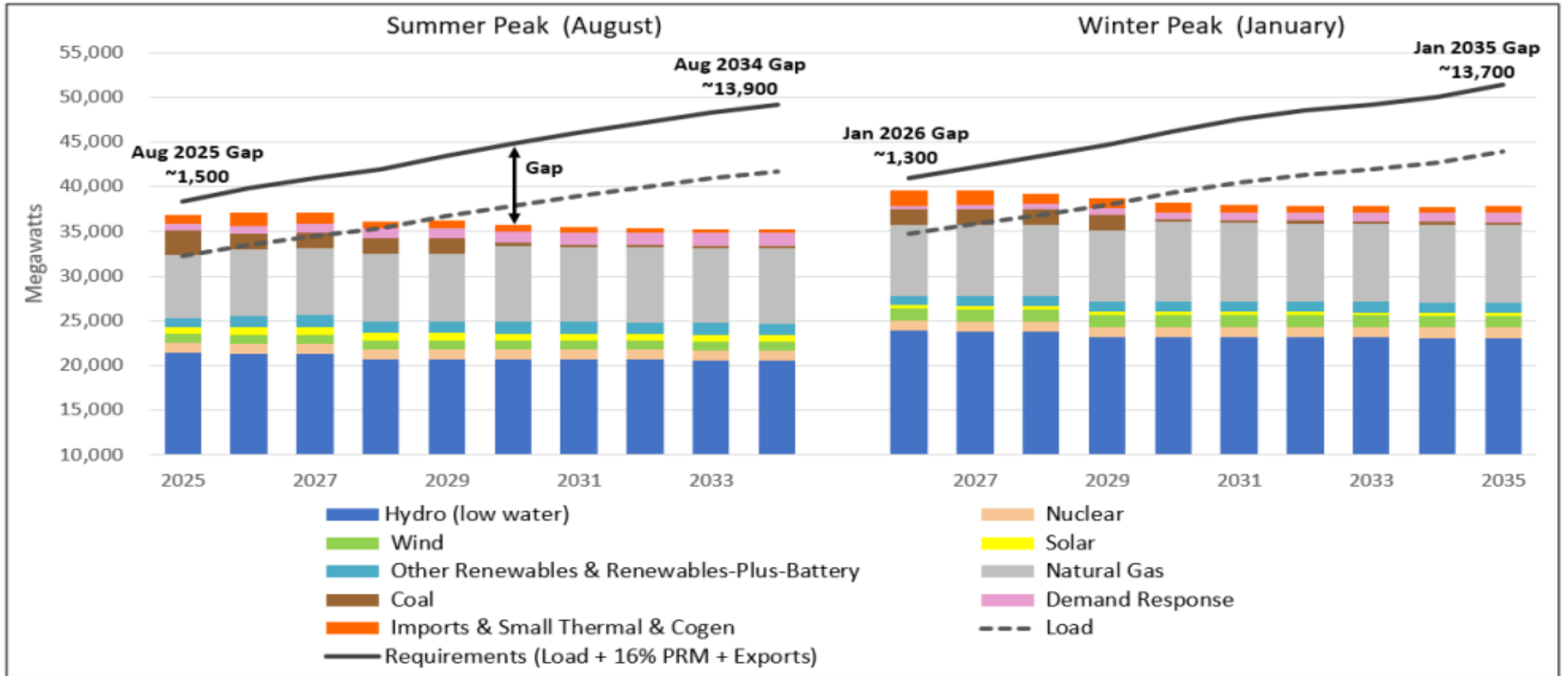
SERVICES – PORTFOLIO RISK MANAGEMENT



PORTFOLIO MANAGEMENT

- Use of state-of-the-art tools and techniques to model and analyze the portfolio, combined with breadth and depth of market experience to create risk management strategies
- Evaluation of the portfolio across timelines, commodities, and functions
- Participation in Grant management and Risk Oversight Committee meetings to discuss Grant's positions, risks, and recommended strategies
- Regular portfolio and risk reports
- Execution of transactions
- New generation planning studies

SIGNIFICANT PNW LOAD GROWTH PROJECTIONS

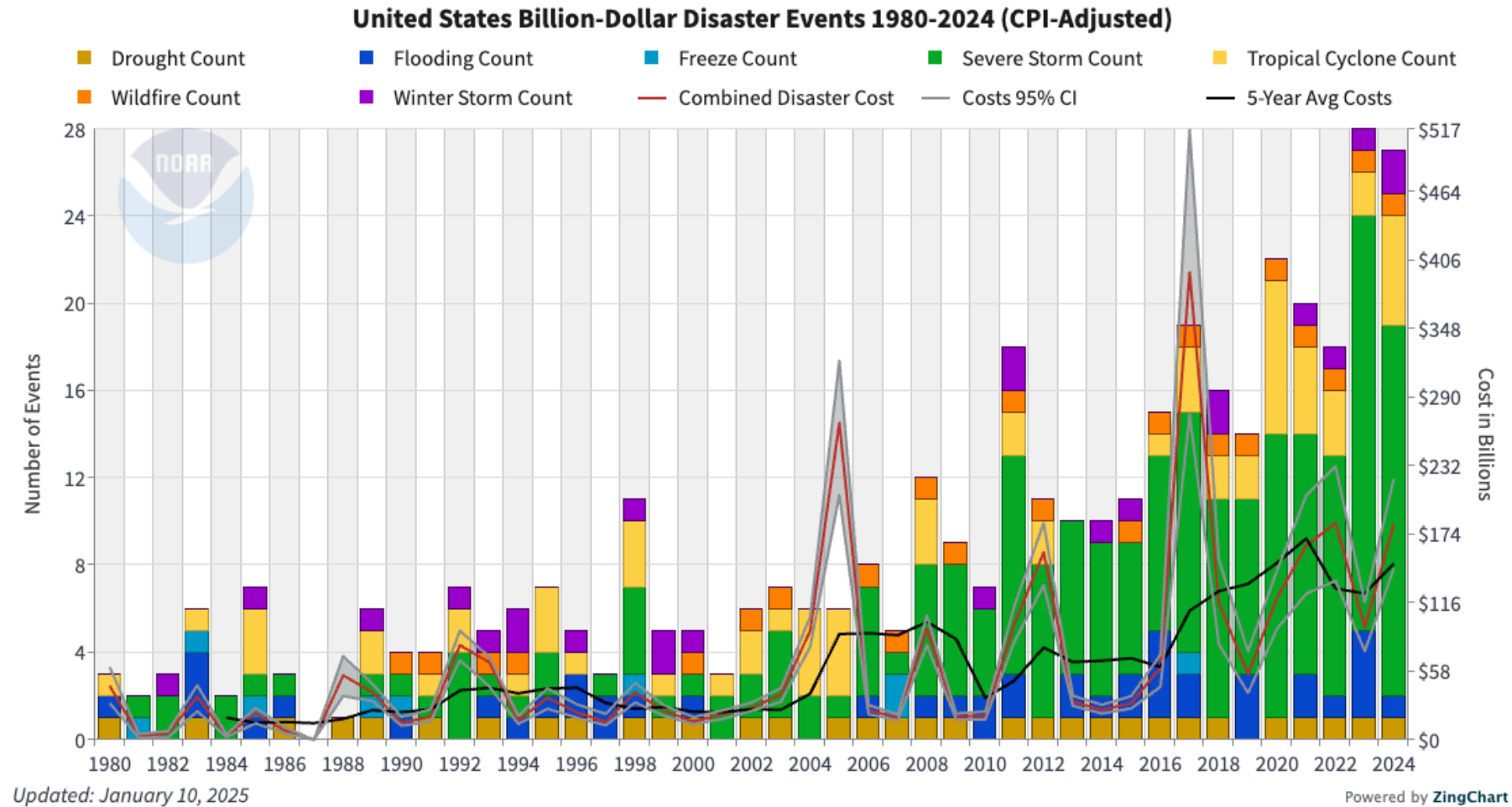


SOURCE: PNUCC.ORG

WA CARBON REGULATION AND VOLATILE CARBON PRICES



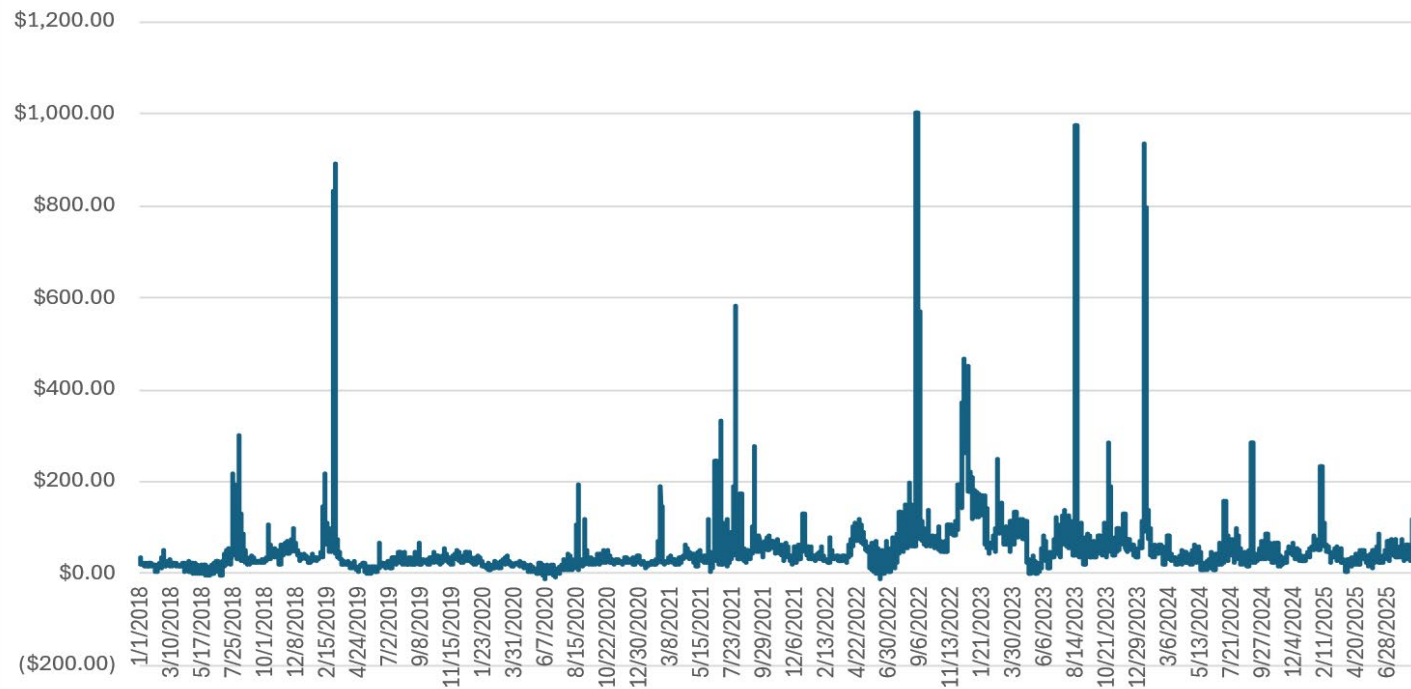
EXTREME WEATHER EVENTS ARE INCREASING IN FREQUENCY AND IMPACT



Source: NOAA

PORTFOLIO RISK MANAGEMENT IS ESSENTIAL

ICE MID-C



Source: Intercontinental Exchange (ICE)

Weather, resource intermittency, and baseload unit retirements are all leading to increased price volatility.

This volatility can lead to increased risks for utilities.

This can also lead to an increase in the potential value for asset optimization for generation utilities like Grant.

TEA's portfolio risk management program is:

- Holistic – looks across the entire utility
- Integrated – across commodities
- Goal-oriented – focused on what is important to the client

TEA MEMBERS ARE BENEFITTING FROM MORE OPTIMIZATION

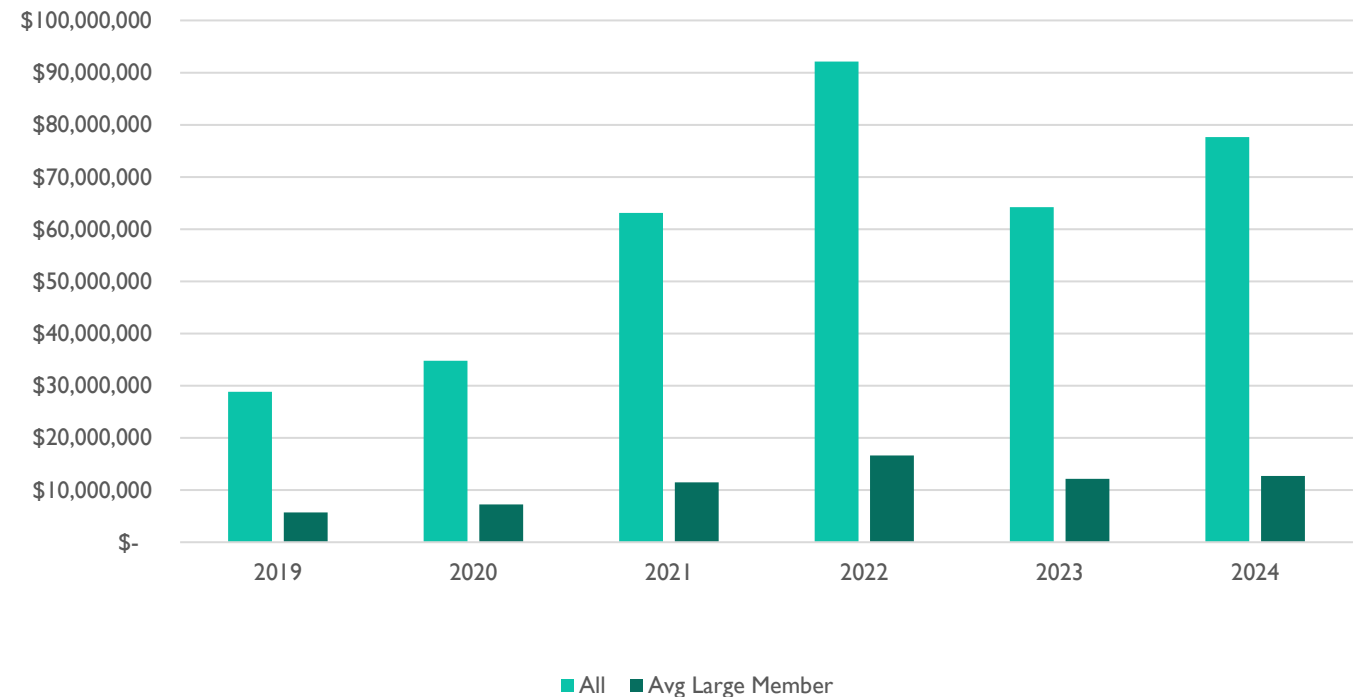
In addition to managing the risk, TEA seeks to Optimize its Members' portfolios

Increased volatility, risk, and opportunities are likely to persist into the future.

TEA is uniquely experienced and focused on helping its Members thrive in this environment.

NOTE: Grant's results will vary based on its asset portfolio and market conditions

TEA Member Optimization Revenues by Year



Source: TEA Corporate Metrics

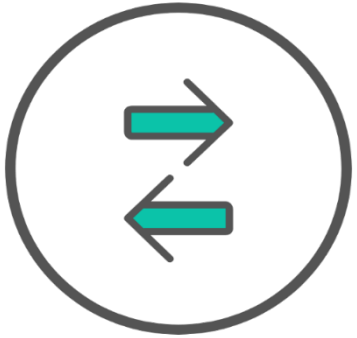
SERVICES – BILATERAL ENERGY TRADING



**BILATERAL
ENERGY
TRADING**

- Strategy development & optimization
- Daily generation & load forecasting
- Price discovery & trade execution
- Market monitoring & analysis
- Transmission planning, procurement, scheduling and tagging
- Manage client's resource adequacy position and needs
- Optimization of capacity in client's portfolio to maximize revenues
- Long-term wholesale purchases and sales to bilateral counterparties

SERVICES – SPP MARKETS+ MANAGEMENT



SPP MARKET MANAGEMENT & TRADING

- Monitoring and participating in key SPP Markets+ committees and ensure that Grant is informed and TEA is prepared for relevant market changes
- Strategy development for generation offers, demand bids, and congestion rent
- Provision of SPP market interaction software
- SPP market submissions on a daily and hourly basis
- Credit management with SPP and counterparties
- 24x7 desk coverage for real time changes
- Working to ensure that Grant is taking advantage of cross-market opportunities (e.g., CAISO EDAM) when they arise

WECC MARKET EVOLUTION

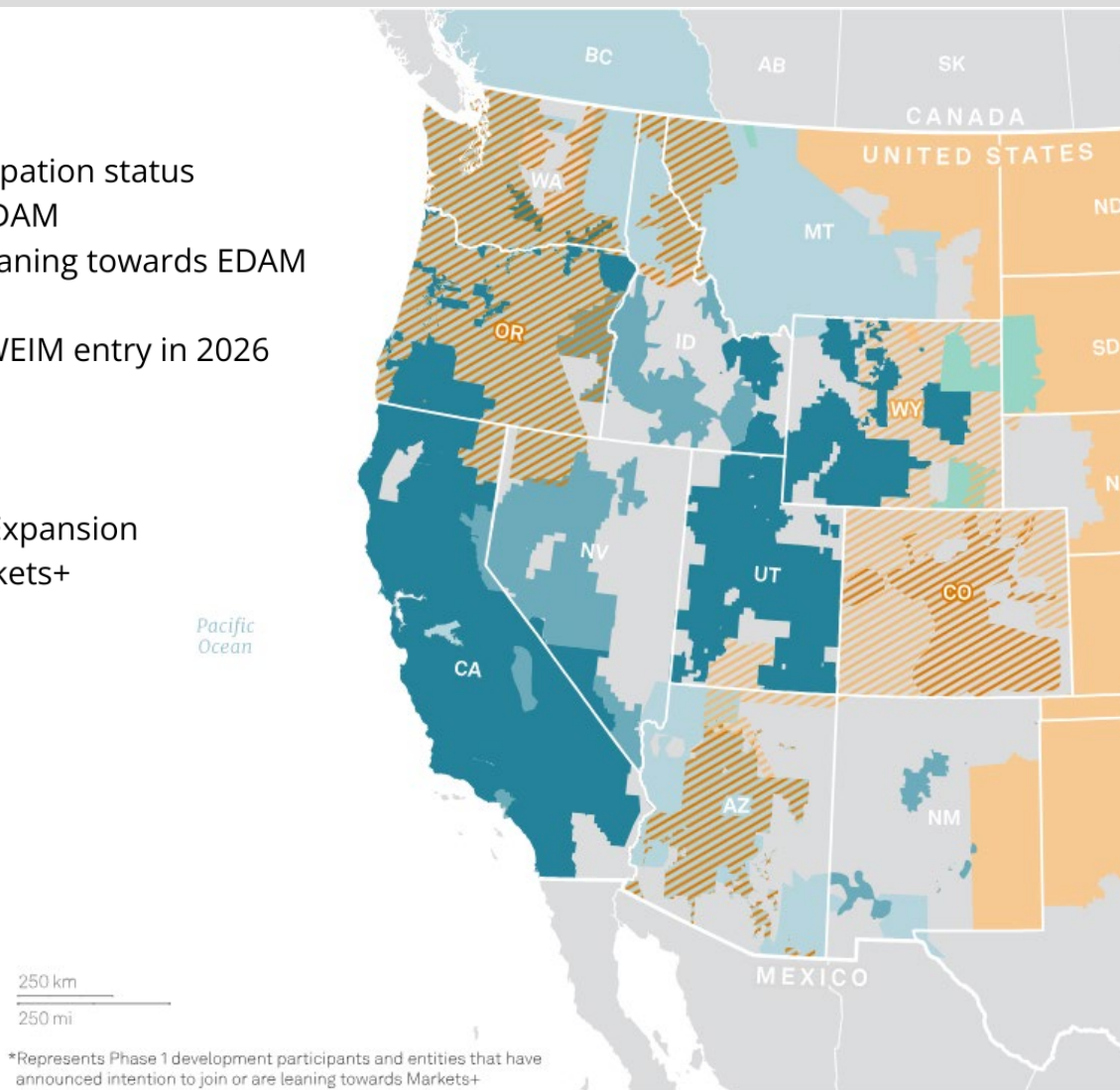
CAISO

EDAM participation status

- WEIM + EDAM
- WEIM + leaning towards EDAM
- WEIM
- Planned WEIM entry in 2026

SPP

- SPP RTO
- ▨ SPP RTO Expansion
- ▨ *SPP Markets+



*Represents Phase 1 development participants and entities that have announced intention to join or are leaning towards Markets+

- Market rules and structures continue to evolve
- Multiple market changes are happening in the Western Interconnect
- SPP RTO Expansion will bring parts of Colorado, Wyoming, Montana, Utah, and Arizona into a full Regional Transmission Organization design
- Much of the rest of WECC is joining either **SPP Markets +** or the **CAISO Extended Day Ahead Market**

SERVICES – NATURAL GAS MANAGEMENT



**NATURAL GAS
MANAGEMENT**

- Natural gas hedging strategies and execution
- Physical supply planning, including pipeline capacity, storage, and commodity deals
- Procurement and scheduling of physical natural gas
- Pipeline capacity & storage - management and optimization
- Full credit, risk control, and settlement services
- Potential to optimize and remarket Pre-Paid Natural Gas to qualifying entities within TEA's client base
- Generation dispatch modeling including asset modeling for gas-fired generation units

SERVICES – ADVISORY SERVICES



ADVISORY SERVICES

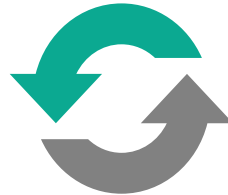
- Integrated Resource Planning
- Market congestion analysis
- New unit siting
- TEA Marketplace™ - Renewable resource procurement using TEA's online procurement platform, including analysis and recommendations
- Load and renewable forecasting
- Price forecasting
- Access to daily market fundamentals and regular TEA Market Insights™ content

INVESTMENT ACTIVITIES

- Members leverage their investment in TEA's capabilities by providing services to other Public Power utilities on a contractual basis



Clients in 29 states



Trade Regions:

SPP, PJM, MISO, CAISO, ERCOT, NYISO, ISO-NE, SERC/FRCC and WECC

- Optimize TEA as an asset through other trading activities



Greater depth
and breadth



Knowledge is used in optimizing Members' portfolios, creates new market opportunities, and keeps traders engaged

INNOVATIONS

TEA is also involved in developing new, innovative services to offer its clients. Examples include:



TEA has developed a proprietary tool (Stora™) to optimize utility-scale battery installations and ensure our clients get the most value out of the flexibility of these new resources



TEA's Data DynAMICS™ service provides strategic insights through state-of-the art, advanced analytics using utility AMI and distribution data

QUALITATIVE VALUE STREAMS

- **Best practices:** Robust risk control processes, proprietary credit models, and a strong reputation with bond rating agencies.
- **Financial strength:** Six highly rated Members. Members benefit from TEA's multi-Member guarantee, reputation with counterparties, and are often allowed to trade on an unsecured basis.
- **Transparency:** There is no black box. Members are able to review their transaction details and receive 100% of the value of all transactions executed on their behalf by TEA.
- **Governance and Collaboration:** Community of public power utilities.

QUALITATIVE VALUE STREAMS

- **Depth:** Attract and retain people skilled in wholesale energy market analysis and transactions.
- **Advisory services:** Unlimited access to TEA's analytical, modeling, and consultative capabilities.
- **Nationwide scope:** Multiple markets across commodities provides TEA with a broader perspective of the interrelated energy markets.
- **Breadth:** Over 350 counterparties, 24X7 trading capabilities, redundant transactional systems, and automated processes.

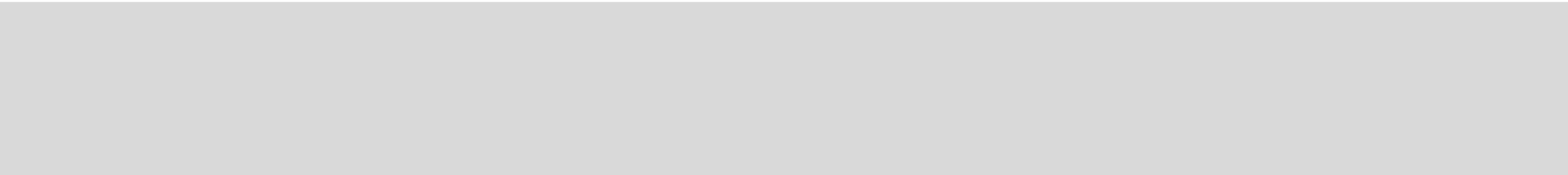
SUMMARY

Membership in TEA would allow Grant PUD to derive value in TEA in multiple ways:

- Participation and direction in the nation's largest non-profit Membership energy trading company
- Governance and guidance to ensure TEA meets Grant PUD's current and future needs
- Avoided cost of self-building operational capabilities
- Optimization of Grant PUD's entire energy portfolio
- Investment business returns



QUESTIONS



Environmental Affairs

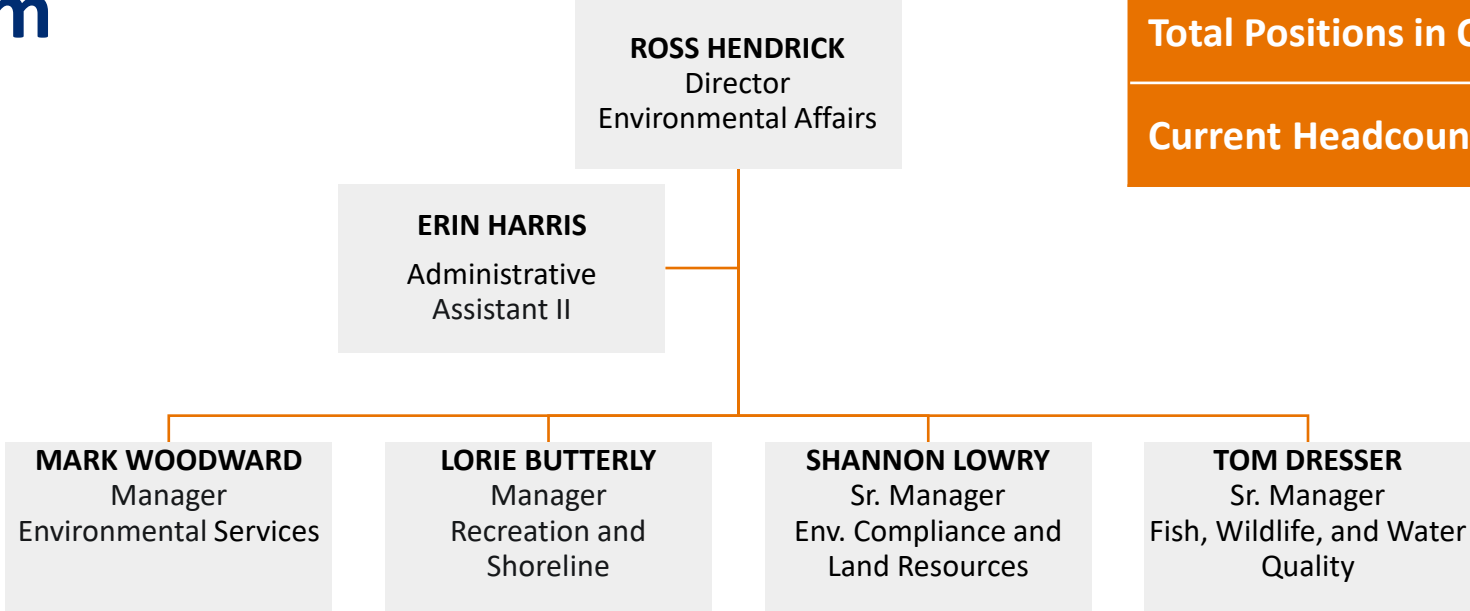
February 10, 2026

Ross Hendrick, Director



Powering our way of life.

Team



Total Positions in Org	47
Current Headcount	38

Staff Updates:

- Pending:
 - Senior Biologist - Backfill for Curt Dotson; part of succession planning
 - 2026 Seasonal Positions (11) – Recruitment underway

Balanced Scorecard

v1 13Jan2026

		2026				2027			
Scorecard	Tasks	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Enterprise	Training			*Budget	*Goals			*Budget	*Goals
	Development								
	Reporting								
Division	Training								
	Development								
	Reporting								
Functional Area	Training								
	Development								
	Reporting								
Business Unit	Training								
	Development								
	Reporting								
Department	Training								
	Development								
	Reporting								
Individual Contributor	Training								
	Development								
	Reporting								

Executive Financial Overview

December 2025

NON-LABOR

YEAR-TO-DATE

BUDGET	ACTUALS	VARIANCE	VAR %
\$17,863K	\$17,187K	(\$677K)	-3.8%

YEAR-END PROJECTION

BUDGET	ACTLS/YEP	VARIANCE	VAR %
\$17,863K	\$17,187K	(\$677K)	-3.8%

LABOR

YEAR-TO-DATE

BUDGET	ACTUALS	VARIANCE	VAR %
\$4,792K	\$4,765K	(\$27K)	-0.6%

YEAR-END PROJECTION

BUDGET	ACTLS/YEP	VARIANCE	VAR %
\$4,792K	\$4,765K	(\$27K)	-0.6%

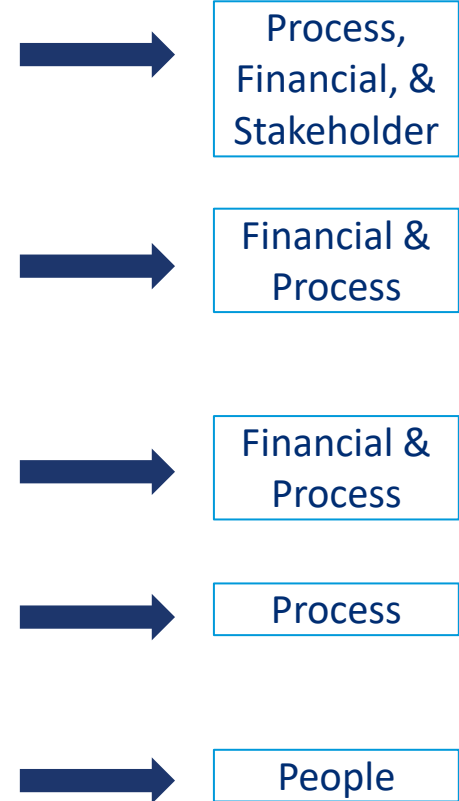
Near-Term Business Plan

- VoltaGrid – Temporary Surplus Land Lease: Q1 2026
- Juvenile Survival Study (Chinook and Steelhead): May 2026
- Recreation Resource Management Plan: FERC Submittal April 2027
 - Summer 2026: Recreation Surveys
 - Fall 2026: Stakeholder engagement and public input
 - Commission Review/Approval: Q1 2027
- Electric System Growth Support (QTEP, etc.): Ongoing
- Crescent Bar Lease Area Appraisals: December 2026

Long-Term Business Plan

- Statements of Agreement (SOAs) for Fish Performance Standards: 1-3 years
- Continued Electric System Growth Strategies: On-going
 - Long-Term Land Acquisition Strategic Roadmap
- Implement Hatchery and Recreation Asset Management Strategies: 1-5 years
- Implement Flowage Easement Encroachment Strategies: 1-3 years
- Succession Planning: 1-5 years

Strategic Alignment



Commission Support: Key Asks

- Decision on path forward for Crescent Bar Golf Course
- Q1 2026: Support of Sunland Fire Mitigation Plan
 - Provides 30 ft (from property line) of defensible space
 - Provides management activities 30-100 ft from property line
 - Supported by Department of Natural Resources
 - Commitment of \$200,000 in capital (gravel road); \$45,000 for tree removal, and \$25,000 annually for O&M



Questions?



Department Name:	Key Presenters:	Date:
Environmental Affairs	Ross Hendrick	February 10, 2026

LAST QUARTER RECAP

Quarterly Goals	- Crescent Bar Golf Course re-programming option analysis - Continued electric system growth support - Finalize Hatchery and Recreation asset management strategies
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NEAR-TERM PLANS (NEXT QUARTER)

Project Updates	- Juvenile Survival Study (Chinook and Steelhead) – May 2026 - Recreation Resource Management Plan update – Q2-Q4 - Support of electric system growth programs (QTEP, etc.) – ongoing - Crescent Bar Lease Area appraisals – ongoing through Dec. 2026
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LONGER-TERM STRATEGY

Roadmap	Operate responsibly by attaining environmental and regulatory compliance
Strategy	- Statements of Agreement (SOAs) for fish performance standards: 1-3 years - Continued electric system growth strategies: on-going - Implement Hatchery and Recreation asset management strategies: 1-5 years - Implement flowage easement encroachment strategies: 1-3 years - Succession Planning: 1-5 years

COMMISSION SUPPORT: KEY ASKS

Specific Requests	- Feb. 2026: Decision on path forward for Crescent Bar Golf Course - Q1 2026: Support of Sunland Fire Mitigation Plan
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Business Advancement and Strategy

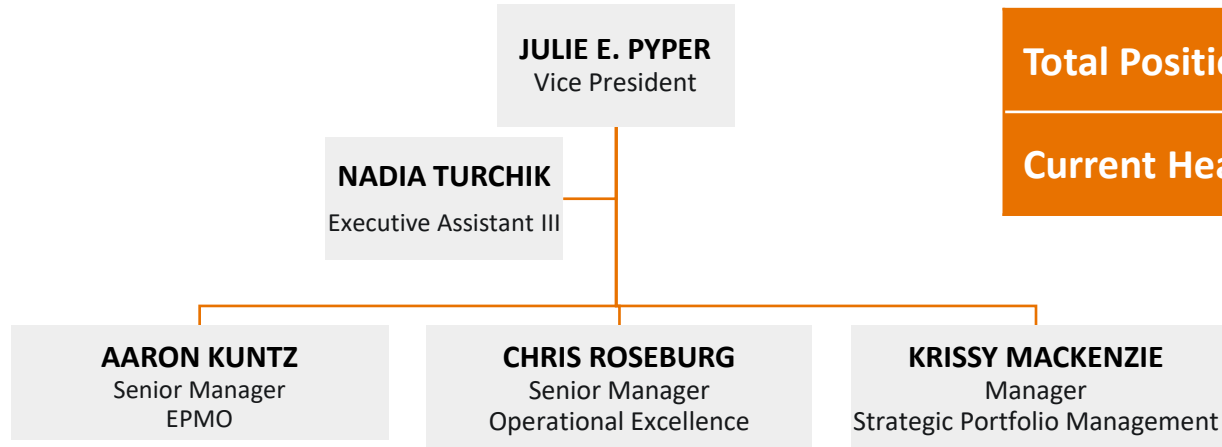
February 10, 2026

Julie Pyper, Vice President



Powering our way of life.

Team

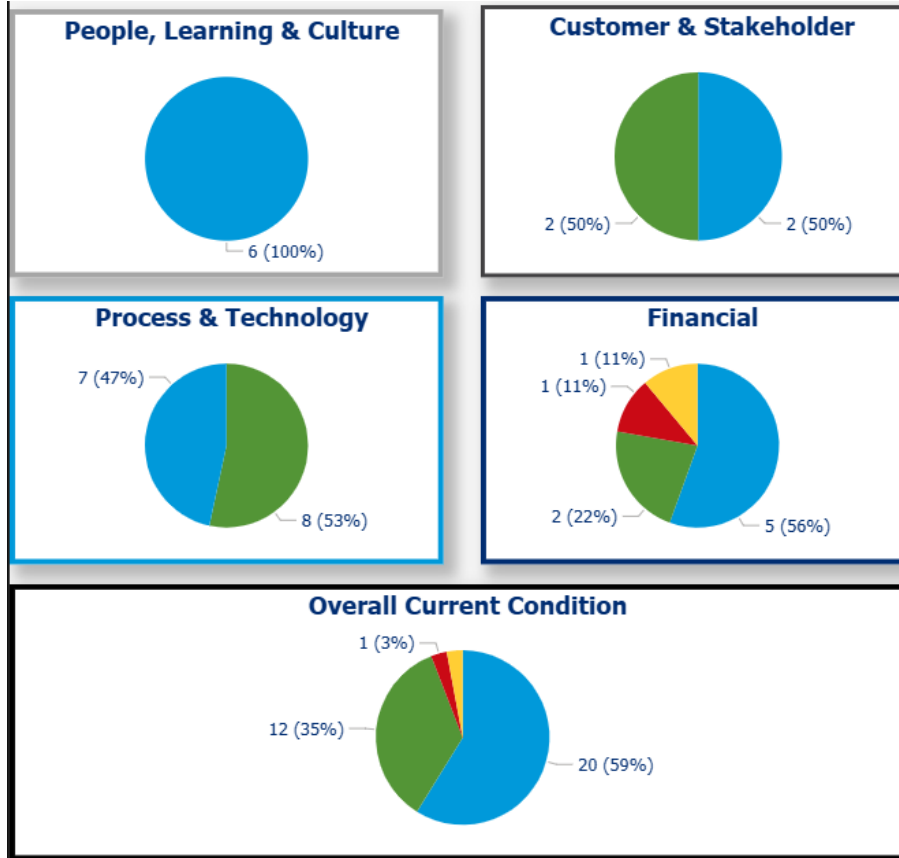


Total Positions in Org	60
Current Headcount	58

Staff Updates (since 1/1/2026):

Position	Department	Name
Continuous Improvement Specialist	Operational Excellence	Denise Tilley
Continuous Improvement Specialist	Operational Excellence	Alysha Overland
Manager	EPMO	Andrew Martinez
Communications Specialist	OPEX	Janae Babak

Enterprise Balanced Scorecard



Accountable for 4 measures

Process & Technology

- % compliance to critical business system implementation plan
- % compliance with Growth Management Strategy Implementation Workplan
- % of targeted processes documented to plan

Financial

- % of projects realizing hard benefits

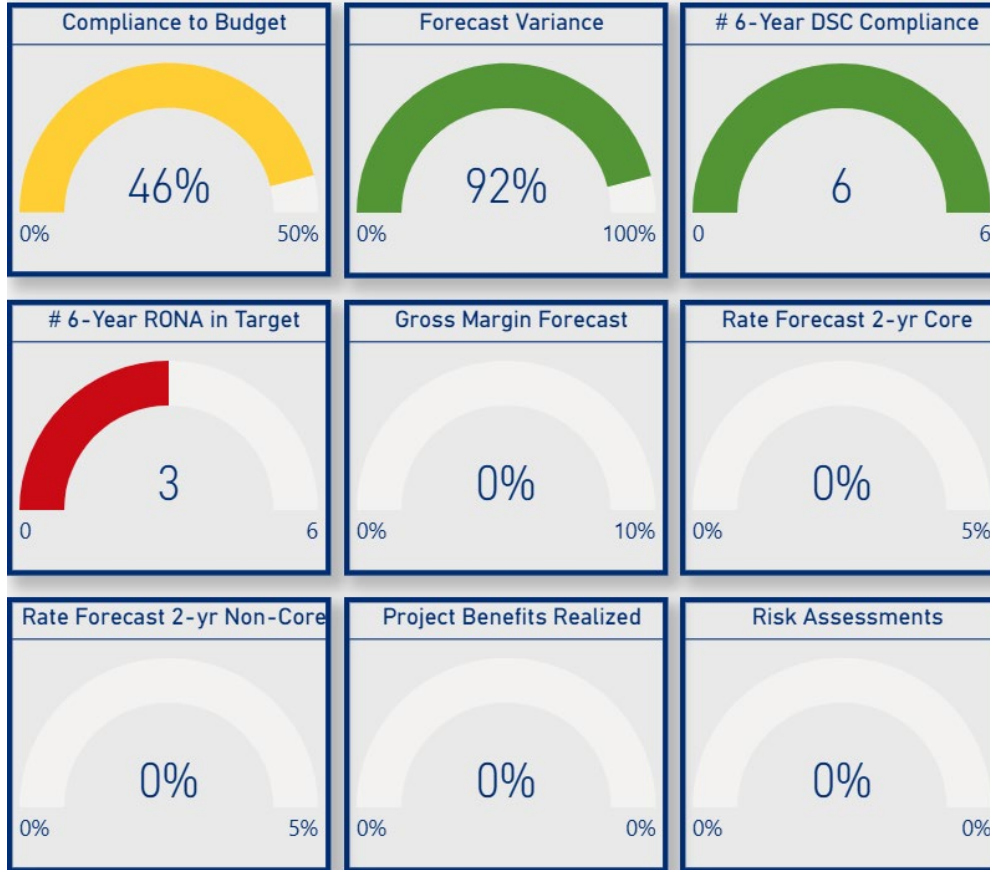
Process & Technology



BSC Report Date	Measure Title
EMS – 7/16/2026 SCADA – TBD ERP+ - 3/12/2026	% compliance to critical business system implementation plan (EPMO)
5/14/2026	% compliance with Growth Management Strategy Implementation Workplan (VP)
4/16/2026	% of targeted processes documented to plan (OPEX)

GREEN	Measure in desired range; No Help Requested
YELLOW	Measure not in desired range; Raising Awareness
RED	Measure not in desired range; Help Requested
BLUE	Measure under development

Financial



BSC Report Date	Measure Title
5/14/2026	% of projects realizing hard benefits (SPMgmt)

- GREEN** Measure in desired range; No Help Requested
- YELLOW** Measure not in desired range; Raising Awareness
- RED** Measure not in desired range; Help Requested
- BLUE** Measure under development

Executive Financial Overview

December 2025

NON-LABOR				LABOR			
YEAR-TO-DATE				YEAR-TO-DATE			
BUDGET	ACTUALS	VARIANCE	VAR %	BUDGET	ACTUALS	VARIANCE	VAR %
\$1,158K	\$1,343K	\$185K	15.9%	\$6,525K	\$6,409K	(\$116K)	-1.8%
YEAR-END PROJECTION				YEAR-END PROJECTION			
BUDGET	ACTLS/YEP	VARIANCE	VAR %	BUDGET	ACTLS/YEP	VARIANCE	VAR %
\$1,158K	\$1,343K	\$185K	15.9%	\$6,525K	\$6,409K	(\$116K)	-1.8%

Non-Labor – Unfavorable & Outside Target

- Reduced travel, trainings primarily done online this year
- Additional contracted labor resource for ERP+ activities

Near-Term Business Plan

February - April 2026

Business Outcome	Business Unit	Project Update/Deliverables/Action Plan
Informed staff and customers	OPEX	Internal Communications: Coordination with External Communications on queue mgmt.
Data driven decisions	EPMO	Advancing Project Controls: Earned Value - ET
	SPMgmt	People Resource Management: Standards & process for high confidence & consistent portfolio data
ERP+ Success	OPEX	Team participation in planning: stakeholder surveys
	EPMO	Program management: people resource mgmt. plans; schedule development; contract execution: RSM & Harris
Balanced Scorecard Success	OPEX	Teams partnering on rollout and sustainment of BSC
	SPMgmt	Dashboard development and analytics

Long-Term Business Plan

Strategic initiatives and projects: April 2026 +

Business Outcome	Business Unit	Strategic Initiative/Projects
Culture of Excellence	EPMO	Outcomes-based requirements and standards to quantitatively measure Project Manager performance
	OPEX	Training and sustainability of key concepts; Establish standards and best practices; Engage employees in improvements
	SPMgmt	PPM Tool Optimization; PWG Decision making
Increase Capabilities	EPMO	Contract Management capabilities
	OPEX	Integrating into Balanced Scorecard process
	SPMgmt	Resource Management maturity

Commission Support: Key Asks

Business Unit	Ask	Timeframe
EPMO	<u>Contracted services contracts for approval:</u> Volt, ROI, Corsource, and 22nd Technology Group	February 17, 2026
EPMO	<u>ERP+ Strategic Awareness –</u> Contract FYI: RSM Program Update Contract presentation: CIS – NorthStar Commission Action: CIS - NorthStar	February 17, 2026 March 10, 2026 March 10, 2026 March 24, 2026

Questions?



Department Name:	Executive and Key Presenters:	Date:
Business Adv & Strat	Julie E. Pyper	02/10/2026

LAST QUARTER RECAP

Quarterly Goals Provide recap at next QBR

NEAR-TERM PLANS (NEXT QUARTER)

Business Outcome	Business Unit	Project Update/Deliverables/Action Plan
Informed staff and customers	OPEX	Internal Communications: Coordination with External Communications on queue mgmt.
Data driven decisions	EPMO SPMgmt	Advancing Project Controls: Earned Value – ET People Resource Management: Standards & process for high confidence & consistent portfolio data
ERP+ Success	OPEX EPMO	Team participation in planning: stakeholder surveys Program management: people resource mgmt. plans; schedule development; contract execution: RSM & Harris
Balanced Scorecard Success	OPEX SPMgmt	Teams partnering on rollout and sustainment of BSC Dashboard development and analytics

LONGER-TERM STRATEGY

Business Outcome	Business Unit	Strategic Initiative/Projects
Culture of Excellence	EPMO OPEX SPMgmt	Outcomes-based requirements and standards to quantitatively measure Project Manager performance Training and sustainability of key concepts; Establish standards and best practices; Engage employees in improvements PPM Tool Optimization; PWG Decision making
Increase Capabilities	EPMO OPEX SPMgmt	Contract Management capabilities Integrating into Balanced Scorecard process Resource Management maturity

COMMISSION SUPPORT: KEY ASKS

Business Unit	Ask	Timeframe
EPMO	Action – recommend approval – on the contracted services contracts – Volt, ROI, Corsource, and 22nd Technology Group	February 17, 2026
EPMO	Strategic Awareness – ERP+ Contract FYI: RSM Program Update Contract presentation: CIS – NorthStar Commission Action: CIS - NorthStar	February 17, 2026 March 10, 2026 March 10, 2026 March 24, 2026