



Board of Commissioners Meeting  
July 17, 2018- 5:00 PM  
63 Four Corners Rd. Jefferson County Transit

### **PUD REGULAR BOARD MEETING**

1. CALL TO ORDER
2. AGENDA APPROVAL
3. GENERAL PUBLIC COMMENT: This public comment period is for any items not specifically listed on the current Agenda or for items listed on the Consent Agenda. The Chair will also permit public comments on the other agenda items as they come up during the meeting. The Chair may place time limits on public comments to allow the meeting to be conducted in an efficient and orderly manner. **(15 min)**
4. APPROVAL AND ADOPTION OF THE CONSENT AGENDA: Items listed below have been distributed to the Commissioners in advance for study and will be enacted by one motion. If separate discussion is desired on an item, that item may be removed from the Consent Agenda and placed on the Regular Agenda, at a specific time, at the request of any of the Commissioners.
  - 4.1 APPROVAL OF MINUTES
    - Draft Regular BOC Minutes July 3, 2018
  - 4.2 CFO REPORT AND APPROVAL OF VOUCHERS
    - 4.2.1 Voucher Certification form with supporting warrant register and payroll
    - 4.2.2 BOC Approval of Voucher approval form
    - 4.2.3 Financial Review June 2018
  - 4.3 ACTION ITEMS
    - 4.3.1 Interlocal Agreement with the Noxious Weed Control Board
    - 4.3.2 Citizen's Advisory Board Update
    - 4.3.3 Write-off of delinquent accounts from active accounts receivables
  - 4.5 PUD Calendar of upcoming meetings – not requiring Board action

END OF CONSENT AGENDA
5. COMMISSIONER REPORTS
6. GENERAL MANAGER REPORT/FUTURE ITEMS (Information Only)
7. ACTION ITEMS REQUIRING BOARD DISCUSSION
  - 7.1 Resolution 2018-015 Updating and Clarifying the Role of Citizen's Advisory Board (Verbal report)
  - 7.2 Irondale Substation Expansion Project Bid Award
  - 7.3 Water System Plan Scope of Work and Budget
8. SIGNING OF DOCUMENTS
9. ADJOURNMENT



PUBLIC UTILITY DISTRICT NO. 1  
of Jefferson County

July 3, 2018

**Board of Commissioners  
Regular Meeting**

Draft Minutes

The Regular Meeting of the Public Utility District No. 1 of Jefferson County (PUD) was called to order by the President of the Board of Commissioners (Board) at 5:00 p.m. at the Jefferson Transit Conference Room, at 63 Four Corners Road, Port Townsend, Washington, 98368.  
Present:

Commissioner Jeff Randall, President  
Commissioner Kenneth Collins, Secretary

Larry Dunbar, General Manager  
Joel Paisner, General Counsel (phone conference)  
Kevin Streett, Assistant General Manager  
Will O'Donnell, Communications Manager  
Debbie Lund, Human Resources Manager  
Mike Bailey, Financial Services Manager  
Annette Johnson, Executive Assistant and Records Administrator  
Don McDaniel, Consultant

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**1. CALL TO ORDER:**

The meeting was called to order by Commissioner Jeff Randall at 5:00 p.m.

**INTRODUCTIONS:** Commissioner Jeff Randall started out the meeting with voluntary introductions from the commissioners and staff.

General Manager Larry Dunbar acknowledged that Commissioner Wayne King has an excused absence. Commissioner Jeff Randall confirmed the excused absence.

**2. AGENDA APPROVAL:**

**MOTION:** Commissioner Jeff Randall moved to approve the agenda. This motion was seconded by Commissioner Kenneth Collins. Motion carried unanimously.

**3. GENERAL PUBLIC COMMENT:** No comment.

**4. APPROVAL AND ADOPTION OF THE CONSENT AGENDA:**

Cammy Brown, Recorder for the PUD, requested that the Minutes of the June 19, 2018, meeting be taken off the consent agenda and moved to end of agenda.

**MOTION:** Commissioner Kenneth Collins moved to approve and adopt the Consent Agenda as modified. Commissioner Jeff Randall seconded the motion. Motion carried unanimously.

**4.1 APPROVAL OF MINUTES:** Draft Regular BOC Minutes June 19, 2018.  
Moved to No. 7 Action Items Requiring Board Discussion.

**4.2 CFO REPORT AND APPROVAL OF VOUCHERS:**  
4.2.1 Voucher Certification form with supporting warrant register and payroll.  
4.2.2 BOC Approval of Voucher Approval form.

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**VOUCHER CLAIM FORMS FOR INVOICES PAID:**

<b>WARRANTS</b>	<b>AMOUNT</b>	<b>DATE</b>
Accounts Payable: # 117459 to # 117489	\$ 286,130.63	6/14/2018
Accounts Payable: # 117490 to # 117543	\$ 211,486.35	6/21/2018
Payroll Checks: # 70461 to # 70465	\$ 8,788.93	6/15/2018
Payroll Direct Deposit:	\$ 102,588.23	6/15/2018
<b>TOTAL INVOICES PAID</b>	<b>\$ 608,994.14</b>	
<b>GRAND TOTAL</b>	<b>\$ 608,994.14</b>	

**VOIDED WARRANTS**

117258 \$ 163.67

**4.3 RESOLUTIONS:** None

**4.4 ACTION ITEMS:**

4.4.1 Resolution 2018-020 Late Fees.

4.4.2 Motion to approve Chimacum Creek Estate Bid Award.

**4.5 PUD** Calendar of upcoming meetings – not requiring Board action.

**5. COMMISSIONER REPORTS:**

**Commissioner Kenneth Collins:**

6-22-18 Met with PUD General Manager Larry Dunbar.

7-5-18 Will meet with PUD General Manager Larry Dunbar.

7-9-18 Will attend meeting with County Commissioners.

7-11-18 Will conduct several conference calls with the WPUDA.

7-11-18 Will attend meeting with Port Commissioners.

**Commissioner Jeff Randall:**

6-22-18 Meeting with PUD General Manager Larry Dunbar.

7-2-18 Attended North Olympic Development Council Meeting.

7-5-18 Will meet with PUD General Manager Larry Dunbar.

**6. GENERAL MANAGER REPORT/FUTURE ITEMS (Information Only)**

- Commissioner Wayne King may not be present at July 17, 2018 BOC Meeting. General Manager Larry Dunbar requested excused absence.

**MOTION:** Commissioner Jeff Randall made a motion to approve an excused absence for Commissioner Wayne King for the July 17, 2018, meeting of the Board of Commissioners. Commissioner Kenneth Collins seconded the motion. Motion carried unanimously carried.

**GENERAL MANAGER REPORT Continued:**

- Parliamentary Procedure training date is August 14<sup>th</sup>, 8 a.m. to 1 p.m.

- Recruitment is underway for Chief Financial Officer.
- Customer Service Manager internal promotion opportunity is underway.
- The BPA 2018 spill surcharges have been finalized.
- Staff is working on HDR on Task Order 3 for the Coyle system emergency repairs,
- The design is anticipated to be completed by July 13, 2018.
- General Manager's relocation from Ellensburg is complete.

**FUTURE ITEMS** staff is working on for future Board of Commissioner action:

- A revised governance resolution will be discussed at the CAB (Citizens' Advisory Board) meeting next week.
- Staff is drafting the CERB Rural Broadband Planning Grant Application which is due at the end of July.

Commissioner Kenneth Collins asked for board concurrence for a plan to carry a letter to the Jefferson County Commissioners and the Port of Port Townsend Commissioners and ask for their support. Commissioner Jeff Randall concurred.

**FUTURE ITEMS Continued:**

- An inter-local agreement with Chelan County PUD for a piggyback purchase for the design, permitting, purchase and installation of a modular building will be available for approval.
- Staff waiting to hear from the Washington State Department of Revenue on ways to streamline conservation rebate payments.
- A request for proposals for financial audit services has been advertised. Approval of contract coming to commissioners in September.
- The Water System Plan is underway.
- Staff is working on request for proposals for real estate services for selling surplus properties.
- Staff seeking guidance on association memberships and assignments.
- Low income discounts exceeding available expense budget.

**7. ACTION ITEMS REQUIRING BOARD DISCUSSION:**

**4.1 Approval of Minutes of June 19, 2018.**

There was a correction to the minutes to add Don McDaniel, Consultant, as in attendance.

**MOTION:** Commissioner Kenneth Collins made a motion to approve the minutes of June 19, 2018, meeting of the Jefferson County PUD Board of Commissioner as amended. Commissioner Kenneth Collins seconded the motion. Motion unanimously carried.

**7.1 2019 Budget Draft Strategic Objectives.** General Manager Larry Dunbar gave a report and went over the objectives as follows:

- Consolidated facility project.
- Community solar project.
- Broadband line extensions for Port Townsend downtown businesses pilot project.
- Heightened focus on customer service and continuing education.
- Safety training program.
- Electric reliability.
- Full time regular water engineer.
- Comprehensive personnel policies.
- Advanced metering infrastructure business case evaluation.
- Strategic plan update and strategic objectives for 2020/2021.
- Electric system plan.
- Information technology and geographic information system strategic plan.
- Telecommunications strategic plan.
- Designating cash reserves.
- Confirm utility memberships.

Commissioner Jeff Randall made a suggestion to add online bill financing to the list.

General Manager Larry Dunbar reported that a preliminary budget will be submitted before September.

No action was taken on this.

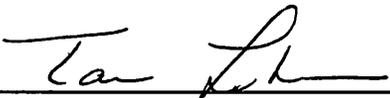
**8. SIGNING OF DOCUMENTS:** The commissioners signed documents during the public meeting.

**9. EXECUTIVE SESSION:** An executive session was called at 6:01 p.m. under RCW 42.30.110(1) (i) to discuss with legal counsel representing the agency matters relating to agency enforcement actions, or to discuss with legal counsel representing the agency litigation or potential litigation to which the agency, the governing body, or a member acting in an official capacity is, or is likely to become, a party, when public knowledge regarding the discussion is likely to result in an adverse legal or financial consequence to the agency. No action will be



## VOUCHER CERTIFICATION FORM

I, the undersigned, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered or the labor performed as described herein, that any advance payment is due and payable pursuant to a contract or is available as an option for full or partial fulfillment of a contractual obligation, and that the claim is a just and due obligation against Public Utility District No. 1 of Jefferson County, and that I am authorized to authenticate and certify to said claims, and I, the undersigned, do hereby certify under penalty of perjury that claims for employee and commissioner expenses are just and due against Public Utility District No. 1 of Jefferson County.

Signed:   
Tammy Lehman, interim Financial Director / District Auditor

7/9/18  
Date

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### VOUCHER CLAIM FORMS FOR INVOICES PAID:

	WARRANTS	AMOUNT	DATE
Accounts Payable:	# 117544 to # 117587	\$ 319,251.07	6/28/2018
Accounts Payable:	# 117588 to # 117618	\$ 124,693.45	7/5/2018
Payroll Checks:	# 70466 to # 70470	\$ 9,546.55	6/29/2018
Payroll Direct Deposit:		\$ 100,008.96	6/29/2018
<b>TOTAL INVOICES PAID</b>		<b>\$553,500.03</b>	

	AMOUNT	DATE
<b>WIRE TRANSFERS PAID</b>		
USDA/RUS Loan	\$ 1,526,058.32	6/29/2018

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<b>GRAND TOTAL</b>	<b>\$2,079,558.35</b>
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<b>VOIDED WARRANTS</b>		
117615	\$	11,958.02

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# Accounts Payable Check Register

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## 06/26/2018 To 07/05/2018

Bank Account: 1 - 1ST SECURITY - AP

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
117544 06/28/2018	CHK	9999	MICHAEL ADAMS	REFUND FOR OVERPMT ON WO#18058	455.95
117545 06/28/2018	CHK	10012	ALTEC INDUSTRIES, INC	RIGGING BLOCK 5/8" RED HOSE ASSEMBLY KIT-8' ANCHOR DRIVE TOOL-CHANCE KELLY BAR ADAPT	202.46 104.64 588.29
<b>Total for Check/Tran - 117545:</b>					895.39
117546 06/28/2018	CHK	10447	ANIXTER INC.	REPLACEMENT ARC CHUTE DISCONNECT SWITCH HOOK OPERATED 15KV WASP/ANT SPRAY SHOOT ON CONNECTOR AMPACT 4/0-1/0 SHOOT ON CONNECTOR AMPACT 4/0-2/0	56.68 1,057.30 52.32 65.40 109.00
<b>Total for Check/Tran - 117546:</b>					1,340.70
117547 06/28/2018	CHK	10016	ASPLUNDH TREE EXPERT CO	TREE TRIMMING W/E 6/09/18 TREE TRIMMING W/E 6/02/18 72JEFCO TREE TRIMMING W/E 6/02/18 72JEFCO	6,620.55 5,963.91 4,446.00
<b>Total for Check/Tran - 117547:</b>					17,030.46
117548 06/28/2018	CHK	10688	MIKE BAILEY	ACCOUNTING&FINANC CONF 6/19/18 TRVL EXPS ACCOUNTING&FINANC CONF 6/19/18 TRVL EXPS	532.58 59.18
<b>Total for Check/Tran - 117548:</b>					591.76
117549 06/28/2018	CHK	10027	BERNT ERICSEN EXCAVATING, INC	EXCAVATING AT 2281 HASTINGS W 6/08/18	4,687.00
117550 06/28/2018	CHK	10030	BLUE TARP FINANCIAL, INC	BOOTS QTY2	195.10
117551 06/28/2018	CHK	9998	TASHA BROWN	Credit Balance Refund	200.00
117552 06/28/2018	CHK	10038	CASCADE COLUMBIA DISTRIBUTION C	CAUSTIC SODA 50% NSF # DRUM QTY15 CAUSTIC SODA 50% NSF # DRUM QTY6 RETURN OF DRUMS QTY15	4,610.49 1,853.83 -475.41
<b>Total for Check/Tran - 117552:</b>					5,988.91
117553 06/28/2018	CHK	10042	CELLNET TECHNOLOGY INC	METER READS - MAY 2018	26,806.53
117554 06/28/2018	CHK	10045	CENTURY LINK-S	CIRCUIT INFO 6/16-7/15/18	89.26

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**Bank Account: 1 - 1ST SECURITY - AP**

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
				CIRCUIT INFO 6/16-7/15/18	38.81
				CIRCUIT INFO 6/16-7/15/18	104.78
				CIRCUIT INFO 6/16-7/15/18	155.24
				CIRCUIT INFO 6/16-7/15/18	17.25
				CIRCUIT INFO 6/16-7/15/18	25.87
				INTERNET SVC 6/22-7/21/18	67.65
				INTERNET SVC 6/22-7/21/18	16.91
				CIRCUIT INFO 6/23-7/22/18	89.26
				CIRCUIT INFO 6/23-7/22/18	38.81
				CIRCUIT INFO 6/23-7/22/18	104.78
				CIRCUIT INFO 6/23-7/22/18	155.24
				CIRCUIT INFO 6/23-7/22/18	17.25
				CIRCUIT INFO 6/23-7/22/18	25.87
				CIRCUIT INFO 6/23-7/22/18	31.14
				CIRCUIT INFO 6/23-7/22/18	7.79
				CHOICE BUSINESS 6/04-7/03	87.35
				CHOICE BUSINESS 6/04-7/03	21.84
				FIRE ALARMS 4 CRNRS CHOICE BUS 6/05-7/04	29.33
				FIRE ALARMS 4 CRNRS CHOICE BUS 6/05-7/04	12.75
				FIRE ALARMS 4 CRNRS CHOICE BUS 6/05-7/04	34.43
				FIRE ALARMS 4 CRNRS CHOICE BUS 6/05-7/04	51.02
				CHOICE BUSINESS&INTERNET SVC 6/05-7/04	52.68
				CHOICE BUSINESS&INTERNET SVC 6/05-7/04	22.90
				CHOICE BUSINESS&INTERNET SVC 6/05-7/04	61.84
				CHOICE BUSINESS&INTERNET SVC 6/05-7/04	91.61
				CHOICE BUSINESS&INTERNET SVC 6/05-7/04	10.18
				CHOICE BUSINESS&INTERNET SVC 6/05-7/04	15.26
				BUSINESS LINE 6/05-7/04	39.17
				BUSINESS LINE 6/05-7/04	9.79
				DIRECT INWARD DIALING 6/05-7/04	21.53
				DIRECT INWARD DIALING 6/05-7/04	9.36

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Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
				DIRECT INWARD DIALING 6/05-7/04	25.27
				DIRECT INWARD DIALING 6/05-7/04	37.45
				DIRECT INWARD DIALING 6/05-7/04	4.16
				DIRECT INWARD DIALING 6/05-7/04	6.24
				DIRECT INWARD DIALING 6/05-7/04	22.72
				DIRECT INWARD DIALING 6/05-7/04	9.88
				DIRECT INWARD DIALING 6/05-7/04	26.67
				DIRECT INWARD DIALING 6/05-7/04	39.53
				DIRECT INWARD DIALING 6/05-7/04	4.39
				DIRECT INWARD DIALING 6/05-7/04	6.58
				<b>Total for Check/Tran - 117554:</b>	1,739.84
117555 06/28/2018	CHK	10046	CENTURYLINK	LOW SPD DATA & 2WIRE JUN-18	185.07
				LOW SPD DATA & 2WIRE JUN-18	46.20
				LOW SPD DATA & 2WIRE JUN-18	31.14
				LOW SPD DATA & 2WIRE JUN-18	7.79
				<b>Total for Check/Tran - 117555:</b>	270.20
117556 06/28/2018	CHK	10332	KENNETH COLLINS	NWPPA, LD,PURMS MTGS JUN-18 TRVL EXPS	509.54
				NWPPA, LD,PURMS MTGS JUN-18 TRVL EXPS	127.39
				<b>Total for Check/Tran - 117556:</b>	636.93
117557 06/28/2018	CHK	10547	COS SYSTEMS INC.	COS SERVICE ZONES - JUN 2018	800.00
				COS SERVICE ZONES - JUN 2018	200.00
				<b>Total for Check/Tran - 117557:</b>	1,000.00
117558 06/28/2018	CHK	10689	DEPARTMENT OF COMMUNITY DEVEL	PREAPPLICATION CONF FEE	350.40
				PREAPPLICATION CONF FEE	87.60
				<b>Total for Check/Tran - 117558:</b>	438.00
117559 06/28/2018	CHK	10407	DEPT OF THE TREASURY	EIN 91-6001044/ FORM 720-V 2BD QTR 2018	93.69
				EIN 91-6001044/ FORM 720-V 2BD QTR 2018	23.42
				<b>Total for Check/Tran - 117559:</b>	117.11
117560 06/28/2018	CHK	10609	DOUBLE D ELECTRICAL, INC	MATS VIEW - SEPTIC FUSE 5 AMP GLASS	35.51

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Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
117561 06/28/2018	CHK	10404	FARWEST LINE SPECIALTIES LLC	W DIES,BUCKET,2X2,BIT-THARALDSEN/LEE	-89.92
				BUCKET	250.38
				DIE TREE	54.99
				DIES	332.42
				DRILL BIT	17.21
				DIE TREE	54.99
				DIES	179.00
				DRILL BIT	17.21
				WIRE STRIPPER	182.79
<b>Total for Check/Tran - 117561:</b>					999.07
117562 06/28/2018	CHK	10454	GLOBAL RENTAL COMPANY INC	PICKUP CHARGE FOR V#405 BUCKET	681.25
				RNTL AM55 2 MAN BUCKET 5/31-6/27/18	4,905.00
<b>Total for Check/Tran - 117562:</b>					5,586.25
117563 06/28/2018	CHK	10518	J HARLEN COMPANY	PRUNING SAW, PRUNING SAW COVER& BUCKETT	-35.78
				BUCKET-BASIC CANVAS BUCKET W SWIVEL SNAP	46.58
				PRUNING SAW COVER-HASTINGS LEATHER SCABB	150.29
				PRUNING SAW-HASTINGS PRUNING SAW WITH UN	236.42
<b>Total for Check/Tran - 117563:</b>					397.51
117564 06/28/2018	CHK	10118	JCI JONES CHEMICALS, INC.	HYPOCHLORITE SOLUTION, SS150 BULK	987.30
				HYPOCHLORITE SOLUTION, SS150 BULK	731.59
<b>Total for Check/Tran - 117564:</b>					1,718.89
117565 06/28/2018	CHK	10281	JEFFCO EFTPS	941 PAYROLL TAX FOR PR 6/29/18 MEDICARE	4,696.84
				941 PAYROLL TAX FOR PR 6/29/18 FICA	20,082.88
				941 PAYROLL TAX FOR PR 6/29/18 FEDERAL	16,348.86
<b>Total for Check/Tran - 117565:</b>					41,128.58
117566 06/28/2018	CHK	10532	JEFFERSON COUNTY PUD PAYROLL AC	PAYROLL DEPOSIT FOR 6/29/2018 CHECKS	9,546.55
				PAYROLL DEPOSIT FOR 6/29/2018 DIR DEP	100,008.96
<b>Total for Check/Tran - 117566:</b>					109,555.51

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**Bank Account: 1 - 1ST SECURITY - AP**

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
117567 06/28/2018	CHK	9998	JOHN JENSEN	Credit Balance Refund	24.33
117568 06/28/2018	CHK	10308	WAYNE KING	BOC,WPUDA,PLAN,LD MTGS MAR-18 TRVL EXP	277.86
				BOC,WPUDA,PLAN,LD MTGS MAR-18 TRVL EXP	69.47
				WPUDA SKAGIT,KALAPT MTGS APR-18 TRVL EXP	280.55
				WPUDA SKAGIT,KALAPT MTGS APR-18 TRVL EXP	70.14
				WPUDA SKAGIT,KALAPT MTGS MAY-18 TRVL EXP	269.86
				WPUDA SKAGIT,KALAPT MTGS MAY-18 TRVL EXP	67.46
				BOC & LD MTGS JUN-18 TRVL EXP	41.86
				BOC & LD MTGS JUN-18 TRVL EXP	10.46
<b>Total for Check/Tran - 117568:</b>					1,087.66
117569 06/28/2018	CHK	10315	KT CONTRACTING COMPANY INC	FLAGGING HRS - 101 HIDDENDALE DR 5/02/18	348.00
				FLAGGING - DABOB RD 5/30/18	417.60
				FLAGGING - DABOB RD 5/30/18	46.40
<b>Total for Check/Tran - 117569:</b>					812.00
117570 06/28/2018	CHK	10286	L & J ENTERPRISES	EXCAVATING EMRGY - 30 JEFFERSON PL 6/15	2,005.60
117571 06/28/2018	CHK	10136	LES SCHWAB TIRES	NEW BATTERY# 120	198.07
117572 06/28/2018	CHK	10663	NW MANAGEMENT CONSULTING, LLC	NON-REP SALARY SURVEY REVIEW JUN-2018	1,592.00
				NON-REP SALARY SURVEY REVIEW JUN-2018	398.00
<b>Total for Check/Tran - 117572:</b>					1,990.00
117573 06/28/2018	CHK	10187	PITNEY BOWES-RESERVE ACCT	PRE-PAID POSTAGE 6/20/18	320.00
				PRE-PAID POSTAGE 6/20/18	80.00
<b>Total for Check/Tran - 117573:</b>					400.00
117574 06/28/2018	CHK	10188	PLATT ELECTRIC SUPPLY	COUPLING 1 1/2"	53.82
				WERNER TRIPOD STEP LADDER-8'	227.91
				CONDUIT 2" 90° SWEEP-W BELL 36	198.46
				WIRE 1/0 STRANDED COATED CU	2,382.03
				15 AMP PLUG	17.44
				RING TONGUE TERMINAL#C1010, 12-10 AWG	65.28

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Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
				CONDUIT 2" 90° SWEEP-W BELL 36"	226.81
				12 AWG SWITCHBOARD CABLE	354.80
				BREAK & CONNECTORS	47.76
				WATER STREET-1 1/2 SWEEP	153.69
				STEP DRILL BIT 3/16"-1/2"	37.93
				<b>Total for Check/Tran - 117574:</b>	3,765.93
117575 06/28/2018	CHK	10195	PRECISION FIBER, INC	FIBER SPLICING 6/04-6/07/18	12,254.76
				FIBER SPLICING 6/04-6/07/18	-1,011.86
				<b>Total for Check/Tran - 117575:</b>	11,242.90
117576 06/28/2018	CHK	10446	PRICE FORD INC	REPAIR VEH# 202 MANIFOLDS & STUDS	7,795.16
117577 06/28/2018	CHK	10287	PUD-UTILITY PAYMENTS	17648011 JUN 2018 - 1606 AIRPORT RD #11A	540.52
				17648016 JUN 2018 - 191 KALA HEIGHTS DR	22.33
				17648017 JUN 2018 - 234 KALA POINT DR	20.72
				17648018 JUN 2018 - 112 SAILVIEW DR	34.00
				17648019 JUN 2018 - 150 KALA HEIGHTS DR	19.20
				17648020 JUN 2018 - 83 PINECREST DR	1,160.83
				17648021 JUN 2018 - KALA POINT WELL#1	34.00
				18296011 JUN 2018 - 92 N WILLISON AVE	459.67
				27201000 JUN 2018 - 12322 AIRPORT CUTOF	20.31
				10493001 JUN 2018 - 73 KENNEDY RD	3,141.47
				10493002 JUN 2018 - 310 FOUR CORNERS RD	30.24
				10493002 JUN 2018 - 310 FOUR CORNERS RD	48.15
				10493002 JUN 2018 - 310 FOUR CORNERS RD	19.04
				10493002 JUN 2018 - 310 FOUR CORNERS RD	14.56
				10493002 JUN 2018 - 310 FOUR CORNERS RD	6.97
				10493002 JUN 2018 - 310 FOUR CORNERS RD	5.48
				12737000 JUN 2018 - 230 CHIMACUM RD WAT	24.88
				12737000 JUN 2018 - 230 CHIMACUM RD WAT	2.77
				17648001 JUN 2018 - 429 SKYWATER DR	117.79
				17648004 JUN 2018 - 230 CHIMACUM ELECTRI	158.03

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Bank Account: 1 - 1ST SECURITY - AP

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
				17648004 JUN 2018 - 230 CHIMACUM ELECTRI	17.56
				17648005 JUN 2018 - OAK BAY RD&MATSVIEW	45.49
				17648006 JUN 2018 - 482 SOMERVILLE RD	22.23
				17648007 JUN 2018 - 265 CHIMACUM RD	672.44
				17648008 JUN 2018 - 21 KENNEDY RD	1,163.76
				17648010 JUN 2018 - 40 CLEVELAND ST	19.10
				17648012 JUN 2018 - 61 KEVIN LN	45.49
				18296008 JUN 2018 - 2411 TEAL LAKE RD	670.73
				18296012 JUN 2018 - OAK BAY & MATS VIEW	19.10
				18296013 JUN 2018 - OAK BAY RD & MATS VW	63.82
				24562001 JUN 2018 - 6062 HWY 20	795.29
				25789001 JUN 2018 - 310 4 CORNERS #LHQ	262.75
				25789001 JUN 2018 - 310 4 CORNERS #LHQ	418.45
				25789001 JUN 2018 - 310 4 CORNERS #LHQ	165.44
				25789001 JUN 2018 - 310 4 CORNERS #LHQ	126.51
				25789001 JUN 2018 - 310 4 CORNERS #LHQ	60.55
				25789001 JUN 2018 - 310 4 CORNERS #LHQ	47.58
				30119000 JUN 2018 - 310 FOUR CORNERS RD	23.65
				30119000 JUN 2018 - 310 FOUR CORNERS RD	37.66
				30119000 JUN 2018 - 310 FOUR CORNERS RD	14.89
				30119000 JUN 2018 - 310 FOUR CORNERS RD	11.39
				30119000 JUN 2018 - 310 FOUR CORNERS RD	5.45
				30119000 JUN 2018 - 310 FOUR CORNERS RD	4.28
				31990000 JUN 2018 - EAGLE RDG BOOSTER PU	97.75
				35586000 JUN 2018 - 581 FAIRMOUNT RD	24.84
				46543000 JUN 2018 - 211 CHIMACUM RD #B	34.69
				46543000 JUN 2018 - 211 CHIMACUM RD #B	3.85
				46543001 JUN 2018 - 211 CHIMACUM RD #C	38.85
				46543001 JUN 2018 - 211 CHIMACUM RD #C	4.32
				17648003 JUN 2018 - 253 STARK RD	18.50
				17648022 JUN 2018 - 60 WILLOW ST	131.68

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## 06/26/2018 To 07/05/2018

Bank Account: 1 - 1ST SECURITY - AP

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
				18296006 JUN 2018 - 881 SHINE RD	19.20
				18296007 JUN 2018 - 41 MAXVIEW DR	20.01
				18296009 JUN 2018 - 10 OLYMPIC RIDGE DR	110.54
				18296010 JUN 2018 - S END ALPINE CT.	22.13
				18296014 JUN 2018 - 83 E SNOW CREEK WAY	47.50
				18296015 JUN 2018 - 125 DICKEY ST	21.02
				18296016 JUN 2018 - QUIL RANGER STATION	84.35
				22562000 JUN 2018 - NXT TO 1300 SHINE RD	18.80
				10493003 JUN 2018-DISC BAY BOOSTER PMP	101.77
				17648002 JUN 2018 - 744 HIDDEN TRLS RD	31.39
				17648013 JUN 2018 - 72 HILLCREST AVE	34.91
				17648014 JUN 2018 - 578 BECKETT PT RD	86.36
				17648015 JUN 2018 - 370 BECKETT PT PS2	77.30
				18296000 JUN 2018-141 GARDINER CEMETERY	53.13
				18296001 JUN 2018 - GARDINER LUD #1	220.30
				18296002 JUN 2018 - 6910 CAPE GEORGE RD	248.49
				18296003 JUN 2018 - SWANSON AVE	205.10
				18296004 JUN 2018 - CAPE GEORGE RD	20.92
				18296005 JUN 2018 - MYRTLE ST	31.79
				<b>Total for Check/Tran - 117577:</b>	12,404.06
117578	06/28/2018	CHK	10219	SHOLD EXCAVATING INC	
				EXCAVATOR;L&M - JEFFERSON ST 5/10/18	13,350.60
				COARSE SAND FOR 155 LILLIAN ST	89.93
				DIRT & GRASS SEED-3535 OAK BAY RD	97.06
				EXCAVATOR;L&M - WATER ST SUBWAY 4/30/18	1,880.25
				<b>Total for Check/Tran - 117578:</b>	15,417.84
117579	06/28/2018	CHK	10249	SPECTRA LABORATORIES-KITSAP LLC	
				TESTING: OLYMPIC MOB V QUIMPER 5/23/18	338.56
117580	06/28/2018	CHK	10576	TCF ARCHITECTURE, PLLC	
				ARCHITECTURAL-AMENDMENT #3 MAY-18	315.00
				ARCHITECTURAL-ADD'L SVC MAY-18	5,288.75
				ARCHITECTURAL-EXPENSES MAY-18	130.15
				ARCHITECTURAL-SCHEMATIC DSGN MAY-18	10,770.17

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### 06/26/2018 To 07/05/2018

Bank Account: 1 - 1ST SECURITY - AP

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
<b>Total for Check/Tran - 117580:</b>					16,504.07
117581 06/28/2018	CHK	10421	THE CARWASH INC	CAR WASH APR&MAY 2018	944.05
117582 06/28/2018	CHK	9998	JANIE K THOMAS	Credit Balance Refund	110.39
117583 06/28/2018	CHK	10255	USA BLUEBOOK	C1-17 C12 REAGENT	1,247.18
				HYDRANT FLOW CONTROL VALVE	321.39
				HYDRANT HOSE FITTING	77.35
				HYDRANT PAINT VARIOUS COLORS	178.42
				HYDRANT PRIMER	55.90
				HYDRANT TEST GAUGE	119.04
				YELLOW HYDRANT PAINT	194.33
<b>Total for Check/Tran - 117583:</b>					2,193.61
117584 06/28/2018	CHK	10569	WAYNE D. ENTERPRISES, INC.	PPE CLOTHING	-61.70
				PPE CLOTHING	747.28
<b>Total for Check/Tran - 117584:</b>					685.58
117585 06/28/2018	CHK	10271	WESCO RECEIVABLES CORP	OXIDE INHIBITOR 8OZ QTY24	145.45
				GUY STRANLINK 3/8	782.62
				J-BOX GREEN 20" x 33"	2,343.50
<b>Total for Check/Tran - 117585:</b>					3,271.57
117586 06/28/2018	CHK	10685	ZEE MEDICAL SERVICE	FIRST AID KITS/BLOODBORNE PATHOGENS KIT	2,728.44
				FIRST AID KITS/BLOODBORNE PATHOGENS KIT	873.14
<b>Total for Check/Tran - 117586:</b>					3,601.58
117587 06/28/2018	CHK	10057	CORRECT EQUIPMENT	SCADA SYSTEM FOR GARDINER WATER SYSTEM	11,280.41
				TANK&WELL PACKAGE SCADA SYSTEM: GARDINER	1,362.50
<b>Total for Check/Tran - 117587:</b>					12,642.91
117588 07/05/2018	CHK	10451	ASCENT LAW PARTNERS LLP	NOANET REVIEW (225-101) JAN 2018	4,235.00
				BOC MEETINGS FLAT FEE (225-104) MAY 2018	5,690.36
				BOC MEETINGS FLAT FEE (225-104) MAY 2018	1,422.59
				GENERAL UTILITY (225-102) MAY 2018	2,100.00

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### 06/26/2018 To 07/05/2018

Bank Account: 1 - 1ST SECURITY - AP

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
				GENERAL UTILITY (225-102) MAY 2018	2,025.00
				GENERAL UTILITY (225-102) MAY 2018	525.00
				GENERAL UTILITY (225-102) MAY 2018	225.00
				NOANET REVIEW (225-101) MAY 2018	675.00
				<b>Total for Check/Tran - 117588:</b>	16,897.95
117589 07/05/2018	CHK	10024	BANKCARD CENTER	NWPPA STAKING TECH 6/05-6/08/18 LODGING	349.05
				NWPPA STAKING TECH 6/05-6/08/18 LODGING	349.05
				<b>Total for Check/Tran - 117589:</b>	698.10
117590 07/05/2018	CHK	10026	BAYVIEW PUMPS, INC	MATS MATS - RPLCMNT CONTROL FOR WELL PUM	408.75
117591 07/05/2018	CHK	10044	CENTURY LINK QCC-P	PHONE SVC - JUN 2018	39.78
				PHONE SVC - JUN 2018	17.30
				PHONE SVC - JUN 2018	46.70
				PHONE SVC - JUN 2018	69.19
				PHONE SVC - JUN 2018	7.69
				PHONE SVC - JUN 2018	11.53
				<b>Total for Check/Tran - 117591:</b>	192.19
117592 07/05/2018	CHK	10047	CENTURYLINK-POLES	#WA BEWA0015 - POLE RNTL 4/01/17-3/31/18	289.52
117593 07/05/2018	CHK	10050	CHS	SKYWATER - SALT BAG RUST PETTETS QTY63	651.68
117594 07/05/2018	CHK	10409	CLEARRESULT CONSULTING INC	REF# S4-0618-067 LIGHTING - MAY 2018	3,155.96
117595 07/05/2018	CHK	10621	CRAIG LABENZ	WEB DEVELOPMENT FOR COMMUN DEPT JUN-18	60.00
				WEB DEVELOPMENT FOR COMMUN DEPT JUN-18	15.00
				<b>Total for Check/Tran - 117595:</b>	75.00
117596 07/05/2018	CHK	10068	DISCOVERY BAY GROUP, LLC	CONSULTING SERVICE JUN 2018	4,000.00
117597 07/05/2018	CHK	10090	FREDERICKSON ELECTRIC, INC	WATER ST TREE WELL CODUIT 5/17&5/29/18	1,175.02
117598 07/05/2018	CHK	10094	GENERAL PACIFIC, INC	STREETLIGHT-LED PROG 70W 3K	5,646.20
				TRAN 3P PAD 750KVA 120/208,277/480&500KV	59,228.42
				<b>Total for Check/Tran - 117598:</b>	64,874.62

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## 06/26/2018 To 07/05/2018

Bank Account: 1 - 1ST SECURITY - AP

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
117599 07/05/2018	CHK	10103	H D FOWLER	1" METER SETTER	272.37
				1" TO 3/4" METER REDUCER	28.34
				6" SADDLE TAP BODY/STRAP	274.68
<b>Total for Check/Tran - 117599:</b>					575.39
117600 07/05/2018	CHK	10384	HDR ENGINEERING INC	TASK1 - PROF SVC MAY 2018	4,423.21
				TASK2 - PROF SVC MAY 2018	3,105.46
<b>Total for Check/Tran - 117600:</b>					7,528.67
117601 07/05/2018	CHK	10366	ICPE	IRON DALE SUBSTATION ENGINEERING-APR18	1,140.00
				GENERAL SVC - ENGINEERING APR18	330.00
<b>Total for Check/Tran - 117601:</b>					1,470.00
117602 07/05/2018	CHK	10126	JEFFERSON COUNTY PUBLIC WORKS	SOLID WASTE - SCRAP YARD MATERIAL	1,206.45
				SOLID WASTE - SCRAP YARD MATERIAL	10.00
				SOLID WASTE - SCRAP YARD MATERIAL	635.81
				SOLID WASTE - DISPOSAL FROM ADMIN	27.00
				SOLID WASTE - DISPOSAL FROM ADMIN	3.00
				SOLID WASTE - DISPOSAL FROM ADMIN	27.00
				SOLID WASTE - DISPOSAL FROM ADMIN	3.00
<b>Total for Check/Tran - 117602:</b>					1,912.26
117603 07/05/2018	CHK	10129	JEFFY LUBE	OIL CHANGE FOR VEH# 210	79.20
				OIL CHANGE & AIR FILTER FOR VEH# 113	113.48
<b>Total for Check/Tran - 117603:</b>					192.68
117604 07/05/2018	CHK	10315	KT CONTRACTING COMPANY INC	FLAGGING HRS - CASCERA RD 5/17/18	1,015.00
117605 07/05/2018	CHK	10286	L & J ENTERPRISES	EXCAVATING COYLE EATON RD&INSTLM 6/07/18	2,479.75
117606 07/05/2018	CHK	10142	MASON COUNTY PUD #1	ELECTRIC ELEC - JUN-18	187.52
				BPA RD-PUMP ELEC - JUN-18	105.35
				WILLIAMS CT ELEC - JUN-18	35.57
<b>Total for Check/Tran - 117606:</b>					328.44
117607 07/05/2018	CHK	10167	OFFICE DEPOT	OFFICE SUPPLIES - ANNEX	51.15

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**Bank Account: 1 - 1ST SECURITY - AP**

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
				OFFICE SUPPLIES - ANNEX	50.21
				OFFICE SUPPLIES - ANNEX	3.27
				OFFICE SUPPLIES - ANNEX	5.58
				OFFICE SUPPLIES - WAREHOUSE	124.17
				OFFICE SUPPLIES - OPERATIONS	23.66
				OFFICE SUPPLIES - WAREHOUSE	-108.65
				OFFICE SUPPLIES - OPERATIONS	121.89
				OFFICE SUPPLIES - WAREHOUSE	124.17
				OFFICE SUPPLIES - OPERATIONS	23.99
				OFFICE SUPPLIES - HR	19.60
				OFFICE SUPPLIES - HR	2.18
				OFFICE SUPPLIES - ADMIN	18.76
				OFFICE SUPPLIES - ADMIN	2.09
				OFFICE SUPPLIES - ADMIN	47.11
				OFFICE SUPPLIES - ADMIN	5.23
				OFFICE SUPPLIES - COMMUNICATIONS	70.79
				OFFICE SUPPLIES - COMMUNICATIONS	17.70
				OFFICE SUPPLIES - COMMUNICATIONS	37.39
				OFFICE SUPPLIES - COMMUNICATIONS	9.35
				OFFICE SUPPLIES - OPERATIONS	706.95
				OFFICE SUPPLIES - OPERATIONS	311.87
				OFFICE SUPPLIES - HR	79.45
				OFFICE SUPPLIES - HR	8.83
				OFFICE SUPPLIES - HR	14.17
				OFFICE SUPPLIES - HR	1.57
<b>Total for Check/Tran - 117607:</b>					1,772.48
117608	07/05/2018	CHK	10169	OLYCAP	
				RATE REDCTN PRGM:LIHEAP MAY-18	90.00
				RATE REDCTN PRGM:NONLIHEAP MAY-18	4,890.00
				RATE REDCTN PRGM:NONLIHEAP MAY-18	285.00
<b>Total for Check/Tran - 117608:</b>					5,265.00

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**Bank Account: 1 - 1ST SECURITY - AP**

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
117609 07/05/2018	CHK	10170	OLYMPIC EQUIPMENT RENTALS	HITCH ADDED TO V#211	34.86
				REPAIR TRACTOR AT PETERSON LAKE V#208	262.80
				REPAIR WATER TRAILER	116.61
				STIHL PERFORMANCE ZIP CHAPS-6 LAYER	261.58
				DUST MASK QTY4	10.86
				WAREHOUSE - GAS CANS QTY2	58.84
				<b>Total for Check/Tran - 117609:</b>	745.55
117610 07/05/2018	CHK	9998	BETTY PETERSON_WHEELER	Credit Balance Refund	45.97
117611 07/05/2018	CHK	10249	SPECTRA LABORATORIES-KITSAP LLC	TESTING: COLI/ECOLI MONTHLYS JUN-18	173.88
				TESTING: TRIHAL&HALO QUIMPER 5/23/18	266.80
				<b>Total for Check/Tran - 117611:</b>	440.68
117612 07/05/2018	CHK	10615	US BANK	WORKSTATION FOR CREATING&PRINT LABELS	107.91
				BLOCK FOR LINEWORK	92.05
				BUCKET TOOL FOR LINEWORK	86.48
				SLING FOR LINEWORK	28.11
				BOOK - THE INVISIBLE RAINBOW	45.00
				BBQ FOR PUD FUNCTIONS-WELLNESS COMMITTEE	251.14
				BBQ FOR PUD FUNCTIONS-WELLNESS COMMITTEE	62.78
				MGMT WORKSHOP 5/30/18 LUNCH	82.71
				MGMT WORKSHOP 5/30/18 LUNCH	18.22
				KITCHEN SUPPLIES	24.83
				KITCHEN SUPPLIES	5.23
				MGMT WORKSHOP 5/30/18 LUNCH	20.68
				MGMT WORKSHOP 5/30/18 LUNCH	4.55
				KITCHEN SUPPLIES	6.21
				KITCHEN SUPPLIES	1.31
				NEW RESOURCES GROUP -WATERSAVING ECO-KIT	804.00
				ASSOC OF WA CITIES - JOB POSTING FOR CFO	160.00
				ASSOC OF WA CITIES - JOB POSTING FOR CFO	40.00
				HADLOCK BUILDING SUPPLY - GARDINER	29.95

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**Bank Account: 1 - 1ST SECURITY - AP**

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
				HADLOCK BUILDING SUPPLY - OCEAN GROVE	3.47
				HADLOCK BUILDING SUPPLY - OCEAN GROVE	6.52
				HADLOCK BUILDING SUPPLY - OCEAN GROVE	10.74
				HADLOCK BUILDING SUPPLY - OCEAN GROVE	11.05
				HADLOCK BUILDING SUPPLY - OCEAN GROVE	15.89
				HENERY HARDWARE - OCEAN GROVE	15.51
				SHOP-AIR NEEDLE SCALER QTY2 & OIL	133.00
				WPUDA ENGIN MTG PASCO 5/16-5/18 TRVL EXP	200.86
				WPUDA ENGIN MTG PASCO 5/16-5/18 TRVL EXP	31.17
				NWPPA & PURMS MTG 5/19-6/07/18 TRVL EXPS	80.46
				NWPPA & PURMS MTG 5/19-6/07/18 TRVL EXPS	492.04
				NWPPA & PURMS MTG 5/19-6/07/18 TRVL EXPS	100.39
				NWPPA & PURMS MTG 5/19-6/07/18 TRVL EXPS	27.35
				NWPPA & PURMS MTG 5/19-6/07/18 TRVL EXPS	20.12
				NWPPA & PURMS MTG 5/19-6/07/18 TRVL EXPS	123.01
				NWPPA & PURMS MTG 5/19-6/07/18 TRVL EXPS	25.10
				NWPPA & PURMS MTG 5/19-6/07/18 TRVL EXPS	6.84
				PARTS FOR 4CRNRS OFFICE NETWORK	222.68
				CORD, RODS, FASTENERS FOR SERVER ROOM	8.08
				PLUG FOR SRVR ROOM	10.46
				PARTS FOR 4CRNRS OFFICE NETWORK	55.67
				CORD, RODS, FASTENERS FOR SERVER ROOM	2.02
				PLUG FOR SRVR ROOM	2.61
				WSU - COMMUNITY SOLAR PROJECT APPLICATIO	125.00
				ISTOCK - IMAGES FOR WEBSITE AND NEWSLETT	176.00
				BEST BUY - CAMERASUPPLIES: EMPLPHOTO&OTH	13.94
				BEST BUY - CAMERASUPPLIES: EMPLPHOTO&OTH	118.58
				BEST BUY - CAMERASUPPLIES: EMPLPHOTO&OTH	348.79
				BEST BUY - CAMERASUPPLIES: EMPLPHOTO&OTH	61.03
				BEST BUY - CAMERASUPPLIES: EMPLPHOTO&OTH	26.15
				ISTOCK - IMAGES FOR WEBSITE AND NEWSLETT	44.00

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Bank Account: 1 - 1ST SECURITY - AP

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
				BEST BUY - CAMERASUPPLIES: EMPLPHOTO&OTH	3.49
				BEST BUY - CAMERASUPPLIES: EMPLPHOTO&OTH	29.65
				BEST BUY - CAMERASUPPLIES: EMPLPHOTO&OTH	87.20
				BEST BUY - CAMERASUPPLIES: EMPLPHOTO&OTH	15.26
				BEST BUY - CAMERASUPPLIES: EMPLPHOTO&OTH	6.54
<b>Total for Check/Tran - 117612:</b>					4,531.83
117613	07/05/2018	CHK	10255	USA BLUEBOOK	640.92
117614	07/05/2018	CHK	10258	VERIZON WIRELESS, BELLEVUE	499.35
				SCADA CRADLEPOINT DEVICE QB5/20-6/19	500.10
				WIFI IN TRUCKS QB5/20-6/19/18	149.70
				BACKKUP WIFI IN SERVER ROOM: POWER OUTAG	587.17
				WIFI IN TRUCKS QB5/20-6/19/18	37.42
				BACKKUP WIFI IN SERVER ROOM: POWER OUTAG	37.42
<b>Total for Check/Tran - 117614:</b>					1,773.74
117615	07/05/2018	CHK	10260	WA STATE DEFERRED COMPENSATION	8,686.13
				PL DEFERRED COMP EE 6/29/18	VOID
				PL DEFERRED COMP ER 6/29/18	3,271.89
<b>Total for Check/Tran - 117615:</b>					11,958.02
117616	07/05/2018	CHK	10274	WESTBAY AUTO PARTS, INC.	38.02
				GREASE GUN & LPS 1	15.89
				GR HOSE & CART SYN EP GREASE	3.38
				REPLACEMENT LIGHT BULB FOR VEH#111	49.01
				ULTIMATE BEAMS&MOTOR TUNEUP FOR V#206	49.01
<b>Total for Check/Tran - 117616:</b>					106.30
117617	07/05/2018	CHK	10502	CAROL WOODLEY	789.60
				RENT BILLING & HR ANNEX - JUL 2018	448.00
				RENT BILLING & HR ANNEX - JUL 2018	50.40
				RENT BILLING & HR ANNEX - JUL 2018	112.00
<b>Total for Check/Tran - 117617:</b>					1,400.00
117618	07/05/2018	CHK	10278	WPUDA	40.00
				2018 JUL ASSOCIATION MEETINGS	40.00
				2018 JUL ASSOCIATION MEETINGS	10.00
<b>Total for Check/Tran - 117618:</b>					50.00

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**Bank Account: 1 - 1ST SECURITY - AP**

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount	
					<b>Total Payments for Bank Account - 1 :</b>	(74) 443,944.52
					<b>Total Voids for Bank Account - 1 :</b>	(1) 11,958.02
					<b>Total for Bank Account - 1 :</b>	(75) 455,902.54
					<b>Grand Total for Payments :</b>	(74) 443,944.52
					<b>Grand Total for Voids :</b>	(1) 11,958.02
					<b>Grand Total :</b>	(75) 455,902.54

JEFFERSON COUNTY PUD NO 1

**ISSUED PAYROLL CHECKS**

**PAY DATE: 6/29/2018**

<u>Empl</u>	<u>Position</u>	<u>Check #</u>	<u>Date</u>	<u>Amount</u>
2000	WATER DISTRIBUTION MANAGER II	70466	06/29/2018	1,873.55
2001	WATER DISTRIBUTION MANAGER II	70467	06/29/2018	2,240.30
3032	CUSTOMER SERVICE REP	70468	06/29/2018	1,078.49
2003	WATER TREATMENT PLANT OPERATOR III	70469	06/29/2018	1,905.32
2004	WATER TREATMENT PLANT OPERATOR III - LEAD	70470	06/29/2018	2,448.89
				<b>\$ 9,546.55</b>

## JEFFERSON COUNTY PUD NO 1

<b>DIRECT DEPOSIT PAYROLL</b> <b>PAY DATE: 6/29/2018</b>
---

<u>Empl</u>	<u>Position</u>	<u>Pay Date</u>	<u>Net Pay</u>
3029	ACCOUNTING TECH II	6/29/2018	1,538.85
1011	ASSISTANT GENERAL MANAGER	6/29/2018	3,415.19
4006	COMMISSIONER DIST 1	6/29/2018	1,941.40
4004	COMMISSIONER DIST 2	6/29/2018	921.20
4002	COMMISSIONER DIST 3	6/29/2018	842.85
3034	COMMUNICATIONS MANAGER	6/29/2018	1,864.78
3020	CUSTOMER SERVICE COORDINATOR	6/29/2018	1,471.09
3002	CUSTOMER SERVICE REP	6/29/2018	1,082.98
3014	CUSTOMER SERVICE REP	6/29/2018	1,198.37
3022	CUSTOMER SERVICE REP	6/29/2018	1,293.78
3005	EXECUTIVE ASSISTANT/PUBLIC RECORDS OFFICER	6/29/2018	2,011.86
3033	FINANCIAL SERVICES MANAGER	6/29/2018	2,317.38
1012	FOREMAN LINEMAN	6/29/2018	2,584.55
1008	FOREMAN LINEMAN	6/29/2018	3,866.00
3036	GENERAL MANAGER	6/29/2018	4,269.09
1004	GIS SPECIALIST	6/29/2018	2,941.30
1017	HEAD STOREKEEPER	6/29/2018	2,414.13
3026	HUMAN RESOURCES MANAGER	6/29/2018	2,509.09
3008	INFORMATION TECHNOLOGY MANAGER	6/29/2018	2,733.00
1036	INTERN	6/29/2018	960.44
3028	IT SUPPORT TECHNICIAN	6/29/2018	2,240.78
1019	LINEMAN	6/29/2018	2,993.76
1016	LINEMAN	6/29/2018	3,081.90
1028	LINEMAN	6/29/2018	3,089.00
1013	LINEMAN	6/29/2018	3,424.20
1020	LINEMAN	6/29/2018	3,699.34
1000	LINEMAN	6/29/2018	3,767.54
1034	LINEMAN	6/29/2018	3,957.99
1018	METER READER	6/29/2018	1,560.56
1035	METER READER	6/29/2018	1,762.04
2005	METER READER/OIT1	6/29/2018	1,197.00
1026	OPERATIONS ASSISTANT	6/29/2018	1,466.50
3004	RESOURCE MANAGER	6/29/2018	2,162.78
1015	SCADA TECH/APPRENTICE	6/29/2018	1,998.45
1003	SCADA TECH/APPRENTICE	6/29/2018	2,616.98
1027	SENIOR ENGINEER	6/29/2018	2,611.12
1032	STAKING ENGINEER	6/29/2018	1,684.36
1031	STAKING ENGINEER	6/29/2018	1,877.72
1014	STOREKEEPER	6/29/2018	2,168.47
1033	SUBSTATION TECH	6/29/2018	2,840.38
3013	UTILITY ACCOUNTANT II (PAYROLL)	6/29/2018	1,578.68
3027	UTILITY BILLING CLERK	6/29/2018	1,329.32
3003	UTILITY BILLING CLERK	6/29/2018	1,378.58
3000	UTILITY BILLING COORDINATOR	6/29/2018	1,517.72
2002	WATER DISTRIBUTION MANAGER II	6/29/2018	1,826.46
	<b>TOTAL</b>		<b>\$ 100,008.96</b>

## VOUCHER APPROVAL FORM

We, the undersigned Board of Commissioners of Public Utility District No. 1 of Jefferson County hereby approve pending payments for transactions greater than \$100,000, if any. The following transactions are approved from the General Fund in the amount of **\$2,079,558.35** on this **17TH** day of **JULY** **2018** ;

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Jeff Randall  
President

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Wayne G. King  
Vice President

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Kenneth Collins  
Secretary

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### PENDING INVOICES OVER \$100,000 TO BE APPROVED:

#### PAYMENTS TO BE APPROVED:

	WARRANTS	AMOUNT	DATE
Accounts Payable:	# 117544 to # 117587	\$ 319,251.07	6/28/2018
Accounts Payable:	# 117588 to # 117618	\$ 124,693.45	7/5/2018
Payroll Checks:	# 70466 to # 70470	\$ 9,546.55	6/29/2018
Payroll Direct Deposit:		\$ 100,008.96	6/29/2018
<b>TOTAL INVOICES PAID</b>		<b>\$553,500.03</b>	

	AMOUNT	DATE
<b>WIRE TRANSFERS PAID</b>		
USDA/RUS Loan	\$ 1,526,058.32	6/29/2018

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<b>GRAND TOTAL</b>	<b>\$2,079,558.35</b>
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<b>VOIDED WARRANTS</b>		
117615	\$	11,958.02

## General Ledger

Unaudited-Subject to Change

Page 1

## Financial And Operating Report

## COMBINED INCOME STATEMENT FOR JUNE 2018

Item	-----Year - To - Date-----			----- Period - To - Date -----	
	Last Year	This Year	Budget	Current	Budget
1. Operating Revenue	21,255,722	21,631,252	21,907,268	2,608,376	2,547,580
2. Power Production Expense	0	221	0	0	0
3. Cost of Purchased Power	7,658,371	7,930,826	8,178,046	1,080,449	1,102,263
4. Transmission Expense	952,084	1,008,170	814,864	112,056	103,450
5. Regional Market Expense	0	0	0	0	0
6. Distribution Expense - Operation	591,305	801,895	847,094	145,105	140,237
7. Distribution Expense - Maintenance	779,700	1,265,979	1,253,592	215,578	208,866
8. Customer Accounts Expense	660,571	769,017	709,350	126,052	118,225
9. Customer Service and Informational Expense	41,988	46,663	87,447	7,594	14,526
10. Sales Expense	0	0	0	0	0
11. Administrative and General Expense	1,243,130	1,526,560	1,663,669	240,769	266,389
12. Total Operation & Maintenance Expense (2 thru 11)	11,927,149	13,349,331	13,554,062	1,927,603	1,953,956
13. Depreciation & Amortization Expense	2,866,294	2,954,736	2,820,072	493,108	470,012
14. Tax Expense - Property & Gross Receipts	0	0	0	0	0
15. Tax Expense - Other	1,223,052	1,237,892	1,287,415	144,847	149,005
16. Interest on Long-Term Debt	1,601,501	1,586,393	1,587,552	262,992	264,208
17. Interest Charged to Construction - Credit	0	0	0	0	0
18. Interest Expense - Other	0	0	0	0	0
19. Other Deductions	280	256	0	0	0
20. Total Cost of Utility Service (12 thru 19)	17,618,276	19,128,608	19,249,101	2,828,550	2,837,181
21. Operating Margins (1 minus 20)	3,637,446	2,502,644	2,658,167	-220,174	-289,601
22. Non Operating Margins - Interest	120,607	151,661	89,583	19,729	15,272
23. Allowance for Funds Used During Construction	0	0	0	0	0
24. Income (Loss) from Equity Investments	0	0	0	0	0
25. Non Operating Margins - Other	1,031,348	1,061,103	990,062	108,099	116,033
26. Generation and Transmission Capital Credits	0	0	0	0	0
27. Other Capital Credits and Patronage Dividends	20,013	20,617	0	0	0
28. Extraordinary Items - Cumulative Effect of GASB 68	0	0	0	0	0
29. Net Margins (21 thru 28)	4,809,414	3,736,025	3,737,812	-92,346	-158,296
Operating - Margin	3,637,446	2,502,644	2,658,167	-220,174	-289,601
Non Operating - Margin	1,171,968	1,233,381	1,079,645	127,828	131,305

## General Ledger

## Financial And Operating Report

## INCOME STATEMENT COMPARISON THROUGH JUNE 2018

Item	Year - To - Date			
	Last Year	This Year	Amount Change	Percent Change
1. Operating Revenue	21,255,722	21,631,252	375,530	1.8%
2. Power Production Expense	0	221	221	0.0%
3. Cost of Purchased Power	7,658,371	7,930,826	272,455	3.6%
4. Transmission Expense	952,084	1,008,170	56,086	5.9%
5. Regional Market Expense	0	0	0	0.0%
6. Distribution Expense - Operation	591,305	801,895	210,590	35.6%
7. Distribution Expense - Maintenance	779,700	1,265,979	486,279	62.4%
8. Customer Accounts Expense	660,571	769,017	108,446	16.4%
9. Customer Service and Informational Expense	41,988	46,663	4,675	11.1%
10. Sales Expense	0	0	0	0.0%
11. Administrative and General Expense	1,243,130	1,526,560	283,430	22.8%
12. Total Operation & Maintenance Expense (2 thru 11)	11,927,149	13,349,331	1,422,182	11.9%
13. Depreciation & Amortization Expense	2,866,294	2,954,736	88,442	3.1%
14. Tax Expense - Property & Gross Receipts	0	0	0	0.0%
15. Tax Expense - Other	1,223,052	1,237,892	14,840	1.2%
16. Interest on Long-Term Debt	1,601,501	1,586,393	-15,108	-0.9%
17. Interest Charged to Construction - Credit	0	0	0	0.0%
18. Interest Expense - Other	0	0	0	0.0%
19. Other Deductions	280	256	-24	100.0%
20. Total Cost of Utility Service (12 thru 19)	17,618,276	19,128,608	1,510,332	8.6%
21. Operating Margins (1 minus 20)	3,637,446	2,502,644	-1,134,802	-31.2%
22. Non Operating Margins - Interest	120,607	151,661	31,054	25.8%
23. Allowance for Funds Used During Construction	0	0	0	0.0%
24. Income (Loss) from Equity Investments	0	0	0	0.0%
25. Non Operating Margins - Other	1,031,348	1,061,103	29,755	2.9%
26. Generation and Transmission Capital Credits	0	0	0	0.0%
27. Other Capital Credits and Patronage Dividends	20,013	20,617	604	3.0%
28. Extraordinary Items	0	0	0	0.0%
29. Net Margins (21 thru 28)	4,809,414	3,736,025	-1,073,389	-22.3%
Operating - Margin	3,637,446	2,502,644	-1,134,802	
Non Operating - Margin	1,171,968	1,233,381	61,413	

## General Ledger

Unaudited-Subject to Change

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## Financial And Operating Report

## ELECTRIC DIVISION INCOME STATEMENT FOR JUNE 2018

Item	Year - To - Date			Period - To - Date	
	Last Year	This Year	Budget	Current	Budget
1. Operating Revenue	20,293,812	20,575,793	20,899,502	2,376,891	2,353,938
2. Power Production Expense	0	0	0	0	0
3. Cost of Purchased Power	7,605,133	7,873,325	8,122,201	1,069,329	1,086,998
4. Transmission Expense	952,084	1,008,170	814,864	112,056	103,450
5. Regional Market Expense	0	0	0	0	0
6. Distribution Expense - Operation	358,699	505,717	544,946	80,072	89,879
7. Distribution Expense - Maintenance	644,342	1,092,275	1,108,338	192,425	184,723
8. Customer Accounts Expense	601,107	687,701	621,108	115,368	103,518
9. Customer Service and Informational Expense	41,928	45,859	72,945	6,790	12,109
10. Sales Expense	0	0	0	0	0
11. Administrative and General Expense	990,703	1,171,248	1,256,406	172,921	203,866
12. Total Operation & Maintenance Expense (2 thru 11)	11,193,996	12,384,295	12,540,808	1,748,961	1,784,543
13. Depreciation & Amortization Expense	2,511,333	2,594,769	2,459,862	433,113	409,977
14. Tax Expense - Property & Gross Receipts	0	0	0	0	0
15. Tax Expense - Other	1,175,769	1,186,198	1,233,445	133,995	138,718
16. Interest on Long-Term Debt	1,453,343	1,435,172	1,435,173	239,543	239,603
17. Interest Charged to Construction - Credit	0	0	0	0	0
18. Interest Expense - Other	0	0	0	0	0
19. Other Deductions	280	256	0	0	0
20. Total Cost of Electric Service (12 thru 19)	16,334,721	17,600,690	17,669,288	2,555,612	2,572,841
21. Operating Margins (1 minus 20)	3,959,091	2,975,103	3,230,214	-178,721	-218,903
22. Non Operating Margins - Interest	33,117	56,830	28,392	10,786	4,732
23. Allowance for Funds Used During Construction	0	0	0	0	0
24. Income (Loss) from Equity Investments	0	0	0	0	0
25. Non Operating Margins - Other	632,318	677,586	400,776	100,377	66,796
26. Generation and Transmission Capital Credits	0	0	0	0	0
27. Other Capital Credits and Patronage Dividends	16,611	17,112	0	0	0
28. Extraordinary Items	0	0	0	0	0
29. Net Electric Utility Margins (21 thru 28)	4,641,137	3,726,631	3,659,382	-67,558	-147,375
Operating - Margin	3,959,091	2,975,103	3,230,214	-178,721	-218,903
Non Operating - Margin	682,046	751,528	429,168	111,163	71,528
Times Interest Earned Ratio - Operating	3.72	3.07	3.25		
Times Interest Earned Ratio - Net	4.19	3.60	3.55		
Times Interest Earned Ratio - Modified	4.18	3.58	3.55		

## General Ledger

Unaudited-Subject to Change

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## Financial And Operating Report

## WATER DIVISION INCOME STATEMENT FOR JUNE 2018

Item	-----Year - To - Date-----			-----Period - To - Date-----	
	Last Year	This Year	Budget	Current	Budget
1. Operating Revenue	961,628	1,055,119	1,007,610	231,422	193,616
2. Power Production Expense	0	221	0	0	0
3. Cost of Wholesale Water and Power	53,238	57,501	55,845	11,120	15,265
4. Transmission Expense	0	0	0	0	0
5. Regional Market Expense	0	0	0	0	0
6. Distribution Expense - Operation	232,606	296,178	302,148	65,033	50,358
7. Distribution Expense - Maintenance	135,358	173,704	145,254	23,153	24,143
8. Customer Accounts Expense	59,464	81,316	88,242	10,684	14,707
9. Customer Service and Informational Expense	60	804	14,502	804	2,417
10. Sales Expense	0	0	0	0	0
11. Administrative and General Expense	169,292	221,220	313,533	43,736	51,068
12. Total Operation & Maintenance Expense (2 thru 11)	650,018	830,944	919,524	154,530	157,958
13. Depreciation & Amortization Expense	354,961	359,967	360,210	59,995	60,035
14. Tax Expense - Property & Gross Receipts	0	0	0	0	0
15. Tax Expense - Other	47,283	51,694	53,970	10,852	10,287
16. Interest on Long-Term Debt	112,230	118,380	119,537	18,086	19,242
17. Interest Charged to Construction - Credit	0	0	0	0	0
18. Interest Expense - Other	0	0	0	0	0
19. Other Deductions	0	0	0	0	0
20. Total Cost of Water Service (12 thru 19)	1,164,492	1,360,985	1,453,241	243,463	247,522
21. Operating Margins (1 minus 20)	-202,864	-305,866	-445,631	-12,041	-53,906
22. Non Operating Margins - Interest	78,463	79,066	52,164	5,963	8,694
23. Allowance for Funds Used During Construction	0	0	0	0	0
24. Income (Loss) from Equity Investments	0	0	0	0	0
25. Non Operating Margins - Other	98,678	51,570	266,478	3,550	44,413
26. Generation and Transmission Capital Credits	0	0	0	0	0
27. Other Capital Credits and Patronage Dividends	3,402	3,505	0	0	0
28. Extraordinary Items	0	0	0	0	0
29. Net Water Utility Margins (21 thru 28)	-22,321	-171,725	-126,989	-2,528	-799
Operating - Margin	-202,864	-305,866	-445,631	-12,041	-53,906
Non Operating - Margin	180,543	134,141	318,642	9,513	53,107

## General Ledger

Unaudited-Subject to Change

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## Financial And Operating Report

## GENERAL FUND DIVISION INCOME STATEMENT FOR JUNE 2018

Item	Year - To - Date			Period - To - Date	
	Last Year	This Year	Budget	Current	Budget
1. Operating Revenue	282	340	156	63	26
2. Power Production Expense	0	0	0	0	0
3. Cost of Purchased Power	0	0	0	0	0
4. Transmission Expense	0	0	0	0	0
5. Regional Market Expense	0	0	0	0	0
6. Distribution Expense - Operation	0	0	0	0	0
7. Distribution Expense - Maintenance	0	0	0	0	0
8. Customer Accounts Expense	0	0	0	0	0
9. Customer Service and Informational Expense	0	0	0	0	0
10. Sales Expense	0	0	0	0	0
11. Administrative and General Expense	83,135	134,092	93,730	24,112	11,455
12. Total Operation & Maintenance Expense (2 thru 11)	83,135	134,092	93,730	24,112	11,455
13. Depreciation & Amortization Expense	0	0	0	0	0
14. Tax Expense - Property & Gross Receipts	0	0	0	0	0
15. Tax Expense - Other	0	0	0	0	0
16. Interest on Long-Term Debt	35,928	32,841	32,842	5,363	5,363
17. Interest Charged to Construction - Credit	0	0	0	0	0
18. Interest Expense - Other	0	0	0	0	0
19. Other Deductions	0	0	0	0	0
20. Total Cost of General Fund (12 thru 19)	119,063	166,933	126,572	29,475	16,818
21. Operating Margins (1 minus 20)	-118,781	-166,593	-126,416	-29,412	-16,792
22. Non Operating Margins - Interest	9,027	15,765	9,027	2,980	1,846
23. Allowance for Funds Used During Construction	0	0	0	0	0
24. Income (Loss) from Equity Investments	0	0	0	0	0
25. Non Operating Margins - Other	300,352	331,947	322,808	4,172	4,824
26. Generation and Transmission Capital Credits	0	0	0	0	0
27. Other Capital Credits and Patronage Dividends	0	0	0	0	0
28. Extraordinary Items	0	0	0	0	0
29. Net General Fund Margins (21 thru 28)	190,598	181,119	205,419	-22,260	-10,122
Operating - Margin	-118,781	-166,593	-126,416	-29,412	-16,792
Non Operating - Margin	309,379	347,712	331,835	7,152	6,670

*Unaudited-Subject to Change***Financial And Operating Report****BALANCE SHEET FOR JUNE 2018**

	<u>Last Year</u>	<u>This Year</u>	<u>Variance</u>
<b>ASSETS AND OTHER DEBITS</b>			
1. Total Utility Plant in Service	190,142,753	193,886,419	3,743,666
2. Construction Work in Progress	4,673,441	5,029,483	356,042
3. Total Utility Plant (1 + 2)	<u>194,816,194</u>	<u>198,915,902</u>	4,099,708
4. Accum. Provision for Depreciation and Amort.	60,054,965	65,353,080	5,298,115
5. Net Utility Plant (3 - 4)	<u>134,761,229</u>	<u>133,562,822</u>	-1,198,407
6. Non-Utility Property (Net)	2,227,220	2,208,621	-18,599
7. Invest. in Subsidiary Companies	0	0	0
8. Invest. in Assoc. Org. - Patronage Capital	0	0	0
9. Invest. in Assoc. Org. - Other - General Funds	22,895	37,337	14,442
10. Invest. in Assoc. Org. - Other - Nongeneral Funds	0	0	0
11. Invest. in Economic Development Projects	0	0	0
12. Other Investments	0	0	0
13. Special Funds	<u>1,562,464</u>	<u>1,549,243</u>	-13,221
14. Total Other Property & Investments (6 thru 13)	3,812,579	3,795,201	-17,378
15. Cash - General Funds	4,503,605	5,492,694	989,089
16. Cash - Construction Funds - Trustee	0	0	0
17. Special Deposits	0	0	0
18. Temporary Investments	12,049,612	12,813,271	763,659
19. Notes Receivable (Net)	0	0	0
20. Accounts Receivable - Sales of Utility Services (Net)	1,736,768	2,062,488	325,720
21. Accounts Receivable - Other (Net)	7,958,970	7,092,860	-866,110
22. Renewable Energy Credits	0	0	0
23. Material and Supplies - Electric & Other	1,682,530	1,913,405	230,875
24. Prepayments	98,563	155,641	57,078
25. Other Current and Accrued Assets	<u>2,285,313</u>	<u>2,049,250</u>	-236,063
26. Total Current and Accrued Assets (15 thru 25)	<u>30,315,361</u>	<u>31,579,609</u>	1,264,248
27. Regulatory Assets	0	0	0
28. Other Deferred Debits	757,269	514,425	-242,844
29. Total Assets and Other Debits (5 + 14 + 26 thru 28)	<u><u>169,646,438</u></u>	<u><u>169,452,057</u></u>	<u><u>-194,381</u></u>

Unaudited-Subject to Change

## Financial And Operating Report

## BALANCE SHEET FOR JUNE 2018

	Last Year	This Year	Variance
<b>LIABILITIES AND OTHER CREDITS</b>			
30. Memberships	0	0	0
31. Patronage Capital	0	0	0
32. Operating Margins - Prior Years	0	0	0
33. Operating Margins - Current Year	3,637,446	2,502,644	-1,134,802
34. Non-Operating Margins	1,171,968	1,233,381	61,413
35. Other Margins and Equities	34,834,930	39,888,172	5,053,242
36. Total Margins & Equities (30 thru 35)	39,644,344	43,624,197	3,979,853
37. Long-Term Debt - RUS (Net)	107,872,308	104,697,530	-3,174,778
38. Long-Term Debt - FFB - RUS Guaranteed	0	0	0
39. Long-Term Debt - Other - RUS Guaranteed	0	0	0
40. Long-Term Debt - Other (Net)	7,645,759	7,082,443	-563,316
41. Long-Term Debt - RUS Econ. Devel. (Net)	0	0	0
42. Payments - Unapplied	0	0	0
43. Total Long-Term Debt (37 thru 41 - 42)	115,518,067	111,779,973	-3,738,094
44. Obligations Under Capital Leases - Noncurrent	0	0	0
45. Accumulated Operating Provisions	3,176,777	2,444,269	-732,508
46. Total Other Noncurrent Liabilities (44 + 45)	3,176,777	2,444,269	-732,508
47. Notes Payable	1,518,271	1,363,575	-154,696
48. Accounts Payable	8,333,970	8,369,999	36,029
49. Consumers Deposits	123,800	129,100	5,300
50. Current Maturities Long-Term Debt	0	0	0
51. Current Maturities Long-Term Debt - Econ. Devel.	0	0	0
52. Current Maturities Capital Leases	0	0	0
53. Other Current and Accrued Liabilities	1,274,006	1,324,166	50,160
54. Total Current & Accrued Liabilities (47 thru 53)	11,250,047	11,186,840	-63,207
55. Regulatory Liabilities	0	0	0
56. Other Deferred Credits	57,203	416,778	359,575
57. Total Liab. & Other Credits (36+43+46+54 thru 56)	169,646,438	169,452,057	-194,381
Current Assets To Current Liabilities	2.69	2.82	to 1
Margins and Equities To Total Assets	23.37	25.74	%
Long-Term Debt To Total Utility Plant	59.30	56.19	%

Jefferson County PUD No. 1  
**STATEMENT OF CASH FLOWS**  
 June 30, 2018

*Unaudited and subject to change*

**CASH FLOW FROM OPERATING ACTIVITIES:**

Operating Revenue	\$2,608,376	
Accounts Receivable - Electric & Water Utility Service (Net)	226,523	
Accounts & Notes Receivable - Other (Net)	1,606	
CASH RECEIVED FROM CUSTOMERS	\$2,836,505	
Non Operating Margins-Interest	\$19,730	
Non Operating Margins-Other	108,098	
Other Capital Credits	0	
Deferred Debits	5,027	
CASH RECEIVED FROM OTHERS	\$132,855	
CASH RECEIVED FROM OPERATING ACTIVITIES		\$2,969,360
Total Operating & Maintenance Expense	(\$1,927,603)	
Prepayments	9,385	
Accounts Payable	(371,719)	
Material & Supplies/Electric & Other	(75,398)	
CASH PAID (-) TO SUPPLIERS & EMPLOYEES	(\$2,365,335)	
Tax Expense, Other	(\$144,847)	
Interest Long Term Debt	(262,992)	
Other Deductions	0	
Other Current & Accrued Liabilities	(455,046)	
CASH PAID (-) FOR INTEREST, TAXES & OTHER	(\$862,885)	
CASH DISBURSED (-) FOR OPERATING ACTIVITIES		(3,228,220)
NET CASH - OPERATING ACTIVITIES		(\$258,860)

**CASH FLOW FROM INVESTING ACTIVITIES:**

Investment in Utility and General Plant	(\$295,980)	
Investment in Assoc. Organizations	0	
Special Funds	(4,647)	
NET CASH - INVESTING ACTIVITIES		(\$300,627)

**CASH FLOW FROM FINANCING ACTIVITIES:**

Principal Payment on Long Term Debt	(\$807,250)	
Notes Payable	(\$8,966)	
Consumer Deposits	(3,000)	
CHANGE IN LIABILITIES/DEBT	(819,216)	
NET CASH - FINANCING ACTIVITIES		(\$819,216)

**NET INCREASE (DECREASE) IN CASH FOR THE MONTH**

**(\$1,378,703)**

<b>PRIOR MONTH'S ENDING CASH BALANCE</b>		<b>\$19,684,668</b>
<b>CURRENT MONTH'S ENDING CASH BALANCE:</b>		
Cash - General Funds	\$5,492,694	
Temporary Investments	12,813,271	
<b>TOTAL - CURRENT MONTH'S ENDING CASH BALANCE</b>		<b>\$18,305,965</b>

**JEFFERSON COUNTY PUBLIC UTILITY DISTRICT #1**  
**YEAR-TO-DATE STATEMENT OF CASH FLOWS**  
**January - June, 2018**

Page 9

*Unaudited and subject to change*

**CASH FLOW FROM OPERATING ACTIVITIES:**

Operating Revenue	\$21,631,252	
Accounts Receivable - Electric & Water Utility Service (Net)	940,165	
Accounts & Notes Receivable - Other (Net)	825,343	
		<hr/>
<b>CASH RECEIVED FROM CUSTOMERS</b>	<b>\$23,396,760</b>	
Non Operating Margins-Interest	\$151,661	
Non Operating Margins-Other	1,061,103	
Other Capital Credits	20,617	
Deferred Debits	4,840	
		<hr/>
<b>CASH RECEIVED FROM OTHERS</b>	<b>\$1,238,221</b>	
<b>CASH RECEIVED FROM OPERATING ACTIVITIES</b>		<hr/> <b>\$24,634,981</b>
Total Operating & Maintenance Expense	(\$13,349,331)	
Prepayments	(25,184)	
Accounts Payable	(1,641,085)	
Material & Supplies/Electric & Other	(130,565)	
		<hr/>
<b>CASH PAID (-) TO SUPPLIERS &amp; EMPLOYEES</b>	<b>(\$15,146,165)</b>	
Tax Expense, Other	(\$1,237,891)	
Interest Long Term Debt	(1,586,394)	
Other Deductions	(256)	
Other Current & Accrued Liabilities	(283,814)	
		<hr/>
<b>CASH PAID (-) FOR INTEREST, TAXES &amp; OTHER</b>	<b>(\$3,108,355)</b>	
<b>CASH DISBURSED (-) FOR OPERATING ACTIVITIES</b>		<hr/> <b>(\$18,254,520)</b>
<b>NET CASH - OPERATING ACTIVITIES</b>		<hr/> <b>\$6,380,461</b>

**CASH FLOW FROM INVESTING ACTIVITIES:**

Investment in Utility and General Plant	(\$2,350,759)	
Investment in Assoc. Organizations-Patronage Capital	(14,432)	
Special Funds	(26,426)	
		<hr/>
<b>NET CASH - INVESTING ACTIVITIES</b>		<b>(\$2,391,617)</b>

**CASH FLOW FROM FINANCING ACTIVITIES:**

Principal Payments on Long Term Debt	(\$2,038,878)	
Notes Payable	(53,131)	
Consumer Deposits	7,700	
		<hr/>
<b>CHANGE IN LIABILITIES / DEBT</b>	<b>(2,084,309)</b>	
<b>NET CASH - FINANCING ACTIVITIES</b>		<hr/> <b>(\$2,084,309)</b>

**NET INCREASE (DECREASE) IN CASH DURING THE PERIOD** **\$1,904,535**

<b>PRIOR YEAR'S ENDING CASH BALANCE</b>		<b>\$16,401,430</b>
<b>CURRENT MONTH'S ENDING CASH BALANCE:</b>		
Cash - General Funds	\$5,492,694	
Temporary Investments	12,813,271	
		<hr/>
<b>TOTAL - CURRENT MONTH'S ENDING CASH BALANCE</b>		<b>\$18,305,965</b>

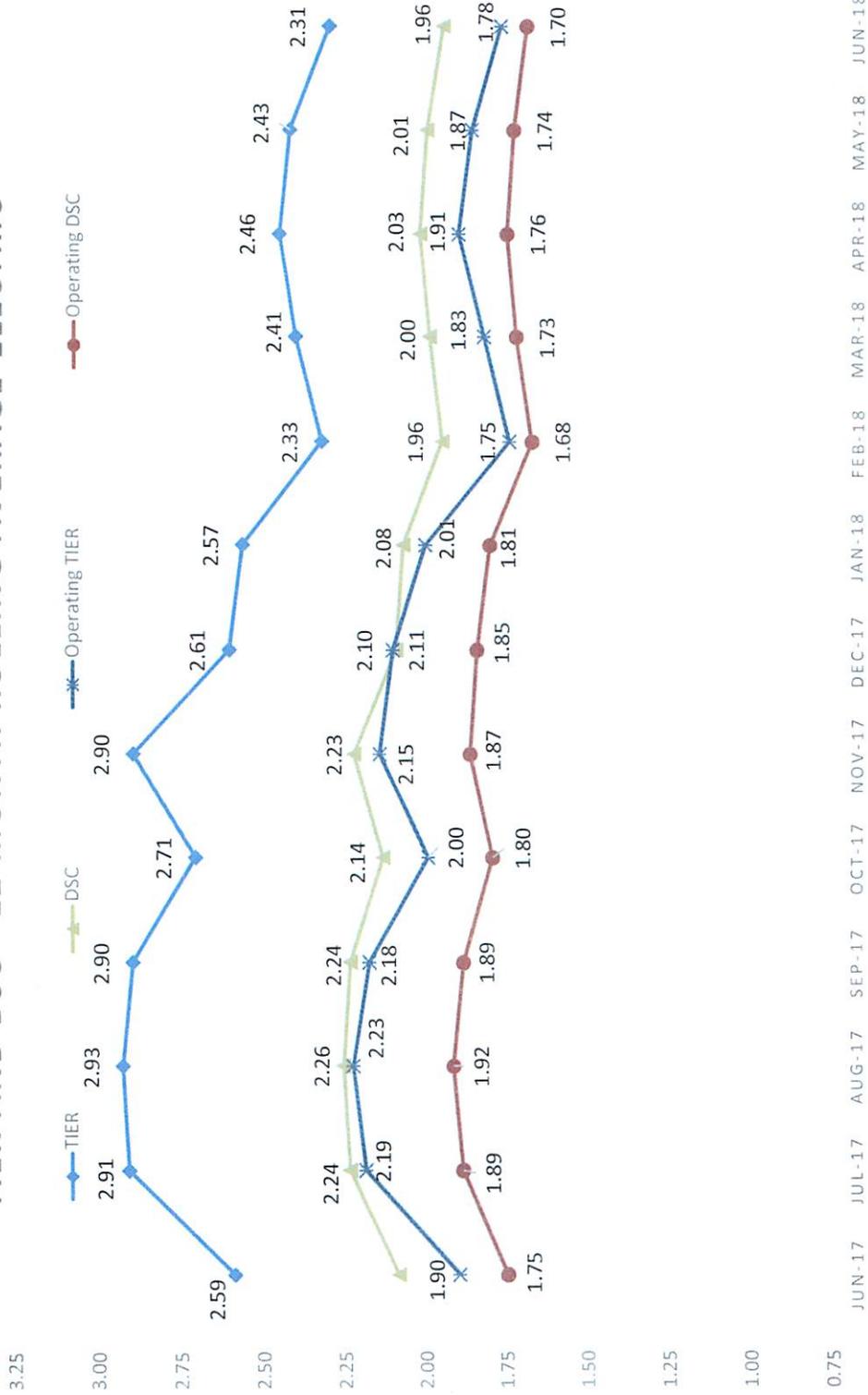
Jefferson County PUD No. 1  
**SCHEDULE OF CASH, LIQUID INVESTMENTS, AND SPECIAL FUNDS**  
 June 30, 2018

<u>Account Description</u>	<u>Current Balance</u>	<u>YTD Interest Income</u>
Operating Account - Jefferson Co. Treasurer	\$4,591,362	\$47,830
Operating Depository Account - Bank of America	779,855	0
1996 Bond LUD #8 - Jefferson Co. Treasurer	57,947	125
DOT Permit #U05-24 Account - Bank of America	29,347	1
1996 Bond LUD #6 - Jefferson Co. Treasurer	16,019	0
2009 Bond LUD #14 - Jefferson Co. Treasurer	13,808	63,317
Working Funds - Petty Cash and CSR Drawers	2,000	0
Payroll Clearing Account - Bank of America	1,504	0
2008 Bond LUD #15 - Jefferson Co. Treasurer	598	10,165
Cash Held in Trust by Property Manager	150	0
1999 Bond LUD #11 - Jefferson Co. Treasurer	54	1,644
1997 Bond LUD #13 - Jefferson Co. Treasurer	31	170
Payroll Clearing Account - 1st Security Bank	21	0
<b>TOTAL LINE 15. BALANCE SHEET-CASH-GENERAL FUNDS</b>	<b><u>\$5,492,696</u></b>	<b><u>\$123,253</u></b>
Operating Account Related Investment - Jefferson Co. Treasurer	\$5,866,876	\$33
LUD #14 Bond Investment - Jefferson Co. Treasurer	2,369,929	0
Tax Revenue Fund - Jefferson Co. Treasurer	2,163,855	15,717
Tax Revenue Investment Fund - Jefferson Co. Treasurer	1,925,000	0
LUD #15 Bond Investment - Jefferson Co. Treasurer	430,130	0
LUD #11 Bond Investment - Jefferson Co. Treasurer	36,575	0
LUD #13 Bond Investment - Jefferson Co. Treasurer	20,907	0
<b>TOTAL LINE 18. BALANCE SHEET-TEMPORARY INVESTMENTS</b>	<b><u>\$12,813,272</u></b>	<b><u>\$15,750</u></b>
<b>TOTAL CASH AND LIQUID INVESTMENTS</b>	<b><u>\$18,305,968</u></b>	<b><u>\$139,003</u></b>
RUS Bond Reserve Investment Fund - Jefferson Co. Treasurer	\$1,099,700	\$0
LUD #11 Water Reserve Investment Fund - Jefferson Co. Treasurer	225,836	0
Tri Area Bond Reserve Investment Fund - Jefferson Co. Treasurer	174,354	0
Other Special Funds	47,100	0
RUS Bond Reserve Fund - Jefferson Co. Treasurer	1,653	8,947
LUD #11 Water Reserve Fund - Jefferson Co. Treasurer	332	1,837
Tri Area Bond Reserve Fund - Jefferson Co. Treasurer	256	1,419
LUD #13 Reserve Fund - Jefferson Co. Treasurer	13	0
<b>TOTAL LINE 13. BALANCE SHEET-RESTRICTED FUNDS</b>	<b><u>\$1,549,244</u></b>	<b><u>\$12,203</u></b>

**Jefferson County PUD No. 1**  
**SCHEDULE OF LONG TERM DEBT and NOTES PAYABLE**  
**June 30, 2018**

<u>Description</u>	<u>Note Name/Number</u>	<u>Liability G/L Acct</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>12/31/2017 Principal Balance</u>	<u>Y-T-D Principal Borrowings</u>	<u>Y-T-D Principal Payments</u>	<u>Current Principal Balance</u>	<u>Y-T-D Interest Expense</u>	<u>Y-T-D P&amp;I Payments</u>
RUS/FFB loan for PSE acquisition	H0010	1.224.10	2.728%*	Dec-41	\$105,605,585		(\$1,606,970)	\$103,998,616	\$1,423,148	\$3,030,118
RUS/FFB loan for PSE acquisition	H0015	1.224.10	3.433%*	Dec-41	708,777		(9,863)	698,914	12,024	21,887
<b>LINE 37 BALANCE SHEET-RUS DEBT</b>					<b><u>\$106,314,363</u></b>	<b><u>\$0</u></b>	<b><u>(\$1,616,833)</u></b>	<b><u>\$104,697,530</u></b>	<b><u>\$1,435,172</u></b>	<b><u>\$3,052,005</u></b>
USDA Tri Area	2003 Revenue Bond	2.224.33	4.500%	Apr-43	\$2,482,919		(\$26,515)	\$2,456,404	\$55,667	\$82,381
LUD #14-Marrowstone Island Water System	2009 Revenue Bond	2.224.32	4.15% - 6.75%	Mar-26	1,247,000		(111,000)	1,136,000	36,079	185,905
LUD #14-Marrowstone Island Water System	PW-05-691-025	2.224.14	0.500%	Jul-25	870,451		(108,806)	761,644	2,131	113,159
SRF Loan-Sparling Water Treatment Plant	DM13-952-177	2.224.17	1.000%	Oct-37	759,279		0	759,279	3,795	0
SRF Loan-Treatment Sparling Well/Quimper System	DM10-952-018	2.224.15	1.000%	Oct-44	725,952		0	725,952	7,260	0
SRF Loan-Kala Pt Acquisition, Upgrade, Consolid.	DM12-952-091	2.224.16	1.000%	Oct-36	490,050		0	490,050	2,450	0
LUD #15-Beckett Pt Large On-Site Sewage System	PW-05-691-024	2.224.13	0.500%	Jul-25	406,206		(50,776)	355,430	994	52,807
LUD #11-Bywater Way & Shine	1999 Revenue Bond	2.224.31	5.250%	May-19	365,000		(50,000)	315,000	8,192	59,581
Snow Creek Ranch Water System Improvements	PW-00-65120-008	2.224.11	2.500%	Oct-21	33,088		0	33,088	414	0
LUD #15-Beckett Point	2008 Revenue Bond	2.224.34	3.990%	May-25	22,354		0	22,354	503	15
Kala Point Water Reservoir & Meters	98-78898-021	2.224.18	3.350%	Oct-19	22,102		0	22,102	370	0
Sound View Villa Emergency Loan	PW-99-691-ELP-301	2.224.10	5.000%	Jul-19	10,280		(5,140)	5,140	236	5,654
Transfer from City of Port Townsend	PW-02-691-066	2.224.12	1.000%	Jun-18	69,807		(69,807)	0	291	70,505
<b>LINE 40 BALANCE SHEET-OTHER LTD</b>					<b><u>\$7,504,488</u></b>	<b><u>\$0</u></b>	<b><u>(\$422,045)</u></b>	<b><u>\$7,082,443</u></b>	<b><u>\$118,380</u></b>	<b><u>\$570,007</u></b>
Peterson Lake	B. Peterson Family LP	3.224.22	6.000%	Mar-26	\$1,116,706		(\$53,131)	\$1,063,575	\$32,841	\$85,972
Kala Point	Eric Thomas Note	2.224.21	0.000%	Oct-24	300,000		0	300,000	0	0
<b>LINE 47 BALANCE SHEET-NOTES PAYABLE</b>					<b><u>\$1,416,706</u></b>	<b><u>\$0</u></b>	<b><u>(\$53,131)</u></b>	<b><u>\$1,363,575</u></b>	<b><u>\$32,841</u></b>	<b><u>\$85,972</u></b>
<b>TOTAL LONG TERM DEBT AND RELATED EXPENDITURES</b>					<b><u>\$115,235,557</u></b>	<b><u>\$0</u></b>	<b><u>(\$2,092,008)</u></b>	<b><u>\$113,143,549</u></b>	<b><u>\$1,586,393</u></b>	<b><u>\$3,707,983</u></b>
<b>WEIGHTED AVERAGE COST OF DEBT</b>					<b><u>2.7785%</u></b>					

TIER AND DSC - 12 MONTH ROLLING AVERAGE-ELECTRIC



TIER: Net Margins + Interest on LTD  
Interest on LTD

DSC: Net Margins + Interest on LTD + Depreciation  
Principal & Interest Payments on LTD

RUS TIER & DSC Requirement = 1.25  
RUS OTIER & ODSC Requirement = 1.1

**JEFFERSON COUNTY PUBLIC UTILITY DISTRICT #1**  
**Financial Analysis and Ratios**  
**June 30, 2018**

	2017	2018
<p><b>Times Interest Earned Ratio (TIER) - Electric - YTD:</b>  <u>Net Margins + Interest on Long Term Debt</u>  Interest on Long Term Debt</p>	4.19	3.60
<p>Measures the PUD's ability to repay interest on long-term debt for the electric division. Minimum is 1.25 for the year but strive for higher.  *_*_*_*_*_*</p>		
<p><b>Operating Times Interest Earned Ratio (OTIER) - Electric - YTD:</b>  <u>Operating Margins + Interest on Long Term Debt</u>  Interest on Long Term Debt</p>	3.72	3.07
<p>Measures the PUD's ability to repay interest on long-term debt for the electric division. Minimum is 1.10 for the year.  *_*_*_*_*_*</p>		
<p><b>Debt Service Coverage (DSC) - Electric - YTD:</b>  <u>Net Margins + Interest on Long Term Debt + Depreciation/Amortization</u>  Total Long-Term Debt Service Billed</p>	2.82	2.54
<p>Measures the PUD's ability to generate sufficient funds from net margins to cover the annual debt service payments on the electric division. Minimum is 1.25 for the year.  *_*_*_*_*_*</p>		
<p><b>Operating Debt Service Coverage (ODSC) - Electric - YTD:</b>  <u>Operating Margins + Interest on Long Term Debt + Depreciation/Amortization</u>  Total Long-Term Debt Service Billed</p>	2.60	2.30
<p>Measures the PUD's ability to generate sufficient funds from operating margins to cover the annual debt service payments on the electric division. Minimum is 1.10 for the year.  *_*_*_*_*_*</p>		
<p><b>Quick Ratio:</b>  <u>Cash and Accounts Receivable</u>  Current Liabilities</p>	1.80	1.94
<p>Reveals the protection afforded short-term creditors by the most liquid current assets. The larger the ratio (and it should be above 1.0), the greater the liquidity.  *_*_*_*_*_*</p>		
<p style="text-align: center;"><b>90 Days of Cash for Operations</b>  <u>Current Year Budget's Annual Expenses X 90</u>  365</p>		
<p>Per Financial Policy, required to keep a minimum of 90 days of cash available based on planned year's budgeted expenses.</p>	\$8,850,089	\$9,093,303
<p>Excess / (Deficit) in Non-Restricted Funds Above 125% of Minimum  *_*_*_*_*_*</p>	\$2,789,495	\$4,067,307

**JEFFERSON COUNTY PUBLIC UTILITY DISTRICT #1**  
**Financial Analysis and Ratios**  
**June 30, 2018**

**2017                      2018**

**Average Accounts Receivable Collection Period:**

365  
Accounts Receivable Turnover

21                      23

Expresses the effectiveness of collections in days. Represents the number of days it takes for customers to pay their bill after it has been sent out.

\*\_\*\_\*\_\*\_\*

**Accounts Payable to Average Daily Purchases:**

Average Accounts Payable  
Average Daily Purchases

34                      36

Indicates the number of days required to pay creditors.

\*\_\*\_\*\_\*\_\*

**Days in Inventory**

365  
Inventory Turnover

445                      562

Indicates the average number of days that units are kept in inventory before being used.

**Jefferson County PUD No. 1  
Comparative Sales - Electric Division**

June 30, 2018

**CUSTOMER/REVENUE DATA**

	YEAR-TO-DATE					MONTHLY				
	AVERAGE # LAST YEAR	AVERAGE # THIS YEAR	REVENUE LAST YEAR	REVENUE THIS YEAR	REVENUE BUDGET	NUMBER LAST YEAR	NUMBER THIS YEAR	REVENUE LAST YEAR	REVENUE THIS YEAR	REVENUE BUDGET
1. RESIDENTIAL	17,015	17,240	\$13,629,677	\$13,418,828	\$14,101,540	17,105	17,283	\$1,339,649	\$1,339,620	\$1,412,276
2. RESIDENTIAL SEASONAL	0	0	0	0	0	0	0	0	0	0
3. IRRIGATION	0	1	0	124	0	0	2	0	124	0
4. SM. COMMERCIAL	2,208	2,255	3,798,418	3,880,186	3,870,448	2,213	2,262	508,811	519,352	518,474
5. LG. COMMERCIAL	18	19	2,719,072	3,106,963	2,627,501	18	20	410,582	489,892	396,590
6. STREET LIGHTING	211	214	85,808	97,761	100,531	214	213	14,264	16,943	16,711
7. PUBLIC AUTHORITIES	0	0	0	0	0	0	0	0	0	0
8. TOTAL SALES	19,452	19,729	\$20,232,975	\$20,503,862	\$20,700,020	19,550	19,780	\$2,273,306	\$2,365,931	\$2,344,051
9. OTHER REVENUE			60,837	71,932	199,484			23,275	10,960	9,887
<b>TOTAL (8+9)</b>			<b>\$20,293,812</b>	<b>\$20,575,794</b>	<b>\$20,899,504</b>			<b>\$2,296,581</b>	<b>\$2,376,891</b>	<b>\$2,353,938</b>

**PURCHASES/SALES DATA**

**PURCHASES**

- 1. RESIDENTIAL
- 2. RESIDENTIAL SEASONAL
- 3. IRRIGATION
- 4. SMALL COMMERCIAL
- 5. LARGE COMMERCIAL
- 6. STREET LIGHTING
- 7. PUBLIC AUTHORITIES
- 8. TOTAL SALES
- 9. OFFICE USE
- 10. UNACCOUNTED
- 11. PERCENT LOSS
- 11A. % LOSS w/o PAPER MILL
- 12. COINCIDENT DEMAND (kW)
- 13. MONTH OF MAXIMUM kW

	YEAR-TO-DATE kWh				MONTHLY kWh			
	LAST YEAR	THIS YEAR	BUDGET	CURRENT VS BUDGET	LAST YEAR	THIS YEAR	BUDGET	CURRENT VS BUDGET
	210,452,049	204,570,430	208,623,673	-1.94%	24,243,401	24,815,569	24,482,641	1.36%
1. RESIDENTIAL	127,290,541	120,434,731	131,178,830	-8.19%	12,001,810	11,154,230	13,076,633	-14.70%
2. RESIDENTIAL SEASONAL	0	0	0	0.00%	0	0	0	0.00%
3. IRRIGATION	0	1,590	0	0.00%	0	1,590	0	0.00%
4. SMALL COMMERCIAL	37,599,512	36,531,489	37,908,404	-3.63%	4,907,847	4,604,737	5,078,100	-9.32%
5. LARGE COMMERCIAL	51,025,128	51,551,089	46,096,509	11.83%	7,984,850	8,075,514	6,957,719	16.07%
6. STREET LIGHTING	293,382	239,342	335,103	-28.58%	27,816	28,675	55,703	-48.52%
7. PUBLIC AUTHORITIES	0	0	0	0.00%	0	0	0	0.00%
8. TOTAL SALES	216,208,563	208,758,241	215,518,846	-3.14%	24,922,323	23,864,746	25,168,155	-5.18%
9. OFFICE USE	0	0	0	0.00%	0	0	0	0.00%
10. UNACCOUNTED	(5,756,514)	(4,187,811)	(6,895,173)	-39.26%	(678,922)	950,823	(685,514)	-238.70%
11. PERCENT LOSS	-2.74%	-2.05%	-3.31%	-38.07%	-2.80%	3.83%	-2.80%	
11A. % LOSS w/o PAPER MILL	-3.30%	-2.50%			-3.70%	5.08%		
12. COINCIDENT DEMAND (kW)	102,920	95,563			44,070	49,041		
13. MONTH OF MAXIMUM kW	January	February						

**REVENUE PER kWh DATA**

- 1. RESIDENTIAL
- 2. RESIDENTIAL SEASONAL
- 3. IRRIGATION
- 4. SMALL COMMERCIAL
- 5. LARGE COMMERCIAL
- 6. STREET LIGHTING
- 7. PUBLIC AUTHORITIES
- 8. OVERALL

	YEAR-TO-DATE REVENUE - CENTS PER kWh				MONTHLY REVENUE - CENTS PER kWh			
	LAST YEAR	THIS YEAR	BUDGET	CURRENT VS BUDGET	LAST YEAR	THIS YEAR	BUDGET	CURRENT VS BUDGET
1. RESIDENTIAL	10.71	11.14	10.75	3.65%	11.16	12.01	10.80	11.20%
2. RESIDENTIAL SEASONAL	0.00	0.00	0.00	0.00%	0.00	0.00	0.00	0.00%
3. IRRIGATION	0.00	7.80	0.00	0.00%	0.00	7.80	0.00	0.00%
4. SMALL COMMERCIAL	10.10	10.62	10.21	4.03%	10.37	11.28	10.21	10.47%
5. LARGE COMMERCIAL	5.33	6.03	5.70	5.74%	5.14	6.07	5.70	6.43%
6. STREET LIGHTING	29.25	40.85	30.00	36.15%	51.28	59.09	30.00	96.95%
7. PUBLIC AUTHORITIES	0.00	0.00	0.00	0.00%	0.00	0.00	0.00	0.00%
8. OVERALL	9.36	9.82	9.60	2.26%	9.12	9.91	9.31	6.45%



**DATE:** July 17, 2018  
**TO:** **Board of Commissioners**  
**Thru:** Larry Dunbar, General Manager  
**FROM:** Kevin Streett, Assistant General Manager  
**RE:** Interlocal Agreement with the Noxious Weed Control Board

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**SUMMARY:** The PUD maintains the Transmission right of way and has worked with the Weed Control Board to remove noxious weeds. The interlocal agreement with the Noxious Weed Control Board includes crews and expertise during the fall weed season.

**BACKGROUND:** The PUD entered into an interlocal agreement with the Noxious Weed Control Board in the past. This new agreement is to help with noxious weeds that are predominate in the fall timeframe. The work will be done in the transmission corridor.

**ANALYSIS/FINDINGS:** This is a very economical way to keep the transmission corridor compliant with state mandates and cooperate with other local governmental units.

**FISCAL IMPACT:** Fiscal impact to the PUD will be \$5,800 plus applicable taxes. This expense is funded out of the tree trimming budget and is available within the 2018 budget.

**RECOMMENDATION:** Staff recommends that the Board of Commissioners approve and sign the interlocal agreement with the Noxious Weed Control Board.

INTERLOCAL AGREEMENT BETWEEN  
PUBLIC UTILITY DISTRICT #1 and JEFFERSON COUNTY ON BEHALF OF THE  
JEFFERSON COUNTY NOXIOUS WEED CONTROL BOARD

This Agreement is made and entered into by and between Public Utility District No. 1 of Jefferson County, 310 Four Corners Road, Port Townsend, Washington, 98368, hereinafter referred to as "PUD" and the Jefferson County on behalf of the Noxious Weed Control Board, 121 Oak Bay Road, Port Hadlock, Washington, 98339, hereinafter referred to as "Weed Control Board". For the purposes of this Agreement, it is understood that all references to the PUD or Weed Control Board also include an appointed designee(s).

**WHEREAS**, the PUD operates and maintains the County's public utility infrastructure in order to provide reliable, efficient, and safe transportation of water and electricity to residents of Jefferson County, and

**WHEREAS**, the Weed Control Board has a stated mission "To serve as responsible stewards of Jefferson County by protecting the land and resources from the degrading impact of noxious weeds," and

**WHEREAS**, the Weed Control Board has identified certain noxious weeds requiring control on PUD lands, and

**WHEREAS**, control of noxious weeds on PUD lands benefits the PUD through their compliance with the legal responsibilities regarding noxious weed control as described in RCW 17.10 as well as reducing the likelihood of fire and allowing safer access to PUD property; and

**WHEREAS**, the initial proposal regarding this agreement was presented to the Board of Commissioners on July 17, 2018.

**NOW, THEREFORE**, pursuant to the above recitals, PUD and the Weed Control Board (collectively hereinafter "Parties" to this Agreement) acknowledge and agree to work cooperatively in accordance with the following:

**PURPOSE OF AGREEMENT**

The purpose of this Agreement is to define the obligations of both Parties related to the control of noxious weeds in the PUD right-of-way for the term of the Agreement.

**SCOPE OF WORK**

The Parties shall undertake the work as set out below.

The PUD will, within the limitations of this agreement, perform the following:

Transfer a cash amount of Five Thousand, Eight Hundred Dollars (\$5,800) before December 31<sup>st</sup>, 2018, from the PUD to the Weed Control Board Fund for the purpose of controlling noxious weed infestations defined in this agreement, as described in WAC 16-750-003.

2. Report locations of noxious weeds to Weed Control Board staff when found.
3. Participate in one meetings with Weed Control Board staff to review work deliverables, priorities, and methods.
4. Allow the Weed Control Board volunteer staff, contractors, or other agencies access within the project area indicated in Appendix I for the purpose of potential revegetation projects, which shall be supported through Weed Control Board resources.

The Weed Control Board will, within the limitations of this agreement, perform the following:

1. Utilize the cash transfer for the purpose of controlling noxious weed infestations that are present in October of 2018 and are defined below, as described in WAC 16-750-003, within the project area indicated in Appendix I by means of employing staff, contractors, or other agencies with the appropriate personnel and equipment to effectively control targeted species.
  - a. Poison hemlock (*Conium maculatum*) infestation north of Jefferson County International Airport.
  - b. Tansy ragwort (*Senecio jacobaea*) north of Jefferson County International Airport.
  - c. Scotch broom (*Cytisus scoparius*) inside defined project area (see appendix).
2. Take responsibility for the activities conducted by its staff and/or contractors within the project area by defending and indemnifying the PUD for any of its activities arising out of, or relating to this agreement and providing liability insurance to the satisfaction of the PUD, which the PUD will review prior to execution of this agreement.
3. If using herbicides, will conduct work with properly licensed and trained staff or contractors and comply with all applicable laws with respect to the storage and application of herbicides.
4. Will schedule and participate in at least one meeting per year with PUD staff to review work deliverables, priorities, methods, and also report on what was accomplished and how the cash contribution was used.
5. Provide a report outlining the completed work, methods, and that details how the cash contribution was used.
6. Provide reasonable notice, not less than 72 hours, to the PUD anytime the Weed Control Board intends to perform work on PUD property so as not to upset and PUD activity that may be planned or taking place.

#### TIME OF PERFORMANCE

This Agreement shall be effective from 10-01-2018 through 10-31-2018, a period of 31 days.

#### PROJECT ADMINISTRATION

Administration of this Agreement for PUD shall be conducted by the PUD Manager or his designee. For the Weed Control Board, the Agreement shall be administered by the Coordinator.

#### EMPLOYEES

All employees remain employees of their respective agency at all times and shall perform work under the sole supervision of their agency. The Weed Control Board waives its rights under RCW Title 51, Industrial Insurance, with respect to any claim involving the PUD brought by an employee of the Weed Control Board against the PUD.

#### PAYMENT

A cash transfer amount of Five Thousand, Eight Hundred Dollars (\$ 5,800.00) will be made from the PUD to the Weed Control Board before October 31<sup>st</sup>, 2018, for the purposes outlined in this Agreement. The Parties agree that this shall constitute the full financial obligation of PUD with respect to this issue for the duration of the Agreement.

#### RIGHT-OF-ENTRY

Weed Control Board staff may enter upon PUD right-of-way to conduct weed control activity. Weed Control Board staff shall record when and where work was performed and shall make these records available to the PUD.

#### JOINT HOLD HARMLESS

Each party to this Agreement shall be responsible for damage to persons or property resulting from the negligence on the party of itself, its employees, its agents, or its officers. Neither party assumes any responsibility to the other party for the consequences of any act or omission of any person, firm, or corporation not a part to this Agreement.

#### INDEMNIFICATION

Each party shall indemnify and hold the other harmless for any losses, claims, damages, awards, penalties, or injuries incurred by any third party, including reasonable attorney's fees, which arise from an actual breach of such indemnifying party's representations and warranties made under this Agreement, provided that the indemnifying party is promptly notified of any such claims. The indemnifying party shall have the sole right to defend such claims at its own expense. The other party shall provide, at the indemnifying party's expense, such assistance in investigating and defending such claims as the indemnifying party may reasonably request.

#### COMPLIANCE WITH LAWS

All work performed under this Agreement shall comply with all federal and state laws, local laws and ordinances, and applicable permit requirements.

#### TERMINATION

Either party may terminate this Agreement by giving written notice to the other, at the address first noted herein, of such termination and specifying the effective date thereof at least thirty (30) days before the effective date of such termination.

#### SEVERABILITY

Should any clause, phrase, sentence or paragraph of this Agreement be declared invalid or void, the remaining provisions of this Agreement shall remain in full force and effect.

ENTIRE AGREEMENT

The Agreement merges and supersedes all prior applications, representations, negotiations, approvals, and understandings between the Parties hereto relating to the subject matter of this Agreement and constitutes the entire Agreement between the parties.

IN WITNESS WHEREOF, the parties have executed this Agreement.

COUNTY OF JEFFERSON  
WEED CONTROL BOARD

\_\_\_\_\_  
Joost Besijn, Coordinator

PUBLIC UTILITY DISTRICT No. 1  
OF JEFFERSON COUNTY  
BOARD OF COMMISSIONERS

\_\_\_\_\_  
Jeff Randall, President

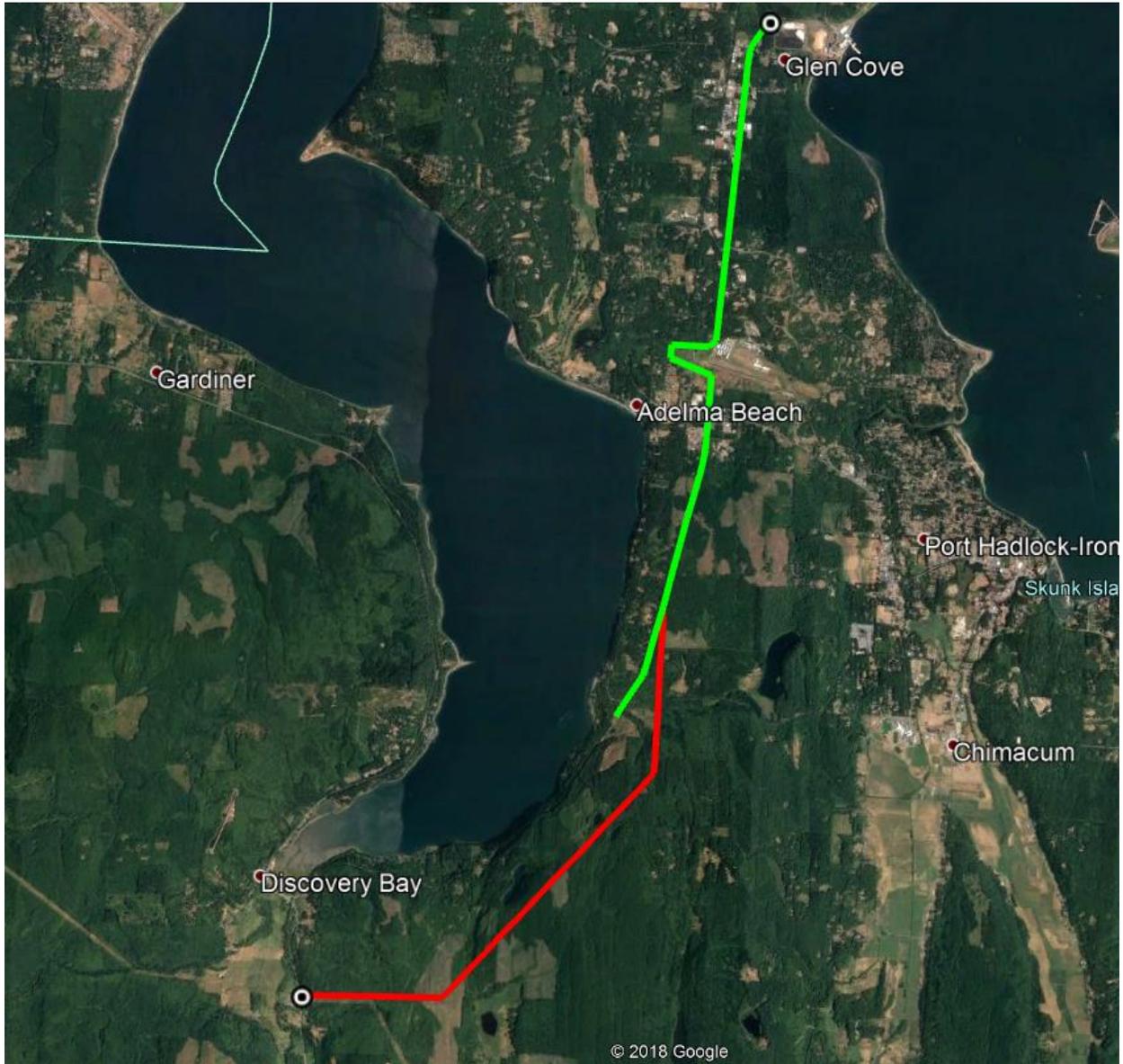
\_\_\_\_\_  
Wayne G. King, Vice President

\_\_\_\_\_  
Kenneth Collins, Secretary

Approved as to form only this \_\_\_<sup>th</sup> day of \_\_\_\_\_, 2018.

\_\_\_\_\_  
General Counsel

APPENDIX I



**Image 1: Project area, 156 acres (61,655 ft in length × 110 ft avg. width). Red line indicates project area for planned Scotch broom removal in October 2018.**

Income	Budgeted	Budgeted		
		Sept	Oct	Nov
Public Works MOU	\$ 5,800.00		\$ 5,800.00	
<b>Total Income</b>	<b>\$ 5,800.00</b>		<b>\$ 5,800.00</b>	

Expenditures	Budgeted	Budgeted		
		Sept	Oct	Nov
<b>Salaries &amp; Wages</b>	<b>\$ (5,700.00)</b>			
Project coordinator	\$ (700.00)	\$ (100.00)	\$ (500.00)	\$ (100.00)
WCC crew	\$ (5,000.00)		\$ (5,000.00)	
Travel	\$ (25.00)		\$ (25.00)	
Tools / equipment / materials	\$ (50.00)		\$ (50.00)	
Miscellaneous	\$ (25.00)		\$ (25.00)	
<b>Total Expenditures</b>	<b>\$ (5,800.00)</b>	<b>\$ (100.00)</b>	<b>\$ (5,600.00)</b>	<b>\$ (100.00)</b>
<b>Balance</b>		<b>\$ (100.00)</b>	<b>\$ 100.00</b>	<b>\$ -</b>



## **AGENDA REPORT**

DATE: July 17, 2018  
TO: **Board of Commissioners**  
THRU: Larry Dunbar, General Manager  
FROM: Don McDaniel, PUD Consultant  
RE: Citizen's Advisory Board Update

---

**SUMMARY:** The following is the July 9, 2018 CAB summary report for the July 17, 2018 PUD Board of Commissioner's meeting:

**Governance Resolution** – Larry Dunbar gave an agenda report and Russ Michel gave an update and overview on a draft resolution from the Governance Sub-Committee. After discussion within the CAB and input from the public the resolution will be updated and presented at the August CAB meeting to recommend adoption for Larry Dunbar to move this item on the PUD Board of Commissioners for approval.

**GM Report** – Larry Dunbar gave an update on the Community Solar Project. The PUD is currently in the permit acquisition effort. After this process the PUD will be moving toward a marketing strategy and completing the project's program development.

**Kala Point Sewer Rate** – The BOC has approved the recommendations of the CAB. Continuing efforts to analyze costs and rates will be made which will determine future rate increase recommendations.

**Broadband Line Extension Policy** – This area will be coming before the CAB in the future for review and recommendations.

**CERB Grant** – Draft application was presented by Will O'Donnell and discussed. Larry Dunbar asked the CAB for their input with another draft possible before submission. Larry Dunbar and Ken Collins have been visiting local government agencies soliciting support and involvement with this project with some initial success.

**Term and Training of CAB Members** – There was a discussion of those members with terms ending in 2018. Also CAB members have been asked to complete the open meetings training if they have not yet done so and if so send their certificates to the PUD.

**Parliamentary Training Class August 14<sup>th</sup>** – Cab members were invited to attend this training class in August. An initial list participants was identified.

donmc



## **AGENDA REPORT**

**DATE:** July 17, 2018

**TO:** **Board of Commissioners**

**THRU:** Larry Dunbar, General Manager

**FROM:** Tammy Lehman, Interim Finance Director/District Auditor

**RE:** Write off of delinquent accounts from active accounts receivable

---

**SUMMARY:** Per Resolution 17-16, the Board of Commissioners agreed to review and approve for write off inactive account balances over 90 days in arrears that had been given 30 days' notice that their account will be referred to a collection agency.

**BACKGROUND:** These inactive accounts are recorded in the Active Accounts Receivable Data Base and need to be transferred to the Uncollectible Data Base in the Customer Information System. The process of writing off does not "erase" the debt. The PUD's staff has attempted to collect payment on these accounts. A collection agency is better equipped to pursue collection now that these accounts have disconnected from utility service with the PUD and are over 90 days in arrears.

**ANALYSIS/FINDINGS:** There are 34 inactive accounts in the Active Accounts Receivable Data Base who owe the PUD \$10,762.53 for utility services and who have received notice over 30 days ago that their account will be referred to a collection agency.

**FISCAL IMPACT:** Bad Debt Expense has already been charged in anticipation of having accounts who would fail to pay their final bill for utility services. On the PUD's Balance Sheet, Line 20. Accounts Receivable-Sales of Utility Services has been netted by an estimated Reserve for Uncollectible Accounts. To remedy the debt, these inactive accounts will pay the collection agency for the amount owed to the PUD plus a fee for the agency's professional services. Any amounts received on the written off amount, will be deposited into the PUD's Depository Bank Account and the Reserve for Uncollectible Accounts adjusted. No revenue or expense accounts are affected by this write off.

**RECOMMENDATION:** Transfer the 34 inactive accounts owing \$10,762.53 from the Active Accounts Receivable Data Base to the Uncollectible Accounts Data Base and authorize Evergreen Financial Services to pursue collection efforts allowed by law.

**ATTACHMENT:** The Summary of Write-offs of Uncollectible Accounts Receivable provides an analysis of the number and amounts owed and signature of approval by the Secretary of the Board of Commissioners.



Board of Commissioners:

Jeff Randall, District 1  
Kenneth Collins, District 2  
Wayne G. King, District 3

Larry Dunbar, General Manager

### Write-Offs of Uncollectible Accounts Receivable

On July 11, 2018, the following summary of inactive customer accounts with a past due balance of greater than \$20.00 and in excess of 90 days were referred to and provided a 30-day written notice by a collection agency. Furthermore, all amounts were deemed uncollectible by the Interim Finance Director regardless of the amount past due. For accounting and financial reporting purposes, write-offs of uncollectible receivables are made against the allowance for bad debt account once approved by the Board. The following accounts are requested to be written off as uncollectible:

<u>Uncollectible Amount Range</u>	<u>Number of Accounts</u>	<u>Write-Off Amount</u>
Less than \$20	3	\$29.17
\$20 - \$100	9	\$545.83
\$101 - \$200	7	\$972.32
\$201 - \$500	8	\$2,626.54
\$501 - \$1,000	5	\$3,794.38
Over \$1,000	2	\$2,794.29
<b>TOTAL</b>	<b>34</b>	<b>\$10,762.53</b>

Approval, Board of Commissioners

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Kenneth Collins  
Secretary

July 17, 2018

PUD CALENDAR

July 17, 2018	Regular BOC Meeting 5:00 p.m. Transit Center
August 7, 2018	Regular BOC Meeting 5:00 p.m. Transit Center
August 10, 11,12	Jefferson County Fair Booth
August 14, 2018	Roberts Rules of Order class – NWPPA, Four Corners location 8:00-1:00
August 21, 2018	Regular BOC Meeting 5:00 p.m. Transit Center



**DATE:** July 17, 2018  
**TO:** **Board of Commissioners**  
**Thru:** Larry Dunbar, General Manager  
**FROM:** Kevin Streett, Assistant General Manager  
**RE:** Irondale Substation Expansion Project Bid Award

---

**SUMMARY:** The Irondale Substation Expansion Project is needed for capacity and enhanced redundancy. The PUD can backup the Hastings, Kearney, Chimacum, Quilcene, and Port Ludlow Substations, after this project is completed except for peak loading days during the winter.

**BACKGROUND:** In 2013 the PUD recognized the need for additional substation capacity and started the process of developing a strategy to add additional substation capacity. The existing Irondale Substation was chosen for expansion because of its central location. The project design and bid documents were prepared by ICPE.

**ANALYSIS/FINDINGS:** On July 10, 2018 the PUD received 2 bids for the Irondale Substation Expansion Project. Michels Corporation had the low bid, \$1,117,327.34 plus applicable taxes. This bid is complete and responsive. Michels has done work for the PUD in the past and has a very good reputation in the industry.

The work schedule submitted with the bid documents will allow the work to be completed within construction windows driven by load and the need to reroute power. The tentative start date will be August 28, 2018 with a completion date of December 22, 2018.

**FISCAL IMPACT:** Fiscal impact for this contract will be \$1,117,327.34 plus taxes. This is a capital project in the RUS 4-year work plan, and adequate funding is available within the 2018 approved budget.

**RECOMMENDATION:** Staff recommends that the Board of Commissioners awards the bid to the lowest responsive bid and responsible bidder, Michels Corporation and authorize the General Manager to accept the construction contract.



**DATE:** July 17, 2018  
**TO:** **Board of Commissioners**  
**Thru:** Larry Dunbar, General Manager  
**FROM:** Bill Graham, Resource Manager  
**RE:** Water System Plan of Scope of Work and Budget

---

**SUMMARY:** The water System Plan update scope of work and fees has been negotiated.

**BACKGROUND:** The PUD extended its Master Short Form Agreement for Professional Services with HDR in April, 2018. The PUD is required by state law to prepare a water system plan update for its 9 Group A water systems per state Department of Health requirements. After an initial data collection task, it was discovered that much of the documentation was in file versions that were no longer supported by engineering software or was not recoverable. HDR revised their scope of work and budget based on this situation and developed a new cost estimate of \$184,600. The original budget quoted by HDR was \$70,000 -90,000. A PUD staff team met with HDR staff to pare down the new scope of work and budget. The schedule for plan completion is December, 2018.

**ANALYSIS/FINDINGS:** HDR removed several value-added items that were not required by Department of Health, as some of which could be stand alone projects in the future. Staff requested that HDR focus on what was required by the state water system planning process. Numerous water systems that are not expanding such as Gardiner, Lazy C, Mats View, Snow Creek, and Triton Cove will require little to no additional updates. The only systems less than 1,000 connections with planned expansion is Bywater Bay. Therefore, little to no hydraulic modeling or analysis will be required for all but the Bywater Bay and Quimper water systems. Most system capacity analysis will focus on those systems. Staff will the update of the water conservation plan and goals as well as handling the SEPA process.

**FISCAL IMPACT:** The water system plan is an unfunded state mandate. The PUD's 2018 budget set aside \$70,000 specially for the water system plan update. HDR came in with a new set of fees for \$184,600. PUD staff and HDR pared the project down to \$122,000. An additional \$20,000 from a canceled non-essential project and funds from the water capital fund will offset the increase in budget.

**RECOMMENDATION:** Contingent upon district legal review, staff recommends that the board authorize the General Manager to sign the Short Form Agreement with HDR to complete the state-mandated water system plan update in the amount of \$122,000 including all applicable taxes.

Attachments:

- A. Short Form Agreement Between Owner and HDR Engineering, Inc. For Professional Services

**SHORT FORM AGREEMENT BETWEEN OWNER AND HDR ENGINEERING, INC. FOR PROFESSIONAL SERVICES**

**THIS AGREEMENT** is made as of this \_\_\_\_\_ day of July, 2018, between Public Utility District No. 1 of Jefferson County (“OWNER”), and HDR ENGINEERING, INC., (“ENGINEER”) a Nebraska corporation, with principal offices at 8404 Indian Hills Drive, Omaha, Nebraska, 68114 for services in connection with the project known as Water System Plan Update (“Project”);

**WHEREAS**, OWNER desires to engage ENGINEER to provide professional engineering, consulting and related services (“Services”) in connection with the Project; and

**WHEREAS**, ENGINEER desires to render these Services as described in SECTION I, Scope of Services.

**NOW, THEREFORE**, OWNER and ENGINEER in consideration of the mutual covenants contained herein, agree as follows:

**SECTION I. SCOPE OF SERVICES**

ENGINEER will provide Services for the Project, which consist of the Scope of Services as outlined on the attached Exhibit A.

**SECTION II. TERMS AND CONDITIONS OF ENGINEERING SERVICES**

The HDR Engineering, Inc. Terms and Conditions, which are attached hereto in Exhibit B, are incorporated into this Agreement by this reference as if fully set forth herein.

**SECTION III. RESPONSIBILITIES OF OWNER**

The OWNER shall provide the information set forth in paragraph 6 of the attached “HDR Engineering, Inc. Terms and Conditions for Professional Services.”

**SECTION IV. COMPENSATION**

Compensation for ENGINEER’S services under this Agreement shall be on the basis of

- Direct Labor Costs times a factor of 3.2 for the services of ENGINEER’S personnel engaged on the Project, plus Reimbursable Expenses, estimated to be \$122,000.00.

**SECTION V. PERIOD OF SERVICE**

Upon receipt of written authorization to proceed, ENGINEER shall perform the service described in Exhibit A by January 21<sup>st</sup>, 2019.

Unless otherwise stated in this Agreement, the rates of compensation for ENGINEER’S services have been agreed to in anticipation of the orderly and continuous progress of the project through completion. If any specified dates for the completion of ENGINEER’S services are exceeded through no fault of the ENGINEER, the time for performance of those services shall be automatically extended for a period which may be reasonably required for their completion and all rates, measures and amounts of ENGINEER’S compensation shall be equitably adjusted.

**SECTION VI. SPECIAL PROVISIONS**

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first written above.

Public Utility District No. 1 of Jefferson  
County  
\_\_\_\_\_  
“OWNER”

BY: \_\_\_\_\_

NAME: \_\_\_\_\_

TITLE: \_\_\_\_\_

ADDRESS: \_\_\_\_\_  
\_\_\_\_\_

HDR ENGINEERING, INC.  
“ENGINEER”

BY: \_\_\_\_\_

NAME: \_\_\_\_\_

TITLE: \_\_\_\_\_

ADDRESS: 929 108<sup>th</sup> Ave NE #1300  
Bellevue WA, 98005

# **Jefferson County PUD No. 1 Water System Plan Update**

## **Scope of Services**

**July 9, 2018**



**905 Plum Street SE  
Suite 200, Town Square 3  
Olympia, WA 98501-1516  
(360) 570-4400**

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# EXHIBIT A

## SCOPE OF SERVICES

### Background

HDR, Inc. (and its teaming partners, Pacific Groundwater Group [PGG] and Washington Project Consultants) is assisting Jefferson County PUD No. 1 (PUD) in updating its water system plan (WSP), which pertains to all water systems owned by the PUD. This is a regular update intended to meet Washington State Department of Health (DOH) regulations of Chapter 246-290-100 Washington Administrative Code. The PUD's prior water system plan was adopted in June 2011. This project will update the sections of the WSP where conditions or planned projects and activities have changed. The organization of the prior WSP will be maintained unless modifications are warranted to accommodate significant changes in the depiction of system information or analyses. This WSP will be developed to meet DOH approval for a 10-year period before the next update will be required.

*(Note: All written deliverables and graphics for this project will be provided as electronic files in Word or PDF format via email. Hard copies will not be provided, except where specifically stated in this Scope of Services).*

### Scope of Services

#### Task 1 Data Collection and Project Management

##### Objective

Identify and acquire information from PUD databases and files needed for HDR to carry out its assigned tasks. Coordinate task activities among the various HDR and PUD staff involved in preparing the WSP. Manage the scope, schedule and budget for the WSP.

##### HDR Services

1. Prepare a prioritized data request for submittal to the PUD listing information needed; years to be covered; preferred units and data formats; and HDR's assigned person for each item.
2. Review incoming data provided by the PUD. Maintain and update the data request. Review progress of data transfer with PUD Project Manager from month to month.
3. Routine communications among the project team.
4. Monitor internal costs, work products, quality control process, and schedule performance over the course of the project.
5. Prepare monthly invoices. Prepare brief written progress reports each month to accompany the invoice.

##### PUD Responsibilities

1. Provide water system data within the prioritized timeframe and in the formats requested in the data request matrix.

2. Provide knowledgeable staff representing the drinking water system operations and engineering to participate in project coordination meetings.
3. Review monthly progress reports and respond to issues identified, if applicable.
4. Process monthly invoices; and communicate questions or issues to HDR Project Manager.

### **Assumptions**

1. Meetings. Four in-person meetings are planned to occur during the normal course of project activities. This includes attendance at the DOH WSP Pre-Plan Meeting, the water use efficiency (WUE) goal setting public meeting and concurrent briefing for the Board of Commissioners, and two project meetings during the course of the project. Each meeting will be approximately 2 hours long. Two of the meetings will involve two HDR staff (project manager and project engineer) and two of the meeting will involve one HDR staff. In addition, 1-hour long conference calls are anticipated once per month for the duration of the project.
2. Project duration will be approximately 6 months.

### **Deliverables**

1. Data request list, updated periodically as materials are provided by the PUD.
2. Participation in team meetings and conference calls as described above, including emailed follow-up notes on key decisions and action items.
3. Monthly invoice and progress report.

## **Task 2 Volume 1 Update**

### **Objective**

Update Volume 1 of WSP, comprised of regional and PUD-wide information.

### **HDR Services**

The services described below are organized according to the sections in the existing WSP.

1. Introduction. Update this section to reflect updates in other areas of the WSP. Minimal changes are anticipated in this section.
2. Description of Water Utility. Update this section to reflect the service area and systems owned and operated by the PUD, with any updates/modifications provided by the PUD.
3. District Policies, Terms, and Conditions. Review and update of service area policies. Minimal changes are anticipated in this section, with any updates/modifications provided by the PUD.
4. Satellite System Management. Update description of satellite system management policies and procedures. Minimal changes are anticipated in this section.
5. Water Conservation Plan. Update this section per requirements of the Water Use Efficiency (WUE) Rule. This will include:
  - A. Goals. Prepare proposed update WUE goals, based on review of recent historical water consumption and trends in per-connection use, and input from PUD staff. Provide

support to PUD in presenting and discussing proposed goals with PUD Board in a public meeting.

- B. Measures. Update description of conservation measures currently used and planned for future implementation, based on input from PUD staff.
6. Safe Drinking Water Act. Update this section to identify the water quality regulations currently applicable to the PUD, and identify potential regulatory changes in the near future. Based on discussions with DOH in development of other recent WSP updates, this section will be streamlined from what is included in the current WSP, so that “boiler-plate” descriptions of regulations and maximum contaminant level (MCL) lists are removed.
7. Local Land Use and Related Plans. Update this section to identify current and applicable local and regional plans that relate to and inform this WSP update, including the Jefferson County Coordinated Water System Plan and the Jefferson County Comprehensive Plan (inclusive of specific recent and current planning efforts that relate to the WSP).
8. Improvement Program. Compilation of capital improvement program (CIP) projects identified in Task 3 (Volume 2).
9. Financial Program. Update this section to reflect current financial policies and review of recent finances). This will include:
  - A. Summarize recent historical revenues and expenses.
  - B. Develop a six-year forward-looking analysis that includes the projection of revenues, operating expenses and the incorporation of capital improvement plan developed as part of the WSP.
10. Water System Operations Program. Update this section to reflect current operations and maintenance program information, including current organization and staff certifications, routine and emergency operating procedures, and the PUD’s cross connection control program (which will be revised to include the material documented in Section 12 of the prior WSP).
11. Technical Standards and Specifications. Update this section to reflect current PUD standards.
12. Prepare Initial Draft of Volume 1.

### **PUD Responsibilities**

1. Provide water system data related to Volume 1, per Task 1 data request.
2. Provide knowledgeable staff representing the drinking water system operations and engineering to participate in conference call discussions.
3. Review Initial Draft of Volume 1.

### **Assumptions**

1. This task will consist primarily of minimal updates to material currently provided in the 2011 WSP. Specific sub-tasks where most of the effort will be focused are: Water Conservation Plan, Local Land Use and Related Plans, Update Financial Program, and Technical Standards/Specifications.

## Deliverables

1. Initial Draft of Volume 1, in PDF and Word format. PUD review comments will be incorporated into the Draft WSP (see Task 5).
2. Presentation to support WUE goal setting public meeting.

## Task 3 Volume 2 Update

### Objective

Update Volume 2 of WSP, comprised of satellite system information.

### HDR Services

The services described below are organized according to the sections in the existing WSP. Each of these sub-tasks will be performed for each Group A water system owned by the PUD and that is recognized as a separate system by DOH. A tabular summary of the PUD's existing systems, including information regarding the status of data available for each (based on discussions with PUD staff), is provided in Table 1.

**Table 1. Summary of PUD Water Systems and Wells**

Water System Name	Type	In 2011 WSP	Per DOH Sentry	Hydraulic Model Developed	WHPP Status in 2011 WSP
Bywater Bay (3 wells)	A	X	X	X	X
Gardiner (LUD No. 1) (1 well)	A	X	X	X	X
Quimper <sup>a</sup> (LUD No. 14) (7 wells) <sup>a</sup>	A	X	X	X	X
<i>Glen Cove South</i>	--	--	--		
<i>Airport Well 2b</i>	--	--	--		
<i>Olympic Mobile Village</i>	--	--	--		
<i>Kivley</i>	--	--	--		
<i>Sparling</i>	--	--	--		
<i>Kala Point</i>	--	--	--		
<i>Willison Well</i>	--	--	--		
Lazy C (LUD No. 8) (1 well)	A	X	X	X	X
Triton Cove (LUD No. 6) (2 wells)	A	X	X	X	X
Snow Creek (1 well)	A	X	X	X	X
Mats View Terrace (1 well)	A	X	X	X	X
Quilcene (1 well)	A	X	X	X	X
Coyle	A	No	X	No	Not addressed
Port of Port Townsend – Quilcene <sup>b</sup>	A (transient)	No	No	No	No
Skywater <sup>c</sup>	B	X	X	No	No
Vandecar <sup>c</sup>	B	X	X	No	No
Bishop Ridge (Heights) <sup>c</sup>	B	X	X	No	No
Valiani <sup>c</sup>	B	X	X	No	No

<sup>a</sup> Includes LUD No. 3.

<sup>b</sup> Managed but now owned by PUD; not to be included in WSP.

<sup>c</sup> Group B systems will not be analyzed; descriptions only to be provided in WSP.

1. Description of Water System. Update this section to reflect system changes that have occurred since last WSP, and to incorporate descriptions for systems that the PUD has acquired since the last WSP.
2. Basic Planning Data. Update this section to include the following:
  - A. Service Area. Prepare updated mapping to document current service area boundaries.
  - B. Land Use and Demographics. Summarize current and future land use and population projections, based on review of Jefferson County Comprehensive Plan and associated planning activities.
  - C. Water Use. Summarize historical (2012-2017) water production and consumption. Prepare water demand projections (on average day and maximum day bases) through year 2038, based on applying demographic growth projections to current levels of use.
  - D. Fire Flow. Document fire flow requirements as established by the local fire authority.
3. System Analysis. Update this section to include the following:
  - A. Vulnerability Assessment. Document system reliability and vulnerability to emergency situations such as loss of supply or power. This will be based on information contained in the prior WSP and updated information as provided by PUD staff.
  - B. Water Quality Assessment. Review recent historical data regarding water quality regulatory compliance and exceedances as documented in DOH Sentry database and based on discussions with PUD staff. Summarize monitoring requirements based on latest Water Quality Monitoring Reports and anticipated future changes in requirements.
  - C. System Capacity Evaluation. Analyze source, storage, and distribution system capacities to determine compliance with regulatory requirements and identify system deficiencies for current demands and for forecasted demands in 2028 and 2038. Specific components of this evaluation are:
    - i. Water Rights. Review water rights documentation and existing water rights self-assessments. Where necessary, make clarifications to existing water rights self-assessment tables and associated text. Water rights tables and text will be generated for *new* PUD sources. Advise the PUD of regulatory strategies that will be helpful for managing their water rights.
    - ii. Source. Compare physical/operational source capacity with maximum day demand.
    - iii. Storage. Calculate required storage volumes for these storage components: operational, equalizing, fire suppression, and standby. Compare with available storage volumes, taking into account existing dead storage and nesting of standby and fire suppression storage (where used in prior WSP). Follow same methodology used in prior WSP.
    - iv. Distribution System. For the Quimper and Coyle water systems, analyze ability of distribution system to meet the following DOH requirements: 1) under peak hour demand, provide minimum pressure of 30 psi to all service connections; and, 2) during maximum day demand, provide fire flows while maintaining a minimum pressure of 20 psi to all service connections. This will be done with the use of

hydraulic models of these two water systems. For all other existing systems, no new distribution system analysis will be completed. Because no changes have occurred in these systems, the results from the prior WSP analysis remain valid.

4. Improvement Program. Prepare CIP based on above analyses, review of existing planned projects, and through discussions with PUD staff (improvements outside of the Quimper and Coyle water systems will be based primarily on PUD staff input as hydraulic modeling will not be completed for areas outside of these two systems). Develop planning-level budgetary cost estimates for projects and prioritize for the purpose of scheduling.
5. Prepare Initial Draft of Volume 2.

### **PUD Responsibilities**

1. Provide water system data related to Volume 2, per Task 1 data request.
2. Provide knowledgeable staff representing the drinking water system operations and engineering to participate in conference call discussions.
3. Review Initial Draft of Volume 2.

### **Assumptions**

1. The approach described in this task applies to all Group A water systems owned and operated by the PUD. Similar to the prior WSP, a description and inventory of Group B water systems will be provided in a chapter of Volume 2, with no detailed analysis conducted.
2. Distribution System Analysis.
  - A. A calibration will not be completed for the water system models. Friction coefficients for piping will be assumed based on a combination of industry standards and friction coefficients used in the system models for the previous water system plan's modeling.
  - B. A steady-state hydraulic model will be used. No extended period simulations will be run. Diurnal curves of demand do not need to be created.
  - C. Distribution system improvements will be sized based on meeting DOH required minimum pressures and PUD design standards of maximum design velocity of 7 ft/s and maximum head loss of 10 psi per 1,000 ft. For existing infrastructure, velocities or head losses exceeding this criteria will not constitute a deficiency, only the ability to meet required fire and peak hour flows while maintaining minimum distribution system pressures.
  - D. Analysis will be completed using the GIS based water modeling platform InfoWater by Innovyze. Models will be completed for only the Quimper and Coyle water systems based on the following information (in order of precedence):
    - i. PUD staff input
    - ii. GIS mapping of systems (primary source of piping location and sizes)
    - iii. Items provided in data request
    - iv. Previous WaterCAD models (primary source for pump, tank, and PRV geometry and settings – will also be utilized to fill in gaps from other data sources).
  - E. A total of two models will be created.
  - F. Required fire flows will be based on PUD fire flow standards allocated to model nodes based on County zoning GIS layer.

- G. Model elevations will be updated based on available County GIS elevation data.
- H. Model nodes will be created at pipe junctions and as necessary to reasonably allocate demands. Model nodes will not be created to represent every meter or hydrant in the system.

### **Deliverables**

1. Initial Draft of Volume 2, in PDF and Word format. PUD review comments will be incorporated into the Draft WSP (see Task 5).

## **Task 4 Volume 3 Update**

### **Objective**

Update Volume 3 of WSP, comprised of wellhead protection program information. Some water systems have multiple sources.

### **HDR Services**

The services described below are organized according to the sections in the existing WSP. Each of these sub-tasks will be performed for each Group A water system owned by the PUD and that is recognized as a separate system by DOH. (See Table 1 under Task 3 for reference.) It is understood that there are 14 wells or wellfields for which wellhead protection (WHP) was addressed in the existing WSP and 4 new sources that require generation of all WHP elements.

1. Hydrogeologic Conceptual Model. For 4 of the 14 wells/wellfields with existing WHP evaluations (specific wells to be identified in coordination with PUD staff), review the existing hydrogeologic conceptual model and identify whether readily available data (well logs, surficial geology maps, hydrogeologic reports) indicate that a conceptual model update would be useful. Reviews may result in small changes existing conceptual models and recommendations for larger revisions, but significant existing conceptual model revisions are not included in this scope of work. For each of the 4 new sources, the above referenced hydrogeologic information will be evaluated and new conceptual models will be developed, including one conceptual hydrogeologic cross section per well/wellfield.
2. Susceptibility Assessment. For 4 of the 14 wells/wellfields with existing susceptibility assessments, review existing assessments, update portions of assessment related to wellhead protection capture zones and source-specific water quality records, and provide PUD with recommendations for other revisions (not included under current scope). For each of the 4 new wells/wellfields, complete new susceptibility assessments.
3. Wellhead Protection Area (WHPA) Delineation. For 4 of the 14 wells/wellfields with prior analysis, update WHPA delineations based on recent rates of groundwater withdrawal and reinterpretations of existing hydrogeologic conceptual models. Existing calculated fixed radius (CFR) method will be retained where previously used; however, recommendations for more accurate methods will be provided for future assessments (or with additional authorization by PUD) and a more accurate method will be used for the Sparling Wellfield. For the 4 new wells/wellfields, WHPA's will be similarly estimated using the CFR method and recommendations will be provided for more accurate methods if warranted.
4. Inventory of Potential Contaminant Sources. Potential contaminant source inventories will be updated by the PUD using Ecology databases and/or a Vista Environmental Services

search along with GIS coverages provided by the PUD and/or Jefferson County (land-use zoning, SIPZ zones, septic systems, etc.). The PUD will also perform windshield surveys of potential contaminant sources within each 10-year wellhead protection zone. Results of windshield surveys will be used to finalize the contaminant source inventories for each well/wellfield. PGG will provide minimal support and advisory services to the PUD through this effort.

5. Water Supply Contingency Plans. Summarize water supply contingency plans for each system, based on similar approaches identified in the prior WSP.
6. Public Involvement and Education. Strategies for public involvement and education included in the prior WSP will be reviewed and updated as warranted.
7. Recommended Wellhead Protection Strategies. Recommended strategies for future wellhead protection activities included in the prior WSP will be reviewed and updated as warranted.
8. Summary of Wellhead Protection Implementation Schedule. Wellhead protection implementation schedules from the prior WSP will be updated.
9. Prepare Initial Draft of Volume 3.

### **PUD Responsibilities**

1. Provide water system data related to Volume 3, per Task 1 data request.
2. Provide knowledgeable staff representing the drinking water system operations and engineering to participate in conference call discussions.
3. Provide GIS coverage of well locations, copies of well logs and copies of hydrogeologic reports developed for each PUD well/wellfield.
4. Perform inventory of potential contaminant source sites using tables/maps provided by HDR.
5. Review Initial Draft of Volume 3.

### **Assumptions**

1. The summary of existing and new sources shown above in Task 3 is accurate (additional sources would require more budget).
2. Changes to *existing* hydrogeologic conceptual models will be largely limited to delineation of aquifer thickness and delineation of groundwater discharge features. Major changes to existing conceptual hydrogeologic models would require a budget amendment.
3. All susceptibility assessments that are stated to be done and submitted have in fact been done and submitted. Updating existing susceptibility assessments is limited to updating WHPA's and water-quality observations. New assessments will be prepared for 4 new wells/wellfields.
4. The existing methods of delineating WHPA's (largely CFR, except for Sparling Wellfield) will be maintained. If PUD elects to have Consultant use more accurate methods, additional budget may be required.
5. Consultant is not responsible for performing activities on implementation summary tables (to be performed by PUD).

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## Deliverables

1. Initial Draft of Volume 3, in PDF and Word format. PUD review comments will be incorporated into the Draft WSP (see Task 5).

## Task 5 DOH Approval Process

### Objective

Prepare Draft and Final WSP, and assist PUD through the DOH approval process.

### HDR Services

1. Prepare the complete Draft WSP, for submittal to DOH. This will include updates to the Initial Drafts of Volumes 1-3, based on PUD comments. Volume 4 (Appendices) will also be prepared, to include the same information as was incorporated in the prior WSP.
2. Prepare required WSP submittal documentation, including DOH forms/checklists, letters and local consistency statement checklists for the County to review, and letters for adjacent purveyors.
3. Prepare SEPA checklist.
4. Assist the PUD in addressing stakeholder and DOH comments. This will involve preparation of response to comments documents. HDR will take the lead on preparing responses to comments, with the PUD responsible for answering those that HDR is not able to (e.g., policy-related comments) and reviewing HDR's proposed responses.
5. Prepare the Final WSP, for PUD adoption and DOH approval.

### PUD Responsibilities

1. Work with HDR to address DOH and stakeholder comments. Provide responses to comments for which it is not appropriate for HDR to provide responses (e.g., policy-related comments). Review HDR's proposed responses.
2. Carry out all SEPA public notification requirements associated with the WSP.

### Assumptions

1. The plan document will be an update to the 2011 plan, rather than a brand new document. Approximately half of the existing 2011 content will remain substantially unchanged, and the plan organization will remain the same.

### Deliverables

1. Two iterations of the plan document are anticipated:
  - A. Draft WSP for submittal to DOH and Ecology and review by stakeholders (3 hard copies, plus 1 compact disk with plan content in PDF format.)
  - B. Final WSP for adoption by PUD. (1 copy-ready original; 2 hard copies including appendices. 1 compact disk PDF file copies of the water plan and appendices.)
2. Presentation to support consumer meeting.

## Schedule

Milestones	Anticipated Completion Date (in 2018)
Task 1 (Data Collection and Project Management)	
Data Collection	July 15
Project Management	Throughout project
Task 2 (Volume 1)	
Initial Draft – Submitted for PUD Review (except Improvement and Financial Programs)	August 3
Task 3 (Volume 2)	
Initial Draft – Submitted for PUD Review	September 7
Task 4 (Volume 3)	
Initial Draft – Submitted for PUD Review	September 7
Task 5 (DOH Approval Process)	
Draft WSP – Submitted for DOH Review	September 30
Final WSP	December 31 (Dependent on DOH review timeframe and extent of comments)

## Fee

Task	Task Description	Fee
1	Data Collection and Project Management	\$25,700
2	Volume 1 (District/Regional Information)	\$15,700
3	Volume 2 (Satellite System Information)	\$31,800
4	Volume 3 (Wellhead Protection)	\$20,500
5	DOH Approval Process	\$28,300
<b>Total</b>		<b>\$122,000</b>

**Exhibit B**  
**HDR Engineering, Inc.**  
**Terms and Conditions for Professional Services**

**1. STANDARD OF PERFORMANCE**

The standard of care for all professional engineering, consulting and related services performed or furnished by ENGINEER and its employees under this Agreement will be the care and skill ordinarily used by members of ENGINEER's profession practicing under the same or similar circumstances at the same time and in the same locality. ENGINEER makes no warranties, express or implied, under this Agreement or otherwise, in connection with ENGINEER's services.

**2. INSURANCE/INDEMNITY**

ENGINEER agrees to procure and maintain, at its expense, Workers' Compensation insurance as required by statute; Employer's Liability of \$250,000; Automobile Liability insurance of \$1,000,000 combined single limit for bodily injury and property damage covering all vehicles, including hired vehicles, owned and non-owned vehicles; Commercial General Liability insurance of \$1,000,000 combined single limit for personal injury and property damage; and Professional Liability insurance of \$1,000,000 per claim for protection against claims arising out of the performance of services under this Agreement caused by negligent acts, errors, or omissions for which ENGINEER is legally liable. OWNER shall be made an additional insured on Commercial General and Automobile Liability insurance policies and certificates of insurance will be furnished to the OWNER. ENGINEER agrees to indemnify OWNER for third party personal injury and property damage claims to the extent caused by ENGINEER's negligent acts, errors or omissions. However, neither Party to this Agreement shall be liable to the other Party for any special, incidental, indirect, or consequential damages (including but not limited to loss of profits or revenue; loss of use or opportunity; loss of good will; cost of substitute facilities, goods, or services; and/or cost of capital) arising out of, resulting from, or in any way related to the Project or the Agreement from any cause or causes, including but not limited to any such damages caused by the negligence, errors or omissions, strict liability or breach of contract. The Engineer agrees, to the fullest extent permitted by law, to indemnify and hold harmless the Owner, its officers, directors, agents and employees against all damages, liabilities or costs, including reasonable attorneys' fees and defense costs, to the extent caused by the Consultant's sole negligent performance of services under this Agreement and that of its subconsultants or anyone for whom the Engineer is legally liable.

**3. OPINIONS OF PROBABLE COST (COST ESTIMATES)**

Any opinions of probable project cost or probable construction cost provided by ENGINEER are made on the basis of information available to ENGINEER and on the basis of ENGINEER's experience and qualifications, and represents its judgment as an experienced and qualified professional engineer. However, since ENGINEER has no control over the cost of labor, materials, equipment or services furnished by others, or over the contractor(s)' methods of determining prices, or over competitive bidding or market conditions, ENGINEER does not guarantee that proposals, bids or actual project or construction cost will not vary from opinions of probable cost ENGINEER prepares.

**4. CONSTRUCTION PROCEDURES**

ENGINEER's observation or monitoring portions of the work performed under construction contracts shall not relieve the contractor from its responsibility for performing work in accordance with applicable contract documents. ENGINEER shall not control or have charge of, and shall not be responsible for, construction means, methods, techniques, sequences, procedures of construction, health or safety programs or precautions connected with the work and shall not manage, supervise, control or have charge of construction. ENGINEER shall not be responsible for the acts or omissions of the contractor or other parties on the project. ENGINEER shall be entitled to review all construction contract documents and to require that no provisions extend the duties or liabilities of ENGINEER beyond those set forth in this Agreement. OWNER agrees to include ENGINEER as an indemnified party in OWNER's construction contracts for the work, which shall protect ENGINEER to the same degree as OWNER.

**5. CONTROLLING LAW**

This Agreement is to be governed by the law of the state of Washington. Any legal action resulting from this agreement shall be venued in Jefferson County, Washington.

**6. SERVICES AND INFORMATION**

OWNER will provide all criteria and information pertaining to OWNER's requirements for the project, including design objectives and constraints, space, capacity and performance requirements, flexibility and expandability, and any budgetary limitations. OWNER will also provide copies of any OWNER-furnished Standard Details, Standard Specifications, or Standard Bidding Documents which are to be incorporated into the project.

OWNER will furnish the services of soils/geotechnical engineers or other consultants that include reports and appropriate professional recommendations when such services are deemed necessary by ENGINEER. The OWNER agrees to bear full responsibility for the technical accuracy and content of OWNER-furnished documents and services.

In performing professional engineering and related services hereunder, it is understood by OWNER that ENGINEER is not engaged in rendering any type of legal, insurance or accounting services, opinions or advice. Further, it is the OWNER's sole responsibility to obtain the advice of an attorney, insurance counselor or accountant to protect the OWNER's legal and financial interests

**7. SUCCESSORS, ASSIGNS AND BENEFICIARIES**

OWNER and ENGINEER, respectively, bind themselves, their partners, successors, assigns, and legal representatives to the covenants of this Agreement. Neither OWNER nor ENGINEER will assign, sublet, or transfer any interest in this Agreement or claims arising therefrom without the written consent of the other. No third party beneficiaries are intended under this Agreement.

**8. RE-USE OF DOCUMENTS**

All documents, including all reports, drawings, specifications, computer software or other items prepared or furnished by ENGINEER pursuant to this Agreement, are instruments of service with respect to the project. ENGINEER retains ownership of all such documents. OWNER may retain copies of the documents for its information and reference in connection with the project; however, none of the documents are intended or represented to be suitable for reuse by OWNER or others on extensions of the project or on any other project. Any reuse without written verification or adaptation by ENGINEER for the specific purpose intended will be at OWNER's sole risk and without liability or legal exposure to ENGINEER, and OWNER will defend, indemnify and hold harmless ENGINEER from all claims, damages, losses and expenses, including attorney's fees, arising or resulting therefrom. Any such verification or adaptation will entitle ENGINEER to further compensation at rates to be agreed upon by OWNER and ENGINEER.

**9. TERMINATION OF AGREEMENT**

OWNER or ENGINEER may terminate the Agreement, in whole or in part, by giving thirty (30) days written notice to the other party. Where the method of payment is "lump sum," or cost reimbursement, the final invoice will include all services and expenses associated with the project up to the effective date of termination. An equitable adjustment shall also be made to provide for termination settlement costs ENGINEER incurs as a result of commitments that had become firm before termination, and for a reasonable profit for services performed.

**10. SEVERABILITY**

If any provision of this agreement is held invalid or unenforceable, the remaining provisions shall be valid and binding upon the parties. One or more waivers by either party of any provision, term or condition shall not be construed by the other party as a waiver of any subsequent breach of the same provision, term or condition.

**11. INVOICES**

ENGINEER will submit monthly invoices for services rendered and OWNER will make payments to ENGINEER within thirty (30) days of OWNER's receipt of ENGINEER's invoice.

ENGINEER will retain receipts for reimbursable expenses in general accordance with Internal Revenue Service rules pertaining to the support of expenditures for income tax purposes. Receipts will be available for inspection by OWNER's auditors upon request.

If OWNER disputes any items in ENGINEER's invoice for any reason, including the lack of supporting documentation, OWNER may temporarily delete the disputed item and pay the remaining amount of the invoice. OWNER will promptly notify ENGINEER of the dispute and request clarification and/or correction. After any dispute has been settled, ENGINEER will include the disputed item on a subsequent, regularly scheduled invoice, or on a special invoice for the disputed item only.

OWNER recognizes that late payment of invoices results in extra expenses for ENGINEER. ENGINEER retains the right to assess OWNER interest at the rate of one percent (1%) per month, but not to exceed the maximum rate allowed by law, on invoices which are not paid within thirty (30) days from the date OWNER receives ENGINEER's invoice. In the event undisputed portions of ENGINEER's invoices are not paid when due, ENGINEER also reserves the right, after seven (7) days prior written notice, to suspend the performance of its services under this Agreement until all past due amounts have been paid in full.

## 12. CHANGES

The parties agree that no change or modification to this Agreement, or any attachments hereto, shall have any force or effect unless the change is reduced to writing, dated, and made part of this Agreement. The execution of the change shall be authorized and signed in the same manner as this Agreement. Adjustments in the period of services and in compensation shall be in accordance with applicable paragraphs and sections of this Agreement. Any proposed fees by ENGINEER are estimates to perform the services required to complete the project as ENGINEER understands it to be defined. For those projects involving conceptual or process development services, activities often are not fully definable in the initial planning. In any event, as the project progresses, the facts developed may dictate a change in the services to be performed, which may alter the scope. ENGINEER will inform OWNER of such situations so that changes in scope and adjustments to the time of performance and compensation can be made as required. If such change, additional services, or suspension of services results in an increase or decrease in the cost of or time required for performance of the services, an equitable adjustment shall be made, and the Agreement modified accordingly.

## 13. CONTROLLING AGREEMENT

These Terms and Conditions shall take precedence over any inconsistent or contradictory provisions contained in any proposal, contract, purchase order, requisition, notice-to-proceed, or like document.

## 14. EQUAL EMPLOYMENT AND NONDISCRIMINATION

In connection with the services under this Agreement, ENGINEER agrees to comply with the applicable provisions of federal and state Equal Employment Opportunity for individuals based on color, religion, sex, or national origin, or disabled veteran, recently separated veteran, other protected veteran and armed forces service medal veteran status, disabilities under provisions of executive order 11246, and other employment, statutes and regulations, as stated in Title 41 Part 60 of the Code of Federal Regulations § 60-1.4 (a-f), § 60-300.5 (a-e), § 60-741 (a-e).

## 15. HAZARDOUS MATERIALS

OWNER represents to ENGINEER that, to the best of its knowledge, no hazardous materials are present at the project site. However, in the event hazardous materials are known to be present, OWNER represents that to the best of its knowledge it has disclosed to ENGINEER the existence of all such hazardous materials, including but not limited to asbestos, PCB's, petroleum, hazardous waste, or radioactive material located at or near the project site, including type, quantity and location of such hazardous materials. It is acknowledged by both parties that ENGINEER's scope of services do not include services related in any way to hazardous materials. In the event ENGINEER or any other party encounters undisclosed hazardous materials, ENGINEER shall have the obligation to notify OWNER and, to the extent required by law or regulation, the appropriate governmental officials, and ENGINEER may, at its option and without liability for delay, consequential or any other damages to OWNER, suspend performance of services on that portion of the project affected by hazardous materials until OWNER: (i) retains appropriate specialist consultant(s) or contractor(s) to identify and, as appropriate, abate, remediate, or remove the hazardous materials; and (ii) warrants that the project site is in full compliance with all applicable laws and regulations. OWNER acknowledges that ENGINEER is performing professional services for OWNER and that ENGINEER is not

and shall not be required to become an "arranger," "operator," "generator," or "transporter" of hazardous materials, as defined in the Comprehensive Environmental Response, Compensation, and Liability Act of 1990 (CERCLA), which are or may be encountered at or near the project site in connection with ENGINEER's services under this Agreement. If ENGINEER's services hereunder cannot be performed because of the existence of hazardous materials, ENGINEER shall be entitled to terminate this Agreement for cause on 30 days written notice. To the fullest extent permitted by law, OWNER shall indemnify and hold harmless ENGINEER, its officers, directors, partners, employees, and subconsultants from and against all costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals, and all court or arbitration or other dispute resolution costs) caused by, arising out of or resulting from hazardous materials, provided that (i) any such cost, loss, or damage is attributable to bodily injury, sickness, disease, or death, or injury to or destruction of tangible property (other than completed Work), including the loss of use resulting therefrom, and (ii) nothing in this paragraph shall obligate OWNER to indemnify any individual or entity from and against the consequences of that individual's or entity's sole negligence or willful misconduct.

## 16. EXECUTION

This Agreement, including the exhibits and schedules made part hereof, constitute the entire Agreement between ENGINEER and OWNER, supersedes and controls over all prior written or oral understandings. This Agreement may be amended, supplemented or modified only by a written instrument duly executed by the parties.

## 17. ALLOCATION OF RISK

**OWNER AND ENGINEER HAVE EVALUATED THE RISKS AND REWARDS ASSOCIATED WITH THIS PROJECT, INCLUDING ENGINEER'S FEE RELATIVE TO THE RISKS ASSUMED, AND AGREE TO ALLOCATE CERTAIN OF THE RISKS, SO, TO THE FULLEST EXTENT PERMITTED BY LAW, THE TOTAL AGGREGATE LIABILITY OF ENGINEER (AND ITS RELATED CORPORATIONS, SUBCONSULTANTS AND EMPLOYEES) TO OWNER AND THIRD PARTIES GRANTED RELIANCE IS LIMITED TO \$1,000,000 FOR ANY AND ALL INJURIES, DAMAGES, CLAIMS, LOSSES, OR EXPENSES (INCLUDING ATTORNEY AND EXPERT FEES) ARISING OUT OF ENGINEER'S SERVICES OR THIS AGREEMENT REGARDLESS OF CAUSE(S) OR THE THEORY OF LIABILITY, INCLUDING NEGLIGENCE, INDEMNITY, OR OTHER RECOVERY.**

## 18. LITIGATION SUPPORT

In the event ENGINEER is required to respond to a subpoena, government inquiry or other legal process related to the services in connection with a legal or dispute resolution proceeding to which ENGINEER is not a party, OWNER shall reimburse ENGINEER for reasonable costs in responding and compensate ENGINEER at its then standard rates for reasonable time incurred in gathering information and documents and attending depositions, hearings, and trial.

## 19. NO THIRD PARTY BENEFICIARIES

No third party beneficiaries are intended under this Agreement. In the event a reliance letter or certification is required under the scope of services, the parties agree to use a form that is mutually acceptable to both parties.

## 20. UTILITY LOCATION

If underground sampling/testing is to be performed, a local utility locating service shall be contacted to make arrangements for all utilities to determine the location of underground utilities. In addition, OWNER shall notify ENGINEER of the presence and location of any underground utilities located on the OWNER's property which are not the responsibility of private/public utilities. ENGINEER shall take reasonable precautions to avoid damaging underground utilities that are properly marked. The OWNER agrees to waive any claim against ENGINEER and will indemnify and hold ENGINEER harmless from any claim of liability, injury or loss caused by or allegedly caused by ENGINEER's damaging of underground utilities that are not properly marked or are not called to ENGINEER's attention prior to beginning the underground sampling/testing.

**21. STATUS OF ENGINEER.** Engineer will be an independent Engineer and not an employee of Owner. Engineer represents and warrants that it has, or will obtain prior to the start of work, and will maintain, as required by applicable laws, ordinances, codes, and regulations all registrations, licenses, permits, and other similar documents and certification necessary

for its performance of the work hereunder for the successful performance of this Agreement and any issued task order(s). Engineer shall not represent itself as an agent of Owner for any purpose, and has no authority to bind Owner, unless specifically granted such authority..