



**Board of Commissioners Meeting
March 24, 2020
5:00 PM
210 Four Corners Rd.
Port Townsend, WA 98368**

**PUD REGULAR BOARD MEETING
VIA WEBEX**

NOTE: ALL PARTICIPANTS WILL BE MUTED UPON ENTRY

**THE PUBLIC IS STRONGLY ENCOURAGED TO CALL IN TO MEETING, AND
NOT TO ATTEND DUE TO THE COVID 19 BREAKOUT**

The Public can access the WEBEX meeting as follows:

BY PHONE:

Dial +1-408-418-9388 Access Code: 623 887 601

ONLINE: paste the following URL in your browser. Or email wodonnell@jeffpud.org to request a link through email.

<https://jeffpud.my.webex.com/jeffpud.my/j.php?MTID=med881545aeb673a4b9f5e232ecb30438>

1. CALL TO ORDER
2. NO STAFF INTRODUCTION
3. AGENDA APPROVAL
4. 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 may place time limits on public comments to allow the meeting to be conducted in an efficient and orderly manner. **(15 min)**
5. CONSENT AGENDA: 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.

- 5.1 Minutes to Approve: January 21, 2020, Regular BOC meeting
- 5.2 Voucher Certification and Approval
- 5.3 Write-offs for January 2020
- 5.4 PUD Calendar
- 5.5 Asplundh Bid
- 5.6 Pinecrest Bid

Please hold PUBLIC COMMENTS until each presentation is done but before the vote for the OLD and NEW BUSINESS discussion.

6. OLD BUSINESS:

- 6.1 COVID 19 update: Kevin Streett
- 6.2 Financial Policy (Moss Adams-Olga Darlington on phone)
- 6.3 Procurement Update
- 6.4 Water and Sewer Fee Schedule Exhibit C Resolution

7. NEW BUSINESS/ACTION ITEMS

None

8. COMMISSIONER REPORTS

9. ADJOURN



**PUBLIC UTILITY DISTRICT NO. 1
of Jefferson County**

January 21, 2020

**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 or BOC) at 5:00 p.m. on January 21, 2020, at the Jefferson Transit Conference Room, 63 Four Corners Road, Port Townsend, Washington, 98368. Present:

Commissioner Dan Toepper, President
Commissioner Kenneth Collins, Vice President
Commissioner Jeff Randall, Secretary

Kevin Streett, General Manager
Joel Paisner, General Counsel
Bill Graham, Resource Manager
Jean Hall, Customer Service Manager
Jimmy Scarborough, Interim Electrical Engineer Supervisor
Mike Bailey, Financial Services Manager
Will O'Donnell, Communications Manager
Melanie Patterson, Human Resources Manager
Don McDaniel, Consultant

Recording Secretary Cammy Brown

1. CALL TO ORDER:

Commissioner Dan Toepper called the Regular Meeting of the Jefferson County Public Utility District No 1 Board of Commissioners for January 21, 2020, to order at 5:00 p.m.

INTRODUCTIONS: Commissioner Dan Toepper asked for voluntary introductions from the commissioners and staff.

2. AGENDA APPROVAL:

Commissioner Kenneth Collins added the following to the Agenda:

- Discussion on school rates. This item was added to the Agenda as Item as 7.17 under Action Items Requiring Board Discussion.

MOTION: Commissioner Jeff Randall made a motion to approve the agenda as modified. Commissioner Kenneth Collins seconded the motion. Motion carried unanimously.

3. GENERAL PUBLIC COMMENT: Commissioner Dan Toepper presented the guidelines for members of the public to submit their comments. Topics:

- **Question:** Candidates of CAB position applications – question was asked would it be a violation of the Public Records Act to put candidate application into the packet?
Response: General Counsel Joel Paisner will review and have a response at the next BOC meeting.
- **Request:** Request to have update on meter opt-out program in General Manager’s report.
- **Question:** Is the PUD still paying Magellan for travel expenses?
Response: This was an old invoice that came in late.
- **Comment:** Information on PUD website regarding power outage on Quilcene Road is unsatisfactory.
- **Comment:** Appreciation was voiced for Public Records Act presentation at last CAB meeting discussion.
- **Request:** There was a request to put on website protocols on outages.
- **Suggestion:** Suggestion was made about putting something on the website reminding people what the PUD has to offer regarding outages.
- **Comment:** There was a compliment to the PUD staff about the downtown corridor.
- **Question:** When is the PUD getting smart meters?
Response: Next step is to do a cost benefit study. There is a strategic planning meeting scheduled.
- **Discussion** about the PUD responding to notify customer when the power is back on. Some people have medical needs and need to know when the power is back on.

- **Comment:** Applications for employment or for volunteers are public records which are exempt from public disclosure. The entire record is exempt as opposed to just portions of it.
- **Comment:** When making the phone to the outage call line, if it doesn't recognize your number you can hit # 2 and it will ask you to enter a phone number associated with that address. Every time the customer has made the request to be notified the customer has not received a call back.

4. APPROVAL AND ADOPTION OF THE CONSENT AGENDA:

MOTION: Commissioner Kenneth Collins made a motion to approve and adopt the Consent Agenda as presented. Commissioner Jeff Randall seconded the motion. Motion carried unanimously.

4.1 APPROVAL OF MINUTES: Draft minutes will be issued at the next Regular BOC meeting on February 4, 2020.

4.2 APPROVAL OF VOUCHERS

4.2.1 Voucher certification form with supporting warrant register and payroll form.

4.2.2 BOC approval of voucher approval form.

VOUCHER CLAIM FORMS FOR INVOICES PAID:

WARRANTS	AMOUNT	DATE
Accounts Payable: #122190 to #122238	\$ 69,869.63	01/03/2020
Accounts Payable: #122239 to #122317	\$1,285,170.52	01/09/2020
Payroll Checks: # 70691 to # 70695	\$ 9,258.95	01/10/2020
Payroll Direct Deposit	\$ 135,995.21	01/10/2020
TOTAL INVOICES PAID	\$ 1,500,294.31	
WIRE TRANSFERS PAID	AMOUNT	DATE
Peterson Lake	\$ 14,328.62	01/02/2020
BPA	\$ 1,499,640.00	01/08/2020
<hr/>		
GRAND TOTAL	\$ 3,014,262.93	
Voided Warrants		
#122294	\$ 683.30	

4.3 ACTION ITEMS

4.2.1 Approval of Electrical Contractor Prequalification

4.4 PUD CALENDAR.

END OF CONSENT AGENDA.

5. COMMISSIONER REPORTS:

Commissioner Kenneth Collins:

1/14 Attended Financial Policy Meeting.
 1/15 to
 1/17 Attended WPUDA Conference (Report).
 1/17 Met with General Manager Kevin Streett.
 1/21 Will attend PUD BOC meeting.
 1/22 Will attend Energy NW meetings.
 1/27 Will attend USDA Reconnect Grant Program Workshop.
 2/3 Will meet with General Manager Kevin Streett.

Commissioner Jeff Randall:

1/14 Attended Financial Policy meeting.
 1/15 to
 1/17 Attended WPUDA conference (Report).
 1/23 Will attend North Olympic Development Council meeting.
 1/24 Will meet with General Manager Kevin Streett.
 1/29 to
 1/30 Will attend USDA Broadband Reconnect Conference (free) in SeaTac.
 2/5 to
 2/6 Will attend PPC meeting in Portland.

Commissioner Dan Toepper:

1/8 to
 1/9 Attended PPC meeting in Portland. (Report).
 1/13 Attended East Jefferson Fire Chief's meeting in Brinnon.
 1/14 Attended Financial Policy meeting.
 1/15 to
 1/17 Attended WPUDA Conference. (Report).
 1/20 Met with CAB member Larry Dennison.
 1/22 Met with General Manager Kevin Streett.

Plan on attending the Quilcene and Chimacum School Board meetings later this month.

2/5 to

2/6 Will attend PPC meeting in Portland.

Announcement: Acting General Manager Kevin Streett announced there will a Broadband meeting on February 25, 1:30pm to 3:30pm at the Port Townsend Fire Hall.

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

- Financial Services Manager Mike Bailey reported that the Jackson Thornton auditors are on site this week. The contract with the auditing company was discussed.
- General Manager Kevin Streett announced there will be a meeting on the tree management policy January 28th. 10:00 a.m. to 12:00 p.m. at the Chimacum Fire Hall.
- Ex-Commissioner from Thurston County will be visiting the PUD.
- There were some questions on the opt-out meters. General Manager Kevin Streett will be meeting with Colton Worley for more information.

7. ACTION ITEMS REQUIRING BOARD DISCUSSION:

7.1.1 Re-formatting BOC Agenda: The example of the new BOC Agenda was discussed.

MOTION: Commissioner Jeff Randall made a motion to direct the PUD staff to go to the new Agenda format as outlined in the sample provided, with the minutes being placed under the Consent Agenda and which will include the descriptive language that the BOC currently uses for each of those items. Commissioner Kenneth Collins seconded the motion. Motion carried unanimously.

PUBLIC COMMENT:

7.1.2 Approval of Resolution for Non-Rep Salary Schedule Exhibit A: General Manager Kevin Streett gave a report.

- At this time there were no changes on the salaries.
- There was some minor language cleanup.
- The third “Whereas” paragraph was changed to “WHEREAS, the General Manager will set the first of February of each calendar for the COLA increase for non-represented employees.
- Exhibit A will not change at this time.

MOTION: Commissioner Jeff Randall made a motion to adopt resolution of the Jefferson County Board of Commissioners Establishing Titles and By-weekly Salary Ranges for Staff Employees

plus establishing a set month for each calendar year for non-exempt salaries to be given a COLA, provided each employee has a performance review on an annual basis as modified and noted by the Board of Commissioners. Commissioner Kenneth Collins seconded the motion. Motion carried unanimously.

7.1.3 Audio Recording Policy: Communications Manager Will O'Donnell gave a report on the Audio Recording Policy. Members of the public voiced appreciation for the development and implementation of the audio recording process. There was one correction made to Paragraph 4) under of the policy deleting the reference "...e.g., a meeting posted during 2019 shall remain on the website until December 31, 2022".

MOTION: Commissioner Jeff Randall made a motion that the Jefferson County Public Utility District NO. 1 Board of Commissioners rescind the previous motion and adopt the proposed Audio Recording Policy that was attached subject to modification of No. 4 ending with a period after "posting". Commissioner Kenneth Collins seconded the motion. Motion carried unanimously.

PUBLIC COMMENT:

- Comment made on the time stamp and compliance with records retention and digital archives.

7.1.4 CAB Report (Oral Presentation): Don McDaniel, Consultant for the PUD, gave a CAB report.

- There was a presentation of the Open Public Meetings Act and Pubic Records Act with General Counsel Joel Paisner.
- The Work Plan will be finalized after the Strategic Plan is adopted.
- There will be further discussions about electric vehicles/climate change activities.
- General Manager Kevin Streett has asked that any relevant involvement of staff in subcommittees should have his approval and review.
- There is a joint meeting planned in March.

7.1.6 Resolution to Add New Signer: General Manager Kevin Streett gave a report. The Treasurer's Office has requested that there be another person designated to sign checks on behalf of the PUD.

MOTION: Commissioner Kenneth Collins made a motion that the Jefferson County PUD Board of Commissioners approve the resolution designating signers for all checking accounts for the PUD. Commissioner Jeff Randall seconded the motion. Motion carried unanimously.

7.1.7 School Rates: Commissioner Kenneth Collins called on public member Roger Risley who gave a report on the postponement of rate increase for the Jefferson County school districts until such time as the Jefferson County PUD could conduct a rate study. There was considerable discussion.

MOTION: Commissioner Jeff Randall made a motion to direct the PUD staff to bring back a resolution at the next BOC meeting to postpone the scheduled increase for Rate Schedule 43 Interruptible Schools. Commissioner Kenneth Collins seconded the motion. Motion carried unanimously.

PUBLIC COMMENTS:

- Comment was made in support of the motion.
- Comment was made concerning the rate study going into the future. There was concern about the discrepancies between the subsidies residential customers are provided through commercial customers.

8. SIGNING OF DOCUMENTS: The signing of documents was done in open public meeting format.

9. ADJOURNMENT:

Commissioner Dan Toepper declared the January 21, 2020, Regular Meeting of the Jefferson County Public Utility District No. 1 Board of Commissioners adjourned at 7:16 p.m.

Minutes prepared by
Cammy Brown, PUD Recorder

Approved:

_____	_____
Commissioner Jeff Randall, Secretary	Date

Attest:

_____	_____
Commissioner Dan Toepper, President	Date

_____	_____
Commissioner Kenneth Collins, Vice President	Date

Please note PUD Board of Commissioner meetings are audio recorded and posted to the PUD website at www.jeffpud.org, usually within 1-2 business days of each meeting. If you experience

any difficulty accessing a particular recording, you may call 360.385.5800 for assistance. Jefferson PUD provides reasonable accommodations to persons with disabilities. We invite any person with special needs to contact our staff at 360.385.8351 at least 24 hours before the meeting to discuss any special accommodations.

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: 
Mike Bailey, Financial Services Manager / District Auditor

3/12/2020
Date

VOUCHER CLAIM FORMS FOR INVOICES PAID:

	WARRANTS	AMOUNT	DATE
Accounts Payable:	# 122640 to # 122676	\$ 84,957.20	2/27/2020
Accounts Payable:	# 122677 to # 122758	\$ 601,994.98	3/5/2020
Payroll Checks:	# 70711 to # 70715	\$ 9,696.60	3/6/2020
Payroll Direct Deposit:		\$ 121,950.24	3/6/2020
TOTAL INVOICES PAID		\$818,599.02	

	WIRE TRANSFERS PAID	AMOUNT	DATE
	Peterson Lake	\$ 14,328.62	3/2/2020

GRAND TOTAL **\$832,927.64**

VOIDED WARRANTS

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Accounts Payable Check Register

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Bank Account: 1 - 1ST SECURITY - AP

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
122640 02/27/2020	CHK	9998	151 W FREDERICKS LLC	Credit Balance Refund	200.00
122641 02/27/2020	CHK	10006	AFLAC	AFLAC BILL FEB 2020	225.24
122642 02/27/2020	CHK	10481	AMAZON	DIGITAL CLAMP METER-MEGGER DET24C OUTLET POWER STRIP QTY10	1,923.85 163.40
Total for Check/Tran - 122642:					2,087.25
122643 02/27/2020	CHK	10807	AMERICAN FOREST MANAGEMENT, IN	FORESTRY SERVICES-PETERSON LAKE HARVEST	2,352.50
122644 02/27/2020	CHK	10447	ANIXTER INC.	GUY STRAIN INSULATOR FIBERGLASS 24"	567.35
122645 02/27/2020	CHK	10016	ASPLUNDH TREE EXPERT CO	TREE TRIMMING W/E 2/08/2020 TREE TRIMMING W/E 2/15/2020 TREE TRIMMING W/E 4/06/19 TREE TRIMMING S DISCOVERY BAY WKEND 8/24	5,978.88 5,231.52 157.41 6,092.20
Total for Check/Tran - 122645:					17,460.01
122646 02/27/2020	CHK	9998	GEOFFREY BANDY	Credit Balance Refund	136.84
122647 02/27/2020	CHK	9998	CHELSEA BELLAMY	Credit Balance Refund	55.87
122648 02/27/2020	CHK	10354	KIM COTTIER-HOLT	NISC NW USERS GRP 2/10-2/13/20 TRVL EXP NISC NW USERS GRP 2/10-2/13/20 TRVL EXP	193.62 48.40
Total for Check/Tran - 122648:					242.02
122649 02/27/2020	CHK	10747	DESIGNER DECAL, INC.	CABLE LABELS	1,000.11
122650 02/27/2020	CHK	10074	EMPLOYMENT SECURITY	ERROR IN ADDITION ON 4TH QTR RETURN	24.72
122651 02/27/2020	CHK	10093	GEMPLER'S	LOGO SHIRTS FOR WATER CREW	723.49
122652 02/27/2020	CHK	10094	GENERAL PACIFIC, INC	TAPE HEAT SHRINK	256.80 118.27
Total for Check/Tran - 122652:					375.07
122653 02/27/2020	CHK	10774	ALEX GERRISH	NISC NW USERS GRP 2/10-2/13/20 TRVL EXP	533.50
122654 02/27/2020	CHK	10453	GIRAFFE GUTTER SERVICE INC	INSTL GUTTERS - 210 FOUR CRNRS 12/06	1,144.50
122655 02/27/2020	CHK	10395	JEFFREY T GORDON	NISC NW USERS GRP 2/10-2/13/20 TRVL EXP	166.40

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Bank Account: 1 - 1ST SECURITY - AP

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
				NISC NW USERS GRP 2/10-2/13/20 TRVL EXP	41.60
Total for Check/Tran - 122655:					208.00
122656 02/27/2020	CHK	10104	HADLOCK BUILDING SUPPLY, INC.	LAZY C- MISC MATERIALS WO# 29003	4.14
				SHOP- MISC MATERIALS	5.59
				LAZY C- MISC MATERIALS WO# 29003	75.49
				LAZY C- REDI MIX, MASONRY BITS WO# 29003	34.60
Total for Check/Tran - 122656:					119.82
122657 02/27/2020	CHK	10396	JEAN M HALL	NWPPA COMMITTEE MTNG 2/5-2/6/2020 TRVL E	231.16
				NWPPA COMMITTEE MTNG 2/5-2/6/2020 TRVL E	57.79
Total for Check/Tran - 122657:					288.95
122658 02/27/2020	CHK	10128	JEFFERSON COUNTY TREASURER	PROPERTY TAXES 2020 - NOXIOUS WEED ASMT	504.43
				PROPERTY TAXES 2020 - 210 FOUR CRNRS	36.90
				PROPERTY TAXES 2020 - 310 FOUR CRNRS	43.12
				PROPERTY TAXES 2020 - 310 FOUR CRNRS	10.78
				PROPERTY TAXES 2020 - FOREST FIRE ASSMT	0.72
				PROPERTY TAXES 2020 - FOREST FIRE ASSMT	0.18
				PROPERTY TAXES 2020 - ONSITE SEPTIC OLDS	36.90
				PROPERTY TAXES 2020 - FOREST FIRE ASSMT	0.72
				PROPERTY TAXES 2020 - FOREST FIRE ASSMT	0.18
				PROPERTY TAXES 2020 - FOREST FIRE ASSMT	0.72
				PROPERTY TAXES 2020 - FOREST FIRE ASSMT	0.18
				PROPERTY TAXES 2020 - FOREST FIRE ASSMT	0.72
				PROPERTY TAXES 2020 - FOREST FIRE ASSMT	0.18
				PROPERTY TAXES 2020 - FIRE PATROL ASMT	111.48
				PROPERTY TAXES 2020 - FIRE PATROL ASMT	27.87
				PROPERTY TAXES 2020 - FOREST FIRE ASSMT	0.72
				PROPERTY TAXES 2020 - FOREST FIRE ASSMT	0.18
				PROPERTY TAXES 2020 - NOXIOUS WEED ASMT	9.36
				PROPERTY TAXES 2020 - ONSITE SEPTIC 21 K	36.00
				PROPERTY TAXES 2020 - ONSITE SEPTIC HESS	36.00

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Bank Account: 1 - 1ST SECURITY - AP

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
				PROPERTY TAXES 2020 - ONSITE SEPTIC 73 K	36.00
				PROPERTY TAXES 2020 - FOREST FIRE ASSMT	0.72
				PROPERTY TAXES 2020 - FOREST FIRE ASSMT	0.18
				PROPERTY TAXES 2020 - FOREST FIRE ASSMT	0.72
				PROPERTY TAXES 2020 - FOREST FIRE ASSMT	0.18
				PROPERTY TAXES 2020 - FOREST FIRE ASSMT	0.72
				PROPERTY TAXES 2020 - FOREST FIRE ASSMT	0.18
				Total for Check/Tran - 122658:	896.04
122659 02/27/2020	CHK	10330	KARR TUTTLE CAMPBELL	PROFESSIONAL SVC: JAN 2020	2,641.60
				PROFESSIONAL SVC: JAN 2020	660.40
				Total for Check/Tran - 122659:	3,302.00
122660 02/27/2020	CHK	10286	L & J ENTERPRISES	EXCAVATING - 4768 MASON ST 1/27/20	1,629.55
				EXCAVATING - TYLER ST 1/28-1/29/20	6,800.91
				Total for Check/Tran - 122660:	8,430.46
122661 02/27/2020	CHK	9998	DONALD LAWSON	Credit Balance Refund	25.65
122662 02/27/2020	CHK	10470	MISSION COMMUNICATIONS, LLC	WATER SCADA SYSTEM 1Y 3/01/20-2/28/21	2,313.60
122663 02/27/2020	CHK	9998	ANDREW W NICKERSON	Credit Balance Refund	70.91
122664 02/27/2020	CHK	10166	NWPPA	NWPPA STKNG CERT CLASS 2/12-2/14/20	1,080.00
122665 02/27/2020	CHK	10168	OLDCASTLE INFRASTRUCTURE	CONCRETE LIGHTPOLE BASE-18"	1,386.49
				CONCRETE VAULT LID 57 DOUBLE DR & BASE	12,022.53
				PRICE CORRECTION - CONCRETE VAULT LID 57	-14,594.93
				CONCRETE VAULT LID 57 DOUBLE DR & BASE	14,594.93
				Total for Check/Tran - 122665:	13,409.02
122666 02/27/2020	CHK	10170	OLYMPIC EQUIPMENT RENTALS	W X 10 PUMP & STIHL WEDGE	572.33
				CORE DRILL & CORE DRILL BITS	70.85
				LAWN MOWER REPAIR PARTS	59.22
				Total for Check/Tran - 122666:	702.40
122667 02/27/2020	CHK	10181	PENINSULA PEST CONTROL	PEST SVC QRTLTY-BISHOP HIL CIRCLE PUMPH	49.05

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Bank Account: 1 - 1ST SECURITY - AP

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
122668 02/27/2020	CHK	9998	PIPPA'S REAL TEA	Credit Balance Refund	137.50
122669 02/27/2020	CHK	10188	PLATT ELECTRIC SUPPLY	PVC CONDUIT 2", 3" & 4" TRACER WIRE TRACER WIRE PVC CONDUIT 4" SAWZALL BLADES & PVC CONDUIT 3" SAWZALL BLADES BELLEND PHOTOCELL-WATER STREET# 19178	8,450.67 255.08 318.86 8,372.58 126.03 11.44 11.76 391.35
Total for Check/Tran - 122669:					17,937.77
122670 02/27/2020	CHK	10194	PORT TOWNSEND MUFFLER & FABRIC	TAILGATE WELD# 106	103.55
122671 02/27/2020	CHK	9998	INKA REIN JUNGWIRTH	Credit Balance Refund	1.53
122672 02/27/2020	CHK	9998	AUSTIN RIVA	Credit Balance Refund	133.94
122673 02/27/2020	CHK	10216	SECURITY SERVICES NW, INC.	NIGHT PAYMENT PICKUP - FEB 2020 NIGHT PAYMENT PICKUP - FEB 2020	1,518.22 379.55
Total for Check/Tran - 122673:					1,897.77
122674 02/27/2020	CHK	10219	SHOLD EXCAVATING INC	GALLON BUCKETS WO#22007 PAD/CONDUIT/VAULTS-4CRNRS NETWORK BLD PAD/CONDUIT/VAULTS-4CRNRS NETWORK BLD EXCAVATOR; L&M-310 FOUR CRNRS REMODLE EXCAVATOR; L&M-310 FOUR CRNRS REMODLE	5.45 893.00 3,156.00 782.88 986.28
Total for Check/Tran - 122674:					5,823.61
122675 02/27/2020	CHK	10778	JAKE SWAN	NWPPA STKNG CLASS 2/12-2/14/20 TRVL EXP	547.16
122676 02/27/2020	CHK	9999	JERRY WASSERMAN	REFUND- SCOPE OF WORK CHANGE WO# 20073	350.00
122677 03/05/2020	CHK	10481	AMAZON	CABLE CUTTERS SWIVEL GRIPPER BATTERY TESTER	781.04 15.47 138.21

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Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
				GLOVES	9.78
				STEP LADDER	85.20
				CRIMPER KIT-MILWAUKEE 2879-22 M18 15TON	5,879.46
				LED ROAD FLARES	366.72
				Total for Check/Tran - 122677:	7,275.88
122678 03/05/2020	CHK	10016	ASPLUNDH TREE EXPERT CO	TREE TRIMMING W/E 2/22/2020	5,978.88
122679 03/05/2020	CHK	10018	ASSOCIATED PETROLEUM PRODUCTS I	DIESEL ULSD #2 CLEAR DEF	15,114.82
					191.21
				Total for Check/Tran - 122679:	15,306.03
122680 03/05/2020	CHK	10762	BATTERY POWER SOLUTIONS LLC	BATTERY SYSTEM-HASTINGS SUB# 19190	6,774.95
122681 03/05/2020	CHK	10026	BAYVIEW PUMPS, INC	VALIANI WELL - REPLACE CONTROL BOX	970.10
122682 03/05/2020	CHK	10044	CENTURY LINK QCC-P	PHONE SERVICE - FEB 2020 PHONE SERVICE - FEB 2020	14.26
					3.56
				Total for Check/Tran - 122682:	17.82
122683 03/05/2020	CHK	10045	CENTURY LINK-S	PHONE SERVICE - FEB 2020 PHONE SERVICE - FEB 2020 PHONE SERVICE - FEB 2020 PHONE SERVICE - FEB 2020	67.65
					16.91
					31.14
					7.79
				Total for Check/Tran - 122683:	123.49
122684 03/05/2020	CHK	10052	CITY OF PORT TOWNSEND	PERMIT TYPE:MIP-PMT ADAMS&WTRST WO#19270	240.50
122685 03/05/2020	CHK	10346	CLALLAM COUNTY PUD	SPLICE KIT	107.76
122686 03/05/2020	CHK	10409	CLEARRESULT CONSULTING INC	REF# S4-0220-067 LIGHTING - JAN 2020	3,809.43
122687 03/05/2020	CHK	10332	KENNETH COLLINS	BOC,WPUDA,GM MTNG 2/4-2/28/2020 BOC,WPUDA,GM MTNG 2/4-2/28/2020	175.53
					35.95
				Total for Check/Tran - 122687:	211.48
122688 03/05/2020	CHK	10068	DISCOVERY BAY GROUP, LLC	CONSULTING SERVICE FEB 2020 CONSULTING SERVICE FEB 2020	3,000.00
					2,000.00

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Total for Check/Tran - 122688:					5,000.00
122689 03/05/2020	CHK	10078	ESCI	ESCI SAFETY TRAINING - FEB 2020	1,905.00
122690 03/05/2020	CHK	10083	EXCEL UTILITY CONSTRUCTION	EXCAVATING - E MARROWSTONE RD 2/26/20 EXCAVATING - E MARROWSTONE RD 2/26/20	2,498.28 -206.28
Total for Check/Tran - 122690:					2,292.00
122691 03/05/2020	CHK	10085	FASTENAL	BLACK CABLE TIES LIME ZIP VEST & FLEX GUARD GLOVES	6.63 125.41
Total for Check/Tran - 122691:					132.04
122692 03/05/2020	CHK	10086	FERGUSON ENTERPRISES, INC NW	VICTALIC LUBE WO#29003 LAZY C - LF 2 PTD GRV COUP E GSKT 107N	118.81 201.11
Total for Check/Tran - 122692:					319.92
122693 03/05/2020	CHK	10090	FREDERICKSON ELECTRIC, INC	INSTL - HEATER IN WRHOUSE 2/19/20 OH TO UG - 112&114 ENFIELD 1/29/20 OH TO UG - 2702 WASH ST ANDRSN SHOP 2/24	1,244.66 1,506.30 405.43
Total for Check/Tran - 122693:					3,156.39
122694 03/05/2020	CHK	10811	GDS ASSOCIATES INC.	SPECIFICATION BOOKS SPECIFICATION BOOKS	-15.30 185.30
Total for Check/Tran - 122694:					170.00
122695 03/05/2020	CHK	10094	GENERAL PACIFIC, INC	SIDEBY STREETLIGHT ARM 6' METER 2S-CL200-SOLAR (OPT OUT PROGRAM) TRAN 1P PAD 50KVA 120/240&25KVA 120/240	192.49 980.87 3,434.28 12,582.96
Total for Check/Tran - 122695:					17,190.60
122696 03/05/2020	CHK	10732	GRAYBAR ELECTRIC COMPANY INC.	FIBER CLOSET CONNECTOR HOUSING-CASSETTE	4,676.93
122697 03/05/2020	CHK	10103	H D FOWLER	METER STTRS,METER BOX,CORP STOP VALVE 8"PIPE SUPPORT,RING GSKT,BOLT KIT&SPOOL 2" CLA-VAL PRV &	3,799.76 1,033.41 2,187.64
Total for Check/Tran - 122697:					7,020.81

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122698 03/05/2020	CHK	10104	HADLOCK BUILDING SUPPLY, INC.	3LB GRASS SEED & POTTING SOIL WO#22010	35.39
122699 03/05/2020	CHK	10608	HARBORSIDE INN	PRECISION FIBER, INC STAY 2/24-2/25/2020	197.58
122700 03/05/2020	CHK	10384	HDR ENGINEERING INC	MISC ON CALL SVC 9/29-2/01/2020	980.48
				TASK2 - SNOWCREEK&PRJT MGMT12/29-2/01/20	1,887.43
				TASK2 - PRJT MGMT12/29-2/01/20	178.51
				WATER SYSTEM PLAN UPDATE 12/29-2/01/20	25,742.48
				Total for Check/Tran - 122700:	28,788.90
122701 03/05/2020	CHK	10110	HENERY HARDWARE	WAREHOUSE- WSK BROOM & LBY BROOM	31.78
				FASTENERS & NYLON CLAMP	18.50
				Total for Check/Tran - 122701:	50.28
122702 03/05/2020	CHK	10518	J HARLEN COMPANY	CANVAS GLOVE BAG	48.99
				LEATHER GLOVE PROTECTORS	245.11
				Total for Check/Tran - 122702:	294.10
122703 03/05/2020	CHK	10118	JCI JONES CHEMICALS, INC.	HYPOCHLORITE SOLUTION SS150 BULK	720.57
122704 03/05/2020	CHK	10281	JEFFCO EFTPS	EMPLOYER'S MEDICARE TAX	2,970.21
				EMPLOYEES' MEDICARE TAX	2,970.21
				EMPLOYER'S FICA TAX	12,700.07
				EMPLOYEES' FICA TAX	12,700.07
				EMPLOYEES' FEDERAL WITHHOLDING TAX	10,522.30
				EMPLOYEES' FEDERAL WITHHOLDING	10,598.39
				Total for Check/Tran - 122704:	52,461.25
122705 03/05/2020	CHK	10532	JEFFERSON COUNTY PUD PAYROLL AC	PAYROLL DEPOSIT FOR 03/06/2020 DIR DEP	121,950.24
				PAYROLL DEPOSIT FOR 03/06/2020 CHECKS	9,696.60
				Total for Check/Tran - 122705:	131,646.84
122706 03/05/2020	CHK	10129	JIFFY LUBE	VEH# 300- OIL CHANGE	68.54
				VEH# 211 - OIL CHANGE	120.40
				VEH# 210- OIL CHANGE & AIR FILTER	104.66
				Total for Check/Tran - 122706:	293.60

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122707 03/05/2020	CHK	10330	KARR TUTTLE CAMPBELL	PROFESSIONAL SVC: JAN 2020	460.80
				PROFESSIONAL SVC: JAN 2020	115.20
Total for Check/Tran - 122707:					576.00
122708 03/05/2020	CHK	10286	L & J ENTERPRISES	EXCAVATING - 1700 E MARROWSTONE 1/13	1,531.45
				CLR VAULT - SWANSONVILLE/PIONEER 1/17	446.90
				BACKFILL - RAINSHADOW DR 1/17/20	392.40
				CLN VAULT - PORT LUDLOW 2/10/20	1,172.30
				EXCAVATING - 881 SHINE RD 2/21/20	436.00
Total for Check/Tran - 122708:					3,979.05
122709 03/05/2020	CHK	10543	LANDMARK EXCAVATING AND DOZER	TRENCHING - 2062 VICTORIA AVE 1/21	1,067.11
				TRENCHING - 310 4 CRNRS LIGHTS IN DRVWAY	1,575.05
Total for Check/Tran - 122709:					2,642.16
122710 03/05/2020	CHK	10142	MASON COUNTY PUD #1	DOSEWALLIPS RD PUMP ELEC - FEB 2020	217.87
				BPA RD-PUMP ELEC - FEB 2020	110.80
				WILLIAMS CT PUMP ELEC - FEB 2020	44.91
Total for Check/Tran - 122710:					373.58
122711 03/05/2020	CHK	10760	MAYES TESTING ENGINEERS INC	TESTING ENGINEER-REMODLE 1/22-2/15/2020	3,535.00
122712 03/05/2020	CHK	10309	NISC	RECURRING INVOICE JAN 2020	1,090.13
				RECURRING INVOICE JAN 2020	206.01
				RECURRING INVOICE JAN 2020	1,715.95
				RECURRING INVOICE JAN 2020	492.34
				RECURRING INVOICE JAN 2020	492.34
				RECURRING INVOICE JAN 2020	8,930.62
				RECURRING INVOICE JAN 2020	1,630.82
				RECURRING INVOICE JAN 2020	1,005.19
				RECURRING INVOICE JAN 2020	283.23
				RECURRING INVOICE JAN 2020	53.34
				RECURRING INVOICE JAN 2020	10.16
				AMS INVOICE JAN 2020	6,204.50

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				AMS INVOICE JAN 2020	3,178.49
				AMS INVOICE JAN 2020	1,551.13
				AMS INVOICE JAN 2020	794.62
				AMS INVOICE JAN 2020	256.14
				AMS INVOICE JAN 2020	64.03
				MISC JAN 2020	398.89
				MISC JAN 2020	99.73
				MISC JAN 2020	260.00
				MISC JAN 2020	65.00
Total for Check/Tran - 122712:					28,782.66
122713	03/05/2020	CHK	10648	NORTH OLYMPIC DEVELOPMENT COU	
				ANNUAL DUES FOR NODC - 2020	640.00
				ANNUAL DUES FOR NODC - 2020	160.00
Total for Check/Tran - 122713:					800.00
122714	03/05/2020	CHK	10165	NW LABORERS-EMPLOYERS TRUST FU	
				APR 2020 MED PREMIUM	14,940.00
122715	03/05/2020	CHK	10166	NWPPA	
				NWPPA ACCT&FIN CONF 6/17-6/18/2020 FEE	504.00
				NWPPA ACCT&FIN CONF 6/17-6/18/2020 FEE	126.00
Total for Check/Tran - 122715:					630.00
122716	03/05/2020	CHK	10167	OFFICE DEPOT	
				OFFICE SUPPLIES-MISC LOCATIONS	273.14
				OFFICE SUPPLIES-MISC LOCATIONS	68.29
				OFFICE SUPPLIES-WAREHOUSE STOCK	13.79
				OFFICE SUPPLIES-WAREHOUSE STOCK	3.45
Total for Check/Tran - 122716:					358.67
122717	03/05/2020	CHK	10169	OLYCAP	
				PWRBST/OLYCAP FEB 2020	1,217.61
122718	03/05/2020	CHK	10170	OLYMPIC EQUIPMENT RENTALS	
				EXCAVATOR CAT RNTL - 211 6TH AVE	288.85
122719	03/05/2020	CHK	10549	PENINSULA LEGAL SECRETARIAL SER	
				TRANSCRIPTION SVC 2/17-3/3/2020	780.00
				TRANSCRIPTION SVC 2/17-3/3/2020	195.00
Total for Check/Tran - 122719:					975.00
122720	03/05/2020	CHK	10813	CHRIS PETHTEL	
				WELLNESS PROGRAM REIMBURSEMENT FOR 2020	45.00

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122721 03/05/2020	CHK	10183	PETRICKS LOCK & SAFE	VEH#211- KEY FOR TOOLBOX	17.99
122722 03/05/2020	CHK	10188	PLATT ELECTRIC SUPPLY	TOOL ZIPPER BAG	21.72
				IMPACT DRIVER	140.61
				CABLE CUTTERS	626.99
				UNITSTRUT CLAMP	109.55
				POLYLINE	83.39
				FISHLINE	44.85
				CONDUIT COUPLING	469.37
				STREETLIGHT BULB	740.20
				BELLEND	429.38
				Total for Check/Tran - 122722:	2,666.06
122723 03/05/2020	CHK	10191	POLLARDWATER	FIRE HYDRANT SORTZ ADAPTOR QTY20	4,938.36
122724 03/05/2020	CHK	10193	PORT TOWNSEND LEADER	LEGAL-VENDOR LIST SOLICITATION	20.40
				LEGAL-ELEC UTILITY RATE STUDY REQ PROPOSAL	87.83
				LEGAL-ELEC UTILITY RATE STUDY REQ PROPOSAL	87.83
				LEGAL-ELEC UTILITY RATE STUDY REQ PROPOSAL	87.84
				LEGAL-VENDOR LIST SOLICITATION	5.10
				Total for Check/Tran - 122724:	289.00
122725 03/05/2020	CHK	10195	PRECISION FIBER, INC	FIBER SPLICING 2/24-2/26/2020	4,658.00
				FIBER SPLICING 2/24-2/26/2020	843.75
				FIBER SPLICING 2/24-2/26/2020	853.50
				Total for Check/Tran - 122725:	6,355.25
122726 03/05/2020	CHK	10197	PRINTERY COMMUNICATIONS	BUSINESS CARD 13 DIFF-500 EACH	341.90
				BUSINESS CARD 13 DIFF-500 EACH	85.47
				BUSINESS CARD 2 DIFF-500 EACH	136.56
				BUSINESS CARD 2 DIFF-500 EACH	34.14
				Total for Check/Tran - 122726:	598.07
122727 03/05/2020	CHK	10207	RAIN NETWORKS	MS BUSINESS PREMIUM OFFICE 365 - 1YR	1,492.11
				MS BUSINESS PREMIUM OFFICE 365 - 1YR	373.03

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Total for Check/Tran - 122727:					1,865.14
122728 03/05/2020	CHK	10471	RICOH USA , INC.- DALLAS	ANNEX-COPIER RENT 3/19-4/18/20	81.41
				ANNEX-COPIER RENT 3/19-4/18/20	20.35
				4CORNERS (MODULAR) RENT 3/18-4/17/20	69.66
				4CORNERS (MODULAR) RENT 3/18-4/17/20	17.42
Total for Check/Tran - 122728:					188.84
122729 03/05/2020	CHK	10210	RICOH USA, INC	210 4 CRNRS (0109) IMAGES FEB 2020	189.06
				210 4 CRNRS (0109) IMAGES FEB 2020	47.27
				211 CHIM (0626) IMAGES FEB 2020	230.98
				211 CHIM (0626) IMAGES FEB 2020	57.74
				4CRNRS IT MODLR (7287) IMAGES FEB 2020	62.05
				4CRNRS IT MODLR (7287) IMAGES FEB 2020	15.51
				310 TRPWID 4CRNRS (7683) IMAGES FEB 2020	125.31
				310 TRPWID 4CRNRS (7683) IMAGES FEB 2020	31.33
Total for Check/Tran - 122729:					759.25
122730 03/05/2020	CHK	10212	ROHLINGER ENTERPRISES INC	ANNL HOTSTICK TSTING & SHP-MISC SUPPLIES	269.23
				ANNL HOTSTICK TSTING & SHP-MISC SUPPLIES	34.06
				ANNL STICK TSTING & SHP-MISC SUPPLIES	125.62
				CRIMPER REPAIR	719.30
Total for Check/Tran - 122730:					1,148.21
122731 03/05/2020	CHK	10706	SBA STRUCTURES, LLC	TOWER SITE RNTL MAYNARD HILL- MAR 2020	1,518.38
122732 03/05/2020	CHK	10216	SECURITY SERVICES NW, INC.	ANSWERING SVC - MAR 2020	2,045.35
				ANSWERING SVC - MAR 2020	2,045.35
				ANSWERING SVC - MAR 2020	1,022.67
Total for Check/Tran - 122732:					5,113.37
122733 03/05/2020	CHK	10217	SETON CONSTRUCTION INC	FLAGGING - WATER ST 1/13-1/27/20	5,603.46
				FLAGGING - 11043 COYLE RD 2/21/20	1,147.65
Total for Check/Tran - 122733:					6,751.11

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122734 03/05/2020	CHK	10219	SHOLD EXCAVATING INC	EXCAVATOR;L&M - ENFIELD VAULT 1/27/20 EXCAVATOR; L&M EMRG-MCDONALD RD 2/15 DIG UP VLT - 1407 QUINCY ST 2/06/20	13,246.20 2,548.06 1,808.04
Total for Check/Tran - 122734:					17,602.30
122735 03/05/2020	CHK	10542	SHORT STOP TRUCK REPAIR LLC	CHECK ENGINE TRUCK# 101	193.97
122736 03/05/2020	CHK	10331	ST VINCENT DE PAUL	PWRBST/ST VINCENT DE PAUL FEB 2020	1,217.61
122737 03/05/2020	CHK	10406	STATE OF WASHINGTON - DNR	AQUATIC LANDS EASEMENT FEE-PORTAGE BAY	1,570.00
122738 03/05/2020	CHK	10576	TCF ARCHITECTURE, PLLC	ARCH-CONSTRCTN ADD'L SVC JAN-20 ARCH-CONSTRCTN EXPENSES JAN-20 ARCH-CONSTRCTN ADMINISTRATION JAN-20	418.00 104.28 6,854.18
Total for Check/Tran - 122738:					7,376.46
122739 03/05/2020	CHK	10302	ERIC THARALDSEN	WELLNESS PROGRAM REIMBURSEMENT FOR 2020	250.00
122740 03/05/2020	CHK	10221	THE STATION SIGNS & SCREEN PRINTI	LOGO ADDED W/ BLUE FIRE RESISTANT THREAD	119.90
122741 03/05/2020	CHK	10727	TITAN ELECTRIC, INC	DOCK WORK JAN STORM 1/12-1/18/2020 DOCK WORK JAN STORM 1/12-1/18/2020 DOCK WORK JAN STORM 1/12-1/18/2020 DOCK WORK JANUARY 2020 DOCK WORK JANUARY 2020 DOCK WORK JANUARY 2020	4,638.81 1,855.54 19,483.05 89,478.58 21,133.02 5,593.26
Total for Check/Tran - 122741:					142,182.26
122742 03/05/2020	CHK	10733	DAN TOEPPER	BOC,PIF&TELECOM 2/18-2/28/20 TRVL EXP BOC,PIF&TELECOM 2/18-2/28/20 TRVL EXP	65.79 16.45
Total for Check/Tran - 122742:					82.24
122743 03/05/2020	CHK	10251	UGN - JEFFERSON COUNTY	UNITED GOOD NEIGHBORS EE	15.00
122744 03/05/2020	CHK	10615	US BANK	NWPPA STAKING CERT CLS 2/9-2/11/2020 NWPPA STAKING CERT CLS 2/12-2/14/2020 SECURITY CAMERA-CHIMACUM SUBSTATION	366.66 549.99 249.60

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				PPE-JEANS, HOODIE, SH	2,004.56
				PPE-SHIRT	72.48
				UTILTIY WORK ORDER ACCOUNTING GUIDEBOOK	47.97
				UTILTIY WORK ORDER ACCOUNTING GUIDEBOOK	11.99
				PUBLIC RECORDS ACT BASICS WORKSHOP REGIS	100.00
				PUBLIC RECORDS ACT BASICS WORKSHOP REGIS	25.00
				WPUDA MEETING 2/11-2/14/2020 TRVL EXP	352.06
				WPUDA MEETING 1/14-1/17/2020 TRVL EXP	352.06
				PPC MEETING 2/5/2020 TRVL EXP	87.97
				WPUDA MEETING 2/11-2/14/2020 TRVL EXP	88.01
				WPUDA MEETING 1/14-1/17/2020 TRVL EXP	88.01
				PPC MEETING 2/5/2020 TRVL EXP	21.99
				REPLCD BROKEN PHASE MONITOR & BOUGHT ADD	240.35
				NISC NW USER GRP WNTR MTNG 2/11-2/12/202	359.04
				NISC NW USER GRP WNTR MTNG 2/11-2/12/202	359.04
				NWPPA COMMITTEE MTNG 2/5-2/6/2020 TRVL E	57.23
				NISC NW USER GRP WNTR MTNG 2/11-2/12/202	89.76
				NISC NW USER GRP WNTR MTNG 2/11-2/12/202	89.76
				NWPPA COMMITTEE MTNG 2/5-2/6/2020 TRVL E	14.31
				WPUDA MEETING 2/11-2/14/2020 TRVL EXP	4.80
				WPUDA MEETING 2/11-2/14/2020 TRVL EXP	352.06
				WPUDA MEETING 1/15-1/17/2020 TRVL EXP	4.80
				WPUDA MEETING 1/15-1/17/2020 TRVL EXP	234.70
				RE-CONNECT CONFERENCE 1/28-1/29/2020 TRV	4.80
				RE-CONNECT CONFERENCE 1/28-1/29/2020 TRV	153.01
				WPUDA MEETING 2/11-2/14/2020 TRVL EXP	1.20
				WPUDA MEETING 2/11-2/14/2020 TRVL EXP	88.01
				WPUDA MEETING 1/15-1/17/2020 TRVL EXP	1.20
				WPUDA MEETING 1/15-1/17/2020 TRVL EXP	58.68
				RE-CONNECT CONFERENCE 1/28-1/29/2020 TRV	1.20
				RE-CONNECT CONFERENCE 1/28-1/29/2020 TRV	38.25

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				WPUDA MEETING 2/11-2/14/2020 TRVL EXP	234.70
				WPUDA MEETING 1/15-1/17/2020 TRVL EXP	234.70
				RE-CONNECT CONFERENCE 1/28-1/29/2020 TRV	10.84
				RE-CONNECT CONFERENCE 1/28-1/29/2020 TRV	58.92
				WPUDA MEETING 2/11-2/14/2020 TRVL EXP	58.68
				WPUDA MEETING 1/15-1/17/2020 TRVL EXP	58.68
				RE-CONNECT CONFERENCE 1/28-1/29/2020 TRV	2.71
				RE-CONNECT CONFERENCE 1/28-1/29/2020 TRV	14.73
				SCADA VOICE NOTIFICATIONS	8.16
				MS PROJECT FOR COMMUNICATION DEPT	540.64
				TERMINAL SOFTWARE	20.74
				DESKTOP MNGMT SOFTWARE	26.14
				SHPNG FOR WRRNTY SRVCS ON PHONE CASE	14.37
				MS PROJECT FOR COMMUNICATION DEPT	135.16
				TERMINAL SOFTWARE	5.18
				DESKTOP MNGMT SOFTWARE	6.53
				SHPNG FOR WRRNTY SRVCS ON PHONE CASE	3.60
				AMAZONWEBSVC - HOSTS FILES FOR WEBSITE	0.75
				AMAZONWEBSVC - HOSTS FILES FOR WEBSITE	0.19
				LINECREW FOOD DURING STORM OUTAGES	30.84
				VEH# 104- FUEL	29.53
				NWPPA LRDSHIP SKILLS SERIES 2/11-2/13/20	426.10
				NRECA EFFECTIVE BUSINESS WRITING & GRAMM	207.20
				APPA BEST PRACTICE FERC ACCT WEBINER 2/2	220.00
				NWPPA LRDSHIP SKILLS SERIES 2/11-2/13/20	106.52
				NRECA EFFECTIVE BUSINESS WRITING & GRAMM	51.80
				APPA BEST PRACTICE FERC ACCT WEBINER 2/2	55.00
				RECRUITMENT COSTS FOR PWR DIRECTOR POSIT	20.90
				PRE EMPLOYMENT BACKGROUND CHECK FOR NEW	52.81
				EMPLOYMENT LAW POSTERS FOR 2020	346.19
				LUNCH PROVIDED DURING UNION NEGOTIATIONS	40.02

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				RECRUITMENT COSTS FOR PWR DIRECTOR POSIT	5.23
				PRE EMPLOYMENT BACKGROUND CHECK FOR NEW	13.20
				EMPLOYMENT LAW POSTERS FOR 2020	86.55
				LUNCH PROVIDED DURING UNION NEGOTIATIONS	10.01
				HEATER FOR WAREHOUSE	65.25
				FOOD FOR LINEMAN DURING STORM OUTAGES	124.12
				SUPPLIES FOR PT DOWN TOWN VAULTS	6.53
				SUPPLIES FOR PT DOWN TOWN VAULTS	80.94
				LIGHT FOR 210 TO 310 4 CRNRS TRAIL	60.87
				ACCT#0494 HARPER.S FEB-20	55.14
				2020 EMERGENCY PREPAREDNESS WORKSHOP	95.00
				WATER WORKS BASICS 3/18-3/20/2020 TRVL E	335.28
				WATER WORKS BASICS 3/18-3/20/2020	450.00
				RME SEPTIC INSPECTIONS DEC 2019	12.00
				USPS CERT LETTER - SANITARY CONTROL AREA	4.25
Total for Check/Tran - 122744:					10,997.25
122745	03/05/2020	CHK	10255	USA BLUEBOOK	
				CHAMPIN 2" SILENT CHECK- WO#29003	210.32
				CL-17 REAGENT	1,318.33
				CEMICAL DRUM PUMP	522.27
Total for Check/Tran - 122745:					2,050.92
122746	03/05/2020	CHK	10258	VERIZON WIRELESS, BELLEVUE	
				CELLPHONE SVC QB1/16-2/15/2020	342.26
				CELLPHONE SVC QB1/16-2/15/2020	169.92
				CELLPHONE SVC QB1/16-2/15/2020	61.56
				CELLPHONE SVC QB1/16-2/15/2020	24.16
				CELLPHONE SVC QB1/16-2/15/2020	141.60
				CELLPHONE SVC QB1/16-2/15/2020	28.32
				CELLPHONE SVC QB1/16-2/15/2020	14.74
				CELLPHONE SVC QB1/16-2/15/2020	16.99
				CELLPHONE SVC QB1/16-2/15/2020	105.96
				CELLPHONE SVC QB1/16-2/15/2020	8.84

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Bank Account: 1 - 1ST SECURITY - AP

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
				CELLPHONE SVC QB1/16-2/15/2020	67.22
				CELLPHONE SVC QB1/16-2/15/2020	42.84
				CELLPHONE SVC QB1/16-2/15/2020	16.99
				CELLPHONE SVC QB1/16-2/15/2020	34.34
				CELLPHONE SVC QB1/16-2/15/2020	200.66
				CELLPHONE SVC QB1/16-2/15/2020	86.02
				CELLPHONE SVC QB1/16-2/15/2020	339.84
				CELLPHONE SVC QB1/16-2/15/2020	67.06
				CELLPHONE SVC QB1/16-2/15/2020	-3.21
				CELLPHONE SVC QB1/16-2/15/2020	-0.36
				CELLPHONE SVC QB1/16-2/15/2020	36.01
				CELLPHONE SVC QB1/16-2/15/2020	79.18
				CELLPHONE SVC QB1/16-2/15/2020	45.31
				CELLPHONE SVC QB1/16-2/15/2020	-40.00
				CELLPHONE SVC QB1/16-2/15/2020	90.62
				CELLPHONE SVC QB1/16-2/15/2020	4.00
				CELLPHONE SVC QB1/16-2/15/2020	19.79
				CELLPHONE SVC QB1/16-2/15/2020	11.33
				CELLPHONE SVC QB1/16-2/15/2020	-10.00
				CELLPHONE SVC QB1/16-2/15/2020	22.66
				CELLPHONE SVC QB1/16-2/15/2020	151.93
				CELLPHONE SVC QB1/16-2/15/2020	37.99
				CELLPHONE SVC QB1/16-2/15/2020	56.64
				SCADA CRADLEPOINT DEVICE QB1/20-2/19/202	1,069.94
				WIFI IN TRUCKS QB1/20-2/19/2020	280.09
				WIFI IN TRUCKS QB1/20-2/19/2020	240.04
				WIFI IN SRVR ROOM QB1/20-2/19/2020	80.01
				WIFI IN SRVR ROOM QB1/20-2/19/2020	20.00
				SCADA CRADLEPOINT DEVICE QB1/23-2/22/202	72.23
Total for Check/Tran - 122746:					4,033.52

03/10/2020 7:46:19 AM

Accounts Payable Check Register

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02/26/2020 To 03/09/2020

Bank Account: 1 - 1ST SECURITY - AP

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
122747 03/05/2020	CHK	10800	VISION METERING, LLC	METER 2S-CL200-MECHANICAL(OPT OUT PROGR)	2,670.50
				METER 2S-CL200-MECHANICAL(OPT OUT PROGR)	-220.50
Total for Check/Tran - 122747:					2,450.00
122748 03/05/2020	CHK	10786	VOYANT	PHONE SVC - MAR-2020	436.58
				PHONE SVC - MAR-2020	109.14
Total for Check/Tran - 122748:					545.72
122749 03/05/2020	CHK	10260	WA STATE DEFERRED COMPENSATION	PL DEFERRED COMP ER	4,613.41
				PL DEFERRED COMP EE	13,135.77
Total for Check/Tran - 122749:					17,749.18
122750 03/05/2020	CHK	10337	WA STATE DEPT OF TRANSPORTATION	PERMIT-WO#19221 FRN#361R AMND#9 SR 101	133.36
				PERMIT-WO#19206 FRN#361R AMND#8 SR 101	387.21
				PERMIT-WO#19457 FRN#30435 AMND#10 SR 116	330.32
Total for Check/Tran - 122750:					850.89
122751 03/05/2020	CHK	10267	WA STATE SUPPORT REGISTRY	03.06.20 PAYROLL	899.15
122752 03/05/2020	CHK	10569	WAYNE D. ENTERPRISES, INC.	FR HIVIS SWEATSHIRT	-42.35
				FR HIVIS SWEATSHIRT	512.94
				NEW EMPLOYEE PPE	-21.63
				NEW EMPLOYEE PPE	261.99
Total for Check/Tran - 122752:					710.95
122753 03/05/2020	CHK	10680	WELLSPRING FAMILY SERVICES	EAP SVC - FEB 2020	42.34
				EAP SVC - FEB 2020	10.58
Total for Check/Tran - 122753:					52.92
122754 03/05/2020	CHK	10271	WESCO RECEIVABLES CORP	GROUND ROD-COPPER & WASHER	554.81
				WASHER	320.46
Total for Check/Tran - 122754:					875.27
122755 03/05/2020	CHK	10274	WESTBAY AUTO PARTS, INC.	VEH# 106 GENERTR-SPRK PLUG, 10W30, FUNL	16.69
				STOCK-EXTND LIFE ANTIFREEZE & RAINX 25	44.58
				BLISTER PACK CAPSULES	10.22

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Accounts Payable Check Register

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02/26/2020 To 03/09/2020

Bank Account: 1 - 1ST SECURITY - AP

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
Total for Check/Tran - 122755:					71.49
122756 03/05/2020	CHK	10502	CAROL WOODLEY	RENT BILLING AT ANNEX - MAR 2020	1,120.00
				RENT BILLING AT ANNEX - MAR 2020	280.00
Total for Check/Tran - 122756:					1,400.00
122757 03/05/2020	CHK	10278	WPUDA	2020 MAR ASSOCIATION MEETINGS	36.00
				2020 MAR ASSOCIATION MEETINGS	9.00
Total for Check/Tran - 122757:					45.00
122758 03/05/2020	CHK	10685	ZEE MEDICAL SERVICE	FIRST AID & BB PATHOGENS KITS	131.85

Total Payments for Bank Account - 1 :	(119)	686,952.18
Total Voids for Bank Account - 1 :	(0)	0.00
Total for Bank Account - 1 :	(119)	686,952.18
Grand Total for Payments :	(119)	686,952.18
Grand Total for Voids :	(0)	0.00
Grand Total :	(119)	686,952.18

JEFFERSON COUNTY PUD NO 1

ISSUED PAYROLL CHECKS
PAY DATE: 03/06/2020

<u>Empl</u>	<u>Position</u>	<u>Check #</u>	<u>Date #</u>	<u>Amount</u>
2000	WATER DISTRIBUTION MANAGER II	70711	3/6/2020	1,694.18
2001	WATER DISTRIBUTION MANAGER II	70712	3/6/2020	1,819.80
3032	CUSTOMER SERVICE REP	70713	3/6/2020	1,189.35
2003	WATER TREATMENT PLANT OPERATOR III	70714	3/6/2020	2,086.95
2004	WATER TREATMENT PLANT OPERATOR III - LEAD	70715	3/6/2020	2,906.32
				9,696.60

JEFFERSON COUNTY PUD NO 1

DIRECT DEPOSIT PAYROLL PAY DATE: 03/06/2020
--

Empl	Position	Pay Date	Net Pay
3039	ACCOUNTING TECH 1	3/6/2020	1,218.81
4006	COMMISSIONER DIST 1	3/6/2020	933.18
4004	COMMISSIONER DIST 2	3/6/2020	1,760.93
4008	COMMISSIONER DIST 3	3/6/2020	1,115.24
3034	COMMUNICATIONS MANAGER	3/6/2020	2,021.19
3002	CUSTOMER SERVICE COORDINATOR	3/6/2020	1,185.10
3020	CUSTOMER SERVICE MANAGER	3/6/2020	2,364.14
3014	CUSTOMER SERVICE PROGRAM SPECIALIST	3/6/2020	1,279.18
3022	CUSTOMER SERVICE REP	3/6/2020	1,307.31
3046	CUSTOMER SERVICE REP	3/6/2020	1,059.84
3048	CUSTOMER SERVICE REP	3/6/2020	1,131.26
1044	ELECTRICAL PRE-APPRENTICE	3/6/2020	3,026.78
1045	ELECTRICAL PRE-APPRENTICE	3/6/2020	2,115.31
3005	EXECUTIVE ASSISTANT/PUBLIC RECORDS OFFICER	3/6/2020	2,288.15
3033	FINANCIAL SERVICES MANAGER	3/6/2020	3,166.54
1046	FLEET/WAREHOUSE HELPER	3/6/2020	2,019.18
1008	FOREMAN LINEMAN	3/6/2020	4,576.71
1012	FOREMAN LINEMAN	3/6/2020	4,334.91
1011	GENERAL MANAGER	3/6/2020	4,384.63
1042	GIS SPECIALIST	3/6/2020	2,242.49
1017	HEAD STOREKEEPER	3/6/2020	2,306.44
3047	HUMAN RESOURCES MANAGER	3/6/2020	2,394.93
3008	INFORMATION TECHNOLOGY MANAGER	3/6/2020	3,204.85
3028	IT SUPPORT TECHNICIAN	3/6/2020	1,752.05
1000	LINEMAN	3/6/2020	4,536.20
1016	LINEMAN	3/6/2020	3,842.78
1020	LINEMAN	3/6/2020	4,220.68
1028	LINEMAN	3/6/2020	3,398.72
1034	LINEMAN	3/6/2020	2,680.24
1041	LINEMAN	3/6/2020	4,159.89
1018	METER READER	3/6/2020	1,267.63
1043	METER READER	3/6/2020	1,831.01
1047	METER READER	3/6/2020	1,533.07
1026	OPERATIONS ASSISTANT	3/6/2020	1,837.75
3004	RESOURCE MANAGER	3/6/2020	2,422.49
1003	SCADA TECH/APPRENTICE	3/6/2020	2,848.65
1015	SCADA TECH/APPRENTICE	3/6/2020	4,212.73
1027	SENIOR ENGINEER	3/6/2020	2,892.92
1037	SPECIAL PROJECTS COORDINATOR	3/6/2020	2,971.03
1031	STAKING ENGINEER	3/6/2020	2,004.24
1039	STAKING ENGINEER	3/6/2020	2,000.33
1014	STOREKEEPER	3/6/2020	2,409.76
1033	SUBSTATION TECH	3/6/2020	3,559.11
3013	UTILITY ACCOUNTANT II	3/6/2020	1,535.21
3029	UTILITY ACCOUNTANT II	3/6/2020	1,690.62
3003	UTILITY BILLING CLERK	3/6/2020	1,402.32
3027	UTILITY BILLING CLERK	3/6/2020	1,387.77
3000	UTILITY BILLING COORDINATOR	3/6/2020	1,563.81
2005	WATER DISTRIBUTION MANAGER I	3/6/2020	1,501.88
2002	WATER DISTRIBUTION MANAGER II	3/6/2020	1,853.49
2007	WATER SUPERINTENDENT	3/6/2020	3,196.76

\$ 121,950.24

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 **\$832,927.64** on this **17TH** day of **MARCH 2020** ;

Dan Toepper
President

Kenneth Collins
Vice President

Jeff Randall
Secretary

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

TITAN	Inv# 1506R	dated 3/13/2020	\$	103,306.80
HOCH CONSTRUCTION, INC	Inv# APP# THREE (3)	dated 3/9/2020	\$	382,222.09

PAYMENTS TO BE APPROVED:

WARRANTS				AMOUNT	DATE
Accounts Payable:	# 122640	to # 122676		\$ 84,957.20	2/27/2020
Accounts Payable:	# 122677	to # 122758		\$ 601,994.98	3/5/2020
Payroll Checks:	# 70711	to # 70715		\$ 9,696.60	3/6/2020
Payroll Direct Deposit:				\$ 121,950.24	3/6/2020

TOTAL INVOICES PAID **\$818,599.02**

WIRE TRANSFERS PAID	AMOUNT	DATE
Peterson Lake	\$ 14,328.62	3/2/2020

PAYMENT TOTAL **\$832,927.64**

VOIDED WARRANTS



AGENDA REPORT

DATE: March 17, 2020

TO: **Board of Commissioners**

THRU: Kevin Streett, General Manager

FROM: Mike Bailey, Financial Services Manager/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 unless the debt has been discharged through a bankruptcy court. 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 11 inactive accounts in the Active Accounts Receivable Data Base who owe the PUD \$1,1613.18 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 11 inactive accounts owing \$1,613.18 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
 Dan Toepper, District 3

Kevin Streett, General Manager

Write-Offs of Uncollectible Accounts Receivable

On March 17, 2020 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 Financial Director/District Auditor 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	0	\$ -
\$20 - \$100	3	\$123.51
\$101 - \$200	6	\$857.52
\$201 - \$500	2	\$632.15
\$501 - \$1,000	0	\$ -
Over \$1,000	0	\$ -
TOTAL	11	\$1,613.18

Approval, Board of Commissioners

Jeff Randall
 Secretary

March 17, 2020

PUD CALENDAR

March 17, 2020, BOC Regular Meeting, Transit, 5:00 PM

March 24, 2020, Special All day meeting, Strategic Planning 8:00am-4:00pm Chimacum Fire Hall (might be re-scheduled)

April 7, 2020, BOC Regular Meeting, Transit, 5:00 PM

April 13, 2020, CAB meeting, 2:00 PM, Chimacum Fire Hall





Board of Commissioners:

Jeff Randall, District 1
 Kenneth Collins, District 2
 Dan Toepper, District 3

Kevin Streett, General Manager

To Jefferson County PUD Board of Commissioners.

RE: COYLE PHASE 3 TREE TRIMMING PROJECT

The Jefferson County PUD has sent a bid document to five qualified high voltage tree trimming companies from PUD small works roster. Two companies replied to the bid document.

Kemp West Inc.	\$135,590.00
Asplundh Tree Expert LLC	\$115,088.00

Asplundh Tree Expert LLC is the lowest responsible bidder.

I am respectfully requesting this bid project be accepted by the Board on the consent agenda.

Sincerely,

Scott A. Bancroft
 Special Projects Coordinator
 PUD #1 of Jefferson County
sbancroft@jeffpud.org
 360-385-8363
 360-385-580



Board of Commissioners:

Jeff Randall, District 1
 Kenneth Collins, District 2
 Dan Toepper, District 3

Kevin Streett, General Manager

March 24, 2020

To Jefferson County PUD Board of Commissioners.

RE: PINECREST DRIVE UNDERGROUND UPGRADE PROJECT

The Jefferson County PUD has sent a bid document to TEN qualified companies from PUD small works roster. Five companies submitted bid documents.

Ericson Excavating	no bid
Double "D"	no bid
Shold Excavating	\$309,669.00
Excel Utilities	no bid
CHJ Excavating	\$257,708.70
Landmark Excavating	\$291,162.98
Interwest Construction Inc.	\$263,848.67
Seton Construction	\$231,117.06
Jamestown Excavating	no bid
Hoch Construction	no bid

Seton Construction Inc. is the lowest responsible bidder.

I am respectfully requesting this bid project be accepted by the Board on the consent agenda.

Sincerely,

Scott A. Bancroft
 Projects Manager
 PUD #1 of Jefferson County
sbancroft@jeffpud.org
 360-385-8363

March 24, 2020

PUD CALENDAR

March 24, 2020, BOC Regular Meeting, PER WEBEX, 210 Four Corners Rd. 5:00 PM We are encouraging everyone to call or log in to the meeting.

April 7, 2020, BOC Regular Meeting, PER WEBEX, 210 Four Corners Rd. 5:00PM We are encouraging everyone to call or log in to the meeting.



AGENDA REPORT

DATE: March 24, 2020

TO: **Board of Commissioners**

FROM: Kevin Streeet

RE: COVID-19 Update

Actions taken by the PUD so far:

- Letters and update information went out to staff from HR.
- Non-essential projects are on hold.
Examples:
 1. Sent Titan Home
 2. No Meter replacements at this time
 3. No Transformer replacement
- 23 employees working from home, with more to add later this week. CSRs taking calls.
- Split shifts. 4/10's has started
- No late fees, no shut offs, Customer Service will make payment arrangements.

Jefferson County Public Utility District

Financial Policy



Effective: DATE

Adopted Resolution: XXX

1. FINANCIAL POLICY

The Jefferson County Public Utility District's goal is to achieve strong financial condition and the highest level of financial management. The Board of Commissioners (the Board), General Manager (GM), and the District staff will work together to ensure that all financial matters of the District are addressed with integrity and with the best interest of its customers in mind. This Financial Policy provides guidance for the Board and staff to use in making sound financial decisions that ensure services are maintained, public funds are responsibly managed, and the Board's vision for the District is achieved. This policy is designed to:

- Protect the assets of the District.
- Ensure the availability of sufficient financial resources for the District to meet both its immediate and long-term objectives.
- Provide transparency into the processes the organization uses to remain fiscally sound.
- Provide a framework of operating standards, roles and behavioral expectations responsibilities for fiscal matters.
- Ensure fiscal compliance with federal, state, and local legal and reporting requirements.
- Ensure the maintenance of accurate records of the District's financial activities.

The Financial Policy provides direction on the following topics:

1. Financial Policy		
1.01	General Financial Management Policy	2
1.02	Financial Policy Adoption and Review Policy	2
1.03	Definitions	2
2. Planning and Reporting		
2.01	Financial Planning Policy	4
2.02	Budget Policy	4
2.03	Reporting Policy	5
2.04	Audit Policy	6
3. Revenues		
3.01	Rate Setting Policy	8
3.02	Tax Revenue Policy	9
3.03	Uncollectible Accounts Policy	9
4. Investments, Reserves, and Debt		
4.01	Investment Policy	10
4.02	Reserve Policy	10

1.01 General Financial Management Policy

The District is committed to the highest standards of financial management. The Board, GM, and staff will comply with the guidelines set forth within the District's Financial Policy. These policies are intended to be applied in conjunction with requirements set forth in federal, state, and local legal requirements, as well as the Washington Administrative Code and the Generally Accepted Accounting Principles (GAAP). In the case of conflict between this policy and the previously noted regulations, the external regulations will supersede.

1.02 Financial Policy Adoption and Review

The Board is responsible for ensuring that the Financial Policy is up-to-date. To maintain effective and current guidance, the Board delegates responsibility to the GM to work with the appropriate staff members to review the Financial Policy on an annual basis. As necessary, the GM will propose revisions to the Board that reflect:

- Changes in applicable legal and regulatory requirements
- Changes in the District's services and operations
- Changes in the District's financial strategy or philosophy

The Financial Policy and any subsequent amendments will be adopted by a majority vote of the Board.

1.03 Definitions

- **Capital Budget:** The portion of the budget which focuses on the acquisition, maintenance, or creation of capital assets. This budget projects costs for the next five years at a minimum.
- **Capital Projects:** Projects which result in the construction of capital assets.
- **External Stakeholders:** Customers, guests, neighbors, tenants, contractors, other government agencies, the public at large, and all other stakeholders of the District.
- **Financial Policy:** The Jefferson County Public Utility District's Financial Policy document.
- **Fiscal Year:** The fiscal year of the District is the period between January 1 and December 31 of the same calendar year.
- **Capital Assets:** Assets with a value of over \$5,000 and a life expectancy of greater than one year.
- **GAAP:** General Accepted Accounting Principles. GAAP is a combination of authoritative standards (set by policy boards) and the commonly accepted ways of recording and reporting accounting information.
- **GM:** The General Manager of the Jefferson County Public Utility District.
- **Liquidity:** The ease and speed with which an asset can be converted into cash without a substantial loss in value.
- **Operating Budget:** The portion of the budget focused on known and forecasted expenses for a given calendar year which cover the normal, operating cycle of the District.
- **Portfolio:** A collection of securities held by an individual or institution.
- **Principal:** An invested amount on which interest is charged or earned.

- **Ratepayers:** Customers of the District.
- **Reserves:** Cash held by the District for a stated purpose. For example, bond reserves are cash amounts held, usually equal to the largest debt service payment, until the bond is paid in full.
- **The Board:** The Jefferson County Public Utility District's Board of Commissioners.
- **The District:** The Jefferson County Public Utility District.
- **Uncollectible Account:** An account which the District deems to be unable to collect after reasonable efforts have been made.
- **Write Off:** The adjustment of the accounting records of the District to reflect the fact that an account is uncollectible in the normal course of operations.
- **Work Plan:** capital budget listing the capital projects planned for next 4-years and related capital requirements for each division.

DRAFT

2. PLANNING AND REPORTING

2.01 Financial Planning Policy

The Board is responsible for reviewing and approving the ~~organization's~~District's major planning documents. On an annual basis, the GM or Finance Manager will prepare and present the following plans and forecasts for approval by the Board:

- Annual Budget (see 2.02 Budget Policy)
- Retail Energy and Water Sales Forecasts
- Capital Work Plans

Rate studies are to be ~~commissioned~~conducted every three to five years, as needed (see 3.01 Rate Setting Policy for more details).

2.02 Budget Policy

The Board is responsible for approving and overseeing the ~~organization's~~District's budget to ensure it is:

- Aligned with and supports the organization's mission, values, and strategic priorities; and
- Financially sustainable, responsible, and compliant with all applicable laws and regulation.

This policy is designed to establish the process for developing, reviewing, and monitoring the ~~organization's~~District's annual operating budget.

Budget Development

As prescribed by State Law (RCW 54.16.080), the Board will adopt and approve the District's budget on an annual basis.

In August, the District's GM or Finance Manager will present general budget requirements to the Board. On or before the first Monday in September, the GM will then submit a proposed budget for the following fiscal year.

Initial budget estimates are based on historic information as well as current expenditure projections through end of year, along with information like projected staff salary increases and operating expense increases related to planned goals and projects for the following fiscal year.

In addition, the budget document will provide for the following:

- Revenue and expense assumptions upon which the budget is based.
- Number of budgeted full-time equivalent employees.
- Mission, strategic priorities, impact, and performance measures of each operating department.

- Prior year actual, current year budgeted, new year recommended expenditures and revenues by department.
- Descriptions of significant expenditure and revenue changes, and related operational impacts by department.

On or before the first Monday of October, the GM or Finance Manager will present the draft budget for discussion at a public hearing. The Board may accept the budget as presented or may request variations. A detailed summary denoting specific reasons for decisions should be attached to the draft budget for discussion.

The GM and Finance Manager will then revise the draft and present the amended draft budget at the next available Board meeting. The Board will approve the budget on or before November 30.

Once adopted by the Board, this becomes the District's official operating budget for the following fiscal year, and all the Board members and employees must will work within the financial limits stated or implied by this document. The budget is also a flexible document that provides a comprehensive framework of resource allocations for implementation of the District's strategic goals for the fiscal year. Amendments can be recommended at any time throughout the fiscal year, as needs arise. Budget amendments will also be approved by the Board.

The budget will be made publically available via the District's website.

Basis of Budget

Budgets will be prepared using the accrual basis of accounting.

Monitoring the Budget

The GM and the Finance Manager will monitor the District's revenue and expenditures, compare actual and budgeted amounts, and report on the progress. See additional details in the 2.03 Reporting Policy.

2.03 Reporting Policy

The Board, with support from the GM and the Finance Manager, will ensure adequate financial reporting to meet the needs of the Board, act in compliance with all relevant regulations, and ensure transparency with the public.

Annual Financial Statements

The District's accounting records will be maintained in accordance with methods prescribed by the State Auditor under the authority of the RCW, Chapter 43.09. The District's financial statements will be prepared annually after closing of fiscal year, using the accrual basis of accounting. The GM, with support from the Finance Manager, will oversee the preparation of the annual report, and engaging-engage the independent auditor services on an annual basis.

The audited financial statements will be submitted to RUS by March 31 annually, as required by lending agreement.

The audited financial statements will be submitted to State Auditor by May 31 annually to comply with state statutes.

Financial Reports

On a monthly basis, the GM or Finance Manager will present financial reports for the Board. The monthly reports will include:

- District operating statements, including applicable debt covenant compliance ratios
- Balance sheet
- Cash expenditures
- Budget to actuals comparison

On a quarterly basis, the GM or Finance Manager will provide a report on capital expenditures to the Board.

The financial report should clearly articulate the District's year-to-date revenue and expenditures and variation from budget estimates, indicating any significant deviations. A commentary should be attached to Board reports detailing reasons for variations and recommendations for corrective action should that be required. The GM or Finance Manager will indicate what effect any variations will have on the budget projections and provide this information to the Board.

Public Availability

All published financial reports will be available via the District's website.

2.04 Audit Policy

Financial Audit

In accordance with statutory requirements, and sound governance practices, the Board will engage services of an independent accountant to complete an annual audit of the District's financial records in accordance with Generally Accepted Accounting Principles (GAAP) as defined by the Governmental Accounting Standards Board (GASB).

As a RUS borrower, the District is required to provide audited financial statements to RUS by March 31 annually. The audit will be completed within 90 days of the end of the District's fiscal year. The purpose of the independent audit is to provide an objective, impartial assessment of the District's financial records, and assessment of internal control structure designed by the District to ensure that the District's assets are protected from loss, theft, or misuse. The audit will be conducted in accordance with GAAP and financial auditing standards. At the conclusion of the audit, the auditor will present the results of the audit and their opinion to the Board.

Audited financial statements will be posted on the District's website for public access no later than June 30 of each year.

3. REVENUES

3.01 Rate Setting Policy

The District is responsible for setting utility rates in a responsible and transparent manner.

Rate Setting Philosophy

The chief objective of rate setting is to ensure the recovery of cost of providing service to customers, that revenue requirements are consistent with the financial goals of the District, including cash requirements, all ratio coverage requirements, debt service coverage, and debt financing limits.

Within this context, the District will strive to follow these general principles when making rate-related decisions:

- Rates should ensure to recover cost of providing services.
- Rates should be set as low as is responsible.
- Rates should be fair, and developed so as to minimize the subsidization of one rate class by another.
- Rates should be stable and understandable.
- Rates should be the product of customer involvementinput.

In addition, rates will be established separately for each of the District's divisions—Water (including Sewer services) and Electric (including broadband services). Rates will be developed to sustain the division's respective operations, and cannot be used to subsidize operating costs of the other division.

Rate Studies

The GM is responsible to ensure that rate studies will be conducted every three to five years to update assumptions and to ensure the long-term solvency and viability of the District. The GM may contract with an external consultant to conduct the study. The consultant must be selected via a competitive process involving a public request for proposal.

The rate study will take into account historic budgets, and documented assumptions (including the assumption that average weather conditions will prevail).

Results will be presented to the Board.

Rate Setting Process

As necessary, the GM will make recommendations to the Board for rate changes. The GM will use the following tools as the basis for their recommendation:

- *Most recent Rate Study:* See above.
- *Purchased power requirements and pricing conditions*
- *Work Plan and other applicable long-range plans*
- *Bureau of Labor and Statistic's Consumer Price Index:* Changes in the local and/or national inflation will be taken into consideration.

Any recommended rate changes will be shared with the public at a public hearing. The Board will take public feedback into consideration as part of the decision-making process, in alignment with the rate setting principle of ensuring that rates are a product of customer involvement.

3.02 Tax Revenue Policy

Under RCW 54.16.080, the District has taxing authority. It is the policy of the District to utilize any revenue generated through taxes (property or timber), to help sustain the financial strength of the organization.

Tax Revenue Use

Any revenue generated through a levied tax will be used as needed to provide services to the District's customers. Recommended expenditure of tax revenue will be proposed by the GM during the annual budget process, and approved by the Board.

3.03 Uncollectible Accounts Policy

The District will provide a fair representation of accounts receivable in the organization's financial statements, by establishing and following uniform guideless-guidelines to determine which delinquent accounts receivable should be considered bad debt and written off.

The GM is authorized to establish procedures for and to write off any uncollectible account in the amount of .05% of annual operating revenues of the last complete fiscal year or less, as long as the GM will be satisfied that every reasonable effort has been made by the District to accomplish the collection of the account. Accounts that are older than four years can be automatically deemed uncollectible.

Any account in excess of .05% of annual operating revenues of the last complete fiscal year which is deemed to be uncollectible will be referred to the Board for final write-off.

The Board delegates to the GM the responsibility to develop operational policies and procedures to provide guidance on how to write off uncollectible accounts, and accurately account for written-off receivables.

4. INVESTMENTS, RESERVES, AND DEBT

4.01 Investment Policy

It is the policy of the District to invest public funds in a manner which will provide the highest investment return with the maximum security while meeting daily cash flow demands and conforming to all state and county statutes governing the investment of public funds.

Investment Structure

The Board is ultimately responsible for the investment of District funds, and the Board has the authority to direct the management of the District's investment program.

It is the current practice of the District to invest funds with Jefferson County. According to the Jefferson County's Treasurer Investment Policy, the primary objectives of the County's investment procedures are three-fold:

- 1) Safety of principal is the foremost objective. Each investment transaction shall seek to ensure that capital losses are avoided, whether from securities defaults or erosion of market value.
- 2) The Treasurer's investment portfolio shall be sufficiently liquid as to enable county and districts to reasonably meet operating requirements.
- 3) The investment portfolio shall be designed to equal or exceed the average return on three or six month U.S. Treasury bills or the average rate obtained from the State's Local Government Investment Pool ("LGIP"), whichever is higher. This shall be considered minimum standard for the portfolio's rate of return.

Investment Reporting

It is the policy of Jefferson County for their Finance Committee (including their Treasurer, Auditor, and Chairman of the Board of County Commissioners) to hold a quarterly review of the investment performance and the investment plan.

The District's GM or Finance Director will obtain and review reports from the County Treasurer on the monthly basis. The purpose of this review is to monitor ongoing investment practices and returns on investment, and accuracy of transaction reporting.

4.02 Reserve Policy

The District will maintain sufficient reserve funds to ensure reasonable continuity of operations.

General Fund Operating Reserve

The District will maintain a general fund operating reserve, with the primary purpose of providing stability in the event of unexpected changes to revenues or expenses.

The balance of the fund will be sufficient to provide funding for at least 90 days of operating expenses based on the current budget. The fund must be comprised of available cash for at least

100% of the established minimum 90-day level. Available cash is defined as cash in non-restricted accounts and proceeds available from operating line of credit.

All expenditures drawn from reserve funds require prior Board approval unless previously authorized by the Board for expenditure within the District's annual budget. If fund balances fall below the required levels as set by the policy, the District will include a plan to restore reserves to the required levels within its annual budget.

Capital Improvement Reserves

The District will maintain a capital improvement reserve, with the primary purpose of providing sustainable funding for major capital project needs, and to be used for the extraordinary expenses associated with major construction and maintenance projects. An initial transfer of ~~\$\$\$100,000~~ from general fund operating reserves will be made to fund the capital improvement reserve in fiscal year 2020. The reserve will be built up over several years to a maintained at a minimum of 50% ~~and maximum of 100%~~ of the estimated cost of the District's capital needs, as determined by the Board.

The capital improvement reserve will be reviewed annually, and funded based on recommendation of the GM, as the District's financial situation allows. Withdrawals or re-allocations from this reserve will be approved by the Board.

The capital improvement reserve will be used fund replacement of capital infrastructure including facilities, information technology, and other capital assets.

4.03 Debt Policy

It is the policy of the District to maintain a sound debt position and protect the credit quality of its obligations. This policy is design to ensure that the District's debt is issued both prudently and cost effectively.

Governing Law

In the issuance and management of debt, the District will comply with all legal requirements imposed by federal, state, and local rules and regulations, as applicable.

- **State Statutes:** The District may contract indebtedness as provided for by chapter RCW 57.20. Indebtedness is subject to the limitations on indebtedness provided for in RCW 57.20 and Article VIII of the Washington State Constitution. Bonds evidencing such indebtedness shall be issued and sold in accordance with RCW 39.46.
- **Federal Rules and Regulations:** The District shall issue and manage debt in accordance with the limitations and constraints imposed by federal rules and regulations, including Internal Revenue Code of 1986, as amended; the Treasury Department regulations thereunder; and the Securities Acts of 1933 and 1934.
- **Local Rules and Regulations:** The District shall issue and manage debt in accordance with the limitations and constraints imposed by the District Code, the Financial Policy, resolutions, rules, and regulations.

Short-Term Debt

Short-term debt is defined as debt that will be held for a period of two years or less. The District may use short-term debt to cover temporary cash flow shortages. As such, the District will not use short-term borrowing to fund ongoing operating or maintenance costs. Short-term debt will only be considered as a financing option if a detailed plan for the repayment of the borrowing is presented to the Board prior to the issuance of the debt. Short-term debt will be retired within two years of initial borrowing.

Long-Term Debt

Long-term debt is defined as debt that will be held for a period of two years or more. The District will only issue long-term debt for the purpose of financing or refinancing the cost of design, acquisition, and/or construction of major capital projects described in the District's Capital Improvement Plan (CIP), or to refund/[refinance](#) outstanding debt. As such, the District will not use long-term borrowing to fund ongoing operating or maintenance costs.

Emergency Borrowing

The District will maintain a line of credit to borrow against in an emergency situation.

Per RCW 39.04.280, "emergency" means unforeseen circumstances beyond the control of the municipality that either: (a) Present a real, immediate threat to the proper performance of essential functions; or (b) will likely result in material loss or damage to property, bodily injury, or loss of life if immediate action is not taken. This includes declared federal or state disasters, as well as local agency-declared disasters.

If an emergency exists, the GM may declare an emergency situation exists. If a federal or state emergency has been declared, the Board should pass a resolution acknowledging the declaration and invoking RCW 39.04.280 as well.

Under emergency circumstances, the GM or Board may initiate the use of the District's emergency line of credit. Any borrowing of the [emergency](#) line of credit will be approved by the [Board](#).

Delegation of Debt Authority

The Board is ultimately responsible for the District's use of debt. As such, the Board will approve indebtedness and the related policy framework that guides debt-related decisions. The Board delegates the overall administrative management responsibility for the District's debt to the GM. The GM, in turn, may delegate this responsibility to select employees via a written consent.

The District may contract with an external adviser to assist with the management of the District's debt in a manner that is consistent with the District's objectives and this policy.

Jefferson County Public Utility District

Financial Policy



Effective: DATE

Adopted Resolution: XXX

1. FINANCIAL POLICY

The Jefferson County Public Utility District’s goal is to achieve strong financial condition and the highest level of financial management. The Board of Commissioners (the Board), General Manager (GM), and the District staff will work together to ensure that all financial matters of the District are addressed with integrity and with the best interest of its customers in mind. This Financial Policy provides guidance for the Board and staff to use in making sound financial decisions that ensure services are maintained, public funds are responsibly managed, and the Board’s vision for the District is achieved. This policy is designed to:

- Protect the assets of the District.
- Ensure the availability of sufficient financial resources for the District to meet both its immediate and long-term objectives.
- Provide transparency into the processes the organization uses to remain fiscally sound.
- Provide a framework of operating standards, roles and responsibilities for fiscal matters.
- Ensure fiscal compliance with federal, state, and local legal and reporting requirements.
- Ensure the maintenance of accurate records of the District’s financial activities.

The Financial Policy provides direction on the following topics:

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2. Planning and Reporting		
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3. Revenues		
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4. Investments, Reserves, and Debt		
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1.01 General Financial Management Policy

The District is committed to the highest standards of financial management. The Board, GM, and staff will comply with the guidelines set forth within the District's Financial Policy. These policies are intended to be applied in conjunction with requirements set forth in federal, state, and local legal requirements, as well as the Washington Administrative Code and the Generally Accepted Accounting Principles (GAAP). In the case of conflict between this policy and the previously noted regulations, the external regulations will supersede.

1.02 Financial Policy Adoption and Review

The Board is responsible for ensuring that the Financial Policy is up-to-date. To maintain effective and current guidance, the Board delegates responsibility to the GM to work with the appropriate staff members to review the Financial Policy on an annual basis. As necessary, the GM will propose revisions to the Board that reflect:

- Changes in applicable legal and regulatory requirements
- Changes in the District's services and operations
- Changes in the District's financial strategy or philosophy

The Financial Policy and any subsequent amendments will be adopted by a majority vote of the Board.

1.03 Definitions

- **Capital Budget:** The portion of the budget which focuses on the acquisition, maintenance, or creation of capital assets. This budget projects costs for the next five years at a minimum.
- **Capital Projects:** Projects which result in the construction of capital assets.
- **External Stakeholders:** Customers, guests, neighbors, tenants, contractors, other government agencies, the public at large, and all other stakeholders of the District.
- **Financial Policy:** The Jefferson County Public Utility District's Financial Policy document.
- **Fiscal Year:** The fiscal year of the District is the period between January 1 and December 31 of the same calendar year.
- **Capital Assets:** Assets with a value of over \$5,000 and a life expectancy of greater than one year.
- **GAAP:** General Accepted Accounting Principles. GAAP is a combination of authoritative standards (set by policy boards) and the commonly accepted ways of recording and reporting accounting information.
- **GM:** The General Manager of the Jefferson County Public Utility District.
- **Liquidity:** The ease and speed with which an asset can be converted into cash without a substantial loss in value.
- **Operating Budget:** The portion of the budget focused on known and forecasted expenses for a given calendar year which cover the normal, operating cycle of the District.
- **Portfolio:** A collection of securities held by an individual or institution.
- **Principal:** An invested amount on which interest is charged or earned.
- **Ratepayers:** Customers of the District.

- **Reserves:** Cash held by the District for a stated purpose. For example, bond reserves are cash amounts held, usually equal to the largest debt service payment, until the bond is paid in full.
- **The Board:** The Jefferson County Public Utility District's Board of Commissioners.
- **The District:** The Jefferson County Public Utility District.
- **Uncollectible Account:** An account which the District deems to be unable to collect after reasonable efforts have been made.
- **Write Off:** The adjustment of the accounting records of the District to reflect the fact that an account is uncollectible in the normal course of operations.
- **Work Plan:** capital budget listing the capital projects planned for next 4-years and related capital requirements for each division.

DRAFT

2. PLANNING AND REPORTING

2.01 Financial Planning Policy

The Board is responsible for reviewing and approving the District's major planning documents. On an annual basis, the GM or Finance Manager will prepare and present the following plans and forecasts for approval by the Board:

- Annual Budget (see 2.02 Budget Policy)
- Retail Energy and Water Sales Forecasts
- Capital Work Plans

Rate studies are to be conducted every three to five years, as needed (see 3.01 Rate Setting Policy for more details).

2.02 Budget Policy

The Board is responsible for approving and overseeing the District's budget to ensure it is:

- Aligned with and supports the organization's mission, values, and strategic priorities; and
- Financially sustainable, responsible, and compliant with all applicable laws and regulation.

This policy is designed to establish the process for developing, reviewing, and monitoring the District's annual operating budget.

Budget Development

As prescribed by State Law (RCW 54.16.080), the Board will adopt and approve the District's budget on an annual basis.

In August, the District's GM or Finance Manager will present general budget requirements to the Board. On or before the first Monday in September, the GM will then submit a proposed budget for the following fiscal year.

Initial budget estimates are based on historic information as well as current expenditure projections through end of year, along with information like projected staff salary increases and operating expense increases related to planned goals and projects for the following fiscal year. In addition, the budget document will provide for the following:

- Revenue and expense assumptions upon which the budget is based.
- Number of budgeted full-time equivalent employees.
- Mission, strategic priorities, impact, and performance measures of each operating department.

- Prior year actual, current year budgeted, new year recommended expenditures and revenues by department.
- Descriptions of significant expenditure and revenue changes, and related operational impacts by department.

On or before the first Monday of October, the GM or Finance Manager will present the draft budget for discussion at a public hearing. The Board may accept the budget as presented or may request variations. A detailed summary denoting specific reasons for decisions should be attached to the draft budget for discussion.

The GM and Finance Manager will then revise the draft and present the amended draft budget at the next available Board meeting. The Board will approve the budget on or before November 30.

Once adopted by the Board, this becomes the District's official operating budget for the following fiscal year, and the Board and employees will work within the financial limits stated or implied by this document. The budget is also a flexible document that provides a comprehensive framework of resource allocations for implementation of the District's strategic goals for the fiscal year. Amendments can be recommended at any time throughout the fiscal year, as needs arise. Budget amendments will also be approved by the Board.

The budget will be made publically available via the District's website.

Basis of Budget

Budgets will be prepared using the accrual basis of accounting.

Monitoring the Budget

The GM and the Finance Manager will monitor the District's revenue and expenditures, compare actual and budgeted amounts, and report on the progress. See additional details in the 2.03 Reporting Policy.

2.03 Reporting Policy

The Board, with support from the GM and the Finance Manager, will ensure adequate financial reporting to meet the needs of the Board, act in compliance with all relevant regulations, and ensure transparency with the public.

Annual Financial Statements

The District's accounting records will be maintained in accordance with methods prescribed by the State Auditor under the authority of the RCW, Chapter 43.09. The District's financial statements will be prepared annually after closing of fiscal year, using the accrual basis of accounting. The GM, with support from the Finance Manager, will oversee the preparation of the annual report, and engage the independent auditor services on an annual basis.

The audited financial statements will be submitted to RUS by March 31 annually, as required by lending agreement.

The audited financial statements will be submitted to State Auditor by May 31 annually to comply with state statutes.

Financial Reports

On a monthly basis, the GM or Finance Manager will present financial reports for the Board. The monthly reports will include:

- District operating statements, including applicable debt covenant compliance ratios
- Balance sheet
- Cash expenditures
- Budget to actuals comparison

On a quarterly basis, the GM or Finance Manager will provide a report on capital expenditures to the Board.

The financial report should clearly articulate the District's year-to-date revenue and expenditures and variation from budget estimates, indicating any significant deviations. A commentary should be attached to Board reports detailing reasons for variations and recommendations for corrective action should that be required. The GM or Finance Manager will indicate what effect any variations will have on the budget projections and provide this information to the Board.

Public Availability

All published financial reports will be available via the District's website.

2.04 Audit Policy

Financial Audit

In accordance with statutory requirements, and sound governance practices, the Board will engage services of an independent accountant to complete an annual audit of the District's financial records in accordance with Generally Accepted Accounting Principles (GAAP) as defined by the Governmental Accounting Standards Board (GASB).

As a RUS borrower, the District is required to provide audited financial statements to RUS by March 31 annually. The audit will be completed within 90 days of the end of the District's fiscal year. The purpose of the independent audit is to provide an objective, impartial assessment of the District's financial records, and assessment of internal control structure designed by the District to ensure that the District's assets are protected from loss, theft, or misuse. The audit will be conducted in accordance with GAAP and financial auditing standards. At the conclusion of the audit, the auditor will present the results of the audit and their opinion to the Board.

Audited financial statements will be posted on the District's website for public access no later than June 30 of each year.

3. REVENUES

3.01 Rate Setting Policy

The District is responsible for setting utility rates in a responsible and transparent manner.

Rate Setting Philosophy

The chief objective of rate setting is to ensure the recovery of cost of providing service to customers, that revenue requirements are consistent with the financial goals of the District, including cash requirements, all ratio coverage requirements, debt service coverage, and debt financing limits.

Within this context, the District will strive to follow these general principles when making rate-related decisions:

- Rates should ensure to recover cost of providing services.
- Rates should be set as low as is responsible.
- Rates should be fair, and developed so as to minimize the subsidization of one rate class by another.
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In addition, rates will be established separately for each of the District's divisions—Water (including Sewer services) and Electric (including broadband services). Rates will be developed to sustain the division's respective operations, and cannot be used to subsidize operating costs of the other division.

Rate Studies

The GM is responsible to ensure that rate studies will be conducted every three to five years to update assumptions and to ensure the long-term solvency and viability of the District. The GM may contract with an external consultant to conduct the study. The consultant must be selected via a competitive process involving a public request for proposal.

The rate study will take into account historic budgets, and documented assumptions (including the assumption that average weather conditions will prevail).

Results will be presented to the Board.

Rate Setting Process

As necessary, the GM will make recommendations to the Board for rate changes. The GM will use the following tools as the basis for their recommendation:

- *Most recent Rate Study: See above.*
- *Purchased power requirements and pricing conditions*
- *Work Plan and other applicable long-range plans*

- *Bureau of Labor and Statistic's Consumer Price Index*: Changes in the local and/or national inflation will be taken into consideration.

Any recommended rate changes will be shared with the public at a public hearing. The Board will take public feedback into consideration as part of the decision-making process, in alignment with the rate setting principle of ensuring that rates are a product of customer input.

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100% of the established minimum 90-day level. Available cash is defined as cash in non-restricted accounts and proceeds available from operating line of credit.

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The capital improvement reserve will be reviewed annually, and funded based on recommendation of the GM, as the District's financial situation allows. Withdrawals or re-allocations from this reserve will be approved by the Board.

The capital improvement reserve will be used fund replacement of capital infrastructure including facilities, information technology, and other capital assets.

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- **Federal Rules and Regulations:** The District shall issue and manage debt in accordance with the limitations and constraints imposed by federal rules and regulations, including Internal Revenue Code of 1986, as amended; the Treasury Department regulations thereunder; and the Securities Acts of 1933 and 1934.
- **Local Rules and Regulations:** The District shall issue and manage debt in accordance with the limitations and constraints imposed by the District Code, the Financial Policy, resolutions, rules, and regulations.

Short-Term Debt

Short-term debt is defined as debt that will be held for a period of two years or less. The District may use short-term debt to cover temporary cash flow shortages. As such, the District will not use short-term borrowing to fund ongoing operating or maintenance costs. Short-term debt will only be considered as a financing option if a detailed plan for the repayment of the borrowing is presented to the Board prior to the issuance of the debt. Short-term debt will be retired within two years of initial borrowing.

Long-Term Debt

Long-term debt is defined as debt that will be held for a period of two years or more. The District will only issue long-term debt for the purpose of financing or refinancing the cost of design, acquisition, and/or construction of major capital projects described in the District's Capital Improvement Plan (CIP), or to refund/refinance outstanding debt. As such, the District will not use long-term borrowing to fund ongoing operating or maintenance costs.

Emergency Borrowing

The District will maintain a line of credit to borrow against in an emergency situation.

Per RCW 39.04.280, "emergency" means unforeseen circumstances beyond the control of the municipality that either: (a) Present a real, immediate threat to the proper performance of essential functions; or (b) will likely result in material loss or damage to property, bodily injury, or loss of life if immediate action is not taken. This includes declared federal or state disasters, as well as local agency-declared disasters.

If an emergency exists, the GM may declare an emergency situation exists. If a federal or state emergency has been declared, the Board should pass a resolution acknowledging the declaration and invoking RCW 39.04.280 as well.

Under emergency circumstances, the GM or Board may initiate the use of the District's emergency line of credit. Any borrowing of the emergency line of credit will be approved by the Board.

Delegation of Debt Authority

The Board is ultimately responsible for the District's use of debt. As such, the Board will approve indebtedness and the related policy framework that guides debt-related decisions. The Board delegates the overall administrative management responsibility for the District's debt to the GM. The GM, in turn, may delegate this responsibility to select employees via a written consent.

The District may contract with an external adviser to assist with the management of the District's debt in a manner that is consistent with the District's objectives and this policy.



AGENDA REPORT

DATE: March 24, 2020
TO: Board of Commissioners
FROM: Samantha Harper, P.E., Water Superintendent
RE: Procurement Manual

SUMMARY: Staff is presenting a first reading of the 2020 Procurement Manual. The changes requested by the Commissioners at the Special BOC Meeting – Procurement Manual held on February 28, 2020, were incorporated and are shown with a single underline.

BACKGROUND: The proposed 2020 updated Procurement Manual will replace the existing 2015 Procurement Manual. The Procurement Manual includes monetary thresholds for the purchase of goods, equipment and supplies; public works contracts; and services. The monetary thresholds determine the procurement method required.

ANALYSIS/FINDINGS: The major changes to the Procurement Manual are:

- Due to changes in state law;
- Format changes in order to provide a user-friendly document; and
- The removal of inconsistencies throughout the document, in both state laws and internal processing procedure.

The manual was interview internally by PUD staff, PUD legal and financial councils.

The goal of the 2020 updated Procurement Manual is to provide a foundation for consistent purchasing of good, equipment and supplies; public contracting; and soliciting of services.

Attached is a list of the roles within the Procurement Manual and the corresponding PUD position(s) which would fulfill the roles.

FISCAL IMPACT: None

RECOMMENDATION: Staff is recommending that the BOC review and discuss the Procurement Manual dated March 24, 2020. The next step would be the second reading and approval of the Procurement Manual by the BOC.

Attachments:

1. Resolution 2020-____
2. Jefferson County PUD Procurement Manual Draft, dated March 24, 2020
3. Procurement Manual Roles

**PUBLIC UTILITY DISTRICT NO. 1
OF
JEFFERSON COUNTY**

RESOLUTION NO. 2020-__

A RESOLUTION of the Board of Commissioners of the Public Utility District No 1 of Jefferson County, Washington (“the PUD”), adopting an updated Procurement Manual.

WHEREAS, PUD staff reviewed and revised the 2015 Procurement Manual;

WHEREAS, the 2020 updated Procurement Manual would supersede the 2015 Procurement Manual in its entirety;

WHEREAS, the major changes incorporated into the 2020 Procurement Manual are: due to changes in state law; format changes in order to provide a user-friendly document; and the removal of inconsistencies throughout the document, in regards to both state law and internal processing procedures;

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of Public Utility District No. 1 of Jefferson County, Washington as follows:

The Board of Commissioners has reviewed the changes and revisions to the 2020 update to the Procurement Manual and hereby adopts the manual, to be effective as of the date of this Resolution.

ADOPTED by the Board of Commissioners of Public Utility District No. 1 of Jefferson County, Washington, at a regular open meeting held this __th day of March 2020.

Dan Toepper, President

Kenneth Collins, Vice President

ATTEST:

Jeff Randall, Secretary



**PROCUREMENT
MANUAL**

~~March 2020~~

Revised March 24, 2020

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1. OBJECTIVE AND RESPONSIBILITY

1.1 OBJECTIVE

- 1.1.1 The following establishes procedures and authorities enabling Public Utility District No. 1 of Jefferson County (District) to procure materials, tools, equipment, work, and services in a timely and efficient manner. Applicable state laws and District policies and procedures will be an integral part of this document. Dollar values cited in this document are exclusive of Washington State sales tax unless otherwise noted.
- 1.1.2 These procedures shall apply to all purchase, contractual, and service-related documents prepared or processed within the District.
- 1.1.3 Purchases related to travel should be made per the District's travel policy.
- 1.1.4 The District's Credit Card Guidelines should be understood and followed when purchases are made using a District credit card.
- 1.1.5 This Procurement Manual is specific to the District. To the extent it conflicts with state law and regulations, such state laws and regulations shall govern.

1.2 RESPONSIBILITIES

- 1.2.1 The General Manager is authorized to delegate responsibility to the Purchasing Agent, and other employees for the procurement of materials, tools, equipment, work, and services.
- 1.2.2 Only those employees delegated by the General Manager, as defined in this document, are authorized to commit the District for purchases, services, or contractual work.
- 1.2.3 The term of Project Coordinator applies to any PUD employee assigned to take the lead on a project.
- 1.2.4 As it applies in this document the Finance Director is responsible for the control and oversight of the District's petty cash fund. Oversight and responsibility of the fund in each District office shall be delegated to a Custodian named by the District Auditor. Under no circumstance may the petty cash fund be used for employee personal use.

- 1.2.5 The District Auditor is appointed by the Board of Commissioners (BOC).
- 1.2.6 The General Manager or their designee shall provide oversight and direction, as required, when the District has need for material, tools, equipment, work, or services. Specific application or project need will determine which public procurement process is to be used as defined within current governing statutes, policies, and procedures.
- 1.2.7 The General Manager shall provide oversight to all correspondence with vendors and contractors involving specifications, prices, bids, and negotiations when contractual services are needed and the purchase of materials, tools, equipment, and supplies are required.
- 1.2.8 Department Managers and Supervisors are responsible for approving departmental requisitions, and initiation of departmental contracts to include providing a complete and detailed scope, specifications, and other information necessary for its development.
- 1.2.9 Department Managers and Supervisors have the responsibility to ensure all of their current and new employees are familiar with the most current District procurement policies and procedures.
- 1.2.10 All delegated authorities are responsible for effective and professional relationships with suppliers and contractors.
- 1.2.11 All District employees must adhere to the responsibilities, authorities, and controls set forth in this document.

1.3 DEFINITIONS

- 1.3.1 Dig Slip: A PUD internal procedure for tracking hours associated with a Public Works projects under \$20,000. The dig slip is used to compare the labor, material and equipment hours with the invoice and to provide a JPUD representative for billing questions.
- 1.3.2 Purchase Order: Is a means for guaranteeing value of goods, equipment and supplies. A Purchase Order is not a contract or a scope of services.
- 1.3.3 Requisition: A request for materials, equipment, supplies or services.

2. ETHICS

2.1 GENERAL ([RCW 42.52](#))

- 2.1.1 District employees are expected to conduct themselves in a professional manner. Each employee must strive to promote positive relationships

with suppliers and their representatives; demonstrating patient, courteous, and ethical behavior at all times will enable the District to procure materials, equipment, supplies, and services in an efficient and cost-effective manner.

- 2.1.2 If an employee has any influence on transactions involving purchases, contracts, or leases, it is imperative that he or she disclose to the General Manager as soon as possible the existence of any actual or potential conflict of interest so that safeguards can be established to protect all parties and ensure the integrity of the purchasing process.
- 2.1.3 The purpose of this section regarding ethics is to give guidance to all District employees so that they may conduct themselves in a manner that will be compatible with the best interest of the District.
- 2.1.4 Proper purchasing procedure requires that:
 - a. Actions of all District employees be impartial and fair.
 - b. The District purchasing decisions are made in accordance with this Procurement Manual.
 - c. Public employment is not to be used for personal gain.
 - d. The District employees may not solicit, accept, or agree to accept any gratuity for themselves, their families or others that would or could result in financial or personal gain, advancement, establish or satisfy some obligation for or on behalf of the employee, the employee's family, or the employee's friends.
 - e. Purchasing decisions must be made impartially.

2.2 GIFTS

- 2.2.1 No District employee may receive, accept, take, seek, or solicit, directly or indirectly, anything of economic value such as a gift, gratuity, or favor from a person or business, if it could be reasonably expected that the gift, gratuity, or favor could influence the judgment or decision of the employee, or be considered as part of a reward for action or inaction.
- 2.2.2 District employees may not accept, take, seek, or solicit, directly or indirectly, anything of economic value as a gift, gratuity, or favor from a person or business with a value over \$50 per year.
- 2.2.3 District employees may accept meals or beverages from a representative or representatives of a company doing business with the District on infrequent occasions in the ordinary course of meals where attendance of the employee is related to the performance of official duties. The combined value of food and beverages may not exceed \$50

per occasion, consistent with Section 2.2.2.

- 2.2.4 Meals provided when representing the District at meetings or when attending training or seminars and related receptions where attendance is related to the employee's official duties is exempt from the \$50 limitation.
- 2.2.5 The following unsolicited items from suppliers are exempt from the \$50 limit per year or occasion:
- a. Flowers, plants, or floral arrangements;
 - b. Advertising or promotional items such as pens, note pads, key chains, etc.;
 - c. Tokens or awards of appreciation such as a plaque, trophy, desk item, etc.; and
 - d. Informational material, publications, or subscriptions related to the Employee's performance of official duties.
- 2.2.6 District employees and their family members may not accept gifts from a single supplier or its representatives, other than those cited above, in excess of an aggregate amount of \$50 per calendar year per family.
- 2.2.7 Conflicts of interest in the procurement process can come in many forms. Therefore, an exhaustive list is not possible. However, some illustrative examples of conflicts in procurement have been listed below.
- a. An employee owns a business and provides goods and services to the District.
 - b. An employee hires a consultant who is a relative.
 - c. An employee sole sources a purchase to a company owned by his/her brother/sister, or to one in which he/she has a financial interest.
 - d. An employee participates in the vendor selection which includes a company owned by his/her brother/sister, or to one in which he/she has a financial interest.
 - e. An employee engages in a decision at the District affecting a contract or payment between the District and a company for which the individual serves as an outside director.

2.3 CONTRACTS AND AGREEMENTS

- 2.3.1 District employees are prohibited from receiving anything of economic value, whether directly or indirectly, under any contract or agreement with a supplier or business outside of their official duties except for the following:
- a. When the contract or agreement is awarded as a result of an

open and competitive bidding or selection process or when the bid is the only bid received.

- b. Prior to awarding the contract or agreement, the appropriate State ethics board must have reviewed the contract or agreement and determined the award would not conflict with the performance of the District employee's regular duties.
- c. Within 30 days of being awarded, the contract or agreement must be filed with the appropriate State ethics board.

2.3.2 District employees receiving direct or indirect economic value from a contract or agreement are prohibited from influencing the award and from administering the contract or agreement, if it falls within their area of responsibility.

3. APPROVALS AND SIGNATURES

3.1 GENERAL

Public Works: All work, construction, alteration, repairs, or improvements to physical property, other than ordinary maintenance, that are paid for by the District.

"Ordinary maintenance": Work that is performed by agency personnel to provide regular or preventive maintenance.

Purchase of goods, equipment, supplies, or materials: If the purchase is directly connected to construction, alteration, repairs, or improvements, other than ordinary maintenance, it is considered part of a public works project and subject to public works contracting requirements.

Architecture, engineering, landscape architecture, or surveying services: Professional services provided by a consultant that fall under the general statutory definitions of architecture ([RCW 18.08](#)), engineering and land surveying ([RCW 18.43](#)), or landscape architecture ([RCW 18.96](#)).

Personal services: Technical expertise provided by a consultant to accomplish a specific study, project, task, or other work statement, not including professional architecture and engineering services. Examples: Meeting facilitation, strategic plan development, economic development study, and rate setting study.

Purchased services: Purchased services are those provided by vendors for repetitive, routine, necessary and continuing functions for the District and are mostly relating to physical activities. The activities include following established or standardized procedures; contributing to the day-to-day business operations; completing assigned and specific tasks; performing routine or perfunctory decision-making; and requiring (possibly) the payment of prevailing wages.

Table 1 - PUD Signing Authority

PUD Signing Authority	
Authorized Position	Authorized Amount
Board Approval	Over \$350,000
General Manager	Up to \$350,000
Manager	Up to \$25,000
Supervisor	Up to \$1,000

3.1 APPROVALS

3.1.1 Employees may sign using their initials.

3.1.2 No document may be processed; item purchased; task order, change order, or contract executed; or payment made without the appropriate approvals and signatures. The General Manager or District Auditor may, at their discretion, authorize the payment of an invoice or voucher if, due to extenuating circumstances, all approvals and signatures cannot be obtained.

3.1.3 Under no circumstances shall pre-authorization of voucher payments be made without approval from the General Manager.

3.1.4 The Project Coordinator will review contract documents prior to being signed by the General Manager or their designee.

3.1.5 All vouchers must be reviewed by the District Auditor and reviewed by the Commission.

3.2 PETTY CASH

3.2.1 For reimbursements up to \$25, an employee shall submit a claim and

the Custodian will reimburse the employee through the petty cash fund.

3.2.2 For reimbursements exceeding \$25, an employee shall submit a claim and with approval of the District Auditor or General Manager, the Custodian will reimburse the employee through the petty cash fund.

3.3 COMPUTER SOFTWARE LICENSE; SUPPORT; & MAINTENANCE AGREEMENTS

3.3.1 Agreement development, implementation, and completion

- a. I.T. Manager
- b. General Manager

3.4 LABOR CONTRACTS

3.4.1 Contract development & negotiations

- a. Staff Negotiation Members
- b. General Manager

3.4.2 Contract approval & completion

- a. General Manager
- b. Commission

3.5 PURCHASE OR SALE OF REAL PROPERTY

3.5.1 Contract development & negotiations

- a. Project Coordinator
- b. General Manager

3.5.2 Contract approval & completion

- a. General Manager
- b. Commission

4. PROCUREMENT MATRIX AND BID LIMITS

Table 2 - Purchase of Goods, Equipment, Materials and Supplies Procurement Matrix and Bid Limits

Purchase of Goods, Equipment, Materials, and Supplies			
Threshold	Procurement Method	Payment Methods	Contract
Emergency Declared	Bids/Quotes not required	District Credit Card, Purchase Order, or Request for Check	May be waived

Less than \$7,500	Small Purchase (or Vendor List Process, Bids)	District Credit Card, Purchase Order, or Request for Check	May be waived
\$7,500 - \$30,000	Vendor List Process (or Bids)	Purchase Order	May be waived
More than \$30,000	Bids (If under \$120,000 can use Vendor List)	Purchase Order	Required

Table 3 - Public Works Procurement Matrix and Bid Limits

Public Works			
Threshold	Procurement Method	Payment Methods	Contract
Emergency Declared	Bids/Quotes Not required	Purchase Order or Request for Check	May be waived
Less than \$20,000	1-3 quotes preferred (or Small Works Roster or Formal Bids)	Dig Slip	Preferred
\$20,000 - \$50,000	Minimum 3 quotes (or Small Works Roster or Formal Bids)	Purchase Order	Required
\$50,000 - \$350,000	Small Works Roster (or Formal Bids)	Purchase Order	Required
More than \$350,000	Formal Bid Process	Purchase Order	Required

Table 4 - Architectural and Engineering (A&E) Procurement Matrix and Bid Limits

Services: Architect or Engineering	
Threshold	Procurement Method
Less than \$100,000	Solicit qualifications from 1 to 3 firms or select the most qualified firm directly from the services roster.
\$100,000 - \$4999,999	A minimum of three firms are selected from the small works roster with no additional advertisement.
\$500,000- Million Million and over	A structured RFQ (aka SOQ) process and advertisement

Table 5 - Personal Services Procurement Matrix and Bid Limits

Services: Personal Services	
Threshold	Procurement Method

Services: Personal Services	
Less than \$20,000	<p>Minimal Competition:</p> <ul style="list-style-type: none"> Place calls to 1-3 qualified firms or individuals describing the desired services. Request prices, schedules, and qualifications. Negotiate a contract with the lowest responsible bidder. An agreement is recommended.
\$20,000 - \$60,000	<p>Informal Competition:</p> <ul style="list-style-type: none"> Prepare a written solicitation document including, at a minimum: a description of the required services, the project schedule, a request for the consultant's qualifications and costs/fees, and due date for the responses. Send the solicitation to 3-5 firms selected from the appropriate consultant roster or other list and ask for proposals. Evaluate the proposals and negotiate a contract with the lowest responsible bidder.
More than \$60,000	<p>Formal Competitive Bidding:</p> <ul style="list-style-type: none"> Prepare a formal solicitation document such as a Request for Proposals or a Request for Qualifications. Describe all the project requirements in order for proposers to understand what the agency needs and how the responses will be evaluated. Publish a legal notice in paper of record (Port Townsend Leader) and major daily newspapers to notify firms of the upcoming solicitation. Develop a mailing list of all firms responding to the solicitation. Post the solicitation document on the agency website (optional). Develop score sheets to be used by evaluators. Send the solicitation document to at least six firms, or notify at least six firms that the document is available at the agency website. If less than six firms are contacted, document the reasons. Conduct a pre-proposal conference, if required, and provide answers to bidders' questions via addenda. Require sealed bids and a public bid opening. Date- and time-stamp all proposals received. Evaluate proposals according to the score sheets, using at least three evaluators. Interview the top finalists, if desired. Negotiate a contract with the lowest responsible bidder.

Table 6 - Purchased Services Procurement Matrix and Bid Limits

Services: Purchased Services	
Threshold	Procurement Method

Services: Purchased Services	
Less than \$20,000	<p>Minimal Competition</p> <ul style="list-style-type: none"> • Place calls to 1-3 qualified firms or individuals describing the desired services. Request prices, schedules, and qualifications. • Make the purchase based on the agency's inquiries, experience, and knowledge of the market to obtain the highest-quality product at the lowest price. • An agreement is recommended
\$20,000 to \$60,000	<p>Informal Competition</p> <ul style="list-style-type: none"> • Prepare a written solicitation document including, at a minimum: a description of the required services, the project schedule, a request for the consultant's qualifications and costs/fees, and due date for the responses. • Send the solicitation to 3-5 firms selected from the appropriate consultant roster or other list and ask for proposals. • Evaluate the proposals and negotiate a contract with the lowest responsible bidder.
More than \$60,000	<p>Formal Competitive Bidding</p> <ul style="list-style-type: none"> • Prepare a formal solicitation document, typically an Invitation to Bid. Describe all the project requirements in order for proposers to understand what the agency needs and how the responses will be evaluated. • Publish legal notice in major daily newspapers to notify firms of the upcoming solicitation. Develop a bidder's list of all firms responding to the solicitation. • Post the solicitation document on the agency website (optional). • Develop score sheets to be used by evaluators. • Send the solicitation document to at least six firms or notify at least six firms that the document is available at the agency website. If less than six firms are contacted, document the reasons. • Conduct a pre-proposal conference, if required, and provide answers to bidders' questions via addenda. • Require sealed bids and a public bid opening. Date- and time-stamp all proposals received. • Evaluate proposals according to the score sheets, using at least three evaluators. Interview the top finalists, if desired. • Negotiate a contract with the lowest responsible bidder.

5. PAYMENT PROCEDURES

5.1 PETTY CASH

5.1.1 The Custodian of the petty cash fund shall be authorized to pay cash for items, or reimburse employees for out-of-pocket expenses, that do not exceed \$25.

5.1.2 The District Auditor or General Manager must authorize payments over \$25.

5.2 DEPARTMENTAL PURCHASES

5.2.1 Purchasing Agent shall compare the approved receiving document with the vendor's invoice to ensure accuracy and completeness.

5.2.2 Accounts payable must process invoices for payment in a timely manner so as to take advantage of any allowable discounts and before any late payment penalties are imposed by the vendor.

5.2.3 The Auditor will present the voucher to the Commission.

~~5.2.4 Any invoice over \$100,000 shall not be sent to vendor/contractor/consultant until the voucher, prepared by Auditor, is approved by the Commission.~~

5.3 PURCHASE ORDERS

5.3.1 Accounts Payable will prepare invoice for payment after the approved packing slip has been reconciled with the purchase order and vendor invoice.

5.3.2 The Purchasing Agent must approve all price adjustments if a discrepancy is found between a purchase order and invoice.

5.3.3 Price adjustments to the purchase order must be made and a copy of the corrected purchase order sent to Accounts Payable before the invoice is processed for payment. It is acceptable for the corrected purchase order to be handwritten as changes in the system cannot be made once the purchase order has been partially received.

5.3.4 The District Auditor will submit the voucher to the Commission for review.

5.4 FORMAL MATERIAL & EQUIPMENT CONTRACTS

- 5.4.1 The Purchasing Agent shall complete vendor and/or District documentation prior to a purchase order being generated.
 - 5.4.2 The Purchasing Agent shall prepare the material and equipment procurement contract payments after reconciling receiving documents with vendor invoices and contract documents.
 - 5.4.3 Approved invoices will be routed to Accounts Payable for processing.
- 5.5 SMALL WORKS PROJECTS (up to \$20,000)
- 5.5.1 A dig slip must be filled out and signed by the PUD employee on-site, for every project with an estimate of \$20,000 or less. When a dig slip is used a purchase order is not required.
 - 5.5.2 A copy of the dig slip shall be given to the contractor, Accounts Payable and the work order file.
 - 5.5.3 The dig slip must contain all of the following applicable information: the contractor name; work order number (if District labor or inventoried material is charged to the job) or General Ledger (GL) account number; date filled out; location of the work; call and finish time; number of employees; type of equipment or materials used, if applicable; estimated hours to complete the work, if known; general notes; employee's or Project Coordinators signature and the Contractor's signature.
 - 5.5.4 Accounts Payable, the crew lead, or the Project Coordinator will compare the time and materials listed on the dig slip with invoices submitted by the Contractor. Any discrepancies will be resolved before payment can be made.
 - 5.5.5 Accounts Payable or the Project Coordinator will verify that prevailing wage statute requirements have been met prior to forwarding payments to Accounts Payable.
 - 5.5.6 A Dig Slip may be used instead of a contract. It is an alternative District tracking tool to obtaining a Purchase Order, refer to Section 8 Purchase Orders.
 - 5.5.7 To procurement using the small works roster process follow the procedure in Sections 9.19 Limit Public Works Process (LPWP) and 9.20 Small Works Process.

5.6 SMALL WORKS PROJECTS (over \$20,000 to \$350,000)

- 5.6.1 The Project Coordinator will notify the General Manager of the scope and cost estimate of the project prior to solicitation.
- 5.6.2 If the estimated cost of the work is from \$250,000 to \$350,000, the District can choose to solicit bids from less than all the appropriate contractors on the appropriate small works roster, but must also notify the remaining contractors on the appropriate small works roster that quotations on the work are being sought.
- 5.6.3 Once the bids are received, the Project Coordinator will evaluate the bid and determine the lowest responsive responsible bidder are defined under RCW 39.04.010.
- 5.6.4 The Project Coordinator will send the lowest responsive responsible bidder an award letter and a contract.
- 5.6.5 Once the contract has been awarded to the lowest responsive, responsible bidder, the Project Coordinator will contact the Purchasing Agent to create a Purchase Order.
- 5.6.6 The Project Coordinator will send a Notice to Proceed letter to the Contractor with the purchase order number and work order number.
- 5.6.7 Progress payments will be received and approved by the Project Coordinator prior to forwarding to Accounts Payable for payment.
- 5.6.8 After project completion, the intents and affidavits will be verified by Accounts Payable or the Project Coordinator prior to sending final payment. The Notice of Completion will be done as outlined in Section 9.16 Prevailing Wage.

5.7 PUBLIC WORKS CONTRACTS

- 5.7.1 For prevailing wages procedure refer to Section 9.16 Prevailing Wage.
- 5.7.2 Contractors to invoice the District a minimum of monthly.
- 5.7.3 The Invoice documents must include description of the portion(s) completed; percentage of project completed; the purchase order and or work order number; and any other details as necessary to determine the amount of work completed.

- 5.7.4 Prior to retainage being returned to the contractor, the Project Coordinator must accept the project as complete. Accounts Payable or Project Coordinator will then determine that all appropriate prevailing wage forms have been filed with the State of Washington by all contractors working on the project, and that all other documents are in order.
- 5.7.5 Notice of Completion requirements and retainage per Sections 9.16 Prevailing Wage and 9.17 Retainage.

5.8 PROFESSIONAL SERVICES

- 5.8.1 Professional services providers must submit invoices at least once each month after services are performed.
- 5.8.2 All professional services agreement invoices submitted to the District for payment must be detailed with the following expenses itemized: hours worked and what work was performed; percentage of work completed; dates work performed or expenses incurred; hourly rates; equipment costs; travel expenses; and other agreed upon and allowable expenses. Failure to provide adequate submittal details may cause delays in payments being processed.
- 5.8.3 All professional services agreements must include payment terms.
- 5.8.4 Invoices will be sent to the Project Coordinator or Accounts Payable for budget coding and approval.
- 5.8.5 Payment submittals will be routed to the Project Coordinator for approval prior to payment being made.

5.9 RIGHT TO AUDIT

- 5.9.1 The District shall have the right to audit all contractor or service provider records pertaining to the work performed or service provided at any time during a project and within one year after the completion of work or service.
- 5.9.2 At the District's discretion, prior to awarding a project, a contractor or service provider may be removed from the list of responsible bidders or capable providers if exception is taken to the District's auditing requirements.

5.9.3 Should a contractor or service provider refuse to allow the District to audit their records, the District may terminate any current contracts or agreements with the contractor or service provider and/or deny them the opportunity to bid on future District projects and or services.

5.9.4 The right to audit clause shall be included in all District public works contracts and professional services agreements.

5.10 CONTRACTOR OR VENDOR PRE-PAYMENTS

5.10.1 Advance payment cannot be made for materials, work, or services not received by the District. Vendors and contractors must be informed prior to entering into an agreement or contract that advance payments are not allowed, including down payments or deposits.

5.10.2 Should a vendor or contractor take exception to this requirement, the District shall enter into an agreement or contract with the responsible bidder submitting the next lowest responsive quote or bid.

5.10.3 The vendor or contractor taking exception to this requirement will not be allowed to bid on the same material or project, if a second call for bids is necessary.

5.10.4 Once materials have been delivered to a job site, although not yet installed, the contractor may submit an invoice for payment of received materials through the District's regular payment process.

5.10.5 Material or supplies that are invoiced at the time of shipment will not be paid until the items are received, inspected, and approved for payment by the appropriate District representatives.

5.10.6 Excluded from this requirement are advance payments for agreements or contracts entered into by the District for services that will be delivered or performed within a specified future time frame (software support, equipment maintenance, etc.).

6. RECEIVING

6.1 GENERAL

6.1.1 This section establishes a uniform and expeditious method of receiving and accounting for all materials, equipment, and supplies purchased and delivered; and ensuring that said items conform to the expected quality

and standards of the District.

6.1.2 It is understood that some signatures are only an acknowledgment of the delivery (i.e. a truck ticket), and further verification (i.e. a packing slip) for quality, quantity, and specifications in accordance with the following instructions will be performed by those responsible for the purchase and/or use of the item.

6.1.3 Receiving documents must have the applicable information as noted in Section 6.4.1.

6.2 FRONT-END OFFICE DELIVERIES (UPS, FED-X, COURIERS, etc.)

6.2.1 Sign with initials or signature to acknowledge the delivery.

6.2.2 Notify the Purchasing Agent or employee named on the shipping label; and leave any receiving documents attached to the carton, package, envelope, etc.

6.2.3 If no department or individual is identified, notify the Purchasing Agent.

6.2.4 If delivered items appear to be correspondence or bid documents; route them to the Purchasing Agent or Project Coordinator.

6.3 ITEMS PURCHASED WITHOUT A PURCHASE ORDER

6.3.1 Sign the receiving document with initials or signature and date received.

6.3.2 Ensure that all the following pertinent information is included:

- a. Vendor's name;
- b. Brief description of the item; and
- c. Freight carrier (UPS, FED-X, Oak Harbor, etc.).

6.3.3 Upon verification of all necessary information, immediately forward the document(s) to the Purchasing Agent for processing.

6.4 ITEMS ORDERED ON PURCHASE ORDERS & INVENTORIED MATERIAL

Purchase orders are intended to be used for all tangible purchases, public works projects, maintenance and repair expenses, and services. A purchase order may be needed even when there is a contract or agreement.

All purchase orders must be created by the Purchasing Agent and every purchase order requires approval in accordance with the approval authority.

The Purchasing Agent will distribute purchase orders to managers and Project Coordinators and retain copies of executed and voided purchases orders.

- 6.4.1 Locate the packing slip, inspect the shipment, and ensure that the receiving documents contain the following pertinent information:
 - a. Freight bill attached;
 - b. Full signature or initials of receiver;
 - c. Vendor name;
 - d. Freight carrier, if applicable;
 - e. Date received;
 - f. Item quantity (circle quantity received) and description; and
 - g. Work order, truck, or stock number if known.
- 6.4.2 Upon verification of all necessary information, immediately forward the document(s) to the Purchasing Agent for processing.
- 6.4.3 All inventory material freight shipments should be processed and put away the same day received when possible.
- 6.4.4 Prior to the monthly physical inventory, the Purchasing Agent shall determine the last day freight is to be processed prior to the inventory count.
- 6.4.5 The following pertinent packing slip information shall be compared with the purchase order:
 - a. Vendor name;
 - b. Freight terms;
 - c. Stock number;
 - d. Quantity ordered;
 - e. Catalog or model number; and
 - f. Item description.
- 6.4.6 Completed receiving document information shall be entered into the computer on a next day basis.
- 6.4.7 All processed packing slips shall be routed to the Purchasing Agent for review and signature before forwarding to Accounts Payable.

6.5 LICENSED VEHICLES & EQUIPMENT

- 6.5.1 All vehicles and licensed equipment are to be delivered to the District's Operations Center. Upon delivery, the vehicle or equipment will be inspected to ensure compliance with specifications as outlined in the contract or purchase order.
- 6.5.2 If irregularities are found, contact the Purchasing Agent for instructions.
- 6.5.3 After passing inspection, an authorized District Representative will sign all receiving documents and forward them to Purchasing Agent. Purchasing Agent will hold documents necessary for licensing until the vehicle or equipment is ready for licensing.
- 6.5.4 If the vehicle or equipment was purchased by contract, the receiving documents will be forwarded to the Purchasing Agent for processing.
- 6.5.5 If purchased using a purchase order, the receiving document information will be recorded in the computer by the Purchasing Agent; then forwarded to the Accounts Payable.
- 6.5.6 After licensing; the title, odometer statement, certificate of origin, and other documents held for licensing will be forwarded to the Records Department to be copied into permanent record then forwarded to the Purchasing Agent for processing.

6.6 CABLE CONTRACT SHIPMENTS

- 6.6.1 Prior to unloading, inspect each shipment for:
 - a. Verification of the number of reels on the truck with the freight bill;
 - b. Damaged reels and/or cable;
 - c. Required packaging and protective covering;
 - d. Manufacturer reel tags properly filled out and attached to each reel;
 - e. Reels shipped on flanges; and
 - f. Correct cable specifications:
 - i. Size
 - ii. Insulation type and thickness
 - iii. Jacket type and thickness
 - iv. Red extruded stripes
 - v. Sequential footage markings
 - vi. Manufacturer name stamped on cable jacket.

- 6.6.2 Notify the Purchasing Agent immediately if anything is found that does not meet the District's specifications, is missing, or is damaged.
- 6.6.3 If the shipment does not meet the District's specifications, items missing and or is damaged do not unload the cable. The Purchasing Agent will determine if the shipment is to be rejected and sent back to the shipper.
- 6.6.4 If all is in order per the Purchasing Agent, unload the shipment in the receiving area for future processing.
- 6.6.5 Compare the receiving documentation with the purchase order information.
- 6.6.6 Attach the freight bill to the back of the packing slip and forward the information to the Purchasing Agent for entry into the computer.
- 6.6.7 Fill out a District reel tag with the following information:
 - a. Stock number;
 - b. Cable description including insulation thickness;
 - c. Cable length;
 - d. Jacket thickness;
 - e. Beginning and ending sequential footage markings; and
 - f. Date received & tare weight.
- 6.6.8 Attach a completed District reel tag to each reel.

6.7 DISTRIBUTION TRANSFORMERS

- 6.7.1 Prior to unloading, check the freight bill to ensure the District is the consignee and inspect the load for visible damage.
- 6.7.2 If damage is observed, only the Purchasing Agent or General Manager may authorize the unloading of damaged transformers.
- 6.7.3 If a transformer is leaking oil, the entire shipment must be refused. **DO NOT UNLOAD LEAKING TRANSFORMERS!**
- 6.7.4 If no signs of damage are apparent, unload the shipment. Briefly inspect each transformer for exterior damage (broken bushings, dents, scratches, etc.) or leaking oil. Note any damaged or leaking transformers on the freight bill by size and serial number.

- 6.7.5 Prior to signing the freight bill, verify the unit count.
- 6.7.6 Date and sign the freight bill with a full signature or initials, then obtain the carrier driver's signature. Attach the freight bill to the back of the packing slip.
- 6.7.7 Open all pad-mounted transformers and check the serial number against the packing slip.
- 6.7.8 Inspect all pad-mounted units for interior damage and oil leaks.
- 6.7.9 Using a magnet, verify all stainless-steel units have all stainless-steel components.
- 6.7.10 Verify that the information on the packing slip matches the units received.
- 6.7.11 Isolate and flag any units found with damage or discrepancies. List the transformers by size and serial number with a description of the problem on the packing slip.
- 6.7.12 Apply all required District decals; including a company number.
- 6.7.13 Input transformer information into NISC Transformer Inventory.
- 6.7.14 The District's company number and the serial number for each transformer received must be recorded in NISC Transformer Inventory.

6.8 MOTOR FREIGHT DELIVERIES

- 6.8.1 It shall be the responsibility of the employee receiving the shipment to inspect the freight shipment for visible damage before unloading. If damage is found, ask the Purchasing Agent for direction.
- 6.8.2 Never unload or move freight belonging to anyone other than the District. If District freight cannot be unloaded because of other materials blocking access, the carrier driver must either move the obstruction without the aid of District equipment or personnel or leave and deliver the District's freight the next day. The General Manager may make an exception depending upon the freight being delivered to the District and the freight items that must be moved in order to unload District freight.
- 6.8.3 Carefully unload the District's freight, and again inspect for damage.

- 6.8.4 Locate the packing slip and/or freight bill of the parcel or item(s) received.
 - 6.8.5 Inspect the shipment and compare the number of packages, cartons, pallets, etc. with the quantities indicated on the freight bill.
 - 6.8.6 Inspect for damage (dents, scratches, crushed cartons, broken glass, etc.).
 - 6.8.7 Note any damage or shortages on the freight bill and immediately notify the Purchasing Agent.
 - 6.8.8 Ensure that both the receiver and carrier driver have signed the freight bill.
 - 6.8.9 Check each receipt or freight bill to verify it clearly indicates the following pertinent information:
 - a. "Ship to" address is the same District address;
 - b. Shipper name;
 - c. Carrier name;
 - d. Date received;
 - e. Verify the number of pallets, cartons, boxes, reels, etc. listed on the freight bill;
 - f. Full signature or initials of receiver; and
 - g. Carrier driver signature.
 - 6.8.10 The freight bill must be attached to the back of the packing list. If a packing list cannot be located, the freight bill may be used.
- 6.9 FREIGHT SHORTAGES OR DAMAGES
- 6.9.1 Sufficient details should be noted on the freight bill, and both the driver and receiver must sign the document to acknowledge the shortage or damage prior to the carrier's departure.
 - 6.9.2 The receiver should record any shortage or damage found subsequent to the carrier's departure on the freight bill or packing slip. The Purchasing Agent should be notified immediately upon noticing shortages or damages and, after verifying the shortage and/or inspecting the damage, notify the vendor and, if necessary, the freight company to initiate a claim.
 - 6.9.3 Keep all damaged goods, containers, wrapping, and packing materials.

- 6.9.4 Immediately forward all documents to the Purchasing Agent for processing.
- 6.9.5 All evidence of damage must be kept until notified by the Purchasing Agent as to the disposition of a damage claim and/or arrangements made for the return of the item(s).
- 6.9.6 After the shortage or damage has been resolved, the information will be noted on or attached to the receiving documents and forwarded for to the Accounts Payable.
- 6.9.7 The Purchasing Agent will notify Accounts Payable if payment is to be withheld and when payment may be made after the claim has been resolved.

6.10 FREIGHT RETURNS

- 6.10.1 Notify the Purchasing Agent.
- 6.10.2 The Purchasing Agent shall determine the appropriate return process.
- 6.10.3 Obtain a return authorization from the Vendor, which must include the following:
 - a. Return name and address (no post office boxes);
 - b. Preferred freight carrier;
 - c. Restocking charges, if applicable;
 - d. Packaging instructions; and
 - e. Freight terms.
- 6.10.4 All returned goods must be shipped per Purchasing Agents instructions.

7. MISCELLEANOUS PURCHASES

7.1 MATERIALS AND SUPPLIES PURCHASED ON A DISTRICT ACCOUNT (upto \$500.00)

- 7.1.1 With the exception of inventoried materials, authorized employees may purchase non-inventoried materials, supplies, and services, on a District account, without a purchase order when a transaction does not exceed \$500.00.
- 7.1.2 Signed and approved receipts must be submitted immediately to

Accounts Payable for every purchase and as a minimum must include:

- a. Vendor name;
- b. Employee signature;
- c. Date of purchase;
- d. Work order number;
- e. Budget code, if applicable; and
- f. Details or description of the purchase.

7.2 CREW MEALS

- 7.2.1 During an Emergency, the General Manager or their designee can approve crew meals to be charged to the credit card when the work extends after-hours through regularly scheduled meal periods.
- 7.2.2 Food may be purchased and prepared at the PUD for after hour meals during emergencies.

8. PURCHASE ORDERS

8.1 GENERAL

- 8.1.1 Authorized employees, refer to Table 1 page 11, may purchase non-inventoried materials, goods, tools, equipment, and supplies up to \$500 per transaction without a purchase order.
- 8.1.2 Purchase orders must be used for inventoried material purchases of any value.
- 8.1.3 Materials, equipment, and supplies may be purchased in an amount not to exceed \$15,000 per item of like kind per calendar month without obtaining quotations. However, prudent procurement practices favor obtaining informal quotes for purchases less than \$15,000 whenever possible.
- 8.1.4 Purchase orders shall be used for public works project above \$20,000. A Dig Slip is used on a public works project \$20,000 and below. When a Dig Slip is used a purchase order is not required.
- 8.1.5 Purchase orders must be used for all service agreements/contract regardless of value.
- 8.1.6 Purchase orders shall not be cancelled unless the purchase, work, or

service is cancelled.

- 8.1.7 When purchasing Goods, Equipment, Materials and Supplies, quotes from the same vendor can be consolidated onto one purchase order. The authorized employee signature is based on the individual quotes and not the consolidated purchase order amount.

8.2 REQUISITIONS

- 8.2.1 A requisition form is the electronic record of a request for materials, equipment, supplies, tools or services. To ensure accurate and expedient processing, the most current electronic requisition form must be used.

8.3 BLANKET PURCHASE ORDERS

- 8.3.1 All blanket purchase orders must be pre-approved and or procured by the Purchasing Agent and only used if advantageous to the District.
- 8.3.2 Blanket purchase orders may be used when recurring purchases are made with a vendor on a regular basis throughout the month or year. The purchase order number must be given to the vendor prior to the beginning of the month and must be recorded on all documents submitted for payment.
- 8.3.3 Every transaction with the vendor must be submitted to the Purchasing Agent in the form of a signed receipt containing the appropriate information as outlined in Section 6 Receiving.

8.4 QUOTATIONS

- 8.4.1 Written quotations must always be obtained prior to vehicle or equipment repairs over \$1,000 being performed by a contractor.
- 8.4.2 The Project Coordinator or Purchasing Agent shall determine if informal verbal, written, or electronic quotations from at least three vendors is necessary to ensure competitive bidding when purchasing materials, equipment, or supplies if the amount is \$7,500 or below.
- 8.4.3 Sufficient and equal time (at least thirteen (13) days) shall be given to all bidders in order for them to respond.
- 8.4.4 The quotation document must clearly indicate the date quotes are due. Quotations received after the date due may not be considered.

- 8.4.5 The Project Coordinator or Purchasing Agent and the General Manager shall determine if alternate materials, equipment, or services will be considered.
- 8.4.6 Each individual item will be considered a separate quote. Different items may be awarded to different bidders based upon the lowest evaluated cost or other pre- established criteria, unless the District and/or bidder indicates the entire quote is to be awarded “all or none.”
- 8.4.7 The Project Coordinator or Purchasing Agent or General Manager shall determine if the “all or none” option is in the best interest of the District.
- 8.4.8 A bid tabulation sheet shall be prepared and filed by the Purchasing Agent and made available by telephone or electronic inquiry.

8.5 FREIGHT TERMS

- 8.5.1 At the time quotations are obtained, the vendor and District must agree upon the freight terms. Under no circumstances is freight to be shipped to the District “Freight Collect”.
- 8.5.2 Freight terms acceptable to the District:
 - a. Freight Prepaid and Allowed: The vendor pays the freight and the District will not be billed separately for freight charges.
 - b. Freight Prepaid and Added to the Invoice: The vendor will pay the freight and add the freight charges as a separate line item on the invoice.
- 8.5.3 The Purchasing Agent or General Manager must pre-authorize any other freight terms.

9. PUBLIC WORKS & MATERIAL CONTRACTS

- 9.1 WORK & MATERIAL PURCHASES – GENERAL (RCW 54.04.070)
 - 9.1.1 Public works includes all work, construction, alteration, repair or improvement other than ordinary maintenance of District facilities performed by District personnel or private contractors.
 - 9.1.2 Public works may be performed by District employees when the total cost of material for a single project does not exceed \$300,000 and the work performed is prudent utility management.

- 9.1.3 The limit on the value of material on work being performed by District employees shall not include the value of individual items purchased and used as one unit of a project.
- 9.1.4 Public works may be let using the small works process, [RCW 39.04.155](#), when the estimated cost of a project is \$350,000 or less. Public Works over \$350,000 must be formally bid and have Commission approval prior to advertising for bids.
- 9.1.5 Public works may be procedure using unit price contracting. A unit priced contract means a competitively bid contract in which public works are anticipated on a recurring basis, under which the contractor agrees to a fixed period indefinite quantity delivery of work, at a defined unit price, for each category of work. The initial contract may not exceed three years, with the option to extend or renew the contract for one additional year. The prevailing wages for each work order must be the prevailing wage rates in effect at the beginning of each contract year.
- 9.1.6 Any item or item of the same kind of material, equipment or supplies with an estimated cost of \$30,000, excluding sales tax may be advertised by permission of the Commission.
- 9.1.7 A bid surety of 5-percent and performance bond is not necessary for public works up to \$50,000 and for materials, equipment or supplies less than \$30,000.
- 9.1.8 A contract is required for public works project, when the estimated cost is over \$50,000 (excluding sales tax). However, a contract is preferred on public works projects under \$50,000.
- 9.1.9 The quantity in a material, equipment, tool, or supplies contract may not be increased after the contract has been let, unless the language in the bid and contract documents allows for future increases in quantity.
- 9.1.10 Public works and material, equipment or supplies purchases may not be divided into smaller projects or purchases in order to circumvent competitive bidding statute requirements.

9.2 FORMAL CONTRACTS ADVERTISED BY THE COMMISSION ([RCW54.04.070](#))

- 9.2.1 Any item or items of like kind of materials, tools, equipment, vehicles, supplies, purchased within a calendar month with an estimated cost over \$30,000 or public works with an estimated cost over \$50,000 shall

be by contract. Same kind of items, not exceeding \$12,000 purchases in a calendar month does not need a contract, however, purchasing any excess would require a contract.

9.2.2 All advertisements shall include language that the PUD is a Rural Utilities Service (RUS) borrower.

9.2.3 All contract documents regarding formal bids from vendors or contractors for goods or work must be routed through the Records Department in order to ensure that they are properly recorded and filed. This includes, but is not limited to:

- a. Original contracts;
- b. Change orders;
- c. Property purchases and negotiations; and
- d. Record retention.

9.2.4 The Project Coordinator is required to retain project documentation, from design to close out. The Project Coordinator will archive closed out projects and send to the Records Department for record retention storage. Examples of project documentation files are listed below. This is not meant to be an exhaustive list.

- a. Requests for bid proposal sent to bidders
- b. Proposals received from bidders
- c. Letter to successful bidder
- d. Letters to unsuccessful bidders
- e. All correspondence including e-mails
- f. Copy of contract
- g. Copy of business license information
- h. Prevailing wage information
- i. Vouchers
- j. Project completion documentation

9.2.5 All contract documents pertaining to material purchases or public works projects must be processed by the Purchasing Agent or Project Coordinator.

9.3 ALTERNATIVE BID PROCEDURE (Material, Equipment, Tools, & Supplies)

([RCW 54.04.082](#) and [RCW 39.04.190](#))

9.3.1 Nothing in this procedure is intended to circumvent state statutes or District policies that require competitive bids.

9.3.2 For materials, goods and supplies exceeding thirty thousand dollars

(\$30,000), but less than one hundred and twenty thousand dollars (\$120,000), the Purchasing Agent may use the Vendor list to procure materials, goods and supplies.

- 9.3.3 At least twice per year, the Purchasing Agent shall have published in a local newspaper of general circulation a notice to solicit the names of vendors who wish to bid on the District's materials, equipment, tools, and supplies needs. A vendors list will remain on file in the office of the Purchasing Agent.
- 9.3.4 The Purchasing agency shall secure telephone, email or written quotations from at least three different vendors on the Vendor list.
- 9.3.5 Immediately after the due date, bid quotations, using the Vendor list procurement process, shall be recorded, open to public inspection, and made available by telephone, e-mail inquiry, and/or on the District's website.
- 9.3.6 By using the Vendor List the Purchasing Agent, with authorization from the Commission, may waive the requirement for a bid security.

9.4 "ITEMS OF LIKE KIND" – DEFINITION (RCW 54.04.070 and 54.04.080)

- 9.4.1 "Items of like-kind" are defined as items that are of the same: insulation, material, length, width, size, voltage, phases, current rating, interrupting rating, voltage rating, strength, diameter, weight, capacity, function, physical design, pressure, etc. that are considered interchangeable and perform in the same manner.

9.5 FORMAL BID DOCUMENT PREPARATION

- 9.5.1 The Project Coordinator will prepare the bid documents.
- 9.5.2 Bid documents considered as part of the total contract shall include, as a minimum, the applicable sections: Invitation to Bid; Notice and Instructions to Bidders; Specifications; Proposal forms; and a copy of the Contract. All applicable information and instructions pertaining to the items listed below shall be included within these documents along with any other necessary information required by the District to accurately and fairly evaluate the responsive responsible bid proposals submitted by all bidders.
 - a. Invitation to bid, with the bid number or project name
 - b. Call for bids (including location, date, and time of opening)
 - c. Total quantity

- d. Provision for an estimated total cost or a “not to exceed” amount
- e. Description and scope of work
- f. Detailed Specifications and drawings
- g. Availability of documents
- h. Bid proposal instructions
- i. Bid surety, performance bond and payment bond (where applicable)
- j. Hold harmless clause
- k. Dispute resolution
- l. Right to audit clause
- m. Statement that the PUD is a Rural Utilities Service (RUS) borrower
- n. Instructions for including contractor identification number
- o. Sales tax information
- p. Prevailing wage & retainage information
- q. Shipping and packaging requirements

9.5.3 A copy of the material sheets generated by the work order system must be sent to the Purchasing Agent immediately after being finalized. Any items that need to be ordered for the project must be on order prior to the final document review.

9.5.4 The Project Coordinator must approve the final draft of the documents by signature and attach a cost estimate prior to sending the documents to the General Manager.

9.5.5 After final review, the General Manager will forward the approved documents to the Project Coordinator.

9.5.6 Prior to a project or purchase being advertised; a complete and final set of documents, including an electronic copy of the project estimate approved by the General Manager, must be on file. The Commission will not be petitioned to advertise the project or purchases made until all documents have been finalized and approved. The signatures of the Project Coordinator and General Manager are required on the final document packet.

9.6 FORMAL INVITATION TO BID

9.6.1 The Project Coordinator will prepare the documentation for the General Manager recommending that the Commission be petitioned for approval to publish an invitation to bid in a newspaper of general circulation and appropriate trade journals.

9.6.2 The invitation to bid must be published a minimum of (13) thirteen calendar days from the date first advertised to the day of the bid opening.

9.6.3 Once the invitation to bid has been published, bid documents will be mailed, e- mailed, or made available on the District's web site to all suppliers capable of supplying the material or contractors qualified to perform the work.

9.7 FORMAL ADDENDA

9.7.1 Once a project has been advertised, the bid due date and/or project documents can only be altered via addenda. A copy of each project addendum must be sent to all bidders.

9.7.2 Every addendum must be signed and included in the proposals submitted by all bidders. Failure to include signed addenda will render a bid non-responsive.

9.8 FORMAL BID SUBMITTAL

9.8.1 All bidders must respond by using the District's proposal form. Any bid received in any other format may be considered non-responsive.

9.8.2 Each formal bid must be in a sealed envelope with a "sealed bid" sticker identifying the bid number or project name on the outside of the envelope. These envelopes are not to be opened until the bid opening. Faxed or email proposals shall not be allowed for formal bids but are allowed for Requests for Quotations and Requests for Proposals, refer to the Section 10 Professional Services.

9.8.3 For public works project, each sealed bid envelope must include a bid surety in the amount of (5%) five percent of the bid value in the form of a bid bond or cashier's check.

9.8.4 The date and time received by the District shall be recorded on all proposals submitted.

9.8.5 Bids are to be sent to the Purchasing Agent and certified as received.

9.9 FORMAL BID OPENING

9.9.1 Formal bid openings usually occur on Wednesdays at precisely 3:30 p.m.

in the District offices.

- 9.9.2 The Purchasing Agent will bring all proposals received to the bid opening; at which time the General Manager and/or Project Coordinator for the project will begin opening the sealed bids promptly after the bid due time stated in the bid documents.
- 9.9.3 Each bid shall be read aloud publicly, and all pertinent information recorded on an official District bid tabulation form by the Purchasing Agent or designee. The inclusion of any required addenda and the bid surety must be acknowledged and publicly announced.

9.10 FORMAL BID EVALUATION

- 9.10.1 No bid shall be let if all bids submitted are (15%) fifteen percent or more than the estimated cost of the material or work. Should this occur, the Commission may direct staff to rebid the project or negotiate with the lowest responsible bidder in an attempt to have the bid price lowered to (15%) fifteen percent or less than the estimated project cost. If negotiation is unsuccessful, the Commission may direct staff to either advertise a second time or revise the project scope and/or specifications prior to advertising a second time.
- 9.10.2 If the District does not receive any bids for the material or work, the Commission may instruct Staff to advertise a second time; have District employees perform the work; or purchase the material on the open market by soliciting informal quotations.
- 9.10.3 The Project Coordinator or Purchasing Agent will evaluate all responsive proposals and will evaluate and select the lowest responsive responsible bid that best meets the District's criteria within the bid documents. After evaluation and selection of a successful lowest responsive responsible bidder, the Project Coordinator will prepare an inter-office memorandum recommending the award; this is to be signed by the Project Coordinator and General Manager. The signed memorandum will be sent to the Executive Assistant for inclusion on the agenda of the next regularly scheduled Commission meeting.

9.11 LIMITED NOTICE TO PROCEED

- 9.11.1 Limited notices to proceed may be used when preliminary work on a project must begin prior to finalizing a contract in order to meet scheduling deadlines. The scope and cost of work to be completed under

the limited notice to proceed must be clearly defined and approved by the General Manager and contactor prior to any work being done.

- 9.11.2 A limited notice to proceed may be issued for a maximum of (30) thirty days and cannot exceed the cost estimate approved by the General Manager.
- 9.11.3 The cost of a limited notice to proceed must be included in the total contract cost and will be considered as one phase of the project.

9.12 FORMAL BID AWARD

- 9.12.1 The General Manager or Project Coordinator will present the bid award recommendation to the Commission at their next regularly scheduled public meeting. The Commission shall be the final authority to award the bid.
- 9.12.2 Upon approval of the Commission, staff will immediately proceed with the implementation of the contract.
- 9.12.3 If the District receives a written protest from a bidder on a public works project within two days after the bid opening, the District may not execute a contract with any bidder other than the protesting bidder without first providing at least two full business days' written notice of the municipality's intent to execute a contract for the project; provided that the protesting bidder submits notice in writing of its protest no later than:
 - a. Two full business days following bid opening, if no bidder requested copies of the bids received for the project under subsection (1) of RCW 39.04.105; or
 - b. Two full business days following when the municipality provided copies of the bids to those bidders requesting bids under subsection (1) of RCW39.04.105. Intermediate Saturdays, Sundays, and legal holidays are not counted.
- 9.12.4 Emails and an attached copy of the bid tab will be sent to the unsuccessful bidders naming the successful contractor. The bid security submitted with their proposal shall be returned with a letter.
- 9.12.5 Project Coordinator will prepare an award letter to the successful bidder, which will include two copies of the contract, District templates for both the performance bond and payment bond, if applicable and notice that a certificate of insurance must be received by the District within (10) ten days of the bid award prior to the District signing a formal

agreement or contract with the bidder, and before given a notice to proceed. The amount of the performance bond and payment bond, if applicable required, as set forth in the “Notice and Instructions to Bidders”, shall be no less than 25% of the contract value for selected multi-year contracts and no more than 100% of the contract value for contracts completed within one year. The General Manager shall determine the appropriate amount of the performance bond per contract, if less than 100%.

- 9.12.6 A low bidder who claims error and fails to enter into a contract will forfeit their bid surety to the District as liquidated damages and will be prohibited from bidding on the same contract, if a second or subsequent call for bids is made. ([RCW 39.04.107](#))
- 9.12.7 Upon receipt of the performance bond, payment bond, if applicable, certificate of insurance, and two copies of the contract signed by the successful bidder, the Project Coordinator will obtain signatures from the District person or persons authorized to sign the contract. The contractor must sign both copies of the contract prior to District Representatives signing.
- 9.12.8 After all documents have been signed and received; the Project Coordinator will prepare a “Notice to Proceed” letter for the General Manager’s signature and return the successful bidder’s bid surety with the letter.
- 9.12.9 Once the contract work has commenced, payments for such work will be made in accordance with the specifications of the contract and per Section 5 Payment Procedures.
- 9.12.10A W-9 form must be submitted by the Contractor prior to receiving the first payment. Contractors may submit no more than two progress payment requests within a calendar month.
- 9.12.11 The Project Coordinator, or the Purchasing Agent will send a Substantial Completion letter and or Physical Completion letter, depending on the language in the contract documents to the contract. The final invoice will be signed as payable by the Project Coordinator prior to submitting to Accounts Payable for payment. At this point, the Project Coordinator will also confirm that all work has been completed; change orders and task orders executed; and invoices processed. The final payment process will follow procedures outlined in Section 5 Payment Procedures.

9.13 FORMAL FIELD CHANGE DIRECTIVE

9.13.1 A verbal field change directive may be used by a Project Coordinator to prevent a delay in a project when an immediate decision must be made concerning a change in the project scope of work that will cause a minor increase or decrease in the project cost.

9.13.2 A written change order proposal request must be submitted for submitted to the Contractor or Vendor within (10) ten business days of authorizing the verbal field change directive.

9.14 FORMAL CHANGE ORDERS

9.14.1 Change orders must be used when the total contract cost is either increased or decreased or when the terms of an existing contract are altered.

9.14.2 Change orders must be approved prior to material being purchased or work performed or unless a verbal field change directive is used.

9.15 FORMAL TASK ORDERS

9.15.1 A task order may be used to define the specific scope and cost of work to be performed on one phase of a project that was outlined within the general scope of the project contract. Task orders may not be used to allow a contractor to perform work outside of the original scope of a contract or to increase the Commission approved “not to exceed” contract dollar amount.

9.15.2 Task orders can also be used for on-call contracts. Each task must have a scope, fee and completion date. The task order(s) are meant to track the not to exceed amount in the overall on-call contract.

9.15.3 The intent to use task orders must be stated in contract documents prior to soliciting bids from contractors.

9.15.4 Task orders defining different phases of a project do not require Commission approval when a contract has a “not to exceed” dollar amount.

9.16 PREVAILING WAGE (RCW 39.12)

9.16.1 The hourly wages to be paid to laborers, workers, or mechanics on all public works and under all public building service maintenance contracts required by the District shall not be less than the prevailing rate of wage

for an hour's work, as determined by the Washington State Department of Labor & Industries, in the same trade or occupation in the locality within the state where such labor is performed.

- 9.16.2 All contracts between a public agency and a private employer to perform work at the cost of the District are public works contracts and require the payment of prevailing wage regardless of the project cost. Prevailing wage forms must be submitted for each and every job, regardless of size, scope, or cost to the State Department of Labor and Industries.
- 9.16.3 Owner-operators must submit the appropriate "intent" and "affidavit" forms to the State of Washington Department of Labor & Industries when working on public works projects; whether or not they employ other workers.
- 9.16.4 A "combined intent/affidavit" prevailing wage form may be used when a public works project estimate is less than \$2,500 (including sales tax). The contractor must fill out and submit the form to Accounts Payable prior to payment being made. A copy will be filed with the payment voucher and the original sent to the Washington State Department of Labor and Industries within (30) thirty days of the project completion.
- 9.16.5 A contractor must file a "Statement of Intent to Pay Prevailing Wage" form with the Washington State Department of Labor and Industries for each project when the estimated cost exceeds \$2,500 (including sales tax); the form must be approved by the Department of Labor and Industries and affirmed on their web site prior to any payment being made.
- 9.16.6 Following the District's acceptance of a completed public works project, Accounts Payable shall ensure that the contractor and every subcontractor has filed an "Affidavit of Wages Paid" with the State of Washington for projects over \$2,500 to \$35,000.
- 9.16.7 For projects over \$35,000 (including sales tax) Accounts Payable must file a "Notice of Public Works Project Completion" form with the Department of Labor and Industries, Employment Security Department and Department of Revenue at the conclusion of each project.

9.17 RETAINAGE (RCW 60.28.011)

- 9.17.1 All public works contracts shall have five percent (5%) retained from each contractor payment submittal and held as a surety until the Contractor has met all conditions of the Washington State prevailing

wage laws.

9.17.2 Accounts Payable must approve the release of all retained funds.

9.17.3 Retained funds for projects up to \$35,000 will be held until final acceptance of the project by the District; verification of the intent and affidavit forms being filed; and after the (30) day period for any liens to be filed, as required bylaw.

9.18 CONTRACTOR PREQUALIFICATION - ELECTRIC SYSTEM PUBLIC WORKS (RCW 54.04.080 and RCW 54.04.085)

9.18.1 The District must pre-qualify those persons, firms, or corporations desiring to bid upon contract work for electrical facility construction, improvement, or related work prior to any bids being awarded.

9.18.2 Construction or improvement of an electrical facility is defined as the construction, moving, maintenance, modification, or enlargement of facilities primarily used or to be used for the transmission or distribution of electricity at voltages above (750) seven hundred fifty volts, including all supporting structures of conductor but not including site preparation, conduit, vault, buildings, or protectivefencing.

9.18.3 Subcontractors may perform work pertaining to site preparation trenching, digging vault pits, building fences, constructing buildings, etc. in conjunction with an electrical system project. Conduit, concrete vaults, etc. may be installed by a subcontractor.

9.18.4 The Project Coordinator shall annually advertise in a local newspaper of general circulation and specialty publications, as deemed appropriate, of the District's need to update its pre-qualified contractor list; as well as notify all current pre-qualified contractors of their need to submit either an application or an affidavit in order to remain on the District's pre-qualified contractor list.

9.18.5 After receipt of applications and required information, the Project Coordinator will inform the appropriate Manager(s) of the review results.

9.18.6 Once a contractor has met the District's requirements for prequalification as determined by staff, a recommendation will be made in a memorandum to the General Manager or Projects Coordinator requesting prequalification approval by the Commission. The General Manager will present the prequalification request to the Commission at

the next scheduled public meeting.

9.19 Limited Public Works Process (LPWP) (RCW 39.04.155)

- 9.19.1 In [RCW 39.04.155](#), for small works roster procuring, the District may award a contract for work, construction, alteration, report, or improvement projects estimated to cost less than \$50,000 using the limited public works process (LPWP).
- 9.19.2 For LPWPs, the agency must solicit electronic or written quotations from at least three contractors on the appropriate small works roster, but it does not have to notify the remaining contractors.
- 9.19.3 Bidders shall be given adequate time to respond to the request; generally, a minimum of (13) thirteen calendar days but not less than (2) two calendar days, depending on the scope and urgency of the project.
- 9.19.4 The contract must be awarded to the lowest responsive responsible bidder as defined under [RCW 39.04.010](#).
- 9.19.5 For LPWPs, an agency may waive the payment and performance bond requirements of RCW 39.08 and the retainage requirements of [RCW 60.28.011\(1\)\(a\)](#), thereby assuming the liability for the contractor's nonpayment of laborers, mechanics, subcontractors, material persons, suppliers, and taxes imposed under [RCW 82](#) that may be due from the contractor for the LPWP, however, the agency has the right of recovery against the contractor for any payments made on the contractor's behalf. The agency has the right of recovery against the contractor for any payments made on the contractor's behalf.
- 9.19.6 Bid guarantees are optional.
- 9.19.7 Payment of prevailing wage is required.
- 9.19.8 As with normal roster contracts, sealed bids are not required, the District should document which contractors they solicited bids from and keep records of all bids received, not just those of the lowest bidders.
- 9.19.9 The District is to attempt to distribute opportunities for LPWPs equitably among contractors willing to perform in the geographic area of the work. After an award is made, the quotations must be open to public inspection and available by electronic request.
- 9.19.10 For project with an estimate under \$20,000, the District will attempt to

distribute opportunities among contractors willing to perform in the geographic area of the work.

9.19.11 The District is to maintain a list of the contractors contacted and the contracts awarded during the previous 24 months under the LPWP process, including the name of the contractor, the contractor's registration number, the amount of the contract, a brief description of the type of work performed, and the date the contract was awarded.

9.20 SMALL WORKS PROCESS (RCW 39.04.155)

9.20.1 Once a year the Project Coordinator shall advertise in a newspaper of general circulation soliciting contractors to be included on the District's small works roster. In addition, responsible contractors shall be added to an appropriate roster at any time they submit a written request and necessary records.

9.20.2 The contract must be awarded to the lowest responsive responsible bidder as defined under [RCW 39.04.010](#).

9.20.3 The District must solicit electronic or written quotations from at least five (5) contractors on the appropriate small works roster, who have indicated the capability of performing the kind of work being contracted, in a manner that will equitably distribute the opportunity among the contractors on the appropriate roster. However, if the estimated cost of the work is from \$250,000 to \$350,000, if the District chooses to solicit bids from less than all the appropriate contractors on the appropriate small works roster (i.e. only solicits 5 contractors) must also notify the remaining contractors on the appropriate small works roster that quotations on the work are being sought.

9.20.4 If no bids are received from contractors on the small works roster, informal quotations may be solicited from at least three or more contractors, if possible, lawfully engaged in the required work. Contracts will be awarded and administered following the requirements for public works projects as mandated by law.

9.20.5 Bidders shall be given adequate time to respond to the request; generally, a minimum of (13) thirteen calendar days but not less than (2) two calendar days, depending on the scope and urgency of the project.

9.20.6 For small works projects under \$150,000, the District, at the Contractor's selection, may waive both the performance bond and payment bond in lieu of 10-percent retainage. For small works projects

over \$150,000, the Contractor will be required to provide both a performance and payment bond at 100-percent of the contract amount.

9.20.7 The District will hold 5-percent retainage on small works project.

9.20.8 Bid guarantees are optional.

9.20.9 Janitorial contractors may provide a “Janitorial Bond” in lieu of a performance bond for multi-year contracts. The limits of the bond shall be determined by the District based upon the annual value of the Janitorial contract.

9.20.10 When using the small works process to award contracts for construction, building, renovation, remodeling, alteration, repair, or improvement of real property, the District must make available a list of all the contracts at least once a year. The list must contain the contract number, name of the contractor or vendor, dollar amount of the contract, a brief description of the work performed, or material purchased under the contract, and the date the contract was awarded. The list must also state the location where the bid quotations for these contracts are available for public inspection ([RCW 39.04.200](#)).

9.21 TRENCH SHARING AGREEMENTS

9.21.1 Some underground cable installations or replacements offer the cost saving opportunity to share the cost of trenching with other utilities within the right-of-way. A trench sharing agreement must be signed prior to the start of the project.

9.21.2 The agreement should include the following as a minimum:

- a. Total length and dimensions of shared trench
- b. A map and legal descriptions of the easement
- c. Size and depth of conduit being installed
- d. Location of any surface facilities being installed within easements and who is obtaining the easement.
- e. Type of wire or cable to be installed in each conduit
- f. Distance of separation between each utilities’ facilities
- g. Name of the utility providing the trench
- h. Percentage of cost shared by each utility for providing the trench
- i. Backfill and compaction requirements
- j. Liabilities of each utility
- k. Drawings of the trench and any pertinent facilities in the right-of-way

9.22 WASHINGTON STATE CONTRACTS

- 9.22.1 Annually, the District may enter into an inter-local agreement with the Washington State Department of Procurement; enabling the District to procure materials, supplies, equipment, and vehicles using State contract pricing.
- 9.22.2 The Purchasing Agent will review pertinent Washington State purchasing contracts made available to political subdivisions and compare the pricing with other vendors to determine which contracts are advantageous to the District.
- 9.22.3 The District is not obligated to utilize Washington State contracts.
- 9.22.4 When utilizing Washington State contracts, the competitive bidding process used by the State of Washington procurement departments will satisfy the District's obligation to comply with the mandatory competitive bidding statutes.

9.23 ITEMS PURCHASED AT PUBLIC AUCTION (RCW 39.30.045)

- 9.23.1 The District may purchase materials, supplies, vehicles, equipment, or tools at auctions conducted by the government or any agency of the United States, any agency of the State of Washington, any municipality or other government agency or any private party without being subject to public bidding requirements, if the items can be obtained at a competitive price.
- 9.23.2 The Commission shall either pre-authorize the purchase or pass a resolution approving the purchase at the next regular Commission meeting.
- 9.23.3 Prior to attending the auction, the Project Coordinator, General Manager, Commission, or others must establish a fair market value of the item(s) to be purchased at the auction based upon retail value, condition, cost to transport the item(s) to the District, or any other factors that may have a bearing on the value of the item(s).
- 9.23.4 Prior to purchasing an item(s) at a public auction the District must determine the method of payment:
 - a. Establish an account with the agency conducting the auction;
 - b. Secure the purchase with a District purchase order, if allowed; and
 - c. The Purchasing Agent, as the District Representative bidding on

the item(s), shall use their District credit card as payment for the purchase, up to the limit of the card.

9.23.5 A purchase order must be generated immediately after the purchase of any item at a public auction and the appropriate signatures obtained.

9.24 EMERGENCY PURCHASES OR PUBLIC WORKS (RCW 54.04.070 and 39.04.280)

9.24.1 An emergency occurs when unforeseen circumstances beyond the control of the District that either:

- a. Presents a real, immediate threat to the proper performance of essential functions; or
- b. will likely result in material loss or damage to property, bodily injury, or loss of life if immediate action is not taken. In the event of an emergency, the General Manager may authorize the purchase of materials and/or order work be performed by others to assist regularly employed personnel; in any amount necessary; without contract; and after taking precautions to secure the lowest price available under the circumstances.

9.24.2 Faxed or electronic quotes should be obtained from at least three suppliers or contractors, when possible, from the District's list of vendors or contractors qualified to supply necessary materials or perform the work, prior to the work being performed. A copy of these quotes must be given to the Project Coordinator for future payment processing and documentation of these services. Selection may be based upon bid price or on the ability to respond to the District's needs in the least amount of time.

9.24.3 A purchase order or contract must be signed by the General Manager prior to or immediately after material being ordered or contractors commencing work.

9.24.4 The purchase order must contain, as a minimum, the following applicable information: Vendor/Contractor name; total quantity; price; delivery dates of material; hourly rates for labor and equipment; brief scope of the work; beginning and ending dates contractor is needed; and an "estimated not to exceed" dollar amount. A copy of the approved purchase order must be sent to the Project Coordinator.

9.24.5 The Commission shall declare, by resolution, a state of emergency at the next scheduled public meeting approving the purchase of material and/or work.

9.25 SOLE SOURCE SUPPLIER (RCW 39.04.280)

- 9.25.1 When the supplier of a material item can be legitimately and clearly identified as the sole source of supply for the item, the Commission may be petitioned by staff to declare the supplier as a “sole source supplier” by resolution.
- 9.25.2 Justification for a sole source supplier may also include:
- a. Cost of maintaining an adequate supply of spare parts for multiple brands;
 - b. Superior quality and reliability of one manufacturer over others;
 - c. Quality of support offered by one manufacturer over others; or
 - d. Operational efficiencies gained by limiting the purchase of an item to one manufacturer.
- 9.25.3 Documentation and justification must be presented to the Commission prior to passing the resolution. The item(s) must be identified by manufacturer, model number or type, and catalog number, if applicable followed by a brief description clearly identifying the item.
- 9.25.4 If the supplier produces other products, the sole source resolution shall only pertain to the named items and not the supplier’s full line of products.
- 9.25.5 After a supplier has been declared sole source, staff must continue to actively search for additional suppliers offering similar products of comparable quality and functionality so as to comply with state mandated competitive purchasing practices.

9.26 INTER-LOCAL AGREEMENTS (RCW 39.34)

- 9.26.1 The District may, with Commission approval, enter into an Inter-local agreement with one or more public agencies to perform any governmental service, activity, or undertaking that each public agency entering into the agreement is authorized by law to perform.
- 9.26.2 When multiple agencies participate in an Inter-local agreement, one of the participating agencies must be designated as the lead agency.
- 9.26.3 An Inter-local agreement does not relieve the District from the statute-mandated competitive bidding requirements when purchasing materials, equipment, or supplies. The District may use the contract pricing under the Inter-local agreement as one of the bids but must also

obtain enough bids to ensure compliance with state competitive bidding laws.

9.26.4 Agencies participating in an Inter-local agreement are bound by all restrictions and requirements imposed upon each agency by Washington State statutes and other governmental regulations.

9.26.5 When entering into an Inter-local agreement with other government agencies, the stricter statutory requirements of the participating agencies will apply.

10. PROFESSIONAL SERVICES

10.1 PROFESSIONAL SERVICES - GENERAL

10.1.1 The District may require professional services not covered within the scope of public works statutes. When such need arises, the General Manager shall provide oversight during the selection process. The selection procedures for Engineering and Architectural services are not the same as purchased and personnel professional services.

10.1.2 It shall be the responsibility of the department requiring a purchased and personnel professional service to prepare requests for qualifications or proposals containing information outlining the project or service needed; qualifications required of the service provider; scope of service; length of the agreement; selection criteria; and any other information necessary for a provider to determine their ability to perform the service.

10.1.3 The draft documents shall be sent to the General Manager for review and, if approved, sent to the Project Coordinator for processing.

10.1.4 Purchased and personnel professional service selection may be on the basis of any of the following: cost; qualifications; ability to provide the service within a specified time frame; experience; knowledge of unique utility industry standards or practices; past performance; or knowledge and experience in dealing with past, current, or future District business needs.

10.1.5 Engineering and architectural service selection requires reviewing statements of qualifications from firms lawfully engaged in providing the service needed by the District. Following selection of a firm, cost of service will be negotiated.

- 10.1.6 All service agreements must have a “not to exceed” amount stated for a specified time frame; i.e. duration of the agreement; or yearly, quarterly, monthly, weekly, daily, etc.; on-call contracts or multi phased professional service agreements may use task orders to define the scope and cost of various phases of the service with or without a not to exceed amount for the duration of the contract.
- 10.1.7 Copies of professional services agreements or contract documents must be given to the Purchasing Agent in order for vouchers to be generated.
- 10.1.8 A bid surety; performance bond; and retainage are not required for professional services.
- 10.1.9 Insurance may be required for all types of professional service agreements.
- 10.1.10 The District may use the provider’s service agreement or contract. The General Manager shall determine if it is in the best interest of the District to use the provider’s agreement or contract. The District’s legal counsel may need to review the documents prior to being signed by District.
- 10.1.11 Legal counsel, when needed, should be given one to two weeks to review contract documents depending upon their complexity.
- 10.1.12 Professional service agreements must be finalized and signed prior to the service being rendered, except when a limited notice to proceed is authorized.
- 10.1.13 Limited notices to proceed may be used when negotiating an agreement for miscellaneous professional services, engineering and architectural services, and data processing and telecommunications services.
- 10.1.14 All documents pertaining to a professional service must be routed through the Records Department in order to ensure they are properly recorded and filed. The Project Coordinator is responsible for creating and filing documents including, but is not limited to:
- a. Requests for statements of qualifications or proposals;
 - b. Statements of qualifications or proposals received;
 - c. Letters;
 - d. E-mails;
 - e. Other correspondence;
 - f. Copy of contract or agreement;

- g. Copy of business license information;
- h. Vouchers for payments; and
- i. Project completion documentation.

10.1.15 Payments for professional services must follow procedures outlined in Section 5 Payment Procedures.

10.1.16 Excluded from these requirements are agreements pertaining to: computer software support and equipment maintenance; tool and equipment maintenance and support; legal counsel; Human Resources advisory services; financial and rates analysts or consultants; consultants that have successfully provided a service for other Public Utility Districts or Utilities who specializes in a specific need of the utility industry; or a service provider with a history of successfully providing a service for the District.

10.2 PURCHASED AND PERSONNEL PROFESSIONAL SERVICES (up to \$60,000)

10.2.1 While the District may award purchased or personnel professional services agreements without soliciting informal quotations when the estimated cost of service is \$20,000 or less; three or more informal quotations are preferred.

10.2.2 Three or more informal statement of qualifications or quotations must be obtained, if possible, from service providers capable of performing the service when the estimated agreement cost is between \$20,000 and \$60,000.

10.2.3 The Project Coordinator will request a purchase order from the Purchasing Agent. The Project Coordinator will request and negotiate the scope and fee with the selected service provider. Two copies of an agreement will be sent to the provider for signature and returned to the District. A copy of the purchase order or one copy of the signed agreement will be sent to the provider and will serve as their notice to proceed.

10.2.4 A purchase order must be used for service agreements.

10.2.5 Adequate time to respond to the request should be given to qualified service providers; generally, a minimum of (13) thirteen calendar days but not less than (2) two calendar days, depending upon the scope of the project.

10.2.6 The statement of qualifications or proposal will be reviewed by the Project Coordinator and selection team. The documents and recommendation will be forwarded to the General Manager.

10.2.7 The Project Coordinator will administer the agreement to completion. Invoices will be signed as approved by the Project Coordinator prior to payments being made.

10.3 PURCHASED AND PERSONAL PROFESSIONAL SERVICES (over \$60,000)

10.3.1 The Project Coordinator will submit a written outline of the scope of the project to the General Manager including an estimated cost of the project.

10.3.2 The Project Coordinator will develop the request for qualifications or proposal draft document. The documents must identify the scope of the project; significant evaluation factors; and their relative importance. An estimated cost of the service must be provided to the General Manager.

10.3.3 The Project Coordinator will develop reasonable procedures for the technical evaluation of the qualified sources and selection methods for awarding the contract.

10.3.4 The solicitation will include that the PUD is a RUS borrower.

10.3.5 The final, completed project documents will be forwarded to the General Manager and others as deemed appropriate for review.

10.3.6 After review, the Project Coordinator will publish the "Notice of Request for Qualifications or Proposals" in a local newspaper of general circulation and other appropriate journals a minimum of (13) thirteen calendar days from the date advertised to the date proposals are due.

10.3.7 The documents shall be sent to an adequate number of qualified purchased and personnel services as determined by the District, in its discretion, to permit reasonable competition consistent with the requirements of procurement.

10.3.8 The Project Coordinator, General Manager and others as necessary will review all proposals and make a selection of the qualified firm whose proposal is most advantageous to the District with price and other factors considered.

10.3.9 Staff will either negotiate with the firm most qualified to provide the service in an attempt to reach an agreement and fair compensation or select the firm with the proposal that would provide the most benefit to the District.

10.3.10 If over \$350,000, the Project Coordinator through the General manager will gain approval from the Commission to allow the General Manager to enter into an agreement with the selected purchased or personal service company.

10.3.11 The Projector Coordinator will request a purchase order from the Purchasing Agent.

10.3.12 Upon approval, the District will either negotiate an agreement and fair compensation with the successful provider; or sign an agreement with the provider submitting the most advantageous proposal to the District, if the terms of the agreement and compensation have already been agreed upon.

10.3.13 Two copies of the agreement will be sent to the provider for signature and returned to the District. A copy of the agreement signed by both the provider and the District will be sent to the provider and will serve as their notice to proceed. A copy of the agreement must be forwarded to the Project Coordinator in order to set up a file for vouchering payments.

10.3.14 Once a provider is chosen, the Project Coordinator will issue a notice of award of the project to the successful firm and will notify any other firms who submitted statements of qualifications or proposals of the award.

10.3.15 The Project Coordinator will prepare final agreement documents for signature.

10.3.16 The Project Coordinator requiring the service will administer the agreement to completion.

10.4 ENGINEERING & ARCHITECTRUAL SERVICES (up to \$100,000) (RCW 39.80)

10.4.1 Advance publication requesting statements of qualifications shall be made annually, encouraging firms lawfully engaging in the practice of their profession to submit statements of their qualifications and performance.

10.4.2 The firm best able to provide the service needed by the District will be selected based upon; past performance, experience, and the ability to

perform the work within the time frame required by the District.

- 10.4.3 Once the firm has been selected; a cost of service will be negotiated and if acceptable to the District, a purchase order or agreement will be issued.
- 10.4.4 The District may decide not to enter into an agreement with the firm if the amount of the price is not acceptable to the District; in which case the next firm will be contacted and so forth until a firm has been selected.
- 10.4.5 Once a firm has been selected, the Project Coordinator will request a purchase order from the Purchasing Agent.
- 10.5 ENGINEERING & ARCHITECTURAL SERVICES (over \$100,000 - ~~\$1,050,000~~) (RCW 39.80)
 - 10.5.1 The Project Coordinator will request permission from the General Manager to solicit statements of qualifications from professional firms lawfully engaged in the practice of the required service The District shall request statements of qualifications from providers capable of providing the service. Providers will be given a minimum of (13) thirteen calendar days to return statements of qualifications to the Project Coordinator.
 - 10.5.2 All statements of qualifications submitted as well as those on file for the current calendar year will be reviewed by the Project Coordinator, General Manager, and others as appropriate.
 - 10.5.3 The solicitations shall include that the PUD is a RUS borrower.
 - 10.5.4 Firms will be selected based upon their qualifications and apparent ability to perform the service. The top three or four firms will be contacted, and interviews scheduled to discuss the scope of the project; possible variations; concepts; methods of approach, etc.
 - 10.5.5 The Project Coordinator will develop the ranking criteria that will be used to select the professional firm.
 - 10.5.6 Fees may not be discussed during the interview process. Only after a firm has been selected for a project can negotiations for an appropriate fee begin.
 - 10.5.7 At the conclusion of the interviews, the Project Coordinator, General Manager, and others will select the top firm based upon the ranking

criteria.

10.5.8 The firm deemed the most highly qualified for the project will be contacted and the District has the option to interview the solicited firms.

10.5.9 The Project Coordinator and General Manager shall negotiate with the most qualified firm for services at a cost that the District determines to be fair and reasonable and/or within budget constraints.

10.5.10 If the District is unable to successfully negotiate an agreement with the most qualified firm, negotiations will be formally terminated with that firm and the next firm in the ranking shall be contacted, and negotiations shall be conducted in an attempt to secure an agreement that is acceptable to the District. The process will continue until a firm has been selected.

10.5.11 If over \$350,000 and after a scope and fee has been successfully negotiated, the Project Coordinator and General Manager will recommend the selection to the Commission for approval to sign an agreement with the selected firm. The Commission may, at their discretion; approve the selection and direct the General Manager to sign the agreement; or they may reject the recommendation and direct staff to solicit additional statements of qualifications.

10.5.12 Upon completion of the project the Project Coordinator shall notify the General Manager by inter-office memorandum of the completion and recommend that the Commission accept the contract as complete.

10.6 ENGINEERING & ARCHITECTURAL SERVICES (over \$1,050,000) (RCW 39.80)

10.6.1 The procedures for selecting firms to provide Engineering and Architectural services with an estimated cost over \$1,050,000 shall be as outlined in the previous Section 10.5, except for the following:

- a. The Commission shall be petitioned for permission to advertise for statements of qualifications for the service required in a newspaper of general circulation and any established trade association, as appropriate, for a minimum of (13) thirteen calendar days prior to the date the statement of qualifications are due.

10.7 NEGOTIATION-BASED PROCUREMENT FOR ELECTRONIC DATA PROCESSING AND TELECOMMUNICATIONS SYSTEMS (RCW 39.04.270)

10.7.1 The Project Coordinator will notify the General Manager of the outline

and scope of work, including an estimated cost of the project.

- 10.7.2 The Project Coordinator will develop the request for proposal (RFP) draft document. The document is to identify significant evaluation factors; their relative importance; and estimated cost.
- 10.7.3 The Project Coordinator will develop reasonable procedures for the technical evaluation of the qualified sources; selection methods and criteria for awarding the contract.
- 10.7.4 The pre-qualification performed by the Washington State Department of Information Services or another public entity will suffice for District qualification.
- 10.7.5 After review, the Project Coordinator will recommend to the General Manager that the Commission be petitioned for permission to publish the "Notice of Request for Proposals" in a local newspaper of general circulation and other appropriate journals for a minimum of (13) thirteen calendar days from the date advertised to the date proposals are due.
- 10.7.6 The RFP shall be sent to an adequate number of qualified sources as determined by the District, in its discretion, to permit reasonable competition consistent with the requirements of procurement.
- 10.7.7 The Project Coordinator, and others as necessary will review all proposals and make a selection of the qualified firm whose proposal is most advantageous to the District with price and other factors considered. A price will be negotiated that is considered acceptable to the District and within budget constraints.
- 10.7.8 If over \$100,000, the Commission will be petitioned to authorize the General Manager to sign a contract with the successful firm offering the system best suited for the needs of the District.
- 10.7.9 The District may reject any and all proposals for good cause and request new proposals,
- 10.7.10 The Project Coordinator or IT Manager will issue a notice of award to the selected firm and will notify the other firms who were not selected.
- 10.7.11 The Project Coordinator will administer the contract following applicable procedures as outlined in Section 9 Public Works & Material Contracts

10.8 LIMITED NOTICE TO PROCEED

10.8.1 Limited notices to proceed may be used when preliminary work on a project must begin prior to finalizing a contract in order to meet scheduling deadlines. The scope and cost of work to be completed under the limited notice to proceed must be clearly defined and approved by the General Manager and contactor prior to any service performed.

10.8.2 A limited notice to proceed may be issued for a maximum of (30) thirty days and cannot exceed the cost estimate approved by the General Manager.

10.8.3 The cost of a limited notice to proceed must be included in the total contract cost and will be considered as one phase of the project.

10.9 CHANGE ORDERS

10.9.1 Change orders must be used when the total contract or agreement cost is either increased or decreased or when the terms of a contract are altered.

10.9.2 Change orders must be approved prior to the service being performed.

10.10 TASK ORDERS

10.10.1 A task order may be used to define the specific scope and cost of service to be performed on one phase of a project that was outlined within the general scope of the project contract. Task orders may not be used to allow a firm to perform work outside of the original scope of a contract or to increase the Commission approved "not to exceed" contract dollar amount.

10.10.2 Task orders can also be used when administering an On-call contract. The Project Coordinator will negotiate the scope and fee and schedule for each task.

10.10.3 Task orders may only be used when a project contract is let using the formal Commission approval process.

10.10.4 The intent to use task orders must be stated in contract documents prior to soliciting bids from contractors.

10.10.5 Task orders defining different phases of a project do not require Commission approval when a contract has a "not to exceed" dollar amount.

10.10.6A Change order is not necessary when a task order is used.

11. SURPLUS PROPERTY

11.1 GENERAL

11.1.1 District property must be properly purchased, utilized, maintained, and when no longer useful, disposed of. Property that is no longer useful, fit for service, or is available in excess quantities may be deemed “surplus.” The District’s General Manager will ensure that when surplus property is so declared, the procedures established for accountability, control, and disposal are followed. “Property” includes real property, materials, supplies, equipment, vehicles, and any other items owned by the District. Certain property may be declared to have no value and be disposed of on a regular basis in compliance with established procedures. No one shall remove or dispose of any District property without following the procedures described below.

11.1.2 All procedures for disposal of surplus property will be in accordance with state law ([WAC 236-48-190](#); [RCW 39.33.020](#); [RCW 43.19](#)). In the event of any conflict between these procedures and state law, state law shall govern.

11.1.3 The District is committed to the recycling or reuse of all materials, supplies, equipment, etc. that can be accomplished through reasonable methods.

11.2 RESPONSIBILITIES

11.2.1 District property and related information will be reviewed as necessary as well as annually to determine the type and amount of surplus property.

11.2.2 Each Department shall be responsible for filling out and signing surplus property forms when surplus items are identified throughout the year. Each form must include the following: quantity; description; condition; serial number; District asset number, if applicable; recommendation of disposal (i.e. sale, recycle, exchange, etc.) and any other pertinent information. The form will be submitted to the Purchasing Agent for review and processing. The timing and method of disposal shall be determined on a case- by-case basis.

11.2.3 The Purchasing Agent will be responsible to initiate the annual polling of District departments for surplus items; compiling a list; and circulating it

among all departments who may be able to utilize some of the items. Items not of use by the District will be placed on a single surplus list.

11.2.4 The final surplus list will be forwarded to the General Manager for review. At a regularly scheduled public meeting the Purchasing Agent or Project Coordinator will present the list attached to a resolution recommending the Commission approve the disposal of the items.

11.2.5 Disposal may be by sale, auction, recycling, donation, exchange, transfer, or landfill. The Purchasing Agent or Project Coordinator will coordinate the disposal.

11.2.6 All asset tags and District identification must be removed prior to disposal.

11.2.7 Once an item has been declared surplus by the Commission, it must be taken out of service until disposed.

11.3 VEHICLES & EQUIPMENT

11.3.1 Vehicles and equipment may be disposed for any one of the following reasons:

- a. Cost of maintenance and has become excessive;
- b. Major repair would be cost prohibitive; or
- c. The vehicle or equipment is no longer of use to the District.

11.3.2 Surplus cars, equipment, and trucks (except aerial manlifts, digger-derricks, and knuckle boom or crane trucks) that can be used by the public shall be placed on a surplus list and, after Commission approval, disposed of by sealed bid or public auction.

11.3.3 Aerial manlifts, digger derricks, knuckle booms, and crane trucks must be either dismantled & sold for scrap or used as a trade-in when purchasing new trucks of similar use. The Commission must declare a truck surplus by resolution prior to its being dismantled or removed from District property.

11.4 NO-VALUE PROPERTY

11.4.1 Certain property may be determined to have no value to the District in terms of sale, auction, exchange, or transfer. Typical property in this category includes but is not limited to:

- a. Recyclable paper, cardboard, scrap metals, plastic products, computers and equipment; etc.;

- b. Broken material items, equipment, or tools that cannot be repaired;
- c. Wood pole pieces, crossarms, pallets, etc.; and or
- d. Damaged or non-reusable items

11.4.2 The Purchasing Agent will regularly review and direct disposal of no-value property. The General Manager has final authority for disposal practices.

11.4.3 In order to avoid landfill or handling cost, the Purchasing Agent may make arrangements with the public, employees, or others to remove no-value items from District property.

11.4.4 All disposal practices will ensure compliance with environmental regulations, State laws and local ordinances, and District policies.

11.4.5 Recyclable items will be sold if cost-effective.

11.4.6 Surplus items may not be given to a private business in order for them to sell the item(s) for profit.

11.4.7 Surplus items may be donated to non-profit organizations when used as a source of funding or when the public will benefit directly from the donation.

11.5 WOOD PRODUCTS

11.5.1 Wood pole pieces that are non-reusable, accumulate gradually, and are in insufficient quantity to warrant sale to the public may be disposed of in any of the following manners:

- a. When part of a removal work order project, left on customer's property at the request of the property owner. The Project Coordinator must be notified when such arrangements are made by a District Representative.
- b. Picked up by customers who pre-arrange the pickup with the Purchasing Agent. The customer may be required to pay District costs if specific extra work must be performed to make the items available for pick up and sign any appropriate releases.
- c. Pick up by employees who have made prior arrangements with the Purchasing Agent.

11.5.2 Wooden wire reels may be picked up by the public or employees after confirmation of arrangements with the Purchasing Agent.

11.6 SCRAP METAL AND RECYCLABLE MATERIALS

11.6.1 Scrap metal and recyclable materials will be accumulated at the Operations Center.

11.6.2 Scrap metal and recyclable materials shall be accumulated in metal bins. The receipt ticket for each bin must contain the following: date picked up; contents; employee signature; and signed by the scrap dealer.

11.6.3 The receipt ticket will then be given to the Purchasing Agent and compared with the weights of materials given to Accounts Receivable by the scrap dealer when paid for.

11.7 RECORDS

11.7.1 All surplus property of value must be recorded on a “Surplus Property Disposal Record” by the Purchasing Agent and forwarded to the Finance Department for property records adjustments.

12. Statutory References

Table 7 - Statutory References

Statutory References	
Subject	Reference
Architecture and Engineering Services - Award	RCW 39.80.050
Architecture and Engineering Services - Contracts	RCW 39.80
Architecture and Engineering Services - Evaluation criteria	RCW 39.80.040
Architecture and Engineering Services - General statutory definition, architecture	RCW 18.08
Architecture and Engineering Services - General statutory definition, engineering and land surveyors	RCW 18.43
Architecture and Engineering Services - General statutory definition, landscape architecture	RCW 18.96

Statutory References	
Subject	Reference
Architecture and Engineering Services - Intergovernmental contract for A/E services	RCW 39.34.030(6)
Architecture and Engineering Services - Requirements for A&E services notifications	RCW 39.80.030
Architecture and Engineering Services - Women, Minority, and Veteran-Owned Businesses	RCW 39.80.040
Competitive Bidding Requirements - Exemptions	RCW 39.04.280
Contracts for work or materials and Bids	RCW 54.04.070; RCW 54.04.080
Emergency Exemptions	RCW 39.04.280
Payment and Performance Bond Requirements	RCW 39.08.010
Prevailing Wages	RCW 39.12
Public Works Projects - Competitive requirements	RCW 54.04.070; RCW 54.04.080
Public Works Projects - General intergovernmental contracting	RCW 39.34.030; RCW 39.34.080
Public Works Projects - Requirements for electrical facility construction or improvement	RCW 54.04.085
Purchases Goods, Materials, Equipment – Electronic data processing and telecommunications systems	RCW 39.04.270
Purchases Goods, Materials, Equipment - Exemption for auctions	RCW 39.30.045
Purchases Goods, Materials, Equipment - Vendor list	RCW 54.04.082; RCW 39.04.190
Purchases Goods, Materials, Equipment and Public Works - All other exemptions	RCW 39.04.280
Real Property Management	RCW 36.34

Statutory References	
Subject	Reference
Retainage Requirements	RCW 60.28.011
Small Works Process – Award	RCW 39.04.010
Small Works Process - Interlocal contract	RCW 39.04.155(2)(b)
Small Works Process - Limited Public Works project	RCW 39.04.155(3)
Small Works Process - Responsibility for ensuring that contractors on the roster meet qualifications	RCW 39.04.350
Small Works Process - Small Works Roster procedures	RCW 54.04.070; RCW 39.04.155
Water Quality Joint Development Act	RCW 70.150

Procurement Manual Roles

March 24, 2020

Procurement Manual Personnel	PUD Positions
District Auditor	Financial Manager I
Project Coordinator	Electrical Engineering Supervisor, Operations Assistant, Projects Manager, Staking Engineer, Substation Journeyman, Water Superintendent or personnel designated by management
Purchasing Agent	Head Storekeeper/Purchasing Agent
Accounts Payable	Utility Accountant
Crew Lead	foreman, crew lead

**PUBLIC UTILITY DISTRICT NO. 1
OF
JEFFERSON COUNTY**

RESOLUTION NO. 2020-___

A RESOLUTION of the Board of Commissioners of the Public Utility District No 1 of Jefferson County, Washington (“the PUD”), revising, removing and superseding the water and sewer charges originally adopted in Exhibit B of Resolution 2016-020, and adopting various construction rates for water and sewer services.

WHEREAS, PUD staff has reviewed PUD Resolution 2016-020 and its Exhibit: Schedule of Deposits and Charges (“Exhibit B”) regarding construction rates for water and sewer services;

WHEREAS, each utility of the PUD - electric, water and sewer and broadband will create separate Resolutions and fee schedule exhibits;

WHEREAS, this Resolution and exhibit addresses and only revises and supersedes the water and sewer charges adopted in Exhibit B of Resolution 2016-020 by removing it from Resolution 2016-020, and including it in this Resolution No. 2020-___, Exhibit A;

WHEREAS, the changes to the electric and broadband service schedule of charges has been addressed in a separate Resolution(s);

WHEREAS, new service quotes issued prior to May 1, 2020 with rates set under Resolution 2016, shall be honored through the quote expiration date,

WHEREAS, any quotes for services on or after the effective date of this resolution, May 1, 2020, will be quoted rates and charges approved in Exhibit A to this resolution,

WHEREAS, the PUD staff has revised construction rates for new services to reflect an increase in labor and material cost; and

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of Public Utility District No. 1 of Jefferson County, Washington as follows:

The PUD adopts the revised rates in the exhibit titled “Public Utility District No. 1 of Jefferson County Schedule of Charges for Water and Sewer Services (“Exhibit A”)”, attached hereto and incorporated by reference, all effective May 1, 2020. Exhibit B to Resolution 2016-020 is hereby deleted and its terms and conditions are superseded and revised, and included in Exhibit A. All other Resolutions and related terms and conditions for construction rates for new services remain unchanged by this action of the Board of Commissioners.

ADOPTED by the Board of Commissioners of Public Utility District No. 1 of Jefferson County, Washington, at a regular open meeting held this ___th day of March 2020.

Dan Toepper, President

Kenneth Collins, Vice President

ATTEST:

Jeff Randall, Secretary

“EXHIBIT A”

**PUBLIC UTILITY DISTRICT NO. 1
OF JEFFERSON COUNTY**

Schedule of Charges for Water and Sewer Services

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**PUBLIC UTILITY DISTRICT NO. 1
OF JEFFERSON COUNTY
March 17, 2020**

CHARGES

New Service Charges

Water Service Charges

Water – Residential (3/4" meter)

- | | |
|---|--|
| 1) Water meter installation – water main adjacent to property | \$2,200 |
| 2) Water meter installation – water main opposite side of property (i.e. across the street) | \$2,900 |
| 3) Water meter drop-in | \$255 |
| 4) Asphalt patching | \$1,100 |
| 5) Permit fees – Jefferson County Class A | per Jefferson County Public Works fee schedule |
| 6) Permit fees – Jefferson County Class B | per Jefferson County Public Works fee schedule |
| 7) Permit fees – WSDOT base fee and inspection fee | per WSDOT fee schedule |
| 8) System Development Charger per ERUs | |
| a. Bywater Pope | \$600 |
| b. Bywater/Shine | \$7,000 |
| c. Marrowstone (LUD No. 14) ¹ | \$7,400 |
| d. Snow Creek | \$2,900 |
| e. South Hastings (LUD No. 3) ² | \$2,800 |
| f. Standard | \$2,000 |
| g. Triton Cove (LUD No. 6) ³ | \$2,000 |

Water – Residential (1-inch meter)

- | | |
|---|---------|
| 1) Water meter installation -water main adjacent to property | \$2,310 |
| 2) Water meter installation – water main opposite side of property (i.e. across the street) | \$3,010 |

¹ The potential customer will be responsible for paying the SDC listed if the property was not originally, fully or partially, assessed during the Local Utility District (LUD) process.

² The potential customer will pay the SDC listed if their parcel was not assessed during the Local Utility District (LUD) process.

³ The potential customer will pay the SDC listed if their parcel was not assessed during the Local Utility District (LUD) process.

3) Water meter drop-in	\$255
4) Asphalt patching	\$1,100
5) Permit fees – Jefferson County Class A	per Jefferson County Public Works fee schedule
6) Permit fees – Jefferson County Class B	per Jefferson County Public Works fee schedule
7) Permit fees – WSDOT base fee and inspection fee	per WSDOT fee schedule
8) System Development Charger per ERUs	
a. Bywater Pope	\$600*
b. Bywater/Shine	\$7,000*
c. Marrowstone (LUD No. 4) ⁴	\$7,400*
d. Snow Creek	\$2,900*
e. South Hastings (LUD No. 3) ⁵	\$2,800*
f. Standard	\$2,000*
g. Triton Cove (LUD No. 6) ⁶	\$2,000*

*The system development charge listed above is multiplied by the Equivalent Residential Unit (ERU) for the proposed use.

Water – (1.5-inch meter)

1) Water meter installation -water main adjacent to property	\$3,200
2) Water meter installation – water main opposite side of property (i.e. across the street)	\$3,900
3) Water meter drop-in	\$480
4) Asphalt patching	\$1,100
5) Permit fees – Jefferson County Class A	per Jefferson County Public Works fee schedule
6) Permit fees – Jefferson County Class B	per Jefferson County Public Works fee schedule
7) Permit fees – WSDOT base fee and inspection fee	per WSDOT fee schedule
8) System Development Charger per ERUs	
a. Bywater Pope	\$600*
b. Bywater/Shine	\$7,000*
c. Marrowstone (LUD No. 4) ⁷	\$7,400*
d. Snow Creek	\$2,900*

⁴ The potential customer will be responsible for paying the SDC listed if the property was not originally, fully or partially, assessed during the Local Utility District (LUD) process.

⁵ The potential customer will pay the SDC listed if their parcel was not assessed during the Local Utility District (LUD) process.

⁶ The potential customer will pay the SDC listed if their parcel was not assessed during the Local Utility District (LUD) process.

⁷ The potential customer will be responsible for paying the SDC listed if the property was not originally, fully or partially, assessed during the Local Utility District (LUD) process.

- e. South Hastings (LUD No. 3)⁸ \$2,800*
- f. Standard \$2,000*
- g. Triton Cove (LUD No. 6)⁹ \$2,000*

*The system development charge listed above is multiplied by the Equivalent Residential Unit (ERU) for the proposed use.

Water – (2-inch meter)

- 1) Water meter installation -water main adjacent to property \$3,525
- 2) Water meter installation – water main opposite side of property (i.e. across the street) \$4,225
- 3) Water meter drop-in \$675
- 4) Asphalt patching \$1,100
- 5) Permit fees – Jefferson County Class A per Jefferson County Public Works fee schedule
- 6) Permit fees – Jefferson County Class B per Jefferson County Public Works fee schedule
- 7) Permit fees – WSDOT base fee and inspection fee per WSDOT fee schedule
- 8) System Development Charger per ERUs
 - a. Bywater Pope \$600*
 - b. Bywater/Shine \$7,000*
 - c. Marrowstone (LUD No. 4)¹⁰ \$7,400*
 - d. Snow Creek \$2,900*
 - e. South Hastings (LUD No. 3)¹¹ \$2,800*
 - f. Standard \$2,000*
 - g. Triton Cove (LUD No. 6)¹² \$2,000*

*The system development charge listed above is multiplied by the Equivalent Residential Unit (ERU) for the proposed use.

Water – above 2-inch meter

per engineer’s estimate

⁸ The potential customer will pay the SDC listed if their parcel was not assessed during the Local Utility District (LUD) process.

⁹ The potential customer will pay the SDC listed if their parcel was not assessed during the Local Utility District (LUD) process.

¹⁰ The potential customer will be responsible for paying the SDC listed if the property was not originally, fully or partially, assessed during the Local Utility District (LUD) process.

¹¹ The potential customer will pay the SDC listed if their parcel was not assessed during the Local Utility District (LUD) process.

¹² The potential customer will pay the SDC listed if their parcel was not assessed during the Local Utility District (LUD) process.

Sewer Service Charges

1) Hook-up Charge	\$150
2) System Charge	per sewer agreement
3) Bedroom Fee (per bedroom)	per sewer agreement
4) Inspection of private septic system	\$350 (min.)
5) Monthly sewer operation and maintenance fee	\$250 per month

Miscellaneous Service Charges

1) Administration and legal charges for LUD's	
a. Under \$100,000	10% of design and construction cost
b. Between \$100,000 and \$500,000	7% of design and construction cost
c. Over \$500,000	5% of design and construction cost
2) Assessment Segregation	\$55 per hour (1-hour min.)
3) Bacteria test fee	Actual cost of test
4) Construction/Event Meter	
a. Base monthly rate	\$75
b. Consumption per commercial rate	per current fee schedule
c. Deposit ¹³	\$500
5) District equipment damage charges	Time and material (\$100 min.)
6) Document preparation	\$200
7) Engineering plan review	Engineer hourly rate over \$1,000
8) Hydrant Meter Use	
a. Quimper base rate	per current fee schedule
b. Consumption per commercial rate	per current fee schedule
9) Latecomer	
a. Processing of a latecomer	\$55 per hour
b. Collection of latecomer payback	per latecomer agreement
10) Legal fees	\$350 per hour
11) Pressure testing inspection	\$32 per hour

¹³ The deposit is returned once the meter and PUD equipment (if any) is returned in working order.