

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

RESOLUTION NO. 2021-009

A RESOLUTION of the Board of Commissioners of the Public Utility District No 1 of Jefferson County, Washington (the "PUD"), ordering certain local improvements and creating a local utility district; providing for the payment of the cost of such improvements by special assessments; and authorizing payment of such assessments into the local utility district fund of the District.

WHEREAS, on February 23, 2021, the Board of Commissioners of the PUD adopted Resolution No. 2021-006 establishing a hearing date of March 16, 2021 at 5:00pm for the Shine Plat Local Utility District (LUD) No. 17; and

WHEREAS, after due notice as provided by law, the Board of Commissioners held a hearing remotely via ZOOM on March 16, 2021 at 5:00p.m. and heard a staff presentation and testimony by persons regarding the proposed improvements; and

WHEREAS, the Board of Commissioners have reviewed and considered any and all objections and protests thereto; and

WHEREAS, the Board of Commissioners have thus determined that the authority to proceed with the LUD No. 17 project has not been divested by protest under RCW 54.16.140, since the number of protests filed is less than a majority of the owners of lands within the proposed LUD boundary; and

WHEREAS, the Board of Commissioners have determined, based upon the testimony presented at the hearing and from the sources provided by the PUD staff, that there is a demonstrated need for a public water system at Shine Plat; and

WHEREAS, the Board of Commissioners have determined that it is in the best interests of the District and the residents of the Shine Plat community that the local improvements described below be carried out, that the proposed improvements are financially and economically feasible and that a local utility district be created; and

WHEREAS, based upon the presentation at the hearing, the preliminary engineers estimate is \$570,468.05. A description of the boundaries of the proposed LUD No. 17, a statement of what portion of the costs and expenses of the improvements would be borne by the property within the proposed LUD No. 17, a diagram showing the lots to be specially benefited by the proposed water improvements and other information pertaining to the proposed LUD No. 17 are attached hereto as Exhibit A; and

WHEREAS, on November 17, 2020, the Board of Commissioners upon a motion authorized staff to submit a loan application for the Department of Health's 2020 Drinking Water State Revolving Fund for Shine Plat LUD No. 17 water improvements; and

WHEREAS, the PUD was awarded the Department of Health's 2020 Drinking Water State Revolving Fund loan in the amount of \$494,899.55 (including state loan fee), pending approval of the PUD Water System Plan Update; and

WHEREAS, the PUD will work with the Department of Health staff on the potential of funding the additional cost from the original loan application; and

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

Section 1. The foregoing recitals are hereby incorporated into this Resolution.

Section 2. The Board of Commissioners, being fully advised, and recognizing that there were no protests to the formation of the LUD, orders that the District shall construct and install the following water system improvements within the areas of the District described in Section 5 of this Resolution: The scope of the Improvements is to replace the existing Shine Plat Water System and connect to the PUD's existing Bywater Bay Water System at the intersection of Shine Road and Merridith Street. The proposed improvements would include the installation of approximately 1,700-ft of 8-inch water main; approximately 900-ft 4-inch water main; 3 fire hydrants; water services to the LUD parcels. The scope also includes asphalt patching and site restoration. The foregoing improvements are hereafter referred to as the "Improvements."

Section 3. All of the foregoing Improvements, when completed, shall be in accordance with the plans and specifications prepared by the PUD, the provisions of this resolution and any other resolutions as may hereafter be adopted in connection with this resolution, and may be modified by the Commission as long as such modification does not affect the purpose of the Improvements. Changes in detail of such plans that do not significantly alter the scope or costs of the Improvements will not require further Board of Commission approval.

Section 4. Based upon the presentation of staff and the testimony at the hearing, the Board of Commissioners finds and determines that the Improvements are financially and economically feasible.

Section 5. There is hereby created and established a local utility district of the PUD to be known as "Local Utility District 17" (the "LUD"). The boundaries of the LUD shall be as described in the attached Exhibit "A", which is incorporated by this reference. It is hereby found that the above-described boundaries embrace as nearly as practicable all the property specially benefited by the Improvements.

Section 6. The total cost and expense of the Improvements and all work necessary in connection with and incidental thereto, is estimated to be Five hundred Seventy thousand Four hundred and Sixty-eight Dollars and Five Cents (\$570,468.05), which includes costs of engineering, permitting, construction and loan fees. In no event shall those assessments exceed the actual cost of the Improvements, costs associated with the LUD and costs associated with the loan to be issued to finance the Improvements, less other money received and applied to the Improvements.

Section 7. In accordance with the provisions of RCW 35.44.047, the District may use any method or combination of methods to compute assessments which may be deemed to fairly


reflect the special benefits to the properties being assessed. Actual assessments may vary from estimated assessments so long as they do not exceed a figure equal to the increased true and fair value the Improvements added to the property. However, the District also reserves the right, in preparing the final assessment roll, to levy assessments against the various leasehold interests which lie within the LUD.

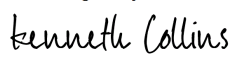
Section 8. No property, any portion of which is outside LUD 17, may connect to those improvements constructed or made part of such LUD unless either that property shall have been subject to the special assessments on the assessment roll for that LUD or the owners of that property shall have paid prior to such connection a charge in lieu of assessment which shall be at least the equivalent of those assessments which would have been applied to that property had it been included within LUD 17.

Section 9. Upon completion of the Improvements, an assessment roll shall be prepared and, after notice and hearing in the manner provided by law, an assessment roll shall be confirmed. Assessments not paid within the 30-day pre-payment period provided by law shall be payable in installments. The number of years said installments shall run, the dates of payment of the same and the rate of interest that the unpaid installments shall bear shall be as hereafter fixed by resolution. Such assessments shall be paid into the local utility district bond fund by the District and shall be used solely for the payment of the local utility district bonds hereafter to be issued to defray the cost of the Improvements to be constructed in LUD 17.


Section 10. This resolution shall take effect from its adoption as provided by law.

ADOPTED by the Board of Commissioners of Public Utility District No. 1 of Jefferson County, Washington, at a regular open meeting held this 23rd day of March 2021.

DocuSigned by:

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Dan Toepper, President

DocuSigned by:

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Kenneth Collins, Vice President

ATTEST:

DocuSigned by:

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Jeff Randall, Secretary