

## Special Meeting Agenda

### PUD Board of Commissioners

Monday, March 25, 2024 2:00 PM

310 Four Corners Rd./and per ZOOM

Port Townsend, WA 98368

And on line VIA ZOOM



**To join online go to:** <https://zoom.us/my/jeffcopud>. Follow the instructions to login. Meetings will open 10 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.

#### 1. Call to Order

JPUD will be offering both virtual on-line meetings as well as in-person meetings, unless advance notice is provided. Online 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. Roll Call

Recommended Action: Approve a Motion to adopt agenda as presented

#### 3. Agenda Review

#### 4. Manager's Report

#### 5. Resolution: PWB Broadband Construction Loan

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[AR PWB Broadband Loan \(1\).pdf](#)

[Resolution 2024-007 PWB.docx](#)

#### 6. PUD Procurement Manual Revisions and Update

Discussion only

#### 7. Grant Compliance - Moss Adams

Discussion only

#### 8. Adjourn

Board of Commissioners:  
 Jeff Randall, District 1  
 Kenneth Collins, District 2  
 Dan Toepper, District 3  
 Kevin Streett, General Manager



**AGENDA REPORT**

**DATE:** March 25, 2023  
**TO:** Board of Commissioners  
**FROM:** Will O’Donnell, Broadband and Communications Director  
**RE:** PWB BROADBAND LOAN

**BACKGROUND:** JPUD’s Olympic Fiber Corridor project grant application was submitted in the summer of 2021. Since that time, construction costs have increased significantly. When design engineering was completed in the fall of 2023, it was clear that the PUD would need to find additional funding to cover increased costs. It was also clear that our Jefferson North project would face similar cost overruns, as it used similar construction estimates for its fall 2021 application. To cover these costs, staff applied for a \$4M low interest loan funding from the Public Works Board. The application passed the first round and is now in the second.

**FISCAL IMPACT:** \$4M loan at 0.42% interest rate over 15 years. 10% required cash match of 444,444. PWB Loan was included in the recent Broadband Business Plan update.

**RECOMMENDATION:** Approve Resolution 2024-007 approving the submission of an application to the Washington State Public Works Board-Broadband program for a loan for an eligible construction project.

OFC – IBTWN PROJECT BUDGET.

BUDGETS	OFC					IBTWN	total items
Budget Category	NTIA	WSBO Match	PWB Loan	JPUD MATCH	Total	WSBO	
Architecture and Eng	\$0	\$1,400,000	\$0		\$1,400,000	\$939,094	\$2,339,094
Construction	\$3,411,426	\$5,022,723	\$2,109,937	\$222,222	\$10,766,308	\$4,964,451	\$15,730,759
Site Work	\$0	\$165,366	\$0		\$165,366	\$0	\$165,366
Equipment	\$0	\$1,562,877	\$0		\$1,562,877	\$174,986	\$1,737,863
Contingencies	\$0	\$0	\$890,063	\$629,085	\$1,519,148	\$9,156	\$1,528,304
<b>Total:</b>	<b>\$3,411,426</b>	<b>\$8,150,966</b>	<b>\$3,000,000</b>	<b>\$851,307</b>	<b>\$15,413,699</b>	<b>\$6,087,687</b>	<b>\$21,501,386</b>

JEFFERSON NORTH PROJECT FUNDING BUDGET

Funder	Jeff North	PWB Supplement	total
Fed/State Grant	\$9,718,934		\$9,718,934
State/Local Match	\$750,000		\$750,000
Loan	\$0	\$1,000,000	\$1,000,000
PUD Cash match	\$965,106	\$222,222	\$1,187,328
<b>Total Funding</b>	<b>\$11,434,040</b>	<b>\$1,222,222</b>	<b>\$12,656,262</b>

PWB LOAN PAYMENT TABLE

Year	Amount Borrowed	Interest Expense	Principal	Remaining Balance
2024	3,000,000	1,750	0	3,000,000
2025	1,000,000	16,800	0	4,000,000
2026	0	16,800	300,014	3,699,986
2027	0	15,540	301,274	3,398,711
2028	0	14,275	302,540	3,096,172
2029	0	13,004	303,810	2,792,361
2030	0	11,728	305,086	2,487,275
2031	0	10,447	306,368	2,180,907
2032	0	9,160	307,654	1,873,253
2033	0	7,868	308,947	1,564,306
2034	0	6,570	310,244	1,254,062
2035	0	5,267	311,547	942,515
2036	0	3,959	312,856	629,659
2037	0	2,645	314,170	315,489
2038	0	1,325	315,489	(0)

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

**RESOLUTION NO. 2024-007**

A Resolution of the Board of Commissioners of Public Utility District (PUD) No. 1 of Jefferson County, Washington, approving the submission of an application to the Washington State Public Works Board-Broadband program for a loan for an eligible construction project.

**WHEREAS**, Public Utility District No. 1 of Jefferson County is applying to the Washington State Public Works Board-Broadband Federal funded program for a loan for eligible construction project; and

**WHEREAS**, RCW 43.155.070 requires that applicants planning under RCW 36.70A.040 must have adopted comprehensive plans in conformance with the requirements of chapter 36.70A RCA, and must have adopted development regulations in conformance with requirements of chapter 36.70A RCW (only applicable for only the local governments planning under GMA), and

**WHEREAS**, RCW 70.235.070 requires Greenhouse Gas Emission Reduction requirement; and

**WHEREAS**, RCW 43.155.070 requires that county and city applicants must have adopted the local optional one-quarter of one percent Real Estate Excise Tax, as described in chapter 82.46 RCW; and

**WHEREAS**, the local governing body or private entity has approved submission of this application for a Public Works Board-Broadband; and

**WHEREAS**, the applicant recognizes and acknowledges that the information in the application forms is the only information, which will be considered in the evaluation and/or rating process. Incomplete responses will result in a reduced chance of funding. In order to ensure fairness to all, the Public Works Board does not accept any additional written materials or permit applicants to make presentations before the Board; and

**WHEREAS**, it is necessary that certain conditions be met as part of the application process; and

**WHEREAS**, RCW 43.155.160(3) requires that the project will be advertised for competitive request for proposals and administered according to standard local procedure; and (or if you are a private business, you need to advertise a competitive proposal)

**WHEREAS**, the loan will not exceed the maximum amount allowed by the Board of eligible costs incurred for the project; and

**WHEREAS**, the information provided in this application is true and correct to the best of the applicant's belief and knowledge and it is understood that the state may verify information, and that untruthful or misleading information may be cause for rejection of this application or termination of any subsequent grant agreement(s); and

**NOW THEREFORE**, Public Utility District No. 1 of Jefferson County certifies that it meets these requirements, and further that it intends to enter into a loan agreement with the Public Works Board, provided that the terms and conditions are satisfactory to both parties.

**ADOPTED** at a Special Meeting of the Board of Commissioners of Public Utility District No. 1 of Jefferson County, this 25<sup>th</sup> day of March 2024.

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Jeff Randall, President

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ATTEST:

Dan Toepper, Vice President

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Ken Collins, Secretary