



**Board of Commissioners Meeting
April 7, 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

Per [Governor's Proclamation 20-28](#), and in response to the COVID-19 pandemic, Jefferson County PUD will not be providing an in-person room for meetings of the BOC. Meetings are accessible remotely via Webex, follow the instructions below to join the meeting:

ONLINE: Go to <https://jeffpud.my.webex.com/meet/JPUD> follow the instructions to login and join. Meetings will open for remote logins 5 minutes before they begin.

PHONE: Call: (408) 418-9388. Enter Access Code: 628 345 788 #. Hit # again when prompted for an additional id number.

Note: All participant audio will be muted upon entry. Please unmute at the appropriate time to speak.

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: BOC Regular meeting 1-28-20, BOC Regular Meeting, 2-4-20 BOC Regular Meeting and 2-18-20 BOC Regular Meeting

5.2 Voucher Certification and Approval

5.3 February Financials 2020

5.4 PUD Calendar

5.5 Resolution 2020-xxx Procurement Manual Resolution

5.6 2019 RUS FORM 7 and USDA RD Form 442-2

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 will be attending WEBEX)

6.3 Financial Policy Resolution 2020-_____

7. NEW BUSINESS/ACTION ITEMS

7.1 Policy for E-signatures

7.2 Mutual Aid Agreement

7.3 7-Year Anniversary

8. COMMISSIONER REPORTS

9. ADJOURN



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

**January 28, 2020
Board of Commissioners
Special Meeting – Vegetation Management Policy Discussion
Draft Minutes**

The Special 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 10:00 a.m. on January 28, 2020, at the Chimacum Fire Hall, 9193 Rhody Drive, Chimacum, Washington, 98325. Present:

Commissioner Dan Toepper, President
Commissioner Jeff Randall, Secretary
Commissioner Kenneth Collins, Vice President
Kevin Streett, General Manager
Jimmy Scarborough, Interim Electrical Engineering Supervisor
Jean Hall, Customer Service Manager
Colton Worley, Substation Apprentice
Will O'Donnell, Communications Manager
Mike Bailey, Financial Services Director
Tod Eisele, Substation Metering Tech
Don McDaniel, PUD Consultant
Annette Johnson, Executive Assistant/Records Officer
Scott Bancroft, Special Projects Coordinator
Cammy Brown, Recording Secretary

CALL TO ORDER:

Commissioner Dan Toepper called the Special Meeting of the PUD Board of Commissioners for January 28, 2020, to order at 10:00 a.m. Voluntary introductions were given.

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Jefferson County PUD
Board of Commissioners
Special Meeting – Executive Sessions
January 28, 2020 – 10:00 a.m.
Draft Minutes

AGENDA APPROVAL:

General Manager Kevin Streett requested an addition to the agenda – Fire Mitigation. This item will be discussed after Vegetation Management Policy.

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

Scott Bancroft, Special Projects Coordinator, gave a short report on the Vegetation Management Policy (Handouts Nos. 1 and 2).

PUBLIC COMMENTS:

- Suggestions: Get the information presented at this meeting out to the public. Promote this through the Jefferson County Library.

Colton Worley, Substation Apprentice and Tod Eisele, Substation Metering Tech, gave a presentation on Fire Mitigation (Handout No. 3).

Cammy Brown, PUD Recording Secretary, left the meeting at 11:15 a.m.

ADJOURNMENT:

Commissioner Dan Toepper declared the January 28, 2020, Special Meeting of the Jefferson County Public Utility District No. 1 Board of Commissioners adjourned at 11:22 a.m.

 Minutes prepared by
 Cammy Brown, PUD Recording Secretary

Approved:

_____	_____
Commissioner Jeff Randall, Secretary	Date

Attest:

_____	_____
Commissioner Dan Toepper, President	Date

_____	_____
Commissioner Kenneth Collins, Vice President	Date

Please note PUD Board of Commissioner special 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

Jefferson County PUD
Board of Commissioners
Special Meeting – Executive Sessions
January 28, 2020 – 10:00 a.m.
Draft Minutes

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.



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

February 4, 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 February 4, 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
Samantha Harper, Water Superintendent
Jimmy Scarborough, Interim Electrical Engineer Supervisor
Mike Bailey, Financial Services Manager
Jean Hall, Customer Service Manager
Will O'Donnell, Communications Manager
Annette Johnson, Executive Assistant/Records Officer
Scott Bancroft, Special Projects Coordinator
Lori Rae, Operations Administrator
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 PUD Board of

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Jefferson County PUD
Board of Commissioners
February 4, 2020, Regular Meeting
Draft Minutes

Commissioners for February 4, 2020, to order at 5:00 p.m.

INTRODUCTIONS: Commissioner Dan Toepper started the meeting asking for voluntary introductions from the commissioners and staff.

2. AGENDA APPROVAL:

Commissioner Dan Toepper added the following:

1. Minutes of 12-10-2019 BOC Special Meeting. These minutes were in the packet but not listed on the agenda. Those minutes were added to the Consent Agenda.
2. Executive Session needs to go on the Agenda - RCW 42.33.140(4)(a) to discuss union contract negotiations. Added to as 9.1 after Signing of Documents.
3. Add under New Business: Add 7.3 Legislation (Low Carbon Fuel Tax).
4. Add under New Business: Add 7.4 Proposed newsletter plan.
5. Moving 2019 Financials and placing under Old Business Item No. 6.2.

MOTION: Commissioner Jeff Randall made a motion to approve the Agenda with the following modifications: add to the Consent Agenda Special Meeting Minutes for December 10, 2019; add under New Business Item 7.3 Low Carbon Fuel Tax Legislation; add 7.4 Discussion of the Newsletter Plan; add an Executive Session for the purposes of discussing union contracts after the signing of documents, and moving the 2019 Financials and putting them under Old Business Item No. 6.2. 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:

- **Comment:** No one is required to give their names in order to make public comment. Recommendation to retract request.
- **Comment made on** replacement of transmitting analog meter to non-transmitting analog meter.
- **Question:** How many opt-out applications have been submitted? **Response:** Five have been replaced.
- **Comments** regarding whales going extinct – dams on the Snake River. (Handout No. 1).

4. CONSENT AGENDA:

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

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Board of Commissioners
February 4, 2020, Regular Meeting
Draft Minutes

4.1 Draft Minutes:

- Draft minutes: 11-19-19 BOC Regular Meeting.
- Draft minutes: 11-20-19 BOC Special Meeting.
- Draft minutes: 12-10-19 PUD BOC Regular Meeting.
- Draft minutes: 12-12-19 PUD BOC Audit Exit.
- Draft minutes: 12-10-19 BOC Special Meeting (added)

4.2 Voucher Certification and Approval.

VOUCHER CLAIM FORMS FOR INVOICES PAID:

WARRANTS	AMOUNT	DATE
Accounts Payable: #122318 to #122383	\$ 450,861.35	01/16/2020
Accounts Payable: #122384 to #122407	\$ 430,585.13	01/23/2020
Payroll Checks: # 70696 to # 70700	\$ 10,803.12	01/24/2020
Payroll Direct Deposit	\$ 159,720.86	01/24/2020
TOTAL INVOICES PAID	\$ 1,051,970.46	
GRAND TOTAL	\$ 1,051,970.46	

4.3 December 2019 Financials: Moved to Old Business, Item No. 6.2.

END OF CONSENT AGENDA.

5. MANAGER AND STAFF REPORTS: General Manager Kevin Streett gave a report on the following:

- PUD Special Meeting on the Procurement Manual scheduled for February 10, 2020, rescheduled to February 28, 2020, 10 p.m. to 12:00 p.m., Chimacum.
- Outage report. Appreciation to crews and staff.
- Opt-out applications received to date are 80.
- Meters are being delayed.
- Meeting to go over strategic planning and manager goals will be scheduled.
- Financial Policy – draft available end of February.

PUBLIC COMMENTS:

- **Question:** For outage reports wouldn't it be better to put up weather stations at Fort Worden, Boat Haven, Quilcene, Marrowstone, Gardiner and the airport? **Response:** Best indicators are the PUD customers. Customers call in when there is an outage. There is a weather station at the PUD.

6. OLD BUSINESS:

6.1. Resolution Rate 43 Increase: General Manager Kevin Streett gave a report concerning the rate increase for the schools. Staff was directed to have a resolution to suspend that rate increase for the schools. Suspension of this rate increase would not affect the budget. This resolution is a short-term fix. The long-term fix has to be done during the rate study. There was some discussion.

MOTION: Commissioner Kenneth Collins made a motion to approve a resolution to rescind the scheduled March 1, 2020 rate increase for “Interruptible Primary Service for Total-Electric Schools” as described in Rate 43 of Resolution 2018-001. Commissioner Jeff Randall seconded the motion. Motion carried unanimously.

6.2 December 2019 Financials: The 2019 Financials were discussed.

MOTION: Commissioner Jeff Randall made a motion to approve the financials for December 2019 and to put them into the records. Commissioner Kenneth Collins seconded the motion. Motion carried unanimously.

7. NEW BUSINESS/ACTION ITEMS:

7.1 Aid to Construction Rates for Electrical and Broadband: General Manager Kevin Streett gave a report. The staff recommends that the PUD increase the construction rates 20% across the board. Staff will present documentation at the next Board meeting. There was some discussion.

7.2 Vegetation Management Policy: Scott Bancroft, Special Projects Coordinator gave a report on the Vegetation Management Policy. There is a major change in removing trees in the maintenance coordinator.

7.3 Legislation on Low Carbon – House Bill 1110: Commissioner Dan Toepper gave a report. WPUDA is monitoring this bill.

7.4 Newsletter: Commissioner Dan Toepper gave a report on the importance of getting more information in the PUD’s newsletter about the Board of Commissioners. This idea will be given to Communications Manager Will O’Donnell to pursue.

8. COMMISSIONERS’ REPORTS:

Commissioner Kenneth Collins:

1/22 to

1/23 Attended Energy NW Board Meeting.

1/28 Attended BOC Special Meeting – Vegetation Management Policy.

- 2/3 Met with General Manager Kevin Streett.
- 2/12 Will attend NoaNet Board meeting by phone.
- 2/12 to
- 2/14 Will attend PPC Association meeting.

Commissioner Jeff Randall:

- 1/23 Attended North Olympic Development Council meeting.
- 1/24 Met with General Manager Kevin Streett
- 1/28 Attended BOC Special Meeting – Vegetation Management Policy.
- 2/7 Will meet with General Manager Kevin Streett.
- 2/11 Will attend North Olympic Development Council meeting.
- 2/11 to
- 2/14 Will attend WPUA conference in Olympia.

Commissioner Dan Toepper:

- 1/22 Met with General Manager Kevin Streett.
- 1/22 Attended the Quilcene School Board meeting.
- 1/23 Attended JeffCom meeting.
- 1/28 Attended BOC Special meeting – Vegetation Management Policy.
- 1/28 Attended the Chimacum School Board meeting.
- 2/5 to
- 2/7 Will attend PPC meeting in Portland.
- 2/7 Will meet with General Manager Kevin Streett.
- 2/10 Will attend CAB meeting.
- 2/11 to
- 2/14 Will attend WPUA conference in Olympia.
- 2/20 Will attend Jefferson County Infrastructure meeting.

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

9.1 EXECUTIVE SESSION – CONTRACT NEGOTIATIONS: The purpose of the Executive Session of the Jefferson County PUD Board of Commissioners was to discuss union contract negotiations pursuant to RCW 42.30.140(4)(a). Estimated time in session was 20 minutes.

The Executive Session was convened at 7:06 p.m.

Commissioner Dan Toepper announced at 7:26 p.m. that the Executive Session needed to be extended another five minutes.

The Executive Session ended at 7:30 p.m. No action was taken.

10. ADJOURNMENT:

Commissioner Dan Toepper declared the February 4, 2020, Regular Meeting of the Jefferson County Public Utility District No. 1 Board of Commissioners adjourned at 7:31 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 _____

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

February 18, 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 February 18, 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
Mike Bailey, Financial Services Manager
Jean Hall, Customer Service Manager
Will O'Donnell, Communications Manager
Annette Johnson, Executive Assistant/Records Officer
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 PUD Board of Commissioners for February 18, 2020, to order at 5:00 p.m.

INTRODUCTIONS: Commissioner Dan Toepper started the meeting asking for voluntary introductions from the commissioners and staff.

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2. AGENDA APPROVAL:

General Manager Kevin Streett added three Executive Sessions:

- Purchase of Real Estate RCW 42.30.110(b).
- Sale of Real Estate, RCW 42.30.110(c).
- Labor Negotiations, RCW 42.30.140(4).

These Executive Sessions will be added to the Agenda after the Signing of Documents under Item No. 9.1.

MOTION: Commissioner Kenneth Collins made a motion to approve the Agenda as amended. Commissioner Jeff Randall 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. No public comments.

4. CONSENT AGENDA:

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

4.1 Approval of Minutes:

- 12-12-2019 BOC Special Meeting (Fourth Quarter Update).
- 01-07-2020 BPC Special Meeting (Executive Sessions).

4.2 Voucher Certification and Approval.

VOUCHER CLAIM FORMS FOR INVOICES PAID:

WARRANTS	AMOUNT	DATE
Accounts Payable: #122408 to #122410	\$ 18,129.39	01/30/2020
Accounts Payable: #122410 to #122450	\$ 231,751.41	01/31/2020
Accounts Payable: #122451 to #122528	\$ 701,656.39	02/06/2020
Payroll Checks: # 70701 to # 70705	\$ 9,320.20	02/07/2020
Payroll Direct Deposit	\$ 148,044.89	02/07/2020

TOTAL INVOICES PAID \$ 1,108,902.28

WIRE TRANSFERS PAID	AMOUNT	DATE
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Peterson Lake	\$ 14,328.62	02/02/2020
GRAND TOTAL	\$ 1,123,230.90	

END OF CONSENT AGENDA.

5. MANAGER AND STAFF REPORTS:

- Human Resources Manager Melanie Patterson gave a report on the recruitment for a Power Director.
- General Counsel Joel Paisner gave a report on a PUD customer that has requested a hearing. General Counsel Joel Paisner made the recommendation that Water Superintendent Samantha Harper be appointed as the Hearing Officer for the PUD.

MOTION: Commissioner Kenneth Collins made a motion to appoint Water Superintendent Samantha Harper as the Hearing Officer for the Jefferson County PUD No. 1. Commissioner Jeff Randall seconded the motion. Motion carried unanimously.

Manager and staff reports continued:

- Scheduling meetings. Second Tuesday of the second and fourth of the month for BOC meetings. March 24th all day meeting. Retreat. Location to be determined.

CAB REPORT: Chair of the CAB, Russ Michel, gave a report.

- February 10th CAB meeting. All members were present.
- There were no members from the public in attendance.
- Scott Bancroft, Special Projects Coordinator, gave a report.
- Resolution No. 2018-015 on CAB Guidelines was reviewed.
- CAB seeking additional clarification of personal liability coverage. Does this include all CAB activities? RCW 4.24.670.
- CAB asking the BOC for a resolution that addresses RCW 4.96.041 which provides for payment of damages and expenses for defense of an action or proceeding against an officer, employee or volunteer. The CAB would like to review the resolution before it is entered.
- CAB looking at possible ways by which public records that a CAB member creates can be archived and retrieved in a simple manner. How can this be simply recorded and stored for archival purposes?
- Content and format that BOC would like to see in Statement of Work that comes out of a new sub-committee.

- Low Income Sub-Committee made a verbal report. Craft3 may be off the table as an option to help PUD customers finance energy efficiency.
- There are three active sub-committees:
 - Broadband – Jerry Wilson, Gary Rowe, Craig Durgan
 - Low Income – Larry Dennison, Jessica Dillon, Craig Durgan
 - Work Plan – Gary Rowe, Jessica Dillon, Russ Michel
- There are two new sub-committees:
 - Climate Change – Tom Engle, Larry Dennison, Jessica Dillon
 - Electric Vehicle – Dan Taylor, Sebastian Eggert, Jerry Wilson.
- All sub-committees are full and everybody on the CAB is participating in at least one sub-committee.
- Each sub-committee to develop a Statement of Work.
- Inactive sub-committees: Credit Card, Noxious Weed, Solar and Rates.

Commissioner Kenneth Collins will attend the next CAB meeting.

6. OLD BUSINESS:

6.1. Aid to Construction Exhibit B Electrical. General Manager Kevin Streett gave a report. There was some discussion. There was a request by the BOC to bring back the resolution for approval at the next BOC meeting.

7. NEW BUSINESS/ACTION ITEMS:

7.1 Water and Sewer Fee Schedule Exhibit C: Water Superintendent Samantha Harper gave a report. Commissioner Kenneth Collins requested a side-by-side comparison printout of the fee schedule with old charge and new charge.

8. COMMISSIONERS' REPORTS:

Commissioner Jeff Randall:

- 2/7 Met with General Manager Kevin Streett.
- 2/10 Attended PUD Special meeting – Procurement Manual.
- 2/11 Attended Workforce Development Council in Poulsbo (report).
- 2/12 to
- 2/14 Attended WPUDA meeting in Olympia (report).
- 2/21 Will be meeting with General Manager Kevin Streett.
- 2/25 Will be attending PUD Special meeting on broadband.
- 2/26 Will be attending Climate Action Committee meeting.
- 2/27 Will be attending North Olympic Development Council meeting.
- 2/28 Will be attending PUD Special meeting on Procurement Manual.

3/4 to

3/5 Will attend PPC meeting in Portland, Oregon.

3/6 Will be meeting with General Manager Kevin Streett.

3/9 Will be attending CAB meeting.

Commissioner Kenneth Collins:

2/11 Met with General Manager Kevin Streett.

2/12 Participated in NoaNet Board meeting by phone.

2/12 to

2/14 Attended WPUDA meeting in Olympia (report).

2/25 Will be attending PUD Special meeting on Broadband.

2/28 Will be attending PUD Special meeting on Procurement Manual.

3/2 Will be meeting with General Manager Kevin Streett.

3/4 to

3/5 Will attend PPC meeting in Portland, Oregon.

Commissioner Dan Toepper:

2/5 to

2/6 Attended PPC meeting in Portland (report).

2/7 Met with General Manager Kevin Streett.

2/10 Attended CAB meeting (report).

2/10 Attended PUD Special meeting – Procurement Manual.

2/12 to

2/14 Attended WPUDA meeting in Olympia (report).

2/18 Will be meeting with General Manager Kevin Streett.

2/20 Will be attending a Public Infrastructure Fund Board meeting.

2/25 Will be attending PUD Special meeting on broadband.

2/27 Will be attending JeffCom meeting.

2/28 Will be attending PUD Special meeting on Procurement Manual.

General Manager Kevin Streett requested Commissioner Kenneth Collins sit in on a meeting with the new Human Resources Manager. There was general consensus with Commissioner Dan Toepper and Commissioner Jeff Randall that this was appropriate.

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

9.1 EXECUTIVE SESSION NO. 1 – PURCHASE OF REAL ESTATE: The purpose of the Executive Session of the Jefferson County PUD No. 1 Board of Commissioners was to consider

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the acquisition of real estate when public knowledge regarding such consideration would cause a likelihood of increased price pursuant to RCW 42.30.110(b). Estimated time in session was 10 minutes.

The Executive Session was convened at 6:43 p.m.

The Executive Session ended at 6:50 p.m. Regular session of the Jefferson County PUD No. 1 Board of Commissioners was reconvened at that time.

MOTION: Commissioner Jeff Randall made a motion to authorize the General Manager to offer \$185,000.00 for the residence adjacent to the PUD property at 310 Four Corners, Port Townsend, Washington, and execute any necessary documents and permit the current occupants of said residence to rent the premises back from the Jefferson County PUD until October of 2020. Commissioner Kenneth Collins seconded the motion. Motion carried unanimously.

EXECUTIVE SESSION NO. 2 – SALE OF REAL ESTATE: The purpose of the Executive Session of the Jefferson County PUD Board of Commissioners was to discuss the sale of real estate pursuant to RCW 42.30.110(c) to consider the minimum price at which real estate will be offered for sale or lease when public knowledge regarding such consideration would cause a likelihood of decreased price. Estimated time in session was 15 minutes.

The Executive Session was convened at 6:51 p.m.

The Executive Session ended at 7:09 p.m. Regular session of the Jefferson County PUD No. 1 Board of Commissioners was reconvened at that time.

MOTION: Commissioner Jeff Randall made a motion to authorize the General Manager to accept the offer from BCI Development as the best offer made on the real estate property and give authority to the General Manager to execute the necessary documents. Commissioner Kenneth Collins seconded the motion. Motion carried unanimously.

EXECUTIVE SESSION NO. 3 – LABOR NEGOTIATIONS: The purpose of the Executive Session of the Jefferson County PUD Board of Commissioners was to discuss the status of labor negotiations pursuant to RCW 42.30.140(4). Estimated time in session was 10 minutes.

The Executive Session was convened at 7:09 p.m.

Commissioner Dan Toepper announced at 7:19 p.m. the need for an extension of five minutes.

The Executive Session ended at 7:25p.m. Regular session of the Jefferson County PUD No. 1 Board of Commissioners was reconvened at that time.

No action was taken in this executive session.

10. ADJOURNMENT:

Commissioner Dan Toepper declared the February 18, 2020, Regular Meeting of the Jefferson County Public Utility District No. 1 Board of Commissioners adjourned at 7:26 p.m.

Minutes prepared by
Cammy Brown, PUD Recorder

Approved:

_____ Commissioner Jeff Randall, Secretary	_____ Date
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Attest:


_____ Commissioner Dan Toepper, President	_____ Date
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_____ Commissioner Kenneth Collins, Vice President	_____ Date
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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:  3/30/2020
 Mike Bailey, Financial Services Manager / District Auditor Date

VOUCHER CLAIM FORMS FOR INVOICES PAID:

	WARRANTS	AMOUNT	DATE
Accounts Payable:	# 122759 to # 122824	\$ 259,019.36	3/12/2020
Accounts Payable:	# 122825 to # 122875	\$ 694,813.73	3/19/2020
Accounts Payable:	# 122876 to # 122907	\$ 547,149.78	3/26/2020
Payroll Checks:	# 70716 to # 70720	\$ 9,261.75	3/20/2020
Payroll Direct Deposit:		\$ 114,182.42	3/20/2020
TOTAL INVOICES PAID		\$1,624,427.04	

	WIRE TRANSFERS PAID	AMOUNT	DATE
	USDA/RUS Loan	\$ 1,524,179.88	3/30/2020

GRAND TOTAL **\$3,148,606.92**

VOIDED WARRANTS

03/30/2020 10:50:56 AM

Accounts Payable Check Register

03/10/2020 To 03/29/2020

Bank Account: 1 - 1ST SECURITY - AP

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
122759 03/12/2020	CHK	10004	A+ EQUIPMENT RENTALS	AIR CMPRSR RNTL WO# 9005 2/10/2020	156.76
				AIR CMPRSR RNTL WO# 19178 2/4/2020	95.65
Total for Check/Tran - 122759:					252.41
122760 03/12/2020	CHK	10481	AMAZON	PAYMENT DROPBOX	52.28
				PAYMENT DROPBOX	13.07
				TOOL BAG	16.15
				CARPET TAPE	27.85
				CARPET TAPE	6.97
Total for Check/Tran - 122760:					116.32
122761 03/12/2020	CHK	10447	ANIXTER INC.	CUTOUT 15KV 100 AMP, MULE TAPE,STIRRUP	8,632.81
				TANK GROUNDS	592.95
				STIRRUP	901.98
				SPLICE	72.49
				SIDEBY	271.41
				MULE TAPE	1,308.00
				CLOVER LEAF	990.54
Total for Check/Tran - 122761:					12,770.18
122762 03/12/2020	CHK	10451	ASCENT LAW PARTNERS LLP	BOC MEETINGS FLAT FEE (225-104) JAN-20	5,650.40
				BOC MEETINGS FLAT FEE (225-104) JAN-20	1,412.60
				GENERAL UTILITY (225-102) & GM SELC JAN	4,890.80
				GENERAL UTILITY (225-102) & GM SELC JAN	1,222.70
				BOC MEETINGS FLAT FEE (225-104) FEB 2020	5,644.96
				BOC MEETINGS FLAT FEE (225-104) FEB 2020	1,411.24
				GENERAL UTILITY (225-102) FEB-2020	4,980.00
				GENERAL UTILITY (225-102) FEB-2020	1,245.00
Total for Check/Tran - 122762:					26,457.70
122763 03/12/2020	CHK	10688	MIKE BAILEY	PHONE ALLOWANCE - FEB 2020	36.00
				PHONE ALLOWANCE - FEB 2020	9.00
Total for Check/Tran - 122763:					45.00

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122764 03/12/2020	CHK	10623	CARL H. JOHNSON & SON EXCAVATIN	EXCAVATING - 154 LIBERTY ST 1/31/20	114.50
122765 03/12/2020	CHK	10045	CENTURY LINK-S	PHONE SERVICE - JAN 2019	389.03
				PHONE SERVICE - JAN 2019	97.26
				PHONE SERVICE - OCT 2018	345.85
				PHONE SERVICE - OCT 2018	86.46
				PHONE SERVICE - OCT 2019	625.05
				PHONE SERVICE - OCT 2019	156.26
				PHONE SERVICE - NOV 2018	359.68
				PHONE SERVICE - NOV 2018	89.92
				PHONE SERVICE - NOV 2019	656.30
				PHONE SERVICE - NOV 2019	164.07
				PHONE SERVICE - DEC 2018	374.07
				PHONE SERVICE - DEC 2018	93.52
				PHONE SERVICE - DEC 2019	689.11
				PHONE SERVICE - DEC 2019	172.28
				PHONE SERVICE - FEB 2019	404.59
				PHONE SERVICE - FEB 2019	101.15
				PHONE SERVICE - MAR 2019	444.21
				PHONE SERVICE - MAR 2019	111.05
				PHONE SERVICE - MAR 2020	104.70
				PHONE SERVICE - MAR 2020	26.17
				PHONE SERVICE - MAR 2020	42.31
				PHONE SERVICE - MAR 2020	10.58
				PHONE SERVICE - APR 2019	466.42
				PHONE SERVICE - APR 2019	116.60
				PHONE SERVICE - MAY 2019	489.74
				PHONE SERVICE - MAY 2019	122.44
				PHONE SERVICE - JUN 2019	514.22
				PHONE SERVICE - JUN 2019	128.56
				PHONE SERVICE - JUL 2019	539.94

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				PHONE SERVICE - JUL 2019	134.98
				PHONE SERVICE - AUG 2018	464.39
				PHONE SERVICE - AUG 2018	116.10
				PHONE SERVICE - AUG 2019	566.94
				PHONE SERVICE - AUG 2019	141.73
				PHONE SERVICE - SEP 2018	332.65
				PHONE SERVICE - SEP 2018	83.16
				PHONE SERVICE - SEP 2019	595.28
				PHONE SERVICE - SEP 2019	148.82
				Total for Check/Tran - 122765:	10,505.59
122766 03/12/2020	CHK	10046	CENTURYLINK	LOW SPD DATA & 2WIRE MAR-20	72.66
				LOW SPD DATA & 2WIRE MAR-20	18.16
				LOW SPD DATA & 2WIRE MAR-20	31.14
				LOW SPD DATA & 2WIRE MAR-20	7.79
				Total for Check/Tran - 122766:	129.75
122767 03/12/2020	CHK	10050	CHS	SAND BAGS FOR FLAGGING STATIONS	54.41
122768 03/12/2020	CHK	10051	CITY OF PORT TOWNSEND-UTILITY	KEARNEY SUBST - FEB 2020	186.79
122769 03/12/2020	CHK	10057	CORRECT EQUIPMENT	8" MAG WATER METER QTY2	6,871.36
122770 03/12/2020	CHK	10501	D & L POLES	REFUND FOR OVER PAYMENT	40.00
122771 03/12/2020	CHK	10573	DANO'S SEPTIC SERVICE	PUMPED SEPTIC - BECKET PT 2/25/20	2,132.46
122772 03/12/2020	CHK	10769	JON DEHNERT	WELLNESS PROGRAM REIMBURSEMENT FOR 2020	80.00
122773 03/12/2020	CHK	10069	DM DISPOSAL CO INC	2YD OCC- 4CRNRS FEB-2020	122.94
				2YD OCC- 4CRNRS FEB-2020	30.73
				Total for Check/Tran - 122773:	153.67
122774 03/12/2020	CHK	10070	DOUBLE D ELECTRICAL, INC	TEST VLTG - 1720 CENTER RD 2/02/2020	474.16
122775 03/12/2020	CHK	10085	FASTENAL	SHOP- GENERAL PURPOSE WIPE ALL	63.03
				ORANGE & RED MARKING CHALK	173.20

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				LED HEADLAMP,THERM GLVS,FLEX GUARD GLVS	374.68
				BUTT CONNECTORS	71.40
Total for Check/Tran - 122775:					682.31
122776 03/12/2020	CHK	10094	GENERAL PACIFIC, INC	WATER METERS 5/8X3/4" QTY24	3,505.44
122777 03/12/2020	CHK	10454	GLOBAL RENTAL COMPANY INC	AT37-G BUCKET RNTL VEH#407 3/03-3/30	2,732.50
122778 03/12/2020	CHK	10104	HADLOCK BUILDING SUPPLY, INC.	KALA POINT - M ADAP REDUCING	2.81
				GALV PIPE 2"	22.86
				14T RECIP BLD-LAZER & RECIPS-156R	77.37
				FAIRS - 10 GAL TOTE	20.91
				FAIRS - 10 GAL TOTE	5.23
				LAZY C- OIL BASE,TAP WRNCH,BLU TAPE	56.16
				STOCK- THREAD CUT OIL	14.16
				TRTMNT PLNT-EXCHNG RAINLIGHT HUB	-2.25
Total for Check/Tran - 122778:					197.25
122779 03/12/2020	CHK	10396	JEAN M HALL	PHONE ALLOWANCE - FEB 2020	36.00
				PHONE ALLOWANCE - FEB 2020	9.00
Total for Check/Tran - 122779:					45.00
122780 03/12/2020	CHK	10110	HENERY HARDWARE	FIBER STOCK - CUSHION CLAMP	23.86
				LAZY C- DUCT TAPE, 5GAL PALE, & FASTNRS	23.65
				LAZY C - FASTENERS - WO#29003	13.95
				TRTMNT PLNT-FASTNRS,CH NUT,TAP, DRILL	35.94
Total for Check/Tran - 122780:					97.40
122781 03/12/2020	CHK	10111	HIGHWAY SPECIALTIES LLC	SIDEWALK BARRIERS RNTL 1/10-2/09	510.12
				SIDEWALK BARRIERS RNTLS 1/10-3/02	357.08
Total for Check/Tran - 122781:					867.20
122782 03/12/2020	CHK	10113	HRA VEBA TRUST CONTRIBUTIONS	VEBA DEDUCTION FEB 2020	1,225.00
				VEBA BENEFIT FEB 2020	1,375.00
Total for Check/Tran - 122782:					2,600.00

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122783 03/12/2020	CHK	10114	IBEW LOCAL UNION NO 77	UNION DUES IBEW - FEB 2020	2,210.15
122784 03/12/2020	CHK	10782	AMANDA ISAAK	NWPPA ACCT&FIN CONF 6/17-6/18/20 DEP NWPPA ACCT&FIN CONF 6/17-6/18/20 DEP	178.63 44.66
Total for Check/Tran - 122784:					223.29
122785 03/12/2020	CHK	10129	JIFFY LUBE	VEH# 205 - OIL CHANGE	68.54
122786 03/12/2020	CHK	10320	ANNETTE JOHNSON	PHONE ALLOWANCE - FEB 2020 PHONE ALLOWANCE - FEB 2020	36.00 9.00
Total for Check/Tran - 122786:					45.00
122787 03/12/2020	CHK	10348	KEMP WEST, INC	TREE TRIMMING DISCOVERY BAY 11/23/19 TREE TRIMMING-JEFF CO WKEND 12/14/19 TREE TRIMMING-JEFF CO WKEND 12/28/19	396.67 970.27 265.18
Total for Check/Tran - 122787:					1,632.12
122788 03/12/2020	CHK	10350	KITSAP POWDER COATING, LLC	LAZY C - POWDER COATING	870.91
122789 03/12/2020	CHK	10134	LEMAY MOBILE SHREDDING	SHRED 4CRNR FEB-2020 SHRED 4CRNR FEB-2020 SHRED 211 CHIMACUM FEB-2020 SHRED 211 CHIMACUM FEB-2020	353.60 88.40 32.56 8.14
Total for Check/Tran - 122789:					482.70
122790 03/12/2020	CHK	10140	MAGNUM POWER, LLC	BORE - S DISCOVERY RD MAR-19	909.35
122791 03/12/2020	CHK	10470	MISSION COMMUNICATIONS, LLC	SCADA CONTROL BOARD FOR WATER SCADA CONTROL BOARD FOR WATER	-25.68 310.96
Total for Check/Tran - 122791:					285.28
122792 03/12/2020	CHK	10153	MURREY'S DISPOSAL CO., INC.	DISPOSAL 4CRNR 2YD CONT 1XWK FEB-2020 DISPOSAL 4CRNR 2YD CONT 1XWK FEB-2020 DISPOSAL 4CRNR 30YD ROLL OFF RNTL FEB-20 DISPOSAL 4CRNR 30YD ROLL OFF RNTL FEB-20 DISPOSAL 211 CHIMACUM FEB-2020 DISPOSAL 211 CHIMACUM FEB-2020	161.89 40.47 586.16 146.54 41.40 10.35

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				DISPOSAL 21 KENNEDY FEB-2020	58.04
				DISPOSAL 21 KENNEDY FEB-2020	14.51
				DISPOSAL 210 2YD CONT 1XWK FEB-2020	161.89
				DISPOSAL 210 2YD CONT 1XWK FEB-2020	40.47
				Total for Check/Tran - 122792:	1,261.72
122793 03/12/2020	CHK	10309	NISC	RECURRING INVOICE FEB 2020	1,090.13
				RECURRING INVOICE FEB 2020	206.01
				RECURRING INVOICE FEB 2020	1,715.95
				RECURRING INVOICE FEB 2020	492.34
				RECURRING INVOICE FEB 2020	492.34
				RECURRING INVOICE FEB 2020	8,930.62
				RECURRING INVOICE FEB 2020	1,630.82
				RECURRING INVOICE FEB 2020	1,005.19
				RECURRING INVOICE FEB 2020	283.23
				RECURRING INVOICE FEB 2020	53.34
				RECURRING INVOICE FEB 2020	10.16
				MISC FEB 2020	402.14
				MISC FEB 2020	100.54
				AMS INVOICE FEB 2020	6,211.76
				AMS INVOICE FEB 2020	3,139.89
				AMS INVOICE FEB 2020	1,552.94
				AMS INVOICE FEB 2020	784.97
				AMS INVOICE FEB 2020	255.76
				AMS INVOICE FEB 2020	63.94
				Total for Check/Tran - 122793:	28,422.07
122794 03/12/2020	CHK	10163	NOR'WEST CUSTODIAL SERVICES, INC.	CUSTODIAL SVC - FEB 2020	959.00
				CUSTODIAL SVC - FEB 2020	239.75
				Total for Check/Tran - 122794:	1,198.75
122795 03/12/2020	CHK	10322	NRC ENVIRONMENTAL SERVICES, INC	LEAKING TRANSFORMER CLEANUP-YARD	222.29

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122796 03/12/2020	CHK	10164	NW LABORERS 252 (DUES)	UNION DUES LABORERS - FEB 2020	720.00
122797 03/12/2020	CHK	10166	NWPPA	NWPPA IT CONFERENCE 4/21-4/23/2020 REG NWPPA IT CONFERENCE 4/21-4/23/2020 REG	536.00 134.00
Total for Check/Tran - 122797:					670.00
122798 03/12/2020	CHK	10631	WILL O'DONNELL	PHONE ALLOWANCE - FEB 2020 PHONE ALLOWANCE - FEB 2020	36.00 9.00
Total for Check/Tran - 122798:					45.00
122799 03/12/2020	CHK	10167	OFFICE DEPOT	WAREHOUSE - OFFICE SUPPLES WAREHOUSE - OFFICE SUPPLES MISC LOCATIONS - OFFICE SUPPLIES MISC LOCATIONS - OFFICE SUPPLIES	17.11 4.28 134.17 33.54
Total for Check/Tran - 122799:					189.10
122800 03/12/2020	CHK	10170	OLYMPIC EQUIPMENT RENTALS	42 INCH MOWER BLADE BYWATER SCADA - HILLMAN FASTI ELECTRIC CHAINSAW ELECTRIC CHAINSAW	34.87 9.65 250.65 435.94
Total for Check/Tran - 122800:					731.11
122801 03/12/2020	CHK	10171	ON LINE INFORMATION SERVICES	ONLINE UTILITY EXG REPORT - FEB 2020	187.58
122802 03/12/2020	CHK	10175	PACIFIC UNDERWRITERS CORP	LIFE - APR 2020 LTD - APR 2020	80.20 1,323.01
Total for Check/Tran - 122802:					1,403.21
122803 03/12/2020	CHK	10181	PENINSULA PEST CONTROL	OHA SVC BI-MONTHLY FOUR CRNRS OHA SVC BI-MONTHLY FOUR CRNRS RODENT SVC MO 210 FOUR CRNRS MAR-2020 RODENT SVC MO 210 FOUR CRNRS MAR-2020 RODENT SVC MO 310 FOUR CRNRS MAR-2020 RODENT SVC MO 310 FOUR CRNRS MAR-2020 CARPENTER ANT SVC-PUMP H SKYWATER DR	69.76 17.44 61.04 15.26 65.40 16.35 54.50

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Total for Check/Tran - 122803:					299.75
122804 03/12/2020	CHK	10185	PITNEY BOWES GLOBAL	MAILSYSTM LEASE 12/30-3/29/2020	131.77
				MAILSYSTM LEASE 12/30-3/29/2020	26.99
Total for Check/Tran - 122804:					158.76
122805 03/12/2020	CHK	10187	PITNEY BOWES-RESERVE ACCT	PRE-PAID POSTAGE 3/05/2020	320.00
				PRE-PAID POSTAGE 3/05/2020	80.00
Total for Check/Tran - 122805:					400.00
122806 03/12/2020	CHK	10188	PLATT ELECTRIC SUPPLY	SAWZALL BLADES	31.67
				MULTI TOOL	145.44
Total for Check/Tran - 122806:					177.11
122807 03/12/2020	CHK	10198	PROGLASS, INC	FIBERGLASS BASEMENT & GROUND SLEEVE	4,801.14
122808 03/12/2020	CHK	10203	PURMS JOINT SELF INSURANCE FUND	HEALTH & WELFARE FEB 2020	32,511.68
122809 03/12/2020	CHK	10398	LORALEI S RAE	WELLNESS PROGRAM REIMBURSEMENT 2020	140.00
122810 03/12/2020	CHK	10652	RWC INTERNATIONAL, LTD.	DIAGNOSIS TRUCK# 101	1,974.73
122811 03/12/2020	CHK	10217	SETON CONSTRUCTION INC	FLAGGING - 6495 FLAGLER RD 2/18/20	1,008.70
				FLAGGING - W VALLEY RD & EGG&I 2/19	939.23
				FLAGGING - KEARNEY&WATER ST 2/26-3/03	6,306.61
Total for Check/Tran - 122811:					8,254.54
122812 03/12/2020	CHK	10227	SOUND PUBLISHING INC	HOME & GARDEN FEB-2020	388.00
				LEGAL: WATER RIGHT APP NOTICE QUILCENE	162.30
				HOME & GARDEN FEB-2020	97.00
Total for Check/Tran - 122812:					647.30
122813 03/12/2020	CHK	10249	SPECTRA LABORATORIES-KITSAP LLC	TESTING: COLI/ECOLI QUIMPER MO MAR-2020	23.00
				TESTING: COLI/ECOLI QUIMPER MO MAR-2020	23.00
				TESTING: COLI/ECOLI QUIMPER MO MAR-2020	23.00
				TESTING: COLI/ECOLI QUIMPER MO MAR-2020	23.00
				TESTING: COLI/ECOLI QUIMPER MO MAR-2020	23.00

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				TESTING: COLI/ECOLI MONTHLYS MAR-2020	23.00
				TESTING: COLI/ECOLI MONTHLYS MAR-2020	23.00
				TESTING: COLI/ECOLI MONTHLYS MAR-2020	23.00
				TESTING: COLI/ECOLI MONTHLYS MAR-2020	23.00
				TESTING: COLI/ECOLI MONTHLYS MAR-2020	23.00
				TESTING: COLI/ECOLI MONTHLYS MAR-2020	23.00
				TESTING: COLI/ECOLI QUIMPER MO MAR-2020	23.00
				TESTING: COLI/ECOLI QUIMPER MO MAR-2020	23.00
				TESTING: COLI/ECOLI QUIMPER MO MAR-2020	23.00
				TESTING: COLI/ECOLI QUIMPER MO MAR-2020	23.00
				TESTING: COLI/ECOLI QUIMPER MO MAR-2020	23.00
				TESTING: COLI/ECOLI QUIMPER MO MAR-2020	23.00
				Total for Check/Tran - 122813:	391.00
122814	03/12/2020	CHK	10400	DONALD K STREETT	
				PHONE ALLOWANCE - FEB 2020	36.00
				PHONE ALLOWANCE - FEB 2020	9.00
				Total for Check/Tran - 122814:	45.00
122815	03/12/2020	CHK	10704	TRAVIS PATTERN & FOUNDRY	197.29
122816	03/12/2020	CHK	10252	ULINE	178.13
122817	03/12/2020	CHK	10256	UTILITIES UNDERGROUND LOCATION	
				LOCATES - FEB 2020	74.82
				LOCATES - FEB 2020	82.56
				Total for Check/Tran - 122817:	157.38
122818	03/12/2020	CHK	10265	WA STATE DEPT OF RETIREMENT SYST	87,347.39
				RETIREMENT/REPORT #8828 FEB 2020	
122819	03/12/2020	CHK	10496	WELLS FARGO VENDOR FIN SERV	314.80
				211 CHIM COPYRNT MAR 2020	
				211 CHIM COPYRNT MAR 2020	78.70
				Total for Check/Tran - 122819:	393.50
122820	03/12/2020	CHK	10271	WESCO RECEIVABLES CORP	133.53
				UNITSTRUT CLAMP	
				UNISTRUT CLAMP	174.40
				Total for Check/Tran - 122820:	307.93

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122821 03/12/2020	CHK	10274	WESTBAY AUTO PARTS, INC.	VEH# 121- RED ON/OFF TOGGLE	4.13
122822 03/12/2020	CHK	10653	WILDFLOWER	5 SUBSTATIONS: MOWING DEC 2019	1,559.25
122823 03/12/2020	CHK	10278	WPUDA	MONTHLY DUES - MAR 2020 MONTHLY DUES - MAR 2020	4,812.00 1,203.00
Total for Check/Tran - 122823:					6,015.00
122824 03/12/2020	CHK	10685	ZEE MEDICAL SERVICE	REPLACED BUILDING KIT- 310 4 CRNRS REPLACED BUILDING KIT- 310 4 CRNRS REPLACED BUILDING KIT- ANNEX REPLACED BUILDING KIT- ANNEX	107.24 26.81 27.78 6.95
Total for Check/Tran - 122824:					168.78
122825 03/19/2020	CHK	10481	AMAZON	TRIPPLITE SWITCHED PDU COMPUTER DISPLAY ADAPTER HP 85A TONER (2-PACK) TRIPPLITE SWITCHED PDU COMPUTER DISPLAY ADAPTER HP 85A TONER (2-PACK)	685.54 71.61 16.82 171.38 17.90 4.21
Total for Check/Tran - 122825:					967.46
122826 03/19/2020	CHK	10807	AMERICAN FOREST MANAGEMENT, IN	FORESTRY SERVICES-PETERSON LAKE HARVEST	803.26
122827 03/19/2020	CHK	10447	ANIXTER INC.	WIRE 350 AL URD TPX 600V,INSULATOR WASHER TAPE LUG INSULATOR COPPER C BOLT	4,642.87 54.50 662.19 182.03 700.04 264.87 39.57
Total for Check/Tran - 122827:					6,546.07
122828 03/19/2020	CHK	10016	ASPLUNDH TREE EXPERT CO	TREE TRIMMING W/E 3/07/2020 TREE TRIMMING W/E 2/29/2020	4,484.16 2,242.08

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Total for Check/Tran - 122828:					6,726.24
122829 03/19/2020	CHK	10295	DYLAN BRACKNEY	WELLNESS PROGRAM REIMBURSEMENT FOR 2020	80.00
122830 03/19/2020	CHK	10042	CELLNET TECHNOLOGY INC	METER READS - FEB 2020	27,170.65
122831 03/19/2020	CHK	10409	CLEARRESULT CONSULTING INC	S4-0320-067 LIGHTING - FEB 2020	4,041.19
122832 03/19/2020	CHK	10506	COLUMBIA FORD INC	TRUCK # 132 PURCHASED	37,223.48
122833 03/19/2020	CHK	10785	DELL FINANCIAL SERVICES LLC	NEW INSPIRON DESKTOP QTY2	1,028.31
				DELL 24 MONITOR - P2419H QTY2	147.14
				NEW INSPIRON DESKTOP QTY2	1,285.39
				DELL 24 MONITOR - P2419H QTY2	183.92
				NEW INSPIRON DESKTOP QTY2	257.08
				DELL 24 MONITOR - P2419H QTY2	36.79
				OPTIPLEX 5070 MICRO QTY4	1,090.66
				OPTIPLEX 5070 MICRO QTY4	872.52
				OPTIPLEX 5070 MICRO QTY4	872.52
				OPTIPLEX 5070 MICRO QTY4	872.52
				OPTIPLEX 5070 MICRO QTY4	218.13
				OPTIPLEX 5070 MICRO QTY4	218.13
				OPTIPLEX 5070 MICRO QTY4	218.14
				LATITUDE 15 5501 LAPTOP QTY2	1,902.59
				LATITUDE 15 5501 LAPTOP QTY2	1,902.59
Total for Check/Tran - 122833:					11,106.43
122834 03/19/2020	CHK	10070	DOUBLE D ELECTRICAL, INC	DIG - 310 HADLOCK BAY RD 2/29/20	4,019.38
122835 03/19/2020	CHK	10083	EXCEL UTILITY CONSTRUCTION	EXCAVATING - MYRTHE RD 3/12/20	1,343.09
				EXCAVATING - MYRTHE RD 3/12/20	-110.90
Total for Check/Tran - 122835:					1,232.19
122836 03/19/2020	CHK	10085	FASTENAL	BATTERIES 5 DIFFERENT	92.28
				BATTERIES 5 DIFFERENT	23.07
Total for Check/Tran - 122836:					115.35

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122837 03/19/2020	CHK	10086	FERGUSON ENTERPRISES, INC NW	LAZY C- RING GASKETS FOR WO# 29003	92.88
122838 03/19/2020	CHK	10090	FREDERICKSON ELECTRIC, INC	ADD CIRCUITS&RPCL FOR 46 TREE WELLS	46,514.16
122839 03/19/2020	CHK	10094	GENERAL PACIFIC, INC	WIRE #4 ACSR,FIBER T CLAMP,STANDOFF BRAC WEDGE CLAMP TAPE TANK GROUNDS FIBER TRUNNION CLAMP CROSSARM FIBERGLASS PUPI ARM 10'	1,882.52 301.66 459.98 409.84 1,186.02 2,043.75
Total for Check/Tran - 122839:					6,283.77
122840 03/19/2020	CHK	10098	GRAINGER	REFLECTIVE NUMBER DECAL BUBBLE WRAP REFLECTIVE LETTER DECALS	196.77 38.73 39.03
Total for Check/Tran - 122840:					274.53
122841 03/19/2020	CHK	10732	GRAYBAR ELECTRIC COMPANY INC.	SPLICE TRAY SPLICE CLOSURE	314.79 2,467.35
Total for Check/Tran - 122841:					2,782.14
122842 03/19/2020	CHK	10103	H D FOWLER	KILLISUT HARBOR WATER/ELECTRIC MATERIAL KILLISUT HARBOR BRIDGE# 22001 KILLISUT HARBOR WATER/ELECTRIC MATERIAL KILLISUT HARBOR WATER/ELECTRIC MATERIAL	34,194.17 13,146.62 1,674.89 9,133.11
Total for Check/Tran - 122842:					58,148.79
122843 03/19/2020	CHK	10104	HADLOCK BUILDING SUPPLY, INC.	O.GROVE-GRASS SEED&SODTOPPER WO# 21981 LG STRG SCREW HOOK LG STRG SCREW HOOK LAZY C- MISC MATERIALS FOR WO# 29003 KILISUT HARBOR - BOLTS WO# 18062	70.80 16.01 4.00 20.14 69.16
Total for Check/Tran - 122843:					180.11
122844 03/19/2020	CHK	10384	HDR ENGINEERING INC	TASK1 - MISC ON CALL SVC 2/02-2/29/2020	945.05

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				TASK1 - MISC ON CALL SVC 2/02-2/29/2020	945.05
				TASK5 - WTR SHRTG 5/26-2/29/2020	1,147.32
				TASK5 - PRJMGMT 5/26-2/29/2020	550.00
				MISC ON CALL SVC 2/02-2/29/2020	4,340.56
				Total for Check/Tran - 122844:	<u>7,927.98</u>
122845 03/19/2020	CHK	10110	HENERY HARDWARE	LAZY C- MATERIALS FOR WO# 29003	104.01
				NYLON CLAMP	4.34
				TITANIUM BIT SET	43.59
				Total for Check/Tran - 122845:	<u>151.94</u>
122846 03/19/2020	CHK	10281	JEFFCO EFTPS	EMPLOYER'S MEDICARE TAX	2,768.37
				EMPLOYEES' MEDICARE TAX	2,768.37
				EMPLOYER'S FICA TAX	11,837.43
				EMPLOYEES' FICA TAX	11,837.43
				EMPLOYEES' FEDERAL WITHHOLDING TAX	9,152.19
				EMPLOYEES' FEDERAL WITHHOLDING	9,327.44
				Total for Check/Tran - 122846:	<u>47,691.23</u>
122847 03/19/2020	CHK	10120	JEFFERSON CO AUDITOR	RECORD EASEMENT UG 3-PHASE ELKINS TO OAK	104.50
122848 03/19/2020	CHK	10532	JEFFERSON COUNTY PUD PAYROLL AC	PAYROLL DEPOSIT FOR 03/20/2020 DIR DEP	114,182.42
				PAYROLL DEPOSIT FOR 03/20/2020 CHECKS	9,261.75
				Total for Check/Tran - 122848:	<u>123,444.17</u>
122849 03/19/2020	CHK	10128	JEFFERSON COUNTY TREASURER	B&O TAX FEB 2020	160,502.56
122850 03/19/2020	CHK	10129	JIFFY LUBE	VEH # 122 - OIL CHANGE	91.03
				VEH# 119- OIL CHANGE	76.87
				Total for Check/Tran - 122850:	<u>167.90</u>
122851 03/19/2020	CHK	10330	KARR TUTTLE CAMPBELL	PROFESSIONAL SVC: FEB 2020	3,204.00
				PROFESSIONAL SVC: FEB 2020	801.00
				Total for Check/Tran - 122851:	<u>4,005.00</u>
122852 03/19/2020	CHK	10286	L & J ENTERPRISES	FILL HOLE - 210 FOUR CRNRS 1/17/20	330.66

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				FILL HOLE - 210 FOUR CRNRS 1/17/20	82.67
				GRAVEL - 310 FOUR CORNERS 2/24/2020	8,956.78
				GRAVEL - 310 FOUR CORNERS 2/24/2020	2,239.19
				EXCAVATING - 2256 TOWN PT AVE 3/04/20	1,373.40
				Total for Check/Tran - 122852:	12,982.70
122853 03/19/2020	CHK	10356	KRISTOFFER LOTT	COMP.HEADSETS - COVID-19	303.45
122854 03/19/2020	CHK	10167	OFFICE DEPOT	MISC LOCATIONS - OFFICE SUPPLIES	59.66
				MISC LOCATIONS - OFFICE SUPPLIES	14.91
				MISC LOCATIONS - OFFICE SUPPLIES	78.32
				MISC LOCATIONS - OFFICE SUPPLIES	19.58
				310 TRIP WIDE - OFFICE SUPPLIES	5.74
				310 TRIP WIDE - OFFICE SUPPLIES	1.43
				MISC LOCATIONS - OFFICE SUPPLIES	36.49
				MISC LOCATIONS - OFFICE SUPPLIES	9.12
				Total for Check/Tran - 122854:	225.25
122855 03/19/2020	CHK	10168	OLDCASTLE INFRASTRUCTURE	CONCRETE VAULT LID 57 DOUBLE DOOR	49,279.66
122856 03/19/2020	CHK	10170	OLYMPIC EQUIPMENT RENTALS	EXCAVATOR CAT RNTL - WO# 22026 3/12/2020	245.78
122857 03/19/2020	CHK	10181	PENINSULA PEST CONTROL	CRPNTRANT SVC BIM-OLYRIDG DR	65.40
122858 03/19/2020	CHK	10188	PLATT ELECTRIC SUPPLY	RED BURRIED LINE TAPE	208.88
				CONDUIT COUPLING	498.92
				STREETLIGHT BULB	183.12
				Total for Check/Tran - 122858:	890.92
122859 03/19/2020	CHK	10207	RAIN NETWORKS	MS BUSINESS PREMIUM OFFICE 365 1YR	1,492.11
				MS BUSINESS PREMIUM OFFICE 365 1YR	373.03
				Total for Check/Tran - 122859:	1,865.14
122860 03/19/2020	CHK	10540	JEFF RANDALL	BOC,WPUDA,GM MTNG 2/4-2/28/2020 TRVL EXP	260.72
				BOC,WPUDA,GM MTNG 2/4-2/28/2020 TRVL EXP	65.18
				Total for Check/Tran - 122860:	325.90

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122861 03/19/2020	CHK	10212	ROHLINGER ENTERPRISES INC	ANNL GLOVE&BLANKET TESTING 3/9/2020	731.23
				ANNL HOTSTICK TESTING 3/9/2020	141.43
				PPE-RUBBER GLOVES	121.18
				PPE-RUBBER GLOVES	98.75
				ANNL HOTSTICK TESTING 3/9/2020	204.92
Total for Check/Tran - 122861:					1,297.51
122862 03/19/2020	CHK	10565	JIMMY SCARBOROUGH	TWACS SYSTEM 3/9-3/11/2020 TRVL EXP	187.00
122863 03/19/2020	CHK	10217	SETON CONSTRUCTION INC	FLAGGING - MEADE & FLAGLER RD 3/02/20	730.80
				FLAGGING - KEARNEY ST&SAFEWAY G 3/04/20	4,132.61
Total for Check/Tran - 122863:					4,863.41
122864 03/19/2020	CHK	10249	SPECTRA LABORATORIES-KITSAP LLC	TESTING: COLI/ECOLI MONTHLYS 3/12/2020	23.00
				TESTING: COLI/ECOLI MONTHLYS 3/12/2020	23.00
				TESTING: COLI/ECOLI MONTHLYS 3/12/2020	23.00
Total for Check/Tran - 122864:					69.00
122865 03/19/2020	CHK	10406	STATE OF WASHINGTON - DNR	PERMIT FOR TIMBER SALE AT P.LAKE	100.00
122866 03/19/2020	CHK	10576	TCF ARCHITECTURE, PLLC	ARCH-CONSTRCTN ADMIN&ADD'L SVC FEB-20	34,453.61
122867 03/19/2020	CHK	10221	THE STATION SIGNS & SCREEN PRINTI	VEH# 132 - LOGO PASSENGER&DRIVER SIDE	163.50
122868 03/19/2020	CHK	10733	DAN TOEPPER	BOC,PUB WKS,GM MTNG 3/3-3/13/20 TRVL EXP	60.26
				BOC,PUB WKS,GM MTNG 3/3-3/13/20 TRVL EXP	15.07
Total for Check/Tran - 122868:					75.33
122869 03/19/2020	CHK	10251	UGN - JEFFERSON COUNTY	UNITED GOOD NEIGHBORS EE	15.00
122870 03/19/2020	CHK	10328	VERIZON CONNECT NWF INC.	VEH GPS ELEC - FEB 2020	383.14
				VEH GPS ELEC - FEB 2020	176.04
Total for Check/Tran - 122870:					559.18
122871 03/19/2020	CHK	10260	WA STATE DEFERRED COMPENSATION	PL DEFERRED COMP ER	4,255.98
				PL DEFERRED COMP EE	12,504.86
Total for Check/Tran - 122871:					16,760.84

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122872 03/19/2020	CHK	10267	WA STATE SUPPORT REGISTRY	PL CHILD SUPPORT EE	899.14
122873 03/19/2020	CHK	10496	WELLS FARGO VENDOR FIN SERV	4 CRNRS COPYRNT MAR-2020 4 CRNRS COPYRNT MAR-2020	226.72 56.68
Total for Check/Tran - 122873:					283.40
122874 03/19/2020	CHK	10271	WESCO RECEIVABLES CORP	SPLICE KIT 1/0 INLINE-LONG, SPLICE KIT 1/0 INLINE-LONG, ONE SHOT FLEX CONDUIT FLEX SPLICE KIT 1/0 INLINE-LONG SIDEBY OXHIDE INHIBITOR FIBER DEAD ENDS .578-.613 SPLICE KIT WIRE 1/0 AL OH TPX ARRESTER 10KV POLYWATER	1,441.03 64.85 732.48 926.50 531.37 1,122.70 80.66 144.93 827.09 238.38 2,537.52 1,491.12 402.21
Total for Check/Tran - 122874:					10,540.84
122875 03/19/2020	CHK	10274	WESTBAY AUTO PARTS, INC.	VEH# 113- REPLACEMENT WIPER BLADES VEH# 104- REPLACEMENT WIPER BLADES	23.38 35.03
Total for Check/Tran - 122875:					58.41
122876 03/26/2020	CHK	10736	AMERICAN PUBLIC POWER ASSOCIATI	APPA- MNGR CERT PRGRM REG FEE MAY 2020 APPA- MNGR CERT PRGRM REG FEE MAY 2020	2,328.00 582.00
Total for Check/Tran - 122876:					2,910.00
122877 03/26/2020	CHK	10623	CARL H. JOHNSON & SON EXCAVATIN	EXCAVATING - OLD GARDINER RD 2/19/20 EXCAVATING - E ISLAND VIEW AVE 2/18/20 EXCAVATING - 26 N LYTER AVE 2/18/20	1,596.85 882.90 752.10
Total for Check/Tran - 122877:					3,231.85
122878 03/26/2020	CHK	10325	CREATIVE DESIGN SOLUTIONS, INC	SEPTIC DESIGN TRACKING AT 310 FOUR CRNRS	680.00

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122879 03/26/2020	CHK	10551	DAY WIRELESS SYSTEMS	MOBILE RADIOS - 2020 MAR	985.14
122880 03/26/2020	CHK	10797	DISPLAYS2GO	FAIR BOOTH SETUP-MISC ITEMS	-161.43
				FAIR BOOTH SETUP-MISC ITEMS	1,564.10
				FAIR BOOTH SETUP-MISC ITEMS	391.04
				FAIR BOOTH SETUP-RETRACTABLE BANNER	-56.88
				FAIR BOOTH SETUP-RETRACTABLE BANNER	551.08
				FAIR BOOTH SETUP-RETRACTABLE BANNER	137.78
Total for Check/Tran - 122880:					<u>2,425.69</u>
122881 03/26/2020	CHK	10797	DISPLAYS2GO	FAIR BOOTH SETUP-OUTDOOT CANOPY TENTQTY2	-161.37
				FAIR BOOTH SETUP-OUTDOOT CANOPY TENTQTY2	1,563.50
				FAIR BOOTH SETUP-OUTDOOT CANOPY TENTQTY2	390.87
Total for Check/Tran - 122881:					<u>1,793.00</u>
122882 03/26/2020	CHK	10781	EVERGREEN CONSULTING GROUP, LLC	ENERGY CONSERVATION REBATE	700.00
				ENERGY CONSERVATION REBATE	800.00
				ENERGY CONSERVATION REBATE	720.00
				ENERGY CONSERVATION REBATE	700.00
				ENERGY CONSERVATION REBATE	800.00
				ENERGY CONSERVATION REBATE	700.00
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				ENERGY CONSERVATION REBATE	600.00
				ENERGY CONSERVATION REBATE	600.00
				ENERGY CONSERVATION REBATE	800.00
				ENERGY CONSERVATION REBATE	1,356.56
				ENERGY CONSERVATION REBATE	1,894.77
				Total for Check/Tran - 122882:	17,825.33
122883 03/26/2020	CHK	10090	FREDERICKSON ELECTRIC, INC	HEATING - TRIPLEWIDE 310 FOUR CR 3/04	207.54
				HEATING - TRIPLEWIDE 310 FOUR CR 3/04	51.88
				OH TO UG - WHITE BUILDING IN DT PT 3/18	889.51
				RELOCATION OF NETWORK BUILDING 3/18/20	6,908.07
				METER REPAIR COMLPTN - 1444 HWY 20 3/05	3,125.03
				EMER METER REPAIR - 1444 HWY 20 3/05	475.59
				Total for Check/Tran - 122883:	11,657.62
122884 03/26/2020	CHK	10094	GENERAL PACIFIC, INC	STREETLIGHT-LED PROG 70W 2700K&40W 2700K	4,299.23
				SINGLE/POLYPHASE METER TESTER	15,753.06
				Total for Check/Tran - 122884:	20,052.29
122885 03/26/2020	CHK	10098	GRAINGER	REFLECTIVE NUMBER DECAL	52.02
				GLOVE DUST	113.98
				NITRILE GLOVES	70.27
				Total for Check/Tran - 122885:	236.27
122886 03/26/2020	CHK	10104	HADLOCK BUILDING SUPPLY, INC.	SHOP- PWRLOCK TAPE & ORANGE STRING LINER	34.41
				SNOW CREEK-EMRY CLOTH & PVC BALL VALVE	10.43
				SHOP- PLAS DUST BRUSH & BROOM/DUST PAN	19.05
				VEH# 101- DEEP SOCKET & SOCKET ADAPTER	15.24
				TRTMNT PLNT- VFD INSTALL MATERIALS	13.27
				BO'S CREW- MAP-PRO CYLINDER&SOCKET ADAP	59.23
				LAG BOLTS & SOCKET ADAPTER	26.91
				STOCK - TRSH BAG, DUCT TPE, HARDWARE	29.02
				TRTMNT PLNT-NEW B.W. METER MATERIALS	16.87

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				TRTMNT PLNT-NEW B.W. METER MATERIALS	30.69
				SHOP- NITRILE GLOVES	32.68
				Total for Check/Tran - 122886:	287.80
122887 03/26/2020	CHK	10779	SAMANTHA A HARPER	2020EMRGNCY PREPAREDNESS WRKSHP TRVL EXP	121.96
122888 03/26/2020	CHK	10510	HASELWOOD CHEVROLET BUICK GMC	REPLACEMENT DOOR PANEL-TRUCK# 106	32.19
				REPLACEMENT DOOR PANEL# 106	483.53
				Total for Check/Tran - 122888:	515.72
122889 03/26/2020	CHK	10110	HENERY HARDWARE	TRTMNT PLNT-NEW WTR METER INSTL MATERIAL	123.36
				TRTMNT PLNT-NEW B.W. METER MATERIALS	13.01
				WAREHOUSE - COFFEE MAKER	43.59
				Total for Check/Tran - 122889:	179.96
122890 03/26/2020	CHK	10787	HOCH CONSTRUCTION, INC	310 FOUR CRNRS REMODEL - INV #3	364,688.97
122891 03/26/2020	CHK	10388	1018 JEREMIAH J JONES	WELLNESS PROGRAM REIMBURSEMENT FOR 2020	80.00
122892 03/26/2020	CHK	9999	LUDLOW MAINTENANCE COMMISSION	ENERGY CONSERVATION REBATE-HP	701.88
122893 03/26/2020	CHK	10309	NISC	ESRI 2020 ANNUAL 1Y SVC 3/29/20-3/28/21	5,722.50
122894 03/26/2020	CHK	10166	NWPPA	NWPPA-ELEC UTIL SYS OPS REG FEE	830.00
122895 03/26/2020	CHK	10167	OFFICE DEPOT	MISC LOCATIONS - OFFICE SUPPLIES	41.66
				MISC LOCATIONS - OFFICE SUPPLIES	10.42
				STOCK - OFFICE SUPPLIES	13.79
				STOCK - OFFICE SUPPLIES	3.45
				210 TRP WIDE - OFFICE SUPPLIES	40.34
				210 TRP WIDE - OFFICE SUPPLIES	10.09
				ANNEX - OFFICE SUPPLIES	114.49
				ANNEX - OFFICE SUPPLIES	28.62
				Total for Check/Tran - 122895:	262.86
122896 03/26/2020	CHK	10170	OLYMPIC EQUIPMENT RENTALS	EXCAVATOR CAT RNTL - WO# 21842 3/19/2020	632.20
122897 03/26/2020	CHK	10549	PENINSULA LEGAL SECRETARIAL SER	TRANSCRIPTION SVC 3/10-3/17/2020	480.00

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TRANSCRIPTION SVC 3/10-3/17/2020					120.00
Total for Check/Tran - 122897:					600.00
122898 03/26/2020	CHK	10188	PLATT ELECTRIC SUPPLY	FIBER ATTACHMENT-INSULATED WIREHOLDER	112.36
				METERING MATERIAL-EATON 30AMP, 2P CIRUIT	36.75
				METERING MATERIAL-EATON 5TH JAW TERM KIT	18.93
				METERING MATERIAL-CONDUIT BODY, TYPE LB	24.16
				METERING MATERIAL-ARLINGTON 3/4" RIGID P	8.29
				METERING MATERIAL-APPLETON CHASE NIPPLE	5.59
				METERING MATERIAL-APPLETON 4" SQUARE EXP	2.08
				METERING MATERIAL-APPLETON 4" SQUARE BOX	11.34
				METERING MATERIAL-3/4" MALE TERMINAL ADA	2.08
				METERING MATERIAL-3/4" 45* SWEEP	3.70
				METERING MATERIAL-1 PHASE METER SOCKET	70.29
				METERING MATERIAL-LEV DOUBLE POLE SWITCH	40.90
Total for Check/Tran - 122898:					336.47
122899 03/26/2020	CHK	10216	SECURITY SERVICES NW, INC.	ALARM MONITORING APRIL-JUNE 2020	99.00
				NIGHT PAYMENT PICKUP - MAR 2020	1,639.58
				NIGHT PAYMENT PICKUP - MAR 2020	409.89
Total for Check/Tran - 122899:					2,148.47
122900 03/26/2020	CHK	10219	SHOLD EXCAVATING INC	MATERIALS FOR WATER DEPT 2/27&3/06	24.53
				MATERIALS FOR WATER DEPT 2/27&3/06	170.04
				EXCAVATOR;L&M - ENFIELD VAULT 1/27/20	1,338.00
Total for Check/Tran - 122900:					1,532.57
122901 03/26/2020	CHK	10249	SPECTRA LABORATORIES-KITSAP LLC	TESTING:NITRATE LOCATION:SAMPLE TAP P/H	28.00
122902 03/26/2020	CHK	10421	THE CARWASH INC	VEH# 210 & 211 - FLEET SRVC FEB 2020	49.01
122903 03/26/2020	CHK	10727	TITAN ELECTRIC, INC	DOCK WORK WKEND 2/08-3/07/2020	93,829.11
				ADD'L TAX FOR STORM CLEAN UP WO#18523	98.60
Total for Check/Tran - 122903:					93,927.71

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122904 03/26/2020	CHK	10615	US BANK	VEH# 132- REGISTER PUD VEHICLE	64.00
				NWPPA E&O CONF 4/6-4/10/2020 TRVL EXP	328.00
				NWPPA E&O CONF 4/6-4/10/2020 TRVL EXP	328.00
				NWPPA E&O CONF 4/6-4/10/2020 TRVL EXP	328.00
				NWPPA E&O CONF 4/6-4/10/2020 TRVL EXP	328.00
				PPE - HIVIS SHIRT & BEANIE	180.96
				2020 EFF BUS WRITING&GRAMMAR REG FEE	207.20
				2020 EFF BUS WRITING&GRAMMAR REG FEE	51.80
				APPA-PUBLIC POWER MANAGER CERT TRVL EXP	95.85
				APPA-PUBLIC POWER MANAGER CERT TRVL EXP	341.92
				APPA-PUBLIC POWER MANAGER CERT TRVL EXP	110.40
				APPA-PUBLIC POWER MANAGER CERT REFUND	-110.40
				APPA-PUBLIC POWER MANAGER CERT TRVL EXP	23.96
				APPA-PUBLIC POWER MANAGER CERT TRVL EXP	85.48
				APPA-PUBLIC POWER MANAGER CERT TRVL EXP	27.60
				APPA-PUBLIC POWER MANAGER CERT REFUND	-27.60
				TWACS SYS&TILLAMOOK PUD TOUR 3/9-3/10/20	171.89
				TWACS SYS&TILLAMOOK PUD TOUR 3/9-3/10/20	149.08
				TWACS SYS&TILLAMOOK PUD TOUR 3/9-3/10/20	35.60
				NWPPA E&O CONF 4/6-4/10/2020 TRVL EXP	388.00
				PUBLIC POWER COUNCIL MEETING TRVL EXP	105.99
				NONET MEETIN REFUND TRVL EXP	-86.94
				NOANET MEETING TRVL EXP	86.94
				PUBLIC POWER COUNCIL MEETING TRVL EXP	26.50
				NONET MEETIN REFUND TRVL EXP	-21.74
				NOANET MEETING TRVL EXP	21.74
				CONFERENCE SRVC SUBSCRIPTION 3/11/2020	130.53
				AMAZONWEBSVC - HOST FILES FOR WEBSITE	2.66
				AMAZONWEBSVC - HOST FILES FOR WEBSITE	0.67
				RUS BORROWER ACCOUTING COURSE GSUSA 3/13	476.00
				ADVANCED UTILITY WEBINAR 4/14-5/5/2020	220.00

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				RUS BORROWER ACCOUTING COURSE GSUSA 3/13	119.00	
				ADVANCED UTILITY WEBINAR 4/14-5/5/2020	55.00	
				RECRUIT COST FOR PWR DRCTR POSITION REFU	-0.06	
				RECRUIT COST FOR PWR DRCTR POSITION REFU	-900.00	
				RECRUIT COST FOR PWR DRCTR POSITION	195.00	
				RECRUIT COST FOR PWR DRCTR POSITION	500.86	
				RECRUIT COST FOR PWR DRCTR POSITION	900.00	
				RECRUIT COST FOR PWR DRCTR POSITION	416.91	
				RECRUIT COST FOR PWR DRCTR POSITION	78.75	
				WATER WORKS BASICS 3/18-3/20/2020 REFUND	-450.00	
				RME SEPTIC INSPECTIONS	12.00	
				STOCK PHOTO FOR GENERAL ADVERTISING	92.00	
				STOCK PHOTO FOR GENERAL ADVERTISING	23.00	
				BOC COMMISSIONER PLAQUES ENGRAVING	16.10	
				BOC COMMISSIONER PLAQUES	91.84	
				BOC COMMISSIONER PLAQUES ENGRAVING	4.02	
				BOC COMMISSIONER PLAQUES	22.95	
Total for Check/Tran - 122904:					5,247.46	
122905	03/26/2020	CHK	10258	VERIZON WIRELESS, BELLEVUE	CELLPHONE SVC QB2/16-3/15/2020	342.26
					CELLPHONE SVC QB2/16-3/15/2020	169.92
					CELLPHONE SVC QB2/16-3/15/2020	97.91
					CELLPHONE SVC QB2/16-3/15/2020	24.16
					CELLPHONE SVC QB2/16-3/15/2020	141.60
					CELLPHONE SVC QB2/16-3/15/2020	28.32
					CELLPHONE SVC QB2/16-3/15/2020	41.29
					CELLPHONE SVC QB2/16-3/15/2020	24.34
					CELLPHONE SVC QB2/16-3/15/2020	150.41
					CELLPHONE SVC QB2/16-3/15/2020	8.84
					CELLPHONE SVC QB2/16-3/15/2020	93.77
					CELLPHONE SVC QB2/16-3/15/2020	42.84

03/30/2020 10:50:56 AM

Accounts Payable Check Register

03/10/2020 To 03/29/2020

Bank Account: 1 - 1ST SECURITY - AP

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount	
				CELLPHONE SVC QB2/16-3/15/2020	24.34	
				CELLPHONE SVC QB2/16-3/15/2020	34.34	
				CELLPHONE SVC QB2/16-3/15/2020	200.66	
				CELLPHONE SVC QB2/16-3/15/2020	86.02	
				CELLPHONE SVC QB2/16-3/15/2020	339.91	
				CELLPHONE SVC QB2/16-3/15/2020	84.96	
				CELLPHONE SVC QB2/16-3/15/2020	36.01	
				CELLPHONE SVC QB2/16-3/15/2020	79.18	
				CELLPHONE SVC QB2/16-3/15/2020	45.31	
				CELLPHONE SVC QB2/16-3/15/2020	90.62	
				CELLPHONE SVC QB2/16-3/15/2020	4.00	
				CELLPHONE SVC QB2/16-3/15/2020	19.79	
				CELLPHONE SVC QB2/16-3/15/2020	11.33	
				CELLPHONE SVC QB2/16-3/15/2020	22.66	
				CELLPHONE SVC QB2/16-3/15/2020	151.93	
				CELLPHONE SVC QB2/16-3/15/2020	37.99	
				CELLPHONE SVC QB2/16-3/15/2020	56.64	
				SCADA CRADLEPOINT DEVICE QB2/20-3/19/202	899.78	
				WIFI IN TRUCKS QB2/20-3/19/2020	280.09	
				WIFI IN TRUCKS QB2/20-3/19/2020	240.06	
				WIFI IN SRVR ROOM QB2/20-3/19/2020	80.01	
				WIFI IN SRVR ROOM QB2/20-3/19/2020	20.00	
Total for Check/Tran - 122905:					4,011.29	
122906	03/26/2020	CHK	10271	WESCO RECEIVABLES CORP	CONNECTORS	2,047.76
122907	03/26/2020	CHK	10502	CAROL WOODLEY	RENT BILLING AT ANNEX - APR 2020	1,120.00
					RENT BILLING AT ANNEX - APR 2020	280.00
Total for Check/Tran - 122907:					1,400.00	

Total Payments for Bank Account - 1 : (149) 1,500,982.87

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Accounts Payable Check Register

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03/10/2020 To 03/29/2020

Bank Account: 1 - 1ST SECURITY - AP

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount	
					Total Voids for Bank Account - 1 :	(0) 0.00
					Total for Bank Account - 1 :	(149) 1,500,982.87
					Grand Total for Payments :	(149) 1,500,982.87
					Grand Total for Voids :	(0) 0.00
					Grand Total :	(149) 1,500,982.87

JEFFERSON COUNTY PUD NO 1

ISSUED PAYROLL CHECKS
PAY DATE: 03/20/2020

<u>Empl</u>	<u>Position</u>	<u>Check #</u>	<u>Date #</u>	<u>Amount</u>
2000	WATER DISTRIBUTION MANAGER II	70716	3/20/2020	1,694.20
2001	WATER DISTRIBUTION MANAGER II	70717	3/20/2020	1,681.46
3032	CUSTOMER SERVICE REP	70718	3/20/2020	1,189.36
2003	WATER TREATMENT PLANT OPERATOR III	70719	3/20/2020	2,305.46
2004	WATER TREATMENT PLANT OPERATOR III - LEAD	70720	3/20/2020	2,391.27
				9,261.75

JEFFERSON COUNTY PUD NO 1

DIRECT DEPOSIT PAYROLL
PAY DATE: 03/06/2020

Empl	Position	Pay Date	Net Pay
3039	ACCOUITING TECH 1	3/20/2020	1,218.81
4006	COMMISSIONER DIST 1	3/20/2020	2,152.84
4004	COMMISSIONER DIST 2	3/20/2020	980.64
4008	COMMISSIONER DIST 3	3/20/2020	1,115.24
3034	COMMUNICATIONS MANAGER	3/20/2020	2,021.20
3002	CUSTOMER SERVICE COORDINATOR	3/20/2020	1,196.20
3020	CUSTOMER SERVICE MANAGER	3/20/2020	2,364.13
3014	CUSTOMER SERVICE PROGRAM SPECIALIST	3/20/2020	1,273.33
3022	CUSTOMER SERVICE REP	3/20/2020	1,295.58
3046	CUSTOMER SERVICE REP	3/20/2020	1,059.85
3048	CUSTOMER SERVICE REP	3/20/2020	1,116.11
1044	ELECTRICAL PRE-APPRENTICE	3/20/2020	1,910.20
1045	ELECTRICAL PRE-APPRENTICE	3/20/2020	1,782.83
3005	EXECUTIVE ASSISTANT/PUBLIC RECORDS OFFICER	3/20/2020	2,255.15
3033	FINANCIAL SERVICES MANAGER	3/20/2020	3,166.56
1046	FLEET/WAREHOUSE HELPER	3/20/2020	2,321.23
1008	FOREMAN LINEMAN	3/20/2020	3,830.06
1012	FOREMAN LINEMAN	3/20/2020	2,763.90
1011	GENERAL MANAGER	3/20/2020	4,384.63
1042	GIS SPECIALIST	3/20/2020	2,242.49
1017	HEAD STOREKEEPER	3/20/2020	2,250.08
3047	HUMAN RESOURCES MANAGER	3/20/2020	2,394.95
3008	INFORMATION TECHNOLOGY MANAGER	3/20/2020	3,204.85
3028	IT SUPPORT TECHNICIAN	3/20/2020	1,752.04
1000	LINEMAN	3/20/2020	3,261.29
1016	LINEMAN	3/20/2020	3,379.47
1020	LINEMAN	3/20/2020	2,963.56
1028	LINEMAN	3/20/2020	3,090.58
1034	LINEMAN	3/20/2020	4,252.15
1041	LINEMAN	3/20/2020	2,964.60
1018	METER READER	3/20/2020	1,230.65
1043	METER READER	3/20/2020	1,755.70
1047	METER READER	3/20/2020	1,524.03
1026	OPERATIONS ASSISTANT	3/20/2020	1,837.76
3004	RESOURCE MANAGER	3/20/2020	2,422.47
1015	SCADA TECH JOURNEYMAN	3/20/2020	3,411.83
1003	SCADA TECH/APPRENTICE	3/20/2020	2,235.68
1027	SENIOR ENGINEER	3/20/2020	2,892.91
1037	SPECIAL PROJECTS COORDINATOR	3/20/2020	2,971.06
1031	STAKING ENGINEER	3/20/2020	1,931.46
1039	STAKING ENGINEER	3/20/2020	2,000.34
1014	STOREKEEPER	3/20/2020	2,093.74
1033	SUBSTATION TECH	3/20/2020	3,754.34
3013	UTILITY ACCOUNTANT II	3/20/2020	1,535.20
3029	UTILITY ACCOUNTANT II	3/20/2020	1,720.22
3003	UTILITY BILLING CLERK	3/20/2020	1,402.32
3027	UTILITY BILLING CLERK	3/20/2020	1,387.76
3000	UTILITY BILLING COORDINATOR	3/20/2020	1,563.80
2005	WATER DISTRIBUTION MANAGER I	3/20/2020	1,305.13
2002	WATER DISTRIBUTION MANAGER II	3/20/2020	2,044.73
2007	WATER SUPERINTENDENT	3/20/2020	3,196.74

\$ 114,182.42

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 **\$3,148,606.92** on this **7TH** day of **APRIL** **2020** ;

Dan Toepper President	Kenneth Collins Vice President	Jeff Randall Secretary
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PENDING INVOICES OVER \$100,000 TO BE APPROVED:

HOCH CONSTRUCTION, INC	Inv#	APP# FOUR (4)	dated	3/25/2020	\$	213,178.81
CARL H. JOHNSON & SON EXCAVATING	Inv#	00286	dated	3/27/2020	\$	117,971.79

PAYMENTS TO BE APPROVED:

	WARRANTS	AMOUNT	DATE
Accounts Payable: # 122759 to # 122824		\$ 259,019.36	3/12/2020
Accounts Payable: # 122825 to # 122875		\$ 694,813.73	3/19/2020
Accounts Payable: # 122876 to # 122907		\$ 547,149.78	3/26/2020
Payroll Checks: # 70716 to # 70720		\$ 9,261.75	3/20/2020
Payroll Direct Deposit:		\$ 114,182.42	3/20/2020

TOTAL INVOICES PAID **\$1,624,427.04**

	AMOUNT	DATE
USDA/RUS Loan	\$ 1,524,179.88	3/30/2020

PAYMENT TOTAL **\$3,148,606.92**

VOIDED WARRANTS

Jefferson County PUD No. 1
Electric Division
Statement of Operations
As of February 29, 2020

PART A. STATEMENT OF OPERATIONS				
ITEM	YEAR-TO-DATE			THIS MONTH
	LAST YEAR	THIS YEAR	BUDGET	
	(a)	(b)	(c)	
1. Operating Revenue and Patronage Capital	8,335,109	8,202,921	8,725,879	4,124,117
2. Power Production Expense	0	0	0	0
3. Cost of Purchased Power	1,836,258	3,162,419	3,340,233	1,536,579
4. Transmission Expense	230,856	442,084	458,341	208,454
5. Regional Market Operations Expense	0	0	0	0
6. Distribution Expense - Operation	225,738	240,027	309,170	122,524
7. Distribution Expense - Maintenance	339,621	713,073	595,973	228,948
8. Consumer Accounts Expense	185,748	203,579	266,816	87,618
9. Customer Service and Informational Expense	7,228	3,337	6,593	2,521
10. Sales Expense	0	0	0	0
11. Administrative and General Expense	497,020	401,573	418,248	199,786
12. Total Operation & Maintenance Expense (2 thru 11)	3,322,469	5,166,092	5,395,374	2,386,430
13. Depreciation & Amortization Expense	872,841	905,524	868,262	452,910
14. Tax Expense - Property & Gross Receipts	0	0	0	0
15. Tax Expense - Other	478,678	299,576	495,432	64,493
16. Interest on Long-Term Debt	468,195	451,946	451,946	225,973
17. Interest Charged to Construction (Credit)	0	0	0	0
18. Interest Expense - Other	0	0	0	0
19. Other Deductions	0	0	0	0
20. Total Cost of Electric Service (12 thru 19)	5,142,183	6,823,138	7,211,014	3,129,806
21. Patronage Capital & Operating Margins (1 minus 20)	3,192,926	1,379,783	1,514,865	994,311
22. Non Operating Margins - Interest	28,247	20,924	9,990	10,671
23. Allowance for Funds Used During Construction	0	0	0	0
24. Income (Loss) from Equity Investments	0	0	0	0
25. Non Operating Margins - Other	195,625	263,390	237,761	142,923
26. Generation & Transmission Capital Credits	0	0	0	0
27. Other Capital Credits & Patronage Dividends	14,601	12,803	0	12,803
28. Extraordinary Items	0	0	0	0
29. Patronage Capital or Margins (21 thru 28)	3,431,399	1,676,900	1,762,616	1,160,708

Times Interest Earned Ratio (TIER) (Year to Date)	8.33	4.71	4.90
Operating Times Interest Earned Ratio (OTIER) (Year to Date)	7.82	4.05	4.35
Debt Service Coverage Ratio (DSC) (Year to Date)	4.83	3.07	4.55
Operating Debt Service Coverage Ratio (ODSC) (Year to Date)	4.59	2.77	4.18
Rolling 12 Month TIER	3.25	2.13	

Jefferson County PUD No. 1
Electric Division
Balance Sheet
February 29, 2020

PART B. BALANCE SHEET			
ASSETS AND OTHER DEBITS		LIABILITIES AND OTHER CREDITS	
1. Total Utility Plant in Service	171,905,340	29. Memberships	0
2. Construction Work in Progress	9,010,980	30. Patronage Capital	0
3. Total Utility Plant (1+2)	180,916,320	31. Operating Margins - Prior Years	0
4. Accum. Provision for Depreciation and Amort	63,480,834	32. Operating Margins - Current Year	1,379,783
5. Net Utility Plant (3-4)	117,435,486	33. Non-Operating Margins	297,117
6. Nonutility Property - Net	2,220	34. Other Margins & Equities	26,169,019
7. Investment in Subsidiary Companies	0	35. Total Margins & Equities (29 thru 34)	27,845,919
8. Invest. in Assoc. Org. - Patronage Capital	60,305	36. Long-Term Debt RUS (Net)	99,749,818
9. Invest. in Assoc. Org. - Other - General Funds	1,010	37. Long-Term Debt - Other (Net)	0
10. Invest in Assoc. Org. - Other - Nongeneral Funds	0	38. Total Long-Term Debt (36 + 37)	99,749,818
11. Investments in Economic Development Projects	0	39. Obligations Under Capital Leases - Non current	0
12. Other Investments	0	40. Accumulated Operating Provisions	1,740,410
13. Special Funds	1,188,720	41. Total Other Noncurrent Liabilities (39+40)	1,740,410
14. Total Other Property & Investments (6 thru 13)	1,252,255	42. Notes Payable	0
15. Cash-General Funds	2,358,975	43. Accounts Payable	4,462,864
16. Cash-Construction Funds-Trustee	0	44. Consumers Deposits	133,550
17. Special Deposits	0	45. Current Maturities Long-Term Debt	0
18. Temporary Investments	5,866,876	46. Current Maturities Long-Term Debt-Economic Dev.	0
19. Notes Receivable - Net	0	47. Current Maturities Capital Leases	0
20. Accounts Receivable - Net Sales of Energy	3,118,133	48. Other Current & Accrued Liabilities	1,526,562
21. Accounts Receivable - Net Other	1,566,075	49. Total Current & Accrued Liabilities (42 thru 48)	6,122,976
22. Renewable Energy Credits	0	50. Deferred Credits	981,935
23. Materials & Supplies - Electric and Other	1,892,393	51. Total Liabilities & Other Credits (35+38+41+49+50)	136,441,058
24. Prepayments	190,178		
25. Other Current & Accrued Assets	2,352,041	ESTIMATED CONTRIBUTION-IN-AID-OF-CONSTRUCTION	
26. Total Current & Accrued Assets (15 thru 25)	17,344,671	Balance Beginning of Year	0
27. Deferred Debits	408,646	Amounts Received This Year (Net)	127,783
28. Total Assets & Other Debits (5+14+26+27)	136,441,058	TOTAL Contributions-In-Aid-Of-Construction	127,783

Equity Ratio **20.41%**
 (Total Margins & Equities/Total Assets & Other Debits) x 100

Long-Term Debt to Total Plant Ratio **55.14%**
 (Long Term Debt/Total Utility Plant) x 100

**Jefferson County PUD #1
Power Requirements
As of February 29, 2020**

PART C. POWER REQUIREMENTS DATABASE				
CLASSIFICATION	CONSUMER, SALES, AND REVENUE DATA	FEBRUARY CONSUMERS (b)	AVERAGE CONSUMERS (c)	Monthly KWH SALES AND REVENUE (d)
1. Residential Sales (excluding seasonal)	a. No. Consumers Served	17,528	17,524	
	b. KWH Sold			25,107,660
	c. Revenue			2,803,290
2. Residential Sales - Seasonal	a. No. Consumers Served	6	6	
	b. KWH Sold			0
	c. Revenue			0
3. Irrigation Sales	a. No. Consumers Served	1	1	
	b. KWH Sold			0
	c. Revenue			30
4. Comm. and Ind. 1000 KVA or Less	a. No. Consumers Served	2,293	2,290	
	b. KWH Sold			6,769,171
	c. Revenue			733,944
5. Comm. and Ind. Over 1000 KVA	a. No. Consumers Served	21	21	
	b. KWH Sold			8,291,228
	c. Revenue			555,075
6. Public Street & Highway Lighting	a. No. Consumers Served	207	208	
	b. KWH Sold			46,115
	c. Revenue			17,221
7. Non Metered Device Authority	a. No. Consumers Served	4	3	
	b. KWH Sold			0
	c. Revenue			45
8. Sales for Resales-RUS Borrowers	a. No. Consumers Served	0	0	
	b. KWH Sold			0
	c. Revenue			0
9. Sales for Resales-Other	a. No. Consumers Served	0	0	
	b. KWH Sold			0
	c. Revenue			0
10. TOTAL No. of Consumers (lines 1a thru 9a)		20,060	20,053	
11. TOTAL KWH Sold (lines 1b thru 9b)				40,214,174
12. TOTAL Revenue Received From Sales of Electric Energy (line 1c thru 9c)				4,109,605
13. Transmission Revenue				0
14. Other Electric Revenue				14,511
15. KWH - Own Use				77,503
16. TOTAL KWH Purchased				40,099,537
17. TOTAL KWH Generated				0
18. Cost of Purchases and Generation				1,536,579
19. Interchange - KWH - Net				0
20. Peak - Sum All KW Input (Metered)				89,700

Electric Division
Comparison 2020 Budget to 2020 Actuals Year to Date Through February

	2020 Budget FEBRUARY YTD	2020 Actuals FEBRUARY YTD	Variance
1. Operating Revenue and Patronage Capital	8,725,879	8,202,921	(522,958)
2. Power Production Expense	0	0	0
3. Cost of Purchased Power	3,340,233	3,162,419	(177,814)
4. Transmission Expense	458,341	442,084	(16,257)
5. Regional Market Operations Expense	0	0	0
6. Distribution Expense - Operation	309,170	240,027	(69,143)
7. Distribution Expense - Maintenance	595,973	713,073	117,100
8. Consumer Accounts Expense	266,816	203,579	(63,237)
9. Customer Service and Informational Expense	6,593	3,337	(3,256)
10. Sales Expense	0	0	0
11. Administrative and General Expense	418,248	401,573	(16,675)
12. Total Operation & Maintenance Expense (2 thru 11)	5,395,374	5,166,092	(229,282)
13. Depreciation & Amortization Expense	868,262	905,524	37,262
14. Tax Expense - Property & Gross Receipts	0	0	0
15. Tax Expense - Other	495,432	299,576	(195,856)
16. Interest on Long-Term Debt	451,946	451,946	0
17. Interest Charged to Construction (Credit)	0	0	0
18. Interest Expense - Other	0	0	0
19. Other Deductions	0	0	0
20. Total Cost of Electric Service (12 thru 19)	7,211,014	6,823,138	(387,876)
21. Patronage Capital & Operating Margins (1 minus 20)	1,514,865	1,379,783	(135,082)
22. Non Operating Margins - Interest	9,990	20,924	10,934
23. Allowance for Funds Used During Construction	0	0	0
24. Income (Loss) from Equity Investments	0	0	0
25. Non Operating Margins - Other	237,761	263,390	25,629
26. Generation & Transmission Capital Credits	0	0	0
27. Other Capital Credits & Patronage Dividends	0	12,803	12,803
28. Extraordinary Items	0	0	0
29. Patronage Capital or Margins (21 thru 28)	1,762,616	1,676,900	(85,716)

Jefferson County PUD No. 1
Water Division
Statement of Operations
As of February 29, 2020

PART A. STATEMENT OF OPERATIONS				
ITEM	YEAR-TO-DATE			THIS MONTH
	LAST YEAR	THIS YEAR	BUDGET	
	(a)	(b)	(c)	
1. Operating Revenue and Patronage Capital	370,005	376,942	353,236	188,928
2. Power Production Expense	209	0	217	0
3. Cost of Purchased Power	322	767	19,137	374
4. Transmission Expense	0	0	0	0
5. Regional Market Operations Expense	0	0	0	0
6. Distribution Expense - Operation	110,337	120,560	184,885	49,901
7. Distribution Expense - Maintenance	56,472	65,098	80,317	31,811
8. Consumer Accounts Expense	18,139	34,105	26,733	17,413
9. Customer Service and Informational Expense	0	73	0	37
10. Sales Expense	0	0	0	0
11. Administrative and General Expense	114,573	164,403	135,682	92,788
12. Total Operation & Maintenance Expense (2 thru 11)	300,052	385,006	446,971	192,324
13. Depreciation & Amortization Expense	117,364	116,959	45,286	58,457
14. Tax Expense - Property & Gross Receipts	0	0	0	0
15. Tax Expense - Other	17,794	18,233	18,416	9,137
16. Interest on Long-Term Debt	46,593	41,094	32,200	20,522
17. Interest Charged to Construction (Credit)	0	0	0	0
18. Interest Expense - Other	0	0	0	0
19. Other Deductions	0	0	0	0
20. Total Cost of Water Service (12 thru 19)	481,803	561,292	542,873	280,440
21. Patronage Capital & Operating Margins (1 minus 20)	(111,798)	(184,350)	(189,637)	(91,512)
22. Non Operating Margins - Interest	54,062	39,954	53,769	21,075
23. Allowance for Funds Used During Construction	0	0	0	0
24. Income (Loss) from Equity Investments	0	0	0	0
25. Non Operating Margins - Other	30,608	33,453	211,170	19,705
26. Generation & Transmission Capital Credits	0	0	0	0
27. Other Capital Credits & Patronage Dividends	3,650	3,201	0	3,201
28. Extraordinary Items	0	0	0	0
29. Patronage Capital or Margins (21 thru 28)	(23,478)	(107,742)	75,302	(47,531)

**Jefferson County PUD No. 1
Water Division
Balance Sheet
February 29, 2020**

PART B. BALANCE SHEET			
ASSETS AND OTHER DEBITS		LIABILITIES AND OTHER CREDITS	
1. Total Utility Plant in Service	30,834,679	29. Memberships	0
2. Construction Work in Progress	665,932	30. Patronage Capital	0
3. Total Utility Plant (1+2)	31,500,611	31. Operating Margins - Prior Years	0
4. Accum. Provision for Depreciation and Amort	11,951,345	32. Operating Margins - Current Year	(184,350)
5. Net Utility Plant (3-4)	19,549,266	33. Non-Operating Margins	76,608
6. Nonutility Property - Net	2,185,734	34. Other Margins & Equities	23,280,752
7. Investment in Subsidiary Companies	0	35. Total Margins & Equities (29 thru 34)	23,173,010
8. Invest. in Assoc. Org. - Patronage Capital	0	36. Long-Term Debt RUS (Net)	0
9. Invest. in Assoc. Org. - Other - General Funds	0	37. Long-Term Debt - Other (Net)	6,149,628
10. Invest in Assoc. Org. - Other - Nongeneral Funds	0	38. Total Long-Term Debt (36 + 37)	6,149,628
11. Investments in Economic Development Projects	0	39. Obligations Under Capital Leases - Non current	0
12. Other Investments	0	40. Accumulated Operating Provisions	0
13. Special Funds	415,017	41. Total Other Noncurrent Liabilities (39+40)	0
14. Total Other Property & Investments (6 thru 13)	2,600,751	42. Notes Payable	1,074,538
15. Cash-General Funds	172,695	43. Accounts Payable	1,357,442
16. Cash-Construction Funds-Trustee	0	44. Consumers Deposits	300
17. Special Deposits	0	45. Current Maturities Long-Term Debt	0
18. Temporary Investments	8,193,099	46. Current Maturities Long-Term Debt-Economic Dev.	0
19. Notes Receivable - Net	0	47. Current Maturities Capital Leases	0
20. Accounts Receivable - Net Sales of Energy	139,278	48. Other Current & Accrued Liabilities	104,942
21. Accounts Receivable - Net Other	1,036,149	49. Total Current & Accrued Liabilities (42 thru 48)	2,537,222
22. Renewable Energy Credits	0	50. Deferred Credits	0
23. Materials & Supplies - Electric and Other	18,330	51. Total Liabilities & Other Credits (35+38+41+49+50)	31,859,860
24. Prepayments	0		
25. Other Current & Accrued Assets	150,292	ESTIMATED CONTRIBUTION-IN-AID-OF-CONSTRUCTION	
26. Total Current & Accrued Assets (15 thru 25)	9,709,843	Balance Beginning of Year	0
27. Deferred Debits	0	Amounts Received This Year (Net)	25,140
28. Total Assets & Other Debits (5+14+26+27)	31,859,860	TOTAL Contributions-In-Aid-Of-Construction	25,140

Equity Ratio **72.73%**
 (Total Margins & Equities/Total Assets & Other Debits) x 100

Long-Term Debt to Total Plant Ratio **19.52%**
 (Long Term Debt/Total Utility Plant) x 100

**Jefferson County PUD #1
Water Requirements
As of February 29, 2020**

PART C. WATER REQUIREMENTS DATABASE				
CLASSIFICATION	CONSUMER, SALES, AND REVENUE DATA	FEBRUARY CONSUMERS (b)	AVERAGE CONSUMERS (c)	Monthly Gallons SALES AND REVENUE (d)
1. Unmetered Water Sales	a. No. Consumers Served	13	15	
	b. Gallons Sold			0
	c. Revenue			838
2. Metered Residential Sales -	a. No. Consumers Served	4,452	4,448	
	b. Gallons Sold			11,941,244
	c. Revenue			143,383
3. Metered Commercial Sales	a. No. Consumers Served	315	315	
	b. Gallons Sold			3,789,201
	c. Revenue			31,993
4. Residential Multi-Family	a. No. Consumers Served	46	46	
	b. Gallons Sold			93,050
	c. Revenue			1,865
5. Metered Bulk Loadings	a. No. Consumers Served	1	1	
	b. Gallons Sold			0
	c. Revenue			29
6. Public Authority	a. No. Consumers Served	5	5	
	b. Gallons Sold			0
	c. Revenue			0
7. Sewer/Drain Field--Residential	a. No. Consumers Served	370	370	
	b. Gallons Sold			0
	c. Revenue			10,045
8. Master Meters	a. No. Consumers Served	23	23	
	b. Gallons Sold			2,771,030
	c. Revenue			0
9. Sales for Resales-Other	a. No. Consumers Served	0	0	
	b. Gallons Sold			0
	c. Revenue			0
10. TOTAL No. of Consumers (lines 1a thru 9a)		5,225	5,223	
11. TOTAL Gallons Sold (lines 1b thru 9b)				18,594,525
12. TOTAL Revenue Received From Sales of Water Gallons (line 1c thru 9c)				188,153
13. Bulk Water Gallons Sold Revenue				0
14. Other Water Revenue				775
15. Gallons - Own Use				17,890
16. TOTAL Gallons Purchased				0
17. TOTAL Gallons Produced				23,910,167
18. Cost of Purchases and Generation				374

Water Division
Comparison 2020 Budget to 2020 Actuals Year to Date Through February

	2020 Budget FEBRUARY YTD	2020 Actuals FEBRUARY YTD	Variance
1. Operating Revenue and Patronage Capital	353,236	376,942	23,706
2. Power Production Expense	217	0	(217)
3. Cost of Purchased Power	19,137	767	(18,370)
4. Transmission Expense	0	0	0
5. Regional Market Operations Expense	0	0	0
6. Distribution Expense - Operation	184,885	120,560	(64,325)
7. Distribution Expense - Maintenance	80,317	65,098	(15,219)
8. Consumer Accounts Expense	26,733	34,105	7,372
9. Customer Service and Informational Expense	0	73	73
10. Sales Expense	0	0	0
11. Administrative and General Expense	135,682	164,403	28,721
12. Total Operation & Maintenance Expense (2 thru 11)	446,971	385,006	(61,965)
13. Depreciation & Amortization Expense	45,286	116,959	71,673
14. Tax Expense - Property & Gross Receipts	0	0	0
15. Tax Expense - Other	18,416	18,233	(183)
16. Interest on Long-Term Debt	32,200	41,094	8,894
17. Interest Charged to Construction (Credit)	0	0	0
18. Interest Expense - Other	0	0	0
19. Other Deductions	0	0	0
20. Total Cost of Electric Service (12 thru 19)	542,873	561,292	18,419
21. Patronage Capital & Operating Margins (1 minus 20)	(189,637)	(184,350)	5,287
22. Non Operating Margins - Interest	53,769	39,954	(13,815)
23. Allowance for Funds Used During Construction	0	0	0
24. Income (Loss) from Equity Investments	0	0	0
25. Non Operating Margins - Other	211,170	33,453	(177,717)
26. Generation & Transmission Capital Credits	0	0	0
27. Other Capital Credits & Patronage Dividends	0	3,201	3,201
28. Extraordinary Items	0	0	0
29. Patronage Capital or Margins (21 thru 28)	75,302	(107,742)	(183,044)

**Jefferson County PUD No. 1
Cash and Cash Equivalents
As of February 29, 2020**

<u>G/L #</u>	<u>Account Description</u>	<u>Balance</u>	
1 131.11	Operating Depository Account - Bank of America	\$1,330,122	
1 131.12	Operating Account - Jefferson Co. Treasurer	1,026,974	
2 131.14	2009 Bond LUD #14 - Jefferson Co. Treasurer	80,408	Restricted
2 131.11	1996 Bond LUD #8 - Jefferson Co. Treasurer	72,972	
2 131.10	1996 Bond LUD #6 - Jefferson Co. Treasurer	18,486	
1 135.21	Working Funds - Petty Cash and CSR Drawers	1,850	
2 131.15	2008 Bond LUD #15 - Jefferson Co. Treasurer	610	Restricted
2 135.21	Cash Held in Trust by Property Manager	150	
2 131.12	1999 Bond LUD #11 - Jefferson Co. Treasurer	42	Restricted
1 131.16	Payroll Clearing Account - 1st Security Bank	30	
2 131.13	1997 Bond LUD #13 - Jefferson Co. Treasurer	27	Restricted
TOTAL LINE 15. BALANCE SHEET-CASH-GENERAL FUNDS		\$2,531,671	
1 136.10	Operating Account Related Investment - Jefferson Co. Treasurer	\$5,866,876	
2 136.16	Tax Revenue Fund - Jefferson Co. Treasurer	3,148,524	
2 136.14	LUD #14 Bond Investment - Jefferson Co. Treasurer	2,583,503	Restricted
2 136.17	Tax Revenue Investment Fund - Jefferson Co. Treasurer	1,925,000	
2 136.15	LUD #15 Bond Investment - Jefferson Co. Treasurer	481,480	Restricted
2 136.12	LUD #11 Bond Investment - Jefferson Co. Treasurer	32,940	Restricted
2 136.13	LUD #13 Bond Investment - Jefferson Co. Treasurer	21,653	Restricted
TOTAL LINE 18. BALANCE SHEET-TEMPORARY INVESTMENTS		\$14,059,976	
1 125.11	RUS Bond Reserve Investment Fund - Jefferson Co. Treasurer	\$1,140,050	Restricted
2 126.51	LUD #11 Water Reserve Investment Fund - Jefferson Co. Treasurer	233,900	Restricted
2 126.31	Tri Area Bond Reserve Investment Fund - Jefferson Co. Treasurer	180,579	Restricted
1 128.00	Other Special Funds	47,200	Restricted
1 125.10	RUS Bond Reserve Fund - Jefferson Co. Treasurer	1,470	Restricted
2 126.41	LUD #11 Water Reserve Fund - Jefferson Co. Treasurer	296	Restricted
2 126.21	Tri Area Bond Reserve Fund - Jefferson Co. Treasurer	229	Restricted
2 126.13	LUD #13 Reserve Fund - Jefferson Co. Treasurer	13	Restricted
TOTAL LINE 13. BALANCE SHEET-RESTRICTED FUNDS		\$1,603,737	
RESTRICTED CASH BALANCE--FEBRUARY 2020		\$4,804,400	
NON-RESTRICTED CASH BALANCE--FEBRUARY 2020		\$13,390,984	
TOTAL CASH AND CASH EQUIVALENTS IN BANK--February 2020		\$18,195,384	
TOTAL CASH AND CASH EQUIVALENTS IN BANK--January 2020		\$18,476,347	
Change in Bank Balance		(\$280,963)	

April 7, 2020

PUD CALENDAR

April 7, 2020, BOC Regular Meeting, PER WEBEX, 210 Four Corners Rd. 5:00PM

April 14, 2020, BOC Special Meeting, Audit Exit per WEBEX, 10:0am-11:00am

April 15th,16th and 17th, WPUDA, Association meetings per ZOOM

April 21, 2020, Regular Meeting, PER WEBEX, 210 Four Corners Rd. 5:00PM



AGENDA REPORT

DATE: April 7, 2020
TO: Board of Commissioners
FROM: Samantha Harper, P.E., Water Superintendent
RE: Procurement Manual

SUMMARY: Staff is presenting a second 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. During the March 24, 2020 Board of Commissioners meeting, there was no additional comments, therefore, only the date was changed for the second reading of the Procurement Manual.

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.

FISCAL IMPACT: None

RECOMMENDATION: Staff is recommending that the BOC approve the Procurement Manual dated April 7, 2020.

Attachments:

1. Resolution 2020-____
2. Jefferson County PUD Procurement Manual Draft, dated April 7, 2020



PROCUREMENT MANUAL

~~March 2020~~

~~Revised March 24, 2020~~

~~Revised April 7, 2020~~

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DRAFT

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 - \$499,999	A minimum of three firms are selected from the small works roster with no additional advertisement.
\$500,000+ 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~~00,000) (RCW 39.80)

10.6.1 The procedures for selecting firms to provide Engineering and Architectural services with an estimated cost over \$~~1,050~~00,000 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

DRAFT

**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 April 2020.

Dan Toepper, President

Kenneth Collins, Vice President

ATTEST:

Jeff Randall, Secretary

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0572-0032. The time required to complete this information collection is estimated to average 15 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION	BORROWER DESIGNATION WA0060
	PERIOD ENDED December 2019 (Prepared with Audited Data)
	BORROWER NAME Public Utility District No. 1 of Jefferson Cou
INSTRUCTIONS - See help in the online application.	

This information is analyzed and used to determine the submitter's financial situation and feasibility for loans and guarantees. You are required by contract and applicable regulations to provide the information. The information provided is subject to the Freedom of Information Act (5 U.S.C. 552)

CERTIFICATION

We recognize that statements contained herein concern a matter within the jurisdiction of an agency of the United States and the making of a false, fictitious or fraudulent statement may render the maker subject to prosecution under Title 18, United States Code Section 1001.

We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief.

ALL INSURANCE REQUIRED BY PART 1788 OF 7 CFR CHAPTER XVII, RUS, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES DURING THE PERIOD COVERED BY THIS REPORT PURSUANT TO PART 1718 OF 7 CFR CHAPTER XVII

(check one of the following)

All of the obligations under the RUS loan documents have been fulfilled in all material respects.

There has been a default in the fulfillment of the obligations under the RUS loan documents. Said default(s) is/are specifically described in Part D of this report.

Donald Streett

3/26/2020

DATE

PART A. STATEMENT OF OPERATIONS

ITEM	YEAR-TO-DATE			THIS MONTH (d)
	LAST YEAR (a)	THIS YEAR (b)	BUDGET (c)	
1. Operating Revenue and Patronage Capital	36,934,122	38,398,203	36,068,252	4,287,084
2. Power Production Expense	0	0	0	0
3. Cost of Purchased Power	14,933,122	15,204,855	15,884,692	1,293,019
4. Transmission Expense	1,825,877	1,883,441	1,630,471	188,101
5. Regional Market Expense		0	0	0
6. Distribution Expense - Operation	1,114,352	1,471,987	680,339	172,512
7. Distribution Expense - Maintenance	2,412,616	2,585,373	1,700,292	513,975
8. Customer Accounts Expense	1,320,922	1,465,794	1,152,862	218,273
9. Customer Service and Informational Expense	83,750	40,874	135,767	7,097
10. Sales Expense		0	0	0
11. Administrative and General Expense	2,500,497	2,540,211	3,026,525	267,762
12. Total Operation & Maintenance Expense (2 thru 11)	24,191,136	25,192,535	24,210,948	2,660,739
13. Depreciation and Amortization Expense	5,202,894	5,319,171	5,227,584	450,850
14. Tax Expense - Property & Gross Receipts		0	0	0
15. Tax Expense - Other	2,112,640	2,198,268	2,171,131	218,496
16. Interest on Long-Term Debt	2,856,256	2,782,558	2,782,107	231,107
17. Interest Charged to Construction - Credit		0	0	0
18. Interest Expense - Other	1,352	5	0	0
19. Other Deductions	256	2,927	0	2,259
20. Total Cost of Electric Service (12 thru 19)	34,364,534	35,495,464	34,391,770	3,563,451
21. Patronage Capital & Operating Margins (1 minus 20)	2,569,588	2,902,739	1,676,482	723,633
22. Non Operating Margins - Interest	132,504	165,304	56,784	11,740
23. Allowance for Funds Used During Construction		0	0	0
24. Income (Loss) from Equity Investments		0	0	0
25. Non Operating Margins - Other	2,471,940	1,480,531	514,894	80,892
26. Generation and Transmission Capital Credits		0	0	0
27. Other Capital Credits and Patronage Dividends	17,112	14,601	0	0
28. Extraordinary Items		0	0	0
29. Patronage Capital or Margins (21 thru 28)	5,191,144	4,563,175	2,248,160	816,265

UNITED STATES DEPARTMENT OF AGRICULTURE
RURAL UTILITIES SERVICE

FINANCIAL AND OPERATING REPORT
ELECTRIC DISTRIBUTION

BORROWER DESIGNATION

WA0060

PERIOD ENDED

December 2019

INSTRUCTIONS - See help in the online application.

PART B. DATA ON TRANSMISSION AND DISTRIBUTION PLANT

ITEM	YEAR-TO-DATE		ITEM	YEAR-TO-DATE	
	LAST YEAR (a)	THIS YEAR (b)		LAST YEAR (a)	THIS YEAR (b)
1. New Services Connected	264	253	5. Miles Transmission	34.00	34.00
2. Services Retired	9	33	6. Miles Distribution – Overhead	373.00	373.00
3. Total Services in Place	22,453	22,676	7. Miles Distribution - Underground	392.00	392.00
4. Idle Services (Exclude Seasonals)	2,568	2,589	8. Total Miles Energized (5 + 6 + 7)	799.00	799.00

PART C. BALANCE SHEET

ASSETS AND OTHER DEBITS		LIABILITIES AND OTHER CREDITS	
1. Total Utility Plant in Service	171,543,113	30. Memberships	0
2. Construction Work in Progress	8,037,053	31. Patronage Capital	0
3. Total Utility Plant (1 + 2)	179,580,166	32. Operating Margins - Prior Years	0
4. Accum. Provision for Depreciation and Amort.	62,645,633	33. Operating Margins - Current Year	2,902,739
5. Net Utility Plant (3 - 4)	116,934,533	34. Non-Operating Margins	0
6. Non-Utility Property (Net)	2,220	35. Other Margins and Equities	23,266,280
7. Investments in Subsidiary Companies	0	36. Total Margins & Equities (30 thru 35)	26,169,019
8. Invest. in Assoc. Org. - Patronage Capital	0	37. Long-Term Debt - RUS (Net)	95,728,637
9. Invest. in Assoc. Org. - Other - General Funds	50,113	38. Long-Term Debt - FFB - RUS Guaranteed	0
10. Invest. in Assoc. Org. - Other - Nongeneral Funds	0	39. Long-Term Debt - Other - RUS Guaranteed	0
11. Investments in Economic Development Projects	0	40. Long-Term Debt Other (Net)	0
12. Other Investments	0	41. Long-Term Debt - RUS - Econ. Devel. (Net)	0
13. Special Funds	1,185,959	42. Payments – Unapplied	0
14. Total Other Property & Investments (6 thru 13)	1,238,292	43. Total Long-Term Debt (37 thru 41 - 42)	95,728,637
15. Cash - General Funds	1,981,730	44. Obligations Under Capital Leases - Noncurrent	0
16. Cash - Construction Funds - Trustee	0	45. Accumulated Operating Provisions and Asset Retirement Obligations	1,740,410
17. Special Deposits	0	46. Total Other Noncurrent Liabilities (44 + 45)	1,740,410
18. Temporary Investments	5,866,876	47. Notes Payable	0
19. Notes Receivable (Net)	0	48. Accounts Payable	4,704,536
20. Accounts Receivable - Sales of Energy (Net)	2,649,074	49. Consumers Deposits	132,200
21. Accounts Receivable - Other (Net)	1,471,370	50. Current Maturities Long-Term Debt	4,021,181
22. Renewable Energy Credits	0	51. Current Maturities Long-Term Debt - Economic Development	0
23. Materials and Supplies - Electric & Other	1,959,612	52. Current Maturities Capital Leases	0
24. Prepayments	132,376	53. Other Current and Accrued Liabilities	1,516,629
25. Other Current and Accrued Assets	2,352,041	54. Total Current & Accrued Liabilities (47 thru 53)	10,374,546
26. Total Current and Accrued Assets (15 thru 25)	16,413,079	55. Regulatory Liabilities	0
27. Regulatory Assets	0	56. Other Deferred Credits	981,938
28. Other Deferred Debits	408,646	57. Total Liabilities and Other Credits (36 + 43 + 46 + 54 thru 56)	134,994,550
29. Total Assets and Other Debits (5+14+26 thru 28)	134,994,550		

<p style="text-align: center;">UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION</p>	<p>BORROWER DESIGNATION WA0060</p>
<p>INSTRUCTIONS - See help in the online application.</p>	<p>PERIOD ENDED December 2019</p>
<p>PART D. NOTES TO FINANCIAL STATEMENTS</p>	

<p style="text-align: center;">UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION</p>	<p>BORROWER DESIGNATION WA0060</p>
<p>INSTRUCTIONS - See help in the online application.</p>	<p>PERIOD ENDED December 2019</p>
<p>PART D. CERTIFICATION LOAN DEFAULT NOTES</p>	

**FINANCIAL AND OPERATING REPORT
ELECTRIC DISTRIBUTION**

BORROWER DESIGNATION WA0060

PERIOD ENDED December 2019

INSTRUCTIONS - See help in the online application.

PART E. CHANGES IN UTILITY PLANT

PLANT ITEM	BALANCE BEGINNING OF YEAR (a)	ADDITIONS (b)	RETIREMENTS (c)	ADJUSTMENTS AND TRANSFERS (d)	BALANCE END OF YEAR (e)
1. Distribution Plant	87,306,747	7,324,274	466,077		94,164,944
2. General Plant	2,257,375	484,803	1,610		2,740,568
3. Headquarters Plant	1,643,513	83,824			1,727,337
4. Intangibles	15,069	1,401			16,470
5. Transmission Plant	10,348,422	24,402	754		10,372,070
6. Regional Transmission and Market Operation Plant	0				0
7. All Other Utility Plant	62,521,725				62,521,725
8. Total Utility Plant in Service (1 thru 7)	164,092,851	7,918,704	468,441		171,543,114
9. Construction Work in Progress	7,564,285	472,768			8,037,053
10. Total Utility Plant (8 + 9)	171,657,136	8,391,472	468,441		179,580,167

PART F. MATERIALS AND SUPPLIES

ITEM	BALANCE BEGINNING OF YEAR (a)	PURCHASED (b)	SALVAGED (c)	USED (NET) (d)	SOLD (e)	ADJUSTMENT (f)	BALANCE END OF YEAR (g)
1. Electric	2,107,663	1,414,104	27,187	1,484,447		(104,895)	1,959,612
2. Other							

PART G. SERVICE INTERRUPTIONS

ITEM	AVERAGE MINUTES PER CONSUMER BY CAUSE				TOTAL (e)
	POWER SUPPLIER (a)	MAJOR EVENT (b)	PLANNED (c)	ALL OTHER (d)	
1. Present Year	0.000	0.000	35.200	255.800	291.000
2. Five-Year Average	0.000	208.000	12.800	358.400	579.200

PART H. EMPLOYEE-HOUR AND PAYROLL STATISTICS

1. Number of Full Time Employees	52	4. Payroll - Expensed	4,990,053
2. Employee - Hours Worked - Regular Time	87,330	5. Payroll - Capitalized	1,202,880
3. Employee - Hours Worked - Overtime	16,022	6. Payroll - Other	135,887

PART I. PATRONAGE CAPITAL

ITEM	DESCRIPTION	THIS YEAR (a)	CUMULATIVE (b)
1. Capital Credits - Distributions	a. General Retirements		
	b. Special Retirements		
	c. Total Retirements (a + b)		
2. Capital Credits - Received	a. Cash Received From Retirement of Patronage Capital by Suppliers of Electric Power		
	b. Cash Received From Retirement of Patronage Capital by Lenders for Credit Extended to the Electric System		
	c. Total Cash Received (a + b)		

PART J. DUE FROM CONSUMERS FOR ELECTRIC SERVICE

1. Amount Due Over 60 Days	\$ 27,619	2. Amount Written Off During Year	\$ 30,497
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ENERGY EFFICIENCY AND CONSERVATION LOAN PROGRAM

1. Anticipated Loan Delinquency %		4. Anticipated Loan Default %	
2. Actual Loan Delinquency %		5. Actual Loan Default %	
3. Total Loan Delinquency Dollars YTD	\$	6. Total Loan Default Dollars YTD	\$

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION	BORROWER DESIGNATION WA0060
INSTRUCTIONS - See help in the online application	PERIOD ENDED December 2019

PART K. kWh PURCHASED AND TOTAL COST

No	ITEM	SUPPLIER CODE	RENEWABLE ENERGY PROGRAM NAME	RENEWABLE FUEL TYPE	kWh PURCHASED	TOTAL COST	AVERAGE COST (Cents/kWh)	INCLUDED IN TOTAL COST - FUEL COST ADJUSTMENT	INCLUDED IN TOTAL COST - WHEELING AND OTHER CHARGES
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	
1	Bonneville Power Admin	1738			391,642,590	15,204,855	3.88		
	Total				391,642,590	15,204,855	3.88		

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION		BORROWER DESIGNATION WA0060	
INSTRUCTIONS - See help in the online application		PERIOD ENDED December 2019	
PART K. kWh PURCHASED AND TOTAL COST			
No	Comments		
1			

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION		BORROWER DESIGNATION WA0060	
INSTRUCTIONS - See help in the online application.		PERIOD ENDED December 2019	
PART L. LONG-TERM LEASES			
No	NAME OF LESSOR (a)	TYPE OF PROPERTY (b)	RENTAL THIS YEAR (c)
	TOTAL		

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION		BORROWER DESIGNATION WA0060	
INSTRUCTIONS - See help in the online application.		PERIOD ENDED December 2019	
PART M. ANNUAL MEETING AND BOARD DATA			
1. Date of Last Annual Meeting	2. Total Number of Members	3. Number of Members Present at Meeting	4. Was Quorum Present?
5. Number of Members Voting by Proxy or Mail	6. Total Number of Board Members	7. Total Amount of Fees and Expenses for Board Members \$	8. Does Manager Have Written Contract?

RUS Financial and Operating Report Electric Distribution

Revision Date 2014

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION	BORROWER DESIGNATION WA0060
INSTRUCTIONS - See help in the online application.	PERIOD ENDED December 2019

PART N. LONG-TERM DEBT AND DEBT SERVICE REQUIREMENTS

No	ITEM	BALANCE END OF YEAR (a)	INTEREST (Billed This Year) (b)	PRINCIPAL (Billed This Year) (c)	TOTAL (Billed This Year) (d)
1	Rural Utilities Service (Excludes RUS - Economic Development Loans)	95,728,637	2,782,558	3,317,436	6,099,994
2	National Rural Utilities Cooperative Finance Corporation				
3	CoBank, ACB				
4	Federal Financing Bank				
5	RUS - Economic Development Loans				
6	Payments Unapplied				
7	Principal Payments Received from Ultimate Recipients of IRP Loans				
8	Principal Payments Received from Ultimate Recipients of REDL Loans				
9	Principal Payments Received from Ultimate Recipients of EE Loans				
	TOTAL	95,728,637	2,782,558	3,317,436	6,099,994

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE		BORROWER DESIGNATION WA0060		
FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION		PERIOD ENDED December 2019		
INSTRUCTIONS - See help in the online application.				
PART O. POWER REQUIREMENTS DATABASE - ANNUAL SUMMARY				
CLASSIFICATION	CONSUMER SALES & REVENUE DATA	DECEMBER (a)	AVERAGE NO. CONSUMERS SERVED (b)	TOTAL YEAR TO DATE (c)
1. Residential Sales (excluding seasonal)	a. No. Consumers Served	17,520	17,458	
	b. kWh Sold			212,763,599
	c. Revenue			24,322,171
2. Residential Sales - Seasonal	a. No. Consumers Served	0	0	
	b. kWh Sold			0
	c. Revenue			0
3. Irrigation Sales	a. No. Consumers Served	1	1	
	b. kWh Sold			18,540
	c. Revenue			1,717
4. Comm. and Ind. 1000 KVA or Less	a. No. Consumers Served	2,283	2,262	
	b. kWh Sold			65,774,839
	c. Revenue			7,322,416
5. Comm. and Ind. Over 1000 KVA	a. No. Consumers Served	21	21	
	b. kWh Sold			97,138,230
	c. Revenue			6,169,343
6. Public Street & Highway Lighting	a. No. Consumers Served	206	206	
	b. kWh Sold			516,349
	c. Revenue			207,979
7. Other Sales to Public Authorities	a. No. Consumers Served	0	0	
	b. kWh Sold			0
	c. Revenue			0
8. Sales for Resale - RUS Borrowers	a. No. Consumers Served			
	b. kWh Sold			
	c. Revenue			
9. Sales for Resale - Other	a. No. Consumers Served			
	b. kWh Sold			
	c. Revenue			
10. Total No. of Consumers (lines 1a thru 9a)		20,031	19,948	
11. Total kWh Sold (lines 1b thru 9b)				376,211,557
12. Total Revenue Received From Sales of Electric Energy (lines 1c thru 9c)				38,023,626
13. Transmission Revenue				
14. Other Electric Revenue				374,578
15. kWh - Own Use				1,343,618
16. Total kWh Purchased				391,642,590
17. Total kWh Generated				
18. Cost of Purchases and Generation				17,088,296
19. Interchange - kWh - Net				
20. Peak - Sum All kW Input (Metered) Non-coincident <input checked="" type="checkbox"/> Coincident <input type="checkbox"/>				103,688

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION	BORROWER DESIGNATION WA0060 PERIOD ENDED December 2019
INSTRUCTIONS - See help in the online application.	

PART P. ENERGY EFFICIENCY PROGRAMS

CLASSIFICATION	ADDED THIS YEAR			TOTAL TO DATE		
	No. of Consumers <i>(a)</i>	Amount Invested <i>(b)</i>	Estimated MMBTU Savings <i>(c)</i>	No. of Consumers <i>(d)</i>	Amount Invested <i>(e)</i>	Estimated MMBTU Savings <i>(f)</i>
1. Residential Sales (excluding seasonal)	2,847	223,190	3,552	15,035	1,669,238	19,406
2. Residential Sales - Seasonal						
3. Irrigation Sales						
4. Comm. and Ind. 1000 KVA or Less	8	124,175	1,582	50	255,659	4,548
5. Comm. and Ind. Over 1000 KVA				1	273,520	4,015
6. Public Street and Highway Lighting				1	148,258	2,341
7. Other Sales to Public Authorities						
8. Sales for Resale – RUS Borrowers						
9. Sales for Resale – Other						
10. Total	2,855	347,365	5,134	15,087	2,346,675	30,310

RUS Financial and Operating Report Electric Distribution

Revision Date 2014

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION INVESTMENTS, LOAN GUARANTEES AND LOANS	BORROWER DESIGNATION WA0060 PERIOD ENDED December 2019
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INSTRUCTIONS - Reporting of investments is required by 7 CFR 1717, Subpart N. Investment categories reported on this Part correspond to Balance Sheet items in Part C. Identify all investments in Rural Development with an 'X' in column (e). Both 'Included' and 'Excluded' Investments must be reported. See help in the online application.

PART Q. SECTION I. INVESTMENTS (See Instructions for definitions of Income or Loss)

No	DESCRIPTION (a)	INCLUDED (\$) (b)	EXCLUDED (\$) (c)	INCOME OR LOSS (\$) (d)	RURAL DEVELOPMENT (e)
1	Non-Utility Property (NET)				
	Land--Non-Utility Use	2,220			
	Totals	2,220			
2	Investments in Associated Organizations				
	Investments in Associated Organizations	50,113			
	Totals	50,113			
5	Special Funds				
	RUS Bond Fund Investment Account		1,138,434		X
	Other Special Funds	47,525			
	Totals	47,525	1,138,434		
6	Cash - General				
	Cash--General		1,981,730		
	Totals		1,981,730		
8	Temporary Investments				
	Temporary Investments		5,866,876		
	Totals		5,866,876		
9	Accounts and Notes Receivable - NET				
	Accounts & Notes Receivables--Net	1,471,370			
	Totals	1,471,370			
11	TOTAL INVESTMENTS (1 thru 10)	1,571,228	8,987,040		

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION INVESTMENTS, LOAN GUARANTEES AND LOANS	BORROWER DESIGNATION WA0060
	PERIOD ENDED December 2019

INSTRUCTIONS - Reporting of investments is required by 7 CFR 1717, Subpart N. Investment categories reported on this Part correspond to Balance Sheet items in Part C. Identify all investments in Rural Development with an 'X' in column (e). Both 'Included' and 'Excluded' Investments must be reported. See help in the online application.

PART Q. SECTION II. LOAN GUARANTEES

No	ORGANIZATION (a)	MATURITY DATE (b)	ORIGINAL AMOUNT (\$) (c)	LOAN BALANCE (\$) (d)	RURAL DEVELOPMENT (e)
	TOTAL				
	TOTAL (Included Loan Guarantees Only)				

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION INVESTMENTS, LOAN GUARANTEES AND LOANS	BORROWER DESIGNATION WA0060
	PERIOD ENDED December 2019

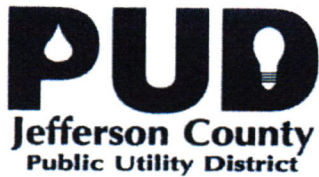
INSTRUCTIONS - Reporting of investments is required by 7 CFR 1717, Subpart N. Investment categories reported on this Part correspond to Balance Sheet items in Part C. Identify all investments in Rural Development with an 'X' in column (e). Both 'Included' and 'Excluded' Investments must be reported. See help in the online application.

SECTION III. RATIO

RATIO OF INVESTMENTS AND LOAN GUARANTEES TO UTILITY PLANT [Total of Included Investments (Section I, 11b) and Loan Guarantees - Loan Balance (Section II, 5d) to Total Utility Plant (Line 3, Part C) of this report]	0.88 %
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SECTION IV. LOANS

No	ORGANIZATION (a)	MATURITY DATE (b)	ORIGINAL AMOUNT (\$) (c)	LOAN BALANCE (\$) (d)	RURAL DEVELOPMENT (e)
	TOTAL				



Board of Commissioners

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

Kevin Streett, General Manager

March 26, 2020

Ms. Darla O'Connor
Community Program Specialist
United States Department of Agriculture
Rural Development
2005 E. College Way, Suite 203
Mount Vernon, WA 98273

Dear Ms. O'Connor,

Enclosed please find the following documents:

1. Form RD 442-2 – Statement of Budget, Income and Equity for calendar year 2019
2. Form RD 442-3 – Balance Sheets as of December 31, 2019 and 2018
3. Form RD 442-2 - Statement of Budget, Income and Equity for 2020, including the Projected Cash Flow
4. 2019 Water, Sewer and Electrical Rates schedules
5. 2018 Financial Statements Audit Report and 2018 Accountability Audit Report. In 2019, the District will be below the threshold of \$750,000 in Federal Expenditures. Consequently, the Washington State Auditor's Office does not anticipate beginning the District's accountability audit for 2019 until after September 2020. For our 2019 Financial Statements Audit, we used an independent auditing firm. I will forward the report once it is completed and approved by the board.

Water customers by type are:

Classification	2019
Residential	4,494 Meters
Commercial	372 Meters

The District's Board of Commissioners and related terms of office are:

- Ken Collins – 2015 through 2020
- Jeff Randall – 2017 through 2022
- Dan Toepper – 2019 through 2024

The Business address for the Commissioners is:

310 Four Corners Road, Port Townsend, WA 98368

The Commissioners meet on the 1st and 3rd Tuesday of the month and minutes as well as audio recordings of the meetings can be found at <http://media.jeffpud.org/agendas.html>. The 2019 Budget was adopted by the Commissioners at the BOC meeting on November 20, 2018.

If you have any questions about the attached information, please do not hesitate to contact me.

Sincerely,



Mike Bailey
Financial Services Manager/District Auditor
360-385-8367
mbailey@jeffpud.org

SUPPLEMENTAL DATA

The Following Data Should Be Supplied Where Applicable

Circle One

1. ALL BORROWERS

- a. Are deposited funds in institutions insured by the Federal Government? ✓ No
- b. Are you exempt from Federal Income Tax? ✓ No
- c. Are Local, State and Federal Taxes paid current? ✓ No
- d. Is corporate status in good standing with State? ✓ No

e. List kinds and amounts of insurance and fidelity bond: Complete Only when submitting annual budget information:

Insurance Coverage and Policy Number	Insurance Company and Address	Amount of Coverage	Expiration Date of Policy
Property Insurance Policy # <u>PURMS Joint</u>	<u>Self Ins. C/O Pacific Underwriters</u>	<u>250,000</u>	
Liability Policy # <u>PURMS</u>	<u>PO Box 68787</u>	<u>1,000,000</u>	
Fidelity Policy # <u>PURMS</u>	<u>Seattle, WA 98168</u>	<u>1,000,000</u>	

2. RECREATION AND GRAZING ASSOCIATION BORROWERS ONLY

Current Quarter

Year to Date

a. Number of Members _____

3. WATER AND/OR SEWER UTILITY BORROWERS ONLY

- a. Water purchased or produced (CU FT - GAL) gal. 32,651,000 gal.
- b. Water sold (CU FT - GAL) gal. 28,168,100 gal.
- c. Treated waste (CU FT - GAL) gal. gal.
- d. Number of users - water 4,866
- e. Number of users - sewer _____

4. OTHER UTILITIES

- a. Number of users _____
- b. Product purchased _____
- c. Product sold _____

5. HEALTH CARE BORROWERS ONLY

- a. Number of beds _____
- b. Patient days of care _____
- c. Percentage of occupancy 0 % _____ 0 %
- d. Number of outpatient visits _____

6. DISTRIBUTION OF ALL CASH AND INVESTMENTS*

Indicate balances in the following accounts:

	Construction	Revenue	Debt Service	Operation & Maintenance	Reserve	All Others	Grand Total
Cash	\$ _____	\$ _____	\$ 27,185	\$ 91,639	\$ _____	\$ _____	\$ 118,824
Savings and Investments	\$ _____	\$ _____	\$ 8,061,100	\$ _____	\$ 413,916	\$ _____	\$ 8,475,020
Total	\$ 0	\$ 0	\$ 8,088,294	\$ 91,639	\$ 413,916	\$ 0	\$ 8,593,849

7. AGE ACCOUNTS RECEIVABLE AS FOLLOWS:

	Days				*Total
	0-30	31-60	61-90	91 and Older	
Dollar Values	\$ 115,480	\$ 4,729	\$ 1,860	\$ 8,876	\$ 130,945
Number of Accounts	3,063	105	43	55	3,266

*Totals must agree with those on Balance Sheet.

PROJECTED CASH FLOW

For the Year BEG. 01-01-2019 END. 12-31-2019
(same as schedule 1 column 3)

A. Line 22 from Schedule 1, Column 3 NET INCOME (LOSS)	\$ <u>322,342</u>
<u>Add</u>	
B. <u>Items in Operations not Requiring Cash:</u>	
1. Depreciation (line 16 schedule 1)	<u>43,973</u>
2. Others:	_____
C. <u>Cash Provided From:</u>	
1. Proceeds from Agency loan/grant	_____
2. Proceeds from others	_____
3. Increase (Decrease) in Accounts Payable, Accruals and other Current Liabilities	_____
4. Decrease (Increase) in Accounts Receivable, Inventories and Other Current Assets (<u>Exclude cash</u>)	_____
5. Other: <u>Inter-Division Transfers</u>	<u>\$965,704</u>
6. <u>Principal & Interest Payments from LUDs</u>	<u>\$509,474</u>
D. Total all A, B and C Items	<u>\$1,841,493</u>
E. <u>Less: Cash Extended for:</u>	
1. All Construction, Equipment and New Capital Items (loan & grant funds)	<u>\$115,381</u>
2. Replacement and Additions to Existing Property, Plant and Equipment	<u>\$111,300</u>
3. Principal Payment Agency Loan	<u>\$56,158</u>
4. Principal Payment Other Loans	<u>\$738,476</u>
5. Other:	_____
6. Total E 1 through 5	<u>\$1,021,315</u>
<u>Add</u>	
F. Beginning Cash Balances	<u>\$7,773,671</u>
G. Ending Cash Balances (Total of D Minus E 6 Plus F)	<u>\$ 8,593,849</u>
<u>Item G Cash Balances Composed of:</u>	
Construction Account	\$ _____
Revenue Account	_____
Debt Payment Account	<u>\$8,088,294</u>
O&M Account	<u>\$91,639</u>
Reserve Account	<u>\$413,916</u>
Funded Depreciation Account	_____
Others:	_____
_____	_____
Total - Agrees with Item G	<u>\$ 8,593,849</u>

Form RD 442-3 (Rev. 3-97) <div style="text-align: center; font-weight: bold; font-size: 1.2em;">BALANCE SHEET</div>	Name Jefferson County PUD No. 1 Address 310 Four Corners Rd Port Townsend, WA 98368
---	---

	12-31-2019	12-31-2018
	Month Day Year	Month Day Year
	<i>Current Year</i>	<i>Prior Year</i>
ASSETS		
<u>CURRENT ASSETS</u>		
1. Cash on hand in Banks	\$118,824.00	\$99,137.00
2. Time deposits and short-term investments	\$8,475,025.00	\$7,674,534.00
3. Accounts receivable	\$171,424.00	\$176,092.00
4. Less: Allowance for doubtful accounts	(\$40,479.00)	(\$40,228.00)
5. Inventories	\$18,330.00	\$18,287.00
6. Prepayments	\$150,292.00	\$46,843.00
7. Assessments Receivable (Current Portion)	\$397,641.00	\$397,641.00
8. Inter-Division Receivables	\$0.00	\$0.00
9. Total Current Assets (Add 1 through 8)	\$9,291,057.00	\$8,372,306.00
<u>FIXED ASSETS</u>		
10. Land	\$0.00	\$40,000.00
11. Buildings	\$54,833.00	\$259,496.00
12. Furniture and equipment	\$667,932.00	\$614,174.00
13. Water Plant & Constr. WIP/NonUtility Pro	\$32,950,620.00	\$32,712,209.00
14. Less: Accumulated depreciation	(\$11,830,032.00)	(\$11,223,148.00)
15. Net Total Fixed Assets (Add 10 through 14)	\$21,843,353.00	\$22,402,731.00
<u>OTHER ASSETS</u>		
16. Assessments Receivable (LT Portion)	\$515,324.00	\$768,056.00
17. Miscellaneous Deferred Debits	\$0.00	\$0.00
18. Total Assets (Add 9, 15, 16 and 17)	\$31,649,734.00	\$31,543,093.00
LIABILITIES AND EQUITIES		
<u>CURRENT LIABILITIES</u>		
19. Accounts payable	\$0.00	\$0.00
20. Notes payable	\$1,094,302.00	\$1,258,831.00
21. Current portion of USDA note	\$51,293.00	\$51,293.00
22. Customer deposits	\$300.00	\$1,300.00
23. Taxes payable	\$0.00	\$0.00
24. Interest payable	\$72,740.00	\$87,216.00
25. Inter-Division Payables	\$1,052,012.00	\$651,883.00
26.		
27. Total Current Liabilities (Add 19 through 26)	\$2,270,647.00	\$2,050,523.00
<u>LONG-TERM LIABILITIES</u>		
28. Notes payable USDA	\$2,321,841.00	\$2,377,999.00
29. Bonds and Notes Payable (LT Portion)	\$3,776,494.00	\$4,514,970.00
30.		
31. Total Long-Term Liabilities (Add 28 through 30)	\$6,098,335.00	\$6,892,969.00
32. Total Liabilities (Add 27 and 31)	\$8,368,982.00	\$8,943,492.00
<u>EQUITY</u>		
33. Retained earnings	\$23,280,752.00	\$22,599,601.00
34. Memberships		
35. Total Equity (Add lines 33 and 34)	\$23,280,752.00	\$22,599,601.00
36. Total Liabilities and Equity (Add lines 32 and 35)	\$31,649,734.00	\$31,543,093.00

CERTIFIED CORRECT	Date 03-26-2020	Appropriate Official (Signature)
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According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0570-0015. The time required to complete this information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

UNITED STATES DEPARTMENT OF AGRICULTURE
STATEMENT OF BUDGET, INCOME AND EQUITY

Schedule I

Name Jefferson County PUD No. 1	Address 310 Four Corners Rd Port Townsend, WA 98368
------------------------------------	---

(1) OPERATING INCOME	PRIOR YEAR Actual (2)	ANNUAL BUDGET BEG 01-01-2020 END 12-31-2020 (3)	For the 12-31-2020 Months Ended 12-31-2020 CURRENT YEAR		Actual YTD (Over) Under Budget Col. 3 - 5 = 6 (6)
			Actual Data		
			Current Quarter (4)	Year To Date (5)	
1. Water Sales	2,593,412	2,497,518			2,497,518
2. Other Services	120,093	117,706			117,706
3. _____					0
4. _____					0
5. Miscellaneous					0
6. Less: Allowances and Deductions					0
7. Total Operating Income (Add lines 1 through 6)	2,713,505	2,615,224	0	0	2,615,224
OPERATING EXPENSES					
8. Purchased Power	4,094	132,052			132,052
9. OPS & Maint.	1,019,002	1,697,996			1,697,996
10. Cust Accts Exp	135,218	182,688			182,688
11. Admin & General	699,871	936,740			936,740
12. Taxes	125,901	130,679			130,679
13. _____					0
14. _____					0
15. Interest	261,833	186,334			186,334
16. Depreciation	701,661	271,714			271,714
17. Total Operating Expense (Add Lines 8 through 16)	2,947,580	3,538,203	0	0	3,538,203
18. NET OPERATING INCOME (LOSS) (Line 7 less 17)	-234,075	-922,979	0	0	-922,979
NONOPERATING INCOME					
19. Interest Income	168,036	141,249			141,249
20. Other Income	747,438	859,474			859,474
21. Total Nonoperating Income (Add 19 and 20)	915,474	1,000,723	0	0	1,000,723
22. NET INCOME (LOSS) (Add lines 18 and 21)	681,399	77,744	0	0	77,744
23. Equity Beginning of Period					0
24. _____					0
25. _____					0
26. Equity End of Period (Add lines 22 through 25)	681,399	77,744	0	0	77,744

Budget and Annual Report Approved by Governing Body

Quarterly Reports Certified Correct

_____ Secretary	03-26-2020 Date	_____ Appropriate Official	_____ Date
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According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0015 and 0572-0137. The time required to complete this information collection is estimated to average 2-1/2 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

SUPPLEMENTAL DATA

The Following Data Should Be Supplied Where Applicable

Circle One

1. ALL BORROWERS

- a. Are deposited funds in institutions insured by the Federal Government? Yes No
- b. Are you exempt from Federal Income Tax? Yes No
- c. Are Local, State and Federal Taxes paid current? Yes No
- d. Is corporate status in good standing with State? Yes No

e. List kinds and amounts of insurance and fidelity bond: Complete Only when submitting annual budget information:

<u>Insurance Coverage and Policy Number</u>	<u>Insurance Company and Address</u>	<u>Amount of Coverage</u>	<u>Expiration Date of Policy</u>
Property Insurance Policy # <u>PURMS Joint</u>	<u>Self Ins. C/O Pacific Underwriters</u>	<u>250,000</u>	
Liability Policy # <u>PURMS</u>	<u>PO Box 68787</u>	<u>1,000,000</u>	
Fidelity Policy # <u>PURMS</u>	<u>Seattle, WA 98168</u>	<u>1,000,000</u>	

2. RECREATION AND GRAZING ASSOCIATION BORROWERS ONLY

Current Quarter

Year to Date

a. Number of Members

3. WATER AND/OR SEWER UTILITY BORROWERS ONLY

- a. Water purchased or produced (CU FT - GAL)
- b. Water sold (CU FT - GAL)
- c. Treated waste (CU FT - GAL)
- d. Number of users - water
- e. Number of users - sewer

	<u>Current Quarter</u>	<u>Year to Date</u>
a.	<u>gal.</u>	<u>gal.</u>
b.	<u>gal.</u>	<u>gal.</u>
c.	<u>gal.</u>	<u>gal.</u>
d.	_____	_____
e.	_____	_____

4. OTHER UTILITIES

- a. Number of users
- b. Product purchased
- c. Product sold

5. HEALTH CARE BORROWERS ONLY

- a. Number of beds
- b. Patient days of care
- c. Percentage of occupancy
- d. Number of outpatient visits

a.	_____	_____
b.	_____	_____
c.	_____ %	_____ %
d.	_____	_____

6. DISTRIBUTION OF ALL CASH AND INVESTMENTS*

Indicate balances in the following accounts:

	<u>Construction</u>	<u>Revenue</u>	<u>Debt Service</u>	<u>Operation & Maintenance</u>	<u>Reserve</u>	<u>All Others</u>	<u>Grand Total</u>
Cash	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ 0
Savings and Investments	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ 0
Total	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

7. AGE ACCOUNTS RECEIVABLE AS FOLLOWS:

	<u>Days</u>				<u>*Total</u>
	<u>0-30</u>	<u>31-60</u>	<u>61-90</u>	<u>91 and Older</u>	
Dollar Values	\$ _____	\$ _____	\$ _____	\$ _____	\$ 0
Number of Accounts	_____	_____	_____	_____	0

*Totals must agree with those on Balance Sheet.

PROJECTED CASH FLOW

For the Year BEG. 01-01-2020 END. 12-31-2020
(same as schedule 1 column 3)

A. Line 22 from Schedule 1, Column 3 NET INCOME (LOSS)	\$ <u>77,744</u>
<u>Add</u>	
B. <u>Items in Operations not Requiring Cash:</u>	
1. Depreciation (line 16 schedule 1)	<u>271,714</u>
2. Others:	_____
C. <u>Cash Provided From:</u>	
1. Proceeds from Agency loan/grant	_____
2. Proceeds from others	_____
3. Increase (Decrease) in Accounts Payable, Accruals and other Current Liabilities	_____
4. Decrease (Increase) in Accounts Receivable, Inventories and Other Current Assets (<u>Exclude cash</u>)	_____
5. Other:	_____
6. <u>Principal & Interest Payments from LUDs</u>	<u>\$509,474</u>
	<u>\$858,932</u>
D. Total all A, B and C Items	_____
E. <u>Less: Cash Extended for:</u>	
1. All Construction, Equipment and New Capital Items (loan & grant funds)	<u>\$540,000</u>
2. Replacement and Additions to Existing Property, Plant and Equipment	<u>\$97,000</u>
3. Principal Payment Agency Loan	<u>\$51,293</u>
4. Principal Payment Other Loans	<u>\$503,212</u>
5. Other:	_____
6. Total E 1 through 5	<u>\$1,191,505</u>
<u>Add</u>	
F. Beginning Cash Balances	<u>\$8,593,849</u>
G. Ending Cash Balances (Total of D Minus E 6 Plus F)	<u>\$ 8,261,276</u>
<u>Item G Cash Balances Composed of:</u>	
Construction Account	\$ _____
Revenue Account	_____
Debt Payment Account	<u>\$7,773,861</u>
O&M Account	<u>\$90,874</u>
Reserve Account	<u>\$396,541</u>
Funded Depreciation Account	_____
Others:	_____

Total - Agrees with Item G	<u>\$ 8,261,276</u>



AGENDA REPORT

DATE: April 7, 2020

TO: **Board of Commissioners**

FROM: Kevin Streett

RE: COVID-19 Update

In anticipation of the Governor's announcement regarding the "Stay at Home" order, the PUD may not be open again until sometime in May. The staff will stay segregated until further notice.

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:

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
4.03	Debt Policy	11

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.
- Rates should be stable and understandable.
- Rates should be the product of customer input.

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.

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 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 minimum of 50% 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.

RESOLUTION NO. 2020- _____

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF PUBLIC UTILITY DISTRICT NO. 1 OF JEFFERSON COUNTY ("THE DISTRICT") ADOPTING A NEW FINANCIAL POLICY FOR THE DISTRICT.

WHEREAS the District adopted a financial policy with Resolution no. 2016-006, on August 16, 2016; and

WHEREAS the District has reviewed the financial policy, has consulted with Moss Adams, a financial and accounting consulting firm, and has held a series of public meetings with participation of Moss Adams on the following dates:

November 20, 2019 for a special meeting at the Jefferson County Library;

January 14, 2020 for a special meeting at the Harborside Inn

January 28, 2020 for a special meeting at the Chimacum Fire Hall

March 3, 2020 for a special meeting at 210 Four Corners; and

March 24, 2020 via WEBEX at a regular meeting; and

WHEREAS the revised financial policy has been thoroughly reviewed, analyzed, and discussed and it has been updated to address the strategic goals and needs of the District and its customers.

NOW, THEREFORE BE IT RESOLVED BY THE COMMISSION OF PUBLIC UTILITY DISTRICT NO. 1 OF JEFFERSON COUNTY AS FOLLOWS:

The District hereby approves and adopts the Financial Policy set forth in Exhibit "A", attached hereto; replacing the prior financial policy.

ADOPTED by the Commission of Public Utility District No. 1 of Jefferson County, Washington, at a regular open meeting held this 7th day of April 2020.

Dan Toepper, President

Ken Collins, Vice President

ATTEST:

Jeff Randall, Secretary

ELECTRONIC SIGNATURE POLICY
JEFFERSON COUNTY PUD NO. 1

PURPOSE:

This policy is based upon RCW 19.360 authorizing the use of electronic signatures and allowing them to have the same effect as a signature affixed by hand .

Jefferson County Public Utility District No. 1 (JPUD) acknowledges that with the advance of technology, as well as the current need to address the global COVID-19 pandemic, JPUD operations would benefit if it were to allow contracts, customer applications and Board of Commissioner Resolutions to be executed remotely with electronic signatures or transmitting original signatures to be through fax or email.

The intent of this policy is to allow for the acceptance and submission of faxed, emailed, or scanned electronic and digital signatures on JPUD customer agreements, contracts and Board Resolutions by means that are practical and secure. After review of available processes, JPUD has determined that the acceptance or submission of faxed, emailed, or scanned electronic or digital signatures is sufficiently secure, and user authentication is acceptable in order for JPUD to accept electronic signatures for customer applications, contracts and Board Resolutions.

POLICY:

JPUD may accept faxed signatures or email scanned signatures so long as it can verify that the fax number, or email account can be verified as coming from the person providing the signature. Information used by JPUD to verify the signature should be stored with the agreements accepted.

The General Manager is directed to work with the Manager of Information Technology to develop a process where signatures for customer applications and contracts are verified and acceptable.

The General Manager and Manger of Information Technology shall work with the Board of Commissioners to provide a process where Resolutions approved by the Board of Commissioners can be signed electronically.

After approval of this policy, any contracts, customer applications or Resolutions previously executed through electronic signature shall be ratified as authorized pursuant to this policy.

Dated: April ____, 2020



AGENDA REPORT

DATE: April 7, 2020

TO: **Board of Commissioners**

FROM: Kevin Streett

RE: Mutual Aid Agreement

We are drafting a Mutual Aid agreement to have with the City of Port Townsend and Olympic Water and Sewer. They will be reviewing it and it will be presented at the next BOC meeting on April 21, 2020.



AGENDA REPORT

DATE: April 7, 2020

TO: **Board of Commissioners**

FROM: Kevin Streett

RE: 7-year Anniversary for Jefferson County PUD 2013-2017

This is a review of the last seven years for Jefferson County PUD. Looking back at where we started, accomplishments, setbacks and lessons learned. Through it all, we kept persevering.

Proudly, today we have some stability. But as we know, that can be fleeting too. The PUD looks forward to more years of success, one day at a time.

7 Years of Change at Jefferson County PUD

Activity	April 1, 2013		April 1, 2020		Difference	% Change
Cash in Bank	\$4,349,116		\$16,896,796		\$12,547,680	289%
Employees	19		53		34	179%
Vehicles	12		47		35	292%
RUS Loan	\$115,000,000		\$98,903,386		(\$16,096,614)	-14%
Total Customers	24,112		24,814		702	3%
Total KWH Usage	320,218,138		376,211,557		55,993,419	17%
Payroll (Net Wages)	\$1,408,731		\$3,053,750		\$1,645,019	117%
Payroll (Gross Wages)	\$1,986,807		\$4,681,564		\$2,694,757	136%
Energy Efficiency Rebates	\$127,783		\$403,034		\$275,251	215%
Material Inventory	\$742,052		\$1,977,941		\$1,235,889	167%
Electrical Outages Planned	4 *		53		(49)	-1225%
Electrical Outages Total 2019	347		331 *		-16	-5%
Community Event Participation	5		10		5	100%

*2014

*2019