

Regular Meeting Agenda

Board of Commissioners

Tues, Nov 2, 2021 4:00 PM

Zoom

Port Townsend, WA 98368



To join online go to: <https://zoom.us/my/jeffcopud>. Follow the instructions to login. Meetings will open 5 minutes before they begin. TOLL FREE CALL IN #: 833-548-0282, Meeting ID# 4359992575#. Use *6 to mute or unmute. *9 to raise a hand to request to begin speaking.

Page

1. Call to Order

Per the Governor's Extended Proclamation 20-28 and in response to the COVID-19 Pandemic, Jefferson County PUD is no longer providing an in-person room for meetings of the BOC. All meetings will be held remotely via Zoom until otherwise informed by the Governor. Participant audio will be muted upon entry. Please unmute at the appropriate time to speak. If you are calling in, use *6 to mute and unmute and *9 to raise a hand to request to speak.

2. Agenda Review

3. Public Comment

The 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)

4. Consent Agenda

All matters listed below on the Consent Agenda are considered under one motion and will be enacted by one motion. There will be no separate discussion on those items. If discussion is desired, that item will be removed from the Consent Agenda and will be considered separately.






Consent Action: Adopt Consent Agenda as Presented

4.1. Prior Minutes

4.2. Vouchers






5 - 21

[Voucher Approval Form for the Commissioners.pdf](#)  [Voucher Certification with Supporting Warrant Register & Payroll....pdf](#) 


4.3.	Financial Report	22 - 30
	September 2021 Financials.pdf 	
4.4.	Calendar	31
	PUD Calendar Nov 2, 2021.docx 	
4.5.	Noxious Weed Board MOU	32 - 37
	PUD MOU 2022-2024 draft v.002 Noxious Weed Agreement 2021.docx 	
4.6.	Surplus Materials Resolutions	38 - 67
	SURPLUS MATERIALS 2.docx  Surplus truck 103.docx 	

5. Old Business

For the OLD and NEW BUSINESS section discussions: please hold public comment until each presentation is done but before the vote .

5.1.	2022 Budget Resolution	68 - 207
	2022 Budget Exhibits with graphs Updated 10.27.2021--Property Taxes with Year End Reports, Historical Graphs, and Forecast.pdf  Resolution Adopting a Budget for Calendar Year 2022.docx 	
	Recommended Action: <i>Approve Resolution 2021-XXX adopting a Budget for the Calendar Year 2022.</i>	
5.2.	PUD Strategic Plan	208 - 230
	JPUD FINAL Draft 2001 Strategic Plan Presentation [10262021].pdf 	
	Recommended Action: <i>Approve a motion adopting the 2021 Strategic Plan as presented.</i>	
5.3.	Fiber Bid Selection	231 - 233
	AGENDA REPORT_Fiber Bid Selection.docx  Preliminary-Bid-Tabulation-Fiber-Bid-2021-005.pdf 	
	Recommended Action: <i>Approve a motion to authorize staff to accept Fiber Optic Material Bid# 2021-005 from Genuine Cable.</i>	
5.4.	Wholesale Telecom Agreement	234 - 246

[AGENDA REPORT- Wholesale Telecom Service Agreement.docx](#) 

[Jefferson PUD Wholesale Telecom Service Agreement 10292021.docx](#)


Recommended Action: *Approve a motion to adopt the Wholesale Telecommunication Service Agreement as presented.*

- 5.5. Retail ISP Resolution 247 - 249

[AR Retail ISP Resolution.docx](#) 

[Resolution 2021-XXXX Resolution Authorizing the PUD to Provide Retail ISP Services v.003.docx](#) 


For Discussion Only

6. New Business

- 6.1. 2022 BOC Calendar 250 - 251

[New Calendar for BOC Regular Meetings 2022.docx](#) 

- 6.2. PWB Loan Approval for Quilcene Water Tank Project 252 - 284

[Agenda Report-Acceptance of PWB Loan and GM to Sign Loan 21110 - FINAL.pdf](#) 

Recommended Action: *Approve Resolution 2021-XXX accepting the Public Works Board Construction Loan award for the Quilcene Water Tank and authorizing the General Manager to sign the PWB loan contract.*

- 6.3. Mason 1 Interlocal Agreement 285 - 288

[AGENDA REPORT Mason 1 ILA.docx](#) 

[ILA Between Mason 1 and JPUD - Broadband Services v. 002 2021 10 19 JP.docx](#) 

Recommended Action: *Approve a motion authorizing General Manager Kevin Street to sign the Interlocal Agreement with Mason PUD 1.*

- 6.4. RUS Loan Application Resolution 289 - 292

[Agenda Report 11.2.2021--RUS RDApply.docx](#) 

[Resolution 2021- Authorizing Application to RUS.docx](#) 

[Secretary Certificate for RD Apply Authorized Representative.doc](#) 

Recommended Action: *Approve Resolution 2021-XXX authorizing application to the Rural Utility Service (RUS) for the RUS RDAPPLY program.*

7. Manager and Staff Reports

For information only, not requiring a vote.

- 7.1. General Manager: General Update
- 7.2. Operations Director: Timber Harvest
- 7.3. Services Director: Arrearages and Disconnects
- 7.4. Finance Director: Audit Update

8. Commissioner Reports

9. Adjourn

VOUCHER APPROVAL FORM

We, the undersigned Board of Commissioners of Public Utility District No. 1 of Jefferson County hereby approve pending payments for transactions greater than \$100,000, if any. The following transactions are approved from the General Fund in the amount of **\$2,174,508.29** on this **2ND** day of **NOVEMBER 2021** ;

Dan Toepper
President

Kenneth Collins
Vice President

Jeff Randall
Secretary

PAYMENTS TO BE APPROVED:

	WARRANTS	AMOUNT	DATE
Accounts Payable:	# 127315 to # 127379	\$ 602,633.25	10/14/2021
Accounts Payable:	# 127380 to # 127419	\$ 303,445.59	10/21/2021
Payroll Checks:	# 70952 to # 70955	\$ 8,378.47	10/15/2021
Payroll Direct Deposit:		\$ 170,226.98	10/15/2021

TOTAL INVOICES PAID	\$1,084,684.29
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WIRE TRANSFERS PAID	AMOUNT	DATE
BPA	\$ 1,089,824.00	10/15/2021

PAYMENT TOTAL	\$2,174,508.29
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VOIDED WARRANTS

VOUCHER CERTIFICATION FORM

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

Signed: Mike Bailey
Mike Bailey, Financial Director / District Auditor

10/27/2021
Date

VOUCHER CLAIM FORMS FOR INVOICES PAID:

	WARRANTS	AMOUNT	DATE
Accounts Payable:	# 127315 to # 127379	\$ 602,633.25	10/14/2021
Accounts Payable:	# 127380 to # 127419	\$ 303,445.59	10/21/2021
Payroll Checks:	# 70948 to # 70951	\$ 8,378.47	10/15/2021
Payroll Direct Deposit:		\$ 170,226.98	10/15/2021
TOTAL INVOICES PAID		\$1,084,684.29	

WIRE TRANSFERS PAID	AMOUNT	DATE
BPA	\$ 1,089,824.00	10/15/2021

GRAND TOTAL	\$2,174,508.29
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VOIDED WARRANTS

10/27/2021 6:54:35 AM

Accounts Payable Check Register

Page 1

10/12/2021 To 10/26/2021

Bank Account: 1 - 1ST SECURITY - AP

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
127315 10/14/21	CHK	10018	ASSOCIATED PETROLEUM PRODUCTS I	CUST#01-7500239 DIESEL & GASOLINE DEF	18,103.68
					245.42
Total for Check/Tran - 127315:					18,349.10
127316 10/14/21	CHK	10688	MIKE BAILEY	NRECA&APPA:MNGMNT TRNG&CONF SEP-OCT 21	769.60
				NRECA&APPA:MNGMNT TRNG&CONF SEP-OCT 21	192.40
				PHONE ALLOWANCE - SEP 2021	36.00
				PHONE ALLOWANCE - SEP 2021	9.00
Total for Check/Tran - 127316:					1,007.00
127317 10/14/21	CHK	10623	CARL H. JOHNSON & SON EXCAVATING	METER INSTL - 116 N ANDREW 8/26	1,794.70
				METER INSTL - FINIS TRAIL 8/18	1,859.06
				EMRG EXCAVATING - 1921 VAN TROJAN RD	2,236.55
				METER INSTL - 1 OAK RD 10/04	1,369.21
				EMRG EXCAVATING - 260 FAIR BREEZE 8/19	2,514.66
				MTR INSTL - 4795 HWY20 8/09	1,396.48
				EMRG WTR BREAK - 65 CLEVELAND 6/21	4,093.82
Total for Check/Tran - 127317:					15,264.48
127318 10/14/21	CHK	10843	CCG CONSULTING	FIBER GRANTS - POLICY&PROCDSR THRU 9/30	23,221.00
127319 10/14/21	CHK	10044	CENTURY LINK QCC-P	PHONE SERVICE - SEP 2021	10.32
				PHONE SERVICE - SEP 2021	2.58
Total for Check/Tran - 127319:					12.90
127320 10/14/21	CHK	10045	CENTURY LINK-S	PHONE SERVICE - OCT 2021	113.85
				PHONE SERVICE - OCT 2021	28.46
				PHONE SERVICE - OCT 2021	45.78
				PHONE SERVICE - OCT 2021	11.44
Total for Check/Tran - 127320:					199.53
127321 10/14/21	CHK	10046	CENTURYLINK	LOW SPD DATA & 2WIRE OCT 2021	78.06
				LOW SPD DATA & 2WIRE OCT 2021	19.51
				LOW SPD DATA & 2WIRE OCT 2021	31.17

10/27/2021 6:54:35 AM

Accounts Payable Check Register

Page 2

10/12/2021 To 10/26/2021

Bank Account: 1 - 1ST SECURITY - AP

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
				LOW SPD DATA & 2WIRE OCT 2021	7.79
				Total for Check/Tran - 127321:	136.53
127322 10/14/21	CHK	10050	CHS	VEH# 210 - FUEL	42.62
127323 10/14/21	CHK	10051	CITY OF PORT TOWNSEND-UTILITY	KEARNEY SUBST - SEP 2021	194.72
127324 10/14/21	CHK	10053	COMPUNET, INC	IT PROF SRVC-GEN CISCO VOICE SUPPORT	45.00
				IT PROF SRVC-GEN CISCO VOICE SUPPORT	11.25
				Total for Check/Tran - 127324:	56.25
127325 10/14/21	CHK	10501	D & L POLES	SET POLES - TRANSMISSION LINES	6,464.18
				BORE - MILL RD 9/21	8,373.43
				VACTRA - PINECREST DR KALA PT 9/13	10,146.30
				BORE - GRENVILLE CT	18,547.00
				Total for Check/Tran - 127325:	43,530.91
127326 10/14/21	CHK	9999	JOSH DAUBLE	REFUND-SCOPE OF WORK CHANGE WO#20148	2,527.30
127327 10/14/21	CHK	10365	ALYSON J DEAN	BOOT ALLOWANCE	272.72
127328 10/14/21	CHK	10074	EMPLOYMENT SECURITY	SUTA - 3RD QTR 2021	3,562.64
127329 10/14/21	CHK	10767	EMPLOYMENT SECURITY DEPARTMEN	3RD QTR 2021 PD FLA	3,621.06
127330 10/14/21	CHK	10085	FASTENAL	VENDING MACHINE RESTOCK	396.70
127331 10/14/21	CHK	10454	GLOBAL RENTAL COMPANY INC	AT37-G BUCKET RNTL VEH#410 10/09-11/05	2,725.00
				AT40-G BUCKET RNTL VEH#415 10/06-11/02	2,943.00
				Total for Check/Tran - 127331:	5,668.00
127332 10/14/21	CHK	10095	GOOD MAN SANITATION, INC	310 4CRNRS-RESTROOM UNIT 9/14-10/10/2021	122.40
				310 4CRNRS-RESTROOM UNIT 9/14-10/10/2021	30.60
				Total for Check/Tran - 127332:	153.00
127333 10/14/21	CHK	10103	H D FOWLER	EMRG WATER REPAIR PARTS - SR116&SR19	3,418.18
				EMRG WATER REPAIR PARTS - SR116&SR19	580.00
				EMRG WATER REPAIR PARTS - SR116&SR19	1,914.26

10/27/2021 6:54:35 AM

Accounts Payable Check Register

Page 3

10/12/2021 To 10/26/2021

Bank Account: 1 - 1ST SECURITY - AP

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
				EMRG WATER REPAIR PARTS - SR116&SR19	277.50
				ITEMS RETURNED FROM INV# I5893942	-2,195.27
				ITEMS RETURNED FROM INV# I5893946	-580.03
				Total for Check/Tran - 127333:	3,414.64
127334 10/14/21	CHK	10104	HADLOCK BUILDING SUPPLY, INC.	FIBER - SCREWS,STAPLES,CBL TIES	38.13
				SHIPPING FEE-RETURN BAD WTRMTR ERT	142.56
				LINECREW - MP OIL,VINYL PROT,&PROT WIPES	25.05
				SHOP-PROPANE & TRIGGER TORCH	16.55
				SHOP-PROPANE & TRIGGER TORCH	75.28
				OPS-DRAIN&AERATOR	8.54
				OPS-DRAIN&AERATOR	2.13
				Total for Check/Tran - 127334:	308.24
127335 10/14/21	CHK	10396	JEAN M HALL	PHONE ALLOWANCE - SEP 2021	36.00
				PHONE ALLOWANCE - SEP 2021	9.00
				Total for Check/Tran - 127335:	45.00
127336 10/14/21	CHK	10384	HDR ENGINEERING INC	TASK7 - REYNOLDSW SEALEVAL 01/21-9/25/21	4,849.05
				TASK10-CHIMACUM CREEK WTRLN 8/29-9/25/21	3,965.80
				Total for Check/Tran - 127336:	8,814.85
127337 10/14/21	CHK	10110	HENERY HARDWARE	WAREHOUSE&MTR RDR-LOPPER,EXTR,PRO TORCH	81.79
127338 10/14/21	CHK	10113	HRA VEBA TRUST CONTRIBUTIONS	VEBA BENEFIT SEPTEMBER 2021	2,240.00
				VEBA DEDUCTION SEPTEMBER 2021	1,325.00
				Total for Check/Tran - 127338:	3,565.00
127339 10/14/21	CHK	10114	IBEW LOCAL UNION NO 77	UNION DUES IBEW - SEPTEMBER 2021	2,249.42
127340 10/14/21	CHK	10839	IRBY ELECTRICAL UTILITES	WAREHOUSE - FUSE	2,899.88
				FUSE	711.88
				Total for Check/Tran - 127340:	3,611.76
127341 10/14/21	CHK	10281	JEFFCO EFTPS	EMPLOYEES' MEDICARE TAX	3,866.84
				EMPLOYER'S MEDICARE TAX	3,866.84

10/27/2021 6:54:35 AM

Accounts Payable Check Register

Page 4

10/12/2021 To 10/26/2021

Bank Account: 1 - 1ST SECURITY - AP

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
				EMPLOYEES' FICA TAX	11,088.53
				EMPLOYER'S FICA TAX	11,088.53
				EMPLOYEES' FEDERAL WITHHOLDING	21,241.31
				EMPLOYEES' FEDERAL WITHHOLDING TAX	12,453.10
				Total for Check/Tran - 127341:	63,605.15
127342 10/14/21	CHK	10532	JEFFERSON COUNTY PUD PAYROLL AC	PR 10.15.2021-DIRECT DEPOSIT CHECKS	170,226.98
				PR 10.15.2021-MANUAL CHECKS	8,378.47
				Total for Check/Tran - 127342:	178,605.45
127343 10/14/21	CHK	10320	ANNETTE JOHNSON	PHONE ALLOWANCE - SEP 2021	36.00
				PHONE ALLOWANCE - SEP 2021	9.00
				Total for Check/Tran - 127343:	45.00
127344 10/14/21	CHK	10136	LES SCHWAB TIRES	TIERS FOR VEH# 111	867.90
127345 10/14/21	CHK	10593	MASCOTT EQUIPMENT	CLEAN DIESEL TANK - 310 FOUR CRNRS FL IS	783.16
127346 10/14/21	CHK	10877	MCCOY ELECTRIC CO INC	INSTL FIBER, CAT 6 TO GATE - 310 FOUR CR	2,515.16
127347 10/14/21	CHK	10883	NORTHWEST PUMP & EQUIPMENT CO	SHOP-AIR COMPRESSOR PART RING SET	784.55
127348 10/14/21	CHK	10164	NW LABORERS 252 (DUES)	UNION DUES LABORERS - SEPTEMBER 2021	720.00
127349 10/14/21	CHK	10165	NW LABORERS-EMPLOYERS TRUST FU	MEDICAL PREMIUM NOV 2021	15,453.00
127350 10/14/21	CHK	10166	NWPPA	NWPPA-STAKNGTECH CERT REGFEE 10/18-10/21	1,970.00
127351 10/14/21	CHK	10631	WILLIAM P O'DONNELL	PHONE ALLOWANCE - SEP 2021	36.00
				PHONE ALLOWANCE - SEP 2021	9.00
				Total for Check/Tran - 127351:	45.00
127352 10/14/21	CHK	10167	OFFICE DEPOT	OPERATIONS - OFFICE SUPPLIES	285.47
				OPERATIONS - OFFICE SUPPLIES	71.37
				Total for Check/Tran - 127352:	356.84
127353 10/14/21	CHK	10385	OLYMPIC BOAT TRANSPORT LLC	CRANE - REPLACE SWITCHES IRONDALE SUB	2,233.83
				CRANE - REPLACE SWITCHES IRONDALE SUB	-186.33

10/27/2021 6:54:35 AM

Accounts Payable Check Register

Page 5

10/12/2021 To 10/26/2021

Bank Account: 1 - 1ST SECURITY - AP

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
				CRANE - OFFLOAD TRUCK AT 310 FOUR CRNRS	-57.33
				CRANE - OFFLOAD TRUCK AT 310 FOUR CRNRS	687.33
				Total for Check/Tran - 127353:	2,677.50
127354 10/14/21	CHK	10170	OLYMPIC EQUIPMENT RENTALS	WO#321040-EXCAVATOR&TRLR RENTAL	212.75
				FLEET - AIR LINE NIPPLE	1.73
				EMERGENCY REPAIR-EXCAVATOR RENTAL	218.20
				Total for Check/Tran - 127354:	432.68
127355 10/14/21	CHK	10175	PACIFIC UNDERWRITERS CORP	LIFE - NOV 2021	94.95
				LTD - NOV 2021	1,393.51
				Total for Check/Tran - 127355:	1,488.46
127356 10/14/21	CHK	10181	PENINSULA PEST CONTROL	RODENT SVC MO 210 FOUR CRNRS OCT 2021	61.10
				RODENT SVC MO 210 FOUR CRNRS OCT 2021	15.27
				RODENT SVC MO 310 FOUR CRNRS OCT 2021	65.46
				RODENT SVC MO 310 FOUR CRNRS OCT 2021	16.37
				CRPNTRANT SVC BIM-OLYRIDG DR	65.46
				Total for Check/Tran - 127356:	223.66
127357 10/14/21	CHK	10761	PERFORMANCE VALIDATION	COMMISSIONING AGENT-OPS BUILDING SEP2021	899.08
127358 10/14/21	CHK	10183	PETRICKS LOCK & SAFE	KEYS AND LOCKS FOR 310 FOUR CORNERS	1,508.98
				KEYS AND LOCKS FOR 310 FOUR CORNERS	377.25
				Total for Check/Tran - 127358:	1,886.23
127359 10/14/21	CHK	10188	PLATT ELECTRIC SUPPLY	CONDUIT STRAP	43.92
				PVC CONDUIT 3/4" SCH 40-W BELLEND-GREY	725.96
				CONDUIT BELLEND	54.72
				CONDUIT CAP	47.44
				CONDUIT LB	128.11
				CONDUIT LOCKNUT	5.89
				CONDUIT SWEEP	247.54
				INSULATED BUSHING	3.15

10/27/2021 6:54:35 AM

Accounts Payable Check Register

Page 6

10/12/2021 To 10/26/2021

Bank Account: 1 - 1ST SECURITY - AP

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
				PVC COUPLING	6.52
				TERMINAL ADAPTER	11.71
				WAREHOUSE - STANDOFF BRACKET 18"	331.84
				Total for Check/Tran - 127359:	1,606.80
127360 10/14/21	CHK	10203	PURMS JOINT SELF INSURANCE FUND	HEALTH & WELFARE SEP 2021	20,352.19
				CLAIM# 21-37-L/THE FOOD CO-OP	250.00
				Total for Check/Tran - 127360:	20,602.19
127361 10/14/21	CHK	10207	RAIN NETWORKS	ARCSERVE UDP 8.X 5 PACK& 1YR MAINTENANCE	273.50
				ARCSERVE UDP 8.X 5 PACK& 1YR MAINTENANCE	68.38
				Total for Check/Tran - 127361:	341.88
127362 10/14/21	CHK	10869	RITZ SAFETY LLC	FR CLOTHING	80.27
				FR CLOTHING	236.57
				FR CLOTHING	444.78
				FR CLOTHING	114.61
				FR CLOTHING	71.27
				Total for Check/Tran - 127362:	947.50
127363 10/14/21	CHK	10217	SETON CONSTRUCTION INC	FLAGGING - STORM OUTAGES 9/17-9/18	1,130.36
127364 10/14/21	CHK	10219	SHOLD EXCAVATING INC	EMRG EXCAVATING - 131 ELK RD 8/28	4,403.31
				EMRG EXCAVATING - 273 PETE BECK 9/13	1,221.92
				Total for Check/Tran - 127364:	5,625.23
127365 10/14/21	CHK	10249	SPECTRA LABORATORIES-KITSAP LLC	TESTING: COLI/E.COLI BYWTR 10/6/21	23.00
				TESTING:COLI/E.COLI QUIMPER 10/6/21	23.00
				TESTING:COLI/E.COLI QUIMPER 10/6/21	23.00
				TESTING:COLI/E.COLI QUIMPER 10/6/21	23.00
				TESTING:COLI/E.COLI QUIMPER 10/6/21	23.00
				TESTING:COLI/E.COLI QUIMPER 10/6/21	23.00
				TESTING:COLI/E.COLI QUIMPER 10/6/21	23.00
				TESTING:COLI/E.COLI QUIMPER 10/6/21	23.00

10/27/2021 6:54:35 AM

Accounts Payable Check Register

Page 7

10/12/2021 To 10/26/2021

Bank Account: 1 - 1ST SECURITY - AP

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
				TESTING:COLI/E.COLI QUIMPER 10/6/21	23.00
				TESTING:COLI/E.COLI QUIMPER 10/6/21	23.00
				TESTING:COLI/E.COLI QUIMPER 10/6/21	23.00
				Total for Check/Tran - 127365:	253.00
127366 10/14/21	CHK	10400	DONALD K STREETT	PHONE ALLOWANCE - SEP 2021	45.00
127367 10/14/21	CHK	10576	TCF ARCHITECTURE, PLLC	ARCH-CONSTRCTN ADD'L SVC SEP-2021	1,857.50
127368 10/14/21	CHK	10221	THE STATION SIGNS & SCREEN PRINTI	LOGO FOR VEH# 410 & VEH# 416	327.30
127369 10/14/21	CHK	10727	TITAN ELECTRIC, INC	FIBER POLE INSTL - IRONDALE	34,685.00
127370 10/14/21	CHK	10251	UGN - JEFFERSON COUNTY	UNITED GOOD NEIGHBORS EE	15.00
127371 10/14/21	CHK	10256	UTILITIES UNDERGROUND LOCATION	LOCATES - SEP 2021	77.40
				LOCATES - SEP 2021	58.05
				Total for Check/Tran - 127371:	135.45
127372 10/14/21	CHK	10328	VERIZON CONNECT NWF INC.	CUST#JEFF007 ALL VEH GPS - SEP 2021	386.92
				CUST#JEFF007 ALL VEH GPS - SEP 2021	186.57
				Total for Check/Tran - 127372:	573.49
127373 10/14/21	CHK	10260	WA STATE DEFERRED COMPENSATION	PL DEFERRED COMP EE	14,252.86
				PL DEFERRED COMP ER	6,349.85
				Total for Check/Tran - 127373:	20,602.71
127374 10/14/21	CHK	10818	WA STATE DEPT OF CORRECTIONS	OFFICE/BOARDROOM CHAIRS W/O# 18258	6,084.51
127375 10/14/21	CHK	10265	WA STATE DEPT OF RETIREMENT SYST	RETIREMENT/REPORT #8828 SEPT 2021-PERS 2	78,850.39
				RETIREMENT/REPORT #8828 SEPT 2021-PERS 3	7,970.56
				Total for Check/Tran - 127375:	86,820.95
127376 10/14/21	CHK	10267	WA STATE SUPPORT REGISTRY	PL CHILD SUPPORT EE	165.50
127377 10/14/21	CHK	10271	WESCO RECEIVABLES CORP	SPLICE	904.98
127378 10/14/21	CHK	10274	WESTBAY AUTO PARTS, INC.	VEH#122 - BATTERY REPLACEMENT	199.97

10/27/2021 6:54:35 AM

Accounts Payable Check Register

Page 8

10/12/2021 To 10/26/2021

Bank Account: 1 - 1ST SECURITY - AP

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
				FLEET STOCK - WIPER BLADES	276.95
				Total for Check/Tran - 127378:	476.92
127379 10/14/21	CHK	10278	WPUDA	MONTHLY DUES - OCT 2021	4,612.80
				MONTHLY DUES - OCT 2021	1,153.20
				Total for Check/Tran - 127379:	5,766.00
127380 10/21/21	CHK	10481	AMAZON	MINUTE BOOK	131.86
				MINUTE BOOK	32.96
				CASH_TO_CREDIT UNAPPLIED CASHPROCESSING	-0.01
				Total for Check/Tran - 127380:	164.81
127381 10/21/21	CHK	10447	ANIXTER INC.	DISCONNECT SWITCH-VERTICAL BRANCH FEEDER	2,251.82
				REGULATOR PLATFORM-18'	6,319.62
				CABLE TO FLAT BAR TAP	1,090.89
				DEADEND	252.02
				FUSE	1,145.55
				Total for Check/Tran - 127381:	11,059.90
127382 10/21/21	CHK	10823	BHC CONSULTANTS LLC	QUILCENE W TANK PROF SVC 8/21-9/24/2021	3,594.30
127383 10/21/21	CHK	10047	CENTURYLINK-POLES	#WABJWA0275-POLERNTL 1Y 1/01/18-12/31/18	2,404.06
127384 10/21/21	CHK	10501	D & L POLES	EMRG EXCAVATING - 83 HIGHLAND DR	4,595.84
				EMRG EXCAVATING - 993 KENS WAY 10/12	1,802.88
				Total for Check/Tran - 127384:	6,398.72
127385 10/21/21	CHK	10815	DANIEL ANDERSON TRUCKING&EXCA	FABRICATE&INSTL 30' BUNK - 310 FOUR CRNR	11,216.35
				FABRICATE&INSTL 35' BUNK - 310 FOUR CRNR	11,216.35
				Total for Check/Tran - 127385:	22,432.70
127386 10/21/21	CHK	10365	ALYSON J DEAN	WELLNESS PROGRAM REIMBURSEMENT 2021	35.00
127387 10/21/21	CHK	10065	DEPT OF LABOR & INDUSTRIES	WORKERS COMP - 3RD QTR 2021	20,716.54
127388 10/21/21	CHK	10293	JOSE M ESCALERA-ESTRADA	CCS TRAINING TRVL EXP 9/21-9/24/21	404.00

10/27/2021 6:54:35 AM

Accounts Payable Check Register

Page 9

10/12/2021 To 10/26/2021

Bank Account: 1 - 1ST SECURITY - AP

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
127389 10/21/21	CHK	10892	FREESTONE ENVIRONMENTAL SERVIC	UPDATE SPCC PLAN THRU SEP 2021	275.82
127390 10/21/21	CHK	10811	GDS ASSOCIATES INC.	RUS SPECIFICATION BOOKS	-29.12
				RUS SPECIFICATION BOOKS	115.22
				RUS SPECIFICATION BOOKS	233.90
Total for Check/Tran - 127390:					320.00
127391 10/21/21	CHK	10094	GENERAL PACIFIC, INC	BOLT	367.88
				GUY HOOK	99.34
				HOTLINE CLAMP	992.81
				TANK GROUNDS	1,018.99
				FEED THRU VERTICAL, 200AMP LOADBREAK	718.26
Total for Check/Tran - 127391:					3,197.28
127392 10/21/21	CHK	10802	THERESA L GIESE	DAILY MAIL OFFICE RUN SEP 2021	49.38
				DAILY MAIL OFFICE RUN SEP 2021	12.35
Total for Check/Tran - 127392:					61.73
127393 10/21/21	CHK	10454	GLOBAL RENTAL COMPANY INC	AA55 DBLMN BUCKET VEH#414 10/13-11/09/21	3,719.60
				AT40-G BUCKETRNTL VEH#416 10/13-11/09/21	2,953.80
Total for Check/Tran - 127393:					6,673.40
127394 10/21/21	CHK	10732	GRAYBAR ELECTRIC COMPANY INC.	FIBER SPLICE CLOSURE	2,469.61
127395 10/21/21	CHK	10104	HADLOCK BUILDING SUPPLY, INC.	BUCKET FOR DIGGER - HARDWARE,WRHOOKS&ETC	31.48
				WAREHOUSE - MATERIALS	6.93
Total for Check/Tran - 127395:					38.41
127396 10/21/21	CHK	10839	IRBY ELECTRICAL UTILITES	TWINEYE NUT	185.47
127397 10/21/21	CHK	10782	AMANDA D ISAAK	EXPS FOR WORK ORDER 10/12-10/14 CLASS	292.42
				EXPS FOR WORK ORDER 10/12-10/14 CLASS	73.11
Total for Check/Tran - 127397:					365.53
127398 10/21/21	CHK	10128	JEFFERSON COUNTY TREASURER	SEPTEMBER 2021 B&O TAX	112,009.66
127399 10/21/21	CHK	10129	JIFFY LUBE	VEH#416 - OIL CHANGE	176.10

10/27/2021 6:54:35 AM

Accounts Payable Check Register

Page 10

10/12/2021 To 10/26/2021

Bank Account: 1 - 1ST SECURITY - AP

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
127400 10/21/21	CHK	10330	KARR TUTTLE CAMPBELL	PROFESSION SVC: SEP 2021	7,234.40
				PROFESSION SVC: SEP 2021	1,808.60
Total for Check/Tran - 127400:					9,043.00
127401 10/21/21	CHK	10286	L & J ENTERPRISES	EXCAVATING - 611 CEDAR AVE	1,207.32
127402 10/21/21	CHK	10143	MCDOWELL RACKNER & GIBSON PC	PROF SRVC:STRATEGIC PLANNING SEP 2021	5,467.20
				PROF SRVC:STRATEGIC PLANNING SEP 2021	1,366.80
				PROF SRVC:STRATEGIC PLANNING AUG 2021	3,135.60
				PROF SRVC:STRATEGIC PLANNING AUG 2021	783.90
Total for Check/Tran - 127402:					10,753.50
127403 10/21/21	CHK	10309	NISC	PRINT SVCS INVOICE SEP 2021	2,224.89
				PRINT SVCS INVOICE SEP 2021	6,416.05
				PRINT SVCS INVOICE SEP 2021	1,323.48
				PRINT SVCS INVOICE SEP 2021	556.22
				PRINT SVCS INVOICE SEP 2021	1,604.01
				PRINT SVCS INVOICE SEP 2021	330.87
				RECURRING INVOICE SEP 2021	1,101.09
				RECURRING INVOICE SEP 2021	229.33
				RECURRING INVOICE SEP 2021	1,813.06
				RECURRING INVOICE SEP 2021	497.08
				RECURRING INVOICE SEP 2021	497.08
				RECURRING INVOICE SEP 2021	9,121.14
				RECURRING INVOICE SEP 2021	937.41
				RECURRING INVOICE SEP 2021	103.20
				RECURRING INVOICE SEP 2021	1,590.31
				RECURRING INVOICE SEP 2021	335.68
				RECURRING INVOICE SEP 2021	22.93
				MISC SEP 2021	615.43
				MISC SEP 2021	153.87
Total for Check/Tran - 127403:					29,473.13

10/27/2021 6:54:35 AM

Accounts Payable Check Register

Page 11

10/12/2021 To 10/26/2021

Bank Account: 1 - 1ST SECURITY - AP

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
127404 10/21/21	CHK	10520	NRECA-NATIONAL RURAL ELEC COOP	NRECA MEMBERSHIP DUES 1YR: 2022	31,403.00
127405 10/21/21	CHK	10167	OFFICE DEPOT	OPERATIONS - OFFICE SUPPLIES	66.90
				OPERATIONS - OFFICE SUPPLIES	16.73
Total for Check/Tran - 127405:					83.63
127406 10/21/21	CHK	10385	OLYMPIC BOAT TRANSPORT LLC	CRANE - REPLACE SWITCHES IRONDALE SUB	248.20
				CRANE - REPLACE SWITCHES IRONDALE SUB	-20.70
				CRANE - OFFLOAD TRUCK AT 310 FOUR CRNRS	-6.37
				CRANE - OFFLOAD TRUCK AT 310 FOUR CRNRS	76.37
Total for Check/Tran - 127406:					297.50
127407 10/21/21	CHK	10170	OLYMPIC EQUIPMENT RENTALS	WTR METER REPAIR - TRAILER RENTAL	70.92
				125 BAYVIEW REPAIR - EXCAVATOR RNTL	252.00
Total for Check/Tran - 127407:					322.92
127408 10/21/21	CHK	10181	PENINSULA PEST CONTROL	BI-MONTHLY OHA SVC 310 FOUR CRNRS	69.82
				BI-MONTHLY OHA SVC 310 FOUR CRNRS	17.46
Total for Check/Tran - 127408:					87.28
127409 10/21/21	CHK	9999	PORT LUDLOW ASSOCIATES, LLC	REFUND-SCOPE OF WORK CHANGE WO#121272	240.00
127410 10/21/21	CHK	10203	PURMS JOINT SELF INSURANCE FUND	NOTARY BOND FOR A.ISAAK THRU 10/01/2025	72.00
				NOTARY BOND FOR A.ISAAK THRU 10/01/2025	18.00
				NOTARY BOND FOR M.BLAIR THRU 10/01/2025	72.00
				NOTARY BOND FOR M.BLAIR THRU 10/01/2025	18.00
Total for Check/Tran - 127410:					180.00
127411 10/21/21	CHK	10708	RCE TRAFFIC CONTROL, INC	FLAGGING - 310 FOUR CRNRS 10/07	1,193.00
127412 10/21/21	CHK	10216	SECURITY SERVICES NW, INC.	NIGHT PAYMENT PICKUP - OCT 2021	1,189.24
				NIGHT PAYMENT PICKUP - OCT 2021	297.31
Total for Check/Tran - 127412:					1,486.55
127413 10/21/21	CHK	10249	SPECTRA LABORATORIES-KITSAP LLC	TESTING: CHLORIDE REYNOLDS WELL 10/05	23.00
				TESTING: COLI/E.COLI 10/12/21	23.00

10/27/2021 6:54:35 AM

Accounts Payable Check Register

Page 12

10/12/2021 To 10/26/2021

Bank Account: 1 - 1ST SECURITY - AP

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
				TESTING: COLI/E.COLI 10/12/21	23.00
				TESTING: COLI/ECOLI MO OCT 2021	23.00
				TESTING: COLI/ECOLI MO OCT 2021	23.00
				TESTING: COLI/ECOLI MO OCT 2021	23.00
				TESTING: COLI/ECOLI MO OCT 2021	23.00
				TESTING: COLI/ECOLI MO OCT 2021	23.00
				TESTING: COLI/ECOLI MO OCT 2021	23.00
				TESTING: COLI/ECOLI MO OCT 2021	23.00
				Total for Check/Tran - 127413:	230.00
127414 10/21/21	CHK	10302	1034 ERIC A THARALDSEN	BOOT/TOOL ALLOWANCE 2021	300.00
127415 10/21/21	CHK	10727	TITAN ELECTRIC, INC	BORE TO RPLC OVHD - CRAIGS LANE HEIGHTS	21,765.45
127416 10/21/21	CHK	10255	USA BLUEBOOK	chemical injection pump	2,036.27
127417 10/21/21	CHK	10264	WA STATE DEPT OF LICENSING	NOTARY PUBLIC COMMISSION APPLICATION	24.00
				NOTARY PUBLIC COMMISSION APPLICATION	6.00
				Total for Check/Tran - 127417:	30.00
127418 10/21/21	CHK	10264	WA STATE DEPT OF LICENSING	NOTARY PUBLIC COMMISSION APPLICATION	24.00
				NOTARY PUBLIC COMMISSION APPLICATION	6.00
				Total for Check/Tran - 127418:	30.00
127419 10/21/21	CHK	10337	WA STATE DEPT OF TRANSPORTATION	UTILITY ACCMNDTN APP FOR FRN#30352C A#2	300.00

Total Payments for Bank Account - 1 :	(105)	906,078.84
Total Voids for Bank Account - 1 :	(0)	0.00
Total for Bank Account - 1 :	(105)	906,078.84
Grand Total for Payments :	(105)	906,078.84
Grand Total for Voids :	(0)	0.00
Grand Total :	(105)	906,078.84

10/27/2021 6:55:43 AM

Accounts Payable Check Register

Page 1

10/12/2021 To 10/26/2021

Bank Account: 1 - 1ST SECURITY - AP

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
155 10/15/21	WIRE	10279	BPA-WIRE TRANSFER	PURCHASED POWER AUG 2021	979,406.00
				TRANSMISSION AUG 2021	108,200.00
				REGIONAL COORD SVC AUG 2021	986.00
				REGIONAL COMP ENFOR AUG 2021	1,232.00
Total for Check/Tran - 155:					1,089,824.00

Total Payments for Bank Account - 1 : (1) 1,089,824.00

Total Voids for Bank Account - 1 : (0) 0.00

Total for Bank Account - 1 : (1) 1,089,824.00

Grand Total for Payments : (1) 1,089,824.00

Grand Total for Voids : (0) 0.00

Grand Total : (1) 1,089,824.00

JEFFERSON COUNTY PUD NO 1

ISSUED PAYROLL CHECKS
PAY DATE: 10/15/2021

<u>Empl</u>	<u>Position</u>	<u>Check #</u>	<u>Check Date</u>	<u>Amount</u>
2000	WATER DISTRIBUTION MANAGER II	70952	10/15/2021	1,943.21
3032	CUSTOMER SERVICE REP	70953	10/15/2021	1,254.84
2003	WATER TREATMENT PLANT OPERATOR III	70954	10/15/2021	2,117.42
2004	WATER TREATMENT PLANT OPERATOR III - LEAD	70955	10/15/2021	3,063.00
				\$ 8,378.47

JEFFERSON COUNTY PUD NO 1

DIRECT DEPOSIT PAYROLL PAY DATE: 10/15/2021
--

Empl	Position	Pay Date	Net Pay
3039	ACCOUNTING TECH 1	10/15/2021	1,307.02
3052	ADMINISTRATIVE ASSISTANT	10/15/2021	2,286.52
1044	APPRENTICE LINEMAN	10/15/2021	4,445.25
1026	BROADBAND COORDINATOR	10/15/2021	1,997.52
4006	COMMISSIONER DIST 1	10/15/2021	2,479.01
4004	COMMISSIONER DIST 2	10/15/2021	2,323.93
4008	COMMISSIONER DIST 3	10/15/2021	950.78
3034	COMMUNICATIONS DIRECTOR	10/15/2021	2,388.58
3002	CUSTOMER SERVICE COORDINATOR	10/15/2021	1,414.50
3014	CUSTOMER SERVICE PROGRAM SPECIALIST	10/15/2021	1,350.23
3022	CUSTOMER SERVICE REP	10/15/2021	1,368.80
3046	CUSTOMER SERVICE REP	10/15/2021	1,225.69
3048	CUSTOMER SERVICE REP	10/15/2021	1,338.80
1027	ELECTRICAL ENGINEERING MANAGER	10/15/2021	3,059.06
1041	ELECTRICAL SUPERINTENDENT	10/15/2021	3,977.16
2007	ENGINEERING DIRECTOR	10/15/2021	3,404.67
3005	EXECUTIVE ASSISTANT/PUBLIC RECORDS OFFICER	10/15/2021	2,223.48
3033	FINANCE DIRECTOR	10/15/2021	3,566.88
1046	FLEET/WAREHOUSE HELPER	10/15/2021	2,597.97
1008	FOREMAN LINEMAN	10/15/2021	3,449.96
1012	FOREMAN LINEMAN	10/15/2021	11,092.54
1011	GENERAL MANAGER	10/15/2021	5,352.36
1042	GIS SPECIALIST	10/15/2021	2,368.21
1017	HEAD STOREKEEPER	10/15/2021	2,448.98
3047	HUMAN RESOURCES DIRECTOR	10/15/2021	2,616.96
3008	INFORMATION TECHNOLOGY MANAGER	10/15/2021	3,258.60
3028	IT SUPPORT TECHNICIAN	10/15/2021	1,737.50
1000	LINEMAN	10/15/2021	4,379.93
1016	LINEMAN	10/15/2021	9,123.27
1020	LINEMAN	10/15/2021	11,313.51
1034	LINEMAN	10/15/2021	10,075.88
1043	METER READER	10/15/2021	2,789.00
1047	METER READER	10/15/2021	2,167.01
1037	OPERATIONS DIRECTOR	10/15/2021	3,611.06
1050	PRE-APPRENTICE	10/15/2021	3,996.87
1051	PRE-APPRENTICE	10/15/2021	5,601.88
3004	RESOURCE MANAGER	10/15/2021	2,526.17
1003	SCADA TECH APPRENTICE	10/15/2021	3,310.18
3020	SERVICES DIRECTOR	10/15/2021	2,597.03
1031	STAKING ENGINEER	10/15/2021	2,486.91
1049	STAKING ENGINEER	10/15/2021	1,738.04
1014	STOREKEEPER	10/15/2021	4,276.22
1015	SUBSTATION/METER FOREMAN	10/15/2021	7,189.71
1033	SUBSTATION/METERING TECH	10/15/2021	2,850.42
1054	SUMMER INTERN	10/15/2021	317.39
3013	UTILITY ACCOUNTANT II	10/15/2021	1,624.83
3029	UTILITY ACCOUNTANT II	10/15/2021	1,786.72
3003	UTILITY BILLING CLERK	10/15/2021	1,479.12
3027	UTILITY BILLING CLERK	10/15/2021	1,537.81
3000	UTILITY BILLING COORDINATOR	10/15/2021	1,629.06
2001	WATER DISTRIBUTION MANAGER II	10/15/2021	2,133.07
2002	WATER DISTRIBUTION MANAGER II	10/15/2021	1,955.62
2005	WATER DISTRIBUTION MANAGER II	10/15/2021	1,699.31
			\$ 170,226.98

Jefferson County PUD No. 1
Electric Division
Statement of Operations
As of September 30, 2021

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	27,793,414	28,568,803	27,706,152	2,477,586
2. Power Production Expense	0	0	0	0
3. Cost of Purchased Power	10,917,704	10,907,678	11,386,393	1,077,757
4. Transmission Expense	1,315,564	1,392,012	1,314,379	117,333
5. Regional Market Operations Expense	0	0	0	0
6. Distribution Expense - Operation	1,328,035	1,449,009	1,447,713	234,458
7. Distribution Expense - Maintenance	2,521,435	2,506,681	2,755,392	250,728
8. Consumer Accounts Expense	1,032,031	1,187,944	1,135,951	110,774
9. Customer Service and Informational Expense	15,340	23,576	21,319	0
10. Sales Expense	0	0	0	0
11. Administrative and General Expense	2,032,481	2,607,882	2,211,906	265,083
12. Total Operation & Maintenance Expense (2 thru 11)	19,162,590	20,074,782	20,273,053	2,056,133
13. Depreciation & Amortization Expense	4,109,789	4,150,515	4,271,071	462,848
14. Tax Expense - Property & Gross Receipts	0	0	0	0
15. Tax Expense - Other	1,602,263	1,654,011	1,923,477	144,466
16. Interest on Long-Term Debt	2,034,049	1,940,649	1,948,830	217,361
17. Interest Charged to Construction (Credit)	0	0	0	0
18. Interest Expense - Other	0	0	0	0
19. Other Deductions	39	0	70	0
20. Total Cost of Electric Service (12 thru 19)	26,908,730	27,819,957	28,416,501	2,880,808
21. Patronage Capital & Operating Margins (1 minus 20)	884,684	748,846	(710,349)	(403,222)
22. Non Operating Margins - Interest	45,098	1,704	65,084	203
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	1,517,241	1,560,967	2,054,736	211,932
26. Generation & Transmission Capital Credits	0	0	0	0
27. Other Capital Credits & Patronage Dividends	12,803	0	0	0
28. Extraordinary Items	0	0	0	0
29. Patronage Capital or Margins (21 thru 28)	2,459,826	2,311,517	1,409,471	(191,087)

Times Interest Earned Ratio (TIER) (Year to Date)	2.21	2.19	1.72
Operating Times Interest Earned Ratio (OTIER) (Year to Date)	1.43	1.39	0.64
Debt Service Coverage Ratio (DSC) (Year to Date)	1.93	1.88	2.19
Operating Debt Service Coverage Ratio (ODSC) (Year to Date)	1.58	1.53	1.58
Rolling 12 Month TIER	2.32	2.69	

Jefferson County PUD No. 1
Electric Division
Balance Sheet
September 30, 2021

PART B. BALANCE SHEET			
ASSETS AND OTHER DEBITS		LIABILITIES AND OTHER CREDITS	
1. Total Utility Plant in Service	180,752,977	29. Memberships	0
2. Construction Work in Progress	10,461,771	30. Patronage Capital	0
3. Total Utility Plant (1+2)	191,214,748	31. Operating Margins - Prior Years	0
4. Accum. Provision for Depreciation and Amort	70,701,991	32. Operating Margins - Current Year	748,845
5. Net Utility Plant (3-4)	120,512,757	33. Non-Operating Margins	1,562,671
6. Nonutility Property - Net	82,222	34. Other Margins & Equities	30,723,310
7. Investment in Subsidiary Companies	0	35. Total Margins & Equities (29 thru 34)	33,034,826
8. Invest. in Assoc. Org. - Patronage Capital	67,040	36. Long-Term Debt RUS (Net)	93,727,448
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)	93,727,448
11. Investments in Economic Development Projects	0	39. Obligations Under Capital Leases - Non current	0
12. Other Investments	0	40. Accumulated Operating Provisions	1,517,089
13. Special Funds	94,250	41. Total Other Noncurrent Liabilities (39+40)	1,517,089
14. Total Other Property & Investments (6 thru 13)	244,522	42. Notes Payable	0
15. Cash-General Funds	1,155,950	43. Accounts Payable	3,153,360
16. Cash-Construction Funds-Trustee	0	44. Consumers Deposits	0
17. Special Deposits	0	45. Current Maturities Long-Term Debt	0
18. Temporary Investments	8,110,205	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	1,589,043	48. Other Current & Accrued Liabilities	1,899,487
21. Accounts Receivable - Net Other	(4,012,302)	49. Total Current & Accrued Liabilities (42 thru 48)	5,052,847
22. Renewable Energy Credits	0	50. Deferred Credits	425,535
23. Materials & Supplies - Electric and Other	3,049,809	51. Total Liabilities & Other Credits (35+38+41+49+50)	133,757,745
24. Prepayments	192,705	ESTIMATED CONTRIBUTION-IN-AID-OF-CONSTRUCTION	
25. Other Current & Accrued Assets	2,387,438	Balance Beginning of Year	0
26. Total Current & Accrued Assets (15 thru 25)	12,472,848	Amounts Received This Year (Net)	1,065,189
27. Deferred Debits	527,618	TOTAL Contributions-In-Aid-Of-Construction	1,065,189
28. Total Assets & Other Debits (5+14+26+27)	133,757,745		

Equity Ratio **24.70%**
 (Total Margins & Equities/Total Assets & Other Debits) x 100

Long-Term Debt to Total Plant Ratio **49.02%**
 (Long Term Debt/Total Utility Plant) x 100

Jefferson County PUD #1
Power Requirements
As of September 30, 2021

PART C. POWER REQUIREMENTS DATABASE				
CLASSIFICATION	CONSUMER, SALES, AND REVENUE DATA	SEPTEMBER CONSUMERS (b)	AVERAGE CONSUMERS (c)	Monthly KWH SALES AND REVENUE (d)
1. Residential Sales (excluding seasonal)	a. No. Consumers Served	17,844	17,772	
	b. KWH Sold			10,709,613
	c. Revenue			1,344,513
2. Residential Sales - Seasonal	a. No. Consumers Served	5	5	
	b. KWH Sold			0
	c. Revenue			0
3. Irrigation Sales	a. No. Consumers Served	2	2	
	b. KWH Sold			4,630
	c. Revenue			392
4. Comm. and Ind. 1000 KVA or Less	a. No. Consumers Served	2,419	2,411	
	b. KWH Sold			5,225,875
	c. Revenue			606,544
5. Comm. and Ind. Over 1000 KVA	a. No. Consumers Served	21	21	
	b. KWH Sold			7,615,377
	c. Revenue			489,517
6. Public Street & Highway Lighting	a. No. Consumers Served	208	209	
	b. KWH Sold			40,504
	c. Revenue			18,063
7. Non Metered Device Authority	a. No. Consumers Served	8	7	
	b. KWH Sold			0
	c. Revenue			1,783
8. Sales for Resales-RUS Borrowers	a. No. Consumers Served			
	b. KWH Sold			
	c. Revenue			
9. Sales for Resales-Other	a. No. Consumers Served			
	b. KWH Sold			
	c. Revenue			
10. TOTAL No. of Consumers (lines 1a thru 9a)		20,507	20,427	
11. TOTAL KWH Sold (lines 1b thru 9b)				23,595,999
12. TOTAL Revenue Received From Sales of Electric Energy (line 1c thru 9c)				2,460,813
13. Transmission Revenue				0
14. Other Electric Revenue				16,773
15. KWH - Own Use				2,536
16. TOTAL KWH Purchased				25,080,442
17. TOTAL KWH Generated				
18. Cost of Purchases and Generation				1,077,757
19. Interchange - KWH - Net				
20. Peak - Sum All KW Input (Metered)				51,290

Electric Division
Comparison 2021 Budget to 2021 Actuals Year to Date Through SEPTEMBER

	2021 Budget SEPTEMBER YTD	2021 Actuals SEPTEMBER YTD	Variance
1. Operating Revenue and Patronage Capital	27,706,152	28,568,803	862,651
2. Power Production Expense	0	0	0
3. Cost of Purchased Power	11,386,393	10,907,678	(478,715)
4. Transmission Expense	1,314,379	1,392,012	77,633
5. Regional Market Operations Expense	0	0	0
6. Distribution Expense - Operation	1,447,713	1,449,009	1,296
7. Distribution Expense - Maintenance	2,755,392	2,506,681	(248,711)
8. Consumer Accounts Expense	1,135,951	1,187,944	51,993
9. Customer Service and Informational Expense	21,319	23,576	2,257
10. Sales Expense	0	0	0
11. Administrative and General Expense	2,211,906	2,607,882	395,976
12. Total Operation & Maintenance Expense (2 thru 11)	20,273,053	20,074,782	(198,271)
13. Depreciation & Amortization Expense	4,271,071	4,150,515	(120,556)
14. Tax Expense - Property & Gross Receipts	0	0	0
15. Tax Expense - Other	1,923,477	1,654,011	(269,466)
16. Interest on Long-Term Debt	1,948,830	1,940,649	(8,181)
17. Interest Charged to Construction (Credit)	0	0	0
18. Interest Expense - Other	0	0	0
19. Other Deductions	70	0	(70)
20. Total Cost of Electric Service (12 thru 19)	28,416,501	27,819,957	(596,544)
21. Patronage Capital & Operating Margins (1 minus 20)	(710,349)	748,846	1,459,195
22. Non Operating Margins - Interest	65,084	1,704	(63,380)
23. Allowance for Funds Used During Construction	0	0	0
24. Income (Loss) from Equity Investments	0	0	0
25. Non Operating Margins - Other	2,054,736	1,560,967	(493,769)
26. Generation & Transmission Capital Credits	0	0	0
27. Other Capital Credits & Patronage Dividends	0	0	0
28. Extraordinary Items	0	0	0
29. Patronage Capital or Margins (21 thru 28)	1,409,471	2,311,517	902,046

Jefferson County PUD No. 1
Water Division
Statement of Operations
As of September 30, 2021

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	1,983,384	2,292,528	2,065,408	347,368
2. Power Production Expense	268	1,221	488	0
3. Cost of Purchased Power	53,181	103,328	150,000	13,890
4. Transmission Expense	0	0	0	0
5. Regional Market Operations Expense	0	0	0	0
6. Distribution Expense - Operation	514,801	476,716	809,657	52,184
7. Distribution Expense - Maintenance	262,969	283,784	413,772	55,456
8. Consumer Accounts Expense	156,812	188,621	172,471	20,014
9. Customer Service and Informational Expense	110	0	0	0
10. Sales Expense	0	0	0	0
11. Administrative and General Expense	662,885	767,919	875,957	84,866
12. Total Operation & Maintenance Expense (2 thru 11)	1,651,026	1,821,589	2,422,345	226,410
13. Depreciation & Amortization Expense	505,619	580,120	551,380	64,873
14. Tax Expense - Property & Gross Receipts	0	0	0	0
15. Tax Expense - Other	96,307	120,147	83,560	17,040
16. Interest on Long-Term Debt	179,093	164,975	170,240	18,009
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)	2,432,045	2,686,831	3,227,525	326,332
21. Patronage Capital & Operating Margins (1 minus 20)	(448,661)	(394,303)	(1,162,117)	21,036
22. Non Operating Margins - Interest	63,875	24,823	101,048	1,810
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	220,323	615,173	536,176	26,007
26. Generation & Transmission Capital Credits	0	0	0	0
27. Other Capital Credits & Patronage Dividends	3,201	0	0	0
28. Extraordinary Items	0	0	0	0
29. Patronage Capital or Margins (21 thru 28)	(161,262)	245,693	(524,893)	48,853

Jefferson County PUD No. 1
Water Division
Balance Sheet
September 30, 2021

PART B. BALANCE SHEET			
ASSETS AND OTHER DEBITS		LIABILITIES AND OTHER CREDITS	
1. Total Utility Plant in Service	31,109,865	29. Memberships	0
2. Construction Work in Progress	1,350,072	30. Patronage Capital	0
3. Total Utility Plant (1+2)	32,459,937	31. Operating Margins - Prior Years	0
4. Accum. Provision for Depreciation and Amort	12,991,159	32. Operating Margins - Current Year	(394,302)
5. Net Utility Plant (3-4)	19,468,778	33. Non-Operating Margins	639,996
6. Nonutility Property - Net	2,166,101	34. Other Margins & Equities	22,988,227
7. Investment in Subsidiary Companies	0	35. Total Margins & Equities (29 thru 34)	23,233,921
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)	5,281,439
10. Invest in Assoc. Org. - Other - Nongeneral Funds	0	38. Total Long-Term Debt (36 + 37)	5,281,439
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	170,817	41. Total Other Noncurrent Liabilities (39+40)	0
14. Total Other Property & Investments (6 thru 13)	2,336,918	42. Notes Payable	776,617
15. Cash-General Funds	176,145	43. Accounts Payable	(4,366,838)
16. Cash-Construction Funds-Trustee	0	44. Consumers Deposits	500
17. Special Deposits	0	45. Current Maturities Long-Term Debt	0
18. Temporary Investments	2,090,430	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	258,659	48. Other Current & Accrued Liabilities	68,742
21. Accounts Receivable - Net Other	477,994	49. Total Current & Accrued Liabilities (42 thru 48)	(3,520,979)
22. Renewable Energy Credits	0	50. Deferred Credits	0
23. Materials & Supplies - Electric and Other	36,222	51. Total Liabilities & Other Credits (35+38+41+49+50)	24,994,381
24. Prepayments	0		
25. Other Current & Accrued Assets	149,235	ESTIMATED CONTRIBUTION-IN-AID-OF-CONSTRUCTION	
26. Total Current & Accrued Assets (15 thru 25)	3,188,685	Balance Beginning of Year	0
27. Deferred Debits	0	Amounts Received This Year (Net)	313,685
28. Total Assets & Other Debits (5+14+26+27)	24,994,381	TOTAL Contributions-In-Aid-Of-Construction	313,685

Equity Ratio **92.96%**
 (Total Margins & Equities/Total Assets & Other Debits) x 100

Long-Term Debt to Total Plant Ratio **16.27%**
 (Long Term Debt/Total Utility Plant) x 100

Jefferson County PUD #1
Water Requirements
As of September 30, 2021

PART C. WATER REQUIREMENTS DATABASE				
CLASSIFICATION	CONSUMER, SALES, AND REVENUE DATA	SEPTEMBER CONSUMERS (b)	AVERAGE CONSUMERS (c)	Monthly Gallons SALES AND REVENUE (d)
1. Unmetered Water Sales	a. No. Consumers Served	13	12	
	b. Gallons Sold			18,732
	c. Revenue			2,016
2. Metered Residential Sales -	a. No. Consumers Served	4,604	4,562	
	b. Gallons Sold			30,872,642
	c. Revenue			267,914
3. Metered Commercial Sales	a. No. Consumers Served	321	319	
	b. Gallons Sold			10,109,416
	c. Revenue			62,535
4. Residential Multi-Family	a. No. Consumers Served	47	46	
	b. Gallons Sold			314,850
	c. Revenue			4,077
5. Metered Bulk Loadings	a. No. Consumers Served	1	1	
	b. Gallons Sold			0
	c. Revenue			36
6. Public Authority	a. No. Consumers Served	5	5	
	b. Gallons Sold			0
	c. Revenue			0
7. Master Meters	a. No. Consumers Served	22	22	
	b. Gallons Sold			9,452,460
	c. Revenue			0
8. Sewer/Drain Field--Residential	a. No. Consumers Served	376	375	
	b. Gallons Sold			0
	c. Revenue			10,264
9. Sales for Resales-Other	a. No. Consumers Served			
	b. Gallons Sold			
	c. Revenue			
10. TOTAL No. of Consumers (lines 1a thru 9a)		5,389	5,342	
11. TOTAL Gallons Sold (lines 1b thru 9b)				50,768,100
12. TOTAL Revenue Received From Sales of Water Gallons (line 1c thru 9c)				346,843
13. Bulk Water Gallons Sold Revenue				
14. Other Water Revenue				525
15. Gallons - Own Use				
16. TOTAL Gallons Purchased				
17. TOTAL Gallons Produced				23,910,167
18. Cost of Purchases and Generation				13,890

Water Division
Comparison 2021 Budget to 2021 Actuals Year to Date Through SEPTEMBER

	2021 Budget SEPTEMBER YTD	2021 Actuals SEPTEMBER YTD	Variance
1. Operating Revenue and Patronage Capital	2,065,408	2,292,528	227,120
2. Power Production Expense	488	1,221	733
3. Cost of Purchased Power	150,000	103,328	(46,672)
4. Transmission Expense	0	0	0
5. Regional Market Operations Expense	0	0	0
6. Distribution Expense - Operation	809,657	476,716	(332,941)
7. Distribution Expense - Maintenance	413,772	283,784	(129,988)
8. Consumer Accounts Expense	172,471	188,621	16,150
9. Customer Service and Informational Expense	0	0	0
10. Sales Expense	0	0	0
11. Administrative and General Expense	875,957	767,919	(108,038)
12. Total Operation & Maintenance Expense (2 thru 11)	2,422,345	1,821,589	(600,756)
13. Depreciation & Amortization Expense	551,380	580,120	28,740
14. Tax Expense - Property & Gross Receipts	0	0	0
15. Tax Expense - Other	83,560	120,147	36,587
16. Interest on Long-Term Debt	170,240	164,975	(5,265)
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 Water Service (12 thru 19)	3,227,525	2,686,831	(540,694)
21. Patronage Capital & Operating Margins (1 minus 20)	(1,162,117)	(394,303)	767,814
22. Non Operating Margins - Interest	101,048	24,823	(76,225)
23. Allowance for Funds Used During Construction	0	0	0
24. Income (Loss) from Equity Investments	0	0	0
25. Non Operating Margins - Other	536,176	615,173	78,997
26. Generation & Transmission Capital Credits	0	0	0
27. Other Capital Credits & Patronage Dividends	0	0	0
28. Extraordinary Items	0	0	0
29. Patronage Capital or Margins (21 thru 28)	(524,893)	245,693	770,586

Jefferson County PUD No. 1
Cash and Cash Equivalents
As of September 30, 2021

<u>G/L #</u>	<u>Account Description</u>	<u>Balance</u>
1 131.12	Operating Account - Jefferson Co. Treasurer	\$699,713
1 131.11	Operating Depository Account - Bank of America	270,558
1 131.16	Payroll Clearing Account - 1st Security Bank	183,830
2 131.01	Cash-Jeff Co Treasurer General Account	127,433
2 131.11	1996 Bond LUD #8 - Jefferson Co. Treasurer	29,345
2 131.10	1996 Bond LUD #6 - Jefferson Co. Treasurer	9,209
2 131.14	2009 Bond LUD #14 - Jefferson Co. Treasurer	8,856 Restricted
1 135.21	Working Funds - Petty Cash and CSR Drawers	1,850
2 135.21	Cash Held in Trust by Property Manager	1,224
2 131.12	1999 Bond LUD #11 - Jefferson Co. Treasurer	57 Restricted
2 131.15	2008 Bond LUD #15 - Jefferson Co. Treasurer	21 Restricted
TOTAL LINE 15. BALANCE SHEET-CASH-GENERAL FUNDS		\$1,332,096
1 136.16	Tax Revenue Fund - Jefferson Co. Treasurer	\$3,344,516
1 136.10	Operating Account Related Investment - Jefferson Co. Treasurer	2,840,689
1 136.17	Tax Revenue Investment Fund - Jefferson Co. Treasurer	1,925,000
2 136.14	LUD #14 Bond Investment - Jefferson Co. Treasurer	1,051,203 Restricted
2 136.16	Tax Revenue Fund - Jefferson Co. Treasurer	726,158
2 136.15	LUD #15 Bond Investment - Jefferson Co. Treasurer	313,069 Restricted
TOTAL LINE 18. BALANCE SHEET-TEMPORARY INVESTMENTS		\$10,200,635
2 126.31	Tri Area Bond Reserve Investment Fund - Jefferson Co. Treasurer	\$164,817 Restricted
1 126.10	Capital Reserves	94,000 Restricted
2 126.10	Capital Reserves	6,000 Restricted
1 128.00	Other Special Funds	250 Restricted
TOTAL LINE 13. BALANCE SHEET-SPECIAL FUNDS		\$265,067
RESTRICTED CASH BALANCE--SEPTEMBER 2021		\$1,638,273
NON-RESTRICTED CASH BALANCE--SEPTEMBER 2021		\$10,159,525
TOTAL CASH AND CASH EQUIVALENTS IN BANK--SEPTEMBER 2021		\$11,797,798
TOTAL CASH AND CASH EQUIVALENTS IN BANK--AUGUST 2021		\$13,628,999
Change in Bank Balance		(\$1,831,201)

PUD Calendar
November 2, 2021

November 10, 2021, Special Meeting, 10:00am-12:00pm, per ZOOM, Department Roundtable

November 11, 2021, Veteran's Day, Office Closed

November 16, 2021, Regular BOC meeting, 4:00pm, ZOOM

November 17-19, WPUA Association meetings, per ZOOM

November 25th and 26th, Thanksgiving Holidays, Office Closed

November 30th, Special Meeting, 10:00am-12:00pm, per Zoom, RESP Loan and Communication

December 14, 2021, Regular BOC meeting, 4:00pm, ZOOM

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

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

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

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

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

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

WHEREAS, the initial proposal regarding this agreement was presented to the PUD Board of Commissioners in 2018.

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

PURPOSE OF AGREEMENT

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

SCOPE OF WORK

The Parties shall undertake the work as set out below.

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

☒ Transfer a cash amount of Twenty Five Thousand Dollars (\$ 25,000.00) annually in 2022, 2023, and 2024, from the PUD to the Weed Control Board for the purpose of controlling noxious weed infestations defined in this agreement, as described in WAC 16-750-003.

It should be noted that, in most if not all years of this agreement, the annual amount of \$25,000 will control a portion of the noxious weed infestations on PUD property. Payment of the \$25,000 and the use of those funds by the Noxious Weed Control Board for agreed upon control efforts does not obviate the need for the PUD to control the remaining noxious weed infestations as required by RCW 17.10 and in WAC 16-750-003.

2. Report locations of noxious weeds to Weed Control Board staff when found.

3. Allow the Weed Control Board volunteer staff, contractors, or other agencies access within the project area indicated in Appendix I for the purpose of potential revegetation projects, which shall be supported through Weed Control Board resources.

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

1. Utilize the cash transfer for the purpose of controlling Scotch broom (*Cytisus scoparius*) and Poison hemlock (*Conium maculatum*) infestations that are present in March of 2022, 2023, and 2024, as described in WAC 16-750-003, within the project area indicated in Appendix I by means of employing staff, contractors, or other agencies with the appropriate personnel and equipment to effectively control targeted species.

2. If using herbicides, will conduct work with properly licensed and trained staff or contractors and comply with all applicable laws with respect to the storage and application of herbicides.

3. Will schedule and participate in at least one meeting per year with PUD staff to review work deliverables, priorities, methods, and also report on what was accomplished and how the cash contribution was used.

4. Provide reasonable notice, not less than 72 hours, to the PUD anytime the Weed Control Board intends to perform work on PUD property so as not to upset any PUD activity that may be planned or taking place.

TIME OF PERFORMANCE

This Agreement shall be effective from 01-01-2022 through 31-12-2024.

PROJECT ADMINISTRATION

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

EMPLOYEES

All employees remain employees of their respective agency at all times and shall perform work under the sole supervision of their agency. The Weed Control Board waives its rights under RCW

Title 51, Industrial Insurance, with respect to any claim involving the PUD brought by an employee of the Weed Control Board against the PUD.

Commented [MCC1]: If this clause has never been reviewed by the county attorney, it should be. If it has been in previous agreements that have been reviewed by the county attorney – no need to re-review.

PAYMENT

A cash transfer amount of Twenty Five Thousand Dollars (\$ 25,000.00) will be made annually in 2022, 2023, and 2024, from the PUD to the Weed Control Board within 30 days after receiving an invoice, for the purposes outlined in this Agreement. The Parties agree that this shall constitute the full financial obligation of PUD with respect to this issue for the duration of the Agreement.

Commented [MCC2]: Do we need a more frequent invoicing & payment schedule?

RIGHT-OF-ENTRY

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

HOLD HARMLESS AND INDEMNIFICATION

To the extent of its comparative liability, each party agrees to indemnify, defend and hold the other party, its elected and appointed officials, employees, agents and volunteers, harmless from and against any and all claims, damages, losses and expenses, including but not limited to court costs, attorney's fees and alternative dispute resolution costs, for any personal injury, for any bodily injury, sickness, disease or death and for any damage to or destruction of any property (including the loss of use resulting therefrom) which are alleged or proven to be caused by an act or omission, negligent or otherwise, of its elected and appointed officials, employees, agents or volunteers.

A party shall not be required to indemnify, defend, or hold the other party harmless if the claim, damage, loss or expense for personal injury, for any bodily injury, sickness, disease or death or for any damage to or destruction of any property (including the loss of use resulting therefrom) is caused by the sole act or omission of the other party.

In the event of any concurrent act or omission of the parties, negligent or otherwise, these indemnity provisions shall be valid and enforceable only to the extent of each party's comparative liability. The parties agree to maintain a consolidated defense to claims made against them and to reserve all indemnity claims against each other until after liability to the claimant and damages, if any, are adjudicated. If any claim is resolved by voluntary settlement and the parties cannot agree upon apportionment of damages and defense costs, they shall submit apportionment to binding arbitration.

The indemnification obligations of the parties shall not be limited in any way by the Washington State Industrial Insurance Act, RCW Title 51, or by application of any other workmen's compensation act, disability benefit act or other employee benefit act. Each party hereby expressly waives any immunity afforded by such acts to the extent required by a party's obligations to indemnify, defend and hold harmless the other party or parties. A party's waiver of immunity does not extend to claims made by its employees directly against the party as employer. The foregoing indemnification obligations have been mutually negotiated.

Commented [JRP3]: This repeats what is below and is unnecessary

Commented [MCC4]: If this clause has never been reviewed by the county attorney, it should be. If it has been in previous agreements that have been reviewed by the county attorney – no need to re-review.

COMPLIANCE WITH LAWS

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

TERMINATION

Either party may terminate this Agreement by giving written notice to the other, at the address first noted herein, of such termination and specifying the effective date thereof at least thirty (30) days before the effective date of such termination. If the PUD elects to terminate the agreement early, the PUD agrees to pay any outstanding invoice for work already completed.

SEVERABILITY

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

ENTIRE AGREEMENT

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

IN WITNESS WHEREOF, the parties have executed this Agreement.

COUNTY OF JEFFERSON
NOXIOUS WEED CONTROL BOARD

Joost Besijn, Coordinator

Date

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

Dan Toepper, President

Date

JEFFERSON COUNTY
BOARD OF COMMISSIONERS

Kate Dean, Chair

Date

Approved as to Form Only:

James Kennedy, County Prosecuting Attorney
Date

APPENDIX I

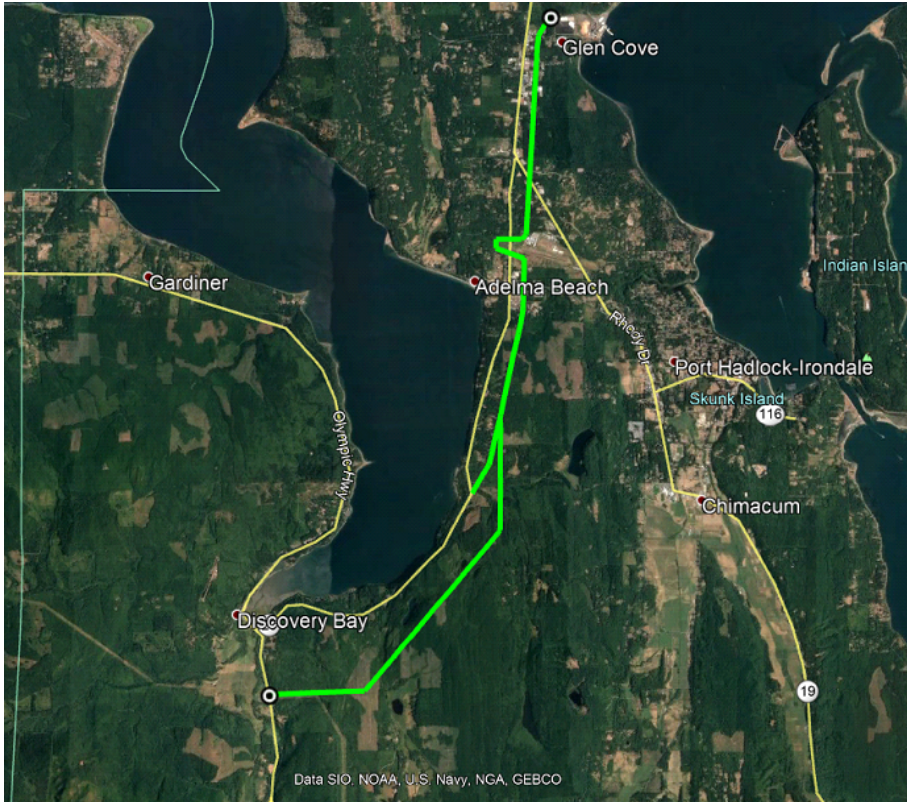


Image 1: Project area, 156 acres (61,655 ft in length x 110 ft avg. width)

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

RESOLUTION NO. 2021- 00XX

A RESOLUTION of the Board of Commissioners of Public Utility District No. 1 of Jefferson County, Washington (the “PUD”) to Declare Certain Property Surplus and Authorize its Sale

WHEREAS, the PUD is authorized to sell or otherwise dispose of property which has become unserviceable, inadequate, obsolete, worn out or unfit to be used in the operations of the utility system and which is no longer necessary, material to, and useful in such operations, to any person or public body pursuant to RCW 54.16.180; and

WHEREAS, the General Manager recommends that existing PUD owned materials are no longer useful to the PUD, and that materials should be sold as surplus consistent with Washington law and the PUD’s Procurement Manual.

NOW THEREFORE, BE IT RESOLVED THAT, the Board of Commissioners declare that the PUD owned materials listed in Exhibit A to this Resolution is hereby determined to be surplus and obsolete, no longer necessary or useful to utility operations and the General Manager is authorized to dispose of it consistent with the PUD’s Procurement Policies.

ADOPTED by the Board of Commissioners of Public Utility No. 1 of Jefferson County, Washington, at a regular open meeting held this _____, 2021.

Dan Toepper, President

Kenneth Collins, Vice President

ATTEST:_____
Jeff Randall, Secretary

EXHIBIT A
[DESCRIPTION OF MATERIALS]



Aluminum building in the back of the Operations Center Yard.



Substation switch supports.



Recloser back of Operations Center yard.



Capacitor racks back of Operations Center yard.



115kV gang operated switch back of Operations Center yard.



Assorted PT's and CT's back of Operations Center yard.



Vacuum Recloser on pallet with controllers back of Operations Center yard.



Pole mounted bank bracket back of Operations Center yard.



Substation breaker back of Operations Center yard.



(2) Reclosers back of Operations center yard.



25kV 120/240 transformer west end of Operations center yard.



(2) Capacitor banks located near septic system in Operation Center yard.



(4) Capacitor banks near septic system at Operations Center yard.



(3) Fiberglass vaults with lids near septic system at Operations Center yard.



(5) Above ground cabinets middle row of Operations Center yard.



Used submersible transformer near septic system in Operations Center yard.



(5) Fiberglass basements middle row Operations Center yard.



(2) Above ground cabinets middle row Operations Center yard.



(1) Fiberglass basement middle row Operations Center yard.



(10) Small fiberglass basements and (3) Mid-size fiberglass basements middle row back of Operations Center yard.



(1) 120/240 50kV transformer west fence line Operation Center yard.



Multiple pole stubs southwest corner Operation Center yard.



Substation air switches located at 210 Four Corners Road storage yard.



Old building air switches located at 210 Four Corners Road storage yard.



Old building air switches located at 210 Four Corners Road storage yard.



115kV switches old and burned up. Located at 210 Four Corners Road storage yard.

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

RESOLUTION NO. 2021- 00XX

A RESOLUTION of the Board of Commissioners of Public Utility District No. 1 of Jefferson County, Washington (the “PUD”) to Declare Certain Property Surplus and Authorize its Sale

WHEREAS, the PUD is authorized to sell or otherwise dispose of property which has become unserviceable, inadequate, obsolete, worn out or unfit to be used in the operations of the utility system and which is no longer necessary, material to, and useful in such operations, to any person or public body pursuant to RCW 54.16.180; and

WHEREAS, the General Manager recommends that an existing utility truck is no longer useful to the PUD, and that it be sold as surplus consistent with Washington law and the PUD’s Procurement Manual.

NOW THEREFORE, BE IT RESOLVED THAT, the Board of Commissioners declare that the utility truck listed in Exhibit A to this Resolution is hereby determined to be surplus and obsolete, no longer necessary or useful to utility operations and the General Manager is authorized to dispose of it consistent with the PUD’s Procurement Policies.

ADOPTED by the Board of Commissioners of Public Utility No. 1 of Jefferson County, Washington, at a regular open meeting held this _____, 2021.

Dan Toepper, President

Kenneth Collins, Vice President

ATTEST:_____
Jeff Randall, Secretary

EXHIBIT A
[DESCRIPTION OF TRUCK]

Jefferson County PUD truck 103

2012 Dodge Ram 5500 (4X4)

Engines: Cummins 6.7L

Miles: 150,202

Engine Hours 8,946

Chassis Issues:

- Truck is leaking coolant due to blown head gasket.
- Needs new Particulate Filter or Back Pressure Sensor. (Check Engine Light)
- Needs new serpentine belt and pulley.
- Small exhaust leak. (Location not found)

Boom Issues:

- Extension cylinder is drifting out and will need both holding valves and check valves replaced.
(Possible new cylinder might be needed)
- Lower boom lift cylinder is drifting down and will need both holding valves and check valve replaced.
(Possible new cylinder might be needed)
- Hydraulic return filter needs replaced.
- Rubber boot for upper controls needs to be replaced.
- Curbside and streetside PTO driveline decal needs replaced.
- All operation decals at the upper controls need to be replaced.
- All danger, warning and safety decals at the upper controls need to be replaced.
- 2 Danger decals at the tail shelf need replaced.

2022 Budget Presentation Talking Points

1. Electric and Water Revenues were increased by 4.5% based on 2021 Rate increases.
2. We raised expenses by 2.75%.
3. We raised our Fleet Expenses by 2.75% based on new vehicles and personnel.
4. We have budgeted for 6 new positions in 2022. The positions include 1 Finance, 2 Broadband Tech, 1 Meter Broadband, 1 Network Engineer, and 1 Director.
5. We kept our Purchased Power cost about the same but did add some for projected BPA reserves cost adjustment.
6. Electric Transmission Expense is primarily Bonneville Power Administration (BPA) but also includes expenses (labor, materials, fleet) associated with maintaining transmission lines.
7. Included in Electric Distribution Expense—Maintenance is \$800,000 for tree trimming.
8. Included in the Administrative and General expenses is \$150,000 available for raises per RCW 54.16.100.
9. Interest on Long-Term Debt is based on the amortization schedules within our loan documents with RUS, USDA Rural Development, and bonds.
10. Labor, Benefits, Fleet, and Inventory Expenses are based on historical information
11. All expenses are based on actual expenses from June 2020 to May 2021.
12. Each Department increased their training budgets by 5% for 2022.
13. We have included a 4% COLA increase for Non-Represented Employees and COLAs for Union Employees per their contracts.
14. Property tax revenues have been kept at the same level as last year and 100% of the funds will go toward Broadband.
15. Electric Construction Projects are based on the previously approved 4-year work plan with Board approved additions.
16. Water Construction Projects are based on current needs and our 10-year work plan.
17. General Plant capital purchases include building remodel, warehouse improvements, information technology equipment, fleet, broadband, electric tools/personal protection equipment, communications, and engineering costs.
18. Principal payments on long-term debt are based on the amortization schedules within our loan documents with RUS, USDA Rural Development, and bonds.
19. Added depreciation back into the cash flow as our construction costs should be close to our depreciation rate. We are replenishing our assets at the same rate they are depreciating.
20. We still have some LUDs that are paying on assessments which the Treasurer's Office collects and then we pay the bond payments.
21. We will be incorporating the 10-year Financial Forecast into the 2022 budget

EXHIBIT A

2022 PUD Electric and Water Utility Budgets

	<u>Electrical</u> <u>Utility</u>	<u>Water</u> <u>Utility</u>	<u>Talking</u> <u>Points</u>
Operating Revenues	\$40,094,599	\$2,757,235	1
Operating Expenses			2,3,4
Power Production Cost	\$0	\$0	
Cost of Purchased Power	\$15,050,647	\$135,041	5
Transmission Expense	1,913,799	0	6
Distribution Expense--Operation	2,378,697	958,532	
Distribution Expense--Maintenance	4,720,613	612,774	7
Customer Accounts Expense	2,004,285	353,744	
Customer Service and Informational Expense	18,794	0	
Administrative and General Expense	4,814,216	1,445,822	8
Depreciation & Amortization Expense	5,548,199	428,634	
Tax Expense--Other	2,262,163	133,811	
Interest on Long-Term Debt	2,720,820	235,079	9
Interest Expense--Other	0	0	
Other Deductions	0	0	
Total Operating Expenses	\$41,432,233	\$4,303,437	10,11,12,13
Net Operating Margins (Loss)	(\$1,337,634)	(\$1,546,202)	
Property Tax Revenue	\$590,000	\$0	14
Non-Operating Margins (Loss)	\$1,523,072	\$247,535	
Net Margins (Loss)	\$775,438	(\$1,298,667)	
Cash Flow Budget			
Construction Projects	\$3,595,500	\$633,105	15,16
General Plant Purchases	3,111,550	55,000	17
Principal on Long Term Debt	3,474,557	633,513	18
Add Depreciation & Amortization (non-cash)	(5,548,199)	(428,634)	19
Principal & Interest Received on LUDs	0	(442,966)	20
Total Cash Expenditures/Cash Outflow	\$4,633,408	\$450,018	21
Net Cash Inflow/(Outflow)	(\$3,857,970)	(\$1,748,685)	
Net TIER (Minimum of 1.25)	1.29		
Net DSC (Minimum of 1.25)	1.46		

Trigger:

If TIER is close to 1.25, the PUD will reduce expenses to ensure TIER comes up.
We will review cash reserves before big expenses are incurred.

**Electric Utility
Expense Changes
From 9/6/2021 to 9/14/2021**

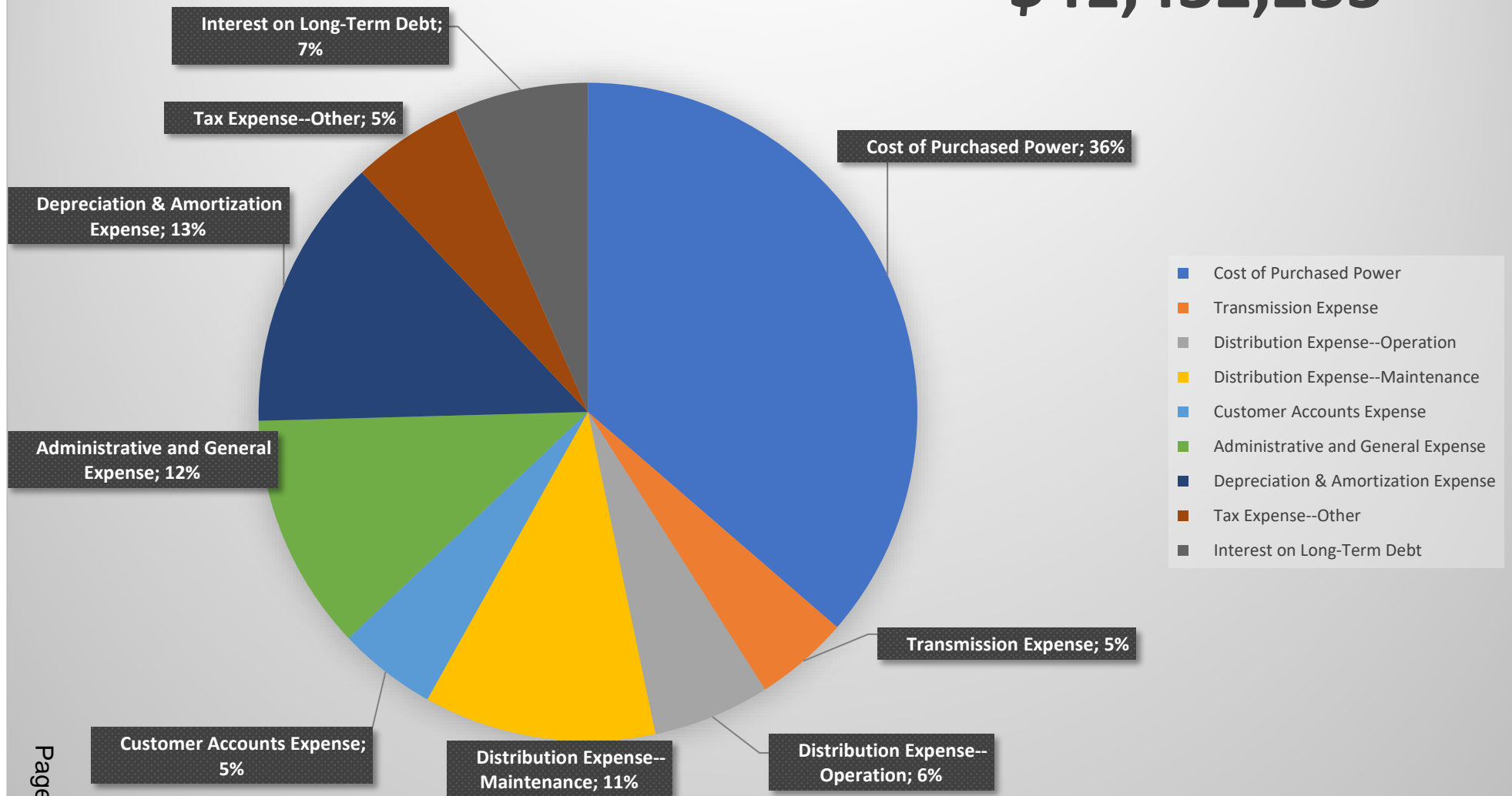
	9/6/2021	9/14/2021	Change
	Presentation	Presentation	
Operating Revenues	\$40,131,589	\$40,094,599	(\$36,990)
Operating Expenses			
Power Production Cost	\$0	\$0	\$0
Cost of Purchased Power	\$15,233,745	\$15,050,647	(\$183,098)
Transmission Expense	\$1,810,022	\$1,913,799	\$103,777
Distribution Expense--Operation	\$2,375,717	\$2,378,697	\$2,980
Distribution Expense--Maintenance	\$4,662,868	\$4,720,613	\$57,745
Customer Accounts Expense	\$1,988,515	\$2,004,285	\$15,770
Customer Service and Informational Expense	\$18,263	\$18,794	\$531
Administrative and General Expense	\$4,843,838	\$4,814,216	(\$29,622)
Depreciation & Amortization Expense	\$5,547,052	\$5,548,199	\$1,147
Tax Expense--Other	\$2,289,684	\$2,262,163	(\$27,521)
Interest on Long-Term Debt	\$2,753,920	\$2,720,820	(\$33,100)
Interest Expense--Other	\$0	\$0	\$0
Other Deductions	\$0	\$0	\$0
Total Operating Expenses	\$41,523,624	\$41,432,233	(\$91,391)
Net Operating Margins (Loss)	(\$1,392,035)	(\$1,337,634)	\$54,401
Non-Operating Margins (Loss)	\$2,156,235	\$2,113,072	(\$43,163)
Net Margins (Loss)	\$764,200	\$775,438	\$11,238
Cash Flow Budget			
Construction Projects	\$5,055,500	\$3,595,500	(\$1,460,000)
General Plant Purchases	\$1,897,000	\$3,111,550	\$1,214,550
Principal on Long Term Debt	\$3,474,557	\$3,474,557	\$0
Add Depreciation & Amortization (non-cash)	(\$5,547,052)	(\$5,548,199)	(\$1,147)
Principal & Interest Received on LUDs	\$0	\$0	\$0
Total Cash Expenditures/Cash Outflow	\$4,880,005	\$4,633,408	(\$246,597)
Net Cash Inflow/(Outflow)	(\$4,115,805)	(\$3,857,970)	\$257,835
Net TIER (Minimum of 1.25)	1.28	1.29	0.01
Net DSC (Minimum of 1.25)	1.46	1.46	0.00

**Water Utility
Expense Changes
From 9/6/2021 to 9/14/2021**

	9/6/2021 Presentation	9/14/2021 Presentation	Change
Operating Revenues	\$2,757,235	\$2,757,235	\$0
Operating Expenses			
Power Production Cost	\$0	\$0	\$0
Cost of Purchased Power	\$136,684	\$135,041	(\$1,643)
Transmission Expense	\$0	\$0	\$0
Distribution Expense--Operation	\$962,014	\$958,532	(\$3,482)
Distribution Expense--Maintenance	\$419,214	\$612,774	\$193,560
Customer Accounts Expense	\$356,066	\$353,744	(\$2,322)
Customer Service and Informational Expense	\$0	\$0	\$0
Administrative and General Expense	\$1,452,708	\$1,445,822	(\$6,886)
Depreciation & Amortization Expense	\$428,634	\$428,634	\$0
Tax Expense--Other	\$135,439	\$133,811	(\$1,628)
Interest on Long-Term Debt	\$237,939	\$235,079	(\$2,860)
Interest Expense--Other	\$0	\$0	\$0
Other Deductions	\$0	\$0	\$0
Total Operating Expenses	\$4,128,698	\$4,303,437	\$174,739
Net Operating Margins (Loss)	(\$1,371,463)	(\$1,546,202)	(\$174,739)
Non-Operating Margins (Loss)	\$250,609	\$247,535	(\$3,074)
Net Margins (Loss)	(\$1,120,854)	(\$1,298,667)	(\$177,813)
Cash Flow Budget			
Construction Projects	\$609,500	\$633,105	\$23,605
General Plant Purchases	\$55,000	\$55,000	\$0
Principal on Long Term Debt	\$633,513	\$633,513	\$0
Add Depreciation & Amortization (non-cash)	(\$428,634)	(\$428,634)	\$0
Principal & Interest Received on LUDs	(\$442,966)	(\$442,966)	\$0
Total Cash Expenditures/Cash Outflow	\$426,413	\$450,018	\$23,605
Net Cash Inflow/(Outflow)	(\$1,547,267)	(\$1,748,685)	(\$201,418)

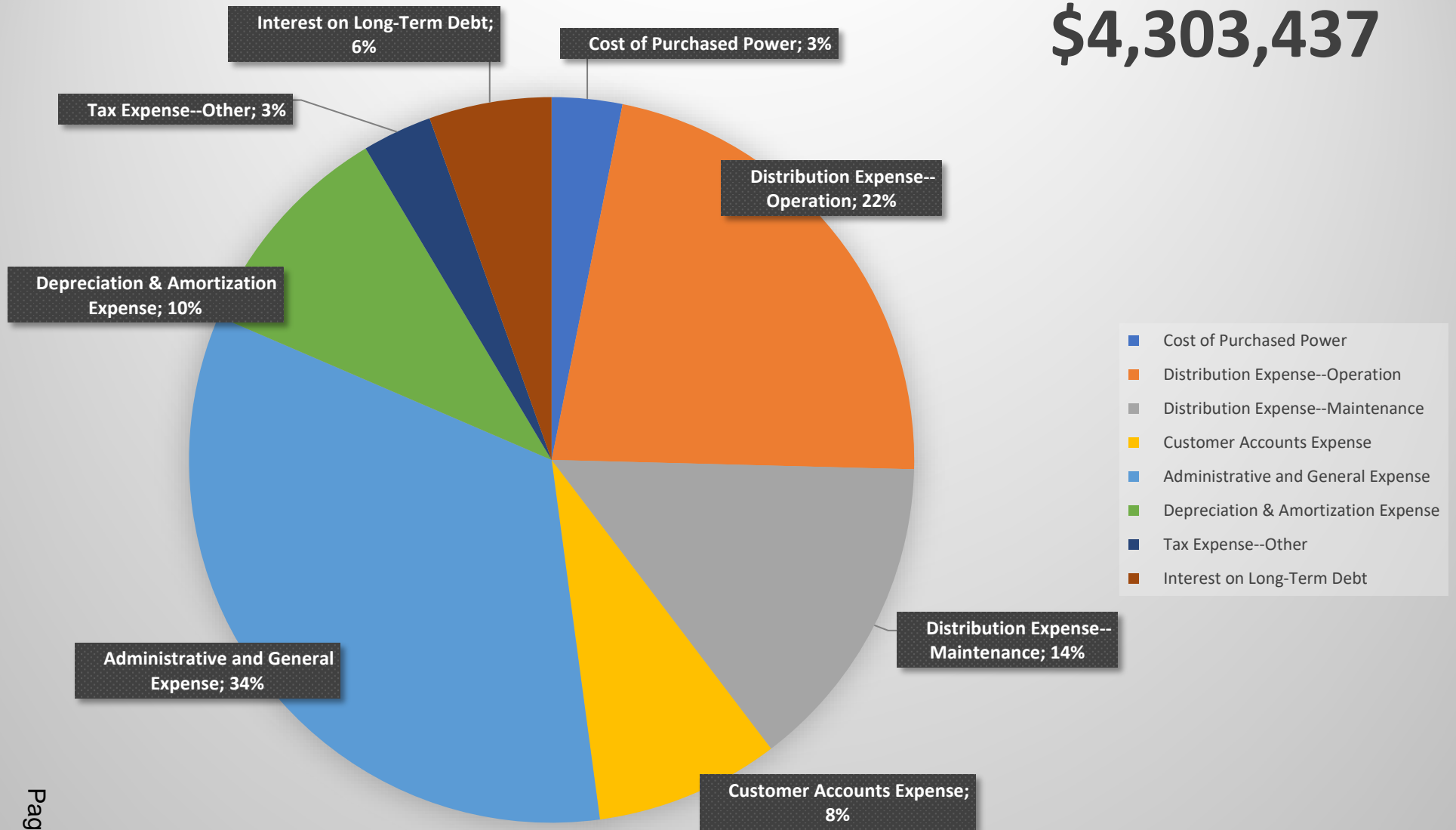
Electric Expenses

\$41,432,233



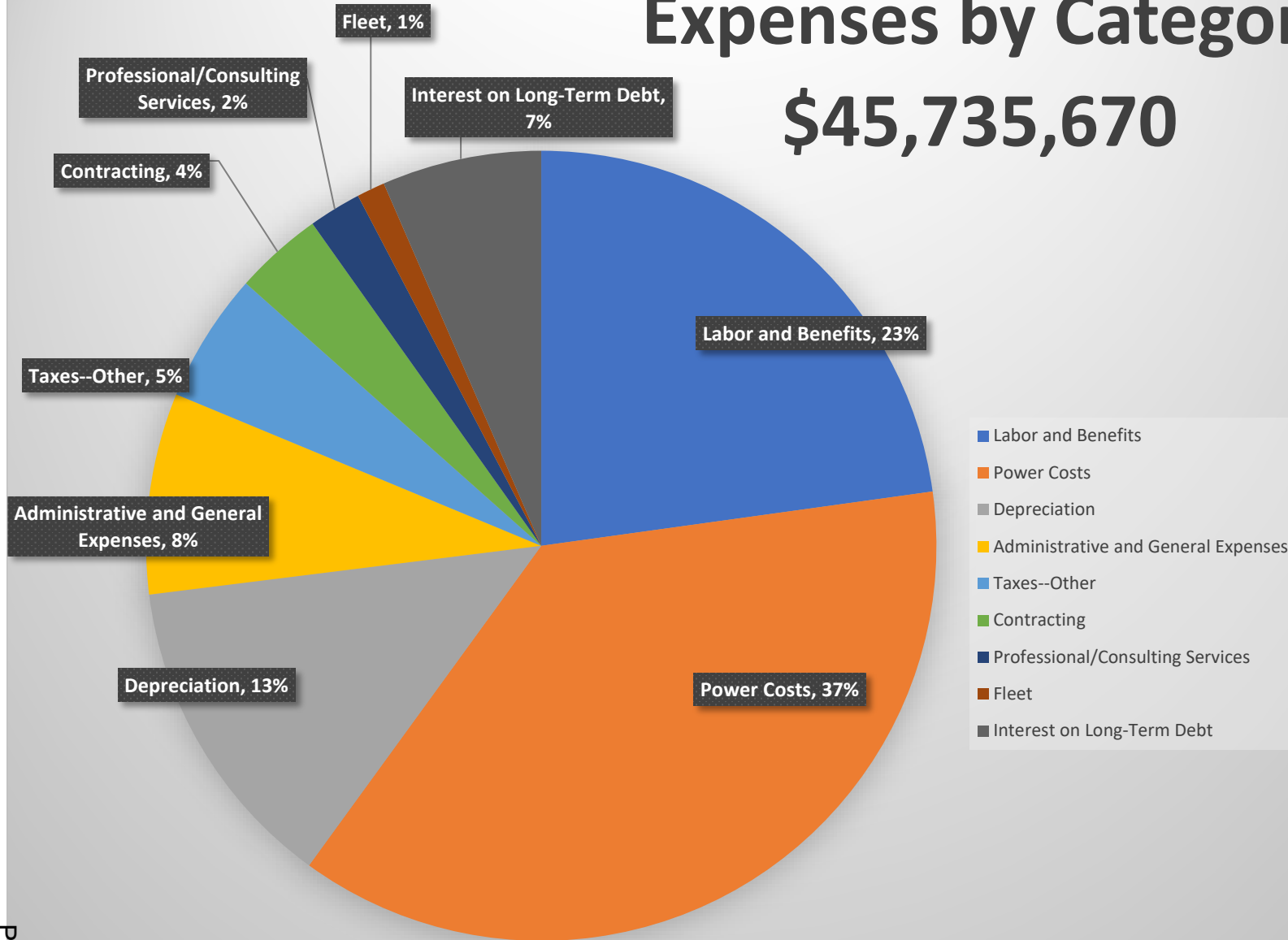
Water Expenses

\$4,303,437



Expenses by Category

\$45,735,670



Combined Utility Expenses By Category

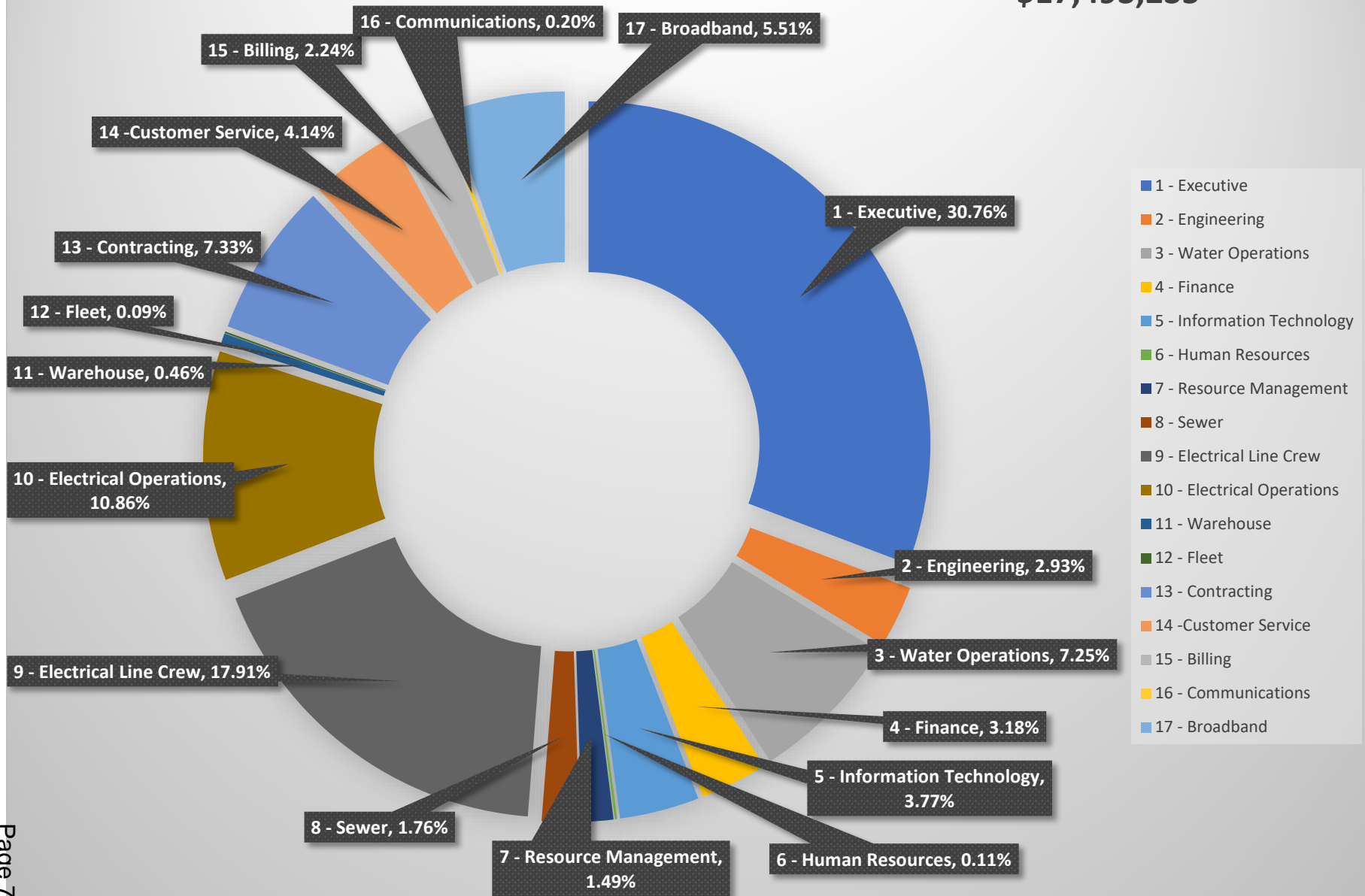
Expense Category	Amount	Percentage
Labor and Benefits	\$10,225,399	22%
Power Costs	\$16,856,911	37%
Depreciation	\$5,976,833	13%
Administrative and General Expenses	\$4,131,724	9%
Taxes--Other	\$2,405,219	5%
Contracting	\$1,651,842	4%
Professional/Consulting Services	\$980,112	2%
Fleet	\$550,900	1%
Interest on Long-Term Debt	\$2,956,731	6%
Total	\$45,735,670	100%

Expense Allocation By Department

Department	Administrative and			Professional and		Total	Percentage
	Labor and Benefits	General	Contracting	Consulting Services	Fleet		
1 - Executive	\$2,659,340	\$1,724,880	\$104,079	\$818,045	\$89,084	\$5,395,428	30.76%
2 - Engineering	\$351,781	\$128,035	\$23,531	\$0	\$10,294	\$513,641	2.93%
3 - Water Operations	\$657,234	\$330,286	\$65,303	\$0	\$219,469	\$1,272,292	7.25%
4 - Finance	\$471,590	\$83,638	\$2,030	\$0	\$0	\$557,258	3.18%
5 - Information Technology	\$417,788	\$240,427	\$1,375	\$1,269	\$62	\$660,922	3.77%
6 - Human Resources	\$0	\$18,382	\$687	\$945	\$0	\$20,015	0.11%
7 - Resource Management	\$197,214	\$17,453	\$687	\$5,613	\$40,302	\$261,269	1.49%
8 - Sewer	\$120,008	\$41,322	\$52,947	\$2,053	\$92,401	\$308,732	1.76%
9 - Electrical Line Crew	\$2,489,654	\$453,881	\$131,319	\$16,069	\$50,637	\$3,141,559	17.91%
10 - Electrical Operations	\$1,172,089	\$715,704	\$14,141	\$0	\$3,237	\$1,905,170	10.86%
11 - Warehouse	\$46,254	\$29,614	\$5,586	\$0	\$79	\$81,532	0.46%
12 - Fleet	\$9,663	\$4,603	\$687	\$0	\$0	\$14,954	0.09%
13 - Contracting	\$0	\$5,742	\$1,242,356	\$37,931	\$0	\$1,286,029	7.33%
14 -Customer Service	\$622,661	\$81,837	\$4,125	\$18,345	\$0	\$726,968	4.14%
15 - Billing	\$360,253	\$30,229	\$2,062	\$0	\$0	\$392,544	2.24%
16 - Communications	\$0	\$15,257	\$687	\$19,907	\$0	\$35,851	0.20%
17 - Broadband	\$649,869	\$210,948	\$239	\$60,578	\$45,336	\$966,970	5.51%
Totals	\$10,225,399	\$4,132,238	\$1,651,842	\$980,755	\$550,900	\$17,541,134	

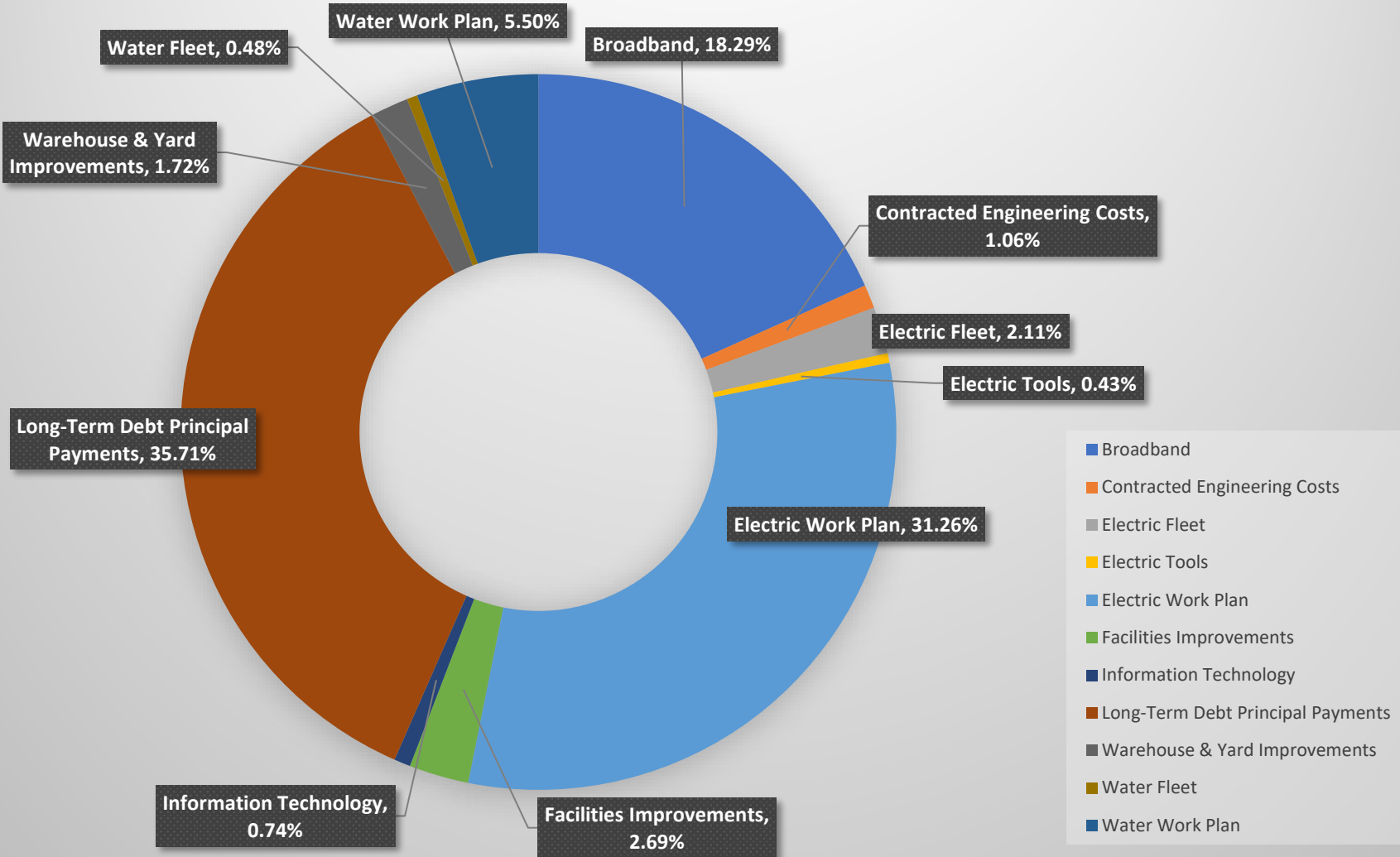
Expense Allocation By Department

\$17,493,235



Capital and Debt Principal Costs

\$11,520,225



Capital and Debt Principal Costs By Category

Cost Group	Amount	Percentage
Broadband	\$2,104,050	18.29%
Contracted Engineering Costs	\$122,500	1.06%
Electric Fleet	\$242,500	2.11%
Electric Tools	\$50,000	0.43%
Electric Work Plan	\$3,595,500	31.26%
Facilities Improvements	\$310,000	2.69%
Information Technology	\$85,000	0.74%
Long-Term Debt Principal Payments	\$4,108,070	35.71%
Warehouse & Yard Improvements	\$197,500	1.72%
Water Fleet	\$55,000	0.48%
Water Work Plan	\$633,105	5.50%
Total	\$11,503,225	100%

Electric 4 Year Work Plan Capital Costs

Item #	Description	Budget Amount	Triggers
101	UG Distribution Line Extensions	\$340,000.00	1
102	OH Distribution Line Extensions	\$135,000.00	1
103	New Subdivision	\$50,000.00	
204-1	New Feeder out of PLSS--Construction	\$200,000.00	
301	Convert Single Phase to Three Phase	\$200,000.00	
303	Convert OH to UG 4 Locations	\$0.00	
401-1	Port Ludlow Bay 2 Construction	\$75,000.00	
501			
	Replace Aging Substation Equipment--Hastings	\$135,000.00	
503	Replace/Install New Relays	\$30,000.00	
505	SCADA System Substation Communications and Devices Upgrades	\$40,000.00	
508	New Substation Transformer	\$0.00	
601-1	Install new pole-mount Transformers to serve new customers. 10 per year	\$30,000.00	
601-2	Install new pad-mount Transformers to serve new customers. 15 per year	\$40,000.00	
601-3	Transformer replacement of aging units. 60 per year	\$120,000.00	
604-1	Install four new Three-Phase distribution line reclosers	\$50,000.00	
605-1	Install new line regulators	\$75,000.00	
605-2	Regulator replacement of aging units	\$50,000.00	
607	Pole Replacements. 20 per year	\$130,000.00	
608	Replace Aging Conductors	\$150,500.00	
608-1	Install Single Phase 15kv 1/0 Distribution Line	\$100,000.00	
610	Wildlife Protection. X sites	\$25,000.00	
701	Security and Street Lighting	\$10,000.00	
703	SCADA System Distribution Line Devices Communications and Control Upgrades	\$25,000.00	
705-1	Meter Replacement Project	\$1,500,000.00	2
1001	Move Transmission Poles for Easements	\$60,000.00	
1201	Fiber Line Extensions	\$0.00	
1301	Fuel Tanks	\$0.00	
1302	Fencing	\$25,000.00	3
		\$3,595,500	

Triggers:

1. The PUD does receive Aid to Construction from Custers installing new services or upgrading their current service.
2. The PUD could possibly borrow money to offset the cost of a meter replacement. This would allow the cost to be paid for over a longer period of time and not just by current customers.
3. This is a project that we could wait until late Summer or early Fall depending on how actual revenues compare to budget revenues.

Work priorities 2022. This list is in no order of importance and is for dirt projects.

1. Cedar Avenue. Upgrade on Cedar Avenue.
2. Utility Pole replacement along Oak Bay and Old Shine State Route.
3. 7423 Thorndyke Road. This is a driveway along Thorndyke Road that has 7 spans of overhead. PUD has multiple outages at this location every year. Rough materials needed, 1- 575-LA vault, 4- fiberglass basements, 4- Pencil vaults, 1-2" inch conduit, 1-4" inch conduit, trenching 2,100' feet.
4. Rhododendron Drive, this is a 2,300' foot long 10 span overhead PUD line along Rhododendron Drive. PUD has multiple outages at this location every year. Rough materials needed 1- 575-LA vault, 2- 444-LA vaults, 2- Pencil vaults, 1- 2" inch conduit, 1- 4" inch conduit, trenching 2,300' feet.
5. Van Trojan Road, PUD plans to complete a section on Van Trojan Road the section will be about 3200' foot long underground upgrade. Van Trojan has had some outages due to aging infrastructure. Rough materials needed, 2- 575-LA vaults, 1-444-LA vault, 2-Pencil vaults, 1- 2" inch conduit 1-4" inch conduit, trenching for 3,200' feet.
6. Shorts Lane, PUD has had many outages on this span of overhead. Underground along Shorts Lane about 400' feet of trenching, 1- 2" inch conduit, 1- 4" inch conduit, 1- 575-LA vault, 1- Pencil vault.
7. Underground Blueberry Hill Road to Shine Road and parallel to HWY 104 to utility pole 632296-11867. This is undergrounding about 1,600' feet, 1- 444-LA vault, 2- Pencil vaults, install 2- utility poles, 1- fiberglass basement, trench about 800', install 1- 4" inch conduit, install 1-2" inch conduit, bore about 800' 1-4" inch conduit and 1-2" inch conduit.
8. Phase 2 Port Project. Install the conduit between Boat Street and Haines Place.
9. Loftus Road, this is about a 350' foot underground project. Trenching about 350' feet, install 1-2" inch conduit, 1-4" inch conduit, 1-575-LA vault.

2022 Water Capital Project Costs

Description	Budget Amount	Triggers
Snow Creek Wellhouse Replacement	\$233,105.30	
Well pump and motor replacement	\$35,000.00	1
Well cleaning	\$10,000.00	
Distribution pipe replacement	\$100,000.00	
Bulk Water Sales - system software and set-up device location	\$20,000.00	
Transducers	\$10,000.00	
Reynolds well replacement	\$195,000.00	
Water Service Repairs	\$20,000.00	
Wastewater system improvements	\$10,000.00	
Total Water Capital Costs	\$633,105	

Triggers:

1. This is a project that we could wait until late Summer or early Fall depending on how actual revenues compare to budget revenues.

2022 Broadband Capital Costs

Description	Budget Amount	Triggers
Fiber Upgrades--2 Central Offices	\$90,000	
Electrical Work and Batteries	\$60,000	
PON Router & Switching Equipment	\$58,000	
Fiber Frame and Patch Panels	\$50,000	
Generator for 2 Central Offices	\$60,000	
Splitters	\$38,990	
Customer Electronics	\$445,600	
Underground Fiber	\$903,500	
Overhead Fiber	\$292,950	
Electronics	\$105,010	
Total Broadband Capital Costs	\$2,104,050	1,2

Triggers:

1. The PUD will not move forward with some Broadband Projectes until we have received grant approval.
2. Dollars not spent on Broadband Projects will remain in Cash Reserves to be used for other projects or matching funds for grants.

2022 Facilities Improvements

Description	Budget Amount	Triggers
New roof for section of old building as discussed.	\$230,000.00	1
Work on new storm water area on parcel 001333013	\$60,000.00	2
Paint triple wide at 310 and 210 Four Corners Road. Inspect roofs	<u>\$20,000.00</u>	3
Total Facilities Improvements Capital Costs	\$310,000	

Triggers:

1. If actual revenues are greater than budgeted revenues at the end of May, the PUD could move forward with the roof replacement.
2. If the PUD moves forward with developing the parcel 001333013 then we look at a new storm water area.
3. We will review cash reserves at the end of June and if they are looking good, then we can move forward with the painting of the triple wide trailers and inspecting the roofs. It is possible that we only do one trailer in 2022.

2022 Warehouse and Yard Improvements Capital Costs

Description	Budget Amount	Triggers
Log, clear area at 310 Four Corners for new fiber lay yard. Costs are from fencing and County requirements.	\$130,000.00	1,2
Install utility pole bunks between the asphalt road and storm water drainage pond.	\$30,000.00	
Install concrete base around PUD oil storage facility in the open shed.	\$30,000.00	3
Install fencing around Oil containment with two 8' gates.	<u>\$7,500.00</u>	3
Total Warehouse and Yard Capital Costs	\$197,500	

Triggers:

1. The PUD will receive all or a portion of the proceeds from the sale of the timber harvested from the logging operations.
2. If the PUD receives approval for Broadband grants, we will proceed with the clearing of logs to make way for a fiber lay yard.
3. We will wait until summer and review cash reserves before moving forward with installing the concrete base and fencing around oil containment area.

2022 Information Technology Capital Costs

Description	Budget Amount
Network Switches for New Building	\$25,000
HR Software	\$60,000
Total IT Capital Costs	\$85,000

2022 Electric Fleet Capital Costs

Description	Budget Amount	Triggers
Electric Vehicle	\$41,000.00	1
Electric Vehicle Charging Station	\$6,500.00	2
Wire Reel Trailer	\$15,000.00 On order	3
Wire Reel Trailer	\$15,000.00 On order	3
Wire Reel Trailer	\$15,000.00 On order	3
Broadband Vehicle	\$50,000.00	4
Broadband Vehicle	\$50,000.00	4
Broadband Vehicle	\$50,000.00	4
Total Electric Fleet Capital Costs	\$242,500	

Triggers:

1. The cost of an electric vehicle is based on State Contract. We will review by April 2022 after 1st Quarter Revenues are in.
2. The electric charging station will be purchased if we move forward with the purchase of an electric vehicle.
3. The wire reel trailers were ordered in 2021 to be delivered in Spring 2022. This was due to the lead times of the manufacturer.
4. The Broadband Vehicles will be reviewed in April 2022 based on grant received and reserve levels.

2022 Water Fleet Capital Costs

Description	Budget Amount	Triggers
Vehicle--Sewer	<u>\$55,000</u>	1
Total Water Fleet Capital Costs	\$55,000	

Triggers:

1. We will review in April 2022 after 1st Quarter Revenues are in.

2022 Electric Tools

Description	Budget Amount	Triggers
Tools	<u>\$50,000</u>	1
Total Electric Tools & PPE Capital Costs	\$50,000	

Triggers:

1. Tool requests will be reviewed and approved by Management before purchases are made.

2022 Contracted Engineering Capital Costs

Description	Budget Amount	Triggers
Contracted Electric Engineering	\$25,000.00	1
Consolidation Study	\$67,500.00	1
Contract Water Engineering	<u>\$30,000.00</u>	1
Total Contracted Engineering Capital Costs	\$122,500	

Triggers:

1. Before contracting outside engineering, we will do as much as we can in-house. Use of outside contractors for engineering will be dependent on projects moving forward.

Change in Capital Projects
Cost Reductions from 9/6/2021 to 9/14/2021

	9/6/2021	9/14/2021	
Project Name	Presentation	Presentation	Change
Electric Work Plan	\$5,055,500	\$3,595,500	(\$1,460,000)
Water Work Plan	\$609,500	\$633,105	\$23,605
Broadband	\$675,000	\$2,104,050	\$1,429,050
Facilities Improvements	\$310,000	\$310,000	\$0
Warehouse & Yard Improvements	\$197,500	\$197,500	\$0
Information Technology	\$25,000	\$85,000	\$60,000
Electric Fleet	\$499,500	\$242,500	(\$257,000)
Water Fleet	\$55,000	\$55,000	\$0
Electric Tools and PPE	\$90,000	\$50,000	(\$40,000)
Contracted Engineering Costs	\$100,000	\$122,500	\$22,500
	\$7,617,000	\$7,395,155	(\$221,845)

Capital and Maintenance Projects

Item/Project	Cost	Payment Source
Materials Purchased for Electric	\$1,363,937	Cash Reserves
Broadband	\$12,500,000	Grants
Quilcene Water Tank	\$2,019,427	PWB Loan
Shine Plat LUD	\$480,468	DWSRF Loan and LUD Payments
Shine Plat LUD	\$90,000	Cash Reserves
Broadband	\$2,104,050	Cash Reserves
Contracted Engineering Costs	\$122,500	Cash Reserves
Electric Fleet	\$242,500	Cash Reserves
Electric Tools	\$50,000	Cash Reserves
Electric Work Plan	\$3,595,500	Cash Reserves
Facilities Improvements	\$310,000	Cash Reserves
Information Technology	\$85,000	Cash Reserves
Warehouse & Yard Improvements	\$197,500	Cash Reserves
Water Fleet	\$55,000	Cash Reserves
New Building Purchase	\$1,750,000	Cash Reserves
	<hr/>	
	\$24,965,882	
Loans	\$2,499,895	
Grants	\$12,500,000	
Cash Reserves	\$9,965,987	
	<hr/>	
	\$24,965,882	

2022 Cash Summary

Cash-Operating Depository	\$ 1,100,434
Cash-Jeff Co Treasurer General	127,433
Cash-Payroll Clearing-1st Security Payroll Clearing	12
Working Funds	2,150
Cash-1996 Bond LUD #6	27,027
Cash-1996 Bond LUD #8	8,697
Temp Invest JeffCo Treasurer Gen	2,840,689
Tax Revenue Fund	4,070,165
Tax Revenue Fund Investment	1,925,000
Operating Account - Jefferson Co. Treasurer	<u>\$ 1,891,964</u>
2021 Ending Unrestricted Cash	\$ 11,993,571
2022 Net Cash Outflow	<u>(5,606,655)</u>
2022 Ending Unrestricted Cash	\$ 6,386,916

Restricted Cash

Other Special Funds	\$ 250
Tri Area Bond Reserve	(10)
Tri Area Bond Investment	164,827
Capital Reserves	100,000
Cash-2009 Bond LUD #14	(1,786)
Cash-2008 Bond LUD #15	(21)
LUD #14 Bond Investment	1,059,162
LUD #15 Bond Investment	<u>313,006</u>
2021 Ending Restricted Cash	\$ 1,635,428

2022 Cash Summary
Change in Cash Position

	9/14/21	10/4/21	
	Presentation	Presentation	Change
Cash-Operating Depository	\$ 763,276	\$ 1,100,434	\$ 337,158
Cash-Jeff Co Treasurer General	127,433	\$ 127,433	\$ -
Cash-Payroll Clearing-1st Security Payroll Clearing	15	\$ 12	\$ (3)
Working Funds	2,000	\$ 2,150	\$ 150
Cash-1996 Bond LUD #6	27,027	\$ 27,027	\$ -
Cash-1996 Bond LUD #8	8,697	\$ 8,697	\$ -
Temp Invest JeffCo Treasurer Gen	2,840,689	\$ 2,840,689	\$ -
Tax Revenue Fund	4,068,720	\$ 4,070,165	\$ 1,445
Tax Revenue Fund Investment	1,925,000	\$ 1,925,000	\$ -
Operating Account - Jefferson Co. Treasurer	\$ 2,018,552	\$ 1,891,964	\$(126,588)
2021 Ending Unrestricted Cash	\$ 11,781,409	\$ 11,993,571	\$ 212,162
2022 Net Cash Outflow	(5,663,072)	(5,606,655)	56,417
2022 Ending Unrestricted Cash	\$ 6,118,337	\$ 6,386,916	\$ 268,579
Restricted Cash			
Other Special Funds	\$ 250	\$ 250	\$ -
Tri Area Bond Reserve	\$ (10)	\$ (10)	\$ -
Tri Area Bond Investment	\$ 164,827	\$ 164,827	\$ -
Capital Reserves	\$ 100,000	\$ 100,000	\$ -
Cash-2009 Bond LUD #14	\$ (2,486)	\$ (1,786)	\$ 700
Cash-2008 Bond LUD #15	\$ (21)	\$ (21)	\$ -
LUD #14 Bond Investment	\$ 1,059,162	\$ 1,059,162	\$ -
LUD #15 Bond Investment	\$ 313,006	\$ 313,006	\$ -
2022 Ending Restricted Cash	\$ 1,634,728	\$ 1,635,428	\$ 700

**Electric Utility
Budget Comparison
2021 to 2022**

	2021 Approved	2022 Proposed	Change
Operating Revenues	\$37,504,346	\$40,094,599	\$2,590,253
Operating Expenses			
Power Production Cost	\$0	\$0	\$0
Cost of Purchased Power	\$15,478,556	\$15,050,647	(\$427,909)
Transmission Expense	\$1,834,765	\$1,913,799	\$79,034
Distribution Expense--Operation	\$2,102,600	\$2,378,697	\$276,097
Distribution Expense--Maintenance	\$3,825,269	\$4,720,613	\$895,344
Customer Accounts Expense	\$1,549,956	\$2,004,285	\$454,329
Customer Service and Informational Expense	\$27,814	\$18,794	(\$9,020)
Administrative and General Expense	\$3,225,402	\$4,814,216	\$1,588,814
Depreciation & Amortization Expense	\$5,484,513	\$5,548,199	\$63,686
Tax Expense--Other	\$2,564,637	\$2,262,163	(\$302,474)
Interest on Long-Term Debt	\$2,598,440	\$2,720,820	\$122,380
Interest Expense--Other	\$0	\$0	\$0
Other Deductions	\$0	\$0	\$0
Total Operating Expenses	\$38,691,952	\$41,432,233	\$2,740,281
Net Operating Margins (Loss)	(\$1,187,606)	(\$1,337,634)	(\$150,028)
Non-Operating Margins (Loss)	\$2,783,688	\$2,113,072	(\$670,616)
Net Margins (Loss)	\$1,596,082	\$775,438	(\$820,644)
Cash Flow Budget			
Construction Projects	\$2,954,000	\$3,595,500	\$641,500
General Plant Purchases	\$3,076,000	\$3,111,550	\$35,550
Principal on Long Term Debt	\$3,479,853	\$3,474,557	(\$5,296)
Add Depreciation & Amortization (non-cash)	(\$5,484,513)	(\$5,548,199)	(\$63,686)
Principal & Interest Received on LUDs	\$0	\$0	\$0
Total Cash Expenditures/Cash Outflow	\$4,025,340	\$4,633,408	\$608,068
Net Cash Inflow/(Outflow)	(\$2,429,258)	(\$3,857,970)	(\$1,428,712)
Net TIER (Minimum of 1.25)	1.61	1.29	-0.33
Net DSC (Minimum of 1.25)	1.59	1.46	-0.13

**Electric Utility
Actuals to Budget
2021 to 2022**

	2021 Actuals	2022 Budget	Change
Operating Revenues	\$38,077,995	\$40,094,599	\$2,016,604
Operating Expenses			
Power Production Cost	\$0	\$0	\$0
Cost of Purchased Power	\$15,212,023	\$15,050,647	(\$161,376)
Transmission Expense	\$1,882,385	\$1,913,799	\$31,414
Distribution Expense--Operation	\$1,864,284	\$2,378,697	\$514,413
Distribution Expense--Maintenance	\$3,500,674	\$4,720,613	\$1,219,939
Customer Accounts Expense	\$1,573,345	\$2,004,285	\$430,940
Customer Service and Informational Expense	\$32,479	\$18,794	(\$13,685)
Administrative and General Expense	\$3,314,552	\$4,814,216	\$1,499,664
Depreciation & Amortization Expense	\$5,636,509	\$5,548,199	(\$88,310)
Tax Expense--Other	\$2,441,807	\$2,262,163	(\$179,644)
Interest on Long-Term Debt	\$2,588,853	\$2,720,820	\$131,967
Interest Expense--Other	\$0	\$0	\$0
Other Deductions	\$39	\$0	(\$39)
Total Operating Expenses	\$38,046,950	\$41,432,233	\$3,385,283
Net Operating Margins (Loss)	\$31,045	(\$1,337,634)	(\$1,368,679)
Non-Operating Margins (Loss)	\$2,409,731	\$2,113,072	(\$296,659)
Net Margins (Loss)	\$2,440,776	\$775,438	(\$1,665,338)

2021 Actuals are actual expenses recorded January through July and budgeted numbers for August through December.

**Water Utility
Budget Comparison
2021 to 2022**

	2021	2022	Change
	Approved	Proposed	
Operating Revenues	\$2,678,048	\$2,757,235	\$79,187
Operating Expenses			
Power Production Cost	\$650	\$0	(\$650)
Cost of Purchased Power	\$200,000	\$135,041	(\$64,959)
Transmission Expense	\$0	\$0	\$0
Distribution Expense--Operation	\$1,096,882	\$958,532	(\$138,350)
Distribution Expense--Maintenance	\$551,081	\$612,774	\$61,693
Customer Accounts Expense	\$226,811	\$353,744	\$126,933
Customer Service and Informational Expense	\$0	\$0	\$0
Administrative and General Expense	\$1,106,256	\$1,445,822	\$339,566
Depreciation & Amortization Expense	\$414,779	\$428,634	\$13,855
Tax Expense--Other	\$111,413	\$133,811	\$22,398
Interest on Long-Term Debt	\$226,987	\$235,079	\$8,092
Interest Expense--Other	\$0	\$0	\$0
Other Deductions	\$0	\$0	\$0
Total Operating Expenses	\$3,934,859	\$4,303,437	\$368,578
Net Operating Margins (Loss)	(\$1,256,811)	(\$1,546,202)	(\$289,391)
Non-Operating Margins (Loss)	\$855,826	\$247,535	(\$608,291)
Net Margins (Loss)	(\$400,985)	(\$1,298,667)	(\$897,682)
Cash Flow Budget			
Construction Projects	\$609,500	\$633,105	\$23,605
General Plant Purchases	\$55,000	\$55,000	\$0
Principal on Long Term Debt	\$554,505	\$633,513	\$79,008
Add Depreciation & Amortization (non-cash)	(\$414,779)	(\$428,634)	(\$13,855)
Principal & Interest Received on LUDs	(\$442,966)	(\$442,966)	\$0
Total Cash Expenditures/Cash Outflow	\$361,260	\$450,018	\$88,758
Net Cash Inflow/(Outflow)	(\$762,245)	(\$1,748,685)	(\$986,440)

Water Utility
Actuals to Budget
2021 to 2022

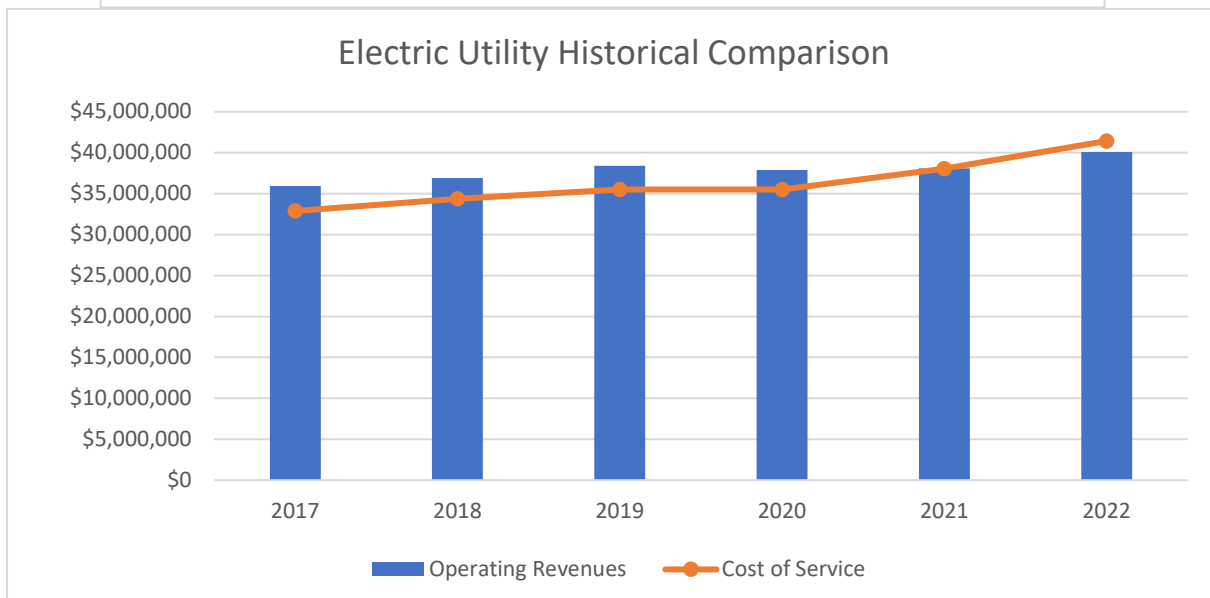
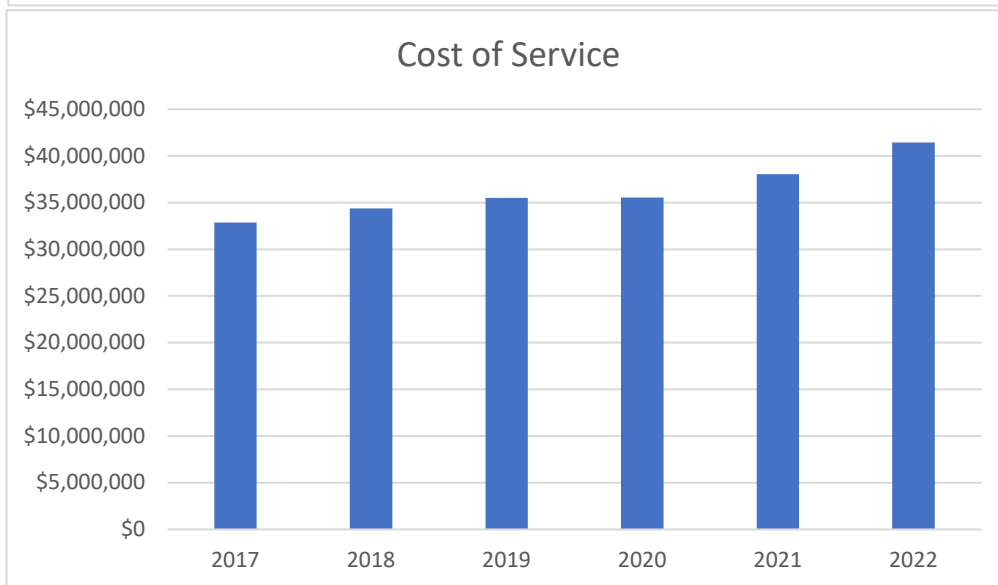
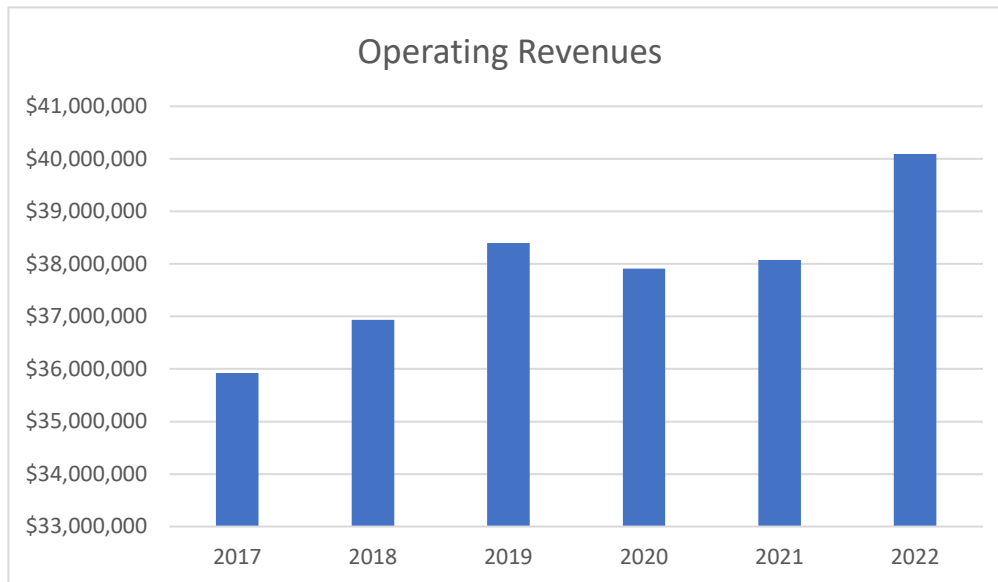
	2021	2022	
	Actuals	Budget	Change
Operating Revenues	\$2,805,070	\$2,757,235	(\$47,835)
Operating Expenses			
Power Production Cost	\$1,492	\$0	(\$1,492)
Cost of Purchased Power	\$156,713	\$135,041	(\$21,672)
Transmission Expense	\$0	\$0	\$0
Distribution Expense--Operation	\$823,389	\$958,532	\$135,143
Distribution Expense--Maintenance	\$357,276	\$612,774	\$255,498
Customer Accounts Expense	\$246,660	\$353,744	\$107,084
Customer Service and Informational Expense	\$0	\$0	\$0
Administrative and General Expense	\$1,085,051	\$1,445,822	\$360,771
Depreciation & Amortization Expense	\$758,358	\$428,634	(\$329,724)
Tax Expense--Other	\$129,948	\$133,811	\$3,863
Interest on Long-Term Debt	\$223,689	\$235,079	\$11,390
Interest Expense--Other	\$0	\$0	\$0
Other Deductions	\$0	\$0	\$0
Total Operating Expenses	\$3,782,576	\$4,303,437	\$520,861
Net Operating Margins (Loss)	(\$977,506)	(\$1,546,202)	(\$568,696)
Non-Operating Margins (Loss)	\$837,788	\$247,535	(\$590,253)
Net Margins (Loss)	(\$139,718)	(\$1,298,667)	(\$1,158,949)

2021 Actuals are actual expenses recorded January through July and budgeted numbers for August through December.

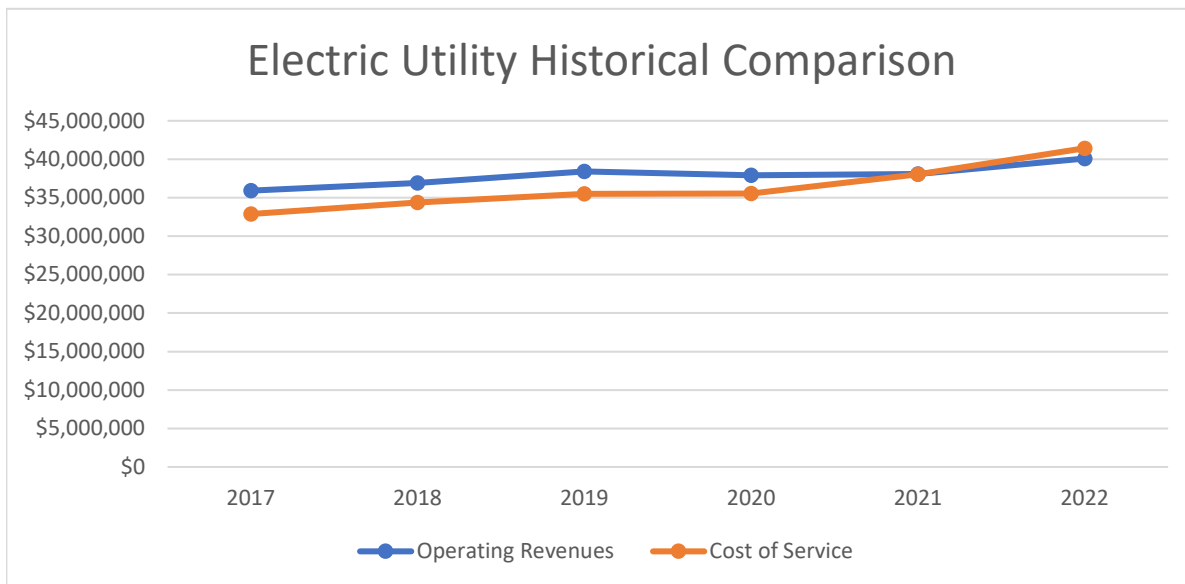
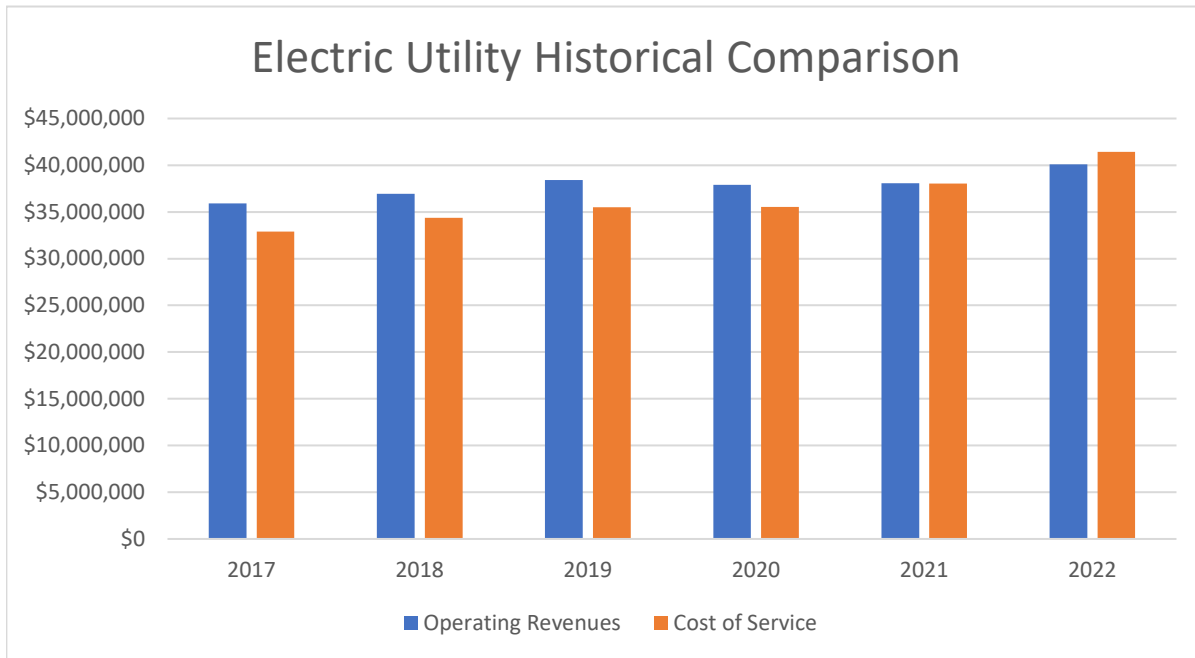
**Capital Budget Comparison
2021 to 2022**

Project Name	2021 Budget	2022 Budget	Variance
Electric Work Plan	\$2,954,000	\$3,595,500	\$641,500
Water Work Plan	\$609,500	\$633,105	\$23,605
Broadband	\$675,000	\$2,104,050	\$1,429,050
Facilities Improvements	\$1,600,000	\$310,000	(\$1,290,000)
Warehouse & Yard Improvements	\$131,000	\$197,500	\$66,500
Information Technology	\$25,000	\$85,000	\$60,000
Electric Fleet	\$400,000	\$242,500	(\$157,500)
Water Fleet	\$55,000	\$55,000	\$0
Electric Tools and PPE	\$90,000	\$50,000	(\$40,000)
Contracted Engineering Costs	\$155,000	\$122,500	(\$32,500)
	\$6,694,500	\$7,395,155	\$700,655

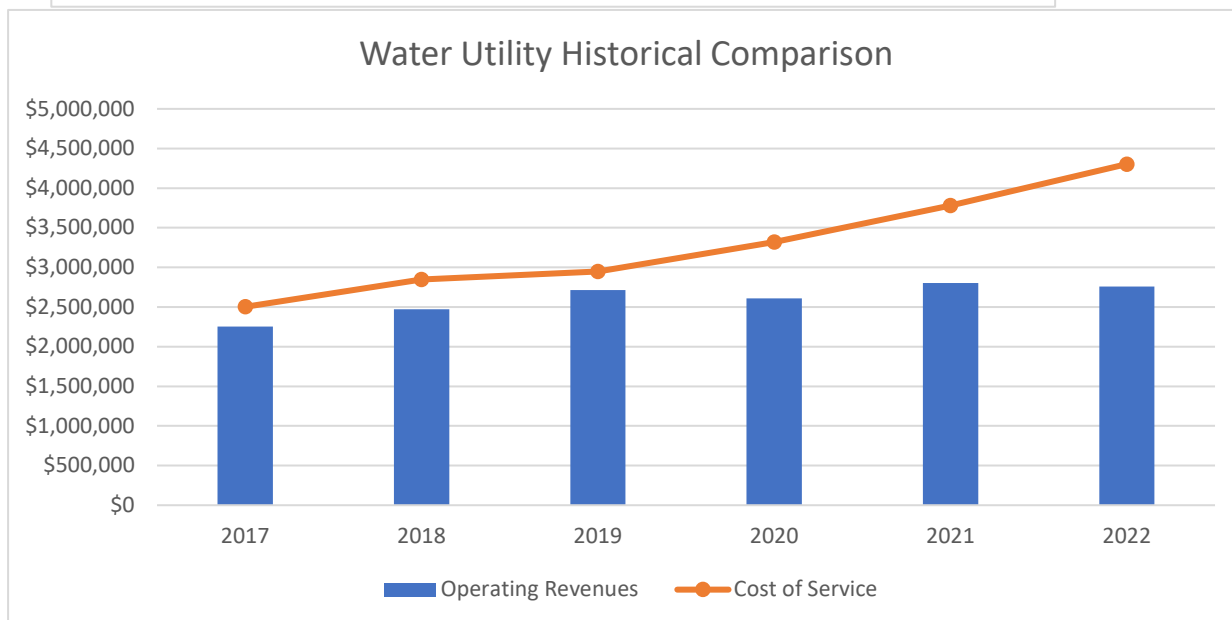
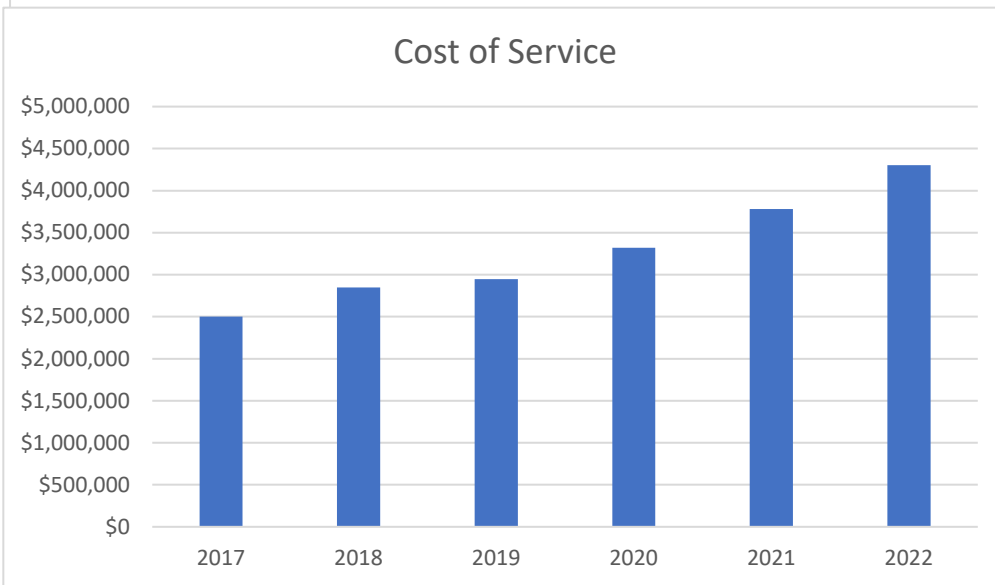
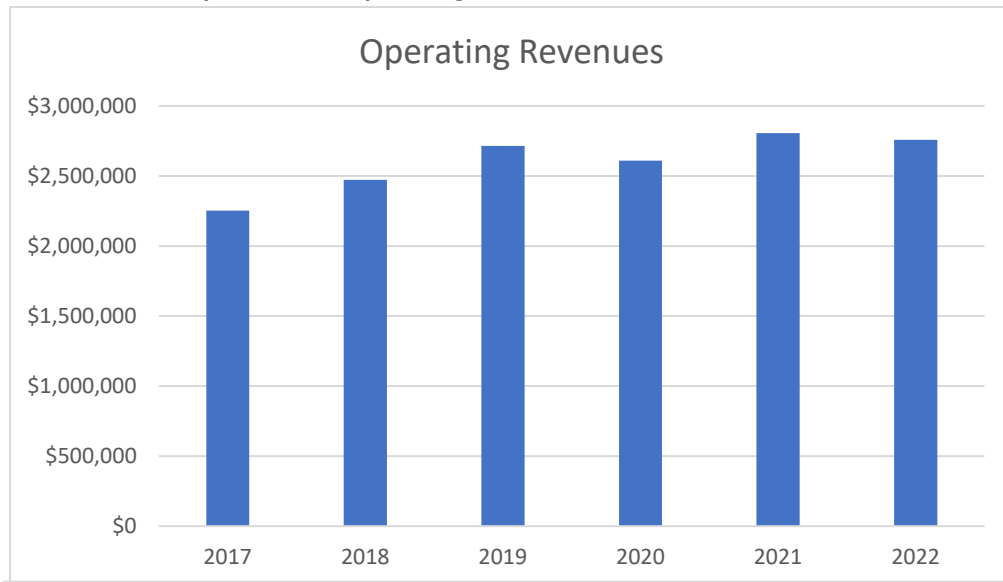
Electric Utility Historical Operating Revenues and Total Cost of Service



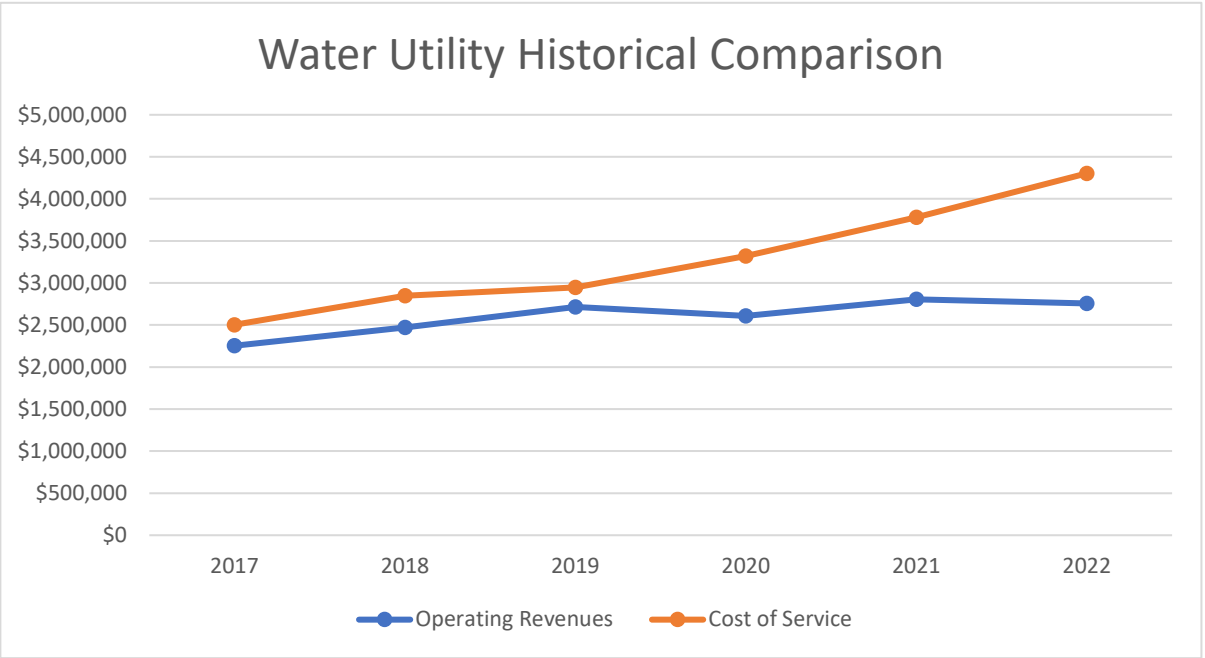
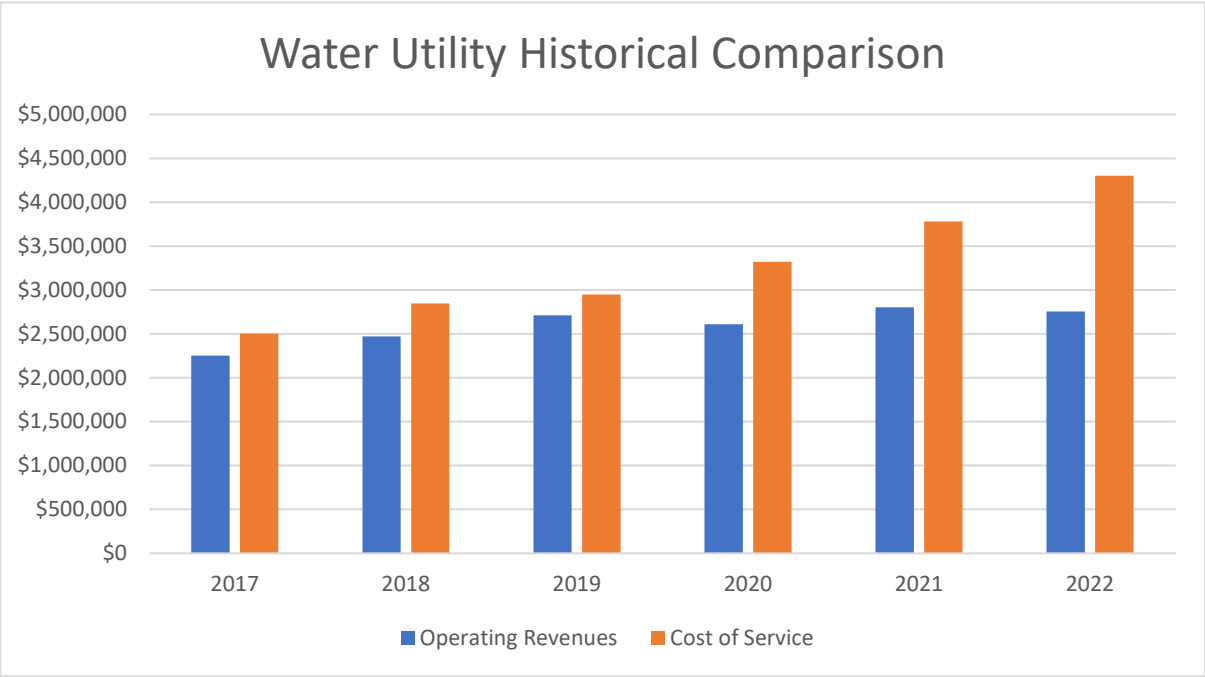
Electric Utility Historical Operating Revenues and Total Cost of Service



Water Utility Historical Operating Revenues and Total Cost of Service



Water Utility Historical Operating Revenues and Total Cost of Service



INCOME STATEMENT

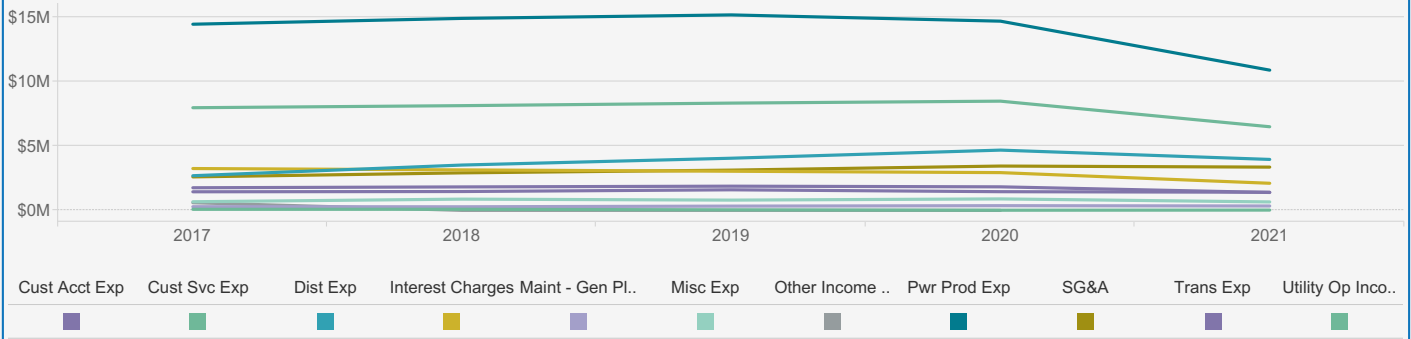
Operating Expenses

Select color legend below to view the expense type and associated yearly and monthly trends in detail. Select a year in the annual expense trend to filter on a specific year.

Utility
All

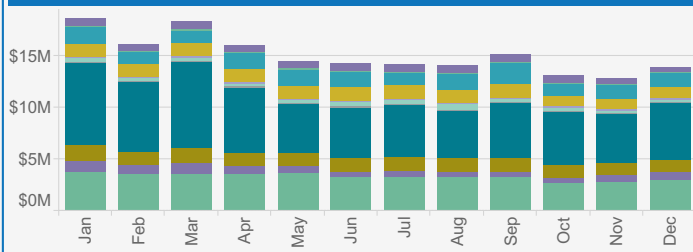
Years to View Annually
2017 to 2021
and Null values

Annual Operating Expenses Trend

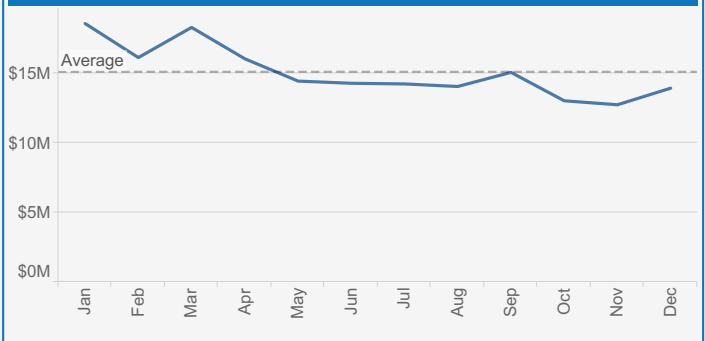


Select Expense View
Expense Type

Expense Breakdown by Expense Type & Selected Year(s)



Monthly Expense Trend for Selected Year(s)





INCOME STATEMENT

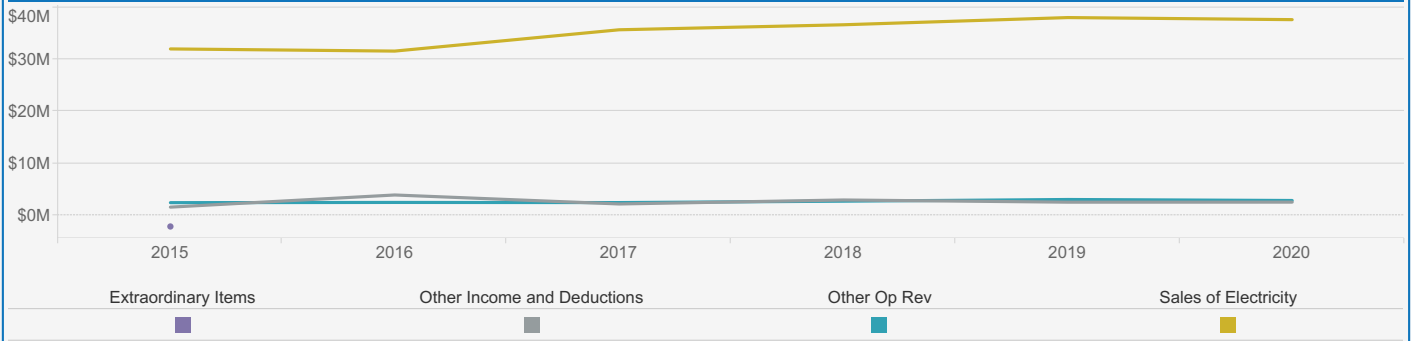
Revenues

Utility
All

Years to View Annually
2015 to 2020
and Null values

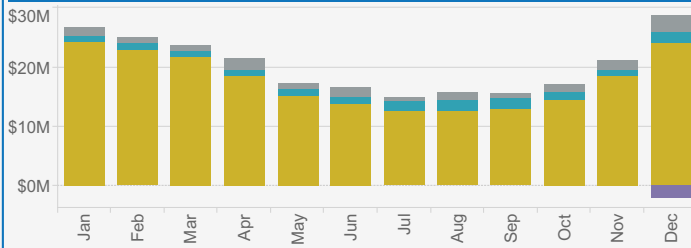
Select color legend below to view the revenue type and associated yearly and monthly trends in detail. Select a year on the annual revenue trend to view data for a specific year.

Annual Revenue Trend

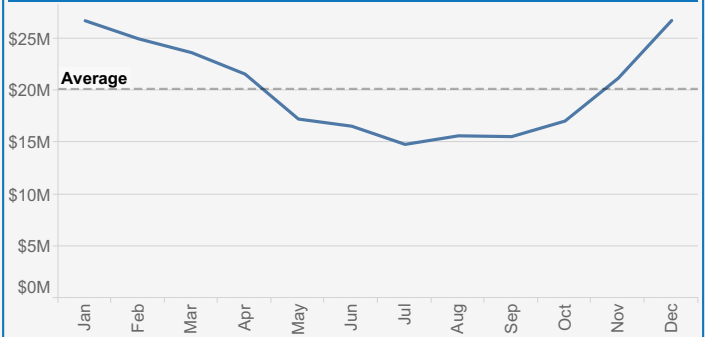


Select Revenue View
Revenue Type

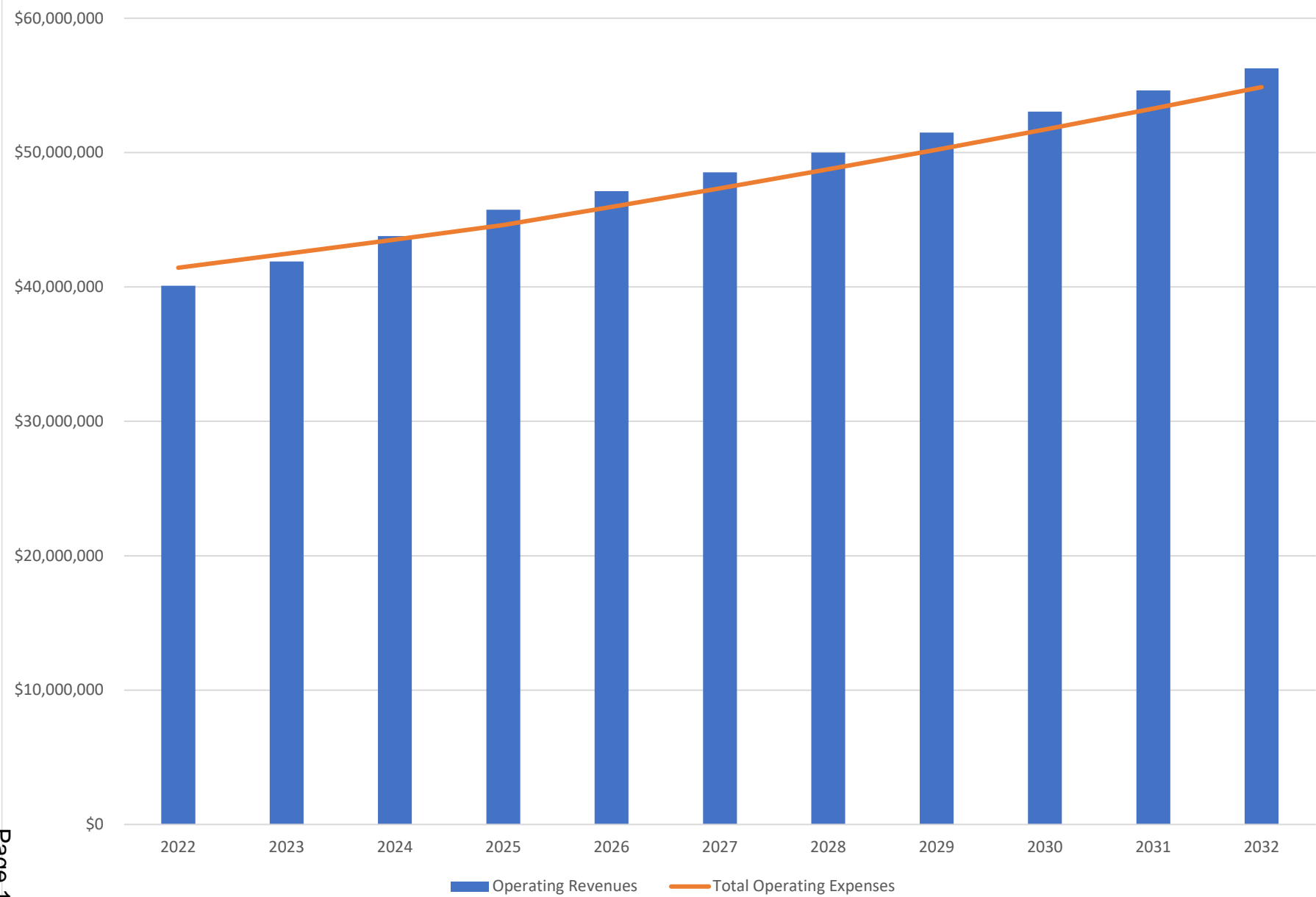
Revenue Breakdown by Revenue Type & Selected Year(s)



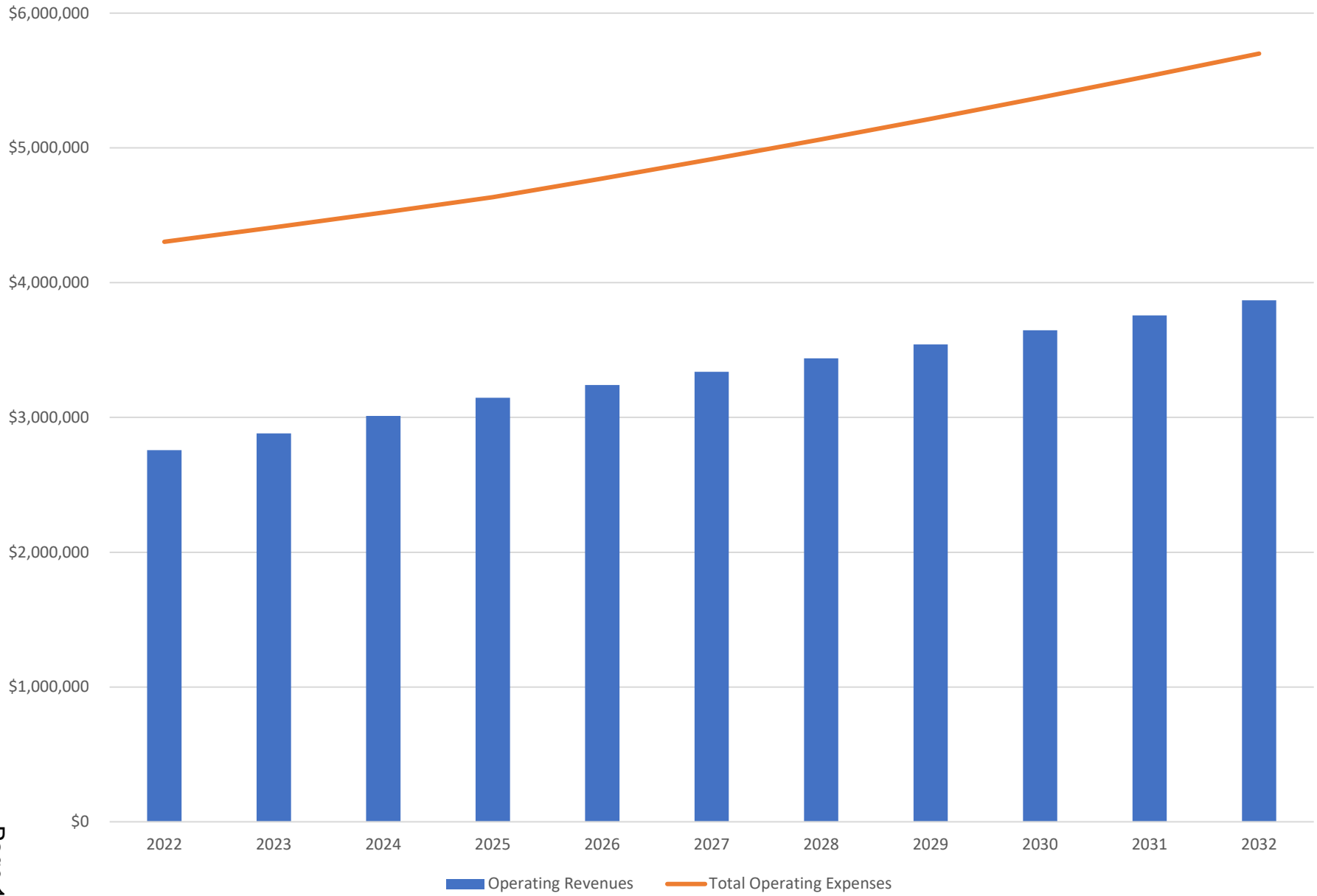
Monthly Revenue Trend for Selected Year(s)



Electric Utility Budget Forecast



Water Utility Budget Forecast



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 <div style="text-align: right;">WA0060</div>
	PERIOD ENDED December, 2017 (Prepared with Audited Data)
INSTRUCTIONS - See help in the online application.	BORROWER NAME <div style="text-align: right;">Public Utility District No. 1 of Jefferson Cou</div>

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.

Larry Dunbar

11/30/2018
DATE

PART A. STATEMENT OF OPERATIONS				
ITEM	YEAR-TO-DATE			THIS MONTH
	LAST YEAR (a)	THIS YEAR (b)	BUDGET (c)	
1. Operating Revenue and Patronage Capital	31,983,081	35,921,744	34,163,505	3,607,990
2. Power Production Expense				
3. Cost of Purchased Power	13,368,925	14,480,267	14,032,759	1,476,907
4. Transmission Expense	1,842,693	1,760,778	1,910,034	212,947
5. Regional Market Expense				
6. Distribution Expense - Operation	764,557	800,596	986,669	63,051
7. Distribution Expense - Maintenance	2,677,944	1,895,916	2,674,162	217,880
8. Customer Accounts Expense	1,254,835	1,296,389	1,248,986	116,945
9. Customer Service and Informational Expense	58,855	82,821	133,002	6,159
10. Sales Expense				
11. Administrative and General Expense	1,841,059	2,270,419	1,939,345	177,008
12. Total Operation & Maintenance Expense (2 thru 11)	21,808,868	22,587,186	22,924,957	2,270,897
13. Depreciation and Amortization Expense	4,966,859	5,083,334	4,666,900	431,411
14. Tax Expense - Property & Gross Receipts				
15. Tax Expense - Other	1,893,389	2,078,854	1,918,186	211,934
16. Interest on Long-Term Debt	3,067,982	2,950,225	2,950,620	246,089
17. Interest Charged to Construction - Credit				
18. Interest Expense - Other	168	0	0	0
19. Other Deductions	415	182,664	500,000	(101)
20. Total Cost of Electric Service (12 thru 19)	31,737,681	32,882,263	32,960,663	3,160,230
21. Patronage Capital & Operating Margins (1 minus 20)	245,400	3,039,481	1,202,842	447,760
22. Non Operating Margins - Interest	39,022	61,989	25,944	(21,352)
23. Allowance for Funds Used During Construction				
24. Income (Loss) from Equity Investments				
25. Non Operating Margins - Other	1,558,821	1,427,607	345,300	88,008
26. Generation and Transmission Capital Credits				
27. Other Capital Credits and Patronage Dividends	9,350	16,611	0	0
28. Extraordinary Items				
29. Patronage Capital or Margins (21 thru 28)	1,852,593	4,545,688	1,574,086	514,416

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 , 2017		
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	319	338	5. Miles Transmission	34.00	34.00
2. Services Retired	153	15	6. Miles Distribution – Overhead	379.40	373.00
3. Total Services in Place	21,906	22,230	7. Miles Distribution - Underground	340.80	392.00
4. Idle Services (Exclude Seasonals)	2,431	2,535	8. Total Miles Energized (5 + 6 + 7)	754.20	799.00
PART C. BALANCE SHEET					
ASSETS AND OTHER DEBITS			LIABILITIES AND OTHER CREDITS		
1. Total Utility Plant in Service	162,330,487		30. Memberships	0	
2. Construction Work in Progress	3,110,668		31. Patronage Capital	0	
3. Total Utility Plant (1 + 2)	165,441,155		32. Operating Margins - Prior Years	0	
4. Accum. Provision for Depreciation and Amort.	52,821,375		33. Operating Margins - Current Year	3,039,481	
5. Net Utility Plant (3 - 4)	112,619,780		34. Non-Operating Margins	0	
6. Non-Utility Property (Net)	2,220		35. Other Margins and Equities	10,107,347	
7. Investments in Subsidiary Companies	0		36. Total Margins & Equities (30 thru 35)	13,146,828	
8. Invest. in Assoc. Org. - Patronage Capital	0		37. Long-Term Debt - RUS (Net)	103,156,924	
9. Invest. in Assoc. Org. - Other - General Funds	22,905		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	1,125,120		42. Payments – Unapplied	0	
14. Total Other Property & Investments (6 thru 13)	1,150,245		43. Total Long-Term Debt (37 thru 41 - 42)	103,156,924	
15. Cash - General Funds	3,953,526		44. Obligations Under Capital Leases - Noncurrent	0	
16. Cash - Construction Funds - Trustee	0		45. Accumulated Operating Provisions and Asset Retirement Obligations	2,444,269	
17. Special Deposits	0		46. Total Other Noncurrent Liabilities (44 + 45)	2,444,269	
18. Temporary Investments	5,866,876		47. Notes Payable	0	
19. Notes Receivable (Net)	0		48. Accounts Payable	7,243,067	
20. Accounts Receivable - Sales of Energy (Net)	2,884,073		49. Consumers Deposits	120,300	
21. Accounts Receivable - Other (Net)	305,385				
22. Renewable Energy Credits	0		50. Current Maturities Long-Term Debt	3,157,439	
23. Materials and Supplies - Electric & Other	1,764,553		51. Current Maturities Long-Term Debt - Economic Development	0	
24. Prepayments	130,457		52. Current Maturities Capital Leases	0	
25. Other Current and Accrued Assets	2,010,853		53. Other Current and Accrued Liabilities	1,519,325	
26. Total Current and Accrued Assets (15 thru 25)	16,915,723		54. Total Current & Accrued Liabilities (47 thru 53)	12,040,131	
27. Regulatory Assets	0		55. Regulatory Liabilities	0	
28. Other Deferred Debits	519,183		56. Other Deferred Credits	416,779	
29. Total Assets and Other Debits (5+14+26 thru 28)	131,204,931		57. Total Liabilities and Other Credits (36 + 43 + 46 + 54 thru 56)	131,204,931	

<div>UNITED STATES DEPARTMENT OF AGRICULTURE</div> <div>RURAL UTILITIES SERVICE</div> <div>FINANCIAL AND OPERATING REPORT</div> <div>ELECTRIC DISTRIBUTION</div>	<div>BORROWER DESIGNATION</div> <div>WA0060</div>
<div>INSTRUCTIONS - See help in the online application.</div>	<div>PERIOD ENDED</div> <div>December, 2017</div>
<div>PART D. NOTES TO FINANCIAL STATEMENTS</div>	

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, 2017
PART D. CERTIFICATION LOAN DEFAULT NOTES	

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE			BORROWER DESIGNATION WA0060				
FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION			PERIOD ENDED December, 2017				
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	80,849,968	5,824,108	833,252	0	85,840,824		
2. General Plant	1,706,381	336,752	2,950	0	2,040,183		
3. Headquarters Plant	1,380,146	142,757		0	1,522,903		
4. Intangibles	12,220	1,565		0	13,785		
5. Transmission Plant	10,337,696	53,371			10,391,067		
6. Regional Transmission and Market Operation Plant	0				0		
7. All Other Utility Plant	62,769,736			(248,011)	62,521,725		
8. Total Utility Plant in Service (1 thru 7)	157,056,147	6,358,553	836,202	(248,011)	162,330,487		
9. Construction Work in Progress	4,978,243	(1,867,575)			3,110,668		
10. Total Utility Plant (8 + 9)	162,034,390	4,490,978	836,202	(248,011)	165,441,155		
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	1,517,311	1,259,903	29,063	997,648		(44,076)	1,764,553
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	173.100	6.400	439.000	618.500		
2. Five-Year Average	1.639	60.786	5.002	256.036	323.463		
PART H. EMPLOYEE-HOUR AND PAYROLL STATISTICS							
1. Number of Full Time Employees	44	4. Payroll - Expensed				2,399,102	
2. Employee - Hours Worked - Regular Time	82,044	5. Payroll - Capitalized				723,095	
3. Employee - Hours Worked - Overtime	6,603	6. Payroll - Other				724,997	
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	\$	128,158	2. Amount Written Off During Year	\$	57,697		
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, 2017				
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			397,192,850	14,480,267	3.65		
	Total				397,192,850	14,480,267	3.65		

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, 2017	
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, 2017	
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		BORROWER DESIGNATION WA0060	
FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION		PERIOD ENDED December, 2017	
INSTRUCTIONS - See help in the online application.			
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? N/A
5. Number of Members Voting by Proxy or Mail	6. Total Number of Board Members 3	7. Total Amount of Fees and Expenses for Board Members \$ 165,813	8. Does Manager Have Written Contract? N

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, 2017		
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)	103,156,924	2,950,225	3,157,439	6,107,664
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	103,156,924	2,950,225	3,157,439	6,107,664

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE		BORROWER DESIGNATION WA0060		
FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION		PERIOD ENDED December, 2017		
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	17,202	17,081	
	b. kWh Sold			214,121,366
	c. Revenue			23,013,211
2. Residential Sales - Seasonal	a. No. Consumers Served			
	b. kWh Sold			
	c. Revenue			
3. Irrigation Sales	a. No. Consumers Served	0	1	
	b. kWh Sold			48,991
	c. Revenue			3,534
4. Comm. and Ind. 1000 KVA or Less	a. No. Consumers Served	2,247	2,233	
	b. kWh Sold			68,652,867
	c. Revenue			6,951,697
5. Comm. and Ind. Over 1000 KVA	a. No. Consumers Served	18	18	
	b. kWh Sold			99,921,282
	c. Revenue			5,539,544
6. Public Street & Highway Lighting	a. No. Consumers Served	214	212	
	b. kWh Sold			546,849
	c. Revenue			171,393
7. Other Sales to Public Authorities	a. No. Consumers Served			
	b. kWh Sold			
	c. Revenue			
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)		19,681	19,545	
11. Total kWh Sold (lines 1b thru 9b)				383,291,355
12. Total Revenue Received From Sales of Electric Energy (lines 1c thru 9c)				35,679,379
13. Transmission Revenue				
14. Other Electric Revenue				242,365
15. kWh - Own Use				
16. Total kWh Purchased				397,192,850
17. Total kWh Generated				
18. Cost of Purchases and Generation				16,241,045
19. Interchange - kWh - Net				
20. Peak - Sum All kW Input (Metered) Non-coincident ___ Coincident <u>X</u>				102,920

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, 2017		
PART P. ENERGY EFFICIENCY PROGRAMS						
CLASSIFICATION	ADDED THIS YEAR			TOTAL TO DATE		
	No. of Consumers (a)	Amount Invested (b)	Estimated MMBTU Savings (c)	No. of Consumers (d)	Amount Invested (e)	Estimated MMBTU Savings (f)
1. Residential Sales (excluding seasonal)	1,503	235,733	1,703	9,083	944,996	11,820
2. Residential Sales - Seasonal						
3. Irrigation Sales						
4. Comm. and Ind. 1000 KVA or Less	27	46,649	881	39	98,469	1,885
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	1,530	282,382	2,584	9,124	1,465,243	20,061

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, 2017
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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				
	Investment in Associated Organizations	22,905			
	Totals	22,905			
5	Special Funds				
	RUS Bond Fund Investment Account		1,092,705		X
	Other Special Funds	32,415			
	Totals	32,415	1,092,705		
6	Cash - General				
	Cash--General		3,953,526		
	Totals		3,953,526		
8	Temporary Investments				
	Temporary Investments		5,866,876		
	Totals		5,866,876		
9	Accounts and Notes Receivable - NET				
	Accounts & Notes Receivables--Net	305,385			
	Totals	305,385			
11	TOTAL INVESTMENTS (1 thru 10)	362,925	10,913,107		

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE		BORROWER DESIGNATION WA0060			
FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION INVESTMENTS, LOAN GUARANTEES AND LOANS		PERIOD ENDED December, 2017			
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			BORROWER DESIGNATION WA0060		
FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION INVESTMENTS, LOAN GUARANTEES AND LOANS			PERIOD ENDED December, 2017		
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]					0.22 %
SECTION IV. LOANS					
No	ORGANIZATION (a)	MATURITY DATE (b)	ORIGINAL AMOUNT (\$) (c)	LOAN BALANCE (\$) (d)	RURAL DEVELOPMENT (e)
1	Employees, Officers, Directors				
2	Energy Resources Conservation Loans				
	TOTAL				

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, 2018 (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

3/27/2019

DATE

PART A. STATEMENT OF OPERATIONS

ITEM	YEAR-TO-DATE			THIS MONTH
	LAST YEAR (a)	THIS YEAR (b)	BUDGET (c)	
1. Operating Revenue and Patronage Capital	35,921,744	36,934,122	35,554,559	3,799,192
2. Power Production Expense		0	0	0
3. Cost of Purchased Power	14,480,267	14,933,122	15,290,490	1,460,895
4. Transmission Expense	1,760,778	1,825,877	1,576,117	231,327
5. Regional Market Expense				
6. Distribution Expense - Operation	800,596	1,114,352	1,083,503	107,786
7. Distribution Expense - Maintenance	1,895,916	2,412,616	2,216,669	419,315
8. Customer Accounts Expense	1,296,389	1,320,922	1,242,202	70,031
9. Customer Service and Informational Expense	82,821	83,750	145,609	157
10. Sales Expense				
11. Administrative and General Expense	2,270,419	2,500,497	2,375,083	193,414
12. Total Operation & Maintenance Expense (2 thru 11)	22,587,186	24,191,136	23,929,673	2,482,925
13. Depreciation and Amortization Expense	5,083,334	5,202,894	4,919,728	436,350
14. Tax Expense - Property & Gross Receipts				
15. Tax Expense - Other	2,078,854	2,112,640	2,097,711	217,404
16. Interest on Long-Term Debt	2,950,225	2,856,256	2,856,970	235,866
17. Interest Charged to Construction - Credit				
18. Interest Expense - Other	0	1,352	0	0
19. Other Deductions	182,664	256	0	0
20. Total Cost of Electric Service (12 thru 19)	32,882,263	34,364,534	33,804,082	3,372,545
21. Patronage Capital & Operating Margins (1 minus 20)	3,039,481	2,569,588	1,750,477	426,647
22. Non Operating Margins - Interest	61,989	132,504	56,784	13,955
23. Allowance for Funds Used During Construction				
24. Income (Loss) from Equity Investments				
25. Non Operating Margins - Other	1,427,607	2,471,940	801,552	520,263
26. Generation and Transmission Capital Credits				
27. Other Capital Credits and Patronage Dividends	16,611	17,112		
28. Extraordinary Items				
29. Patronage Capital or Margins (21 thru 28)	4,545,688	5,191,144	2,608,813	960,865

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 , 2018		
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	338	264	5. Miles Transmission	34.00	34.00
2. Services Retired	15	9	6. Miles Distribution – Overhead	373.00	373.00
3. Total Services in Place	22,230	22,453	7. Miles Distribution - Underground	392.00	392.00
4. Idle Services (Exclude Seasonals)	2,535	2,568	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		164,092,851	30. Memberships		0
2. Construction Work in Progress		7,564,285	31. Patronage Capital		0
3. Total Utility Plant (1 + 2)		171,657,136	32. Operating Margins - Prior Years		0
4. Accum. Provision for Depreciation and Amort.		57,835,291	33. Operating Margins - Current Year		3,131,390
5. Net Utility Plant (3 - 4)		113,821,845	34. Non-Operating Margins		2,059,752
6. Non-Utility Property (Net)		2,220	35. Other Margins and Equities		16,414,702
7. Investments in Subsidiary Companies		0	36. Total Margins & Equities (30 thru 35)		21,605,844
8. Invest. in Assoc. Org. - Patronage Capital		0	37. Long-Term Debt - RUS (Net)		99,002,366
9. Invest. in Assoc. Org. - Other - General Funds		37,337	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		1,162,188	42. Payments – Unapplied		0
14. Total Other Property & Investments (6 thru 13)		1,201,745	43. Total Long-Term Debt (37 thru 41 - 42)		99,002,366
15. Cash - General Funds		4,393,457	44. Obligations Under Capital Leases - Noncurrent		0
16. Cash - Construction Funds - Trustee		0	45. Accumulated Operating Provisions and Asset Retirement Obligations		1,995,984
17. Special Deposits		0	46. Total Other Noncurrent Liabilities (44 + 45)		1,995,984
18. Temporary Investments		5,866,876	47. Notes Payable		0
19. Notes Receivable (Net)		0	48. Accounts Payable		4,905,839
20. Accounts Receivable - Sales of Energy (Net)		2,617,461	49. Consumers Deposits		131,200
21. Accounts Receivable - Other (Net)		1,284,935			
22. Renewable Energy Credits		0	50. Current Maturities Long-Term Debt		4,064,888
23. Materials and Supplies - Electric & Other		2,107,663	51. Current Maturities Long-Term Debt - Economic Development		0
24. Prepayments		95,844	52. Current Maturities Capital Leases		0
25. Other Current and Accrued Assets		2,006,115	53. Other Current and Accrued Liabilities		1,631,468
26. Total Current and Accrued Assets (15 thru 25)		18,372,351	54. Total Current & Accrued Liabilities (47 thru 53)		10,733,395
27. Regulatory Assets		0	55. Regulatory Liabilities		0
28. Other Deferred Debits		362,769	56. Other Deferred Credits		421,121
29. Total Assets and Other Debits (5+14+26 thru 28)		133,758,710	57. Total Liabilities and Other Credits (36 + 43 + 46 + 54 thru 56)		133,758,710

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, 2018
PART D. NOTES TO FINANCIAL STATEMENTS	

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, 2018
PART D. CERTIFICATION LOAN DEFAULT NOTES	

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE			BORROWER DESIGNATION WA0060				
FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION			PERIOD ENDED December, 2018				
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	85,840,824	1,626,063	160,140		87,306,747		
2. General Plant	2,040,183	252,777	35,585		2,257,375		
3. Headquarters Plant	1,522,903	120,610			1,643,513		
4. Intangibles	13,785	1,284			15,069		
5. Transmission Plant	10,391,067	1,971	44,616		10,348,422		
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)	162,330,487	2,002,705	240,341		164,092,851		
9. Construction Work in Progress	3,110,668	4,453,617			7,564,285		
10. Total Utility Plant (8 + 9)	165,441,155	6,456,322	240,341		171,657,136		
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	1,764,553	1,577,358	5,579	1,181,389	0	(58,438)	2,107,663
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	5.400	357.800	363.200		
2. Five-Year Average	.061	60.786	6.058	314.798	381.703		
PART H. EMPLOYEE-HOUR AND PAYROLL STATISTICS							
1. Number of Full Time Employees	44	4. Payroll - Expensed	3,076,195				
2. Employee - Hours Worked - Regular Time	99,752	5. Payroll - Capitalized	1,239,097				
3. Employee - Hours Worked - Overtime	8,233	6. Payroll - Other	388,397				
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	\$	35,040	2. Amount Written Off During Year	\$	103,340		
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, 2018				
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			387,589,652	14,933,122	3.85		
	Total				387,589,652	14,933,122	3.85		

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, 2018	
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, 2018	
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		BORROWER DESIGNATION WA0060	
FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION		PERIOD ENDED December , 2018	
INSTRUCTIONS - See help in the online application.			
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? N/A
5. Number of Members Voting by Proxy or Mail	6. Total Number of Board Members 3	7. Total Amount of Fees and Expenses for Board Members \$ 142,691	8. Does Manager Have Written Contract? N

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, 2018		
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)	99,002,366	3,564,119	4,064,888	7,629,007
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	99,002,366	3,564,119	4,064,888	7,629,007

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE		BORROWER DESIGNATION WA0060		
FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION		PERIOD ENDED December, 2018		
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	17,381	17,293	
	b. kWh Sold			207,265,556
	c. Revenue			23,279,947
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			48,991
	c. Revenue			2,990
4. Comm. and Ind. 1000 KVA or Less	a. No. Consumers Served	2,282	2,265	
	b. kWh Sold			68,652,867
	c. Revenue			7,242,767
5. Comm. and Ind. Over 1000 KVA	a. No. Consumers Served	21	20	
	b. kWh Sold			99,921,282
	c. Revenue			5,915,565
6. Public Street & Highway Lighting	a. No. Consumers Served	200	210	
	b. kWh Sold			546,849
	c. Revenue			199,739
7. Other Sales to Public Authorities	a. No. Consumers Served			
	b. kWh Sold			
	c. Revenue			
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)		19,885	19,789	
11. Total kWh Sold (lines 1b thru 9b)				376,435,545
12. Total Revenue Received From Sales of Electric Energy (lines 1c thru 9c)				36,641,008
13. Transmission Revenue				
14. Other Electric Revenue				293,114
15. kWh - Own Use				
16. Total kWh Purchased				387,589,652
17. Total kWh Generated				
18. Cost of Purchases and Generation				16,758,999
19. Interchange - kWh - Net				
20. Peak - Sum All kW Input (Metered) Non-coincident <input checked="" type="checkbox"/> Coincident <input type="checkbox"/>				95,563

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, 2018		
PART P. ENERGY EFFICIENCY PROGRAMS						
CLASSIFICATION	ADDED THIS YEAR			TOTAL TO DATE		
	No. of Consumers (a)	Amount Invested (b)	Estimated MMBTU Savings (c)	No. of Consumers (d)	Amount Invested (e)	Estimated MMBTU Savings (f)
1. Residential Sales (excluding seasonal)	3,102	501,052	4,034	12,188	1,446,048	15,854
2. Residential Sales - Seasonal						
3. Irrigation Sales						
4. Comm. and Ind. 1000 KVA or Less	3	33,015	1,081	42	131,484	2,966
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	3,105	534,067	5,115	12,232	1,999,310	25,176

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, 2018
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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	37,337			
	Totals	37,337			
5	Special Funds				
	RUS Bond Fund Investment Account		1,113,089		X
	Other Special Funds	49,100			
	Totals	49,100	1,113,089		
6	Cash - General				
	Cash--General		4,393,457		
	Totals		4,393,457		
8	Temporary Investments				
	Temporary Investments		5,866,876		
	Totals		5,866,876		
9	Accounts and Notes Receivable - NET				
	Accounts & Notes Receivables--Net	1,284,935			
	Totals	1,284,935			
11	TOTAL INVESTMENTS (1 thru 10)	1,373,592	11,373,422		

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE		BORROWER DESIGNATION WA0060			
FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION INVESTMENTS, LOAN GUARANTEES AND LOANS		PERIOD ENDED December, 2018			
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		BORROWER DESIGNATION WA0060			
FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION INVESTMENTS, LOAN GUARANTEES AND LOANS		PERIOD ENDED December, 2018			
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]					0.80 %
SECTION IV. LOANS					
No	ORGANIZATION (a)	MATURITY DATE (b)	ORIGINAL AMOUNT (\$) (c)	LOAN BALANCE (\$) (d)	RURAL DEVELOPMENT (e)
1	Employees, Officers, Directors				
2	Energy Resources Conservation Loans				
	TOTAL				

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 <div style="text-align: right;">WA0060</div>
	PERIOD ENDED December 2019 (Prepared with Audited Data)
INSTRUCTIONS - See help in the online application.	BORROWER NAME <div style="text-align: right;">Public Utility District No. 1 of Jefferson Cou</div>

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
	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		
INSTRUCTIONS - See help in the online application.			PERIOD ENDED December 2019		
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				
22. Renewable Energy Credits	0		50. Current Maturities Long-Term Debt	4,021,181	
23. Materials and Supplies - Electric & Other	1,959,612		51. Current Maturities Long-Term Debt - Economic Development	0	
24. Prepayments	132,376		52. Current Maturities Capital Leases	0	
25. Other Current and Accrued Assets	2,352,041		53. Other Current and Accrued Liabilities	1,516,629	
26. Total Current and Accrued Assets (15 thru 25)	16,413,079		54. Total Current & Accrued Liabilities (47 thru 53)	10,374,546	
27. Regulatory Assets	0		55. Regulatory Liabilities	0	
28. Other Deferred Debits	408,646		56. Other Deferred Credits	981,938	
29. Total Assets and Other Debits (5+14+26 thru 28)	134,994,550		57. Total Liabilities and Other Credits (36 + 43 + 46 + 54 thru 56)	134,994,550	

<div>UNITED STATES DEPARTMENT OF AGRICULTURE</div> <div>RURAL UTILITIES SERVICE</div> <div>FINANCIAL AND OPERATING REPORT</div> <div>ELECTRIC DISTRIBUTION</div>	<div>BORROWER DESIGNATION</div> <div>WA0060</div>
<div>INSTRUCTIONS - See help in the online application.</div>	<div>PERIOD ENDED</div> <div>December 2019</div>
<div>PART D. NOTES TO FINANCIAL STATEMENTS</div>	

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 D. CERTIFICATION LOAN DEFAULT NOTES	

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 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		
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		
INSTRUCTIONS - See help in the online application.				PERIOD ENDED December 2019		
PART P. ENERGY EFFICIENCY PROGRAMS						
CLASSIFICATION	ADDED THIS YEAR			TOTAL TO DATE		
	No. of Consumers (a)	Amount Invested (b)	Estimated MMBTU Savings (c)	No. of Consumers (d)	Amount Invested (e)	Estimated MMBTU Savings (f)
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

<p>UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE</p> <p>FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION INVESTMENTS, LOAN GUARANTEES AND LOANS</p>	<p>BORROWER DESIGNATION WA0060</p> <p>PERIOD ENDED December 2019</p>
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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		BORROWER DESIGNATION WA0060			
FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION INVESTMENTS, LOAN GUARANTEES AND LOANS		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		BORROWER DESIGNATION WA0060			
FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION INVESTMENTS, LOAN GUARANTEES AND LOANS		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 %
SECTION IV. LOANS					
No	ORGANIZATION (a)	MATURITY DATE (b)	ORIGINAL AMOUNT (\$) (c)	LOAN BALANCE (\$) (d)	RURAL DEVELOPMENT (e)
	TOTAL				

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 <div style="text-align: right;">WA0060</div> <hr/> PERIOD ENDED December 2020 (Prepared with Audited Data)
INSTRUCTIONS - See help in the online application.	BORROWER NAME <div style="text-align: right;">Public Utility District No. 1 of Jefferson Cou</div>

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

3/30/2021
DATE

PART A. STATEMENT OF OPERATIONS				
ITEM	YEAR-TO-DATE			THIS MONTH
	LAST YEAR (a)	THIS YEAR (b)	BUDGET (c)	
1. Operating Revenue and Patronage Capital	38,398,203	37,912,318	37,359,580	4,277,688
2. Power Production Expense	0	0	0	0
3. Cost of Purchased Power	15,204,855	14,717,058	15,413,735	1,348,286
4. Transmission Expense	1,883,441	1,832,052	1,973,878	188,612
5. Regional Market Expense	0	0	0	0
6. Distribution Expense - Operation	1,471,987	1,574,671	1,994,123	(14,451)
7. Distribution Expense - Maintenance	2,585,373	3,114,151	3,408,185	78,523
8. Customer Accounts Expense	1,465,794	1,228,908	1,803,931	(29,715)
9. Customer Service and Informational Expense	40,874	12,433	43,385	(4,819)
10. Sales Expense	0	0	0	0
11. Administrative and General Expense	2,540,211	2,672,839	3,063,535	121,396
12. Total Operation & Maintenance Expense (2 thru 11)	25,192,535	25,152,112	27,700,772	1,687,832
13. Depreciation and Amortization Expense	5,319,171	5,497,554	5,251,181	463,105
14. Tax Expense - Property & Gross Receipts	0	0	0	0
15. Tax Expense - Other	2,198,268	2,174,860	2,222,304	237,731
16. Interest on Long-Term Debt	2,782,558	2,701,573	2,690,974	222,508
17. Interest Charged to Construction - Credit	0	0	0	0
18. Interest Expense - Other	5	0	1,404	0
19. Other Deductions	2,927	39	44	0
20. Total Cost of Electric Service (12 thru 19)	35,495,464	35,526,138	37,866,679	2,611,176
21. Patronage Capital & Operating Margins (1 minus 20)	2,902,739	2,386,180	(507,099)	1,666,512
22. Non Operating Margins - Interest	165,304	49,016	82,397	2,691
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	1,480,531	2,098,595	2,229,242	291,122
26. Generation and Transmission Capital Credits	0	0	0	0
27. Other Capital Credits and Patronage Dividends	14,601	20,499	0	7,696
28. Extraordinary Items	0	0	0	0
29. Patronage Capital or Margins (21 thru 28)	4,563,175	4,554,290	1,804,540	1,968,021

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 2020		
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	253	232	5. Miles Transmission	34.00	34.00
2. Services Retired	33	12	6. Miles Distribution – Overhead	373.00	373.00
3. Total Services in Place	22,676	22,894	7. Miles Distribution - Underground	392.00	392.00
4. Idle Services (Exclude Seasonals)	2,589	2,597	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	178,764,071		30. Memberships	0	
2. Construction Work in Progress	8,167,065		31. Patronage Capital	0	
3. Total Utility Plant (1 + 2)	186,931,136		32. Operating Margins - Prior Years	0	
4. Accum. Provision for Depreciation and Amort.	67,159,808		33. Operating Margins - Current Year	2,386,181	
5. Net Utility Plant (3 - 4)	119,771,328		34. Non-Operating Margins	0	
6. Non-Utility Property (Net)	89,477		35. Other Margins and Equities	28,337,129	
7. Investments in Subsidiary Companies	0		36. Total Margins & Equities (30 thru 35)	30,723,310	
8. Invest. in Assoc. Org. - Patronage Capital	69,926		37. Long-Term Debt - RUS (Net)	92,870,426	
9. Invest. in Assoc. Org. - Other - General Funds	1,010		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	141,467		42. Payments – Unapplied	0	
14. Total Other Property & Investments (6 thru 13)	301,880		43. Total Long-Term Debt (37 thru 41 - 42)	92,870,426	
15. Cash - General Funds	614,517		44. Obligations Under Capital Leases - Noncurrent	0	
16. Cash - Construction Funds - Trustee	0		45. Accumulated Operating Provisions and Asset Retirement Obligations	1,517,089	
17. Special Deposits	0		46. Total Other Noncurrent Liabilities (44 + 45)	1,517,089	
18. Temporary Investments	7,838,233		47. Notes Payable	0	
19. Notes Receivable (Net)	0		48. Accounts Payable	6,503,432	
20. Accounts Receivable - Sales of Energy (Net)	2,766,999		49. Consumers Deposits	0	
21. Accounts Receivable - Other (Net)	487,004				
22. Renewable Energy Credits	0		50. Current Maturities Long-Term Debt	3,474,557	
23. Materials and Supplies - Electric & Other	2,363,967		51. Current Maturities Long-Term Debt - Economic Development	0	
24. Prepayments	139,203		52. Current Maturities Capital Leases	0	
25. Other Current and Accrued Assets	2,387,438		53. Other Current and Accrued Liabilities	1,678,256	
26. Total Current and Accrued Assets (15 thru 25)	16,597,361		54. Total Current & Accrued Liabilities (47 thru 53)	11,656,245	
27. Regulatory Assets	0		55. Regulatory Liabilities	0	
28. Other Deferred Debits	522,034		56. Other Deferred Credits	425,533	
29. Total Assets and Other Debits (5+14+26 thru 28)	137,192,603		57. Total Liabilities and Other Credits (36 + 43 + 46 + 54 thru 56)	137,192,603	

<div>UNITED STATES DEPARTMENT OF AGRICULTURE</div> <div>RURAL UTILITIES SERVICE</div> <div>FINANCIAL AND OPERATING REPORT</div> <div>ELECTRIC DISTRIBUTION</div>	<div>BORROWER DESIGNATION</div> <div>WA0060</div>
<div>INSTRUCTIONS - See help in the online application.</div>	<div>PERIOD ENDED</div> <div>December 2020</div>
<div>PART D. NOTES TO FINANCIAL STATEMENTS</div>	

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 2020
PART D. CERTIFICATION LOAN DEFAULT NOTES	

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE			BORROWER DESIGNATION WA0060				
FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION			PERIOD ENDED December 2020				
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	94,164,944	7,062,111	859,707	(3,925)	100,363,423		
2. General Plant	2,740,568	248,659	0	0	2,989,227		
3. Headquarters Plant	1,727,337	767,790	0	0	2,495,127		
4. Intangibles	16,470	0	0	0	16,470		
5. Transmission Plant	10,372,070	7,400	1,371	0	10,378,099		
6. Regional Transmission and Market Operation Plant	0	0	0	0	0		
7. All Other Utility Plant	62,521,725	0	0	0	62,521,725		
8. Total Utility Plant in Service (1 thru 7)	171,543,114	8,085,960	861,078	(3,925)	178,764,071		
9. Construction Work in Progress	8,037,053	130,012			8,167,065		
10. Total Utility Plant (8 + 9)	179,580,167	8,215,972	861,078	(3,925)	186,931,136		
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	1,959,612	1,769,957	698	1,269,437		(96,863)	2,363,967
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	36.700	361.100	397.800		
2. Five-Year Average	0.000	105.700	19.800	393.600	519.100		
PART H. EMPLOYEE-HOUR AND PAYROLL STATISTICS							
1. Number of Full Time Employees	49	4. Payroll - Expensed				3,717,791	
2. Employee - Hours Worked - Regular Time	97,877	5. Payroll - Capitalized				846,561	
3. Employee - Hours Worked - Overtime	9,697	6. Payroll - Other				922,856	
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	\$	166,270	2. Amount Written Off During Year	\$	25,306		
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 2020				
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			395,017,020	14,717,058	3.73		
	Total				395,017,020	14,717,058	3.73		

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 2020	
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 2020	
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 2020	
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 2020		
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)	92,870,426	2,690,968	3,404,835	6,095,803
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	92,870,426	2,690,968	3,404,835	6,095,803

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE		BORROWER DESIGNATION WA0060		
FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION		PERIOD ENDED December 2020		
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	17,668	17,594	
	b. kWh Sold			217,888,632
	c. Revenue			24,541,509
2. Residential Sales - Seasonal	a. No. Consumers Served	0	0	
	b. kWh Sold			0
	c. Revenue			0
3. Irrigation Sales	a. No. Consumers Served	2	2	
	b. kWh Sold			15,310
	c. Revenue			1,616
4. Comm. and Ind. 1000 KVA or Less	a. No. Consumers Served	2,386	2,341	
	b. kWh Sold			62,951,124
	c. Revenue			6,998,844
5. Comm. and Ind. Over 1000 KVA	a. No. Consumers Served	21	21	
	b. kWh Sold			98,703,819
	c. Revenue			5,837,923
6. Public Street & Highway Lighting	a. No. Consumers Served	208	208	
	b. kWh Sold			512,604
	c. Revenue			209,842
7. Other Sales to Public Authorities	a. No. Consumers Served			
	b. kWh Sold			
	c. Revenue			
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)		20,285	20,166	
11. Total kWh Sold (lines 1b thru 9b)				380,071,489
12. Total Revenue Received From Sales of Electric Energy (lines 1c thru 9c)				37,589,734
13. Transmission Revenue				
14. Other Electric Revenue				322,584
15. kWh - Own Use				518,032
16. Total kWh Purchased				395,017,020
17. Total kWh Generated				
18. Cost of Purchases and Generation				16,549,110
19. Interchange - kWh - Net				
20. Peak - Sum All kW Input (Metered) Non-coincident <input checked="" type="checkbox"/> Coincident <input type="checkbox"/>				93,894

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 2020		
PART P. ENERGY EFFICIENCY PROGRAMS						
CLASSIFICATION	ADDED THIS YEAR			TOTAL TO DATE		
	No. of Consumers (a)	Amount Invested (b)	Estimated MMBTU Savings (c)	No. of Consumers (d)	Amount Invested (e)	Estimated MMBTU Savings (f)
1. Residential Sales (excluding seasonal)	340	323,238	1,136	15,375	1,992,476	20,542
2. Residential Sales - Seasonal						
3. Irrigation Sales						
4. Comm. and Ind. 1000 KVA or Less	2	9,607	216	52	265,266	4,764
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	342	332,845	1,352	15,429	2,679,520	31,662

RUS Financial and Operating Report Electric Distribution

Revision Date 2014

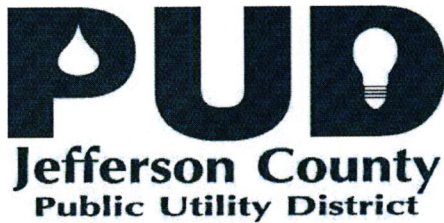
UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION INVESTMENTS, LOAN GUARANTEES AND LOANS	BORROWER DESIGNATION WA0060 PERIOD ENDED December 2020
--	---

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	89,477			
	Totals	89,477			
2	Investments in Associated Organizations				
	Investments in Associated Organizations	70,936			
	Totals	70,936			
5	Special Funds				
	RUS Bond Investment Account	267			X
	Other Special Funds		141,200		
	Totals	267	141,200		
6	Cash - General				
	Cash--General		614,517		
	Totals		614,517		
8	Temporary Investments				
	Temporary Investments		7,838,233		
	Totals		7,838,233		
9	Accounts and Notes Receivable - NET				
	Accounts & Notes Receivables--Net	487,004			
	Totals	487,004			
11	TOTAL INVESTMENTS (1 thru 10)	647,684	8,593,950		

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE		BORROWER DESIGNATION WA0060			
FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION INVESTMENTS, LOAN GUARANTEES AND LOANS		PERIOD ENDED December 2020			
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		BORROWER DESIGNATION WA0060			
FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION INVESTMENTS, LOAN GUARANTEES AND LOANS		PERIOD ENDED December 2020			
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]					0.35 %
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
Wayne G. King, District 3

Kevin Streett, Assistant General Manager

March 26, 2018

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 2017
2. Form RD 442-3 – Balance Sheets as of December 31, 2017 and 2016
3. Form RD 442-2 - Statement of Budget, Income and Equity for 2018, including the Projected Cash Flow
4. 2017 Water, Sewer and Electrical Rates schedules
5. 2016 Financial Statements Audit Report and 2016 Accountability Audit Report. In 2017, 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 audit for 2017 until after September 2018.

Water customers by type are:

Classification	2017
Residential	4077 Meters
Commercial	284 Meters

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

- Wayne King – 2013 through 2018
- Ken Collins – 2015 through 2020
- Jeff Randall – 2017 through 2022

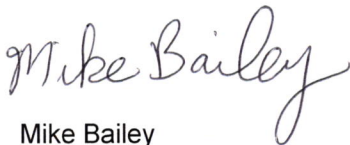
The Business address for the Commissioners is:

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 2018 Budget was adopted by the Commissioners at the BOC meeting on November 21, 2017.

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

Sincerely,



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

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

Schedule I

Name
Jefferson County PUD No. 1

310 Four Corners RD
Address Port Townsend, WA 98368

(I) <u>OPERATING INCOME</u>	PRIOR YEAR <u>Actual</u> (2)	ANNUAL BUDGET BEG <u>01-01-2017</u> END <u>12-31-2017</u> (3)	For the <u>12</u>	Months Ended <u>12-31-2017</u>	
			CURRENT YEAR		
			Actual Data		Actual YTD (Over) Under Budget Col. 3 - 5 = 6 (6)
			Current Quarter (4)	Year To Date (5)	
1. <u>Water Sales</u>	2,024,953	2,056,721		2,147,701	-90,980
2. <u>Other Services</u>	104,453	98,157		106,020	-7,863
3. _____					0
4. _____					0
5. <u>Miscellaneous</u>					0
6. <u>Less: Allowances and Deductions</u>					0
7. <u>Total Operating Income</u> (Add lines 1 through 6)	2,129,406	2,154,878	0	2,253,721	-98,843
<u>OPERATING EXPENSES</u>					
8. <u>Purchased Power</u>	35,259	119,771		118,276	1,495
9. <u>Operation&Maint</u>	777,347	711,717		742,743	-31,026
10. <u>Cust Account Exp</u>	165,586	192,856		151,127	41,729
11. <u>Admin & General</u>	504,272	413,622		375,024	38,598
12. <u>Taxes</u>	107,653	108,747		109,548	-801
13. <u>Other</u>	85	0		0	0
14. _____					0
15. <u>Interest</u>	213,655	281,091		234,929	46,162
16. <u>Depreciation</u>	711,228	670,153		714,066	-43,913
17. <u>Total Operating Expense</u> (Add Lines 8 through 16)	2,515,085	2,497,957	0	2,445,713	52,244
18. <u>NET OPERATING INCOME (LOSS)</u> (Line 7 less 17)	-385,679	-343,079	0	-191,992	-151,087
<u>NONOPERATING INCOME</u>					
19. <u>Interest Income</u>	110,993	106,320		105,163	1,157
20. <u>Other Income</u>	1,874,143	107,796		179,018	-71,222
21. <u>Total Nonoperating Income</u> (Add 19 and 20)	1,985,136	214,116	0	284,181	-70,065
22. <u>NET INCOME (LOSS)</u> (Add lines 18 and 21)	1,599,457	-128,963	0	92,189	-221,152
23. <u>Equity Beginning of Period</u>	21,694,285	23,293,742		23,293,742	0
24. _____					0
25. _____					0
26. <u>Equity End of Period</u> (Add lines 22 through 25)	23,293,742	23,164,779	0	23,385,931	-221,152

Budget and Annual Report Approved by Governing Body

Quarterly Reports Certified Correct


Secretary

3/19/10
Date

Appropriate Official

Date

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 for this information collection is 0575-0015 and 0572-0137. The time required to complete this information collection is estimated to average 2-12 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 DATAThe 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 Noe. 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>	<u>N/A</u>
Liability Policy # <u>PURMS</u>	<u>PO Box 68787</u>	<u>1,000,000</u>	<u>N/A</u>
Fidelity Policy # <u>PURMS</u>	<u>Seattle, WA 98168</u>	<u>1,000,000</u>	<u>N/A</u>

2. RECREATION AND GRAZING ASSOCIATION BORROWERS ONLYCurrent QuarterYear to Date

a. Number of Members

3. WATER AND/OR SEWER UTILITY BORROWERS ONLY

a. Water purchased or produced (CU FT - GAL)

<u>gal.</u>	<u>281,970,710</u>
<u>gal.</u>	<u>28,197,0 gal.</u>

b. Water sold (CU FT - GAL)

<u>gal.</u>	<u>24,965,3 gal.</u>
-------------	----------------------

c. Treated waste (CU FT - GAL)

<u>gal.</u>	<u>249,653,781 gal.</u>
-------------	-------------------------

d. Number of users - water

<u>4361</u>	<u>Meters</u>
-------------	---------------

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

<u>-2147483648 %</u>	<u>-2147483648 %</u>
----------------------	----------------------

d. Number of outpatient visits

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	\$ _____	\$ _____	\$ <u>14,544</u>	\$ <u>72,273</u>	\$ _____	\$ _____	\$ <u>86,817</u>
Savings	\$ _____	\$ _____	\$ <u>2,751,185</u>	\$ _____	\$ <u>397,698</u>	\$ _____	\$ <u>3,148,883</u>
and Investments	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
Total	\$ <u>0</u>	\$ <u>0</u>	\$ <u>2,765,729</u>	\$ <u>72,273</u>	\$ <u>397,698</u>	\$ <u>0</u>	\$ <u>3,235,700</u>

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	\$ <u>66,834</u>	\$ <u>12,562</u>	\$ <u>8,414</u>	\$ <u>30,770</u>	\$ <u>118,580</u>
Number of Accounts	<u>2,514</u>	<u>315</u>	<u>178</u>	<u>174</u>	<u>3,181</u>

*Totals must agree with those on Balance Sheet.

PROJECTED CASH FLOW

For the Year BEG. 01-01-2017 END. 12-31-2017
(same as schedule 1 column 3)

A. Line 22 from Schedule 1, Column 3 NET INCOME (LOSS)	\$ <u>-128,963</u>
<u>Add</u>	
B. <u>Items in Operations not Requiring Cash:</u>	
1. Depreciation (line 16 schedule 1)	<u>-43,913</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 LUD's</u>	<u>\$509,474</u>
D. Total all A, B and C Items	<u>\$336,598</u>
E. <u>Less: Cash Extended for:</u>	
1. All Construction, Equipment and New Capital Items (loan & grant funds)	<u>\$255,000</u>
2. Replacement and Additions to Existing Property, Plant and Equipment	<u>\$65,000</u>
3. Principal Payment Agency Loan	<u>\$51,293</u>
4. Principal Payment Other Loans	<u>\$671,079</u>
5. Other: <u>Additional Interest Payments</u>	<u>\$3,161</u>
6. Total E 1 through 5	<u>\$1,045,533</u>
<u>Add</u>	
F. Beginning Cash Balances	<u>\$3,075,072</u>
G. Ending Cash Balances (Total of D Minus E 6 Plus F)	<u>\$ 2,366,137</u>
<u>Item G Cash Balances Composed of:</u>	
Construction Account	\$ _____
Revenue Account	_____
Debt Payment Account	<u>\$2,618,300</u>
O&M Account	<u>\$67,626</u>
Reserve Account	<u>\$394,277</u>
Funded Depreciation Account	_____
Others:	_____
Total - Agrees with Item G	<u>\$ 3,080,203</u>

Form RD 442-3
(Rev. 3-97)

BALANCE SHEET

Name Jefferson County PUD No. 1

Address 310 Four Corners RD
Port Townsend, WA 98368

	12/31/2017			12/31/2016		
	Month	Day	Year	Month	Day	Year
	<i>Current Year</i>			<i>Prior Year</i>		
ASSETS						
CURRENT ASSETS						
1. Cash on hand in Banks			86817			91797
2. Time deposits and short-term investments			3148883			2983275
3. Accounts receivable			158706			143109
4. Less: Allowance for doubtful accounts	(40126)	(49986)
5. Inventories			18287			7870
6. Prepayments			38397			27592
7. Assessments Receivable (Current Portion)			397641			397641
8. Inter-Division Receivables			4897608			4719329
9. Total Current Assets (Add 1 through 8)			\$8,706,213.00			\$8,320,627.00
FIXED ASSETS						
10. Land			40000			40000
11. Buildings			0			69255
12. Furniture and equipment			294690			252143
13. Water Plant and Construction WIP			30773809			30603926
14. Less: Accumulated depreciation	(9567679)	(8830251)
15. Net Total Fixed Assets (Add 10 through 14)			\$21,540,820.00			\$22,135,073.00
OTHER ASSETS						
16. Assessments Receivable (LT Portion)			1033059			1447528
17. Miscellaneous Deferred Debits			82			0
18. Total Assets (Add 9, 15, 16 and 17)			\$31,280,174.00			\$31,903,228.00
LIABILITIES AND EQUITIES						
CURRENT LIABILITIES						
19. Accounts payable			0			10158
20. Notes payable			709433			759434
21. Current portion of USDA note			51293			51293
22. Customer deposits			1100			1300
23. Taxes payable			0			0
24. Interest payable			88655			104079
25.						
26.						
27. Total Current Liabilities (Add 19 through 26)			\$850,481.00			\$926,264.00
LONG-TERM LIABILITIES						
28. Notes payable USDA			2431626			2482919
29. Bonds and Notes Payable (LT Portion)			4612136			5200303
30.						
31. Total Long-Term Liabilities (Add 28 through 30)			\$7,043,762.00			\$7,683,222.00
32. Total Liabilities (Add 27 and 31)			\$7,894,243.00			\$8,609,486.00
EQUITY						
33. Retained earnings			23385931			23293742
34. Memberships						
35. Total Equity (Add lines 33 and 34)			\$23,385,931.00			\$23,293,742.00
36. Total Liabilities and Equity (Add lines 32 and 35)			\$31,280,174.00			\$31,903,228.00

CERTIFIED CORRECT

Date

3/19/18

Appropriate Official (Signature)

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. 1310 Four Corners RD
Address Port Townsend, WA 98368

(l) <u>OPERATING INCOME</u>	PRIOR YEAR <u>Actual</u> (2)	ANNUAL BUDGET	For the 12 Months Ended 12-31-2018		
		BEG 01-01-2018	CURRENT YEAR		Actual YTD (Over) Under Budget Col. 3 - 5 = 6 (6)
		END 12-31-2018 (3)	Actual Data		
			Current Quarter (4)	Year To Date (5)	
1. Water Sales	2,147,701	2,121,122		0	2,121,122
2. Other Services	106,020	106,978		0	106,978
3. _____					0
4. _____					0
5. Miscellaneous					0
6. Less: Allowances and Deductions					0
7. Total Operating Income (Add lines 1 through 6)	2,253,721	2,228,100	0	0	2,228,100
<u>OPERATING EXPENSES</u>					
8. Purchased Power	118,276	123,177		0	123,177
9. Operation&Maint	742,743	894,377		0	894,377
10. Cust Account Ex	151,127	205,485		0	205,485
11. Admin & General	375,024	527,361		0	527,361
12. Taxes	109,548	118,650		0	118,650
13. Other	0	0		0	0
14. _____					0
15. Interest	234,929	233,319		0	233,319
16. Depreciation	714,066	720,419		0	720,419
17. Total Operating Expense (Add Lines 8 through 16)	2,445,713	2,822,788	0	0	2,822,788
18. NET OPERATING INCOME (LOSS) (Line 7 less 17)	-191,992	-594,688	0	0	-594,688
<u>NONOPERATING INCOME</u>					
19. Interest Income	105,163	104,328		0	104,328
20. Other Income	179,018	532,956		0	532,956
21. Total Nonoperating Income (Add 19 and 20)	284,181	637,284	0	0	637,284
22. NET INCOME (LOSS) (Add lines 18 and 21)	92,189	42,596	0	0	42,596
23. Equity Beginning of Period	23,293,742	23,385,931		0	23,385,931
24. _____					0
25. _____					0
26. Equity End of Period (Add lines 22 through 25)	23,385,931	23,428,527	0	0	23,428,527

Budget and Annual Report Approved by Governing Body

Quarterly Reports Certified Correct

Secretary

Date

Appropriate Official

Date

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 DATAThe Following Data Should Be Supplied Where ApplicableCircle One1. 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 ☐ Noe. List kinds and amounts of insurance and fidelity bond: Complete Only when submitting annual budget information:Insurance CoverageInsurance CompanyAmount ofExpirationand Policy Numberand AddressCoverageDate of Policy

Property Insurance

Policy # PURMS JointSelf Ins. C/O Pacific Underwriters250,000N/A

Liability

Policy # PURMSPO Box 687871,000,000N/A

Fidelity

Policy # PURMSSeattle, WA 981681,000,000N/A2. RECREATION AND GRAZING ASSOCIATION BORROWERS ONLYCurrent QuarterYear to Date

a. Number of Members

3. WATER AND/OR SEWER UTILITY BORROWERS ONLY

a. Water purchased or produced (CU FT - GAL)

gal.gal.

b. Water sold (CU FT - GAL)

gal.gal.

c. Treated waste (CU FT - GAL)

gal.gal.

d. Number of users - water

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

d. Number of outpatient visits

-2147483648 %-2147483648 %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	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ <u>0</u>
Savings	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ <u>0</u>
and Investments	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ <u>0</u>
Total	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>

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	\$ _____	\$ _____	\$ _____	\$ _____	\$ <u>0</u>
Number of Accounts	_____	_____	_____	_____	<u>0</u>

*Totals must agree with those on Balance Sheet.

PROJECTED CASH FLOW

For the Year BEG. 01-01-2018 END. 12-31-2018
(same as schedule 1 column 3)

A. Line 22 from Schedule 1, Column 3 NET INCOME (LOSS) \$ 42,596

AddB. Items in Operations not Requiring Cash:

1. Depreciation (line 16 schedule 1) 720,419

2. Others: _____

C. Cash Provided From:

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 (Exclude cash) _____

5. Other: _____

6. Principal & Interest Payments from LUD's \$509,474

D. Total all A, B and C Items \$1,272,489

E. Less: Cash Extended for:

1. All Construction, Equipment and New Capital Items (loan & grant funds) \$368,000

2. Replacement and Additions to Existing Property, Plant and Equipment \$92,000

3. Principal Payment Agency Loan \$51,293

4. Principal Payment Other Loans \$671,079

5. Other: Additional Interest Payments \$3,161

6. Total E 1 through 5 \$1,185,533

Add

F. Beginning Cash Balances \$3,080,203

G. Ending Cash Balances (Total of D Minus E 6 Plus F) \$ 3,167,159

Item G Cash Balances Composed of:

Construction Account \$ _____

Revenue Account _____

Debt Payment Account \$2,692,216

O&M Account \$69,535

Reserve Account \$405,408

Funded Depreciation Account _____

Others: _____

Total - Agrees with Item G \$ 3,167,159



Board of Commissioners:

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

Kevin Streett, Acting General
Manager

March 27, 2019

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 2018
2. Form RD 442-3 – Balance Sheets as of December 31, 2018 and 2017
3. Form RD 442-2 - Statement of Budget, Income and Equity for 2019, including the Projected Cash Flow
4. 2018 Water, Sewer and Electrical Rates schedules
5. 2017 Financial Statements Audit Report and 2017 Accountability Audit Report. In 2018, 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 2018 until after September 2019. For our 2018 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	2018
Residential	4,125 Meters
Commercial	284 Meters

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

- Wayne King – 2013 through 2018
- Ken Collins – 2015 through 2020
- Jeff Randall – 2017 through 2022
- Dan Toepper – 2019 through 2024

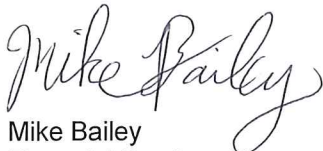
The Business address for the Commissioners is:

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 2018 Budget was adopted by the Commissioners at the BOC meeting on November 21, 2017.

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

Form RD 442-3
(Rev. 3-97)

BALANCE SHEET

Name Jefferson County PUD No. 1

Address 310 Four Corners Rd
Port Townsend, WA 98368

	12-31-2018			12-31-2017		
	Month	Day	Year	Month	Day	Year
	Current Year			Prior Year		
ASSETS						
CURRENT ASSETS						
1. Cash on hand in Banks			\$99,137.00			\$86,817.00
2. Time deposits and short-term investments			\$7,674,534.00			\$3,148,883.00
3. Accounts receivable			\$176,092.00			\$158,706.00
4. Less: Allowance for doubtful accounts	(\$40,228.00)	(\$40,126.00)
5. Inventories			\$18,287.00			\$18,287.00
6. Prepayments			\$46,843.00			\$38,397.00
7. Assessments Receivable (Current Portion)			\$397,641.00			\$397,641.00
8. Inter-Division Receivables			\$0.00			\$4,897,608.00
9. Total Current Assets (Add 1 through 8)			\$8,372,306.00			\$8,706,213.00
FIXED ASSETS						
10. Land			\$40,000.00			\$40,000.00
11. Buildings			\$259,496.00			\$0.00
12. Furniture and equipment			\$614,174.00			\$294,690.00
13. Water Plant & Constr. WIP/NonUtility Pro			\$32,712,209.00			\$30,773,809.00
14. Less: Accumulated depreciation	(\$11,223,148.00)	(\$9,567,679.00)
15. Net Total Fixed Assets (Add 10 through 14)			\$22,402,731.00			\$21,540,820.00
OTHER ASSETS						
16. Assessments Receivable (LT Portion)			\$768,056.00			\$1,033,059.00
17. Miscellaneous Deferred Debits			\$0.00			\$82.00
18. Total Assets (Add 9, 15, 16 and 17)			\$31,543,093.00			\$31,280,174.00
LIABILITIES AND EQUITIES						
CURRENT LIABILITIES						
19. Accounts payable			\$0.00			\$0.00
20. Notes payable			\$1,258,831.00			\$709,433.00
21. Current portion of USDA note			\$51,293.00			\$51,293.00
22. Customer deposits			\$1,300.00			\$1,100.00
23. Taxes payable			\$0.00			\$0.00
24. Interest payable			\$87,216.00			\$88,655.00
25. Inter-Division Payables			\$651,883.00			\$0.00
26.						
27. Total Current Liabilities (Add 19 through 26)			\$2,050,523.00			\$850,481.00
LONG-TERM LIABILITIES						
28. Notes payable USDA			\$2,377,999.00			\$2,431,626.00
29. Bonds and Notes Payable (LT Portion)			\$4,514,970.00			\$4,612,136.00
30.						
31. Total Long-Term Liabilities (Add 28 through 30)			\$6,892,969.00			\$7,043,762.00
32. Total Liabilities (Add 27 and 31)			\$8,943,492.00			\$7,894,243.00
EQUITY						
33. Retained earnings			\$22,599,601.00			\$23,385,931.00
34. Memberships						
35. Total Equity (Add lines 33 and 34)			\$22,599,601.00			\$23,385,931.00
36. Total Liabilities and Equity (Add lines 32 and 35)			\$31,543,093.00			\$31,280,174.00

CERTIFIED CORRECT

Date
03-28-2019

Appropriate Official (Signature)

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 1

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 01-01-2018 END 12-31-2018 (3)	For the 12-31-2018 Months Ended 12-31-2018		
			CURRENT YEAR		Actual YTD (Over) Under Budget Col. 3 - 5 = 6 (6)
			Actual Data		
			Current Quarter (4)	Year To Date (5)	
1. Water Sales	2,147,701	2,121,122		2,358,713	-237,591
2. Other Services	106,020	106,978		114,110	-7,132
3. _____					0
4. _____					0
5. Miscellaneous					0
6. Less: Allowances and Deductions					0
7. Total Operating Income (Add lines 1 through 6)	2,253,721	2,228,100	0	2,472,823	-244,723
OPERATING EXPENSES					
8. Purchased Power	118,276	123,177		127,597	-4,420
9. Operation&Maint	742,743	894,377		935,565	-41,188
10. Cust Account Exp	151,127	205,485		149,526	55,959
11. Admin & General	375,024	527,361		511,852	15,509
12. Taxes	109,548	118,650		119,954	-1,304
13. Other	0	0		0	0
14. _____					0
15. Interest	234,929	233,319		291,615	-58,296
16. Depreciation	714,066	720,419		710,798	9,621
17. Total Operating Expense (Add Lines 8 through 16)	2,445,713	2,822,788	0	2,846,907	-24,119
18. NET OPERATING INCOME (LOSS) (Line 7 less 17)	-191,992	-594,688	0	-374,084	-220,604
NONOPERATING INCOME					
19. Interest Income	105,163	104,328		156,899	-52,571
20. Other Income	179,018	532,956		215,575	317,381
21. Total Nonoperating Income (Add 19 and 20)	284,181	637,284	0	372,474	264,810
22. NET INCOME (LOSS) (Add lines 18 and 21)	92,189	42,596	0	-1,610	44,206
23. Equity Beginning of Period	23,293,742	23,385,931		23,385,931	0
24. _____					0
25. _____					0
26. Equity End of Period (Add lines 22 through 25)	23,385,931	23,428,527	0	23,384,321	44,206

Budget and Annual Report Approved by Governing Body

Quarterly Reports Certified Correct

 03-28-2019

Secretary

Date

Appropriate Official

Date

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 DATAThe Following Data Should Be Supplied Where ApplicableCircle One1. ALL BORROWERSYes NoYes NoYes NoYes No

a. Are deposited funds in institutions insured by the Federal Government?

b. Are you exempt from Federal Income Tax?

c. Are Local, State and Federal Taxes paid current?

d. Is corporate status in good standing with State?

e. List kinds and amounts of insurance and fidelity bond: Complete Only when submitting annual budget information:Insurance Coverage
and Policy NumberInsurance Company
and AddressAmount of
CoverageExpiration
Date of Policy

Property Insurance

Policy # PURMS JointSelf Ins. C/O Pacific Underwriters250,000

Liability

Policy # PURMSPO Box 687871,000,000

Fidelity

Policy # PURMSSeattle, WA 981681,000,0002. RECREATION AND GRAZING ASSOCIATION BORROWERS ONLYCurrent QuarterYear to Date

a. Number of Members

3. WATER AND/OR SEWER UTILITY BORROWERS ONLY

a. Water purchased or produced (CU FT - GAL)

gal.31,967,7 gal.

b. Water sold (CU FT - GAL)

gal.28,625,3 gal.

c. Treated waste (CU FT - GAL)

gal.gal.

d. Number of users - water

4,409

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

d. Number of outpatient visits

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	\$	\$	\$ <u>16,118</u>	\$ <u>83,018</u>	\$	\$	\$ <u>99,136</u>
Savings	\$	\$	\$ <u>7,269,58</u>	\$	\$ <u>404,952</u>	\$	\$ <u>7,674,53</u>
Investments	\$	\$	\$	\$	\$	\$	\$
Total	\$ <u>0</u>	\$ <u>0</u>	\$ <u>7,285,700</u>	\$ <u>83,018</u>	\$ <u>404,952</u>	\$ <u>0</u>	\$ <u>7,773,670</u>

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	\$ <u>76,753</u>	\$ <u>15,543</u>	\$ <u>8,213</u>	\$ <u>35,355</u>	\$ <u>135,864</u>
Number of Accounts	<u>2,716</u>	<u>372</u>	<u>112</u>	<u>44</u>	<u>3,244</u>

*Totals must agree with those on Balance Sheet.

PROJECTED CASH FLOW

For the Year BEG. 01-01-2018 END. 12-31-2018
(same as schedule 1 column 3)

A. Line 22 from Schedule 1, Column 3 NET INCOME (LOSS)	\$ <u>42,596</u>
<u>Add</u>	
B. <u>Items in Operations not Requiring Cash:</u>	
1. Depreciation (line 16 schedule 1)	<u>9,621</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>\$4,759,085</u>
6. <u>Principal & Interest Payments from LUD's</u>	<u>\$509,474</u>
D. Total all A, B and C Items	<u>\$5,320,776</u>
E. <u>Less: Cash Extended for:</u>	
1. All Construction, Equipment and New Capital Items (loan & grant funds)	<u>\$112,010</u>
2. Replacement and Additions to Existing Property, Plant and Equipment	<u>\$108,069</u>
3. Principal Payment Agency Loan	<u>\$53,627</u>
4. Principal Payment Other Loans	<u>\$506,599</u>
5. Other: <u>Additional Interest Payments</u>	<u>\$2,500</u>
6. Total E 1 through 5	<u>\$782,805</u>
<u>Add</u>	
F. Beginning Cash Balances	<u>\$3,235,700</u>
G. Ending Cash Balances (Total of D Minus E 6 Plus F)	<u>\$ 7,773,671</u>
<u>Item G Cash Balances Composed of:</u>	
Construction Account	\$
Revenue Account	
Debt Payment Account	<u>\$7,269,582</u>
O&M Account	<u>\$99,137</u>
Reserve Account	<u>\$404,952</u>
Funded Depreciation Account	
Others:	
Total - Agrees with Item G	\$ <u>7,773,671</u>

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

Schedule 1


Name
Jefferson County PUD No. 1

310 Four Corners RD
Address Port Townsend, WA 98368

(1) <u>OPERATING INCOME</u>	PRIOR YEAR <u>Actual</u> (2)	ANNUAL BUDGET	For the <u>01-01-2019</u> Months Ended <u>12-31-2019</u>		
		BEG <u>01-01-2019</u>	CURRENT YEAR		Actual YTD (Over) Under Budget Col. 3 - 5 = 6 (6)
		END <u>12-31-2019</u>	Actual Data		
		(3)	Current Quarter (4)	Year To Date (5)	
1. <u>Water Sales</u>	2,358,713	2,654,909			2,654,909
2. <u>Other Services</u>	114,110	285,554			285,554
3. _____					0
4. _____					0
5. <u>Miscellaneous</u>					0
6. <u>Less: Allowances and Deductions</u>					0
7. <u>Total Operating Income</u> (Add lines 1 through 6)	2,472,823	2,940,463	0	0	2,940,463
<u>OPERATING EXPENSES</u>					
8. <u>Purchased Power</u>	127,597	127,488			127,488
9. <u>Operation&Maint</u>	974,421	1,092,807			1,092,807
10. <u>Cust Account Ex+.</u>	155,203	238,530			238,530
11. <u>Admin & General</u>	523,479	604,951			604,951
12. <u>Taxes</u>	119,954	122,803			122,803
13. _____					0
14. _____					0
15. <u>Interest</u>	291,615	211,714			211,714
16. <u>Depreciation</u>	710,798	745,634			745,634
17. <u>Total Operating Expense</u> (Add Lines 8 through 16)	2,903,067	3,143,927	0	0	3,143,927
18. <u>NET OPERATING INCOME (LOSS)</u> (Line 7 less 17)	-430,244	-203,464	0	0	-203,464
<u>NONOPERATING INCOME</u>					
19. <u>Interest Income</u>	156,899	104,328			104,328
20. <u>Other Income</u>	215,575	421,478			421,478
21. <u>Total Nonoperating Income</u> (Add 19 and 20)	372,474	525,806	0	0	525,806
22. <u>NET INCOME (LOSS)</u> (Add lines 18 and 21)	-57,770	322,342	0	0	322,342
23. <u>Equity Beginning of Period</u>	23,385,931	23,328,161			23,328,161
24. _____					0
25. _____					0
26. <u>Equity End of Period</u> (Add lines 22 through 25)	23,328,161	23,650,503	0	0	23,650,503

Budget and Annual Report Approved by Governing Body

Quarterly Reports Certified Correct

 03-28-2019

Secretary

Date

Appropriate Official

Date

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 DATAThe Following Data Should Be Supplied Where ApplicableCircle One1. 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 ☐ Noe. 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 ONLYCurrent QuarterYear to Date

a. Number of Members

3. WATER AND/OR SEWER UTILITY BORROWERS ONLY

a. Water purchased or produced (CU FT - GAL)

gal.gal.

b. Water sold (CU FT - GAL)

gal.gal.

c. Treated waste (CU FT - GAL)

gal.gal.

d. Number of users - water

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

d. Number of outpatient visits

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	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ <u>0</u>
Savings	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ <u>0</u>
and Investments	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ <u>0</u>
Total	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>

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	\$ _____	\$ _____	\$ _____	\$ _____	\$ <u>0</u>
Number of Accounts	_____	_____	_____	_____	<u>0</u>

*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) \$ 322,342

AddB. Items in Operations not Requiring Cash:

1. Depreciation (line 16 schedule 1) 745,634

2. Others: _____

C. Cash Provided From:

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 (Exclude cash) _____

5. Other: _____

6. Principal & Interest Payments from LUD's \$509,474

D. Total all A, B and C Items \$1,577,450

E. Less: Cash Extended for:

1. All Construction, Equipment and New Capital Items (loan & grant funds) \$460,000

2. Replacement and Additions to Existing Property, Plant and Equipment \$75,000

3. Principal Payment Agency Loan \$51,293

4. Principal Payment Other Loans \$671,079

5. Other: Additional Interest Payments \$2,500

6. Total E 1 through 5 \$1,259,872

Add

F. Beginning Cash Balances \$7,773,671

G. Ending Cash Balances (Total of D Minus E 6 Plus F) \$ 8,091,249

Item G Cash Balances Composed of:

Construction Account \$ _____

Revenue Account _____

Debt Payment Account \$7,593,654

O&M Account \$91,085

Reserve Account \$406,510

Funded Depreciation Account _____

Others: _____

Total - Agrees with Item G \$ 8,091,249



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

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

Schedule 1

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

(I) <u>OPERATING INCOME</u>	PRIOR YEAR <u>Actual</u> (2)	ANNUAL BUDGET BEG <u>01-01-2019</u> END <u>12-31-2019</u> (3)	For the <u>12-31-2019</u> Months Ended <u>12-31-2019</u>		
			CURRENT YEAR		Actual YTD (Over) Under Budget Col. 3 - 5 = 6 (6)
			Actual Data		
			Current Quarter (4)	Year To Date (5)	
1. <u>Water Sales</u>	2,358,713	2,839,373		2,593,412	245,961
2. <u>Other Services</u>	114,110	101,090		120,093	-19,003
3. _____					0
4. _____					0
5. <u>Miscellaneous</u>					0
6. <u>Less: Allowances and Deductions</u>					0
7. <u>Total Operating Income</u> (Add lines 1 through 6)	2,472,823	2,940,463	0	2,713,505	226,958
<u>OPERATING EXPENSES</u>					
8. <u>Purchased Power</u>	127,597	127,488		4,094	123,394
9. <u>Ops & Maint.</u>	935,565	1,092,807		1,019,002	73,805
10. <u>Cust Accts Exp</u>	149,526	238,530		135,218	103,312
11. <u>Admin & General</u>	511,852	604,951		699,871	-94,920
12. <u>Taxes</u>	119,954	122,803		125,901	-3,098
13. <u>Other Deductions</u> +	0	0		247	-247
14. _____					0
15. <u>Interest</u>	291,615	211,714		261,833	-50,119
16. <u>Depreciation</u>	710,798	745,634		701,661	43,973
17. <u>Total Operating Expense</u> (Add Lines 8 through 16)	2,846,907	3,143,927	0	2,947,827	196,100
18. <u>NET OPERATING INCOME (LOSS)</u> (Line 7 less 17)	-374,084	-203,464	0	-234,322	30,858
<u>NONOPERATING INCOME</u>					
19. <u>Interest Income</u>	156,899	104,328		168,036	-63,708
20. <u>Other Income</u>	215,575	421,478		747,438	-325,960
21. <u>Total Nonoperating Income</u> (Add 19 and 20)	372,474	525,806	0	915,474	-389,668
22. <u>NET INCOME (LOSS)</u> (Add lines 18 and 21)	-1,610	322,342	0	681,152	-358,810
23. <u>Equity Beginning of Period</u>	23,385,931	23,384,321		23,384,321	0
24. _____					0
25. _____					0
26. <u>Equity End of Period</u> (Add lines 22 through 25)	23,384,321	23,706,663	0	24,065,473	-358,810

Budget and Annual Report Approved by Governing Body

Quarterly Reports Certified Correct

03-26-2020

Secretary

Date

Appropriate Official

Date

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 DATAThe Following Data Should Be Supplied Where Applicable

Circle One

1. ALL BORROWERS

Yes No

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?

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 ONLYCurrent QuarterYear 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:

	<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	\$ <u> </u>	\$ <u> </u>	\$ <u>27,185</u>	\$ <u>91,639</u>	\$ <u> </u>	\$ <u> </u>	\$ <u>118,824</u>
Savings	\$ <u> </u>	\$ <u> </u>	\$ <u>8,061,100</u>	\$ <u> </u>	\$ <u>413,916</u>	\$ <u> </u>	\$ <u>8,475,020</u>
and Investments	\$ <u> </u>	\$ <u> </u>	\$ <u> </u>	\$ <u> </u>	\$ <u> </u>	\$ <u> </u>	\$ <u> </u>
Total	\$ <u>0</u>	\$ <u>0</u>	\$ <u>8,088,294</u>	\$ <u>91,639</u>	\$ <u>413,916</u>	\$ <u>0</u>	\$ <u>8,593,849</u>

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	\$ <u>115,480</u>	\$ <u>4,729</u>	\$ <u>1,860</u>	\$ <u>8,876</u>	\$ <u>130,945</u>
Number of Accounts	<u>3,063</u>	<u>105</u>	<u>43</u>	<u>55</u>	<u>3,266</u>

*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)	Name Jefferson County PUD No. 1 Address 310 Four Corners Rd Port Townsend, WA 98368	
BALANCE SHEET		
ASSETS <u>CURRENT ASSETS</u> 1. Cash on hand in Banks 2. Time deposits and short-term investments..... 3. Accounts receivable..... 4. Less: Allowance for doubtful accounts..... 5. Inventories 6. Prepayments 7. Assessments Receivable (Current Portion) 8. Inter-Division Receivables 9. Total Current Assets (Add 1 through 8) <u>FIXED ASSETS</u> 10. Land 11. Buildings 12. Furniture and equipment 13. Water Plant & Constr. WIP/NonUtility Pro 14. Less: Accumulated depreciation 15. Net Total Fixed Assets (Add 10 through 14) <u>OTHER ASSETS</u> 16. Assessments Receivable (LT Portion) 17. Miscellaneous Deferred Debits 18. Total Assets (Add 9, 15, 16 and 17) LIABILITIES AND EQUITIES <u>CURRENT LIABILITIES</u> 19. Accounts payable 20. Notes payable 21. Current portion of USDA note 22. Customer deposits 23. Taxes payable 24. Interest payable 25. Inter-Division Payables 26. 27. Total Current Liabilities (Add 19 through 26) <u>LONG-TERM LIABILITIES</u> 28. Notes payable USDA 29. Bonds and Notes Payable (LT Portion) 30. 31. Total Long-Term Liabilities (Add 28 through 30) 32. Total Liabilities (Add 27 and 31) <u>EQUITY</u> 33. Retained earnings 34. Memberships 35. Total Equity (Add lines 33 and 34)..... 36. Total Liabilities and Equity (Add lines 32 and 35).....	12-31-2019 Month Day Year <i>Current Year</i> \$118,824.00 \$8,475,025.00 \$171,424.00 (\$40,479.00) \$18,330.00 \$150,292.00 \$397,641.00 \$0.00 \$9,291,057.00 \$0.00 \$54,833.00 \$667,932.00 \$32,950,620.00 (\$11,830,032.00) \$21,843,353.00 \$515,324.00 \$0.00 \$31,649,734.00 \$0.00 \$1,094,302.00 \$51,293.00 \$300.00 \$0.00 \$72,740.00 \$1,052,012.00 \$2,270,647.00 \$2,321,841.00 \$3,776,494.00 \$6,098,335.00 \$8,368,982.00 \$23,280,752.00 \$23,280,752.00 \$31,649,734.00	12-31-2018 Month Day Year <i>Prior Year</i> \$99,137.00 \$7,674,534.00 \$176,092.00 (\$40,228.00) \$18,287.00 \$46,843.00 \$397,641.00 \$0.00 \$8,372,306.00 \$40,000.00 \$259,496.00 \$614,174.00 \$32,712,209.00 (\$11,223,148.00) \$22,402,731.00 \$768,056.00 \$0.00 \$31,543,093.00 \$0.00 \$1,258,831.00 \$51,293.00 \$1,300.00 \$0.00 \$87,216.00 \$651,883.00 \$2,050,523.00 \$2,377,999.00 \$4,514,970.00 \$6,892,969.00 \$8,943,492.00 \$22,599,601.00 \$22,599,601.00 \$31,543,093.00
CERTIFIED CORRECT	Date 03-26-2020	Appropriate Official (Signature)

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 1

Name
Jefferson County PUD No. 1

310 Four Corners Rd
Address Port Townsend, WA 98368

(1) <u>OPERATING INCOME</u>	PRIOR YEAR <u>Actual</u> (2)	ANNUAL BUDGET BEG 01-01-2019 END 12-31-2019 (3)	For the 12-31-2019 Months Ended 12-31-2019 CURRENT YEAR		
			Actual Data		Actual YTD (Over) Under Budget Col. 3 - 5 = 6 (6)
			Current Quarter (4)	Year To Date (5)	
1. Water Sales	2,358,713	2,839,373		2,593,412	245,961
2. Other Services	114,110	101,090		120,093	-19,003
3. _____					0
4. _____					0
5. Miscellaneous					0
6. Less: Allowances and Deductions					0
7. Total Operating Income (Add lines 1 through 6)	2,472,823	2,940,463	0	2,713,505	226,958
<u>OPERATING EXPENSES</u>					
8. Purchased Power	127,597	127,488		4,094	123,394
9. Ops & Maint.	935,565	1,092,807		1,019,002	73,805
10. Cust Accts Exp	149,526	238,530		135,218	103,312
11. Admin & General	511,852	604,951		699,871	-94,920
12. Taxes	119,954	122,803		125,901	-3,098
13. Other Deductions	0	0		247	-247
14. _____					0
15. Interest	291,615	211,714		261,833	-50,119
16. Depreciation	710,798	745,634		701,661	43,973
17. Total Operating Expense (Add Lines 8 through 16)	2,846,907	3,143,927	0	2,947,827	196,100
18. NET OPERATING INCOME (LOSS) (Line 7 less 17)	-374,084	-203,464	0	-234,322	30,858
<u>NONOPERATING INCOME</u>					
19. Interest Income	156,899	104,328		168,036	-63,708
20. Other Income	215,575	421,478		747,438	-325,960
21. Total Nonoperating Income (Add 19 and 20)	372,474	525,806	0	915,474	-389,668
22. NET INCOME (LOSS) (Add lines 18 and 21)	-1,610	322,342	0	681,152	-358,810
23. Equity Beginning of Period	23,385,931	23,384,321		23,384,321	0
24. _____					0
25. _____					0
26. Equity End of Period (Add lines 22 through 25)	23,384,321	23,706,663	0	24,065,473	-358,810

Budget and Annual Report Approved by Governing Body

Quarterly Reports Certified Correct


Secretary

03-26-2020
Date

Appropriate Official

Date

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 DATAThe Following Data Should Be Supplied Where ApplicableCircle One1. ALL BORROWERS

Yes No

Yes No

Yes No

Yes No

a. Are deposited funds in institutions insured by the Federal Government?

b. Are you exempt from Federal Income Tax?

c. Are Local, State and Federal Taxes paid current?

d. Is corporate status in good standing with State?

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 ONLYCurrent QuarterYear 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

gal.32,651,08 gal.gal.28,168,18 gal.gal.gal.4,8664. 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

0 %0 %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	\$	\$	\$ <u>27,185</u>	\$ <u>91,639</u>	\$	\$	\$ <u>118,824</u>
Savings	\$	\$	\$ <u>8,061,109</u>	\$	\$ <u>413,916</u>	\$	\$ <u>8,475,025</u>
and Investments	\$	\$	\$ <u>8,088,294</u>	\$ <u>91,639</u>	\$ <u>413,916</u>	\$ <u>0</u>	\$ <u>8,593,849</u>
Total	\$ <u>0</u>	\$ <u>0</u>	\$ <u>8,088,294</u>	\$ <u>91,639</u>	\$ <u>413,916</u>	\$ <u>0</u>	\$ <u>8,593,849</u>

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	\$ <u>115,480</u>	\$ <u>4,729</u>	\$ <u>1,860</u>	\$ <u>8,876</u>	\$ <u>130,945</u>
Number of Accounts	<u>3,063</u>	<u>105</u>	<u>43</u>	<u>55</u>	<u>3,266</u>

*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) \$ 322,342

AddB. Items in Operations not Requiring Cash:

1. Depreciation (line 16 schedule 1) 43,973
 2. Others: _____

C. Cash Provided From:

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 (Exclude cash) _____
 5. Other: Inter-Division Transfers \$965,704
 6. Principal & Interest Payments from LUDs \$509,474

D. Total all A, B and C Items \$1,841,493

E. Less: Cash Extended for:

1. All Construction, Equipment and New Capital Items (loan & grant funds) \$115,381
 2. Replacement and Additions to Existing Property, Plant and Equipment \$111,300
 3. Principal Payment Agency Loan \$56,158
 4. Principal Payment Other Loans \$738,476
 5. Other: _____
 6. Total E 1 through 5 \$1,021,315

Add

F. Beginning Cash Balances \$7,773,671

G. Ending Cash Balances (Total of D Minus E 6 Plus F) \$ 8,593,849

Item G Cash Balances Composed of:

Construction Account \$ _____
 Revenue Account _____
 Debt Payment Account \$8,088,294
 O&M Account \$91,639
 Reserve Account \$413,916
 Funded Depreciation Account _____
 Others: _____

Total - Agrees with Item G \$ 8,593,849

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

Schedule 1

Name
Jefferson County PUD No. 1

Address 310 Four Corners Rd
Port Townsend, WA 98368

(1) <u>OPERATING INCOME</u>	PRIOR YEAR <u>Actual</u> (2)	ANNUAL BUDGET	For the <u>12-31-2020</u> Months Ended <u>12-31-2020</u>		
		BEG <u>01-01-2020</u>	CURRENT YEAR		
		END <u>12-31-2020</u>	Actual Data		
		(3)	Current Quarter (4)	Year To Date (5)	Actual YTD (Over) Under Budget Col. 3 - 5 = 6 (6)
1. <u>Water Sales</u>	2,593,412	2,497,518			2,497,518
2. <u>Other Services</u>	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
<u>OPERATING EXPENSES</u>					
8. <u>Purchased Power</u>	4,094	132,052			132,052
9. <u>OPS & Maint.</u>	1,019,002	1,697,996			1,697,996
10. <u>Cust Accts Exp</u>	135,218	182,688			182,688
11. <u>Admin & General</u>	699,871	936,740			936,740
12. <u>Taxes</u>	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
<u>NONOPERATING INCOME</u>					
19. <u>Interest Income</u>	168,036	141,249			141,249
20. <u>Other Income</u>	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

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 DATAThe Following Data Should Be Supplied Where ApplicableCircle One1. 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 ☐ Noe. 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 ONLYCurrent QuarterYear to Date

a. Number of Members

3. WATER AND/OR SEWER UTILITY BORROWERS ONLY

a. Water purchased or produced (CU FT - GAL)

gal.gal.

b. Water sold (CU FT - GAL)

gal.gal.

c. Treated waste (CU FT - GAL)

gal.gal.

d. Number of users - water

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

d. Number of outpatient visits

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	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ <u>0</u>
Savings	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ <u>0</u>
and Investments	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ <u>0</u>
Total	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>

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	\$ _____	\$ _____	\$ _____	\$ _____	\$ <u>0</u>
Number of Accounts	_____	_____	_____	_____	<u>0</u>

*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>



Board of Commissioners:

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

Kevin Streett, General Manager

March 31, 2021

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 2020
2. Form RD 442-3 – Balance Sheets as of December 31, 2020 and 2019
3. Form RD 442-2 - Statement of Budget, Income and Equity for 2021, including the Projected Cash Flow
4. 2020 Water, Sewer and Electrical Rates schedules
5. 2020 Financial Statements Audit Report and 2020 Accountability Audit Report. In 2020, 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 2020 until after September 2021. For our 2020 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	2020
Residential	4540 Meters
Commercial	371 Meters

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

- Ken Collins – 2021 through 2026
- Jeff Randall – 2017 through 2022
- Dan Toepper – 2019 through 2024

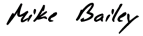
The Business address for the Commissioners is:

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 2020 Budget was adopted by the Commissioners at the BOC meeting on October 15, 2019.

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

Sincerely,

DocuSigned by:

95A79048A3434C8...

Mike Bailey
Finance Director/District Auditor
360-385-8367
mbailey@jeffpud.org

Form RD 442-2
(Rev. 9-97)

Position 3

FORM APPROVED
OMB NO. 0575-0015
OMB NO. 0572-0137UNITED STATES DEPARTMENT OF AGRICULTURE
STATEMENT OF BUDGET, INCOME AND EQUITY

Schedule 1

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

(1) <u>OPERATING INCOME</u>	PRIOR YEAR <u>Actual</u> (2)	ANNUAL BUDGET		For the 12-31-2020 Months Ended 12-31-2020		
		BEG 01-01-2020	END 12-31-2020 (3)	CURRENT YEAR		
				Actual Data		Actual YTD (Over) Under Budget Col. 3 - 5 = 6 (6)
				Current Quarter (4)	Year To Date (5)	
1. Water Sales	2,593,412	2,481,460		2,482,512	-1,052	
2. Other Services	120,093	133,764		126,487	7,277	
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	2,608,999	6,225	
<u>OPERATING EXPENSES</u>						
8. Purchased Power	4,094	132,002		82,741	49,261	
9. Ops & Maint.	1,019,002	1,697,996		1,058,193	639,803	
10. Cust Accts Exp	135,218	182,688		226,188	-43,500	
11. Admin & General	699,871	936,740		893,190	43,550	
12. Taxes	125,901	130,679		127,246	3,433	
13. Other Deductions	247	0		0	0	
14. _____					0	
15. Interest	261,833	186,334		236,595	-50,261	
16. Depreciation	701,661	271,714		696,061	-424,347	
17. Total Operating Expense (Add Lines 8 through 16)	2,947,827	3,538,153	0	3,320,214	217,939	
18. NET OPERATING INCOME (LOSS) (Line 7 less 17)	-234,322	-922,929	0	-711,215	-211,714	
<u>NONOPERATING INCOME</u>						
19. Interest Income	168,036	141,249		73,024	68,225	
20. Other Income	747,438	859,474		345,666	513,808	
21. Total Nonoperating Income (Add 19 and 20)	915,474	1,000,723	0	418,690	582,033	
22. NET INCOME (LOSS) (Add lines 18 and 21)	681,152	77,794	0	-292,525	370,319	
23. Equity Beginning of Period	24,065,473	24,746,625		24,746,625	0	
24. _____					0	
25. _____					0	
26. Equity End of Period (Add lines 22 through 25)	24,746,625	24,824,419	0	24,454,100	370,319	

Budget and Annual Report Approved by Governing Body

Quarterly Reports Certified Correct

DocuSigned by:

Kevin Strutt

3/31/2021

DD02775FB8DD420...

Secretary

Date

Appropriate Official

Date

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 ☐ Noe. 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)

gal.32,395,64 gal.

b. Water sold (CU FT - GAL)

gal.32,918,04 gal.

c. Treated waste (CU FT - GAL)

gal.gal.

d. Number of users - water

4,900

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:

	<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	\$ <u> </u>	\$ <u> </u>	\$ <u>33,414</u>	\$ <u>97,291</u>	\$ <u> </u>	\$ <u> </u>	\$ <u>130,705</u>
Savings	\$ <u> </u>	\$ <u> </u>	\$ <u>3,783,576</u>	\$ <u> </u>	\$ <u>422,423</u>	\$ <u> </u>	\$ <u>4,205,994</u>
Investments	\$ <u> </u>	\$ <u> </u>	\$ <u> </u>	\$ <u> </u>	\$ <u> </u>	\$ <u> </u>	\$ <u> </u>
Total	\$ <u>0</u>	\$ <u>0</u>	\$ <u>3,816,990</u>	\$ <u>97,291</u>	\$ <u>422,423</u>	\$ <u>0</u>	\$ <u>4,336,704</u>

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	\$ <u>88,447</u>	\$ <u>22,660</u>	\$ <u>10,298</u>	\$ <u>22,912</u>	\$ <u>144,317</u>
Number of Accounts	<u>2,621</u>	<u>362</u>	<u>159</u>	<u>101</u>	<u>3,243</u>

*Totals must agree with those on Balance Sheet.

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

Add

1. Depreciation (line 16 schedule 1)	-424,347
--------------------------------------	----------

2. Others: _____

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 (Exclude cash)

5. Other	Inter-Division Transfers	\$1,367,326
----------	--------------------------	-------------

6	<u>Principal & Interest Payments from LUDS</u>	<u>\$314,736</u>
---	--	------------------

D. Total all A, B and C Items	<u>\$1,335,509</u>
-------------------------------------	--------------------

1. All Construction, Equipment and New Capital Items (loan & grant funds)	<u>\$336,039</u>
---	------------------

2. Replacement and Additions to Existing Property, Plant and Equipment	\$267,815
--	-----------

3. Principal Payment Agency Loan	\$58,619
--	----------

4. Principal Payment Other Loans	\$557,727
----------------------------------	-----------

5 Other: Inter-Division Transfers	\$4,372,454
-----------------------------------	-------------

6. Total E 1 through 5	\$5,592,654
------------------------------	-------------

Add

F. Beginning Cash Balances	\$8,593,849
----------------------------------	-------------

G. Ending Cash Balances (Total of D Minus E 6 Plus F)	\$ 4,336,704
---	--------------

Construction Account \$_____

Revenue Account

Debt Payment Account	\$3,816,990
----------------------------	-------------

O&M Account	\$97,291
-------------------	----------

Reserve Account	\$422,423
-----------------	-----------

Funded Depreciation Account

Others: _____


Total - Agrees with Item G	\$ 4,336,704
----------------------------	--------------

Position 3

FORM APPROVED
OMB No. 0575-0015

Form RD 442-3 (Rev. 3-97)	Name Jefferson County PUD No. 1	
BALANCE SHEET	Address 310 Four Corners RD Port Townsend, WA 98368	

	12-31-2020	12-31-2019
	Month Day Year <i>Current Year</i>	Month Day Year <i>Prior Year</i>
ASSETS		
<u>CURRENT ASSETS</u>		
1. Cash on hand in Banks	\$130,705.00	\$118,824.00
2. Time deposits and short-term investments	\$4,205,999.00	\$8,475,025.00
3. Accounts receivable	\$198,146.00	\$171,424.00
4. Less: Allowance for doubtful accounts	(\$53,829.00)	(\$40,479.00)
5. Inventories	\$18,330.00	\$18,330.00
6. Prepayments	\$149,235.00	\$150,292.00
7. Assessments Receivable (Current Portion)	\$264,134.00	\$397,641.00
8. Inter-Division Receivables	\$0.00	\$0.00
9. Total Current Assets (Add 1 through 8)	\$4,912,720.00	\$9,291,057.00
<u>FIXED ASSETS</u>		
10. Land	\$0.00	\$0.00
11. Buildings	\$54,833.00	\$54,833.00
12. Furniture and equipment	\$667,932.00	\$667,932.00
13. Water Plant & Constr. WIP/Nonutility Pro	\$33,512,374.00	\$32,950,620.00
14. Less: Accumulated depreciation	(\$12,552,216.00)	(\$11,830,032.00)
15. Net Total Fixed Assets (Add 10 through 14)	\$21,682,923.00	\$21,843,353.00
<u>OTHER ASSETS</u>		
16. Assessments Receivable (LT Portion)	\$392,871.00	\$515,324.00
17. Miscellaneous Deferred Debits	\$0.00	\$0.00
18. Total Assets (Add 9, 15, 16 and 17)	\$26,988,514.00	\$31,649,734.00
LIABILITIES AND EQUITIES		
<u>CURRENT LIABILITIES</u>		
19. Accounts payable	\$0.00	\$0.00
20. Notes payable	\$582,220.00	\$1,094,302.00
21. Current portion of USDA note	\$51,293.00	\$51,293.00
22. Customer deposits	\$0.00	\$300.00
23. Taxes payable	\$0.00	\$0.00
24. Interest payable	\$66,438.00	\$72,740.00
25. Inter-Division Payables	\$-2,693,732.00	\$1,052,012.00
26.		
27. Total Current Liabilities (Add 19 through 26)	\$-1,993,781.00	\$2,270,647.00
<u>LONG-TERM LIABILITIES</u>		
28. Notes payable USDA	\$2,263,222.00	\$2,321,841.00
29. Bonds and Notes Payable (LT Portion)	\$3,730,849.00	\$3,776,494.00
30.		
31. Total Long-Term Liabilities (Add 28 through 30)	\$5,994,071.00	\$6,098,335.00
32. Total Liabilities (Add 27 and 31)	\$4,000,290.00	\$8,368,982.00
<u>EQUITY</u>		
33. Retained earnings	\$22,988,224.00	\$23,280,752.00
34. Memberships		
35. Total Equity (Add lines 33 and 34)	\$22,988,224.00	\$23,280,752.00
36. Total Liabilities and Equity (Add lines 32 and 35)	\$26,988,514.00	\$31,649,734.00

CERTIFIED CORRECT	Date 3/31/2021	Appropriate Official (Signature) 
-------------------	----------------	--

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.

RD 442-3 (Rev. 3-97)

Form RD 442-2
(Rev. 9-97)

Position 3

FORM APPROVED
OMB NO. 0575-0015
OMB NO. 0572-0137UNITED STATES DEPARTMENT OF AGRICULTURE
STATEMENT OF BUDGET, INCOME AND EQUITY

Schedule 1

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

(1) <u>OPERATING INCOME</u>	PRIOR YEAR <u>Actual</u> (2)	ANNUAL BUDGET BEG <u>01-01-2021</u> END <u>12-31-2021</u> (3)	For the <u>01-01-2021</u> Months Ended <u>12-31-2021</u>		
			CURRENT YEAR		Actual YTD (Over) Under Budget Col. 3 - 5 = 6 (6)
			Actual Data		
			Current Quarter (4)	Year To Date (5)	
1. <u>Water Sales</u>	2,482,512	2,540,375			2,540,375
2. <u>Other Services</u>	126,487	137,673			137,673
3. _____					0
4. _____					0
5. Miscellaneous					0
6. Less: Allowances and Deductions					0
7. Total Operating Income (Add lines 1 through 6)	2,608,999	2,678,048	0	0	2,678,048
<u>OPERATING EXPENSES</u>					
8. <u>Purchased Power</u>	82,741	200,650			200,650
9. <u>Ops & Maint.</u>	1,058,193	1,633,103			1,633,103
10. <u>Cust Accts Exp</u>	226,188	230,271			230,271
11. <u>Admin & General</u>	893,190	1,169,897			1,169,897
12. <u>Taxes</u>	127,246	111,413			111,413
13. <u>Other Deductions</u>	0	0			0
14. _____					0
15. Interest	236,595	226,987			226,987
16. Depreciation	696,061	736,398			736,398
17. Total Operating Expense (Add Lines 8 through 16)	3,320,214	4,308,719	0	0	4,308,719
18. NET OPERATING INCOME (LOSS) (Line 7 less 17)	-711,215	-1,630,671	0	0	-1,630,671
<u>NONOPERATING INCOME</u>					
19. <u>Interest Income</u>	73,024	134,730			134,730
20. <u>Other Income</u>	345,666	714,902			714,902
21. Total Nonoperating Income (Add 19 and 20)	418,690	849,632	0	0	849,632
22. NET INCOME (LOSS) (Add lines 18 and 21)	-292,525	-781,039	0	0	-781,039
23. Equity Beginning of Period	24,746,625	24,454,100			24,454,100
24. _____					0
25. _____					0
26. Equity End of Period (Add lines 22 through 25)	24,454,100	23,673,061	0	0	23,673,061

Budget and Annual Report Approved by Governing Body

DocuSigned by:

Kevin Strutt

3/31/2021

DD02775FB0DD420...

Secretary

Date

Quarterly Reports Certified Correct

Appropriate Official

Date

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

gal.

gal.

gal.

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

%

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	\$ <u> </u>	\$ <u> </u>	\$ <u> </u>	\$ <u> </u>	\$ <u> </u>	\$ <u> </u>	\$ <u>0</u>
Savings	\$ <u> </u>	\$ <u> </u>	\$ <u> </u>	\$ <u> </u>	\$ <u> </u>	\$ <u> </u>	\$ <u>0</u>
and Investments	\$ <u> </u>	\$ <u> </u>	\$ <u> </u>	\$ <u> </u>	\$ <u> </u>	\$ <u> </u>	\$ <u>0</u>
Total	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>

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	\$ <u> </u>	\$ <u> </u>	\$ <u> </u>	\$ <u> </u>	\$ <u>0</u>
Number of Accounts	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u>0</u>

*Totals must agree with those on Balance Sheet.

Schedule 2

PROJECTED CASH FLOW

For the Year BEG. _____ END. _____
(same as schedule 1 column 3)A. Line 22 from Schedule 1, Column 3 NET INCOME (LOSS) \$ -781,039AddB. Items in Operations not Requiring Cash:1. Depreciation (line 16 schedule 1) 736,398

2. Others: _____

C. Cash Provided From:

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 (Exclude cash) _____

5. Other: _____

6. Principal & Interest Payments from LUDs \$314,736D. Total all A, B and C Items \$270,095E. Less: Cash Extended for:1. All Construction, Equipment and New Capital Items (loan & grant funds) \$609,5002. Replacement and Additions to Existing Property, Plant and Equipment \$85,0003. Principal Payment Agency Loan \$58,6194. Principal Payment Other Loans \$557,727

5. Other: _____

6. Total E 1 through 5 \$1,310,846AddF. Beginning Cash Balances \$4,336,704G. Ending Cash Balances (Total of D Minus E 6 Plus F) \$ 3,295,953Item G Cash Balances Composed of:

Construction Account \$ _____

Revenue Account _____

Debt Payment Account \$2,776,239O&M Account \$97,291Reserve Account \$422,423

Funded Depreciation Account _____

Others: _____

Total - Agrees with Item G \$ 3,295,953

PUBLIC UTILITY DISTRICT NO. 1
OF
JEFFERSON COUNTY

RESOLUTION NO. 2021-_____

A RESOLUTION of the Board of Commissioners of Public Utility District No. 1 of Jefferson County, Washington (“the PUD”), adopting a Budget for the Calendar Year 2022.

WHEREAS, a proposed budget was submitted to the Board of Commissioners of Public Utility District No. 1 of Jefferson County, Washington in accordance with applicable law; and

WHEREAS, the Board of Commissioners of Public Utility District No. 1 of Jefferson County, Washington has reviewed a proposed budget for the projected financial transactions of the District for the calendar year 2022; and

WHEREAS, the Commissioners of PUD No. 1 of Jefferson County has given prior notice in accordance with applicable law, and on Monday, October 4, 2021 held a Public Hearing on the proposed budget starting at 5:00 p.m. via Zoom and accepted public comment and testimony; and

WHEREAS, the Commissioners of PUD No. 1 of Jefferson County considered staff’s estimate of expenditures, capital construction requirements, and projected use of reserve funds, and having considered the public testimony of those customers submitting and offering testimony, the Commission concludes that the 2022 budget summarized in Exhibit “A” hereto fairly meets the needs of the District and its customers; and

NOW, THEREFORE BE IT RESOLVED, the Commissioners of the PUD No. 1 of Jefferson County after taking public testimony and consideration of all the evidence and information provided by the staff, hereby adopts the budget identified on attached Exhibit “A”.

ADOPTED by the Commission of Public Utility District No. 1 of Jefferson County, Washington, at a regular open meeting held this 2nd day of November, 2021.

Dan Toepper, President

Kenneth Collins, Vice President

ATTEST:

Jeff Randall, Secretary



2021 Strategic Plan

Kirk Gibson
McDowell Rackner Gibson PC

JPUD Strategic Planning

- ▶ The PUD's strategic plan is developed by the leadership of the organization and used to communicate the goals and objectives to achieve the PUD's mission and vision.

Table of Contents

- ▶ Introduction
- ▶ Participants
- ▶ Overview of Process
- ▶ Mission Statement
- ▶ PUD Values
- ▶ PUD Vision
- ▶ Goals & Objectives
- ▶ Organizations Goals & Objectives
- ▶ Financial Goals & Objectives
- ▶ Rate Goals & Objectives
- ▶ Operations Goals & Objectives
- ▶ Communication Goals & Objectives
- ▶ Conservation and Sustainability Goals & Objectives
- ▶ Questions/Comments

Introduction

- ▶ The 2021 Strategic Plan was developed by the PUD Leadership Team with the help of Joel Paisner, PUD General Counsel, Don McDaniel, Discovery Bay Group L.L.C., and the team from McDowell Rackner Gibson PC over the course of many months. The strategic planning process was initiated in the early part of 2020 but was postponed due to COVID-19 issues. The process started up again in the Fall of 2020 with the intent to accomplish the strategic planning task using more written communications than under normal circumstances and with the use of remote communications.
- ▶ After initial surveys of the Commissioners and the PUD Leadership Team, remote meetings were held starting in April 2021. A total of 9 meetings were used to develop the 2021 Strategic Plan being presented today.

2021 Strategic Planning Process

Participants - PUD LEADERSHIP TEAM

Employee Name	Title
Kevin Streett	General Manager
Samantha Harper	Engineering Director
Mike Bailey	Finance Director
Jean Hall	Services Director
Melanie Patterson	Human Resources Director
Scott Bancroft	Operations Director
Will O'Donnell	Communications Director

2021 Strategic Planning Process

Participants - OUTSIDE CONSULTANTS

Employee Name	Title
Joel Paisner	PUD General Counsel
Don McDaniel	Discovery Bay Group
Kirk Gibson	McDowell Rackner Gibson PC
Alisha Till	McDowell Rackner Gibson PC

Overview of the Process

- ▶ The foundation of the 2021 PUD Strategic Planning Process was built around written surveys and work exercises performed by the Strategic Planning Participants to assess the PUD's business environment. A Common Fact Base was developed and agreed upon by Strategic Planning Participants using a review of the PUD's Strengths, Weaknesses, Opportunities and Threats. The conclusions and major implications of the "SWOT Analysis" were analyzed which resulted in an identification of imperatives for the PUD. The next step in the strategic planning process was to derive strategies from the facts, implications, and imperatives. The Goals and Objectives for each function of the PUD were then developed from that body of work.
- ▶ Two meetings (August, October) were held with the Board of Commissioners.
- ▶ The Final Draft of the JPUD 2021 Strategic Plan presented today is the fruit of this work.

Mission Statement

- ▶ To better the lives of our community through the delivery of water, sewer, electric, and broadband service each and every day.

PUD Values

- ▶ Innovative
- ▶ Sustainable
- ▶ Future focused
- ▶ Responsive and accountable to community and each other
- ▶ Service driven
- ▶ Solution oriented
- ▶ Act with integrity and respect
- ▶ Work openly and transparently
- ▶ Safe and reliable
- ▶ Collaborative
- ▶ Professional

PUD Vision

- ▶ Provide outstanding value and leadership within our community.

Goals and Objectives

Organization Goals

- ▶ Incorporate the JPUD's Values into all aspects of the organization.
- ▶ Be considered the best employer in Jefferson County.
- ▶ Maintain customer service levels that exceed customers' needs.
- ▶ Promote coordination and teamwork between PUD departments.

Organization Objectives

- ▶ Maintain regularly scheduled strategic leadership team meetings.
- ▶ Incorporate PUD Values with daily activities.
- ▶ Communicate clear expectations to employees.
- ▶ Develop employee recognition programs and cross-training opportunities.
- ▶ Enhance access to appropriate levels of training, supervision, and PUD resources for employees.

Financial Goals

- ▶ Maintain and protect financial stability of PUD.
- ▶ Fund 5-year financial plan for capital investments and ongoing maintenance.
- ▶ Meet required financial ratios and regulatory compliance.

Financial Objectives

- ▶ Report monthly financial results and monitor revenues to meet Financial Goals.
- ▶ Manage principal cost drivers of the cost-of-service for each PUD service.
- ▶ Use financial forecast to meet Financial Goals.
- ▶ Monitor and plan for impact of upcoming contract terms proposed by Bonneville Power Administration on PUD's cost recovery capability.
- ▶ Monitor and plan for potential costs and impacts of meeting emerging regulatory issues.
- ▶ Identify sources and funding for investment in PUD service initiatives.

Rate Goals

- ▶ Maintain rates that cover the cost of service.
- ▶ Manage within principles articulated in the PUD's Financial Policies and Risk Management Plan.
- ▶ Ensure the ability of the revenues generated by each utility department to support Financial Policy including planned infrastructure development.
- ▶ Provide appropriate cost signals to customers.

Rate Objectives

- ▶ Reduce number of rate adjustments.
- ▶ Be transparent regarding cost drivers of rates for PUD's services.
- ▶ Minimize size of any percentage adjustments to rates.
- ▶ Educate customers on rate structures and conservation measures.

Operations Goals

- ▶ Provide reliable and efficient utility service to all customers.
- ▶ Plan for long-term capital investment in PUD services.
- ▶ Plan for meeting regulatory requirements.
- ▶ Define the extent of the service offering and timing of implementation of PUD's broadband service initiative.
- ▶ Optimize efforts on safety of the PUD workforce and community.

Operations Objectives

- ▶ Review and monitor service interruptions to improve reliability.
- ▶ Build process for inter-departmental exchange of information to enhance coordination by and between the departments.
- ▶ Review, monitor and enhance internal processes to capture interdepartmental efficiencies.
- ▶ Complete business plan for new service initiatives.
- ▶ Create team to monitor developments concerning regulatory requirements, identify PUD's obligations, and plan to meet PUD's obligations.
- ▶ Review department processes for keeping customers informed of utility projects and services in a timely manner.
- ▶ Maintain continuous communication and training on safety issues.
- ▶ Review capital investment plan annually.

Communication Goals

- ▶ Enhance public perception of and trust in the PUD.
- ▶ Raise the profile of the PUD locally and regionally.
- ▶ Provide consistent PUD-wide messaging.
- ▶ Collaborate with community partners to amplify PUD messages.
- ▶ Formalize PUD Communications Plan.

Communication Objectives

- ▶ Keep communication channels updated with clear and timely information on PUD issues.
- ▶ Coordinate public communications from Staff and Commissioners to maintain consistent messaging.
- ▶ Develop a coordinated approach to PUD departmental messaging.
- ▶ Increase public education on PUD activities and programs.
- ▶ Be community resource for utility-related information and services.
- ▶ Engage in regular and ongoing dialogue with customers and community members across all available communication mediums.

Conservation and Sustainability Goals

- ▶ Promote efficient use of PUD resources.
- ▶ Align PUD policies to reflect community attitudes regarding efficient use of resources.
- ▶ Take a leadership role in community programs to conserve and optimize the use of the PUD's services.
- ▶ Enhance resource resiliency of essential utility services.

Conservation and Sustainability Objectives

- ▶ Plan to reduce PUD's carbon footprint.
- ▶ Increase customers' conservation and sustainability efforts through community partnerships.
- ▶ Develop and fund additional conservation and sustainability programs.
- ▶ Support electrification of local transportation.



AGENDA REPORT

DATE: Nov 2, 2021
TO: Board of Commissioners
FROM: Kevin Streett
RE: Fiber Bid Selection Approval

BACKGROUND: Jefferson County PUD is applying for federal and state grant funding to build fiber broadband service to all unserved portions of Jefferson County. To avoid supply chain shortages, and to better prepare ourselves to meet timelines set by the granting agencies should we win awards—particularly the NTIA grant, which is currently under review, PUD staff have solicited bids to supply the PUD with over 360 miles of Buried and Aerial Fiber Optic Cable and Fiber Optic Drop Cable, as well as 164 Handholes.

ANALYSIS/FINDINGS: 8 bids were received at the deadline. Staff reviewed the bids, and they were evaluated on price and delivery date as well as the following criteria:

- ☒ The Bidder's past performance(s) in providing substation equipment and meeting quoted deliveries
- ☒ The Bidder's past ability and willingness to solve problems that have arisen in a satisfactory and complete manner.
- ☒ The Bidder's deviations from the specifications.
- ☒ Warranties. (Standard and Extended)
- ☒ Manufacturer's cancellation policy.

Genuine Cable was determined by staff to have best met the evaluation criteria, and staff is recommending they be awarded the contract.

FISCAL IMPACT: \$992,952.90

RECOMMENDATION: Approve a motion to authorize staff to accept Fiber Optic Material Bid# 2021-005 from Genuine Cable.



Bid Tabulation-Preliminary Results

Fiber Material Bid# 2021-005

October 20th 3:00pm Bid Opening

Jefferson County PUD- Four Corners Meeting Room

Opened By: Kevin Street

Recorded By: Alyson Dean

Company Name	Contact Name	Bid Submitted	Total Bid Amount	Lead Time	Bid Bond
General Pacific- Bid# 1	Shelby Hansen	Buried- <i>no quote</i> Aerial-\$649,169.20 Drop- <i>no quote</i> Hand Holes- <i>no quote</i>	\$649,169.20	Buried- Aerial- 18-22 weeks Drop- Hand Holes-	Yes
Aether Fiber Solutions	Gerry Gonzalez	Buried- \$197,062.13 Aerial- \$515,036.27 Drop- \$145,200.00 Hand Holes- <i>no quote</i>	\$857,298.40	Buried- 70 days Aerial- 70 days Drop- 70 days Hand Holes- 70 days	No
Genuine Cable	Mike Melnick	Buried- \$216,473.70 Aerial- \$646,879.20 Drop- \$129,600.00 Hand Holes- <i>no quote</i>	\$992,952.90	Buried- May/June 2022 Aerial- December 2021 Drop- April 2022 Hand Holes-	Yes
General Pacific- Bid# 3	Shelby Hansen	Buried- \$221,099.50 Aerial- \$721,441.60 Drop- \$121,500.00 Hand Holes- <i>no quote</i>	\$1,064,041.10	Buried- 54-56 weeks Aerial- 54-56 weeks Drop-54-56 weeks Hand Holes-	Yes
Anixter- Bid# 1	Jed Doyle	Buried- \$192,978.30 Aerial- \$673,809.60 Drop- \$99,000.00 Hand Holes- \$184,500.00	\$1,150,287.90	Buried- 87 weeks Aerial-16-18 weeks Drop- 87 weeks Hand Holes- 24 weeks	Yes
General Pacific- Bid# 2	Shelby Hansen	Buried- \$236,465.40 Aerial- \$780,523.60 Drop- \$207,900.00 Hand Holes- <i>no quote</i>	\$1,224,889.00	Buried- 17-20 weeks Aerial- 16-19 weeks Drop- 17-20 weeks Hand Holes-	Yes

Anixter- Bid# 2	Jed Doyle	Buried- \$253,503.00 Aerial- \$734,632.00 Drop- \$153,000.00 Hand Holes- \$197,948.00	\$1,339,083.00	Buried- per allocation Aerial- per allocation Drop- per allocation Hand Holes- per allocation	Yes
Irby	Chris Norris	Buried- \$196,711.00 Aerial- \$1,002,562.00 Drop- \$153,000.00 Hand Holes- \$176,439.40	\$1,528,712.40	Buried- 18-20 weeks Aerial- 18-20 weeks Drop- 18-20 weeks Hand Holes- 18-20 weeks	No



AGENDA REPORT

DATE: November 2, 2021
TO: Board of Commissioners
FROM: Kevin Streett, GM
Lori Rae, Broadband Coordinator
RE: Wholesale Telecommunication Services Agreement

BACKGROUND: As the PUD expands the broadband department a Wholesale Telecommunications Service Agreement is needed. The agreement not only protects the PUD but also defines the responsibilities shared between the RSP and the PUD.

ANALYSIS/FINDINGS: Staff is seeking a motion to approve the Wholesale Telecommunication Service Agreement.

FISCAL IMPACT: No fiscal impact

RECOMMENDATION: Approve a motion to adopt the Wholesale Telecommunication Service Agreement as presented.

PUBLIC UTILITY DISTRICT OF JEFFERSON COUNTY

WHOLESALE TELECOMMUNICATIONS SERVICES AGREEMENT

In accordance with Washington State RCW 54.16.330, the Parties named herein hereby enter into this Agreement for Wholesale Residential Telecommunications Services (the “Agreement”) made this _____ day of __, __, between Public Utility District No. 1 of Jefferson County, a municipal corporation under the laws of the State of Washington and having its principal place of business in Port Townsend, Washington and _____, a telecommunications and/or Internet access company that wants to provide services in Jefferson County, Washington.

A. DEFINITIONS

“Network” means the District’s telecommunication facilities used to provide open access broadband services to the District and its customers. The Network provides wholesale telecommunication services as authorized by the laws of Washington State.

“District” means Public Utility District No. 1 of Jefferson County, Washington.

“Open Access” is defined in Section G of this Agreement.

“Party or Parties” means the District, Retail Service Provider, or both.

“Retail Customer” means the person or business purchasing telecommunication services from the RSP.

“Retail Service Provider (RSP)” means the signatory to this Agreement with the District, which entity represents it is authorized to provide retail telecommunication services and to which the District is authorized to provide wholesale telecommunication services.

B. ELIGIBILITY

The District will provide available wholesale telecommunication services to qualified Retail Service Providers (RSPs) under an open access arrangement. To qualify as eligible to provide services on the District’s Network, the RSP represents

to the District the following:

1. The RSP represents that it has the ability to install and provision consumer services including, but not limited to, compliance with all applicable laws and regulations, such as certified telecommunications administrator or low voltage licenses, or as otherwise required by local, state or federal laws and regulations.
2. The RSP will make available to the District current and up to date contact information for the purpose of providing technical customer support.
3. The RSP represents that it can currently provide or will provide prior to its use of the Network, a statement of intent to operate as a telecommunications provider or Internet Service Provider (ISP) and will meet the requirements of the District to resell District telecommunication services.
4. The RSP agrees to comply with the terms and conditions specified in the *Telecommunications Customer Service Policies of the Public Utility District of Jefferson County, Washington*, as they currently exist or as amended in the future.
5. The RSP further warrants to the District that it has the authority to enter into this Agreement. RSP further warrants that it is duly licensed, has secured all necessary permits and licenses, and is fully qualified to provide telecommunications services in compliance with all terms and conditions of this Agreement and all laws of the state of Washington.
6. The RSP warrants that it is purchasing wholesale products from the District and that the RSP will satisfy any State or Federal Universal Service Fund obligations and pay any applicable sales or other taxes that might be applied to its retail service.
7. RSP represents that in providing services it acts as an independent contractor.
8. In all activities contemplated by the Agreement, the RSP shall perform in a good and competent manner, consistent with sound and generally accepted business practice.

C. TERM

The Agreement will continue in full force until such time either Party provides thirty (30) days written notice of termination, or default occurs by either Party.

Upon termination of this Agreement, all rights of RSP and their Retail Customers for services or broadband capacity cease and the District has no further obligations to furnish such service or capacity to the RSP. Subject to Section G constraints, the District has the absolute right to cease to provide wholesale telecommunications services to the RSP and/or disconnect any existing services and/or refuse to provide any future services or reconnection.

The Parties agree that continued service to the Retail Customer is highly desirable. In the event of termination of this Agreement, for any reason, the RSP shall immediately notify all affected Retail Customers of the final service date and any

options available to the Retail Customer for continued service. The District shall also have a right, but not obligation, to notify any affected Retail Customers similarly.

D. LEASING OF FIBER LOOPS

The District hereby agrees to provide RSP access to the District's fiber network, through the lease of local fiber loops to provide any broadband circuits requested by RSP, whether intended for internal use of the RSP or with the intent to resell to retail customers, provided such capacity is then reasonably available on the District's network, in the District's discretion. The District has no obligation to provide dark fiber to the RSP, or any other party.

The RSP's right to access and use District network does not authorize and shall not be construed to authorize the RSP to have exclusive use of the District's network capacity.

Terms related the installation of customers are set forth in Exhibit A to the Agreement.

E. FINANCES

Current charges and fees are as set forth in the District's Broadband Rate Schedule. Such pricing shall change at the District's discretion.

Should the RSP be required to quote a set fee for a certain contractual term to a Retail Customer, the RSP may request, and District shall provide, in written form, a fixed fee which the District shall honor for the projected duration of that circuit or product offering, subject to default termination provisions.

Each Party shall be responsible for its own federal, state, and local taxes, assessments, fees, surcharges, and other financial impositions. Notwithstanding the foregoing, RSP agrees that if there is any tax payable by it, but which is to be collected by the District which the District does not collect for any reason, upon assessment thereof by the applicable taxing agency, and demand by the District, the RSP shall immediately remit the same to the District, even if such assessment arises after the termination of the Agreement.

F. FACILITIES AND OWNERSHIP

The District will provide access to network infrastructure at various locations within Jefferson Counties.

Ownership of preexisting lines and telecommunications infrastructure shall not

change as a result of this Agreement.

G. OPEN ACCESS SYSTEM

The District agrees to maintain an open access system. Rates, terms, and conditions for wholesale broadband services shall not be unduly or unreasonably discriminatory or preferential. The District shall establish rates and policies for access to the District's wholesale broadband infrastructure and shall apply those fees, terms, and conditions to all authorized RSPs as well as itself. Nothing in this section shall limit the District's ability to terminate this Agreement for any other reason, including but not limited to, termination rights as provided in Sections C and L.

H. SERVICE

The District and the RSP shall act professionally in all aspects of this business relationship. Neither shall make statements damaging to the credibility of the other party. Both shall strive to deliver high quality and professional service to the retail customer.

The District shall be responsible for all circuit operation over the District network. The RSP shall be responsible for all circuit operation outside the District network. The RSP agrees it shall not directly or indirectly interfere in any manner with District operations or facilities and that it shall not alter, maintain, or repair the District's broadband infrastructure without the written consent of the District.

The RSP shall be responsible for all Retail Customer service activities, including communications with Retail Customer on outages, service quality issues, and all technical needs or concerns of the retail customer.

Because the RSP is responsible for its retail customers, the District wishes to avoid direct correspondence, verbal or written, from the retail customer regarding the services provided by the RSP through this Agreement. Any such contact will be immediately passed on to the RSP. On request of the District, the RSP will notify the retail customer of the parties' desired flow of communication.

The RSP shall accept credit risk of the retail customer and shall not pass that risk onto the District. The District shall accept credit risk of the RSP and shall not look to the retail customer for satisfaction of any amounts owed by the RSP.

The District does not guarantee uninterrupted availability. The District shall not be liable to the RSP or any other person, for any failure, whether temporary or permanent, to provide uninterrupted telecommunications services.

In the event it is necessary (in the sole discretion of the District) to temporarily suspend the availability of bandwidth capacity for the purpose of preventive maintenance, repairs, or improvements to the District communication system, the District shall have the right to do so, but shall use best efforts to give appropriate advance notice.

Following unscheduled failures in the District's Network, the District will make needed repairs to restore capacity with diligence and complete such repairs as soon as is reasonable and practical.

In the event of an emergency, the District may immediately discontinue service to avoid harm to or interference with its wholesale telecommunications operations or facilities, or the operations or facilities of third parties, and the District shall notify RSP of such disconnection as soon as reasonably practical.

I. COORDINATION OF ACTIVITIES

Both Parties to this Agreement shall keep each other apprised of activities that may affect the other's communication system. Prior to commencement of any work hereunder, the Parties will confer to schedule and coordinate the work to be performed.

J. LIMITATION OF LIABILITY, INDEMNITY, AND INSURANCE

As noted in Section G herein, the District does not guarantee uninterrupted availability. The District is not liable or responsible for content, errors in transmission, security and integrity of data or information, virus transmission, broadcast hacker attacks, or failure to establish connection. No liability shall attach to the District for failure of communication facilities, failure to have bandwidth capacity available or fiber cuts. No liability shall attach to the District for complying with federal and state law enforcement investigative efforts or discontinuing service as a result of unlawful or fraudulent activity.

Notwithstanding any other provision within this Agreement, or elsewhere, neither Party shall be liable to the other, nor shall the District be liable to the RSP's retail customers or affiliates, for any consequential, incidental, special, punitive, or indirect damages, including without limitation lost revenue, profits or other benefit, whether by tort, contract, or otherwise arising out of or in any way related to this Agreement or the District's performance, faulty performance or non-performance, of any provision of this Agreement. Both Parties specifically and expressly agree, on behalf of itself and all its customers and affiliates, that the sole liability for any claim or demand arising out of this Agreement or the District's provision, faulty provision, or non-provision of services under this Agreement shall not exceed the monthly rate paid for such service under this Agreement, to the

District by the RSP, within the 30-day period immediately preceding the event that gives rise to the claim or demand. Neither Party shall be responsible for force majeure events such as (but not limited to) acts of god; acts of nature; strikes; fire; war; riot; pandemics, acts of terrorism; and government actions.

The RSP shall indemnify, defend, and hold harmless the District from any physical injuries to people by the RSP, any damage to property by the RSP or any third-party claims, demands, actions, damages, liability, judgments, expenses, and costs (including attorneys' fees) arising from the RSP's use of service(s), or by reason of any breach or nonperformance of any covenant or obligation of the RSP herein, or the violation of any law or regulation by the RSP. The RSP's obligation to assume, protect, defend, indemnify, and save the district harmless shall extend to the District's, affiliates, subsidiaries, officers, directors, agents, and employees and shall continue for so long as any of the named indemnitees may be subjected to claims or suits calling for such obligations provided. The RSP may not enter into a settlement that imposes any obligation on the District or requires any admission by the district without the written approval of the district.

The district shall indemnify, defend, and hold harmless the RSP from any physical injuries to people by the District, damage to property by the district or any third-party claims, demands, actions, damages, liability, judgments, expenses, and costs (including attorneys' fees) arising from the district's provision of service(s), or by reason of any breach or nonperformance of any covenant or obligation of the district herein, or the violation of any law or regulation by the district. The District's obligation to assume, protect, defend, indemnify, and save the RSP harmless shall extend to the RSP's affiliates, subsidiaries, officers, directors, agents, and employees and shall continue for so long as any of the named indemnitees may be subjected to claims or suits calling for such obligations provided. The District may not enter into a settlement that imposes any obligation on the RSP or requires any admission by the RSP without the written approval of the RSP.

The District requires the RSP assert similar rights, protections, and limitations of liability for both the District and RSP in its internal policies and agreements with Retail Customers.

K. COMPLIANCE WITH LAW

Both the District and the RSP shall comply with all applicable federal, state, and local laws, codes, rules, regulations, and all other obligations under law.

The District will cooperate with appropriate law enforcement and government agencies, or other parties involved in investigating claims of illegal or inappropriate activity. The District's broadband services may only be used for

lawful purposes. RSP service may be disconnected to prevent fraudulent use by RSP or its retail customer, including lack of compliance with intellectual property rights and laws, or inappropriate content such as child pornography.

The RSP shall terminate retail customer's circuit service in the event RSP becomes aware of failure on the part of the retail customer to follow all applicable laws and regulations including, but not limited to, copyrights, trademarks, and material that is obscene, defamatory, or constitutes an illegal threat.

L DEFAULT

The following shall constitute an event of default: (a) the RSP fails to pay any fee per the terms specified in the *Telecommunications Customer Service Policies of the Public Utility District of Jefferson County, Washington*. (b) a proceeding under bankruptcy, reorganization, arrangement of debts, insolvency or receivership law or assignment of benefit of creditors is made by or against the RSP; (c) the RSP becomes insolvent or fails to generally pay its debts as they become due; (d) the RSP voluntarily or involuntarily dissolves or is dissolved or terminates or is terminated; or (e) the District fails to observe or perform any of its representations, warranties, and/or obligations with the RSP and fails to cure such breach within ten (10) days after written notice.

In the event of default by either Party, the non-defaulting Party shall have the right to exercise any or all of the following remedies: (a) terminate this Agreement by written notice; (b) proceed by court action to enforce performance of this Agreement; (c) exercise any other right or remedy available at law or in equity; and/or (d) disconnect broadband services and render any related communication equipment or infrastructure unusable and inoperable.

M. RIGHT OF ASSIGNMENT

The District rights and responsibilities under this Agreement may be assigned to another District owned system or any successor organization to the District at the sole discretion of the District. The District may assign rights under this Agreement to any other entity with approval of the RSP, which shall not be unreasonably withheld.

No assignment by RSP of this Agreement or any rights under this Agreement may be done without the written approval of the District, whose approval will not unreasonably be withheld.

N. MODIFICATION OF AGREEMENT

This Agreement may only be modified or amended by the Parties in writing; provided however, this section shall not be construed as limiting the ability of the Wholesale Telecom Agreement

District to change policies, fees, or charges in any manner.

O. DISPUTE RESOLUTION AND ATTORNEYS' FEES

The Parties shall execute their rights and discharge their duties as set forth in this Agreement in good faith. In the event of a dispute, the Parties shall consult and exercise reasonable efforts to arrive at an amicable resolution. Failing that, if any action at law or in equity is necessary to enforce or interpret the terms of this Agreement, the substantially prevailing Party shall be entitled to reasonable attorneys' fees, costs, necessary disbursements, and reasonable expert witness fees, in addition to any other relief granted. If there is no substantially prevailing party, the Parties shall each bear their own attorneys' fees and costs.

P. JURISDICTION; VENUE

This Agreement shall be governed and interpreted under the laws of the State of Washington. Venue of any legal action shall be in Jefferson County, Washington.

Q. ENTIRE AGREEMENT AND SEVERABILITY

This instrument embodies the entire Agreement of the District and the RSP. There are no promises, terms, conditions, or obligations other than those contained herein. This Agreement shall supersede all previous communications, representations, or agreements, either verbal or written, between District and the RSP regarding the services described herein.

If a provision of this Agreement is held to be invalid or unenforceable in any respect, such invalidity or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid or unenforceable provision had never been contained in this Agreement.

IN WITNESS WHEREOF, EXECUTED THIS _____ day of _____, _____.

By: _____
General Manager
Public Utility District of Jefferson County

IN WITNESS WHEREOF, EXECUTED THIS _____ day of _____, _____.

By: _____
Retail Service Provider

Exhibit A

CIRCUIT OPERATION AND SERVICE CONDITIONS

1. General Provisions for Installation

All work performed by the RSP, its contractors, or assignees, shall be done in accordance with applicable federal, state, and local codes. The RSP shall comply with all laws, rules, and regulations relating to fire prevention, control, and suppression, and all safety rules and regulations.

Any modification by the RSP to the District's Network shall be performed only with the prior knowledge and written consent of the District.

All work by the District or the RSP shall be done in a workmanlike manner and shall be maintained so as not to be hazardous to life or property. Damage to District facilities shall be repaired promptly without cost to the damaged party. The District shall be immediately notified of any such damage, and repairs shall be performed by the District or under strict District supervision.

2. Equipment to be Installed

All equipment to be installed by the RSP shall be FCC guidelines, where applicable. However, any such FCC approval shall not relieve the RSP of responsibility to correct incompatibility or interference problems.

3. System Integrity

The RSP agrees to exercise care and caution to preserve the integrity and security of all operation systems, equipment, and facilities located on District or the RSP's business premises covered by this Agreement. The District has the right to limit the manner in which any portion of its network and facilities is used to protect the technical integrity of the network.

4. Facility Access Conditions

The RSP shall have no right of access to District property, equipment, or communications infrastructure other than as may be located on RSP's business premises. RSP personnel shall be granted access to District-owned equipment only as authorized by the District's technical contact as set forth in Exhibit B. When access shall be granted, RSP's employees shall utilize and retain possession of any keys to District-owned sites and shall not allow duplication or use by contractors or others who are not direct employees of the RSP. The RSP shall provide an employee

to remain with contractors or maintenance personnel engaged by the RSP for activities at District-owned sites.

The RSP shall ensure the District has full and unrestricted access to District-owned communications infrastructure located on the Retail Customer's premises and reasonable access to District-owned communications infrastructure located on RSP's premises.

5. Interconnectivity and Demarcation on Retail Customer Premises

The RSP's local loop access point shall be as mutually agreed for each circuit as specified in the *Telecommunications Customer Service Policies of the Public Utilities District of Jefferson County, Washington*.

The RSP or retail customer shall be responsible for all internal communications infrastructure necessary for their business operation. The point of demarcation on Retail Customer's business premises shall be the retail customer's input port on the terminal equipment installed by the District on such business premises. The RSP shall own the cable connecting into the port; the District shall own the terminal equipment and all communications infrastructure leading from the business premises site.

6. Trouble Reports

The District will be responsible for maintaining signal from the point signal is received by the District to the point that signal is returned to the RSP. Any testing beyond the District's equipment will be the responsibility of the RSP.

Exhibit B

CONTACTS

The RSP and the District shall keep each other informed, in writing, of technical, business, and mailing contacts as required in the below listed table.

<u>Technical Contact</u>	<u>District</u>	<u>RSP</u>
Name	Jefferson PUD	
Location		
Address	310 Four Corners Rd	
City, State & Zip	Port Townsend WA 98368	
Daytime Phone	(360) 385-8358	
Fax Number		
Emergency Phone Number	(360) 316-1214	
E-mail	broadband@jeffpud.org	
<u>Notice Contact</u>		
Name	Jefferson PUD	
Attention	Lori Rae, Broadband Coordinator	
Address	310 Four Corners Rd	
City, State & Zip	Port Townsend WA 98368	
Daytime Phone	(360) 385-8358	
Fax Number		
Emergency Phone Number	(360) 316-1214	
<u>Billing Address</u>		
Name	Jefferson PUD	
Address	310 Four Corners Rd	
City, State & Zip	Port Townsend WA 98368	
SPIN#	N/A	
UBI#	N/A	
TIN#	N/A	
24 X 7 Technical Contact Phone # (District Ability to Contact Provider)	N/A	
24 X 7 Customer Contact Phone # (Customer Ability to Contact Provider)	NoaNet Network Operations Center (NOC) - 866.662.6380	N/A
Liability Insurance Carrier	Public Utility Risk Management Systems (800) 562-5226	



AGENDA REPORT

DATE: 11/2/2021
TO: Board of Commissioners
FROM: Kevin Streett
RE: Retail ISP Authorization Resolution

BACKGROUND: The passage of House Bill 1336 and Senate Bill 5383 allows PUDs and Port districts to become retail Internet Service Providers (ISPs) selling lit internet directly to a home or business. The BOC passed a motion on May 18th supporting the General Manager in moving forward to seek ISP status from both the State of WA and on the federal level. Since that time, staff has completed the necessary steps with the FCC to become an ISP. Staff has also applied for federal and state grants to build fiber and provide ISP service to unserved areas of Jefferson County. The BOC approved retail rates for PUD ISP service on August 3rd, 2021.

ANALYSIS/FINDINGS: In order to provide customers with ISP service, House Bill 1336 and Senate Bill 5383 requires that the PUD notify the Washington State Broadband Office (WSBO) of its intent. The WSBO further requires receipt, no less than 30 days prior to providing service, of an approved resolution from the PUD's governing body authorizing the PUD to provide ISP service.

FISCAL IMPACT: n/a

RECOMMENDATION: Approve Resolution 2021-XXX authorizing the provision of both Retail and Wholesale Telecommunications Service within the PUD's Service Territory Pursuant to Engrossed Substitute House Bill 1336 and Senate Bill 5383 and Authorizing the PUD to Notify the Washington State Broadband Office

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

RESOLUTION NO. 2021-XXXX-

A Resolution of the Board of Commissioners of Public Utility District (PUD) No. 1 of Jefferson County, Washington, authorizing the provision of both Retail and Wholesale Telecommunications Service within the PUD's Service Territory Pursuant to Engrossed Substitute House Bill 1336 and Senate Bill 5383 and Authorizing the PUD to Notify the Washington State Broadband Office.

RECITALS

WHEREAS, the PUD has been working on the development of a Broadband fiber optic network to provide Retail Internet Services in addition to the Wholesale Internet Services it currently provides to the residents of Jefferson County, Washington; and

WHEREAS, in December, 2019, the PUD completed the first of a two phase strategic plan for expanding broadband infrastructure in Jefferson County; and

WHEREAS, in May, 2021, the PUD completed the second and final phase of a strategic plan for expanding broadband infrastructure in Jefferson County, which recommended, among its findings, that the District pursue Retail Telecommunications Service authority in order to meet targeted financial goals and

WHEREAS, at its May 18, 2021 Regular meeting, the Board of Commissioners, approved a motion to support the General Manager in moving forward to seek Internet Service Provider status from both the State of Washington and on a federal level; and

WHEREAS, at the July 6, 2021 Regular meeting of the Board of Commissioners the staff presented a plan regarding the Quilcene, Discovery Bay and Gardiner communities in Jefferson County, Washington (the "Olympic Fiber Corridor Project") and that plan demonstrated the unserved and underserved nature of Broadband services in these communities; and

WHEREAS, at the July 6, 2021 Regular meeting the Board of Commissioners adopted Resolution No. 2021-018 authorizing PUD staff to respond to a Request for Information from the Washington State Broadband Office and for the PUD to commit the resources necessary to serve as a provider for Retail and Wholesale Internet Services for the Olympic Fiber Corridor Project; and

WHEREAS, at the August 3, 2021 Regular meeting the Board of Commissioners

adopted Resolution No. 2021-024 authorizing rates for the sale of retail Internet Services; approving revised rates for wholesale Internet Services, and approving Telecommunication Customer Service Policies.; and

WHEREAS, at the September 21, 2021 Regular meeting the Board of Commissioners adopted Resolution No. 2021-028 authorizing staff to apply to the Washington State Public Works Board-Broadband Federal funded program for a grant to construct fiber along East Discovery Bay and Anderson Lake Rd; and

WHEREAS, the PUD has been consulting with the Washington State Broadband Office and, pursuant to Engrossed Substitute House Bill 1336 and Senate Bill 5383 now seeks to provide notice of its intent to provide both Retail and Wholesale Telecommunications Services; and;

WHEREAS, the Board of Commissioners authorizes staff to transmit this Resolution to the Washington State Broadband Office and take any other necessary steps to notify it of the PUD's intent to provide both Retail and Wholesale Broadband Services pursuant to state laws.

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

Section 1. The foregoing Recitals are incorporated into this Resolution.

Section 2. It is the intent of the PUD to provide Retail and Wholesale Telecommunications Services pursuant to Engrossed Substitute House Bill 1336 and Senate Bill 5383

ADOPTED at a regular meeting of the Board of Commissioners of Public Utility District No. 1 of Jefferson County, this 2nd day of November, 2021.

Dan Toepper, President

ATTEST:

Ken Collins, Vice President

Jeff Randall, Secretary



Board of Commissioners:

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

Kevin Streett, General Manager

November 2, 2021

SUBJECT: PUD#1 Board of Commissioners Regular Meetings Schedule

1. The purpose of this memo is to provide PUD#1 of Jefferson County's Board of Commissioners (BOC) regular meetings schedule for Calendar Year 2022.
2. The PUD BOC regular board meetings are on the 1st and 3rd Tuesday of each month, with the exceptions of October and December and those months with holidays that fall on a Tuesday. In October, the regular meeting is moved to the first Monday of the month to coincide with the Budget Hearing. In December there is a single Board meeting.
3. Unless otherwise advertised all regular meetings will be held remotely via Zoom and will be eventually held per hybrid at 310 Four Corners Road, Port Townsend, WA when approved by the Governor. All regular meetings will begin at 4:00 pm and will run until adjourned by the President of the Board.

4. 2022 Schedule:

January	4th	and	18th	
February	1st	and	15th	
March	1st	and	15th	
April	5th	and	19th	
May	3rd	and	17th	
June	7th	and	21st	
July	5th	and	19th	
August	2nd	and	16 th	
September	6th	and	20th	
October	3rd	and	18 th	3rd is first Monday, Budget Hearing
November	1st	and	15th	
December	13th			2 nd Tuesday

5. PUD observes the following holidays: New Year's Day, Martin Luther King Day, President Day, Memorial Day, Independence Day, Labor Day, Veteran's Day, Thanksgiving and Day after Thanksgiving, and Christmas Day.

Ph (360) 385-5800 Fx (360) 385-5945 310 Four Corners Road, Port Townsend, WA 98368 customerservice@jeffpud.org
Public Utility District No. 1 of Jefferson County is an Equal Opportunity Employer



AGENDA REPORT

DATE: November 2, 2021
TO: Board of Commissioners
FROM: Samantha Harper, P.E., Engineering Director
RE: Acceptance and sign the PWB loan
RECOMMENDATION: Approval of Resolution

SUMMARY: Staff requests the Board of Commissioners accept the Public Works Board Construction Loan award for the Quilcene Water Tank project and authorize the General Manager to sign the loan contract.

BACKGROUND: *Below is a summary of the events to date:*

The Quilcene Water Tank Project is in the PUD's Quilcene water system. The proposed project would replace a 30,000-gallon elevated steel water tank. The existing water tank and well are located on a PUD owned parcel, approximately 0.5-acre, located within the USFS Hood Canal Ranger District-Quilcene property on Highway 101. In 2004, the water tank had both a non-seismic and seismic inspection performed. The results concluded that the tank may have lead paint issues and does not meet current seismic codes.

In both 2012 and 2019, the PUD received funding for the Quilcene Water Tank project through Jefferson County's Public Infrastructure Fund (PIF) grants to design a new storage sufficient for commercial fire flow within the unincorporated town of Quilcene.

In 2020, through a selection process, the PUD hired BHC Consultants to design the Quilcene water Tank project. BHC Consultants completed the Preliminary Design Technical Memo in October 2020 which analyzed four (4) different styles of water tank and the tank alternative recommended by BHC Consultants and selected by staff was the concrete tank with a booster pump station.

In November 2020, the PUD applied for Department of Health Drinking Water State Revolving Funds and were not awarded the funds.

In July 2021, the PUD applied for Public Works Board (PWB) loan funding and was awarded the funds in the amount of \$2,019,427.

ANALYSIS/FINDINGS: The Public Works Board underwrote the loan with the following terms:

Loan Amount: \$2,019,427
Interest Rate: 0.94%

Loan Forgiveness: 0%
Loan Term: 20-years
Payment Month: June 1st Annually
Time of Performance: 60 months from Contract Start to Project Completion
Loan Reimbursement Start Date August 6, 2021

The loan comes with two incentives, described below.

Performance Incentives:

Certified Project Completion Report within 48 months of the date of contract execution, the Contractor can pick from two options:

Option A: The repayment period will be increased by 24 months not to exceed the life of the asset; OR

Option B: The interest rate will be decreased by one-quarter of one percent (0.25%).

Certified Project Completion Report within 60 months of the date of contract execution, the Contractor can pick from two options:

Option A: The repayment period will be increased by 36 months not to exceed the life of the asset; OR

Option B: The interest rate will be decreased by one-half of one percent (0.50%).

In addition to the financial terms and performance incentives, there are also terms and conditions which will be incorporated into the construction bid document and contract.

The proposed schedule is as follows:

Task	Timeline
Final Design	November 2021
Permitting	November 2021
Bid Advertisement	January – February 2022
Start Construction	July 2022
Construction Completion	February 2023

FISCAL IMPACT: The Quilcene Water Tank project is within the Water 10-year capital improvement plan. In addition, the rate study included the potential of the Quilcene Water Tank Project being funded through a loan. Therefore, this project was built into the rate model and the adopted water rate schedule.

RECOMMENDATION: Staff is recommending that the Board of Commissioners accept the Public Works Board Construction Loan award for the Quilcene Water Tank project and authorize the General Manager to sign the loan contract.

Attachments: Resolution 21-0XX

Resolution 21-0XX, Exhibit A Public Works Board Construction Loan Contract

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

RESOLUTION NO. 2021-0__

A RESOLUTION of the Board of Commissioners of the Public Utility District No. 1 of Jefferson County, Washington (the “PUD”), accepting the Public Works Board Construction Loan award for the Quilcene Water Tank and authorizing the General Manager to sign the PWB loan contract.

WHEREAS, in July 2021, PUD staff applied for the Public Works Board (“PWB”) construction loan for the Quilcene Water Tank project; and

WHEREAS, PWB awarded the PUD a construction loan in the amount of \$2,019,427 with 0.94% interest rate, and a 20-year loan term; and

WHEREAS, the loan terms and conditions are attached in Exhibit A; 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 PUD accepts the loan and the conditions as identified in Exhibit A and authorizes the General Manager to sign the loan contract.

ADOPTED by the Board of Commissioners of Public Utility District No. 1 of Jefferson County, Washington, at a regular open meeting held this 2nd day of November 2021.

Dan Toepper, President

Kenneth Collins, Vice President

ATTEST:

Jeff Randall, Secretary

CONTRACT FACE SHEET**Contract Number: PC22-96103-073****PUBLIC WORKS BOARD
CONSTRUCTION LOAN CONTRACT**

1. Contractor PUD No. 1 of Jefferson County 310 Four Corners Rd. Port Townsend, WA 98368		2. Contractor Doing Business As (optional) N/A	
3. Contractor Representative N/A		4. Public Works Board Representative N/A	
5. Contract Amount \$2,019,427	6. Funding Source Federal: <input type="checkbox"/> State: <input checked="" type="checkbox"/> Other: <input type="checkbox"/> N/A: <input type="checkbox"/>	7. Contract Start Date Contract Execution Date	8. Contract End Date June 1, 2041
9. Federal Funds (as applicable) N/A	Federal Agency N/A	CFDA Number N/A	
10. Tax ID # N/A	11. SWV # 0074555-01	12. UBI # 601-141-351	13. DUNS # N/A
14. Contract Purpose Fund a project of a local government for the planning, acquisition, construction, repair, reconstruction, replacement, rehabilitation, or improvement of streets, roads, bridges, drinking water systems, stormwater systems, sanitary sewage systems, or solid waste facilities, including recycling facilities.			
The BOARD, defined as the Washington State Public Works Board and Contractor acknowledge and accept the terms of this Contract and attachments and have executed this Contract on the date below to start as of the date and year last written below. The rights and obligations of both parties to this Contract are governed by this Contract and the following other documents that are incorporated by reference: Contract Terms and Conditions including Declarations Page; and Attachment I: Attorney's Certification.			
FOR THE CONTRACTOR		FOR PUBLIC WORKS BOARD	
Signature		Kathryn A. Gardow, Public Works Board Chair	
Kevin Streett		Date	
Print Name		APPROVED AS TO FORM ONLY	
General Manager		September 22, 2021	
Title		Dawn C. Cortez	
Date		Assistant Attorney General	



DECLARATIONS

CLIENT INFORMATION

Legal Name: PUD No. 1 of Jefferson County
Loan Number: PC22-96103-073

PROJECT INFORMATION

Project Title: Quilcene Water Tank
Project City: Port Townsend
Project State: Washington
Project Zip Code: 98368

LOAN INFORMATION

Loan Amount: \$2,019,427
Total Estimated Cost: \$2,305,737
Total Estimated Project Funding: \$2,305,737
Loan Forgiveness % (if applicable): %
Loan Term: 20
Interest Rate: 0.94%
Payment Month: June 1st
Loan Reimbursement Start Date: August 6, 2021
Time of Performance: 60 months from Execution Date of this Contract to Project Completion.

SPECIAL TERMS AND CONDITIONS GOVERNING THIS LOAN AGREEMENT

N/A

LOAN SECURITY CONDITION GOVERNING THIS LOAN AGREEMENT

This loan is a revenue obligation of the CONTRACTOR payable solely from the net revenue of the Domestic Water system. Payments shall be made from the net revenue of the utility after the payment of the principal and interest on any revenue bonds, notes, warrants or other obligations of the utility having a lien on that net revenue. As used here, “net revenue” means gross revenue minus expenses of maintenance and operations. The BOARD grants the CONTRACTOR the right to issue future bonds and notes that constitute a lien and charge on net revenue superior to the lien and charge of this loan agreement.

SCOPE OF WORK

The Quilcene water tank project demolishes the existing water tank and constructs a new water tank with associated booster pump station, piping, and controls.

The project costs may include but are not limited to: engineering, cultural and historical resources, environmental documentation, review, permits, public involvement, bid documents and construction. The project needs to meet all applicable Local, State, and/or Federal standards.



TABLE OF CONTENTS

CONTRACT TERMS AND CONDITIONS	1
Part 1. SPECIAL TERMS AND CONDITIONS	1
1.1 Definitions	1
1.2 Authority	1
1.3 Purpose	1
1.4 Order of Precedence	1
1.5 5- year deferral for start-up systems	2
1.6 Competitive Bidding Requirements	2
1.7 Default in Repayment	2
1.8 Investment Grade Audit	2
1.9 Sub-Contractor Data Collection	2
1.10 Eligible Project Costs	2
1.11 Historical and Cultural Resources	3
1.12 Performance Incentives	3
1.13 Project Completion Amendment and Certified Project Completion Report	4
1.14 Project Signs	4
1.15 Rate Loan Forgiveness and Term of Loan	5
1.16 Recapture	5
1.17 Reimbursement Procedures and Payment	5
1.18 Repayment	6
1.19 Reports	7
1.20 Termination for Cause	7
1.21 Termination for Convenience	7
1.22 Time of Performance	7
1.23 Contract Suspension	7
1.24 Special Conditions	8
1.25 Loan Security	8
Part 2. GENERAL TERMS AND CONDITIONS	9
2.1 DEFINITIONS	9
2.2 Allowable Costs	9
2.3 ALL WRITINGS CONTAINED HEREIN	9
2.4 AMENDMENTS	9
2.5 AMERICANS WITH DISABILITIES ACT (ADA) OF 1990, PUBLIC LAW 101-336, also referred to as the "ADA" 28 CFR Part 35	9
2.6 APPROVAL	9
2.7 ASSIGNMENT	10
2.8 ATTORNEYS' FEES	10
2.09 CODE REQUIREMENTS	10
2.10 CONFIDENTIALITY/SAFEGUARDING OF INFORMATION	10
2.11 CONFORMANCE	10
2.12 CONFLICT OF INTEREST	11
2.13 COPYRIGHT PROVISIONS	11
2.14 DISALLOWED COSTS	11
2.15 DISPUTES	12
2.16 DUPLICATE PAYMENT	12
2.17 GOVERNING LAW AND VENUE	12
2.18 INDEMNIFICATION	12
2.19 INDEPENDENT CAPACITY OF THE CONTRACTOR	13
2.20 INDUSTRIAL INSURANCE COVERAGE	13
2.21 LAWS	13

2.22	LICENSING, ACCREDITATION AND REGISTRATION	13
2.23	LIMITATION OF AUTHORITY	13
2.24	Local Public Transportation Coordination	13
2.25	NONCOMPLIANCE WITH NONDISCRIMINATION LAWS	13
2.26	PAY EQUITY	13
2.27	POLITICAL ACTIVITIES	14
2.28	PREVAILING WAGE LAW	14
2.29	PROHIBITION AGAINST PAYMENT OF BONUS OR COMMISSION	14
2.30	PUBLICITY	14
2.31	RECAPTURE	14
2.32	RECORDS MAINTENANCE	15
2.33	REGISTRATION WITH DEPARTMENT OF REVENUE	15
2.34	RIGHT OF INSPECTION	15
2.35	SAVINGS	15
2.36	SEVERABILITY	15
2.37	SUBCONTRACTING	15
2.38	SURVIVAL	16
2.39	TAXES	16
2.40	TERMINATION FOR CAUSE	16
2.41	TERMINATION FOR CONVENIENCE	16
2.42	TERMINATION PROCEDURES	16
2.43	TREATMENT OF ASSETS	17
2.44	WAIVER	17
ATTACHMENT I: ATTORNEY'S CERTIFICATION		189

CONTRACT TERMS AND CONDITIONS

PUBLIC WORKS BOARD CONSTRUCTION LOAN PROGRAM

Part 1. SPECIAL TERMS AND CONDITIONS

1.1 Definitions

As used throughout this Construction Loan Contract the following terms shall have the meaning set forth below:

- A. "Contract" shall mean this Construction Loan Contract.
- B. "Contractor" shall mean the local government identified on the Contract Face Sheet performing service(s) under this Contract and who is a Party to the Contract, and shall include all employees and agents of the Contractor.
- C. "The BOARD" shall mean the Washington State Public Works Board created in Revised Code of Washington (RCW) 43.155.030, and who is a Party to the Contract.
- D. "Declarations " and "Declared" shall refer to the project information, loan terms and conditions as stated on the Declarations Page of this Loan Contract, displayed within the Contract in **THIS STYLE** for easier identification.

1.2 Authority

Acting under the authority of Chapter 43.155 RCW, the BOARD has awarded the Contractor a Public Works Board construction loan for an approved public works project.

1.3 Purpose

The BOARD and the Contractor have entered into this Contract to undertake a local public works project that furthers the goals and objectives of the Washington State Public Works Program. The project will be undertaken by the Contractor and will include the activities described in the **SCOPE OF WORK** shown on the Declarations page. The project must be undertaken in accordance with the loan terms and conditions, and all applicable federal, state and local laws and ordinances, which are incorporated by reference.

1.4 Order of Precedence

In the event of an inconsistency in this Contract, the inconsistency shall be resolved by giving precedence in the following order:

- A. Applicable federal and state of Washington statutes and regulations.
- B. Special Terms and Conditions including attachments.
- C. General Terms and Conditions.

1.5 5- year deferral for start-up systems

If the project financed by this Contract is to develop a system to deliver previously unavailable services, and revenue from those services is to repay the loan, the new system is eligible for a deferral of loan payments for sixty (60) months after the Contract execution date. The Contractor may provide a written request to the BOARD requesting a 5-year deferral for an eligible system. The BOARD may approve the deferral request.

Interest accrues for the aforementioned sixty (60) months. The accrued interest only payment is due June 1 of the 6th year of the loan term. Interest and principal payments are due on June 1 of the 7th year of the loan term.

1.6 Competitive Bidding Requirements

The Contractor shall comply with the provisions of RCW 43.155.060 regarding competitive bidding requirements for projects assisted in whole or in part with money from the Public Works Program.

1.7 Default in Repayment

Loan repayments shall be made on the loan in accordance with Section 1.18 of this Contract. A payment not received within thirty (30) days of the due date shall be declared delinquent. Delinquent payments shall be assessed a monthly penalty beginning on the first (1st) day past the due date. The penalty will be assessed on the entire payment amount. The penalty will be one percent (1%) per month or twelve percent (12%) per annum. The same penalty terms shall apply at project completion if the repayment of loan funds in excess of eligible costs are not repaid at the time of the Project Completion Amendment is submitted, as provided for in Section 1.13.

The Contractor acknowledges and agrees to the BOARD's right, upon delinquency in the payment of any annual installment, to notify any other entity, creditors, or potential creditors of the Contractor of such delinquency.

The Contractor shall be responsible for all legal fees incurred by the BOARD in any action undertaken to enforce its rights under this section.

1.8 Investment Grade Audit

For projects involving repair, replacement, or improvement of a wastewater treatment plant, or other public works facility for which an investment grade audit is obtainable, Contractor must undertake an investment grade audit.

Costs incurred as part of the investment grade audit are eligible project costs.

1.9 Sub-Contractor Data Collection

Contractor will submit reports, in a form and format to be provided by the BOARD and at intervals as agreed by the parties, regarding work under this Contract performed by sub-contractors and the portion of the Contract funds expended for work performed by sub-contractors, including but not necessarily limited to minority-owned, women-owned, and veteran-owned business sub-contractors. "Sub-Contractors" shall mean sub-contractors of any tier.

1.10 Eligible Project Costs

The Eligible project costs must consist of expenditures eligible under Washington Administrative Code (WAC) 399-30-030 and be related only to project activities described in the declared **SCOPE OF WORK**.

Eligible costs for reimbursement shall be construed to mean expenditures incurred and paid, or incurred and payable within thirty (30) days of the reimbursement request. Only costs that have been incurred on or after **LOAN REIMBURSEMENT START DATE** shown in the Declarations are eligible for reimbursement under this Contract. Eligible costs will be paid according to an approved budget up to the maximum amount stated on the Contract Award or Amendment Face Sheet.

The Contractor assures compliance with WAC 399-30-030, which identifies eligible costs for projects assisted with Public Works Board loans.

These terms supersede the terms in Section 2.2. Allowable Costs.

1.11 Historical and Cultural Resources

Prior to commencing construction, Contractor shall complete the requirements of Governor's Executive Order 21-02, or, as an alternative to completion of Governor's Executive Order 21-02, Contractor shall complete Section 106 of the National Historic Preservation Act, as applicable. Contractor agrees that the Contractor is legally and financially responsible for compliance with all laws, regulations, and agreements related to the preservation of historical or cultural resources and agrees to indemnify, defend and hold harmless the BOARD and the State of Washington in relation to any claim related to such historical or cultural resources discovered, disturbed, or damaged as a result of the project funded by this Contract.

In addition to the requirements set forth in this Contract, Contractor shall, in accordance with Governor's Executive Order 21-02, coordinate with the Washington State Department of Archaeology and Historic Preservation (DAHP), including any recommended consultation with any affected tribe(s), during project design and prior to construction to determine the existence of any tribal cultural resources affected by the proposed project funded by this Contract. Contractor agrees to avoid, minimize, or mitigate impacts to cultural resource as a continuing pre-requisite to receipt of funds under this Contract.

The Contractor agrees that, unless the Contractor is proceeding under an approved historical and cultural monitoring plan or other memorandum of agreement, if historical or cultural resources are discovered during construction, the Contractor shall immediately stop work and notify the local historical preservation officer and the state's historic preservation officer at DAHP. If human remains are uncovered, the Contractor shall report the presence and location of the remains to the coroner and local enforcement immediately, then contact DAHP and the concerned tribe's cultural staff or committee.

The Contractor shall require this provision to be contained in all sub-contracts for work or services related to the declared **SCOPE OF WORK**.

In addition to the requirements set forth in this Contract, Contractor agrees to comply with RCW 27.44.040 regarding Indian Graves and Records; RCW 27.53 regarding Archaeological Sites and Resources; RCW 68.60 regarding Abandoned and Historic Cemeteries and Historic Graves; and, WAC 25-48 regarding Archaeological Excavation and Removal Permits.

Completion of the Section 106 of the National Historic Preservation Act shall substitute for completion of Governor's Executive Order 21-02.

In the event that the Contractor finds it necessary to amend the **SCOPE OF WORK**, the Contractor may be required to re-comply with Governor's Executive Order 21-02 or Section 106 of the National Historic Preservation Act.

1.12 Performance Incentives

The Contractor shall complete the project no later than sixty (60) months after the date of Contract execution.

Should the Contractor submit the Certified Project Completion Report within forty-eight (48) months of the date of Contract execution, the Contractor may choose one of the two following incentives upon project completion:

- Option A: The repayment period will be increased by twenty-four (24) months, not to exceed the life of the asset, OR:
- Option B: The interest rate will be decreased by one-quarter of one percent (0.25%).

Should the Contractor submit the Certified Project Completion Report within thirty-six (36) months of the date of Contract execution, the Contractor may choose one of the following two incentives upon project completion:

- Option C: The repayment period will be increased by sixty (60) months, not to exceed the life of the asset, OR;
- Option D: The interest rate will be decreased by up to one-half of one percent (0.50%).

Once an option is selected, the Contract shall be modified to note the appropriate change and no further adjustment to the Contract for Performance Incentives shall be authorized. Irrespective of the performance incentive chosen, at no point in time shall the minimum loan interest rate be less than 0.25%.

The calculation of interest rate and term adjustments will apply to the remaining payments beginning from the date the Project Completion report is certified.

1.13 Project Completion Amendment and Certified Project Completion Report

The Contractor shall complete a Certified Project Completion Report when all activities identified in the **SCOPE OF WORK** are complete. The BOARD will supply the Contractor with the Certified Project Completion Report form, which shall include:

- A. A certified statement that the project, as described in the declared **SCOPE OF WORK**, is complete and, if applicable, meets required standards.
- B. A certified statement of the actual dollar amounts spent, from all funding sources, in completing the project as described in the **SCOPE OF WORK**.
- C. Certification that all costs associated with the project have been incurred and have been accounted for. Costs are incurred when goods and services are received and/or Contract work is performed.
- D. A final voucher for the remaining eligible funds.
- E. Pictures of Completed Project.

The Contractor will submit the Certified Project Completion Report together with the last Invoice Voucher for a sum not to exceed the balance of the loan amount. The final Invoice Voucher payment shall not occur prior to the completion of all project activities identified in the **SCOPE OF WORK** and the BOARD's receipt and acceptance of the Certified Project Completion Report.

The Project Completion Amendment shall serve as an amendment to this Contract determining the final loan amount, local share, term, and interest rate.

1.14 Project Signs

If the Contractor displays, during the period covered by this Contract, signs or markers identifying those agencies participating financially in the approved project, the sign or marker must identify the Washington State Public Works Board as a participant in the project.

1.15 Rate Loan Forgiveness and Term of Loan

The BOARD shall loan the Contractor a sum not to exceed the **LOAN AMOUNT** shown on the Contract Face Sheet and declared on the Contract Declarations Page. The interest rate shall be the declared **INTEREST RATE** per annum on the outstanding principal balance. The amount of loan forgiveness (if applicable) shall be as stated on the attached Declarations Page, and identified therein as LOAN FORGIVENESS %. The length of the loan shall not exceed the declared **LOAN TERM** in years, with the final payment due by the **CONTRACT END DATE** as shown on the Contract Face Sheet.

The loan forgiveness shall be applied at project completion and shall apply to the lesser of the loan amount or the actual eligible costs and that declared percent on any accrued interest. The percent of loan forgiveness and interest rate shall not be changed, regardless of the actual cost of the project and the Affordability Index at project completion.

1.16 Recapture

The right of recapture under Section 2.31. Recapture shall exist for a period not to exceed six (6) years following Contract termination. In the event that the Board is required to institute legal proceedings to enforce the recapture provision, the BOARD shall be entitled to its costs, including attorney's fees.

1.17 Reimbursement Procedures and Payment

If funding or appropriation is not available at the time the invoice is submitted, or when this Contract is executed, the issuance of warrants will be delayed or suspended until such time as funds or appropriation become available. Therefore, subject to the availability of funds, warrants shall be issued to the Contractor for reimbursement of allowable expenses incurred by the Contractor while undertaking and administering approved project activities in accordance with the declared **SCOPE OF WORK**.

The BOARD shall reimburse the Contractor for eligible project expenditures up to the maximum loan amount under this Contract, as identified in Section 1.10. When requesting reimbursement for costs incurred, the Contractor shall submit all Invoice Vouchers and any required documentation electronically through the Department of Commerce's (COMMERCE) Contracts Management System (CMS), which is available through the Secure Access Washington (SAW) portal; referencing the **SCOPE OF WORK** project activity performed, and any appropriate documentation such as bills, invoices, and receipts. If the Contractor has constraints preventing access to COMMERCE's online A-19 portal, a hard copy A-19 form may be provided by the BOARD Project Manager upon request.

Requests for reimbursements for costs related to **construction** activities will not be accepted until the Contractor provides:

- Proof of compliance with Governor's Executive Order 21-02 or Section 106 of the National Historic Preservation Act, as described in Section 1.11, and
- Signed Public Works Board Notice of Contract Award and Notice to Proceed, which follows the formal award of a construction contract.

The BOARD will pay the Contractor upon acceptance of the work performed and receipt of properly completed invoices. Invoices shall be submitted to the BOARD not more often than monthly.

Payment shall be considered timely if made by the BOARD within thirty (30) calendar days after receipt of properly completed invoices. Payment shall be sent to the address designated by the Contractor.

The BOARD may, at its sole discretion, terminate the Contract or withhold payments claimed by the Contractor for services rendered if the Contractor fails to satisfactorily comply with any term or condition of this Contract.

No payments in advance or in anticipation of services or supplies to be provided under this Contract shall be made by the BOARD.

BOARD shall not release the final five (5) percent of the total grant amount until acceptance by BOARD of project completion report.

Duplication of Billed Costs. If the Contractor is entitled to payment or has been or will be paid by another source for an eligible project cost, then the Contractor shall not be reimbursed by the BOARD for that cost.

Disallowed Costs. The Contractor is responsible for any audit exceptions or disallowed costs incurred by its own organization or that of its subcontractors.

In no event shall the total Public Works loan exceed 100% of the eligible actual project costs. At the time of project completion, the Contractor shall submit to the BOARD a Project Completion Amendment certifying the total actual project costs and local share. The final Public Works loan disbursement shall bring the total loan to the lesser of 100% of the eligible project costs or the total declared **LOAN AMOUNT**. The Project Completion Amendment shall serve as an amendment to this Contract determining the final loan amount, local share, and interest rate.

In the event that the final costs identified in the Project Completion Amendment indicate that the Contractor has received Public Works Board monies in excess of 100.00% of eligible costs, all funds in excess of 100.00% shall be repaid to the Board by payment to the Department of Commerce, or its successor, together with the submission of the Project Completion Amendment.

1.18 Repayment

Loan repayment installments are due on the day and month identified under the term: **PAYMENT MONTH** on the Declarations Page. Payments are due each year during the term of the loan beginning one year from the date of Contract execution. Interest only will be charged for this payment if a warrant is issued prior to this date. All subsequent payments shall consist of principal and accrued interest due on the specified **PAYMENT MONTH** date of each year during the remaining term of the loan.

Repayment of the loan under this Contract shall include the declared **INTEREST RATE** per annum based on a three hundred and sixty (360) day year of twelve (12) thirty (30) day months. Interest will begin to accrue from the date each warrant is issued to the Contractor. The final payment shall be on or before the **CONTRACT END DATE** shown on the Declarations page, of an amount sufficient to bring the loan balance to zero.

In the event that the BOARD approves the Contractor's request for a deferral as outlined in Section 1.5, then the first loan repayment is due sixty (60) months after Contract execution. Interest accrues for the sixty (60) months after Contract execution. The accrued interest only will be charged for this payment if a warrant is issued prior to this date. Interest and principal payments are due on the declared **PAYMENT MONTH** date of each year during the remaining term of the loan. The Contractor has the right to repay the unpaid balance of the loan in full at any time or make accelerated payments without penalty.

The Contractor will repay the loan in accordance with the preceding conditions through the use of a check, money order, or equivalent means made payable to the Washington State Department of Commerce, or its successor.

1.19 Reports

The Contractor shall furnish the BOARD with:

- A. Project Status Reports with each Invoice Voucher;
- B. Project Quarterly Reports (if no funds have been reimbursed in the quarter) and/or Quarterly Expenditures Report;
- C. Quarterly Projection Invoice Reports;
- D. Certified Project Completion Report at project completion (as described in Section 1.13);
- E. Pictures of various stages of the project, and
- F. Other reports as the BOARD may require.

1.20 Termination for Cause

If the Contractor fails to comply with the terms of this Contract, or fails to use the loan proceeds only for those activities identified in the **SCOPE OF WORK**, the BOARD may terminate the Contract in whole or in part at any time. The BOARD shall notify the Contractor in writing of its determination to terminate, the reason for such termination, and the effective date of the termination. Nothing in this section shall affect the Contractor's obligation to repay the unpaid balance of the loan.

These terms supersede the terms in Section 2.40 Termination for Cause.

1.21 Termination for Convenience

The BOARD may terminate this Contract in the event that state funds are no longer available to the BOARD, or are not appropriated for the purpose of meeting the BOARD's obligations under this Contract. Termination will be effective when the BOARD sends written notice of termination to the Contractor. Nothing in this section shall affect the Contractor's obligation to repay the unpaid balance of the loan.

These terms supersede the terms in Section 2.41 Termination for Convenience.

1.22 Time of Performance

No later than sixty (60) months after the date of Contract execution the Contractor must reach project completion.

Failure to meet Time of Performance shall constitute default of this Contract. In the event of extenuating circumstances, the Contractor may request, in writing, that the BOARD extend the deadline for project completion. The BOARD may extend the deadline.

The term of this Contract shall be for the entire term of the loan, regardless of actual project completion, unless terminated sooner as provided herein.

1.23 Contract Suspension

In the event that the Washington State Legislature fails to pass and the Governor does not authorize a Capital Budget by June 30 of each biennium, the Washington State Constitution Article 8 and RCW 43.88.130 and RCW 43.88.290 prohibit expenditures or commitments of state funds in the absence of appropriation.

In such event, all work under this Contract will be suspended effective July 1. The Contractor shall immediately suspend work under this Contract and take all reasonable steps necessary to minimize the cost of performance directly attributable to such suspension until the suspension is cancelled.

THE BOARD shall notify the Contractor immediately upon lifting of the Contract suspension.

1.24 Special Conditions

If SPECIAL CONDITIONS are listed on the Contract Declarations Page then these conditions are herein incorporated as part of the terms and requirements of this Contract.

1.25 Loan Security

Loan Security payments shall be made as stated on the attached Declarations Page, and identified therein as LOAN SECURITY.



Part 2. GENERAL TERMS AND CONDITIONS

2.1 DEFINITIONS

As used throughout this Contract, the following terms shall have the meaning set forth below:

- A. "Authorized Representative" shall mean the Public Works Board Chair and/or the designee authorized in writing to act on the Chair's behalf.
- B. "COMMERCE" shall mean the Department of Commerce.
- C. "Contractor" shall mean the entity identified on the face sheet performing service(s) under this Contract, and shall include all employees and agents of the Contractor.
- D. "BOARD" shall mean the Washington State Public Works Board created in Revised Code of Washington (RCW) 43.155.030, and which is a Party to the Contract
- E. "Personal Information" shall mean information identifiable to any person, including, but not limited to, information that relates to a person's name, health, finances, education, business, use or receipt of governmental services or other activities, addresses, telephone numbers, social security numbers, driver license numbers, other identifying numbers, and any financial identifiers.
- F. "State" shall mean the state of Washington.
- G. "Subcontractor" shall mean one not in the employment of the Contractor, who is performing all or part of those services under this Contract under a separate contract with the Contractor. The terms "subcontractor" and "subcontractors" mean subcontractor(s) in any tier.

2.2 Allowable Costs

Costs allowable under this Contract are actual expenditures according to an approved budget up to the maximum amount stated on the Contract Award or Amendment Face Sheet.

2.3 ALL WRITINGS CONTAINED HEREIN

This Contract contains all the terms and conditions agreed upon by the parties. No other understandings, oral or otherwise, regarding the subject matter of this Contract shall be deemed to exist or to bind any of the parties hereto.

2.4 AMENDMENTS

This Contract may be amended by mutual agreement of the parties. Such amendments shall not be binding unless they are in writing and signed by personnel authorized to bind each of the parties.

2.5 AMERICANS WITH DISABILITIES ACT (ADA) OF 1990, PUBLIC LAW 101-336, also referred to as the "ADA" 28 CFR Part 35

The Contractor must comply with the ADA, which provides comprehensive civil rights protection to individuals with disabilities in the areas of employment, public accommodations, state and local government services, and telecommunications.

2.6 APPROVAL

This contract shall be subject to the written approval of the Board's Authorized Representative and shall not be binding until so approved. The contract may be altered, amended, or waived only by a written amendment executed by both parties.

2.7 ASSIGNMENT

Neither this Contract, nor any claim arising under this Contract, shall be transferred or assigned by the Contractor without prior written consent of the Board.

2.8 ATTORNEYS' FEES

Unless expressly permitted under another provision of the Contract, in the event of litigation or other action brought to enforce Contract terms, each party agrees to bear its own attorney's fees and costs.

2.09 CODE REQUIREMENTS

All construction and rehabilitation projects must satisfy the requirements of applicable local, state, and federal building, mechanical, plumbing, fire, energy and barrier-free codes. Compliance with the Americans with Disabilities Act of 1990 28 C.F.R. Part 35 will be required, as specified by the local building Department.

2.10 CONFIDENTIALITY/SAFEGUARDING OF INFORMATION

A. "Confidential Information" as used in this section includes:

1. All material provided to the Contractor by the Board that is designated as "confidential" by the Board;
2. All material produced by the Contractor that is designated as "confidential" by the Board; and
3. All personal information in the possession of the Contractor that may not be disclosed under state or federal law. "Personal information" includes but is not limited to information related to a person's name, health, finances, education, business, use of government services, addresses, telephone numbers, social security number, driver's license number and other identifying numbers, and "Protected Health Information" under the federal Health Insurance Portability and Accountability Act of 1996 (HIPAA).

B. The Contractor shall comply with all state and federal laws related to the use, sharing, transfer, sale, or disclosure of Confidential Information. The Contractor shall use Confidential Information solely for the purposes of this Contract and shall not use, share, transfer, sell or disclose any Confidential Information to any third party except with the prior written consent of the Board or as may be required by law. The Contractor shall take all necessary steps to assure that Confidential Information is safeguarded to prevent unauthorized use, sharing, transfer, sale or disclosure of Confidential Information or violation of any state or federal laws related thereto. Upon request, the Contractor shall provide the Board with its policies and procedures on confidentiality. The Board may require changes to such policies and procedures as they apply to this Contract whenever the Board reasonably determines that changes are necessary to prevent unauthorized disclosures. The Contractor shall make the changes within the time period specified by the Board. Upon request, the Contractor shall immediately return to the Board any Confidential Information that the Board reasonably determines has not been adequately protected by the Contractor against unauthorized disclosure.

C. Unauthorized Use or Disclosure. The Contractor shall notify the Board within five (5) working days of any unauthorized use or disclosure of any confidential information, and shall take necessary steps to mitigate the harmful effects of such use or disclosure.

2.11 CONFORMANCE

If any provision of this contract violates any statute or rule of law of the state of Washington, it is considered modified to conform to that statute or rule of law.

2.12 CONFLICT OF INTEREST

Notwithstanding any determination by the Executive Ethics Board or other tribunal, the BOARD may, in its sole discretion, by written notice to the CONTRACTOR terminate this contract if it is found after due notice and examination by the BOARD that there is a violation of the Ethics in Public Service Act, Chapters 42.52 RCW and 42.23 RCW; or any similar statute involving the CONTRACTOR in the procurement of, or performance under this contract.

Specific restrictions apply to contracting with current or former state employees pursuant to chapter 42.52 of the Revised Code of Washington. The CONTRACTOR and their subcontractor(s) must identify any person employed in any capacity by the state of Washington that worked on the PUBLIC WORKS BOARD including but not limited to formulating or drafting the legislation, participating in loan procurement planning and execution, awarding loans, and monitoring loans, during the 24 month period preceding the start date of this Loan. Identify the individual by name, the agency previously or currently employed by, job title or position held, and separation date. If it is determined by BOARD that a conflict of interest exists, the CONTRACTOR may be disqualified from further consideration for the award of a Loan.

In the event this contract is terminated as provided above, BOARD shall be entitled to pursue the same remedies against the CONTRACTOR as it could pursue in the event of a breach of the contract by the CONTRACTOR. The rights and remedies of BOARD provided for in this clause shall not be exclusive and are in addition to any other rights and remedies provided by law. The existence of facts upon which BOARD makes any determination under this clause shall be an issue and may be reviewed as provided in the "Disputes" clause of this contract.

2.13 COPYRIGHT PROVISIONS

Unless otherwise provided, all Materials produced under this Contract shall be considered "works for hire" as defined by the U.S. Copyright Act and shall be owned by the Board. The Board shall be considered the author of such Materials. In the event the Materials are not considered "works for hire" under the U.S. Copyright laws, the Contractor hereby irrevocably assigns all right, title, and interest in all Materials, including all intellectual property rights, moral rights, and rights of publicity to the Board effective from the moment of creation of such Materials.

"Materials" means all items in any format and includes, but is not limited to, data, reports, documents, pamphlets, advertisements, books, magazines, surveys, studies, computer programs, films, tapes, and/or sound reproductions. "Ownership" includes the right to copyright, patent, register and the ability to transfer these rights.

For Materials that are delivered under the Contract, but that incorporate pre-existing materials not produced under the Contract, the Contractor hereby grants to the Board a nonexclusive, royalty-free, irrevocable license (with rights to sublicense to others) in such Materials to translate, reproduce, distribute, prepare derivative works, publicly perform, and publicly display. The Contractor warrants and represents that the Contractor has all rights and permissions, including intellectual property rights, moral rights and rights of publicity, necessary to grant such a license to the Board.

The Contractor shall exert all reasonable effort to advise the Board, at the time of delivery of Materials furnished under this Contract, of all known or potential invasions of privacy contained therein and of any portion of such document which was not produced in the performance of this Contract. The Contractor shall provide the Board with prompt written notice of each notice or claim of infringement received by the Contractor with respect to any Materials delivered under this Contract. The Board shall have the right to modify or remove any restrictive markings placed upon the Materials by the Contractor.

2.14 DISALLOWED COSTS

The Contractor is responsible for any audit exceptions or disallowed costs incurred by its own organization or that of its Subcontractors.

2.15 DISPUTES

Except as otherwise provided in this Contract, when a dispute arises between the parties and it cannot be resolved by direct negotiation, either party may request a dispute hearing with the Chair of the Board, who may designate a neutral person to decide the dispute.

The request for a dispute hearing must:

- be in writing;
- state the disputed issues;
- state the relative positions of the parties;
- state the Contractor's name, address, and Contract number; and
- be mailed to the Chair and the other party's (respondent's) Representative within three (3) working days after the parties agree that they cannot resolve the dispute.

The respondent shall send a written answer to the requestor's statement to both the Chair or the Chair's designee and the requestor within five (5) working days.

The Chair or designee shall review the written statements and reply in writing to both parties within ten (10) working days. The Chair or designee may extend this period if necessary by notifying the parties.

The decision shall not be admissible in any succeeding judicial or quasi-judicial proceeding.

The parties agree that this dispute process shall precede any action in a judicial or quasi-judicial tribunal.

Nothing in this Contract shall be construed to limit the parties' choice of a mutually acceptable alternate dispute resolution (ADR) method in addition to the dispute hearing procedure outlined above.

2.16 DUPLICATE PAYMENT

The Contractor certifies that work to be performed under this contract does not duplicate any work to be charged against any other contract, subcontract, or other source.

2.17 GOVERNING LAW AND VENUE

This Contract shall be construed and interpreted in accordance with the laws of the state of Washington, and the venue of any action brought hereunder shall be in the Superior Court for Thurston County.

2.18 INDEMNIFICATION

To the fullest extent permitted by law, the Contractor shall indemnify, defend, and hold harmless the state of Washington, BOARD, agencies of the state and all officials, agents and employees of the state, for, from and against all claims for injuries or death arising out of or resulting from the performance of the contract. "Claim" as used in this contract, means any financial loss, claim, suit, action, damage, or expense, including but not limited to attorney's fees, attributable for bodily injury, sickness, disease, or death, or injury to or the destruction of tangible property including loss of use resulting therefrom. The Contractor's obligation to indemnify, defend, and hold harmless shall not be eliminated by any actual or alleged concurrent negligence of the state or its agents, agencies, employees and officers.

The Contractor expressly agrees to indemnify, defend, and hold harmless the State for any claim arising out of or incident to the Contractor's or any subcontractor's performance or failure to perform the contract. Contractor's obligation to indemnify, defend, and hold harmless the State shall not be eliminated or reduced by any actual or alleged concurrent negligence of State or its agents, agencies, employees and officials.

The Contractor waives its immunity under Title 51 RCW to the extent it is required to indemnify, defend and hold harmless the state and its agencies, officers, agents or employees.

2.19 INDEPENDENT CAPACITY OF THE CONTRACTOR

The parties intend that an independent contractor relationship will be created by this Contract. The Contractor and its employees or agents performing under this Contract are not employees or agents of the state of Washington or the Board. The Contractor will not hold itself out as or claim to be an officer or employee of the Board or of the state of Washington by reason hereof, nor will the Contractor make any claim of right, privilege or benefit which would accrue to such officer or employee under law. Conduct and control of the work will be solely with the Contractor.

2.20 INDUSTRIAL INSURANCE COVERAGE

The Contractor shall comply with all applicable provisions of Title 51 RCW, Industrial Insurance. If the Contractor fails to provide industrial insurance coverage or fails to pay premiums or penalties on behalf of its employees as may be required by law, the Board may collect from the Contractor the full amount payable to the Industrial Insurance Accident Fund. The Board may deduct the amount owed by the Contractor to the accident fund from the amount payable to the Contractor by the Board under this Contract, and transmit the deducted amount to the Department of Labor and Industries, (L&I) Division of Insurance Services. This provision does not waive any of L&I's rights to collect from the Contractor.

2.21 LAWS

The Contractor shall comply with all applicable laws, ordinances, codes, regulations and policies of local and state and federal governments, as now or hereafter amended.

2.22 LICENSING, ACCREDITATION AND REGISTRATION

The Contractor shall comply with all applicable local, state, and federal licensing, accreditation and registration requirements or standards necessary for the performance of this Contract.

2.23 LIMITATION OF AUTHORITY

Only the Authorized Representative or Authorized Representative's designee by writing (designation to be made prior to action) shall have the express, implied, or apparent authority to alter, amend, modify, or waive any clause or condition of this Contract.

2.24 Local Public Transportation Coordination

Where applicable, Contractor shall participate in local public transportation forums and implement strategies designed to ensure access to services.

2.25 NONCOMPLIANCE WITH NONDISCRIMINATION LAWS

During the performance of this Contract, the Contractor shall comply with all federal, state, and local nondiscrimination laws, regulations and policies. In the event of the Contractor's non-compliance or refusal to comply with any nondiscrimination law, regulation or policy, this contract may be rescinded, canceled or terminated in whole or in part, and the Contractor may be declared ineligible for further contracts with the Board. The Contractor shall, however, be given a reasonable time in which to cure this noncompliance. Any dispute may be resolved in accordance with the "Disputes" procedure set forth herein.

2.26 PAY EQUITY

The Contractor agrees to ensure that "similarly employed" individuals in its workforce are compensated as equals, consistent with the following:

- A. Employees are “similarly employed” if the individuals work for the same employer, the performance of the job requires comparable skill, effort, and responsibility, and the jobs are performed under similar working conditions. Job titles alone are not determinative of whether employees are similarly employed;
- B. Contractor may allow differentials in compensation for its workers if the differentials are based in good faith and on any of the following:
 - 1. A seniority system; a merit system; a system that measures earnings by quantity or quality of production; a bona fide job-related factor or factors; or a bona fide regional difference in compensation levels.
 - 2. A bona fide job-related factor or factors may include, but not be limited to, education, training, or experience that is: Consistent with business necessity; not based on or derived from a gender-based differential; and accounts for the entire differential.
 - 3. A bona fide regional difference in compensation level must be: Consistent with business necessity; not based on or derived from a gender-based differential; and account for the entire differential.

This Contract may be terminated by the BOARD, if the BOARD or the Department of Enterprise Services determines that the Contractor is not in compliance with this provision.

2.27 POLITICAL ACTIVITIES

Political activity of Contractor employees and officers are limited by the State Campaign Finances and Lobbying provisions of Chapter 42.17 RCW and the Federal Hatch Act, 5 USC 1501 - 1508.

No funds may be used for working for or against ballot measures or for or against the candidacy of any person for public office.

2.28 PREVAILING WAGE LAW

The Contractor certifies that all contractors and subcontractors performing work on the Project shall comply with state Prevailing Wages on Public Works, Chapter 39.12 RCW, as applicable to the Project funded by this contract, including but not limited to the filing of the “Statement of Intent to Pay Prevailing Wages” and “Affidavit of Wages Paid” as required by RCW 39.12.040. The Contractor shall maintain records sufficient to evidence compliance with Chapter 39.12 RCW, and shall make such records available for the Board’s review upon request.

2.29 PROHIBITION AGAINST PAYMENT OF BONUS OR COMMISSION

The funds provided under this Contract shall not be used in payment of any bonus or commission for the purpose of obtaining approval of the application for such funds or any other approval or concurrence under this Contract provided, however, that reasonable fees or bona fide technical consultant, managerial, or other such services, other than actual solicitation, are not hereby prohibited if otherwise eligible as project costs.

2.30 PUBLICITY

The Contractor agrees not to publish or use any advertising or publicity materials in which the state of Washington or the Board’s name is mentioned, or language used from which the connection with the state of Washington’s or the Board’s name may reasonably be inferred or implied, without the prior written consent of the Board.

2.31 RECAPTURE

In the event that the Contractor fails to perform this contract in accordance with state laws, federal laws, and/or the provisions of this contract, the Board reserves the right to recapture funds in an amount to compensate the Board for the noncompliance in addition to any other remedies available at law or in equity.

Repayment by the Contractor of funds under this recapture provision shall occur within the time period specified by the Board. In the alternative, the Board may recapture such funds from payments due under this contract.

2.32 RECORDS MAINTENANCE

The Contractor shall maintain all books, records, documents, data and other evidence relating to this Contract and performance of the services described herein, including but not limited to accounting procedures and practices which sufficiently and properly reflect all direct and indirect costs of any nature expended in the performance of this Contract. Contractor shall retain such records for a period of six years following the date of final payment.

If any litigation, claim or audit is started before the expiration of the six (6) year period, the records shall be retained until all litigation, claims, or audit findings involving the records have been finally resolved.

2.33 REGISTRATION WITH DEPARTMENT OF REVENUE

If required by law, the Contractor shall complete registration with the Washington State Department of Revenue.

2.34 RIGHT OF INSPECTION

At no additional cost all records relating to the Contractor's performance under this Contract shall be subject at all reasonable times to inspection, review, and audit by the Board, the Office of the State Auditor, and federal and state officials so authorized by law, in order to monitor and evaluate performance, compliance, and quality assurance under this Contract. The Contractor shall provide access to its facilities for this purpose.

2.35 SAVINGS

In the event funding from state, federal, or other sources is withdrawn, reduced, or limited in any way after the effective date of this Contract and prior to normal completion, the Board may terminate the Contract under the "Termination for Convenience" clause, without the ten business day notice requirement. In lieu of termination, the Contract may be amended to reflect the new funding limitations and conditions.

2.36 SEVERABILITY

If any provision of this Contract or any provision of any document incorporated by reference shall be held invalid, such invalidity shall not affect the other provisions of this Contract that can be given effect without the invalid provision, if such remainder conforms to the requirements of law and the fundamental purpose of this Contract and to this end the provisions of this Contract are declared to be severable.

2.37 SUBCONTRACTING

The Contractor may only subcontract work contemplated under this Contract if it obtains the prior written approval of the Board.

If the Board approves subcontracting, the Contractor shall maintain written procedures related to subcontracting, as well as copies of all subcontracts and records related to subcontracts. For cause, the Board in writing may: (a) require the Contractor to amend its subcontracting procedures as they relate to this Contract; (b) prohibit the Contractor from subcontracting with a particular person or entity; or (c) require the Contractor to rescind or amend a subcontract.

Every subcontract shall bind the Subcontractor to follow all applicable terms of this Contract. The Contractor is responsible to the Board if the Subcontractor fails to comply with any applicable term or condition of this Contract. The Contractor shall appropriately monitor the activities of the Subcontractor to assure fiscal

conditions of this Contract. In no event shall the existence of a subcontract operate to release or reduce the liability of the Contractor to the Board for any breach in the performance of the Contractor's duties.

Every subcontract shall include a term that the Board and the State of Washington are not liable for claims or damages arising from a Subcontractor's performance of the subcontract.

2.38 SURVIVAL

The terms, conditions, and warranties contained in this Contract that by their sense and context are intended to survive the completion of the performance, cancellation or termination of this Contract shall so survive.

2.39 TAXES

All payments accrued on account of payroll taxes, unemployment contributions, the Contractor's income or gross receipts, any other taxes, insurance or expenses for the Contractor or its staff shall be the sole responsibility of the Contractor.

2.40 TERMINATION FOR CAUSE

In the event BOARD determines the Contractor has failed to comply with the conditions of this contract in a timely manner, BOARD has the right to suspend or terminate this contract. Before suspending or terminating the contract, BOARD shall notify the Contractor in writing of the need to take corrective action. If corrective action is not taken within 30 calendar days, the contract may be terminated or suspended.

In the event of termination or suspension, the Contractor shall be liable for damages as authorized by law.

BOARD reserves the right to suspend all or part of the contract, withhold further payments, or prohibit the Contractor from incurring additional obligations of funds during investigation of the alleged compliance breach and pending corrective action by the Contractor or a decision by BOARD to terminate the contract. A termination shall be deemed a "Termination for Convenience" if it is determined that the Contractor: (1) was not in default; or (2) failure to perform was outside of his or her control, fault or negligence.

The rights and remedies of BOARD provided in this contract are not exclusive and are, in addition to any other rights and remedies, provided by law.

2.41 TERMINATION FOR CONVENIENCE

Except as otherwise provided in this Contract the Board may, by ten (10) business days written notice, beginning on the second day after the mailing, terminate this Contract, in whole or in part. If this Contract is so terminated, the Board shall be liable only for payment required under the terms of this Contract for services rendered or goods delivered prior to the effective date of termination.

2.42 TERMINATION PROCEDURES

Upon termination of this contract, BOARD, in addition to any other rights provided in this contract.

The rights and remedies of BOARD provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this contract.

After receipt of a notice of termination, and except as otherwise directed by the Authorized Representative, the Contractor shall:

- A.** Stop work under the Contract on the date, and to the extent specified, in the notice;
- B.** Place no further orders or subcontracts for materials, services, or facilities except as may be necessary for completion of such portion of the work under the contract that is not terminated;

- C. Assign to the BOARD, in the manner, at the times, and to the extent directed by the Authorized Representative, all of the rights, title, and interest of the Contractor under the orders and subcontracts so terminated, in which case the BOARD has the right, at its discretion, to settle or pay any or all claims arising out of the termination of such orders and subcontracts;
- D. Settle all outstanding liabilities and all claims arising out of such termination of orders and subcontracts, with the approval or ratification of the Authorized Representative to the extent the Authorized Representative may require, which approval or ratification shall be final for all the purposes of this clause;
- E. Transfer title to the BOARD and deliver in the manner, at the times, and to the extent directed by the Authorized Representative any property which, if the contract had been completed, would have been required to be furnished to the BOARD;
- F. Complete performance of such part of the work as shall not have been terminated by the Authorized Representative; and
- G. Take such action as may be necessary, or as the Authorized Representative may direct, for the protection and preservation of the property related to this contract, which is in the possession of the Contractor and in which the BOARD has or may acquire an interest.

2.43 TREATMENT OF ASSETS

Title to all property furnished by BOARD shall remain in BOARD. Title to all property furnished by the Contractor, for the cost of which the Contractor is entitled to be reimbursed as a direct item of cost under this contract, shall pass to and vest in the Contractor.

2.44 WAIVER

Waiver of any default or breach shall not be deemed to be a waiver of any subsequent default or breach. Any waiver shall not be construed to be a modification of the terms of this Contract unless stated to be such in writing and signed by Authorized Representative of the Board.



ATTACHMENT I: ATTORNEY'S CERTIFICATION

PUBLIC WORKS BOARD CONSTRUCTION LOAN PROGRAM

**PUD No. 1 of Jefferson County
PC22-96103-073**

I, Joel R. Paisner, hereby certify:

I am an attorney at law admitted to practice in the State of Washington and the duly appointed attorney of the PUD No. 1 of Jefferson County (the Contractor); and

I have also examined any and all documents and records which are pertinent to the Contract, including the application requesting this financial assistance.

Based on the foregoing, it is my opinion that:

1. The Contractor is a public body, properly constituted and operating under the laws of the state of Washington, empowered to receive and expend federal, state and local funds, to contract with the state of Washington, and to receive and expend the funds involved to accomplish the objectives set forth in their application.
2. The Contractor is empowered to accept the Public Works Board financial assistance and to provide for repayment of the loan as set forth in the Contract.
3. There is currently no litigation in existence seeking to enjoin the commencement or completion of the above-described public facilities project or to enjoin the Contractor from repaying the loan extended by the Public Works Board with respect to such project. The Contractor is not a party to litigation which will materially affect its ability to repay such loan on the terms contained in the Contract.
4. Assumption of this obligation would not exceed statutory and administrative rule debt limitations applicable to the Contractor.

Signature of Attorney

Date

Joel R. Paisner, Partner
Ascent Law Partners, LLP

Certificate Of Completion

Envelope Id: 871E5F5E5A474736813E04D4BCEC3092

Status: Sent

Subject: Please DocuSign: 2022 PWB Construction Contract Template.doc

Division:

Local Government

Program: Public Works Board

ContractNumber: PC22-96103-073

Source Envelope:

Document Pages: 25

Signatures: 0

Envelope Originator:

Certificate Pages: 5

Initials: 0

Connie Rivera

AutoNav: Enabled

1011 Plum Street SE

Envelopeld Stamping: Enabled

MS 42525

Time Zone: (UTC-08:00) Pacific Time (US & Canada)

Olympia, WA 98504-2525

connie.rivera@commerce.wa.gov

IP Address: 198.239.157.92

Record Tracking

Status: Original

Holder: Connie Rivera

Location: DocuSign

10/14/2021 6:14:46 PM

connie.rivera@commerce.wa.gov

Security Appliance Status: Connected

Pool: StateLocal

Storage Appliance Status: Connected

Pool: Washington State Department of Commerce

Location: DocuSign

Signer Events**Signature****Timestamp**

Joel R. Paisner

Sent: 10/15/2021 8:38:53 AM

joel@ascentllp.com

Security Level: Email, Account Authentication
(None)**Electronic Record and Signature Disclosure:**

Not Offered via DocuSign

Kevin Streett

kstreett@jeffpud.org

Security Level: Email, Account Authentication
(None)**Electronic Record and Signature Disclosure:**

Not Offered via DocuSign

Kathryn A. Gardow

pwbgardowk@gmail.com

Security Level: Email, Account Authentication
(None)**Electronic Record and Signature Disclosure:**

Accepted: 10/14/2021 12:58:31 PM

ID: 1e78c91e-a7d5-470c-93dc-409aa7bea85c

In Person Signer Events**Signature****Timestamp****Editor Delivery Events****Status****Timestamp****Agent Delivery Events****Status****Timestamp****Intermediary Delivery Events****Status****Timestamp****Certified Delivery Events****Status****Timestamp**

Certified Delivery Events	Status	Timestamp
Samantha Harper sharper@jeffpud.org Security Level: Email, Account Authentication (None)	VIEWED Using IP Address: 64.184.177.194	Sent: 10/14/2021 6:21:51 PM Viewed: 10/15/2021 8:38:53 AM

Electronic Record and Signature Disclosure:
 Accepted: 10/15/2021 8:38:53 AM
 ID: f1eb72c3-b244-43fd-b72f-b584ed8b4d14

Carbon Copy Events	Status	Timestamp
Witness Events	Signature	Timestamp
Notary Events	Signature	Timestamp
Envelope Summary Events	Status	Timestamps
Envelope Sent	Hashed/Encrypted	10/14/2021 6:21:51 PM
Payment Events	Status	Timestamps
Electronic Record and Signature Disclosure		

ELECTRONIC RECORD AND SIGNATURE DISCLOSURE

From time to time, Washington State Department of Commerce (we, us or Company) may be required by law to provide to you certain written notices or disclosures. Described below are the terms and conditions for providing to you such notices and disclosures electronically through the DocuSign system. Please read the information below carefully and thoroughly, and if you can access this information electronically to your satisfaction and agree to this Electronic Record and Signature Disclosure (ERSD), please confirm your agreement by selecting the check-box next to 'I agree to use electronic records and signatures' before clicking 'CONTINUE' within the DocuSign system.

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Withdrawing your consent

If you decide to receive notices and disclosures from us electronically, you may at any time change your mind and tell us that thereafter you want to receive required notices and disclosures only in paper format. How you must inform us of your decision to receive future notices and disclosure in paper format and withdraw your consent to receive notices and disclosures electronically is described below.

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Unless you tell us otherwise in accordance with the procedures described herein, we will provide electronically to you through the DocuSign system all required notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you during the course of our relationship with you. To reduce the chance of you inadvertently not receiving any notice or disclosure, we prefer to provide all of the required notices and disclosures to you by the same method and to the same address that you have given us. Thus, you can receive all the disclosures and notices electronically or in paper format through the paper mail delivery system. If you do not agree with this process, please let us know as described below. Please also see the paragraph immediately above that describes the consequences of your electing not to receive delivery of the notices and disclosures electronically from us.

How to contact Washington State Department of Commerce:

You may contact us to let us know of your changes as to how we may contact you electronically, to request paper copies of certain information from us, and to withdraw your prior consent to receive notices and disclosures electronically as follows:

To contact us by email send messages to: docusign@commerce.wa.gov

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To let us know of a change in your email address where we should send notices and disclosures electronically to you, you must send an email message to us at docusign@commerce.wa.gov and in the body of such request you must state: your previous email address, your new email address. We do not require any other information from you to change your email address.

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To request paper copies from Washington State Department of Commerce

To request delivery from us of paper copies of the notices and disclosures previously provided by us to you electronically, you must send us an email to docusign@commerce.wa.gov and in the body of such request you must state your email address, full name, mailing address, and telephone number. We will bill you for any fees at that time, if any.

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To inform us that you no longer wish to receive future notices and disclosures in electronic format you may:

- i. decline to sign a document from within your signing session, and on the subsequent page, select the check-box indicating you wish to withdraw your consent, or you may;
- ii. send us an email to docusign@commerce.wa.gov and in the body of such request you must state your email, full name, mailing address, and telephone number. We do not need any other information from you to withdraw consent.. The consequences of your withdrawing consent for online documents will be that transactions may take a longer time to process..

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The minimum system requirements for using the DocuSign system may change over time. The current system requirements are found here: <https://support.docusign.com/guides/signer-guide-signing-system-requirements>.

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To confirm to us that you can access this information electronically, which will be similar to other electronic notices and disclosures that we will provide to you, please confirm that you have read this ERSD, and (i) that you are able to print on paper or electronically save this ERSD for your future reference and access; or (ii) that you are able to email this ERSD to an email address where you will be able to print on paper or save it for your future reference and access. Further, if you consent to receiving notices and disclosures exclusively in electronic format as described herein, then select the check-box next to ‘I agree to use electronic records and signatures’ before clicking ‘CONTINUE’ within the DocuSign system.

By selecting the check-box next to ‘I agree to use electronic records and signatures’, you confirm that:

- You can access and read this Electronic Record and Signature Disclosure; and
- You can print on paper this Electronic Record and Signature Disclosure, or save or send this Electronic Record and Disclosure to a location where you can print it, for future reference and access; and
- Until or unless you notify Washington State Department of Commerce as described above, you consent to receive exclusively through electronic means all notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you by Washington State Department of Commerce during the course of your relationship with Washington State Department of Commerce.



AGENDA REPORT

DATE: 11/2/2021
TO: Board of Commissioners
FROM: Kevin Streett
RE: ILA w/ Mason PUD 1

BACKGROUND: Mason PUD 1 and Jefferson PUD are both engaged in the business of distributing electricity, but Mason PUD 1 serves electricity to customers from the Mason/Jefferson County line up to Mount Walker, per interlocal agreement. Mason PUD 1 has secured a CERB grant from the Washington State Department of Commerce to construct and operate a 3.7 mile section of broadband along Highway 101 from approximately the location of Mike's Beach Resort on U.S. Hwy 101 in Mason County to Forest Drive in Jefferson County.

ANALYSIS/FINDINGS: As Jefferson PUD has no current plans to provide wholesale telecommunications services utilizing fiber optics to the area of Forrest Drive in Brinnon, it is in the best interests of the residents and businesses to facilitate Mason PUD 1's construction, ownership and operation of wholesale telecommunications services within the boundaries of Jefferson PUD for this specific CERB project. By approving this ILA, Jefferson PUD authorizes and approves Mason PUD 1 to construct, own, manage and operate such telecommunications services in Jefferson County.

FISCAL IMPACT: n/a

RECOMMENDATION: Approve a motion authorizing General Manager Kevin Street to sign the Interlocal Agreement with Mason PUD 1.

Agreement Regarding Telecommunications Service

This Agreement Regarding Fiber Optic Service (“Contract”) is date this day of 2021, and is made by and between Public Utility District No. 1 of Mason County, Washington (Mason PUD 1) and Public Utility District No. 1 of Jefferson County, Washington (Jefferson PUD).

RECITALS:

- A. Mason PUD 1 and Jefferson PUD are municipal corporations organized and operating under Title 54 Revised Code of Washington (RCW);
- B. The boundaries of Mason PUD 1 are within Mason County, Washington and Jefferson PUD are within Washington;
- C. Mason PUD 1 and Jefferson PUD are both engaged in the business of distributing electricity, but Mason PUD 1 serves electricity to customers from the Mason/Jefferson County line up to Mount Walker, per interlocal agreement (INSERT DATE);
- D. RCW 54.16.330 authorizes either district to “construct, purchase, acquire, develop, finance, lease, license, handle, add to, contract for, interconnect, alter, improve, repair, operate and maintain any telecommunications facilities within or without the district’s limits...”;
- E. RCW 54.16.090 authorizes Mason PUD 1 and Jefferson PUD to enter into any contract or agreement for carrying out any of the powers authorized by Title 54 RCW;
- F. RCW 54.16.200 authorizes Mason PUD 1 and Jefferson PUD to exercise jointly all powers granted to each individual district;
- G. PUD 1 has secured a CERB grant from the Washington State Department of Commerce to construct and operate a 3.7 mile section of broadband along Highway 101 from approximately the location of Mike’s Beach Resort on U.S. Hwy 101 in Mason County to Forest Drive in Jefferson County;
- H. Jefferson PUD has no current plans to provide wholesale telecommunications services utilizing fiber optics to the area of Forrest Drive in Brinnon. Jefferson PUD has therefore determined that it is in the best interests of the residents and businesses to facilitate Mason PUD 1’s construction, ownership and operation of wholesale telecommunications services within the boundaries of Jefferson PUD for this specific CERB project. Jefferson PUD therefore authorizes and approves Mason PUD 1 to construct, own, manage and operate such telecommunications services in accordance with this Contract.
- I. Mason PUD 1 and Jefferson PUD have determined that the acts authorized in this Contract are necessary for economic development and enhanced telecommunications within the boundaries of Jefferson PUD.

- J. Chapter 39.34 RCS authorizes the districts to enter into interlocal governmental agreements between one another and become enforceable upon being recorded at the Mason County Auditor's Office.

NOW, THEREFORE, in consideration of the mutual covenants and conditions hereinafter provided the parties agree as follows:

1. Jefferson PUD hereby consents, approves, authorizes and acquiesces in Mason PUD 1's construction, ownership, operation, management, repair, maintenance and/or expansion of telecommunications services located within the boundaries of Jefferson PUD for the purposes of the CERB-funded "Hood Canal-101 Broadband Project". Mason PUD 1 shall determine in the sole discretion the terms under which it will provide services, if at all.

23. This Contract shall terminate six months after one party gives the other party written notice of its intent to terminate. Termination of this Contract, however, shall not affect any right or ability then established by Mason PUD 1 in any telecommunications services, and Mason PUD 1 shall continue to own, operate, manage, repair, maintain, or expand any such service. Thus, the termination of this Contract merely prevents Mason PUD 1 from entering into new arrangements with third parties (from and after the termination date) for the ownership and/or operation of telecommunications services within Jefferson PUD to the extent that the approval of Jefferson PUD would be required before Mason PUD 1 could lawfully enter into such arrangements. This Contract shall terminate on the date that is 25 years after the date first written above, unless earlier terminated in accordance with this Contract.

34. Nothing in this Contract is intended nor shall it be construed to create any rights in third parties.

45. Each Party shall either file or post this Agreement in compliance with RCW 39.34.040

5. Mason PUD 1 shall indemnify, defend and hold harmless Jefferson PUD from and against all liabilities, penalties, costs, losses, damages, expenses, causes of action, claims, demands or judgments including, without limitation, reasonable attorney's fees, arising out of or in any way connected with Mason PUD 1, its agents', employees' or officers' performance under this Agreement, except to the extent that such damage or injury is caused by or the result of Jefferson PUD's negligence or intentional misconduct.

Jefferson PUD shall indemnify, defend and hold harmless Mason PUD 1 from and against all liabilities, penalties, costs, losses, damages, expenses, causes of action, claims, demands or judgments including, without limitation, reasonable attorney's fees, arising out of or in any way connected with Jefferson PUD, its agents', employees' or officers' performance under this Agreement, except to the extent that such damage or injury is caused by or the result of the Mason PUD 1's negligence or intentional misconduct.

6. The relationship between Mason PUD 1 and Jefferson PUD is that of independent contractors and nothing in this Agreement shall be construed to create a partnership, joint venture, or agency relationship between Mason PUD 1 and Jefferson PUD.

7. Neither party shall assign, sublease, transfer or convey (i) this Agreement or any interest therein, or (ii) any interest in or portion of the Mason PUD 1 and Jefferson PUD facilities without the prior written consent of the other party, which consent shall be in such party's sole discretion.

8. If any suit or action is instituted or prosecuted to interpret or enforce any provision of this Agreement, the prevailing party in such suit or action shall be entitled to recover from the other party costs, expenses and reasonable attorney fees incurred by such prevailing party in connection with such suit or action, in addition to all other sums allowed by law (subject to the limitations herein), both at trial and on appeal.

9. This Agreement may not be changed orally, but only by an agreement in writing signed by Mason PUD 1 and Jefferson PUD. Any waiver of any term or condition of this Agreement shall not operate as a waiver of any other such term or condition or as any continuing waiver, nor shall any failure to enforce any provision hereof operate as a waiver of such provision or of any other provision hereof.

10. This Agreement, constitutes the entire agreement between Mason PUD 1 and Jefferson PUD. It supersedes all prior and contemporaneous communications, representations or agreements whether oral or written with respect to the subject matter thereof and has been induced by no representations, statements or agreements other than those herein expressed. No agreement hereafter made between the parties shall be binding on either party unless reduced to writing and signed by the party sought to be bound thereby

11. The venue of any litigation between the parties relating to this Agreement shall be the Superior Court of Jefferson County, Washington.

PUBLIC UTILITY DISTRICT NO. 1 OF MASON COUNTY, WASHINGTON

By_____ Its_____

PUBLIC UTILITY DISTRICT NO. 1 OF JEFFERSON COUNTY, WASHINGTON

By_____ Its_____
Kevin Streett General Manager



AGENDA REPORT

DATE: November 2, 2021

TO: Board of Commissioners

FROM: Mike Bailey, Finance Director/Auditor

RE: RUS RDAppl

SUMMARY: Staff has been reviewing financing options through RUS for project specific loans as well as a construction loan based on our 4-year construction work plan.

BACKGROUND: RUS has moved to an electronic application process entitled RDAppl. Through this electronic process, RUS has streamlined the loan application process and reduced the amount of

ANALYSIS/FINDINGS: By getting approved for and signed up for access to RDAppl, we will be better prepared to seek financing through RUS in the future.

FISCAL IMPACT: At this time there is no fiscal impact.

RECOMMENDATION: Approve Resolution 2020-XXX authorizing application to the Rural Utility Service (RUS) for the RUS RDAPPLY program.

**PUBLIC UTILITY DISTRICT NO.1
OF
JEFFERSON COUNTY
RESOLUTION NO. 2021-0--**

A RESOLUTION of the Board of Commissioners of Public Utility District No. 1 of Jefferson County, Washington (District), authorizing application to the Rural Utility Service (RUS) for the RUS RDAPPLY program.

WHEREAS, the District is a borrower from RUS; and

WHEREAS, the District seeks to apply to the RDAPPLY program offered by RUS providing an electronic application process for loan programs offered by RUS.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of Public Utility District No. 1 of Jefferson County, Washington that it hereby authorizes Jeff Randall, its Secretary to execute the attached Secretary Certificate authorizing Kevin Streett, General Manager, and Mike Bailey, Director of Finance to complete the necessary work to apply for and be part of the RDAPPLY program offered by RUS.

ADOPTED at a regular meeting of the Board of Commissioners of Public Utility District No. 1 of Jefferson County, this 2nd day of November, 2021.

Dan Toepper, President

Kenneth Collins, Vice President

Secretary, Jeff Randall

SECRETARY'S CERTIFICATE

I, Jeff Randall, do hereby certify that: I am the Secretary of Jefferson County Public Utility District No. 1 of Jefferson County, Washington (hereinafter the "Corporation;") that the following are true and correct copies of resolutions duly adopted by the Board of Commissioners of the Public Utility District at the regular meeting held on November 2, 2021, and entered in the minute book of the Public Utility District; that the meeting was duly and regularly called and held in accordance with the laws of the State of Washington; and that none of the following resolutions has been rescinded or modified:

RESOLUTIONS

1. RESOLVED that Kevin Streett, the General Manager of the Corporation, be the Certifier on behalf of the Corporation, who shall be responsible for submitting and certifying to the Rural Utilities Service, an agency of the United States Department of Agriculture, any and all data required by RD Apply Intake System;

2. RESOLVED that Mike Bailey, the Director of Finance of the Corporation, be the Administrator on behalf of the Corporation, who shall give access to the Corporation's data, as appropriate, to other employees, officers, or contractors of the Corporation, for the purpose of complying with the RD Apply Intake System; and

3. RESOLVED that both shall comply with the Instructions for RD Apply Intake System in regard to use of the government's data collection system.

Certifier: _____
eAuthentication ID

Administrator: _____
eAuthentication ID

I FURTHER CERTIFY THAT each member of the Board of Commissioners of the Corporation was furnished with notice of said meeting in compliance with the laws of the State of Washington.

IN WITNESS WHEREOF I have hereunto set my hand and affixed the seal of the Corporation

this _____ day of _____, 20_____.

Secretary

(Corporate Seal)