

Regular Meeting Agenda
Board of Commissioners
Tues, Apr 5, 2022 3:00 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 3PM

Per the Governor's Extended Proclamation 20-28 and in response to the COVID-19 Pandemic, Jefferson County PUD no longer provides an in-person room for meetings of the BOC. All meetings are held remotely via Zoom. 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. Executive Session

RCW 42.30.140 (a) (b) to discuss with legal counsel potential litigation.




4. Public Comment 4PM

The public comment period allows members of the public to comment, limited to 3 minutes each, on any items not specifically listed on the Agenda or for items listed on the Consent Agenda. Prior to any public comment, members of the public must first be recognized by the President, or the designated Chair of the meeting, and are not permitted to disrupt, disturb, or otherwise impede the orderly conduct and fair progress of the Commission's meeting. After an initial warning by the President, or the designated Chair of the meeting, individuals who intentionally violate these guidelines through actual disruption of the Commission meeting will be dropped from the meeting. (15 min).

5. 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: Approve a motion to adopt the Consent Agenda as presented.

5.1.	Prior Minutes	5 - 26
	PUD BOC Regular Meeting 01-04-2022 Minutes Draft.pdf 	
	PUD BOC Special Meeting 01-04-2022 Minutes Draft.pdf 	
	PUD BOC Special Meeting 01-11-2022 Minutes Draft.pdf 	
	PUD BOC Regular Meeting 01-18-2022 Minutes Draft.pdf 	
5.2.	Vouchers	27 - 44
	Voucher Approval Form for the Commissioners.pdf 	
	Voucher Certification with Supporting Warrant Register & Payroll....pdf 	
5.3.	Financial Report	45 - 95
	February 2022 Financials.pdf 	
	2021 Form 7 Submitted 3.30.2022.pdf 	
	Jefferson County PUD 2021 Form 442-2 and 442-3 Signed and Submitted 3.30.2022.pdf 	
5.4.	Calendar	96
	PUD Calendar April 5, 2022.docx 	
5.5.	Revised Schedule of Charges and Fees for Water and Sewer Services	97 - 108
	Agenda Report for Schedule of Charges and Fees for Water and Sewer Services update 220405.pdf 	
5.6.	Herb Beck Marina Contracts	109 - 149
	Agenda Report for SMA Contract Herb Beck 220405.pdf 	
	Agenda Report for O&M Agreement Herb Beck 220405.pdf 	
5.7.	Correspondence Log	150
	Corresp Log 20220404.pdf 	

6. Manager and Staff Reports

For information only, not requiring a vote.

- 6.1. Hybrid Meetings
- 6.2. Redistricting Hearing

7. Commissioner Reports

8. Old Business

For the OLD and NEW BUSINESS section discussions. A three minute, per-person, per-item public comment period exclusively for the Agenda item to be discussed, will be provided after each presentation but prior to discussion and consideration by the Board of Commissioners.

- 8.1. Employee Incentives Package 151 - 179

[2022 Resolution for Employee Incentives.pdf](#) 

[JPUD Hiring Incentives Package - 4.5.2022 - Mark up.pdf](#) 

Recommended Action: Approve Resolution 2022-XXX establishing policies regarding hiring incentives to attract and retain PUD employees

- 8.2. Commissioner Insurance Benefits 180 - 181

[2022 Resolution for Board of Commissioner Insurance Policies.pdf](#)



Recommended Action: Approve Resolution 2022-XXX regarding PUD sponsored life insurance policies

- 8.3. Revised Wholesale Telecom Service Agreement 182 - 196

[AR Wholesale Telecom Agreements 20220331.docx](#) 

[Updated Draft JPUD Master Service Agreement 20220404.pdf](#) 

[Jefferson PUD Wholesale Telecom Service Agreement Final.pdf](#) 

Recommended Action: Approve a motion rescinding the current Wholesale Telecommunications Service Agreement and adopting the JPUD Master Services Agreement for Communications Transport Services

- 8.4. Broadband Engineering Contractor Selection 197 - 198

[AR Broadband engineering contractor selection 20220331.pdf](#) 

[Engineering RFP Tabulation -2022.docx](#) 

Recommended Action: Approve a motion authorizing the selection of Finley Engineering to perform all FTTP Design and Construction Management duties as stated in RFP 2022-003.

- 8.5. Adding Juneteenth Holiday 199

[Agenda Report - Juneteenth 4.5.2022.docx](#) 

Recommended Action: Approve a motion establishing Juneteenth as an observed holiday for Non-Represented Staff.

9. New Business

- 9.1. Pleasant Harbor Water Reclamation Facility Agreement 200 - 209

[Agenda Report for Pleasant Harbor Water Reclamation Facility Agreement.pdf](#) 

For Discussion only

- 9.2. Retail Broadband Policy Agreement 210 - 231

[AR Retail Broadband Policy.docx](#) 

[Broadband Retail Service Policies 20220404.pdf](#) 

For Discussion Only

10. Adjourn



**PUBLIC UTILITY DISTRICT NO. 1
of Jefferson County
January 4, 2022
Board of Commissioners
Regular Meeting**

Draft Minutes

The Regular Meeting of the Public Utility District No. 1 of Jefferson County (PUD) was called to order by the President of the Board of Commissioners (Board or BOC) at 4:00 p.m. on January 4, 2022, via Zoom. Present:

Commissioner Kenneth Collins, President
Commissioner Jeff Randall, Vice President
Commissioner Dan Toepper, Secretary
Kevin Streett, General Manager
Joel Paisner, General Counsel
Will O'Donnell, Communications Director
Jean Hall, Customer Service Director
Mike Bailey, Finance Director
Samantha Harper, Engineering Director
Melanie Patterson, Human Resources Director
Scott Bancroft, Operations Director
Alyson Dean, Purchasing/Stores
Annette Johnson, Executive Assistant/Records Admin.
Don McDaniel, Consultant
Cammy Brown, Recording Secretary

1. CALL TO ORDER:

Commissioner Kenneth Collins called the Regular Meeting of the Jefferson County PUD No. 1 Board of Commissioners for January 4, 2022, to order at 4:00 p.m. and read the Governor's Extended Proclamation 20-28 in response to the COVID-19 pandemic. All three commissioners were present. It was determined there was a quorum.

2. AGENDA REVIEW: There were no additions or corrections to the agenda.

MOTION: Commissioner Jeff Randall made a motion to accept the agenda as presented. Commissioner Dan Toepper seconded the motion. Motion carried unanimously.

3. PUBLIC COMMENT: Commissioner Kenneth Collins presented the guidelines for members of the public to submit their comments.

- **Comment:** Concerned about vaccine mandate and exposure it has given the PUD for legal action. Asking the PUD to withdraw the mandate.
- **Comment:** Employees that were lost because of vaccine mandate. No other PUD in the state has adopted this vaccine mandate. Why not?
- **Comment:** Appreciation to BOC for the job they have done in the past year. Appreciate involvement that the commissioners have in the community and the PUD community.
- **Comment:** Would like BOC to reconsider vaccine mandate. Commending PUD for getting power back.
- **Comment:** Would like PUD to reconsider plan for the Sims Way Project.
- **Comment:** Three employees let go from PUD because of vaccine mandate. Why was Titan let go when the PUD is going to accept another company that is unvaccinated?

4. CONSENT AGENDA: Commissioner Kenneth Collins read the Consent Agenda guidelines.

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

4.1 PRIOR MINUTES.

PUD BOC Regular Meeting 09-21-2021 Draft Minutes.
PUD BOC Regular Meeting 09-07-2021 Draft Minutes.
PUD BOC Spec. Meeting 09-15-2021 Executive Session – Draft Minutes.
PUD BOC Spec. Meeting 09-21-2021 Executive Session – Draft Minutes.
PUD BOC Spec. Meeting 08-23-2021 Draft Minutes.
PUD BOC Spec. Meeting 09-14-2021 Draft Minutes
PUD BOC Spec. Meeting 10-14-2021 Draft Minutes

4.2 VOUCHERS AND WRITE OFFS.

Voucher Approval Form for the Commissioners.
Certification with Supporting Warrant Register & Payroll.

PAYMENTS TO BE APPROVED

WARRANTS	AMOUNT	DATE
Accounts Payable: #127780 to #127835	\$ 851,343.22	12/09/2021
Accounts Payable: #127836 to #127892	\$ 383,386.42	12/16/2021

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Jefferson County PUD
BOC Regular Meeting 01-04-2022
Draft Minutes

Accounts Payable: #127893 to #127946	\$ 494,882.98	12/23/2021
Payroll Checks: #70968 to #70970	\$ 6,768.02	12/10/2021
Payroll Checks: #70971 to #70973	\$ 5,789.33	12/24/2021
Payroll Direct Deposit:	\$ 162,786.45	12/10/2021
Payroll Direct Deposit:	\$ 156,475.17	12/24/2021

TOTAL INVOICES PAID: \$ 2,061,431.59

WIRE TRANSFERS PAID	AMOUNT	DATE
BPA	\$1,395,544.00	12/13/2021

PAYMENT TOTAL \$3,456,975.59

VOIDED WARRANTS:

127894	\$ 45.00
127910	\$ 45.00
127920	\$ 45.00
127926	\$ 45.00
127936	\$ 45.00

4.3 Financial Report

November 2021 Financials.

Agenda Report-Written Off Accounts 01-04-2022.

Written Off Accounts Motion 01-04-2022.

4.4 Calendar

PUD Calendar January 4, 2022.

END OF CONSENT AGENDA

5. OLD BUSINESS.

5.1 BOC memberships. There was considerable discussion among the commissioners on their memberships in the various organizations. Board terms were discussed. Economic Development Team Jefferson was added to the list of memberships. There was considerable discussion on the value of being a member of NWPPA (Northwest Public Power Association) PPC (Public Power Council and NRECA (National Rural Electric Cooperative Association). There was some discussion among the commissioners of what organizations each commissioner would serve on. Commissioner Kenneth Collins requested Commissioner Dan Toepper serve on the NoaNet Board and Commissioner Jeff Randall was asked to serve on the Energy Northwest Board.

Public Comments:

- **Comment:** Everybody should be shortened up on the terms.
- **Comment:** Need to do a cost benefits analysis of each and every membership

to determine the value of each of the organizations. Most all of memberships are in the energy side of the PUD's work. Not much goes to the water side of the equation or to the broadband side of the equation.

MOTION: Commissioner Jeff Randall made a motion that the Jefferson County Public Utility District No. 1 Board of Commissioners approve that there be a three-year rotating term to serve on the Boards of NoaNet, and Energy Northwest. Commissioner Kenneth Collins seconded the motion. Motion carried with majority with one abstention.

Public Comments:

- **Comment:** Agree with serving on the board for two-year terms. Everybody should be shortened up on the terms. It would be better for the public and the ratepayers.
- **Comment:** Recommends that each member of the Board gets an opportunity to sit on other committees and that three years is too long.
- **Comment:** Agrees with serving a two-year term. It is perfectly rationale.

5.2 Conflict of Interest Disclosure. All three commissioners attested to the fact that they had reviewed the documents and they had no conflict of interest.

5.3 Citizen Advisory Board Discussion. PUD Consultant Don McDaniel and CAB Chair Jessica Dillon gave a report. Dates were discussed for a joint meeting with the Board of Commissioners. General Manager Kevin Streett will submit dates for the joint meeting at the next BOC meeting.

Public Comment: Would like a response to a letter which was sent to the BOC back in the end of November 2021. There were suggestions made involving the CAB and regarding the negotiations with BPA and the long-term contract.

5.4 Schedule of Charges for Electric Services Proposed Changes: General Manager Kevin Street gave a report. Costs of construction have gone up dramatically. There is a supply chain issue and there is a problem with costs. Costs have skyrocketed. A small 25 KBA transformer has gone from \$1,500 to \$3,200 to the last quote of \$8,100.00. The PUD is charging in some cases \$3,000 for a customer to connect and it is costing the PUD approximately \$10,000 to do the connect. The transformers seem to be the most volatile piece of equipment the PUD is dealing with now.

General Manager Kevin Streett addresses idle service for both water and power. If the customer does not use power or water within one year, it is classified as an idle service. The PUD would send a letter to the customer and then in some cases the PUD would reclaim that transformer. The PUD is not sure when they will get the transformers in. There is a five-month delay right now. Some manufacturers are quoting a two-year lead time.

5.5 RUS Loan Application Update. General Manager Kevin Streett gave a report. PUD is looking at borrowing RUS funds. There are two projects – a meter project and a possible rebuilding for the expansion of the PUD. This does not mean the PUD borrows the money. This

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means the PUD has the ability to borrow the money. If the PUD does not take these steps, the PUD will not have the ability to fund through RUS. This is a two-project request. There will be updates to the commissioners. The next step is to deal with the RUS. There was some discussion.

Public Comments:

- **Comment:** How does this impact rates?
Response: Usually if you borrow money and you are not using the income coming in to fund all projects, it stabilizes your rates because you are not having to fund everything out of revenue. It moves some of those costs down for future customers.
- **Comment:** I would like to know whether or not that rate sticks with however long you would be carrying that because interest rates are going to change. They are going to go up – they might go down. That 1.6 is that going to go up to at the point in time when the PUD decides to borrow money is that going to be at 3%, 4% and how is that going to affect the surcharge on the average local person here at the PUD. How much is it going to cost and is this something that had to be done?
Response: There are a couple of options on the RUS loan. With these two they would tell the PUD to pull the funds at the start of the project. On some loans they do not. On some loans you have to be part of the project, ask for funding, and they fund it as you go along. If that is the case, then you pay the rate at the time you get the money. If the PUD is allowed to get the money up front, it would be at the rate that the PUD is seeing now.
- **Comment:** The last time there was runaway inflation in the late seventies and early eighties, interest rates shot up in some cases 20%. Something to keep in mind.

6. NEW BUSINESS:

6.1 Re-Connect Grant Application Authorization Resolution. Communications Director Will O'Donnell gave a report. The grant that the PUD is applying for is to connect unserved customers in the southeastern section of its electric service territory. The application is due in February. There will be no match by the PUD for this grant.

MOTION: Commissioner Jeff Randall made a motion that the Board of Commissioners of Public Utility District No. 1 of Jefferson County, Washington approve a resolution certifying the Secretary of the Board to authorize that Will O'Donnell of the PUD has the assigned Administrator security role on behalf of the Corporation, and who shall be responsible for assigning access to new users, entering and updating applications in USDA's online application system for the Re-Connect Program and Community Connect Grant Program. Commissioner Dan Toepper seconded the motion. Motion carried unanimously.

Public Comment:

- **Comment:** Will O'Donnell would do a fabulous job. However, it is always better to have another person involved to oversee or reconcile what Will is proposing or for what he is advertising.

6.2 New Electric Line Contractor. Operations Director Scott Bancroft gave a report. There was considerable discussion. Per RCW the BOC approves all line contractors. Yearly a list is brought to the commissioners. This is the first one to be brought this year. This is a formality. General Manager Kevin Streett gave some background information.

MOTION: Commissioner Jeff Randall made a motion that the Board of Commissioners accept the qualified line construction applicant as Palouse Power from Quincy, Washington and that they have submitted all paperwork pursuant to Washington State Law RCW 54.04.080 and RCW 54.04.085. Commissioner Dan Toepper seconded the motion. Motion carried unanimously.

Public Comment:

- **Comment:** What is the emergency the PUD is dealing with?
Response: Recent storm emergency.
- **Comment:** Why is it that vaccinated crews are so hard to come by?
Response: The PUD has consulted with its legal counsel and the staff has been advised that the PUD's policy is compliant with the laws of the State of Washington.
- **Comment:** Will Palouse be paid overtime to work on weekends if they have to stay here and can we get an honest estimate of what it is going to cost above what it would have cost to have Titan?
Response: Yes, we can get you the numbers and if the PUD keeps them here on the weekend, it is like any other crew, the PUD will pay them. The PUD would have to pay Titan.

6.3 Resolution Declaring Emergency for December 24, 2021 – January 8, 2022. General Manager Kevin Streett requested the dates on the Resolution Declaring Emergency be modified to reflect the storm that is currently happening. Commissioner Dan Toepper gave some background information on how the emergency process works. This emergency is a declaration to waive competitive bidding under the Public Works laws.

MOTION: Commissioner Jeff Randall made a motion that the Board of Commissioners declare the period of December 24, 2021 – January 8, 2022, a state of emergency and authorized the PUD manager to purchase materials and order work to assist regularly employed personnel in an amount necessary. Commissioner Dan Toepper seconded the motion. Motion carried unanimously.

Public Comments:

- **Comment:** After January 8th, will the PUD initiate a process to get competitive bids for the same work that Palouse is now contracted to do, and will the PUD anticipate finding some other crews that may be willing to step in and bid against Palouse for that work?
Response: The emergency declaration is for the work that was just done and is ongoing to restore service to customers who have been out during the storm. The proposal that Scott Bancroft presented is for a DOT crew and a completely separate process. That process was done according to bidding. The PUD has an ongoing works roster. Bids will be solicited from other electrical line workers out there.

6.4 Regular Meeting Agenda Template Proposed Revisions. Commissioner Kenneth Collins modified what was written to make it clear that he will, time allowing, solicit public comments following each item on the agenda. Revisions were discussed.

7. MANAGER AND STAFF REPORTS.

- The General Manager met with the City, the Port and the County and reviewed Sims Way Project. Went over different options. There are some safety issues that have to be addressed.
- Next Tuesday, January 11, 2022, as part of the BOC Special Meeting, there will be a discussion on meters.
- Outages – the PUD was hit Christmas Eve with outages. An underground line failed. The crews put in over 3,000 feet of conduit and wire Christmas Eve and Christmas Day. General Manager gave recognition to the work force and commissioners working towards a common goal.
- General Manager gave an update on the Sims Way Project. (discussion).
- Vaccination status. Working with the staff. It is reviewed daily.

8. COMMISSIONERS' REPORTS.

Commissioner Jeff Randall

12/15 Participated in the second virtual Town Hall on the Sims Way Project. (report).
12/16 Participated in the PUD “All Hands Appreciation” meeting.
12/17 Participated in EDC Board Nominations Committee meeting.
12/21 Participated in the PUD BOC Special Meeting - Real Estate and Employee Evaluations.
12/22 Phone meeting with Marty Kithcart.
12/27 Met with General Counsel Joel Paisner.
12/27 Phone meeting with Marty Kithcart.
12/28 Participated in EDC Board Nominations Committee meeting.
01/03 Met with General Manager Kevin Streett.
01/05 Will participate in PPC members’ forum.
01/05 Will participate in PPC Executive Session.
01/06 Will participate in EDC Board meeting.
01/07 Will participate in Climate Washington Conference.
01/10 Will attend CAB meeting.
01/11 Will be participating in BOC PUD Special Meeting.
01/12 thru
01/14 Will attend WPUDA conference.

Commissioner Dan Toepper:

12/15 Listened in on last PPC BPA Contract meeting of the year.
12/16 Participated in the PUD “All Hands Appreciation” meeting.

12/21 Participated in the PUD BOC Special Meeting – Real Estate and Employee Evaluations.
 12/21 Met with General Manager Kevin Streett.
 01/05 and
 01/06 Will attend PPC regular monthly meetings.
 01/06 Will attend Port Ludlow Village Council and give a PUD update.
 01/07 Will meet with General Manager Kevin Streett.
 01/10 Will attend East Jefferson Fire Chiefs’ meeting.
 01/11 Will attend BOC PUD Special meeting.
 01/12 thru
 01/14 Will attend WPUDA conference.

Commissioner Kenneth Collins:

12/14 Conference call with General Manager Kevin Streett.
 12/15 Participated in a call with General Counsel Joel Paisner.
 12/15 Participated in phone conversation with Marty Kithcart.
 12/16 Participated in the PUD “All Hands Appreciation” meeting.
 12/16 Met with a PUD employee.
 12/17 Participated in a phone call with Marty Kithcart.
 12/17 Participated in a phone call with Communications Director Will O’Donnell.
 12/17 Participated in a phone call with PUD Consultant Don McDaniel.
 12/17 Participated in a phone call with General Counsel Joel Paisner.
 12/20 Conference call with General Manager Kevin Streett.
 12/21 Attended the PUD BOC Special meeting - Real Estate and Employee Evaluations.
 12/22 Participated in phone conversation with Marty Kithcart.
 12/22 Conference call with General Manager Kevin Streett.
 12/29 Participated in phone conversation with Craig Nelson, Chief Executive Officer of NoaNet.
 01/03 Conference call with General Manager Kevin Streett.
 01/05 and
 01/06 Will attend PPC meetings.
 01/07 Will attend Zoom meeting with Beckett Point 1:00pm to 2:00pm.
 01/07 Will participate in the JBAT meeting.
 01/07 Will participate in a phone call with Kala Point to discuss sewer rates.
 01/11 Will attend PUD BOC Special meeting.
 01/12 to
 01/14 Will attend WPUDA conference.

Public Comments:

- **Comment:** Cut out chats on Zoom.
- **Comment:** Public comment is important. Do not think it should be censored.
- **Comment:** Why are the commissioners engaged with NW Energy? Seems there

there might be some sort of conflict.

Response: Energy NW provides 10% of the power that is used and distributed by the BPA. It is an important part of the power source for five states that depend on BPA for providing electricity. It is a very critical part of the power sourcing for Washington, as well as Oregon, Idaho, and Nevada.

Update EDC: Commissioner Jeff Randall gave an update on the EDC.

9. ADJOURN: Commissioner Kenneth Collins declared the Jefferson County Public Utility District No. 1 Board of Commissioners' Regular Meeting adjourned at 7:02 p.m.

Minutes prepared by
Recording Secretary Cammy Brown

Approved:

Commissioner Dan Toepper, Secretary

Date

Attest:

Commissioner Kenneth Collins, President

Date

Commissioner Jeff Randall, Vice President

Date

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

**January 4, 2022
Board of Commissioners
Special Meeting
Closed Session
Draft Minutes**

The Special Meeting of the Public Utility District No. 1 of Jefferson County (PUD) was called to order by the President of the Board of Commissioners (Board or BOC) at 3:00 p.m. on January 04, 2022, via Zoom video conference. Present:

Commissioner Kenneth Collins, President
Commissioner Jeff Randall, Vice President
Commissioner Dan Toepper, Secretary
Kevin Streett, General Manager
Joel Paisner, General Counsel
Will O'Donnell, Communications Director
Don McDaniel, PUD Consultant
Melanie Patterson, Human Resources Director
Annette Johnson, Executive Assistant/Records Admin.
Cammy Brown, Recording Secretary

-
1. **CALL TO ORDER.** Commissioner Kenneth Collins called the Special Meeting of the Jefferson County Public Utility District No. 1 Board of Commissioners for January 4, 2022, to order at 3:00 p.m. and read the Governor's Extended Proclamation 20-28 in response to the COVID-19 pandemic. Roll call was taken, and all three commissioners were present. It was determined there was a quorum.
 2. **AGENDA REVIEW.** Commissioner Kenneth Collins read the items on the agenda.

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Jefferson County PUD No. 1
BOC Special Meeting Closed Session
January 4, 2022
Draft Minutes

MOTION: Commissioner Jeff Randall made a motion to approve the agenda as presented. Commissioner Dan Toepper seconded the motion. Motion carried unanimously.

3. CLOSED SESSION. Per RCW 42.30.140(4)(a)(b) regarding union negotiations.

It was announced that the closed session would take 30 minutes.

Closed session of the Jefferson County PUD No. 1 BOC Special Meeting convened at 3:02 p.m.

Closed session of the Jefferson County PUD No. 1 BOC Special Meeting ended at 3:32 p.m.

No action was taken.

4. ADJOURNMENT. Commissioner Kenneth Collins declared the January 4, 2022, Special Meeting of the Jefferson County Public Utility District No. 1 Board of Commissioners adjourned at 3:32 p.m.

Minutes prepared by
Cammy Brown, PUD Recording Secretary

Approved:

Commissioner Dan Toepper, Secretary

Date

Attest:

Commissioner Kenneth Collins, President

Date

Commissioner Jeff Randall, Vice-President

Date

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

**January 11, 2022
Board of Commissioners
Special Meeting
PT Paper Mill Billing
Draft Idle Service Policy
Meter Replacement Planning
Draft Minutes**

The Special Meeting of the Public Utility District No. 1 of Jefferson County (PUD) was called to order by the President of the Board of Commissioners (Board or BOC) at 10:00 a.m. on January 11, 2022, via Zoom video conference. Present:

Commissioner Kenneth Collins, President
Commissioner Jeff Randall, Vice President
Commissioner Dan Toepper, Secretary
Kevin Streett, General Manager
Joel Paisner, General Counsel
Will O'Donnell, Communications Director
Don McDaniel, PUD Consultant
Melanie Patterson, Human Resources Director
Scott Bancroft, Operations Director
Jean Hall, Customer Service Director
Mike Bailey, Finance Director
Samantha Harper, Engineering Director
Jimmy Scarborough, Electric Engineer
Colton Worley, Substation Apprentice
Josh Garlock, Lineman Superintendent
Annette Johnson, Executive Assistant/Records Admin.
Cammy Brown, Recording Secretary.

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Jefferson County PUD No. 1
BOC Special Meeting
January 11, 2022
Draft Minutes

1. **CALL TO ORDER.** Commissioner Kenneth Collins called the Special Meeting of the Jefferson County Public Utility District No. 1 Board of Commissioners for January 11, 2022, to order at 10:00 a.m. and read the Governor's Extended Proclamation 20-28 in response to the COVID-19 pandemic. Roll call was taken, and all three commissioners were present. It was determined there was a quorum.

2. **AGENDA REVIEW.** Commissioner Kenneth Collins read the items on the agenda.

MOTION: Commissioner Jeff Randall made a motion to approve the agenda as presented. Commissioner Dan Toepper seconded the motion. Motion carried unanimously.

3. **PRESENTATIONS.**

3.1 PT Paper Mill Billing. General Manager Kevin Streett gave a report. The contract is good until 2028. The contract can be renegotiated in 2028. All three commissioners were in consensus to leave the contract as it currently is. No public comment.

3.2 Idle Service Policy. General Manager Kevin Streett gave a report. There was considerable discussion. Commissioners requested more information. No public comment.

3.3 Meter Replacement Planning. General Manager Kevin Streett gave a presentation on the present meter system. The system does not work now. There was considerable discussion.

Public Comments: There were multiple comments and responses. Please refer to audio recording found at www.jeffpud.org.

4. **ADJOURNMENT.** Commissioner Kenneth Collins declared the January 11, 2022, Special Meeting of the Jefferson County Public Utility District No. 1 Board of Commissioners adjourned at 11:40 a.m.

Minutes prepared by
Cammy Brown, PUD Recording Secretary

Approved:

Commissioner Dan Toepper, Secretary

Date

Attest:

Commissioner Kenneth Collins, President

Date

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Jefferson County PUD No. 1
BOC Special Meeting
January 11, 2022
Draft Minutes

Commissioner Jeff Randall, Vice President

Date

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Jefferson County PUD No. 1
BOC Special Meeting
January 11, 2022
Draft Minutes



**PUBLIC UTILITY DISTRICT NO. 1
of Jefferson County
January 18, 2022
Board of Commissioners
Regular Meeting**

Draft Minutes

The Pre-Meeting Workshop of the Public Utility District No. 1 of Jefferson County (PUD) was called to order by the President of the Board of Commissioners (Board or BOC) at 3:00 p.m. on January 18, 2022, via Zoom. Present:

Commissioner Kenneth Collins, President
Commissioner Jeff Randall, Vice-President
Commissioner Dan Toepper, Secretary
Kevin Streett, General Manager
Joel Paisner, General Counsel
Will O'Donnell, Communications Director
Melanie Patterson, Human Resources Director
Annette Johnson, Executive Assistant/Records Admin.
Don McDaniel, Consultant
Cammy Brown, Recording Secretary

1. PRE-MEETING WORKSHOP – 3:00 PM

1.1 Workshop Call to Order. Commissioner Kenneth Collins called the Pre-Meeting Workshop of the Jefferson County PUD No. 1 Board of Commissioners for January 18, 2022, to order at 3:00 p.m. and read the Governor's Extended Proclamation 20-28 in response to the COVID-19 pandemic. All three commissioners were present. It was determined there was a quorum.

1.2 Workshop Agenda Review. There were no additions or corrections to the agenda. There was some question on how the notice was being posted on the website on the calendar. When you click on the date it starts with 4:00 p.m. meeting. Communications Director Will O'Donnell will follow up.

MOTION: Commissioner Jeff Randall made a motion to accept the Pre-meeting Workshop agenda of the Jefferson County Public Utility District No. 1 Board of Commissioners meeting of January 18, 2022, as presented. Commissioner Dan Toepper seconded the motion. Motion carried unanimously.

1.3 Executive Session 1. Per RCW 42.30.110(1)(g) “to evaluate and review the performance of a public employee.” Estimate of time needed was 15 minutes. Executive session convened at 3:05 p.m. The Executive Session 1 ended at 3:20 p.m. No action was taken. The regular session of the Jefferson County PUD No. 1 Board of Commissioners reconvened at 3:20 p.m.

1.4 Executive Session 2. Per RCW 42.30.110(1)(ii) “litigation that the agency reasonably believes may be commenced by or against the agency, the governing body, or a member acting in an official capacity”. Estimate of time needed was 10 minutes. Executive session convened at 3:21 p.m. The Executive Session 2 ended at 3:32 p.m. No action was taken. The regular session of the Jefferson County PUD No. 1 Board of Commissioners reconvened at 3:32 p.m.

1.5 Executive Session 3. Per RCW 42.30.110(ii) concerning “litigation that the agency reasonably believes may be commenced by or against the agency, the governing body, or a member acting in an official capacity.” Estimate of time needed was 15 minutes. Executive session convened at 3:33 p.m. The Executive Session 3 ended at 3:49 p.m. No action was taken. The regular session of the Jefferson County PUD No. 1 Board of Commissioners reconvened at 3:49 p.m.

1.6 Workshop Adjourn. Commissioner Kenneth Collins adjourned the January 18, 2022, Pre-Meeting Workshop of the Jefferson County Public Utility District No. 1 Board of Commissioners at 3:50 p.m.

END OF PRE-MEETING WORKSHOP

2. BUSINESS MEETING CALL TO ORDER. (Via Zoom). Present:

Commissioner Kenneth Collins, President
Commissioner Jeff Randall, Vice-President
Commissioner Dan Toepper, Secretary
Kevin Streett, General Manager
Joel Paisner, General Counsel
Will O'Donnell, Communications Director
Mike Bailey, Finance Director
Melissa Blair, Financial Services Manager
Jean Hall, Customer Service Director
Scott Bancroft, Operations Director

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Samantha Harper, Engineering Director
Melanie Patterson, Human Resources Director
Annette Johnson, Executive Assistant/Records Admin.
Don McDaniel, Consultant
Cammy Brown, Recording Secretary

Commissioner Kenneth Collins called the Regular Meeting of the Jefferson County Public Utility District No. 1 Board of Commissioners for January 18, 2022, to order at 4:00 p.m. and read the Governor's Extended Proclamation 20-28 in response to the COVID-19 pandemic. All three commissioners were present. It was determined there was a quorum.

3. **AGENDA REVIEW.** There were no additions or corrections to the agenda.

MOTION: Commissioner Dan Toepper made a motion to accept the business meeting agenda of the Jefferson County Public Utility District No. 1 Board of Commissioners meeting of January 18, 2022, as presented. Commissioner Jeff Randall seconded the motion. Motion carried unanimously.

4. **PUBLIC COMMENT:** Commissioner Kenneth Collins presented the guidelines for members of the public to submit their comments. Details on public comments can be heard on the audio recording at www.jeffpud.org.

- **Comment** on membership associations.
- **Comment** on making comments ahead of the agenda on topic 8.2.
- **Comment** to address Agenda Item 6.1.
- **Comment** on membership associations and costs.
- **Comment** on correspondence log.

5. **CONSENT AGENDA:** Commissioner Kenneth Collins read the Consent Agenda guidelines.

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

5.1 Prior Minutes.

PUD BOC Special Meeting 10-18-2021, Draft.
PUD BOC Special Meeting 10-19-2021 Exec. Session Draft.
PUD BOC Regular Meeting 10-19-2021 Draft.

5.2 Vouchers.

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Voucher Approval Form for the Commissioners.
Certification with Supporting Warrant Register & Payroll.

PAYMENTS TO BE APPROVED

WARRANTS	AMOUNT	DATE
Accounts Payable: #127947 to #128001	\$ 368,940.99	01/03/2022
Accounts Payable: #128002 to #128060	\$ 502,836.86	01/06/2022
Payroll Checks: #70974 to #70977	\$ 10,891.49	01/07/2022
Payroll Direct Deposit:	\$ 183,361.97	01/07/2022

TOTAL INVOICES PAID: \$ 1,066,031.31

WIRE TRANSFERS PAID	AMOUNT	DATE
USDA.RUS Loan	\$1,523,671.92	12/30/2021
Peterson Lake	\$ 14,328.62	01/03/2022
BPA	\$1,147,729.00	01/10/2022

PAYMENT TOTAL \$3,751,760.85

5.3 Financial Report.

Agenda Report – Written Off Accounts 1-18-2022.
Written Off Accounts Motion.

5.4 Calendar.

PUD Calendar Jan. 18, 2022.

5.5 Correspondence Log.

Correspondence Log 20220114.

END OF CONSENT AGENDA

6. MANAGER AND STAFF REPORTS.

6.1 Quilcene Street. Linda Hertzog, of Count Me in for Quilcene, gave a report on the letter sent to the commissioners in November of 2021, requesting the PUD form a financial partnership with them to get the streetlights working in Quilcene.

MOTION: Commissioner Jeff Randall made a motion to direct PUD staff to research options on switching out the Quilcene lights to LEDs, research funding options and also reach out to Jefferson

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County and ask about their possible contributions to this effort. Commissioner Kenneth Collins seconded the motion. Motion carried unanimously.

Public Comment:

- **Comment** on alternate ways to pay for streetlights.
- **Comment** on public safety and donation of public funds.
- **Comment** on funds being available through the county.

Continuation of Manager's Report:

- Finance Director Mike Bailey gave a financial audit update and advised the commissioners that Jackson/Thornton is on site this week.
- Communications Director Will O'Donnell advised the commissioners that the PUD was awarded the Washington State Broadband Office Infrastructure Grant. That was a grant to build out to over 600 homes in the greater Cape George area and then on Marrowstone Island. They just announced the award in the amount of 9.7 million from the state and the county matched \$700,000. The Jefferson County Public Utility District No. 1 as the only public utility district in the State of Washington to get one of these grants.
- The BOC and the CAB will have a joint meeting on February 14, 2022, where priorities and guidance will be discussed moving forward with the CAB.

7. COMMISSIONERS' REPORTS.

Commissioner Jeff Randall

- 1/5 Participated in PPC member forum. Report.
- 1/6 Participated in EDC Board meeting. Report.
- 1/7 Participated in a Clean and Prosperous Washington Conference. Report.
- 1/10 Attended CAB meeting. Report.
- 1/11 Attended BOC PUD Special Meeting.
- 1/12 Met with General Manager Kevin Streett.
- 1/12 Participated in the WPUDA roundtable. Report.
- 1/14 Participated in the WPUDA Executive Committee.
- 1/17 Participated in a conversation with Rick Rupp about the upcoming BPA contracts.
- 1/18 Participated in a phone call with Energy Northwest. Commissioner Jeff Randall will replace Commissioner Kenneth Collins on the Energy Northwest Board of Directors.
- 1/25 Will attend BOC PUD Special Meeting.
- 1/26 and
- 1/27 Will be participating in Energy Northwest Board meeting.

Commissioner Dan Toepper:

- 1/5 Participated in PPC member forum. Report.
- 1/6 Participated in the PPC Executive Committee meeting.
- 1/6 Met with Port Ludlow Village Council and gave PUD update.
- 1/7 Met with General Manager Kevin Streett.
- 1/10 Attended East Jefferson Fire Chiefs' meeting. Report.
- 1/10 Conference with NoaNet CEO Craig Nelson. Report.
- 1/11 Attended BOC PUD Special Meeting.- Idle Service Policy and Meter Replacement RFP.
- 1/12 Attended Commissioner Education Steering Committee meeting.
- 1/13 Attended WPUDA meeting. Report.
- 1/15 Attended WPUDA Board of Director's meeting. Report.
- 1/19 Will attend PPC Contract workshop.
- 1/20 Will listen to WPUDA legislative update.
- 1/21 Will meet with General Manager Kevin Streett.
- 1/21 Will listen in on PPC meeting.
- 1/25 Will attend PPC workshop.
- 1/25 Will attend BOC PUD Special Meeting.
- 1/27 Will listen in on the WPUDA legislative update.

Commissioner Kenneth Collins:

- 1/6 Met with Don Cohen, Legal Counsel for NoaNet.
- 1/6 Participated in meeting with Beckett Point representatives discussing sewer rates.
- 1/7 Participated in meeting with Kala Point representatives discussing sewer rates.
- 1/11 Attended BOC PUD Special Meeting.- Idle Service Policy and Meter Replacement RFP.
- 1/12 Attended the roundtable discussion and panel discussion that WPUDA had having to do with the process of hiring a general manager.
- 1/13 Had conversations with PUD'S General Manager, General Counsel and Craig Nelson, CEO of NoaNet.
- 1/13 Participated in Board of Directors' meeting for WPUDA.
- 1/13 Had a conversation with Jackson/Thornton (Audit).
- 1/18 Met with General Manager Kevin Streett.
- 1/21 Plan to attend the JBAT meeting.
- 1/25 Will attend BOC PUD Special meeting.
- 1/27 Will attend WPUDA legislative update.
- 1/28 Will attend JBAT meeting.

There was some discussion of a support letter to PPC to change their bylaws so that public officials will be permitted to serve on the Executive Committee. There is now an exclusion in the bylaws of elected commissioners. Commissioner Kenneth Collins will follow up.

8. OLD BUSINESS.

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8.1 Resolution and Policy for Public Participation. General Manager Kevin Streett gave a report on the Resolution and Policy for Public Participation. There was considerable discussion.

Public Comment: There were numerous public comments. Refer to the audio recording at www.jeffpud.org to hear comments.

There was a consensus among the commissioners that there will be a 3-minute period at the start of the agenda items and a 3-minute period for each agenda item – staff was asked to incorporate those modifications. Resolution will be on the Consent Agenda at the next Public Utility District No. 1 Board of Commissioners’ regular meeting scheduled for February 1, 2022.

8.2 Wastewater/Sewer Rate Schedule. General Manager Kevin Streett met with Beckett and Kala Point community members. Engineering Director Samantha Harper gave a report and went over the resolution. There was a request to modify the resolution to reflect moving ahead with 2022 rate but to not move ahead with 2023 without more information and meetings to reach a collective understanding as to what the rate would be. With these modifications, this resolution will be on the Consent Agenda at the next Public Utility District No. 1 Board of Commissioners’ regular meeting scheduled for February 1, 2022.

8.3 191 Otto Street Property Purchase: General Manager Kevin Streett gave a report. PUD Consultant Don McDaniel gave a slide show. Recommendation was made to move forward with purchase of the building. Closing date on property is January 31, 2022.

Operations Director Scott Bancroft gave a report. This purchase would be funded through the RUS. There was considerable discussion on financing. No public comment.

MOTION: Commissioner Jeff Randall made a motion to approve a resolution finalizing the offer to purchase real estate at 181 Otto Street. Commissioner Kenneth Collins seconds. Motion carried unanimously.

9. NEW BUSINESS.

9.1 COLA for Non-Represented Employees: Finance Director Mike Bailey gave a report No public comment.

MOTION: Commissioner Jeff Randall made a motion to approve the resolution of the Board of Commissioners of Public Utility District No. 1 of Jefferson County, Washington establishing a salary cost of living adjustment (COLA) for non-represented employees for 2022. Commissioner Dan Toepper seconded the motion. Motion carried unanimously.

9.2 CAB Candidates for District 2. Commissioner Kenneth Collins gave a report.

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It was confirmed that the first meeting in February, 2022 would be a joint meeting with the Board of Commissioners. No public comment.

MOTION: Commissioner Jeff Randall make a motion to appoint Rod Roduin and Richard Johnson as the new representatives to serve on the Citizen Advisory Board. Commissioner Dan Toepper seconded the motion. Motion carried unanimously.

9.3 Property at 240 Four Corners Property Purchase: General Manager Kevin Streett gave a report. Operations Director Scott Bancroft gave a description of the property. No public comment.

MOTION: Commissioner Jeff Randall made a motion to approve a resolution to finalize an offer to purchase real estate at 240 Four Corners Road. Commissioner Dan Toepper seconded the motion. Motion carried unanimously.

10: ADJOURN: Commissioner Kenneth Collins declared the Jefferson County Public Utility District No. 1 Board of Commissioners' Regular Meeting of January 18, 2022 adjourned at 6:43 p.m.

Minutes prepared by
Recording Secretary Cammy Brown

Approved:

Commissioner Dan Toepper, Secretary

Date

Attest:

Commissioner Kenneth Collins, President

Date

Commissioner Jeff Randall, Vice President

Date

Please note PUD Board of Commissioner meetings are audio recorded and posted to the PUD website at www.jeffpud.org, usually within 1-2 business days of each meeting. If you experience any difficulty accessing a particular recording, you may call 360.385.5800 for assistance. Jefferson PUD provides reasonable accommodations to persons with disabilities. We invite any person with special needs to contact our staff at 360.385.8351 at least 24 hours before the meeting to discuss any special accommodations.

VOUCHER 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 **\$1,886,996.28** on this **15TH** day of **MARCH** **2022** ;

Kenneth Collins
President

Jeff Randall
Vice President

Dan Toepper
Secretary

PAYMENTS TO BE APPROVED:

	WARRANTS	AMOUNT	DATE
Accounts Payable:	# 128395 to # 128433	\$ 1,094,043.27	2/24/2022
Accounts Payable:	# 128434 to # 128483	\$ 449,787.24	3/3/2022
Payroll Checks:	# 70987 to # 70989	\$ 6,230.02	3/4/2022
Payroll Direct Deposit:		\$ 137,291.63	3/4/2022

TOTAL INVOICES PAID

\$1,687,352.16

WIRE TRANSFERS PAID

AMOUNT

DATE

Peterson Lake

\$ 14,328.62

3/1/2022

US BANK - BOND #14 PMT

\$ 185,315.50

3/1/2022

PAYMENT TOTAL

\$1,886,996.28

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 3/9/2022
Mike Bailey, Financial Director / District Auditor Date

VOUCHER CLAIM FORMS FOR INVOICES PAID:

WARRANTS				AMOUNT	DATE
Accounts Payable:	# 128395	to	# 128433	\$ 1,094,043.27	2/24/2022
Accounts Payable:	# 128434	to	# 128483	\$ 449,787.24	3/3/2022
Payroll Checks:	# 70987	to	# 70989	\$ 6,230.02	3/4/2022
Payroll Direct Deposit:				\$ 137,291.63	3/4/2022
TOTAL INVOICES PAID				\$1,687,352.16	

WIRE TRANSFERS PAID	AMOUNT	DATE
Peterson Lake	\$ 14,328.62	3/1/2022
US BANK - BOND #14 PMT	\$ 185,315.50	3/1/2022

GRAND TOTAL	\$1,886,996.28
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VOIDED WARRANTS

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Bank Account: 1 - 1ST SECURITY - AP

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
128395 2/24/22	CHK	10481	AMAZON	FIBER BOOK	48.99
128396 2/24/22	CHK	10339	BORDER STATES ELECTRIC	FUSE SOLID CUTOOT BLADE	760.55 1,715.53
Total for Check/Tran - 128396:					2,476.08
128397 2/24/22	CHK	9998	DAVIS BRENT	Credit Balance Refund	244.34
128398 2/24/22	CHK	10041	CDW GOVERNMENT	SURVEILLANCE CAMERA & SOFTWARE SURVEILLANCE CAMERA & SOFTWARE	2,867.70 83.45
Total for Check/Tran - 128398:					2,951.15
128399 2/24/22	CHK	10050	CHS	VEH# 210 - FUEL VEH#210 - FUEL	75.19 72.11
Total for Check/Tran - 128399:					147.30
128400 2/24/22	CHK	10053	COMPUNET, INC	IT PROF SVC-GEN CISCO VOICE JAN-2022 IT PROF SVC-GEN CISCO VOICE JAN-2022	151.88 16.87
Total for Check/Tran - 128400:					168.75
128401 2/24/22	CHK	9998	DEDRICK DALGARNO	Credit Balance Refund	23.12
128402 2/24/22	CHK	10551	DAY WIRELESS SYSTEMS	MOBILE RADIOS - MAR 2022	986.05
128403 2/24/22	CHK	10086	FERGUSON ENTERPRISES, INC NW	RIGID PIPE GROVE MACHINE	1,193.55
128404 2/24/22	CHK	10749	FIBER INSTRUMENT SALES INC.	12 FIBER LC/UPC BLUE PIGTAILS 12 FIBER LC/UPC BLUE PIGTAILS	124.60 -10.39
Total for Check/Tran - 128404:					114.21
128405 2/24/22	CHK	10445	GENUINE CABLE GROUP	WIRE FIBER 288F ADSS WIRE FIBER 288F ADSS SST DROP 2FIBER SST DROP 2FIBER	59,079.70 59,422.73 37,752.88 18,852.01
Total for Check/Tran - 128405:					175,107.32
128406 2/24/22	CHK	10713	GRAY'S HARBOR PUD	MUTUAL AID STORM 11/15-11/17/21	37,709.58

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Bank Account: 1 - 1ST SECURITY - AP

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
128407 2/24/22	CHK	10103	H D FOWLER	ROMAC COUPLING GASKETS 4"	82.09
128408 2/24/22	CHK	10104	HADLOCK BUILDING SUPPLY, INC.	BYWATER - CONTRACTOR BAGS, DRILL BIT	32.81
				VEH# 210 - PROPANE	26.16
				SHOP - DRILL DRIVER, BIT SET, SCREWS	253.08
				BYWATER WELL REPLACEMENT - MATERIALS	36.46
Total for Check/Tran - 128408:					348.51
128409 2/24/22	CHK	10817	IDGAF, INC	EMRG STORM WORK - COYLE RR 1/4-1/7/22	2,440.85
				EMRG DIG&INSTL CONDU - VAN TROJEN RD	3,925.20
Total for Check/Tran - 128409:					6,366.05
128410 2/24/22	CHK	10839	IRBY ELECTRICAL UTILITES	SST DROP 12FIBER	5,348.10
				CLEVIS	430.95
				ONE SHOT	981.90
Total for Check/Tran - 128410:					6,760.95
128411 2/24/22	CHK	10128	JEFFERSON COUNTY TREASURER	2021 PRIVILEGE TAX	808,443.60
128412 2/24/22	CHK	10330	KARR TUTTLE CAMPBELL	PROFESSIONAL SVC: JAN 2022	2,362.95
				PROFESSIONAL SVC: JAN 2022	262.55
Total for Check/Tran - 128412:					2,625.50
128413 2/24/22	CHK	10348	KEMP WEST, INC	TT T&M-IRONDALE RD PT 2/1-2/14/22	15,744.51
128414 2/24/22	CHK	9998	JUDITH KOWALSKI	Credit Balance Refund	33.63
128415 2/24/22	CHK	9998	CHRISTOPHER LOBOSCO	Credit Balance Refund	112.01
128416 2/24/22	CHK	10470	MISSION COMMUNICATIONS, LLC	WATER SCADA SYSTEM 1Y 3/01/22-2/28/23	2,385.60
128417 2/24/22	CHK	10166	NWPPA	ENGINEERING & OPS WO WEBINAR 03/08/2022	730.00
				ENGINEERING & OPS WO WEBINAR 03/08/2022	657.00
				ENGINEERING & OPS WO WEBINAR 03/08/2022	73.00
Total for Check/Tran - 128417:					1,460.00
128418 2/24/22	CHK	10290	OASIS WELL DRILLING, INC	WELL PUMP REPLACE-SHINE/BYWTR2/8-2/10/22	4,308.09

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Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
128419 2/24/22	CHK	10167	OFFICE DEPOT	OPS & OTTO ST BUILDING - SUPPLIES	480.54
				OPS & OTTO ST BUILDING - SUPPLIES	120.13
				OTTO ST BUILDING - SUPPLIES	11.68
				OTTO ST BUILDING - SUPPLIES	2.92
				OTTO ST BUILDING - OFFICE SUPPLIES	2.50
				OTTO ST BUILDING - OFFICE SUPPLIES	0.62
Total for Check/Tran - 128419:					618.39
128420 2/24/22	CHK	10181	PENINSULA PEST CONTROL	PEST SVC QRTLY-PH BISHOP HILL	49.10
128421 2/24/22	CHK	10922	PORT TOWNSEND SCHOOL DISTRICT	PTHS YEARBOOK AD - 2021-2022	135.00
				PTHS YEARBOOK AD - 2021-2022	15.00
Total for Check/Tran - 128421:					150.00
128422 2/24/22	CHK	10197	PRINTERY COMMUNICATIONS	YELLOW SHUT OFF TAGS	801.92
128423 2/24/22	CHK	9998	WILLIAM C RENNEBOHM	Credit Balance Refund	29.75
128424 2/24/22	CHK	10706	SBA STRUCTURES, LLC	TOWER SITE RNTL MAYNARD HILL - MAR 2022	1,642.28
128425 2/24/22	CHK	10216	SECURITY SERVICES NW, INC.	SECURITY SERVICES - BYWATER BAY SYSTEM	1,842.50
				NIGHT PAYMENT PICKUP - FEB 2022	1,269.63
				NIGHT PAYMENT PICKUP - FEB 2022	141.07
Total for Check/Tran - 128425:					3,253.20
128426 2/24/22	CHK	10217	SETON CONSTRUCTION INC	FLAGGING - 3771 CENTER RD.	504.12
				EGG&I RD - FLAGGING	399.64
				FLAGGING - HWY 20 STORM 11/17-11/19/21	710.80
				FLAGGING - VARIOUS AREAS 2/7-2/11/22	6,567.65
Total for Check/Tran - 128426:					8,182.21
128427 2/24/22	CHK	10869	SLATE ROCK SAFETY	FR CLOTHING	62.74
				FR CLOTHING	92.43
Total for Check/Tran - 128427:					155.17
128428 2/24/22	CHK	10249	SPECTRA LABORATORIES-KITSAP LLC	TESTING: MF, TSS,TKN, N, CBOD - SENIOR 7	55.00

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Bank Account: 1 - 1ST SECURITY - AP

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
				TESTING: MF, TSS,TKN, N, CBOD - SENIOR 7	32.00
				TESTING: MF, TSS,TKN, N, CBOD - SENIOR 7	35.00
				TESTING: MF, TSS,TKN, N, CBOD - SENIOR 7	45.00
				TESTING: MF, TSS,TKN, N, CBOD - SENIOR 7	22.00
				TESTING: TSS,TKN,N,CBOD - OCEAN GROVE	55.00
				TESTING: TSS,TKN,N,CBOD - OCEAN GROVE	35.00
				TESTING: TSS,TKN,N,CBOD - OCEAN GROVE	45.00
				TESTING: TSS,TKN,N,CBOD - OCEAN GROVE	22.00
				TESTING: COLIFORM/E.COLI, P/A	23.00
				TESTING: COLIFORM/E.COLI, P/A	23.00
				TESTING: COLIFORM/E.COLI, P/A	23.00
				TESTING: COLIFORM/E.COLI, P/A	23.00
				TESTING: COLIFORM/E.COLI, P/A	23.00
				TESTING: COLIFORM/E.COLI, P/A	23.00
				TESTING: COLIFORM/E.COLI, P/A	23.00
				Total for Check/Tran - 128428:	507.00
128429 2/24/22	CHK	10576	TCF ARCHITECTURE, PLLC	ARCH-CONSTRCTN ADD'L SVC JAN 2022	3,851.38
128430 2/24/22	CHK	10793	TRACER ELECTRONICS LLC	LOCATING SONDE & ADAPTER	-60.24
				LOCATING SONDE/ADAPTER	745.23
				Total for Check/Tran - 128430:	684.99
128431 2/24/22	CHK	10252	ULINE	OFFICE/JANITOR SUPPLIES-OTTO ST	1,565.41
				OFFICE/JANITOR SUPPLIES-OTTO ST	173.94
				Total for Check/Tran - 128431:	1,739.35
128432 2/24/22	CHK	10255	USA BLUEBOOK	CHEM PUMP REBUILD KIT,	289.62
				CHEMICAL PUMP	1,838.92
				Total for Check/Tran - 128432:	2,128.54
128433 2/24/22	CHK	10858	ZOOM VIDEO COMMUNICATIONS, INC.	VID CONF SVC 02/22-03/21/22	368.10
				VID CONF SVC 02/22-03/21/22	40.91
				Total for Check/Tran - 128433:	409.01

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Bank Account: 1 - 1ST SECURITY - AP

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
128434 3/3/22	CHK	9998	LINDA ADELMANN	Credit Balance Refund	248.40
128435 3/3/22	CHK	10006	AFLAC	AFLAC BILL FEB 2022	60.48
				AFLAC BILL FEB 2022	138.36
Total for Check/Tran - 128435:					198.84
128436 3/3/22	CHK	10481	AMAZON	SEALED BATTERY REPLACEMENT-12V 8AH	150.48
				LOGITECH HD LAPTOP WEBCAM QTY 5	194.22
				LOGITECH HD LAPTOP WEBCAM QTY 5	21.58
				WISE	88.71
Total for Check/Tran - 128436:					454.99
128437 3/3/22	CHK	10447	ANIXTER INC.	LED FLOODLIGHT 129W-TRUNNION MOUNT	2,929.34
				NUT THIMBLE EYE 5/8	180.02
				ELBOW W/TST PT,GUY STRANDWISE,SPLICE KIT	2,923.01
				COLD SHRINK	1,145.55
				DEADEND	808.98
				FORGED CHAIN LINK	466.40
				GUY STRANDWISE	1,581.95
Total for Check/Tran - 128437:					10,035.25
128438 3/3/22	CHK	10339	BORDER STATES ELECTRIC	FUSE	514.47
128439 3/3/22	CHK	10918	JONETTE BRUNEAU	DAILY MAIL OFFICE RUN FEB 2022	68.20
				DAILY MAIL OFFICE RUN FEB 2022	7.58
Total for Check/Tran - 128439:					75.78
128440 3/3/22	CHK	10917	BURWASH AND SONS, INC	EXCAVATE,INSTALL,FILL - 860 FORT GATE RD	1,369.05
				EMRNCY REPAIR WTRMAIN BRK - MAPLE&BEAR	2,292.17
Total for Check/Tran - 128440:					3,661.22
128441 3/3/22	CHK	10045	CENTURY LINK-S	PHONE SERVICE - FEB 2022	74.32
				PHONE SERVICE - FEB 2022	8.26
				PHONE SERVICE - FEB 2022	35.06
				PHONE SERVICE - FEB 2022	3.90

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Bank Account: 1 - 1ST SECURITY - AP

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
Total for Check/Tran - 128441:					121.54
128442 3/3/22	CHK	10055	CONSOLIDATED ELECTRICAL DISTRIB	CONDUIT 3" 90° SWEEP W BELL 36"	522.24
128443 3/3/22	CHK	10621	CRAIG LABENZ	WEBSITE DEVELOPMENT - FEB 2022	168.75
				WEBSITE DEVELOPMENT - FEB 2022	18.75
Total for Check/Tran - 128443:					187.50
128444 3/3/22	CHK	10501	D & L POLES	INSTALL CONDUIT - 802 WASHINGTON ST.	14,428.48
128445 3/3/22	CHK	10060	DELL MARKETING LP	POWEREDGE T440&R640 WARRANTY EXT - 2YR	5,518.74
				POWEREDGE T440&R640 WARRANTY EXT - 2YR	613.20
Total for Check/Tran - 128445:					6,131.94
128446 3/3/22	CHK	10068	DISCOVERY BAY GROUP, LLC	CONSULTING SERVICE FEB 2022	5,500.00
128447 3/3/22	CHK	10070	DOUBLE D ELECTRICAL, INC	PRG,TST,REPR SEPTIC CONTRL-BECKETT PT.	409.13
				HEATER RPLCMNT WRNTY REPAIR - 21 KENNEDY	518.23
Total for Check/Tran - 128447:					927.36
128448 3/3/22	CHK	10073	ELECTROMARK	POLE MARKERS	8,402.03
128449 3/3/22	CHK	10085	FASTENAL	FLAGGING TAPE, SQWINCHER, NUTS, RAGS	359.99
				GLOVES, EAR PLUGS	329.23
Total for Check/Tran - 128449:					689.22
128450 3/3/22	CHK	10749	FIBER INSTRUMENT SALES INC.	ALCOHOL	166.58
				ENCLOSURE	686.22
				ALCOHOL 99% REAGENT GRD&COMPACT WALL MNT	-71.13
Total for Check/Tran - 128450:					781.67
128451 3/3/22	CHK	9998	LAURA A FLANIGAN	Credit Balance Refund	198.87
128452 3/3/22	CHK	10095	GOOD MAN SANITATION, INC	310 4CRNRS-RESTROOM UNIT 02/01-02/27/22	137.70
				310 4CRNRS-RESTROOM UNIT 02/01-02/27/22	15.30
Total for Check/Tran - 128452:					153.00
128453 3/3/22	CHK	10103	H D FOWLER	6" C900 WATER PIPE	579.54

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Bank Account: 1 - 1ST SECURITY - AP

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
				CONDUIT SWEEP	2,530.68
				Total for Check/Tran - 128453:	3,110.22
128454 3/3/22	CHK	10104	HADLOCK BUILDING SUPPLY, INC.	BYWATER - TIE WIRE	10.90
128455 3/3/22	CHK	10384	HDR ENGINEERING INC	TASK10-CHIMACUM CREK WTRLN 10/24-1/29/22	2,088.52
128456 3/3/22	CHK	10817	IDGAF, INC	EMRG DIG - 72 DUTCH LN. TREE TRIMMING - EAGLEMOUNT 2/15/2022	6,937.00 26,296.95
				Total for Check/Tran - 128456:	33,233.95
128457 3/3/22	CHK	10839	IRBY ELECTRICAL UTILITES	ROAD MARKERS MARKER INSTALL TOOL	1,101.91 356.76
				Total for Check/Tran - 128457:	1,458.67
128458 3/3/22	CHK	10281	JEFFCO EFTPS	EMPLOYEES' MEDICARE TAX EMPLOYER'S MEDICARE TAX EMPLOYEES' FICA TAX EMPLOYER'S FICA TAX EMPLOYEES' FEDERAL WITHHOLDING EMPLOYEES' FEDERAL WITHHOLDING TAX	3,134.59 3,134.59 13,403.13 13,403.13 12,790.44 8,956.46
				Total for Check/Tran - 128458:	54,822.34
128459 3/3/22	CHK	10532	JEFFERSON COUNTY PUD PAYROLL ACPR DIRECT DEPOSIT PR MANUAL CHECKS		137,291.63 6,230.02
				Total for Check/Tran - 128459:	143,521.65
128460 3/3/22	CHK	10142	MASON COUNTY PUD #1	DOSEWALLIPS RD-PUMP ELEC - FEB 2022 1012 DUCKABUSH RD ELEC FEB 22 BPA RD-PUMP ELEC - FEB 2022 WILLIAMS CT ELEC - FEB 2022	217.45 67.24 110.39 43.54
				Total for Check/Tran - 128460:	438.62
128461 3/3/22	CHK	10322	NRC ENVIRONMENTAL SERVICES, INC	CLEAN-REMV CNTMNTD SOIL 611 CEDAR AVE#36 SAMPLE - 611 CEDAR AVE #36	6,190.88 574.95
				Total for Check/Tran - 128461:	6,765.83

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Bank Account: 1 - 1ST SECURITY - AP

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
128462 3/3/22	CHK	10865	OLYMPIC ELECTRIC CO, INC	INSTALL ST LIGHTS - PORT TOWNSEND	6,524.18
128463 3/3/22	CHK	10170	OLYMPIC EQUIPMENT RENTALS	RAGS	28.67
				VEH#416 - CHAINS & FILES	116.70
				VEH# 215 - TOOLS	24.47
				SHOP - GAS CAN	41.45
Total for Check/Tran - 128463:					211.29
128464 3/3/22	CHK	10907	PALOUSE POWER LLC	DOCK WORK 2022 01/31-2/11/22	89,366.35
				DOCK WORK 2022 01/31-2/11/22	7,569.00
Total for Check/Tran - 128464:					96,935.35
128465 3/3/22	CHK	10549	PENINSULA LEGAL SECRETARIAL SER	TRANSCRIPTION SVC 02/06-02/22/2022	409.50
				TRANSCRIPTION SVC 02/06-02/22/2022	45.50
Total for Check/Tran - 128465:					455.00
128466 3/3/22	CHK	10185	PITNEY BOWES GLOBAL	MAILSYSTEM LEASE Q1 2022	136.20
				MAILSYSTEM LEASE Q1 2022	15.14
Total for Check/Tran - 128466:					151.34
128467 3/3/22	CHK	10188	PLATT ELECTRIC SUPPLY	CONDUIT 1 1/2" 90° SWEEP-W BELL 24"	1,703.05
				CONDUIT 1 1/2" COUPLING	55.04
				CONDUIT 4" 45° SWEEP-W BELL 36"	4,451.28
Total for Check/Tran - 128467:					6,209.37
128468 3/3/22	CHK	10471	RICOH USA , INC.- DALLAS	4CORNERS (MOD DBW) RENT 03/18-4/17/22	78.44
				4CORNERS (MOD DBW) RENT 03/18-4/17/22	8.72
				4CORNERS (MOD TRPLW) RENT 03/19-04/18/22	91.67
				4CORNERS (MOD TRPLW) RENT 03/19-04/18/22	10.19
Total for Check/Tran - 128468:					189.02
128469 3/3/22	CHK	10210	RICOH USA, INC	310 TRPWID 4CRNRS (7683) IMAGES FEB 2022	31.08
				310 TRPWID 4CRNRS (7683) IMAGES FEB 2022	3.45
				310 HROFFICE (7427) IMAGES FEB 2022	9.15
				310 HROFFICE (7427) IMAGES FEB 2022	1.02

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Bank Account: 1 - 1ST SECURITY - AP

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
				310 DBL WIDE (7287) IMAGES FEB 2022	11.94
				310 DBL WIDE (7287) IMAGES FEB 2022	1.33
				210 4CRNRS (0626) IMAGES FEB 2022	268.25
				210 4CRNRS (0626) IMAGES FEB 2022	29.80
				WORKROOM (0109) IMAGES FEB 2022	47.22
				WORKROOM (0109) IMAGES FEB 2022	5.25
				Total for Check/Tran - 128469:	408.49
128470 3/3/22	CHK	9998	KIRK W ROBERTS	Credit Balance Refund	305.79
128471 3/3/22	CHK	10216	SECURITY SERVICES NW, INC.	ANSWER SVC FOR MAR 2022	2,498.89
				ANSWER SVC FOR MAR 2022	2,498.89
				ANSWER SVC FOR MAR 2022	555.31
				Total for Check/Tran - 128471:	5,553.09
128472 3/3/22	CHK	10219	SHOLD EXCAVATING INC	CHIMACUM CREEK DR EXTENSION# 221093	911.83
				CHIMACUM CREEK DR EXTENSION# 721007	227.96
				CHIMACUM CREEK DR EXTENSION# 421002	3,816.40
				Total for Check/Tran - 128472:	4,956.19
128473 3/3/22	CHK	10869	SLATE ROCK SAFETY	FR CLOTHING	47.30
				FR CLOTHING	84.02
				FR CLOTHING	131.14
				Total for Check/Tran - 128473:	262.46
128474 3/3/22	CHK	10924	SOMPO INTERNATIONAL	BOND # 9811783 RENEW 2022	200.00
128475 3/3/22	CHK	10249	SPECTRA LABORATORIES-KITSAP LLC	COLIFORM/ E.COLI, P/A	23.00
				COLIFORM/ E.COLI, P/A	23.00
				BYWATER TESTING: LEAD AND COPPER (LCR)	36.00
				BYWATER TESTING: LEAD AND COPPER (LCR)	36.00
				BYWATER TESTING: LEAD AND COPPER (LCR)	36.00
				BYWATER TESTING: LEAD AND COPPER (LCR)	36.00
				BYWATER TESTING: LEAD AND COPPER (LCR)	36.00
				BYWATER TESTING: LEAD AND COPPER (LCR)	36.00

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Bank Account: 1 - 1ST SECURITY - AP

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
				BYWATER TESTING: LEAD AND COPPER (LCR)	36.00
				BYWATER TESTING: LEAD AND COPPER (LCR)	36.00
				BYWATER TESTING: LEAD AND COPPER (LCR)	36.00
				BYWATER TESTING: LEAD AND COPPER (LCR)	36.00
				BYWATER TESTING: LEAD AND COPPER (LCR)	36.00
				Total for Check/Tran - 128475:	406.00
128476 3/3/22	CHK	10237	STRANCO INC	TRANSFORMER DECALS	494.90
				1 1/2 REFLECTIVE NUMBER 0-9-TRANS DECAL	-41.28
				Total for Check/Tran - 128476:	453.62
128477 3/3/22	CHK	10247	TOYOTA LIFT NORTHWEST	FORKLIFT# 110 - REPLACEMENT HOSE	108.01
128478 3/3/22	CHK	10620	UPS	FR CLOTHING RETURN	16.89
128479 3/3/22	CHK	10615	US BANK	FIBER OPTIC CABLE TABLE&TRIPOD	667.31
				LOCATOR	794.86
				VEH#215 REGISTRATION	64.00
				NWPPA ANN CONF 5/22-5/26 TRVL EXP DEP	172.48
				NWPPA ANN CONF 5/22-5/26 TRVL EXP DEP	19.17
				VEH#215 LAPTOP TRUCK MOUNT	273.49
				RIDGID DRIVE AND GROOVE ROLL SET	358.92
				WASHERS	32.77
				BATTERIES	16.32
				PHONE SERVICE	225.00
				SCADA ALERTS	3.31
				TECH SUPPORT	54.63
				WEBSITE MAILING LIST SERVICE	13.50
				WEBSITE STORAGE	1.25
				OFFICE 365 FOR BILLING DEPT	94.26
				PHONE SERVICE	25.00
				SCADA ALERTS	0.37
				TECH SUPPORT	6.08

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Bank Account: 1 - 1ST SECURITY - AP

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
				WEBSITE MAILING LIST SERVICE	1.50
				WEBSITE STORAGE	0.14
				OFFICE 365 FOR BILLING DEPT	10.48
				CHARGER FOR LINECREW	19.19
				IPAD CASE FOR ELECTRICAL SUPERINTENDENT	23.02
				RDP GUARD - NETWORK SERCURITY SOFTWARE	274.72
				REMOTE DESKTOP SOFTWARE	22.61
				VIDEO ADAPTERS	12.75
				WIFI ROUTER FOR LINEMAN'S TRUCK	38.17
				WIRELESS MOUSE RECEIVERS	29.43
				INK FOR WAREHOUSE PRINTER	75.27
				RDP GUARD - NETWORK SERCURITY SOFTWARE	30.53
				REMOTE DESKTOP SOFTWARE	2.52
				VIDEO ADAPTERS	1.42
				WIRELESS MOUSE RECEIVERS	3.28
				1099- NEC ENVELOPES	33.33
				1099- NEC ENVELOPES	3.71
				STAKING ENGINEER JOB AD	900.00
				STAKING ENGINEER JOB AD	186.00
				HR DEVELOPMENT COURSE REFUND	-310.50
				HR TRAINING ACADEMY 1 - LABOR RELATIONS	224.10
				HR TRAINING ACADEMY 2 - NEGOTIATIONS	224.10
				HR TRAINING ACADEMY 3 - NEGOTIATIONS	224.10
				HR TRAINING LEADING WKPLC INVEST	832.50
				SHRM EXAM FEES	270.00
				LABOR LAW POSTERS	235.35
				HR DEVELOPMENT COURSE REFUND	-34.50
				HR TRAINING ACADEMY 1 - LABOR RELATIONS	24.90
				HR TRAINING ACADEMY 2 - NEGOTIATIONS	24.90
				HR TRAINING ACADEMY 3 - NEGOTIATIONS	24.90
				HR TRAINING LEADING WKPLC INVEST	92.50

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Bank Account: 1 - 1ST SECURITY - AP

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
				SHRM EXAM FEES	30.00
				LABOR LAW POSTERS	26.16
				1.5 INCH SHORT SWEEPS FOR CEDAR AVE	40.22
				1.5 INCH SHORT SWEEPS FOR CEDAR AVE	105.10
				DRINKS & CUPS FOR SAFETY MEETING	20.33
				PIZZA FOR SAFETY MEETING	258.13
				COUNTY PERMIT FOR 310 BACK DOOR	1,164.52
				PRINT	4.36
				WATER TREATMENT OPERATOR LEVEL 1 COURSE	525.00
				WATERWORKS RENWL 2022 1YR	42.00
				WPUDA GOVT/RELATIONS CONFERENCE	265.68
				WEBSITE PLUG IN - ELITE 1YR SUBSCR	233.10
				TRAVEL INSURANCE	19.69
				WEBSITE IMAGES	29.44
				WPUDA GOVT/RELATIONS CONFERENCE	29.52
				WEBSITE PLUG IN - ELITE 1YR SUBSCR	25.90
				TRAVEL INSURANCE	2.19
				WEBSITE IMAGES	3.28
				Total for Check/Tran - 128479:	9,147.76
128480 3/3/22	CHK	10260	WA STATE DEFERRED COMPENSATION	PL DEFERRED COMP EE	13,074.55
				PL DEFERRED COMP ER	5,272.09
				Total for Check/Tran - 128480:	18,346.64
128481 3/3/22	CHK	10267	WA STATE SUPPORT REGISTRY	PL CHILD SUPPORT EE	165.50
128482 3/3/22	CHK	10680	WELLSPRING FAMILY SERVICES	EAP SVC - FEB 2022	52.48
				EAP SVC - FEB 2022	5.83
				Total for Check/Tran - 128482:	58.31
128483 3/3/22	CHK	10274	WESTBAY AUTO PARTS, INC.	VEH# 210 - REPLACEMENT AIR FILTER	14.65
				PRESSURE WASHER FUEL FILTER	15.10
				VEH# 416 - SILICONE	9.69

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Bank Account: 1 - 1ST SECURITY - AP

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
Total for Check/Tran - 128483:					39.44

Total Payments for Bank Account - 1 : (89) 1,543,830.51

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

Total for Bank Account - 1 : (89) 1,543,830.51

Grand Total for Payments : (89) 1,543,830.51

Grand Total for Voids : (0) 0.00

Grand Total : (89) 1,543,830.51

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Bank Account: 1 - 1ST SECURITY - AP

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
168 3/1/22	WIRE	10809	PETERSON LAKE - WIRE PAYMENT	PETERSON LAKE WIRE PMT MAR 2022	3,106.69
				PETERSON LAKE WIRE PMT MAR 2022	11,221.93
Total for Check/Tran - 168:					14,328.62
169 3/1/22	WIRE	10929	US BANK: GLOBAL CORP TRUST SERVI	LUD #14 BOND PMT 2022	136,000.00
				LUD #14 BOND PMT 2022	49,315.50
Total for Check/Tran - 169:					185,315.50

Total Payments for Bank Account - 1 : (2) 199,644.12

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

Total for Bank Account - 1 : (2) 199,644.12

Grand Total for Payments : (2) 199,644.12

Grand Total for Voids : (0) 0.00

Grand Total : (2) 199,644.12

JEFFERSON COUNTY PUD NO 1

ISSUED PAYROLL CHECKS
PAY DATE: 03/04/2022

<u>Empl</u>	<u>Position</u>	<u>Check #</u>	<u>Check Date</u>	<u>Amount</u>
3032	CUSTOMER SERVICE REP	70987	03/04/2022	1,323.51
2003	WATER TREATMENT PLANT OPERATOR III	70988	03/04/2022	2,465.24
2004	WATER TREATMENT PLANT OPERATOR III - LEAD	70989	03/04/2022	2,441.27
				\$ 6,230.02

JEFFERSON COUNTY PUD NO 1

DIRECT DEPOSIT PAYROLL PAY DATE: 03/04/2022
--

Empl	Position	Pay Date	Net Pay
3046	ACCOUNTING TECH 1	3/4/2022	1,453.64
3052	ADMINISTRATIVE ASSISTANT	3/4/2022	2,374.15
1044	APPRENTICE LINEMAN	3/4/2022	3,518.48
1026	BROADBAND COORDINATOR	3/4/2022	2,339.69
4006	COMMISSIONER DIST 1	3/4/2022	2,667.44
4004	COMMISSIONER DIST 2	3/4/2022	2,225.94
4008	COMMISSIONER DIST 3	3/4/2022	2,286.96
3034	COMMUNICATIONS DIRECTOR	3/4/2022	3,167.01
3002	CUSTOMER SERVICE COORDINATOR	3/4/2022	1,460.63
3014	CUSTOMER SERVICE PROGRAM SPECIALIST	3/4/2022	1,414.84
3022	CUSTOMER SERVICE REP	3/4/2022	1,413.95
3048	CUSTOMER SERVICE REP	3/4/2022	1,413.20
3056	CUSTOMER SERVICE REP	3/4/2022	1,154.36
1027	ELECTRICAL ENGINEERING MANAGER	3/4/2022	3,160.14
1041	ELECTRICAL SUPERINTENDENT	3/4/2022	4,392.64
2007	ENGINEERING DIRECTOR	3/4/2022	3,552.32
3005	EXECUTIVE ASSISTANT/PUBLIC RECORDS OFFICER	3/4/2022	2,130.27
3033	FINANCE DIRECTOR	3/4/2022	4,318.95
3029	FINANCE SERVICES MANAGER	3/4/2022	2,400.86
1046	FLEET/WAREHOUSE HELPER	3/4/2022	2,786.08
1012	FOREMAN LINEMAN	3/4/2022	4,746.32
1011	GENERAL MANAGER	3/4/2022	5,180.27
1042	GIS SPECIALIST	3/4/2022	2,443.83
1017	HEAD STOREKEEPER	3/4/2022	2,449.82
3047	HUMAN RESOURCES DIRECTOR	3/4/2022	3,319.81
3008	INFORMATION TECHNOLOGY MANAGER	3/4/2022	3,328.85
3028	IT SUPPORT TECHNICIAN	3/4/2022	1,773.96
1000	LINEMAN	3/4/2022	3,544.13
1020	LINEMAN	3/4/2022	4,144.70
1034	LINEMAN	3/4/2022	6,200.98
1055	LINEMAN	3/4/2022	2,726.79
1043	METER READER	3/4/2022	2,648.50
1047	METER READER	3/4/2022	2,247.93
1037	OPERATIONS DIRECTOR	3/4/2022	3,688.41
1050	PRE-APPRENTICE	3/4/2022	2,291.77
3004	RESOURCE MANAGER	3/4/2022	2,608.82
1003	SCADA TECH APPRENTICE	3/4/2022	3,015.02
3020	SERVICES DIRECTOR	3/4/2022	2,927.72
1031	STAKING ENGINEER	3/4/2022	2,568.71
1014	STOREKEEPER	3/4/2022	2,996.78
1015	SUBSTATION/METER FOREMAN	3/4/2022	3,604.81
1033	SUBSTATION/METERING TECH	3/4/2022	3,117.47
3013	UTILITY ACCOUNTANT II	3/4/2022	1,507.33
3039	UTILITY ACCOUNTANT II	3/4/2022	1,714.79
3003	UTILITY BILLING CLERK	3/4/2022	1,530.50
3027	UTILITY BILLING CLERK	3/4/2022	1,591.69
3000	UTILITY BILLING COORDINATOR	3/4/2022	1,690.24
2000	WATER DISTRIBUTION MANAGER II	3/4/2022	1,792.60
2001	WATER DISTRIBUTION MANAGER II	3/4/2022	2,291.93
2002	WATER DISTRIBUTION MANAGER II	3/4/2022	2,254.18
2005	WATER DISTRIBUTION MANAGER II	3/4/2022	1,711.42
			137,291.63

Jefferson County PUD No. 1
Electric Division
Statement of Operations
As of February 28, 2022

PART A. STATEMENT OF OPERATIONS				
ITEM	YEAR-TO-DATE			THIS MONTH
	LAST YEAR	THIS YEAR	BUDGET	
	(a)	(b)	(c)	(d)
1. Operating Revenue and Patronage Capital	8,348,540	9,592,311	8,724,224	4,485,457
2. Power Production Expense	0	0	0	0
3. Cost of Purchased Power	3,139,108	3,474,153	3,225,433	1,783,487
4. Transmission Expense	411,865	464,963	421,518	224,950
5. Regional Market Operations Expense	0	0	0	0
6. Distribution Expense - Operation	317,008	330,587	405,136	164,594
7. Distribution Expense - Maintenance	470,213	534,582	717,927	330,457
8. Consumer Accounts Expense	294,147	210,103	337,362	123,495
9. Customer Service and Informational Expense	4,476	1,812	4,599	0
10. Sales Expense	0	0	0	0
11. Administrative and General Expense	567,174	582,396	824,585	318,256
12. Total Operation & Maintenance Expense (2 thru 11)	5,203,991	5,598,596	5,936,560	2,945,239
13. Depreciation & Amortization Expense	917,449	925,728	917,566	462,864
14. Tax Expense - Property & Gross Receipts	0	0	0	0
15. Tax Expense - Other	480,835	552,505	494,058	258,561
16. Interest on Long-Term Debt	443,678	404,187	455,880	202,093
17. Interest Charged to Construction (Credit)	0	0	0	0
18. Interest Expense - Other	0	0	0	0
19. Other Deductions	0	0	0	0
20. Total Cost of Electric Service (12 thru 19)	7,045,953	7,481,016	7,804,064	3,868,757
21. Patronage Capital & Operating Margins (1 minus 20)	1,302,587	2,111,295	920,160	616,700
22. Non Operating Margins - Interest	630	401	647	183
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	204,868	114,361	203,946	110,694
26. Generation & Transmission Capital Credits	0	0	0	0
27. Other Capital Credits & Patronage Dividends	0	0	0	0
28. Extraordinary Items	0	0	0	0
29. Patronage Capital or Margins (21 thru 28)	1,508,085	2,226,057	1,124,753	727,577

Times Interest Earned Ratio (TIER) (Year to Date)	4.40	6.51	3.47
Operating Times Interest Earned Ratio (OTIER) (Year to Date)	3.94	6.22	3.02
Debt Service Coverage Ratio (DSC) (Year to Date)	2.90	3.57	2.51
Operating Debt Service Coverage Ratio (ODSC) (Year to Date)	2.70	3.46	2.30
Rolling 12 Month TIER	2.63	3.12	

Jefferson County PUD No. 1
Electric Division
Balance Sheet
February 28, 2022

PART B. BALANCE SHEET			
ASSETS AND OTHER DEBITS		LIABILITIES AND OTHER CREDITS	
1. Total Utility Plant in Service	180,748,325	29. Memberships	0
2. Construction Work in Progress	14,965,764	30. Patronage Capital	0
3. Total Utility Plant (1+2)	195,714,089	31. Operating Margins - Prior Years	0
4. Accum. Provision for Depreciation and Amort	72,892,022	32. Operating Margins - Current Year	2,111,296
5. Net Utility Plant (3-4)	122,822,067	33. Non-Operating Margins	114,762
6. Nonutility Property - Net	0	34. Other Margins & Equities	35,457,538
7. Investment in Subsidiary Companies	0	35. Total Margins & Equities (29 thru 34)	37,683,596
8. Invest. in Assoc. Org. - Patronage Capital	67,040	36. Long-Term Debt RUS (Net)	92,870,425
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)	92,870,425
11. Investments in Economic Development Projects	0	39. Obligations Under Capital Leases - Non current	0
12. Other Investments	0	40. Accumulated Operating Provisions	(3,958,650)
13. Special Funds	94,250	41. Total Other Noncurrent Liabilities (39+40)	(3,958,650)
14. Total Other Property & Investments (6 thru 13)	162,300	42. Notes Payable	0
15. Cash-General Funds	1,154,619	43. Accounts Payable	4,096,090
16. Cash-Construction Funds-Trustee	0	44. Consumers Deposits	15,200
17. Special Deposits	0	45. Current Maturities Long-Term Debt	0
18. Temporary Investments	6,688,983	46. Current Maturities Long-Term Debt-Economic Dev.	0
19. Notes Receivable - Net	0	47. Current Maturities Capital Leases	0
20. Accounts Receivable - Net Sales of Energy	3,738,726	48. Other Current & Accrued Liabilities	2,072,509
21. Accounts Receivable - Net Other	(4,929,498)	49. Total Current & Accrued Liabilities (42 thru 48)	6,183,799
22. Renewable Energy Credits	0	50. Deferred Credits	4,484,510
23. Materials & Supplies - Electric and Other	4,348,031	51. Total Liabilities & Other Credits (35+38+41+49+50)	137,263,680
24. Prepayments	287,379		
25. Other Current & Accrued Assets	2,496,525	ESTIMATED CONTRIBUTION-IN-AID-OF-CONSTRUCTION	
26. Total Current & Accrued Assets (15 thru 25)	13,784,765	Balance Beginning of Year	0
27. Deferred Debits	494,548	Amounts Received This Year (Net)	201,984
28. Total Assets & Other Debits (5+14+26+27)	137,263,680	TOTAL Contributions-In-Aid-Of-Construction	201,984

Equity Ratio **27.45%**
 (Total Margins & Equities/Total Assets & Other Debits) x 100

Long-Term Debt to Total Plant Ratio **47.45%**
 (Long Term Debt/Total Utility Plant) x 100

Jefferson County PUD #1
Power Requirements
As of February 28, 2022

PART C. POWER REQUIREMENTS DATABASE				
CLASSIFICATION	CONSUMER, SALES, AND REVENUE DATA	FEBRUARY CONSUMERS (b)	AVERAGE CONSUMERS (c)	Monthly KWH SALES AND REVENUE (d)
1. Residential Sales (excluding seasonal)	a. No. Consumers Served	17,901	17,898	
	b. KWH Sold			26,704,060
	c. Revenue			3,112,597
2. Residential Sales - Seasonal	a. No. Consumers Served	5	5	
	b. KWH Sold			116
	c. Revenue			0
3. Irrigation Sales	a. No. Consumers Served	2	2	
	b. KWH Sold			0
	c. Revenue			70
4. Comm. and Ind. 1000 KVA or Less	a. No. Consumers Served	2,419	2,417	
	b. KWH Sold			6,911,852
	c. Revenue			775,236
5. Comm. and Ind. Over 1000 KVA	a. No. Consumers Served	21	21	
	b. KWH Sold			8,496,316
	c. Revenue			559,140
6. Public Street & Highway Lighting	a. No. Consumers Served	209	208	
	b. KWH Sold			45,516
	c. Revenue			19,076
7. Non Metered Device Authority	a. No. Consumers Served	8	8	
	b. KWH Sold			0
	c. Revenue			1,892
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)		20,565	20,559	
11. TOTAL KWH Sold (lines 1b thru 9b)				42,157,860
12. TOTAL Revenue Received From Sales of Electric Energy (line 1c thru 9c)				4,468,011
13. Transmission Revenue				0
14. Other Electric Revenue				17,446
15. KWH - Own Use				2,364
16. TOTAL KWH Purchased				41,186,919
17. TOTAL KWH Generated				
18. Cost of Purchases and Generation				1,783,487
19. Interchange - KWH - Net				
20. Peak - Sum All KW Input (Metered)				103,781



Monthly and Year to Date Financial Report

Summary ending 2/28/2022

Utility
Electric

Department
All

Date End
2/28/2022

YTD and Month Ending February 2022

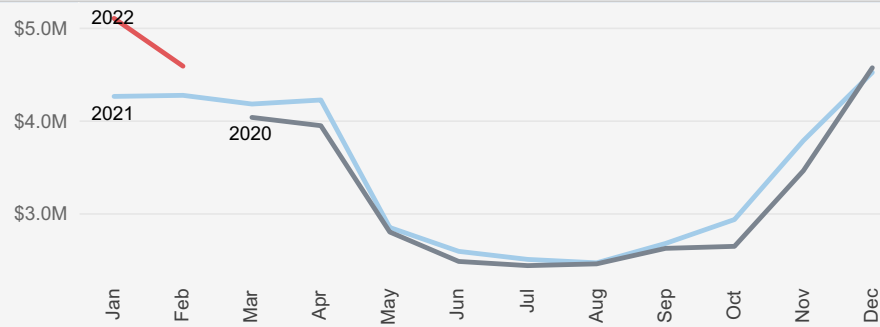
Monthly Revenues

Operating Revenues

\$4,485,457

Non-Operating Revenues

\$110,877

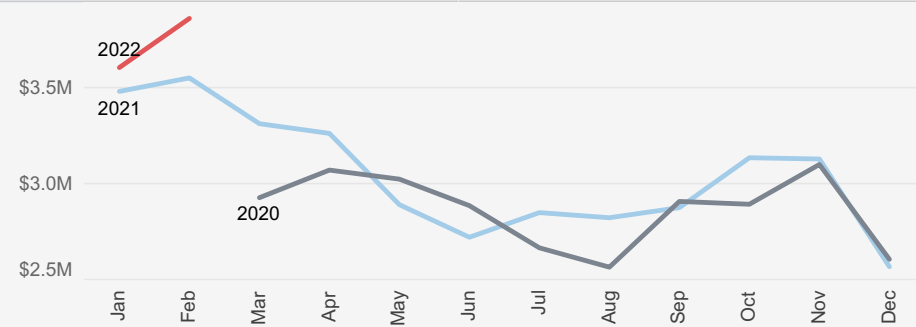


Monthly Cost of Service

Margins

\$3,868,758

\$727,576



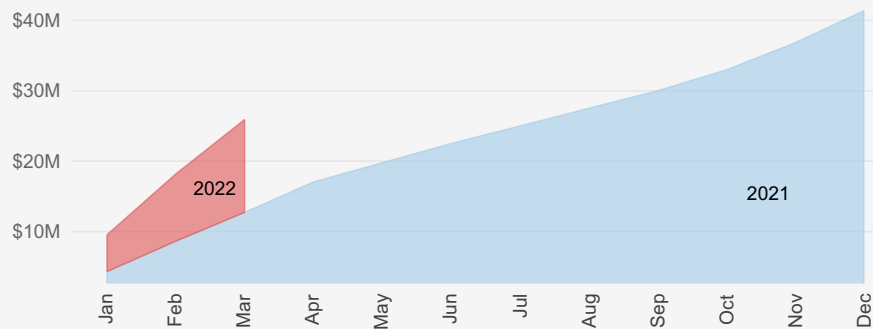
YTD Revenues

Operating Revenues

\$8,796,252

Non-Operating Revenues

\$125,108

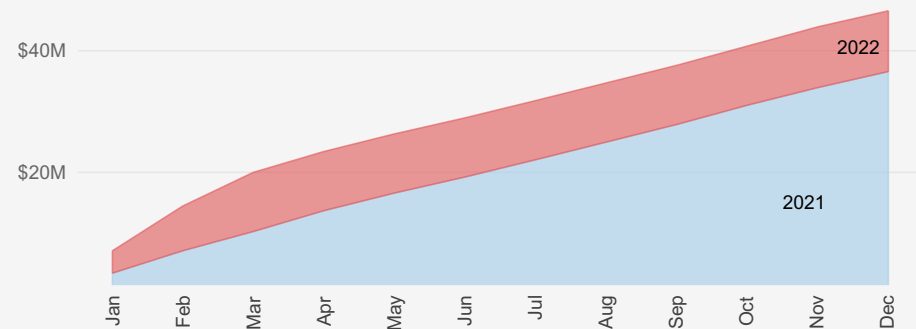


YTD Cost of Service

Margins

\$4,014,649

\$4,906,711



Electric Division
Comparison 2022 Budget to 2022 Actuals Year to Date Through FEBRUARY

	2022 Budget FEBRUARY YTD	2022 Actuals FEBRUARY YTD	Variance
1. Operating Revenue and Patronage Capital	8,724,224	9,592,311	868,087
2. Power Production Expense	0	0	0
3. Cost of Purchased Power	3,225,433	3,474,153	248,720
4. Transmission Expense	421,518	464,963	43,445
5. Regional Market Operations Expense	0	0	0
6. Distribution Expense - Operation	405,136	330,587	(74,549)
7. Distribution Expense - Maintenance	717,927	534,582	(183,345)
8. Consumer Accounts Expense	337,362	210,103	(127,259)
9. Customer Service and Informational Expense	4,599	1,812	(2,787)
10. Sales Expense	0	0	0
11. Administrative and General Expense	824,585	582,396	(242,189)
12. Total Operation & Maintenance Expense (2 thru 11)	5,936,560	5,598,596	(337,964)
13. Depreciation & Amortization Expense	917,566	925,728	8,162
14. Tax Expense - Property & Gross Receipts	0	0	0
15. Tax Expense - Other	494,058	552,505	58,447
16. Interest on Long-Term Debt	455,880	404,187	(51,693)
17. Interest Charged to Construction (Credit)	0	0	0
18. Interest Expense - Other	0	0	0
19. Other Deductions	0	0	0
20. Total Cost of Electric Service (12 thru 19)	7,804,064	7,481,016	(323,048)
21. Patronage Capital & Operating Margins (1 minus 20)	920,160	2,111,295	1,191,135
22. Non Operating Margins - Interest	647	401	(246)
23. Allowance for Funds Used During Construction	0	0	0
24. Income (Loss) from Equity Investments	0	0	0
25. Non Operating Margins - Other	203,946	114,361	(89,585)
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)	1,124,753	2,226,057	1,101,304

Jefferson County PUD No. 1
Water Division
Statement of Operations
As of February 28, 2022

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	380,564	537,058	397,690	263,986
2. Power Production Expense	0	0	0	0
3. Cost of Purchased Power	19,690	23,308	20,231	11,235
4. Transmission Expense	0	0	0	0
5. Regional Market Operations Expense	0	0	0	0
6. Distribution Expense - Operation	119,472	136,003	147,626	59,150
7. Distribution Expense - Maintenance	60,670	53,501	83,209	33,334
8. Consumer Accounts Expense	44,294	24,604	73,870	12,522
9. Customer Service and Informational Expense	0	0	0	0
10. Sales Expense	0	0	0	0
11. Administrative and General Expense	169,001	120,676	197,672	59,121
12. Total Operation & Maintenance Expense (2 thru 11)	413,127	358,092	522,608	175,362
13. Depreciation & Amortization Expense	127,518	129,745	70,798	64,872
14. Tax Expense - Property & Gross Receipts	0	0	0	0
15. Tax Expense - Other	18,390	23,959	18,896	11,978
16. Interest on Long-Term Debt	37,989	50,578	39,033	25,317
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)	597,024	562,374	651,335	277,529
21. Patronage Capital & Operating Margins (1 minus 20)	(216,460)	(25,316)	(253,645)	(13,543)
22. Non Operating Margins - Interest	16,850	12,930	17,314	6,705
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	21,807	32,443	23,667	23,025
26. Generation & Transmission Capital Credits	0	0	0	0
27. Other Capital Credits & Patronage Dividends	0	0	0	0
28. Extraordinary Items	0	0	0	0
29. Patronage Capital or Margins (21 thru 28)	(177,803)	20,057	(212,664)	16,187

Jefferson County PUD No. 1
Water Division
Balance Sheet
February 28, 2022

PART B. BALANCE SHEET			
ASSETS AND OTHER DEBITS		LIABILITIES AND OTHER CREDITS	
1. Total Utility Plant in Service	31,139,751	29. Memberships	0
2. Construction Work in Progress	1,550,035	30. Patronage Capital	0
3. Total Utility Plant (1+2)	32,689,786	31. Operating Margins - Prior Years	0
4. Accum. Provision for Depreciation and Amort	13,326,121	32. Operating Margins - Current Year	(25,316)
5. Net Utility Plant (3-4)	19,363,665	33. Non-Operating Margins	45,374
6. Nonutility Property - Net	2,160,934	34. Other Margins & Equities	23,005,418
7. Investment in Subsidiary Companies	0	35. Total Margins & Equities (29 thru 34)	23,025,476
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)	5,250,455
10. Invest in Assoc. Org. - Other - Nongeneral Funds	0	38. Total Long-Term Debt (36 + 37)	5,250,455
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)	2,331,751	42. Notes Payable	745,017
15. Cash-General Funds	206,444	43. Accounts Payable	(4,218,147)
16. Cash-Construction Funds-Trustee	0	44. Consumers Deposits	500
17. Special Deposits	0	45. Current Maturities Long-Term Debt	0
18. Temporary Investments	2,191,765	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	218,816	48. Other Current & Accrued Liabilities	88,025
21. Accounts Receivable - Net Other	377,727	49. Total Current & Accrued Liabilities (42 thru 48)	(3,384,605)
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)	24,891,326
24. Prepayments	0		
25. Other Current & Accrued Assets	164,936	ESTIMATED CONTRIBUTION-IN-AID-OF-CONSTRUCTION	
26. Total Current & Accrued Assets (15 thru 25)	3,195,910	Balance Beginning of Year	0
27. Deferred Debits	0	Amounts Received This Year (Net)	25,465
28. Total Assets & Other Debits (5+14+26+27)	24,891,326	TOTAL Contributions-In-Aid-Of-Construction	25,465

Equity Ratio **92.50%**
 (Total Margins & Equities/Total Assets & Other Debits) x 100

Long-Term Debt to Total Plant Ratio **16.06%**
 (Long Term Debt/Total Utility Plant) x 100

Jefferson County PUD #1
Water Requirements
As of February 28, 2022

PART C. WATER REQUIREMENTS DATABASE				
CLASSIFICATION	CONSUMER, SALES, AND REVENUE DATA	FEBRUARY CONSUMERS (b)	AVERAGE CONSUMERS (c)	Monthly Gallons SALES AND REVENUE (d)
1. Unmetered Water Sales	a. No. Consumers Served	13	13	
	b. Gallons Sold			0
	c. Revenue			1,361
2. Metered Residential Sales -	a. No. Consumers Served	4,585	4,589	
	b. Gallons Sold			12,393,531
	c. Revenue			209,085
3. Metered Commercial Sales	a. No. Consumers Served	315	316	
	b. Gallons Sold			3,616,544
	c. Revenue			40,064
4. Residential Multi-Family	a. No. Consumers Served	47	47	
	b. Gallons Sold			70,330
	c. Revenue			2,826
5. Metered Bulk Loadings	a. No. Consumers Served	0	0	
	b. Gallons Sold			0
	c. Revenue			0
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			3,457,000
	c. Revenue			0
8. Sewer/Drain Field--Residential	a. No. Consumers Served	376	376	
	b. Gallons Sold			0
	c. Revenue			10,404
9. Sales for Resales-Other	a. No. Consumers Served			
	b. Gallons Sold			
	c. Revenue			
10. TOTAL No. of Consumers (lines 1a thru 9a)		5,363	5,368	
11. TOTAL Gallons Sold (lines 1b thru 9b)				19,537,405
12. TOTAL Revenue Received From Sales of Water Gallons (line 1c thru 9c)				263,739
13. Bulk Water Gallons Sold Revenue				
14. Other Water Revenue				247
15. Gallons - Own Use				0
16. TOTAL Gallons Purchased				
17. TOTAL Gallons Produced				29,065,079
18. Cost of Purchases and Generation				11,235

YTD and Month Ending February 2022

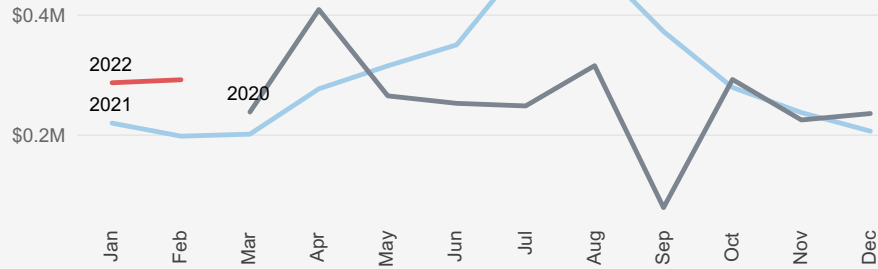
Monthly Revenues

Operating Revenues

\$263,986

Non-Operating Revenues

\$29,731

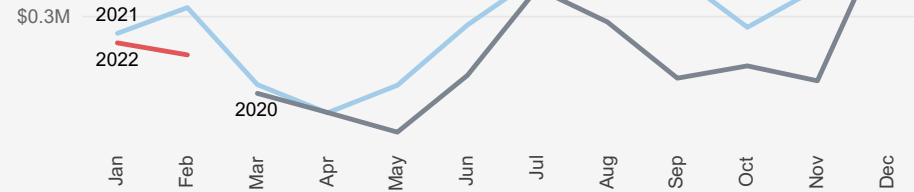


Monthly Cost of Service

Margins

\$277,529

\$16,188



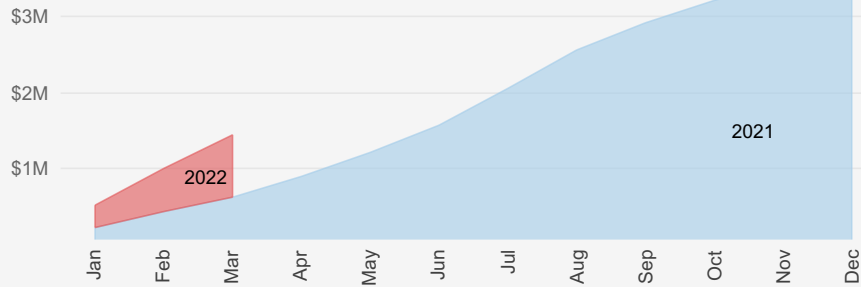
YTD Revenues

Operating Revenues

\$503,624

Non-Operating Revenues

\$31,401

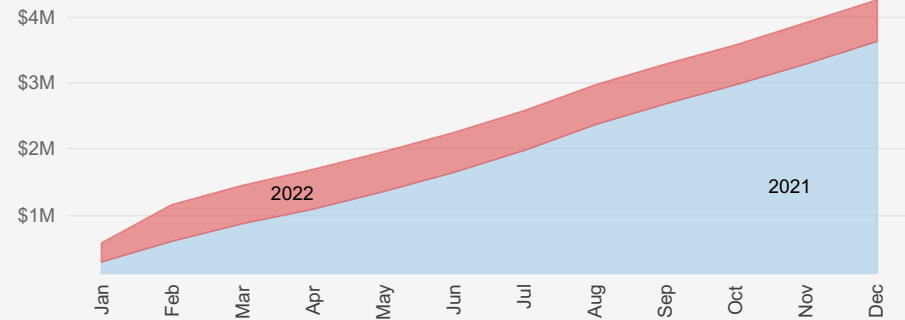


YTD Cost of Service

Margins

\$318,812

\$216,214



Water Division
Comparison 2022 Budget to 2022 Actuals Year to Date Through FEBRUARY

	2022 Budget FEBRUARY YTD	2022 Actuals FEBRUARY YTD	Variance
1. Operating Revenue and Patronage Capital	397,690	537,058	139,368
2. Power Production Expense	0	0	0
3. Cost of Purchased Power	20,231	23,308	3,077
4. Transmission Expense	0	0	0
5. Regional Market Operations Expense	0	0	0
6. Distribution Expense - Operation	147,626	136,003	(11,623)
7. Distribution Expense - Maintenance	83,209	53,501	(29,708)
8. Consumer Accounts Expense	73,870	24,604	(49,266)
9. Customer Service and Informational Expense	0	0	0
10. Sales Expense	0	0	0
11. Administrative and General Expense	197,672	120,676	(76,996)
12. Total Operation & Maintenance Expense (2 thru 11)	522,608	358,092	(164,516)
13. Depreciation & Amortization Expense	70,798	129,745	58,947
14. Tax Expense - Property & Gross Receipts	0	0	0
15. Tax Expense - Other	18,896	23,959	5,063
16. Interest on Long-Term Debt	39,033	50,578	11,545
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)	651,335	562,374	(88,961)
21. Patronage Capital & Operating Margins (1 minus 20)	(253,645)	(25,316)	228,329
22. Non Operating Margins - Interest	17,314	12,930	(4,384)
23. Allowance for Funds Used During Construction	0	0	0
24. Income (Loss) from Equity Investments	0	0	0
25. Non Operating Margins - Other	23,667	32,443	8,776
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)	(212,664)	20,057	232,721

**Jefferson County PUD No. 1
Cash and Cash Equivalents
As of December 31, 2021**

<u>G/L #</u>	<u>Account Description</u>	<u>Balance</u>
1 131.11	Operating Depository Account - Bank of America	\$1,277,578
2 131.01	Cash-Jeff Co Treasurer General Account	127,433
2 131.14	2009 Bond LUD #14 - Jefferson Co. Treasurer	37,917 Restricted
2 131.11	1996 Bond LUD #8 - Jefferson Co. Treasurer	31,465
2 131.10	1996 Bond LUD #6 - Jefferson Co. Treasurer	9,209
1 135.21	Working Funds - Petty Cash and CSR Drawers	1,850
2 131.12	1999 Bond LUD #11 - Jefferson Co. Treasurer	246 Restricted
2 135.21	Cash Held in Trust by Property Manager	150
1 131.16	Payroll Clearing Account - 1st Security Bank	30
2 131.15	2008 Bond LUD #15 - Jefferson Co. Treasurer	25 Restricted
1 131.12	Operating Account - Jefferson Co. Treasurer	-124,840
TOTAL LINE 15. BALANCE SHEET-CASH-GENERAL FUNDS		\$1,361,063
1 136.16	Tax Revenue Fund - Jefferson Co. Treasurer	\$3,344,516
1 136.17	Tax Revenue Investment Fund - Jefferson Co. Treasurer	1,925,000
1 136.10	Operating Account Related Investment - Jefferson Co. Treasurer	1,419,467
2 136.14	LUD #14 Bond Investment - Jefferson Co. Treasurer	1,139,648 Restricted
2 136.16	Tax Revenue Fund - Jefferson Co. Treasurer	738,947
2 136.15	LUD #15 Bond Investment - Jefferson Co. Treasurer	313,170 Restricted
TOTAL LINE 18. BALANCE SHEET-TEMPORARY INVESTMENTS		\$8,880,748
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--FEBRUARY 2022		\$1,756,073
NON-RESTRICTED CASH BALANCE--FEBRUARY 2022		\$8,750,805
TOTAL CASH AND CASH EQUIVALENTS IN BANK--FEBRUARY 2022		\$10,506,878
TOTAL CASH AND CASH EQUIVALENTS IN BANK--JANUARY 2022		\$11,366,386
Change in Bank Balance		(\$859,508)

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 2021 (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

3/30/2022
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	37,912,318	39,287,746	37,504,346	4,423,551
2. Power Production Expense	0	0	0	0
3. Cost of Purchased Power	14,717,058	15,242,290	15,478,556	1,841,912
4. Transmission Expense	1,832,052	1,950,421	1,826,159	228,131
5. Regional Market Expense	0	0	0	0
6. Distribution Expense - Operation	1,574,671	1,777,535	1,947,502	(79,675)
7. Distribution Expense - Maintenance	3,114,151	2,768,549	3,729,488	(272,871)
8. Customer Accounts Expense	1,228,908	1,305,362	1,501,278	(113,742)
9. Customer Service and Informational Expense	12,433	24,808	28,432	(806)
10. Sales Expense	0	0	0	0
11. Administrative and General Expense	2,672,839	3,197,515	2,962,463	46,228
12. Total Operation & Maintenance Expense (2 thru 11)	25,152,112	26,266,480	27,473,878	1,649,177
13. Depreciation and Amortization Expense	5,497,554	5,538,986	5,720,275	462,888
14. Tax Expense - Property & Gross Receipts	0	0	0	0
15. Tax Expense - Other	2,174,860	2,255,905	2,564,637	237,513
16. Interest on Long-Term Debt	2,701,573	2,607,298	2,598,440	223,019
17. Interest Charged to Construction - Credit	0	0	0	0
18. Interest Expense - Other	0	0	0	0
19. Other Deductions	39	0	94	0
20. Total Cost of Electric Service (12 thru 19)	35,526,138	36,668,669	38,357,324	2,572,597
21. Patronage Capital & Operating Margins (1 minus 20)	2,386,180	2,619,077	(852,978)	1,850,954
22. Non Operating Margins - Interest	49,016	4,939	86,778	219
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	2,098,595	2,110,211	2,739,648	105,111
26. Generation and Transmission Capital Credits	0	0	0	0
27. Other Capital Credits and Patronage Dividends	20,499	0	0	0
28. Extraordinary Items	0	0	0	0
29. Patronage Capital or Margins (21 thru 28)	4,554,290	4,734,227	1,973,448	1,956,284

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 2021		
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	232	275	5. Miles Transmission	34.00	34.00
2. Services Retired	12	31	6. Miles Distribution – Overhead	373.00	373.00
3. Total Services in Place	22,894	23,140	7. Miles Distribution - Underground	392.00	392.00
4. Idle Services (Exclude Seasonals)	2,597	2,594	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	180,850,593		30. Memberships	0	
2. Construction Work in Progress	12,290,793		31. Patronage Capital	0	
3. Total Utility Plant (1 + 2)	193,141,386		32. Operating Margins - Prior Years	0	
4. Accum. Provision for Depreciation and Amort.	72,045,406		33. Operating Margins - Current Year	2,619,077	
5. Net Utility Plant (3 - 4)	121,095,980		34. Non-Operating Margins	0	
6. Non-Utility Property (Net)	79,804		35. Other Margins and Equities	32,838,461	
7. Investments in Subsidiary Companies	0		36. Total Margins & Equities (30 thru 35)	35,457,538	
8. Invest. in Assoc. Org. - Patronage Capital	67,040		37. Long-Term Debt - RUS (Net)	89,395,868	
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	94,250		42. Payments – Unapplied	0	
14. Total Other Property & Investments (6 thru 13)	242,104		43. Total Long-Term Debt (37 thru 41 - 42)	89,395,868	
15. Cash - General Funds	1,207,395		44. Obligations Under Capital Leases - Noncurrent	0	
16. Cash - Construction Funds - Trustee	0		45. Accumulated Operating Provisions and Asset Retirement Obligations	(3,958,650)	
17. Special Deposits	0		46. Total Other Noncurrent Liabilities (44 + 45)	(3,958,650)	
18. Temporary Investments	8,110,205		47. Notes Payable	0	
19. Notes Receivable (Net)	0		48. Accounts Payable	5,053,066	
20. Accounts Receivable - Sales of Energy (Net)	2,669,386		49. Consumers Deposits	9,100	
21. Accounts Receivable - Other (Net)	(3,923,780)				
22. Renewable Energy Credits	0		50. Current Maturities Long-Term Debt	3,474,557	
23. Materials and Supplies - Electric & Other	3,362,599		51. Current Maturities Long-Term Debt - Economic Development	0	
24. Prepayments	195,569		52. Current Maturities Capital Leases	0	
25. Other Current and Accrued Assets	2,496,525		53. Other Current and Accrued Liabilities	2,034,541	
26. Total Current and Accrued Assets (15 thru 25)	14,117,899		54. Total Current & Accrued Liabilities (47 thru 53)	10,571,264	
27. Regulatory Assets	0		55. Regulatory Liabilities	0	
28. Other Deferred Debits	494,548		56. Other Deferred Credits	4,484,511	
29. Total Assets and Other Debits (5+14+26 thru 28)	135,950,531		57. Total Liabilities and Other Credits (36 + 43 + 46 + 54 thru 56)	135,950,531	

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 2021
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 2021
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 2021			
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	100,363,423	2,479,279	366,328	12,935	102,489,309		
2. General Plant	2,989,227	74,214	126,338		2,937,103		
3. Headquarters Plant	2,495,127	12,700	0		2,507,827		
4. Intangibles	16,470	0	0		16,470		
5. Transmission Plant	10,378,099	6,762	6,702		10,378,159		
6. Regional Transmission and Market Operation Plant	0	0	0		0		
7. All Other Utility Plant	62,521,725	0	0		62,521,725		
8. Total Utility Plant in Service (1 thru 7)	178,764,071	2,572,955	499,368	12,935	180,850,593		
9. Construction Work in Progress	8,167,065	4,123,728			12,290,793		
10. Total Utility Plant (8 + 9)	186,931,136	6,696,683	499,368	12,935	193,141,386		
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	2,363,967	2,526,910	154,242	1,569,196	0	(113,324)	3,362,599
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	560.000	3.100	388.600	951.700		
2. Five-Year Average	0.000	219.100	17.400	363.100	599.600		
PART H. EMPLOYEE-HOUR AND PAYROLL STATISTICS							
1. Number of Full Time Employees	51	4. Payroll - Expensed		3,985,773			
2. Employee - Hours Worked - Regular Time	95,663	5. Payroll - Capitalized		758,587			
3. Employee - Hours Worked - Overtime	9,915	6. Payroll - Other		1,121,790			
PART I. PATRONAGE CAPITAL							
ITEM	DESCRIPTION			THIS YEAR (a)	CUMULATIVE (b)		
1. Capital Credits - Distributions	a. General Retirements			0	0		
	b. Special Retirements			0	0		
	c. Total Retirements (a + b)			0	0		
2. Capital Credits - Received	a. Cash Received From Retirement of Patronage Capital by Suppliers of Electric Power			0			
	b. Cash Received From Retirement of Patronage Capital by Lenders for Credit Extended to the Electric System			0			
	c. Total Cash Received (a + b)			0			
PART J. DUE FROM CONSUMERS FOR ELECTRIC SERVICE							
1. Amount Due Over 60 Days	\$	231,527	2. Amount Written Off During Year	\$	38,358		
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 2021				
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			407,100,641	15,242,290	3.74		
	Total				407,100,641	15,242,290	3.74		

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 2021	
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 2021	
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 2021	
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	7. Total Amount of Fees and Expenses for Board Members \$	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 2021		
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)	89,395,868	2,607,298	3,474,557	6,081,855
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	89,395,868	2,607,298	3,474,557	6,081,855

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE		BORROWER DESIGNATION WA0060		
FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION		PERIOD ENDED December 2021		
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	17,883	17,796	
	b. kWh Sold			221,098,032
	c. Revenue			25,336,546
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			16,430
	c. Revenue			1,921
4. Comm. and Ind. 1000 KVA or Less	a. No. Consumers Served	2,418	2,413	
	b. kWh Sold			65,077,648
	c. Revenue			7,375,642
5. Comm. and Ind. Over 1000 KVA	a. No. Consumers Served	21	21	
	b. kWh Sold			91,095,907
	c. Revenue			5,848,178
6. Public Street & Highway Lighting	a. No. Consumers Served	207	208	
	b. kWh Sold			509,164
	c. Revenue			213,995
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)		20,531	20,440	
11. Total kWh Sold (lines 1b thru 9b)				377,797,181
12. Total Revenue Received From Sales of Electric Energy (lines 1c thru 9c)				38,776,282
13. Transmission Revenue				
14. Other Electric Revenue				511,464
15. kWh - Own Use				18,406
16. Total kWh Purchased				407,100,641
17. Total kWh Generated				
18. Cost of Purchases and Generation				17,192,711
19. Interchange - kWh - Net				
20. Peak - Sum All kW Input (Metered) Non-coincident <input checked="" type="checkbox"/> Coincident <input type="checkbox"/>				113,548

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION			BORROWER DESIGNATION WA0060			
			PERIOD ENDED December 2021			
INSTRUCTIONS - See help in the online application.						
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)	428	494,731	2,779	15,803	2,487,207	23,321
2. Residential Sales - Seasonal						
3. Irrigation Sales						
4. Comm. and Ind. 1000 KVA or Less	12	176,859	4,968	64	442,125	9,732
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	440	671,590	7,747	15,869	3,351,110	39,409

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 2021</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	79,804			
	Totals	79,804			
2	Investments in Associated Organizations				
	Investments in Associated Organizations	68,050			
	Totals	68,050			
5	Special Funds				
	RUS Bond Investment Account	0			X
	Other Special Funds		94,250		
	Totals	0	94,250		
6	Cash - General				
	Cash--General		1,207,395		
	Totals		1,207,395		
8	Temporary Investments				
	Temporary Investments		8,110,205		
	Totals		8,110,205		
9	Accounts and Notes Receivable - NET				
	Accounts & Notes Receivables--Net	240,799	(4,164,579)		
	Totals	240,799	(4,164,579)		
11	TOTAL INVESTMENTS (1 thru 10)	388,653	5,247,271		

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 2021			
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 2021			
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]					0.20 %
SECTION IV. LOANS					
No	ORGANIZATION (a)	MATURITY DATE (b)	ORIGINAL AMOUNT (\$) (c)	LOAN BALANCE (\$) (d)	RURAL DEVELOPMENT (e)
	TOTAL				



Board of Commissioners:

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

Kevin Streett, General Manager

March 31, 2022

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, 2021 and 2020
3. Form RD 442-2 - Statement of Budget, Income and Equity for 2022, including the Projected Cash Flow
4. 2021 Water, Sewer and Electrical Rates schedules
5. 2021 Financial Statements Audit Report. We did not have an accountability audit in 2021. In 2021, 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 2022. For our 2021 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	4571 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 2021 Budget was adopted by the Commissioners at the BOC meeting on October 5, 2020.

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

Sincerely,



Mike Bailey
Finance Director/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

(1) <u>OPERATING INCOME</u>	PRIOR YEAR <u>Actual</u> (2)	ANNUAL BUDGET BEG 01-01-2021 END 12-31-2021 (3)	For the 12-31-2021 Months Ended 12-31-2021 CURRENT YEAR		
			Actual Data		Actual YTD (Over) Under Budget Col. 3 - 5 = 6 (6)
			Current Quarter (4)	Year To Date (5)	
1. Water Sales	2,482,512	2,540,375		2,892,162	-351,787
2. Other Services	126,487	137,673		128,679	8,994
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	3,020,841	-342,793
<u>OPERATING EXPENSES</u>					
8. Purchased Power	82,741	200,650		137,165	63,485
9. Ops & Maint.	1,058,193	1,633,103		1,062,934	570,169
10. Cust Accts Exp	226,188	230,271		255,519	-25,248
11. Admin & General	893,190	1,169,897		1,031,638	138,259
12. Taxes	127,246	111,413		154,504	-43,091
13. Other Deductions	0	0		0	0
14. _____					0
15. Interest	236,595	226,987		225,120	1,867
16. Depreciation	696,061	736,398		774,737	-38,339
17. Total Operating Expense (Add Lines 8 through 16)	3,320,214	4,308,719	0	3,641,617	667,102
18. NET OPERATING INCOME (LOSS) (Line 7 less 17)	-711,215	-1,630,671	0	-620,776	-1,009,895
<u>NONOPERATING INCOME</u>					
19. Interest Income	73,024	134,730		29,112	105,618
20. Other Income	345,666	714,902		608,854	106,048
21. Total Nonoperating Income (Add 19 and 20)	418,690	849,632	0	637,966	211,666
22. NET INCOME (LOSS) (Add lines 18 and 21)	-292,525	-781,039	0	17,190	-798,229
23. Equity Beginning of Period	24,746,625	24,454,100		24,454,100	0
24. _____					0
25. _____					0
26. Equity End of Period (Add lines 22 through 25)	24,454,100	23,673,061	0	24,471,290	-798,229

Budget and Annual Report Approved by Governing Body

Quarterly Reports Certified Correct

DocuSigned by:


3/30/2022

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. 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 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 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. 46,625,23 gal.

b. Water sold (CU FT - GAL)

gal. 41,468,70 gal.

c. Treated waste (CU FT - GAL)

gal. gal.

d. Number of users - water

4,977

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

-2147483648 % -2147483648 %

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>25,847</u>	\$ <u>40,564</u>	\$ <u>127,433</u>	\$ <u></u>	\$ <u>193,844</u>
Savings	\$ <u></u>	\$ <u></u>	\$ <u>2,110,661</u>	\$ <u>2,333,81</u>	\$ <u></u>	\$ <u></u>	\$ <u>4,444,479</u>
and Invest- ments	\$ <u></u>	\$ <u></u>	\$ <u>2,136,508</u>	\$ <u>2,374,382</u>	\$ <u>127,433</u>	\$ <u>0</u>	\$ <u>4,638,323</u>
Total	\$ <u>0</u>	\$ <u>0</u>	\$ <u>2,136,508</u>	\$ <u>2,374,382</u>	\$ <u>127,433</u>	\$ <u>0</u>	\$ <u>4,638,323</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>114,518</u>	\$ <u>20,705</u>	\$ <u>6,654</u>	\$ <u>23,514</u>	\$ <u>165,392</u>
Number of Accounts	<u>2,539</u>	<u>400</u>	<u>165</u>	<u>26</u>	<u>3,130</u>

*Totals must agree with those on Balance Sheet.

For the Year BEG. 01-01-2021 END. 12-31-2021
(same as schedule 1 column 3)

Add

1. Depreciation (line 16 schedule 1)	-38,339
--------------------------------------	---------

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:	<u>Inter-Division Transfers</u>	<u>\$1,061,777</u>
-----------	---------------------------------	--------------------

6	Principal & Interest Payments from LUDs	\$314,736
---	---	-----------

D. Total all A, B and C Items	\$557,135
-------------------------------------	-----------

1. All Construction, Equipment and New Capital Items (loan & grant funds)	\$318,666
---	-----------

2. Replacement and Additions to Existing Property, Plant and Equipment

3. Principal Payment Agency Loan	\$61,287
--	----------

4. Principal Payment Other Loans	\$567,717
--	-----------

5. Other: <u>Inter-Division Transfers</u>	\$1,470,847
---	-------------

6. Total E 1 through 5	\$2,418,517
------------------------------	-------------

Add

F. Beginning Cash Balances	\$4,336,704
----------------------------------	-------------

G. Ending Cash Balances (Total of D Minus E 6 Plus F) \$ 2,475,322

Construction Account \$

Revenue Account

Debt Payment Account	\$2,110,661
----------------------------	-------------

O&M Account	\$193,844
-------------------	-----------

Reserve Account	\$170,817
-----------------------	-----------

Funded Depreciation Account

Others: _____

Total - Agrees with Item G	\$ 2,475,322
----------------------------	--------------

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

	12-31-2021	12-31-2020
	Month Day Year	Month Day Year
	<i>Current Year</i>	<i>Prior Year</i>
ASSETS		
CURRENT ASSETS		
1. Cash on hand in Banks	\$193,844.00	\$130,705.00
2. Time deposits and short-term investments	\$2,281,478.00	\$4,205,999.00
3. Accounts receivable	\$239,671.00	\$198,146.00
4. Less: Allowance for doubtful accounts	(\$74,279.00)	(\$53,829.00)
5. Inventories	\$36,222.00	\$18,330.00
6. Prepayments	\$164,936.00	\$149,235.00
7. Assessments Receivable (Current Portion)	\$205,249.00	\$264,134.00
8. Inter-Divisional Receivables	\$0.00	\$0.00
9. Total Current Assets (Add 1 through 8)	\$3,047,121.00	\$4,912,720.00
FIXED ASSETS		
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	\$34,078,714.00	\$33,512,374.00
14. Less: Accumulated depreciation	(\$13,192,093.00)	(\$12,552,216.00)
15. Net Total Fixed Assets (Add 10 through 14)	\$21,609,386.00	\$21,682,923.00
OTHER ASSETS		
16. Assessments Receivable (LT Portion)	\$246,507.00	\$392,871.00
17. Miscellaneous Deferred Debits	\$0.00	\$0.00
18. Total Assets (Add 9, 15, 16 and 17)	\$24,903,014.00	\$26,988,514.00
LIABILITIES AND EQUITIES		
CURRENT LIABILITIES		
19. Accounts payable	\$0.00	\$0.00
20. Notes payable	\$580,087.00	\$582,220.00
21. Current portion of USDA note	\$61,287.00	\$51,293.00
22. Customer deposits	\$600.00	\$0.00
23. Taxes payable	\$0.00	\$0.00
24. Interest payable	\$59,723.00	\$66,438.00
25. Inter-Division Payables	\$-4,164,580.00	\$-2,693,732.00
26.		
27. Total Current Liabilities (Add 19 through 26)	\$-3,462,883.00	\$-1,993,781.00
LONG-TERM LIABILITIES		
28. Notes payable USDA	\$2,191,941.00	\$2,263,222.00
29. Bonds and Notes Payable (LT Portion)	\$3,168,538.00	\$3,730,849.00
30.		
31. Total Long-Term Liabilities (Add 28 through 30)	\$5,360,479.00	\$5,994,071.00
32. Total Liabilities (Add 27 and 31)	\$1,897,596.00	\$4,000,290.00
EQUITY		
33. Retained earnings	\$23,005,418.00	\$22,988,224.00
34. Memberships		
35. Total Equity (Add lines 33 and 34)	\$23,005,418.00	\$22,988,224.00
36. Total Liabilities and Equity (Add lines 32 and 35)	\$24,903,014.00	\$26,988,514.00

CERTIFIED CORRECT

Date 3/30/2022

Appropriate Official (Signature)

Kevin Strutt

DD02775FB8DD420...

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.

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 <u>12-31-2021</u> Months Ended <u>12-31-2021</u>		
		BEG 01-01-2021	CURRENT YEAR		Actual YTD (Over) Under Budget Col. 3 - 5 = 6 (6)
		END <u>12-31-2021</u>	Actual Data		
		(3)	Current Quarter (4)	Year To Date (5)	
1. <u>Water Sales</u>	2,482,512	2,540,375		2,892,162	-351,787
2. <u>Other Services</u>	126,487	137,673		128,679	8,994
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	3,020,841	-342,793
<u>OPERATING EXPENSES</u>					
8. <u>Purchased Power</u>	82,741	200,650		137,165	63,485
9. <u>Ops & Maint.</u>	1,058,193	1,633,103		1,062,934	570,169
10. <u>Cust Accts Exp</u>	226,188	230,271		255,519	-25,248
11. <u>Admin & General</u>	893,190	1,169,897		1,031,638	138,259
12. <u>Taxes</u>	127,246	111,413		154,504	-43,091
13. <u>Other Deductions</u>	0	0		0	0
14. _____					0
15. Interest	236,595	226,987		225,120	1,867
16. Depreciation	696,061	736,398		774,737	-38,339
17. Total Operating Expense (Add Lines 8 through 16)	3,320,214	4,308,719	0	3,641,617	667,102
18. NET OPERATING INCOME (LOSS) (Line 7 less 17)	-711,215	-1,630,671	0	-620,776	-1,009,895
<u>NONOPERATING INCOME</u>					
19. <u>Interest Income</u>	73,024	134,730		29,112	105,618
20. <u>Other Income</u>	345,666	714,902		608,854	106,048
21. Total Nonoperating Income (Add 19 and 20)	418,690	849,632	0	637,966	211,666
22. NET INCOME (LOSS) (Add lines 18 and 21)	-292,525	-781,039	0	17,190	-798,229
23. Equity Beginning of Period	24,746,625	24,454,100		24,454,100	0
24. _____					0
25. _____					0
26. Equity End of Period (Add lines 22 through 25)	24,454,100	23,673,061	0	24,471,290	-798,229

Budget and Annual Report Approved by Governing Body

Quarterly Reports Certified Correct

DocuSigned by:

Kevin Street

3/30/2022

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 DATAThe Following Data Should Be Supplied Where ApplicableCircle 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 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. 46,625,23 gal.

b. Water sold (CU FT - GAL)

gal. 41,468,70 gal.

c. Treated waste (CU FT - GAL)

gal. gal.

d. Number of users - water

4,977

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

-2147483648 % -2147483648 %

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>25,847</u>	\$ <u>40,564</u>	\$ <u>127,433</u>	\$ <u> </u>	\$ <u>193,844</u>
Savings	\$ <u> </u>	\$ <u> </u>	\$ <u>2,110,661</u>	\$ <u>2,333,81</u>	\$ <u> </u>	\$ <u> </u>	\$ <u>4,444,479</u>
and Invest- ments	\$ <u> </u>	\$ <u> </u>	\$ <u>2,136,508</u>	\$ <u>2,374,382</u>	\$ <u>127,433</u>	\$ <u>0</u>	\$ <u>4,638,323</u>
Total	\$ <u>0</u>	\$ <u>0</u>	\$ <u>2,136,508</u>	\$ <u>2,374,382</u>	\$ <u>127,433</u>	\$ <u>0</u>	\$ <u>4,638,323</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>114,518</u>	\$ <u>20,705</u>	\$ <u>6,654</u>	\$ <u>23,514</u>	\$ <u>165,392</u>
Number of Accounts	<u>2,539</u>	<u>400</u>	<u>165</u>	<u>26</u>	<u>3,130</u>

*Totals must agree with those on Balance Sheet.

For the Year BEG. 01-01-2021 END. 12-31-2021
(same as schedule 1 column 3)

Add

1. Depreciation (line 16 schedule 1)	-38,339
--	---------

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	\$1,061,777
---------	--------------------------	-------------

6	Principal & Interest Payments from LUDs	\$314,736
---	---	-----------

D. Total all A, B and C Items	<u>\$557,135</u>
-------------------------------------	------------------

1. All Construction, Equipment and New Capital Items (loan & grant funds)	\$318,666
---	-----------

2. Replacement and Additions to Existing Property, Plant and Equipment

3. Principal Payment Agency Loan	\$61,287
--	----------

4. Principal Payment Other Loans	\$567,717
--	-----------

5. Other: <u>Inter-Division Transfers</u>	<u>\$1,470,847</u>
---	--------------------

6. Total E 1 through 5	<u>\$2,418,517</u>
------------------------------	--------------------

Add

F. Beginning Cash Balances	\$4,336,704
----------------------------------	-------------

G. Ending Cash Balances (Total of D Minus E 6 Plus F) \$ 2,475,322

Construction Account \$_____

Revenue Account

Debt Payment Account	\$2,110,661
----------------------------	-------------

O&M Account	\$193,844
-------------------	-----------

Reserve Account	\$170,817
-----------------------	-----------

Funded Depreciation Account

Others: _____

Total - Agrees with Item G	\$ 2,475,322
----------------------------	--------------

WATER RATE SCHEDULE

Table of Contents

Residential Service - Standard 2

Kala Point 3

Commercial Service – WCOM Variable Base 4

JCHYD – JCPUD Hydrant Use 5

Policy Updates

<i>Date</i>	<i>Resolution Number</i>
<i>4/20/2021</i>	<i>2021-012</i>
<i>6/15/2021</i>	<i>2021-017</i>
<i>7/20/2021</i>	<i>2021-019</i>

Residential Service - Standard

Includes ALQP/LIQP – Quimper, AL-A/LI-A – Group A, and AL-B/LI-B – Group B water systems.

AVAILABILITY:

Limited to residential service, which means service that is delivered through one meter to a single-family unit and is used principally for domestic purposes, even though such service may incidentally be used for nondomestic purposes.

Where a meter for a residential customer that is larger than five-eighths inch to three-quarters inch has been installed for the purpose of fire sprinkler system, the customer shall be assessed a base rate only for the size of the meter that would have been installed if a fire sprinkler system had not been installed.

Low Income discount:

Residential customers who qualify for JPUD's low-income program shall receive a credit equal to thirty percent (30%) of the base fee and one hundred percent (100%) of the capital surcharge.

MONTHLY RATE:

Effective Date:	June 5 2021	January 5 2022	January 5 2023	January 5 2024
Basic Charge:				
5/8" – Meter	\$ 32.65	\$ 34.80	\$ 40.83	\$42.61
1" – Meter	78.16	83.30	97.74	102.00
1.5" – Meter	152.75	162.80	191.02	199.36
Low Income Discount	\$ (12.73)			
Monthly Capital Surcharge:	\$ 0.00	\$ 5.00	\$ 5.00	\$ 7.00
Consumption Rate Per 100 Gallons:				
Tier 1 (0-5,000)	\$ 0.29	\$ 0.31	\$ 0.36	\$ 0.38
Tier 2 (5,001-10,000)	0.40	0.43	0.50	0.52
Tier 3 (10,000-30,000)	0.54	0.58	0.68	0.70
Tier 4 (> 30,000)	1.00	1.07	1.25	1.31

Kala Point

Consumption built into a flat rate. Rate varies based on unit type.

AVAILABILITY:

Limited to use by Kala Point condos and timeshares Rates vary by meter size and estimated usage.
Service may also be unmetered.

MONTHLY RATE:

Effective –

Effective Date:	June 5 2021	January 5 2022	January 5 2023	January 5 2024
Kala Point Village ¹	\$ 509.67	\$ 543.20	\$ 637.35	\$ 665.19
Kala Point Condo ²	36.41	38.80	45.53	47.51
Kala Point B2 ³	218.43	232.80	273.15	285.08
Kala Point B4 ⁴	81.34	86.69	101.72	106.16
Monthly Capital Surcharge:	\$ 0.00	\$ 5.00	\$ 5.00	\$ 7.00
Consumption Rate Per 100 Gallons:				
Tier 1 (0-5,000)	\$ 0.27	\$ 0.31	\$ 0.36	\$ 0.38
Tier 2 (5,001-10,000)	0.38	0.43	0.50	0.52
Tier 3 (10,000-30,000)	0.51	0.58	0.68	0.70
Tier 4 (> 30,000)	1.00	1.07	1.25	1.31

¹ Kala Point Village is a flat rate of base rate plus fixed consumption usage (approx. 92 gallons per unit) for 14 units.

² Kala Point Condo is a flat rate of base rate plus fixed consumption usage (approx. 1,290 gallons per unit) per condo unit.

³ Kala Point B2 is a flat rate of base rate plus fixed consumption usage (approx. 92 gallons per unit) for 6 units.

⁴ Kala Point B4 is a flat rate of base rate plus fixed consumption usage (approx. 92 gallons per unit) for 6 units.

Water Rate Schedule

Commercial Service – WCOM Variable Base

Commercial service, basic charge dependent on meter size

Limited to metered water use for purposes other than residential domestic use.

MONTHLY RATE:

Effective Date	June 5 2021	January 5 2022	January 5 2023	January 5 2024
Basic Charge:				
5/8" – Meter	\$ 32.65	\$ 34.80	\$ 40.83	\$ 42.61
1" – Meter	78.16	83.30	97.74	102.00
1.5" – Meter	152.75	162.80	191.02	199.36
2" – Meter	243.49	259.51	304.49	317.79
3" – Meter	454.43	484.32	568.27	593.09
4" – Meter	755.85	805.58	945.21	986.49
6" – Meter	1,507.76	1,606.95	1,885.48	1,967.83
8" – Meter	2,410.88	2,569.49	3,014.86	3,146.53
Monthly Capital Surcharge:	\$ 0.00	\$ 5.00	\$ 5.00	\$ 7.00
Consumption Rate Per 100 Gallons:	\$ 0.40	\$ 0.43	\$ 0.50	\$ 0.52

JCHYD – JCPUD Hydrant Use

AVAILABILITY:

This rate is used for metered hydrant draws. Tanks must have back flow prevention and be inspected by an authorized JPUD employee.

MONTHLY RATE:

Effective Date:	June 5 2021	January 5 2022	January 5 2023	January 5 2024
Basic Charge:	\$ 32.65	\$ 34.80	\$ 40.83	\$ 42.61
Consumption Rate Per 100 Gallons:	\$ 0.40	\$ 0.43	\$ 0.50	\$ 0.52



Electric

RATE SCHEDULE

The Rate Schedule is a policy outlining the availability and defining the application of the rates that have been adopted by the Jefferson County Public Utility District No. 1 Board of Commissioners

Updated Resolution 2021-015
June 1, 2021

General..... 2

Tax Adjustment: 2

Service Policy 2

Low Income Discounts:..... 2

Power Factor Charge:..... 2

Effective..... 2

Electric Rate Schedule..... 3

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 SCHEDULE 25 – SMALL DEMAND GENERAL SERVICE..... 5

 SCHEDULE 26 – LARGE DEMAND GENERAL SERVICE 6

 SCHEDULE 29 – SEASONAL IRRIGATION & DRAINAGE PUMPING SERVICE 7

 SCHEDULE 31 – PRIMARY GENERAL SERVICE 8

 SCHEDULE 43 – INTERRUPTIBLE PRIMARY SERVICE FOR TOTAL-ELECTRIC SCHOOLS 9

General

Tax Adjustment:

The amount of tax levied by any city or town in accordance with RCW 54.28.070, of the Laws of the State of Washington, will be added to all applicable charges for utility services sold within the limits of any such city or town.

Service Policy

Service under this schedule is subject to the rules and regulations as defined in the District's Electric Service Regulations and the Water System Plan.

Low Income Discounts:

Jefferson County PUD offers discounts to low-income senior citizens and other low-income citizens per RCW 74.38.070. Program guidelines and income thresholds are defined under section 10.6 of the Customer Service Policy.

Power Factor Charge:

kVARh charges will be replaced with a power factor charge once new meters have been installed.

Effective

All rate changes will be effective with statements rendered on or after the listed effective date.

Public Utility District No. 1 of Jefferson County

Electric Rate Schedule

SCHEDULE 7 RESIDENTIAL ELECTRIC SERVICE *(Single phase and three phase)*
AVAILABILITY:

1. This schedule is limited to residential service, which means service that is delivered through one meter to a single-family unit and is used principally for domestic purposes, even though such service may incidentally be used for nondomestic purposes. Electric service for nondomestic use may be separately metered and served under the provisions of the applicable general service schedule, provided that such service does not include single-family units.
2. If this schedule is applied to transient occupancy in separately metered living units, billing shall be in the name of the owner on a continuous basis.
3. Single-phase motors rated greater than 7-1/2 HP shall not be served under this schedule except by the express written approval of the PUD.
4. Space conditioning and water heating capacities shall be energized in increments of 6 'r0J\ or less by a thermostat, low voltage relay, or suitable time delay equipment.
5. Rates included under this schedule are:
 - a. 7-1PH, SINGLE PHASE RESIDENTIAL
 - b. 7-3PH, THREE PHASE RESIDENTIAL
 - c. 7-1NM, SINGLE PHASE NET METER
 - d. 7-3NM, THREE PHASE NET METER
 - e. 7LI20, SENIOR LOW INCOME
 - f. 7LI35, STANDARD LOW INCOME

Customers requiring three-phase service under this schedule will be required to contribute the incremental cost of three-phase facilities to provide such service.

MONTHLY RATE:

Effective Date:	July 5, 2021	July 5, 2022	July 5, 2023	July 5, 2024
Basic Charge:				
Single Phase	\$ 21.00	\$ 23.50	\$ 26.00	\$28.50
Three Phase	30.65	34.30	37.95	41.59
Low Income Credit:	(44.84)	(50.18)	(55.51)	(60.85)
Energy Charge per kWh:				
Tier 1 (0 – 600)	\$ 0.0882	\$ 0.0908	\$ 0.0936	\$ 0.0966
Tier 2 (601 – 1,600)	0.1070	0.1102	0.1136	0.1172
Tier 3 (Greater than 1,600)	0.1218	0.1254	0.1293	0.1334

Public Utility District No. 1 of Jefferson County

SCHEDULE 24 GENERAL SERVICE*Secondary Voltage; Single phase or three phase where available; Demand of 50 kW or less***AVAILABILITY:**

1. This schedule is available to any Customer for general electric energy requirements other than Residential Service (as defined in Paragraph 1 of Schedule 1) and whose estimated or actual Demand is 50 kW or less.
2. Customers whose metered Demand exceeds 50 kW twice during the most recent 12 consecutive months are not eligible for service under this schedule.
3. Customers with less than 12 months billing history and Billing Demand over 50 kW twice are not eligible for service under this schedule.
4. Deliveries at more than one point will be separately metered and billed.
5. Single-phase motors rated greater than 7-1/2 HP shall not be served under this schedule except by the express written approval of the PUD.
6. Highly intermittent loads such as welders, X-ray machines, elevators, and similar loads which may cause undue lighting fluctuation shall not be served under this schedule unless approved by the PUD.
7. Rates included under this schedule are:
 - a. 24-1P, SINGLE PHASE GENERAL
 - b. 24-1NM, SINGLE PHASE GENERAL NET METER
 - c. 24-3P, THREE PHASE GENERAL
 - d. 24-3NM, THREE PHASE GENERAL NET METER

MONTHLY RATE:

Effective Date:	July 5, 2021	July 5, 2022	July 5, 2023	July 5, 2024
Basic Charge:				
Single Phase	\$ 21.50	\$ 24.50	\$ 27.50	\$ 30.50
Three Phase	39.51	45.03	50.54	56.05
Energy Charge per kWh:	0.1029	0.1055	0.1082	0.1112

Public Utility District No. 1 of Jefferson County

SCHEDULE 25 – SMALL DEMAND GENERAL SERVICE

Secondary Voltage; Single phase or three phase where available; Demand Greater than 50 kW but less than or equal to 350 kW

AVAILABILITY:

1. Customers whose Billing Demand is 50 kW or below for eleven (11) of the most recent 12 consecutive months or above 350 kW twice during the most recent 12 consecutive months are not eligible for service under this schedule.
2. Deliveries at more than one point will be separately metered and billed.
3. Single-phase motors rated greater than 7-1/2 HP shall not be served under this schedule except by the express written approval of the PUD.
4. Highly intermittent loads such as welders, X-ray machines, elevators, and similar loads which may cause undue lighting fluctuation shall not be served under this schedule unless approved by the PUD.
5. Rates included under this schedule:
 - a. 25-SMALL DEMAND GENERAL

MONTHLY RATE:

Effective Date:	July 5, 2021	July 5, 2022	July 5, 2023	July 5, 2024
Basic Charge:	\$ 62.25	\$ 64.74	\$ 67.33	\$ 70.20
Demand Charge – all KW:	5.71	5.93	6.17	6.42
Energy Charge per kWh:	0.0884	0.0919	0.0956	0.0994

Public Utility District No. 1 of Jefferson County

SCHEDULE 26 – LARGE DEMAND GENERAL SERVICE

Secondary Voltage or at available Primary Distribution Voltage; Single phase or three phase where available; Demand Greater than 350 kW

AVAILABILITY:

1. This schedule is available to any Customer for general electric energy requirements other than Residential Service (as defined in Paragraph 1 of Schedule 7) and whose estimated or actual Demand is greater than 350 kW.
2. Customers taking service at Secondary Voltage and whose Billing Demand is 350 kW or below for eleven (11) of the most recent 12 consecutive months are not eligible for service under this schedule.
3. Deliveries at Secondary voltage at more than one point will be separately metered and billed. Deliveries at Primary voltage to a Customer will be at one Point of Delivery for all service to that Customer on contiguous property.
4. Single-phase motors rated greater than 7-1/2 HP shall not be served under this schedule except by the express written approval of the Company.
5. Highly intermittent loads, such as welders, X-ray machines, elevators, and similar loads that may cause undue lighting fluctuation, shall not be served under this schedule unless approved by the PUD.
6. For service at Primary voltage, all necessary wiring, transformers, switches, cut-outs and protection equipment beyond the Point of Delivery shall be provided, installed and maintained by the Customer, and such service facilities shall be of types and characteristics acceptable to the PUD. The entire service installation, protection coordination, and the balance of the load between phases shall be approved by PUD engineers.
7. Rates included under this schedule:
 - a. 26-P, LARGE DEMAND PRIMARY
 - b. 26-S, LARGE DEMAND SECONDARY

MONTHLY RATE:

Effective Date:	July 5, 2021	July 5, 2022	July 5, 2023	July 5, 2024
Basic Charge:	\$ 114.13	\$ 118.69	\$ 123.44	\$ 128.38
Demand Charge – all KW:	9.34	9.71	10.10	10.50
Energy Charge per kWh:	0.0785	0.0817	0.0849	0.0883

Public Utility District No. 1 of Jefferson County

SCHEDULE 29 – SEASONAL IRRIGATION & DRAINAGE PUMPING SERVICE*Single phase or three phase where available***AVAILABILITY:**

1. This schedule applies to any Customer whose seasonal electric energy requirements are used exclusively for the purpose of irrigation and/or drainage pumping of water on agricultural land used in production of plant crops, and who requires service at secondary voltage. To be eligible for service under this schedule, customers must be qualifying agricultural irrigation or drainage pumping customers pursuant to the Bonneville Power Administration's General Rate Schedule Provisions.
2. Usage must be measured at the point of delivery and deliveries at more than one point will be separately metered and billed.
3. Single-phase motors rated greater than 7-1/2 HP shall not be served under this schedule except by the express written approval of the PUD.
4. Lower loads which may cause undue fluctuations in electric service shall not be served under this schedule unless approved by the PUD.
5. Rates included under this schedule:
 - a. 29-1P, SINGLE PHASE IRRIGATION/DRAINAGE
 - b. 29-3P, THREE PHASE IRRIGATION/DRAINAGE

MONTHLY RATE:

Effective Date:	July 5, 2021	July 5, 2022	July 5, 2023	July 5, 2024
Basic Charge:	\$ 35.00	\$ 40.00	\$ 45.00	\$ 50.00
Energy Charge per kWh:	0.0695	0.0710	0.0729	0.0752

Public Utility District No. 1 of Jefferson County

SCHEDULE 31 – PRIMARY GENERAL SERVICE*Single phase or three phase at the available Primary distribution voltage***AVAILABILITY:**

This schedule applies to all service to contiguous property supplied through one meter where:

1. The customer requires primary voltage to operate equipment other than transformers; or
2. The customer requires distribution facilities and multiple transformers due to loads being separated by distances that preclude delivery of service at secondary voltage; or
3. The load is at a remote or inaccessible location that is not feasible to be served at secondary voltage from PUD facilities.
4. All necessary wiring, transformers, switches, cut-outs and protection equipment beyond the point of delivery shall be provided, installed and maintained by the Customer, and such service facilities shall be of types and characteristics acceptable to the PUD. The entire service installation, protection coordination, and the balance of the load between phases shall be approved by PUD engineers.
5. Rates included under this schedule:
 - a. 31-PG, PRIMARY GENERAL

MONTHLY RATE:

Effective Date:	July 5, 2021	July 5, 2022	July 5, 2023	July 5, 2024
Basic Charge:	\$ 311.25	\$ 323.70	\$ 336.65	\$ 350.11
Demand Charge – all KW:	8.82	9.17	9.54	9.92
Energy Charge per kWh:	0.0775	0.0806	0.0838	0.0872

Public Utility District No. 1 of Jefferson County

SCHEDULE 43 – INTERRUPTIBLE PRIMARY SERVICE FOR TOTAL-ELECTRIC SCHOOLS

Single Phase or three phase at the available Primary distribution voltage

AVAILABILITY:

- 1. Service under this schedule is available to permanently located schools whose total water heating and space conditioning requirements are supplied by electricity.
- 2. All necessary wiring, transformers, switches, cut-outs, and protection equipment beyond the Point of Delivery shall be provided, installed, and maintained by the Customer, and such service facilities shall be of types and characteristics acceptable to the PUD. The entire service installation, protection coordination, and the balance of the load between phases shall be approved by PUD engineers.
- 3. Rates included under this schedule:
 - a. 43-IP, INTERRUPTIBLE PRIMARY-SCHOOLS

PEAK LOAD INTERRUPTION:

The customer shall interrupt electric loads to a level not to exceed .6watts per square foot of structure between the hours of 7:00 a.m. and 10:00 a.m. on any day the PUD requests interruption. Any electric loads in excess of .6 watts per square foot of structure shall be subject to the CRITICAL DEMAND provisions below.

MONTHLY RATE:

Effective Date:	July 5, 2021	July 5, 2022	July 5, 2023	July 5, 2024
Basic Charge:	\$ 311.25	\$ 323.70	\$ 336.65	\$ 350.11
Demand Charge – all KW:	5.50	5.50	5.50	5.50
Energy Charge per kWh:	0.0680	0.0679	0.0677	0.0676

PUD Calendar

April 5, 2022

**April 5, 2022, Regular Meeting per ZOOM Pre-meeting 3:00pm and
Regular Meeting at 4:00pm**

April 13-15,2022 WPUDA Association Meetings, Tulalip Casino

**April 19, 2002, Regular Meeting per ZOOM, Pre-meeting 3:00pm – Public
Hearing set for Re-districting and Regular BOC meeting at 4:00 PM**

April 21, 2022, Special Meeting 10:00-12:00 WPEG Power Purchase Update

April 26, 2022, Special Meeting 10:00-12:00 – Jackson Thornton Audit Review



AGENDA REPORT

DATE: April 5, 2022
TO: Board of Commissioners
FROM: Samantha Harper, P.E.
RE: Update to the Schedule of Charges and Fees to the Water and Sewer Services

BACKGROUND: On March 24, 2020, the PUD adopted and updated the schedule of charges for water and sewer services through Resolution 2020-005, Exhibit A. The proposed Resolution and Exhibit A would add charges for services the PUD provides through our Satellite Management Agency (SMA) contracts. In addition, a sampling charge was added to the large on-site septic services which the PUD provides.

ANALYSIS/FINDINGS: The addition of these service charge is intended to pull the charges and services out of the SMA contract and or the operations and maintenance agreements for large on-site septic agreements in order to not have stagnate fees throughout the timeframe of these contracts and agreements.

FISCAL IMPACT: The updated schedule of charges will provide clarify for PUD billing of SMA contracts for both PUD staff and the customer.

RECOMMENDATION: Approval of Resolution 2022-0XX revising, removing, and superseding the Schedule of Charges and Fees for Water and Sewer Services in Exhibit A of Resolution 2020-005 and adopting an updated Schedule of Charges and Fees for Water and Sewer Services.

Attachment: Resolution 2022-0XX
Exhibit A – Schedule of Charges and Fees for Water and Sewer Services

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

RESOLUTION NO. 2022-__

A RESOLUTION of the Board of Commissioners of the Public Utility District No. 1 of Jefferson County, Washington (the “PUD”), revising, removing and superseding the Schedule of Charges and Fees for Water and Sewer Services in Exhibit A of Resolution 2020-005 and adopting an updated Schedule of Charges and Fees for Water and Sewer Services.

WHEREAS, the PUD staff has reviewed PUD Resolution 2020-005 and its Exhibits: Schedule of Deposits and Charges (“Exhibit A”) regarding charges and fees for Water and Sewer services; and

WHEREAS, this Resolution and Exhibit revises and supersedes the water and sewer fees adopted in Exhibit A of Resolution 2020-005 by removing; and

WHEREAS, the changes proposed by this Resolution solely relate to Water and Sewer charges and fees.

WHEREAS, the PUD staff has also included Water system service charges and sampling fee for septic services; 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. Exhibit A of this Resolution supersedes and deletes Exhibit A of Resolution 2020-005.

Section 3. All charges and fees are effect as of May 5, 2022.

ADOPTED by the Board of Commissioners of Public Utility District No. 1 of Jefferson County, Washington, at a regular open meeting held this 5th day of April 2022.

Kenneth Collins, President

Jeff Randall, Vice President

ATTEST:

Dan Toepper, Secretary

Exhibit A



Schedule of Charges for Water and Sewer Services

April 5, 2022

New Service Charges

Water Service Charges

Water – Residential (3/4" meter)

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

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

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

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

Exhibit A

Water – Residential (1-inch meter)

1) Water meter installation -water main adjacent to property	\$2,310
2) Water meter installation – water main opposite side of property (i.e. across the street)	\$3,010
3) Water meter drop-in	\$255
4) Asphalt patching	\$1,100
5) Permit fees – Jefferson County Class A	per Jefferson County Public Works fee schedule
6) Permit fees – Jefferson County Class B	per Jefferson County Public Works fee schedule
7) Permit fees – WSDOT base fee and inspection fee	per WSDOT fee schedule
8) System Development Charger per ERUs	
a. Bywater Pope	\$600*
b. Bywater/Shine	\$7,000*
c. Marrowstone (LUD No. 4) ⁴	\$7,400*
d. Snow Creek	\$2,900*
e. South Hastings (LUD No. 3) ⁵	\$2,800*
f. Standard	\$2,000*
g. Triton Cove (LUD No. 6) ⁶	\$2,000*

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

Water – (1.5-inch meter)

1) Water meter installation -water main adjacent to property	\$3,200
2) Water meter installation – water main opposite side of property (i.e. across the street)	\$3,900
3) Water meter drop-in	\$480
4) Asphalt patching	\$1,100
5) Permit fees – Jefferson County Class A	per Jefferson County Public Works fee schedule
6) Permit fees – Jefferson County Class B	per Jefferson County Public Works fee schedule
7) Permit fees – WSDOT base fee and inspection fee	per WSDOT fee schedule

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

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

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

Exhibit A

8) System Development Charger per ERUs	
a. Bywater Pope	\$600*
b. Bywater/Shine	\$7,000*
c. Marrowstone (LUD No. 4) ⁷	\$7,400*
d. Snow Creek	\$2,900*
e. South Hastings (LUD No. 3) ⁸	
f. Standard	\$2,800*
g. Triton Cove (LUD No. 6) ⁹	\$2,000*
	\$2,000*

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

Water – (2-inch meter)

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

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Exhibit A

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

Water – above 2-inch meter

per engineer's estimate

Sewer Service Charges

- | | |
|--|---------------------|
| 1) Hook-up Charge | \$150 |
| 2) System Charge | per sewer agreement |
| 3) Bedroom Fee (per bedroom) | per sewer agreement |
| 4) Inspection of private septic system | \$350 (min.) |
| 5) Monthly sewer operation and maintenance fee | \$250 per month |
| 6) Septic sampling fee | Actual cost of test |

Water System Service Charges

- | | |
|--|---------------------|
| 1) Monthly water operation and maintenance fee | \$400 per month |
| 2) Water quality sampling fees | Actual cost of test |
| 3) Water crew hourly rate | \$49.21 per hour |

Miscellaneous Service Charges

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

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



Schedule of Charges for Water and Sewer Services

February 18, 2020 March 15, 2022

New Service Charges

Water Service Charges

Water – Residential (3/4" meter)

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

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

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

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

Exhibit A

Water – Residential (1-inch meter)

- | | |
|---|--|
| 1) Water meter installation -water main adjacent to property | \$2,310 |
| 2) Water meter installation – water main opposite side of property (i.e. across the street) | \$3,010 |
| 3) Water meter drop-in | \$255 |
| 4) Asphalt patching | \$1,100 |
| 5) Permit fees – Jefferson County Class A | per Jefferson County Public Works fee schedule |
| 6) Permit fees – Jefferson County Class B | per Jefferson County Public Works fee schedule |
| 7) Permit fees – WSDOT base fee and inspection fee | per WSDOT fee schedule |
| 8) System Development Charger per ERUs | |
| a. Bywater Pope | \$600* |
| b. Bywater/Shine | \$7,000* |
| c. Marrowstone (LUD No. 4) ⁴ | \$7,400* |
| d. Snow Creek | \$2,900* |
| e. South Hastings (LUD No. 3) ⁵ | \$2,800* |
| f. Standard | \$2,000* |
| g. Triton Cove (LUD No. 6) ⁶ | \$2,000* |

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

Water – (1.5-inch meter)

- | | |
|---|--|
| 1) Water meter installation -water main adjacent to property | \$3,200 |
| 2) Water meter installation – water main opposite side of property (i.e. across the street) | \$3,900 |
| 3) Water meter drop-in | \$480 |
| 4) Asphalt patching | \$1,100 |
| 5) Permit fees – Jefferson County Class A | per Jefferson County Public Works fee schedule |
| 6) Permit fees – Jefferson County Class B | per Jefferson County Public Works fee schedule |

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

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

Exhibit A

- | | |
|--|------------------------|
| 7) Permit fees – WSDOT base fee and inspection fee | per WSDOT fee schedule |
| 8) System Development Charger per ERUs | |
| a. Bywater Pope | \$600* |
| b. Bywater/Shine | \$7,000* |
| c. Marrowstone (LUD No. 4) ⁷ | \$7,400* |
| d. Snow Creek | \$2,900* |
| e. South Hastings (LUD No. 3) ⁸ | |
| f. Standard | \$2,800* |
| g. Triton Cove (LUD No. 6) ⁹ | \$2,000* |
| | \$2,000* |

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

Water – (2-inch meter)

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

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

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Exhibit A

g. Triton Cove (LUD No. 6)¹²

\$2,000*

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

Water – above 2-inch meter

per engineer's estimate

Sewer Service Charges

1) Hook-up Charge	\$150
2) System Charge	per sewer agreement
3) Bedroom Fee (per bedroom)	per sewer agreement
4) Inspection of private septic system	\$350 (min.)
5) Monthly sewer operation and maintenance fee	\$250 per month
6) <u>Septic sampling fee</u>	<u>Actual cost of test</u>

Water System Service Charges

1) <u>Monthly water operation and maintenance fee</u>	<u>\$400 per month</u>
2) <u>Water quality sampling fees</u>	<u>Actual cost of test</u>
3) <u>Water crew hourly rate</u>	<u>\$49.21 per hour</u>

Miscellaneous Service Charges

1) Administration and legal charges for LUD's	
a. Under \$100,000	10% of design and construction cost
b. Between \$100,000 and \$500,000	7% of design and construction cost
c. Over \$500,000	5% of design and construction cost
2) Assessment Segregation	\$55 per hour (1-hour min.)
3) Bacteria test fee	Actual cost of test
4) Construction/Event Meter	
a. Base monthly rate	\$75
b. Consumption per commercial rate	per current fee schedule
c. Deposit ¹³	\$500
5) District equipment damage charges	Time and material (\$100 min.)

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

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

Exhibit A

6) Document preparation	\$200
7) Engineering plan review	Engineer hourly rate over \$1,000
8) Hydrant Meter Use	
a. Quimper base-rate	per current fee schedule
b. Consumption per commercial rate	per current fee schedule
9) Latecomer	
a. Processing of a latecomer	\$55 per hour
b. Collection of latecomer payback	per latecomer agreement
10) Legal fees	\$350 per hour
11) Pressure testing inspection	\$32 per hour



AGENDA REPORT

DATE: April 5, 2022
TO: Board of Commissioners
FROM: Samantha Harper, P.E.
RE: Satellite Management Agency Contract between the Port and PUD for the Herb Beck Marina water system (DOH ID No. 25931)

BACKGROUND: The PUD has an existing Satellite Management Agency (SMA) Contract, dated July 3, 2008, with the Port of Port Townsend for the operation and maintenance of the water system at Herb Beck Marina in Quilcene, WA. This update to the existing agreement provides updated contact information and clarification of charges and services.

ANALYSIS/FINDINGS: The draft was created with input and review from the Port of Port Townsend. Once approved by the PUD's Board of Commissioners, the agreement will be sent to the Port of Port Townsend for approval and final execution.

FISCAL IMPACT: The current Schedule of Water and Sewer Charges and Fees does not contain a monthly service charge for SMA O&M service and or water sampling. The Schedule of Water and Sewer Charges and Fees will be updated accordingly.

RECOMMENDATION: Approval of Resolution 2022-0XX authorizing the General Manager to execute an updated Satellite Management Agency (SMA) Contract for Operation and Maintenance Services for the Port of Port Townsend's Water System (DOH ID No. 25931) at Herb Beck Marina.

Attachment: Resolution 2022-0XX
SMA Contract for O&M services between the Port and the PUD for Herb Beck Marina Water System (clean and line-in and line out)
Attachment A – SMA Contract Description of Services (clean and line-in and line out)

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

RESOLUTION NO. 2022-0__

A RESOLUTION of the Board of Commissioners of the Public Utility District No. 1 of Jefferson County, Washington (the “PUD”), authorizing the General Manager to execute an updated Satellite Management Agency (SMA) Contract for Operation and Maintenance Services for the Port of Port Townsend’s Water System (DOH ID No. 25931) at Herb Beck Marina.

WHEREAS, on July 3, 2008, the Port of Port Townsend (Port) and the PUD entered into an Agreement for the purpose of the PUD providing operation and maintenance services for the Port’s water system at Herb Beck Marina; and

WHEREAS, the PUD is authorized to provide ownership, management and operations as a Satellite Management Agency (SMA) under Jefferson County Resolutions 97-83 and 13-86; Chapter 246-295 WAC and authorized by the Washington State Department of Health (DOH) (WA State SMA #101); and

WHEREAS, Exhibit A of this resolution is a revised SMA contract which updates the responsibilities of both the Port and the PUD and the charges providing operation and maintenance services to the Port for the Herb Beck water system; 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 existing SMA contract is replaced in its entirety with the SMA contract in Exhibit A.

Section 3. The PUD authorizes the General Manager to execute the updated SMA contract on behalf of the PUD.

ADOPTED by the Board of Commissioners of Public Utility District No. 1 of Jefferson County, Washington, at a regular open meeting held this 5th day of April 2022.

Kenneth Collins, President

Jeff Randall, Vice President

ATTEST:

Dan Toepper, Secretary

April 5, 2022

Satellite Management Agency Contract
(For Management and Operations)
For
the Port of Port Townsend Quilcene Water System
at Herb Beck Marina
(DOH ID# 25931)

This Contract for the Port of Port Townsend Quilcene Water System ("Water System") is made this ____ day of _____, 2022, by and between Public Utility District No. 1 of Jefferson County ("PUD") and the Port of Port Townsend ("Port").

The Legal Description for the Water System located in Jefferson County, Washington and described as follows:

The Port of Port Townsend's Herb Beck Marina Area is located near unincorporated Quilcene, WA and includes services to Coast Seafoods Company Quilcene Harbor Yacht Club. The Port parcel numbers associated with the Herb Beck Marina are 702-254-013, 702-251-019, 702-254-008, 702-254-009, 702-254-011, 702-254-013, 702-254-014, 702-254-017, 002-344-018, 002-344-019 and 002-344-020, respectively.

The above properties are inside the Satellite Management Agency (SMA) DOH approved service area as identified in the SMA Plan and on file with Jefferson County.

PARTIES

1. The PUD, whose address is whose address is 310 Four Corners Road, Port Townsend, WA 98368, will henceforth be referred to as the Satellite Management Agency ("SMA"). The PUD is authorized to provide ownership, management and operations as a Satellite Management Agency under Jefferson County Resolutions 97-83 and 13-86; Chapter 246-295 WAC and authorized by the Washington State Department of Health (DOH) (WA State SMA #101). A Satellite Water System is, collectively, the owners and persons provided water service by a water source and distribution system which is independent of and unconnected to another water system.

April 5, 2022

2. The Port, whose address is PO Box 1180, Port Townsend Washington 98368, owns the Water System.

RECITALS

This Contract replaces the Satellite Management Contract (For Management and Operations) For the Port of Port Townsend Quilcene Water System Agreement between the Port and the PUD dated July 1, 2008 (the “Original Agreement”).

SMA SERVICES

The SMA shall provide the following services to the Water System:

1. Basic Services

The SMA shall become acquainted with the Water System, including all physical facilities (transmission lines, valves, pumps, storage facilities, source(s), controls, treatment equipment and monitoring equipment, etc.) and operations and maintenance requirements.

The SMA will conduct Basic Services for the Water System according to those activities described in the Description of Services (Attachment A) in accordance with accepted public health practices and DOH regulations.

2. Additional Services

Services other than Basic Services are also described in the Description of Services (Attachment A). Any or all of these services are subject to this agreement.

SMA CHARGES

The Port agrees to pay the PUD has described in Attachment A. The PUD will invoice the Port to the address below:

Port of Port Townsend
Accounts Receivable
PO Box 1180
Port Townsend WA 98368

OWNER RESPONSIBILITIES

The Port is responsible for customer and all business aspects of the Water System including all decisions on connections / disconnections, customer meter readings, customer billing and

customer relations.

Any new connection to the Water System must be coordinated with the SMA to ensure system capacity is available.

The Port will provide the SMA with customer meter data to support operation and maintenance activities such as leak detection. On a monthly basis, the Port will provide the SMA with meter reading data.

The Port will provide SMA number to tenants and others for emergency contact purposes.

The Port will provide services requiring a Professional Engineer for consultation or system design.

TERMS AND CONDITIONS

This Contract includes all the terms and conditions in the SMA's agreement with the Port. Without limiting the foregoing, it is agreed as follows:

1. The SMA does not own the Water System. The SMA's responsibility is limited to the services set forth above.
2. The Water System hereby grants the SMA an irrevocable license to enter onto the well site and properties in performance of the SMA's responsibilities under this Contract, and to inspect the Water System.
3. Duration. This Contract shall remain in force unless amended or terminated with 90 day written notice by either party. If termination is proposed, the party proposing termination shall forward a copy of the Contract termination notification to the DOH.
4. Integration. This Contract constitutes the entire agreement between the parties. There are no other verbal or written agreements or representations which modify or affect this Contract.
5. Amendments to this contract shall be in writing and shall be signed by the responsible person from each party.
6. Indemnification. The Water System shall assume the risk or, be liable for, and pay all damages, loss, cost and expense of any party arising out of the performance of this Contract unless such damage, loss, cost or expense is caused solely by the negligence or willful misconduct of the SMA and its employees. The owner shall

April 5, 2022

indemnify and hold harmless from all claims, losses, suits, actions, costs, counsel fees, litigation, litigation costs, expenses, damages, judgments , or decrees by reason of damage to any property or business and/or death, injury or disability to any person or party arising out of or suffered directly or indirectly by reason of or in connection with the performance of this Contract or any action, error or omission of the Water System, Water System's employees, agents or subcontractors, whether by negligence or otherwise. Both parties will agree on liability via arbitration or mediation.

Port of Port Townsend

Satellite Management Agency:

PUD No. 1 of Jefferson County

By: _____

By: _____

Kevin Streett, General Manager

Date: _____

Date: _____

ATTACHMENT A

Description of Satellite Management Agency Services

1. PURPOSE

The purpose of this attachment is to provide a description of services for the SMA Agency (SMA) as part of water system management of the Port of Port Townsend's (Port's) Quilcene Water System.

2. BASIC SERVICES

Basic Services will be billed monthly per charges listed in the current approved Schedule of Charges for Water and Sewer Services. The Port will be subject to monthly operation and maintenance fee increases as approved by the Board of Commissioners.

Basic Services includes taking routine and follow-up water quality samples, and interpretation of sample results; taking master meter readings; and monitoring storage tank levels. Basic Services also provides for routine inspection of water system components for malfunctions.

At a minimum, system inspections will occur twice weekly and be performed by a certified water distribution manager.

Water quality sampling will occur monthly for bacteria following the Port's current or revised Coliform Monitoring Plan (change in plan – change in re-imbursement?). An annual Nitrate sample will be taken on an annual basis. The laboratory analysis costs for these samples are not included in Basic Services and the cost of laboratory analysis will be billed to the Port.

The well (source) meter will be read and recorded on a monthly basis. Meter data will be compiled on a spreadsheet formatted to show monthly and annual use and will be updated monthly.

As part of Basic Services, the SMA will analyze meter data and laboratory tests, and report to the Port any issues.

Administrative obligations under this task is to ensure that the proper records are maintained and to prepare and file reports (and other data including water sample testing results) required by Department of Health (DOH) and / or Jefferson County. In addition, the SMA will prepare monthly billings for services rendered or charges incurred.

April 5, 2022

A written report will be filed monthly along with billings and will contain a brief description of activities, issues, and planned follow-up for any unresolved issues. A copy of this report will be sent to the Port's Deputy Director and to the Accounting Department.

3. ADDITIONAL SERVICES

Additional Services may be needed in order to provide continuous high quality service to the Port's Water System customers, and to meet regulatory requirements. All Additional Services will be billed on a time and material basis.

3.1 Incident Response

Activity under this category involves incidents that require SMA personnel to respond, which includes emergency responses. The SMA is expected to assess the situation and provide guidance as to a response.

3.2 System Investigation / Repairs / Replacement

System Investigation / Repairs / Replacements activities will occur when components fail or malfunction. The SMA is expected to assess the needs, oversee or conduct appropriate repair according to DOH standards, including ordering replacement / repair parts as necessary. When System Investigation / Repairs / Replacements are required, the SMA will immediately advise the Port of the nature of the concern, the approach proposed, and the approximate costs for the investigation and/or repairs.

3.3 Additional Water Quality Testing

This sampling is sampling beyond the normal monthly bacterial and annual nitrate sampling requirements.

3.4 Planned System Improvements

Planned or required system upgrades will be initiated, scheduled, and approved by the Port.

3.5 Planning and Technical Assistance

The PUD will assistance to the Port and / or its consultants in preparation of various planning documents such as the Small Water System Management Plan or any of its elements such as the Coliform Monitoring Plan. The SMA

April 5, 2022

may provide technical assistance on such matters as leak detection, backflow prevention, or basic system operational component adjustments.

3.6 GIS Assistance and Mapping

The SMA may be asked to apply resources for GIS map development to help the Port in describing service area and system descriptions component descriptions and locations.

4. NOTIFICATIONS.

For communication between the PUD and the Port, the following notifications are required:

- 4.1 When a water issue is discovered, the PUD will report the incident to the Port contact.
- 4.2 The PUD will investigate the incident, determine potential solution and discuss with the Port contact.
- 4.3 After hour emergency contact would be the PUD No. 1 Customer Service phone number.

PUD Contact:

Doug Reeder
Water Distribution Manager II
Address: 310 Four Corners Rd.
Port Townsend, WA 98368
Phone: 360-301-0708
Email: dreeder@jeffpud.org
PUD No. 1 Customer Service
Phone: 360-385-5800

Port Contact:

Eric Toews
Deputy Director
Address: P.O. Box 1180
Port Townsend, WA 98368
Phone:
Email: eric@portofpt.com
Port Administration Office
Phone: 360-985-0656

March 4, 2022~~Draft~~

~~March 4, 2020~~

**Satellite Management Agency Contract
(For Management and Operations)**

**For
the Port of Port Townsend Quilcene Water System
at Herb Beck Marina
(DOH ID# 25931)**

This Contract for the Port of Port Townsend Quilcene Water System ("Water System") is made this _____ day of _____, 2022, by and between Public Utility District No. 1 of Jefferson County ("PUD") and the Port of Port Townsend ("Port").

The Legal Description for the Water System located in Jefferson County, Washington and described as follows:

The Port of Port Townsend's Herb Beck Marina Area is located near unincorporated Quilcene, WA and includes services to Coast Seafoods Company Quilcene Harbor Yacht Club. The Port parcel numbers associated with the Herb Beck Marina are 702-254-013, 702-251-019, 702-254-008, 702-254-009, 702-254-011, 702-254-013, 702-254-014, 702-254-017, 002-344-018, 002-344-019 and 002-344-020, respectively.

The above properties are inside the Satellite Management Agency (SMA) DOH approved service area as identified in the SMA Plan and on file with Jefferson County.

~~It is agreed by and between Public Utility District #1 of Jefferson County (PUD) and the Port of Port Townsend (Port) as follows:~~

~~1.~~ PARTIES

1. The PUD, whose address is ~~whose address is~~ 310 Four Corners Road, Port Townsend,

Marc Horton—Washington Project Consultants

Page 1 of 6

Herb Beck O&M LOSS
Agreement PUD-Port

Page 1 of 6

Draft 4/9/2020

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Quilcene Water System

Management and Operations Contract

Page 1 of 6

March 4, 2022 Draft

March 4, 2020

WA 98368, ~~PO Box 929 Port Hadlock, Washington 98339~~, will henceforth be referred to as the Satellite Management Agency ("SMA"). The ~~SMA-PUD~~ is authorized to provide ownership, management and operations as services to a Satellite Management Agency Water Systems under Jefferson County Resolutions 97-83 and 13-86; Chapter 246--295 WAC; and authorized by the Washington State Department of Health (DOH) (WA State under SMA authorization #101). A Satellite Water System is, collectively, the owners and persons provided water service by a water source and distribution system which is independent of and unconnected to another water system.

2. The Port, whose address is PO Box 1180, Port Townsend Washington 98368, ~~will henceforth be referred to as the Owner, owns the Quilcene the Water System, which will henceforth be referred to as the Water System.~~

RECITALS

This Contract replaces the Satellite Management Contract (For Management and Operations) For the Port of Port Townsend Quilcene Water System Agreement between the Port and the PUD dated July 1, 2008 (the "Original Agreement").

~~2. Effective Date~~

~~The effective date of this Contract shall be ???????.~~

~~3. Legal Description~~

~~The property presently served by the Water System is located within Jefferson County, Washington, and is described as follows:~~

~~***The Port of Port Townsend's Quilcene Marina Area to including service to Coast Seafoods and the Quilcene Harbor Yacht Club***~~

~~The above property is inside the SMA's DOH approved service area as identified in the SMA Plan and on file with Jefferson County.~~

~~4. SMA SERVICES~~

The SMA shall provide the following services to the Water System:

Marc Horton—Washington Project Consultants

Page 2 of 6

Herb Beck O&M LOSS
Agreement PUD-Port

Page 2 of 6

Draft 4/9/2020

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Quilcene Water System

Management and Operations Contract

Page 2 of 6

4.11. Basic Services

The SMA shall become acquainted with the Water System, including all physical facilities (transmission lines, valves, pumps, storage facilities, source(s), controls, treatment equipment and monitoring equipment, etc.) and operations and maintenance requirements.

The SMA will conduct Basic Services for the Water System according to those activities described in the Description of Services (Attachment A) in accordance with accepted public health practices and DOH regulations.

4.22. Additional Services

Services other than Basic Services are also described in the Description of Services (Attachment A). Any or all of these services are subject to this agreement.

SMA CHARGES

The Port agrees to pay the PUD has described in Attachment A. The PUD will invoice the Port to the address below:

Port of Port Townsend
Accounts Receivable
PO Box 1180
Port Townsend WA 98368

The Owner agrees to pay the following to the SMA:

Basic Services. These services are described in Attachment B and will be billed according to the rate shown in Attachment A.

Additional Service Charges. The SMA will charge for the additional services set forth in the SMA's rate schedule (Attachment B). The charges will be billed to the Owner at the following address:

Port of Port Townsend
Accounts Receivable
PO Box 1180
Port Townsend WA 98368

5. OWNER RESPONSIBILITIES

The ~~Owners~~ Port is responsible for customer and all business aspects of the Water System including all decisions on connections / disconnections, customer meter readings, customer billing and customer relations.

Any new connection to the Water System must be coordinated ~~with the SMA to insure~~ ensure system capacity is available.

The ~~Owner~~ Port will provide the SMA with customer meter data to support operation and maintenance activities such as leak detection. On a monthly basis, the Port will provide the SMA with meter reading data.

The Port will ~~provide~~ SMA number to tenants and others for emergency contact purposes. ~~re emergencies...~~

The ~~Owner~~ Port will provide services requiring a Professional Engineer for consultation or system design.

~~6.1. SMA Charges~~

~~The Owner agrees to pay the following to the SMA:~~

~~6.1.1.1 Basic Services. These services are described in Attachment B and will be billed according to the rate shown in Attachment A.~~

~~6.21.1 Additional Service Charges. The SMA will charge for the additional services set forth in the SMA's rate schedule (Attachment B). The charges will be billed to the Owner at the following address:~~

~~Port of Port Townsend
Accounts Receivable
PO Box 1180
Port Townsend WA 98368~~

7. TERMS AND CONDITIONS

March 4, 2022~~Draft~~

~~March 4, 2020~~

This Contract includes ~~all of~~all the terms and conditions in the SMA's agreement with the Portowner ~~but may be amended in the future.~~

Without limiting the foregoing, it is agreed as follows:

~~7.11.~~ 7.11. The SMA does not own the Water System. The SMA's responsibility is limited to the services set forth above.

~~7.22.~~ 7.22. The Water System hereby grants the SMA an irrevocable license to enter onto the well site and properties in performance of the SMA's responsibilities under this Contract, and to inspect the Water System.

~~7.33.~~ 7.33. Duration. This Contract shall remain in force unless amended or terminated with 90 day written notice by either party. If termination is proposed, the terminating party proposing termination shall forward a copy of the Contract termination notification to the DOH.

~~7.44.~~ 7.44. Integration. This Contract constitutes the entire agreement between the parties. There are no other verbal or written agreements or representations which modify or affect this Contract.

~~7.55.~~ 7.55. Amendments to this contract shall be in writing and shall be signed by the responsible person from each party.

~~7.66.~~ 7.66. Indemnification. The Water System shall assume the risk or, be liable for, and pay all damages, loss, cost and expense of any party arising out of the performance of this Contract unless such damage, loss, cost or expense is caused solely by the negligence or willful misconduct of the SMA and its employees. The owner shall indemnify and hold harmless from all claims, losses, suits, actions, costs, counsel fees, litigation, litigation costs, expenses, damages, judgments , or decrees by reason of damage to any property or business and/or death, injury or disability to any person or party arising out of or suffered directly or indirectly by reason of or in connection with the performance of this Contract or any action, error or omission of the Water -System, Water System's employees, agents or subcontractors, whether by negligence or otherwise. Both parties will agree on liability via arbitration or mediation.

March 4, 2022~~Draft~~
~~March 4, 2020~~

Port of Port Townsend

Satellite Management Agency:
~~Public Utility District~~PUD No. #1 of Jefferson
~~County~~ (Satellite Management Agency)

By: _____

By: _____
Kevin Streett, General Manager

Date: _____

Date: _____

March 10, 2022~~March 4, 2020~~

ATTACHMENT A

DESCRIPTION OF Satellite Management Agency Services

1. PURPOSE

The purpose of this attachment is to provide a description of services for ~~Public Utility District #1 of Jefferson County (PUD)~~ the SMA Agency (SMA) as part of water system management of the Port of Port Townsend's (Port's) Quilcene Water System.

2. BASIC SERVICES

Basic Services will be billed monthly per charges listed in the current approved Schedule of Charges for Water and Sewer Services. The Port will be subject to monthly operation and maintenance fee increases as approved by the Board of Commissioners.

Basic Services includes taking routine and follow-up water quality samples, and interpretation of sample results; taking master meter readings; and monitoring storage tank levels. Basic Services also provides for routine inspection of water system components for malfunctions.

At a minimum, system inspections will occur twice weekly and be performed by a certified water distribution manager.

Water quality sampling will occur monthly for bacteria following the Port's current or revised Coliform Monitoring Plan (change in plan – change in re-imbursement?). An annual Nitrate sample will be taken on an annual basis. The Laboratory analysis costs for these samples are not included in Basic Services (billed to the Port?), and the cost of laboratory analysis will be billed to the Port.

The well (source) meter will be read and recorded on a monthly basis. Meter data will be compiled on a spreadsheet formatted to show monthly and annual ~~use, and use~~ and will be updated monthly.

~~March 10, 2022~~ March 4, 2020

As part of Basic Services, the PUDSMA will analyze meter data and laboratory tests, and ~~determine the cause(s) of any malfunctions~~ report to the Port any issues.

Administrative obligations under this task is to ~~insure~~ ensure that the proper records are ~~0~~ maintained and to prepare and file reports (and other data including water sample testing results) required by Department of Health (DOH) and / or Jefferson County. In addition, the PUDSMA will ~~calculate charges and~~ prepare monthly billings for services rendered or charges incurred.

A written report will be filed monthly along with billings and will contain a brief description of activities, issues, and planned follow-up for any unresolved issues. ~~In addition, a copy of the current Water Meter Spreadsheet will be provided.~~ A copy of this report will be sent to the Port's Deputy Director and to the Accounting Department. ~~Director of Operations and Business Development, and to the Accounting Department.~~

3. ADDITIONAL SERVICES

~~These Additional s~~Services may be needed ~~from time to time~~ in order to provide continuous high quality service to the Port's Water System customers, and to meet regulatory requirements. All Additional Services will be billed on a time and material basis.

3.1 Incident Response

Activity under this category involves incidents that require PUDSMA personnel to respond, which includes emergency responses as would be the case with emergencies. The PUDSMA is expected to assess the ~~situation, and~~ situation and provide guidance as to a response.

3.2 System Investigation / Repairs / Replacement

System Investigation / Repairs / Replacements activities~~y~~ will occur when components fail or malfunction. The PUDSMA is expected to assess the needs, oversee or conduct appropriate repair according to DOH standards, including ordering replacement / repair parts as necessary. When System Investigation / Repairs / Replacements are required, the SMA will immediately advise the Port of the nature of the concern, the approach proposed, and the

March 10, 2022~~March 4, 2020~~

approximate costs for the investigation and/or repairs.

3.3 Additional Water Quality Testing

This sampling is sampling beyond the normal monthly bacterial and annual nitrate sampling requirements.

3.4 Planned System Improvements

Planned or required system upgrades will be initiated, scheduled, and approved by the Port.

~~Planned or required system upgrades will be on a schedule approved by the Port.~~

3.5 Planning and Technical Assistance

The PUD will assistance to the ~~Provide assistance to the~~ Port and / or its consultants in preparation of various planning documents such as the Small Water System Management Plan or any of its elements such as the Coliform Monitoring Plan. The ~~PUD~~SMA may provide technical assistance on such matters as leak detection, backflow prevention, or basic system operational component adjustments.

3.6 GIS Assistance and Mapping

The SMA may be asked to apply resources for GIS map development to help the Port in describing service area and system descriptions component descriptions and locations.

4. NOTIFICATIONS.

For communication between the PUD and the Port, the following notifications are required:

4.1 When a water issue is discovered, the PUD will report the incident to the Port contact.

4.2 The PUD will investigate the incident, determine potential solution and discuss with the Port contact.

March 10, 2022~~March 4, 2020~~

4.3 After hour emergency contact would be the PUD No. 1 Customer Service
phone number.

PUD Contact:

Doug Reeder

Water Distribution Manager II

Address: 310 Four Corners Rd.

Port Townsend, WA 98368

Phone: 360-301-0708

Email: dreeder@jeffpud.org

PUD No. 1 Customer Service

Phone: 360-385-5800

Port Contact:

Eric Toews

Deputy Director

Address: P.O. Box 1180

Port Townsend, WA 98368

Phone:

Email: eric@portofpt.com

Port Administration Office

Phone: 360-985-0656



AGENDA REPORT

DATE: April 5, 2022
TO: Board of Commissioners
FROM: Samantha Harper, P.E.
RE: Agreement for Operation and Maintenance Services between the Port and PUD
for the Herb Beck Marina large on-site septic system

BACKGROUND: The PUD has an existing Agreement for Operation and Maintenance Services, dated November 1, 2007, with the Port of Port Townsend for the operation and maintenance of the large on-site septic system at Herb Beck Marina in Quilcene, WA. This update to the existing agreement provides updated contact information and clarification of charges and services.

ANALYSIS/FINDINGS: The draft was created with input and review from the Port of Port Townsend. Once approved by the PUD's Board of Commissioners, the agreement will be sent to the Port of Port Townsend for approval and final execution.

FISCAL IMPACT: The current Schedule of Water and Sewer Charges and Fees contains a monthly charge for O&M services for large on-site septic systems.

RECOMMENDATION: Approval of Resolution 2022-OXX authorizing the General Manager to execute an updated Agreement for Operation and Maintenance Services for the Port of Port Townsend's Large On-site Septic System at Herb Beck Marina.

Attachment: Resolution 2022-OXX
Agreement for Operation and Maintenance Services between the Port and the
PUD for Herb Beck Marina Large On-site System
Attachment A – O&M Agreement Description of Services.

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

RESOLUTION NO. 2022-0__

A RESOLUTION of the Board of Commissioners of the Public Utility District No. 1 of Jefferson County, Washington (the “PUD”), authorizing the General Manager to execute an updated Agreement for Operation and Maintenance Services for the Port of Port Townsend’s Large On-site Septic System at Herb Beck Marina.

WHEREAS, on November 1, 2007, Port of Port Townsend (PORT) and the PUD entered into an Agreement for the purpose of the PUD providing operation and maintenance services for the Port’s large on-site septic system at Herb Beck Marina; and

WHEREAS, RCW 54.16.310, authorizes the PUD to provide operation and maintenance services and charge for their services; and

WHEREAS, The Jefferson County Code Section 8.15 states that the management of community on-site sewage systems shall be managed by an entity approved by Jefferson County Public Health Department Jefferson, and Jefferson County Health Board Resolution May 25, 1993, authorized the PUD to perform Operation and Maintenance (O&M) and inspection services.; and

WHEREAS, Exhibit A of this resolution is a revised O&M agreement which provides updated responsibilities and charges for the PUD to provide O&M services to the Port for Herb Beck Marina’s large on-site septic system; 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 existing O&M agreement for the large on-site septic services is replaced in its entirety with the O&M agreement in Exhibit A.

Section 3. The PUD authorizes the General Manager to execute the updated Agreement for O&M Services for the Port of Port Townsend’s Large On-site Septic System at Herb Beck Marina on behalf of the PUD.

ADOPTED by the Board of Commissioners of Public Utility District No. 1 of Jefferson County, Washington, at a regular open meeting held this 5th day of April 2022.

Kenneth Collins, President

Jeff Randall, Vice President

ATTEST:

Dan Toepper, Secretary

April 5, 2022

Agreement for Operation and Maintenance Services
For
the Port of Port Townsend Quilcene (Herb Beck)
Large On-site Septic System

This Agreement for the Herb Beck Large On-site Septic System is made this ____ day of _____, 2022, by and between Public Utility District No.1 of Jefferson County ("PUD") and the Port of Port Townsend ("Port").

The Legal Description for the Herb Beck Large On-site Septic System located in Jefferson County, Washington and described as follows:

The Port of Port Townsend's Herb Beck Marina Area is located near unincorporated Quilcene, WA and includes service to Coast Seafoods Company. The Port parcel numbers associated with the Herb Beck Marina are 702-254-013, 702-251-019, 702-254-008, 702-254-009, 702-254-011, 702-254-013, 702-254-014, 702-254-017, 002-344-018, 002-344-019 and 002-344-020, respectively.

PARTIES

1. The PUD, 310 Four Corners Road, Port Townsend, WA 98368, is authorized to provide operation and maintenance services to Large On-site Septic Systems under County Code 8.15.
2. The Port, P.O. Box 1180, Port Townsend Washington 98368, has owned and operated a Large On-Site Septic System at the Herb Beck Marina, which will henceforth be referred to as the ("System"), since 1972 under a permit from the Jefferson County Health Department.

RECITALS

1. THIS Agreement replaces the Agreement for Operations & Maintenance Services for Herb Beck Large On-site Septic System **BETWEEN THE PORT AND THE PUD DATED NOVEMBER 1, 2007 UNDER AUDITOR'S FILE NUMBER 534558 (THE "ORIGINAL AGREEMENT")**.

PUD SERVICES

The PUD shall provide the following services to the System:

1. Basic Services

The PUD shall become acquainted with the System, including all physical facilities (tanks, collection system, valves, pumps, drainfields, controls, etc.) and operations and maintenance requirements.

The PUD will conduct Basic Services for the Septic System according to those activities described in the Description of Large On-site Septic System Services (Attachment A) in accordance with accepted public health practices, Department of Health (DOH) and Jefferson County regulations.

2. Additional Services

Services other than Basic Services are also described in the Description of Large On-site Septic System Services (Attachment A). Any or all of these services are subject to this Agreement.

PUD CHARGES

The Port agrees to pay the PUD has described in Attachment A. The PUD will invoice the Port to the address below:

Port of Port Townsend
Accounts Receivable
PO Box 1180
Port Townsend WA 98368

OWNER RESPONSIBILITIES

The Port is responsible for customer and all business aspects of the System including, all decisions on connections / disconnections, customer charges, customer billing, and customer relations.

Any new connection to, or expansion of, the System must be coordinated with the PUD to ensure system capacity is available.

The Port will provide the PUD with a detailed system description in the form of design or as-built drawings, and any available Operations and Maintenance Manual(s).

April 5, 2022

The Port will provide a Professional Engineer or DOH Licensed Septic Designer to meet consultation or system design needs.

TERMS AND CONDITIONS

This Agreement includes all of the terms and conditions in the PUD's agreement with the Port. Without limiting the foregoing, it is agreed as follows:

1. The PUD does not own the System. The PUD's responsibility is limited to the services set forth above.
2. The Port hereby grants the PUD license to enter onto the System properties in performance of the PUD responsibilities under this Agreement.
3. Duration. This Agreement shall remain in force unless amended or terminated with 90 day written notice by either party. If termination is proposed, the terminating party shall forward a copy of the Agreement termination notification to the DOH and Jefferson County.
4. Integration. This Agreement constitutes the entire agreement between the parties. There are no other verbal or written agreements or representations which modify or affect this Contract.
5. Amendments to this Agreement shall be in writing and shall be signed by the responsible person from each party.
6. Indemnification. The Port shall assume the risk or, be liable for, and pay all damages, loss, cost and expense of any party arising out of the performance of this Agreement unless such damage, loss, cost or expense is caused solely by the negligence or willful misconduct of the PUD and its employees. The Port shall indemnify and hold harmless from all claims, losses, suits, actions, costs, counsel fees, litigation, litigation costs, expenses, damages, judgments or decrees by reason of damage to any property or business and/or death, injury or disability to any person or party arising out of or suffered directly or indirectly by reason of or in connection with the performance of this Agreement or any action, error or omission of the Port, Port's employees, agents or subcontractors, whether by negligence or otherwise. Both parties will agree on liability via arbitration or mediation.

April 5, 2022

PUD No. 1 of Jefferson County

Port of Port Townsend

By: _____

Kevin Streett, General Manager

By: _____

Date: _____

Date: _____

ATTACHMENT A

Description of Large On-site Septic System Services

1. PURPOSE

The purpose of this attachment is to provide a description of services, service fees and communication protocol between the Public Utility District No. 1 of Jefferson County (PUD) and the Port of Port Townsend (Port) for the operation and maintenance of the Herb Beck Large On-site Septic System (Quilcene LOSS).

2. CERTIFICATIONS REQUIRED

Installation of system components, pumping of tanks, and system maintenance must be completed by certified personnel according to WAC 246-272A-0340.

3. BASIC SERVICES

Basic Services will be billed monthly per charges listed in the current approved Schedule of Charges for Water and Sewer Services. The Port will be subject to monthly operation and maintenance fee increases as approved by the Board of Commissioners.

Basic Services includes taking routine inspection and monitoring of the Port's Quilcene LOSS. This includes basic assessment of all operational features of the Quilcene LOSS by monitoring pump run times, and drainfield dosing data.

The monthly fee does not cover operational cost such as electrical service, water service (separate Agreement between the PUD and the Port), drainfield mowing, screen replacement and or periodic septic tank pumping. These operational costs would be billed on a time and material basis.

Pump records will be taken during each inspection along with drainfield dosing. These records will be maintained by the PUD and provided to the Port on request.

As part of Basic Services, the PUD will analyze pump data, note any unusual observations, and determine the cause(s) of any malfunctions.

Administrative obligations under this task is to insure that the proper records are maintained; prepared; and provided to the Port upon request. In addition, the PUD will calculate any PUD charges (Basic and Additional Services) and prepare monthly billings.

April 5, 2022

A written report will be filed monthly along with billings and will contain a brief description of activities, issues, and planned follow-up for any unresolved issues. A copy of this report will be sent to the Port's Deputy Director and to the Accounting Department.

4. ADDITIONAL SERVICES

Additional Services may be needed in order to provide continuous high-quality service to the Port's Quilcene LOSS customers and to meet regulatory requirements. All Additional Services will be billed on a time and material basis.

4.1 Annual Operation and Maintenance inspection

The PUD reserves the right to contract a 3rd party approved septic contractor to assist or perform the annual operation and maintenance inspection. This service will include all services necessary for the annual reporting.

4.2 Incident Response

Activity under this category involves incidents that require PUD personnel to respond, which includes emergency responses. The PUD is expected to assess the situation and provide guidance as to a response.

4.3 System Investigation / Repairs / Replacement

System Investigation / Repairs / Replacements activities will occur when components fail or malfunction. The PUD is expected to assess the needs, oversee or conduct appropriate repair according to DOH and Jefferson County standards, including ordering replacement / repair parts as necessary. When System Investigation / Repairs / Replacements are required, the PUD will immediately advise the Port of the nature of the concern, the approach proposed, and the approximate costs for the investigation and/or repairs.

4.4 Planned System Improvements

Planned or required system upgrades will be initiated, scheduled, and approved by the Port.

4.5 Planning and Technical Assistance

The PUD will assistance to the Port and / or its consultants in preparation of various planning documents, such as revisions to the Operations and

April 5, 2022

Maintenance Manual(s), system improvement plans, system capacity assessment, etc.

4.6 GIS Assistance and Mapping

The PUD may be asked to apply resources for GIS map development to help the Port in describing service area and system descriptions component descriptions and locations.

5. NOTIFICATIONS.

For communication between the PUD and the Port, the following notifications are required:

- 5.1 When a septic issue is discovered, the PUD will report the incident to the Port contact.
- 5.2 The PUD will investigate the incident, determine potential solution and discuss with the Port contact.
- 5.3 If with the Coast Seafoods Company; the PUD will contact both Coast Seafoods Company, per the procedure in Section 6, and the Port.

PUD Contact:

Randy Calkins
Wastewater Manager
Address: 310 Four Corners Rd.
Port Townsend, WA 98368
Phone: 360-301-0249
Email: rcalkins@jeffpud.org
PUD No. 1 Customer Service
Phone: 360-385-5800

Port Contact:

Eric Toews
Deputy Director
Address: P.O. Box 1180
Port Townsend, WA 98368
Phone:
Email: eric@portofpt.com
Port Administration Office
Phone: 360-985-0656

6. SPECIAL PROCEDURES FOR MAINTENANCE & REPAIRS AT COAST OYSTERS.

6.1 Coast Oyster Contract for Service

April 5, 2022

At this time, the attached agreement (Attachment A-1) with Coast Oyster Company is applicable only to the Coast Oyster Warehouse property and system components on that property. Specific terms of this agreement or future amendments need to be followed as part of PUD procedures at the Quilcene LOSS and are described below.

6.2 Access

The PUD has the ability to enter Coast Oyster Warehouse property to conduct inspections of system components (Terms and Conditions – Paragraph F).

6.3 Current Maintenance (and Repair) Protocol

1. Under current Terms and Conditions (Paragraph F), Coast Oyster Company must be notified of the need for maintenance (or repair). If maintenance is needed, the PUD will prepare a “Notice of Maintenance Required” which will include:
 - a. Description of the issue and maintenance (repair) required.
 - b. A date for required completion.
 - c. An estimate of the cost (if completed by the PUD under this agreement).
 - d. The regulatory requirements for certified maintenance personnel and Jefferson County reporting requirement.
 - e. A request that Coast Oyster advise the Port as soon as possible of its choice to conduct the maintenance themselves or have the Port undertake the maintenance.
2. The “Notice” will be simultaneously transmitted (email is preferred) to Coast Oyster Company and the Port.

Contact for Coast Oyster Company is: _____

Contact for the Port is Eric Toews, Deputy Director, refer to contact information in Section 5. Notification.

3. The Port will advise the PUD of the Coast Oyster Company decision of who will conduct the maintenance.

April 5, 2022

4. If Coast Oyster Company chooses to conduct the maintenance, then PUD follow-up will be required either by a follow-up inspection or Jefferson County file review of maintenance report(s).
5. The PUD will advise the Port when maintenance has been completed or of any continuing issues. Continuing issues will require that this procedure be re-initiated.

March 3, 2022

Contract for Management and Operations Agreement for Operation and
Maintenance Services

For

~~of~~ the Port of Port Townsend Quilcene (Herb Beck)

Large On-site Septic System

~~It is~~ This Agreement for the Herb Beck Large On-site Septic System is made this _____ day of _____, 2022, ~~agreed~~ by and between Public ~~Utility~~ Utility District No. #1 of Jefferson County ("PUD") and the Port of Port Townsend ("Port") ~~as follows:~~

The Legal Description for the Herb Beck Large On-site Septic System located in Jefferson County, Washington and described as follows:

The Port of Port Townsend's Herb Beck Marina Area is located near unincorporated Quilcene, WA and includes service to Coast Seafoods Company. The Port parcel numbers associated with the Herb Beck Marina are 702-254-013, 702-251-019, 702-254-008, 702-254-009, 702-254-011, 702-254-013, 702-254-014, 702-254-017, 002-344-018, 002-344-019 and 002-344-020, respectively.

1. PARTIES

~~1. The PUD, whose address is PO Box 929 Port Hadlock, Washington 98339, 310 Four Corners Road, Port Townsend, WA 98368, The PUD is authorized to provide operation and maintenance services to Large On-site Septic Systems under (LOSS Operator? Other County Operations Certifications? Permit? County Code 8.15.~~

1.

—The Port, ~~whose address is P.O. Box 1180, Port Townsend Washington 98368,~~ has owned and operated a Large On-Site Septic System at the Herb Beck Marina, which will henceforth be referred to as the ("System"), since 1972 under a permit from the Jefferson County Health Department.

March 3, 2022

~~Attach map of system (see 5 below)~~

~~Deeney Design capacities~~

2. _____

RECITALS

~~1. This Agreement replaces the Agreement for Operations & Maintenance Services for Herb Beck Large On-site Septic System between the Port and the PUD dated November 1, 2007 under Auditor's file number 534558 (the "Original Agreement").~~
~~Effective Date~~

~~— The effective date of this Contract shall be ???????.~~

~~2. Legal Description~~

~~— The property presently served by the Septic System is located within Jefferson County, Washington, and is described as follows:~~

~~— The Port of Port Townsend's Quilcene Herb Beck Marina Area (near Quilcene, WA) to including service to Coast Seafoods Company.~~

1. _____

3. SMAPUD SERVICES

The PUD shall provide the following services to the System:

~~1.~~ Basic Services

The PUD shall become acquainted with the System, including all physical facilities (tanks, collection system, valves, pumps, drainfields, controls, etc.) and operations and maintenance requirements.

The PUD will conduct Basic Services for the ~~Water-Septic~~ System according to those activities described in the Description of Large On-site Septic System Services (Attachment A) in accordance with accepted public health practices, Department of Health (DOH) and Jefferson County regulations.

March 3, 2022

22. Additional Services

Services other than Basic Services are also described in the Description of Large On-site Septic System Services (Attachment A). Any or all of these services are subject to this Agreement.

PUD CHARGES

The Port agrees to pay the PUD has described in Attachment A. The PUD will invoice the Port to the address below:

Port of Port Townsend
Accounts Receivable
PO Box 1180
Port Townsend WA 98368

4. OWNER RESPONSIBILITIES

The Port is responsible for customer and all business aspects of the System including, all decisions on connections / disconnections, customer charges, customer billing, and customer relations.

Any new connection to, or expansion of, the System must be coordinated —with the PUD to ~~insure~~ensure system capacity is available.

The Port will provide the PUD with a detailed system description in the form of design or as-built drawings, and any available Operations and Maintenance Manual(s).

The Port will provide a Professional Engineer or DOH Licensed Septic Designer to meet consultation or system design needs.

~~5. PUD FEES~~

~~The Port agrees to pay the following to the PUD:~~

- ~~1 Basic Services. These services are described in Attachment A and will be billed according to the rate shown in Attachment B.~~
- ~~2 Additional Service Charges. The PUD will charge for the additional services as set forth in the PUD's rate schedule (Attachment B). The charges will be billed to the Port at the following address:~~

March 3, 2022

~~Port of Port Townsend
Accounts Receivable
PO Box 1180
Port Townsend WA 98368~~

6. TERMS AND CONDITIONS

This ~~Contract Agreement~~ includes all of the terms and conditions in the PUD's agreement with the Port, ~~but may be amended in the future.~~

Without limiting the foregoing, it is agreed as follows:

- ~~1.~~ 11. The PUD does not own the System. The PUD's responsibility is limited to the services set forth above.
- ~~2.~~ 22. The Port hereby grants the PUD license to enter onto the System properties in performance of the PUD responsibilities under this ~~Contract Agreement~~.
- ~~3.~~ 33. Duration. This ~~Contract Agreement~~ shall remain in force unless amended or terminated with 90 day written notice by either party. If termination is proposed, ~~the~~ terminating party shall forward a copy of the ~~Contract Agreement~~ termination notification to the DOH, and Jefferson County.
- ~~4.~~ 44. Integration. This ~~Contract Agreement~~ constitutes the entire agreement between the parties. There are no other verbal or written agreements or representations which modify or affect this Contract.
- ~~5.~~ 55. Amendments to this ~~contract Agreement~~ shall be in writing and shall be signed by the responsible person from each party.
- ~~6.~~ 66. Indemnification. The Port shall assume the risk or, be liable for, and pay all damages, loss, cost and expense of any party arising out of the performance of this ~~Contract Agreement~~ unless such damage, loss, cost or expense is caused solely by the negligence or willful misconduct of the PUD and its employees. The Port shall indemnify and hold harmless from all claims, losses, suits, actions, costs, counsel fees, litigation, litigation costs, expenses, damages, judgments, or decrees by reason of damage to any property or business and/or death, injury or disability to any person or party arising out of or suffered directly or indirectly by reason of or in connection with the performance of this ~~Contract Agreement~~ or any action, error or

Draft

March 3, 2022

omission of the Port, Port's employees, agents or subcontractors, whether by negligence or otherwise. Both parties will agree on liability via arbitration or mediation.

~~Public Utility District~~ PUD No. #1 of
Jefferson County

By: _____

Kevin Streett, General Manager

Port of Port Townsend

Date: _____

By: _____

Date: _____

March 9, 2022~~March 4, 2020~~

ATTACHMENT A

Description of Large On-site Septic System Services

1. PURPOSE

The purpose of this attachment is to provide a description of services, service fees and communication protocol between ~~for the~~ Public Utility District No. #1 of Jefferson County (PUD) and the Port of Port Townsend (Port) for the operation and maintenance of the Herb Beck as part of Large On-site Septic System (Quilcene LOSS) management of the Port of Port Townsend's (Port's) Quilcene LOSS System.

2. CERTIFICATIONS REQUIRED

Installation of system components, pumping of tanks, and system maintenance must be completed by certified personnel according to WAC 246-272A-0340.

3. BASIC SERVICES

~~Basic Services~~ Basic Services will be billed monthly per charges listed in the current approved Schedule of Charges for Water and Sewer Services. The Port will be subject to monthly operation and maintenance fee increases as approved by the Board of Commissioners.

Basic Services includes taking routine inspection and monitoring of the Port's Quilcene LOSS. This includes basic assessment of all operational features of the Quilcene LOSS by monitoring pump run times, and drainfield dosing data. ~~Additionally, Basic Services will include an annual full inspection of all components and a system status report to the Jefferson County Health Department and the Port.~~

The monthly fee does not cover operational cost such as electrical service, water service (separate Agreement between the PUD and the Port), drainfield mowing, screen replacement and or periodic septic tank pumping. These operational costs would be billed on a time and material

At a minimum, system inspections will occur monthly basis.

March 9, 2022~~March 4, 2020~~

Pump records will be taken during each inspection along with drainfield dosing. These records will be maintained by the PUD and provided to the Port on request.

As part of Basic Services, the PUD will analyze pump data, note any unusual observations, and determine the cause(s) of any malfunctions.

Administrative obligations under this task is to insure that the proper records are maintained; ~~and to prepared; - and provided to the Port upon request and file an annual report required by DOH and / or Jefferson County.~~ In addition, the PUD will calculate any PUD charges (Basic and Additional Services) and prepare monthly billings.

A written report will be filed monthly along with billings and will contain a brief description of activities, issues, and planned follow-up for any unresolved issues. A copy of this report will be sent to the Port's ~~Director of Operations and Business Development~~Deputy Director, and to the Accounting Department.

4. **ADDITIONAL SERVICES**

~~These Additional s~~Services may be needed ~~from time to time~~ in order to provide continuous ~~high quality~~high-quality service to the Port's Quilcene LOSS customers, and to meet regulatory requirements. All Additional Services will be billed on a time and material basis.

4.1 Annual Operation and Maintenance inspection

The PUD reserves the right to contract a 3rd party approved septic contractor to assist or perform the annual operation and maintenance inspection. This service will include all services necessary for the annual reporting.

4.14.2 Incident Response

Activity under this category involves incidents that require PUD personnel to respond, which includes emergency responses. ~~as would be the case with emergencies.~~ The PUD is expected to assess the situation, and provide guidance as to a response.

4.24.3 System Investigation / Repairs / Replacement

System Investigation / Repairs / Replacements activities will occur when components fail or malfunction. The PUD is expected to assess the needs,

March 9, 2022~~March 4, 2020~~

oversee or conduct appropriate repair according to DOH and Jefferson County standards, including ordering replacement / repair parts as necessary. ~~When System Investigation / Repairs / Replacements are required, the PUD will immediately advise the Port of the nature of the concern, the approach proposed, and the approximate costs for the investigation and/or repairs.~~

4.34.4 Planned System Improvements

Planned or required system upgrades will be ~~on a~~ initiated, scheduled, approved and approved by the Port.

4.44.5 Planning and Technical Assistance

The PUD will ~~Provide assistance to~~ assistance to the Port and / or its consultants in preparation of various planning documents, such as revisions to the Operations and Maintenance Manual(s), system improvement plans, system capacity assessment, etc.

4.54.6 GIS Assistance and Mapping

The PUD may be asked to apply resources for GIS map development to help the Port in describing service area and system descriptions component descriptions and locations. -

5. NOTIFICATIONS.

For communication between the PUD and the Port, the following notifications are required:

- 5.1 When a septic issue is discovered, the PUD will report the incident to the Port contact.
- 5.2 The PUD will investigate the incident, determine potential solution and discuss with the Port contact.
- 5.3 If with the Coast Seafoods Company; the PUD will contact both Coast Seafoods Company, per the procedure in Section 6, and the Port.

PUD Contact:

Port Contact:

March 9, 2022~~March 4, 2020~~

Randy Calkins

Wastewater Manager

Address: 310 Four Corners Rd.

Port Townsend, WA 98368

Phone: 360-301-0249

Email: rcalkins@jeffpud.org

PUD No. 1 Customer Service

Phone: 360-385-5800

Eric Toews

Deputy Director

Address: P.O. Box 1180

Port Townsend, WA 98368

Phone:

Email: eric@portofpt.com

Port Administration Office

Phone: 360-985-0656

5.6. SPECIAL PROCEDURES FOR MAINTENANCE & REPAIRS AT COAST OYSTERS. WAREHOUSE

5.16.1 Coast Oyster Contract for Service

At this time, the attached agreement (Attachment A-1) with Coast Oyster Company is applicable only to the Coast Oyster Warehouse property and system components on that property. Specific terms of this agreement or future amendments need to be followed as part of PUD procedures at the Quilcene LOSS and are described below.

5.26.2 Access

The PUD has the ability to enter Coast Oyster Warehouse property to conduct inspections of system components (Terms and Conditions – Paragraph F).

5.36.3 Current Maintenance (and Repair) Protocol

1. Under current Terms and Conditions (Paragraph F), Coast Oyster Company must be notified of the need for maintenance (or repair). If maintenance is needed, the PUD will prepare a “Notice of Maintenance Required” which will include:
 - a. Description of the issue and maintenance (repair) required.
 - b. A date for required completion.








March 9, 2022~~March 4, 2020~~

- c. An estimate of the cost (if completed by the PUD under this agreement).
 - d. The regulatory requirements for certified maintenance personnel and Jefferson County reporting requirement.
 - e. A request that Coast Oyster advise the Port as soon as possible of its choice to conduct the maintenance themselves or have the Port undertake the maintenance.
2. The "Notice" will be simultaneously transmitted (email is preferred) to Coast Oyster Company and the Port.

Contact for Coast Oyster Company is: _____

Contact for the Port is: _____ Eric Toews, Deputy Director, refer to contact information in Section 5. Notification.

3. The Port will advise the PUD of the Coast Oyster Company decision of who will conduct the maintenance.
4. If Coast Oyster Company chooses to conduct the maintenance, then PUD follow-up will be required either by a follow-up inspection or Jefferson County file review of maintenance report(s).
5. The PUD will advise the Port when maintenance has been completed or of any continuing issues. Continuing issues will require that this procedure be re-initiated.

     Received 	From	Subject	Size
Last Week			
Sat 4/2	Tom Thiersch	Telecom agreement: Public Comments	188 KB
Two Weeks Ago			
 3/21/2022	Tom Thiersch	Remote / hybrid meetings of BOC and CAB	257 KB
Three Weeks Ago			
3/15/2022	Michael Madsen	Re: Related to a letter sent out by Kevin Streett March 4, 2022	38 KB

**PUBLIC UTILITY DISTRICT NO. 1
OF
JEFFERSON COUNTY
RESOLUTION NO. 2022-**

A RESOLUTION of the Board of Commissioners of Public Utility District No. 1 of Jefferson County, Washington (“the PUD”), establishing policies regarding hiring incentives to attract and retain PUD employees.

WHEREAS, RCW 54.16.100 requires that the General Manager recommend to the Commission compensation for employees; and

WHEREAS, the increasingly competitive labor market combined with ongoing cost of housing in Jefferson County have impacted the ability of the PUD to recruit and hire employees at the PUD; and

WHEREAS, the Board of Commissioners have reviewed a series of hiring incentives and packages prepared by its staff; and

WHEREAS, in order to attract and retain necessary employees and incentivize job candidates the General Manager has recommended that the Board of Commissioners approve the hiring incentives attached to this Resolution as Exhibit A.

NOW THEREFORE, BE IT RESOLVED THAT, the foregoing recitals are incorporated herein as if fully set forth, and the Board of Commissioners has reviewed the hiring incentives contained in Exhibit A and approves the policies as provided in Exhibit A.

ADOPTED by the Commission of Public Utility District No. 1 of Jefferson County, Washington, at a Regular open meeting held this 5th day of April, 2022.

Kenneth Collins, President

Jeff Randall, Vice President

ATTEST:

Dan Toepper, Secretary

EXHBIT A

HIRING INCENTIVES

Hiring Incentives Package

Proposal to Jefferson County Board of Commissioners

April 5, 2022

Sign-on Bonus Policy.....	2
Relocation Allowance Policy.....	5
Housing Stipend Policy.....	8
Employee Referral Bonus Policy.....	9
Residential Requirement Expansion Proposal.....	12
Life Insurance Enhancement Proposal.....	13

Sign-on Bonus Policy

Purpose

The purpose of the sign-on bonus policy is to outline the requirements and responsibilities involved with the policy, the timing of payments, the factors in determining the appropriate bonus amount, and the implementation of the sign-on bonus. This policy operates on a fiscal-year basis (January-December). The sign-on bonus is a non-recurring and non-accumulating sum of money which is paid to an employee with the sole objective of incentivizing the employee who is receiving the bonus to accept employment at the PUD given the competitive nature of the labor market. The sign-on bonus is subject to state and federal taxes.

Eligibility

The sign-on bonus is contingent upon the following eligible criteria:

1. An external candidate who is not currently employed by the PUD, filling a non-represented, regular full-time position; and
2. Candidate must be offered a position title which has been determined by management as difficult to recruit and/or retain.
3. Contractors and/or independent consultants are not eligible to receive sign-on bonuses.

Policy

1. The amount of the one-time sign-on bonus shall be determined at the discretion of the General Manager, not to exceed \$8,000. The signing bonus shall be paid by the PUD to Employee upon the completion of thirty (30) days of employment following the Hire Date, in a lump sum payment, less applicable tax withholdings.
2. The PUD will apply all required federal and state tax deductions and will report all payments made under this Agreement as required by federal and state law. Taxes shall be withheld as bonus earnings from the Sign-on Bonus and reported to the Internal Revenue Service as income on the Employee's Form W-2.
3. In return for accepting the Sign-on Bonus as provided in paragraphs 1 and 2, the Employee must remain employed on a regular, full-time basis with Jefferson PUD for a minimum of twenty-four (24) months commencing on the date that the employee starts work for the PUD to avoid repayment penalties. If the employee is unable to satisfy the 24-month minimum requirement and is terminated either voluntarily or involuntarily, before the completion of 24 months of service, the employee is responsible for the repayment of the pro-rated portion of the sign-on bonus that was paid. For example, if the employee completes 12 months of employment, the employee must repay 50% of the sign-on bonus paid for the remaining 12 months of the 24 months for which the employee did not provide service. The amount due shall be deducted in full from the employee's final paycheck. If the

amount deducted exceeds the final paycheck, the remaining balance shall be paid in full by the employee to the PUD within 30 days from the last date of employment.

4. To facilitate the repayment of the Sign-on Bonus, the Employee, by signing the agreement, agrees that the amount of the repayment due is payable in full by a payroll deduction and the Employee agrees to permit the PUD to deduct this amount from any final pay. The Employee also agrees that any tax consequences incurred as a result of the repayment of the Sign-on Bonus or any portion thereof will be the sole and exclusive responsibility of the Employee.



SIGN-ON BONUS AGREEMENT

Jefferson County PUD is pleased to offer you a sign-on bonus of \$_____. This bonus will be paid in one lump sum on the next regularly scheduled pay date after you complete 30 days of employment with the PUD. This sign-on bonus is taxable, and all regular payroll taxes will be withheld. In the event that you separate employment from the Jefferson County within 24 months of your date of hire, you will be responsible for reimbursing the PUD on a prorated basis as set forth in the Sign-on Bonus Policy.

By signing this agreement, you attest that you have read and understand Jefferson County PUD's Sign-on Bonus Policy and furthermore, you authorize the company to withhold the applicable amount from any severance and other final pay you receive should your employment terminate before completing 24 months of employment. If the amount deducted exceeds the final paycheck, the remaining balance shall be paid in full by the employee to the PUD within 30 days from the last date of employment.

Employee name (please print): _____

Employee signature: _____ Date: _____

For Office Use Only

Date Agreement Received

Employee Hire Date

General Manager Signature

Printed Name

Date

Human Resources Signature

Printed Name

Date

Relocation Allowance Policy

Purpose

The PUD recognizes that it may be necessary to assist new hires with relocation expenses to attract qualified individuals for certain vacant positions within the organization. When it is deemed appropriate by the General Manager, the PUD will provide a relocation bonus of an employee who possesses special skills, experience, education, or certification.

Policy

Relocation and moving expenses for newly hired regular, full-time staff may be provided for employees moving from their current residence to meet the Employee Residency Requirement per Section 3.17 of the PUD's Employee Handbook. A specific dollar amount must be specified in the original written offer of employment.

Eligibility

The Relocation Allowance is contingent upon the following eligible criteria:

1. An external candidate that is not currently employed by the PUD filling a non-represented regular, full-time position.
2. Candidate must be relocating to a new residence to fulfill the PUD's Employee Residency Requirement.
3. Candidate must be in a position title which has been determined by management as difficult to recruit and/or retain.
4. Contractors and/or independent consultants are not eligible to receive sign-on bonuses.

Authorization of Relocation Allowance may permit payment of reasonable moving and relocation expenses for new staff members as part of an offer of employment. Such moving allowances must be negotiated at the time a position is offered and must be included in the signed offer letter and agreement must be signed.

Management will consult with representatives from their Human Resources and Business and Finance offices prior to offering payment of relocation expenses in consideration of the total compensation package. Authorization of payment of relocation expenses up to \$8,000 are allowed.

Payment of Expenses and Tax Reporting

The Relocation Allowance should be paid as a lump sum payment through payroll. Receipts are not required. Individuals receiving the benefit of relocation and moving expenses should be aware of any personal income tax implications and should consult a tax professional with personal tax questions. The lump sum payment will also be reported on the employee's annual W-2. The payment will occur on the next regularly scheduled paycheck after their hire date.

Payback Provision

The employee must remain employed on a regular, full-time basis with Jefferson PUD for at least twenty-four (24) months commencing on the date that the employee starts work for the PUD to avoid repayment penalties. If the employee resigns or is terminated for cause from employment with Jefferson PUD prior to completing twenty-four (24) months of service, they will repay Jefferson PUD the relocation reimbursement amount based on the months of service completed (e.g., after twelve (12) months the repayment amount would be one half of the relocation reimbursement) within thirty (30) days following the last day of employment with Jefferson PUD;

To facilitate this repayment, the Employee, by signing the agreement, authorizes the PUD to deduct up to the full amount of relocation reimbursements from any wages or other amounts owed to the employee upon their separation from the PUD. If the amount deducted exceeds the final paycheck, the remaining balance shall be paid in full by the employee to the PUD within 30 days from the last date of employment. The Employee also agrees that any tax consequences incurred as a result of the repayment of the Relocation Allowance or any portion thereof will be the sole and exclusive responsibility of the Employee.



RELOCATION ALLOWANCE AGREEMENT

Jefferson County PUD is providing in its offer of employment a relocation allowance payment of up to

\$_____ to _____.

Dollar Amount

Candidate Name

This amount will be paid to Employee on the Employee's first paycheck following their first day of employment. This amount will be paid as a lump sum to assist with the costs of relocating to meet the residency requirement.

By signing this agreement, you attest that you have read and understand Jefferson County PUD's Relocation Assistance Agreement. Furthermore, you authorize the company to withhold the applicable amount from any severance and other final pay you receive should your employment terminate before the completion 24 months of employment based on the proration schedule set forth in the Policy. If the amount deducted exceeds the final paycheck, the remaining balance shall be paid in full by the employee to the PUD within 30 days from the last date of employment.

Employee's signature

Date

Printed Name

For Office Use Only

Date Received: _____ Hire date (if applicable): _____

HR Signature: _____ Name: _____

Date: _____

Housing Stipend Policy

Purpose

Jefferson County PUD recognizes that securing housing in Jefferson County can be challenging given the current housing market, whether an employee is renting or purchasing a home. The PUD also recognizes we must attract and retain talented staff to meet the needs of the business.

Policy

Jefferson County PUD may offer a housing stipend to new employees who are moving their residence within the Jefferson County territory. The PUD will pay a stipend of up to \$500 (gross pay) not to exceed nine (9) months from the employee's hire date.

Eligibility

The Housing Stipend is contingent upon the following eligible criteria:

1. An external candidate that is not currently employed by the PUD filling a non-represented, regular full-time position.
2. Must be relocating to a new residence inside Jefferson County PUD's service territory.
3. Must be in a position title which has been determined by management as difficult to recruit and/or retain.
4. Contractors and/or independent consultants are not eligible to receive sign-on bonuses.

Amount

An eligible candidate may receive up to \$500 per month for a length of up to nine (9) months starting from their first day of employment with the PUD. The stipend amount and length of time is up to the discretion of the General Manager.

Approval Process

When an employment offer is extended, authorization of the Housing Stipend by the General Manager must be documented in writing and the stipend amount must be included in the candidate's offer letter. The stipend will be divided equally per paycheck starting on the next regularly scheduled paycheck after they begin employment with the PUD. Stipends will be paid as an addition to the employee's regular pay and are subject to FICA and tax withholdings.

Employment Separation

If an employee separates employment from the PUD prior to completing 9 (nine) months of service, the

housing stipend will be terminated on the employee's last day with the PUD. If an employee secures housing outside of Jefferson County in the nine-month timeframe, the stipend shall be discontinued.

Employee Referral Bonus Policy

Purpose

Jefferson County PUD recognizes the need to hire talented, qualified staff to meet business needs. We believe that our existing employees are in a great position to help connect us with best job candidates. The Employee Referral Bonus Program will provide an incentive award to a current employee who brings new talent to the company by referring applicants who are selected and successfully employed.

Applicant

Applicants are candidates not currently employed with Jefferson County PUD. Referred applicants cannot be current employees of the PUD in any capacity, to include temporary or contract employees.

Referring Employee

Non-Represented employees in regular full-time positions are eligible to receive a referral bonus with the exception of:

- Any person associated and/or involved with the recruitment, rating, or selection of the candidate.
- The direct supervisor of the position being filled.
- The General Manager.

Referral Bonus Amount

A referral bonus will be paid to any employee who refers an applicant who is selected and successfully employed in a position. All bonuses paid under this program are subject to tax withholding.

Referral Bonuses will be paid as follows:

Positions requiring specialized skill sets/education or professional certifications/licenses:

\$500 – after the referred employee completes thirty (30) days of employment

\$500 – after the referred employee completes nine (9) months of employment

Positions that do NOT specialized skills or professional certifications/licenses:

\$250 – after the referred employee completes thirty (30) days of employment

\$250 – after the referred employee completes nine (9) months of employment

Payment of the Referral Bonus will be applied to the next pay period following the above-mentioned completion dates. The referring employee must be an active employee throughout the entire time period (from referral until issuance of bonus) and at award time.

Referral Process

To qualify for the referral amount, the existing Employee must fill out a referral form and send it to HR@jeffpud.org within 48 hours of the person submitting their application. The applicant must document the referrer's name as their referral source. Only one referral award can be given per candidate. If more than one employee refers a candidate, the first referral received will be rewarded if the candidate is hired and noted on the candidate's application. If the referral is not indicated on the candidate's application, it will not be bonus eligible.

Referral Bonus Eligibility Criteria

Employees are reminded that Jefferson County PUD does not hire spouses or close relatives for any position that would involve a direct supervisor-subordinate relationship or otherwise create the appearance of a conflict of interest. The PUD reserves the right to deny bonus payments to any employee who improperly makes promises or assurances of employment to prospective or actual candidates, or otherwise engages in improper or inappropriate conduct related to this program or other workplace activities. Positions eligible for the referral bonus will be determined prior to the position being advertised.

The terms of this program are subject to review and revision.



EMPLOYEE REFERRAL FORM

Please fill out the fields below and send this form to HR@jeffpud.org within 48 hours of the candidate submitting their employment application to the PUD.

Referrer Information

PUD Employee Name: _____ Date: _____

Referral Information

Candidate Name: _____ Position referred for: _____

Email address: _____ Phone Number: _____

Date Application submitted: _____ Relationship to applicant: _____

Please read the Employee Referral Bonus Policy and initial below:

_____ I have read and understand Jefferson County PUD's Employee Referral Bonus Policy. I understand that if the candidate I referred is hired as a result of my referral, I will receive the first half of my bonus after the candidate completes 30 days of employment and the remaining half after completing 12 months of employment.

_____ I understand that I must submit this form with 48 hours of the candidate submitting their application AND the applicant must document the referrer's name as their referral source.

Employee's signature

Date

For Office Use Only

Date Received: _____ Hire date (if applicable): _____

Award Dates:

30 days of employment: _____

Proposal to Expand Residency Requirement Territory

Per the Jefferson County PUD Employee Handbook Section 3.17, employees are required to reside within the district's territory within six (6) months from the date of hire.

Due to challenges recruiting in this highly competitive labor market, staff is requesting that the Board approve the following change to our residency requirement:

- Personnel that are required to report on-site after regular business hours must reside within fifty-five (55) minutes of PUD headquarters in Jefferson or Clallam County.
- Employees who are not required to report on-site after regular business hours may reside in Jefferson, Kitsap or Clallam County.

Staff requests Board approval to change the language in our Employee Handbook as follows:

HR1.01. Employee Residency Policy

Effective as of April 5, 2022, all District employees are required to reside within Jefferson, Kitsap or Clallam County depending on the requirements of the Employee's position. Personnel that are required to report on-site after regular business hours must reside within fifty-five (55) minutes of PUD headquarters in Jefferson or Clallam County. Employees who are not required to report on-site after regular business hours may reside in Jefferson, Kitsap or Clallam County.

Proposal to Enhance Employee Benefits

Life & AD&D Insurance

Proposal:

Increase Life & Accidental Death and Dismemberment from \$5,000 flat rate to \$50,000 flat rate per employee.

Eligibility: Non-represented, active employee of the PUD working 30+ hours/week.

Policy effective date: May 1, 2022

Premium to the PUD based on 37 employees: \$871 per month (\$10,452 annually)

Standard Insurance Company - Life + AD&D

Benefit Schedule	Flat \$50,000
Rounding	N/A
Maximum Benefit	N/A
Guarantee Issue	Full Benefit
AD&D	Matches Life Benefit
Age Reduction Schedule	None
Employer Contribution	100%
Minimum Participation	100%

To view the full proposal, please refer to the attached booklet prepared by PURMS, "Your Employee Benefits Proposal".

Hiring Incentives Package

Proposal to Jefferson County Board of Commissioners

April 5, 2022

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Sign-on Bonus Policy

Purpose

The purpose of the sign-on bonus policy is to outline the requirements and responsibilities involved with the policy, the timing of payments, the factors in determining the appropriate bonus amount, and the implementation of the sign-on bonus. This policy operates on a fiscal-year basis (January-December). The sign-on bonus is a non-recurring and non-accumulating sum of money which is paid to an employee with the sole objective of incentivizing the employee who is receiving the bonus to accept employment at the PUD given the competitive nature of the labor market. The sign-on bonus is subject to state and federal taxes.

Eligibility

The sign-on bonus is contingent upon the following eligible criteria:

1. An external candidate who is not currently employed by the PUD, filling a non-represented, regular full-time position; and
2. Candidate must be offered a position title which has been determined by management as difficult to recruit and/or retain.
3. Contractors and/or independent consultants are not eligible to receive sign-on bonuses.

Policy

1. The amount of the one-time sign-on bonus shall be determined at the discretion of the General Manager, not to exceed \$8,000. The signing bonus shall be paid by the PUD to Employee upon the completion of thirty (30) days of employment following the Hire Date, in a lump sum payment, less applicable tax withholdings.
2. The PUD will apply all required federal and state tax deductions and will report all payments made under this Agreement as required by federal and state law. Taxes shall be withheld as bonus earnings from the Sign-on Bonus and reported to the Internal Revenue Service as income on the Employee's Form W-2.
3. In return for accepting the Sign-on Bonus as provided in paragraphs 1 and 2, the Employee must remain employed on a regular, full-time basis with Jefferson PUD for a minimum of twenty-four (24) months commencing on the date that the employee starts work for the PUD to avoid repayment penalties. If the employee is unable to satisfy the 24-month minimum requirement and is terminated either voluntarily or involuntarily, before the completion of 24 months of service, the employee is responsible for the repayment of the pro-rated portion of the sign-on bonus that was paid. For example, if the employee completes 12 months of employment, the employee must repay 50% of the sign-on bonus paid for the remaining 12 months of the 24 months for which the employee did not provide service. The amount due shall be deducted in full from the employee's final paycheck. If the amount deducted exceeds the final paycheck, the remaining balance shall be paid in full by the employee to the PUD within 30 days from the last date of employment.
4. To facilitate the repayment of the Sign-on Bonus, the Employee, by signing the agreement, agrees that the amount of the repayment due is payable in full by a payroll deduction and the Employee agrees to permit the PUD to deduct this amount from any final pay. The Employee also agrees that any tax

consequences incurred as a result of the repayment of the Sign-on Bonus or any portion thereof will be the sole and exclusive responsibility of the Employee.



SIGN-ON BONUS AGREEMENT

Jefferson County PUD is pleased to offer you a sign-on bonus of \$_____. This bonus will be paid in one lump sum on the next regularly scheduled pay date after you complete 30 days of employment with the PUD. This sign-on bonus is taxable, and all regular payroll taxes will be withheld. In the event that you separate employment from the Jefferson County within 24 months of your date of hire, you will be responsible for reimbursing the PUD on a prorated basis as set forth in the Sign-on Bonus Policy.

By signing this agreement, you attest that you have read and understand Jefferson County PUD's Sign-on Bonus Policy and furthermore, you authorize the company to withhold the applicable amount from any severance and other final pay you receive should your employment terminate before completing 24 months of employment. If the amount deducted exceeds the final paycheck, the remaining balance shall be paid in full by the employee to the PUD within 30 days from the last date of employment.

Employee name (please print): _____

Employee signature: _____ Date: _____

For Office Use Only

Date Agreement Received

Employee Hire Date

General Manager Signature

Printed Name

Date

Human Resources Signature

Printed Name

Date

Relocation Allowance Policy

Purpose

The PUD recognizes that it may be necessary to assist new hires with relocation expenses to attract qualified individuals for certain vacant positions within the organization. When it is deemed appropriate by the General Manager, the PUD will provide a relocation bonus of an employee who possesses special skills, experience, education, or certification.

Policy

Relocation and moving expenses for newly hired regular, full-time staff may be provided for employees moving from their current residence to meet the Employee Residency Requirement per Section 3.17 of the PUD's Employee Handbook. A specific dollar amount must be specified in the original written offer of employment.

Eligibility

The Relocation Allowance is contingent upon the following eligible criteria:

1. An external candidate that is not currently employed by the PUD filling a non-represented regular, full-time position.
2. Candidate must be relocating to a new residence to fulfill the PUD's Employee Residency Requirement.
3. Candidate must be in a position title which has been determined by management as difficult to recruit and/or retain.
4. Contractors and/or independent consultants are not eligible to receive sign-on bonuses.

Authorization of Relocation Allowance may permit payment of reasonable moving and relocation expenses for new staff members as part of an offer of employment. Such moving allowances must be negotiated at the time a position is offered and must be included in the signed offer letter and agreement must be signed.

Management will consult with representatives from their Human Resources and Business and Finance offices prior to offering payment of relocation expenses in consideration of the total compensation package. Authorization of payment of relocation expenses up to \$8,000 are allowed.

Payment of Expenses and Tax Reporting

The Relocation Allowance should be paid as a lump sum payment through payroll. Receipts are not required. Individuals receiving the benefit of relocation and moving expenses should be aware of any personal income tax implications and should consult a tax professional with personal tax questions. The lump sum payment will also be reported on the employee's annual W-2. The payment will occur on the next regularly scheduled paycheck after their hire date.

Payback Provision

The employee must remain employed on a regular, full-time basis with Jefferson PUD for at least twenty-four (24) months commencing on the date that the employee starts work for the PUD to avoid repayment penalties. If the employee resigns or is terminated for cause from employment with Jefferson PUD prior to completing twenty-four (24) months of service, they will repay Jefferson PUD the relocation reimbursement amount based on the months of service completed (e.g., after twelve (12) months the repayment amount would be one half of the relocation reimbursement) within thirty (30)

days following the last day of employment with Jefferson PUD;

To facilitate this repayment, the Employee, by signing the agreement, authorizes the PUD to deduct up to the full amount of relocation reimbursements from any wages or other amounts owed to the employee upon their separation from the PUD. If the amount deducted exceeds the final paycheck, the remaining balance shall be paid in full by the employee to the PUD within 30 days from the last date of employment. The Employee also agrees that any tax consequences incurred as a result of the repayment of the Relocation Allowance or any portion thereof will be the sole and exclusive responsibility of the Employee.



RELOCATION ALLOWANCE AGREEMENT

Jefferson County PUD is providing in its offer of employment a relocation allowance payment of up to

\$_____ to _____.
Dollar Amount *Candidate Name*

This amount will be paid to Employee on the Employee's first paycheck following their first day of employment. This amount will be paid as a lump sum to assist with the costs of relocating to meet the residency requirement.

By signing this agreement, you attest that you have read and understand Jefferson County PUD's Relocation Assistance Agreement. Furthermore, you authorize the company to withhold the applicable amount from any severance and other final pay you receive should your employment terminate before the completion 24 months of employment based on the proration schedule set forth in the Policy. If the amount deducted exceeds the final paycheck, the remaining balance shall be paid in full by the employee to the PUD within 30 days from the last date of employment.

Employee's signature

Date

Printed Name

For Office Use Only

Date Received: _____ Hire date (if applicable): _____

HR Signature: _____ Name: _____

Date: _____

Housing Stipend Policy

Purpose

Jefferson County PUD recognizes that securing housing in Jefferson County can be challenging given the current housing market, whether an employee is renting or purchasing a home. The PUD also recognizes we must attract and retain talented staff to meet the needs of the business.

Policy

Jefferson County PUD may offer a housing stipend to new employees who are moving their residence within the Jefferson County territory. The PUD will pay a stipend of up to **\$500** (gross pay) not to exceed **nine (9) months** from the employee's hire date.

Eligibility

The Housing Stipend is contingent upon the following eligible criteria:

1. An external candidate that is not currently employed by the PUD filling a non-represented, regular full-time position.
2. Must be relocating to a new residence inside Jefferson County PUD's service territory.
3. Must be in a position title which has been determined by management as difficult to recruit and/or retain.
4. Contractors and/or independent consultants are not eligible to receive sign-on bonuses.

Amount

An eligible candidate may receive up to **\$500** per month for a length of up to **nine (9) months** starting from their first day of employment with the PUD. The stipend amount and length of time is up to the discretion of the General Manager.

Approval Process

When an employment offer is extended, authorization of the Housing Stipend by the General Manager must be documented in writing and the stipend amount must be included in the candidate's offer letter. The stipend will be divided equally per paycheck starting on the next regularly scheduled paycheck after they begin employment with the PUD. Stipends will be paid as an addition to the employee's regular pay and are subject to FICA and tax withholdings.

Employment Separation

If an employee separates employment from the PUD prior to completing 9 (nine) months of service, the housing stipend will be terminated on the employee's last day with the PUD. If an employee secures housing outside of Jefferson County in the nine-month timeframe, the stipend shall be discontinued.

Employee Referral Bonus Policy

Purpose

Jefferson County PUD recognizes the need to hire talented, qualified staff to meet business needs. We believe that our existing employees are in a great position to help connect us with best job candidates. The Employee Referral Bonus Program will provide an incentive award to a current employee who brings new talent to the company by referring applicants who are selected and successfully employed.

Applicant

Applicants are candidates not currently employed with Jefferson County PUD. Referred applicants cannot be current employees of the PUD in any capacity, to include temporary or contract employees.

Referring Employee

Non-Represented employees in regular full-time positions are eligible to receive a referral bonus with the exception of:

- Any person associated and/or involved with the recruitment, rating, or selection of the candidate.
- The direct supervisor of the position being filled.
- The General Manager.

Referral Bonus Amount

A referral bonus will be paid to any employee who refers an applicant who is selected and successfully employed in a position. All bonuses paid under this program are subject to tax withholding.

Referral Bonuses will be paid as follows:

Positions requiring specialized skill sets/education or professional certifications/licenses:

\$500 – after the referred employee completes thirty (30) days of employment

\$500 – after the referred employee completes nine (9) months of employment

Positions that do NOT specialized skills or professional certifications/licenses:

\$250 – after the referred employee completes thirty (30) days of employment

\$250 – after the referred employee completes nine (9) months of employment

Payment of the Referral Bonus will be applied to the next pay period following the above-mentioned completion dates. The referring employee must be an active employee throughout the entire time period (from referral until issuance of bonus) and at award time.

Referral Process

To qualify for the referral amount, the existing Employee must fill out a referral form and send it to HR@jeffpud.org within 48 hours of the person submitting their application. The applicant must document the referrer's name as their referral source. Only one referral award can be given per candidate. If more than one employee refers a candidate, the first referral received will be rewarded if the candidate is hired and noted on the candidate's application. If the referral is not indicated on the candidate's application, it will not be bonus eligible.

Referral Bonus Eligibility Criteria

Employees are reminded that Jefferson County PUD does not hire spouses or close relatives for any position that would involve a direct supervisor-subordinate relationship or otherwise create the appearance of a conflict of interest. The PUD reserves the right to deny bonus payments to any employee who improperly makes promises or assurances of employment to prospective or actual candidates, or otherwise engages in improper or inappropriate conduct related to this program or other workplace activities. Positions eligible for the referral bonus will be determined prior to the position being advertised.

The terms of this program are subject to review and revision.



EMPLOYEE REFERRAL FORM

Please fill out the fields below and send this form to HR@jeffpud.org within 48 hours of the candidate submitting their employment application to the PUD.

Referrer Information

PUD Employee Name: _____ Date: _____

Referral Information

Candidate Name: _____ Position referred for: _____

Email address: _____ Phone Number: _____

Date Application submitted: _____ Relationship to applicant: _____

Please read the Employee Referral Bonus Policy and initial below:

_____ I have read and understand Jefferson County PUD's Employee Referral Bonus Policy. I understand that if the candidate I referred is hired as a result of my referral, I will receive the first half of my bonus after the candidate completes 30 days of employment and the remaining half after completing 12 months of employment.

_____ I understand that I must submit this form with 48 hours of the candidate submitting their application AND the applicant must document the referrer's name as their referral source.

Employee's signature

Date

For Office Use Only

Date Received: _____ Hire date (if applicable): _____

Award Dates:

30 days of employment: _____

9 months of employment: _____

HR Signature: _____ Name: _____

Date: _____

Proposal to Expand Residency Requirement Territory

Per the Jefferson County PUD Employee Handbook Section 3.17, employees are required to reside within the district's territory within six (6) months from the date of hire.

Due to challenges recruiting in this highly competitive labor market, staff is requesting that the Board approve the following change to our residency requirement:

- Personnel that are required to report on-site after regular business hours must reside within fifty-five (55) minutes of PUD headquarters in Jefferson or Clallam County.
- Employees who are not required to report on-site after regular business hours may reside in Jefferson, Kitsap or Clallam County.

Staff requests Board approval to change the language in our Employee Handbook as follows:

HR1.01. Employee Residency Policy

Effective as of ~~April 16, 2019~~ April 5, 2022, all ~~newly hired~~ District employees are required to reside within the ~~District's service territory.~~ Jefferson, Kitsap or Clallam County depending on the requirements of the Employee's position. Personnel that are required to report on-site after regular business hours must reside within fifty-five (55) minutes of PUD headquarters in Jefferson or Clallam County. Employees who are not required to report on-site after regular business hours may reside in Jefferson, Kitsap or Clallam County.

~~Employees hired after April 16, 2019 will be granted a period of time not to exceed six (6) months from the date of hire to relocate within the District's service territory. Employees hired before April 16, 2019 and who reside outside the service territory will not be required to relocate within the service territory.~~

Proposal to Enhance Employee Benefits

Life & AD&D Insurance

Proposal:

Increase Life & Accidental Death and Dismemberment from \$5,000 flat rate to \$50,000 flat rate per employee.

Eligibility: Non-represented, active employee of the PUD working 30+ hours/week.

Policy effective date: May 1, 2022

Premium to the PUD based on 37 employees: \$871 per month (\$10,452 annually)

Standard Insurance Company - Life + AD&D

Benefit Schedule	Flat \$50,000
Rounding	N/A
Maximum Benefit	N/A
Guarantee Issue	Full Benefit
AD&D	Matches Life Benefit
Age Reduction Schedule	None
Employer Contribution	100%
Minimum Participation	100%

To view the full proposal, please refer to the attached booklet prepared by PURMS, "Your Employee Benefits Proposal".

4/10 Work Schedule

~~Work life balance is an important aspect of a healthy work environment. Staff is considering transitioning from a 5/8 schedule to a 4/10 schedule where employee's regular hours would be Monday-Thursday, 10-hour days.~~

~~If the Board of Commissioners approve of this idea, staff will follow up with a more thorough proposal.~~

~~Staff's recommendation is to implement a 4/10 schedule, Monday-Thursday.~~

**PUBLIC UTILITY DISTRICT NO. 1
OF
JEFFERSON COUNTY
RESOLUTION NO. 2022-**

A RESOLUTION of the Board of Commissioners of Public Utility District No. 1 of Jefferson County, Washington (“the PUD”), regarding PUD sponsored life insurance policies.

WHEREAS, from time-to-time the PUD reviews its employee benefits to ensure its competitive position to attract and retain its employees; and

WHEREAS, as part of the employee benefits review, the General Manager has recommended that the PUD provide enhanced life insurance coverage for PUD employees; and

WHEREAS, the Board of Commissioners requested that its insurer, PURMS, provide information regarding changes to life insurance coverage for each elected Commissioner; and

WHEREAS, the Board of Commissioners has reviewed the proposal from PURMS, including the proposal to increase the life insurance coverage provided for each elected Commissioner; and finds the proposal to be cost-effective and harmonizes coverage for everyone at the PUD.

NOW THEREFORE, BE IT RESOLVED THAT, the foregoing recitals are incorporated herein as if fully set forth, and the Board of Commissioners having reviewed the proposed life insurance levels contained in Exhibit A, hereby authorizes and approves increasing the flat rate life insurance coverage as provided in the summary attached in Exhibit A, incorporated herein by this reference

ADOPTED by the Commission of Public Utility District No. 1 of Jefferson County, Washington, at a Regular open meeting held this 5th day of April, 2022.

Kenneth Collins, President

Jeff Randall, Vice President

ATTEST:

Dan Toepper, Secretary

EXHBIT A
PURMS LIFE INSURANCE COVERAGE

Proposal to Enhance Commissioner Benefits

Life & AD&D Insurance

Proposal:

Increase Life & Accidental Death and Dismemberment from \$5,000 flat rate to \$50,000 flat rate for Jefferson County Commissioners.

Policy effective date: May 1, 2022

Standard Insurance Company - Life + AD&D

Benefit Schedule	Flat \$50,000
Rounding	N/A
Maximum Benefit	N/A
Guarantee Issue	Full Benefit
AD&D	Matches Life Benefit
Age Reduction Schedule	None
Employer Contribution	100%
Minimum Participation	100%

AGENDA REPORT

DATE: Apr 5 2022
TO: Board of Commissioners
FROM: Will O'Donnell, Broadband and Communications Director, Joel Paisner Legal Counsel
RE: Wholesale Telecommunications Services Agreement

BACKGROUND: The Board of Commissioners approved JPUD's Wholesale Telecommunications Services Agreement on Nov. 16, 2021. During recent discussions with legal counsel about additional and custom wholesale products, revisions to the current policy were deemed to be necessary.

ANALYSIS/FINDINGS: Legal counsel believes that JPUD would be better served by a revised wholesale agreement that follows the model of Kitsap PUD's Master Services Agreement For Communication Transport Services. As such, staff does not have a red-lined version of the previous agreement showing changes to be adopted in the new policy. Instead, both the current and proposed agreements are included for commissioner review.

FISCAL IMPACT: N/A

RECOMMENDATION: Approve a motion rescinding the current Wholesale Telecommunications Services Agreement and adopting the Master Services Agreement For Communication Transport Services as presented.



MASTER SERVICES AGREEMENT FOR COMMUNICATION TRANSPORT SERVICES

THIS AGREEMENT, made and entered into effective as of the date signed below, by and between _____, a corporation/limited liability company/limited liability partnership/general partnership/limited partnership/other (specify: _____), organized under the laws of the State of _____, hereinafter called "**Customer**," and **Public Utility District No. 1 of Jefferson County**, a Washington State Public Utility District, hereinafter called "**JPUD**". This Agreement becomes legally binding upon signature by both parties.

RECITALS

Customer desires to obtain Communication Transport Services ("CTS") on JPUD's fiber optic cable system; and

JPUD is agreeable to provide CTS and allow Customer to terminate its signal cable in facilities generally described in an attached associated Service Order. Customer may use service only for authorized and lawful purposes.

NOW, THEREFORE, Customer and JPUD, in consideration of mutual conditions and covenants hereinafter described, do agree as follows:

Overview: This Agreement states the general terms and conditions by which JPUD will deliver and Customer will receive any or all of the services provided by JPUD. The specific services and/or products to be provided and the procedure for obtaining services shall be detailed in associated Service Order Summary. This Agreement is intended to cover any and all CTS ordered by Customer and provided by JPUD. Customer may use services only for authorized and lawful purposes.

1. Delivery of Services: By submitting a Service Order Summary, Customer agrees to take and pay for, and, by accepting the Service Order, JPUD agrees to provide, the services(s) during the term described on the Service Order. JPUD has the right to limit the manner in which any portion of its network and facilities ("Network" or "JPUD Facilities") is used in order to protect the technical integrity of the Network. JPUD is not liable or responsible for content, errors in transmission, or failure to establish connection.

2. Installation and Interconnection of Services: Other than the facilities, termination equipment or other devices provided by Customer, and unless otherwise provided elsewhere in this Agreement or any attachments hereto, JPUD will pay for, provide, install, maintain, operate, control and own any equipment, cable or facilities connected to the Network ("System Equipment"), which equipment at all times remains JPUD's personal property, regardless of where located or attached. JPUD may change, replace or remove the System Equipment, regardless of where located, so long as the basic technical parameters of the service are not altered, and this Agreement constitutes Customer's consent to such change, replacement or removal. Customer may not rearrange or move or disconnect the System Equipment, and is responsible for any damage to or loss of System Equipment caused by Customer's negligence or willful misconduct or that of its end users. JPUD has no

obligation to install, maintain or repair any equipment owned or provided by Customer, except as may be specifically provided herein. If Customer's or an end user's equipment is incompatible with service, Customer is responsible for any special interface equipment or facilities necessary to ensure compatibility. Customer is responsible to ensure that its equipment does not interfere with the provision of or functionality of services to Customer or other parties with whom JPUD contracts. If, in responding to a Customer initiated service call, JPUD reasonably determines that the cause of such service call is a failure, malfunction or inadequacy of Customer provided equipment or software, Customer will pay JPUD for such service call at JPUD's then prevailing rates.

JPUD may reconfigure, reprogram, substitute, rearrange or otherwise change any JPUD Facilities, whether such JPUD Facilities are on the Customer's premises or otherwise, at any time and from time to time, but shall not thereby alter the technical parameters of the service provided the Customer without the Customer's knowledge or consent. Although no specific advance notification period is applicable, JPUD will use its best efforts to notify the Customer of the planned timing of such activities and will use reasonable efforts to perform such activities at a time that is agreeable to the Customer (except where emergency conditions exist or where such change is required by a governmental agency or other authority to take place immediately).

3. Term: Subject to the provisions of Sections 11 and 12, the initial term for each service will commence and end on the dates indicated in the applicable Service Order. Thereafter, the service automatically renews for successive 1-year terms unless terminated by either party upon no less than 30 days written notice prior to the end of the initial or renewal term, or unless otherwise specified in the Service Order Summary. Any subsequent

or renewal terms shall assume the same terms and conditions as the initial term unless otherwise stated in the Service Order Summary. This Agreement shall continue until so terminated by written notice as provided in Section 25. Upon termination of this Agreement, all rights of Customer to order new services cease and JPUD has no further obligations to furnish new services to Customer.

4. Fees and Payment Terms: Customer shall pay all fees due for services according to the prices and terms listed in the Service Order. Upon completing provisioning, installation and testing of the System Equipment needed to provide services ordered by Customer, JPUD will notify Customer that the services are available for Customer's use. These services are subject to but are not limited to a Monthly Recurring Charge ("MRC") as set forth in Service Order. JPUD reserves the right to change the MRC for such services at any time, after the initial term hereof upon 25 days prior written notice to Customer. The MRC does not include any governmental taxes or tax-related charges, fees, surcharges or other amounts assessed by any government, which may be incurred in connection with services to be provided hereunder, all of which shall be paid by Customer. Any installation charges or other non-refundable Non-Recurring Charge ("NRC") to be billed one time will appear on the first monthly invoice. JPUD reserves the right to recover any additional installation charges accrued during installation.

Any payment not received within thirty (30) days of the invoice date will accrue interest at a rate of one and one-half percent (1½%) per month, or the highest rate allowed by applicable law, whichever is lower.

5. Early Termination Charges: If (a) Customer terminates this Agreement or any Service Order hereunder for reasons other than Cause; or (b) JPUD terminates this Agreement or any Service Order hereunder pursuant to Sections 11 or 12, then Customer will pay, within thirty (30) days after such termination: (i) all accrued but unpaid charges incurred through the date of such termination, plus (ii) an amount equal to fifty percent (50%) of the "MRC" for the then current term (and any pro rata portion thereof for any partial then current term) remaining in the unexpired portion of the then current term on the date of such termination, plus (iii) a pro rata portion of any and all credits received by Customer. If Customer desires to cancel a Service Order prior to accepting the services the following conditions apply, (I) where a Service Order Summary is canceled by the customer prior to the start of any design work or installation of facilities, no charge applies, (II) when a service that requires special design work is canceled after the design work has begun, JPUD may collect charges equal to the cost incurred for the associated design work time and materials to date, and (III) if cancellation is requested after completion of an installation, it will be treated as an early termination of service and is pursuant to the terms and conditions of Section 6. In the event of early termination by either Party, Customer shall not be entitled to reimbursement of fees already paid to JPUD and shall not be entitled to receive services from JPUD as specified in the Agreement.

6. Limitation of Liability: The total liability of JPUD to Customer in connection with this agreement, for any and all causes of actions and claims, including, without limitation, breach of contract, breach of warranty, negligence, strict liability, misrepresentation and other

torts, shall be limited to the lesser of: (a) direct damages proven by customer; or (b) the amount paid by Customer to JPUD under this agreement for the one (1) month period prior to accrual of the most recent cause of action. In no event shall JPUD be liable for special, punitive, consequential, or incidental damages, including without limitation, lost revenue, profits or other benefit whether by tort, contract, or otherwise.

7. Force Majeure: Neither party is liable for any failure of performance if such failure is due to any cause or causes beyond such party's reasonable control, including without limitation, acts of God, fire, explosion, pandemics, vandalism, cable cut, adverse weather conditions, governmental action, labor difficulties and supplier failures. Customer's invocation of this clause shall not relieve Customer of its obligation to pay for any services actually received. In the event such failure continues for 60 days, the other party may terminate the affected portion of the Services.

8. Assumption of Risk: Customer recognizes that use of the Premises and JPUD's System Equipment including its Network shall be at its own risk, and therefore, expressly assumes any risk arising from the exercise of any rights, privileges or obligations identified herein.

9. Indemnity: Customer agrees to indemnify, defend and hold harmless JPUD and its members, and the commissioners, officers, directors, employees, agents and other representatives of JPUD and its members. Customer must indemnify, defend and hold harmless JPUD from all losses or damages arising from Customer's breach of this Agreement, violation of any third-party intellectual property right, all claims of any kind by Customer's end users, or any act or omission of Customer in connection with any service provided hereunder. Subject to the provisions of Section 7, JPUD agrees to indemnify, defend and hold harmless Customer from all losses or damages arising from or related to personal injury or property damage caused by the negligence or willful misconduct of JPUD.

10. Termination by JPUD: JPUD may terminate this Agreement or any Service Order hereunder, or suspend services, with prior written notice, upon (a) failure of Customer to pay any amounts as provided herein within thirty (30) days of invoice date; or (b) Customer's breach of any provision of this Agreement or any law, rule or regulation governing the services; or (c) if Customer provides false information to JPUD regarding the Customer's identity, creditworthiness, or its planned use of the services; or (d) if JPUD deems necessary to take any reasonable and lawful action to protect the property and rights of JPUD, and existing and potential customers of JPUD's services.

11. Termination for Cause: Either Party may terminate this Agreement for Cause. "Cause" shall mean a breach by the other party of any material provision of this Agreement, provided that written notice of the breach has been given to the breaching party, and the breach has not been cured within thirty (30) days after delivery of such notice.

12. Resale of Services: Any service provided under this Agreement may be resold to or shared with other persons or entities at the option of the Customer, subject to compliance with any applicable laws or Commission regulations governing such resale or

sharing. The Customer remains solely responsible for all services ordered by it or billed to its account, for determining who is authorized to use its services and taking appropriate actions to enforce such a determination, and for immediately notifying JPUD of any unauthorized use. JPUD has no obligation to provide notice to or otherwise communicate with the users or customers of Customers.

13. Assignment: Customer shall not assign, pledge, transfer or otherwise convey all or any part of the rights and privileges granted by this Agreement in any manner without prior written consent of JPUD, which consent it will not unreasonably withhold. Any transfer of this Agreement by merger, consolidation or liquidation of Customer, or any change in the ownership of or power to vote the majority of its outstanding voting stock (whether effected in one or more transactions or events occurring over any period of time) shall constitute an assignment for purposes of this Section. Customer may enter into agreements with other parties for transport circuits on terms consistent with this Agreement.

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

15. Representations and Warranties: Each party represents and warrants that it has full power and authority to execute, deliver, and perform its obligations under this Agreement. JPUD represents and warrants to Customer that any services provided hereunder will be performed in a manner consistent with that of other reputable providers of the same or similar services in the same locality. EXCEPT AS OTHERWISE SPECIFICALLY SET FORTH IN THIS AGREEMENT, JPUD MAKES NO WARRANTY, WHETHER EXPRESS, IMPLIED OR STATUTORY, AS TO THE INSTALLATION, DESCRIPTION, QUALITY, MERCHANTABILITY, COMPLETENESS OR FITNESS FOR ANY PURPOSE OF ANY PORTION OF THE NETWORK OR ANY SERVICE PROVIDED HEREUNDER OR DESCRIBED HEREIN, OR AS TO ANY OTHER MATTER, ALL OF WHICH WARRANTIES ARE HEREBY EXCLUDED AND DISCLAIMED.

17. Governing Law: This Agreement is governed by and subject to the laws of the State of Washington, excluding its principles of conflicts of law.

18. Litigation: If either party commences litigation under this Agreement, the prevailing party is entitled to reimbursement of its costs and attorneys' fees from the other party.

19. Remedies not Exclusive: The remedies provided in this Agreement shall be in addition to all other remedies to which JPUD may be entitled at law or in equity, including without limitation the right to recover unpaid amounts with interest at the applicable statutory judgment rate, but accruing from the date initially due.

20. Jurisdiction; Venue: The parties consent to the personal jurisdiction of the courts of the State of Washington so that any litigation concerning or arising out of this Agreement shall be brought in Washington. The parties agree not to claim that Washington is an inconvenient place for trial. The venue of any such legal action shall be Jefferson County Superior Court of the State of Washington.

21. Entire Agreement: This Agreement and any addendums, attachments, Service Orders and other documents incorporated herein constitutes the entire agreement between the parties with respect to its subject matter and supersedes all other representations, understandings or agreements that are not expressed herein, whether oral or written. Except as otherwise set forth herein, no amendment to this Agreement shall be valid unless in writing and signed by both parties. In the event of any inconsistency between the terms contained in this Agreement and any specific provisions of the Service Order, the terms of the Service Order shall prevail. References herein to exhibits mean exhibits to this Agreement unless the context indicates otherwise.

22. Waivers: No waiver of any provision or breach of this Agreement shall be effective unless such waiver is in writing and signed by the waiving party and any such waiver shall not be deemed a waiver of any other provision of this Agreement or any other breach of this Agreement.

23. Use of Name and Trademarks: Neither party shall use any name, logo or service mark of the other party in marketing services to others without the express written consent of the other party.

24. Confidentiality: Customer shall treat all information made available or disclosed to, or developed or obtained by, Customer as the result of or related to this Agreement ("Confidential Information") as confidential, and shall not disclose or use Confidential Information for the benefit of any person other than JPUD; provided however, that Customer shall have no obligation with respect to that portion of Confidential Information which is disclosed by JPUD to others without any restriction on use or disclosure, or which must be disclosed to others under law. If Customer receives a request for Confidential Information from a third party, Customer shall promptly notify JPUD in writing of such request, and if Customer in good faith believes it is obligated to disclose the requested Confidential Information, JPUD shall be given the opportunity to seek judicial or other protection of such Confidential Information, with the cooperation of Customer.

25. Notices: All notices, requests, demands or other communications which are required or may be given pursuant to the terms of this Agreement shall be in writing and shall be deemed to have been duly given (i) on the date of delivery if personally delivered by hand, (ii) upon the third day after such notice is (a) deposited in the United States mail, if mailed by registered or certified mail, postage prepaid, return receipt requested, or (b) sent by a nationally recognized overnight express courier, or (iii) by facsimile upon written confirmation (other than the automatic confirmation that is received from the recipient's facsimile machine) of receipt by the recipient of such notice:

If to JPUD:

Public Utility District No. 1 of Jefferson County
310 Four Corners Rd
Port Townsend WA 98368
360 385 5800

Attn: _____

Telephone: _____

Email: _____

Such addresses and numbers may be changed, from time to time, by means of a notice given in the manner provided in this Section 25.

If to Customer:

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement in two (2) counterparts.

Public Utility District No.1 of Jefferson County

Customer

By _____

By _____

Name _____

Name _____

Title: _____

Title: _____

Date: _____

Date: _____

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 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 RSP credit risk 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 communications infrastructure, 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 H 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 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-type approved, 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: April 5 2022
TO: Board of Commissioners
FROM: Will O'Donnell, Broadband and Communications Director
RE: Selection of Broadband Engineering Contractor

BACKGROUND: Staff has been working with CCG Consulting on strategy and business planning for broadband expansion since January 2021. In that time we have adopted a strategic plan and applied for and won three grant applications totaling almost \$23M to build fiber to unserved residents in Jefferson County. CCG has been able to provide us preliminary engineering for project design, but to begin preparing for construction this fall, staff has sought the service of a telecommunications engineering firm to provide final designs, engineered plans, and construction management services. RFP 2022-003 for FTTP Design and Construction Management was issued in February and received responses were reviewed in March.

ANALYSIS/FINDINGS: Staff received three submissions, from Finley Engineering, Maverick Corporation, and Magellan Advisors. Of the three, Finley was the only applicant to submit a complete proposal on time. Finley also offered the low cost of engineering per mile of fiber installed. As such, staff's recommend is to select Finley Engineering to provide construction engineering and construction management services for the PUD's awarded and planned broadband expansion projects.

More About Finley Engineering, which is based in Missouri and has been in business for 67 years: "Finley Engineering is a multi-disciplined organization offering professional engineering, surveying, mapping, environmental and right-of-way services to the telecommunications, electric power transmission and distribution, gas pipeline, cable television, fiber optics, and related industries. Both the management and professional staff of Finley have extensive experienced backgrounds of service to public, private, and governmental organizations." Website: finleyusa.com

FISCAL IMPACT: Project estimate from Finley: \$3,622,764.00. Staff anticipates that all to most of Finley's cost will be covered grant funding.

RECOMMENDATION: Approve a motion authorizing the selection of Finley Engineering to perform all FTTP Design and Construction Management duties as stated in RFP 2022-003.

Attached:
RFP Tabulation



RFP Tabulation-Preliminary Results Engineering RFP

March 9, 2022, 3:00pm Bid Opening
Jefferson County PUD- Four Corners Meeting Room
Opened By: Will O'Donnell Recorded By: Lori Rae

Company Name	Contact Name	Bid Submitted	Total Bid for Engineering and Construction Management	Time	Certificate of Liability Insurance
Finley	Ben Humphrey	Experience- yes Financials – yes Construction Management - yes	\$3,622,764.00	May 2022 through December 2024	Yes
Magellan	John Honker	Experience- yes Financials- yes Construction Management- yes	Unit pricing for aerial, buried, and Labor.	12 months	Yes
Maverick	Luke Miller	Experience - no Financials- no Construction Management- no <input checked="" type="checkbox"/> Rec'd on March 10 th	\$5,614,090.90	12 Months	Yes

AGENDA REPORT

DATE: April 5, 2022
TO: Board of Commissioners
FROM: Kevin Streett, General Manager
RE: Juneteenth Holiday

Background: Juneteenth is a federally recognized holiday that marks the date in 1865, two and one-half years after the Emancipation Proclamation and over a month after the end of the Civil War, when a Union general arrived in Galveston, TX and issued General Order No. 3 securing the Union Army's authority over Texas and informing enslaved persons in the state that they were free by executive decree.

Since that day, June 19 has been celebrated in communities across the nation as Juneteenth (short for June nineteenth). Juneteenth is the oldest national celebration of the emancipation of those who had been enslaved in the United States.

Recommendation: Establish Juneteenth as an observed holiday for Non-Represented Staff. Represented employees would observe the holiday subject to their union's agreement. Approve by motion on April 5, 2022.

Updated holiday schedule for Non-Represented Staff:

New Year's Day
Martin Luther King Jr's Birthday
President's Day
Memorial Day
Juneteenth
Independence Day
Labor Day
Veteran's Day
Thanksgiving Day
Native American Heritage Day **Day after**
Thanksgiving
Christmas Day



AGENDA REPORT

DATE: April 5, 2022
TO: Board of Commissioners
FROM: Samantha Harper, P.E.
RE: Agreement for Assumption of Operation of Wastewater Treatment and Collection Facilities

BACKGROUND: The PUD was approached by a representative of the Pleasant Harbor Marina and Golf Resort, LLP (PHMGR, LLP) to form an agreement for the PUD to assume operations of the water reclamation and collection facilities for the Pleasant Harbor Marina and Golf Resort Master Plan community. WAC 173-240-104 allows private ownership of domestic sewage facilities provided there is an agreement in place with a public agency. Based upon that requirement, the PUD would enter into an agreement with PHMGR, LLP.

The agreement is intended to have the PUD assume operations of the wastewater treatment plant and wastewater collection system if the one of the following occurrences happens:

1. There is a requirement to implement the approved General Sewer Plan, as defined in WAC 173-240-050; or
2. if PHMGR, LLP, or any reason, ceases to operate and maintain the System, and there is no successor-in-interest to assume the responsibilities from PHMGR, LLP; or
3. The discharge from the treatment plant is in violation of final effluent limitations in Port Ludlow's waste discharge permit over an extended period of time, at least four (4) out of six (6) consecutive months, and PHMGR, LLP fails to take responsible measures to correct the violations including compliance with Department of Ecology (ECY) enforcement orders; or
4. PHMGR, LLP fails to comply with any other permit requirements, for at least six (6) months, and PHMGR, LLP fails to take reasonable measures to correct the violations, including compliance with ECY enforcement orders.

The intent of the agreement is to put in place a back-up for the operations and maintenance of the PHMGR, LLP Membrane Bioreactor (MBR) water reclamation facility (WRF) and collection facility if one of the events listed above takes place. The PUD already has the authority under

RCW 54.16.230 to acquire, construct, operate, maintain, and add to sewage systems, subject to and in compliance with the county comprehensive plan.

ANALYSIS/FINDINGS: This agreement follows the format of the agreement the PUD has with Olympic Water and Sewer.

FISCAL IMPACT: None

RECOMMENDATION: Discussion only

Attachment: Draft Agreement for the Assumption of Operation of Wastewater Treatment and Collection Facilities
Pleasant Harbor Marina and Golf Resort Site Plan

AGREEMENT FOR ASSUMPTION OF OPERATION OF
WASTEWATER TREATMENT AND COLLECTION FACILITIES

THIS AGREEMENT is made this _____ day of _____, 20____, by and between the PUBLIC UTILITY DISTRICT NO. 1 OF JEFFERSON COUNTY ("PUD"), a municipal corporation of the State of Washington, and Pleasant Harbor Marina and Golf Resort, LLP ("PHMGR, LLP"), a privately owned company.

RECITALS

WHEREAS, Pleasant Harbor Marina and Golf Resort, LLP ("PHMGR, LLP") is the developer of the Pleasant Harbor Marina and Golf Resort which includes a private Water Reclamation Facility ("WRF") which will manage the domestic wastewater generated within the proposed development and includes an associated wastewater collection system. The treatment plant and collection system are owned and operated by Pleasant Harbor Marina and Golf Resort, LLP (PHMGR, LLP), and PHMGR, LLP is managed by Dr. Garth Mann, CEO of the Statesman Group. Effluent will be designed to comply with Class A reclaimed water requirements mandated by Washington State Department of Ecology (ECY) and Washington State Department of Health (DOH).

WHEREAS, The proposed Pleasant Harbor Golf Resort and Marina (PHGR) will be a Master Planned Resort on the Black Point Peninsula in the Brinnon Subarea of Jefferson County, Washington State. Along with 256 acres of the Black Point Peninsula, the Development and its service area also includes Motel/Retail/Parking site located on Tax Parcel #502152005. Post development, the service area will include 890 residential units (55 single-family homes, 220 hotel suites, 52 staff housing units, 334 condos, 66 motel rooms, and 65 attached retirement villas), approximately 200,000 square feet of commercial and recreational development including a Maritime Village, Convention and Conference Center, and 9-hole golf course. There are no public wastewater treatment systems in the Brinnon subarea, which relies on septic /system for sewage treatment and disposal. A Membrane Bioreactor (MBR) water reclamation facility ("WRF") will be built to address the sewage treatment and reclamation needs of the Development. The Class A reclaimed water will meet landscape irrigation needs of the Development. An Environmental Impact Statement will be prepared for the project, and Pleasant Harbor Marina and Golf Resort, LLP will obtain the necessary permits and approvals based on the final plans and specifications approved by ECY.

WHEREAS, regulations promulgated by ECY at WAC 173-240-104 allow for private ownership of domestic sewage facilities, provided that there is an agreement with a public agency for assumption of operations of the system under certain conditions.

WHEREAS, the PUD is authorized under RCW 54.16.230 and by a vote of the people of Jefferson County to operate, acquire, construct, maintain, and add to sewage systems, subject to the Jefferson County Comprehensive Plan.

WHEREAS, this Agreement is in the best interests of the citizens of Jefferson County, in that it makes provisions for backup public operation of the Pleasant Harbor Membrane Bioreactor (MBR) water reclamation facility ("WRF") and collection system in the unlikely event that assumption becomes necessary under the conditions set forth herein.

NOW, THEREFORE, the PUD and PHMGR, LLP agree as follows:

1. Definitions.

- a. "System" shall mean the Pleasant Harbor WRF, wastewater collection system and Reclaimed distribution system owned and operated by PHMGR, LLP, as these facilities presently exist and as they may exist in the future.
- b. "Pleasant Harbor" shall mean all development associated with the Pleasant Harbor Golf Resort and Marina (PHGR) owned and operated by PHMGR, LLP at Brinnon, Washington.
- c. "Engineering Report" shall mean the Engineering Report for the Pleasant Harbor Marina and Recreation Community Water Reclamation Facility Engineering Report, as approved by ECY.

2. Purpose. The purpose of this Agreement is to comply with regulations adopted by ECY at WAC 173-240-104 by providing for operational assumption of the System by the PUD in the event that either of the conditions set forth in Article 4 of this Agreement are met.

3. Responsibilities of PHMGR, LLP. In its present capacity as owner and operator of the System, PHMGR, LLP shall be responsible for the following actions:

- a. PHMGR, LLP shall take such actions as are necessary for proper operation and maintenance of the System and compliance with applicable laws, regulations, approvals, and permits, issued by ECY for the System.
- b. PHMGR, LLP shall employ suitably licensed treatment plant operators and

other employees familiar with the operation and maintenance of secondary treatment plants. As part of facility design and construction, PHMGR, LLP shall develop an Operation and Maintenance Manual for the expanded Poer Ludlow System and shall provide a copy of the Manual to the PUD.

c. PHMGR, LLP may contract with a third party for management, operations, and maintenance of the System: Provided, that the PUD shall receive notice of such action, which shall not change the rights, duties, and obligations of the parties under this Agreement.

d. PHMGR, LLP shall maintain and keep records of all work performed on the System, including inspection, maintenance, repair, and operations, and shall keep similar records of all problems with the System, including reports. Upon request by the PUD, copies of records shall be made available by PHMGR, LLP for inspection at a reasonable time and place. Upon request by the PUD, PHMGR, LLP shall also make the System available for inspection at a mutually convenient time.

e. PHMGR, LLP shall determine what amounts are required to operate, maintain, and repair the System in a satisfactory condition, and shall periodically bill and collect from Pleasant Harbor property owners a monthly sewer service charge. Such service charge shall be adjusted from time to time as necessary to reflect current costs and conditions and shall be sustained at a high enough level to cover all operation and maintenance costs. PHMGR, LLP shall keep accurate records of the monies billed and received and all expenditures of funds. Upon request of the PUD, copies of such records shall be made available by PHMGR, LLP for inspection and copying by the PUD or its agents at a reasonable time and place.

f. PHMGR, LLP shall cooperate with the PUD in establishing a continuing orientation program through which PUD officials and employees can become familiar with the physical and operational characteristics of the System, including procedures set forth in the Operation and Maintenance Manual to be developed by PHMGR, LLP.

4. Assumption of Operations by PUD. The PUD shall assume full operational responsibility for the System upon any one of the following occurrences:

a. Such assumption is necessary for the implementation of an approved General Sewer Plan, as that term is defined by WAC 173-240-050; or

b. PHMGR, LLP, for any reason, ceases to operate and maintain the System, and there is no successor-in-interest to assume these responsibilities from PHMGR, LLP; or

c. The discharge from the treatment plant is in violation of final effluent limitations

in Port Ludlow's waste discharge permit over an extended period of time, at least four (4) out of six (6) consecutive months, and PHMGR, LLP fails to take reasonable measures to correct the violations, including compliance with ECY enforcement orders; or

d. PHMGR, LLP fails to comply with any other permit requirements; e.g., monitoring and reporting, over an extended period of time, at least six (6) months, and PHMGR, LLP fails to take reasonable measures to correct the violations, including compliance with ECY enforcement orders.

5. Determination by ECY. ECY shall determine the occurrence of any condition set forth in Article 4 of this Agreement and shall give the parties written notice thereof. Such written notice shall constitute an appealable order within the meaning of RCW 90.48.120. The order shall specify an implementation schedule and shall if conditions allow grant PHMGR, LLP a reasonable opportunity to correct unsatisfactory conditions.

6. Responsibilities of Parties Upon Assumption. In the event that assumption of the System by the PUD becomes necessary under Articles 4 and 5 of this Agreement, the responsibilities of the parties shall be as follows:

a. The PUD shall become responsible for all operational aspects of the System, including operations, routine maintenance, and repair. Financing of such matters shall be as provided for in Article 8 of this Agreement. The PUD shall also be responsible for paying all taxes and assessments, if any, associated with operation and maintenance, but not with ownership, of the System.

b. PHMGR, LLP shall be entitled to continue collecting and retaining sewer connection fees from Port Ludlow property owners for the purpose of servicing and retiring the capital debt incurred by PHMGR, LLP in constructing the System, as described in the Engineering Report. Ownership of the System shall not be changed by the PUD's assumption of operations, maintenance, and repair. If the PUD assumes operations and maintenance of the System, the new development connection fees will be paid to OWSI as the owner of the System. The PUD will collect and retain monthly billing as outlined in the Agreement.

c. In no event shall the PUD be responsible for costs associated with physically connecting individual residences and other users to the System. Such costs shall continue to be borne by the users.

d. PHMGR, LLP shall make its best efforts to cooperate with the PUD in

accomplishing an orderly System turnover to PUD personnel, including making available all pertinent records, procedures, and employees necessary for turnover.

e. Upon formal assumption of the System, as determined by ECY order issued under Article 5 of this Agreement, the PUD shall be authorized to enter upon the property served and occupied by the System to perform the duties set forth in this Agreement. Entry shall be made in a manner creating the least disruption to Port Ludlow residents and real property, but in a manner consistent with the efficient operation, maintenance, and repair of the System. Such right of entry shall exist until termination of this Agreement.

7. Indemnification. The PUD agrees to indemnify and hold PHMGR, LLP harmless from any and all claims, causes of action, judgments, liability, tort claims and claims for negligence, loss, damage, and expenses (including reasonable attorneys' fees), including claims for death or injury to persons or loss or damage to property, arising out of the PUD's use, operation or possession of the System after assumption has taken place pursuant to Articles 4 and 5 of this Agreement. PHMGR, LLP agrees to indemnify and hold the PUD harmless from any and all claims, causes of action, judgments, liability, tort claims and claims for negligence, loss, damage, and expenses (including reasonable attorneys' fees), including claims for death or injury to persons or loss or damage to property, arising out of occurrences prior to the PUD's assumption of the System, and relating to PHMGR, LLP's use, operation, possession or ownership of the System.

8. Funds for Operations. The parties shall provide for funding of System operation as follows.

a. If the PUD assumes the operation of the System under Articles 4 and 5 of this Agreement, OWSI shall pay the PUD the expenses incurred for the Operation and Maintenance of the System.

b. Upon the PUD's assumption of System operations, PHMGR, LLP shall assign over to the PUD its accounts receivable for monthly sewer service fees from PHMGR, LLP ratepayers. The PUD shall thereafter be responsible for administration and collection of such fees from PHMGR, LLP ratepayer as the basis for financing operations and maintenance costs.

If the monthly sewer services do not cover the PUD's Operation and Maintenance expenses (including repairs), then the PUD shall recover additional costs and expenses from PHMGR, LLP per Subsection 8.a.

9. Transfer of Permits, Franchises and Leases. Upon assumption of the System the PUD, PHMGR, LLP shall assign and transfer to the PUD all permits, approvals, franchises, easements, rights-of-way, and leases which are necessary to the proper operation and maintenance of the System. Where required by law, the parties will seek and obtain the prior consent of government agencies with

jurisdiction. Such assignments and transfers shall pass to the PUD all the rights, duties and obligations formerly held by PHMGR, LLP therein.

10. Transfer Back of Operations to PHMGR, LLP. After assumption of the System by the PUD, PHMGR, LLP may at any time request that the PUD transfer back to PHMGR, LLP all operational responsibilities previously assumed, including the permits, franchises, and leases, if any, assigned or transferred under Article 9 of this Agreement. The PUD shall grant such request if effluent from the treatment plant has been within the concentration limits set forth in Port Ludlow's waste discharge permit for at least six (6) consecutive months at the time of the request. Upon request by the PUD, PHMGR, LLP shall reimburse the PUD for any verifiable cash flow deficit experienced by the PUD from operation of the System during the period of assumption. Such reimbursement shall be a condition to transfer back of system operations to PHMGR, LLP. Upon request by PHMGR, LLP, the PUD shall make its books and records available at reasonable times and places during the period of assumption, so that PHMGR, LLP will be able to monitor and verify the existence of a cash flow deficit. PHMGR, LLP shall not be responsible for reimbursement of losses caused by the fault or negligence of the PUD.

11. General Sewer Plan. NEED TO FILL-IN

12. Term. This Agreement shall terminate twenty-five (25) years from the date of execution.

Despite any period of time between the prior agreed expiration date of the Agreement and the date of mutual acceptance of this Agreement, the parties agree that the Agreement shall be deemed to have been in effect for such period of time.

13. Successors-in-Interest. The rights, duties and obligations contained in this Agreement shall inure to the benefit of and be transferred to any assigns, purchasers, and any other successors-in-interest of the parties: Provided that neither party shall assign its rights and obligations under this Agreement to any third party without the prior written consent of the other party, which consent shall not be unreasonable withheld.

14. Further Documents. Upon request, the parties shall execute such further documents as may be necessary to carry out the intent of this Agreement.

15. Entire Agreement. This Agreement constitutes the entire agreement between the parties with regard to the subject matter herein and may be modified only by written amendment executed by both the parties.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the date first appearing above.

PLEASANT HARBOR MARINA AND GOLF RESORT, LLP PUBLIC UTILITY DISTRICT NO. 1

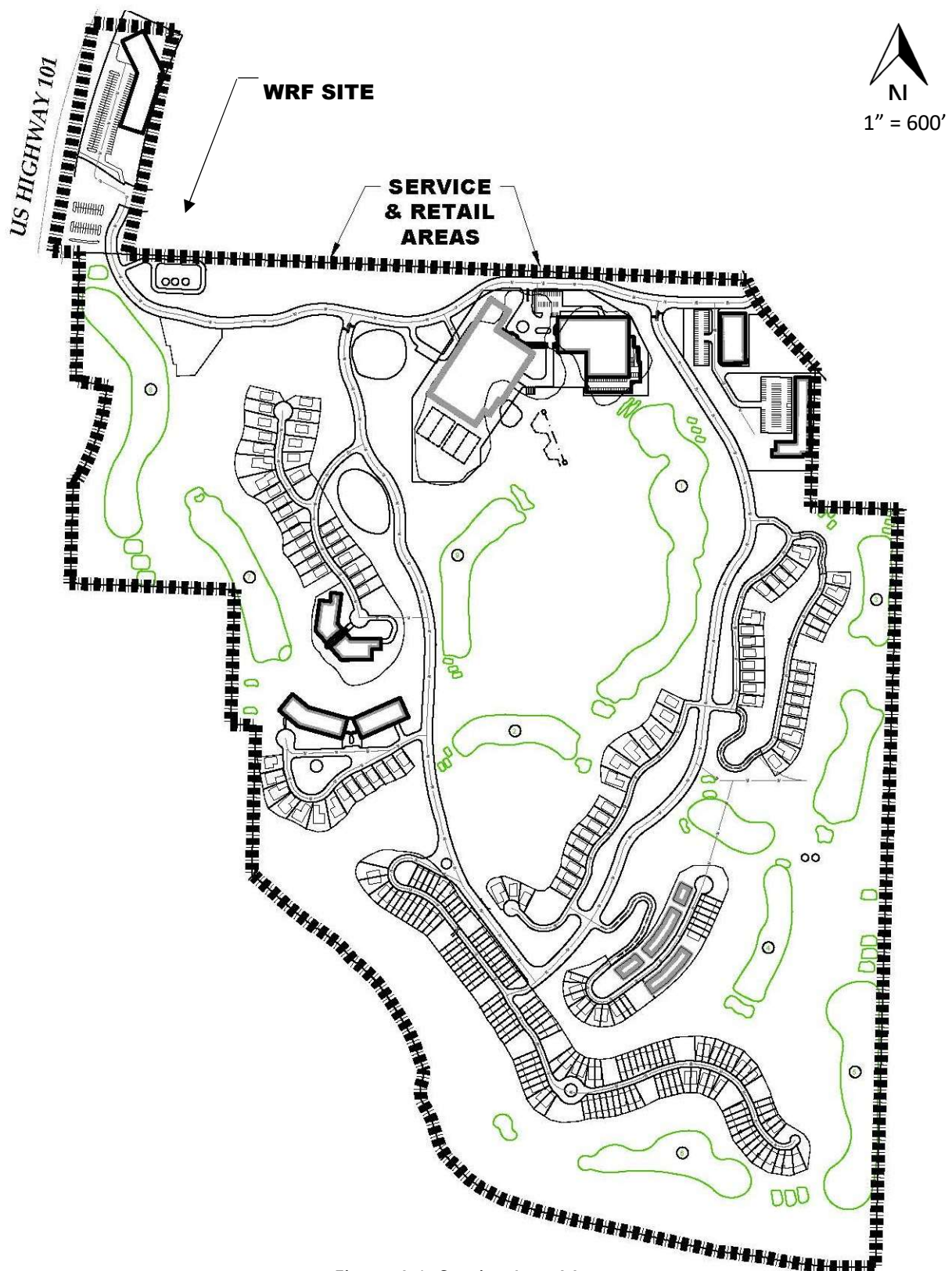


Figure 4-1. Service Area Map

(source: the "Pleasant Harbor Sewer System General Sewer Plan" as prepared by Hatton Godat Pantier. Refer to the GSP for the most up-to-date map.)

OF JEFFERSON COUNTY

By _____

Dr. Garth Mann, CEO of the Statesman Group

By _____

Kevin Streett, General Manager

DRAFT

AGENDA REPORT

DATE: April 5, 2022
TO: Board of Commissioners
FROM: Will O'Donnell, Broadband and Communications Director
RE: **Draft Retail Broadband Policies**

BACKGROUND: JPUD is moving forward with plans to provide retail broadband services to residents and businesses in limited areas within Jefferson County. Staff has been working with CCG Consulting for months to ensure we have the policies and procedures in place to meet FCC requirements.

ANALYSIS/FINDINGS: The attached draft Broadband Retail Service Policies outlines terms and conditions of service, acceptable use, accessibility, and consumer protection. All future retail customers must acknowledge they have read the policy before we can offer service. A version of the approved policy will be made available on the website once approved. Print copies will also be available to customer service. New retail broadband customers will have to acknowledge that they have viewed and understand the policies before JPUD can provide service.

FISCAL IMPACT: N/A

RECOMMENDATION: For Discussion Only. Staff will seek adoption at the next regular meeting.



Broadband Retail Service Policies

Adopted
[date] [resolution #]

VALIDITY & POLICY UPDATES

Validity

If any section, subsection, subdivision, sentence, clause, or phrase of this policy is for any reason held to be unlawful, unconstitutional, or void, such invalidity shall not affect the validity of the remaining portions of this policy.

Policy changes and updates

Public Utility District No. 1 of Jefferson County reserves the right to modify this policy at any time. We will notify customers of any material changes by one or more of the following methods: written, electronic, or other means permitted by law, including by posting it on our website.

If you find the changes unacceptable, you have the right to cancel the Services. If you continue to use the Services after receiving notice of such changes, we will consider that as your acceptance of the changes

Effective Date

This policy will take effect and be in force from and after the xx day of xx 2022

Policy Updates		
Date	Resolution	Description

Introduction:

The following policies define the terms and conditions under which the Jefferson County Public Utility District (JPUD) offers retail broadband services to residents and businesses.

The PUD also offers wholesale broadband products to carriers and ISPs, which then serve residents and businesses. These policies do not apply to wholesale services.

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NOTICE OF PROGRAM ACCESSIBILITY

JPUD is committed to making our broadband products accessible to all, regardless of ability. We strive to ensure that our services are accessible to customers who are deaf or hard of hearing, are blind or partially sighted, and who have other sensory impairments or physical limitations. Some of our existing Access features include:

- Convenient off-street parking designated specifically for disabled persons at PUD locations.
- Curb cuts and ramps between parking areas and buildings.
- Level access into our lobby.
- Fully accessible bathrooms, public waiting, access to pay your bill and speak with our Customer Service Representatives.
- If assistance is required to use Broadband and/or phone products and/or equipment the FCC has an assistance program. Reference materials about the FCC's programs can be found under the Broadband section of our website.
- A range of assistive and communication aids provided to persons who are deaf, hard of hearing, or blind, or with other sensory impairments. There is no additional charge for such aids.

If you require aid, please email broadband@jeffpud.org

FCC Disability Rights and the Twenty-First Century Communications and Video Accessibility Act ("CVAA")

Recordkeeping Compliance Certification and Contact Information Registry

JPUD must maintain records of the efforts we take to implement the CVAA accessibility requirements and submit recordkeeping compliance certifications and contact information to the FCC annually by April 1 in accordance with the FCC's rules. 47 C.F.R. § 14.31. Contact information must be updated within 30 days of any material change. Our annual recordkeeping certifications are entered at <https://apps.fcc.gov/rccci-registry/>. Consumers may search for contact information for a company's accessibility customer care representative at <http://apps.fcc.gov/rccci-search/search.action> or call us directly at 360-385-5800.

Communications Accessibility Complaints

To implement the CVAA, the FCC established new procedures for filing complaints about accessibility problems with the following:

- 1) Telephone services and equipment
- 2) Advanced communications services and equipment
- 3) Internet browsers built into mobile phones

Learn more about resolving accessibility problems and filing informal complaints with the FCC at <https://consumercomplaints.fcc.gov/hc/en-us/articles/202939874-Take-Action-Options-for-Filing-an-Accessibility-Complaint>.

Before an informal complaint can be filed, consumers with disabilities (or their representatives) must request assistance from the FCC Disability Rights Office. The Disability Rights Office will work with the consumer and JPUD for at least 30 days to try to resolve the accessibility problem.

The best way to provide the information that the Disability Rights Office needs to assist you, is to complete the [Request for Dispute Assistance form](#) online. You may also [print the RDA Form](#). If you use the latter method, complete and submit your downloaded/printed request and any supporting documentation to the Disability Rights Office by email to dro@fcc.gov, by fax to 202-418-0037, or by mail to:

Federal Communications Commission
Consumer and Governmental Affairs Bureau
Disability Rights Office
445 12th Street, SW
Washington, D.C. 20554

TERMS AND CONDITIONS OF SERVICE

Acceptance of Terms and Conditions

By using one or more Internet or other broadband services (each, a “Service”) of Jefferson County Public Utility District No. 1 (“JPUD”), the customer of record (“you”) constitutes agreement to these Terms and Conditions of Service (“Agreement”) and any rates, policies, procedures and service guides applicable to such Service(s) that are posted on our website at www.jeffpud.org, as amended from time to time. These Terms and Conditions shall also apply to any persons who use the Service(s).

Acceptable Use of Services

JPUD has published acceptable use terms and conditions for Services. The Services we provide to you are for your use only, and you shall not use or permit the use of these services for any other purpose. You shall not make the Services or permit the Services to be made available for resale or to provide voice, telecommunications, internet or similar services to one or more third parties. Customers who knowingly violate these terms may have their use of services revoked or suspended per these policies. Copies of these acceptable use terms and conditions are available at JPUD’s headquarters and at www.jeffpud.org. Customers are encouraged to read and follow these policies, including any updates that may be published on JPUD’s website. Services and Equipment are provided to you for your personal use. You may not resell or transfer the Service or the Equipment to any other person for any purpose, or charge others to use the Service; use the Service in any manner that is contradictory to JPUD’s Acceptable Use Policy that is available at www.jeffpud.org; tamper with, disrupt or “hack” the Equipment, or make use of the Service in any way that is inconsistent with its intended purpose. You also agree to comply with the Terms & Conditions of all end-user license agreements that accompany the Equipment or are otherwise applicable to your use of the Equipment and the Services. All such agreements are incorporated herein by reference. Upon termination of this Agreement, all end-user licenses also terminate; you agree to return to us all versions and copies of all software and any equipment provided by or leased from JPUD or received in connection with the Services. JPUD reserves the right to terminate your Service should you, in JPUD’s sole discretion, commit any of the actions listed above. You are responsible for any liability or charges billed by any program provider. JPUD reserves the right in its sole discretion to enforce bandwidth allotments depending upon your level of usage and the level of Services purchased.

Billing and Payments

JPUD will bill all charges, applicable taxes, and fees monthly in advance. Applicable charges will be set forth in JPUD’s then-current fee schedule found on its website. Government-imposed fees and taxes may be imposed or become applicable retroactively, and you will be responsible for paying any such charge. If you are exempt from payment of such taxes, you must provide JPUD with an original certificate that satisfies all applicable legal requirements. A tax exemption will only apply from and after the date we receive it. Failure to pay the total balance when due may be grounds for disconnecting service and/or imposing a late fee. JPUD may charge a

reasonable fee for all returned check and bankcard chargebacks. The returned amount plus fee must be paid by cash, cashier's check, or money order. If JPUD retains an agency or attorney to collect any amount owed, you will be obligated to pay all of JPUD costs of collection, including attorneys' fees. If you dispute any charges, you must notify JPUD within sixty (60) days of the date of your PUD invoice, or any such dispute will be waived.

Changes to Service Terms and Conditions

Subject to applicable law, we have the right to change our Services, Equipment and associated rates or charges at any time with or without notice. We may also change, add, or remove programming features or offerings contained in the Service or other Terms & Conditions related to the Service. We will provide you notice of changes to the Service and to these Terms & Conditions consistent with applicable law. We may also post notice of such changes at www.jeffpud.org, and we may send notice to you to the email address on record for you. Because we may from time to time notify you about important information concerning the Service and these Terms & Conditions, you agree to regularly check your postal mail, email and all postings on www.jeffpud.org or on another website about which you have been notified. You bear the risk of failing to do so. If you find a change in Service or a change in these Terms & Conditions unacceptable, you may cancel the Service. Continuing to receive the Service constitutes acceptance of these changes.

Equipment

All equipment issued to you by JPUD (the "Equipment") shall remain the property of JPUD. You agree to be responsible for any loss, theft, or damage of JPUD's Equipment. Should equipment be lost, purposely damaged, or not returned to JPUD, you will be charged the actual replacement cost for the equipment. JPUD is not responsible for the maintenance, operation, service, or repair of any customer equipment connected to the JPUD Services, including without limitation television, computer, telephone, or any other device. You agree to allow JPUD or its agents to send software to your equipment and to configure your equipment when necessary to provide Services, even if doing so changes, adds or removes features or functionality of any such equipment. Absent gross negligence or willful misconduct, JPUD will not be responsible for any damage to your equipment arising from such activities. In the event of such damage, if you are not the owner of the equipment, you are responsible for obtaining any necessary approval from the owner to allow us to access this equipment and to perform the activities listed above.

Installation and Access

As the customer, you agree to allow JPUD the right to enter your property for the purposes of adjusting, repairing, replacing, maintaining, moving, auditing, or removing any equipment if necessary. You represent that you either own the property or have the right to allow JPUD to install any necessary equipment and wiring to provide you service. You also agree to allow access for the purpose of checking signal quality. You should always ask for proper identification anytime a JPUD employee or contractor requests entry to your property. If identification is not provided, please do not allow access.

Service Termination or Changes

As with all our utility services, one call to our office will take care of your needs. Please call 360-385-5800 should you decide to alter your services, move, or make any other changes.

Copyright

Any firmware or software used to provide the Service and all Services, information, documents, and materials provided by JPUD in written or electronic form are protected by trademark, copyright, or other intellectual property laws. Your use of this firmware, software and the Services is subject to these laws. All names, service marks, trademarks, trade names, logos, content, photographs, sound or image files and domain names (collectively “marks”) of JPUD are and shall remain the exclusive property of JPUD, and nothing in these Terms & Conditions shall grant you the right or license to use any of such marks.

Credit Policy

JPUD reserves the right to review your previous billing history with JPUD or access your credit history through a credit reporting agency.

Force Majeure

JPUD shall not be liable for any failure, interruption or diminution of service in the event that such failure, interruption or diminution is caused by or due to causes beyond its control, including, but not limited to, acts of God; fire, earthquake, pandemics, flood, water, the elements or other catastrophes; strikes, lock-outs, work stoppages or other labor difficulties; utility curtailments, power failures, explosions; insurrections, riots, wars or civil disturbances; any law, order, regulation, or requests of any government or of any civil or military authority; national emergencies; shortages or failure of equipment or supplies, including cable, fiber, switching and other network equipment of third parties; unavailability of transportation; acts or omissions of third parties; or any other cause beyond JPUD’s reasonable control.

Governing Law

These Terms & Conditions and the relationship between you and JPUD shall be governed by the laws of the State of Washington without regard to its conflict of laws principles.

Indemnity

You agree to indemnify and hold harmless JPUD from all liabilities, damages, claims and expenses, including without limitation attorneys’ fees, that arise from your or a Customer’s use of misuse of the Service; from any violation or infringement of contractual rights, privacy, confidentiality, copyright, patent, trademark, trade secret or other intellectual property; from use or failure of the 911/E911 functionality or any other dialing associated with a home security, home detention, medical monitoring or other similar system; and from your breach of any provision of these Terms & Conditions. Where you are obligated to indemnify or hold JPUD harmless anywhere in these Terms & Conditions, those obligations run not only to JPUD but also to its employees, representatives, affiliates, agents, officers, and directors.

Limitation of Liability

In no event shall JPUD be liable to the Customer or to any user of the Customer’s service for loss of profits or for special, indirect, incidental, exemplary, consequential, or punitive damages

arising from the relationship or the conduct of business under the agreement, even if JPUD has been advised of the possibility of any such damages. Without limitation of the foregoing, JPUD shall have no liability for any claims, losses, actions, damages, suits or proceedings resulting from others accessing the Customer's computers and equipment, security breaches, viruses, eavesdropping, interception of traffic sent or received using the services, or any use of the equipment or services of JPUD that infringes upon any patent, trademark, trade secret, confidentiality, privacy or intellectual property or contractual or other right of one or more third parties. It is expressly understood that JPUD shall have no liability for any damage to you or any other person claimed to have resulted from your use of the Services.

No Warranties

JPUD makes no warranties, express or implied, including but not limited to, any implied warranties of merchantability, fitness for a particular purpose, title or non-infringement usage of trade, course of dealing or course of performance or any warranty that the service or the equipment will meet customer's requirements. The Service and the Equipment are provided to you on an "as is" basis. The Service is not fail-safe and may be interrupted. The service is not designed or intended for use in situations in which an error or interruption could lead to injury to business, persons, property, or the environment. Without limiting the foregoing, JPUD does not warrant that the service will be without failure, delay, interruption, error, degradation of quality, or loss of content, data, or information. Neither JPUD nor its officers, directors, employees, contractors, agents, or any other service provider who furnishes services or products to customer in connection with these Terms & Conditions or the Service will be liable for unauthorized access to facilities, premises or equipment or for unauthorized access to, or alteration, theft or destruction of customer's data or information regardless of whether such damage occurs as a result of negligence by JPUD, its contractors or service providers. Statements and descriptions concerning the Service or Equipment, if any, by JPUD or by JPUD's authorized representatives are informational and are not given as a warranty of any kind.

Parental Control

Parental control features are the responsibility of the Customer of the service. We encourage parents to use available features to block or filter voice or internet information that may not be appropriate for minors.

Wiring

All inside wiring is the customer's property from the point where our fiber passes through your walls or enters the customer's premises in any other way.

Survival

Certain obligations under these Terms & Conditions by their terms continue beyond termination of the Service including, but not limited to, provisions dealing with access to property, disclaimers of warranties, limitations of liability and indemnity. The termination, expiration or cancellation of Service under these Terms & Conditions shall in no way affect the survival of such obligations.

Assignment

This service agreement is non-assignable by the customer without the express written consent of JPUD.

Miscellaneous

These Terms & Conditions and any other documents incorporated by reference constitute the entire agreement and understanding between you and JPUD with respect to JPUD's provision of the Services and related Equipment. They replace any and all prior written or verbal agreements. If any portion of this Agreement is held to be unenforceable, the unenforceable portion shall be construed in accordance with applicable law as nearly as possible to reflect the original intentions of the parties, and the remainder of the provisions shall remain in full force and effect. If JPUD fails to insist upon or enforce strict performance of any provision of these Terms & Conditions, it shall not thereby waive any provision or right. neither the course of conduct between the parties nor trade practice shall modify these Terms and Conditions.

BROADBAND SERVICE ACCEPTABLE USE POLICY (AUP)

This Acceptable Use Policy applies to Internet and related services (“Services”) delivered by Jefferson County PUD No. 1 (“JPUD”) to its (“Customers”) to use the Services responsibly, enabling secure, reliable, and productive Services.

General Conduct

JPUD’s network and Services may be used only for lawful purposes. JPUD is not responsible for the content of any websites linked to or accessible by the Services; links are provided as Internet navigation tools only. Customers may not use the network or Services in order to transmit, distribute or store material (a) in violation of any applicable law, (b) in a manner that will infringe the copyright, trademark, trade secret or other intellectual property rights of others or the privacy, publicity or other personal rights of others, (c) that is obscene, threatening, abusive or otherwise illegal, or that contains a virus, worm, Trojan horse, or other harmful component; or (d) that contains fraudulent offers for goods or services, or any advertising or promotional materials that contain false, deceptive or misleading statements, claims or representations. Customers are also subject to the acceptable use policies, as amended from time to time, of any third-party provider of Services to JPUD.

Internet Services- Data Caps

The PUD’s shared broadband products, both residential and business, come with a data cap of seven terabytes (7TB). These shared broadband products are not intended to be used fulltime and we have specific services of dedicated broadband products for that purpose. While the data caps are large enough to not impact any customer who is using broadband in a normal way, the purpose of the data caps is to protect the network in neighborhoods so that every customer – residential and business, can get the bandwidth speeds they have subscribed to. Customers that cross our data caps are likely engaging in data-intensive function like operating a busy retail shopping site, operating a busy video server, mining for bitcoins, or engaging in large amounts of file sharing. We do not bill extra to customers who initially cross the data cap, but a customer who repeatedly violates the data caps will be asked to manage and curtail excess usage or else move to a more appropriate product. Failure of the customer to abide by the request to curtail usage will be subject to additional charges consistent with the customer’s usage, or possible termination of the subscribed service level.

Customer Responsibility for Content

Customers are solely responsible for the protection, storage, backup, and security of your and any guest's data, software, devices, computer network and other facilities, as well as your choice of equipment, software, and online content; and all other matters related to how you access and use our broadband. You acknowledge and agree that the reliability, availability and performance of data or services accessed through the Internet or other services connected or linked to the Service are beyond our control and are not in any way warranted or supported by JPUD or its third-party licensors, providers, and suppliers.

Interference with Others

Customers may not use or permit others to use JPUD services in ways that (i) violate any law or applicable regulation, or (ii) infringe the rights of others, or (iii) interfere with the customers, services, or equipment and software of our network or other networks. By way of example and not limitation, you agree not to distribute unsolicited advertising, chain letters or other unsolicited bulk electronic mail (i.e., spam); propagate computer worms, destructive programs or denial of service attacks or viruses; use a false identity; attempt to gain unauthorized entry to other computers, data or any site or network; distribute or store child pornography; distribute obscene or defamatory material over the Internet; or infringe copyrights, trademarks or other intellectual property rights.

BROADBAND SERVICE COPYRIGHT INFRINGEMENT POLICY

Notice and Procedure for Making Copyright Infringement Claims

Copyright infringement occurs when a copyrighted work is reproduced, distributed, performed, publicly displayed, or made into a derivative work without the permission of the copyright owner. If you believe that any material on JPUD website(s) has infringed your copyrighted material or that we are the hosting service provider and should be notified of a potential copyright infringement, please follow the procedure set forth below to make your claim. This procedure should only be used for making claims of copyright infringement. This information does not take the place of advice from your legal counsel. We provide this information to you and your Customers for informational purposes only.

Rejection/Removal

JPUD reserves the right to reject or remove any material residing on or transmitted to or through the Services that JPUD, in its sole discretion, believes to be unacceptable or in violation of the law, this AUP, and/or the Terms and Conditions. JPUD may immediately remove content if we believe such content is unlawful, violates the AUP and/or Terms and Conditions, or such removal is done pursuant to the Digital Millennium Copyright Act (or "DMCA"). Upon JPUD request, Customers shall terminate service to any third-party user or agent who, in our sole discretion, has violated the AUP, Terms and Conditions, or applicable law or regulations.

Reporting Other Suspected Violations of Use

To report other violations of use please contact the DMCA Agent using the information below. To report a child exploitation incident involving the Internet contact law enforcement immediately.

Notification of Copyright Claim

If you believe that a Web page is hosted by JPUD and is violating your rights under U.S. copyright law, you may file a complaint of such claimed infringement with the PUD designated agent as described below:

**Contact
Mail**

DMCA Agent
JPUD No. 1
Attn: Copyright Claims
310 Four Corners Rd
Port Townsend, WA 98368

E-mail

dmca@jeffpud.org

In compliance with Section 512(c)(3) of the U.S. Copyright Act DMCA Complaints must be in writing and contain the following information

- 1) A physical or electronic signature of a person authorized to act on behalf of the copyright owner of an exclusive right that is allegedly infringed;
- 2) Identification of the copyrighted work claimed to have been infringed;
- 3) Identification of the material that is claimed to be infringing or to be the subject of infringing activity and that is to be removed or access to which is to be disabled, and information reasonably sufficient to permit JPUD to locate the material;
- 4) Information reasonably sufficient to permit JPUD to contact the complaining party, such as an address, telephone number, and, if available, an electronic mail address at which the complaining party may be contacted;
- 5) A statement that the complaining party has a good faith belief that use of the material in the manner complained of is not authorized by the copyright owner, its agent, or the law;
- 6) A statement that the information in the notification is accurate, and under penalty of perjury, that the complaining party is authorized to act on behalf of the owner of an exclusive right that is allegedly infringed.

Be aware that anyone who makes false claims or misrepresentations concerning copyright infringement may be liable for damages under the DMCA.

[Response to Infringement Claims](#)

Upon receipt of a compliant infringement notification, we will respond within ten (10) business days confirming the receipt of the notification. Within an additional ten (10) business days we shall notify the alleged infringing party of receipt of the notification and will render a cease-and-desist letter inclusive of the counter-notification options described below.

[Counter-Notification in Response to Claim of Copyright Infringement](#)

In compliance with Section 512(g)(3) of the U.S. Copyright Act if a notice of copyright infringement has been wrongly filed against you and you would like to submit a counter-notice, please forward your counter-notice to JPUD designated agent at the address noted above. This process will invoke a dispute between you and the complaining party. Your counter-notification must be in writing and contain the following information:

- 1) A physical or electronic signature of an authorized person;

- 2) Identification of the material that was removed or access to which was disabled and the location at which material appeared before it was removed or access to it was disabled;
- 3) A statement under penalty of perjury that the alleged infringer has a good faith belief that the material was removed or disabled as a result of mistake or misidentification;
- 4) Your name, address, and telephone number, and a statement that you consent to the jurisdiction of the federal district court for the federal district in which you are located and that you will accept service of process from the complainant

YOU SHOULD BE AWARE THAT SUBSTANTIAL PENALTIES UNDER U.S. LAW APPLY FOR A FALSE COUNTER-NOTICE FILED IN RESPONSE TO A NOTICE OF COPYRIGHT INFRINGEMENT.

System and Network Security

Customers are prohibited from violating or attempting to violate the security of JPUD, including, without limitation, (a) accessing data not intended for such Customer or logging into a server or account which such Customer is not authorized to access, (b) attempting to probe, scan or test the vulnerability of a system or network or to breach security or authentication measures without proper authorization, (c) attempting to interfere with, disrupt or disable service to any Customer, host or network, including, without limitation, via means of overloading, flooding, mail bombing or crashing, (d) forging any packet header or any part of the header information in any E-mail or newsgroup posting, or (e) taking any action in order to obtain services to which such Customer is not entitled. Violations of system or network security may result in civil or criminal liability. We may investigate occurrences that may involve such violations, and we may involve and cooperate with law enforcement authorities in prosecuting Customers who are alleged to be involved in such violations.

Suspension or Termination

Any Customer which JPUD determines, in its sole discretion, to have violated any element of this Acceptable Use Policy shall receive a written warning and may be subject at our discretion to a temporary suspension of service pending such Customer's agreement in writing to refrain from any further violations; provided that JPUD may immediately suspend or terminate such Customer's service without issuing such a warning if JPUD, in its sole discretion deems such action necessary. If we determine that a Customer has committed a second violation of any element of this Acceptable Use Policy, such Customer shall be subject to immediate suspension or termination of service without further notice, and we may take such further action as we determine to be appropriate under the circumstances to eliminate or preclude such violation. JPUD shall not be liable for any damages of any nature suffered by any customer, User, or any third party resulting in whole or in part from JPUD exercise of its rights under this Policy.

Service Monitoring

JPUD has no obligation to monitor the services but may do so and disclose information regarding the use of the services for any reason if we, in our sole discretion, believe that it is reasonable to do so, including to satisfy laws, regulations, or other governmental or legal requirements or requests; to operate the services properly, or to protect itself and its subscribers.

Privacy

Any Customer interacting with our site and providing JPUD with name, address, telephone number, E-mail address, domain name or URL or any other personally identifiable information permits JPUD to use such information for commercial purposes of its own, including contacting Customers about products and services which may be of interest. All information concerning our customers shall be kept in accordance with JPUD then-applicable [Data Privacy Policy](#) and the requirements of applicable law. JPUD reserves the right to modify this Acceptable Use Policy at any time in its sole and absolute discretion. Changes and modifications will be effective when posted and any use of the Services after the posting of any changes will be considered acceptance of those changes.

No Waiver/Severability

Any failure of JPUD to enforce this Policy shall not be construed as a waiver of any right to do so at any time. If any portion of this Policy is held invalid or unenforceable, that portion will be construed consistent with applicable law, and any remaining portions will remain in full force and effect

CONSUMER PROTECTION

FCC/FTC Red Flag Identity Theft Rules Compliance Statement

In compliance with the Federal Communications Commission's (FCC) Substantive Rules 16 C.F.R. §681.2(b)(5), Jefferson County PUD No. ("JPUD")¹ is providing this notice to advise you of your rights concerning identity theft and *Red Flag* Rules. JPUD has developed and implemented a written Identity Theft Prevention Program to detect, prevent, and mitigate identity theft in connection with the opening of certain accounts or certain existing accounts. The program addresses methods of identifying, detecting, and preventing *Red Flags*.

JPUD is subject to certain requirements under the Fair and Accurate Credit Transactions Act of 2003 governing Identity Theft Protection. The "*Red Flag Rules*" work closely with [JPUD's Data Privacy Policy](#). The *Red Flag* regulatory requirements are largely consumer protection provisions, which set forth the circumstances under which we identify a "red flag," which is a pattern, practice or specific activity that indicates the possible existence of identity theft. JPUD will supplement these policies and procedures as necessary and appropriate to ensure compliance with the Federal Trade Commission's ("FTC") regulatory requirements.

When we receive personal information, such as social security numbers, credit or bank card numbers, driver's licenses etc. we must ensure that we have taken the precautionary measures to protect this information from potential Identity Theft.

JPUD makes every effort to detect *Red Flags*, such as by obtaining identifying information about and verifying the identity of a person opening an account. We also authenticate customers, monitor transactions, and verify the validity of change of address requests. In order to prevent Identity Theft, we will not open a new account and may close an existing account and notify law enforcement if *Red Flags* are detected.

Definition Of Red Flag Rules

Customer personal information is information the PUD obtains or creates in the normal course of providing services to its customers or by its employment of personnel. A "Covered Account" are those accounts used mostly for personal, family or household purposes and is designed to permit multiple payments or transactions. Covered accounts that the PUD would have access to include but are not limited to credit card accounts, saving or checking accounts. This also extends to employee information that is sensitive in nature and which the PUD maintains.

Covered account is an account for which there is a foreseeable risk of identity theft.

Red Flag is a pattern, practice, or specific activity that indicates the possible existence of identity theft. We will demonstrate within our policies and procedures how we comply with the Red Flag rules. The plan will address the following requirements:

1. Establish a written policy/program to protect against Identity Theft
2. Detect Red Flags

- a. Verify identity of person opening a covered account
 - b. Obtain identifying information about a customer –password
 - c. Authenticate customers
 - d. Monitor customer transactions
 - e. Verify change of address requests
3. Respond to Red Flags:
 - a. Identify factors leading to identity theft
 - b. Security of sensitive information
 - c. Response to unauthorized access to account information

JPUD's policies and procedures will further define responses to Red Flag Indicators, which will address the following:

1. Describe how we will monitor a covered account.
2. Describe the process of when and how a customer should be contacted
3. Describe how often we change passwords or security codes and what type of "strong password" program do we have in place
4. Describe how closing an existing account and then reopening the account is handled.
5. Describe our procedure on using a debt collection agency
6. Describe the process of when and how local law enforcement should be notified
7. Describe the process to determine when no response is warranted.
8. Describe the type of data security that is used within our information system
9. Describe how monitoring and testing of our policies and procedures will take place
10. Describe sensitive information retention policy
11. Describe how the Federal Trade Commission's five established categories of Red Flags will be used:
 - a. Alerts, notifications, warnings from a consumer reporting agency
 - b. Suspicious documents
 - c. Suspicious personal identifying information
 - d. Unusual use of, or suspicious activity related to a covered account
 - e. Notice from customers, victims, or law enforcement

We will, within our policies and procedures, define how we will use the five categories of Red Flags.

Red Flag Requirements

JPUD is required to develop a written information security plan that describes our program to protect customer information. The plan will contain the following elements:

1. Identify one or more employees who will coordinate its information security program
2. Identify and assess the risks to customer information in each relevant area
3. Evaluate the effectiveness of current safeguards for controlling these risks
4. Regular monitoring and testing of the plan's effectiveness
5. Incorporate Red Flag safeguards in contracts with service providers
6. Adjust the program as changes occur within the business or operations

The plan will incorporate "Red Flag" indicators, which are used to protect, trigger inspection or direct the reaction to the misuse of personal information.

Detecting And Responding To Red Flags

Policies and procedures will define how we intend to detect and respond to Red Flag Indicators to prevent and mitigate the potential risk of Identity Theft within our organization. All employees will be required on an annual basis to attend training on the JPUD Theft Policies. New hires will be required as part of their orientation to review the Identity Theft Policies in conjunction with JPUD's Data Privacy Policy. The JPUD policies and procedures are design to aid employees in understanding, detecting, and preventing the potential risk of identity theft. The JPUD policies will further define how we will adhere to the Red Flag rules by implementing the following procedures.

Authenticating Customer Information:

It will be the responsibility of employees who deal directly with sensitive customer information to verify the identity of customer. Red Flag rules require that before any information is given or changes are made to an account, the customer must be authenticated by use of a password. Each customer will receive a pre-assigned password that will serve as their customer authentication. Customers who use electronic bill payment will use passwords they have chosen. The verification process also includes being on guard for any suspicious looking documents or other information requests. This may include identification or information that appears to have been altered. We use Online Utility Exchange (OUE) as our third-party source to verify customer information. When suspicious activity is identified it will be reported immediately to a supervisor and then to the Red Flag Committee.

Specific customer verification steps will be used in the following instances:

Opening A Covered Account:

When customer opens or changes an account it will be the responsibility of the Customer Service Representative to verify the identity of the person using two forms of ID.

Closing And Reopening A Covered Account:

Closing an account – There are two ways an account can be closed, voluntary and involuntary.

Voluntary: When a customer chooses to cancel service with us. The customer's closed account should have sensitive information removed or the account purged after a three-year period or after the final payment has been made. Sensitive information that is retained from customers who cancelled service will be kept secure.

Involuntary: When JPUD has suspended or canceled a customer's account for non-payment or malicious/illegal use of services. The same identity theft guidelines apply in that a customer must be verified prior to services being reactivated by supplying their password.

Customer incapacitation – The customer's personal representative or power of attorney will be presented as proper documentation before changes or closing of the account can be processed.

Suspicious Activity Related To A Covered Account:

It will be the responsibility of Customer Service, the Broadband Service Center, the Help Desk, and the Finance department to use these indicators to assist in monitoring and reporting suspicious activity. However, all employees should be aware of and using these indicators to help identify suspicious activity. This will include:

1. verifying change of address activity;
2. nonpayment when there is no history of late or missed payments;
3. unusual phishing for credit card or bank information, personal information related to the account;
4. a material change in telephone calling patterns in connection with a phone account;
5. an account that has been inactive for a long period of time is used;
6. mail sent that is repeatedly returned as undeliverable even though transactions continue to occur on the customer's account;
7. customer notification they are not receiving their paper account statements;
8. customer notification of unauthorized charges or transactions in connection with a customer's account.

Retention Of Sensitive Information:

It will be our policy and procedure to retain relevant sensitive information for no more than three years in accordance with our Data Retention Policy. The following guidelines apply:

Disposal Of Sensitive Information:

Deposit outdated paper information in specially marked disposal bins on company premises; electronic data will be expunged/cleared. Reliably erase or physically destroy outdated materials. Each department will be equipped with or have easy access to shredders. At NO TIME should sensitive information be included in recycle bins if not properly shredded.

Use Of Debt Collection Agencies:

It is our policy to use an outside debt collection agency once a customer's account is 90-days past due. After 90-days of non-payment, Accounts Receivable sends all the pertinent information on the customer to the specified debt collection agency. Pertinent information may

include name, Social Security number, addresses, phone numbers, account information, and amount due. The contractual agreement with the service agency must ensure it requires them to maintain safeguards. It will be our responsibility to oversee their handling of customer information.

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